

GAO

Briefing Report to the Ranking Minority
Member, Subcommittee on Civil Service,
Committee on Government Reform and
Oversight, House of Representatives

September 1995

FEDERAL PERSONNEL MANAGEMENT

Views on Selected NPR Human Resource Recommendations





United States
General Accounting Office
Washington, D.C. 20548

General Government Division

B-265839

September 18, 1995

The Honorable James P. Moran
Ranking Minority Member
Subcommittee on Civil Service
Committee on Government Reform
and Oversight
House of Representatives

Dear Mr. Moran:

The National Performance Review (NPR), the administration's major management reform initiative, is intended to identify ways to make the government work better and cost less. Legislation enacted as a result of an NPR recommendation requires a reduction of 272,900 full-time equivalent positions in the federal government during fiscal years 1994 through 1999. Much of the workforce reduction is expected to come from administrative functions, such as human resources. Some of NPR's recommendations relating to human resource management would, in part, delegate authority for personnel decisions from the Office of Personnel Management (OPM) to individual agencies. For example, NPR recommends that OPM abolish its central hiring registers and authorize agencies to establish their own recruitment and examining programs.

You expressed concern about whether human resource offices in federal agencies could assume additional responsibility from OPM, especially when those same offices may be facing staff cuts. You also expressed concern about the possibility of additional flexibility leading to increased violations of civil service laws. Accordingly, we agreed to obtain information on (1) whether human resource officials favored the recommendations with which they were familiar, (2) if these officials believed they had the capacity to assume the additional responsibility envisioned by NPR, and (3) what oversight is being envisioned by OPM and agencies to ensure accountability for merit system principles. On September 7, 1995, we briefed your office on the results of our review. This briefing report summarizes the information presented in that briefing.

Results in Brief

Human resource officials we interviewed in 37 offices of 6 large agencies generally favored the flexibility the decentralization envisioned by NPR would give them and their agencies' managers, although they said some NPR recommendations were of questionable value. For example, officials in most offices said they wanted additional responsibility for recruitment and

examining, but were not in favor of having the federal government's standard job application form abolished. (See br. sec. II.)

In general, officials we contacted said that the NPR recommendations would add to their overall workload even though some may actually save them time. Most said they could manage the additional workload with little difficulty. However, downsizing—especially downsizing without planning and process streamlining—could hinder their efforts. (See br. sec. II.)

NPR recognized that some may be concerned that an increase in agency flexibility might lead to increased occurrences of merit system violations. NPR recommended that OPM develop a new oversight process to ensure compliance with the merit principles within a deregulated and flexible environment. The details of this new process were evolving at the time of our review, but human resource officials we interviewed had mixed opinions on both the need for oversight and the entities that should be responsible for conducting oversight functions. Although officials told us that their agencies could adequately oversee their own human resource operations, most said they did not have a performance measurement system to judge the outcomes of their operations. However, in response to an NPR recommendation directed to OPM, OPM is working with agency human resource offices to develop a set of performance indicators to assist them in monitoring their activities. The Government Performance and Results Act of 1993 (GPRA) requires agencies to begin using performance indicators to demonstrate their achievements. (See br. sec. III.)

Scope and Methodology

To determine if human resource officials favored NPR recommendations and had the capacity to assume additional responsibility envisioned by those recommendations, we discussed NPR's human resource management recommendations with human resource directors and their staffs in eight headquarters offices at the Internal Revenue Service and the Departments of Agriculture, the Army, Defense, the Interior (Interior and National Park Service offices), and Veterans' Affairs (Veterans' Affairs and Veterans' Benefits Administration offices). We also contacted personnel officers and their staffs at 29 personnel offices under those agencies. We judgmentally selected the agencies to achieve a mix of those with high and low use of OPM's services. We selected personnel offices in those agencies on the basis of the same criteria. We also obtained geographic dispersion by selecting offices located throughout the United States. Because the offices

we contacted were judgmentally selected, the results of our discussions cannot be projected to the views of human resource officials in other offices.

