



EMBRACING CHANGE

CHCOs Rising to the Challenge of an Altered Landscape

MAY 2014



PARTNERSHIP FOR PUBLIC SERVICE



Grant Thornton

The Partnership for Public Service is a nonpartisan, nonprofit organization that works to revitalize the federal government by inspiring a new generation to serve and by transforming the way government works.

About Grant Thornton's Global Public Sector

Grant Thornton's Global Public Sector practice helps government executives maximize performance and efficiency in the face of tightening budgets and increased demand for services. The Public Sector practice offers clients creative, cost-effective solutions that enhance acquisition, financial, human capital, information technology, and performance management. Through our 54 offices in 30 states, including 13 state capitals, we provide the full complement of audit and advisory services to state and local governments. Our clients include large state agencies, city governments, lotteries, and governance organizations. For more information on our public sector capabilities, visit www.GrantThornton.com/publicsector.

About Grant Thornton LLP

The people in the independent firms of Grant Thornton International Ltd provide personalized attention and the highest-quality service to public and private clients in more than 100 countries. Grant Thornton LLP is the U.S. member firm of Grant Thornton International Ltd, one of the six global audit, tax, and advisory organizations. Grant Thornton International Ltd and its member firms are not a worldwide partnership, as each member firm is a separate and distinct legal entity. In the United States, visit Grant Thornton LLP at www.GrantThornton.com.

EXECUTIVE SUMMARY

If someone were to propose the federal government version of a reality television show based on the past few years of federal operations, it would most closely resemble *Survivor*, a long-running show about a group of people who work together as teams to reach set goals while dealing with every manner of obstacle flung their way. Setting the scene, the show opens with a current federal workforce operating with outdated and ineffective workplace laws, policies and practices, including a 65-year-old pay and job classification system. Add to that federal hiring laws that predate the use of personal computers and the Internet—tools that have dramatically changed how jobs in the private sector are filled.

Now introduce the drama that whipsaws the people working with these already less-than-ideal tools by throwing at them a budget sequestration that leads to across-the-board cuts, without taking into account agency needs or plans; widespread and unpaid employee furloughs; a three-year pay freeze ending with a 1 percent pay increase; and a budget dispute culminating in a 16-day government shutdown. Then top it off with many of the more experienced federal workers choosing retirement, taking their institutional knowledge with them.

The problem? This is not reality television but reality. No one wins a million dollars or gets to extricate themselves from the difficult situation at the end of a few weeks or months. Most people in this country aren't watching the action of this real-life spectacle. But one group is paying very close attention: chief human capital officers and other human resources leaders, who warn that if government policies and policymakers continue to undermine the federal workforce, the weakening of that workforce could overwhelm government's capacity to carry out its responsibilities.

Fortunately, the federal government's HR leaders saw the problems coming and they have been hard at work individually and, more than ever, collectively to fashion a response. Their actions have prevented the worst-case scenario—mission failure—from occurring. Significantly, none of our interviewees thought more funding alone was the answer to the challenges. Most assumed that their job is to learn how to operate within tight budget constraints. Furthermore, while most of them have been busily tamping down fires, they have not lost sight of the longer-range actions needed to repair the damage done and strengthen the workforce.

The Partnership for Public Service and Grant Thornton LLP completed in-depth interviews with 62 federal chief human capital officers (CHCOs) and human resources (HR) leaders on the challenges facing the federal workforce for this fifth report in a series that began in 2007. Since releasing the previous report, "Bracing for Change," in April 2012, most federal employees and agencies have been experiencing many of the challenges they had anticipated but with the knowledge it was coming they've been able to confront these challenges and find ways to handle them.

The first report in this series, "Federal Human Capital: The Perfect Storm," was issued in July 2007 and was based on interviews with 55 key HR officials in 28 federal departments and agencies. Less than seven years later, only five of those original interviewees remain in the same position and more than half have left government altogether. Therefore, most of the current HR leaders in government inherited the challenges they are facing. But they are determined to deal with them effectively.

CHALLENGES

The CHCOs and HR leaders we interviewed identified numerous challenges that must be overcome to continue to safeguard the structural integrity of our civil service system and improve the capability of the executive branch to manage its most valuable asset—its people.

Diminished, unpredictable and inflexible budgets are hindering agency performance

Budget cuts have led to reduced hiring, widened skills gaps and workload imbalances, and reduced investments in the training needed to keep workforce skills up to date. None of our interviewees said that more funding alone would fix all the problems. Rather, they pointed to the lack of flexibility to manage within the budgets they have, structural deficiencies that contribute to inefficiencies in aspects of HR management and operations, and the absence of needed training and professional development as additional culprits inhibiting their ability to perform well.

Federal employee engagement is declining

For many federal agencies, a decline in employee satisfaction and engagement requires new and innovative strategies to help deal with the lingering impact of employee furloughs, inadequate resources to get the job done and a two-week government shutdown that left many feeling demoralized and undervalued. Uneven resource allocations have led to heavier workloads for many employees and although leaders are committed to improving employee engagement, that commitment isn't always shared by lower-level managers and supervisors.

In addition, agencies struggle with performance management, especially the lack of effective feedback and communication between managers and employees. Many managers do not adequately address poor performers due in part to difficulties with the current performance-management system. And CHCOs also said that it has become more difficult to fully recognize and motivate high performers due to the decline in both monetary and nonmonetary incentives available to do so.

Difficulties with hiring process remain

Another challenge relates to struggles with the hiring process. Higher than average turnover, rising workloads and tight budgets highlight the importance of making sure that the people agencies hire are exceptionally well-matched to jobs, but CHCOs report that this is not consistently the case. For example, the Pathways Programs were intended to be part of the solution, but most individuals we interviewed said the programs are not meeting their agency's needs and we found that few agencies

are using them extensively, due to requirements many say impede their ability to hire well.

In discussing veterans preference, CHCOs and HR leaders expressed strong support for the principle but also noted that the federal hiring process has changed significantly since the current law governing veterans preference was passed in 1944. A number of interviewees expressed concern that the procedural requirements in law are no longer a good match for how federal hiring is done today. As a result, agencies are finding it increasingly difficult to achieve other public policy objectives related to workforce diversity.

Agencies are not using all the workforce data and analytics tools necessary to manage effectively

Another demanding area for agencies is data and analytics. Interviewees said their agencies are not using all the analytics tools necessary to manage the workforce effectively, yet good data would help guide any federal workforce rebuilding efforts. There is a growing effort to develop and improve the use of reliable and meaningful data and metrics, but sustained attention is needed both to data development and to organizations' ability to analyze and use that data effectively.

The HR infrastructure and HR workforce need to be strengthened

Rebuilding the federal workforce will require the services of a highly skilled HR workforce with the right tools and direction, and this in turn requires strengthening the HR infrastructure and HR workforce. The rules, tools and processes of the HR infrastructure are important for determining the vitality and productivity of the federal workforce, and the quality and capabilities of the HR workforce factor into how well agencies manage that federal workforce.

Managers and leaders ultimately are responsible for good workforce management, but they need HR colleagues capable of providing good support, advice and assistance. They also need effective HR systems and structures. Unfortunately, there are well-documented skills gaps in the HR workforce and a number of structural deficiencies in current federal HR laws, policies and practices.

RECOMMENDATIONS

The CHCOs and other federal HR leaders we interviewed made it clear that federal workforce management needs to be modernized and that in some places the federal workforce itself needs to be rebuilt. They offered the following recommendations to help guide efforts to overcome the challenges they encounter daily.

Develop an effective strategy for federal workforce management in a diminished budget environment

- Agencies need to reinvest in training and development for both employees and management, and more predictability in the budget process will help. The Office of Personnel Management (OPM) and Office of Management and Budget (OMB) also can assist by reevaluating the tight restrictions on conference attendance and travel undertaken for these purposes. In addition, agencies and the CHCO Council should continue partnering to identify more cost-effective training and development options, particularly those making better use of technology and involving greater cross-agency collaboration.
- Federal agencies should continue to identify shared services and other collaborative, cross-agency methods for reducing costs and improving how missions are achieved.
- Congress should revamp the federal government's pay and job classification system. These antiquated and ineffective systems hinder the government's ability to attract, retain and deploy employees as effectively and efficiently as possible.
- As Congress sets spending limits, it should allow agencies greater flexibility to decide how to set priorities and make cuts that are least damaging to the mission, unlike across-the-board budget cuts Congress has imposed previously.

Sustain efforts to reverse the significant decline in employee engagement

- Senior managers need to be held accountable for taking actions to enhance employee engagement, and metrics should be included in managers' performance plans that indicate how well they are doing at it.
- Leaders at all levels, including supervisors and mid-level managers, must follow the lead of the secretary or other senior leaders who champion engagement. Agencies should analyze employee survey data down to the lowest level possible and provide assistance to supervisors and managers as needed.

- Senior leaders should hold managers accountable for spending sufficient time managing employee performance, including dealing with poor performers. Employees at all levels need realistic and constructive feedback that includes a focus on developmental needs. Managers and supervisors also should make better use of probationary periods to address performance problems as early as possible. Agencies also should provide additional support and assistance to managers and supervisors on effective performance management.
- Agencies should make performance-management systems more robust, for example, by expanding the use of multisource feedback, often called a 360-degree review, for managers and others to help with employee development and performance.
- Agencies should identify options for using non-monetary incentives or rewards, such as supporting employees' interest in developmental details and rotations, and either start or increase the use of these and other nonmonetary incentives to encourage high performance.

Remake the federal hiring system

- Congress should update federal hiring statutes to enable agencies to develop and implement more effective approaches to assessing applicants and hiring.
- OPM should revisit and clarify guidance and regulations pertaining to the Pathways Programs to ensure they are providing the desired results.
- Congress should reexamine the statutory requirements on how veterans preference should be applied, in light of current hiring practices, to avoid unintended consequences and ensure the original intent of the veterans preference law is preserved.

Continue to develop and make good use of workforce data and analytics tools

- OPM and OMB should continue an emphasis on developing and using mission-focused and data-driven HR tools, policies and practices. For example, an administration goal in the 2015 budget to create a culture of engagement and an engagement dashboard will reinforce the need for agency managers to make use of the data to improve the workplace in response to employee feedback.
- Agencies and OPM should work together to develop additional metrics on the quality of new employees and to capture the cost of a new employee under different hiring approaches.

- Agencies need to follow through on initiatives to improve data-driven succession plans and workforce planning to address workload imbalances, the impact of budget reductions, adjustments in missions and advances in technology.

Strengthen the federal HR workforce and federal HR systems and structures

- OPM and federal agencies must continue to work together to strengthen and rebuild the HR workforce if HR personnel are going to be able to help remake the rest of the federal workforce.
- Agencies should expand and improve the systematic gathering and use of customer satisfaction data pertaining to HR staff and operations so they can better target opportunities for improvement.
- HR leaders need to improve relationships between HR staff and managers and clarify the responsibilities of each. For example, HR staff who work as direct advisors to managers need to have a good understanding of agency business operations and managers need to have a good grasp of their personal responsibilities for effective HR management.
- Agencies, including OMB and OPM, should continue to work collaboratively both to strengthen the HR workforce and to improve the HR systems and structures within which they operate.

According to the CHCOs and other federal HR leaders, it is clear that federal workforce management systems should be modernized and in some places must be rebuilt or reengaged. This report provides their insights and recommendations to help guide efforts to meet the challenges involved.

Closing the Gap Seven Obstacles to a First- Class Federal Workforce

August 2010

Key challenges: Antiquated pay and classification system, skill gaps in the HR workforce and uneven relationship between CHCOs and OPM

Recommendations:



Hiring reform should focus on results, not process, and agencies should have considerable flexibility to determine how to achieve those results.



When “faster and better” are potentially competing hiring goals, priority should be given to “better.”



Invest in capabilities and competencies of federal managers and HR staffs.



Create a nimble, modern system to recruit and hire a diverse and productive 21st-century workforce.



OPM should engage in “more assisting and less insisting” and become a more trusted advisor and resource.



Increase collaboration and sharing within the federal government and its stakeholders including unions.

Bracing for Change Chief Human Capital Officers Rethink Business as Usual

August 2012

Key challenges: Declining budgets, high employee turnover, inadequate succession planning, lack of key HR competencies and gaps in agency leadership

Recommendations:



Reform the civil service system focusing on pay and compensation, hiring, veterans preference and merit systems protections.



