HUMAN CAPITAL MANAGEMENT

Effectively Implementing Reforms and Closing Critical Skills Gaps Are Key to Addressing Federal Workforce Challenges

What GAO Found

Since 2001, Congress, the Office of Personnel Management (OPM), and executive branch agencies have taken action to address the government’s human capital challenges. For example, in 2002, Congress passed legislation creating the CHCO Council, composed of the Chief Human Capital Officers (CHCO) of 24 executive agencies and chaired by the Director of OPM. In 2004, through the Federal Workforce Flexibility Act, Congress provided agencies greater hiring flexibilities. OPM issued guidance on hiring reforms, developed the Hiring Toolkit, and launched an 80-day model to speed the hiring process.

Leadership:

The CHCO Council advises and coordinates the activities of member agencies on current and emerging personnel issues. Among its recent initiatives, OPM and the CHCO Council established a working group in September 2011 to identify and mitigate critical skills gaps. To date the group has taken important steps, including developing a framework and timeline for identifying and addressing government-wide and agency-specific skills gaps. However, the substantive work of addressing skills gaps remains, including defining workforce plans, implementing recruitment and retention strategies, and measuring the effects of these initiatives.

Strategic human capital planning:

Integrating human capital planning with broader organizational strategic planning is essential for ensuring that agencies have the talent and skill mix needed to cost-effectively execute their mission and program goals. If not carefully managed, anticipated retirements could cause skills gaps to develop further and adversely impact the ability of agencies to carry out their diverse responsibilities. GAO’s work has identified skills shortages in areas government-wide, such as cybersecurity, acquisition management, and foreign language capabilities.

Talent management:

Ensuring that federal agencies are able to recruit, develop, and retain personnel with the necessary skills is essential to closing any skills gaps and maintaining a workforce that will meet its vital missions. Congress, OPM, and some individual agencies have taken important actions, such as providing and using flexibilities, to improve the hiring process and making investments in training and development. However, much work remains. For example, GAO recently reported that OPM can improve its guidance and assistance to agencies in establishing a process for setting and prioritizing training investments.

Results-oriented organizational culture:

Leading organizations have found that to successfully transform themselves they must often fundamentally change their cultures to be more results-oriented, customer-focused, and collaborative. As part of that, GAO has shown that agencies need to create clear “lines of sight” that align organizational and individual performance. These lines of sight help individual staff understand the connection between their daily activities and agency success.