



# HR Highlights

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## Dear Colleagues:

Welcome to December *Highlights*!



As Human Resources (HR) professionals, we are increasingly challenged to take a more strategic perspective regarding our role in the organization. We find that as HR professionals respond to this challenge, measuring HR's performance and our contribution to the Department's mission consistently emerges as a key theme. The result is managing VA's HR Architecture, that is, the sum of the HR function, the broader HR system and resulting employee performance and behavior, as a strategic asset and measuring our contribution to mission accomplishment. Key measurement components include:

- Highly competent and high performing HR staff;
- HR alignment to the Department's strategic goals;
- Development of competency models that form the basis for hiring, developing, managing, and rewarding the workforce;
- Effective performance management systems;
- Timely HR policy and program development;
- Workforce/succession planning and forecasting;
- Professional development;
- HR Flexibilities;
- Results of employee surveys;
- Recognition and Reward Programs; and
- Marketing and Recruitment.

These are monumental responsibilities that will require close focus as an HR community. HR professionals must demonstrate value added service through effective and proactive management based on solid performance measures and outcomes. Over the years, we in HR have suffered loss of resources, loss of HR professionals, and loss of status as independent organizations. Today, our challenge is to continuously provide service and be a strategic partner. Mel Sessa, Director, Office of Workforce Planning, is chairing a group of HR professionals who will design a plan for "Rebuilding the HR Profession." Once complete, we will provide a briefing to VA's Strategic Management Council comprised of the Secretary's senior leadership team to obtain approval of the Rebuilding group's recommendations.

This month's *Highlights* features several articles on those HR issues listed above as well as an overview of Human Capital Standards as established by President Bush. Enjoy this month's edition and have a happy and safe holiday!

**Ventris C. Gibson**

# Human Capital Standards

In August the President issued his Management Agenda for improving the management and performance of the federal government. The Agenda contains five government-wide, mutually reinforcing goals: strategic management of human capital; expanded electronic government; competitive sourcing; improved financial performance; and budget and performance integration. The Office of Management and Budget (OMB), in coordination with the President's Management Council, developed standards of success for each of these goals. These standards were translated into an Executive Branch Scorecard that will be used to show both how well a Department or agency is executing the management initiatives, and where it scores at a given point in time against the overall standards for success.

The scorecard employs a 3-level rating system: green for success; yellow for mixed results; and red for unsatisfactory. OMB has indicated its "intention to devote a significant portion of the FY-2003 budget request to a discussion of the management issues affecting each department or agency. Further complementing the traditional attention to resources and funding requests will be a greater focus on specific program performance and effectiveness."

The human capital standards for success require meeting all of the following core criteria:

- Agency human capital strategy is aligned with mission, goals, and organizational objectives;
- 1) integrated into Budget and Strategic plans;
- 2) consistent with OPM's human capital scorecard (issued in December 2001); and 3) complies with standards for internal accountability systems to ensure effective merit-based HRM.
- Agency has a citizen-centered organizational structure that is delayed and oriented toward performing the mission assigned to it.
- Agency 1) sustains high-performing workforce that is continually improving in productivity; 2) strategically uses existing

personnel flexibilities, tools, and technology; and 3) implements effective succession plans.

-No skills/deficiencies exist in mission critical occupations.

-Agency differentiates between high and low performers through appropriate incentive and rewards.

-Changes in agency workforce skill mix and organizational structure reflect increased emphasis on e-government and competitive sourcing.

More information regarding the scorecard and standards of success involving the other goals can be obtained from OMB Memorandum M-02-02, dated October 30, 2001, which can be viewed at <http://www.whitehouse.gov/omb/memoranda/m02-02.html>.

OHRM is actively involved with our customers in a number of initiatives that will help ensure VA's success in achieving the human capital standards. These include the development and implementation of a Departmental Workforce and Succession Plan; development of a Professional Development framework; implementation of the SES Candidate Development Program; development of a report with recommendations to improve the use of HR flexibilities which appear to be of most value; obtaining automated recruitment and classification systems; and analyzing the results of the One-VA Survey and developing recommendations for common concerns that cross organizational lines. We have shared information about some of these initiatives in previous editions of the newsletter and provide additional information in other articles in this month's edition. I will keep you informed of our progress.

