

GAO Highlights

Highlights of [GAO-17-30](#), a report to congressional requesters

Why GAO Did This Study

VHA faces challenges in transforming its health care operations to provide quality care to veterans. GAO's past work has shown that an agency's workforce, and, in particular its human capital office, can play a central role in organizational transformation. Further, high levels of employee engagement—that is, the sense of purpose and commitment employees feel toward their employer and its mission—can lead to better organizational outcomes.

GAO was asked to (1) determine VHA's capacity to perform key HR functions; (2) evaluate the extent to which VHA's HR processes are consistent with human capital management principles and internal control practices; and (3) assess VHA's performance management process and its efforts to monitor and improve employee engagement.

To meet these objectives, GAO evaluated VHA's processes against relevant federal standards for internal control and human capital leading practices, reviewed VA and VHA documents, analyzed responses to employee surveys, and interviewed agency officials.

What GAO Recommends

GAO is making 12 recommendations to VA to improve the HR capacity and oversight of HR functions at its medical centers; develop a modern, credible employee performance management system; and establish clear accountability for efforts to improve employee engagement. VA concurred with 9 recommendations and partially concurred with 3 recommendations to improve VHA's performance management system.

View [GAO-17-30](#). For more information, contact Robert Goldenkoff at (202) 512-2757 or goldenkoffr@gao.gov.

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VETERANS HEALTH ADMINISTRATION

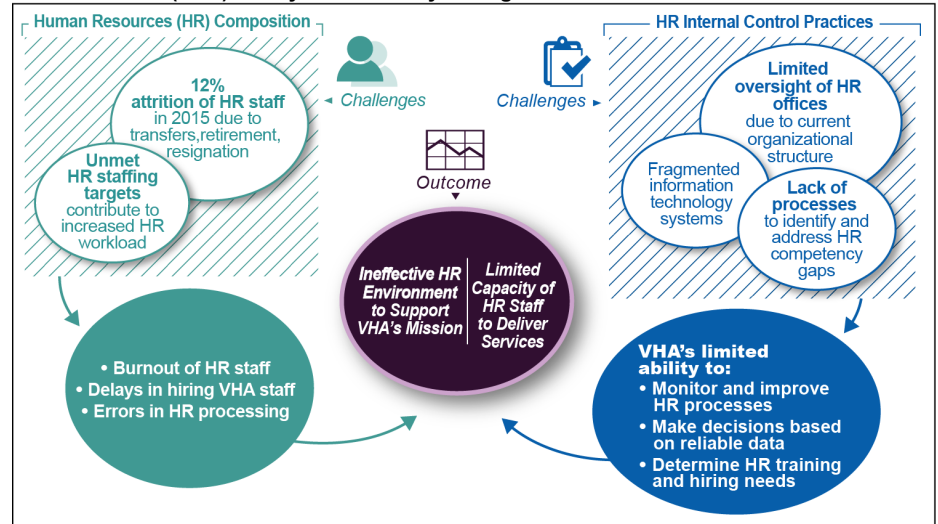
Management Attention Is Needed to Address Systemic, Long-standing Human Capital Challenges

What GAO Found

The Veterans Health Administration's (VHA) limited human resources (HR) capacity combined with weak internal control practices has undermined VHA's HR operations and its ability to improve delivery of health care services to veterans.

- Attrition of medical center HR staff increased between fiscal years 2013 and 2015, due to HR staff transferring to other federal agencies. VHA officials note a lack of HR capacity has impacted their ability to recruit and hire critical clinical staff.
- Inadequate oversight of medical center HR offices limits the Department of Veterans Affairs' (VA) and VHA's ability to monitor HR improvement efforts and ensure that HR staff apply policies consistently, such as for position classification.
- VHA reports skills gaps in its HR staff, but does not conduct comprehensive skills gaps assessments. Further, VHA has limited ability to monitor the effectiveness of HR training.

Long-standing, Systemic Human Capital Challenges Limit the Veterans Health Administration's (VHA) Ability to Effectively Manage and Deliver Human Resources Services



Source: GAO analysis of Veterans Health Administration data. | GAO-17-30

VHA's employee performance management system is inconsistent with leading HR practices. Due to shortcomings in current performance management policies and procedures, VHA may not be positioned to make meaningful distinctions in employee performance. Further, VHA is challenged by inefficiencies in its performance management processes, including the lack of a performance appraisal IT system, which prevents it from identifying trends and opportunities for improvement. VHA is taking steps to address employee engagement; however, there is room for improvement. VHA can better support medical centers by establishing clear lines of accountability for engagement efforts, collecting and leveraging leading practices, and addressing barriers to improving engagement.