



PARTNERSHIP FOR PUBLIC SERVICE

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1100 New York Ave NW Suite 200 East Washington DC 20005

May 12, 2016

The Honorable Johnny Isakson
Chairman
U.S. Senate Committee on Veterans' Affairs
Washington, DC 20510

The Honorable Richard Blumenthal
Ranking Member
U.S. Senate Committee on Veterans' Affairs
Washington, DC 20510

Dear Chairman Isakson and Ranking Member Blumenthal:

On behalf of the Partnership for Public Service, thank you for your strong bipartisan commitment to an efficient, effective, and accountable Department of Veterans Affairs (VA). For the Department to make good on America's promise to our veterans, it must have a world-class workforce that is both highly engaged and held accountable for the quality of the service it provides. The *Veterans First Act* (S.2921) takes an important step towards this goal, and much of this legislation shows great potential to address systemic management challenges at VA, including the quality of leadership at all levels of the department. We must also express our concern, however, that certain provisions of the bill may undermine the Department's ability to recruit and retain the talent it needs to serve veterans.

Across government and within VA, good leadership drives employee satisfaction and commitment and, by connection, high organizational performance. We support the bill's provisions to mandate annual performance appraisals for political appointees, enhance training for supervisors and managers, manage poor performers and take steps to improve employee engagement, and require supervisors and managers to make an affirmative decision to retain an employee at the end of their probationary period. We also support the expansion of market pay to Veterans Integrated Service Network and VA medical center directors as a way of encouraging highly sought-after health care executives to serve in VA. Taken together, we believe these reforms will enable marked improvement in how the Department manages its talent and holds that talent accountable for delivering quality service.

While the Partnership strongly agrees that VA needs a stronger culture of accountability, we believe parts of the *Veterans First Act* may have the unintended consequence of diminishing the Department's ability to serve our veterans. Expedited removal processes for VA employees and senior executives may seem like reasonable approaches, but we believe a shortened process that curtails due process may leave employees, including whistleblowers, vulnerable to arbitrary, partisan, or discriminatory removal. Our March 15 statement to the committee noted that the current disciplinary process for executives is not inconsistent with the Department's ability to hold executives accountable. Before making drastic changes to the management of VA's senior executive corps that may hinder recruitment and retention of desperately needed talent, the committee should consider alternatives. For example, the committee could amend

the *Veterans Access, Choice and Accountability Act of 2014* to authorize the Merit Systems Protection Board to mitigate penalties and allow the full board to rule on an appeal, in addition to an administrative judge; these reforms would enhance accountability by upholding VA disciplinary decisions even in cases where the department acted correctly but may have imposed an inappropriate penalty.

We appreciate the urgent need to improve management at the Department, but no organization can fire its way to excellence. The most effective way to reform the culture of the department is to pursue the many positive reforms included in this legislation, without jeopardizing due process and making it harder for the Department to attract and retain needed talent.

Thank you for considering our feedback and for your leadership in improving the performance and accountability of the Department of Veterans Affairs. We are pleased that the *Veterans First Act* includes many thoughtful measures for improving the capacity and quality of leadership at VA, and urge the committee to ensure these provisions are included in the final legislation.

Very best wishes,

A handwritten signature in black ink, appearing to read 'Max Stier', with a stylized flourish at the end.

Max Stier
President and CEO