

September 2012

# FEDERAL TRAINING INVESTMENTS

## Office of Personnel Management and Agencies Can Do More to Ensure Cost-Effective Decisions



G A O

Accountability \* Integrity \* Reliability

---



Highlights of [GAO-12-878](#), a report to the Chairman, Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia; Committee on Homeland Security and Governmental Affairs, United States Senate

## Why GAO Did This Study

OPM and agency CHCOs play an important role in ensuring that federal training dollars are invested effectively. GAO was asked to review the extent to which: (1) CHCOs of selected federal agencies have established processes to set and prioritize training investments that are aligned with leading practices; and (2) OPM's guidance and assistance for developing training investment strategies align with these leading practices. GAO obtained information from 27 CHCOs on their training investment practices through a questionnaire, and selected four agencies—the Departments of Energy (DOE), Homeland Security (DHS), the Interior (DOI) and Veterans Affairs (VA)—to provide illustrative examples. We compared both CHCO and OPM practices to leading practices, identified through past GAO and expert studies.

## What GAO Recommends

GAO recommends, among other things, that OPM improve guidance and assistance to agencies in establishing a process for setting and prioritizing training investments; improve the reliability of agency training investment information; and identify the best existing courses that fulfill governmentwide training requirements, and offer them to all agencies through the HR University or other appropriate platforms. OPM fully or partially concurred with four recommendations and did not concur with a portion of another. OPM, DOI and VA provided technical comments, which GAO incorporated, as appropriate, into the report. DOE and DHS had no comments.

View [GAO-12-878](#). For more information, contact Yvonne J. Jones at (202) 512-2717 or [Jonesy@gao.gov](mailto:Jonesy@gao.gov).

# FEDERAL TRAINING INVESTMENTS

## Office of Personnel Management and Agencies Can Do More to Ensure Cost-Effective Decisions

### What GAO Found

Many Chief Human Capital Officers (CHCOs) reported that they are implementing several leading practices important to making strategic decisions about training delivery, such as determining the best mix of decentralized and centralized training and considering government-wide reform when planning training. However, many CHCOs reported they are not implementing some practices that support making more cost-effective training investment decisions, such as prioritizing training so that the most important needs are met first and evaluating the benefits of training. In addition, many CHCOs do not have information from component or sub-agency leaders regarding their level of investments and priorities. Consequently, some agencies are duplicating internal training investments and missing opportunities to leverage economies of scale across their agencies. Federal agencies also need reliable information on how much they spend on training and for what purposes. However, several CHCOs reported they do not completely and reliably track training costs agency-wide.

The Office of Personnel Management (OPM) provides guidance and assistance to agencies on a number of the leading practices, such as evaluating the benefits of training in three of its guides and in workshops. In some practice areas that are challenges to agencies, such as prioritization of investments and determining whether to design training and development programs in-house or obtain these services from a contractor, guidance is minimal or absent. OPM also requires agencies to submit training investment data and provides guidance on how to do so, but considers this data to be unreliable because it is incomplete. However, OPM officials have not internally assessed improvements in the completeness of the data over the last 3 years or the quality of the data in the six years that agencies have been required to submit it, and have only provided agencies with one summary of their data for correction. Agencies and OPM reported there are also opportunities for OPM to help agencies reduce duplicative investments across agencies. For example, currently, agencies independently purchase or develop training for the same mandated or common occupational training. Agency leaders and OPM recognize that this has led to redundant and inefficient federal training investments. According to OPM officials, HR University—which is a website currently administered by OPM to provide training for the HR community—has already resulted in a cost savings of \$14.5 million as a result of sharing the best HR training government-wide. Several agencies and OPM officials reported that HR University could be expanded to provide mandatory training and serve as a model for centralizing training in other occupations or functional areas, which could save millions more and help standardize training.

---

# Contents

---

Letter		1
	Background	5
	CHCOs are Implementing Leading Practices Related to Training Delivery, but Not Practices that Support Making More Cost-Effective Training Investments	10
	OPM Guidance and Assistance to Agencies on Federal Training Investments Addresses Many Leading Practices that We Identified, But Could be Improved in Areas That Are Challenges to Agencies	29
	Conclusions	45
	Recommendations for Executive Action	46
	Agency Comments and Our Evaluation	48
Appendix I	Objectives, Scope, and Methodology	52
Appendix II	Table of Statutes, Regulations, and Executive Orders Related to Leading Practices	57
Appendix III	Illustrations of Building a Business Case for Training from OPM's Guide to Strategically Planning Training and Measuring Results	59
Appendix IV	Comments from the Office of Personnel Management	61
Appendix V	GAO Contact and Staff Acknowledgments	66
Tables		
	Table 1: Leading Training Investment Practices	3
	Table 2: OPM's Guidance Documents and Description	6
	Table 3: The Leading Training Investment Practices CHCOs Reported Implementing	11
	Table 4: Leading Training Investment Practices that Many CHCOs Reported Not Implementing Routinely	21

---

Table 5: Comparison of Agency Implementation of Leading Practices and OPM Guidance and Assistance	29
Table 6: Selection of Case Example Agencies	55

---

Figures

Figure 1: OPM illustration of questions used to develop a business case for training	59
Figure 2: OPM illustration of developing a business case for training	60

---

**Abbreviations**

HCO	chief human capital officer
CLO	chief learning officer
DHS	Department of Homeland Security
DOE	Department of Energy
EHRI	Enterprise Human Resources Integration
GPRA	Government Performance and Results Act
GEAR	Goals-Engagement-Accountability-Results
GPRAMA	GPRA Modernization Act of 2010
HR	human resources
DOI	Department of the Interior
OPM	Office of Personnel Management
TED	Training and Executive Development
VA	Department of Veterans Affairs
VALU	Veterans Affairs Learning University
VBA	Veterans Benefits Administration
VHA	Veterans Health Adminis

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.



**G A O**

Accountability \* Integrity \* Reliability

United States Government Accountability Office  
Washington, DC 20548

---

September 17, 2012

The Honorable Daniel K. Akaka  
Chairman  
Subcommittee on Oversight of Government Management,  
the Federal Workforce, and District of Columbia  
Committee on Homeland Security and Governmental Affairs  
United States Senate

Dear Chairman Akaka:

Constrained budgets and the need to address gaps in critical federal skills and competencies make it essential that agencies identify the appropriate level of investment and establish priorities for employee training and development, so that the most important training needs are addressed first.<sup>1</sup> The Office of Personnel Management (OPM) and agency chief human capital officers (CHCOs) play important roles in ensuring that federal training dollars are invested wisely. OPM provides leadership and guidance on the establishment and operation of efficient federal training and development programs government-wide and advises the President on means for furthering and strengthening federal training programs. CHCOs statutorily have the primary role in setting the workforce development strategies of their agencies, and advising and assisting their agency heads who are responsible for establishing priorities for needed training and development, and providing for the use of funds and resources in accordance with these priorities. The decisions that these key players make in determining how to invest federal training dollars will ultimately have an important impact on how well the federal government is equipped to address its current and future performance and fiscal goals and challenges.

In order to better understand how federal training investment decisions are made and whether improvements are needed, you asked us to review the methods that agencies are using to establish their training investment strategies and OPM's training investment guidance to agencies.

---

<sup>1</sup>In the February 2011 update of our High Risk Series, we reported that the most significant human capital challenge to the government is to close current and emerging critical skills gaps. GAO, *High-Risk Series: An Update*, [GAO-11-278](#) (Washington, D.C.: February 2011).

---

Accordingly, this review assesses the extent to which (1) CHCOs of selected federal agencies have established processes to set and prioritize training investments that are aligned with leading practices and (2) OPM's guidance and assistance for developing training investment strategies align with these leading practices.

For the purposes of this review, we define the key terms "training", "development" and "agency-wide" in the following ways:

- *Training* is making available to employees planned and coordinated educational programs of instruction in professional, technical, or other fields that are or will be related to the employee's job responsibilities. Training can be accomplished through a variety of approaches, such as classroom training, e-learning, and professional conferences that are educational or instructional in nature.<sup>2</sup>
- *Development* is generally considered to include training, structured on-the-job learning experiences, and education. Developmental programs can include experiences such as coaching, mentoring, or rotational assignments.
- *Agency-wide* includes all components, sub-agencies or offices within a cabinet department or independent agency.

For both objectives of the review, we compared OPM and CHCO practices against eight federal training investment leading practices, which are based on our prior studies; other expert studies; and statutory, regulatory and executive order training requirements.<sup>3</sup> (See table 1). OPM reviewed these criteria and agreed that they are practices that agencies should be implementing to support effective training investment decisions. While some of the leading practices we identified are related to statutory, regulatory and executive order training requirements, the leading practice questions we examined were not developed to assess whether agencies

---

<sup>2</sup>This definition of training includes mandatory training that governs how employees conduct themselves when carrying out their responsibilities, such as mandatory Equal Employment Opportunity training or Information Technology Security training.

<sup>3</sup>All of these practices are described in GAO, *Human Capital: A Guide for Assessing Strategic Training and Development Efforts for the Federal Government*, [GAO-04-546G](#) (Washington, D.C.: March 2004). We also used several studies from the Corporate Leadership Council.

---

are compliant with these requirements.<sup>4</sup> OPM officials agreed agency responses to our questions do not indicate whether or not agencies are in compliance with statutory, regulatory, and executive order training requirements. Therefore, we do not make determinations regarding compliance with these requirements in this review.

---

**Table 1: Leading Training Investment Practices**

---

**Agencies should implement:**

- Practice 1:** (a) Identify the appropriate level of investment to provide for training and development efforts and (b) prioritize funding so that the most important training needs are addressed first.
- Practice 2:** Identify the most appropriate mix of centralized and decentralized approaches for its training and development programs.
- Practice 3:** Consider government-wide reforms and other targeted initiatives to improve management and performance when planning its training and development programs.
- Practice 4:** Have criteria for determining whether to design training and development programs in-house or obtain these services from a contractor or other external source.
- Practice 5:** Compare the merits of different delivery mechanisms (such as classroom or computer-based training) and determine what mix of mechanisms to use to ensure efficient and cost-effective delivery.
- Practice 6:** Track the cost and delivery of its training and development programs agency-wide.
- Practice 7:** Evaluate the benefits achieved through training and development programs, including improvements in individual and agency performance:
- (a) Has a formal process for evaluating employee satisfaction with training.
  - (b) Has a formal process for evaluating improvement in employee performance after training.
  - (c) Has a formal process for evaluating the impact of training on the agency's performance goals and mission.
- Practice 8:** Compare training investments, methods, or outcomes with those of other organizations to identify innovative approaches or lessons learned.

---

Source: GAO analysis based on prior GAO reports, other related expert studies, and federal training requirements.

---

<sup>4</sup>Appendix II includes a table that lists the laws, regulations, and Executive Orders that are related to the leading practices.

---

To obtain government-wide information on agency training investment practices, we obtained high-level information from a Council made up of CHCOs representing 27 agencies (known as the CHCO Council) through a questionnaire on their training investment practices and processes.<sup>5</sup> To obtain additional perspective and insights on the training investment practices identified in the questionnaire, we discussed the responses with the CHCO Council and a Council made up of the Chief Learning Officers (CLO) from the 27 agencies (known as the CLO Council). We describe these Councils in greater detail in the background of this report. Based on the responses to the questionnaire and workforce size, we selected four agencies—the Department of Homeland Security (DHS), Department of Veterans Affairs (VA), Department of the Interior (DOI),<sup>6</sup> and Department of Energy (DOE)—from which to obtain illustrative examples of how they implemented the training investment practices identified in the questionnaire. As part of our review of agency practices, we also obtained information on the steps that agencies are taking to identify and prioritize investment allocations for training required to implement the GPRA Modernization Act of 2010 (GPRAMA).<sup>7</sup>

To identify and assess OPM's guidance and assistance to agencies on training investment strategies, we reviewed OPM training guidance, and relevant documentation on forums, workshops or other assistance and activities. In addition, we interviewed officials from the OPM offices with primary responsibility for providing training policy guidance and technical assistance to agencies. We compared this information to the leading practices identified in table 1. We also identified and described the steps

---

<sup>5</sup>We sent a questionnaire to all 27 members of the CHCO Council and received responses from all 27 members of the Council. For a full list of Council members, see the full discussion of scope and methodology in Appendix I.

<sup>6</sup>In a separate review, we are also assessing the Department of the Interior's human capital program, including training requirements for key oil and gas oversight positions and to what extent the department has developed and implemented plans to address ongoing training challenges.

<sup>7</sup>GPRAMA mandated the Director of OPM to: (1) within a year of enactment, identify, in consultation with the Performance Improvement Council, the key skills and competencies needed by federal government personnel for developing goals, evaluating programs, and analyzing and using performance information for the purpose of improving government efficiency and effectiveness; (2) within 2 years of enactment, incorporate, as appropriate, key skills and competencies into relevant position classifications; and (3) within 2 years of enactment, work with each agency to incorporate the key skills identified into training for relevant employees at each agency Pub.L. No. 111-352, 124 Stat. 3866 (Jan. 4, 2011)

---

that OPM has taken to identify the skills and training needed to implement performance management improvements, such as those required by GPRAMA, as a foundation for future agency training investments. However, we did not assess the effectiveness of OPM's efforts to identify GPRAMA-related skills and actions to develop related training.

Based on information obtained from agencies and OPM, we assessed which leading training investment practices were being implemented by agencies and addressed by OPM guidance and assistance. We also identified the challenges or limitations reported by agencies to implementing the practices, and opportunities for improvement in agency processes and related OPM guidance.

We conducted this performance audit from December 2011 to September 2012, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Further details of our objectives, scope, and methodology are provided in appendix I.

---

## Background

The federal government has established a policy to develop its employees through training programs, to improve public service, increase efficiency and economy, and build and retain a force of skilled and efficient employees, among other things. In 1967, President Johnson signed Executive Order No. 11348, to provide agency heads and OPM with presidential direction on how training is to be carried out.<sup>8</sup> Under Executive Order No. 11348, OPM is responsible for planning and promoting the development, improvement, coordination, and evaluation of training in accordance with chapter 41 of title 5 of the U.S. Code and the established policy. Chapter 41 of title 5 sets forth the statutory framework for federal government training and development. The executive order further requires OPM to identify functional areas in which new or expanded interagency training activity is needed and either conduct such training or arrange for agencies having the substantive competence to do

---

<sup>8</sup>Exec. Order No. 11348, "Further Training of Government Employees", 32 Fed.Reg. 6335 (April 20, 1967), as amended by Exec. Order No. 12107, 44 Fed. Reg.1055 (Dec 28, 1978).

so; as well as to coordinate interagency training conducted by and for agencies. It also requires OPM to assist agencies in developing sound programs and financial plans for training and provide advice, information, and assistance to agencies on planning, programming, budgeting, operating, and evaluating training programs. In addition to these activities, OPM provides advice and assistance to agencies on training and development programs. OPM's Training and Executive Development (TED) group (a subcomponent within the Office of Executive Resources) is the primary office that provides policy direction and leadership to agencies in developing plans and strategies to implement training and development programs. It also provides agency guidance to ensure the government's training and development programs support strategic human capital investments. The TED group provides assistance through two main mechanisms: guidance documents and technical assistance. OPM has developed five guides that agencies can use as references for different aspects of making or reporting training investment decisions in the planning, designing, implementation, and evaluation phases of their training and development programs (see table 2).

