

# National Journal

## Why Is it So Hard to Fire a Low-Performing Government Employee?

By: Michael Catalini – May 24, 2013

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Federal officials at the time of the Gilded Age created the civil service as way to insulate government workers from the influence of politics. The Pendleton Act and the Civil Service Act of 1883 established the merit-based system, which ended the practice of awarding government jobs as political favors and led to the system that is currently in place.

But in the case of the IRS scandal, the very system aimed at keeping politics out of the civil service is helping the person who admitted to targeting tea party groups stay on the government payroll.

Lois Lerner, who headed the tax-exempt division of the IRS, was placed on paid administrative leave this week after she admitted to and apologized for the IRS's targeting of tea party groups. But the fact that she's expected to continue to receive her six-figure salary raised hackles in both parties and touched off a media sprint to explain why it is so difficult to fire federal civilian employees.

"There are fundamental incentive problems for why the firing rate is so low," said Chris Edwards, who is the libertarian Cato Institute's director of tax policy studies. "The taxpayers are paying for federal workers' salaries, but there aren't incentives to fire people—it's unpleasant firing people, but here in the private sector there's pressure for you to do it because you're losing money if you don't."

The news that Lerner, who earned \$177,000 in 2011 and 2012 according to reports, would be placed on paid leave touched off a series of media reports detailing the difficulty of firing federal employees. Managers may fire employees, but federal workers have the opportunity to appeal to the Merit Systems Protection Board. In Lerner's case, as *National Review* reported, she could point to a lack of disciplinary record. Former acting IRS commissioner Steven Miller, whom the president ousted, called Lerner "exceptional" when he announced her promotion in 2005, for example.

Managers have little incentive to go through the time-consuming process, experts explain. Statistically, firing federal workers is rare. In 2012, just 0.4 percent of civilian employees were fired.

"Federal employees' job security is so great that workers in many agencies are more likely to die of natural causes than get laid off or fired," reported *USA Today* after a 2011 study of federal employment statistics.

