

GOVERNMENT MANAGERS COALITION

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July 16, 2018

The Honorable Mark Meadows
Chairman
Subcommittee on Government Operations
House Committee on Oversight and Government Reform
2157 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Meadows,

In the decades since the 1978 Civil Service Reform Act (CSRA) passed, structural problems have become apparent as both the nature of work and the demand on civil servants have become increasingly complex. Due to the statutory and regulatory frameworks that govern the civil service, the federal government's talent management and personnel system remains stuck in a quagmire. Purported reforms over the years, such as the *Veterans Access, Choice and Accountability Act of 2014* (P.L. 113-146), have made the system harder to manage and have taken the focus away from what is really at the core of staffing any agency or department: identifying the necessary skills for each position, then attracting and identifying the right people for the job at the right time.

The Senior Executives Association (SEA), in conjunction with our partners in the Government Managers Coalition (GMC) – the FAA Managers Association (FAAMA), the Federal Managers Association (FMA), the National Council of Social Security Management Associations (NCSSMA), and the Professional Managers Association (PMA), collectively representing the interests of over 250,000 supervisors, managers, and executives serving throughout the federal government --has long and repeatedly identified ways to address systemic civil service reforms. SEA appreciated the opportunity to address some of these concerns in its May 16, 2018, testimony before the Committee.

The most significant challenge facing Congress and the Administration is to resist piecemeal changes to federal human capital modernization, and to instead work together to address comprehensive, long-lasting reforms that will provide agency heads and human resource managers with the necessary tools and guidance on how to recruit, develop, and retain the federal workforce of the future. The GMC believes this more holistic approach is necessary and is developing comprehensive proposals to lead this conversation. Some of the changes needed are regulatory, while others require cultural shifts in how we manage and identify talent -- changes which could be accomplished in absence of legislation. However, there are several core items that require legislation, some of which we have outlined below.

Many of the items that require statutory changes will likely require a deeper review and additional hearings, but we have identified those items we believe could be done now that will open the door for the transformational changes we believe are ultimately necessary. The GMC looks forward to working with you, your colleagues in Congress, the Administration, and other stakeholders on these issues and to discussing these proposals in more detail in the coming months.

The following specific items were identified in the May 16 testimony by the Partnership for Public Service (Exhibit 1; Number in parentheses correspond to the Partnership list). We have listed them in the order of their importance to the GMC.

Develop Career Leaders (#4)

Many of the government's personnel and performance issues stem from the fact that, often, technicians and subject matter experts are promoted into supervisory roles in order to earn promotions, even as many do not actually wish to manage people and, indeed, often lack the political, negotiation, and interpersonal skills necessary to successfully do so. This problem is not unique to government.¹

The single most important thing Congress can do to alter the trajectory of leadership and management practices in the federal government is to invest in the intentional cultivation of leaders at all levels and to professionalize the practice of leadership.

- Although overall General Schedule reform is needed, a starting place is to create a dual-track system for supervisors/leaders and technical specialists.
- Begin rotational programs for promising GS-11 through GS-13 employees interested in management to provide them with an opportunity to work in different program and management offices, thus developing an enterprise view of how they each work together and contribute to the agency's mission.
- Require joint duty for GS-15 employees, rather than mandatory rotation at the SES level.
- Create a requirement for continuing development of leadership skills and a leadership certification program for all SES.
- Professionalize and develop mission support staff by requiring professional competencies and certification for functions such as HR specialists, acquisition specialists, IT specialists, et al.
- Amend *GPRAMA* to require that diversity and inclusion be embedded in agency strategic planning and talent management².
- Require the creation of a centralized database of leadership development programs inside and outside government that employees can easily use to identify growth/development opportunities.
- Require the creation of a centralized platform to post details and rotations so employees can more easily move between agencies.
- Require security clearance reciprocity, suitability reciprocity, and paperwork reciprocity, as well as a clear process for details and rotations to better enable the management of employees as an enterprise asset and to better facilitate rotating employees across government.
- Creation of a centralized training center for mandatory/government-wide required check-the-box trainings – use a shared services model to save money, rather than having each agency create their own trainings and systems.

