

STATEMENT OF
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before the

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THE DISTRICT OF COLUMBIA

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
U. S. HOUSE OF REPRESENTATIVES

on

PUBLIC SERVICE IN THE 21ST CENTURY: AN EXAMINATION OF THE STATE
OF THE FEDERAL WORKFORCE

APRIL 22, 2009

Chairman Lynch, Ranking Member Chaffetz, and Members of the Subcommittee:

Thank you for inviting me to speak with you today about the state of the Federal workforce. I especially welcome the chance to address this topic, because there is plenty of good news to report.

When I was confirmed as the Director of the Office of Personnel Management (OPM), I committed to do everything I possibly could to make the Federal Government the best employer in the Nation. In my short time at OPM I have learned that, although there are many good things about working for the Federal Government, there is also much to be done to make the Federal Government a first-class employer. We need to review our human resources practices and policies to ensure that employees are treated in a fair and respectful manner. This means we need to identify policies that are not consistent throughout the Federal workforce, select those that are the best, and enable all employees to share in what should be the best personnel system anywhere in this Nation. This includes providing the training employees need to be successful in their jobs and the employee benefits required to meet their needs and those of their families.

The State of the Federal Workforce is Sound, but with Room for Improvement

Judging from OPM's most recent employee climate survey, the state of the Federal workforce is, for the most part, good and getting better. The Federal Human Capital Survey administered by OPM in August and September of last year showed results that

were generally favorable and more positive than the previous survey, which was done in 2006. More specifically, 47 of 73 items showed improvement. Increases in positive responses were especially apparent in the areas of performance management, diversity, leadership, and learning and development. Federal employees continue to like the work they do, believe their work is important, and feel they are held accountable for achieving results. More than 210,000 Federal employees at 83 Federal agencies, from a survey sample of more than 417,000 employees, responded to the survey.

Particularly heartening is the relatively high 64.3 percent positive response to a new question for 2008: “In my most recent performance appraisal, I understood what I had to do to be rated at different performance levels.” However, I am extremely concerned that only 29.6 percent of responses were positive to the question “In my work unit, steps are taken to deal with a poor performer who cannot or will not improve.”

Employees are entitled to a full understanding of the work expected of them and the standards against which their achievements will be appraised. And in turn, employees are entitled to a fair appraisal of their work against those standards. Those employees meeting or exceeding their standards should be appropriately rewarded, and prompt action must be taken when employees fall short. Managers must pay more attention to the appraisal process, both the annual formal process and the day-to-day feedback that employees have every right to expect. I understand the requirement for periodic evaluations and ratings is governed by law and regulation, but I want to ensure that the standards for those evaluations actually add to employees’ understanding of what is expected of them, and that the appraisal process, both formal and day-to-day, helps employees focus their efforts to effectively accomplish their work.

The survey findings also shed light on workforce retention. Only 13 percent of employees said they were likely to leave Government in the next year to retire, move to the private sector, or for other reasons. Moreover, an analysis showed that some survey items appear to have greater impact in retaining workers. Generally, these items received favorable responses; most notably, employees report that their work gives them a feeling of personal accomplishment, and they believe their talents are used well in the workplace.

However, there is considerable room for improvement for agency management to provide more information to employees on what is going on in the organization and for agencies to provide opportunities for employees to get better jobs. The Government lags behind the private sector on these aspects of human resources management.

OPM Initiatives to Improve Recruitment and Retention

Though the survey paints a generally bright picture of the view from within the current Federal workforce, we take very seriously the need to improve certain aspects of Federal human resources management. Even before I came on board at OPM, the agency had begun work to develop tools and design flexibilities to help agencies recruit and retain the right people in the right jobs. At the same time, we have reminded agencies of their critical role as the “front line” in the Federal hiring process and the need to plan their

recruitment strategies thoughtfully and creatively so they can compete effectively with other employers in the labor market.

One of the tools OPM developed, jointly with the Chief Human Capital Officers Council, was the End-to-End Hiring Roadmap introduced last September. This project was aimed at providing both Federal agencies and job applicants with a more effective and positive experience. The roadmap gives agencies comprehensive, step-by-step implementation instructions that provide for an 80-day hiring timeline, beginning with the manager's request for the recruitment action and ending on the new employee's first day on the job. The roadmap stresses the importance of communication with applicants at four key junctures: receipt of the resume, assessment of the resume, referral of the resume, and the selection of the candidate. Another vital element of the roadmap is job opportunity announcements that are written in concise, plain language.

In essence, we have outlined the entire hiring process in the roadmap, showing the interrelatedness of the five components, as well as timelines and standards for accomplishing each step of the process, successful practices, templates for simplified job announcements, and scripts for communicating with applicants. We believe the End-to-End Hiring Roadmap will help agencies accomplish two essential goals – namely, to give applicants a better experience and to speed the hiring process. OPM will ensure agencies implement the roadmap through meaningful metrics that measure the satisfaction of applicants and managers with the hiring process.