Stay the course on initiatives that are achieving results, such as leadership development, even with declining resources.



Improve succession planning by creating talent pipelines and taking a corporate approach to long-term planning.



Increase standardization of HR IT and use of shared services.

INTRODUCTION

In 2007, the Partnership for Public Service and Grant Thornton LLP started a series of periodic interviews with federal chief human capital officers (CHCOs) and other federal human resources (HR) leaders to get their insights into the most pressing workforce challenges and issues and their ideas and recommendations for change. It is crucial that agencies' top HR people have the skills and resources to hire the best people into government to serve the American people. In the nearly two years since releasing our previous report in August 2012—the fourth of the five we have produced—the federal community has been buffeted not only by sequestration, pay freezes and the shutdown but also by lingering effects of a deep recession, a continuing erosion in public attitudes toward government, rising workloads and decreasing resources. CHCOs and HR leaders have been tackling the effects of these issues as they've arisen, finding ways to carry out their responsibilities during difficult times.

Along with outside pressures affecting all of government, research for this fifth report found that CHCOs and HR leaders continue to struggle within their own offices with a lack of succession planning, employee skills gaps and declining employee engagement, making it tougher for HR offices to serve their customers as well as they would like. Federal HR leaders are working hard to avoid a system breakdown and have been successful so far. But it is a major effort, and one that has tended to focus their efforts on the short term, for example, responding to continuing resolutions or other urgent matters. Instead, federal leaders need to make meaningful, deep and strategic fixes. They need to help undo the deep institutional neglect within major segments of the federal workforce

over the past three-plus years and help agency leaders invest in shoring up an undermined workforce.

In many ways, the storm CHCOs predicted seven years ago has hit, during the past three years: Most federal departments and agencies have had to cope with constricting budgets, increased workloads and other workplace changes that have damaged the federal workforce's ability to meet demands effectively and efficiently. Not all of the harm is apparent on the surface, but according to those whose job it is to know, it exists. To understand better not only the extent of the problem but what it would take to make substantial improvements, the Partnership and Grant Thornton held extensive interviews from November 2013 to February 2014 with 62 CHCOs and other HR leaders at 43 agencies and departments throughout the executive branch.

While the interviews focused on workforce challenges, it became clear that the HR leaders are a resilient group. Although frustrated, and even angry, with what they saw as the illogic of sequestration and the government shutdown, for example, their energies were focused on how to help their organizations best cope with circumstances. They looked to develop more effective and efficient approaches to workforce management and to find ways to increase collaboration and resource-sharing among departments and agencies. Most interviewees also were quick to share their insights on the federal government's workforce challenges as well as their suggestions for changes that should be made to deal with those challenges in a way that improves the delivery of government services and benefits.

CHALLENGES

Diminished, unpredictable and inflexible budgets are hindering agency performance

Reducing budgets might be necessary, even useful, but if not managed strategically it can impair performance. For many agencies, recent budget cuts have led to untenable situations. A large majority of the CHCOs we interviewed said that sequestration's across-the-board budget cuts affected agency programs negatively. The two-year bipartisan budget passed in January 2014, aimed at easing automatic spending cuts and avoiding a government shutdown, offers partial relief. While it is expected to remove the threat of shutdowns and furloughs for two years, many CHCOs we interviewed weren't confident it represented a fundamental change in how the federal budget would work in the future. "We need a better budgeting mechanism," said one CHCO. "We have a budget now, but how long will that last? The bigger issue is the inability to plan and the threat of furloughs in the future. We need to get past these built-in structural budget issues."

One structural problem CHCOs identified is that Congress rarely gives federal managers discretion to manage their own budgets. The most recent deep cuts were applied across the board instead of tactically. One CHCO said, "My dream would be to have Congress tell us what they want and let us make the cuts. When you just get a broad cut across the board, it hurts everything. And it is stupid. It is just plain stupid."

The percentage of CHCOs we interviewed who thought they had the resources they needed to be effective

jumped to 50 percent from the 38 percent who expressed that sentiment in 2012 (see figure 1). However, the numbers may be deceptively encouraging because in responding to additional questions about what resources they needed to be successful, CHCOs indicated they were feeling the pinch in other ways. A majority of CHCOs identified a need for both more staff and more financial resources (see figure 2), and in responses to additional survey questions, they expressed the need for not just more staff but also staff members with strategic, business, planning and other skills.

Although only half feel they have sufficient resources, the other half are confident they can find innovative solutions to their pressing workforce problems without a major infusion of funding if they are allowed to manage within that budget.

Budget cuts have led to reduced hiring, skills gaps and workload imbalances

Total government hiring has decreased 37 percent from 2009 to 2012, and more employees left than were hired. Because of diminishing budgets, a number of agencies replace only a fraction of the workers who leave, disproportionately affecting people seeking entry-level jobs because agencies don't have the funds to bring new and inexperienced employees up to speed. "The new [employees] are good, but they just don't have the depth,"

FIGURE 1

To what extent do you have the resources you need to be an effective CHCO or HR leader?

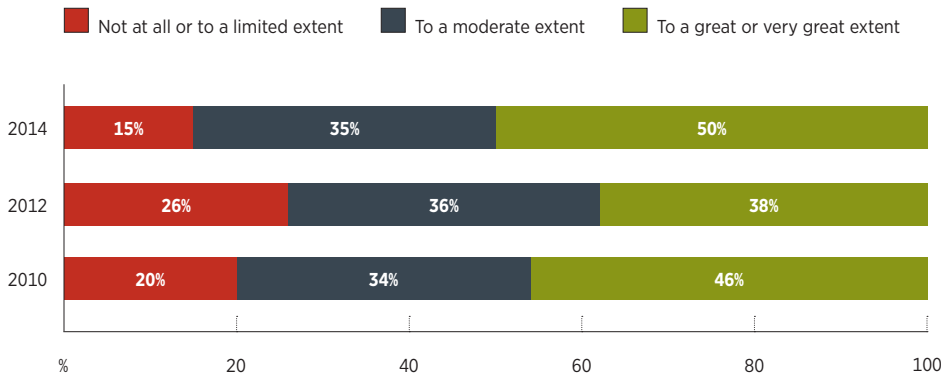
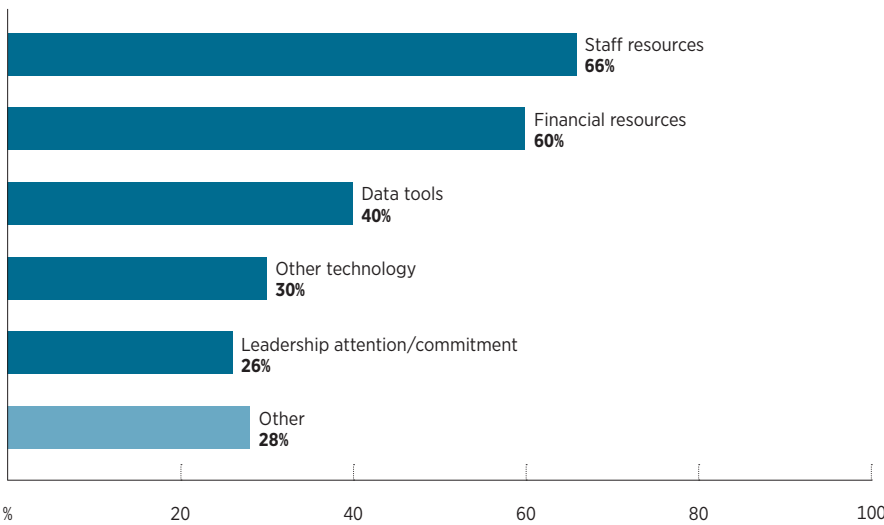


FIGURE 2

What additional resources do you need to be successful in your role?

Respondents were permitted to submit more than one answer



said one CHCO. “It’s hard to convince a manager that if they lose two to three employees, they should hire a young person who is going to need a lot of training. They’re not going to do that.”

In addition to the adverse impact recent budgets have had on workforce and workload balance, the reduced number of employees means that agencies have fewer resources to do the same amount of or even more work. “We have more missions [now than] we were responsible for 30 years ago, but we have fewer employees,” said a CHCO. This places an additional strain on remaining employees, who may not have the resources to do their job or to do their job well. In the 2013 Federal Employee Viewpoint Survey, for example, only 44 percent of the more than 376,000 respondents reported that they had sufficient resources (e.g., people, materials, budget) to get their jobs done, the lowest percentage ever.

Agencies haven’t invested in the training needed to keep workforce skills up to date

Perhaps the most obvious and immediate effect of the diminished budget has been reduced training levels. Training and development budgets across government have atrophied dramatically. Nearly 80 percent of CHCOs we interviewed said funding for training and development had plummeted as a direct result of sequestration (see figure 3). And as hiring has slowed, many federal workers are being asked to do not only more work, but different work. Employees are reported to be struggling to adapt to new or expanded job responsibilities that they may not have the background, skills or training to fulfill effectively.

“It is a major challenge to figure out how our training dollars can help [employees] adjust to new responsibilities,” said one CHCO. In fact, only 40 percent of CHCOs we

“When you just get a broad cut across the board, it hurts everything. And it is stupid. It is just plain stupid.”

CHCO RESPONDENT

FIGURE 3

As a direct result of the sequester, did your agency:

Respondents were permitted to submit more than one answer

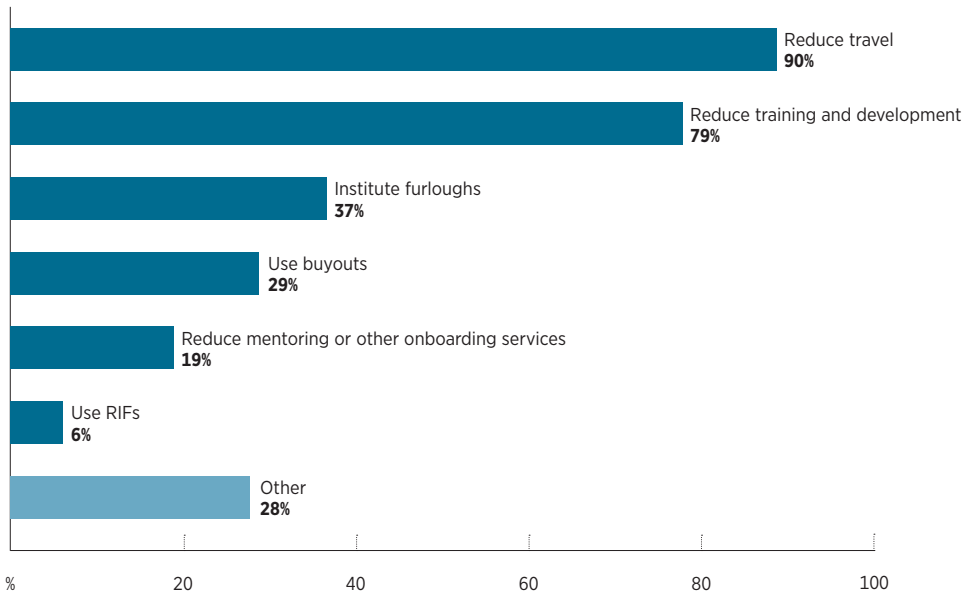
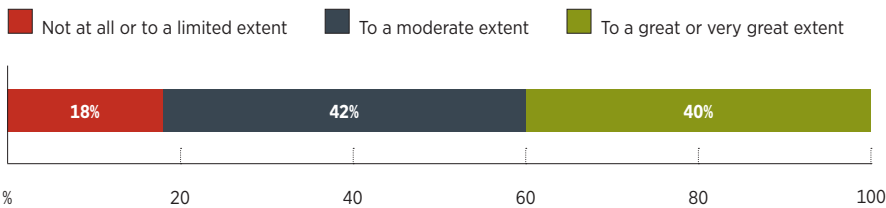


FIGURE 4

To what extent is your agency able to support its talent and development needs?



interviewed felt their agencies could support talent development needs to a “great” or “very great” extent (see figure 4).