**For additional service, contact  
Bob Clayton, 202-273-4920**

# The Human Capital Scorecard

**What is it?** - The Human Capital Scorecard provides a way to take the pulse of an organization's workforce by assessing its "readiness" to do a job. It looks at how well it can deploy the skills, communications, leadership and teamwork that are required. It was developed in collaboration with agency HR directors and draws heavily on private sector practices. The scorecard has four columns

1. Dimensions of Human Capital Assets - This column identifies the five key dimensions of human capital management for the Federal Government. **They are: Strategic Alignment, Strategic Competencies, Leadership, Performance Culture, and Learning.** These dimensions were identified through working with the HR Balanced Scorecard Collaborative, a group of Fortune 500 private sector companies who have been in the process of defining human capital measures for their own use, and drawing on other research of private sector practices.

2. Performance Goals - This column includes specific performance goals for all government organizations to adopt to improve Federal human capital management. The specific goals were chosen for three reasons:

- ✍ Because research shows that most top performing organizations in the private sector (and in government) do these things;
- ✍ Review of government-wide studies show that most Federal agencies are not doing these things effectively;
- ✍ And, they align with specific strategies and objectives outlined in the President's Management Agenda.

3. Measures - This column includes performance measures which can be used to assess progress and compare individual agency performance with government-wide performance on achieving these goals. Some of the measures will be collected by OPM using a government-wide survey or data from the Central Personnel Data File, or from other surveys. Others will be based on information gathered from agency data systems and progress being made against action plans. A number of the measures will permit benchmarking against high performing organizations in both the private and public sectors.

4. Operational Application of Measures - This column provides more practical information on how the measures are to be applied. In some cases this involves the OPM government-wide survey, in which case OPM will be responsible for preparing the results. In other cases, the measurement involves completion of a step in an action plan which will involve an assessment by the OPM reviewer. And finally, some measures require calculations based on data from CPDF and agency sources which will involve OPM and agencies working together. Although relatively straightforward, OPM will work with each agency to reach an understanding for the application of each measure.

## Human Capital Scorecard (continued)

### How will it be used?

The scorecard is designed to be used in combination with OMB's Human Capital Standards and will be used to show progress in putting together the best possible workforce to carry out an agency's missions. A number of the measures will show progress against targets on action plans, such as closing the gap in strategic competencies. Others will be based on employee perceptions of the workforce culture and leadership and will allow for both comparisons against a baseline and governmentwide averages. Finally, as your restructuring plans start to bear fruit, confirmation should be shown in the results of the scorecard.

In VA, the Office of Workforce Planning has responsibility for coordinating the Human Capital Standards and the Human Capital Scorecard.

## Human Resources Management Rebuilding Work

The Human Resources Management (HRM) Rebuilding Work Group will meet on December 12 and 13 in Washington, DC. The group consists of fifteen HRM professionals representing the three Administrations and VA Central Office. In looking at the next five years, 56% of VA's HRM Officers can retire. If senior staff such as HRM Assistant Chiefs are included, retirement eligibility increases to 86%. The potential loss of large numbers of HR professionals along with their years of knowledge and experience is potentially devastating to the HRM program area.

The work group will develop a report that includes a Strategic Plan for presentation to VA leadership identifying the steps needed to rebuild the HRM profession. The report will be straightforward with meaningful and realistic recommendations, covering issues such as the retention of current HR staff, recruitment of new talent, employee development, and the impact of HR Links. We hope that this effort will become a model to use in rebuilding other crosscutting VA career fields, such as acquisition and finance. To assist with this effort, an electronic survey was sent to all of VA's HRM Officers asking for a listing of current vacancies, the average length of time to fill vacancies, and identification of the most serious problems facing the HR profession. The survey results will be posted on the Workforce Planning web site. We look forward to this initiative and will provide you with updates in future newsletters.

**For additional service, contact  
Mel Sessa, 202-273-8682**

## WORKFORCE AND SUCCESSION PLANNING WEB SITE

Log on to the Office of Human Resources Management Workforce and Succession Planning Web Site! Access may be gained at <http://vaww.va.gov/vaworkforceplanning>.