We did not discuss each NPR recommendation with the human resource officials we contacted.¹ Rather, we asked about any human resource recommendations and action items with which they were familiar, about those that they particularly favored or did not favor, and about any that would add to their workload. Components of the NPR they discussed with us included (1) authorizing agencies to establish their own recruitment and examining programs, (2) reforming the General Schedule classification and basic pay system, (3) authorizing agencies to design their own performance management programs, (4) establishing alternative dispute resolution methods, (5) abolishing standard job application forms, and (6) abolishing the Federal Personnel Manual (FPM). Although some officials we contacted volunteered opinions on the potential impacts of NPR recommendations, we did not attempt to gather consistent information on each possible impact. Plans to administratively and legislatively implement some NPR recommendations were evolving at the time of our review.² In addition, agency plans to downsize, streamline processes, and otherwise reorganize personnel activities were envisioned or in process. Accordingly, personnel officials were often unsure how the changes might affect them. Appendix II summarizes the results of our discussions. We also reviewed the administration's draft human resource legislative package developed in May 1995. Such legislation, called for by NPR, has not yet been submitted to the Congress.

To determine OPM and agency oversight plans, we discussed oversight programs and options with OPM officials and officials in those agencies and human resources offices mentioned above. In addition, we reviewed our past reports on oversight as well as OPM's plans concerning a new oversight process being developed within the framework of the merit principles.

We conducted our review from September 1994 through June 1995 in accordance with generally accepted government auditing standards.

¹NPR contains 14 recommendations encompassing 46 action items relating to reinventing human resource management. These recommendations are listed in app. I.

²GAO previously reported the status of all NPR recommendations and action items in its report, Management Reform: Implementation of the National Performance Review's Recommendations, (GAO/OCG-95-1, Dec. 5, 1994).

Agency Comments

On August 23, 1995, we obtained oral comments on a draft of this report from the NPR official responsible for human resource and OPM issues. On August 24, 1995, we obtained oral comments from OPM's Director, Merit Systems Oversight and Effectiveness; Associate Director, Human Resources Systems Service; Director, Staffing Reinvention Office, Employment Service; and Chief, Interagency Advisory Group Secretariat, Communications.

NPR and OPM officials generally agreed with the information presented in the report and provided technical clarifications that were incorporated as appropriate.

We are sending copies of this briefing report to the Chairman of the Subcommittee on Civil Service, House Committee on Government Reform and Oversight, and the Director of OPM. Copies will also be made available to others on request.

Major contributors to this report are listed in appendix IV. Please contact me at (202) 512-3511 if you have any questions concerning this briefing report.

Sincerely yours,



Timothy P. Bowling
Associate Director
Federal Management and Workforce
Issues

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Abbreviations

| | |
|--------|--|
| EEO/AE | Equal Employment Opportunity and Affirmative Employment |
| FPM | Federal Personnel Manual |
| GPRA | Government Performance and Results Act |
| NPR | National Performance Review |
| OPM | Office of Personnel Management |

Objectives, Scope, and Methodology

GAO Review Objectives

- Do human resource officials favor the NPR recommendations?
 - Do they believe they have the capacity to assume additional responsibility envisioned by NPR?
 - What oversight is being envisioned by OPM and agencies to ensure accountability?
-

GAO Scope and Methodology

Contacted human resource officials in
37 offices of

- Internal Revenue Service
- Agriculture
- Army
- Defense
- Interior
- Veterans' Affairs.

Reviewed OPM plans, proposed
legislation, and past reports on oversight.

To determine if human resource officials favored NPR recommendations and if they thought they had the capacity to assume additional work envisioned by NPR, we contacted human resource officials in 8 judgmentally selected headquarters offices in 6 agencies and 29 personnel offices under those agencies. To determine what oversight is envisioned, we discussed plans with those officials and reviewed the Office of Personnel Management's (OPM) plans for a new oversight program. We also reviewed our past reports on oversight and accountability.

Willingness and Capacity to Implement Selected NPR Recommendations

GAO Agencies Were Prepared to Assume Responsibility Envisioned by NPR

Officials generally favored the increased flexibility NPR's human resource recommendations would afford.

Although most officials said these recommendations would add to their overall workload, they generally said they could manage the additional workload with little difficulty.

Human resource officials we contacted generally favored the NPR recommendations that they discussed with us. Officials in 24 of the 37 offices we contacted said that NPR recommendations would increase their overall workload. Officials in 14 of these 24 offices said they could absorb the increases.