Not all reductions in the quantity and quality of training can be traced directly to sequestration. For example, increased travel and conference restrictions were already in place before sequestration. When sequestration hit in conjunction with OMB’s newly tightened restrictions, it was a one-two punch for training. “When travel was reduced [after the GSA conference scandal], reduced training was a direct result,” said an HR leader. “Conferences are

the Ph.D. way of learning. The ongoing travel restrictions are way worse than sequestration’s impact on training and development, especially for that [part of the] workforce.”

“It is a major challenge to figure out how our training dollars can help [employees] adjust to new responsibilities.”

CHCO RESPONDENT

Federal employee engagement is declining

The CHCOs we interviewed were concerned that in 2013, employee job satisfaction and commitment scores dropped to their lowest numbers since the Partnership launched *Best Places to Work in the Federal Government*[®] 10 years ago. They believe that when a workforce is disengaged, it is less productive, innovative and driven.

The downward trend in employee engagement, morale and satisfaction with the work environment can be a result of many factors and events—including pay freezes, furloughs, insufficient resources, the lingering effects of the government shutdown and a lack of commitment by mid-level managers to employee engagement and people issues, CHCOs said.

On the pay issue, the individuals we interviewed said that while federal agencies often can't compete with private-sector paychecks, government generally is able to recruit skilled employees because those individuals are drawn to the mission and are motivated by the opportunity to make a difference. Agencies have relied on an engaged workforce as an asset to overcome complex, sometimes daunting challenges, so a decline in federal employee engagement is problematic, they said.

CHCOs and HR leaders report that their agencies' leaders place great importance on employee engagement. Unfortunately, less than half of the HR leaders we spoke with were confident their agencies are applying best practices to engage and motivate their workforce (see figure 5).

Pay freezes

In addition to a freeze on adjustments to the General Schedule (GS) pay system for the three years starting in fiscal 2011, employees affected by sequestration-related furloughs, most of which happened before the shutdown, permanently lost their pay for those days. "There was not just the economic aspect of taking [a pay cut], but the psychological and emotional effects as well," said an HR leader. With the recent budget deal, employees received a 1 percent pay raise in 2014, and the president has proposed another 1 percent increase for 2015. A number of HR leaders we interviewed did not believe this would be enough to undo the damage of three years of pay freezes. Federal employees have had to fight an economic battle on two fronts—one affecting their programs and work environment, the other affecting their personal finances.

Shutdown's toxic narrative hurt morale

When a shutdown occurs due to a lapse in appropriations, employees in jobs essential to the protection of life or property—for example, Veterans Administration medical personnel working at hospitals—are exempt from the shutdown. When the October 2013 shutdown initially categorized half of federal government workers as exempt, the media and even some agency communications offices described the other half as "nonessential," damaging workforce morale. In addition, some employees on teams or in offices were sent home, while others doing

FIGURE 5

To what extent are you confident you are applying best practices to engage and motivate your workforce?

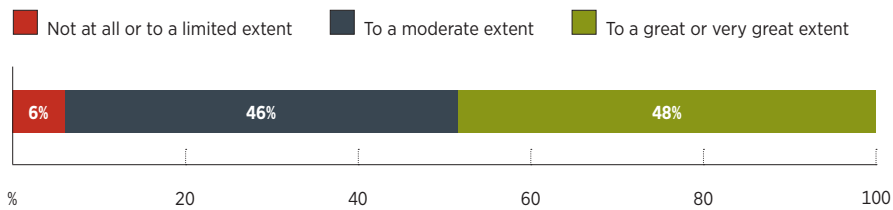
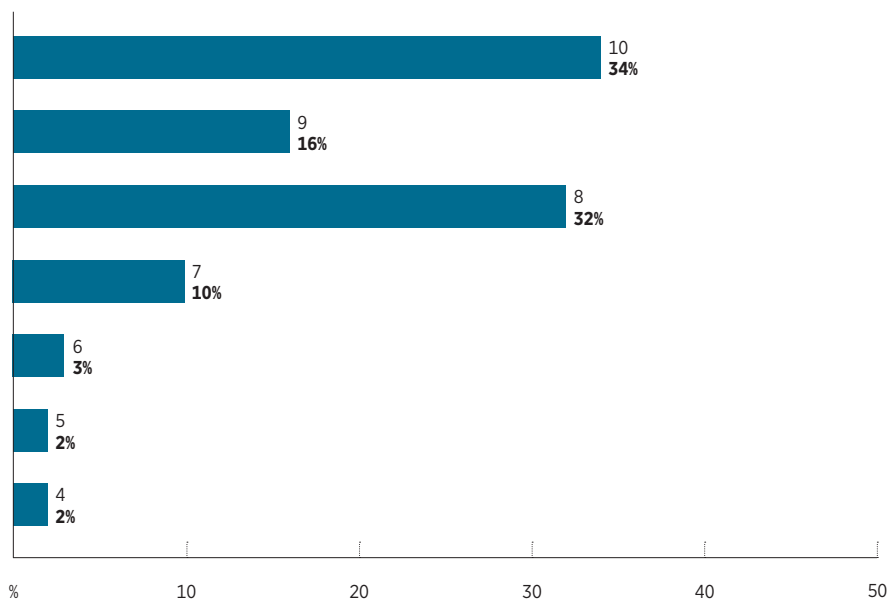


FIGURE 6

On a scale of 1 to 10 (with 10 the highest) what level of importance does your agency leadership place on employee engagement?

No "1" to "3" responses given



the same work stayed on the job because their salaries are paid by other agencies. "People are bitter, they really are," one CHCO said. "They're wondering, 'How can they tell us our jobs don't matter?'" While the emotional impact of the shutdown may not be permanent, "the effects will certainly linger for some time," said another CHCO, expressing a sentiment many others echoed.

It is widely accepted that employees are more engaged and satisfied if they feel they are doing meaningful work and can see how

their jobs fit into their organization's goals. People in public service who joined because of a desire to make a difference are especially vulnerable to charges that their work isn't needed or valuable. Therefore, the shutdown and the labeling of employees as nonessential "left a bad taste in workers' mouths," one interviewee said.

If employees were frustrated with their agencies' poor communication, agencies themselves were frustrated with lack of planning and consistent guidance from cen-

tral agencies on who was exempted. Reflecting on calls that HR leaders had with OMB during the shutdown, one CHCO said, "Do you know what pain is? I'd rather have a root canal without novocain than be on those calls. The messaging [information] was vague and repetitive and didn't address concerns [in a timely way]." That led to disjointed and often confusing methods for furloughing employees. Many found out about their designation on the first day of the shutdown, after they had reported to work. Others were sent home the day of the shutdown, only to be called back a couple of days later.

Some agencies, though, seemed to get the message out correctly. A few HR leaders we interviewed were proud of what they described as their agencies' effective communication strategy, believing it helped offset employee anxiety. One of these leaders said, "Workforce communication is the biggest difference I have made here since my arrival. It is what got us through the shutdown. I'm not just talking about messaging. I'm talking about thoughtful strategic communication," adding the workforce "will forgive a lot" if employees get straightforward and honest information. That was particularly important considering that whether employees worked or not,

"People are bitter, they really are. They're wondering, 'How can they tell us our jobs don't matter?'"

CHCO RESPONDENT

there was no guarantee they would get paid.

Other HR leaders told us that their agency leaders in general are quick to see challenges as opportunities, and the shutdown was no different. It offered an opportunity for agency leadership “to reset the tone of our relationship with our employees” once they returned to work, according to one CHCO. “We got a glimpse as an agency of what real engagement could look like, [which] caused us to start thinking about employee engagement in a different way.”

Some senior leaders took special opportunities during the shutdown to highlight their commitment to their employees. For example, several CHCOs described personal efforts by agency heads to show they cared about employees. One secretary “shook everyone’s hand when they left and when they came back. That image really helped him with employees,” said a CHCO. Many leaders made an effort to speed the process for distributing paychecks employees had missed during the shutdown. Media reports of the vice president personally welcoming

employees back to work at the EPA also were seen as helpful. More than 80 percent of HR leaders we interviewed gave their top leadership an 8 out of 10 or higher when scoring their commitment to employee engagement (see figure 6).

Leadership commitment high but not always shared

Top leadership’s commitment to improving employee engagement—for example, by implementing employee suggestions for improved workflow or instituting programs for gathering feedback—frequently is failing to permeate to lower-level managers and supervisors. One CHCO said, “If the secretary can be in the cafeteria striking up a conversation with employees, or sending personal emails expressing gratitude, why can’t other leaders? There is no excuse.” Responding to a question about the leadership commitment to engagement issues, one CHCO said, “If I had to rank the secretary, I’d say a 10, but for leaders [down a level], I’d give a 4 or 5, and I’m probably being generous.” This sentiment was echoed by several others throughout our interviews. One interviewee

“We got a glimpse of what real engagement could look like, [which] caused us to start thinking about employee engagement in a different way.”

CHCO RESPONDENT

said, “Our senior leadership is very engaged, but talking to other second-tier leaders [about prioritizing employee engagement], it was like they felt we asked them to land on the moon.”

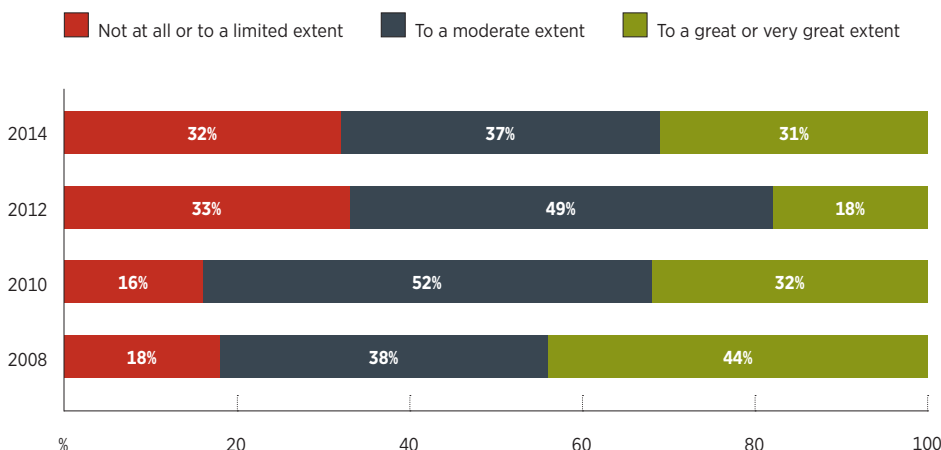
If mid-level leaders are to dedicate their attention to employee engagement, it is important they have the skills to do so. Many HR leaders have doubts about whether they do. We “have a number of technical experts promoted to supervisory roles,” said a CHCO. “Many [of them] do not have the people skills to be managers or supervisors.” HR leaders believe it will be difficult for government to reverse declining morale if agency leaders don’t have the right skills. Only one-third of HR leaders we interviewed thought their agencies’ managers had the soft skills necessary to be successful (see figure 7).

Agencies are struggling with performance management

There was a general consensus among CHCOs that the process for setting individual performance measures and the performance appraisal system seldom works as intended and may even do more harm than

FIGURE 7

To what extent do your managers and supervisors (i.e., line and operations, not HR) have the managerial and supervisory competencies (i.e., the soft skills) they need to be successful?



good. Many of the CHCOs believe that federal managers are not sufficiently skilled at performance management and that the performance appraisal process lacks credibility and isn't taken seriously. Rather than motivating employees to improve their performance or their skills, the current approach to performance management may actually discourage some employees and make little difference to most others. "Everywhere in the government, performance management creates problems in the workforce," one CHCO said. "It is a horrible process and very painful. Everyone here truly hates it." Another interviewee said, "There are fewer people who want to be managers because they don't want to deal with a broken performance-management system," said a CHCO. The federal government lacks not only a culture of evaluation and accountability, but also the structural support and incentives to manage high and low performers properly.

The performance-management system makes it difficult for managers to address poor performers, and many are not doing so adequately

Ineffective management of low performers has a disproportionately negative impact on employee engagement. CHCOs emphasized the need to manage poor performers better and in some cases find ways to dismiss consistently poor performers from the civil service. "We need to get better at removing people from government that don't belong here," one CHCO said. Another added, "The civil service needs to find a way to do an honorable discharge. More than hiring reform, we need firing reform. In that reform you need to one, address poor performers and two, address skills that become outdated from otherwise good performers. There are just simply way too many hoops."