Political Appointee Reform (#10), Hold Leaders Accountable (#1) & Address Accountability (#5)

The GMC recommends a reduction in the number of political employees, which would help streamline decision-making and could save taxpayers nearly \$1 billion over ten years, if the number of appointees were capped at 2,000. According to the findings of two National Commissions, multiple task forces, and scholars like Dr. Paul Light, excessive political appointments “actually undermine effective presidential control of the executive branch.” Unnecessary bureaucratic layering of appointments, coupled with underprepared career leaders has proven to be a recipe for breakdowns.³

¹ <https://news.gallup.com/businessjournal/182378/one-people-possess-talent-manage.aspx>

² Broadening Participation <http://journals.sagepub.com/doi/abs/10.1177/0002764218768863>

³ <https://volckeralliance.org/sites/default/files/attachments/Vision%20%2B%20Action%20-%20The%20Volcker%20Alliance.pdf>

- Require agencies, in conjunction with PPO and OPM, to provide comprehensive onboarding to all new political appointees, including introduction to agency budgets, strategic plans, human capital requirements, performance management, and agency culture.
- Require all political appointees to have performance plans that conform to OPM and agency standards and align to agency strategic plans.
- Reduce the number of political appointees, making some positions career reserved, especially those positions at the C-Suite level that oversee management, not policy, functions –
 - *Base the percentage of non-career Senior Executives permitted on filled, not allocated positions, and reduce the percentage permitted at any agency from 25% to 15%.*
 - *Require agencies to fill positions that entail direct responsibility for agency-wide administrative functions in the areas of finance, acquisition, information technology, and human resources with career appointees.*
 - *Designate the assistant secretary for administration or management (or comparable position) as career reserved.*
 - *Require all cabinet level agencies to have at least one career Senior Executive at the principal Deputy Assistant Secretary level for each Assistant Secretary or comparable position.*
- Reduce the number of political appointees requiring Senate confirmation for management, not policy focused, jobs – especially at agency components.
- Require Technical Qualifications for certain management-focused jobs, e.g. CFO, CIO, CAO, CHCO to ensure that either career appointees or political appointees have the necessary experience and skillsets to succeed in those positions.
- Increase transparency by publishing all political appointments annually in the Federal Register, regardless of whether the appointment is PAS or not.

Address Accountability (#5)

Facilitate and standardize the termination of poor performers; It should not require an army of lawyers to effectuate a personnel action. The current adverse actions and appeals process is so complex and cumbersome that many managers are reluctant to go through the seemingly endless steps of addressing employee conduct and performance issues. This reluctance is compounded with challenges in the hiring arena, where managers often decide to keep a suboptimal employee because the alternative is having no employee at all to perform necessary duties.

- Eliminate the statutory requirement that creates Performance Improvement Plans (PIPs).
- Require agencies to build out levels of onboarding and training for new employees, new supervisors, and new Senior Level employees that focuses on the expectations of the agency at each level, the tools employees need at each level, and the stewardship of taxpayer dollars through personally and professionally carrying out their duties.
- Amend Title 5 to require mandatory supervisor training every three years.
- Create an ombudsman position within agencies to serve as a liaison to supervisors on personnel actions.
- Provide funding for an online playbook with information on how to handle adverse actions, performance problems, improving employee morale, and other areas supervisors may need guidance.
- Increase the table of penalties for holding Senior Executives accountable.
- Streamline adverse actions appeals and mitigate forum shopping through consolidation of OSC, MSPB, EEOC federal under a single adjudicative entity.
- Probationary period – need to affirmatively decide to keep employee. Manager accountability for making the decision. If manager doesn't make it supervising people, they are kicked back into a functional role instead of getting fired.

- Probationary period – new probationary period for managers moving into jobs with a higher level of complexity. If he/she can't succeed, fall back to prior level.

Use Data (#9)

Currently, there is neither a government-wide set of data standards, nor a standard for data curation to ensure federal data is usable and transparent. Federal employees also lack access to essential training on best practices for data collection, use, and analysis. The GMC believes Congress can help create a data-centric culture in agencies to more effectively and efficiently deliver programs and services – but that to do so requires a focus on ensuring employees throughout the agency understand data and have access to it.

