

Human Resources Management (HRM) Accountability in Federal Agencies:

*Current Efforts and Future
Directions*



**United States
Office of
Personnel
Management**

Office of Merit Systems
Oversight and
Effectiveness

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TABLE OF CONTENTS

FOREWORD

| | |
|-------------------------|---|
| EXECUTIVE SUMMARY | 1 |
|-------------------------|---|

| | |
|--------------------|---|
| INTRODUCTION | 5 |
|--------------------|---|

| | |
|---|---|
| Background | 5 |
| Human Resources Management Accountability in a Deregulated Environment | 7 |
| The Office of Personnel Management’s Role in Human Resources Management Accountability | 9 |

| | |
|--|----|
| HUMAN RESOURCES MANAGEMENT ACCOUNTABILITY IN THE FEDERAL GOVERNMENT | 10 |
|--|----|

| | |
|---|----|
| Methodology | 10 |
| Findings | 11 |
| Perceptions about human resources management accountability | 11 |
| Roles and responsibilities for human resources management accountability | 13 |
| Programs and systems for ensuring human resources management accountability | 15 |
| Promising approaches to human resources management self-assessment | 21 |
| Perceived barriers to human resources management accountability | 28 |
| Summary of findings in the Federal Government | 32 |

| | |
|--|----|
| HUMAN RESOURCES MANAGEMENT ACCOUNTABILITY IN THE PRIVATE SECTOR | 33 |
|--|----|

| | |
|--|----|
| Current thinking about human resources management accountability | 33 |
| Systems thinking: Human resources management in support of mission accomplishment .. | 34 |
| Customer service: New roles for HR staffs | 35 |
| Communication: Sharing information to support accountability | 36 |
| Measurement: Assessing human resources management effectiveness | 37 |

| | |
|-------------------|----|
| CONCLUSIONS | 40 |
|-------------------|----|

| | |
|--|----|
| Current Realities and Future Challenges | 40 |
| The Office of Personnel Management’s Ongoing Actions to Support Human Resources Management Accountability | 41 |

| | |
|------------------|----|
| APPENDICES | 46 |
|------------------|----|

| | |
|---------------------------------------|--|
| Glossary of Terms Used in This Report | |
| Accountability Agenda Protocols | |

Merit System Principles and Prohibited Personnel Practices
Human Resources Management Data Indicators
Bibliography on Accountability

FOREWORD

This report summarizes information from an extensive factfinding effort on the state of Federal human resources management accountability, undertaken by the Office of Personnel Management during 1996.

In recent years, the Office of Personnel Management has adopted a renewed emphasis on the Merit System Principles in order to better carry out its statutory responsibility to ensure agency adherence to the Principles. These Principles are the shared core values by which the Civil Service operates. They also articulate the fundamentals of sound human resources management in the Federal context. As Federal human resources management becomes less rule-driven and managers obtain more flexibility, it is more important than ever for them to understand and apply these essential Principles.

A major aspect of the renewed emphasis on the Merit Principles has been a revitalized agency review function. The Office of Personnel Management is committed to periodic review at representative sites where personnel decisions are made in all major agencies. This is crucial if the Office of Personnel Management is to maintain a clear sense of whether the Principles are being adhered to, and identify and address agency-specific or more generic problems in this area.

This report focuses on a complementary and equally vital aspect of adherence to the Merit Principles, which is agency internal accountability programs. Agencies bear basic responsibility for their own adherence to the Principles, and are accountable for the effective use of their human resources. As this report shows, agencies are aware of this responsibility, but progress toward effective human resources management self-assessment programs has been uneven.

As a second major thrust in carrying out its mandate to support Merit Principle adherence, the Office of Personnel Management is committed to assisting agency efforts to develop or enhance existing self-assessment programs and systems. Broad improvements in agency human resources management self-assessment will also enable the Office of Personnel Management to make more targeted and effective use of its on-site review resources. This report is the first major milestone in the Office of Personnel Management's commitment to foster and encourage such improvement.

James B. King
Director

EXECUTIVE SUMMARY

The last several years have brought a great deal of change to the Federal human resources management arena. Decades of increasing pressure for less central control and more local authority culminated in the 1993 report of the National Performance Review, "Reinventing Human Resources Management". This initiative recommended significant reforms in staffing, performance management, pay and classification, as well as further delegation of authority from the Office of Personnel Management to the agencies, and within agencies to line managers. At the same time, downsizing of human resources staffs has compelled agencies to begin defining more human resources management responsibilities for line managers.

Deregulation and decentralization of human resources management authority and responsibility has inevitably given rise to the question: How can human resources management effectiveness be maintained in a manner consistent with the basic principles of a merit-based Civil Service? Striking a balance between autonomy and flexibility to support mission accomplishment on the one hand and sound management that reflects merit system values on the other has become a pivotal issue in Federal human resources management. To help spotlight this issue and begin to address it, the Office of Personnel Management conducted a Fiscal Year 96 baseline investigation into the state of human resources management accountability in the Federal Government. This report presents the results of that investigation.

In this report, human resources management accountability refers to the responsibility placed on Federal agencies to assess how effectively they are making use of their human resources, within the values expressed by the Merit System Principles. Accountability is a broader concept than compliance, although compliance with law is part of accountability. While managers are still responsible to uphold the law, agencies now have more flexibility to develop their own internal human resources management processes and more responsibility for ensuring that those processes support mission accomplishment.

To describe the state of human resources management accountability in the Federal government, we gathered information through interviews with human resources officials, focus groups with line managers, data analysis, and a literature review. We found a variety of perceptions, and several key points of agreement, about what accountability means and how it is sustained. To highlight what we found:

- ▶ There is a large amount of activity to support accountability, although much of it is not systematic or integrated.
- ▶ There is a growing awareness that managers should be primarily accountable for human resources management, yet at the same time a sense that support processes are not yet in place to help managers be accountable.

- ▶ There is a strong need to link human resources management effectiveness to mission accomplishment, meaning that accountability is not just about merit system laws, rules, and regulations, but also about methods for achieving organizational results.
- ▶ There is a plethora of data about human resources management effectiveness, but it is not always shared with managers in a meaningful way.
- ▶ Managers have a general knowledge of what is right and wrong in civil service human resources management, but not always a specific understanding of the practical application of the Merit System Principles and Prohibited Personnel Practices, and they want more training and information.
- ▶ Barriers still exist, both in Federally-mandated and agency-prescribed processes, that make it hard for managers and human resources officials to ensure human resources management accountability.

Some agencies have undertaken promising efforts to promote human resources management accountability, such as:

- ▶ developing automated data systems to give managers direct access to personnel information and the ability to initiate personnel actions,
- ▶ streamlining personnel procedures and changing the role of human resources professionals to become less rule-driven and more consultative, and
- ▶ implementing self-assessment of human resources management effectiveness and using the information to change human resources policies and practices.

Review of private sector approaches sheds light on how Federal agencies can achieve human resources management accountability. Where traditional personnel management evaluation focused more on procedures than on outcomes, there is now a shift in emphasis from accountability for process to accountability for results. This new focus requires organizational leaders to be explicit in their definition of human resources management effectiveness and commitment to results. A new approach to human resources management accountability requires key stakeholders, such as management, unions, and customers, to come to agreements about standards by which those results will be judged. It requires a sharing of authority and responsibility from the top of the organization to every employee, programs designed to support people in their efforts to be accountable, and evaluation processes that assess results rather than just procedures.

After studying many organizations' efforts to sustain human resources management accountability, both inside and outside the Federal government, we can draw some conclusions and point to future directions.

- ▶ Accountability needs to be placed where human resources management authority lies. More than ever, assessment of effective human resources management needs to be focused on line managers, to create “accountability for results.”
- ▶ Accountability for results requires new approaches. We have learned that accountability demands a customer service orientation, stakeholder involvement and empowerment, and targeted measurement to assess human resources management program effectiveness.
- ▶ Federal agencies have begun finding new ways to be accountable, yet there is still a widespread need for approaches that are more strategic, results-focused, and integral to the core business processes of each agency.
- ▶ The Federal human resources community is developing new roles and skills to support accountability for results. Many agency human resources staffs are explicitly changing their role definitions, now acting as consultants to managers.
- ▶ Communication is central to accountability for results. Human resources management accountability is best supported by a process that allows for ongoing communication among agency leaders, human resources officials, managers, employees, unions, and oversight groups.
- ▶ Measurement must result in change to support accountability. Many Federal workers say they have been "measured and surveyed to death" in recent years, but have seen little change in response to the data. Therefore, more attention needs to be paid to acting on feedback from assessment of human resources management effectiveness.
- ▶ Self-assessment is a necessary tool for achieving accountability. Accountability systems that are more internally-driven than externally-driven have more meaning for participants, support continuous improvement, and conserve resources.

To assist agencies in their efforts to ensure human resources management accountability, the Office of Personnel Management continues to play a leadership role through a variety of activities, such as:

- ▶ establishing expectations and providing general assistance, including a framework for agency self-assessment,
- ▶ offering access to data and other information to assist agencies in developing their own approaches to self-assessment,
- ▶ maintaining forums for information-sharing about accountability and promising approaches, and facilitating communication among agencies,
- ▶ supporting the efforts of agencies to educate employees about the Merit System Principles;

and,

- ▶ continuing information-gathering to monitor and further enhance the state of Federal human resources management accountability.

INTRODUCTION

BACKGROUND

The last several years have seen a dramatic change in Federal human resources management. The roles and responsibilities of the Office of Personnel Management, agency personnel staffs, and managers have begun to evolve in response to management trends and political mandates.

Traditionally, Government administrative systems have been characterized by uniformity and centralized authority and control. This approach was typified by central Office of Personnel Management hiring registers, and by the Classification Act of 1949, which established the Governmentwide General Schedule system for white collar job classification and pay. Systems like the General Schedule were predicated on what was then the make-up of the Federal work force -- a "government of clerks" performing a relatively uniform array of closely defined functions in the various agencies across Government. Such a workforce lent itself to a single, centrally controlled approach to human resources management.

The Office of Personnel Management and its predecessor, the Civil Service Commission, were responsible for maintaining this centralized system. The Commission tested applicants and compiled central registers, issued and interpreted regulations, issued classification standards, policy and guidance, and communicated detailed policy guidance to agencies through the Federal Personnel Manual. The personnel authorities that agencies did receive were often retained at high organizational levels.

However, challenges arose to this approach as the functions of Government multiplied and diversified, and the nature of work both inside and outside Government changed. Federal agencies became more diverse in their missions. Work within these agencies became more complex and less easily categorized, based more on application of general knowledge and skills than ability to perform specific learned tasks. Over time, one size no longer seemed to fit all as well as it once had.

By 1978, the year of the Civil Service Reform Act, Federal human resources management was ripe for significant reform. While the Reform Act did not deal directly with the General Schedule system, it did recognize the need for more decentralized management by placing more authority for human resources management in the hands of agencies and the agency managers responsible for mission accomplishment. For example, the Office of Personnel Management delegated substantial examining authority to agencies. Title VI of the Civil Service Reform Act established an authority for demonstration projects, which for the first time afforded individual agencies the opportunity to waive (with the Office of Personnel Management approval) portions of Civil Service law and regulations.

In the aftermath of the Civil Service Reform Act, the uniformity and central control of Federal

human resources management continued to erode. Delegations of examining authority became more and more widespread. Special pay rates -- whereby agencies could pay employees above the General Schedule because of local or agency-specific circumstances -- were authorized in increasing numbers. The Office of Personnel Management-approved demonstration projects successfully tested broadbanding, the first significant departure from the uniform General Schedule classification and pay system.