GAO Recommended Actions Highlighted by
Human Resource Officials

Human resource officials discussed six actions recommended by NPR relating to:

- Recruitment and examining
- Classification system
- Performance management
- Alternative dispute resolution
- Standard application form
- Federal Personnel Manual (FPM)

NPR contains 14 recommendations encompassing 46 action items relating to reinventing human resource management. We did not discuss each NPR recommendation with the human resource officials we contacted. Rather, we asked about any human resource recommendations and action items with which they were familiar, about those which they particularly favored or did not favor, and about any that would add to their workload. They generally highlighted six recommended actions.

GAO Authorizing Recruitment and
Examining Flexibility

Officials in 35 of 37 offices favored additional responsibility for recruitment and examining. For example:

- tailoring recruitment and examining to agency's needs, and
- making hiring more timely.

Officials in 18 of 37 offices said the recommended action would add to their workload.

**Authorizing Recruitment
and Examining Flexibility**

NPR recommended that OPM abolish central registers and authorize agencies to establish their own recruitment and examining programs. There is presently a statutory requirement for OPM to examine applicants for positions that are common to agencies. Officials in nearly all offices we contacted said they favored the recommended action, although most recruitment and examining is presently handled by agencies and not by OPM. Officials in about half of the offices we contacted told us that this recommended action would result in some additional work.

GAO Reforming the Classification System

Officials in 34 of 37 offices favored reforming the General Schedule classification system, for example, by making it less complex and allowing paybanding.

Officials in only 5 of 37 offices said their workload might increase. Those in 7 other offices said the recommended action might save them time.

**Reforming the
Classification System**

NPR recommended that agencies be given greater flexibility in classifying and paying employees. It also recommended the removal of grade level definitions from law and the authorization of paybanding.

Officials in most offices favored the recommended action; some said the current system was too complex. Others cautioned that additional flexibility might result in increased complaints from those being paid less than others and could possibly add to their workloads. However, most said there would be no workload increase. Although we did not specifically ask about the potential efficiency of NPR recommendations, officials in seven offices told us this recommendation might save them time.

GAO **Reforming Performance Management Programs**

Officials in 33 of 37 offices favored the opportunity to develop their own performance management programs, to include features such as:

- Pass/fail performance ratings
- Group/team assessments

Officials in only 1 office said their workload might increase. Those in 5 other offices said the recommended action might save them time.

**Reforming Performance
Management Programs**

NPR recommended that agencies be allowed to design their own performance management programs for improvement of individual and organizational performance.³ Officials in most offices favored the recommended action and wanted the flexibility to design systems tailored to their agencies' specific operations and needs. Some specifically wanted to establish pass/fail rating systems or team assessment programs.

Most officials we contacted said there would be no workload increase. Further, although we did not specifically ask about the potential efficiency of NPR recommendations, officials in five offices told us that this recommendation might save them time.

³GAO made a similar recommendation in its report entitled Federal Performance Management: Agencies Need Greater Flexibility in Designing Their Systems, (GAO/GGD-93-57, Feb. 24, 1993).

GAO **Establishing Alternative Dispute
Resolution Methods**

Officials in 30 of 37 offices favored the opportunity to establish alternative dispute resolution methods to provide informal resolution of grievances

Officials in only 2 offices said their workload might increase

**Establishing Alternative
Dispute Resolution
Methods**

NPR recommended that each agency make available to all worksites methods and options for resolving disputes that are alternatives to established procedures governing equal employment opportunity complaints, labor disputes, grievances, and appeals. It also recommended that OPM eliminate its regulations governing agency grievance systems, thus freeing agencies to tailor alternative dispute resolution techniques to various situations.

Officials told us they favored the recommended action and would like to see grievances settled in a less formal and less adversarial setting. Officials in only two offices said they thought their workload might increase.

GAO Abolishing the Standard Application
Form

Officials in 21 of 37 offices did not favor abolishing the SF-171.

Officials in 24 of 37 offices said there would be workload increases. For example, some said that obtaining necessary applicant information would be more difficult and time consuming.

