

empowerment, and discretion in scheduling the work and determining processes and procedures for completing the work.

Item 3: \_\_\_\_\_ + Item 8: \_\_\_\_\_ = \_\_\_\_\_

*Feedback:* The degree to which carrying out job-related tasks and activities provides you with direct and clear information about your effectiveness.

Item 5 \_\_\_\_\_ + Item 10: \_\_\_\_\_ = \_\_\_\_\_

SOURCE: Adapted from R. Daft and R. Noe, *Organizational Behavior* (New York: Harcourt, 2001).

## EXERCISING STRATEGY

### **WORKING AT THE INTERNAL REVENUE SERVICE: A TAXING EXPERIENCE**

Dating all the way to biblical times, being a tax collector has never been a popular occupation. However, one could argue that, at least when it comes to working for the Internal Revenue Service (IRS) in the United States, the job has never been more difficult. The agency has faced five straight years of budget cuts, with the biggest of these—a \$346 million cut—implemented in 2015. This cut came as a result of congressional outrage when the agency was charged with politically mishandling requests for tax-exempt status from Tea Party and other Republican-leaning groups. One could argue that these historic cuts came at a time when the complexity of the work—due to passage of the Affordable Care Act, with its complicated set of tax subsidies—was higher than ever.

These cuts have certainly trickled down to the workforce, where morale has never been lower. Salaries at the agency have risen only 2% the past five years and the slashing of secretarial support has left agents with a host of low-level clerical duties that cut into the more substantive parts of the job. Facilities have been allowed to decay, and the computers and software that agents work with are estimated to be three generations behind what one would find in the private sector. Office supplies are nowhere to be found, and workers have to provide their own pens, paper, and other basic necessities for performing their job. On top of all of this, worker safety is always an issue due to the crazed nature of some taxpayers who feel that the government is stealing their money. Several years ago, one such taxpayer flew a kamikaze mission

with a single-engine plane into an IRS facility in Texas, killing one worker and injuring many others.

Not surprisingly, all of this has led to a high rate of voluntary turnover within the worker ranks. Between 2010 and 2015, 15,000 IRS employees quit their jobs, and this is just the tip of a demographic iceberg. The IRS has less than 2,000 employees who are under the age of 30, and half of those are part time. Over 50% of the workforce will be eligible to retire by 2019, and there is little hope that many of these most experienced agents will stick around one day longer than they need to when it comes to retirement.

Clearly, no one enjoys paying their taxes, and, thus, few people are shedding any tears for these workers. However, the government does require money to operate, and many people fear that employee turnover and morale problems are cutting into the agency's ability to accomplish its mission. Audits are at historically low levels, and many criminal investigations of known tax evaders have been delayed or placed on hold. As one IRS veteran noted in despair, "I shouldn't have to say this but the IRS brings in about 93% of the revenue in this country. We're not soldiers but we are serving our country."

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## QUESTIONS

1. In what ways does an organizational crisis like that faced by the IRS make it easier for firms to manage involuntary turnover?
2. In what ways does an organizational crisis like that faced by the IRS make it more difficult for firms to manage voluntary turnover?

SOURCES: D. Leonard and R. Rubin, "The Taxman Bummeth," *Bloomberg Businessweek*, April 13, 2015, pp. 50-55; D. Kettl, "Why the War on the IRS Makes No Cents," *Excellence in Government*, June 30, 2015; G. Korte, "IRS Tax Collectors, Do Fewer Audits in 2015," *USA Today*, January 13, 2015.

## MANAGING PEOPLE

### LIGHTS OUT FOR LATE-NIGHT WORKERS

For many employees—and especially for working parents—the best time of the day to get some quality work done comes when they are out of the office and the kids are asleep. This is the new 9–11 p.m. work shift, and although the short-term benefits of leveraging these two hours for work may seem to be in the best interests of employers and employees, new evidence suggests that the long-term problems