Opportunities and Barriers in the Senior Ranks:

Results from the 2001 Association of Professional Executives (APEX) Executive Cadre Retention and Transition Survey

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Executive Summary

In the spring of 2001 an in-depth survey of executives and executive equivalents[1] was conducted with employees in the federal Public Service (FPS). Results from this survey are presented in this report which reiterate previous research on key issues and also, introduce new issues which have not been reported previously.

Recurring themes:

1. In order to improve career mobility government should facilitate lateral movement within and between departments and agencies.

2. Major differences in levels of satisfaction exist between executives and executive equivalents in relation to their careers overall and with opportunities for career mobility – executives are much more satisfied than executive equivalents.

3. Despite positive appraisals of the competition process, over half of executives who competed for promotions within the last 24 months agreed that the competition favoured departmental candidates and those already known to the hiring manager.

4. Language training remains an issue with over one quarter (28%) of executives requiring this training to reach the CBC level for their position. Moreover, executives in the regions (39%) are more likely to require this training than those in the National Capital Region (24%).

New themes:

1. High levels of satisfaction with career among executives, but a lower level of satisfaction with their opportunities for career mobility. Those who are dissatisfied are most likely to indicate an intention to leave the FPS to pursue different careers.

2. Both candidates' outcomes in recent competitions and respondents' perceptions of management approach and workplace culture strongly influence their evaluations of satisfaction. Specifically, those who were successful in competitions had more positive views than those who were unsuccessful. And, those who had positive assessments of the management approach (e.g. leadership effectiveness) were more satisfied than those who had less positive assessments.

3. Executives have more positive assessments of management approach and workplace culture than executive equivalents, but both groups had lowest agreement levels in response to the statements: "internal services are adequate" and "resources are adequate".

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[1] The term executive equivalent (EX-equivalent) refers to those occupational groups and levels that are compensated at the same pay range as the first level of the executive group. For example, the executive equivalent level for policy managers (PM) is PM-07.

4. The level of priority placed on achieving various career goals is related to respondents' evaluations of their satisfaction with career mobility opportunities. For instance, those who place a high priority on changing from a separate employer or regular PS department to another are less satisfied than those who place a lower importance on this career goal.

5. The top reasons for not applying for a promotion are: satisfaction with current position overall, with current level of responsibilities and satisfaction with current work-life balance. Over half (51%) of executives who did not participate in a competition indicated higher importance to the reason, satisfaction with their current salary.

6. Among those who did participate in a competition, those who had a successful outcome were much more positive in their appraisals of the competition and assessment processes. One key exception to this pattern is the perception of departmental candidates' standing in the competition process. Fully 52% of successful and 61% of unsuccessful candidates agreed that the competition favoured departmental candidates.

7. Among executives, women are much more likely than men to indicate an intention to retire with a reduced pension as soon as it is feasible. This represents a significant loss of expertise and investments in recruitment efforts and training of this group.

8. The key reasons among executives for planning to leave to pursue a different career or retire as soon as it is feasible are: (a) to obtain a better work-life balance; (b) to escape work frustrations; and (c) to escape an excessive workload.

9. Notwithstanding the intrinsic motivations in planning to leave the FPS, when asked what measures would entice them to stay, executives overwhelmingly agreed that *salary increases, increased severance pay and additional pension accrual* would extend their stay. This contradiction between intrinsic factors driving executives away from the FPS and extrinsic ones drawing them back presents a major complication to addressing current challenges in planning.

10. Evidence from this survey indicates that phased retirement would be appealing to potential retirees. There is a high degree of interest among executives in staying beyond the legal retirement age if the following measures were introduced: the opportunity to work on an interesting and meaningful project; employment that does not adversely affect their pensions; the possibility of work-related travel; a post-employment contract; and additional pension accrual.

1.0 Introduction

In order to gain an up-to-date knowledge of work experiences and career plans of executive (EX) and executive equivalent (EX-equivalent) (e.g. ES-07, AS-08) employees in the federal Public Service the APEX Executive Cadre Retention and Transition Planning Survey was conducted in the spring of 2001. The survey was a census and as such questionnaires were distributed to all eligible respondents – approximately 6,500 in total. Over two thousand (2,090) completed questionnaires were received rendering a response rate of 32%. Of the total respondents, over three quarters (77% n=1599) were EXs, one fifth (20% n=427) were EX-Equivalents and the remaining three percent (n=64) were 'other' executives.

This survey represents a significant contribution to the executive succession planning and renewal exercises occurring at the present time. Having a current snapshot of executives' experiences and plans is one of the best ways to develop an awareness of the key issues for this employee group and thus, generate ideas of how to approach the improvement of ongoing and emerging areas of concern.

This report addresses three areas: (1) Job satisfaction, (2) Career goals, and (3) Career plans (including retirement intentions). Given that a descriptive report of the survey findings was published by Ekos Research in June 2001, a review of responses to every survey question is not included in this report. Instead, the analysis herein aims to go beyond description to provide an analytical examination of the data. In other words, it is not only how members within the executive group differ in their attitudes and experiences, but why this might be the case. This more intensive analysis informs the policy-making process in a number of ways.

1.1 Background

Previous studies of the executive group in the federal Public Service have highlighted a number of important issues. For instance, the Strong report (1998)[2] focused on the need to improve compensation (both base and performance pay). This problem was seen as particularly problematic in light of declining job security, which in previous periods acted to offset lower compensation levels. Similarly, a previous study conducted by Watson Wyatt (1996)[3] in which key executives were interviewed revealed that compensation was seen as central as were confidence in leadership and sound corporate management. In response to these findings, the Treasury Board Secretariat implemented salary increases for the executive group. In fact, the second report by the Advisory Committee on Senior Level Retention and Compensation (March 2000:29)[4] states, "Integrity has, in large measure, been restored to the EX and DM compensation structure, and implementation of performance management and the at-risk pay regime is progressing well". Although the present study does not make direct comparisons between past and present experiences, it does explore executives' perceptions after they have received a

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[2] *Advisory Committee on Senior Level Retention and Compensation: First Report* (January 1998) chaired by Lawrence F. Strong

[3] Watson Wyatt (1996) *Executive Retention Issues in the Federal Public Service.*

[4] *Advisory Committee on Senior Level Retention and Compensation: Second Report* (March 2000) chaired by Lawrence F. Strong.

substantial increase. The question then is, if one of the major problems has been addressed, then what other issues are worthy of consideration and how do we go about tackling them?

Another important contextual consideration is that of the dire warnings regarding an executive renewal crisis due to large numbers of retirements. More recent evidence indicates that this scenario may not be borne out as predicted.[5] Research in progress shows that the difference between intentions to retire and actually retiring increases the closer one gets to the time of retiring – this will have implications for succession planning.

1.2 Respondent Profile

The demographic image of executives that emerges from the survey is of a predominantly male, middle-aged, highly educated and experienced group of individuals whose official language is, in most cases, English. Specifically, 71% of executives are male, while 29% are female. Only 7% of respondents are members of employment equity (EE) groups – including visible minorities (3%) , Aboriginal peoples (1%) and people with disabilities (3%). Therefore, in terms of ethnic diversity the executive group is highly homogeneous.

The average age of the entire sample is 50, but it is slightly older for males (51) and younger for females (48).[6] Relatedly, women have contributed, on average, a fewer number of years (21) towards a FPS pension than men (24). Similarly, members of the employment equity groups have fewer years (21) accumulated towards a FPS pension than all others (23). In terms of educational attainment, this executive cohort is a highly educated one with 93% of them holding a Bachelor's degree or above. English was identified as the official language among 74% of executives, while 26% of them indicated French.

Most (77%) of the survey respondents identified themselves as executives (EX), 20% as EX-equivalents and 3% are 'other'.[7] There are no differences in EX status based on gender and employment equity group membership. However, average age and educational attainment do vary according to EX status. EX-equivalent respondents are on average, slightly younger (49) than their EX counterparts (50). EXs also differ from EX-equivalents in terms of the number of years that they have accumulated towards a FPS pension with the former group having a greater average number of years (24) than the latter (20), respectively.

Those in the EX-equivalent group are much more likely to hold a professional certification (14%) or graduate degree (46%) compared to EXs who are more concentrated at the Bachelor's level (42%). As the graph below indicates, very few of the respondents hold a qualification below the university level.