**Abolishing the Standard
Application Form**

As part of a recommendation to create a flexible and responsive hiring system, NPR recommended abolishing standard application forms. On December 31, 1994, OPM abolished the Application for Federal Employment, Standard Form 171 (SF-171). In lieu of having to use the SF-171, applicants for most jobs may now submit resumes. In addition, OPM has developed an optional applicant information form, and agencies, under certain circumstances, may develop their own supplementary forms.

Officials in most offices we contacted did not agree with abolishing the SF-171. Also, officials in most offices said that the abolishment of the form would add to their workload. For example, some officials we interviewed said that although the standard form may have been difficult for applicants, it required all the information agencies needed to judge qualifications. They feared that obtaining similar information from applicants through other means would be more difficult and would take more time. According to these officials, this increased difficulty included having to read and interpret information contained in nonstandard resumes and having to obtain missing applicant information that had previously been required on the SF-171. They were also concerned that applicants applying for jobs throughout the government would have to complete a separate application form or resume for each agency applied to rather than one standard application form.

Officials who agreed with the abolishment of the standard application form said that the form was too cumbersome for applicants and required irrelevant job experience information because of its generic nature.

GAO Abolishing the FPM

Officials in 17 of 37 offices favored abolishing the FPM.

- Some said the manual was too detailed/inflexible; others said it ensured consistent application of personnel laws.

Officials in 22 of 37 offices said there would be no increase in workload.

- Some said nothing had changed; they were still using the manual.
-

Abolishing the FPM

To eliminate unnecessary red tape and simplify all aspects of the personnel system, NPR recommended phasing out the entire Federal Personnel Manual (FPM), which contained OPM's procedures and guidance related to human resource management. The FPM was abolished on December 31, 1993. OPM has since reissued portions of the FPM as guidance. In addition, OPM adopted as regulation certain information considered to be essential to the orderly continuation of governmentwide human resources management programs.

Human resource officials' opinions were mixed on phasing out the FPM. While officials in 7 of 8 agency headquarters' offices favored the abolishment, officials in only 10 of 29 personnel offices agreed with the abolishment. Some officials who agreed with phasing out the FPM said that it was too detailed and inflexible. Other officials we interviewed said that it was of great value to them and doubted whether remaining tools, such as the Code of Federal Regulations, would be sufficiently detailed for their needs. Some were concerned that grievances would increase because consistency in application of personnel laws may be compromised due to differing interpretations of the law.

Some officials said the impact of abolishing the FPM will be minimal because they will continue to use it until adequate substitutes are available. Officials in most offices said they did not believe their workloads would increase as a result of the abolishment of the manual.

GAO **Staff Reductions May Hinder Capacity
to Accept Additional Work**

Agencies are reducing their human resource staff.

Additional work may be difficult; planning and process streamlining are essential.

Human resource officials said that in a static environment, NPR recommendations could be implemented with little difficulty. However, human resource activities in many agencies are being downsized. Some agencies plan to reduce human resource staff to a ratio of 1 to every 100 employees served. In some cases, this will reduce human resource staff by nearly half. Process streamlining based on strategic and workforce planning will be necessary for agencies to cope with downsizing.

GAO Consolidating Operations Can Increase
Workload Capacity

Human resource consolidations can take advantage of economies of scale.

- Operations not requiring personal contact can be performed in consolidated centers with fewer staff.

GAO Automating Functions Can Increase
Workload Capacity

OPM has developed and is marketing automated systems.

Agencies are also developing automated human resource systems.

To help meet human resource management needs in an era of downsizing, OPM and other agencies have developed a variety of automated systems. OPM has used automated examining systems for 18 years and is offering automated examining services to agencies. For example, in 1992 OPM piloted a microcomputer-assisted rating system that scans machine-readable application questionnaires, determines applicant eligibility, and assigns scores to applicants. OPM has been offering this system to agencies on a fee basis to examine internal and external

candidates. Personnel officials using the system informed us that it is less costly than using their own staff to examine applicants. For example, a headquarters' human resource official told us that his department could reduce its human resource staff by 170 employees and save about \$6 million a year by purchasing this examination service from OPM. We were also told that this system would be of great value to offices that had previously relied on OPM for much of their examining and hiring.

