



PARTNERSHIP FOR PUBLIC SERVICE

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Prepared for

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Governmental Affairs
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Management, the Federal Workforce and the District of
Columbia**

**Hearing Entitled
“Building and Maintaining an Effective Human Resource
Workforce in the Federal Workforce”**

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Chairman Akaka, Senator Johnson, Members of the Subcommittee, thank you very much for the opportunity to appear before you today. I am John Palguta, Vice President for Policy, of the Partnership for Public Service, a nonpartisan, nonprofit organization dedicated to revitalizing the federal civil service and transforming the way government works. Prior to joining the Partnership over 10 years ago, I spent more than 30 years as a career federal employee and human resources (HR) professional. I also had the privilege to serve as a career member of the Senior Executive Service as the Director of Policy and Evaluation for the U.S. Merit Systems Protection Board.

The Partnership has two principal areas of focus. First, we work to inspire new talent to join federal service. Second, we work with government leaders to help transform government so that highly qualified and motivated employees will enter, stay and succeed in meeting the challenges of our nation.

This hearing today focuses on a topic of vital importance to the effective and efficient operation of our government and one in which the Partnership has a strong and ongoing interest – the capability of federal HR professionals to adequately support, advise, and assist their respective organizations to meet the daunting workforce challenges that lie ahead. As budgetary pressures mount, along with calls for increased workforce efficiencies, an HR workforce capable of being a full and effective partner with agency management is essential.

In my testimony today, I will focus on four major areas relevant to the topic at hand.

- 1. A Cause for Concern.** For nearly two decades, a growing body of evidence points to the increasing inability of too many HR staff members to support federal agencies in targeting, obtaining, developing and keeping the talent needed to execute their missions.
- 2. Actions Taken and Lessons Learned.** The good news is that the problems afflicting the federal HR workforce have not gone unnoticed and policymakers have taken steps to address them.
- 3. Current Challenges for the HR Workforce.** The competencies needed for the HR workforce do not exist in a vacuum – they are dictated by the environment in which the HR professional functions, and today that environment is extremely demanding.
- 4. Recommendations for Additional Action.** The health of the federal HR profession is improving but still fragile. Additional action is necessary to build on the good work being done and to chart some new improvement strategies.

A Cause for Concern

Problems afflicting the federal HR workforce are longstanding. Almost 20 years ago, when I was the Deputy Director, Policy and Evaluation for the U.S. Merit Systems Protection Board (MSPB), we issued a 1993 report titled, *Federal Personnel Offices: Time for Change*,¹ which found that “over half of the managers and almost half of the personnel specialists surveyed cited lack of sufficient skill in the personnel staff... to

¹ *Federal Personnel Offices: Time for Change*. U.S. Merit Systems Protection Board, 1993.

effectively support agency operations.” Seven years later, in 2000, the Office of Personnel Management (OPM) issued a three-part series of reports on the federal HR workforce which found that as the HR workforce was being reduced by over 20 percent, workload actually expanded and growing demands for HR to serve as a strategic business partner and change agent could not be met with existing talent.

In 2001, GAO identified human capital management as a government-wide high-risk area because federal agencies lacked a strategic approach to human capital management that integrated human capital efforts with their missions and program goals. Even today, the area remains high-risk because of a continuing need for a government-wide framework to advance human capital reform. Among other things, GAO said in a 2009 report titled *Human Capital: Sustained Attention to Strategic Human Capital Management Needed*² that executing the government-wide framework needed requires HR skill sets and talent most agencies do not have.

In an August 2010 report titled *Closing the Gap: Seven Obstacles to a First-Class Federal Workforce*,³ the Partnership, in collaboration with Grant Thornton, found that a mere 40 percent of federal Chief Human Capital Officers (CHCOs) believe their HR staffs possess the competencies needed to succeed in the future and to support agency missions to a great or very great extent. The report also found that efforts to build and maintain a high-quality federal workforce are being seriously hampered by a number of longstanding, systemic and often dysfunctional practices and policies.

To be clear, there are a number of highly competent and effective HR professionals in the federal workforce who serve as true strategic advisors and partners to agency managers and leaders. Unfortunately, there are also too many who do not possess that ability. The largest deficiencies in this latter category are HR staff who do not yet demonstrate the strategic thinking, critical thinking, and problem solving capabilities they need to be successful. For others, there may be an issue of technical competence and organizational awareness, for example, the ability to see the bigger picture and to identify solutions to human capital problems that hinder the agency’s ability to effectively and efficiently achieve its mission. Unfortunately, there has long been debate over the need for a certification program for the federal HR workforce to help determine whether needed competencies have been gained but no conclusions have been reached.

