



2009

IRMCO

TRANSFORMATIONAL LEADERSHIP

Steering a New Course



Welcome
Martha Dorris

GSA

2nd Annual Citizen Services Award



Leading the 21st Century Workforce

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Human Capital Leadership and
Merit System Accountability



State of Human Capital

Developing and Sustaining
an Effective Federal Workforce

Working for America

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT





Our mission and supporting strategies

The Office of Personnel Management's (OPM) mission is to ensure the Federal Government has an effective civilian workforce

- The Federal civilian workforce will be focused on achieving agency goals

Results-focused

- The Federal civilian workforce will have career opportunities, benefits and compensation that compete successfully with other employers

Competitive

- Federal agencies will lead in having exemplary human resources practices

Competent

- Federal agencies will be employers of choice

Cool



There are major Federal Workforce issues and challenges

- Budget and other factors forcing incremental headcount reductions
 - ▶ Agency strategies should drive decisions about people and systems
- Federal managers and supervisors must be developed into future leaders
 - ▶ Commit to develop leaders who are trusted to manage effectively
- The economy may have slowed down retirements, but the aging workforce will depart eventually
 - ▶ Brand and market the Government to attract new generations of talented employees
- If you are hiring, you want the best....and then you want to keep them
 - ▶ Fundamentally changing the way we think about attracting and keeping talent



There are major Federal workforce issues and challenges (cont'.)

- The hiring process keeps getting fixed, and fixed and fixed again
 - ➔ Focus on the needs of the applicant and hiring manager experience
- Performance evaluations are not necessarily identifying poor performers
 - ➔ Change supervisor behavior to award outstanding employees and address poor performers
- There are a lot of metrics, but few track business outcomes
 - ➔ Develop and implement outcome metrics and accountability standards that ensure mission accomplishment

Federal HR needs to think differently in order to anticipate and keep up with the coming changes

Personnel

Functions

Transactions
Compliance
Record Keeping

Financial Focus

Minimal Cost

Key Strategies

Rule Knowledge
Process Efficiency

Products/Services

Appointments
Pay Changes
Position Descriptions
Personnel Folders
Reports
Salary Payments
Benefit Information
Training Administration
Safety Inspections/Records

Metaphor: Enforcer

Paradigm: Technical Correctness

Human Resources

Functions

Advisory Services
Problem Solving
Operational Issues

Financial Focus

Cost Control

Key Strategies

HR Practices
Business Context

Products/Services

Recruiting
Classification/Compensation
Performance Evaluation
Training Planning/Delivery
Position Management
Information Systems
Employee Relations
Payroll
Risk Management

Metaphor: Business Partner

Paradigm: Process Improvement

Human Capital

Functions

Capacity Building
Identification of Workforce Opportunities
Strategic Issues

Financial Focus

Investment Analysis (ROI)

Key Strategies

Systems Thinking
Strategic Consulting

Products/Services

Human Capital Planning
Talent Management
Leadership Development & Succession Planning
Performance Culture
Competency Systems
Work Environment Enhancement
Metrics/Standards
Change Management/Communication