In 1994, an interagency task force started testing another system that allows employees to make changes to certain personnel records through a touch-tone telephone or touch screen. For example, employees will be able to make changes to their tax withholdings, pay allotments, and addresses without the involvement of human resource staff. According to OPM, this initiative has the potential for enabling agency personnel offices to eliminate the processing of up to 50 percent of their personnel transactions.

Managers will likely have more responsibility for human resource activities such as job classification if NPR recommendations are implemented. Officials we interviewed told us that automation will assist them in assuming more responsibility. For example, one agency is developing an automated system for human resource staff as well as managers that will assist in the development of documents that integrate position information used for classification, staffing, performance management, and training. (Automation is discussed in more detail in app. III.)

Oversight

GAO OPM Is Implementing a New Oversight Process

NPR recommended that OPM develop a new oversight mechanism.

OPM and agency plans for an oversight process to ensure compliance with merit principles are evolving.

GAO What Is the Purpose of Oversight?

To help ensure that agencies are accomplishing their intended objectives, within the boundaries of merit systems principles and other statutory requirements.

GAO Who Has Been Responsible for
Oversight?

Agency management has been responsible for ensuring that human resource programs are consistent with mission objectives and with statutory, regulatory, and public policy requirements.

OPM has overseen agencies to ensure that they comply with human resource statutory requirements.

GAO Why Is Oversight a Concern?

Agencies will have more flexibility to design their human resource programs.

Managers will have more responsibility.

GAO **Independent Oversight Not Seen as Needed**

Most officials said their agencies could adequately oversee their own operations, making independent oversight unnecessary.

However, only 16 of 37 offices had performance measurement systems in place to judge the outcome of their operations.

Independent Oversight Not
Seen as Needed

Human resource officials we contacted said that if they and their agencies were given the flexibility and responsibility for establishing human resource programs to meet their needs, independent oversight would not be needed. These officials disagreed about the need for oversight and the responsibility for conducting reviews of human resource activities. Some said that external oversight was unnecessary and that employee unions and special interest groups would keep inappropriate actions to a minimum. Others, however, said they were concerned that an absence of more formal oversight could result in drastic inconsistencies in human resource activities throughout the government and eventually cause confusion among employees and the public.

Although personnel officials in 35 of 37 offices we contacted told us that they could adequately oversee their own human resource operations, our discussions revealed that only 16 of these 37 offices had performance measurement systems needed to review human resource operations.

GAO Monitoring to Be Based on Outcomes

In response to an NPR recommendation, OPM is helping agencies develop performance indicators, such as demographic information on new hires, to assist them in monitoring adherence to merit principles.

GPRA requires agencies to begin using performance indicators to show achievements related to mission objectives.

Monitoring to Be Based on
Outcomes

In response to an NPR recommendation directed to OPM, OPM is assisting agencies in developing and using performance measures to judge adherence to merit principles in their human resource activities. As part of its Good Government Framework, OPM is stressing the benefits of evaluating outcomes to internally monitor human resource activities and is deemphasizing adherence to specific processes. As of May 1995, OPM had obtained feedback from agencies on the types of performance indicators that should be monitored.

In addition, the Government Performance and Results Act of 1993 (GPRA), Public Law 103-62, will hold agencies accountable for achieving results and stresses the importance of outcomes as opposed to processes. Although the act emphasizes mission-related outcomes, its intent—reviewing outcomes rather than processes—is consistent with OPM’s Good Government Framework.

GAO Who Will Conduct Oversight if NPR
Recommendations Are Implemented?

Agencies will still have primary responsibility for ensuring that their human resource activities help meet mission objectives.

OPM will retain its role of overseeing adherence to statutory requirements.

**Who Will Conduct
Oversight If NPR
Recommendations Are
Implemented?**

Although agencies will still be accountable to their customers—Congress, the courts, employees, unions, and the public—OPM will retain a modified oversight role under the NPR recommendations. It will be responsible for evaluating outcomes and making recommendations to agency heads. It will also continue investigating complaints of merit system abuses. OPM will focus its efforts more on evaluating outcomes rather than processes.

GAO Observations

GAO Observations

Planning and process streamlining are essential for delegations to be successful in a downsizing environment.

Using performance indicators to monitor and review human resource activities can help ensure accountability and identify the occurrence of statutory violations resulting from increased managerial flexibility and empowerment.