CHCOs were largely united in

"How can you trust a system where 95 percent of the SES are rated as 'outstanding' or 'superior'? Ninety-five percent. You can't."

CHCO RESPONDENT

their perception that it was harder than it should be to deal effectively with poor performers. One leader said, "Nine out of 10 times the EEOC, the union and your own general counsel are working against you. Who wants to go through that?" We heard frequently that people would rather deal with lower productivity than have to go through the process. Potentially adding to the problem is the inability of some agencies to replace employees who leave due to budget pressures. One HR leader said, "The unintended consequence of three-to-one hiring [that is, hiring only one person to replace three who leave] is that managers are caught in a catch-22 with poor performers. Do they let someone go if they are getting at least half effort?"

A culture of regular feedback remains elusive

Regular feedback is missing between managers and employees. Several CHCOs expressed the need to build a culture of feedback and communication within agencies that would include managers soliciting comments and opinions from employees and responding to them, as well as explaining how they're going to commit to making improvements. An absence of transparency and ac-

countability were common issues cited with the current process or environment. One interviewee said, "If you want to be a performance culture, the first thing you have to do is to get managers to be accountable for doing performance management."

The problem isn't simply a general cultural aversion to managing performance. Most employees do not think the results of the annual performance appraisal process are an accurate indicator of the relative performance and contributions of each employee, nor do they see the results as particularly useful in identifying and planning for training and development needs. For example, only 31 percent of all federal employees responding to the 2013 Federal Employee Viewpoint Survey reported that "differences in performance are recognized in a meaningful way."

CHCOs concerned with the inability to fully recognize and motivate high performers

Current budget realities led a number of CHCOs to lament the inability to reward high performers financially. "Thanks are great, but thanks don't buy Christmas presents," one CHCO said, referring to the inability to give rewards. CHCOs blamed the budget environment as a major reason why they were unable to recognize high performers sufficiently. "Performance management is getting better and better at linking performance to outcomes, but in a budget-tight environment, what do you do with the results? You can't implement it." Of course, agencies can encourage good performance through developmental assignments, intangible awards and a number of other ways. However, these take managerial investment and skill, and CHCOs expressed concern that many of their managers and supervisors lacked key competencies to do this successfully (see figure 7).

Difficulties with hiring process remain

Because the number of government employees has decreased while the workload has increased or remained steady, it has become even more important that each new employee is the best match possible for the position. Improving the hiring process has been a government priority for several years, and the CHCOs and other HR leaders report some success. For example, when asked what grade they would give their agencies' progress on hiring reform, 11 percent of CHCOs responded with "A," 66 percent said "B" and 23 percent chose "C" (see figure 9). Reducing the time it takes to hire and simplifying the hiring process were cited as areas in which progress has been made. Enhancing the quality and diversity of new employees, however, has remained more elusive.

The Pathways Programs as implemented not seen as the answer to hiring difficulties

In recent years, nearly half of all new federal employees in government entered service through one of two programs: the Federal Career Intern Program (FCIP) or the Student Career Experience Program (SCEP), according to data gathered by the Office of Personnel Management.

By 2012, both of these programs had ended, and the new Pathways Programs were established. These authorities were designed to enable agencies to provide students and recent graduates with clear paths to internships and full-time employment. Unfortunately, the Pathways Pro-

grams have not delivered on that promise, although they offer great potential.

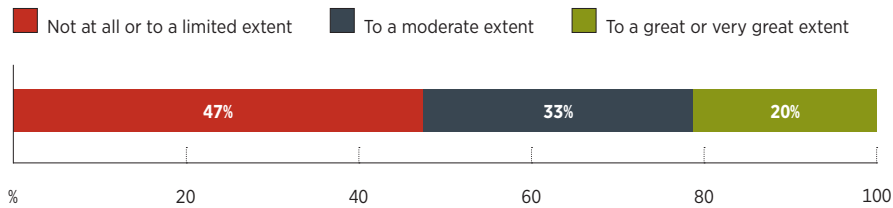
We asked the interviewees about their experiences with the Pathways Programs and discovered wide variations in their use. Only 20 percent of CHCOs indicated that their agencies are using the programs to a "great" or "very great" extent: slightly less than half (47 percent) of CHCOs indicated they used the programs "not at all" or "to a limited extent" (see figure 8). Agencies reported a variety of reasons for not using the programs to the fullest extent possible, including being able to rely on other hiring authorities to serve the same need and the reduced ability to hire overall, due to budget restrictions.

“We’ll [quickly] get 300 applicants. How do you deal with that, especially within the confines of merit principles?”

CHCO RESPONDENT

FIGURE 8

To what extent is your agency using the Pathways Programs to bring in new talent?



The HR leaders who were using the program rated as poor, on average, the degree to which the Pathways Programs were meeting their needs. The most repeated criticism stemmed from one particular item—the requirement mandating that agencies accept applications from all sources regardless of agency need or circumstance. “We are not happy with Pathways. It is simply not working. The public notice requirement is killing me,” said one CHCO, referring to the provision that requires employment opportunities be posted on USAJOBS and that all applications be accepted.

CHCOs reported that the volume of their applicant pools has been increasing sharply. One CHCO reported receiving more than 30,000 applications for 10 jobs when they were each posted for only five days. At first glance, an increased number of interested applicants seems like a good thing—the more applicants,

the more choices for hiring managers and the greater likelihood that highly qualified individuals well matched to the position would apply. However, the Pathways Programs highlighted and exacerbated an existing problem: Most agencies lack the assessment tools or processes to assess applicants efficiently and effectively when screening thousands of them. “Interest in the position isn’t the problem,” said a CHCO. “Lack of good assessment tools for [that number of applicants] is the problem. We’ll [quickly] get 300 applicants. How do you deal with that, especially within the confines of merit principles?”

Some CHCOs report developing workarounds to manage applicant flow better, such as posting a job announcement for a brief period of time—less than a day in some cases—or accepting a limited number of applications, for example, considering only the first 100 applications received. One interviewee said, “[We] have to close the position [quickly] otherwise there is too much volume to manage.” Neither of these strategies was seen as ideal.

Because of the overwhelmingly large applicant pools for many positions, HR leaders were concerned that targeted recruiting efforts would become ineffective. While nothing in the Pathways Programs regulations prohibits agencies from marketing to specific talent sources so long as they meet public notice requirements, large applicant pools lead many organizations to believe

that individuals they actively recruit will not rise to the top of the list of eligible applicants. One HR leader lamented, “I’ve built good relationships [with colleges] and now I can’t use them. University career centers live and die on placement rates and they say, ‘If you can’t place us, why are we working with you?’ Well, they’re right.”

Part of the issue, agencies report, is that it is difficult to differentiate among hundreds or thousands of applicants. In addition, as noted in the following section, the manner in which veterans preference is applied has created unintended outcomes.

Strong support for veterans preference, but questions raised about how it is applied

Without exception, the CHCOs and other HR leaders we interviewed expressed support for the goals of veterans preference laws and the desire to ensure that their organizations hired well-qualified veterans. The government has an excellent track record on this, according to Christine Griffin, former deputy director of the Office of Personnel Management (OPM). “In comparison to the private sector, the federal government hires three times the percentage of veterans, seven times the percentage of disabled veterans and 10 times the percentage of severely injured veterans,”¹ she testified before Congress. Also, the percentage of newly hired veterans for federal jobs has been increasing steadily across government. For example, in 2007 the percentage of veterans hired for full-time, permanent positions was 37 percent; by 2012 it was 45 percent. HR leaders we interviewed were proud of the gains they’ve made in hiring veterans and were able to

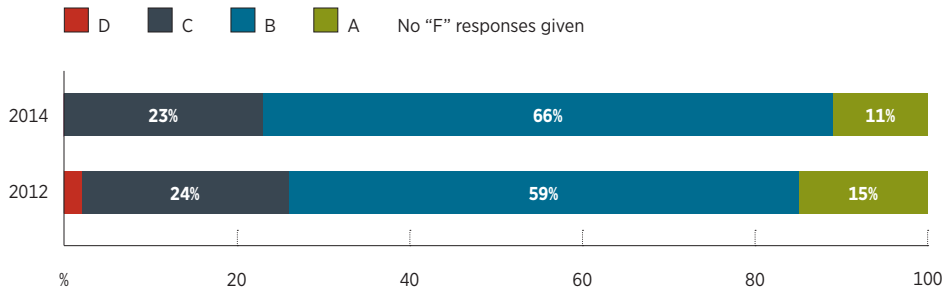
“[We] have to close the position [quickly] otherwise there is too much volume to manage.”

CHCO RESPONDENT

¹ Testimony of Christine Griffin, former Deputy Director, U.S. Office of Personnel Management, entitled *The Status of Veterans Employment: hearing Before the Committee of Veterans Affairs, 111th Cong., 2009*

FIGURE 9

What grade A to F would you give your agency's progress on hiring reform?



discuss their hiring goals and where they were in achieving them.

A significant issue raised in our interviews, however, is that the federal hiring process has evolved significantly since the Veterans Preference Act of 1944, as has the manner in which veterans preference is applied and the weight that it carries. Several CHCOs noted, for example, that it is becoming increasingly difficult to achieve other public policy objectives, such as those contained in a 2011 executive order on diversity in hiring.²

No one we interviewed suggested that veterans preference be discontinued, but a number did suggest it could be applied more strategically and in a way that takes into account changes in the hiring process itself. For example, several CHCOs noted that for entry-level jobs where there are hundreds and sometime thousands of applicants, the way in which applicants are typically screened and categorized under current competitive hiring procedures can result in the exclusion of all nonveterans without regard to their relative qualifications. Some also questioned whether continuous application of veterans preference for those who were already

federal employees—which can happen when a federal employee who is a veteran applies along with other applicants from outside of government—was in accord with the intent of Congress.

While there were a variety of opinions expressed regarding what changes, if any, should be made in how veterans preference is applied, there was a consensus on the view that it would be useful to take a fresh look at the issue. As one interviewee said, “I’m a vet, but there are so many unintended consequences of veterans preference.”

² Exec. Order No. 13583, *Establishing a Coordinated Government-wide Initiative to Promote Diversity and Inclusion in the Federal Workforce*, 76 Fed. Reg. 52847, 18 Aug. 2011, <http://1.usa.gov/1nGS29y> (accessed 12 Feb. 2014).

Agencies are not using all the workforce data and analytics tools necessary to manage effectively

A relatively low percentage of respondents said they were helped by tools intended to assist with managing their workforces (see figure 10), such as the recently launched government-wide HRstat initiative—a CHCO-led, data-driven review focused on performance improvement in the human capital area—or the data-driven efforts stemming from cross-agency priority (CAP) goals and provisions of the Government Performance and Results Act (GPRA) Modernization Act. The consensus was that it was still too early to assess the full impact these initiatives may have, but interviewees were interested in the benefits of these efforts and hoped they would help down the road.

Despite the improvements in how data is being used in the federal workplace, our interviewees highlighted areas in which more or better data would be useful. For example, they had very little data on the quality of new people hired and no comparative, cross-agency data on the quality of those new employees. In addition, no one talked about systematically gathering data on the total cost of a new employee, although a few agencies had plans to explore this. Many CHCOs said that for an HR activity as fundamental as workforce planning, agency efforts are not as data-driven as one might expect, and leaders don't use the data they have strategically or methodically. "Workforce planning is not part of the fabric

of management thinking," said one HR leader. "We have a very ad hoc culture, not a proactive planning culture." Another CHCO said hiring managers don't always review and adjust strategy based on the data before hiring replacements. "If you have 100 people and five are retiring, people just want to replace five people instead of asking if 100 was the right number in the first place." But the data itself doesn't solve the problem. Agencies also need people with the skills to analyze it so it can be used for decision-making.

Interviewees indicated that data on the quality of people hired is unreliable. Most interviewees were able to identify how they were doing against the metric on time to hire, but did not actively track metrics on the quality of the people. In a budget-constrained era, this issue becomes increasingly critical. "If you are going to hire only three people in the next three years, each one becomes a critical hire," said one HR leader.