**Table 2: OPM's Guidance Documents and Description**

<b>Guidance document</b>	<b>Description</b>
<i>Guide to Human Resources Reporting</i> <sup>a</sup> (March 2012)	This guide assists agencies with preparing and submitting human resources, payroll, and training data files to OPM's Enterprise Human Resources Integration (EHRI) data warehouse. <sup>b</sup> Agencies are required to provide updates of their training information to OPM's electronic data collection system, including training costs. <sup>c</sup>
<i>Training Evaluation Field Guide</i> (January 2011) <sup>d</sup>	This guide provides information on methodologies for conducting training evaluations with the goal of identifying cost effective training initiatives that maximize mission accomplishments. OPM developed this guide based, in part, on the statutory requirements related to agency evaluation of training programs under 5 U.S.C. § 4103(c) as implemented by OPM regulations 5 CFR § 410.202.
<i>Draft Training Policy Handbook</i> (December 2011)	This guide <sup>e</sup> provides guidance to agencies on implementing training activities required by laws and regulations on training and development in the federal government.
<i>Guide for Collection and Management of Training Information</i> (August 2008)	This document provides guidance to assist agencies in complying with the legal and regulatory instructions for collecting and managing federal training information. Under 5 CFR § 410.601 agencies are required to maintain and report to OPM government-wide Electronic Data Collection System training data on its employees' training and development activities.

Guidance document	Description
<i>Guide to Strategically Planning Training and Measuring Results</i> <sup>f</sup> (July 2000)	This document provides guidance to agencies in planning the allocation and use of training resources. Among many other things, it provides ideas and tools to help agencies identify potential training investments that will assist them in achieving their goals and accomplishing their mission, and provides approaches and models to assist agencies in evaluating training's contribution to the organization.

Source: GAO analysis of OPM guidance documents.

<sup>g</sup>OPM, *Guide to Human Resources Reporting*, accessed August 6, 2012, <http://main.opm.gov/feddata/ghrr/index.asp>.

<sup>b</sup>The OPM's EHRI program's data warehouse is the government's premier source for integrated federal workforce information. The system currently collects, integrates, and publishes data for 2 million executive branch employees on a biweekly basis, supporting agency and government-wide analytics.

<sup>e</sup>5 C.F.R. § 410.601.

<sup>d</sup>This draft is an updated version of OPM's *Training Policy Handbook: Authorities and Guidelines* published in May 11, 2007.

<sup>e</sup>OPM is currently updating the *Training Policy Handbook* to align it with the updated regulations on training (5 C.F.R. part 410) and management development (5 C.F.R. part 412). We obtained a draft of the updated *Training Policy Handbook*.

<sup>f</sup>In July 2000, OPM developed this guide in response to Exec. Order No. 13111, *Using Technology to Improve Training Opportunities for Federal Government Employees*, 64 Fed. Reg. 2793 (Jan. 12, 1999).

The TED group also provides technical assistance on agency training investments through facilitating discussions and forums, and providing training to agencies' human resources (HR) staff. For example, the TED group uses various web-based mechanisms—such as OPM's website, OPM LISTSERV, OPM Federal Training and Development web site and OPM Federal Training and Development Wiki—to facilitate discussions between agencies on training investments and to share guidance with agencies. In addition to these facilitated discussions and forums, the TED group provides training to federal HR professionals in various areas, including activities that support making training investment decisions. For example, OPM provides training to HR staff through its partnership with the CHCO Council to operate HR University, which OPM officials and the HR University website report is the federal government's single "one stop" training resource center for the HR professional throughout the federal government. HR University is an effort that is intended to achieve government-wide savings through pooling and sharing training resources and identifying the best HR training across government.<sup>9</sup>

<sup>9</sup>HR University was established in 2010, in partnership with CHCO Council.

---

Agencies have the primary responsibility for establishing, operating, maintaining, and evaluating their training programs in support of achieving their mission and goals. OPM regulations specify that agency employee developmental plans and programs should be designed to build or support an agency workforce capable of achieving agency mission and performance goals and facilitating continuous improvement of employee and organizational performance.<sup>10</sup> Furthermore, Executive Order No. 11348<sup>11</sup> states that agency heads must undertake several activities in support of developing employees, including:

- Review periodically, but not less often than annually, the agency's program to identify training needed to bring about more effective performance at the least possible cost;
- Conduct periodic reviews of individual employee's training needs as related to program objectives;
- Conduct research related to training objectives required for program improvement and effectiveness;
- Plan, program, and evaluate training for both short and long-range program needs by occupations, organizations, or other appropriate groups;
- Establish priorities for needed training, and provide for the use of funds and man-hours in accordance with these priorities;
- Establish training facilities and services as needed;
- Extend agency training programs to employees of other agencies and assign his employees to interagency training whenever this will result in better training, improved service, or savings to the government.

The CHCO Council, established under the Chief Human Capital Officers Act of 2002, provides assistance to OPM and agencies in accomplishing federal human capital goals.<sup>12</sup> The 25-member CHCO Council is

---

<sup>10</sup>5 C.F.R. § 410.201.

<sup>11</sup>Exec. Order No. 11348, §§ 302 and 303

<sup>12</sup>Pub. L. No. 107-296, Title XIII, 116 Stat. 2287, 2288-89, § 1303 (Nov. 25, 2002) at 5 U.S.C. § 1401 note.

---

composed of the Director of the OPM, who serves as chairman; the Deputy Director for Management of the Office of Management and Budget (OMB), who acts as vice chairman; the CHCOs of the 15 executive departments; and the CHCOs of 8 additional agencies designated by the OPM Director.<sup>13</sup> Additionally, the CHCO Council has an Executive Director from OPM who coordinates and oversees the activities of the council. The CHCO Council supports OPM in leading federal agencies in the strategic management of human capital, providing a forum for senior management officials to exchange HR best practices, and informing the dialogue on civil service reform in order to build and maintain an outstanding Federal workforce for the Nation. According to the CHCO Council's charter, among other purposes, the council is to:

- advocate and assure a culture of continuous learning and high performance, developing and implementing effective strategies to attract, develop, manage, and retain employees with superior abilities;
- identify human capital best practices and benchmarks, and apply those exemplars to their agencies and the federal government as a whole; and
- provide leadership in identifying and addressing the needs of the federal government's human capital community, including training and development.

To help CHCOs implement their training goals, many of the 24 Chief Financial Officers Act agencies<sup>14</sup> and smaller agencies established Chief Learning Officers (CLOs). These officers subsequently formed an informal Chief Learning Officers (CLO) Council, which is a community of

---

<sup>13</sup>The CHCO Council was established with 25 members; however, the Director of OPM may designate other members to the council. Such additional members may include, but are not limited to: (1) the CHCOs of other executive agencies and (2) members who are designated on an ex officio basis and who may be invited to contribute to projects, as particular skills and expertise are needed. The Council currently includes a representative for Small Agency Council (Corporation for National and Community Service) and the Office of the Director or National Intelligence (ODNI), as designated by the OPM Director. Although the Office of the Director or National Intelligence is not generally covered under title 5 of the U.S. Code, according to OPM, they were still designated to join the Council and follow many of the same training practices employed by other agencies.

<sup>14</sup> These 24 agencies are subject to the Chief Financial Officers Act. See listing of agencies at 31 U.S.C. § 901.

---

practice composed of federal CLOs or their equivalents who meet periodically to share best practices and create learning opportunities for agencies and organizations.<sup>15</sup> The purpose of the CLO Council is to provide a regular forum for CLOs to discuss and collaborate on high-level agency strategic and operational issues affecting the Federal learning and workforce development community of the federal government. These two Councils, in partnership with OPM are to play a key role in assisting agencies in the implementation of federal training and development efforts.

---

## CHCOs are Implementing Leading Practices Related to Training Delivery, but Not Practices that Support Making More Cost-Effective Training Investments

Many CHCOs reported that they are implementing leading practices we identified as being important to making strategic training and development investment decisions, especially regarding the delivery of training. These practices include determining the best mix of decentralized and centralized training, considering government-wide reforms when identifying their training needs, and measuring employee satisfaction with training, among other things. However, many CHCOs reported that they are not implementing the leading practices that would allow them to make more cost-effective training decisions, such as having an agency-wide process for prioritizing training investments so that the most important training needs are addressed first and comparing the merits of different delivery mechanisms (e.g. classroom or computer-based training) to determine what mix of mechanisms will be most efficient and cost-effective. All of these practices are important to ensuring that training investments will be both effective and efficient in equipping federal employees to accomplish their agencies' goals.

---

<sup>15</sup>The CLO Council derives its authority from its members, not their respective agencies. Its members, act in a collective capacity and agree to support and further the ends of the CLO Council's vision and mission. CLO Council members are the most senior CLOs or equivalent of the federal agencies that make up the cabinet of the President and those who hold similar positions in independent agencies, boards, commissions, and the intelligence community.

## CHCOs Reported Implementing Leading Practices that Support Making Strategic Training Delivery Decisions

Many CHCOs reported that they are implementing six of the leading practices that we identified as being important to making strategic training and development investment decisions, especially regarding the delivery of training, as shown in Table 3. However, regarding the leading practice related to tracking training investments agency-wide, we found that even those who reported that they track training agency-wide did not do so completely or reliably.

**Table 3: The Leading Training Investment Practices CHCOs Reported Implementing**

Leading training investment practices	Number of agencies with the response		
	Yes	No	Sometimes
<b>Practice 2:</b> Identify the most appropriate mix of centralized and decentralized approaches for its training and development programs	27	0	
<b>Practice 3:</b> Consider government-wide reforms and other targeted efforts when planning its training and development programs	23	4	
<b>Practice 4:</b> Have criteria for determining whether to design training and development programs in-house or obtain these services from a contractor or other external source	15	12	
<b>Practice 6:</b> Track the cost and delivery of its training and development programs agency-wide	16	11	
<b>Practice 7:</b> Evaluate the benefits achieved through training and development programs, including improvements in individual and agency performance			
(a) Has a formal process for evaluating employee satisfaction with training	25	1	1
(b) Has a formal process for evaluating improvement in employee performance after training	13	12	2
<b>Practice 8:</b> Compare training investments, methods, or outcomes with those of other organizations to identify innovative approaches or lessons learned.	24	3	

Source: GAO summary of CHCO responses to a GAO questionnaire

---

Identifying the Most  
Appropriate Mix of Centralized  
and Decentralized Approaches  
for its Training and  
Development Programs

All CHCOs reported that their agencies have implemented this practice. We have previously reported that, while neither approach fits every situation, agencies need to consciously think about the advantages and disadvantages of using centralized and decentralized approaches, particularly for the design of training and development programs.<sup>16</sup>

Centralizing design can enhance consistency of training content and offer potential cost savings. A decentralized approach to training design can enable agencies to tailor training programs to better meet local and organizational unit needs. Agencies with decentralized approaches often embed training representatives within their business lines and field structures to assist in coordination of training efforts, including design and development. Nineteen of the 27 agencies reported that they have both centralized and decentralized training processes, while eight reported having completely decentralized training processes. Most of these agencies reported that their CHCOs or CHCO staff typically make centralized training decisions, while the leadership within the components, subagencies or offices make mission-specific training decisions. In the questionnaire responses, CHCOs identified a range of officials who are involved in making training investment decisions at the corporate and sub-agency level, including CHCOs and their staff, chief management officers, chief executive officers, budget officers, chief information officers, and others. A number of agencies also reported that advisory or oversight boards or training universities within their agency are involved in making training investment decisions.

In the four agencies that we selected for review to obtain illustrative examples of how they implemented the training investment practices, the CHCOs or their representatives reported that their agencies made a decision to have both centralized and decentralized processes because they believe that the components or sub-agencies are more knowledgeable about their mission-specific training needs, while the central human capital staff can add the most value by managing investment decisions for more general training across the department. VA—which was one of the four agencies that we selected—established a corporate university known as the Veterans Affairs Learning University (VALU) to provide training to all VA employees. VALU provides training primarily in general areas such as leadership, management and supervision, as well some career and technical training. VALU offers

---

<sup>16</sup>[GAO-04-546G](#).

---

training to the administrations and staff offices through a request process that is based on the training needs that the administrations and staff offices identify. Those training needs are required to be aligned to VA critical training areas.<sup>17</sup> An Enterprise Training Advisory Board, established in April 2012, also advises the Dean of VALU on the impact of training, potential training development, and methods of delivery.<sup>18</sup> However, another tier of training is also provided within VA's three administrations—the Veterans Health Administration (VHA), Veterans Benefits Administration (VBA), and National Cemetery Administration. Each administration independently makes training investment decisions and provides training to its employees in mission-specific and some general and mandatory areas. The leadership of each administration makes decisions about the level and prioritization of these training investments. For example, at the VHA the Associate Deputy Under Secretary for Health (or equivalent) and, subsequently, the Deputy Under Secretary for Health assess the training requested by their offices against various criteria, including whether training requests are aligned with and support VA and VHA strategic goals, objectives, strategies, initiatives, and performance improvement goals. During each review these officials prioritize the requests through a voting process, and forward selected training to the next level. Ultimately, the training is sent for approval to the Under Secretary for Health and the VA Chief of Staff. The other three agencies that we met with also reported having both centralized and decentralized processes for making mission-specific training investment decisions. However, most often, decentralized training decisions were not required to be vetted with department level leadership for these three agencies.

---

<sup>17</sup> On June 5, 2012 an enhanced training requirements process was launched with an emphasis on closing identified skill gaps based on training needs assessments. According to VA officials, this process incorporated lessons learned, best practices, and prioritization criteria to align training with transformational goals and the VA Strategic plan.

<sup>18</sup> According to the Enterprise Training Advisory Board charter, which was signed on April 10, 2012, the group is an enterprise training and development management advisory board. It serves as a high-level executive review and recommendation group to advise the Dean of VALU on business requirements and on the impact of planned policies and procedures for leadership and mission-critical, non-clinical career technical training and development. The Enterprise Training Advisory Board shall provide advice to the Dean of VALU the impact of training and support communication regarding requested or recommended training plans and projects. However, it does not have authority to approve training investment decisions.

---

---

Considering Government-wide Reforms and Other Targeted Initiatives When Planning its Training and Development Programs

Nearly all CHCOs in our review reported that they have a process for these considerations. We have previously reported that when planning training and development efforts, agencies should look to the actions of the administration, Congress, and internal and external auditors by considering administration priorities, legislative reforms, and major management challenges that might shape agency priorities and strategies for training and development.<sup>19</sup> As an administration focuses its efforts on addressing its priorities, agencies can benefit by having mechanisms or processes for considering whether and to what extent these initiatives could be linked to employees' skills and competencies and the related training and development approaches that might be needed. Twenty-three of the 27 CHCOs who responded to our questionnaire reported having such a process in place. For example, 16 of the CHCOs reported that they are already setting investment allocations or training priorities to implement GPRAMA.

At DOE, another agency we selected for review to obtain illustrative examples, officials reported that they have identified the training that the department currently offers and will need to offer to implement GPRAMA. The Secretary issued a memo to DOE employees on GPRAMA's implementation and is holding town hall meetings on improving organizational performance. Another effort that DOE expects to support the implementation of GPRAMA is the Goals-Engagement-Accountability-Results (GEAR) model that OPM and OMB are helping to pilot in DOE and four other federal agencies, which includes efforts to improve employee performance, among other things.<sup>20</sup> According to DOE officials and related documentation, DOE's GEAR implementation plan includes aligning employee performance management with organization performance management and developing training to support these goals, which along with initiating knowledge sharing activities, will promote improvement of DOE's organizational performance.

---

<sup>19</sup>[GAO-04-546G](#).

<sup>20</sup>Beginning in late May 2011, a workgroup of the National Council on Federal Labor-Management Relations (LMR) partnered with members of the CHCO Council to develop a new model of employee performance management, referred to as GEAR. GEAR focuses on articulating a high-performance culture, aligning employee performance engagement with organizational performance management, implementing accountability at all levels, and create a culture of engagement. OPM is piloting GEAR at five agencies—the Housing and Urban Development, the DOE, the Coast Guard, OPM and VA.