Observations

Under a more deregulated, flexible approach, employees, supervisors, and managers will be expected to do more with fewer resources and be held more accountable for results. If they are empowered to devise creative solutions to reduce costs, given the authority to restructure the way they work, and have the resources needed to provide training in new skills, then NPR objectives could more likely be met. If, however, agencies are asked to do more with less prior to process streamlining, then organizational effectiveness may be more difficult to achieve.

In testimony before the Senate Committee on Governmental Affairs on May 17, 1995,⁴ we reported that agencies have the primary responsibility for ensuring that their programs are well-managed, funds are properly spent, and statutory objectives are being achieved. GPRA forms the basis for the development of agency performance information. Such data could be used by the agencies to manage their responsibilities and could serve as the basis for congressional hearings, along with information from GAO, other congressional agencies, and the Inspectors General. In this way, Congress would have a comprehensive picture of each agency's performance in human resource management.

⁴Government Reorganization: Issues and Principles, (GAO/T-GGD/AIMD-95-166, May 17, 1995).

NPR Recommendations and Action Items: Reinventing Human Resource Management

HRM01: Create a Flexible and Responsive Hiring System

Action Items

1. Authorize agencies to establish their own recruitment and examining programs. Abolish central registers and standard application forms.
2. Allow federal departments and agencies to determine that recruitment shortages exist and directly hire candidates without ranking.
3. Reduce the number of competitive service appointment types to three.
4. Permit nonpermanent employees to compete for permanent positions under agency procedures for internal placement.
5. Abolish the time-in-grade requirement. Create a general qualifications framework that permits agencies to augment or modify qualification standards for both internal and external placement actions.
6. Eliminate all statutory rules on detailing employees to temporary assignments.
7. Create a governmentwide employment information system to inform the public of job opportunities. Coordinate the development and operation of common automated systems to facilitate agency staffing policies and operations.

HRM02: Reform the General Schedule Classification and Basic Pay System

Action Items

1. Remove all grade-level classification criteria from the law while retaining the 15-grade structure.
2. Provide agencies with flexibility to establish broadbanding systems built upon the General Schedule framework.
3. Modify the standard 15-grade classification system that applies to those employees not covered by a broadbanding system.
4. Provide agencies under the standard 15-grade system with additional flexibilities in setting base pay rates.
5. Establish reporting requirements that apply to both the modified standard system and any broadbanding system.

HRM03: Authorize Agencies to Develop Programs for Improvement of Individual and Organizational Performance

Action Item

1. Authorize agencies to design their own performance management programs.

HRM04: Authorize Agencies to Develop Incentive Award and Bonus Systems to Improve Individual and Organizational Performance

Action Items

1. Authorize agencies to develop their own incentive programs.
2. Encourage agencies to establish productivity gainsharing programs called Federal Performance Sharing to support the reinvention and change effort.

HRM05: Strengthen Systems to Support Management in Dealing With Poor Performers

Action Items

1. Reduce by half the time required to terminate federal managers and employees for cause. Make other improvements in the systems for dealing with poor performers.
2. Develop a culture of performance that supports supervisors' efforts to deal with poor performers.
3. Improve supervisors' knowledge and skills in dealing with poor performers.

HRM06: Clearly Define the Objective of Training as the Improvement of Individual and Organizational Performance; Make Training More Market-Driven

Action Items

1. Deregulate training and make it more responsive to market sources.
2. Give agencies the flexibility to use savings realized from reinvention to increase their investment in employee training and development.

HRM07: Enhance Programs to Provide Family-Friendly Workplaces

Action Items

1. Implement family-friendly workplace practices while continuing to ensure accountability for quality customer service.
2. Provide telecommunications and administrative support necessary for employees participating in flexiplace and telecommuting work arrangements.
3. Expand the authority to establish and fund dependent care programs.
4. Allow employees to use sick leave to care for dependents.
5. Give returning employees credit for previously accrued unused federal sick leave.
6. Expand the demonstration project authority to allow projects on employee benefits and leave.
7. Reauthorize voluntary leave transfer/bank programs.

HRM08: Improve Processes and Procedures Established to Provide Workplace Due Process for Employees

Action Items

1. Eliminate jurisdictional overlaps.
2. All agencies should establish alternative dispute resolution methods and options for the informal disposition of employment disputes.