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[5] Treasury Board Secretariat (April 28, 2000) *Recruitment and Retention Strategy for the EX Group: Presentation to the Advisory Committee on Senior Level Retention & Compensation* at p.13.

[6] There was no difference in average age between those who belong to one of the employment equity groups (excluding women) and others. Moreover, due to the small sample size of these groups, they have been collapsed into "other employment equity groups" and include Aboriginal peoples, visible minorities and persons with disabilities.

[7] Throughout this report comparisons based on EX status focus on EXs and EX-equivalents.

Graph 1: Educational attainment by EX status (n=1951)

Horizontal bar chart comparing EX-equivalent and EX educational attainment:

Category	EX-equivalent	EX
Graduate degree	46%	44%
Professional certification	14%	5%
Bachelor's degree	32%	42%
Some university	1%	2%
Trade certification	1%	1%
Vocational/Tech. College	3%	3%
High school	4%	3%
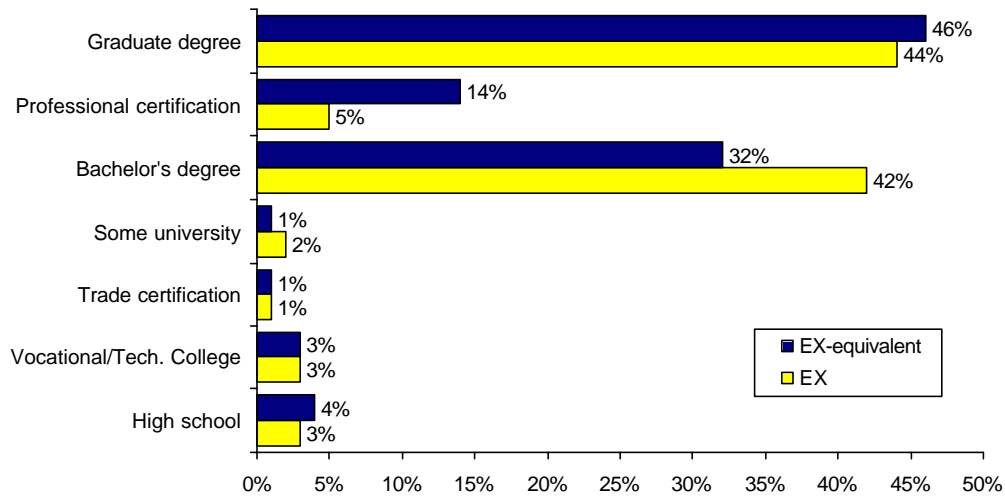
Yet, there is another consideration to this association – educational attainment among the executives varies by gender (see table below). Among executives, women (48%) outnumber men (39%) at the Bachelor's level, but the opposite is the case at the post-graduate level (40% of women and 46% of men).

Table 1: Executive educational attainment by sex

	Male (%)	Female (%)
Bachelor's degree	39	48
Professional certification	5	4
Graduate degree	46	40
Total number	1098	459

Given the bilingual requirement in executive positions, it is useful to know what proportion of executives require second language training in order to meet the CBC level for their position. Almost one third (28%) of all executives require language training; moreover, this was much more the case for males (29%) than females (24%). Members of the employment equity groups (excluding women) (37%) were also more likely to require language training than all other executives (27%). Regional differences were also found with executives in the National Capital Region (24%) much less likely to require training than those in the regions (39%). This may be due to more limited access to language training outside the NCR. It was also the case that a larger proportion of EX-equivalents (40% versus 28% of EXs) required language training. In sum, males, members of other employment equity groups, those in the regions and EX-equivalents are much less likely to have attained a CBC level, which is the minimum requirement for EX jobs. Language training may be a specific issue if there is to be an emphasis on hiring more visible minorities into the executive ranks.

2.0 Job Satisfaction

Job satisfaction is a useful indicator of experiences at a general level; moreover, it is frequently associated with other factors including, for example, one's occupational group and position in an organization. This section begins by examining satisfaction at a broad level and then attempts to uncover the relationships between satisfaction and demographic and other factors. Two questions on satisfaction were included in the survey questionnaire – one on satisfaction with one's career in the federal Public Service and the other with opportunities for career mobility.[8]

2.1 Satisfaction with career

Overall, most respondents are satisfied with their careers. Almost nine-tenths (88%) of executives indicated a degree of satisfaction in their responses to the question on career satisfaction. Despite this finding of high overall satisfaction, it raises the question of what factors are associated with varying levels of satisfaction. Because there is higher satisfaction overall few indicators were associated with this variable. For example, we found no gender, employment equity group or age differences with career satisfaction. However, if one had participated in a job competition in the past 24 months, those who had not been successful were much more likely to be dissatisfied than those who were successful.[9] Specifically, 15% of executives who were unsuccessful in a job competition were dissatisfied with their careers in the FPS, while only six percent of successful candidates indicated this. It is difficult to know whether or not the recency of this outcome is the sole reason for the differences in job satisfaction. It could be the case that they were less satisfied prior to participating in the competition.

Position within the occupational hierarchy is also a factor associated with satisfaction. In the context of the present survey, major differences in levels of satisfaction were found between EX and EX-equivalent respondents. While nine percent of respondents who identified themselves as EXs were dissatisfied with their careers, 15% of those in the EX-equivalent group responded this way. This is a substantial difference in evaluations, which reflects an important factor in experiences between the two groups. A possible explanation for this difference is that executives have greater decision-making powers and control over resources compared to EX-equivalents who may be more constrained in these regards.

In an effort to further understand the differences in career satisfaction between EXs and EX-equivalents, one-way analyses of variance were conducted comparing the average number of hours worked during the week and on the weekend by members of these two groups. Despite working an average of 50 hours per week, EX respondents had higher levels of satisfaction than EX-equivalents who worked an average of 46 hours. Similarly, EX respondents worked an average of 5 hours on the weekend, whereas EX-equivalents worked 4 hours; however, these differences were not associated with different levels of satisfaction. These results indicate that it

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[8] Response categories were arranged on a seven point scale ranging from very dissatisfied coded as '1' to very satisfied coded as '7'. The mid-point of the scale represented "neither dissatisfied nor satisfied" and was coded as '4'.

[9] Of the 1599 executive respondents to the survey, 712 or 45% indicated that they had competed for a competition in the last 24 months.

is not the case that one group works longer hours than the other and therefore, reports greater levels of dissatisfaction.

The work environment itself can and does influence how individuals evaluate their satisfaction. In fact, there are significant relationships between career satisfaction and responses to questions regarding the management approach and workplace culture in the FPS. In reference to a number of management statements, survey participants were asked to indicate their responses on a seven point scale ranging from 'completely disagree' to 'completely agree' with 'neither disagree or agree' in the middle. In order to determine which areas were most problematic for respondents, we examine the proportion of those who indicated that they were satisfied with their careers by whether or not they agreed or disagreed with these statements.

Graph 2: Proportions of Executives who are satisfied with their careers by agreement or disagreement with management approach and workplace culture questions (n=1580)

Statement	Agree	Disagree
You have latitude in setting priorities	91%	67%
Leadership is effective	92%	68%
Learning is encouraged and supported	89%	68%
Your supervisor treats you with respect	88%	68%
You can disagree with your supervisor without reprisal	89%	69%
Communications are good	91%	72%
Roles and mandates are clear	90%	72%
Your supervisor gives recognition when you do your job well	89%	72%
Training of employees is effective	92%	75%
My organization is willing to take some risk	91%	75%
Your supervisor provides useful feedback on job performance	91%	76%
Your supervisor is supportive of work-life balance	89%	75%
The organization is stable	91%	77%
Internal services are effective	92%	81%
Resources are adequate	91%	82%

As the above graph indicates, the differences in satisfaction levels between executives who agreed and disagreed with various statements vary considerably. The greatest difference (24%) is found in reference to the statement, "Leadership is effective". Specifically, 92% of executives who agreed with the statement were satisfied with their careers, whereas only 68% of those who disagreed were satisfied. Clearly, the attitudes regarding leadership effectiveness are highly polarized when crosstabulated by levels of satisfaction.