---

Have Criteria for Determining Whether to Design Training and Development Programs in-house or to Obtain These Services from a Contractor or Other External Source

Many of the CHCOs in our review reported having criteria for this purpose. Training can be provided by the agency itself, another government agency, a school, a manufacturer, a professional association, or other competent persons or groups in or outside of government. To aid in making these decisions, agencies should try to develop clear criteria for determining when to contract for training and development services. We have previously stated that factors that agencies should consider in these decisions include the capability of in-house staff to develop and implement the training; the prior experience, capability, and stability of possible providers in the marketplace; and agency limitations on cost, time, and resources<sup>21</sup> Of the 27 CHCOs included in our questionnaire, 15 reported that they have criteria for determining whether to design training and development programs in-house or obtain these services from a contractor or other external source.

One agency that we selected for review to obtain illustrative examples was DOI, which reported implementing this practice, however, the extent to which this decision-making process is implemented agency-wide is unclear. In its questionnaire response, DOI's CHCO reported that DOI's Office of Strategic Employee and Organizational Development has responsibility for offering corporate training through DOI's university. This office decides whether to "make or buy" departmentwide training. When we met with DOI officials in the course of our review, they explained that although almost all courses are delivered by vendors because DOI has no internal trainers, they do have a small cadre of instructional designers who can develop some e-Learning courses. Decisions on whether to develop the courses internally are based on various criteria, including whether a course can be developed quickly, does not require a significant amount of content development, and subject matter experts can be provided to support the course development. Although this department level process is useful, DOI officials did not know if the bureaus within the department consistently use a "make or buy" approach. They reported that the larger bureaus have some capacity for in-house development while the smaller bureaus do not have this capability.

Track the Cost and Delivery of its Training and Development Programs Agency-wide

Many CHCOs reported that their agencies implement this practice, although most of the CHCOs who reported that they do not track training investments agency-wide were leaders of the agencies with the largest

---

<sup>21</sup>[GAO-04-546G](#).

---

workforces.<sup>22</sup> We have previously reported that to obtain a comprehensive determination of the costs of these initiatives, agencies need to find ways around barriers that prevent them from fully and accurately identifying the expenses associated with all components of their training and development processes.<sup>23</sup> These costs can include expenses for instructional development; participant and instructor attendance; facility, material, and equipment costs, and travel and per diem expenses. To track the cost and delivery of training and development programs, agencies need credible and reliable data from learning management systems as well as accounting, financial, and performance reporting systems. To the extent possible, agencies also need to ensure data consistency across the organization (such as having data elements that are pulled from various systems representing the same type of information). Variation in the methods used to collect data can greatly affect the analysis of uniform, quality data on the cost and delivery of training and development programs. In response to our questionnaire, 16 CHCOs reported that they track training investments agency-wide.

In our review of agencies to obtain illustrative examples of practices, two of the selected agencies, DOE and VA, were among the CHCOs who reported in their questionnaire that they track training investments agency-wide. However, our review found both these agencies may not do so completely or reliably. Both agencies identified the same limitations and challenges as the agencies whose CHCOs reported that they do not have a process to track training agency-wide. For example, DOE and VA officials reported experiencing challenges in tracking training costs agency-wide because of their multiple learning management systems and inconsistent practices in tracking training data.<sup>24</sup> Officials from DHS and DOI, who reported in the questionnaire that they could not track training investments agency-wide, described similar challenges to those experienced by DOE and VA. Moreover, officials from all four agencies were unaware of the total amount their agencies invest in federal training

---

<sup>22</sup>The eleven agencies that reported that they do not track training investments agency-wide represented 65 percent of the federal workforce. This figure is based on CRS calculations of the size of each agency's workforce, as of December 2010.

<sup>23</sup>[GAO-04-546G](#).

<sup>24</sup>A learning management system is a software application that automates the administration, tracking, and reporting of training events.

---

and stated that they could not provide reliable training data to OPM, which requests these data to address its government-wide training responsibilities. Under OPM regulations, agencies are required to maintain data on training activities and expenditures and submit these data to OPM.

As an example of challenges tracking training investments, DHS reported that it is unable to track or better leverage training investments across the department because of the nine, major incompatible Learning Management Systems that it uses to track training throughout the agency. We highlighted these same challenges in a 2005 report on DHS training, noting that the lack of common management information systems and the absence of commonly understood training terminology across components, among other things, may impede the agency's ability to achieve its training goals.<sup>25</sup> According to more recent documentation on the limitations of DHS' tracking systems, the components' disparate systems currently limit them from sharing useful training information across the department, effectively aggregating training data agency-wide, and reporting complete training investment information to OPM. As a result, DHS is seeking to purchase a single learning management system.<sup>26</sup>

Even when agencies had a single training information system, the components may not consistently use them to track training investments because of inconsistent coding schemes for tracking similar training activities. For example, even though DOI has a single system for tracking training information, officials reported that their human capital office must rely on employees or data stewards<sup>27</sup> to input their training data and some cost data may not be included, such as training travel costs, or

---

<sup>25</sup>GAO, *Department of Homeland Security-Strategic Management of Training Important for Successful Transformation*, [GAO-05-888](#) (Washington, D.C.: Sept. 23, 2005).

<sup>26</sup>In addition to challenges tracking training data across components, a recent GAO report highlighted that a DHS component, the Federal Emergency Management Agency (FEMA) does not track how much it spends within its own component on the Disaster Assistance Employee (DAE) training, which hinders FEMA's ability to plan for future training. See GAO, *DISASTER ASSISTANCE WORKFORCE-FEMA Could Enhance Human Capital Management and Training*, [GAO-12-538](#) (Washington, D.C.: May 25, 2012).

<sup>27</sup>Data Stewards are those individuals ultimately responsible for the definition, management, control, integrity or maintenance of a departmental or Enterprise data resource.

---

certain types of training may not be entered, such as conferences. Such costs are sometimes paid directly by an employee's immediate office using a government credit card and are not tracked as training. In addition, learning management system training data are often not reconciled with DOI's financial expenditure data because, until recently, their financial systems have not captured education tuition and training fees, and are still unable to track training travel costs. Therefore DOI's cost data are most likely incomplete. Similarly, officials from DOE, DHS, and VA reported that they are aware of some inconsistencies in whether some types of training, such as conferences, are entered into their learning management systems. They also stated that there are inconsistencies in how agency components capture and code workforce training into their system because they lack a common definition for what types of activities should be considered training or have varying coding schemes or tools for capturing the cost. For example, some organizations use a procurement request or obtain a contractor to deliver training and do not document these costs using the standard government form for tracking data or in their learning management systems. In other cases, training investment data are captured using different coding in various learning management systems and financial systems. Some officials report that reconciling these data would be difficult. For example, DOE's chief financial officer reported that it takes a couple of months to gather training investment data from DOE's various systems, partly because the systems have inconsistent coding for these data. DOE' officials reported that changing financial codes to reconcile training data would be time consuming and expensive because their financial systems are 20 years old. However, after years of highlighting this challenge, they are seeking approval to make such changes. Officials from the four agencies generally reported that, as a result of all of these factors, there is no overarching awareness or oversight of how much is spent on training investments and for which activities .

Evaluate the Benefits Achieved Through Training and Development Programs, Including Improvements in Individual and Agency Performance

Nearly all CHCOs reported having a formal process to evaluate employee satisfaction with training, but fewer had processes to evaluate the impact of training on employees or agency performance. We have previously reported that it is increasingly important for agencies to be able to evaluate their training and development programs and demonstrate how these efforts help develop employees and improve the agencies' performance because it can aid decision makers in managing scarce resources, and provide credible information on how training and

---

development programs have affected organizational performance.<sup>28</sup> To do so agencies need to develop evaluation processes that systematically track the cost and delivery of training and development efforts and assess the benefits of these efforts. Training and development programs can be assessed by measuring (1) participant reaction to the training program, (2) changes in employee behavior or performance; and (3) the impact of the training on program or organizational results, which may include a return on investment assessment that compares training costs to derived benefits.<sup>29</sup> Some of these methods can help provide better value through identifying areas for continuous improvement in training programs. We consider the processes for conducting these evaluations to be formal when they are systematically conducted throughout the agency, have established guidelines and criteria that govern how they are implemented and are documented. However, CHCOs may also have other criteria for determining what is considered a formal process, based on their agencies' environment. We asked CHCOs about their formal processes for conducting the three levels of evaluation listed earlier, which are the common types of evaluations. Many CHCOs reported routinely implementing the first two, but not the third (which we discuss later in this report). Twenty-five of the 27 CHCOs included in our questionnaire reported that they measure employee satisfaction; and a little more than half reported that they measure improvement in employee performance.

Officials from the four agencies that we interviewed reported that they all assess employee's reaction to training and sometimes assess changes in employee performance. For example, officials from DOE reported that they evaluate all the training that they offer by surveying participants' reactions to the training—which can include their feedback on the effectiveness of the instructor, the topics, the presentation style, the schedule, audiovisuals, and other subjects—and use this information to make revisions to the program courses. Documents that we reviewed on training evaluations identified updates or revisions made to course materials and tests to improve their effectiveness, based on training

---

<sup>28</sup>[GAO-04-546G](#).

<sup>29</sup>The Kirkpatrick model of evaluation is a popular model of evaluation that includes measuring (1) participant reaction to the training program; (2) changes in employee skills, knowledge, or abilities; (3) changes in employee behavior or performance; and (4) the impact of the training on program or organizational results, which may be split into a fifth level that includes a return on investment assessment that compares training costs to derived benefits. For purposes of our review, we focused on three of these areas.

---

Compare training investments, methods, or outcomes with those of other organizations to identify innovative approaches or lessons learned

---

feedback and policy updates. As an example of evaluating the impact of training on employee performance, DOI officials stated that, while they do not have an agency-wide process, some of their organizations—such as those within the Bureau of Land Management and National Park Service use an online evaluation tool to assess the impact of training courses on employees' abilities to perform tasks, about 6 weeks after a course has been completed. According to the official, at this time, the process is not used department-wide, but the agency is looking into how it may be able to do so starting in fiscal year 2013. According to DOI's CLO, establishing this link between training, employee competencies and mission critical occupation work is one that DOI is targeting for improvement.

Nearly all CHCOs reported that they implement this practice. We have previously reported that there are many ways to help improve performance, so it is important for agencies to continually look to others to identify innovative approaches that may relate to their training and development efforts. Within the context of that agency's unique environment and situation, an agency can compare its investments, approaches, and outcomes with those of public and private organizations that are undertaking notably innovative and effective training and development efforts. Agencies can uncover weaknesses in their training and development strategies that need improvement and identify new ideas, mechanisms, and metrics that they could employ.<sup>30</sup> Twenty-four of the 27 CHCOs included in our questionnaire reported that they compare training investments, methods, or outcomes with those of other organizations to identify innovative approaches or lessons learned.

Officials from the two agencies we asked to provide examples of this practice described this process as occurring informally through interactions with other CLO Council members. For example, DHS officials that we met with reported that they meet with other agencies to share best practices and recommend vendors during breaks or after the CLO meetings. The officials said that examples of sharing ideas on new training programs included recent discussions by OPM and agencies on the GEAR pilot program lessons learned and new courses for developing supervisors. While two agencies reported having informal interactions with other agencies to share and compare training information, none of the agencies that we met with described efforts to benchmark their

---

<sup>30</sup>[GAO-04-546G](#).

practices with agencies or other relevant entities. We have previously reported that benchmarking can help agencies determine who is the very best, who sets the standard, and what that standard is.<sup>31</sup>

**Many CHCOs are Not Implementing the Leading Practices that Support More Cost-Effective Training Investment Decisions**

Many CHCOs reported that they are not implementing the leading practices that would allow them to make more cost-effective training decisions, as shown in Table 4.

**Table 4: Leading Training Investment Practices that Many CHCOs Reported Not Implementing Routinely**

Leading training investment practices	Number of CHCOs with the response		
	Yes	No	Sometimes
Practice (1a): Identify the appropriate level of investment to provide for training and development efforts	11	16	
Practice (1b): Prioritize funding so that the most important training needs are addressed first	12	15	
Practice 5: Compare the merits of different training delivery mechanisms and determine what mix to use to ensure efficient and cost-effective delivery	11	16	
Practice 7(c): Have a formal process for evaluating the impact of training on the agency's performance goals and mission <sup>a</sup>	8	8	11

Source: GAO analysis of CHCO responses to a GAO questionnaire.

<sup>a</sup>One agency that reported "I don't know" was included in the category "No".

**Identify the Appropriate Level of Investment to Provide for Training and Development Efforts and Prioritize Funding So That the Most Important Training Needs are Addressed First**

Many CHCOs included in our review reported that they have not implemented this practice. We have previously stated that, to determine the best ways to leverage investments and establish priorities, agencies can develop an annual training plan that targets developmental areas of greatest need and that outlines the most cost-effective training approaches to address those needs.<sup>32</sup> When assessing investment opportunities for its training plan, the agency ought to consider the competing demands confronting the agency, the limited resources available, and how those demands can best be met with available resources. If training is identified as a solution to improve agency

<sup>31</sup>GAO-04-546G.

<sup>32</sup>GAO-04-546G.

---

performance, agencies can prioritize training using criteria, such as expected demand for the investment from internal sources, availability of resources to support the effort, potential for increased revenue, and risk of unfavorable consequences if investments are not made. Given current budget constraints, agencies may also want to prioritize training that has the potential to improve their efficiency. Developing a business case for training and development that includes this information sets forth the expected costs and benefits of the investments and provides decision makers with essential information they need to allocate necessary resources. Furthermore, under Executive Order No. 11348 and OPM regulations, agencies are to establish training priorities, although agencies are not specifically instructed to establish an agency-wide process to do so.<sup>33</sup> Of the 27 CHCOs questionnaire responses, 16 CHCOs reported that they do not set a level of investment agency-wide and 15 CHCOs reported that they do not prioritize training agency-wide.

In our meetings with officials from the DOE, DOI, DHS, and VA as well as the CLO council, agency officials cited several reasons for why they do not establish a level of training investment agency-wide or prioritize training agency-wide. Some of the reasons were described as purposeful decisions not to do so and other reasons were described as limitations in their ability to do so. First, CHCOs elect to establish and prioritize training investments for centralized training and are often not involved in the investment decisions made for specific training within the components or offices, as we previously described. In addition, large components or sub-agencies often have autonomy over their training budgets because the budgets are appropriated directly to them from Congress. As a result, CHCOs and their staff are often unaware of how much these components spend for training and do not have input into these decisions. Component and sub-agency heads often act autonomously and are not required to communicate with the CHCO about these decisions. Further, because of limitations in internal tracking systems for training (which we discussed earlier in this report), CHCOs do not have information on all of the training that is completed in their agency and the related costs.

Officials from various agencies involved in the CLO Council and three of the four agencies that we individually met with reported having a lack of

---

<sup>33</sup>Section 303(e) of Exec. Order No. 11348 and 5 C.F.R. § 410.201(c) requires agency heads to establish priorities for training and allocate resources according to those priorities.

---

visibility into the prioritization and level of training investments throughout their agencies, which they reported limits their ability to better leverage and reduce duplication in training investments their agencies. Officials in the agencies that we met with reported that, although they believe that their components or organizational elements are more capable of making training decisions related to their specific missions, the lack of coordination and communication on training investments and priorities has led to some duplicative and ineffective training investments in their departments. For example, senior human capital officials in DOI reported that the department's leadership, including the CHCO are not aware of the department's overall training investments agency-wide and have no formalized mechanism for ensuring accountability for how the funds are used. They are aware that bureaus are buying duplicative training or offering similar training classes that are of varying effectiveness—which is resulting in inefficient training investments. For example, one bureau recently independently contracted with an external provider for mid-level manager leadership training that was already offered at DOI's university and paid \$50,000 more than DOI University charges. According to officials, this is a common problem. In addition to duplicative training courses, in some cases, bureaus are duplicating the creation of new training facilities. For example, a regional director of an DOI bureau built a training classroom with a computer lab, despite having access to existing computer labs within the complex where he worked and also at DOI facilities a few miles away. Further, according to the officials, because it is common practice for each bureau to independently secure training, there is no consistency, little quality control, and no maximization of procurement tools (such as blanket purchase agreements) across DOI.<sup>34</sup> In order to address these challenges, DOI has formed a one-time departmentwide task force known as the Department Innovation and Efficiency Team for Training. This task force was expected to identify: potential duplication in training, funds expended in training delivery, and the cost of travel and facilities, among other things. In July 2012, the committee made recommendations to the CLO on opportunities to generate efficiencies and savings in training operations. DOI's Office of

---

<sup>34</sup>A blanket purchase agreement is a simplified acquisition method that government agencies use to fill anticipated repetitive needs for supplies or services. Essentially, blanket purchase agreements are like "charge accounts" set up with trusted suppliers. According to the General Services Administration, BPAs offer an excellent option for federal agencies, providing convenience, efficiency, and reduced costs.