HRM09: Improve Accountability for Equal Employment Opportunity Goals and Accomplishments

Action Item

1. Charge all federal agency heads with the responsibility for ensuring equal opportunity and increasing integration of qualified women, minorities, and persons with disabilities into all levels and job categories, including middle and senior management positions.

HRM10: Improve Interagency Collaboration and Cross-Training for Human Resource Professionals

Action Items

1. Establish an Interagency Equal Employment Opportunity and Affirmative Employment (EEO/AE) Steering Group under the joint chair of the Equal Employment Opportunity Commission and OPM.
2. Require appropriate cross-training for human resource management professionals.
3. Combine all equal opportunity and affirmative employment reports into one comprehensive assessment of the total workforce EEO/AE data.
4. Modify the Central Personnel Data File to enable total automation of the EEO/AE data reporting requirements.

HRM11: Strengthen the Senior Executive Service So That It Becomes a Key Element in the Governmentwide Culture Change Effort

Action Items

1. Create and reinforce a corporate perspective within the Senior Executive Service that supports governmentwide culture change.
2. Promote an agency corporate executive level succession planning model.
3. Enhance voluntary mobility within and between agencies for top senior executive positions in government.

HRM12: Eliminate Excessive Red Tape and Automate Functions and Information

Action Items

1. Phase out the entire Federal Personnel Manual and all agency implementing directives.
2. Replace the Federal Personnel Manual and agency directives with automated personnel processes, electronic decision support systems, and manuals tailored to user needs.
3. Identify and develop useful accountability measures that can be automated.

**HRM13: Form
Labor-Management
Partnerships for Success**

Action Item

1. The president should issue an Executive Order that identifies labor-management partnership as a goal of the executive branch and establishes the National Partnership Council.

**HRM14: Provide Incentives
to Encourage Voluntary
Separations**

Action Items

1. Provide departments and agencies with the authority to offer separation pay.
2. Decentralize the authority to approve early retirements.
3. Authorize departments and agencies to fund job search activities and retraining of employees scheduled to be displaced.
4. Expand outplacement services.
5. Limit annual leave accumulation by senior executives to 240 hours.

Human Resource Officials' Views of NPR Recommendations

We interviewed human resource representatives in 8 headquarters' offices and 29 human resource offices to determine whether they favored NPR recommendations and whether they believed the recommendations would increase their workloads. The following tables summarize their responses to recommended actions on authorizing recruitment and examining flexibility, reforming the classification system, reforming performance management programs, establishing alternative dispute resolution methods, abolishing standard application forms, and abolishing the Federal Personnel Manual (FPM).

Authorizing Recruitment and Examining Flexibility

| Responses | Headquarters | Human resource offices | Total |
|--------------------------------|--------------|------------------------|-----------|
| Favor | 8 | 27 | 35 |
| Do not favor | 0 | 2 | 2 |
| No opinion on recommendation | 0 | 0 | 0 |
| Increase in workload | 0 | 18 | 18 |
| No increase in workload | 7 | 9 | 16 |
| Do not know impact on workload | 1 | 2 | 3 |
| Total responding | 8 | 29 | 37 |

Reforming the Classification System

| Responses | Headquarters | Human resource offices | Total |
|--------------------------------|--------------|------------------------|-----------|
| Favor | 8 | 26 | 34 |
| Do not favor | 0 | 2 | 2 |
| No opinion on recommendation | 0 | 1 | 1 |
| Increase in workload | 0 | 5 | 5 |
| No increase in workload | 4 | 15 | 19 |
| Do not know impact on workload | 4 | 9 | 13 |
| Total responding | 8 | 29 | 37 |

**Appendix II
Human Resource Officials' Views of NPR
Recommendations**

Reforming Performance Management Programs

| Responses | Headquarters | Human resource offices | Total |
|--------------------------------|---------------------|-------------------------------|--------------|
| Favor | 7 | 26 | 33 |
| Do not favor | 0 | 3 | 3 |
| No opinion on recommendation | 1 | 0 | 1 |
| Increase in workload | 0 | 1 | 1 |
| No increase in workload | 3 | 8 | 21 |
| Do not know impact on workload | 5 | 10 | 15 |
| Total responding | 8 | 29 | 37 |