While interviewees recognized the need to improve in this area, they didn't think it was going to be easy. "We are measuring timeliness because that is easy, but we need to focus on quality," one CHCO said. "I would love for [government] to come up with good measures for quality." Of those agencies attempting to measure the quality of people hired, many leaders' insights focused solely on manager and employee satisfaction surveys administered

at or shortly after the time of hire. These surveys can provide an important data point for understanding quality, but relying solely on this method can skew the data. According to one interviewee, administering these surveys immediately after a new employee begins the job more likely measures “a manager’s or new hire’s satisfaction with the hiring process rather than satisfaction with the quality of the candidate, as quality hasn’t been proven yet.”

Further, these survey results may be biased due to hiring managers’ concerns over retaliation for criticism, said one HR leader, adding that that concern might make managers reluctant to complain. A few agencies had developed or were in the process of developing follow-up surveys to assess how well a new employee was doing six months after being hired, and again after one year on the job.

Additional data is needed

In addition to the challenges surrounding the quality of hiring data, HR leaders felt agencies didn’t have access to other high-quality workforce management data necessary to engage in good workforce planning. “The problem is nobody knows what we need,” said one CHCO. “No one

has done an empirical analysis of what we need based on our mission and what our needs will be in the future. Our command signal comes episodically when someone puts in a request for a hire or promotion,” the CHCO added.

Nearly half of the HR leaders we interviewed said they needed more data than they currently have. In addition to knowing how many people are doing which activities and how many are projected to leave within a given time period, CHCOs and other HR leaders also want to know what kind of workforce they will need in five, 10 or 20 years. Other questions they wish agency leadership to consider include:

- Which people should be doing which activities
- Is the mission or budget likely to change?
- Where should we get this talent—hire new people, retrain current employees or contract for the skills needed?
- How are we going to keep skills current?
- How will the changing demographics of the workforce affect how we should manage?

“Workforce planning is not part of the fabric of management thinking.”

CHCO RESPONDENT

“We are measuring timeliness because that is easy, but we need to focus on quality.”

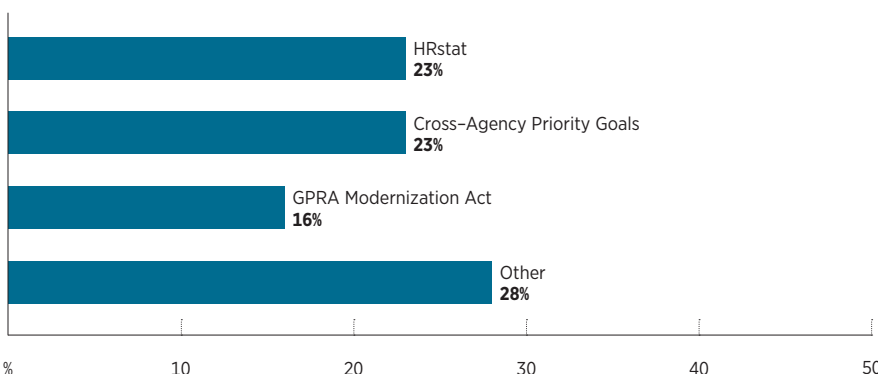
CHCO RESPONDENT

HR leaders we interviewed believe that most agency leaders are not prepared to answer these questions completely, or simply aren’t focused on the long-range perspective, including the need to build a talent pipeline.

Responding to a question about skills gaps in agencies, one CHCO said, “We literally don’t know, because the people who are doing the work don’t know if what they are doing is the right work or simply the work their predecessor did.” Another HR leader said, “We also have a problem with understanding retention and tracking, who is turning over and why. We are not tracking if employees are retiring, transferring or resigning.” Leaders will have a hard time making the best strategic decisions for their agencies if they lack quality workforce data.

Still, there is reason to be optimistic about government’s data situation. The data sets available

FIGURE 10
Which of the following tools have been helpful to you in management of the agency workforce?



now are more complete and accurate than ever. Also, OPM and OMB recently have focused attention on improving data for leaders. For example, the HRstat initiative is relatively young, and agencies piloting this program were optimistic that it could help strengthen data's role in decision-making. Said one CHCO, "We used HRstat to quantify and track our skills gaps. It has helped us become more analytical and data driven."

Limited tools

We heard from numerous interviewees that they had access to reasonable amounts of data but lacked the tools to manage that data effectively. One agency uses Microsoft's Excel spreadsheet software to manage workforce planning because it doesn't have the budget to invest in a more automated tool. Another CHCO echoed that sentiment. "We are spending too much money delivering HR. I would like data, training,

analytics and tools to help working managers better manage their employees and the mission."

Most HR leaders agreed that they needed to provide better analytics capabilities. However, leaders were not willing to adopt every new management tool, in some cases preferring to build upon or make better use of available tools and resources. For example, only 23 percent of CHCOs identified CAP goals as helpful (see figure 10), but many expressed optimism that they would become more useful going forward, especially if they lead to more collaboration and sharing across agencies.

Planning culture

No amount of data or sophisticated analytics tools compensates for the lack of rigorous planning or interest in planning. In agencies where this is a shortcoming, it is due partly to a belief that budgets, and in some instances workload, are too unpredictable. However, in other cases there

simply is not a culture of workforce planning or there exists an outright aversion to it.

One CHCO said, "While I am optimistic that there will be not be another shutdown [soon], the current environment does not give the department the ability to plan and look forward." We heard throughout our interviews that the uncertainty of the budget environment is a problem. One HR leader said, "I've had people ask me, 'Why should I plan? I literally have no idea what my budget [will be] next year.'" Another said, "It's a strange world. One day you're on the chopping block and the next year you're expanding." Even with the budget deal reached in January 2014, workforce planning will not be easy for many managers who have spent much of their careers in an environment of continuing resolutions.

Many CHCOs seemed to think the problem of poor planning goes beyond the budget troubles and that managers could do much more planning than they are doing now, even with the current budget situation. "My managers almost refuse to plan," said one HR leader. This becomes apparent in succession planning, when managers seek to hire new employees who have the same skills as the person who is leaving. "Most [managers] just want to use a position description to replace Bob, but it's not the best plan," said the interviewee. "Don't just hire a new Bob to replace an old Bob."

The lack of strategic succession planning is hurting agencies' ability to prepare for hiring needs that will arise. "At the department, we hire for today and not for tomorrow," said an interviewee. "We focus on who just left and what we need to do to immediately replace him or her, thus creating a hiring culture that is reactive and not strategic." In fact, only 26 percent of the CHCOs interviewed believe that their agencies' succession planning process is preparing an adequate pool of qualified candi-

FIGURE 11

To what extent is your agency's succession planning process preparing an adequate pool of qualified candidates for future needs?

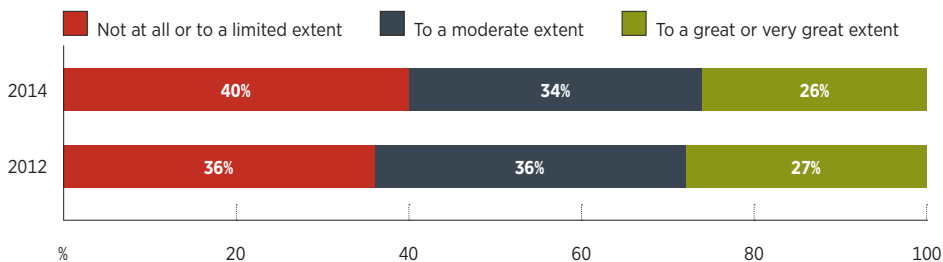
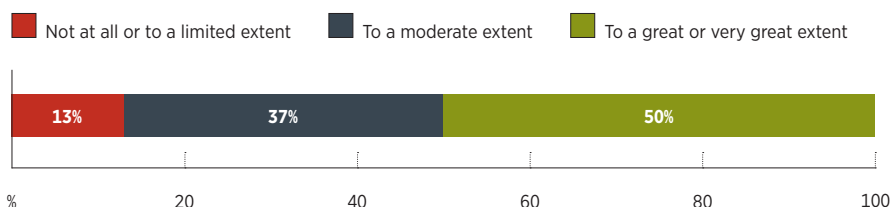


FIGURE 12

To what extent is knowledge management becoming more difficult due to the current environment (e.g., elevated retirements, fewer hires)?



“I’ve had people ask me, ‘Why should I plan? I literally have no idea what my budget [will be] next year.’”

CHCO RESPONDENT

dates for future needs to a “great” or “very great” extent (see figure 11).

With retirements on the rise, several CHCOs said succession planning is becoming increasingly important and that the refusal to plan for the future will harm the workforce’s ability to meet tomorrow’s challenges.

Our interviews revealed that weak workforce planning is the result of not just a lack of data, but also a cultural unwillingness to plan. Half of the CHCOs reported that knowledge management is becoming more difficult to a “great” or “very great” extent due to the uncertainty of the current federal environment (see figure 12). The Government Accountability Office (GAO) forecasted that the percentage of retirement-eligible employees will double to 31 percent in the next three years.³ Many interviewees said that attrition did not seem to be a major concern for their managers, but HR leaders worry attrition is artificially low due to the poor economy and that an improving economy could lead to greater attrition. “A bad economy is a good thing for federal employment If the economy starts going again, we’ll lose employees.”

Workforce planning can help agencies deal with any future increase in employee turnover, but only if agency leaders support and embrace it and see it as a basic management responsibility, not just an HR function.

³ *Recent Trends in Federal Civilian Employment and Compensation*, Government Accountability Office, (GPO: Washington, D.C.), Jan. 29, 2014.

The HR infrastructure and HR workforce need to be strengthened

The HR infrastructure—the rules, tools and processes for recruiting, hiring, compensating, retaining, motivating and developing employees and for working with employee unions and other stakeholder groups—plays a vital role in determining the vitality and productivity of an agency’s workforce. Similarly, the quality and capabilities of the HR workforce in any organization are major determinants of the overall quality of workforce management in that organization. Federal managers and leaders have the ultimate responsibility for good workforce management, but they need to be supported, advised and assisted by their HR colleagues. The comments of CHCOs and HR leaders indicated that neither the current HR infrastructure nor HR workforce are where they need to be. And the quality of HR services and support for federal hiring managers is threatened by an outdated HR infrastructure, weak customer service data, skill gaps in the HR workforce and inconsistent relationships across the agencies’ workforce and between HR staffs and the managers they support.

HR infrastructure is outdated

Government has not invested systematically in its HR systems, creating service delivery challenges for even the most qualified HR professionals. Said one CHCO, “The HR system is archaic. It is cumbersome. Even for HR professionals, it is hard to navigate.” Like many of govern-

ment’s systems, HR systems and processes have become more complex over the years, requiring HR professionals to spend more time on simply trying to make it work rather than having strategic conversations and investing in planning. More than 60 percent of leaders we talked to agreed to a “great” or “very great” extent that civil service reforms should have a high priority. (see figure 13).

When asked to identify what areas of reform should have the highest priority, classification and pay were the most frequently cited (see figure 14), followed by performance management and hiring. When we asked what changes they would make, if any, to the federal pay and classification system, a few CHCOs said they would leave it alone, largely out of concern that any modifications, if not deep and strategic, might make things worse. Most CHCOs, however, were very clear and direct about the need to make major revisions, with several going so far as to suggest that the government blow it up and start over. “The way this system is going to be fixed is,” said one HR leader, “it will crash. And at that point, the only thing to do will be create something from a clean sheet of paper.”

It was apparent that our interviewees felt strongly that we must improve the government’s ability to manage its workforce, and part of the equation is improving and modernizing the federal HR systems, structures and tools. In addition to the pay and classification system, for example, earlier sections of this report described their is-

sues with the federal hiring system, workforce planning, and the performance-management system.

A focus on complex customer service issues remains a challenge in the current environment

Some HR leaders defined their customer base broadly, for example, saying, “My customers are the world” or “Everyone in the country is my customer.” Others were more specific, referring to their customers as agency leadership, program managers or others they worked with directly. Some included agency

employees as part of their customer base, while others broadened it to job applicants. Regardless of how they defined customers, many HR leaders admitted they do not actively, consistently or methodically track customer service. Asked if they know whether their customers are satisfied, one responded, “Satisfied? Good question. Right now, it’s mostly ad hoc.”

Most interviewees said they use mandated hiring manager and applicant survey data as the chief or even sole measure of customer service for the hiring process. Many pay a great deal of attention to the results of the

“The HR system is archaic. It is cumbersome. Even for HR professionals, it is hard to navigate.”