The site includes a letter from the Secretary sharing his thoughts on workforce and succession planning. The site also contains a section entitled "VA Workforce Statistical Data" that shows past and projected retirements for each VA occupational series from FY 1998 through FY 2005, and the net change in total employment by series for each of the past three fiscal years. We will be updating this information in the near future to show employment data as of September 30, 2001. There is also a link to the Veterans Support Service Center for customized reports. The complete VA Workforce Analysis and Five-Year Restructuring Plan submitted to OMB are included on the site. You will also find links to Administration activities and other workforce and succession planning information. We hope you find this information useful and encourage you to share your comments and feedback regarding how we can make the site more helpful and informative for you.

**For additional service, contact  
Mel Sessa, 202-273-8682**

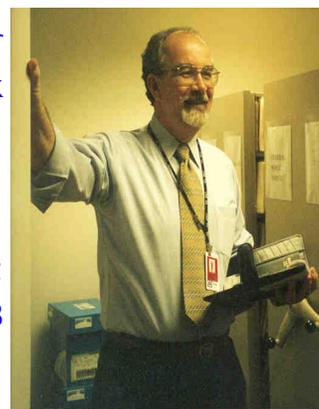
## HRM Monthly Conference Call

Join us on the 2nd Wednesday of each month at 3:00 PM (EST) for some lively discussion on HR topics of relevance and interest. Mark your calendars now for the next quarter of conference calls:

January 9th, February 13th, March 13th

The call-in number is 1-800-767-1750. Hope to hear you then!

**For additional service, contact  
Kenneth Quantock, 202-273-9753**



# VA's Next Generation Work Group

The Office of Workforce Planning (OWP) hosted VA's Next Generation Work Group to obtain the input of aspiring VA employees on recruitment, retention, and development issues that face the Department. The group consisted of 13 highly motivated, enthusiastic participants from all over the Department.

Three questions helped to focus the group's discussions:

- ✂ Why did you choose to work for VA?
- ✂ What keeps you working for VA?
- ✂ What can we do to recruit and retain others like you?

Based on these three questions, the group identified the following key recommendations regarding how VA can address recruitment, retention, and development issues, particularly for younger employees:

- ✂ Develop a national marketing campaign to improve the image of VA.
- ✂ Improve VA compensation and benefits.
- ✂ Create a performance-based organization.
- ✂ Develop a centralized professional development program.
- ✂ Create a VA Young Professionals Association to serve as a resource for new ideas.

The group's full report will be shared with VA's top management at the Strategic Management Council meeting in January and will be made available to all VA employees through the Department's Workforce and Succession Planning Website. Further, OWP will incorporate these ideas into VA's workforce planning efforts, particularly as it rolls out a Departmental recruitment and marketing initiative. As part of this Next Generation effort, OWP will continually involve employees throughout the Department to obtain their ideas on how to ensure that VA maintains a high quality, diverse staff to serve our Nation's veterans. We welcome your ideas on how to further this effort.

**For additional service, contact  
Laura Shugrue, 202-273-9925**



# **HUMAN RESOURCE (HR) FLEXIBILITIES STUDY**

There has been a great deal of discussion in the Federal government lately regarding the use of existing HR flexibilities. That discussion has usually been in the context of whether major civil service reform is necessary or not. An HR flexibility is a law, rule, or regulation that gives agencies the authority to deal with difficult work force management issues in other than the "normal" manner. Examples would include the utilization of recruitment bonuses for hard to fill positions and retention allowances for employees with unique job skills who are critical to organizations' missions. The creative use of incentive awards to aid in retention can also be considered an HR flexibility, as can certain types of appointing authorities that might cut through some of the red tape ordinarily associated with hiring in the Federal government.

