NEW PHOENIX CENTER STUDY FINDS DIRECT RELATIONSHIP BETWEEN STAFF DISSATISFACTION AT THE FEDERAL TRADE COMMISSION AND SENIOR LEADERSHIP

Absent a change in senior leadership, or a shift of its leadership to more sensible reforms, it is hard to imagine how staff satisfaction, morale, and effectiveness can be improved at the FTC

WASHINGTON, D.C. — Recent press reports reveal that the Federal Trade Commission (“FTC”) has experienced a dramatic decline in employee engagement and satisfaction under Chair Lina Kahn. This decline is attributed largely to Chair Kahn’s mis-management and politicization of the once highly-respected agency. A great deal of understanding regarding the agency’s troubles is available from surveys of FTC staff regarding work satisfaction. Each year, the Office of Personnel Management (“OPM”) conducts a Federal Employee Viewpoint (“FEV”) survey among federal agencies. Using the FEV data, among other data sources, the Partnership for Public Service and the Boston Consulting Group also report results on employee engagement and satisfaction for federal government agencies.

In a new analysis released today entitled *Employee Dissatisfaction at the Federal Trade Commission: An Empirical Analysis of Size and Source*, Phoenix Center Chief Economist Dr. George S. Ford looks closer at the data to assess the rarity of—and sources of—the decline in employee satisfaction at the FTC. The results are troubling.

Using the summary level satisfaction measures from the *Best Places Survey*, Dr. Ford finds that the FTC fell from the highest-ranking federal agency in 2020 to the bottom quartile of agencies in 2021. The decline represents the largest decline of all federal agencies in 2021, and nearly the largest decline in the past twelve years. Moreover, data from the *Best Places* and FEV surveys clearly indicate the reduction in satisfaction is driven by a lack of confidence in senior leadership, as the satisfaction scores measuring other dimensions are relatively stable if not increasing. The more detailed results from the FEV survey reveal the largest decline in satisfaction by FTC staff reflects a perceived lack of honesty and integrity among the agency’s senior leadership, leading to a lack of respect for senior leadership. Small increases in satisfaction are observed for agency supervisors, suggesting supervisors are trying to shield FTC staff from the mis-management by senior leadership.

“The survey results are disturbing with few bright spots,” says study author Phoenix Center Chief Economist Dr. George S. Ford. “An agency with the size and importance of the FTC demands seasoned leadership, which it does not now have. While FTC leadership is hoping to improve staff satisfaction, morale, and effectiveness, these goals will remain elusive without a change in top leadership.”

~ more ~
morale, doing so will be difficult when the source of staff dissatisfaction is a lack of respect for senior leadership due to a perceived lack of honesty and integrity.”


The Phoenix Center is a non-profit 501(c)(3) organization that studies broad public-policy issues related to governance, social and economic conditions, with a particular emphasis on the law and economics of the digital age.