---

Strategic Employee and Organization Development is developing action plans to address the committee's recommendations.

Officials from DHS also reported experiencing similar challenges with duplicative or ineffective training investments in their agencies. Some of these challenges are long standing. For example, seven years ago we reported that DHS's two-tier training process (component and departmentwide) and lack of communication throughout the department on the availability of some training programs and resources were challenges that could impede its ability to achieve departmental training goals and efficiencies.<sup>35</sup> DHS is still taking steps to address this on-going challenge. In June 2005, DHS formally *chartered* a Training Leaders Council (TLC) and recently revised its charter in June 2011. The TLC is made up of senior training leaders from each component, and representatives from headquarters to serves as an advisory and collaborative community of practice to promote effective and efficient training, education, and professional development opportunities to DHS employees. According to DHS' Human Capital leaders, while this group does not set or prioritize training investments, it provides a forum for exchanging useful information about common challenges and training practices, which helps in making more efficient use of existing agency resources. DHS also established the Human Resource Information Technology Executive Steering Committee, made up of management chiefs and HR and information technology leadership across DHS in 2010, and included TLC leadership as members in July 2011. This group makes some funding decisions related to some training investments, such as their recent decision to fund the purchase of a single learning management system for the entire department. However, according to DHS officials, because DHS has multiple congressional committees and subcommittees from which the components receive funding and training direction, coordinating training investments remains challenging.

Compare the Merits of Different Training Delivery Mechanisms and Determine What Mix to Use to Ensure Efficient and Cost-Effective Delivery

Many CHCOs that responded to our questionnaire reported that they do not compare the merits of different training delivery mechanisms. Our past research and that of others has shown that agencies should deliberately consider the options for delivering training and consider essential issues, such as the goals and objectives for the training, the type of audience intended for the training, the nature of the training

---

<sup>35</sup>See [GAO-05-888](#).

---

content, the availability of technology and resources, and the timing for delivering the training.<sup>36</sup> Agencies can use a variety of instructional approaches to achieve learning—in the classroom, through distance learning, or in the workplace. When warranted, agencies should also consider blended learning that combines different teaching methods (e.g. Web-based and instructor-led) within the same training effort and provide trainees with the flexibilities to choose among different training delivery methods while leveraging resources in the most efficient way possible. When assessing delivery options, agencies can try to achieve economies of scale and avoid duplication of effort by taking advantage of existing course content or training, such as sharable on-line courses or multiagency training programs. However, In the responses to our questionnaire, 16 of the 27 CHCOs reported that they do not compare the merits of the different training delivery mechanisms in their agency.

In our meetings with DHS and VA to obtain illustrative examples, DHS officials reported that their current learning management systems do not allow them to mine information on the different delivery mechanisms used throughout the department and to assess and compare their effectiveness. According to the officials, they could obtain this information manually, but it would be a very labor intensive process. Therefore, it is not done. In contrast, VA officials informed us that they are assessing different delivery mechanisms for training and conferences offered by VALU because they recognize that opportunities exist to offer more efficient mechanisms (such as e-learning). Moreover, VHA, which has the largest workforce in the department, builds into its initial investment decision-making process considerations of which delivery methods will be most effective and efficient, and subsequently evaluates employee satisfaction with the various delivery methods to inform future investment decisions. Without processes such as these, agencies that do not compare the merits of different training delivery mechanisms have limited information for determining what mix of methods provides the most efficient and effective delivery of federal training.

---

<sup>36</sup>See [GAO-04-546G](#) and Corporate Leadership Council Learning and Development: *LDR a Guide to Selecting the Most Suitable Development Method* (Arlington, VA: Corporate Executive Board, 2011).

---

## Have a Formal Process for Evaluating the Impact of Training on the Agency's Performance Goals and Mission

Most CHCOs reported that their agencies do not have a routine formal process to implement this practice. As we previously mentioned, it is increasingly important for agencies to be able to evaluate their training and development programs and demonstrate how these efforts help to improve the agencies' performance, and to assist them in making more effective decisions about how to allocate scarce resources. Agencies are required by statute and OPM implementing regulations to evaluate how well training programs contribute to mission accomplishment and meet organizational performance goals.<sup>37</sup> We have identified having a formal process for this evaluation as a leading practice. However, there are some understandable limitations to regularly and formally implementing this practice. For example, some agency officials that we met with reported that the cost and time required can be significant for obtaining results of evaluations of training that measure the impact on agency performance goals. As a result, they can only conduct this level of review for training that they identify as highly important to key areas of their mission. We have previously reported that not all training and development programs require, or are suitable for, higher levels of evaluation.<sup>38</sup> For example, it may be ineffective to try to measure the impact of training in an area that is still undergoing other significant changes that could affect relevant performance goals, such as changes in related policy and management structure. We recognize that higher levels of evaluation (such as evaluating the impact on organizational performance or return on investment) can be challenging to conduct because of the difficulty and costs associated with data collection and the complexity in directly linking training and development programs to improved individual and organizational performance. Factors to consider when deciding the appropriate level of evaluation include estimated costs of the training effort, size of the training audience, management interest, program visibility, and the anticipated "life span" of the effort. Each agency will need to consider the feasibility and cost-effectiveness of conducting these in-depth evaluations, along with budgetary and staffing circumstances that may limit the agency's ability to complete such evaluations. Given the current budget constraints that agencies face, making thoughtful tradeoffs regarding how to target costly evaluation

---

<sup>37</sup> 5 U.S.C. § 4103(c) requires such evaluation on a regular basis whereas OPM's implementing regulations specify that such evaluations are to be conducted annually. 5 C.F.R. 410.202.

<sup>38</sup> [GAO-04-546G](#).

---

reviews is a sensible approach. While it is important to prioritize reviews of training, 8 of the 27 CHCOs that responded to our questionnaire reported that they do not have a formal process for evaluating the impact of their training on their agency's performance.

For example, the CHCO at DOE reported in our questionnaire that DOE does not implement this practice. We met with the CLO from DOE who informed us that DOE does not have a formal process for implementing this practice because the agency does not have a systematic documented approach for conducting this level of review. Moreover, evaluation data are not collected in a way that allows it to be aggregated into a comprehensive assessment of its impact on the agency's overall mission. For example, different organizations within DOE conduct reviews to assess the impact of training on their goals, but they are not captured in an automated system and the methodologies that DOE organizations use to conduct these reviews vary. As an illustration, DOE organizations that work with nuclear material evaluate the technical training that they provide to their employees against required certification and mission goals. However, the organizations conduct these evaluations differently, and because of these varied methodologies and lack of automated results data, it is difficult to aggregate the reviews into an assessment of how training has affected DOE's overall training and mission goals. Similarly, the CLO's office evaluates cross-cutting training for employee satisfaction and employee performance at DOE, but does not effectively or consistently evaluate its impact on agency goals. According to the CLO, to assist them in developing a more systematic formal process, they are participating in OPM training on developing training evaluations and in the GEAR pilot program—which is intended to better link employee performance to organizational goals.

In contrast, VA's training review processes illustrate that agencies that have a formal process for assessing the impact of training on their performance mission and goals can use it to make better training investment decisions. VA recently assessed the return on investment of its corporate training and, the department's Administrations recently evaluated the impact of mission-specific training on their performance goals. In January 2012, VA evaluated the monetary and mission-related benefits of training that was implemented under its Human Capital

---

Investment Plan.<sup>39</sup> According to the return on investment assessment and report developed by VALU and VHA's National Center for Organization Development, VA's two-year \$577 million investment in training and development under VA's Human Capital Investment Plan has resulted in \$604 million dollars in savings that are tied to reductions in costly VA turnovers, fewer overdue accounts renewable, and fewer equal employment opportunity complaints.<sup>40</sup> The report also states that VA has gained non-financial returns, such as faster benefits processing, increased veteran hiring programs, and improved patient satisfaction. According to VALU officials, they have used details in this report along with other factors to make decisions about future training and development investments. Similarly, for its mission-specific training, VHA recently conducted an in-depth review of training provided to Patient Aligned Care Teams to improve their collaborative delivery of care to patients. The evaluation assessed the training participants' satisfaction, skill acquisition, application on the job, and impact on VHA's business. The assessment ultimately determined that the training was successful in addressing the desired behavior changes in the work place and that key organizational results were influenced by the training, but it also identified some improvements that VHA could make.<sup>41</sup>

---

<sup>39</sup>According to documentation on VA's Human Capital Investment Plan, the Plan is a human resource management transformational initiative to develop the department's human capital into a proactive, forward looking, well trained and professional workforce focused on delivery of high quality service to Veterans and their families. The plan includes a focus on improving the recruitment, hiring and retention of VA employees; investing in people development (e.g., leadership training); supporting and developing the capabilities of VA's Senior Executive Service (SES) employees; establishing a Veteran's Employment initiative to support veteran's recruitment, retention and reintegration; and, striving to build a broad set of human resources capabilities to support the delivery of quality care and benefit services to Veterans and their families.

<sup>40</sup>Department of Veterans Affairs' *Human Capital Investment Plan (HCIP) Impact Assessment /Year One: HCIP Monetization Summary*, January 2012.

<sup>41</sup>We did not independently verify the reported cost savings or performance improvements reported in the VALU or VHA studies.

**OPM Guidance and Assistance to Agencies on Federal Training Investments Addresses Many Leading Practices that We Identified, But Could be Improved in Areas That Are Challenges to Agencies**

OPM guidance and assistance to agencies on federal training investments are in line with five of the eight leading practices, but OPM lacks guidance and assistance in some areas that are challenges to agencies, as shown in table 5.

**Table 5: Comparison of Agency Implementation of Leading Practices and OPM Guidance and Assistance**

Leading Practice	Addressed by OPM guidance or assistance	Not Addressed by OPM guidance or assistance
Practice 1: (a) Identify the appropriate level of investment to provide for training and development efforts and (b) prioritize funding so that the most important training needs are addressed first <sup>a</sup>		X
Practice 2: Identify the most appropriate mix of centralized and decentralized approaches for its training and development programs		X
Practice 3: Consider government-wide reforms and other targeted initiatives to improve management and performance when planning its training and development programs	X	
Practice 4: Have criteria for determining whether to design training and development programs in-house or obtain these services from a contractor or other external source		X
Practice 5: Compare the merits of different delivery mechanisms (such as classroom or computer-based training) and determine what mix of mechanisms to use to ensure efficient and cost-effective delivery	X	
Practice 6: Track the cost and delivery of its training and development programs	X	
Practice 7: Evaluate the benefits achieved through training and development programs, including improvements in individual and agency performance (a) Has a formal process for evaluating employee satisfaction with training (b) Has a formal process for evaluating improvement in employee performance after training (c) Have a formal process for evaluating the impact of training on the agency's performance goals and mission	X	
Practice 8: Compare training investments, methods, or outcomes with those of other organizations to identify innovative approaches or lessons learned	X	

Source: GAO analysis of OPM guidance and assistance tools.

---

OPM Provides Guidance or Assistance that Addresses Some Leading Training Investment Practices

OPM guidance or assistance to agencies on federal training investments addresses five of the eight leading practices for federal agency training investment decision-making processes. OPM's five primary guidance documents that relate to making training investment decisions include the *Guide to Human Resources Reporting*, *Training Evaluation Field Guide*, *Draft Training Policy Handbook*, *Guide for Collection and Management of Training Information*, and *Guide to Strategically Planning Training and Measuring Results*. (See table 2 for a brief description of these guides). In addition, OPM provides technical assistance to agencies via facilitated forums, discussion, and training.

Consider Government-wide Reforms and Other Targeted Initiatives to Improve Management and Performance When Planning its Training and Development Programs

Our review of OPM's guidance documents and assistance shows that OPM has provided some technical assistance to agencies on this practice, although OPM does not have guidance documents that provide specific advice on this topic. For example, because of requirements in GPRAMA, OPM is providing assistance to agencies in considering this government-wide reform when planning their training and development programs. GPRAMA required OPM to identify the competencies needed to perform the following three functions: developing goals, evaluating programs, and analyzing and using performance information for the purpose of improving government efficiency and effectiveness. OPM, working with subject matter experts developed a competency model for the three new roles required by GPRAMA—performance improvement officer, performance improvement staff, and goal leader. Earlier this year OPM advised agencies that it would provide guidance on how to incorporate the skills and competencies into these position descriptions, as specified in the GPRAMA. The Director of OPM stated that the agency would work with the CLOs to incorporate the key skills and competencies into agency training programs.<sup>42</sup>

OPM has begun providing this assistance to agencies by facilitating sessions for agencies to develop training requirements for implementing the new positions and roles required by GPRAMA. For example, OPM worked with OMB to gather information on existing training, provide learning opportunities, and consolidate new and existing training courses and materials to support this effort. Using this information, OPM and OMB led two working group meetings with agencies to discuss GPRAMA

---

<sup>42</sup>OPM's Director made these statements in a January 3, 2012 memo to agency CHCOs entitled "Government Performance and Results Act Modernization Act of 2010 Functional Competencies".

---

training needs and next steps. In a working group meeting in February 2012, OPM and agencies discussed which competencies identified in GPRAMA could be improved readily through training. OPM provided participants with a chart developed from an *OPM and the Merit System Protection Board 2011 Trainability Study* on which competencies for the three new roles required by GPRAMA were highly trainable versus those that were less trainable.<sup>43</sup> After the discussion, OPM and participants identified the most critical and manageable next steps, including:

- create a common competency assessment tool to assess competency gaps within agencies;
- create a course on writing results-oriented goals and standards—while also gathering existing training;
- create a working group to assess the needs and create a solution to satisfy the training requirement for the Organizational Performance Analysis, Planning and Evaluating, and Performance Measurement competencies and to collect relevant case studies, as well as to identify opportunities to leverage agency resources;
- identify existing subject matter experts in the agencies and create forums, workshops, training sessions, etc. where they can share their expertise and possibly engage in peer-to-peer coaching;
- create working groups where necessary; and
- consider the development of a career path after OPM's classification study.

In addition to this assistance, although not specific to government-wide reforms, OPM's *Training Policy Handbook* advises agencies to conduct a training needs assessment that includes an evaluation of organization

---

<sup>43</sup>According to OPM documents, "Highly trainable" competencies consist primarily of knowledge and can be improved readily through training. "Moderately trainable" competencies have both a skills and ability component. The skills can be improved thru training, but improvement in ability may be limited by the degree of the employees' natural talent. These competencies are only partially responsive to training. "Less Trainable" competencies are identified as "trait" competencies that have personal characteristics that resist change. These competencies make a difference on the job, but are frequently not responsive to improvement through training.

---

Compare the merits of different delivery mechanisms (such as classroom or computer-based training) and determine what mix of mechanisms to use to ensure efficient and cost-effective delivery

needs, which should take into consideration changing demographics, political trends, technology, and the economy.