It is important to point out that a smaller proportion of executives (between 67-69%) who disagreed with the following statements were satisfied. These statements include: "You have latitude in setting priorities" (67%), "Leadership is effective" (68%), "Learning is encouraged and supported" (68%), "Your supervisor treats you with respect" (69%) and "You can disagree with your supervisor without reprisal" (69%). Interestingly, findings from a recent Corporate Leadership Council study indicate that 'project responsibility' and 'empowerment' were considered much more important by those in Vice-President positions and above, than those in positions below this level.[10] Thus, it may be the case that executives given the greater scope of their jobs are much more concerned with these issues than other employees.

Responses to three statements were found to be associated with EX status: "Communications are good", "Roles and mandates are clear", and "The organization is stable". Again, EX equivalent employees who agreed with these statements were much less satisfied than EXs. This shows that differences in levels of satisfaction are due to not only different attitudes towards management approaches and culture, but also to hierarchical level.

2.2 Satisfaction with career mobility opportunities

In contrast to satisfaction with their careers in the FPS, respondents were more divided on the question of how satisfied they are with opportunities for career mobility. Over half (58%) of executives were satisfied, while 25% were dissatisfied. There were slight differences between men and women executives on this question. Almost two-thirds (60%) of female and 57% of male executives indicated that they were satisfied with their career mobility opportunities – this is an encouraging result considering the more recent entry of women in larger numbers into the upper echelons of the FPS.

Respondents were asked to prioritize a given set of options in order to improve career mobility.[11] The most frequent (79%) response selected as a higher priority was "facilitating lateral movement within and between departments and agencies". This suggests that executives feel that there are barriers to career mobility based on limited movement between and within organizations in the federal Public Service. Movement between departments and agencies was also raised in the Strong report (1998:17) as the most significant factor in constraining the quality of management. Clearly, inter-departmental mobility remains a major issue for executives.

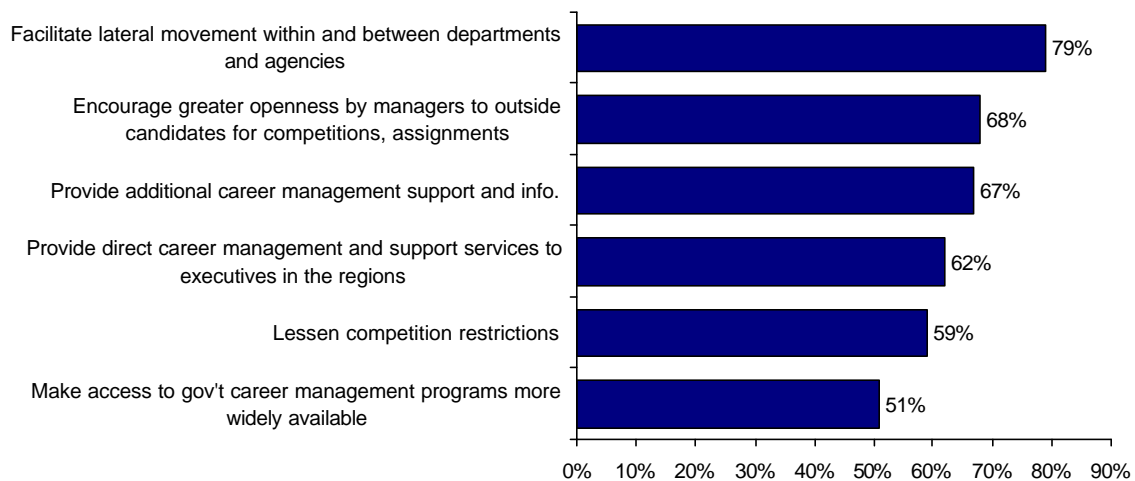[10] Corporate Leadership Council (2001) *Voice of the Leader* p.9.

[11] The possible responses ranged from "low priority" coded as '1' to "high priority" coded as '7'. The mid-point was labeled as "moderate priority" and had a value of '4'.

Similar concerns regarding the lack of inter-departmental and inter-agency mobility, selection processes favouring internal candidates and the need for more broadly based career development mechanisms were raised in the recently released Report of the PSCAC Working Group on Mobility. The above results reinforce these concerns and suggest there are some fundamental issues to address with respect to opportunities for mobility at all levels within the FPS.

The second and third items identified by executives as a higher priority were: encouraging greater openness on the part of managers to outside candidates for competitions, assignments or secondments (68%) ; and providing additional career management support and information (e.g. regarding specific deployment opportunities) (67%).

Executives in the NCR were more likely to rate these items as being a higher priority than those in regional locations. For example, 71% (n=739) of executives in the NCR considered encouraging greater openness on the part of managers to outside candidates for competitions as a higher priority, compared to 64% (n=280) of those in the regions. Moreover, almost three quarters (73%, n=361) of executives in the regions compared to 56% (n=477) of those in the NCR considered the following a higher priority: "provide direct career management and support services to executives in the regions."

Graph 3: Proportion of executives indicating higher priority to career mobility improvements (n=1599)

Item	Percentage
Facilitate lateral movement within and between departments and agencies	79%
Encourage greater openness by managers to outside candidates for competitions, assignments	68%
Provide additional career management support and info.	67%
Provide direct career management and support services to executives in the regions	62%
Lessen competition restrictions	59%
Make access to gov't career management programs more widely available	51%

These results raise the question, is there a relationship between the priority given to certain items and how satisfied executives were with the opportunities for career mobility? In fact, there were strong and consistent associations found between four of these items and satisfaction with career mobility opportunities. Specifically, a greater proportion of executives who were dissatisfied (85%) than those who were satisfied (78%) with mobility opportunities indicated a higher priority to facilitating lateral movement within and between departments and agencies. Similarly, dissatisfied executives (80%) were more likely than satisfied ones (64%) to indicate that a higher priority should be given to encouraging greater openness by managers to outside candidates. The other two items that we find these associations with are: 1) providing additional career management support and information; and 2) lessening competition restrictions. These

associations indicate that executives who feel a greater need for openness and career mobility (i.e. those who may feel blocked) are more likely to be dissatisfied.
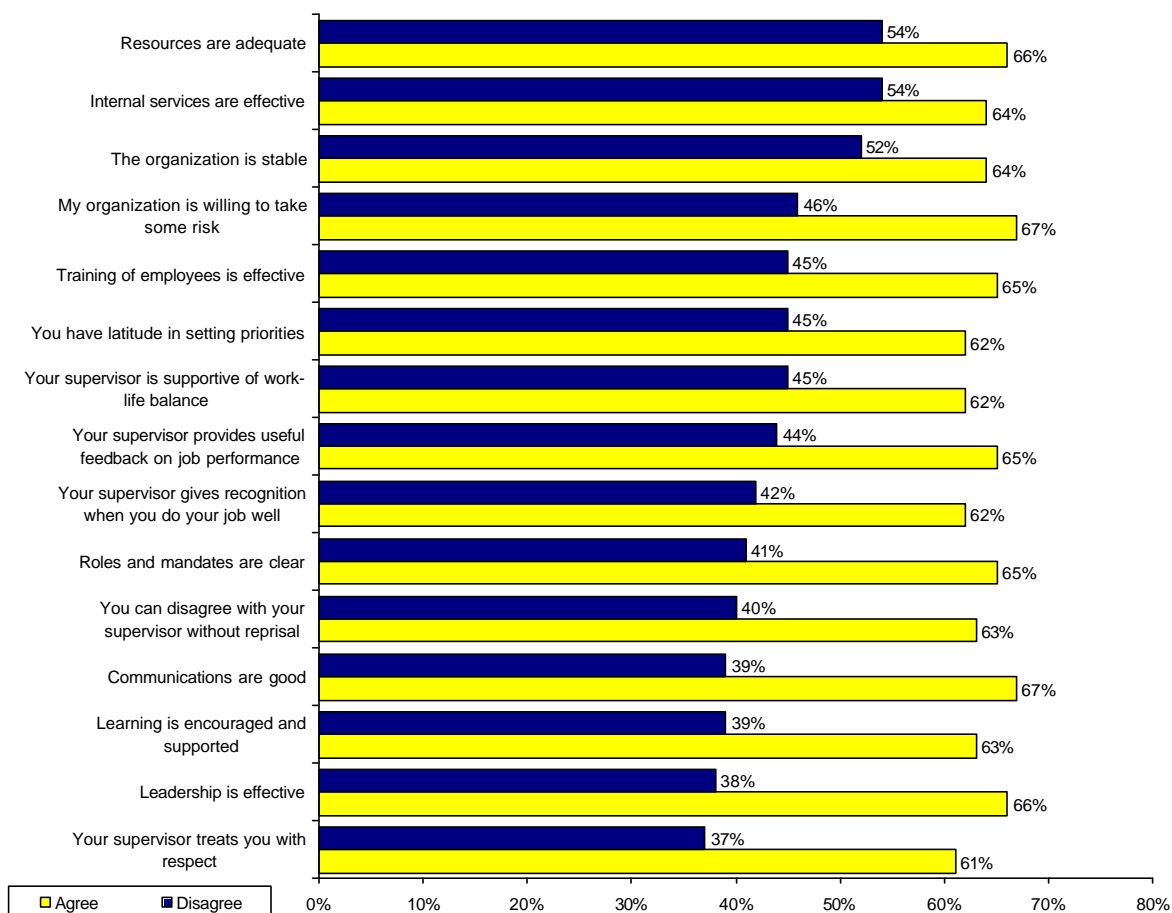
Again, as was the case for career satisfaction, success in a competition for a promotion within the last 24 months was a strong driver of satisfaction with their opportunities for mobility. Almost three quarters (71%) of executives who had been successful compared to 41% of those who were unsuccessful indicated that they were satisfied with their opportunities for career mobility. This result is as one would anticipate given that those who were successful have been recently promoted in their careers and thus, probably perceive their opportunities in a more positive light than those who were unsuccessful.