Establishing Alternative Dispute Resolution Methods

| Responses | Headquarters | Human resource offices | Total |
|--------------------------------|---------------------|-------------------------------|--------------|
| Favor | 7 | 23 | 30 |
| Do not favor | 0 | 2 | 2 |
| No opinion on recommendation | 1 | 4 | 5 |
| Increase in workload | 0 | 2 | 2 |
| No increase in workload | 4 | 15 | 19 |
| Do not know impact on workload | 4 | 12 | 16 |
| Total responding | 8 | 29 | 37 |

Abolishing Standard Application Forms

| Responses | Headquarters | Human resource offices | Total |
|--------------------------------|---------------------|-------------------------------|--------------|
| Favor | 3 | 10 | 13 |
| Do not favor | 3 | 18 | 21 |
| No opinion on recommendation | 2 | 1 | 3 |
| Increase in workload | 4 | 20 | 24 |
| No increase in workload | 1 | 7 | 8 |
| Do not know impact on workload | 3 | 2 | 5 |
| Total responding | 8 | 29 | 37 |

**Appendix II
Human Resource Officials' Views of NPR
Recommendations**

Abolishing the FPM

| Responses | Headquarters | Human resource offices | Total |
|--------------------------------|---------------------|-------------------------------|--------------|
| Favor | 7 | 10 | 17 |
| Do not favor | 0 | 19 | 19 |
| No opinion on recommendation | 1 | 0 | 1 |
| Increase in workload | 3 | 7 | 10 |
| No increase in workload | 2 | 20 | 22 |
| Do not know impact on workload | 3 | 2 | 5 |
| Total responding | 8 | 29 | 37 |

Examples of Human Resources Automation

Access to Federal Employment Information

To provide one source for those seeking governmentwide employment information, OPM developed the Federal Employment Information Highway. Job seekers may access the Highway to conduct job research and find out about federal career opportunities through the use of four systems.

- The Touch Screen Computer system provides potential job applicants with daily updated federal employment information. As of December 1994, 115 touch screen computers were in use across the country.
- Career America Connection is a nationwide voice response telephone system that receives an average of more than 20,000 calls per month from callers seeking federal employment information 24 hours a day, 7 days a week.
- Federal Employment Information System is a network/personal computer based software package designed especially for employment information providers responding to telephone, walk-in, or correspondence inquiries from employees and the public.
- Federal Job Opportunities Board is a computer-based bulletin board system that receives an average of more than 24,000 calls per month from callers seeking federal employment information 24 hours a day, 7 days a week. Job seekers may also contact OPM on Internet.

Application and Examining Systems

OPM has been using automated examining processes for about 18 years. These processes are being offered to agencies for their own use and may be of greater benefit if the NPR recommendation to turn over all examining to agencies is implemented. Examples of systems implemented within the last few years include:

- The Telephone Application Processing System allows job-seekers to apply for federal employment directly through a touch-tone telephone. Voice prompts direct callers to respond to questions on education, experience, licenses, occupational specialties, and veterans' status. This process eliminates the costly and more time consuming process of manually reviewing job applications and can verify employment qualifications soon after an application is filed.
- The Microcomputer Assisted Rating System allows human resource staff to develop applicant screening tools for specific vacancies and develop customized examining processes suiting their specific hiring needs. Up to 50 machine readable applications can be scanned and evaluated per minute.

Changes to Personnel
Actions Through Employee
Express

The Employee Express Inter-Agency Task Force was formed in 1994 to define the technology, cost-benefits, and options available to provide current employees with immediate access to information about their own personnel and payroll records and the ability to directly process those actions which are at their discretion. Such actions would include changes to health benefits, Thrift Savings, pay allotments, tax withholding, bonds, and addresses. The technologies used will include use of touch screen kiosks and touch-tone telephones with toll-free numbers to enable employees to make changes from their homes or offices. The Employee Express system will empower employees, reduce processing time and effort, and remove a layer of personnel office activities. According to OPM, this initiative has the potential for enabling agency personnel offices to eliminate up to 50 percent of their personnel transactions, resulting in tremendous savings governmentwide.

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