OPM's TED group advises agencies in its *Training Policy Handbook* and *2000 Guide to Strategically Planning Training and Measuring Results* to use multiple delivery methods, or combine them, when providing training to employees. For example, the *Training Policy Handbook* maintains that agencies should decide which delivery option is best to achieve the instructional goals of the training, highlighting that some methods are more effective for certain courses. It states that a performance management course may include role play scenarios which may not be suited for an e-learning course. Further, the guide states that agencies need to develop training delivery mechanisms that effectively limit unnecessary overlap and duplication of efforts. Similarly, we have previously reported that agencies need to consider essential issues such as the goals and objectives for the training, the type of audience for which the training is intended, the nature of the training content, the availability of technology and resources, and the timing for delivering the training when identifying the most effective and efficient delivery mechanism.<sup>44</sup> Agency officials who have implemented this practice reported seeing positive results. For example, VHA officials that we met with and agencies that have publically discussed their efforts to assess the different delivery mechanisms at a March 2012 Partnership for Public Service Forum on: *Going Virtual- Maximizing the Return On Investment of Online Training* reported significant savings and increases in the effectiveness of their training by assessing and changing their training delivery mechanisms. Specifically, VHA officials reported achieving several non-financial and financial benefits as a result of moving from in-person meetings and audio and video conferencing to providing training on-line for one of its leadership training programs. According to a VHA assessment report, the benefits included: consistent curriculum across eight medical centers in three states; easier accessibility to course materials and job aids; immediate access to feedback on courses from learners; easier reproduction of courses for instructors; a return on investment of 140 percent since implementation; and \$116,000 saved in travel costs, facilitation, and facilities; among other things.

---

<sup>44</sup>[GAO-04-546G](#).

---

Track the cost and delivery of its training and development programs

---

OPM guidance informs agencies that they should implement this practice. However, the guidance does not include methodologies for how to implement it. Officials from DHS—an agency that reported that it does not implement this practice—stated that tools provided by OPM could be strengthened to assist them in comparing training delivery mechanisms. For example, DHS officials reported that they have difficulty implementing this practice partly because their components do not track comparative data on the different delivery mechanisms. According to the DHS officials, the standard government form for tracking training data (Standard Form-182) does have a category for tracking training delivery type, but filling out this block is not mandatory and is often not used.<sup>45</sup> The DHS officials reported that an OPM requirement to capture these data would improve their ability to gather the information needed from DHS components to effectively implement this practice. As noted earlier, 15 of the 27 CHCOs included in our review, reported that they do not implement this practice, which indicates that they may also benefit from additional guidance and tools on ways to do so.

OPM's TED group provides guidance and assistance to agencies on tracking and reporting the cost and delivery of training and development programs in four of its five guides. For example, OPM's 2000 *Guide to Strategically Planning Training and Measuring Results* advises agencies to calculate the cost of the expenses associated with designing, developing, implementing, and evaluating their training programs and provides a list of the most common types of training costs. OPM's *Guide for Collection and Management of Training Information* also outlines agency requirements to track various types of data training and provides a list of several data sources (e.g. Standard Form-182, agency personnel records, procurement documents, financial and performance records, training evaluation forms, etc.) that agencies could use to collect this information. Similarly, the *Training Policy Handbook* also incorporates guidance on tracking the cost and delivery of agencies' training and development. In the more recent 2012 *Guide to Human Resources Reporting*, OPM outlines requirements for agencies to track training data and describes the requirement to use certain standard tracking forms,

---

<sup>45</sup>The Standard Form-182 is the government-wide training form used to request, approve, and certify completion of training courses, conferences, seminars, symposia and academic courses. The primary purpose of this form is to document and track employee training, especially training paid with agency funds. The Standard Form-182 also requires that each training record should include all of the mandatory data.

---

such as the standard “Authorization, Agreement, and Certification of Training” (Standard Form-182) to track data. The guide also instructs agencies to provide all training information included in this form for submission to OPM’s Enterprise Human Resources Integration (EHRI) database systems.

Although OPM provides several guidance documents and assistance on tracking the cost and delivery of training, we found that this practice continues to be a challenge for many agencies to implement. Agency officials that we met with reported that they could benefit from additional assistance from OPM in developing a common definition of what should be tracked as training, developing policies to strengthen the utilization of Standard Form -182 to document and report all training costs, and encouraging agencies through guidance and technical assistance, to routinely report training cost data to agency learning management systems.

In addition, to providing guidance on tracking data, OPM facilitates the collection of federal training data government-wide. Executive Order No. 11348 requires OPM to develop, install, and maintain a system to provide the training data needed to carry out its own functions and to provide staff assistance to the President. OPM’s EHRI is the government-wide repository for these training data.<sup>46</sup> As noted above, agencies have been required since 2006 to report training data to OPM monthly via this system. However, according to OPM officials, they consider the data to be unreliable because they are incomplete. Therefore, OPM officials have not used it to inform their training guidance and assistance to agencies, to counsel heads of agencies and other agency officials regarding federal training needs or investments or to assist agencies in developing sound programs and financial plans for training programs.

---

<sup>46</sup>OPM was also required by statute (5 U.S.C. § 4118) to prescribe regulations providing for the maintenance of necessary information concerning the conduct of training activities of agencies to enable the President and Congress to discharge effectively their respective duties and responsibilities for supervision, control, and review of these training programs. OPM implementing regulations require agencies to maintain records of training activities and expenditures for submission to OPM. 5 C.F.R. § 410.601(a). As previously noted, OPM’s EHRI Program’s Data Warehouse is the government’s premier source for integrated Federal workforce information. The system is intended to collect, integrates, and publishes data for 2.0 million Executive Branch employees on a bi-weekly basis, supporting agency and government-wide analytics in various areas, including agency training data.

---

According to OPM officials and documents, OPM should assess EHRI training data for technical compliance and data quality validation. Technical compliance is the testing and approving of agency systems for data quality (i.e. correct formatting, adherence to edit rules). Once systems are technically compliant, agencies are required to send monthly data feeds of completed training events to OPM.<sup>47</sup> Once agencies are reporting these data for all major components, all employees, all types of training (e.g. conferences, on-line, classroom), and training cost data, OPM are to evaluate the data quality to determine if it presents an accurate picture of all training in the agency. However, OPM officials told us that they have not assessed the quality of data or developed a report on its reliability because no agency is sending information on all training events. According to OPM officials, when agencies request assistance or when OPM finds that an agency has been grossly delinquent in providing data, OPM officials will inquire further and offer assistance to the agencies. However, they typically do not document reliability issues or the agreed upon action plans to address the problems. The officials agreed that this is a problem, but stated that they would need more staff resources to provide this level of assistance and oversight.

We believe that the current reliability of agency training investment data is unknown because OPM officials have not internally assessed improvements in the completeness of the data over the last 3 years or the quality of the data in the six years that agencies have been required to submit it. The two internal reviews that OPM conducted of training data were in 2008 and September 2009. In the 2009 review, OPM reported that there was an increase from fiscal year 2008 in the amount of training data being reported by agencies, but that the quality of the data was still less than what was necessary to provide an accurate picture of federal training investments. According to the 2009 report, over half of all agencies were reporting data for the entire agency, 86 percent were reporting on a regular basis, but only 7 percent were reporting cost data. The report identified several of the same reasons that we previously described as limitations to agencies reporting training investment data. Although the report stated that OPM would continue to work with agencies to assess the quality/validity of training investment data and

---

<sup>47</sup>OPM has an EHRI technical office that collects the data from agencies and informs TED officials about which agencies are providing data each month and whether there are apparent problems with the data (e.g. missing or miscoded data). OPM requires agencies to provide a single source of data that represents training throughout their organization.

---

determine whether agencies are reporting all training events, as noted above, OPM officials informed us that they have not assessed the quality of the data because the data are not 100 percent complete.

While it is important to have complete data, we do not believe that having incomplete data necessarily prevents OPM from assessing the overall reliability of the data, if it meets standards for sufficiency. In our guidance on assessing the reliability of computer based data, we have stated that agencies can assess data if it is sufficiently complete.<sup>48</sup> Data are sufficiently reliable when testing and reviews of the existing information provide assurance that (1) the likelihood of significant errors or incompleteness is minimal and (2) the use of the data would not lead to an incorrect or unintentional message. Further, we consider the data not to be sufficiently reliable when there are significant errors or incompleteness in some of or all the key data elements and if using the data would probably lead to an incorrect or unintentional message. Because OPM has not conducted an assessment of improvements in agency training data in three years, it is unknown whether it is currently complete enough to test other aspects of its quality and reliability. According to the officials, although they have not conducted a formal review of the data, they are able to visually look at the EHRI data base and tell that the data are significantly more complete than in past years.

OPM also previously identified several steps that its officials would take to assist agencies in improving their data, but have not yet implemented all of them. According to OPM's 2009 report assessing EHRI data, OPM planned to assist agencies in improving training investment data, by: (1) working with agencies to fully report all training investment data—including costs; (2) working with agencies to decrease errors in reporting; and (3) providing individual agencies with summary reports of the data that they submitted to OPM for their review and verification.<sup>49</sup> We found

---

<sup>48</sup>Data validity refers to whether the data actually represent what we think is being measured. Data reliability refers to the accuracy and completeness of computer-processed data, given the uses they are intended for. Computer-processed data may be data (1) entered into a computer system or (2) resulting from computer processing. GAO, *Assessing the Reliability of Computer-Processed Data*, [GAO-09-365G](#) (Washington, D.C.: February 2009).

<sup>49</sup>According to the 2009 analysis, the agency reports were intended to include data on the percent of managers receiving training, average cost spent per employee training, and percent of salary spent on training per agency, among other things.

---

that OPM has initiated some related efforts, but has not fully addressed two of these issues. In order to decrease errors in reporting, OPM officials and EHRI reports show that OPM has worked with agencies to identify technical errors in their training data submission. However, to improve reporting on cost data—which is currently a challenge for agencies—OPM held one focus group with agencies in 2007, which it used to update its guidance on tracking training data in 2008.<sup>50</sup> OPM also has not followed through on plans to annually provide agencies with reports of their training data for verification and correction. According to OPM, the purpose of the training data report is to (1) inform agencies of the training data OPM had received (2) offer them the opportunity to work closely with OPM in correcting any identified deficiencies and (3) to make note of the progress they have made in addressing OPM's training reporting requirement. OPM officials said that they sent one report to agencies (in fiscal year 2010) summarizing their training data and requesting verification and this report was provided in response to expectations that the data would be posted on the government-wide website *Data.gov*.<sup>51</sup> In our review of examples of agency responses, we found that agencies identified important discrepancies in their data, including significant underestimates of the costs spent on training, and reported that they would take steps to address incorrect data. However, OPM officials informed us that they do not have a process for documenting whether agencies have taken steps to correct their data.

Although OPM has only provided one summary of EHRI data to agencies, agency officials that we met with stated that they could benefit from using this type of data summary to improve their training data. Further, OPM officials stated that using these summaries to improve EHRI data could help agencies measure the return of investment on their training and assist agencies' stakeholders in making more informed decisions on the best use of training dollars. During our review, OPM officials reported that they began developing a report to send to agencies with fiscal year 2011 training data.

---

<sup>50</sup>OPM officials reported that they used this focus group to revise OPM's 2008 Guide for Collection and Management of Training Information.

<sup>51</sup> Accessed August 7, 2012. <http://www.data.gov/>.

---

Evaluate the benefits achieved through training and development programs, including improvements in individual and agency performance

The TED group provides guidance and assistance to agencies in evaluating training programs through three of its guides and in workshops. OPM's *Training Evaluation Field Guide* is the primary guide through which OPM advises agencies on how to evaluate training. The guide instructs agencies to define the results they want to achieve from training and to align training with the agency mission and goals. Further, the Guide discusses useful models for evaluating training and describes Return on Expectations<sup>52</sup> as the ultimate indicator to demonstrate the training value to stakeholders.<sup>53</sup> The guide also provides information on evaluation requirements outlined in laws and regulations, and provides practical instruction by identifying common challenges and solutions related to identifying the most cost-effective methods to train and develop employees. In addition to this guidance, OPM's Training Policy Handbook instructs agencies to evaluate all training to determine whether or not it provides meaningful contributions to agency results. Similarly, in its *Guide for Collection and Management of Training Information*, OPM highlights the importance of collecting accurate, comprehensive training information and making it available to decision-makers and others who have a vested interest in the training activities of the federal government. This guide discusses the two basic types of performance measures for measuring training and development program effectiveness: process indicators and outcome indicators.<sup>54</sup>

In addition to its guides, OPM has made evaluation tools available to agencies on its website and held workshops on training evaluation in order help agencies identify and share best practices on evaluating

---

<sup>52</sup>OPM's 2011 *Training Evaluation Field Guide: Demonstrating the Value of Training at Every Level* defines return on expectations as the ultimate indicator of value. It is the conversion of stakeholders' expectations into observable, measureable outcomes of success for the training.

<sup>53</sup>The guide discussed the Kirkpatrick Four-Level model (reaction, learning, performance and impact of training), the updated New World Kirkpatrick Four Levels and the Kirkpatrick Business Partnership Model as useful models for evaluating training.

<sup>54</sup>Process indicators measure performance or key processes. They track such things as number of employees trained, number of training courses completed, or number of hours employees spent in training. Outcome indicators contain measures of service or performance results. These measure such things as an increase in employee and/or customer satisfaction, increase in employee job performance, and/or increase in organizational performance. Outcome indicators may require prolonged periods of measurement and multiple types and levels of measurements to include surveys, training impact measures, and return on investment analysis.

---

training. For example, OPM's website contains a Training Evaluation Tool that describes the levels of training evaluation and provides agencies with evaluation questions to be answered in each of the four levels and the types of information typically collected.

As previously mentioned, some agency officials reported that it is difficult to conduct these reviews because their cost and time demands can be significant. As a result, some agencies only conduct them for the most critical training and others reported that they do not have a formal process for conducting these reviews at all. While we agree that it is appropriate to target costly evaluations to the most important training, those who do not implement this practice at all could benefit from using OPM's comprehensive guidance and assistance on training evaluations.

Compare training investments, methods, or outcomes with those of other organizations to identify innovative approaches or lessons learned

OPM does not have a guidance document that advises agencies on how to compare training investment methods and outcomes with other agencies, but provides some support to agencies in this area through technical assistance. For example, the TED group uses various web-based mechanisms such as OPM's website, OPM LISTSERV, OPM Federal Training and Development web site and OPM Federal Training and Development Wiki to facilitate discussions between agencies on training investments. We observed the exchange and sharing of information among agencies through OPM's LISTSERV, which is used by 950 employees from various federal agencies to share training practices and advice. At times, agencies requested and shared information with each other on the most effective or efficient ways to implement specific training programs or requested models for which to compare their activities. Similarly, OPM's wiki page contains examples and models of training programs for others to use when developing their training programs. According to OPM officials, the TED group also provides best practice forums on topics when they believe agencies need additional assistance. For example, OPM officials reported that they have held forums with agencies on the *Training Evaluation Field Guide* to share best practices and tools among agencies. OPM is working on a similar forum for developing supervisory training.

---

OPM Does Not Provide Guidance and Assistance on Three Leading Training Investment Practices

OPM does not have guidance and assistance for three leading training investment practices, two of which are areas in which agencies reported experiencing challenges. We examined the five guidance documents that OPM provides related to making training investment decisions and documentation on OPM's technical assistance and did not find support for

---

Identify the appropriate level of investment to provide for training and development efforts and prioritize funding so that the most important training needs are addressed first

---

the following three practices. OPM officials confirmed that that the agency does not provide direct guidance or assistance in some of these areas.