Satisfaction with opportunities for career mobility was also strongly associated with management approach and workplace culture. Moreover, the difference in levels of satisfaction between those who agree and disagree is greater at the lower than the higher end (i.e. "Resources are adequate" and "Internal services are effective").

- There is a 28 percentage point difference in satisfaction levels between those who agree (66%) and disagree (38%) that leadership is effective and,

- an equal difference between those who agree (67%) and disagree (39%) that communications are good.

Two of the questions associated with the lowest levels of satisfaction with career mobility opportunities are related to the encouragement and support of learning (63% among those who agree and 39% among those who disagree) and being treated with respect by one's supervisor (61% among those who agree and 37% among those who disagree). It is not difficult to imagine why learning and respect from their supervisors would be related to respondents' satisfaction with opportunities for career mobility given that these two factors are strongly associated with promotion. Furthermore, these results indicate that drivers of job satisfaction are linked to factors intrinsic to the job. Contrary to previous research, extrinsic rewards such as compensation may not play as significant a role in satisfaction as workplace culture factors such as leadership, communications, training opportunities and respect from one's supervisor.
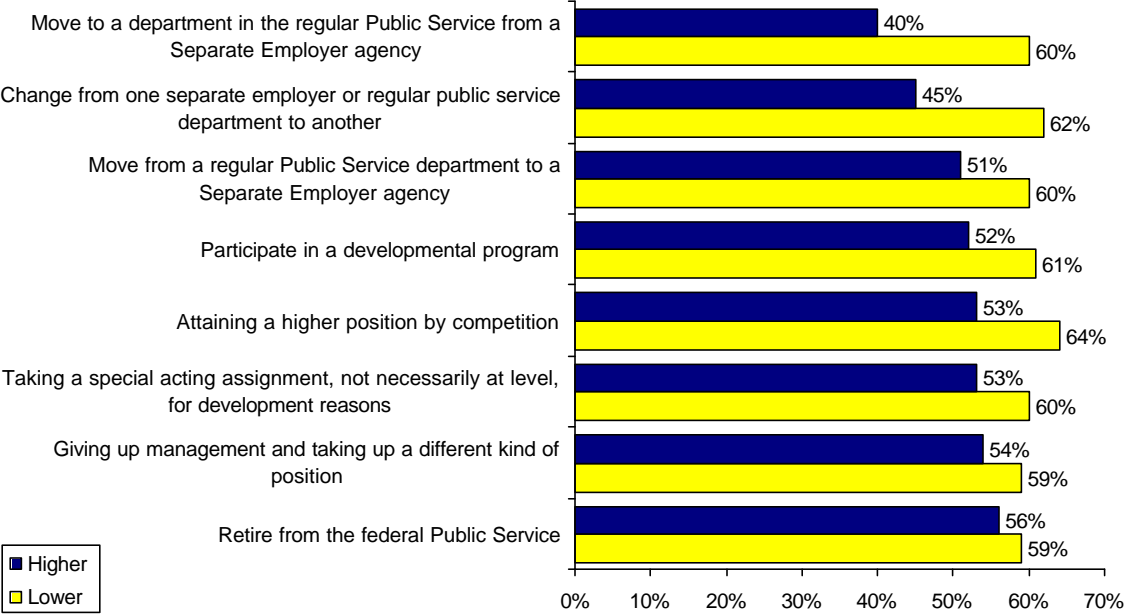
Graph 4: Proportion of executives satisfied with career mobility opportunities by agreement or disagreement with management approach and workplace culture questions (n=1558)

Question	Disagree	Agree
Resources are adequate	54%	66%
Internal services are effective	54%	64%
The organization is stable	52%	64%
My organization is willing to take some risk	46%	67%
Training of employees is effective	45%	65%
You have latitude in setting priorities	45%	62%
Your supervisor is supportive of work-life balance	45%	62%
Your supervisor provides useful feedback on job performance	44%	65%
Your supervisor gives recognition when you do your job well	42%	62%
Roles and mandates are clear	41%	65%
You can disagree with your supervisor without reprisal	40%	63%
Communications are good	39%	67%
Learning is encouraged and supported	39%	63%
Leadership is effective	38%	66%
Your supervisor treats you with respect	37%	61%

The level of priority which executives place on various career goals is related to how satisfied they are with opportunities for career mobility (see graph below). *Executives who place a higher priority on career goals indicate lower levels of satisfaction than those who place a lower priority on them.* For example, 62% of executives who indicated a lower priority to changing from a separate employer or regular Public Service department to another were satisfied compared to 45% of those who placed a higher priority on this career goal.[12] Similarly, those who feel that moving to a department in the regular FPS from a separate employer agency is a higher priority are less satisfied (51%) than those who place a lower priority on this career goal (60%). Evidently, the higher priority one assigns to career goals involving movement from/to a department or separate employer generally, the less satisfied one will be. It could be the case that those who are in a position to be making such career moves are more aware of obstacles and thus, they are less satisfied with their career mobility opportunities.
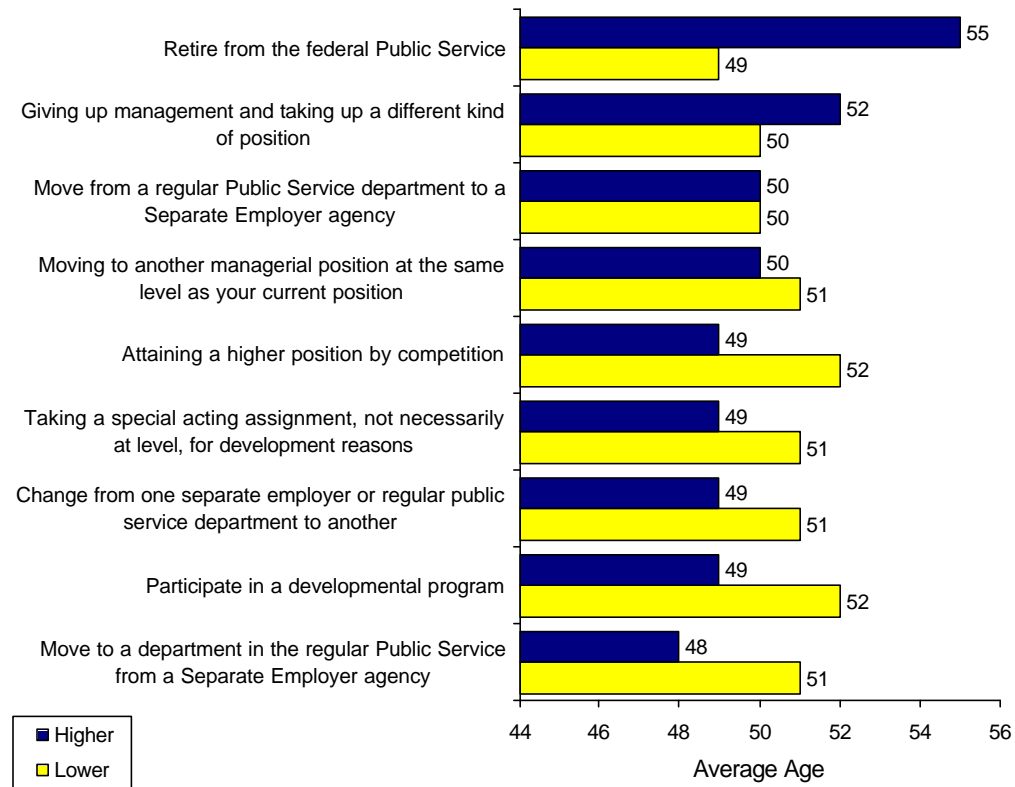
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[12] Moving to another managerial position at the same level as their current position was not correlated with satisfaction and therefore, does not appear in the above chart.