In December 2010, the Partnership, with support from GRA Inc., Kelly Anderson & Associates, and Lindholm & Associates, held a symposium with Director John Berry of the Office of Personnel Management and top leaders from across the federal government, private and nonprofit sectors and academia to find solutions. The clear consensus was that it will take the collective pressure, focus and commitment of key leaders to move the HR workforce from the unsatisfactory status quo to an agile, educated and strategic partner essential to meeting the demands of government.

The overall message was that agencies cannot improve the efficiency and productivity of their people – and certainly cannot effectively reshape their workforces – without strategic guidance from highly skilled individuals leading the HR function. The stage was

² *Human Capital: Sustained Attention to Strategic Human Capital Management Needed*. Government Accountability Office, April 22, 2009.

³ *Closing the Gap: Seven Obstacles to a First Class Federal Workforce*. Partnership for Public Service and Grant Thornton, August 18, 2010.

thus set for the federal HR community – with the active support and involvement of OPM – to engage with other leaders in government to take sustained corrective action in this critically important area.

Actions Taken and Lessons Learned

For much too long, the federal HR community has been like the proverbial shoemaker's children – helping other professions address their workforce needs while their own workforce languished. For example, the Chief Information Officers (CIO) Council and the Chief Acquisition Officers (CAO) Council have been significantly ahead of the federal HR Community in building strategies and taking initiatives to support the growth and development of their respective workforces.

In December 2010, then U.S. Chief Information Officer, Vivek Kundra, issued a *25 Point Implementation Plan to Reform Federal Information Technology Management*.⁴ The plan outlines a strategy for designing and developing a cadre of specialized IT acquisition professionals. It also calls for the launch of a “technology fellows” program to build a better pipeline of emerging talent for the federal IT workforce needs going forward. Doing its part, the Department of Defense manages the National Defense University Information Resources Management College, an institution that provides unparalleled education for federal leaders who will be responsible for employing information and information technology.

The federal acquisition community has taken similar steps to improve and professionalize its workforce. The Defense Acquisition University has provided training and certification programs for decades. The Federal Acquisition Institute and the Office of Federal Procurement Policy in OMB work together to improve efforts focused on the development of the acquisition workforce. New entrants to the acquisition workforce are also now expected to hold a four-year college degree or higher. The Department of Veterans Affairs has also developed an “acquisition academy” that includes opportunities such as an Acquisition Internship School, a Program Management Fellows Program, and a Contracting Professional School.

However, there are clear signs that the federal HR community – spurred by a growing sense of urgency and an understanding that there is a real opportunity for change – is making some headway in addressing their workforce needs. It is worth noting, for example, that in 2010 the CHCO Council adopted as one of their three overarching strategic goals the “development and implementation of government-wide HR tools to improve the selection, assessment, and development of the federal HR profession.” In this context, in early 2011, OPM with support from the CHCO Council launched HR University (www.hru.gov), an online “one stop” human resources career development center. HRU is specifically aimed at professionalizing the federal HR career field with a focus on addressing competency and skill gaps within the federal HR community in a cost effective manner. OPM and the CHCO Council also created career maps for federal HR professionals. These career maps have been posted on HR University and provide specific career guidance to better enable individual HR professionals to take charge of their careers.

⁴ *25 Point Implementation Plan to Reform Federal Information Technology Management*. Vivek Kundra, U.S. Chief Information Officer, December 9, 2010.

There is also increased collaboration among federal agencies (with the active encouragement of OPM and supported by the HR University platform) which includes better sharing of scarce training resources at an overall cost savings to the government. More generally, there is a renewed focus on identifying competency gaps among the current HR workforce and developing strategies for closing those gaps.

The Partnership for Public Service has also made the development of the HR workforce a key priority. In early 2009, the Partnership formed a Federal Human Capital Collaborative to create an active community of federal managers and human resources professionals to identify cross-cutting challenges and to work collaboratively and systematically to solve them on behalf of the community and the nation. In just over two years, the Collaborative membership has grown to 30 federal departments and agencies and a number of initiatives have been undertaken on their behalf. Two specific outcomes of note are:

- A “Strategic HR Advisors Results Project” (SHARP) that developed not only a set of competencies needed by HR professionals who aspire to be true strategic advisors to management, but also an outline of an individual development plan that can assist HR professionals in acquiring those competencies.
- Development of an “Emerging HR Leaders” program for high-potential federal HR professionals. Participants meet monthly in a facilitated peer-exchange environment, discuss topics of interest with subject matter experts and engage in cross-agency action learning projects (e.g., the SHARP project mentioned above was developed as part of an action learning project).