In our review of OPM guidance and documentation on its technical assistance, we found that OPM provides some guidance to agencies regarding steps to identify training and development investment needs and related training strategies, but we did not find guidance on prioritizing these investments so that the most important training needs are addressed first. According to TED officials, each agency must assess its own needs as the primary driver for investment determinations. To that end, OPM officials provide guidance and tools for conducting training needs assessments in OPM's training policy guide and on OPM's website and also direct agencies to review benchmarks in American Society for Training & Development's State of the Industry reports. OPM officials also reported that they use the Human Capital Assessment Accountability Framework and related efforts to emphasize the importance of considering training as a solution to addressing mission critical competencies and skill gaps, but acknowledged that OPM does not provide specific guidance on prioritizing training investments through these processes.<sup>55</sup>

OPM officials identified guidance that they believe addresses the leading practice of prioritizing training investments; however, we found that the guidance does not address prioritization. As we previously mentioned, it is a leading practice for agencies to prioritize their training investments using criteria, such as expected demand for the training from internal sources, availability of resources to support the effort, potential for increased revenue, and risk of unfavorable consequences if investments are not made, or their potential to improve their efficiency. TED officials identified OPM's 2000 *Guide to Strategically Planning Training and Measuring Results* as the source of guidance to agencies on this

---

<sup>55</sup>Officials from OPM's Agency Program Review office oversee OPM's Human Capital Assessment Accountability Framework program. According to OPM documents, the Human Capital Assessment Accountability Framework consists of five human capital systems that together provide a consistent, comprehensive representation of human capital management for the federal government: strategic alignment, leadership and knowledge management, results-oriented performance culture, talent management, and accountability.

---

Identify the most appropriate mix of centralized and decentralized approaches for its training and development programs.

---

practice.<sup>56</sup> In our review of this guide, we did not find any explicit guidance to agencies on prioritizing training investments. Instead, the guide advises agencies to build a business case for their training strategies. OPM defines a business case as a method for projecting and documenting the benefits to be gained as a result of investing resources in a training intervention. The guide encourages agencies to consider questions that are important to building a business case and provides an example of how to build a business case using this information (see Appendix III for diagrams from the guide on building a business case for training). These steps are consistent with our identified leading practice. However, the guide does not take the additional step of advising agencies on how to prioritize training investments selected from their business case(s) relative to each other. We have previously reported that, when budgets are constrained, training is often one of first investments that agencies reduce. Therefore, it is increasingly important for agencies to prioritize their selected training activities, so that the most important training is identified. Moreover, they need to communicate those priorities agency-wide, in order to identify common needs and potential areas for consolidated investments. As previously noted in our review, this is a practice that most CHCOs reported that they do not implement, which, as illustrated by our case example agencies, has resulted in costly duplicative and inefficient training investments at some agencies.

In our review of OPM guidance and documentation on its technical assistance, we did not identify specific guidance or assistance to agencies on this practice. As we previously noted, while neither approach fits every situation, agencies need to consciously think about the advantages and disadvantages of using centralized and decentralized approaches, particularly for the design of training and development programs. Although OPM officials confirmed that they do not provide guidance and assistance to agencies in this area, OPM officials agreed with this leading practice. We found that most agencies included in our review reported that they already implement the practice, so additional guidance may not be necessary.

---

<sup>56</sup>The guide recommends that agencies identify their agency-wide competency gaps, assess whether training will address the gaps, identify and weigh the cost and benefits of training, and then build a business case to support their selected training strategy.

---

Have criteria for determining whether to design training and development programs in-house or obtain these services from a contractor or other external source.

TED officials agreed that they do not provide guidance or assistance to agencies on this practice. TED officials stated that agencies need to incorporate this leading practice into their training investment decision-making process. As we previously noted, once an agency has identified its training and development needs, it should make informed decisions about whether to design and develop training and development programs in-house or buy these services from a contractor or other external source. Factors that they should consider include the capability of in-house staff to develop and implement the training; the prior experience, capability, and stability of possible providers in the marketplace; and agency limitations on cost, time, and resources. As previously mentioned, 12 of the 27 CHCOs reported that they do not implement this leading practice, and our discussion with DOI officials, one of the four agencies that we interviewed for this review, illustrates that even those agencies that reported implementing this practice may not be doing so for all training in the agency.

---

Agency Officials Identified a Need for OPM to Provide More Assistance in Improving the Effectiveness and Efficiency of Training and Development Investments Government-wide

Agency officials reported they could use more OPM assistance in leveraging federal training investments across the government. Part of OPM's role is to identify functional areas in which new or expanded interagency training activity is needed and either conduct such training or arrange for agencies having the substantive competence to do so; as well as to coordinate interagency training conducted by and for agencies. Members of the CLO council emphasized that they could benefit from more OPM assistance in achieving greater interagency collaboration on training to reduce duplicative training investments. All four agencies that we interviewed reported concerns similar to the Council's. For example, DOI officials noted that OPM's knowledge and expertise could help agencies identify one basic approach to competency management (e.g., establishing levels of proficiency and competency validation processes) that can be used across government rather than using multiple approaches at various agencies. At the present, each agency individually identifies training needed for these competencies, which results in duplication and variation in the quality of training provided throughout the government. DOI officials stated it could be more efficient if agencies would use a standard set of Knowledge, Skills, and Abilities to hire and identify training and development investment priorities. The officials also suggested that OPM's HR University could be used to provide training for other mission-critical occupations. Further, VA officials stated that it would

---

assist agencies if OPM established government-wide courses for mandatory training and cross-cutting areas.<sup>57</sup> As an example, the officials stated the federal government has 17 different versions of No Fear Act training.<sup>58</sup> The officials suggested that OPM could establish one government wide training for such subjects which would help agencies save federal time and money. Officials from DHS and DOE expressed similar views.

In contrast, the shared training efforts that are being implemented by the Federal Healthcare Training Partnership collaborative, which consists of 14 federal agencies that provide clinical health care or related training to support their mission, illustrate the potential magnitude of savings that could be achieved by leveraging training across agencies. The Federal Healthcare Training Partnership was created by its members to share training programs and resources across the agencies to speed up the provision of employee learning and reduce training costs. According to VA officials—who lead the effort, the agencies formed this group because they saw the unaddressed need and opportunity to save costs in common training areas. Documentation provided by VA on the collaborative group states that in fiscal 2011, Federal Healthcare Training Partnership partner organizations shared more than 2,300 programs, generating a total cost avoidance of more than \$82 million.<sup>59</sup> They did so by utilizing the partner organizations' existing learning systems to share training that was originally developed for a single agency's internal use and making it available to all federal learners, as well as by coordinating the joint development or purchase of training needed by two or more partner agencies. VA officials stated that, while this has been a valuable effort to specifically improve healthcare-related training investments for the agencies involved, all federal agencies would benefit from an expansion of leveraging training investments across the government.

---

<sup>57</sup>We are conducting a review of agency actions to address critical skill gaps, which include training and also have work underway assessing training in cross-cutting occupations, such as grant management and acquisition.

<sup>58</sup>Under the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (No Fear Act) and OPM's implementing regulations, an agency must provide training to its employees regarding the rights and remedies available under the employment discrimination and whistleblower protection laws at least every two years. See, section 202(c) of Pub. L. No. 107-174, 116 Stat. 566, 569 (May 15, 2002) and 5 C.F.R. § 724.203.

<sup>59</sup>We did not verify the costs savings identified in the FHTP's report.

---

OPM officials agreed that increased coordination of mandatory and common training across the government could reduce duplication and improve the efficiency of federal training investments. The officials reported that OPM has already engaged in some efforts to partner with or support CLO and CHCO Council efforts to share specific training across agencies. For example, the officials worked with the Social Security Administration to share a “Plain-Language” writing course developed by the Social Security Administration with other agencies, by placing it on OPM’s Training and Development Wiki page. In addition, OPM officials stated that in 2010, the CHCO Council and OPM collaborated to establish HR University, which is aimed at addressing the competency and skill gaps within the HR community and achieve savings government-wide by identifying and sharing the best HR training with all agencies.<sup>60</sup> While the system was initially designed to provide training to the HR community, it has also been used to provide some mandatory training and HR training to other supervisors and managers. For example, officials reported that they recently added a mandated Uniformed Services Employment and Reemployment Rights Act training to HR University. The CHCO Council and OPM have also developed a formula to calculate cost savings resulting from the shared courses, which agencies can use to track their savings and return on investment. According to the OPM Executive Director of the CHCO Council and HR University’s website, in its first year, HR University has saved the government \$14.5 million as a result of the shared training, and OPM officials expect that it could produce significantly more savings, when other courses are added.<sup>61</sup> According to OPM officials, while HR University primarily serves the needs of the HR community, OPM would support using the HR University model to centralize training in other occupations or functional areas.

---

<sup>60</sup>HR University was initially funded by the CHCO Council and operated in coordination with OPM. However, OPM officials reported that they are currently working on a MOU with the CHCO Council to transfer more ownership and operation of HR University to OPM, with the CHCO Council as an advisor.

<sup>61</sup>According to the Executive Director of the CHCO Council, they developed this formula in consultation with the CLO Council. We did not independently assess the formula or verify the reported savings.

---

## Conclusions

The federal government's efforts to build and retain a workforce of skilled and efficient employees are essential to addressing skill gaps in critical fields and effectively and efficiently deliver services to the public. Training and development programs play a vital role in fulfilling these goals. However, agency leaders need to be as strategic about how they invest resources in this area as they are in other key areas of agency operations. Training investment decisions should be based on an assessment of the appropriate level of training investments and the prioritization of those investments, as well as an evaluation of the most cost-effective delivery mechanisms, and the known costs and benefits of their training investments. CHCOs and OPM each play a vital role in ensuring that these investment decisions are effectively made.

While CHCOs report that they are implementing leading practices that support the successful delivery of training, they could do more to ensure that these investments are more cost effective. Because many CHCOs do not have the information that they need from component or subagency leaders regarding the level of training investments and mechanisms for setting priorities agency-wide, their agencies are duplicating some internal training investments and missing opportunities to leverage economies of scale and share the most effective training across their agencies. Many CHCOs are also limiting their opportunities to make training more cost effective and accessible because they are not comparing the merits of different training delivery mechanisms. OPM's guidance and assistance in these three areas are minimal or absent and could be strengthened to assist agencies in implementing these leading practices. In addition to these limitations, some CHCOs do not have a formal process to evaluate the impact of training on their mission. While not all training and development programs require, or are suitable for, higher levels of evaluation, those who do not implement this practice for any training are missing information that could help them make more effective investment decisions and could benefit from using OPM's existing guidance and assistance on conducting such evaluations.

Federal agencies and OPM also need reliable information on how much agencies spend on training and for what purposes, in order to make effective training investment decisions. However, CHCOs do not completely and reliably track training costs agency-wide and, therefore, are unable to provide OPM with the reliable information that it needs to more effectively guide government-wide training policies. OPM has responsibility for providing regulations for maintenance of agency training data, assessing the completeness and quality of those data when agencies submit it, and using it to target its assistance to agencies. But

---

OPM does not know the extent of the reliability of federal training investment data because they have not compared improvements in the completeness of the data over last 3 years and determined if it meets the standards of sufficiency for data assessment and have not assessed the quality of the data in the 6 years that agencies have been required to submit it.

Given the fiscal challenges facing the nation, the federal government needs to take advantage of every opportunity to better leverage resources and investments across agencies. However, at present many agencies independently purchase or develop training for the same government-wide mandated courses. OPM has an opportunity to reduce duplicative and inefficient training investments by leveraging existing training resources government-wide. Agency leaders and OPM recognize that this has led to redundant and inefficient federal training investments. HR University—the one-stop-shop training platform administered by OPM for many courses mostly related to the HR community—provides a model that can result in cost savings and help standardize some mandatory training courses across government.

---

## Recommendations for Executive Action

To improve federal training investment decision-making processes, the Director of OPM should take the following five actions:

1. Include in existing or new OPM guidance or technical assistance additional information in the following areas:
  - Steps agencies should take and factors they should consider when prioritizing federal training investments agency-wide, including developing a process to rank training using criteria, such as expected demand for the investment from internal sources, availability of resources to support the effort, potential for increased revenue, and risk of unfavorable consequences if investments are not made.
  - Steps agencies should take and factors they should consider for comparing the merits of different delivery mechanisms and determining the mix of mechanisms to use, in order to ensure efficient and cost-effective delivery of federal training. Such guidance could include requesting that agencies consistently utilize Standard Form-182 to document and report training costs associated with the different delivery mechanisms employed.

- 
2. In line with statutory and regulatory provisions on maintenance and reporting of training information, work with the CHCO Council to improve the reliability of agency training investment information by:
    - ensuring that agencies are familiar with and follow guidance outlined in OPM's Guide for the Collection and Management of Training Information regarding which training events should be documented as training and reported to OPM;
    - developing policies to strengthen the utilization of Standard Form-182 to document and report training costs;
    - encouraging agencies through guidance and technical assistance, to develop policies that require consistent reporting of training data to their learning management systems; and
    - encouraging each agency to assess its existing training information system(s) and identify whether it is providing complete and reliable data and, if not, to develop approaches to improve the system(s), in order to do so.
  3. Provide regular report summaries to agencies on EHRI training investment data and its reliability, in order to improve the transparency and reliability of federal training investment data.
  4. Once federal training data reliability has been sufficiently improved, consistent with Executive Order No. 11348, use EHRI data to:
    - a) counsel heads of agencies and other agency officials on the improvement of training, and
    - b) assist agencies in developing sound programs and financial plans for training and provide advice, information, and assistance to agencies on planning and budgeting training programs.

In collaboration with the CHCO and CLO Councils, identify the best existing courses that fulfill government-wide training requirements, such as mandatory Equal Employment Opportunity training, or training in common federal occupations, such as basic training in financial management, and offer them to all agencies through HR University or other appropriate platform to reduce costly and duplicative federal training investments.

---

## Agency Comments and Our Evaluation

We provided a draft of this report to the departments of OPM, DHS, DOE, DOI, and VA for review and comment. OPM commented on our five recommendations to their agency, concurring with one recommendation, partially concurring on three recommendations and not concurring with a portion of one recommendation. OPM's official comments are reprinted in appendix IV. OPM, DOI, and VA provided technical comments, which we incorporated into our report, as appropriate. DOE and DHS had no comments.

OPM partially concurred with our first recommendation that it should provide in existing or new guidance information on prioritizing federal training investments agency-wide and factors agencies should consider for comparing the merits of different delivery mechanisms. OPM stated that its publications mentioned in our report already provide guidance on necessary steps and specific factors agencies should consider when prioritizing training investments. However, none of the guides that we obtained or that OPM provided for our review contain a specific discussion about ranking training investments based on key factors that should be considered, such as expected demand for the investment from internal sources, availability of resources to support the effort, potential for increased revenue, risk of unfavorable consequences if investments are not made or the potential to improve efficiency. OPM stated that, as part of its effort to revise the Human Capital Assessment Framework resources that it provides to agencies, OPM plans to include tools and guidance on steps agencies can take to prioritize learning investments as part of its strategic human capital planning. We did not change our recommendation, which is based on OPM's current guidance and assistance. OPM's reported future plan to provide more specific guidance on prioritization has the potential to address our recommendation, when implemented. OPM also agreed to provide further guidance regarding what steps agencies should take and what factors they should consider in comparing the merits of different delivery mechanisms and determining the mix of mechanisms to use to ensure efficient and cost-effective delivery of federal training.

OPM did not concur with the portion of our second recommendation regarding working with the CHCO council to improve the reliability of agency training investments by developing a common definition of what should be documented as training. OPM stated that the definition of training is clearly stated in 5 U.S.C Chapter 41 and OPM's Draft Training Policy Handbook and Guide for the Collection and Management of Training Information outlines which training events should be documented as training and reported to OPM. Consequently, OPM recommended that

---

we delete this task for OPM. OPM's Guide for the Collection and Management of Training Information states that all courses, workshops and conferences paid for by the government; all federally mandated training; and, all agency required training should be reported to OPM's EHRI system. It further states that agencies do not have to report training that occurs spontaneously or casually/incidentally (e.g., reading a book, having a discussion, web casts, briefings, etc.); training that has no specified training goals; training where there are no ways to evaluate if the training improved knowledge, skills, abilities or competencies; and, training that was not paid for by the government. We agree that this guidance should assist agencies in knowing which training to track and report, and therefore have removed this task from the recommendation. However, given the concerns raised by officials in our case example agencies regarding inconsistencies in whether conferences and other trainings are actually tracked, and recent events regarding spending at such training, we modified our recommendation to suggest that OPM work closely with CHCOs to ensure that this guidance is followed as it addresses the other actions we recommend to improve reliable reporting. OPM concurred with the other actions identified in the recommendation which included working with the CHCO council to: develop policies to strengthen the utilization of Standard Form-182 to document and report training costs; encourage agencies through guidance and technical assistance, to develop policies that require consistent reporting of training data to their learning management systems; and encourage each agency to assess its existing training information system(s) and identify whether it is providing complete and reliable data and, if not, to develop approaches to improve the system(s), in order to do so.