Graph 5: Proportion of executives satisfied with opportunities for mobility by priority placed on various career goals (n=1558)

Career Goal	Higher	Lower
Move to a department in the regular Public Service from a Separate Employer agency	40%	60%
Change from one separate employer or regular public service department to another	45%	62%
Move from a regular Public Service department to a Separate Employer agency	51%	60%
Participate in a developmental program	52%	61%
Attaining a higher position by competition	53%	64%
Taking a special acting assignment, not necessarily at level, for development reasons	53%	60%
Giving up management and taking up a different kind of position	54%	59%
Retire from the federal Public Service	56%	59%

Another interesting finding is that there is a relationship between the priority placed on certain career goals and age, which is illustrated in the graph below. Compared to older executives, younger ones place a higher priority on all mobility goals except two. The major exceptions were that older executives gave higher priority to: 1) retiring from the FPS, and 2) giving up management responsibility and taking up a different kind of position. Executives more likely to cite giving up management and taking up a different kind of position as a higher priority had an average age of 52 compared to those who saw this as a lower priority who had an average age of 50. Similarly, those executives who gave a higher priority to retiring from the FPS in the next two years as a career goal were on average older (55) compared to those who placed a lower priority on this goal (49). Given that older executives are closer to retirement, this association is in the direction one would expect.

Graph 6: Average age of executives comparing those who place higher and lower priorities on various career goals (n=1384)

Career Goal	Higher	Lower
Retire from the federal Public Service	55	49
Giving up management and taking up a different kind of position	52	50
Move from a regular Public Service department to a Separate Employer agency	50	50
Moving to another managerial position at the same level as your current position	50	51
Attaining a higher position by competition	49	52
Taking a special acting assignment, not necessarily at level, for development reasons	49	51
Change from one separate employer or regular public service department to another	49	51
Participate in a developmental program	49	52
Move to a department in the regular Public Service from a Separate Employer agency	48	51

Average Age

3.0 Career Goals

Executives who did not compete for a promotion within the last 24 months were asked to rate how important they considered a number of possible reasons to their decision. The top four reasons in terms of higher priority are related to: satisfaction with their current position overall (73%), satisfaction with current work environment (68%), satisfaction with current level of responsibilities (68%) and satisfaction with work-life balance (65%). These results suggest that for those individuals who are in positions that meet their needs and expectations in terms of responsibility, environment and work life balance, competing for a higher level position has not been a pressing issue within the last 24 months.

Graph 7: Level of importance given to various reasons for not competing for a promotion within the past 24 months, executives only (n=784)
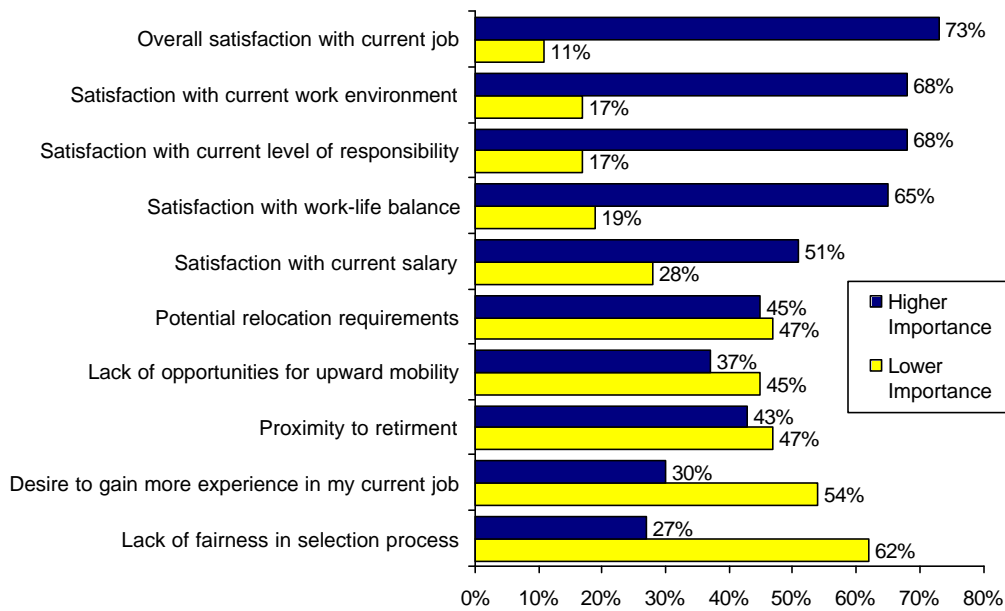
Interestingly, lack of fairness in the selection process (27%) and the desire to gain more experience in their current jobs (30%) were rated as having lower importance among executives. Their responses to the fairness statement reveal that the process of competing for a promotion is not a deterrent to applying. However, greater ambiguity is found in the responses to the following considerations: satisfaction with current salary (51%); potential relocation requirements (45%); proximity to retirement (43%); and lack of opportunities for upward mobility (37%). It is noteworthy that 51% of executives indicated that satisfaction with current salary was of higher importance as a reason for not applying for a promotion. This indicates that for these individuals their salary is sufficient to warrant staying in their positions. So, given the focus on improving executive compensation in previous studies this is not a central concern for this sub-group of executives.[13]

[13] *First Report of the Advisory Committee on Senior Level Retention and Compensation* (January 1998) Treasury Board of Canada http://www.tbs-sct.gc.ca
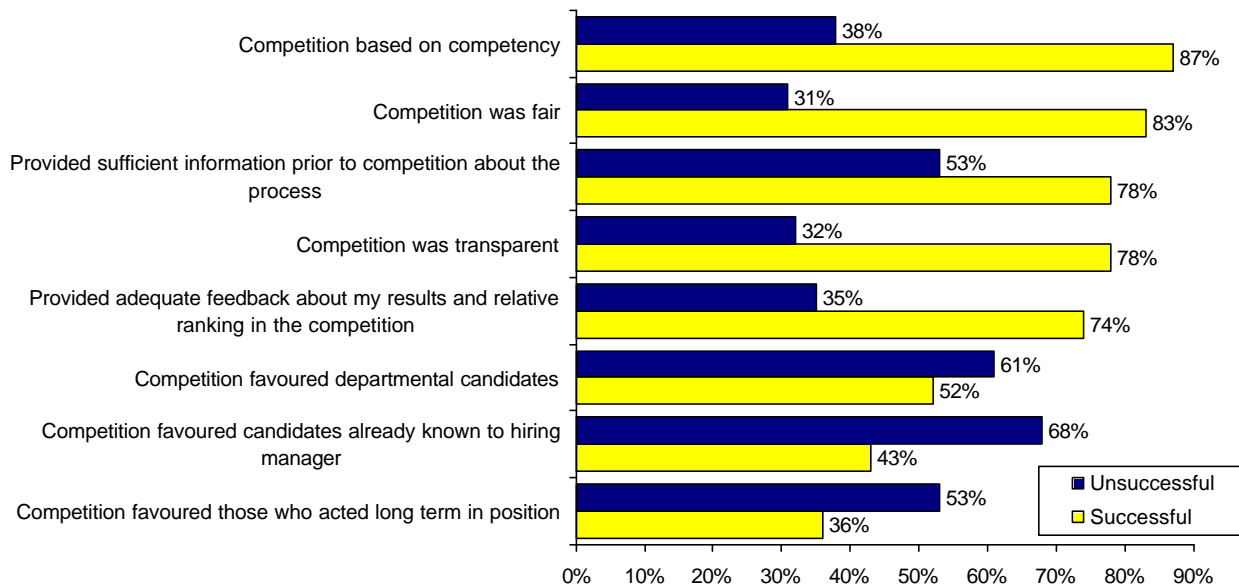
3.1 Competing for a promotion

Executives who had recently competed for a promotion (within the last 2 years) gave generally positive views of the competitive process. Over two-thirds of executives who did participate in a competition for promotion indicated that they agreed that the competition was based on competency (70% versus 20% who disagreed) and provided sufficient information prior to the competition about the process (69% versus 20% who disagreed). A slightly smaller proportion of respondents agreed that the competition was fair (65% versus 22% who disagreed), transparent (62% versus 25% who disagreed) and provided adequate feedback about results and relative ranking in the competition (60% versus 30% who disagreed). However, employment equity candidates (excluding women) were less likely to feel that they received adequate feedback about the competition process (48%, n=24 versus 61%, n=385).