CHCO RESPONDENT

annual Federal Employee Viewpoint Survey (FEVS), conducted by the OPM, which is more of an agency-management metric than an HR customer-service metric.

More than a few CHCOs noted that their customers complain if they do not receive the services they thought they deserved and, therefore, CHCOs viewed a relative lack of complaints as a positive customer-service metric. Most of the CHCOs and HR leaders also believed there is room to increase the quantity and quality of customer-service data, and for that data to be collected and used properly to improve HR service delivery.

The HR workforce has a number of skills gaps

While the CHCOs we interviewed thought many of the approximately 27,000 federal HR specialists in the executive branch have an excellent ability to carry out their assigned responsibilities, they also believed that the skills of many others among that group had become outdated or that some simply lacked the skills needed. For example, some interviewees said there is a shortage of HR personnel with the ability to classify positions under the General Schedule (GS) classification system. “Classification is a dying breed,” said one interviewee. “Experts on position descriptions [and classification] almost can’t be found. People are get-

FIGURE 13
To what extent should civil service reform be a high priority?

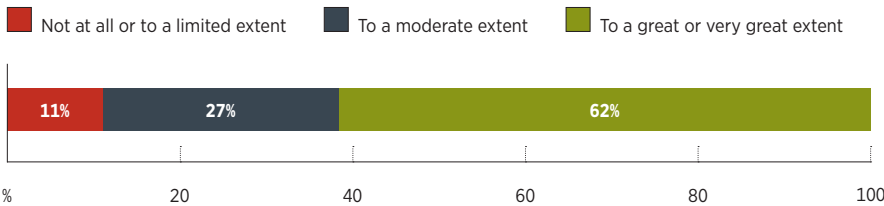
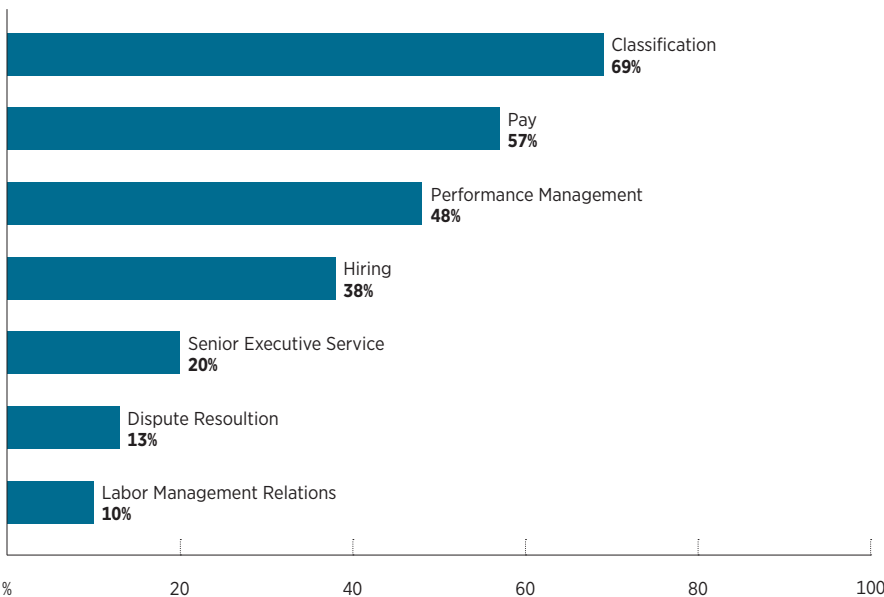


FIGURE 14
What aspects of civil service reform should have the highest priority?

Respondents were permitted to submit more than one answer.



ting promoted and they don't know classifications." We heard similar comments about skills gaps in labor relations and position management.

But more than the lack of a particular expertise, challenges stemmed from the lack of the correct balance of skills. One CHCO said, "Generalists aren't working for us. When I came in we had jacks of all trades, master of none and it wasn't working." According to another, the HR field needs to make sure it continues to attract people that didn't "grow up in HR, but spent a significant amount of time in missions," that is, worked a significant portion of their career outside of HR. One CHCO admitted, "I get nervous when I hear [discussion about] the CHCO pipeline. We need to make sure our HR profession is balanced." Several interviewees noted the need for more HR professionals who can

serve as trusted advisors to managers, saying that too many of their HR professionals were simply lacking those skills.

HR maintains inconsistent relationships across the agency's workforce

To a large extent, the efficiency of an agency relies on the relationships the HR function has with other functional areas, but interviewees said that agency hiring managers and HR professionals fail to work with each other effectively and consistently. "I still feel like we struggle with hiring manager involvement," one CHCO said. "We have trouble getting the manager involved at the right step. They continue to want HR to work magic and provide them with a slate of fully qualified and vetted candidates that they'd be equally happy choosing from. It is really about get-

ting managers to think about what they need. They don't get what they want because they never took time to articulate it." He believed the problem is the same everywhere. "Typically when you see low satisfaction with the hiring process, you can trace [part of] it back to the [fact that the] manager wasn't involved at the right time in the process."

However, our interviews uncovered strong relationships between agency leaders and HR staff. The overwhelming majority of the CHCOs and HR leaders we interviewed want HR to function and be seen as an essential partner in business decisions and most said it is—a majority of CHCOs (56 percent) felt that their HR staff is viewed by their agency leaders as a trusted business advisor to a "great" or "very great" extent. This is a 14 percent increase from last year (see figure 15). In addition, 81 percent of CHCOs feel they have a "seat at the table" when their agency is making strategic business decisions (see figure 16).

FIGURE 15
To what extent is your HR staff viewed by your agency leadership as a trusted business advisor (versus a transactional manager)?

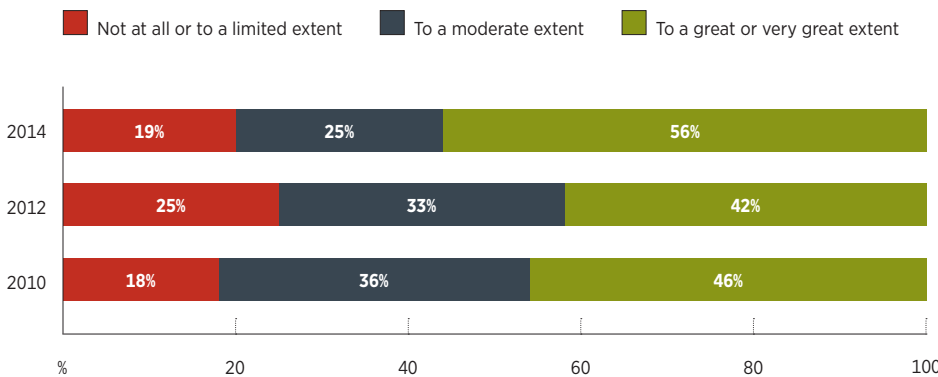
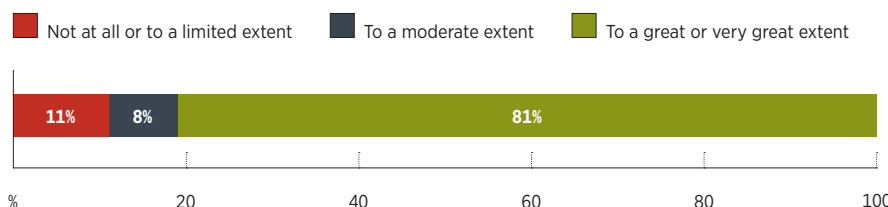


FIGURE 16
To what extent do you feel you have a seat at the table when your agency is making strategic business decisions?



“Typically when you see low satisfaction with the hiring process, you can trace [part of] it back to the [fact that the] manager wasn’t involved at the right time in the process.”

CHCO RESPONDENT

CHCO RECOMMENDATIONS FOR REBUILDING THE WORKFORCE

Significant challenges must be overcome to rebuild a federal workforce that has been battered on a number of fronts over the past few years. Many of the individuals we interviewed were optimistic that putting a stronger workforce in place was possible, but the likelihood of it happening would be significantly increased with help from Congress and others.

The HR leaders and CHCOs we interviewed have good ideas and recommendations for strengthening the federal workforce and have been working together as a community, and with the administration, to put those ideas into action. They will be assisted by the two-year budget agreement reached in January 2014 that reduces the worst aspects of the across-the-board, arbitrary budget cuts imposed by sequestration and provides executive branch agencies much-needed stability and predictability in their appropriations.

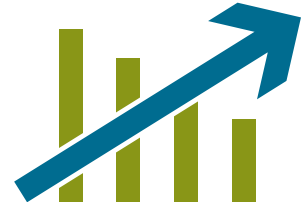
The administration's fiscal 2015 budget, submitted to Congress in March 2014, contains specific reference to some of those ideas under the heading "People and Culture: Unlock the Potential of the Federal Workforce and Build the Workforce We Need for Tomorrow." The administration commits to taking actions to:

- Enable agencies to hire the best talent from all segments of society
- Build a world-class federal management team starting with the Senior Executive Service
- Create a culture of excellence and engagement

Within a section titled "Improving the Federal Workforce," under "Analytical Perspectives," there are details pertaining to many of the challenges HR leaders and CHCOs spoke about in our interviews. These include official acknowledgement of the challenges posed by an outdated personnel system, including the General Schedule pay system, and the negative impact of budget constraints. In many cases, our interviewees provided compelling illustrations of the need for action and additional recommendations on what should be done. In addition, the administration established a series of cross-agency priority goals for multiple agencies to work on collaboratively to address challenges government must overcome to build a more effective federal workforce.

RECOMMENDATION ONE

Develop an effective strategy for workforce management in a diminished budget environment



Federal agencies should reinvest in employee and management training and development

The CHCOs and HR leaders we interviewed provided two specific ways to help to close skills gaps and make training more affordable, which align with the administration's intent to reinvest in training, especially for managers and in mission-critical occupations:

- OPM and OMB should reevaluate the tight restrictions on conference attendance and travel undertaken for training and professional development. Some restrictions make sense, according to interviewees, but many also believe the restrictions have gone too far. Travel limits inhibit conference attendance—a widely accepted method of professional development, particularly for employees in scientific and technical occupations—and reduce the opportunities for employees to be detailed temporarily to other organizations or geographic areas for their professional development.
- Federal agencies and the CHCO Council should continue to work together to identify more cost-effective ways to provide training and development, particularly involving better use of technology and cross-agency collaboration. Several interviewees thought that HR University—an online HR career development center (<http://hru.gov>) developed by an interagency workgroup sponsored by the CHCO Council—was a good example of a successful effort that should be continued and perhaps expanded.

Federal agencies should continue to focus on identifying shared services and other collaborative, cross-agency arrangements that can reduce costs and improve how their missions are achieved

Consistent with the findings in the fourth report in this series, “Bracing for Change,” released in 2012, CHCOs and other HR leaders acknowledged they cannot simply ask employees to do more with less, but rather, they need to rethink business as usual to find more efficient and cost-effective ways to do the job. This includes consolidating or sharing HR services and IT platforms within or across agencies.

Congress should revamp the federal government's outdated pay and job classification system

Ineffective and outdated HR systems, including the General Schedule (GS) pay system, hinder government's ability to achieve its intended outcomes as efficiently as possible. Most of the individuals we interviewed thought government could develop a better and more effective approach to pay setting, although a few cautioned against a major overhaul of the pay system, concerned it might make matters worse in an environment in which some policymakers believe that federal pay and benefits should be reduced.

Congress should set spending limits that allow agencies to use their appropriations in ways that are least damaging to the mission, rather than imposing arbitrary, across-the board budget cuts

Many CHCOs cited the workforce management challenges that arose during sequestration and other budget restrictions, including the inability to manage reductions due to restrictions on what they could cut; the uncertainty over how long the reductions would continue; and what future funding would be. Several mentioned strong support for a two-year budget cycle, but none of them expected that to happen in the near future.

Sustain efforts to reverse the significant decline in employee engagement



Hold senior managers accountable for taking actions to enhance employee engagement, and include metrics in managers' performance plans that indicate how their employees are doing

Although the 2015 budget came out after we completed our interviews, many comments from interviewees aligned with the budget statement that “the Administration’s focus on employee engagement and mission performance are crucial ingredients to supporting a Culture of Excellence that can improve all federal services.” The administration also pledged to create an “engagement dashboard” for use by agency chief operating officers and supervisors. “They [senior managers] have to step up,” said one CHCO. “You can make all the changes you want, but if leaders aren’t held accountable for employee engagement in their performance reviews, nothing is going to change.”