- Create standards and governance for data, along with a named owner (e.g. NIST, Chief Data Officers, U.S. Chief Statistician) to ensure the system is designed to hold agencies accountable for conforming to the new standards.
- Require agencies to train employees on the collection and use of data.
- Empower a central office in each agency to oversee the standards and enterprise use of data to inform agency planning and decision-making.
- Think through datasets and bring together performance data, evidence and evaluation, and other program data in a curated, visually usable, and transparent format; require Performance.gov, USAspending.gov, and Data.gov to create common curation and linkage standards to allow for more transparency for taxpayers; create a data cloud with funding for these sites to ensure any new data systems are interoperable.
- Amend the Paperwork Reduction Act to make quick citizen service satisfaction surveys easier to execute.

Fix Hiring Process (#2) and Make It Easier to Move in/out of Workforce (#6)

The government's hiring and recruiting system is designed to ensure employees can't hire their brother-in-law, rather than to ensure the agency can get the talent it needs. If agencies and departments are to meet their missions to improve the delivery of services to taxpayers, and if the government is to better compete for talent, this approach must change.

- Require agencies to routinely assess the skills necessary for jobs, especially at the senior levels, and create an overall talent management plan aligned to the specific agency's strategic plan.
- Agencies should have a comprehensive manpower function enabling them to understand the requirements and costs for jobs at all levels – whether those jobs are accomplished by a federal employee, contractor, or other type of personnel (i.e. military or reservist).
- Require the use of shared certificates for most hiring actions and create a federal Talent Assessment Center that can help agencies identify skills needed for jobs and the skills of incoming applicant to provide better matches.
- Create a task force to explore total compensation packages and the possibility of portable benefits in the federal sector.
- Establish career passports to allow exit and reentry from public service, ensuring the federal government benefits from the skills federal employees gain in the private sector and simplifying a return to federal service at a higher level.
- Address appropriations issues that stymie project-based work and HR planning.
- The GMC supports several important government-wide provisions in the House and/or Senate National Defense Authorization Acts (NDAAs) currently in conference, including:
 - House Section 1106, Extension of authority to conduct telework travel expenses test programs
 - House Section 1107, Personnel demonstration projects
 - House Section 1108, Expanded flexibility in selecting candidates from referral lists

- House Section 1109, Temporary and term appointments in the competitive service
- House Section 1110, Expedited hiring authority for college graduates and post-secondary students
- House Section 1112, Reporting requirement
- Senate Section 1122, Expedited hiring authority for college graduates and post-secondary students
- Senate Section 1123, Increase maximum amount of voluntary separation incentive pay authorized for civilian employees
- Senate Section 1124, One-year extension of temporary authority to grant allowances, benefits, and gratuities to civilian personnel on official duty in a combat zone
- Senate Section 1125, One-year extension of authority to waive annual limitation on premium pay and aggregate limitation on pay for Federal civilian employees working overseas

Fill Critical Vacancies (#4/10)

Leadership vacuums stymie the ability of organizations to seamlessly execute mission and provide service to taxpayers. Acting leaders are not fully empowered to make all necessary decisions, therefore succession planning and thoughtful/intentional alignment of key staff and positions – for both career and political leaders – are two important areas of focus.

- Review the above proposals around converting management positions to career reserved. This would cut down on the number of vacancies across a presidential transition and would also provide for continuity of agency operations.
- At the career level, agencies should be required to have comprehensive talent management IT systems that allow them to track vacancies, hiring efforts, and skillsets required for each vacancy.
- Congress should appropriate funding for agencies to modernize their human capital systems, but require agencies to employ a shared services model to ensure interoperability and to more easily allow employees to transfer between jobs and agencies.
- There are currently 13 agencies without permanent Inspectors General – Presidents and Congress alike must prioritize filling key oversight roles.

Overhaul the Pay & Classification System (#3)

The GMC agrees that it is time for a comprehensive overhaul of the pay and classification system; federal agencies and personnel are currently governed by a byzantine morass of over one hundred systems. Discrete proposals are listed below. However, absent the creation of a strong and professionalized talent management and assessment system, pay reform will not be as effective in meeting government needs as it could and should be.