Despite the generally positive assessments of the competitive process, some issues of concern to the Public Service Commission (PSC) were raised. Over half of executives agreed that the competition favored departmental candidates (55%); those already known to the hiring manager (52%); and those who had acted on a long-term basis in the position (42%). These findings support earlier points made regarding more inter-departmental movement and greater openness among managers to external candidates and as such, are cause for concern given the existing policies – especially the merit principle – for hiring in the FPS.

Perceptions on all eight statements regarding the competition and assessment process are associated with whether or not executives were successful in a competition. As one would expect, successful candidates had more positive views of the process than those who were unsuccessful. Yet, there are areas where both groups have less positive relative ratings overall. For example, 52% of successful and 61% of unsuccessful candidates agree that the competition favored departmental candidates. *If there is indeed departmental favoritism, then this maintains and even further exacerbates the problem of mobility across departments.* Similarly, 43% of successful and 68% of unsuccessful respondents agreed that the competition favored candidates who were known to the hiring manager. These perceptions even among a large proportion of successful candidates suggest that competitive processes at the executive level may be less open and transparent than desired. Smaller proportions of both groups – 37% of successful and 53% of unsuccessful candidates – agreed that the competition favored those who acted long term in the position. These findings show that it is not only a matter of negative perceptions on the part of unsuccessful candidates that account for lower ratings of the competition and assessment process. In other words, these areas are problematic for executives regardless of how they did in their competitions.

Graph 8: Proportion of executives agreeing with statements regarding competition and assessment processes (n=693)

Statement	Unsuccessful	Successful
Competition based on competency	38%	87%
Competition was fair	31%	83%
Provided sufficient information prior to competition about the process	53%	78%
Competition was transparent	32%	78%
Provided adequate feedback about my results and relative ranking in the competition	35%	74%
Competition favoured departmental candidates	61%	52%
Competition favoured candidates already known to hiring manager	68%	43%
Competition favoured those who acted long term in position	53%	36%

3.2 Resource utilization

Study participants were asked whether or not they accessed certain PSC managed corporate services in competing for a position. Executive women were much more likely than executive men to seek assistance through corporate services in the context of their EX competitions. For instance, 29% of females compared to 14% of males sought career advice through the executive programs. A smaller difference was found between females (23%) and males (13%) regarding the accessing of counseling services through the Personnel Psychology Center.

Respondents were asked to indicate their level of interest in four development programs and/or assignments. Most interestingly, approximately one third of executives indicated a strong interest in applying for international assignments (37%) and participating in the interchange program (34%). *Clearly, these results indicate a desire to gain work experience in the world beyond the FPS.* Much smaller proportions of individuals indicated a strong interest in the Accelerated Executive Development Program (AEXDP) (13%) and the Assistant Deputy Minister (ADM) Pre-qualified Pool (12%). Despite these differences in interest, similar proportions of respondents had already applied to the AEXDP (7%), ADM pre-qualified pool (4%), and for international assignments (4%). Only two percent of respondents had applied to participate in the interchange program. One possible explanation for this difference in interest and action is that the interchange program is less institutionally and culturally developed than AEXDP and PQP.

On three of the four questions, female executives were more likely than males to have a strong interest in participating in these programs. Almost ten percent more females (39%) than males (31%) indicated a strong interest in the Interchange Program. Approximately one seventh (15%) of females compared to 12% of males had a strong interest in the AEXDP program. More females (13%) than males (11%) overall had a strong interest in applying to the ADM Pre-

qualified Pool. Female executives' greater interest in these programs reflects their propensity, as is the case with other traditionally disadvantaged groups, in pursuing advancement through formal channels rather than via "social networks".

Differences regarding the level of interest in these programs were also found between members of the other employment equity groups[14] and all other executives. As is evident in the graph below, members of the other EE groups are particularly interested in these programs. Most importantly though, one quarter (25%) of EE members compared to 10% of others indicated a strong interest in the AEXDP. Furthermore, EE members (11%) were much more likely than others (6%) to have already applied to this program by a ratio of almost two to one. Given these results, greater efforts could be made to facilitate these interests among members of the EE groups.

Graph 9: Proportion of executives who have a strong interest in programs by EE status (n=1599)

** not statistically significant

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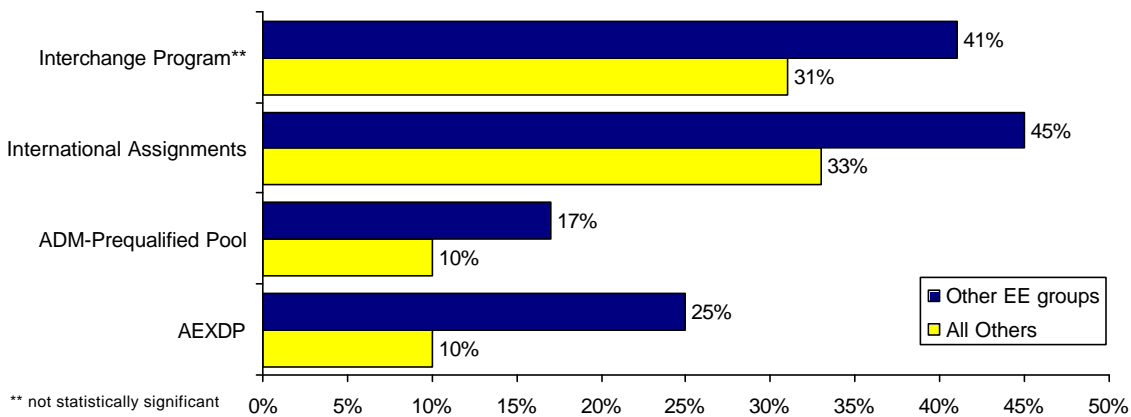
[14] Other employment equity groups include visible minorities, Aboriginal peoples, and persons with disabilities.

4.0 Career Plans

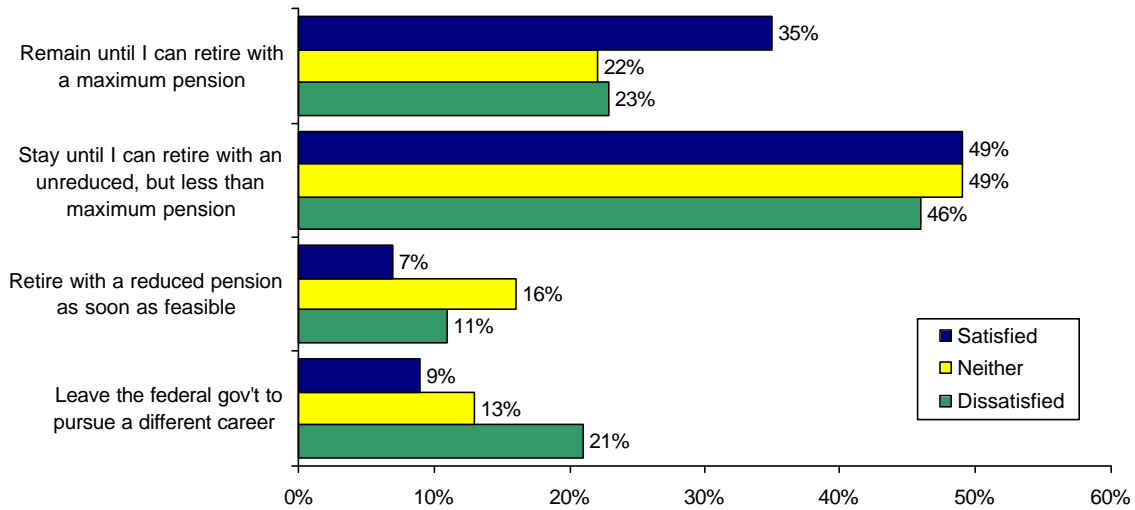## 4.1 Countdown to retirement or leaving the FPS

A key factor in developing succession plans for executives is current executives' career plans. This section examines their plans and how they relate to demographic and other factors, such as EX status. In terms of an overall average number of years that respondents plan to work before retiring or leaving this group was found to have an average of 8 and ranging from 1 to 34 years. A significant difference was found among the sexes: female respondents indicated that they would work an average of 9 years while males plan to work for another 7 years. On account of being younger overall, with an average age of 49, it is understandable that women would have more years until retirement or leaving than men in the sample, who have an average age of 51 years.

