## Sinking FTC workplace rankings threaten Chair Lina Khan's agenda

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## The agency repeatedly ranked as one of the best mid-size government agencies to for workers. But in 2021, it slid to No. 22 on the list.

By <u>Cat Zakrzewski</u> July 13, 2022 at 12:05 a.m. EDT

The Federal Trade Commission used to celebrate its reputation as an attractive employer with a website banner advertising its second place perch atop the "Best Places to Work in the Federal Government" list.

But the emblem was removed this spring amid reports of declining employee morale within the agency under its new chair, Lina Khan. The authors of the rankings had more bad news Wednesday morning for Khan: The FTC has slid to No. 22 on their newest list.

The agency's plunge comes on the heels of Khan's tumultuous first year in office, which has been blunted by partisan divisions, limited resources and an ever-expanding political agenda — with the FTC facing pressure from the White House to act on a disparate array of issues including reining in gas prices and protecting health data in the fallout of the Supreme Court's abortion decision.

Khan's critics attribute the declining happiness to frustration with Khan and her allies' public discontentwith the FTC's track record. Shortly after Khan's confirmation, Biden referred to the last 40 years of competition policy as a "failed" experiment. FTC spokesman Peter Kaplan has said that the surveys reflect a period of considerable change, which is "always difficult," and that she has "enormous respect" for FTC workers.

Khan alluded to the tumult in a recent interview, telling The Washington Post the "best is yet to come." But her ability to follow through on her big promises to transform tech regulation and improve the agency hinges on the morale of her staff.

"I can't think of a manager on the planet who would not be worried about that kind of feedback," said William E. Kovacic, a former Republican chair of the Federal Trade Commission. "You need the willing and committed support of your people, or you cannot do the bold things you want to do."

The rankings, which are compiled by the Partnership for Public Service and Boston Consulting Group, were long a source of pride for the FTC, which has been at the top of the list in its category for several years. The agency's engagement and satisfaction score dropped to 64.9, down 24.2 points year over year. The decline was significantly higher than the 4.5 pointyear-over-year decrease reported across government, which the rankings' authors noted came amid leadership vacancies in the Biden administration's first year and a continued pandemic.

The majority of the data used to develop the rankings was collected through the Office of Personnel Management's <u>Federal Employee Viewpoint Survey</u>, which was taken in November and showed that overall satisfaction with the agency dropped from 89 percent to 60 percent. (The Information first <u>reported on the survey</u>.)

The decline in morale could dampen the agency's ability to retain and recruit top lawyers, technologists and other staff who play a critical role in working on cases against well-resourced companies, like the agency's <u>ongoing suit against Facebook parent company Meta</u>, and investigations into other corporate giants, <u>including Amazon</u>. (Amazon founder Jeff Bezos owns The Washington Post.)

Workplace happiness is a particularly important for the FTC, an agency that must lure talent with a technical skill set from more lucrative opportunities.

"You're asking people to work private sector hours for public sector pay," Kovacic said.

"There has to be a spiritual component of the compensation; it has to be real. If that vanishes, you're in trouble."

Khan faces pressure to address the internal uncertainty at the agency as her agenda is expected to confront major hurdles in courtrooms. The FTC will also probably be subject to more combative oversight after the midterms if Republicans regain control of Congress.

Since the employee surveys were released, Khan has been playing defense. After keeping an arm's-length from the media during the majority of her first year in office, she did interviews with publications, including The Post, in early June. She wrote a letter to the top Republican on the Senate Commerce Committee, outlining the steps she was taking to strengthen communication and feedback within the agency, and embarked on a listening tour with individual staffers. She is also encouraging staff to submit anonymous suggestions to her.

"I take these results seriously and am using them to identify root causes and to take actions that allow for positive changes," she wrote in the letter to Sen. Roger Wicker (R-Miss.), who had demanded to know how she was addressing the new rankings. "Serving as the FTC's Chair is a true honor, and I want you to know how important it is to me that everyone at the FTC feels fully supported and valued."

Addressing the new workplace rankings, Wicker in a Tuesday statement called on Khan to move quickly to "restore faith in the agency."

Khan's critics say the decline in the rankings reflects staffers' dissatisfaction with the antitrust reformers now at its helm, a group that had long criticized it before joining. Christine Wilson, a Republican commissioner who has condemned Khan's leadership style, says the agency has "suffered greatly" under her leadership.

"I understand that Chair Khan seeks sweeping legal reforms in the antitrust arena — but I disagree with her willingness, in search of that goal, to inflict harm on the agency and deprive the FTC of the talent that has made the agency a Best Place to Work since 2012," she said in a statement to The Post.

Yet other employees within the agency were optimistic that morale was on the upswing, especially as the agency moves on more competition and consumer protection issues. Many of Khan's plans have been stymied for months as the commission waited for the Senate to confirm Alvaro Bedoya, the agency's tiebreaking Democrat.

"We have very talented people, and they don't want to see their matters, their cases, their rules get stuck," said one agency employee, who spoke on the condition of anonymity because they were not authorized to speak about the rankings publicly. "When we see a growing number of actions coming out of the agency ... people feel good about that."

Jessica L. Rich, who spent 26 years working at the FTC, including as the director of the Bureau of Consumer Protection, said the drop in morale goes beyond anything she saw during her tenure.

"The FTC staff can deal with change — that's what it does every election," she said. Yet she said there's clearly "something not working" with Khan's leadership style. Rich noted the figures are backward looking, and she said Khan has the opportunity to "right the ship" moving forward.