## **HUMAN CAPITAL MANAGEMENT ACCOUNTABILITY SYSTEMS**

- **1. REASON FOR ISSUE:** To re-issue Department of Veterans Affairs (VA) policies for human resources management (HRM) program evaluation in support of overall human capital accountability.
- **2. SUMMARY OF CONTENTS/MAJOR CHANGES**: This directive sets forth policies for VA's Human Capital Accountability Program, consisting of facility-level HR self-evaluations and on-site HRM assessments to evaluate VA's HRM program. A moderate number of changes have been made to the previous directive. Revisions to the related handbook are issued separately.
- **3. RESPONSIBLE OFFICE**: The Oversight and Effectiveness Service (054), Office of the Deputy Assistant Secretary for Human Resources Management.
- **4. RELATED HANDBOOK**: VA Handbook 5024, Human Resources Management Accountability Systems.
- **5. RESCISSIONS:** VA Directive 5024, Human Resources Management Program Evaluation, dated March 30, 2004.

**CERTIFIED BY:** 

BY DIRECTION OF THE SECRETARY OF VETERANS AFFAIRS:

/s/ Roger W. Baker Assistant Secretary for Information and Technology

/s/
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### HUMAN CAPITAL MANAGEMENT ACCOUNTABILITY SYSTEMS

**1. PURPOSE.** This directive establishes VA policies for human capital management (HCM) accountability systems, and outlines responsibilities for the conduct and review of Human Resources Management (HRM) program assessments. The provisions of this directive do not apply to the Office of Inspector General.

### 2. POLICY

- a. VA's HCM accountability program is the responsibility of top VA management, line managers, and human resources (HR) officials working together to ensure Federal and VA's HRM programs, policies and delegated HR authorities are carried out and are in accord with merit systems principles, title 5 and title 38 provisions, or other applicable laws, rules, and regulations related to human resources management.
- b. All VA elements are required by 5 Code of Federal Regulation (CFR) 250 to maintain an effective internal HCM accountability system for monitoring and evaluating HRM programs, results, and accountability. An effective VA HCM program depends on attracting, developing, and retaining quality employees from diverse backgrounds and ensuring that they perform at high levels. Sound investment in HC is essential if VA organizations are to achieve their missions. VA's HCM accountability program also ensures that there is an assessment of VA facilities use of HC processes. These processes should enable organizations to achieve program goals and objectives that accomplish VA's mission.
- c. The objectives of HRM assessments in VA are to ensure systems and measures are in place to assure that:
  - (1) HRM programs are responsive in carrying out VA's mission;
- (2) The spirit and intent of Federal HRM programs including laws, Executive Orders, rules, and regulations are being adhered to;
- (3) Major HRM objectives contained in 5 U.S.C. Chapter 23 and 38 U.S.C. Chapter 74 are being achieved:
- (4) Management's goals and objectives that are established giving special emphasis to certain program activities are given sufficient attention; and
  - (5) Action plans are developed and implemented as necessary to improve programs.
  - d. To meet these objectives:
- (1) The effectiveness of the VA-wide HRM program will be reviewed and evaluated on a continuing basis;
- (2) Analysis and evaluation of HRM will be accomplished annually at each management level with HRM authority. Findings will be coordinated with appropriate line and staff officials at field stations and in VA Central Office (VACO);

- (3) The Office of Human Resources Management (OHRM) reports annually to the Office of Personnel Management (OPM), the Secretary and other top management officials on the operational status of HRM programs so that the impact of findings can be taken into account in formulating management decisions; and
- (4) Each field station will conduct an annual HRM self-evaluation as an integral part of local management's systematic internal review system, to include the separate Delegated Examining Unit (DEU) assessment at facilities where such units exist. Documentation used to prepare the self-evaluation will be maintained for review during on-site visits. The self-evaluations will be conducted within an allotted timeframe during the beginning of each new fiscal year and posted to a designated web site. OHRM is also responsible for maintaining the current self-evaluation questionnaire and schedule of on-site reviews on a designated web site.