The Office of Human Resources Management (OHRM) has begun a study to find out the extent to which VA uses these existing HR flexibilities. A team has been formed to develop an inventory of the HR flexibilities that already exist. A consultant has been retained to mine data relevant to this issue from the VA's PAID personnel data system. The processes of inventorying and data mining are currently underway. OHRM is also working to develop a request to the Office of Personnel Management (OPM) for similar data from other agencies on their use of the same flexibilities. The data from OPM will allow us to compare VA's performance in using existing HR flexibilities with the performance of other agencies. After the gathered data have been analyzed in January 2002, OHRM also intends to contact certain VA field facilities, also in late January to explore why certain flexibilities work well for some and less well for others. As results of the One-VA All-Employee Survey become known, they too will be examined to determine relationships among the different sources of data. The initial outcome will be a report to VA's Strategic Management Council (SMC) in mid-February identifying the most useful HR flexibilities, how VA did in using them, and suggestions for improvement where appropriate.

For additional service, contact  
Dennis Curley at 202-273-9816

## **Human Resources Training and Development**

The Deputy Assistant Secretary for Human Resources Management recently released a training and development program for VA's Human Resources (HR) Professionals for Fiscal Year 2002. The plan was developed by the Human Resources Development Service in collaboration with the VA Learning University and members of the VA HR community.

The courses in the plan are designed to alleviate the immediate training needs of VA's newly hired HR practitioners Department-wide and to renew the technical competencies of VA's more seasoned HR Specialists. Managers and supervisors are asked to assess the HR competencies of their staff and identify the employees who will receive the greatest benefit from attending these courses.

For additional service, contact  
Marilyn Buckler, 202-273-9757

## **SES CANDIDATE DEVELOPMENT PROGRAM**

(Jointly Sponsored by Human Resources  
Development and the Executive  
Resources Service Divisions)

We announced the Department's Senior Executive Service Candidate Development Program (SESCDP). This opportunity has been extended until January 11, 2002, in order that employees have sufficient time to submit their paperwork, in light of the recent delay in mail service. The Secretary plans to select up to 20 candidates to participate in the program. SESCO's goal is to create an appointment-ready SES cadre in the Department. The training program lasts 12-18 months depending upon a selectee's Individual Development Plan and includes elements such as Orientation, details, mentoring and training. The application process is similar to other Civil Service jobs, although it differs in two important aspects. Individuals must sign a mobility agreement and submit first and second level supervisory appraisals. The skills, knowledge and abilities required are OPM's SES Executive Core Qualifications factors of leading change, leading people, results driven business acumen, and building coalitions. The vacancy announcement can be found on OPM's website, [www.opm.gov](http://www.opm.gov).

**For additional service, call  
Karen Norman, 202-273-9762  
Joyce Mitchell, 202-273-9800**

## **Presidential Management Intern Program**

The Office of Human Resources Management (OHRM) received a memorandum from the Office of Management and Budget, Executive Office of the President, proposing to amend the Presidential Management Program (PMI). The amendment would allow a greater number of outstanding program participants for careers in the analysis and management of public policies and programs. Currently, there is a cap of 400 interns per year. The Executive Order Proposes to remove the cap on the number of PMIs that could be hired in any given year. OHRM responded that VA is in favor of this amendment.

**For additional service, contact  
Max Collier, 202-273-9758**

# National Veterans Employment Program

On Tuesday, December 11, 2001, Mr. Willie L. Hensley, Director, VA National Veterans Employment Program, briefed representatives of the Veterans Service Organizations on the National Veterans Employment Program (NVEP). The NVEP focuses on assisting veterans in their efforts to obtain employment using their veteran preference status. Currently, 26 percent of VA's workforce is comprised of veterans. Mr. Hensley emphasized the importance of marketing VA and employment opportunities to veterans. He also highlighted strategies for recruiting a highly qualified pool of candidates to fill vacancies that would be generated by the human capital resources crisis (the vast number of VA employees who are retirement eligible). Mr. Hensley also highlighted strategies for visiting transition assistance centers around the country to provide information on employment opportunities in VA and veterans preference. NVEP has spearheaded VA's participation in one major career conference since the program's inception in June 2001. However, plans are being finalized for VA's participation in job fairs and career conferences throughout calendar 2002. NVEP is also working to establish formal partnerships with civilian companies that have asked for help in recruiting veterans for vacancies in their organizations. Mr. Hensley indicated that such partnerships would extend a full range of employment opportunities to veterans. He has asked for the support of HR specialists, VA managers and selecting officials in extending to eligible veterans, employment opportunities afforded under veterans preference guidelines and the Veterans Employment Opportunities Act of 1998, Public Law 105-339.