The Office of Personnel Management acknowledged these developments and the need for change by developing the Federal Employees Pay Comparability Act of 1990. While this act maintained the basic General Schedule system, it added a locality pay component, and offered new delegated flexibilities to agencies such as recruitment and relocation bonuses and retention allowances.

Meanwhile, agencies increasingly sought human resources management flexibility and autonomy that went even beyond what the Office of Personnel Management was able to provide under Civil Service law (Title 5 of the U.S. Code). Even before the Civil Service Reform Act, the U.S. Postal Service and a major portion of the Veterans Administration had been removed from coverage by Title 5. Then, in the late 1980s, several agencies responsible for financial regulation received authority to establish a new classification and pay system. Subsequently, additional agencies have sought similar autonomy from Congress and some, such as the Federal Aviation Administration, have been successful. Others, such as the Department of Defense, have received their own demonstration authority to implement custom-tailored human resources management systems in specified parts of the agency.

Decades of increasing pressure for less central control and more local authority culminated in the 1993 report of the National Performance Review, "Reinventing Human Resource Management". The National Performance Review's general thesis was that if the Government is to "work better and cost less," it must cut red tape, put customers first, empower employees to get results, and cut back to basics. Applied to the Federal Civil Service, this meant shifting the primary focus of human resources management to supporting the agency's mission, and away from adherence to centrally determined and administered rules. To carry out this shift in philosophy, the National Performance Review recommended significant reforms in staffing, performance management, pay and classification, and other Federal human resources management systems. Nearly all the recommendations were designed to move direct authority for human resources management away from the Office of Personnel Management to the agencies, and from there to line managers within those agencies.

Some reforms proposed by the Office of Personnel Management based on the National Performance Review recommendations have been enacted, and progress has continued on a number of fronts. Through an exhaustive interagency effort led by the Office of Personnel Management, the Federal Personnel Manual was abolished in December, 1993. Subsequently, related regulations were examined and either rewritten to give more flexibility to agencies or eliminated. More authorities were delegated from the Office of Personnel Management to agencies and, in many though not all cases, agencies have responded by redelegating authorities

internally.

Notably, the Office of Personnel Management has been able to do away with virtually all its central registers, so that examining authority is now almost totally delegated to agencies. Regulations governing performance management have also been revised to give agencies and components within agencies much more flexibility to design performance appraisal and reward systems that are adapted to local needs.

All of these changes in Federal human resources management point toward greater responsibility for individual agencies -- and for line managers within those agencies -- for making human resources management decisions. With this increased responsibility has also come increased agency and managerial accountability for the effectiveness and propriety of those decisions. Human resources management authority and accountability rests more and more in the hands of line managers.

Accompanying this transfer of human resources management authority has been a corresponding shift in emphasis from accountability for process to accountability for results. Other recent developments in the Federal sector have worked to reinforce this change in emphasis. A major event has been the significant downsizing of agency human resources management offices, which makes it less practical to continue the labor-intensive audit approach to human resources management accountability that has often prevailed in the past. Paper processing is now a less important function in many human resources management offices as well. Employees are able to initiate some changes in their personnel records directly, through mechanisms such as Employee Express. In addition, much personnel processing has been moved to consolidated "backroom" operations located at remote sites. Human resources management specialists can focus instead on becoming advisors and consultants to managers, who need the expert advice as they take on more responsibility.

In addition, laws and directives emanating from outside the sphere have steered Federal agencies toward a results orientation. In particular, the Government Performance and Results Act of 1993 pushes agencies to establish strategic plans closely linked to ongoing measurement of organizational performance. The 1995 revision of the Office of Management and Budget's circular on management controls (A-123) also directs agencies to design management structures that help ensure accountability for results.

HUMAN RESOURCES MANAGEMENT ACCOUNTABILITY IN A DEREGULATED ENVIRONMENT

The deregulation and decentralization of the Federal human resources management has inevitably given rise to the question: How can human resources management effectiveness be maintained in such an environment, and in a manner that is consistent with the basic principles of a merit-based Civil Service? Further, how can line managers and human resources management officials be held accountable for the results of their human resources management activities?

Striking a balance between autonomy and flexibility to support mission accomplishment on the one hand and sound management and core values on the other has become an all-important issue in Federal human resources management. Many human resources officials interviewed by the Office of Personnel Management for this report agreed that while there needs to be less centralization, there is danger in going too far in the other direction. One human resources director said, “I think it would be absolutely foolhardy to do away with all the rules...What we can do away with is the laborious reinterpretation, ad nauseam, of those rules.”

Human resources management accountability, as described in this report, has emerged as a common sense response to this challenge. Human resources management accountability attempts to strike the necessary balance, occupying a middle ground where there is enough structure to support adherence to the Merit System Principles without imposing processes that frustrate agencies in their efforts to achieve organizational results.

Human resources management accountability is defined here as the responsibility placed on Federal agencies to assess how effectively they are making use of their human resources, within the values of the Merit System Principles.

Accountability is a broader concept than compliance, although compliance with law is part of accountability. While managers are still responsible to uphold the law, agencies now have more flexibility to develop their own internal processes and more responsibility for seeing that they support agency mission accomplishment. ([See Appendix A for glossary of terms used in this report.](#))

The need for new human resources management accountability based on results presents challenges of its own. It requires organizational and human resources management officials to be explicit in their definition of human resources management effectiveness and commitment to results or outcomes. It requires key stakeholders, such as management, unions, and customers, to come to agreements about standards by which those outcomes will be judged. It requires a sharing of authority and responsibility from the top of the organization to every employee. It also requires systems or programs designed to support people in their efforts to meet their responsibilities, and evaluation processes that assess results rather than procedures.

Agencies can establish systems or programs to support human resources management accountability. These systems or programs are the processes by which they can identify and then measure key human resources management outcomes, analyze the information collected, feed these analyses back to stakeholders in the organization, and encourage them to take action to improve these outcomes. In a world where personnel authorities are devolving from the Office of Personnel Management to agencies, and from agency personnel offices to line managers, it is more important than ever that agencies rely primarily on self-monitoring and self-assessment of this sort rather than control from the outside.

THE OFFICE OF PERSONNEL MANAGEMENT'S ROLE IN HUMAN RESOURCES MANAGEMENT ACCOUNTABILITY

In this changed environment, the Office of Personnel Management has identified a new role for itself in supporting human resources management accountability for results. We are working with agencies to develop systems, approaches, measures, or whatever else might be required to create effective means for self-assessment of the agencies' human resources management. These tools will help agencies identify their human resources management outcomes and give them the means to improve these results, which is the ultimate goal of human resources management accountability.

In the same vein, the Office of Personnel Management is also providing critical information to agencies and managers within those agencies that will allow them to make good human resources management decisions. This includes a renewed and expanded emphasis on the Merit System Principles, as the set of values under which the Civil Service is managed and guideposts for effective human resources management.

This report in particular is intended to support the Office of Personnel Management's efforts to promote human resources management accountability. Based on an extensive fact-finding mission carried out during Fiscal Year 96, it captures the current state of human resources management accountability for results in the Federal Government, supplements this baseline data with information about trends and practices found outside the Federal sector, draws conclusions, and identifies current and future initiatives that can help to improve human resources management accountability across the Government.

HUMAN RESOURCES MANAGEMENT ACCOUNTABILITY IN THE FEDERAL GOVERNMENT

METHODOLOGY

To describe the state of human resources management accountability in the Federal government, we gathered information using several methods. Our primary fact-finding vehicle was the Accountability Agenda, which was part of the Office of Personnel Management Oversight reviews conducted during Fiscal Year 1996 in six departments, including 11 bureaus within these departments. The objectives of the Accountability Agenda were to:

- ▶ determine the presence and effectiveness of agency human resources management accountability programs or systems;
- ▶ ascertain the information needs of agencies, installations, and managers in ensuring merit principle adherence; and
- ▶ assess the merit principle information and training needs for managers.

The agenda included an interview guide used for interviews with human resources officials and a questioning route for focus groups with line managers, in both Washington, D.C. and field offices. This interview guide was also used to interview human resources officials in 14 additional agencies not on the Oversight review schedule this year. The information gleaned from these interviews and focus groups yielded the essence of our findings. [See Appendix B for the Accountability Agenda protocols.](#)

As part of Oversight reviews, a questionnaire was distributed to a sample of managers and employees. Items about Merit System Principles adherence were included in this questionnaire. We reviewed questionnaire responses from a total of 6700 employees and 2600 managers and included observations about these data indicators in our findings.

Using information gathered during Accountability Agenda interviews, focus groups, and other sessions, an Merit System Principles Needs Assessment and Proposed Approach to Training was developed. This extract focused on the information and skills that would be helpful to managers and employees in supporting human resources management accountability, and offered training objectives, modes and methods for Merit System Principles education. The Needs Assessment also informed the findings in this report.

To supplement the Accountability Agenda and other feedback, we also drew information from the “Managing With Merit” symposium sponsored in June 1996, by the Office of Personnel Management, the Merit System Protection Board, and the Smithsonian Office of Inspector General as a representative of the Inspector General community. This symposium was designed

to provide managers with information they can use to manage human resources effectively, while keeping within the boundaries established by the Merit System Principles. Breakout sessions were also structured to obtain feedback from managers about other information or tools they need from the Office of Personnel Management and elsewhere to manage effectively within the Merit System Principles.

Finally, we reviewed the literature about accountability, specifically reports addressing governmental accountability that have been done by the Merit System Protection Board, the Office of Management and Budget, the General Accounting Office, and the Brookings Institution. We also talked with organizations such as the National Academy of Public Administration, and accountability researchers such as Dr. Ernie Pavlock of Virginia Polytechnic Institution.

FINDINGS

Throughout this “Findings” section, “agency” refers to either departments or bureaus. “Human resources official” includes departmental staff and local office human resources or personnel directors. “Manager” includes first-level supervisors and second-level managers. “Top management” refers to executives.

Our findings about the state of human resources management accountability in the Federal sector can be grouped in four broad categories:

- ▶ Perceptions about human resources management accountability,
- ▶ Roles and responsibilities for human resources management accountability,
- ▶ Programs and systems for ensuring human resources management accountability; and,
- ▶ Perceived barriers to human resources management accountability.

Perceptions about human resources management accountability

“Human resources management accountability” is a term which is subject to interpretation. Effective promotion of human resources management accountability across the Federal government will require that there be some common understanding of what it means, both in a conceptual and a practical sense. Therefore, as a first step, we asked agency human resources officials and line managers what the term “human resources management accountability” means to them, eliciting a wide range of responses. A summary statement including points made by most interviewees is that human resources management accountability means “authority and responsibility for getting the work done cost-effectively in a way that is fair and equitable.”

Most managers discussed accountability first in terms of mission accomplishment. Human resources officials pointed to managers’ responsibility to adhere to the Merit System Principles and laws. A concern also common to both managers and human resources officials is financial accountability, as budgets shrink and people focus on “fiscal responsibility”. While human resources management effectiveness is recognized as an important component of mission

accomplishment, and supportive of fiscal responsibility, many interviewees noted that Federal personnel policies and procedures often do not effectively support mission accomplishment or the most cost-effective use of resources.

Interviewees discussed a wide variety of activities when asked about how human resources management accountability is achieved. One human resources leader said, “Accountability should not mean evaluation” -- indicating that it is about much more than after-the-fact, historical assessment. Many other interviewees echoed this sentiment by describing activities such as training, redesigning support processes, and providing tools and information to help people in their efforts to be accountable.