All leadership levels, including supervisors and mid-level managers, should follow the lead of the secretary or other senior leaders who champion engagement

The consensus among our interviewees was that support for and the focus on improving employee engagement are strongest among top leaders in their agencies but that both tend to diminish at the mid-level and among front-line supervisors. Taking action to ensure that all managers share senior leaders’ priorities can be a powerful way to address this issue. Analyzing employee survey data down to the lowest level possible, providing assistance to supervisors and managers seeking ideas on how to engage their employees better and tracking progress by work unit over time can help. Additionally, agency leaders should be transparent about what they are doing to address employees’ concerns. “We realized that by fixing employee engagement, we can fix a lot of other things,” one CHCO said.

Senior leaders should hold managers accountable for spending sufficient time managing employee performance, including dealing with poor performers

More than one interviewee said managers need to hold people accountable and embrace the difficulty of performance management. They explained that employees at all levels need realistic feedback, and they suggested improving how poor performers are managed by making better use of probationary periods and providing additional support and assistance to managers and supervisors who may be having difficulties. Managers need to make sure employees understand the goal is not to remove people but rather to improve the work of poor performers by investing in their training and development or otherwise helping them to address obstacles that keep them from being valued employees. However, it also should be made clear that if an employee is given the opportunity to improve his or her performance to a satisfactory level within a reasonable amount of time but does not or cannot do so, that employee should be removed.

Make performance-management systems more robust

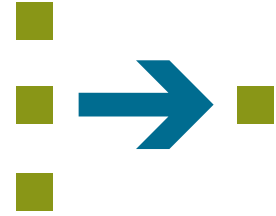
Expanded use of multisource feedback, often called a 360-degree review, for managers and others could help with employee development and performance. But performance conversations should be ongoing as well and not just tied to year-end performance appraisals. Encouraging more frequent performance conversations between employees and supervisors also would be useful. One interviewee said, “In addition to doing exit interviews, we started doing robust entrance interviews and ‘stay interviews,’ which occur every few years and ask employees, ‘Why are you still here?’ ”

Identify options for using nonmonetary incentives or rewards to encourage high performance and either start or increase the use of them

Rewards include paying greater attention to people or supporting their interest in developmental details and rotations, but employees don’t always realize that. “We have a disconnection between employees about what this means,” said a CHCO. “We need to help them understand that we give them those opportunities because we value them.”

RECOMMENDATION THREE

Remake the federal hiring system



More needs to be done to sustain and expand efforts to improve the federal hiring system

The government's CHCOs and HR leaders are on board with the administration's 2015 budget statement on "exploring flexible approaches for recruiting and retaining individuals with high-demand talents and skills." But they also were clear that it cannot succeed if seen as something that they and their HR staffs need to fix on their own. Federal managers and supervisors also need to be heavily involved in recruiting and hiring. Additionally, Congress needs to reexamine the underlying laws and hiring authorities with a goal of simplifying a growing patchwork quilt of hiring authorities.

The Pathways Programs need to be revised if they are to provide the desired results

The Pathways Programs are not working, according to one CHCO. "It is a half solution or maybe a one-third solution." Another CHCO, asked what changes would allow the programs to achieve their goals, said more flexibility in how applicants are recruited was needed in order "to balance the goals of the department, [which are] supporting veterans while being serious about diversity and youth engagement."

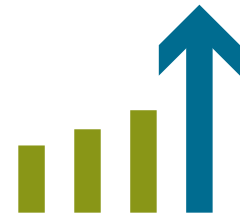
Reexamine how veterans preference is being applied to avoid unintended consequences and ensure the original intent of veterans preference laws are preserved

All the CHCOs and HR leaders we interviewed—several of them veterans—expressed support for the principles and objectives of veterans preference laws. However, the weight given to veterans preference has increased over the past 20 years due to changes in the federal hiring process, according to a number of them. An unintended consequence of this uneven evolution in law and practice is that some agencies are having difficulty ensuring that the application of veterans preference is consistent with the statutory merit system principles and also allows them to achieve their hiring goals on diversity.

Interviewees made suggestions for how to adjust the application of veterans preference, for example, by ending the practice of applying veterans preference once a veteran has been hired as a permanent federal employee as long as the veteran remains a federal employee. Our interviews made clear that CHCOs and HR leaders considered veterans preference an important issue and that the issue needed comprehensive, government-wide review and evaluation.

RECOMMENDATION FOUR

Continue to develop and make good use of workforce data and analytics tools



Continue the current emphasis on developing and using mission-focused and data-driven HR tools, policies and practices

Information and insights shared by the CHCOs and other HR leaders we interviewed coincides with an administration initiative discussed in the 2015 budget documents. The section on improving the federal workforce states, “The Administration is committed to strengthening federal agencies’ capacity to analyze human resources data to address workplace problems, improve productivity, and cut costs.”

During our interviews, CHCOs discussed some of the related initiatives already underway that include Human Resource Statistics, or HRstat, reviews; a new focus on using the framework established under the Government Performance and Results Act (GPRA) Modernization Act; and a reduction in some HR-related reporting requirements that improved and centralized data-gathering. While almost all of the interviewees said it was too early to assess how successful the administration’s initiative will be, they thought it was a move in the right direction and should continue.

Based on our conversations with CHCOs regarding the productive use they are able to make of the annual Federal Employee Viewpoint Survey, the administration’s goal to create a culture of engagement and an engagement dashboard also will be useful in encouraging employees to respond to the survey and reinforce the need for agency managers to make use of the data to improve the workplace and communicate to employees the actions they are taking in response to the feedback.

Develop additional metrics for the quality of new employees and the cost of hiring

In the past several years, federal agencies have had measurable success in reducing the time it takes to hire, but there is little data on the quality of new employees or the cost of hiring—and both are needed.

For assessing quality, agencies use a CHCO Applicant and Manager Satisfaction Survey administered shortly after a new employee is hired, but most hiring managers are not in a position to judge quality so soon. A few interviewees said they seek the manager’s opinion after six months or a year, or both, after they have had a chance to observe the new employee’s work. This is a good practice that should be used more.

As for the cost of hiring, CHCOs we interviewed did not report gathering cost-to-hire data, although a few said they planned to.

Respond to the growing need for data-driven succession plans and better workforce planning

Workforce needs are evolving, and there are signs that agencies must plan better for the future workforce. Workload imbalances, the ability to replace only some of the employees who leave, advances in technology and, in some agencies, adjustments in missions highlight this need. “We built our succession planning into our budget process,” said one CHCO. By integrating these processes, the discussion on succession planning got elevated at senior planning meetings in this CHCO’s agency. Now when a department is proposing an annual funding level, they need to be ready to answer numerous questions, such as: What do you need to do? Do you have the right people? How are your people developing?

RECOMMENDATION FIVE

Strengthen the federal HR workforce and federal HR systems and structures



OPM and federal agencies must work together to strengthen and rebuild the HR workforce if HR personnel are going to help remake the rest of the federal workforce

Our interviewees strongly support an OPM initiative that identified closing HR skills gaps as an Agency Priority Goal. OPM is developing a plan of action with CHCO Council input that includes the expanded use of HR University and the newly created HR certification process for federal HR professionals. It comes after OPM and the Chief Human Capital Officers Council identified human resources as one of six mission-critical occupational categories in which skills gaps jeopardize government's ability to accomplish its mission.

Expand and improve the systematic gathering and use of customer satisfaction data on HR staff and operations

Our interviewees reported wide variation in the use of customer satisfaction data by HR staffs and CHCOs. Part of this was due to the fact the interviewees had different views on who the HR office's customers were. They generally agreed, however, that gathering customer feedback proactively and using it to improve HR operations and service are worthwhile goals. They used different vehicles for gathering that data, including written and phone surveys and focus groups, and believed a combination of these could be useful. They suggested four ways to gather customer feedback:

- Systematically gather phone feedback from customers, including additional context, comments and examples that might not be gathered via written surveys.
- Choose a department or office that is not the subject of the evaluation to administer the survey, in order to encourage greater candor and participation.
- Harness the power of group dynamics by using focus group feedback to develop solutions to problems.
- Link customer-service data to individual performance assessments to reinforce changes in behavior. One CHCO mentioned that HR professionals who have direct contact with their customers send emails that include a link that allows customers to rate the employee's service quality.

Improve relationships and clarify responsibilities between HR staff and managers

HR leaders should work to improve collaboration between management and HR staff to clarify roles and responsibilities. One CHCO shared an example of how improving the relationship between HR staff and hiring managers involved creating a "fast-hire program" that provides transparent data on how long each individual step in the process takes and who is responsible for it, which allowed the organization to better identify and address shortfalls. "We focus on what we control in the HR process and on what others control and then make those data reports available to all. Managers have seen where the delays are, and complaints have ceased because we know how long each step takes," the CHCO said. "It is very transparent." This improved the ability to involve hiring managers at the right steps and helped them take ownership and articulate what they need. In addition, better use of data and analytics should help identify problem areas that lead to developing improvement plans that may, for example, target for development not only the HR staff but also supervisors and managers who can improve how they carry out their workforce management responsibilities.

Don't lose sight of the need to improve HR systems and structures

A majority of the CHCOs and other HR leaders we interviewed assigned a high priority to some level of civil service reform, paying particular attention to the pay and job classification and hiring systems. Managers and the HR workforce also must have good tools. Efforts to make those investments will need to be sustained over an extended time period since it can take several years for some of the changes to be enacted or approved and then implemented. In some cases, the problems were not the result of law or regulation but rather had more to do with outdated or dysfunctional agency policies or practices. The point, according to interviewees, was the importance of looking for opportunities to improve both people and processes.

CONCLUSION

The country is facing increasingly complex challenges and the American public expects the federal government to respond. Unfortunately, since our last report, the federal workforce has lost, rather than built, the capacity to carry out its many missions on behalf of the public.

Our government has not made the needed investment nor fully made the case for strengthening the workforce, but that is starting to change. The CHCOs and other HR leaders we spoke with understand that government is going to need solutions that match some truly daunting challenges, and they are committed to doing their part. They expressed optimism that after having gone through the trials of the past few years, there is more stability in government operations. They are eager to find ways to improve the federal workforce and HR operations in a changed landscape. “We recognize we are going to be in lean years and we have to be smarter about what we do,” said one CHCO.

The people we interviewed can contribute to success by working on what is within their control. They need to lead effectively, help agencies with workforce planning and creatively work within their budget limits to improve how they do business. They also must make sure HR staffs have the skills to meet the changing needs of their departments, and serve as strategic advisors to federal managers.

CHCOs and HR leaders believe that department and agency managers must understand the HR function better to be able to understand how managers and HR need to work together. But the CHCOs play a role in educating those workforce managers so both sides can help one another perform their jobs better.

This report identifies a number of issues that agencies have dealt with for years. For example, the need to update and expand the knowledge and skills of the approximately 27,000 federal HR professionals has been discussed since at least the early 1990s. Some progress has been made, but it needs to be sustained and coordinated across agencies. Meanwhile, those agencies are

paying renewed attention to many of these issues and are making efforts to address those issues collaboratively and government-wide. The fact that the administration’s fiscal 2015 budget identifies the HR workforce as a mission-critical occupation with identified skills gaps and that it calls for OPM and federal agencies to work together to close those gaps and to report their progress via agreed upon metrics is encouraging.

Increased collaboration across agencies, such as with HR University, is also an example of how the CHCOs are seeking to work together to achieve results. The HR leaders we interviewed realized that interrelated pieces of the puzzle must fit together to achieve results. For example, virtually no agencies have gathered data on the total cost to hire an employee, since there is little they can do to reduce those costs. However, if agencies gain more flexibility in how they hire through changes in law or regulation, it would be quite useful to gather data from different hiring approaches to identify those that are the most cost-effective. OPM’s recently released strategic information technology plan calling for improved IT capabilities to serve customers better is yet another example of an effort to work differently, with fewer resources, to achieve results.