Intentions regarding when executives plan to leave the FPS were also gauged. They could select one of four responses: 1) leave the federal government to pursue a different career (10%); 2) retire with a reduced pension as soon as it is feasible (8%); 3) stay until I can retire with an unreduced, but less than maximum pension (47%); and 4) remain until I can retire with a maximum pension (31%). Results on this question varied by gender, but not EE group status. Women (12%) were twice as likely as men (6%) to indicate that they plan to retire with a reduced pension as soon as it is feasible. Although this is consistent with previous literature on gender differences in retirement planning[15] it is cause for concern because this valuable source of expertise and substantial investment in human resources would be leaving the organization.

Significant differences on this question were also found between executives according to their levels of satisfaction with their careers in the FPS overall and more specifically, with opportunities for career mobility. As one might expect, those who were dissatisfied (21%, n=26) with their careers were much more likely than those who were satisfied (9%, n=102) to indicate that they plan to leave the federal government to pursue a different career. Nonetheless, the difference between the two proportions is surprisingly large, which may be an indication of the extent of the problem.

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[15] Government of Australia (2001) *Retirement Intentions: Survey of Western Australia public sector employees 45 years and older*, 2nd Report in the Workforce beyond 2001 series. http://www.mpc.wa.gov.au/psmd at p.13. Also see Patrick Kieran (September 2001) "Early retirement trends" *Perspectives on Labour and Income* Vol. 2, No. 9, Cat. no. 75-001-X1E pp. 5-11.
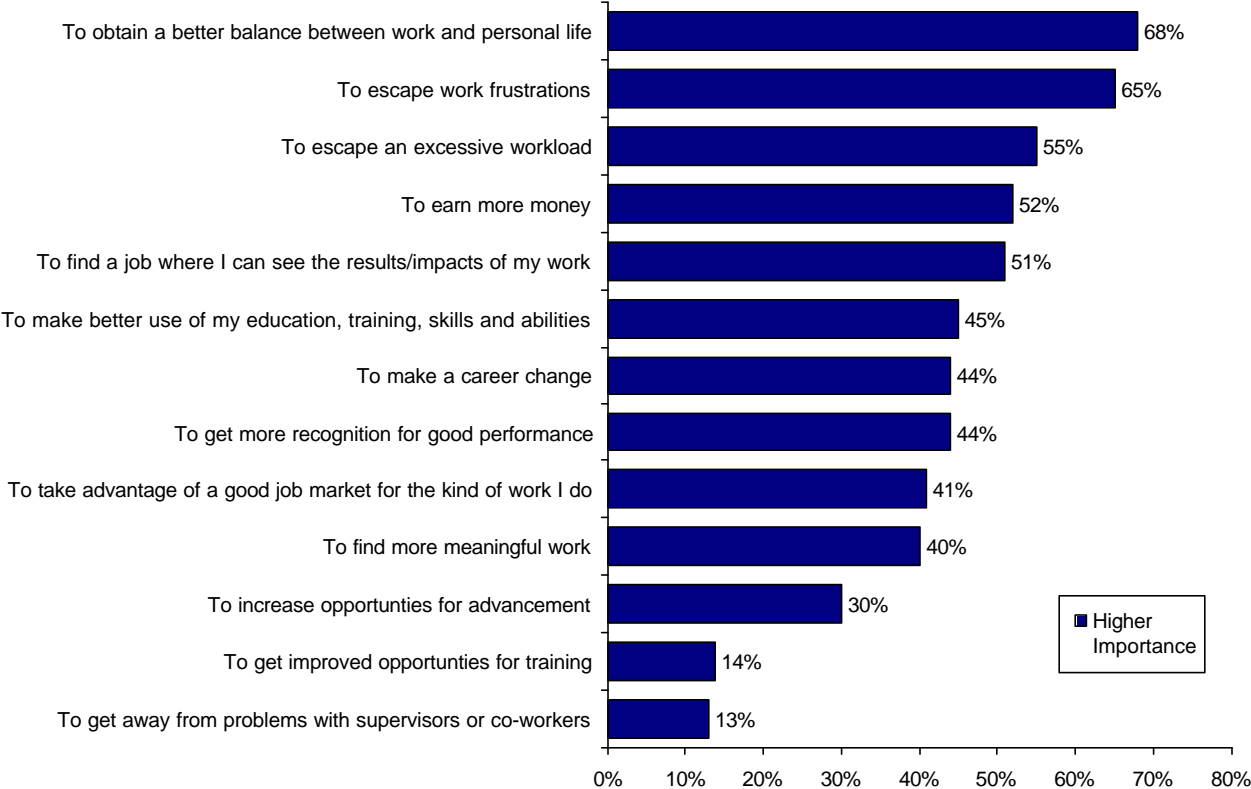
Graph 10: Levels of satisfaction with career by leaving intention for executives only (n=1390)

Leaving intention	Satisfied	Neither	Dissatisfied
Remain until I can retire with a maximum pension	35%	22%	23%
Stay until I can retire with an unreduced, but less than maximum pension	49%	49%	46%
Retire with a reduced pension as soon as feasible	7%	16%	11%
Leave the federal gov't to pursue a different career	9%	13%	21%

Similar trends were found when we compared satisfaction with opportunities for career mobility with leaving intentions. Interestingly, although those who were dissatisfied (13%, n=45) were almost twice as likely as those who were satisfied (8%, n=60) to indicate that they intend to leave the federal Government to pursue a different career, a significant proportion (12%, n=29) of those who are neither satisfied nor dissatisfied also indicated this intention. This suggests that it is not only those who are clearly dissatisfied that plan to leave.
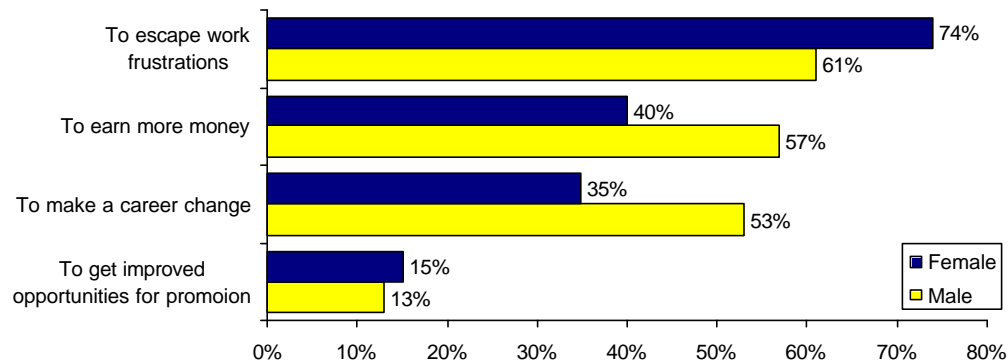
The 252 executives who indicated that they were planning either to leave the federal government to pursue a different career, or retire with a reduced pension as soon as it is feasible were asked to indicate how important certain factors were to their decision. Clearly, some reasons stand out more than others. The top three reasons given higher importance are: 1) to obtain a better balance between work and personal life (68%); 2) to escape work frustrations (65%); and 3) to escape an excessive workload (55%). Also important to over half of these executives are the following two reasons: to earn more money (52%) and to find a job where I can see the results or impacts of my work (51%). Issues such as to get away from problems with supervisors or co-workers (13%) and to get improved opportunities for training (14%) were seen as highly important among a small number of these respondents.