We also believe the roadmap will make it easier to identify and address systemic obstacles to effective recruitment and retention at an early stage. When we are able to do this, we are likely to be more successful in resolving problems like extreme shortages in particular occupations. In such special circumstances, OPM works with the affected agencies to determine what they need. For example, OPM, collaborating with the Federal Acquisition Institute, successfully implemented a pilot that included streamlining the job opportunity announcement for entry-level contract specialists, reducing the announcement from more than 20 pages to around 6 pages, and outlining the duties and qualifications in plainer language. This project also streamlined the on-line assessment, created a web page specifically designed for the acquisition community, and developed a centralized hiring strategy to share resumes among agencies. This model of effective hiring, based on clear vacancy announcements, identified competencies, and an available register of candidates, was funded by the Federal Acquisition Institute and supported by those agencies with a high demand for acquisition professionals. The project demonstrates that hiring can be streamlined for occupations that exist in sufficient numbers throughout the Federal Government to warrant centralized effort and expenditures.

The Governmentwide shortage of veterinarians is another case in point. OPM has provided flexibilities to facilitate recruitment of veterinarians, such as direct-hire authority and dual compensation waivers, which are exemptions from the requirement to offset the pay of reemployed Federal retirees by the amount of their retirement annuity. We conducted a forum with the veterinarian community to address the overall nation-

wide shortage of veterinarians and its impact on the Federal Government's ability to perform food safety inspections across the nation. A follow-on forum will further develop workforce planning, recruitment, and retention strategies. The challenges we are facing with respect to the veterinarian workforce, however, serve as a reminder that there are limits to what OPM can achieve, given current resource constraints, and there is no one-size-fits-all hiring formula so the capacity of agency human resources professionals must be expanded to take full advantage of whatever tools and resources OPM provides.

The Importance of Workforce Planning

One of the areas in which agencies need to build competency is workforce planning. OPM provides an intensive program of oversight and assistance to agencies on workforce planning. The workforce planning process is designed to produce metrics that will enable agencies and OPM to identify problems before they become crises. OPM regulations require each agency to undertake strategic workforce planning in a specific, documented manner. Agency workforce plans are used to make decisions about structuring and deploying the workforce. Under OPM regulations, agencies also must identify and document "mission-critical" occupations and competencies and provide a baseline of information to develop strategies to recruit, develop, and retain talent needed for program performance. Agencies must demonstrate that they are meeting these standards for workforce planning and other elements of strategic human resources management. OPM annually reviews the results of agencies' human resources management programs and assesses agencies' workforce planning systems against these standards. We use agency workforce plans to identify issues and determine what guidance is needed or what policy changes may need to be considered.

Supporting Implementation of the American Recovery and Reinvestment Act

While we are talking about the state of the Federal workforce and what OPM is doing to build and sustain an effective civil service, I would be remiss if I failed to mention the timely topic of OPM's role in support of the American Recovery and Reinvestment Act. Beginning last month, OPM developed a tool to make it easier for Federal agencies to document new hires that are funded through the Recovery and Reinvestment Act. We hosted an interagency forum on hiring authorities for agencies. We also met individually with several agencies affected by this legislation to help map out a strategy for meeting their current and anticipated human resources needs.

We followed these initial efforts with a Governmentwide Schedule A appointing authority to fill, on a temporary basis up to one year, positions needed to carry out the provisions of the Recovery and Reinvestment Act. OPM also granted agencies specific direct-hire authority and dual compensation waivers, as needed and appropriate, to meet their responsibilities under the Act.

Ongoing educational opportunities were offered across the country through the Federal Executive Boards, as well as in meetings and training academies sponsored by the Chief Human Capital Officers Council. OPM also has trained agencies on how to do data

mining on the USAJOBS website to encourage some of the millions of passive job seekers to apply for one of the more than 43,000 job openings. “Passive job seekers” are those who store their resumes on the site but who are not actively looking for specific jobs to apply for. With effective outreach by agencies, many of them could be encouraged to apply for job openings for which they would be well-suited. In addition, there is now a Jobs.Recovery web page to make it easier for members of the public to seek out positions directly related to the Recovery and Reinvestment Act.

Agencies’ Human Resources Management Capacity Is Still a Work in Progress

As you can see from the activities described above, OPM has provided many tools to help agencies meet their hiring needs, but many obstacles remain. Although we can take pride in the current state of the Federal workforce, and OPM has accomplished a great deal in its effort to improve Federal human resources management, we are eager to exercise leadership in pursuit of the goal of making the Federal Government the Nation’s Model Employer. We look forward to identifying the best practices across the human resources spectrum and inculcating them throughout the Government.

Moreover, OPM can provide many tools and resources to facilitate effective human resources management practices, but their effectiveness will be limited if agencies do not have a cadre of human resources professionals fully equipped to identify and tackle emerging workforce challenges.

We need to make sure agency human resources professionals are receiving the training and developmental opportunities they need in order to deal with the kinds of issues that are arising in the Federal workforce today. They must not only have a solid grounding in the basic procedures and regulations governing Federal human resources management, but they also need to be creative strategists in addressing contemporary obstacles to effective recruitment and retention in mission-critical occupations. We need to raise the skill level of agency human resources professionals in workforce planning, for example, so that systemic problems affecting critical occupations across agencies and across components within an agency can be addressed early and effectively. Part of what I hope to do in the months ahead is to take a closer look at what needs to be done to build human resources competencies at the agency level.

Again, I appreciate your inviting me here today. I would be happy to respond to any questions you may have.