**For additional service, contact  
Willie Hensley, 202-273-6775**

## Voluntary Early Retirement Authority (VERA)

### Policy Corner

The Office of Personnel Management (OPM) granted VA the authority to use Voluntary Early Retirement during FY 2001. This authority provided alternatives to Reductions in Force as VA continues to restructure its resources to improve service to veterans. Of the approximately 30,000+ employees offered an "early out" during the last fiscal year, a total of 177 employees took advantage of this - the majority occurring in the 4<sup>th</sup> quarter. The average age of these early retirees was 53. As a result of this authority and the use of other HR flexibilities (such as buyouts), separations due to Reductions in Force were avoided. OHRM obtained a new VERA for FY 2002 for VA's use in its restructuring efforts.

**For additional service, contact  
Darryl Greene, 202-273-9703**

# OVERVIEW OF THE DELEGATED EXAMINING UNIT

The Shared Service Center (SSC) began offering Delegated Examining Unit (DEU) services in 2000 and consolidated the functions of the Richmond DEU within the SSC organization in May 2001. Since that time more than 2,600 applicants have become part of the federal employment system. In Fiscal Year 2001, the SSC DEU processed over 25,000 applications. The Richmond DEU has been in operation since 1983. The demand for its services grew so rapidly over the last five years that the Richmond unit was realigned with the SSC to provide the necessary resources to address this increase demand.

The Office of Personnel Management (OPM) delegated the authorization to establish DEU's to different agencies so that they could use the competitive process to fill federal positions with candidates applying from outside the federal workforce. OPM charges VA facilities to perform the same services that are offered through the SSC DEU. Currently, for a certificate of 50 applicants or less, OPM charges \$1,130. The SSC DEU offers this same service without charge. The service is provided as a result of a sharing agreement between the three VA administrations (VHA, VBA, NCA).

Any VA facility can utilize the SSC DEU services to recruit and advertise for any General Schedule (GS) position except ACWA and hybrid occupations. The positions can range from a secretary to a health system specialist. By using the Delegated Examining Unit (DEU) services offered at the Shared Service Center (SSC), Department of Veteran Affairs (VA) facilities can bring an external candidate on board within 30 days. This is from the time the application is received at the DEU to the time a selection is made by the selecting official in the field. While working with the DEU requires VA managers to get involved in the details of the staffing process, it offers them the opportunity to work directly with Staffing experts whose goal is to meet their needs in a timely and accurate manner. The SSC DEU staff assists the managers with determining opening and closing dates, recruitment strategies, advertising the position and meeting other recruitment needs.

A recent OPM change in the examination process has made hiring individuals for clerical positions easier. The clerical examination for federal employment is no longer required. Applicants who are new to government service are now rated and ranked based on the information found in their resume/application materials. Due to this change, an applicant can be on board as a new hire within 30 days. In many cases, the entire process is completed within 22 workdays - exceeding the current performance measure of 33 workdays.

OPM still maintains an oversight role where they ensure that all activities performed by the SSC DEU are in accordance with the merit system principles and standards. Training is also provided by OPM to DEU staff. Recent OPM audits of the SSC DEU functions were very positive about the high quality of work and accountability. There are approximately 17 staff dedicated to SSC DEU services.

**For additional service, contact  
Carolyn Jackson, 785-350-3750**

# REPAYMENT OF STUDENT LOANS

The Federal Student Loan Repayment Program will allow VA to repay federally insured student loans as a recruitment or retention incentive for candidates or current employees. As a recruitment tool, VA will be able to offer student loan repayments once an offer of employment has been made. As a retention tool, loan repayments can be made to current employees as one of many incentives designed to keep talented employees in the Department. VA policy will allow for the repayment of loans up to \$6,000 per year per individual with a lifetime maximum limit of \$40,000.

Coverage will include employees in General Schedule (GS), hybrid title 38, Senior Executive Service, Veterans Canteen Service, and Federal Wage System positions. The policy is currently out for VA Central Office review and concurrence. Target date for implementation of the policy is January 31, 2002.

**For additional service, contact  
Deborah Allen, 202-273-9700**