Metaphor: Strategic Partner

Paradigm: Transformation

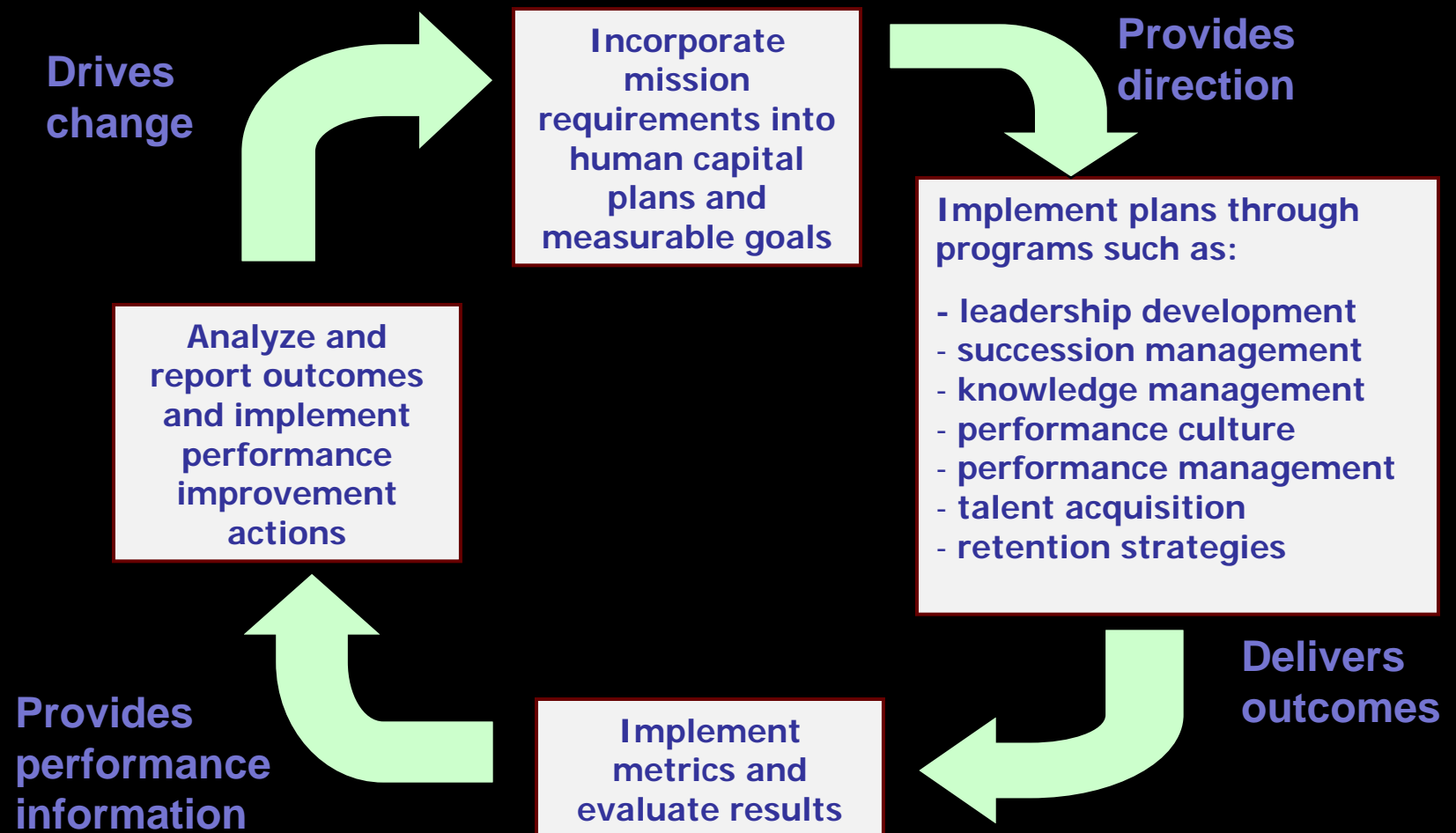


OPM works with agencies to transform Human Resources (HR)

- Created a framework that supports good practices for managing and leveraging the Federal workforce – The Human Capital Assessment and Accountability Framework (HCAAF)
- Partnering with agencies to meet standards and metrics necessary to build a solid human capital management (HCM) infrastructure
- Delivering tools, training and technical assistance to help agencies improve the efficiency and effectiveness of the Federal workforce
- Promoting a collaborative platform for information sharing and showcasing agency best-practices
- Holding agencies accountable through regular feedback, including annual reporting on Governmentwide HCM metrics

The HCAAF - a framework for success

The HCAAF is a business process for ensuring an effective Federal workforce



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The HCAAF was put into regulation in 2008

- 5 CFR Part 250 implements provisions of the Chief Human Capital Officers (CHCO) Act of 2002 (part of the Homeland Security Act of 2002)
- Establishes the HCAAF as the definitive reference for efficient and effective human capital management in Government
- Outlines metrics for evaluating human capital programs, specifically in the areas of Leadership, Results-Oriented Performance Culture, and Talent Management
- Institutes the annual Human Capital Management Report (HCMR) that assesses agency human capital programs and accountability systems