### 3. RESPONSIBILITIES

- a. The Assistant Secretary for Human Resources and Administration, in collaboration with Under Secretaries, Assistant Secretaries, Other Key Officials, and Deputy Assistant Secretaries, has overall program responsibility for assessment and evaluation of HRM programs, results, and accountability within VA.
- b. The Deputy Assistant Secretary (DAS) for HRM is responsible for the design and operation of VA's HRM assessment system consistent with this Directive and 38 U.S.C. 527 as it pertains to human resources management, and will:
- (1) Appraise internal VA HRM activities through on-site surveys, assistance visits, review of records, and analysis of management information systems reports;
  - (2) Develop methods of utilizing evaluation information to improve and strengthen VA's HRM;
- (3) Identify program activities that should be given additional attention department-wide, publicize these needs to all field stations, and measure established goals and objectives where needed. (The authority to evaluate HRM objectives is found in VA Handbook 5001, Part II, paragraph 7a. This includes HRM objectives found in VA Handbook 5001, Part II, paragraph 4, and specific objectives described in individual directives and handbooks.)
- (4) Establish appropriate procedures and provide follow-up action to overcome identified HRM deficiencies and recommend needed improvements;
- (5) Coordinate evaluation findings with appropriate management levels and annually provide necessary reports to top management officials;
- (6) Ensure appropriate collection, maintenance, and dissemination of information needed to accomplish the purpose of this directive and the requirements of 38 U.S.C. 527;
- (7) Coordinate HRM assessment activities with the Administrations and with OPM, to maximize program coverage and strive toward consistency in program assessment; and

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(8) Utilize appropriate procedures during on-site reviews to observe the rights of labor organizations.

- c. Under Secretaries, Assistant Secretaries, Other Key Officials, Deputy Assistant Secretaries, Veterans Integrated Service Network (VISN) Directors, Area Directors, Memorial Service Network Directors, equivalent officials or designee will:
- (1) Ensure that self-assessment of HRM is performed in their respective organizations, and that methods used are sufficient to support viable assessment and evaluation of HRM within their organizations;
- (2) Report at the request of the DAS for HRM on the adequacy of HRM within their organizations and offices;
- (3) Respond to requests for information or action from the DAS for HRM, and ensure that subordinate activities comply with required actions within specified timeframes; and
  - (4) Use assessment and evaluation information to improve HRM practices.
  - d. Facility Directors will:
  - (1) Perform annual self-assessments of HRM as required by paragraph 2c(4) above;
  - (2) Provide information requested by the DAS for HRM;
  - (3) Host on-site verification of HRM results by OHRM designated officials;
- (4) Furnish necessary support to representatives of the DAS for HRM in support of assessment requirements;
  - (5) Use self-assessment results to improve HRM within their chain of command; and
- (6) Actively cooperate in supporting HRM accountability within their organizational scope of authority.
- e. Human Resources Management Officers will cooperate fully with on-site evaluations conducted by OHRM representatives and provide assistance to organizations in carrying out HRM self-assessment programs that:
  - (1) Are consistent with facility size and mission;
  - (2) Ensure HRM services provided are most effective, efficient, and compliant;
  - (3) Comply with technical and legal requirements while being responsive to customer concerns; and
  - (4) Exemplify highly effective HRM products and services that transcend the entire organization.

# 4. REFERENCES

- a. Executive Order 13197 (January 2001)
- b. VA Directive 5001, System of VA Human Resources Management Directives and Handbooks, General Introduction and Administration
  - c. 5 U.S.C. 2301 (Merit Systems Principles)
  - d. 5 and 38 Code of Federal Regulations (CFR)
  - e. 38 U.S.C. Chapters 3, 71, 73, 74 and 78
  - f. 38 U.S.C. Chapter 5, Subchapter II, Sections 501 and 527
  - g. 5 CFR, part 250