Managers generally pointed to their performance plans as the primary vehicle to ensure accountability, along with feedback from their managers, employees, and unions. They reported they have had training that incorporates the Merit System Principles, and they rely on human resources staffs for advice, yet most of what they know about effective human resources management has been learned through experience. In terms of day-to-day communications about how they are doing, managers said they generally assume that “no news is good news.”

Focus group feedback suggested that managers understand and agree with the intent of the Merit System, even if they don’t recognize the terms “Merit System Principles” and “Prohibited Personnel Practices”. Focus group participants tended to be able to conceptually describe the Merit System, although they could not necessarily cite specific Merit System Principles or Prohibited Personnel Practices. ([See Appendix C for the actual text of the Merit System Principles and Prohibited Personnel Practices.](#)) After reviewing the language of the Merit System Principles and Prohibited Personnel Practices, they expressed familiarity with the values reflected there. They referred to the Merit System Principles and Prohibited Personnel Practices as the “do’s and don’ts” of management, reflecting sound management principles. Many interviewees mentioned the terms “integrity” and “common sense” in characterizing the Merit System.

In questionnaire responses, 67% of managers said they know basically what the Merit System Principles and Prohibited Personnel Practices are. However, only 57% of managers reported that they know how to apply the Merit System Principles when taking personnel actions. Also, only 51% of managers and 25% of non-supervisory employees agreed with the statement that personnel activities are carried out in accordance with the Merit System Principles in their offices. These statistical gaps may point to a difference between people’s understanding of the intent of the Merit System and the policies and procedures that are in place to carry it out.

Many human resources officials reported that human resources staffs are more knowledgeable than managers about what the Merit System Principles and Prohibited Personnel Practices mean in practice, and they said that managers need to gain a better understanding.

Roles and responsibilities for human resources management accountability

Besides determining what accountability means to people, we also need to clarify who is responsible for it. The Office of Personnel Management's accountability program is predicated on the notion that line managers and other non-human resources staff have increasing responsibility for assuring human resources management accountability. But do managers and human resources officials in agencies agree? In responding to questions about roles and responsibilities for human resources management accountability, interviewees talked about five groups:

- ▶ managers (including supervisors),
- ▶ human resources staff,
- ▶ organizational leaders (top management),
- ▶ employees; and,
- ▶ unions.

Managers in focus groups often commented that everyone in an organization is accountable for results in different ways. The general consensus is that line managers have the primary responsibility for effective human resources management, and should be supported by the human resources staff. There is agreement that the human resources staff is responsible for educating, informing, and advising managers about decision-making options.

While there is agreement about what should be the case, human resources officials and managers in many agencies reported that traditional roles have not yet shifted -- it's still "business as usual" in many offices, meaning that human resources staffs retain traditional responsibility for and control of personnel procedures. One human resources official noted that the shift "is inevitable, but managers aren't focusing on it yet because they haven't faced a crisis." As downsizing takes its toll, human resources officials say that managers will be forced to assume more and more responsibility. In some agencies, line managers are now responsible for activities that were traditionally handled by personnel staff. Interviewees in headquarters offices in Washington, D.C. were more likely to volunteer information about this shift than those in field offices.

There is now a renewed interest among human resources leaders in how to support and ensure line management accountability for the Merit System Principles. At the same time, there is also an awareness that streamlined processes and automated systems that managers need are not yet in place in many agencies. In response to this need, there is a universal drive among agency leaders to buy or develop automated systems that will give managers access to personnel information and the ability to initiate actions.

Managers expressed a strong need for support from both upper management and human resources staffs. They see organizational leaders as setting the policy and tone for decision-making. They look to leaders as models for appropriate behavior, and they want to be backed up by upper management when they make decisions consistent with stated organizational goals. Managers look to human resources staffs for both administrative support and sound advice.

Human resources officials in many agencies said they are actively moving away from “gatekeeper” roles and developing new consulting or advisory roles for themselves and their staffs. One human resources official said, “There was a time when human resources was very control-oriented; there were individuals who knew the Federal Personnel Manual chapter and verse, and were, I’m sorry to say, well-schooled in saying “no” to managers. We have recognized that in order for managers to play this challenging role, there has to be a shift in the human resources role.” Again, this shift was more evident in interviews with headquarters staff than in field offices.

Most line managers commented that they have more responsibility than authority. Human resources leaders note that everyone has worked in a highly structured personnel system for so long that both managers and human resources staffs tend to focus on rules and procedures rather than principles in making decisions; there is still a focus on process rather than results. Both groups recognize the imperative to change, and both have concerns about how this change will be accomplished in the midst of downsizing.

Managers in focus groups talked about employees having a role in accountability, in terms of being responsible for work performance and exercising their rights. In questionnaire responses, employees expressed less understanding about the Merit System than managers: 44% of employees said they know basically what the Merit System Principles are, and 56% said they know what the Prohibited Personnel Practices are. Many managers said that employees need more information about their responsibilities and their options for dealing with situations where they feel they are treated unfairly, and they see providing that information as a management role.

Unions represent employee interests in many agencies, and managers see both an up side and a down side to this representation. Unions help educate employees about their rights, and provide checks and balances so that managers get feedback from another point of view. However, there were also cases cited where union representatives took an adversarial stance, becoming a barrier rather than a help in achieving desired results.

All agencies referred to the active presence of unions as a means of identifying human resources management concerns; one human resources leader referred to the “healthy tension” produced by union feedback and participation in joint efforts. Many interviewees qualified this observation by noting that where relationships between unions and management are not working well, the union role is not seen as helpful. One agency leader noted, “The whole issue of trust is one that we’re going to be faced with for a while... We’re in a different kind of environment, where we are trying to craft a different kind of relationship... It’s going to take time to get there.”

Most agencies talked about labor-management partnership efforts that have changed the way decisions are made about organizational priorities and actions. Several specific examples were offered of how partnership supports accountability, including:

- ▶ Union-management teams that design new processes for merit promotion, performance management, and awards,

- ▶ Union participation in or observation of merit promotion boards; and,
- ▶ Union-management teams formed to investigate human resources management problems.

Some agencies made strong statements about the value of partnership efforts in achieving accountability. A few examples follow.

- The **Social Security Administration** was cited in a 1995 National Academy of Public Administration report as an innovator in using labor-management partnership to manage the transition of the agency from a Health and Human Services Operating Division to an independent status. Local partnership councils now play an ongoing role in activities such as designing awards programs, and are more and more involved in determining human resources management issues and their resolution.

- The **Customs Service** won a 1995 Partnership Award for their efforts in improving union-management relationships. One outcome of this process is a new contract that includes union observations of the work of promotion panels to ensure fairness, and alternative dispute resolution processes to address grievances.

- The **Bureau of the Mint** was offered by American Federation of Government Employees as an example of good partnership work. The Mint “totally restructured how they do business, and have gone to a self-directed work team approach. If you look at the outcomes, their productivity is way up. They’ve worked with the union to get some legislation that allows them to do new projects that bring in more money to revolving funds ... overall, they’ve made quantum changes and done it in a way where there is a lot of employee acceptance.”

Programs and systems for ensuring human resources management accountability

Although many human resources officials said that they have no “formal” accountability system, we found components of accountability systems in all agencies we visited, without exception. There were in fact a wide variety of answers to questions about how agencies ensure human resources management accountability.

In order to show the breadth of agency efforts, we grouped these answers into nine categories, all of which address more or less discrete aspects of a human resources management accountability program. The nine categories are as follows:

1. Strategic emphasis on mission accomplishment
2. Performance management systems
3. Automated data systems
4. Training and information-sharing efforts
5. Streamlining policies and procedures
6. Mechanisms soliciting employee and customer feedback

7. Delegations of authority
8. Activities that monitor and review personnel actions
9. Activities that identify, investigate and resolve problems

Following are examples given by agencies as they described their accountability activities.

1. Strategic emphasis on mission accomplishment

HR officials in most headquarters offices set the context for a discussion about human resources management accountability by talking about their agencies' strategic efforts. In recent years, agency leaders have been absorbed in activities supporting the recommendations of the National Performance Review and accommodating budget pressure by:

- ▶ sharpening focus on their missions, including definition of measures,
- ▶ clarifying and reengineering core business processes,
- ▶ downsizing and reorganizing; and,
- ▶ increasing the ratio of mission-centered employees to support employees.

In this context, human resources officials noted that approaches to assessing human resources management effectiveness have become more complicated. Mission accomplishment is the top priority, and several interviewees reported that they are supporting business process redesign for the entire agency, as well as their own human resources organizations. While human resources management effectiveness is recognized as an important component of mission accomplishment, there is not a common understanding or agreement about how to connect human resources management effectiveness to the organization's results. Some human resources officials said they are still trying to "get to the table" where agency strategy is formed, in order to represent human resources management issues.

Several managers in focus groups reported that their local office strategic plans are important components of accountability, and tie into their individual performance plans.

2. Performance management systems

Most managers and human resources officials pointed to managers' performance plans as key components of accountability. Many noted that their elements focus on the accomplishment of results, communications, and equal employment opportunity, all of which are about human resources management. Performance plans are seen as the primary vehicle for translating agency goals into individual performance objectives, although everyone did not agree that performance appraisals are used effectively to support accountability.

Several agencies mentioned revising performance management systems to separate monetary awards from annual performance appraisal, and to better align individual objectives with agency strategic objectives. Several agencies have set up award systems that enable managers to quickly

and easily acquire awards, including dollar amounts up to a certain limit. Three agencies mentioned that they have begun using 360-degree evaluation processes at the executive level. Two agencies said they are trying limited tests of a pass-fail approach. These actions respond to the National Performance Review guidance steering agencies toward systems that promote cooperation, cohesion, and teamwork that focuses on work results, rather than competition for available money, which results in winners and losers.

3. Automated data systems

The National Performance Review guidance noted that “automation has focused primarily on internal personnel office operations almost to the exclusion of managers’ needs... use of technology needs to expand to eliminate manually prepared reports, provide access to information, support management decisionmaking, and monitor organizational performance.”

All agencies have automated systems that allow human resources employees to maintain payroll and personnel information, and reports are generated from those systems on both a regular and ad hoc basis. Human resources leaders acknowledge that these systems can only be accessed by personnelists, and in any event are not user-friendly enough for managers to want or be able to employ. Most reports have to be generated by personnel, and can take days to produce.

All human resources leaders say that some reports are generated and reviewed by upper management, including statistics on numbers or status of:

- ▶ equal employment opportunity complaints,
- ▶ grievances,
- ▶ unfair labor practices,
- ▶ adverse actions; and,
- ▶ affirmative action plans.

Regular workforce statistics are also made available, including authorized staffing patterns, demographics, and more. Two agencies reported that they publish thorough statistical analysis packages for human resources staffs to use in advising managers; the packages include statistics such as:

- ▶ leave use,
- ▶ retirement eligibility,
- ▶ supervisor-to-employee ratios,
- ▶ position reductions; and,
- ▶ representation rates.

Five agencies we spoke to have aggressively moved to build automated systems that managers can use to access personnel information. Now or in the near future, these systems will also enable managers to initiate personnel actions, such as awards or changes in employee status. Most other

agencies are actively investigating off-the-shelf systems that will allow managers more access to information and control over personnel transactions. Examples of these progressive systems are described below.

The **General Services Administration** has moved steadily to introduce electronic links between managers and personnel systems, and between employees and information. Managers and employees have access to electronic communications and information primarily through two systems. LotusNotes is used as a platform for both internal agency communications and links to the Internet. Managers can access the Personnel Information Database, which provides the personnel action history of each employee. Managers can also access personnel policy documents, discussion forums, the General Services Administration Employee Handbook, Federal Register updates, and more.