Graph 11: Executives' Reasons for planning to leave FPS in the near future (n=234)

Reason	Higher Importance
To obtain a better balance between work and personal life	68%
To escape work frustrations	65%
To escape an excessive workload	55%
To earn more money	52%
To find a job where I can see the results/impacts of my work	51%
To make better use of my education, training, skills and abilities	45%
To make a career change	44%
To get more recognition for good performance	44%
To take advantage of a good job market for the kind of work I do	41%
To find more meaningful work	40%
To increase opportunties for advancement	30%
To get improved opportunties for training	14%
To get away from problems with supervisors or co-workers	13%

Statistically significant relationships between four of the reasons for intending to leave and gender were found. Among two of the four reasons a greater proportion of men than women considered those issues of higher importance. Specifically, executive men (53%) were more likely than executive women (35%) to indicate that making a career change was a highly important reason to their decision to leave. Similarly, men (57%) were more likely than women (40%) to indicate that earning more money was a highly important reason to their decision to leave the FPS. In contrast, women (74%) were much more likely than men (61%) to state that the reason "to escape work frustrations" was highly important to planning to leave. This raises the question: Do women work in jobs with more frustrations or simply have a lower tolerance for them? The current data do not allow us to pursue this question; however, it is intriguing and worth of further research.
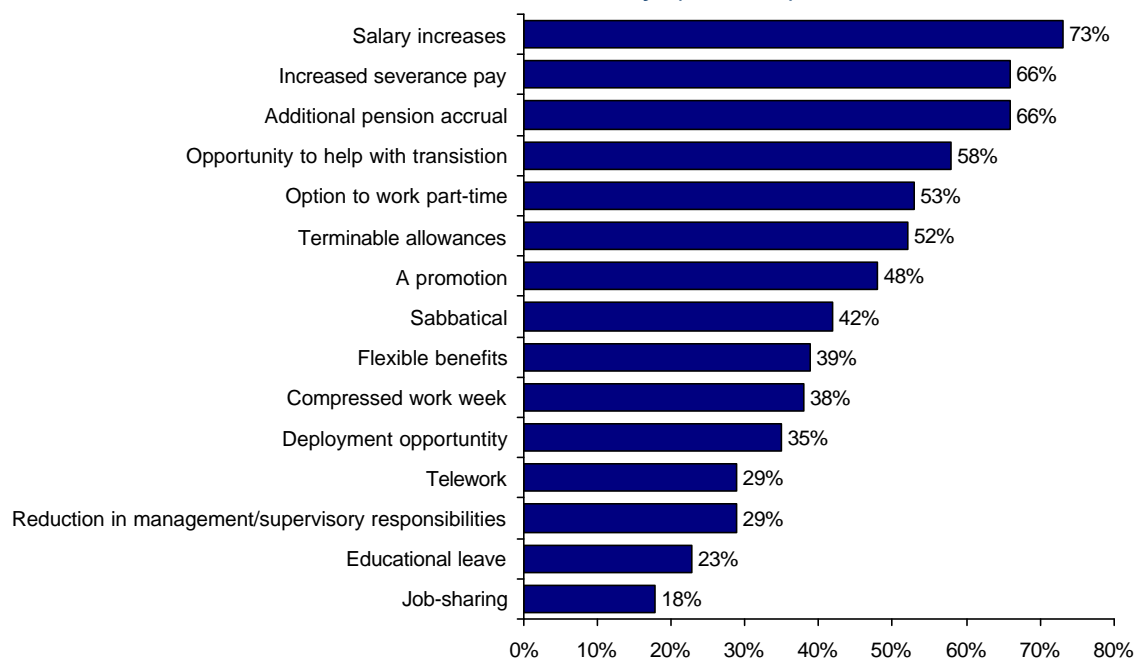
Graph 12: Proportions of male and female executives who indicated higher importance to various reasons for intending to leave (n=1372)

Reason	Female	Male
To escape work frustrations	74%	61%
To earn more money	40%	57%
To make a career change	35%	53%
To get improved opportunities for promoion	15%	13%

There is a strong relationship between the level of importance given to the reason, to escape an excessive workload, and the average number of hours worked by executives who plan to leave in the near future. Specifically, those who give higher importance to this reason work on average 52 hours per week, while those who rate excessive workload with lower importance work on average 50 hours per week. Moreover, those with a professional (53%) or graduate degree (54%) were much more likely than others (i.e. with bachelor degrees (44%)) to indicate higher importance to the reason, to make better use of my education, training, skills and abilities. There was no difference based on whether or not one belonged to the other employment equity groups and this reason. However, members of employment equity groups (52%) were more likely to give higher importance than others (28%) to the reason, to increase opportunities for advancement.

In response to anticipated departures, executives who indicated leaving in the near future were asked to what extent would various changes induce them to extend their career with the FPS. The top three measures or changes given greater importance are: salary increases (73%); increased severance pay (66%); and additional pension accrual (66%). Interestingly, all three of these changes are ones that are extrinsic motivations rather than intrinsic ones. However, male executives (69%) were more likely than female executives (61%) to indicate that increases in severance pay would induce them to stay to a greater extent. This gender difference is consistent with earlier results indicating that male executives rate earning more money, in this case in the form of increased severance, as a greater concern.

Graph 13: Proportion of executives planning to leave by changes that would entice them to stay (n=960)

Change	Percentage
Salary increases	73%
Increased severance pay	66%
Additional pension accrual	66%
Opportunity to help with transistion	58%
Option to work part-time	53%
Terminable allowances	52%
A promotion	48%
Sabbatical	42%
Flexible benefits	39%
Compressed work week	38%
Deployment opportuntity	35%
Telework	29%
Reduction in management/supervisory responsibilities	29%
Educational leave	23%
Job-sharing	18%

Executives were also asked if they plan to retire or leave the FPS, to what extent would certain measures or changes entice them to return or remain. They indicated that the following measures were considered enticing to a greater extent: (1) the opportunity to work on an interesting and meaningful project (85%); (2) employment that does not adversely affect receipt of their pension (79%); (3) the possibility of interesting work-related travel (70%); (4) a post-employment contract (67%); and (5) additional pension accrual (63%). There were no differences by gender, employment equity group, or EX status on these measures. The high levels of interest in working beyond retirement age, under certain conditions indicates that "incremental" or "phased" retirement may be an emerging pattern[16]. Such arrangements benefit the employer and employees in that it provides a continuity for the organization in terms of experienced senior personnel, but also flexibility for individuals in that they are not locked into a full-time full-year employment relationship. Additionally, this may be a way to keep female executives in the FPS beyond their anticipated departure dates.

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[16] Government of Australia (2001) *Retirement Intentions: Survey of Western Australia public sector employees 45 years and older*, 2nd Report in the Workforce beyond 2001 series. http://www.mpc.wa.gov.au/psmd at p.29

5.0 Conclusion

This report has addressed a number of key issues. As stated previously, there are challenges that are ongoing and ones that are more recent. The findings herein point to specific problem areas for all executives and for sub-groups (e.g. women) within the executive cadre. As such, policies to rectify problems should take into account the experiences and outlooks of various sub-groups that indicate particular problems.

Facilitating lateral movement between and within departments is a major issue as is the perception of preferential treatment given to departmental candidates. Whether or not preferential treatment actually exists is irrelevant since we know that individuals' perceptions of a situation influence their behavior – in this case, in an undesirable way. Addressing these two challenges would go a long way to improving executives' experiences of the competition process and thus, of recruitment and retention efforts. As was shown, those with lower levels of satisfaction indicate an intention to leave the FPS in order to pursue a different career or retire with a reduced pension as soon as it is feasible.

Perceptions of management approaches and workplace culture are strongly associated with satisfaction. Although specific management issues vary in importance between the executives and EX-equivalents, both find the effectiveness of leadership problematic. If we are going to continue to view EX-equivalents as a major source of executive recruitment, then the former group's particular concerns need to be addressed.

There are contradictions between "push" and "pull" factors regarding executives' plans to either leave the FPS to pursue a different career or retire with a reduced pension as soon as it is feasible. According to survey respondents, factors such as work-life balance, work frustrations and excessive workloads are pushing them out of the PS; however, salary increases, severance pay increases and additional pension accrual would entice them to stay. How is it that intrinsic factors are pushing them out and extrinsic factors would keep them in the PS? Are we to conclude that they place a high value on quality of life issues, but that the importance of these issues would decline if they received more monetary rewards? Although this question cannot be answered with the present data, pursuing these questions would significantly contribute to our knowledge of executives and their motivations and as such, improve our planning efforts.