The metrics introduced in regulation include both employee perception and system data

Metrics based on indices in the agency annual employee survey:

- Job satisfaction
- Talent management
- Leadership
- Results-oriented performance culture

Metrics based on data currently collected by agencies, including:

- Competency gap closure
- SES performance ratings
- Performance plans aligned with agency mission
- Merit system assessment results

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The regulation requires agencies to implement human capital management programs

- Develop and maintain efficient and effective human capital management programs
- Prepare the human capital-related portions of the agency's budget and the performance and accountability report
- Maintain a current human capital plan with human capital goals and objectives, workforce analysis and performance measures and milestones
- Develop and maintain a human capital accountability system capable of assessing HC management progress and report results to OPM (HCMR)
- Use HCMR results to inform strategic and operational planning and implementation

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Agencies are making progress in human capital areas

- Aligning and integrating HC planning with agency goals
- Incorporating organizational restructuring into workforce planning
- Implementation and milestone achievement for leadership succession strategies
- Closing leadership competency gaps and achieving “bench strength” targets
- Aligning leadership performance plans with agency goals
- Implementing strategies to address workforce diversity and achieve results
- Increasing percentage of employees with performance management systems
- Meeting competency gap targets and reducing vacancies in mission critical occupations (MCO)
- Conducting self-audits and taking corrective action



Year over year, agency results have been improving the Governmentwide view

- Since 2004, the percentage of agencies:
 - Demonstrating effective strategic alignment systems went from 42% to 57%
 - with fully certified SES plans went from 5% to 78%
 - meeting competency targets for MCOs went from 38% to 85%
- Since 2005, the number of agencies that implemented an OPM-approved HC accountability system went from 2 to 25
- Since 2006, the percentage of:
 - non-SES performance appraisal systems scoring 80 or above on the PAAT went from 8% to 33%
 - agencies meeting their competency targets in leadership development went from 50% to 85%
 - agency hires within 45 days went from 64% to 81%
- When Federal HC was assessed in 2008 almost 70% of agency representatives responded - “More/Much More Supportive” to the question: How supportive was top Non-HR management of HCM in 2007 compared to 2003-2004?



Collaboration is essential to ensure Government-wide improvements

Agencies are working with OPM to solve HC issues:

- Chief Human Capital Officers (CHCO) Council
- Deputy CHCO sessions
- CHCO Learning Academies
- HC Innovation Summits

Other avenues:

- Topical forums
- Best-practices publications
- HR-Line of Business (HR-LOB) implementation
- Communities of practice

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Agencies collaborated to formulate the emerging issues section of the 2008 CHCO Annual Report

- Effectively managing the “blended” Federal workforce
- Supporting Federal initiatives that requires inter-agency, inter-governmental and public/private action
- Attract and engage the “next generation” of Federal employees
- Facilitating inter-agency and intra-agency developmental assignments and career paths
- Evolving the Federal HR profession to strategic partner and consultant
- Contributing to the development and implementation of HC metrics to measure success
- Ensuring agencies are fully utilizing available HC flexibilities

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CHCO Council subcommittees and OPM have collaborated in a number of areas

- End-to-End Hiring Initiative
- Manager and Applicant Satisfaction Survey
- HR competency models
- Emergency planning for the Federal workforce
- HR-LOB communication
- Presidential Management Fellows Program
- Collection of Human Capital Practices



Key Summary Points

- OPM is committed to making the Government a model employer and will continue to provide tools and services to agencies
- Agencies have adopted the HCAAF framework for HC management
- Government-wide metrics show significant improvements across all HCAAF Systems
- Collaboration is crucial to ongoing progress

Challenges remain

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Challenges for Strategic Human Capital Management

- Continue to track and provide Government-wide progress
- Bring Federal recruiting and hiring up to 21st century standards
- Find the balance between Federal government's corporate needs and agencies' specific challenges
- Address the emerging issues identified by the CHCOC Annual Report
- HR Line-of-Business
- Support the strengthening of the HR Community



Questions

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Thank you.

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