New features to be released later this year will enable managers to order award checks on-line, which is currently a telephone or paper process, and call up position descriptions. This system links to the Internet and to the InSite system, the General Services Administration's Intranet. This system is designed to be accessible by all the General Services Administration employees, and contains information about the General Services Administration employment, employee benefits, suggestion programs, current directives, job announcements inside and outside the General Services Administration, and more.

Automated telephone and computer systems are now being tested for forms tracking, referrals supporting the Merit Promotion Plan, buyout tracking, thrift savings plan, service computation date and retirement computations.

The **Customs** Personnel Information Systems staff has brought up an automated system that gives managers access to employee information. This system is shared with the **Commerce** Department, where it was first developed. Their "virtual human resources" system is called the Human Resources Data System, and is designed to empower managers, planners, and operational support staffs to access important human resources management data.

This system provides a user-friendly "window" into personnel and payroll information processed through the agency's mainframe. Currently the system includes nearly 200 reports, with more being added. Reports include history of performance ratings and awards; suspense reports for within-grade increases, temporary promotions, and temporary appointments; retirement eligibility; age and length of service information; salary and benefits cost information; position sensitivity; and a variety of aggregate statistical displays such as average grade, average salary, diversity data, and much more.

4. Training and information-sharing efforts

Training and information-sharing programs are cited by the National Performance Review as "tools to help employees, individually or in teams, develop the knowledge, skills, and abilities they

need to improve performance.” Managers and non-supervisory employees need training and ongoing information about the organization in order to understand their roles and take responsibility for what they do, which is at the heart of accountability.

All agencies conduct basic managerial training that includes coverage of the Merit System Principles and Prohibited Personnel Practices in some form, even if they aren’t referred to with those labels. Periodic workshops are offered in most agencies on leadership, ethics, conduct, employee relations, labor-management relations, partnership, diversity, and other human resources management topics.

Several agencies mentioned employee orientation programs that include coverage of rights and responsibilities, conduct, and mechanisms employees can use to register suggestions or complaints. Many managers mentioned the published codes of conduct as one of the ways employees are held accountable.

Many personnel offices report that they publish news bulletins or updates for managers about human resources management policies and procedures. A few human resources leaders mentioned that video-conferences have gained popularity as a cost-effective method for sharing information about agency changes with managers nationwide.

5. Streamlining procedures and setting new policy

The National Performance Review advised that “Managers and human resource administrators must be freed from unnecessary process constraints in order to focus on mission instead of efforts to overcome obstacles to its achievement.” During our interviews, human resources leaders in six agencies talked specifically about their efforts to streamline internal personnel procedures to be less burdensome for managers.

In most agencies, where central authority has been relaxed in the areas of performance management, merit promotion, and awards, these processes are being redesigned. Three agencies reported that partnership approaches are used to put safeguards in place to ensure merit promotion systems are managed fairly.

Also mentioned by several managers in focus groups were new policies and practices, such as the Family and Medical Leave Act, alternate work schedules, Flexiplace, and time-off awards. These types of policies reflect the National Performance Review goal to “foster a quality work environment that ... is critical for recruitment, retention, and improved productivity of employees.”

Managers in focus groups sometimes talked about simplifying Federal procedures that are actually internal agency procedures, reflecting confusion about who has the authority to change procedures.

6. Mechanisms soliciting employee and customer feedback

The National Performance Review vision notes that “Executives and managers should value the federal workforce; labor and management are partners in carrying out each agency’s mission.” In this spirit, six agencies reported conducting organizational climate or culture surveys designed to invite anonymous input from all employees, addressing topics such as morale, satisfaction with performance management systems, communications, concerns about discrimination, and many other factors. One agency, the Internal Revenue Service, reported a process by which the survey results are used to make improvements at both the agency and local levels. Through a facilitated “survey-feedback-action” process, data is arrayed by organizational level for each office, and work groups discuss it and develop action plans to address any issues raised.

The National Performance Review also counsels that “personnelists... view the manager as a customer with needs to anticipate and meet with responsive service...” Five agency-level human resources leaders talked about customer service surveys, which are becoming more common. Several managers also mentioned surveys of customer and employee satisfaction as sources of information relevant to accountability.

A few agencies mentioned avenues through which employees can raise issues to leaders, such as electronic forums, or an open-door policy. In field offices, some executives use similar approaches, such as town meetings or “lunch with the director”.

7. Delegations of authority

All agencies have used some kind of official delegation of human resources management authority. Obviously, the degree to which line managers can be held accountable for human resources management depends on the extent of this delegation. There is a wide range of how far down into agencies’ organizations these delegations reach. Interviewees in field organizations were more likely to note that delegations of authority have not yet extended very far.

One human resources official noted, “We thought that when Jim King started talking about sunseting the Federal Personnel Manual, managers would be delighted; instead of jubilation, there was trepidation. I think a culture change that would allow managers to take on greater responsibility was one that we were really not prepared for.”

8. Activities that monitor and review personnel actions

All agencies talked about day-to-day communications between human resources staff and managers as an important method of monitoring Merit System Principles adherence.

Several agencies mentioned the Personnel Management Evaluation review as a traditional approach to accountability. Three reported that they continue to use this approach. The rest reported that they have not used such a process in several years because it is too costly in terms of

time and staff. A small number of agencies had never implemented Personnel Management Evaluations.

Two agencies mentioned the Office of Management and Budget A-123 process as a mechanism used to annually review programs, including some affecting human resources management, and identify vulnerabilities. One agency mentioned an internal human resources staff self-inspection process, involving peer review of procedures, performance management, records management, morale, and other criteria.

9. Activities that identify, investigate and resolve problems

All agencies mentioned equal employment opportunity complaints and grievance processes as both sources of information about possible Merit System violations and problem resolution mechanisms.

Most agencies referred to internal oversight in the form of Inspector General audits. Several agencies mentioned targeted investigations by human resources offices, agency general counsels, management, or union-management teams. Several agencies referred to external oversight provided by the Office of Personnel Management, the Office of Management and Budget, the General Accounting Office, the Merit System Protection Board, and the Equal Employment Opportunity Commission. Two agencies reported that they invited professional associations, such as the National Academy of Public Administration, to come in and review some new approaches they had developed.

Three agencies reported that they employ alternative dispute resolution processes to solve personnel problems. Three agencies said they have review boards, either management or union-management boards, to address disputes over promotion decisions, disciplinary actions, etc.

Promising Approaches to Human Resources Management Self-Assessment

Seven agencies that we talked to reported that they have developed a comprehensive self-assessment approach. While these agencies are still awaiting all of the results of their assessments, we summarize their approaches here as possible models for others to use in tailoring their own systems. Because these approaches are refined through experience, the details may be slightly different by the time this report is published.

The **Air Force** has built a thorough self-assessment system that is based on the Malcolm Baldrige National Quality Award Criteria. Their approach is Merit System Principle-centered, identifies personnel processes and outcomes, involves a variety of assessment instruments, and uses metrics allowing organizational units to compare their performance against the Air Force aggregate. This system empowers managers to improve individual and organizational performance by putting into potentially every manager's hands the tools to review their own human resources management practices and results.

Beginning with the Merit System Principles, the Air Force identified their key personnel processes and the results they wanted from those processes, as shown in this table.

| KEY PERSONNEL PROCESSES | DESIRED RESULTS |
|---|--|
| Filling jobs | - in a timely and streamlined manner |
| | - resulting in a diversified work force |
| | - resulting in a quality work force |
| Managing civilian resources | - resulting in fulfillment of mission needs |
| | - resulting in a fully executed civilian pay budget |
| | - resulting in employees being paid fairly |
| Managing performance | - resulting in a motivated and productive work force |
| Educating, training, and developing personnel | - resulting in a mission-capable work force |
| Promoting work force relations | - resulting in equitable treatment |
| | - resulting in work force harmony |

General assessment criteria are laid out in weighted categories:

- ▶ leadership
- ▶ information and analysis
- ▶ strategic planning
- ▶ human resources development and management
- ▶ process management
- ▶ business results
- ▶ customer focus and satisfaction

Examples are provided of how each organizational unit might want to address the criteria, although no one approach is mandated. There are also worksheets for review of items involving compliance with law, regulation, and any specific internal procedures. Scoring guidelines address both productivity results and the presence and effectiveness of a systematic approach to managing resources. The entire self-assessment process emphasizes continuous improvement.

An extensive personnel management information and support system includes a web site

providing guidance on all areas of Air Force personnel management, an expert system to support decision-making, and computer-based instruction on the Merit System Principles and Prohibited Personnel Practices.

The **Defense Contract Audit Agency** human resources staff designed a new vehicle to gauge human resources management program effectiveness: the Human Resources Quality Assessment. The design group started with both the Merit System Principles and their agency's #1 strategic human resources management goal, which defined the desired human resources management environment. The goal, which is the first of six, states: "Build an environment of trust, teamwork, mutual respect and pride of ownership through more effective communication and leadership at all levels."

To activate this goal, the agency had initiated a human resources management culture change by implementing a Participative Work Team approach to doing business, emphasizing customer service, and launching an organizational climate survey. In partnership with one region, the headquarters Personnel and Equal Employment Opportunity staff used the following approach in reviewing that region's human resources management environment:

1. Analysis of relevant automated and non-automated personnel indicators.
2. Review of personnel management instructions, procedures, records, reports and guidance in specific program areas (i.e., awards, performance management, training and development, employee and labor relations, and equal employment opportunity).
3. Analysis of the results of pertinent questions from the climate survey.
4. Interviews with management, employees, and Participative Work Team members.

The overall assessment recognizes accomplishments and barriers, and summarizes the progress made toward meeting the strategic human resources management objective. Recommended actions are to be taken by both the region and the headquarters offices, and by everyone from the top leaders to individual team members.

Because the Human Resources Quality Assessment participants believe the first assessment went so well, regional and headquarters leaders agreed to release the report to the entire agency. This act of open information-sharing about the assessment process has built its credibility and acceptance, and another region volunteered for the next Human Resources Quality Assessment.

The **New York Regional Office of the Department of Veterans Affairs** is a Government Performance and Results Act pilot site, and has won awards for its innovative human resources management practices, which have improved customer service and increased employee commitment to mission accomplishment. Accountability is built into the day-to-day work processes through a team approach to performance management and continuous measurement of

results.

After reengineering their technical and structural systems, the Veterans Affairs office began to develop new organizational performance measures. Their core measures are:

- ▶ Speed
- ▶ Accuracy
- ▶ Customer satisfaction measures
- ▶ Employee development measures
- ▶ Cost per claim

Their approach to self-assessment is data-driven and includes “Open Book” management, a high involvement strategy that includes every employee in some aspect of collecting, reviewing, and assessing information about performance at all organizational levels.

The “balanced scorecard” approach is used to review measures in weekly team meetings, biweekly meetings at the Regional Office level, and at semi-annual review sessions. The review process provides every team member with specific, concrete data for the organizational outcome measures and weekly goals the team sets to support organizational goals. Since the discussion looks at the causes for meeting or failing to meet weekly goals, each team member develops a real sense of how s/he has contributed to outcomes.

The assessment requires specific responses that include corrective action or additional help. There is a consequence for every action that does not support organizational performance. In addition, each team member is expected to learn how to prepare and present data at team meetings. Each team member also has a role in determining the team’s goal for the next week. This process translates at each level from an individual to an organizational focus.

Each team member and coach prepare an annual Learning Contract, which includes developmental activities to strengthen skills and increase the organization’s ability to meet its goals. Team peer review is part of the assessment process, with a twice-a-year assessment on such categories as output, customer service, reliability, team support, and accuracy. A variety of awards are available for positive results, and specific actions are mapped out for negative results.