OPM partially concurred with our third recommendation that it should provide regular report summaries to agencies on EHRI training investment data and its reliability, in order to improve the transparency and reliability of federal training investment data. OPM stated that it will provide regular summaries to agencies on the training investment data submitted to OPM to improve transparency. However, OPM stated that these summaries will not directly lead to improved reliability of the data because agencies must take action to improve the data in order to have an effect on data reliability. OPM also noted that agencies currently have the option of working with OPM to secure a subscription to Business Objects—a reporting tool that will allow agencies to run reports of the data they have provided to OPM and determine whether those data accurately reflect what is occurring in their agencies. OPM recommended that we revise our recommendation to read, "Provide regular report summaries to agencies on EHRI training investment data in order to

---

improve the transparency of federal training investment data.” We agree that agencies are ultimately responsible for making changes to their data to improve its reliability. However, OPM plays an important role in the first step of that process by reporting the current information that it has, so that agencies can make corrections. We believe that this recommendation along with our prior recommendation on steps OPM and CHCOs can take to improve reliability will contribute to improving the transparency and reliability of agency training data. Therefore, we did not make changes to this recommendation.

OPM concurred with our fourth recommendation that it should counsel heads of agencies and other agency officials on the improvement of training; assist agencies in developing sound programs and financial plans for training; and provide advice, information, and assistance to agencies on planning and budgeting training programs using EHRI data, once federal training data reliability has been sufficiently improved. OPM stated that it will consult with agencies on possible improvements and assistance on planning training programs once federal training data are reliable.

OPM partially concurred with our fifth recommendation that it should, in collaboration with the CHCO and CLO Councils, identify the best existing courses that fulfill government-wide training requirements, such as mandatory Equal Employment Opportunity training, or training in common federal occupations, such as basic training in financial management, and offer them to all agencies through HR University or another appropriate platform to reduce costly and duplicative federal training investments. OPM stated that it agrees and is already collaborating with the CHCO and CLO Councils to identify, collect, and share existing mandatory courses that fulfill government-wide training requirements (e.g., Plain Writing, Telework, USERRA, Veterans Employment, Constitution Day) through HR University or on OPM’s Federal Training and Development Wiki. Therefore, OPM recommended that we revise the recommendation to recognize that the expansion of mandatory training by HR University would be a continuation of efforts they have started. We have revised the recommendation to reflect this comment.

---

We are sending copies of this report to the Director of OPM. In addition, this report will be available at no charge on the GAO website at [www.gao.gov](http://www.gao.gov). If you have any questions about this report, please contact me at 202-512-2717 or [jonesy@gao.gov](mailto:jonesy@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix V.

Sincerely yours,

A handwritten signature in black ink that reads "Yvonne D. Jones". The signature is written in a cursive style with a large initial "Y" and a distinct "D." before the last name.

Yvonne D. Jones  
Director  
Strategic Issues

---

# Appendix I: Objectives, Scope, and Methodology

---

To better understand how federal training investment decisions are made and whether improvements are needed, you asked us to review the methods that agencies are using to establish their training investment strategies and Office of Personnel Management's (OPM) training investment guidance to agencies. Accordingly, this review assesses the extent to which (1) chief human capital officers (CHCOs) of selected federal agencies have established processes to set and prioritize training investments that are aligned with leading practices; and (2) OPM's guidance and assistance for developing training investment strategies align with these leading practices.

For the purposes of this review, we define the key terms "training", "development" and "agency-wide" in the following ways:

- *Training* is making available to employees planned and coordinated educational programs of instruction in professional, technical, or other fields that are or will be related to the employee's job responsibilities. Training can be accomplished through a variety of approaches, such as classroom training, e-learning, and professional conferences that are educational or instructional in nature.<sup>1</sup>
- *Development* is generally considered to include training, structured on-the-job learning experiences, and education. Developmental programs can include experiences such as coaching, mentoring, or rotational assignments.
- *Agency-wide* includes all components, sub-agencies or offices within a cabinet department or independent agency.

---

<sup>1</sup>This definition of training includes mandatory training that governs how employees conduct themselves when carrying out their responsibilities, such as mandatory equal employment opportunity training or information technology security training.

For both objectives of the review, we compared OPM and CHCO practices against eight federal training investment leading practices, which are based on our prior studies, other expert studies, and statutory, regulatory, and executive order training requirements.<sup>2</sup> (See table 1 at the beginning of this report). OPM reviewed these criteria and agreed that they are practices that agencies should be implementing to support effective training investment decisions. They also informed us that, while some leading practices are related to training program requirements contained in statutory, regulatory, or executive order provisions, responses to our questions about the leading practices are not an indication of whether agencies are in compliance with these laws and regulations.<sup>3</sup>

To obtain government-wide information on agency training investment practices, through a questionnaire on their training investment practices and processes, we obtained high-level information from members of the 27 agencies represented on the CHCO Council.<sup>4</sup> We provided a standard set of questions to each CHCO to ensure we consistently captured their responses to our questions on their training investment practices. We then analyzed the results of the questionnaire to identify the main themes and develop summary findings. Two of our analysts conducted this analysis, placed CHCO responses into categories, and tallied the number of responses in each category. A third analyst traced the responses back to the original questionnaire and verified the appropriate categorization of CHCOs' responses. To characterize CHCOs' views throughout this report, we defined modifiers (e.g., "many") to quantify users' views as follows:

---

<sup>2</sup>All of these practices are described in [GAO-04-546G](#). We also used several studies from the Corporate Leadership Council.

<sup>3</sup>Appendix II includes a table that lists the laws, regulations, and executive order provisions that are related to the leading practices.

<sup>4</sup>The CHCO Council was established with 25 members. However, the Director of OPM may designate other members of the Council. Such additional members may include, but are not limited to: (1) the CHCOs of other executive agencies and (2) members who are designated on an ex officio basis and who may be invited to contribute to projects, as particular skills and expertise are needed. The council agencies include the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Homeland Security, Housing and Urban Development, Interior, Justice, Labor, State, Treasury, Transportation, and Veterans Affairs; Environmental Protection Agency; General Services Administration; National Aeronautics and Space Administration; National Science Foundation; Nuclear Regulatory Commission; Office of Management and Budget; OPM; Office of the Director of National Intelligence; Small Agency Council; Small Business Administration; Social Security Administration; and U.S. Agency for International Development. CHCOs from all 27 agencies responded to our questionnaire.

- “nearly all” users represents 23 to 27 users,
- “most” users represents 18 to 22 users,
- “many” users represents 13 to 17 users,
- “several” users represents 8 to 12 users,
- “some” users represents 3 to 7 users, and
- “few” users represents 0 to 3 users.

To obtain additional perspective and insights on the training investment practices identified in the questionnaire, we discussed the responses with CHCO and chief learning officers (CLO) councils. In addition, based on the responses to the questionnaire and workforce size, we selected four agencies (the Department of Homeland Security, Department of Veterans Affairs, Department of the Interior, and Department of Energy) from which to obtain illustrative examples of how they implemented the training investment practices identified in the questionnaire. (See table 6 for selection traits). As part of our review of agency practices, we also obtained information on the steps that agencies are taking to identify and prioritize investment allocations for training required to implement the GPRA Modernization Act of 2010 (GPRAMA).<sup>5</sup>

---

<sup>5</sup>GPRAMA mandated the Director of OPM to: (1) within 1 year of enactment, identify, in consultation with the Performance Improvement Council, the key skills and competencies needed by federal government personnel for developing goals, evaluating programs, and analyzing and using performance information for the purpose of improving government efficiency and effectiveness; (2) within 2 years of enactment, incorporate, as appropriate, key skills and competencies into relevant position classifications; and (3) within 2 years of enactment, work with each agency to incorporate the key skills identified into training for relevant employees at each agency. Pub.L. No. 111-352, 124 Stat. 3866 (Jan. 4, 2011).

**Table 6: Selection of Case Example Agencies**

Agency selected	Workforce size	Training oversight structure <sup>a</sup>	Sets a specific level of training investment	Agency-wide process for prioritizing training investments	Centralized or decentralized training investment processes	Agency-wide process for tracking cost and delivery of training
DHS	Greater than 100,000	None	No	Yes	both	No
VA	Greater than 100,000	Oversight committee and learning board	Yes	Yes	both	Yes
DOE	Less than 100,000	Oversight committee and learning board	No	Yes	decentralized	Yes
DOI	Less than 100,000	Oversight committee	No	No	decentralized	No

Source: GAO analysis of CHCO responses to a GAO questionnaire.

<sup>a</sup> During our meetings with DHS, VA, DOI and DOE, officials clarified or changed their answers to some of the other responses regarding their *oversight structure* as well as prioritizing and tracking training investments agency-wide. Similarly, VA, DOE, and DOI reported having decentralized processes in their questionnaire. However, when we met with officials in the agency, they described have both some centralized and decentralized training investment processes.

To identify and assess OPM’s oversight and guidance to agencies on training investment strategies, we reviewed OPM training guidance, relevant documentation on forums, workshop or other assistance, and oversight activities. In addition, we interviewed officials from OPM offices with primary responsibility for providing training policy guidance and technical assistance to agencies. We compared this information to the leading practices identified in table 6. We also identified and described the steps, that OPM has taken to identify the skills and training needed to implement performance management improvements, such those required by GPRAMA, as a foundation for future agency training investments. However, we did not assess the effectiveness of OPM’s efforts to identify GPRAMA-related skills and actions to develop related training

Based on information obtained from agencies and OPM, we assessed which leading training investment practices were being implemented by agencies and addressed by OPM guidance and assistance. We also identified the challenges or limitations reported by agencies to implementing the practices, and opportunities for improvement in agency processes and related OPM guidance.

---

We conducted this performance audit from December 2011 to September 2012, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

# Appendix II: Table of Statutes, Regulations, and Executive Orders Related to Leading Practices

Leading Training Investment Practices <sup>a</sup>	Related Statutes, Executive Orders, and OPM Regulations
1. Agencies should (a) Identify the appropriate level of investment to provide for training and development efforts and (b) prioritize funding so that the most important training needs are addressed first	<ul style="list-style-type: none"> <li>• <b>Exec. Order No. 11348</b>, section 303(e) requires agency heads to establish priorities for needed training, and provide for the use of funds and man-hours in accordance with these priorities.</li> <li>• 5 C.F.R. § 410.201(c), in implementing the E.O., requires agency heads (or designee(s)) to establish priorities for training employees and allocate resources according to those priorities.</li> </ul>
2. Agencies should identify the most appropriate mix of centralized and decentralized approaches for its training and development programs	<b>There are no statutory, regulatory, or Executive Order requirements directly related to this practice.</b>
3. Agencies should consider government-wide reforms and other targeted initiatives to improve management and performance when planning its training and development programs	<b>There are no statutory, regulatory, or Executive Order requirements directly related to this practice.</b>
4. Agencies should have criteria for determining whether to design training and development programs in-house or obtain these services from a contractor or other external source	<b>There are no statutory, regulatory, or Executive Order requirements directly related to this practice.</b>
5. Agencies should compare the merits of different delivery mechanisms (such as classroom or computer-based training) and determine what mix of mechanisms to use to ensure efficient and cost-effective delivery	<b>There are no statutory, regulatory, or Executive Order requirements directly related to this practice.</b>
6. Agencies should track the cost and delivery of its training and development programs	<ul style="list-style-type: none"> <li>• <b>5 U.S.C. 4118</b> authorizes OPM to prescribe regulations—and in doing so—to specifically provide for               <ul style="list-style-type: none"> <li>• the maintenance of necessary information concerning the general conduct of the training activities of each agency, and such other information as is necessary “to enable the President and Congress to discharge effectively their respective duties for supervision, control and review of these training programs.”</li> <li>• The submission of reports by agencies on results and effects of training programs and plans and economies resulting therefrom, including estimates of costs of training.</li> <li>• 5 C.F.R. § 410.601(a) requires agencies to maintain records of training plans, expenditures, and activities in such form and manner as necessary to submit to OPM. Subsection (b) provides that beginning December 31, 2006, agencies are to report training data at such times and in such form as required for OPM’s government-wide Electronic Data Collection System.</li> </ul> </li> </ul>

---

**Appendix II: Table of Statutes, Regulations,  
and Executive Orders Related to Leading  
Practices**

---

Agencies should evaluate the benefits achieved through training and development programs, including improvements in individual and agency performance

- **5 U.S.C. § 4103(c)** requires the head of an agency to evaluate, on a regular basis, each program or plan established, operated, or maintained under subsection (a)<sup>b</sup> with respect to accomplishing specific performance plans and strategic goals in performing the agency mission and modify such program or plan as needed to accomplish such plans and goals.
- **Exec. Order. No. 11348, section 303(a)** requires agency heads to review at least annually the agency's program to identify training needed to bring about more effective performance at the least possible cost.
- **5 C.F.R. § 410.202**—provides that agencies must evaluate their training programs annually to determine how well such plans and programs contribute to mission accomplishment and meet organizational performance goals.
- **5 C.F.R. 410.201(d)(4)**, requires heads of agencies (or their designee(s)) to develop and maintain plans and programs that assess periodically, but not less often than annually, the overall agency talent management program to identify training needs within the agency as required by section 303 of E.O. 11348.

---

Agencies should compare training investments, methods, or outcomes with those of other organizations to identify innovative approaches or lessons learned

---

There are no statutory, regulatory, or Executive Order requirements directly related to this practice.

---

Source: GAO Analysis of relevant laws, regulations, and Executive Orders.

<sup>a</sup>These key training investment practices are part of the framework outlined in the GAO's guide GAO, Human Capital: A Guide for Assessing Strategic Training and Development Efforts for the Federal Government, [GAO-04-546G](#) (Washington, D.C.: March 2004). This guide summarizes attributes of effective training and development programs and it is based on the GAO analysis of prior work, other related expert studies, and federal training requirements.

<sup>b</sup>5 USC 4103(a) requires agency head to establish, operate, maintain, and evaluate a program or programs, and a plan or plans there under, for the training of employees.

