

The Actual Impact of Performance Award Pool Changes

Just because the IRS tells you that the new award structure will promote fairness and consistency won't make it true.

In fact, NTEU strongly believes the new structure puts a lot of employees at a disadvantage and will result in many employees not receiving awards this year—even when their performance remains at the same high-performing levels that earned them awards in years past.

Why? The IRS is eliminating the geographic component to the awards pools. That means that employees across the country in the same occupational series will be vying for the awards even though there is a known geographic disparity in appraisal scores. NTEU expects awards for certain occupational groups to be disproportionately distributed to employees in certain areas of the country. That is neither fair nor consistent.

To achieve this restructuring, the IRS rejected the neutral factfinder's recommendation that NTEU's proposal—a simplified pool structure that maintained a geographic feature—be adopted. The fairest system, he said, contained a geographic component.

To address the IRS' efficiency concerns, he recommended that the agency automate it, a relatively small investment in administering a multi-million dollar program. Instead, the IRS prioritized efficiency over fairness, rejected the neutral's recommendation, and took the issue to the administration-appointed FSIP that is stacked with members who side with management in an alarmingly high percentage of cases. As expected, the IRS got what it wanted – a rubber stamp on its unfair and inconsistent proposal.

NTEU will be watching carefully as the awards process plays out. And, we are ready to propose changes to the awards article to make it more fair in the upcoming term bargaining.