The **National Aeronautics and Space Administration** implemented a 1993 management instruction fixing accountability at each of its centers for establishing and maintaining an oversight system that consists of line management self-assessments, with spot checks and staff visits as needed. This instruction:

- ▶ asks management officials up and down the command chain to accept reporting of issues as improvement opportunities,
- ▶ uses an agency-wide collaborative, consensus-building approach in pursuing functional

improvements; and,

- ▶ covers quality, economical, effective, and efficient service to customers within applicable law and regulation.

The instruction provides for proactive advice, staff assistance, and review guidelines for self-assessment. For example, the agency developed a self-assessment desk guide as a checklist of regulatory and procedural requirements, with detailed questions to assess the health of program areas including staffing, classification and position management, compensation, employee relations, labor relations, and specific items targeted for evaluation under the Federal Managers Financial Integrity Act and the Office of Management and Budget Circular A-123.

In practice, each installation is given flexibility to tailor and expand the assessment process, to include annual and quarterly reports about the workforce, human resources functional activity, personnel services, culture survey results, and local management human resources priorities.

Agency functional managers assemble an annual assessment of the health of the human resources function across the agency, addressing both problems and improvement plans. The analysis integrates data from staff visits, General Accounting Office and Inspector General audit reports, self-assessment summaries, spot checks, and other information.

In the **Social Security Administration**, the Personnel office compiles an annual analysis of data indicators, presenting a binder of information to each Deputy Commissioner. The analysis includes data about hiring, complaints, promotions, equal employment opportunity statistics, adoption of suggestions, training, career planning, etc., and suggests improvements to human resources management practices in each Deputy Commissioner area. Improvements might include training, procedural changes, delegation of authorities, and other management actions.

Health and Human Services has established an instruction for each of their operating divisions to conduct the Human Resources Assessment Program. They have left the specific procedures up to the operating divisions, referring to the Office of Management and Budget Circular A-123 as a model for developing management controls, and to the Merit System Principles as a framework for human resources management. Their approach reflects a “shift in emphasis from compliance audits, performed by external staff organizations, to on-going reviews and monitoring performed by line management...that encompass organizational health and customer satisfaction.” It encourages “increased coordination between equal employment opportunity and personnel functions, as well as with operating divisions management control programs.” Several self-assessment tools already exist and are being updated.

The human resources staff at the **Department of Commerce** sent out a memo to all bureaus asking them to conduct their own self-assessments. Rather than mandating procedures for this assessment, they identified four critical human resources management elements with associated questions to be answered, and left the how-to's up to each bureau. Their four elements were:

delegations, automated systems, streamlined systems (e.g., Position Description library, training, awards, performance appraisals), and labor-management partnerships. The questions to be answered are designed to assess training, roles and responsibilities, documentation, duplication of effort, impediments, and results.

At the **Department of Veterans Affairs** departmental level, leaders developed a framework and processes for monitoring the outcomes of human resources management authorities delegated to key officials. The plan provides specific measures of accountability and sources of measurable program data; summarizes concepts, principles and issues relating to accountability; and offers suggestions for monitoring the administration of delegated human resources management authorities. It also recommends the coverage, frequency and format of narrative and statistical reports that provide information and indicators for accountable Veterans Affairs program officials to use in assessing accomplishments and identifying trends in the implementation of human resources management delegations.

Following are two additional summaries of assessment systems, from outside the Federal human resources management community and therefore different from the others described above. These two are also worthy of mention because they are progressive, results-centered, and adaptable to the human resources management assessment arena.

Bureau of Labor Standards Office of Technology and Survey Processing: This office has used quality management thinking to develop a Strategic Management Initiative system that integrates measures for mission accomplishment, human resources management, and customer service. The Strategic Management Initiative uses three key indicators to measure organizational effectiveness:

- ▶ customer satisfaction with products,
- ▶ employee satisfaction with job factors; and,
- ▶ productivity of work processes.

The customer satisfaction indicator includes measures for:

- ▶ features/completeness
- ▶ ease of access or use
- ▶ timely delivery
- ▶ quality (errors/defects)
- ▶ cost
- ▶ courteous treatment

The employee satisfaction indicator includes measures for:

- ▶ job growth/promotions
- ▶ awards and recognition

- ▶ workforce diversity and fairness
- ▶ quality of supervision
- ▶ training/skills development
- ▶ job duties
- ▶ leadership
- ▶ work rule flexibility
- ▶ communications

The Productivity of work processes indicator is product unit cost, which is calculated for the products of each work process -- a relatively complex computation that requires expert assistance. This three-prong approach is designed to focus people's attention on results. The emphasis on measures guides people to adjust work processes to achieve improvements in results, without dictating how.

Occupational Safety and Health Administration: This example, which incorporates partnership between the regulator and organizations being regulated, is readily adaptable to other kinds of oversight efforts. It is also relevant because employee health and safety, while not directly related to the Merit System, are concerns affecting the human resources management environment in every organization.

The Maine Occupational Safety and Health Administration office started their "Maine Top 200" program in 1993, after examining state workers' compensation data and realizing that their enforcement efforts were not targeted to the firms with the highest worker compensation claims. The Occupational Safety and Health Administration identified 200 companies with the highest volume of worker injury claims and offered them two options: they could work with the Occupational Safety and Health Administration by identifying and correcting hazards themselves, or they could choose an increase in the Administration's inspections. Most of the firms chose to enter into partnership with the Occupational Safety and Health Administration.

Together, the Occupational Safety and Health Administration and the companies agreed on overall goals to reduce these rates. These companies agreed to conduct their own internal assessments, develop action plans, and report quarterly on their progress. As long as companies meet their commitments, the Occupational Safety and Health Administration rewards them with fewer oversight visits. If a company does not either follow through on its action plan or improve its rates, OSHA schedules a comprehensive review in that company. The Maine Top 200 program, having demonstrated its success by significantly reducing accident and injury rates, is being adapted for use nationwide.

A key to the success of this approach was the Occupational Safety and Health Administration's use of interdisciplinary teams, which consist of a mix of safety and health professionals, to work with agencies in developing goals and reviewing progress. Team leaders do not review case files line-by-line, but rather focus on guiding employees away from being enforcement "violation-finders" and toward the goal of making a measurable and lasting impact on workplace safety and

health. All participants in this new approach receive training on change management and teamwork.

Perceived barriers to human resources management accountability

As our study shows, there are considerable efforts on the part of human resources officials and line managers to enhance accountability. Nevertheless, particular barriers exist in the Federal sector that can make this difficult. The National Academy of Public Administration identified several barriers in its 1995 report titled "Strategies and Alternatives for Redefining HRM", several of which are supported by our research. Interviewees offered many observations about the challenges they face. We have grouped these observations into four categories:

1. Lack of clarity about desired results,
2. A Federal culture that discourages risk-taking,
3. Procedures that are too complicated and focus on process, not results; and,
4. Lack of information and training for managers.

Following are illustrative comments we heard from both human resources officials and line managers.

1. Lack of clarity about desired results

Four agency human resources officials pointed to a fundamental issue surfaced by the National Performance Review initiatives and downsizing: Federal workers hold underlying assumptions about the Merit System which need to be examined. Federal laws and personnel systems reflect these assumptions, and now there seem to be mixed messages in the human resources management arena. With the strong emphasis on “works better, costs less”, and on rethinking the ways we deliver services, new questions arise about the intent of the Merit System and its outcomes.

As an example, one interviewee referred to the Merit System Principles that addresses “equal pay for equal work”, and posed these questions: “In an era when government is competing with private contractors to provide services, are we willing to pay what it takes to get the best possible employee? What does the customer really want?” Compensation and classification processes and decisions are affected by these issues, and current Federal laws are not always perceived as supporting the relevant Merit System Principle. Another interviewee pointed out that the kind of merit that is important to her agency’s line management is only about skills and abilities to deliver the core business products of her agency, and they are willing to pay for that kind of merit.

Another agency leader said, “We need to redefine what we mean by merit. We need to go back and look at the intent of the Merit Principles, and what we mean by fairness, competition, and equity.” In a conversation between human resources officials from two different agencies, one talked about various ways to pay an employee more money than the norm, within the law, and the

other expressed shock that these kinds of actions would be acceptable. This kind of exchange is growing more common as the Federal management community works to define how human resources management supports mission accomplishment, what results we aim to achieve, and how this relates to the Merit Principles.

Managers in most focus groups made comments such as “merit is a misnomer”, or “the Merit System is full of conflicts.” They offered examples such as the dilemmas that can arise when selecting officials look at job requirements along with the need to consider factors such as diversity, veterans’ preference, and other policies. They also pointed to the difficulties encountered by managers who try to remove or discipline non-performers.

Some policies and procedures mentioned by human resources leaders as important enough to require vigilant adherence -- such as the Career Transition Assistance Program, priority placement programs, or stopper lists -- were referred to by managers as conflicting with the Merit System.

Managers in military organizations, who are in a position to see the effects of different systems, often said they would like the civilian personnel system to be the same as the military system. Two human resources officials questioned the need for Federal personnel policies and procedures to be different from requirements for the private sector.

Several examples were offered by managers in focus groups of cases where executives took actions that were apparently in conflict with Merit System Principles. In some cases, the action was presented as possibly the right one, such as in a Department of Defense case where a selecting official gave spousal preference in hiring to someone who may well have been the best qualified candidate for the job, but the decision had negative consequences because of the appearance of favoritism. In other cases, executives were described as blatantly disregarding standards against which all other managers and employees were held, and therefore undermining the Merit System. One manager commented, “The definition of merit is as subjective as human nature.”

2. A Federal culture that discourages risk-taking

One human resources official said, “Bureaucracy is risk-averse, which leads to a control culture, to make sure mistakes never happen again. It makes it hard to delegate, without which there can be no accountability.”

Many managers commented on their experience that they can do many things right, but the actions that get the most attention are the ones that have negative consequences. One manager said, “Accountability is cursory. We tell what we do, and we get feedback only when we make a mistake.” Another manager commented that “we focus more on staying out of trouble, rather than what to do if we get into trouble.” In discussing the use of data as feedback to managers on human resources management effectiveness, human resources leaders and managers both noted that there is a fear of upper management using data against line managers.

Managers also expressed frustration with differences between stated goals and policies and the way they see individual cases handled. In dealing with non-performers, for example, one manager said, “No one will tell you ‘don’t do this’, but managers are led along the path of inaction.” Another manager pointed to the fact that upper management reserves decision-making rights, saying, “It’s hard to be accountable when you don’t have the authority to act.”

3. Procedures that are too complicated and focus on process, not results

Many human resources leaders and managers expressed frustration with Federal and agency practices that they believe implement the Merit System Principles in ways that are either burdensome or meaningless. From their perspective, these practices emphasize process goals rather than mission results. Some examples offered were seemingly arbitrary restrictions on the use of temporary employees, making it difficult for an agency to use “temps” to cover varying workload; classification requirements that do not necessarily align with an organization’s judgment of how valuable a position is with regard to mission accomplishment; and, requirements that either make managers go through what they perceive as unnecessary procedures to fill a position with a highly qualified candidate, or force them to hire a candidate they believe is less well qualified.

In focus group feedback, many managers pointed to ways that they believe personnel practices produce results that don’t achieve either the Merit Principles or the stated goals of the organization. These unintended results include appraisal inflation, grade inequities, managers’ inability to reward deserving employees or discipline non-performers, paperwork overload, lack of resources for training, supplies and equipment, etc.