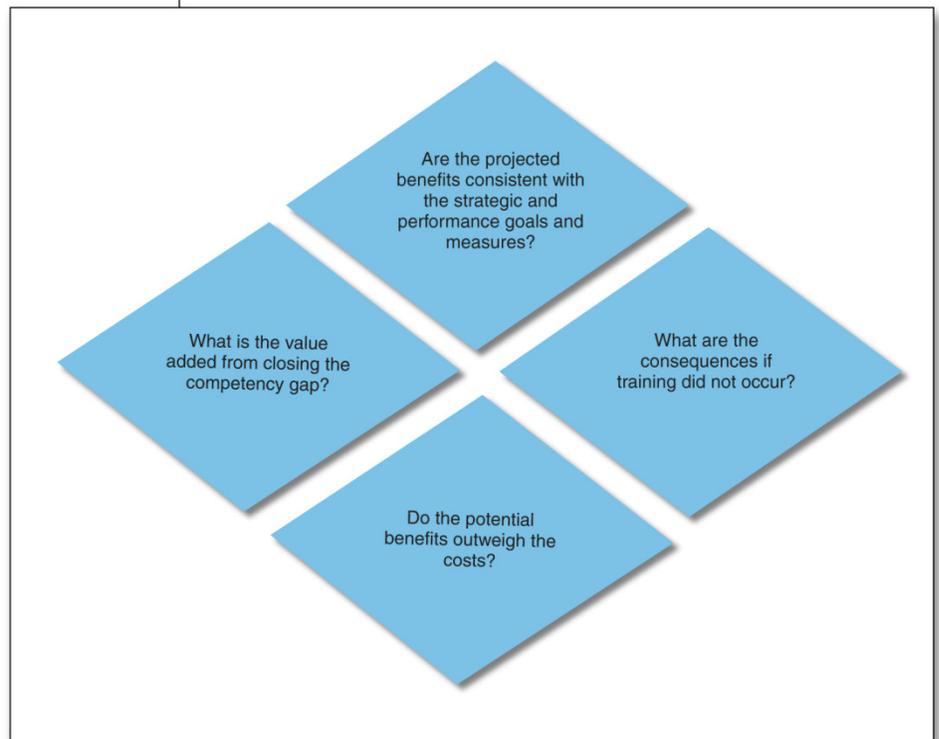
# Appendix III: Illustrations of Building a Business Case for Training from OPM's Guide to Strategically Planning Training and Measuring Results

**Figure 1: OPM illustration of questions used to develop a business case for training**

Tip: Building the Business Case

**Step 2: Develop Training Strategies To Achieve Goals**

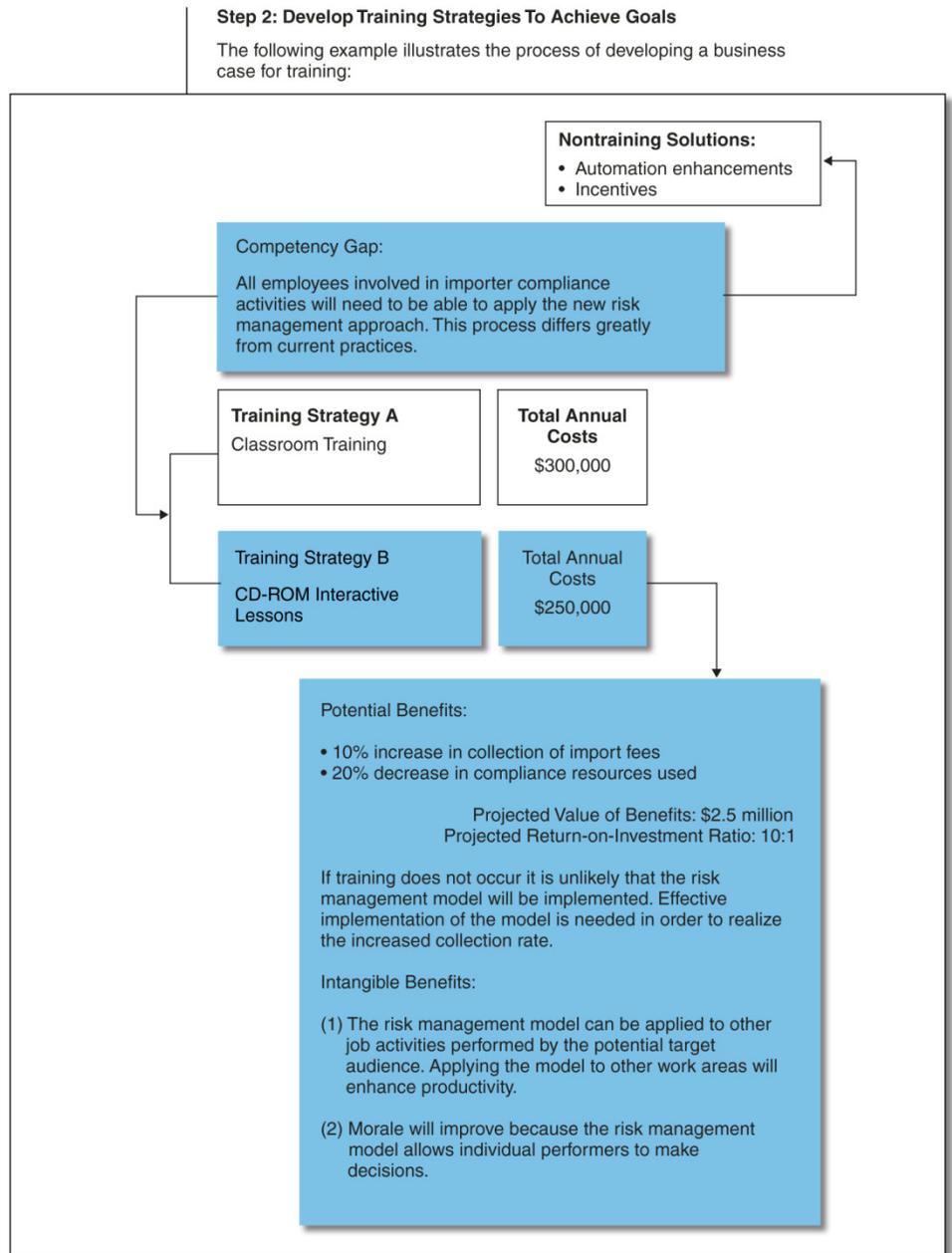
After selecting the projected type of benefit and indicator, you should answer the following questions:



Source: OPM.

**Appendix III: Illustrations of Building a Business Case for Training from OPM's Guide to Strategically Planning Training and Measuring Results**

**Figure 2: OPM illustration of developing a business case for training**



Source: OPM.

# Appendix IV: Comments from the Office of Personnel Management



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Employee Services

AUG 30 2012

Ms. Yvonne J. Jones  
Director, Strategic Issues  
U.S. Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Dear Ms. Jones:

Thank you for providing the U.S. Office of Personnel Management (OPM) the opportunity to comment on the Government Accountability Office (GAO) draft report, "Federal Training Investments: OPM and Agencies Can Do More to Ensure Cost-Effective Decisions." We appreciate the opportunity to provide you with comments about this report.

Response to Recommendations

Recommendation: Include in existing or new OPM guidance or technical assistance additional information in the following areas:

- Steps agencies should take and factors they should consider when prioritizing federal training investments agency-wide, including developing a process to rank training using criteria, such as expected demand for the investment from internal sources, availability of resources to support the effort, potential for increased revenue, and risk of unfavorable consequence if investments are not made.
- Steps agencies should take and factors they should consider for comparing the merits of different delivery mechanisms and determining the mix of mechanisms to use, in order to ensure efficient and cost-effective delivery of federal training. Such guidance could include requesting that agencies consistently utilize Standard Form-182 to document and report training costs associated with the different delivery mechanisms employed.

We will address recommended actions separately.

Management Response:

- Steps agencies should take and factors they should consider when prioritizing federal training investments agency-wide, including developing a process to rank training using criteria, such as expected demand for the investment from internal sources, availability of resources to support the effort, potential for increased revenue, and risk of unfavorable consequence if investments are not made.

[www.opm.gov](http://www.opm.gov)

Recruit, Retain and Honor a World-Class Workforce to Serve the American People

[www.usajobs.gov](http://www.usajobs.gov)

Ms. Yvonne J. Jones  
Director, Strategic Issues  
U.S. Government Accountability Office  
Page 2

- Partially concur. Throughout the OPM publications mentioned in this draft report OPM already provides guidance on necessary steps and specific factors agencies should consider when prioritizing training investments. Specifically, through OPM's Training Evaluation Field Guide we encourage agencies to maximize training investment and demonstrate value by aligning training with organizational goals and assessing training impact up front. We clearly outline how agencies should assess impact by including leadership and using the process outlined in the field guide. When training impact and alignment with organizational goals is assessed during the up-front planning phase, it will offer new insight on where training budgets and resources should be allocated.

In addition, GAO notes that OPM's Human Capital Assessment and Accountability Framework (HCAAF) requires agencies to strategically align learning investments with agency mission priorities including mission critical skills gaps and other organizational goals. OPM is currently revising the HCAAF, a decade after its initial design, to incorporate lessons learned and current research and best practice in strategic human capital management. As part of the rollout for this revitalized HCAAF, OPM is refreshing the HCAAF Resource Center to provide Federal agencies with updated tools and technical assistance to support implementation of strategic human capital management. The new HCAAF Resource Center will include tools and guidance on steps agencies can take to prioritize learning investments as part of its strategic human capital planning.

#### Management Response

- Steps agencies should take and factors they should consider for comparing the merits of different delivery mechanisms and determining the mix of mechanisms to use, in order to ensure efficient and cost-effective delivery of federal training. Such guidance could include requesting that agencies consistently utilize Standard Form-182 to document and report training costs associated with the different delivery mechanisms employed.

We concur. The task of accurately determining the merits of different delivery mechanisms and the most appropriate mix in order to ensure efficient and cost-effective delivery is accomplished within the framework of Instructional Design. Having qualified instructional designers on staff to collect data on the vital information related to course content, audience, and environment to determine possible/plausible delivery options is ideal in ensuring greater training effectiveness. Nevertheless, knowing that this is not the reality in many training offices, OPM will provide further guidance on the use of the most appropriate training delivery methods.

Recommendation: In line with statutory and regulatory provisions on maintenance and reporting of training information, work with the CHCO Council to improve the reliability of agency training investment information by

- Developing a common definition of what should be documented as training:

---

**Appendix IV: Comments from the Office of  
Personnel Management**

---

Ms. Yvonne J. Jones  
Director, Strategic Issues  
U.S. Government Accountability Office  
Page 3

- Developing policies to strengthen the utilization of Standard Form 182 to document and report training costs;
- Encouraging agencies through guidance and technical assistance, to develop policies that require consistent reporting of training data to their learning management systems; and
- Encouraging each agency to assess its existing training information system(s) and identify whether it is providing complete and reliable data and, if not, to develop approaches to improve the system(s), in order to do so.

We will address recommended actions separately.

Management Response

- Developing a common definition of what should be documented as training;

We do not concur. The definition of training is clearly stated in 5 U.S.C Chapter 41. In addition, page 36 of OPM's Draft Training Policy Handbook and page 32 of OPM's Guide for the Collection and Management of Training Information outlines which training events should be documented as training and reported to OPM. Recommend deletion of this task for OPM.

- Developing policies to strengthen the utilization of Standard Form 182 to document and report training costs;
- Encouraging agencies through guidance and technical assistance, to develop policies that require consistent reporting of training data to their learning management systems; and
- Encouraging each agency to assess its existing training information system(s) and identify whether it is providing complete and reliable data and, if not, to develop approaches to improve the system(s), in order to do so.

We concur. OPM will work with agency Chief Human Capital Officers to continue to strengthen the use of the SF 182 and increase reliability of their training data.

Recommendation: Provide regular report summaries to agencies on EHRI training investment data and its reliability, in order to improve the transparency and reliability of federal training investment data.

Management Response

We partially concur. OPM will provide regular summaries to agencies on the training investment data submitted to OPM to improve transparency. However, these summaries will not directly lead to improved reliability of the data. Agencies must take action to improve the data to

---

**Appendix IV: Comments from the Office of  
Personnel Management**

---

Ms. Yvonne J. Jones  
Director, Strategic Issues  
U.S. Government Accountability Office  
Page 4

positively impact data reliability. It should be noted, agencies currently have the option of working with OPM to secure a subscription to Business Objects—a reporting tool that will allow agencies to run reports of the data they have provided to OPM and determine if it accurately reflects what is occurring in the agency. Recommend revision of the task to read, “Provide regular report summaries to agencies on EHRI training investment data in order to improve the transparency of federal training investment data.”

Recommendation: Once federal training data reliability has been sufficiently improved, consistent with Executive Order No. 11348, use EHRI data to:

- a) Counsel heads of agencies and other officials on the improvement of training, and
- b) Assist agencies in developing sound programs and financial plans for training and provide advice, information and assistance to agencies on planning and budgeting training programs

Management Response

We concur. Once the data is reliable OPM will consult with agencies on possible improvements and assistance on planning training programs.

Recommendation: In collaboration with the CHCO and CLO Councils, identify the best existing courses that fulfill government-wide training requirements, such as mandatory Equal Employment Opportunity training, or training in common federal occupations, such as basic training in financial management, and offer them to all agencies through HRU or other appropriate platform to reduce costly and duplicative federal training investments.

Management Response

We partially concur. In collaboration with the CHCO and CLO Councils OPM is already identifying, collecting, and sharing existing mandatory courses that fulfill government-wide training requirements (e.g., Plain Writing, Telework, USERRA, Veterans Employment, Constitution Day). These courses are presently available on HR University ([www.hru.gov](http://www.hru.gov)) and on OPM’s Federal Training and Development Wiki. OPM will continue to work with the CHCO and CLO Councils to expand the suite of mandatory courses. However, while OPM’s Federal Training and Development Wiki is tailored to all, HR University is not.

The mission of HRU is to “Cultivate a culture of continuous learning and excellence for Federal HR professionals by providing career guidance, training and resources to achieve a consistently high level of technical, consulting, business and professional competency.” While HRU has been enormously successful in capitalizing on centralized HR and manager/supervisor training across the federal government – and should absolutely be viewed as a model for other functional areas, the Chief Human Capital Officers Council created HRU to primarily serve the needs of the federal HR community, and any expansion of HRU must in all respects remain true to this mission. It is not the mission of HR University to be a centralized source of training and

Ms. Yvonne J. Jones  
Director, Strategic Issues  
U.S. Government Accountability Office  
Page 5

development across other functional or occupational areas. Prior expansion through the "Manager's Corner" was in support of a corollary HR function, Employee Relations, and supports the Employee Performance Management model, GEAR, and thus falls under the HR discipline. Non-HR training should be centralized, but HRU is not the vehicle for non-HR training, such as financial management.

Therefore, we recommend the task be revised to read, "In collaboration with the CHCO and C.I.O Councils, continue to identify existing courses that fulfill government-wide training requirements, such as mandatory Equal Employment Opportunity training, or training in common federal occupations, such as basic training in financial management, and using the HRU model, or other appropriate platform, to offer them to agencies to reduce costly and duplicative federal training investments."

Technical comments to the draft report are enclosed. Unless otherwise noted, the suggested revisions are meant to provide technical accuracy.

Sincerely,



Angela Bailey  
Associate Director  
Employee Services

Enclosure

---

# Appendix V: GAO Contact and Staff Acknowledgments

---

## GAO Contact

Yvonne J. Jones, Director (202) 512-2717 or [Jonesy@gao.gov](mailto:Jonesy@gao.gov)

---

## Staff Acknowledgments

In addition to the contact named above, William Doherty (Assistant Director), Latesha Love, Angela Leventis, and Karin Fangman made key contributions to this report. Also contributing to this report were Benjamin Crawford, Eric Gorman, and Natalie Maddox.

---

## GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

---

## Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's website (<http://www.gao.gov>). Each weekday afternoon, GAO posts on its website newly released reports, testimony, and correspondence. To have GAO e-mail you a list of newly posted products, go to <http://www.gao.gov> and select "E-mail Updates."

---

## Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's website, <http://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

---

## Connect with GAO

Connect with GAO on [Facebook](#), [Flickr](#), [Twitter](#), and [YouTube](#). Subscribe to our [RSS Feeds](#) or [E-mail Updates](#). Listen to our [Podcasts](#). Visit GAO on the web at [www.gao.gov](http://www.gao.gov).

---

## To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Website: <http://www.gao.gov/fraudnet/fraudnet.htm>

E-mail: [fraudnet@gao.gov](mailto:fraudnet@gao.gov)

Automated answering system: (800) 424-5454 or (202) 512-7470

---

## Congressional Relations

Katherine Siggerud, Managing Director, [siggerudk@gao.gov](mailto:siggerudk@gao.gov), (202) 512-4400, U.S. Government Accountability Office, 441 G Street NW, Room 7125, Washington, DC 20548

---

## Public Affairs

Chuck Young, Managing Director, [youngc1@gao.gov](mailto:youngc1@gao.gov), (202) 512-4800 U.S. Government Accountability Office, 441 G Street NW, Room 7149 Washington, DC 20548