- Implement market incentive pay that address market realities such as shortages in particular skills or regional considerations.
- Modify or phase out, as appropriate, the General Schedule (GS) to ensure flexible pay bands for a variety of occupations, with the ability to allow for performance-based salary adjustments.
- Allow for two salary adjustments per year – an annual comparability increase and a performance-based increase.
- Revamp the classification system through assessments of jobs, position descriptions, and skills to determine the pay band level for each position.
- Any changes to the GS should be conducted through agency pilots and a ten-year phase-in period.

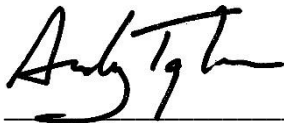
- Eliminate time-in-grade requirements, which impede the early promotion of highly-skilled employees.
- Delink SES pay from the Executive Schedule.
- Restore locality pay to the SES.
- Provide annual increases (based off the GS increases) to Senior Executives rated Fully Successful or higher.
- Increase the floor of SES pay to 5% above the top GS pay level.
- Create a pay system sunset board – every 5 years agencies need to prove their existing statutory personnel flexibilities are giving them the capabilities they claim they needed, or the authority lapses and they revert to a more common system.

Given what federal employees are able to accomplish within the current system, just imagine what they could do without the unnecessary red tape and bureaucracy hindering their work to deliver on their agencies' missions on behalf of the American people. The GMC is eager to roll up our sleeves and help drive the important conversation around the need for comprehensive civil service modernization. As we hope this communication demonstrates, many federal employees are eager – and indeed have been waiting years or even decades – to see meaningful updates enacted in the civil service.

SEA Executive Director Jason Briefel (briefel@seniorexecs.org) may be contacted with questions and to coordinate further engagement with the GMC on this letter and these proposals.

Thank you again for the opportunity to weigh in on this very important topic.

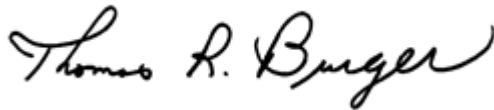
Sincerely,



ANDY TAYLOR
President
FAA Managers Association



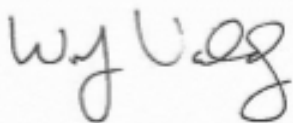
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CC: Members of House Committee on Oversight and Government Reform

Exhibit 1 - Partnership for Public Service President/CEO Max Stier 10 Civil Service Modernization Ideas

1. Hold leaders accountable

- a. Leader ownership by political leaders is critical – and this includes Congress. Need to be accountable for management; not just rewarded for policy development and crisis management
- b. Establish clear performance plans for political leaders and hold more hearings and meetings with agencies on management issues

2. Fix hiring

- a. On average, it takes the federal government 106 days to hire an employee, well over double the private sector
- b. Quick – direct hire for recent grads, change the standard for OPM approval of direct hire authority to the need to demonstrate a shortage of highly qualified candidates versus a shortage of minimally qualified candidates.
- c. Use student interns as a pipeline for entry level talent.

3. Market Pay

- a. Pay system was last overhauled in 1949 and does not reflect the realities of the modern labor market. Must move to more market sensitive system

4. Develop better career leaders

- a. More and better training for new supervisors and managers
- b. Create a dual promotional track for technical experts
- c. Strengthen the SES

5. Address accountability

- a. Only 28.2 percent of federal employees agree that their work unit takes steps to deal with poor performers who cannot or will not improve
- b. Firing feds faster not the answer, better management is. Use the probationary period and require managers to make an affirmative decision to retain someone

6. Mobility

- a. Public-private talent exchange
- b. Create a “passport” to make it easier for former feds to return noncompetitively at level for which they are qualified not at what they left

7. Customer service

- a. Exempt voluntary citizen feedback from the PRA so that agencies can build the voice of the customer into their programs.

8. Create a culture of recognition

- a. Visit agencies – shout out to Meadows & Connolly
- b. Require IGs to focus not just on what is going wrong in agencies, but what agencies are doing well that can be expanded to other agencies.

9. Use data

- a. Data can be a powerful management tool and a means by which Congress can hold agency leaders accountable for the health of their organizations.
- b. FEVS represents the most comprehensive data on employee views that government has.
- c. Benchmark data for administrative processes provides to highlight and build upon management efficiencies.

10. Address lack of political leadership

- a. Reduce the number of political appointees and those that require Senate confirmation.