One manager said that because of the long list of regulations, “there are many more ‘lookers’ (people looking over managers’ shoulders to see that they are following procedures) than there are ‘doers’ (people who are actually performing actions to achieve organizational goals, including ensuring the intent of the Merit Principles).”

A related point made by five human resources leaders was that requirements for demonstration projects are too restrictive, and thwart innovation. Another human resources leader asked why, if one demonstration project is considered successful, the same approaches cannot be adopted by other agencies without the rigor of another demonstration project.

4. Lack of information and training for managers

Line managers in several focus groups reported that they don’t know any more what personnel actions they can and cannot take, since so many changes in both delegations and procedures have occurred, but have not been clearly communicated. Many human resources leaders admit that they have been so absorbed with downsizing that they have not yet sufficiently clarified what procedures will stay and which will go.

Many managers report uncertainty about what support they can expect from human resources staffs and their own leadership. Managers in almost every focus group said they want more training and information about human resources management policies and effective techniques.

In most focus groups conducted with line managers, participants said they would like more training on management techniques, labor-management relations, employee relations, etc. Managers note that there has been a lot of change in a short period of time, and they need more information now than ever about what they can and can't do, and who to contact with questions.

In responding to the Office of Personnel Management questionnaire, the majority of managers (62%) reported that they do not receive regular reports or other data indicators that inform them about how they are doing. Focus group feedback suggests that managers do not understand how human resources management indicators can have a practical use in accomplishing their missions. Some managers said "we already spend too much time measuring and not enough time doing."

SUMMARY OF FINDINGS IN THE FEDERAL GOVERNMENT

We have reported a large amount of information from our investigation into the state of human resources management accountability in the Federal Government. To briefly summarize what we found:

- ▶ There are a large number of activities to support accountability, although much of it is not systematic or integrated.
- ▶ There is a growing awareness that managers should be primarily accountable for human resources management, yet at the same time a sense that support processes are not yet in place to help managers be accountable.
- ▶ There is a strong need to link human resources management effectiveness to mission accomplishment, meaning that human resources management accountability is not just about Merit System laws, rules, and regulations, but about methods for achieving organizational results.
- ▶ There is a plethora of data about human resources management effectiveness, but it is not always shared with managers in a meaningful way.
- ▶ Managers have a general knowledge of what is right and wrong in civil service human resources management, but not always a specific understanding of the practical application of the Merit System Principles and Prohibited Personnel Practices, and they want more training and information.
- ▶ Barriers still exist, both in Federally-mandated and agency-prescribed processes, that make it hard for managers and human resources officials to ensure human resources management accountability.

HUMAN RESOURCES MANAGEMENT ACCOUNTABILITY IN THE PRIVATE SECTOR

Human resources management practices in the private sector have undergone a dramatic evolution in the past decade. Our study also incorporated a review of the literature on accountability, and of promising approaches outside the Federal sector. We have included a summary of this information because it complements our findings in the Federal sector, and points the way toward strategies and approaches that can be adapted by Federal agencies as they become more results-oriented and business-like.

There are many human resources management practices that effect the values reflected in the Merit System and support accountability for results, yet do not derive from any explicit law or regulation. The fact that we found common themes between successful human resources management approaches in the external environment and human resources management activities underway in the Federal government confirms that agency leaders have been doing their own environmental scanning, and have adapted many of the models they found. This fact also illustrates the universality of the values sounded by the Merit System Principles, and demonstrates that there are many different ways to effect them.

CURRENT THINKING ABOUT HUMAN RESOURCES MANAGEMENT ACCOUNTABILITY

To create an environment in which accountability is the norm, organizations and their employees have fundamentally changed the way they think about accountability. Authors Roger Connors, Tom Smith, and Craig Hickman define this change in "The Oz Principle: Getting Results Through Individual and Organizational Accountability":

A survey of the popular press, business literature, and societal norms reveals that most people view accountability as something that happens to them or is inflicted upon them... In fact, many people think about accountability as a concept or principle to be applied only when something goes wrong or when someone else is trying to... pinpoint blame...

Consider the following new definition ... Accountability is an attitude of continually asking "What else can I do to achieve the results I desire?" It requires a level of ownership that includes making, keeping, and proactively answering for personal commitments. It is a perspective that embraces both current and future efforts rather than reactive and historical explanation.

Key words in this definition are "results", "ownership," and "commitment." These concepts drive the quest for new approaches to management among companies seeking to thrive in a highly competitive environment.

Four basic observations emerged from our environmental scanning among private industry, state and local governments, and the literature. These four themes inform both the construction of accountability systems and ways to deal with human resources management effectiveness issues. They are:

- ▶ Systems thinking,
- ▶ Customer service,
- ▶ Communication; and,
- ▶ Measurement.

SYSTEMS THINKING: HUMAN RESOURCES MANAGEMENT IN SUPPORT OF MISSION ACCOMPLISHMENT

Many writers pointed to the corporate failures of the 1980s as the “wake-up call” that organizations needed new approaches to doing business. Through experience with the quality movement, reengineering, and other change efforts, organizations have moved away from rigid stovepiping of functions and toward what can be called systems thinking.

Systems thinking recognizes that organizational effectiveness depends on work processes and systems that support people in doing their best. It also acknowledges that the actions of every person in an organization affect and are affected by the actions of others. Consequently, it is no longer desirable to segment people and work processes. The goal now is to develop and nurture connections, keep information flowing freely, and understand how each person and organizational component affects every other.

This way of thinking has also compelled a redefinition of the roles played by everyone in an organization, from the top to the bottom. Command-and-control is out, support and communication is in. Studies on how people behave in organizations have led to a belief that people will more likely take ownership for systems they have helped create. Therefore, true top-to-bottom accountability can only be achieved through a greater sharing of power among those who have an interest in the outcomes. The above-quoted authors of "The Oz Principle" note that “accountability for results rests at the very core of the total quality, employee empowerment, customer satisfaction, and continuous improvement movements so popular today.”

Systems thinking has also led organizational leaders to better understand how human resources management practices affect mission accomplishment. As the National Academy of Public Administration reported in 1995, “Organizations are recognizing that people provide the greatest potential to improve organizational effectiveness and achieve competitive advantage.” This shift in thinking plays out in the elevation of human resources management issues to the strategic level, the reengineering of personnel support processes, and the institutionalization of continuous improvement techniques. Author Jack Phillips, in his 1996 book "Accountability in Human Resource Management", points to what this means for the human resources management community:

Recently the editors of "HR Focus", a practitioner publication from the American Management Association, asked its readers in a random poll to identify the issues that would demand most of their time in the near future. The top three issues were promoting employee involvement, improving customer service, and supporting total quality management.

CUSTOMER SERVICE: NEW ROLES FOR HUMAN RESOURCES STAFFS

HR staffs increasingly act as advisors to managers, and designers of processes that support managers and employees in carrying out their human resources management responsibilities. This is a shift from traditional roles, which involved more transaction processing and hands-on procedural control. Now, human resources staffs see their business as customer service, and are called upon to be consultants, educators, and facilitators.

The new focus on customer service developed from the outside in. It started with companies learning to pay more attention to their external customers. Continuous customer feedback is sought and used to guide individual and organizational decision-making about resource use and priorities. Consultation with customers allows organizations to negotiate what customers will pay for services provided. This focus on customers has led many successful organizations in the private sector to tie monetary rewards to customer satisfaction.

As companies have become more flexible to meet customer needs, they have looked for the same flexibility from their internal support functions. Author Jack Phillips notes:

Human resources executives have watched their roles shift from the reactive to the proactive and now to the collaborative role where they work hand-in-hand with key managers in anticipating problems and planning the strategic direction for the organization...

What makes a strategic human resources role possible in many companies is the human resources department's shift from being a doer to an enabler, from being a staff function that delivers prepackaged human resources services to the rest of the company to being a service that helps line managers create and manage their own customized human resources policies...

"My job early on was...to worry about training, pay and benefits, communication and employee satisfaction," says Chuck Nielson, vice president of human resources [at Texas Instruments]..."But when we viewed our role in human resources as keeping people happy, we found ourselves on a separate track from operating managers who were concerned with such things as yield, billing, scrap, and other hard business issues. Operating people weren't supposed to spend any time on personnel -- it detracted from their "real" jobs. Today, one of the most dramatic changes in our company is that human resources folks are in partnership with the

operating managers.”

For a thorough discussion of the new human resources roles, a good source is the National Academy of Public Administration’s 1996 report titled, "A Competency Model for Human Resources Professionals".

COMMUNICATION: SHARING INFORMATION TO SUPPORT ACCOUNTABILITY

Communication makes it possible for accountability to be a shared process, with affected parties involved in defining desired outcomes and designing processes that support the organization in achieving results. Affected parties can include customers or clients inside and outside the organization, unions, employees, managers, third party oversight entities, and others with interests in organizational processes and results.

Many companies have begun managing differently to acknowledge the understanding that if the people in an organization are asked to be part of defining how to achieve the best results, they will be more committed to helping the organization succeed. Authorities are being delegated as far down into the organization as possible, and people are provided the training, equipment, and information they must have to make sound decisions and act more autonomously. Some examples of this trend follow.

- ▶ Many companies continually seek customer or client input through feedback forms, telephone surveys, and focus groups. This input is used in decisions about where to focus resources and priorities for task accomplishment.
- ▶ Bottom-up feedback is regularly sought through surveys of employee attitudes and organizational climate and culture, suggestion programs, and other involvement strategies. This input is used to improve human resources management practices and processes that support people in being accountable for results.
- ▶ Layers of management are removed, decreasing the number of “watchers” and increasing the number of “doers”. Traditional management roles stressing control have been replaced with an emphasis on facilitative leadership, promoting teamwork and stakeholder involvement.
- ▶ Organizations use 360-degree and peer evaluation processes as a means to negotiate communication and work practices that help groups achieve results more collaboratively.
- ▶ Budgets are distributed rather than centrally controlled.
- ▶ Many companies use the team approach, either self-directed teams or some variation on the theme, to foster collaboration among employees and improve communication.
- ▶ Companies place a heavy emphasis on training for all employees, both in technical topics and

general topics such as change management, teamwork, quality improvement techniques, and conflict management.

- ▶ Employees are involved in goal-setting, measuring, and decision-making about work processes in their workgroups.

MEASUREMENT: ASSESSING HUMAN RESOURCES MANAGEMENT EFFECTIVENESS

Measurement has become the heart of continuous improvement systems, and measuring human resources management effectiveness has become a critical need in every organization. The human resources function is now subject to the same scrutiny that line operations are, and must demonstrate value added to the organization's ability to accomplish its mission. To measure human resources value added, organizations must assess how human resources management practices support people in achieving results.

Author Jack Phillips cites the following four reasons for the increasing need to measure human resources management:

- ▶ Growing budgets that make human resources the greatest single expenditure in most organizations.
- ▶ The consequences of improper and ineffective human resource practices.
- ▶ The vast potential for using human resources to enhance productivity, improve quality, spur innovation, contain costs, and satisfy customers.
- ▶ The integration of human resources into the mainstream functions in the organization.

Phillips notes that there is plenty of evidence that attention to human resources management practices results in improved results.

One study compared the human resources practices of organizations identified as the top 100 rapid growth companies. In this study, companies were divided into two groups, those that were engaged extensively in human resources practices and those with moderate or low human resources involvement. The profitability of the two groups was compared and the results indicated a strong relationship between human resources practices and the bottom line...

A three-year study...examined the relationships between sophisticated human resources practices and productivity, turnover, and financial and accounting performance criteria. This study showed a strong correlation between the use of sound human resources practices and increased firm performance...Sound human

resources practices are also associated with lower turnover and increased productivity...