Current Challenges for the HR Workforce

The skills and competencies required for federal HR professionals to succeed are significantly greater today than at any previous time in the evolution of the federal civil service system. Decentralization of HR authorities, HR information technology systems, increased HR flexibilities and alternatives, changing workforce demographics and the increased pace of change has made the job of the federal HR workforce a challenge under the best of circumstances. Add to that an environment in which the government is being asked to operate effectively with increasing workloads and declining resources and the people challenges in government can seem almost overwhelming.

Actions to improve the competence and capability of the federal HR workforce are being driven in part by an understanding that the cost to government and the public of a potential talent failure in any of the mission-critical areas of government are unacceptable. A well-qualified and effective federal HR workforce is a vital part of the government’s defense against such a failure.

Federal HR professionals, for example, must have a seat at the table when discussing how to attract and retain the best talent possible during a time of pay freezes, budget uncertainties and anti-public employee rhetoric. They must be able to lead or contribute to the conversation which may also include divergent views on how best to reshape the workforce and deal with performance issues at a time when increased productivity is essential. As another example, the recent report, *Making Smart Cuts: Lessons from the*

1990s Budget Front,⁵ authored by the Partnership and Booz Allen Hamilton, outlines eight strategies for dealing with budget cutbacks while still getting the mission accomplished. Federal HR staff must be able to help managers understand what combination of strategies may be most effective in different circumstances and how to establish the conditions for success.

The good news is that OPM and the CHCO community, as noted, have been developing a plan of action to address a number of overlapping issues and challenges concerning the federal HR workforce of the future. However, these good efforts could easily be derailed by the turnover among some of the most experienced members of the HR community who have been instrumental in those planning efforts. In FY 2011, for example, over 10 percent of the HR workforce left government (compared to a government-wide turnover rate of approximately seven percent for permanent employees) and this doesn't count the HR staff that left for other non-HR jobs in government. This can also be an opportunity, of course, if those who leave are replaced with quality hires and effective training and development programs and plans to help prepare them for the challenges ahead.

Under any scenario, however, federal HR professionals will be expected to “step up their game” and to help their respective departments and agencies not only cope in the difficult times ahead, but even improve. If this is to happen, federal agencies and leaders cannot return to a business as usual approach to acquiring and developing their HR workforce.

Recommendations for Additional Action

Below are several actions that government leaders and Congress can take to make a difference:

- 1. The federal government needs to maintain its focus on improving the HR workforce and, if anything, it should increase the level of effort and resources devoted to these endeavors.** Such an investment can yield a significant return in terms of increased productivity and effectiveness for the government workforce as a whole.
- 2. Improving the quality and competence of the federal HR workforce should be approached as a shared responsibility that involves leadership throughout the executive branch and Congress.** While OPM and the federal HR community have a major responsibility for improvement of the HR workforce, they need to be supported and encouraged in these efforts and held accountable for results.
- 3. Federal agencies should reward or recognize HR professionals who make the effort to expand their knowledge and skills.** This should include incentives and support for those who demonstrate or seek mobility in their career development (including the use of temporary development details to different HR functions or different lines of business) and for other self-development efforts.

⁵ *Making Smart Cuts: Lessons from the 1990s Budget Front*. Partnership for Public Service and Booz Allen Hamilton, September 27, 2011.

4. **Congress should also support efforts to expand the experience base of federal HR professionals – and other professional communities – by making mobility a mandatory requirement for entry into the Senior Executive Service.** This will help bring about a culture change that encourages HR professionals, and others who aspire to senior leadership roles, to seek mobility assignments and a broader experience base early in their careers.
5. **Congress could support executive branch efforts to build a better talent pipeline into the federal HR profession by establishing a government-wide federal HR intern program with the stated goal of attracting and developing the best talent available.** Such an intern program might build upon existing programs such as the Presidential Management Fellows (PMF) program by targeting PMF finalists who have a particular interest in the HR field.
6. **OPM and Federal HR leaders also need to reach agreement on and implement a meaningful certification program for federal HR professionals.** While certification is not a guarantee that an HR staff member will be fully proficient and effective, it does increase the probability.
7. **OPM should be encouraged and supported in its effort to exercise a more proactive role in this area, one that includes encouraging greater cross-agency collaboration and sharing of resources.** As the federal government's central HR organization, OPM has a logical leadership role to play in advancing the HR profession but it needs to have a reasonable level of resources to devote to this end and it needs the full cooperation of the other executive branch departments and agencies.