But working smarter with more efficient systems and processes is only part of the equation. Leaders throughout government, including in Congress, must do their part too. The HR leaders we interviewed for this report were concerned about the challenges facing the federal government, but they also were hopeful about the future, and the government’s ability to innovate and improve, even in trying times. And with some stability returning to the budget process, now may be a good time to reinforce the link between the budget and the workforce an agency needs to get the mission accomplished. The insights and recommendations the CHCOs and other HR leaders shared with us offer a plan for how the government can begin to rebuild its battered workforce even within the reality of significant fiscal restraints.

APPENDIX ONE
CHCO INTERVIEW QUESTIONS

DISCUSSION QUESTIONS

GENERAL HR MANAGEMENT

- In general, what are the major human capital challenges your agency faces today? In the next 3 years?
- What have been the immediate effects of the recent partial shutdown of government on your agency's workforce? What do you expect the long-term impact will be?
- OMB, OPM, and the CHCO Council have identified an objective of streamlining core HR policies, procedures, technology, and reporting requirements to more effectively and efficiently support agency efforts to hire, engage, and retain top talent. Data driven performance reviews, such as HRstat (in pilot testing), are to help keep this effort on track. To date, what impact is this initiative having in your agency?
- How do you define your customers? How do you measure their satisfaction?

EMPLOYEE ENGAGEMENT

- On a scale of 1 to 10 (with 10 the highest), what level of importance does your agency leadership place on employee engagement? What would help further engage and energize your workforce?

HIRING

- What grade (A through F) would you give to your agency's progress on hiring reform? What additional progress needs to be made? In which areas?
- To what extent have the Pathways Programs been helpful and effective in meeting their objectives? What could be changed to make them more effective?
- How does your agency measure the quality of a hire? What workforce data is most useful to you? What additional data, if any, do you wish you had?
- The federal hiring process is intended to ensure a) entitlement to veterans preference is provided, b) workforce diversity is achieved and c) highly qualified individuals who are the best match possible for the jobs to be filled are selected. Is there any conflict among these three goals? Is there a better way to apply veterans preference?

WORKFORCE PLANNING

- Do you have the right talent in your agency workforce to achieve your mission? What skills gaps are most concerning to you? What have you been doing to close these gaps and what more needs to be done?

PAY

- What changes, if any, would you make to the current federal pay and classification system and why?

OTHER

- Is there anything else we should know or any other issues we should focus on?

CLOSED-ENDED QUESTIONS

CHECK ALL THAT APPLY:

1. Have you calculated the costs to hire an:

Internal applicant	Yes	No
External applicant	Yes	No
Entry-level applicant	Yes	No
Mid-level applicant	Yes	No
Senior Executive applicant	Yes	No

2. What additional resources do you need to be successful in your role?

Staff resources

Financial resources

Leadership attention/commitment

Data tools

Other technology

Other (Please specify) _____

3. As a direct result of the sequester, did your agency:

Institute furloughs

Use buyouts

Use RIFs

Cut training and development

Cut travel

Cut mentoring or other on-boarding services

Other (Please specify) _____

4. What aspect(s) of civil service reform should have the highest priority?

Performance management

Classification

Hiring

Pay

Dispute resolution

Senior Executive Service

Labor-management relations

5. Which of the following tools have been helpful to you in management of the agency workforce?

HRstat

Cross-Agency Priority Goals

GPRA Modernization Act

Other (Please specify) _____

6. On a scale of 1 to 5, please use the scale below to answer the “To what extent” questions.

Not at all		Moderate extent		Very great extent
1	2	3	4	5

To what extent ...

- ... do you have the resources you need to be an effective CHCO or HR leader?
- ... is your agency able to engage and retain its top talent?
- ... is your HR staff viewed by your agency leadership as a trusted business advisor (versus a transaction manager)?
- ... is your agency’s succession planning process preparing an adequate pool of qualified candidates for future needs?
- ... do your managers and supervisors (i.e., line and operations, not HR) have the managerial and supervisory competencies (i.e., the soft skills) they need to be successful?
- ... is your agency able to support its talent development needs?
- ... is knowledge management becoming more difficult due to the current environment (e.g. elevated retirements, fewer hires)?
- ... should civil service reform be a high priority?
- ... should cross-sector, cross-agency or cross-function mobility be required for entrance into the Senior Executive Service?
- ... should cross-sector, cross-agency or cross-function mobility be required for current senior executives?
- ... is your agency using the Pathways Programs to bring new talent into your agency?
- ... do you feel you have a “seat at the table” when your agency is making strategic business decisions?
- ... are you confident you are applying best practices to engage and motivate your workforce?

APPENDIX TWO
CONTRIBUTORS

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Andrew Wasilisin
Chief Human Capital Officer

DEFENSE LOGISTICS AGENCY

Bradley Bunn
Director, J1 Human Resources

DEPARTMENT OF AGRICULTURE

Frank McDonough
Director, Human Resources Division, Food and Nutrition
Service

William Milton
Director, Office of Human Resource Management and
Chief Human Capital Officer

DEPARTMENT OF THE AIR FORCE

Robert Corsi
Assistant Deputy Chief of Staff, A1 Manpower, Personnel
and Services

DEPARTMENT OF THE ARMY

Jay Aronowitz
Assistant G-1 for Civilian Personnel, Civilian Personnel
Policy, G1 Manpower and Reserve Affairs

DEPARTMENT OF COMMERCE

Christine Carpino
Acting Director, Workforce Management Office, National
Oceanic and Atmospheric Administration

Karen Karlinchak
Director, Human Capital Management, United States
Patent and Trademark Office

Susanne Porch
Chief Human Capital Officer, National Institute of
Standards and Technology

Kevin Mahoney
Director, Office of Human Resources Management and
Chief Human Capital Officer

DEPARTMENT OF DEFENSE

Paige Hinkle-Bowles
Deputy Assistant Secretary, Civilian Personnel Policy,
Office of the Principal Deputy Under Secretary of Defense
for Personnel and Readiness, Office of the Secretary of
Defense

DEPARTMENT OF EDUCATION

Quasette Crowner
Deputy Chief Human Capital Officer

Pamela R. Malam
Chief Human Capital Officer

DEPARTMENT OF ENERGY

Robert Gibbs
Chief Human Capital Officer

Cyndi Mays
Deputy Chief Human Capital Officer

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Darla Callaghan
Director, Office of Human Resources, United States Food
and Drug Administration

John Gill
Chief Human Capital Officer

Heidi Sheaffer
Former Deputy Chief Human Capital Officer

DEPARTMENT OF HOMELAND SECURITY

Caroline Chang
Former Deputy Chief of Staff, Office of the Chief Human Capital Officer

Corey Coleman
Chief Component Human Capital Officer, Federal Emergency Management Agency

Catherine Emerson
Chief Human Capital Officer

Sidney Evans
Chief, Workforce Planning and Analysis Branch, Customs and Border Protection

Kathy Hochman
Chief, Office of Human Capital and Training, United States Citizenship and Immigration Services

Steve McPeck
Executive Director, Strategic Workforce Planning and Analysis

Sharon Snellings
Deputy Assistant Commissioner, Human Resources Management, Customs and Border Protection

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Michael Anderson
Chief Human Capital Officer and General Deputy Assistant Secretary for Administration

DEPARTMENT OF THE INTERIOR

Mary Pletcher
Deputy Chief Human Capital Officer

DEPARTMENT OF JUSTICE

Terence Cook
Deputy Chief Human Capital Officer

Katherine Mohan
Assistant Director, Human Resources Division, United States Marshals Service

Mari Santangelo
Deputy Assistant Attorney General for Human Resources and Administration and Chief Human Capital Officer

DEPARTMENT OF LABOR

Sydney Rose
Chief Human Capital Officer

DEPARTMENT OF THE NAVY

Patricia Adams
Deputy Assistant Secretary of the Navy, Civilian Human Resources

Tony TorresRamos
Director, Human Resources Systems and Analytics

Rondy Waye
Director, Human Resources Policy and Programs

DEPARTMENT OF STATE

Philippe A. Lussier
Deputy Assistant Secretary, Bureau of Human Resources

Linda Tagliatela
Deputy Assistant Secretary of State for the Bureau of Human Resources and Deputy Chief Human Capital Officer

DEPARTMENT OF TRANSPORTATION

Anne Audet
Director, Office of Human Resources, Federal Highway Administration

Carrolyn Bostick
Assistant Administrator for Human Resource Management, Federal Aviation Administration

Brodi Fontenot
Deputy Assistant Secretary for Administration and Chief Human Capital Officer

Daphne Y. Jefferson
Deputy Assistant Secretary for Administration

Keith Washington
Deputy Chief Human Capital Officer

DEPARTMENT OF THE TREASURY

Anita Blair
Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer

Patricia Pointer
Deputy Comptroller for Human Resources, Office of the Comptroller of the Currency

ENVIRONMENTAL PROTECTION AGENCY

Craig E. Hooks
Assistant Administrator and Chief Human Capital Officer

Susan Kantrowitz
Deputy Chief Human Capital Officer

FARM CREDIT ADMINISTRATION

Anthony Kaminski
Deputy Chief Human Capital Officer

FEDERAL LABOR RELATIONS AUTHORITY

Vicki Barber
Director, Human Resources

GENERAL SERVICES ADMINISTRATION

Anthony Costa
Chief People Officer and Chief Human Capital Officer

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Verron Brade
Human Capital Management Office Director, Goddard
Space Flight Center

Jeri Buchholz
Chief Human Capital Officer

NATIONAL INTELLIGENCE

Donna M. Call
Chief, Workforce Planning and Competencies, Office of
the Director of National Intelligence

Ann M. Quigley
Deputy, Workforce Planning and Competencies, Office of
the Director of National Intelligence

Daniel Scott
Deputy Assistant Director of National Intelligence and
Deputy Chief Human Capital Officer, Office of the Director
of National Intelligence

NATIONAL LABOR RELATIONS BOARD

Angela Wilson
Director, Office of Human Resources

NATIONAL SCIENCE FOUNDATION

Eugene Hubbard
Chief Human Capital Officer

Judy Sunley
Director, Division of Human Resource Management and
Deputy Chief Human Capital Officer

NUCLEAR REGULATORY COMMISSION

Miriam Cohen
Chief Human Capital Officer

OFFICE OF MANAGEMENT AND BUDGET

Lauren Wright
Chief Human Capital Officer

OFFICE OF PERSONNEL MANAGEMENT

Mark Reinhold
Chief Human Capital Officer

POSTAL REGULATORY COMMISSION

Ruth Ann Abrams
Assistant Secretary, Office of the Secretary and
Administration

SOCIAL SECURITY ADMINISTRATION

Reginald Wells
Deputy Commissioner, Office of Human Resources and
Chief Human Capital Officer

**UNITED STATES AGENCY FOR INTERNATIONAL
DEVELOPMENT**

Elizabeth Kolmstetter
Chief Human Capital Officer

APPENDIX THREE
PROJECT TEAM

PARTNERSHIP FOR PUBLIC SERVICE

John Palguta, Vice President of Policy
Seth Melling, Associate Manager, Research

Bevin Johnston, Creative Director

Ellen Perlman, Writer/Editor

Audrey Pfund, Associate Designer

Lara Shane, Vice President of Research and Communications

Max Stier, President and CEO

Brittney Vevaina, Research Fellow

Melissa Wiak, Research Fellow

GRANT THORNTON LLP

Srikant Sastry, Managing Principal

Robert Shea, Principal

Virginia Gibson, Senior Manager

Jinny Lee, Manager

Nathan Lavoie, Associate

Grant Thornton LLP Interview Participants

Naval Aggarwal

Jeanette Archetto

Cornell Bolivar

Vern Butler

Tom Cocozza

Doug Criscitello

George DelPrete

Calandra Dixon

Mark Lemon

Geoffrey Luis

Brad Marchand

Bob Misch

Wendy Morton-Huddleston

Dave Pearl

Hudson Riehle

Eveka Rodriguez

Julia Rollison

Chuck Schefer

Cynthia Sweers

Shiva Verma



**PARTNERSHIP
FOR PUBLIC SERVICE**

1100 New York Avenue NW
Suite 200 East
Washington DC 20005

(202) 775-9111
ourpublicservice.org
CFC# 12110



Grant Thornton

333 John Carlyle Street
Suite 500
Alexandria VA 22314

(703) 837-4400
grantthornton.com/publicsector