The study's author, Dr. Mark Huselid, of Rutgers University, states that human resources "is the last great unrationalized area of business. Gains in production and performance won't be found in new financial and accounting methods. They probably won't be found in marketing. It's the human resources area that has been overlooked."

In their attempts to improve performance, many organizations learned some lessons about measurement. Following are three basics.

1. Measurement should only be undertaken with explicit goals and the commitment to act in response to the data. If measurement is done without resulting in improvement, it becomes an exercise with no meaning for those involved, and is seen as a waste of time.
2. Data is only a starting point for people to use in checking how well human resources management processes work. Data can flag areas that need attention, but by itself it doesn't tell the whole story. Before coming to conclusions about data, analysts need to ferret out two things: what is behind the numbers, and which numbers represent agreed-upon organizational goals.
3. Both hard and soft data is useful. Hard data are numbers that represent countable units, such as the number of days required to process a case, the number of cases, etc. Soft data are numbers that represent perceptions, understanding, and preferences; this kind of data is usually gathered through focus groups, interviews, and opinion surveys. Together, the two kinds of data provide a more complete picture of organizational reality.

An important step in assessing human resources management effectiveness is to define data indicators. Several authors offer examples of the kinds of data that are useful in determining human resources management effectiveness, including indicators such as:

- ▶ Ratio of equal employment opportunity grievances to employee population
- ▶ Minority representation by equal employment opportunity categories
- ▶ Training hours per employee
- ▶ Distribution of performance appraisal ratings

Organizational leaders are also monitoring overall labor costs, including:

- ▶ Labor or human resources expenses/total operating expenses
- ▶ Total compensation/total operating expenses
- ▶ Training and development expenses/total employees

These are only a few of the many possible indicators. [Appendix D provides more details about](#)

various kinds of human resources management data indicators compiled by the Office of Personnel Management that agencies can consider in assembling their measurement systems. Phillips' book is also a solid reference for different ways to measure human resources management.

CONCLUSIONS

CURRENT REALITIES AND FUTURE CHALLENGES

After reviewing the viewpoints of people both inside and outside the Federal government, and what these people have been doing about human resources management accountability, we can draw some conclusions and point to future directions.

Accountability needs to be placed where human resources management authority lies.

Consistent with the National Performance Review recommendations, Federal human resources management processes have been deregulated to some extent. Human resources management authorities have also been delegated by the Office of Personnel Management to agencies, and within many agencies to their line managers. Reflecting this new reality, assessment of effective human resources management needs to be focused more than ever before on line managers, creating what has been called “accountability for results.”

Accountability for results requires new approaches. This issue was well summarized in the Brookings report: “The key is connecting the manager and the organization’s human resources system with the organization’s goals, not with the rules that drive it.” We have come to understand that human resources management accountability has many dimensions. In the Federal environment, it begins with the language of the Merit System Principles and Prohibited Personnel Practices. While legal and regulatory compliance are part of human resources management accountability, there is much more involved in creating an environment that supports mission accomplishment. We have also learned that accountability demands a customer service orientation, stakeholder involvement and empowerment, and targeted measurement to assess human resources management program effectiveness. This is especially challenging in an era when human resources staffs are downsizing and more authority and responsibility is being delegated to line managers.

Federal agencies have begun finding new ways to be accountable. Human resources office downsizing and the need for new approaches has disrupted traditional approaches to accountability at many agencies. Yet, there is a great deal of activity in the Federal government that supports accountability. Every agency we spoke to addresses accountability through some programs and systems. These programs begin with legal and regulatory compliance, and in many agencies go beyond that toward a greater focus on the link between effective human resources management and organizational results. Several agencies are redesigning or streamlining procedures, using organizational climate and customer surveys, and enabling managers to access personnel information databases. Nevertheless, there is still a widespread need for approaches to human resources management accountability that are more strategic, results-focused, and integral to the core business processes of each agency.

The Federal human resources community is developing new roles and skills to support

accountability for results. In this environment of downsizing and restructuring, human resources jobs are changing quickly and under great pressure. The Office of Personnel Management and human resources leaders in agencies are now tasked to be human resources management process designers, customer service experts, and advisors about effective human resources management practices. Many agency human resources staffs are explicitly changing their role definitions, now acting as consultants to managers. They are also tasked to lead a dialogue within the organization about how human resources management effectiveness supports mission accomplishment, and how to measure that connection. As the human resources community learns these new roles, it must also ensure managers understand their new responsibilities, support them in achieving results, and assure they operate in a manner consistent with the values of a merit-based Civil Service.

Communication is central to accountability for results. Human resources management accountability is best supported by a process that allows for ongoing communication among agency leaders, human resources officials, managers, employees, unions, and oversight groups. Managers and employees will accept accountability for results if they clearly understand what results are desired, are supported in achieving those results by the organization's work processes, are trained to do their jobs effectively, and have the equipment, supplies, and information they need.

Measurement must result in change to support accountability. Measurement is necessary in order to understand what results have been achieved and assess their effectiveness. But measurement alone is not enough. Information about results must be shared; and, follow-through with action is critical. Many Federal workers say they have been "measured and surveyed to death" in recent years, but have seen little change in response to the data. Therefore, more attention needs to be paid to acting on feedback from assessment of human resources management effectiveness.

Self-assessment is a necessary tool for achieving accountability. To achieve the best possible results, agencies must take responsibility for assessing their own human resources management programs and systems. Accountability systems that are more internally-driven than externally-driven have more meaning for participants, support continuous improvement, and conserve resources. A few agencies have already introduced promising approaches to self-assessment that can be models for others.

THE OFFICE OF PERSONNEL MANAGEMENT'S ONGOING ACTIONS TO SUPPORT HUMAN RESOURCES MANAGEMENT ACCOUNTABILITY

Based on our findings on the current state of accountability in the Government, and our review of non-Federal approaches, it is clear that much can be done to promote human resources management accountability for results in the Federal Government. As part of its leadership responsibility for human resources management accountability, the Office of Personnel Management will continue to assist agencies in establishing effective human resources

management self-assessment systems and programs, and to undertake other activities to support this effort.

The Office of Personnel Management's role includes:

- ▶ establishing expectations and providing general assistance, including a framework for agency self-assessment,
- ▶ offering access to data and other information to assist agencies in developing their own models and approaches to self-assessment,
- ▶ maintaining forums for information-sharing about accountability and promising approaches, and facilitating communication among agencies,
- ▶ supporting the efforts of agencies to educate employees about the Merit System Principles; and,
- ▶ continuing information-gathering to monitor and further enhance the state of Federal human resources management accountability.

Plans relating to each of these aspects of the Office of Personnel Management's role are related below.

Proposed Framework for Agency Human Resources Management Self-Assessment

The Framework for Agency Human Resources Management Self-Assessment was proposed to the Committee on Human Resources Management Accountability in July 1996. It derives directly from the conclusions of this report as laid out above. It is a key document in the Office of Personnel Management's effort to encourage human resources management accountability because it offers broad guidelines for how an agency can establish an effective human resources management self-assessment approach. It is also a living document, which can be improved as the Office of Personnel Management and the agencies work and learn together.

Within this Framework, it is important for each agency to develop its own system or approach to ensure that managers and human resources management officials alike are held accountable for effective human resources management within the values expressed in the Merit System Principles. Essentially, each agency should strive to:

collect and analyze information, use that information to identify opportunities for increased effectiveness in human resources management, and assess or measure progress toward those goals on a regular and recurring basis.

While each agency is likely to find its own particular path toward this objective, the proposed

Framework for Agency Human Resources Management Self-Assessment as described below can serve as a roadmap:

1. Human resources management outcomes are identified by management, human resources officials and key stakeholders, are communicated throughout the organization, and are linked to agency mission accomplishment through:

- ▶ the agency strategic plan
- ▶ other mission-related documents

2. Key human resources management outcome indicators are identified and tracked through various means, including:

- ▶ automated system reports
- ▶ program studies
- ▶ attitude or climate surveys
- ▶ interviews and focus groups
- ▶ special investigations and reviews

3. Results are evaluated and communicated within the organization to:

- ▶ HR staff, line managers, top management, employee and manager associations
- ▶ other stakeholders, such as unions, Inspector General offices, etc.

4. Actions are taken to improve human resources management effectiveness, such as

- ▶ development of new human resources management programs
- ▶ improvement of existing human resources management systems, programs and processes
- ▶ resolution of grievances, complaints and other problems
- ▶ further education of managers in the Merit System Principles and other topics related to human resources management effectiveness

5. The self-assessment cycle continues, and is itself evaluated and improved.

Data Indicators and Model Building

The Framework emphasizes collecting and analyzing data, and then acting on what has been learned. In support of agency attempts at self-assessment, the Office of Personnel Management has been collecting a large amount of personnel information from several sources, including the Central Personnel Data File and various surveys administered to Federal employees in the recent past. The Office of Personnel Management has also designed a new questionnaire that will be administered to a Governmentwide sample each year.

The Office of Personnel Management has arrayed these data indicators under the appropriate Merit System Principle, and is making them available to agencies looking for solid information for self-assessment purposes. [See Appendix D for a description of the kinds of data indicators agencies can use in assessing human resources management effectiveness.](#)

The Office of Personnel Management hopes to use its access to and expertise with human resources management data, as well as other tools, to partner with agencies in building a variety of potential models and approaches that can be customized by agencies for their own use.

Communication and Electronic Information Exchange

Under the auspices of the Interagency Advisory Group, the Office of Personnel Management established a Committee on Human Resources Management Accountability in Fiscal Year 96. The purpose of the Committee is to create and maintain a Governmentwide community of interest supporting human resources management accountability by:

- ▶ providing a forum for information exchange among agencies regarding self-assessment programs and systems, including approaches, techniques, models, and success stories,
- ▶ promoting information sharing through electronic means; and,
- ▶ exploring ways to further involve and educate line managers regarding human resources management accountability and Merit System Principles.

The Office of Personnel Management will also provide means for on-line exchange of information about accountability.

Merit System Principles Education

As noted earlier, the Office of Personnel Management conducted an extensive review in Fiscal Year 96 of Federal human resources management specialists' and line managers' knowledge and understanding of the Merit System Principles. Based on this needs assessment, the Office of Personnel Management is planning a series of targeted initiatives that will provide wide exposure to the Principles for managers, and complement individual agency training efforts.

During Fiscal Year 96, the Office of Personnel Management also sponsored a "Managing with Merit" Symposium. This was a groundbreaking effort to engage line managers on the topic of human resources management accountability, and the significance and applicability of the Merit Principles to their own actions as managers. The Office of Personnel Management will continue to seek ways to reach out to this group on accountability.

Continuing Efforts

It has already been noted that this report constitutes a baseline snapshot of the state of human resources management accountability programs and approaches in the Federal Government. The Office of Personnel Management will continue in Fiscal Year 97 and beyond to monitor -- and share widely through a variety of forums -- information about how Federal agencies are responding to the human resources management accountability challenge. Using this information, the Office of Personnel Management can build on this baseline, and continue and enhance its efforts to encourage agencies across the Government to establish effective human resources management self-assessment systems and programs.

APPENDICES

- A. Glossary of Terms Used in This Report
- B. Accountability Agenda Protocols
- C. Merit System Principles and Prohibited Personnel Practices
- D. Human Resources Management Data Indicators
- E. Bibliography on Accountability

APPENDIX A

GLOSSARY OF TERMS USED IN THIS REPORT

Human Resources Management

Human resources management is the term we use to refer to the way people in an organization are managed to achieve desired results. In the Civil Service, human resources management is to be conducted in accordance with the values reflected in the Merit System Principles and Prohibited Personnel Practices.

Human Resources Officials/Staff

Human resources management programs and systems are generally managed by those in organizations titled Human Resources or Personnel, Training or Education, Equal Employment Opportunity or Diversity, Ethics and Conduct, and other related staffs. Most of the human resources officials interviewed for this report were Human Resources or Personnel office directors or managers, both in Washington, D.C. and in various Federal installations around the country.

Human resources management accountability

Human resources management accountability is the term we use to refer to the responsibility placed on Federal agencies to assess how effectively they are making use of their human resources, within the values of the Merit System Principles. Accountability is a broader concept than compliance, although compliance with law is part of accountability. While managers are still responsible to uphold the law, agencies now have more flexibility to develop their own internal processes and more responsibility for seeing that they support agency mission accomplishment.

Human resources management accountability requires organizational and human resources officials to be explicit in their definition of human resources management effectiveness and commitment to results, or outcomes. It requires key stakeholders, such as management, unions, and customers, to come to agreements about standards by which those outcomes will be judged. It requires a sharing of authority and responsibility from the top of the organization to every employee. It also requires programs designed to support people in their efforts to be accountable, and evaluation processes that assess results rather than just procedures.

Human resources management accountability systems

To be effective, human resources management programs, processes, and practices must support employees and managers in their efforts to be accountable for mission accomplishment. Human resources management accountability systems include:

- ▶ strategic planning that identifies and addresses human resources management issues,
- ▶ performance management,
- ▶ automated data systems containing personnel information,
- ▶ policy-setting and procedure development related to human resources management practices,
- ▶ mechanisms soliciting employee and customer feedback about organizational effectiveness,
- ▶ training and information-sharing about the mission and effective human resources management practices,
- ▶ delegations of authority regarding personnel decisions,
- ▶ mechanisms that monitor and review personnel actions, and
- ▶ mechanisms that identify, investigate, and resolve human resources management problems.

Human Resources Management Self-Assessment

The proposed Framework for Agency Human Resources Management Self-Assessment offers broad guidelines for how an agency can establish an effective human resources management self-assessment approach. Essentially, each agency should strive to collect and analyze information, use that information to identify opportunities for increased effectiveness in human resources management, and assess or measure progress toward those goals, on a regular and recurring basis.

This Framework guides agencies toward more strategic, results-oriented assessment, to be distinguished from traditional Personnel Management Evaluation, which emphasized procedures over outcomes.

APPENDIX B

ACCOUNTABILITY AGENDA PROTOCOLS

The attached package describes the Accountability Agenda that was used in Fiscal Year 1996 Oversight reviews in six agencies, including 11 bureaus. The interview and focus group questions were asked of human resources officials, including both departmental staff and local personnel directors, and line managers in both Washington, D.C. and field offices. Similar interview questions were asked of human resources officials in 14 other Federal agencies.

Following are the four segments of the Accountability Agenda:

- ▶ Statement of objectives
- ▶ Advance Information Request
- ▶ Focus Group Questioning Route
- ▶ Installation Interview Guide

HUMAN RESOURCES MANAGEMENT ACCOUNTABILITY AGENDA

As Government strives to become more efficient and effective, it has also moved toward greater decentralization and delegation of human resources management authorities. This decentralization and delegation will provide managers with flexibilities to achieve results while reducing costs. Along with these flexibilities, however, is the responsibility to manage human resources in accordance with merit systems principles, in other words be accountable for applying the merit principles while performing the mission of the organization. Therefore, managers need to know the content of these principles as well as how to apply them when taking personnel actions. Managers also need tools to help them monitor how well they are applying the principles. And, there need to be programs, processes, or systems which will alert top agency management when merit principle abuses are occurring.

A central purpose of the Office of Oversight & Effectiveness is to help agencies create and implement new Accountability Systems that will educate and assist managers in applying merit systems principles within the context of this environment of decentralization and delegation. As its first step in achieving this mission, the Office of Oversight & Effectiveness has created an Accountability Agenda to determine, through fact-finding, the "state of human resources management accountability." The specific objectives for this Agenda include:

1. Determine the presence and effectiveness of agency human resources management accountability programs or systems, i.e., agency-based internal oversight of managerial accountability.
2. Ascertain the information needs (i.e., indicators and models) of agencies, installations, and managers in ensuring merit principle adherence.
3. Assess the merit principle information and training needs for managers.

The Agenda involves a standardized set of data collection tools that will be applied in Installation Reviews and other selected locations throughout Government.

MERIT PRINCIPLES

All nine merit principles will be addressed during the course of this agenda.

EXPECTED OUTCOMES

A baseline for the status of accountability systems and an assessment of the needs for merit system principles education. Ultimately, improve merit principle adherence through improved agency and installation accountability systems and enhanced merit principles education. Potential for identifying components to be arrayed systematically and then tested as an accountability model.

AGENDA

1. (For agency headquarters components) What human resources management accountability programs or systems does the agency or department have in place (or under consideration/design)?

--What is the organizational entity that has primary responsibility for the human resources management accountability program or system?

--What guidance on the agency accountability system exists?

--What human resources management accountability reviews have been conducted in the past three years? What reports have been issued? To whom? What has changed as a consequence of these reports?

--What means does the agency use to monitor authorities delegated to managers? What automated indicators (if any) have been used? What other (i.e., nonautomated) indicators have been used? Who gets the information? What has changed as a consequence of these indicators? Which indicators have been particularly valuable? Have new data collection processes been needed, or have in-place data systems been used?

--What merit principle training/briefings have been conducted for managers? What are the primary concerns of managers about delegations? about merit principles? What is their primary information gap?

2. (For agency installations) To what extent does the agency human resources management accountability program or system assist the installation head, personnel officer, and managers in adhering to merit principles?

--What guidance is provided on agency human resources management accountability systems? What changes to the guidance are needed? Is more or less guidance needed?

--What human resources management accountability reviews have been done at the installation during the past three years? Who conducted these reviews? What reports were issued? What changed as a result of the reviews? How could the reviews have been modified to provide more/better information on merit principle adherence?

--What ways have you found to monitor personnel actions to assure adherence to merit principles? What has been found and what action taken based on the findings? What, if any automated indicators have been used? What other (i.e., nonautomated) indicators have been used? Who gets the information? What has changed as a result of these indicators? Which ones have been valuable? How are managers informed of the results from these indicators?

--What methods have been used to assess the level of awareness of merit principles on the part of supervisors and managers? Is there a program in place to provide training for supervisors and managers on merit principles? Have merit principle training/briefings have been conducted for managers? What are the primary concerns of managers about merit principles? What is their primary information need? What information or materials would be beneficial to have in order to meet these merit principle training/education needs?

3. (For installation managers) To what extent are managers aware of merit principles and the need to be accountable in a deregulated personnel management environment?

--To what extent are managers aware of the merit principles? To what extent are managers aware of delegations of personnel management authority?

--Have managers received any training/briefings on merit principles? If yes, what did they like, and what would they modify? If no, what kind of information do they need on merit principles?

--What kinds of information (i.e., indicators) would help managers do a better job adhering to merit principles? What format should the information be in? How should the information be presented so that it will engender behavior change?

METHODOLOGY

In addition to the baseline methodology,

- **In advance of on-site work**, a request for information on the status or plans for human resources management accountability systems and merit principles training/education opportunities; this will include a request for materials and guidance on agency-level accountability systems, such as reports of reviews, indicators in use, and other relevant documentation.
- **For headquarters Directors of Personnel and installation Directors of Personnel**, conduct interviews to assess needs for new or revised human resources management accountability systems, determine preferences for models and indicators, and explore the need for merit principles training and education for managers.
- **For installation supervisors and managers**, conduct focus groups to ascertain awareness of merit principles, their information needs, and their education/training needs.
- **For installation evaluation questionnaires**, include appropriate items.

Request for Information - Page 1

The Office of Personnel Management is conducting a Government wide review of Human Resources Management Accountability, a significant segment of which is examination of Human Resources Management Accountability programs in the seven departments and agencies that are under general review for fiscal year 1996.

As you know, the Federal government is taking steps to be more efficient and effective as it becomes more decentralized and delegates more personnel management authorities to the agencies. As a result, managers and supervisors are getting greater administrative flexibilities for achieving measurable results and reducing costs. Along with greater flexibility comes an even greater need for our managers to be accountable for managing human resources in accordance with the merit systems principles.

Our plan is to first gather the facts on the state of accountability in human resources management. Ultimately, we hope to help agencies create and implement improved human resources management accountability systems. We also hope to foster enhanced merit principles education. This review of accountability focuses on three objectives:

1. Determine the presence and effectiveness of agency human resources management accountability programs or systems, i.e., agency-based internal oversight of managerial accountability.
2. Ascertain the information needs (i.e., indicators and models) of agencies, installations, and managers in ensuring merit principle adherence.
3. Assess the merit principle information and training needs for managers.

As one means to accomplish these objectives, we are requesting the information in response to the following queries from each headquarters element, at the Department or agency/subcomponent level. We also plan to conduct a limited number of interviews and focus groups to gather qualitative information, as well.

1. Status of current or recent human resources management accountability efforts.

These questions concern the inputs/outputs of previous or current human resources management accountability or personnel management evaluation endeavors. Please describe any efforts or program your agency has undertaken to ensure internal oversight of human resources accountability.

Request for Information - Page 2

Inputs

1. Where is this program situated organizationally? (question for headquarters only)
2. What level of resources have you been able to devote to these efforts?
3. Have you been able to use technology (e.g., databases or personal computers) to assist in these efforts? Please describe. If not, what has prevented their use?

If there is no program, what do you need to establish one?

Outputs

Please describe any reviews conducted during the last fiscal year, Fiscal year 95. Specific information that would be helpful includes:

- a. Number of reviews
- b. Location(s) of reviews
- c. Subjects (i.e., personnel function such as recruitment, or merit principles issues or violations)
- d. Precipitating event (reasons for doing the review)
- e. Written reports, including audience (Please send a copy of written reports)
- f. Findings and recommendations
- g. Changes made to personnel programs or operations as a result of the review

2. Status of actions to ensure merit systems principles adherence in a decentralized and delegated environment.

These questions address the availability of automated systems, or other types of indicators, which an agency may be using to assess how well merit systems principles are being applied by managers and supervisors. These questions also involve the merit systems principles education or training needs of managers.

Request for Information - Page 3

On-going Monitoring

Please list any actions that have been taken to ensure on-going monitoring or oversight of managerial accountability for personnel actions taken in accordance with merit systems principles.

Indicators (either automated or nonautomated) used for monitoring:

Reports or other types of information produced & who receives it:

Changes, if any, made as a result:

Indicators preferred & why:

New indicators established:

Request for Information - Page 4

Existing indicators used:

Measures or indicators to comply with the Government Performance and Results Act:

Merit Systems Principles Education/Training

To what extent has your agency trained managers on merit systems principles?

We will be asking the following questions when we visit you on site. Please have the answers to these questions available.

Does your agency offer merit systems principles training (including prohibited personnel practices) in supervisory training sessions, management development sessions, or other kinds of briefings or training?

How frequently is merit systems principles training offered?

Approximately how many supervisors or managers have received merit systems principles education or training in the past year?

What are managers and supervisors' primary information needs with respect to merit principles training and education?

What are their primary issues with human resources management accountability?

Introduction to Focus Group Discussion - Page 1

Good Morning, and welcome to our session. I am _____, and assisting me is _____. We are both from the Office of Personnel Management's Office of Merit Systems Oversight and Effectiveness (OMSOE). Thank you for taking the time to help us this morning.

As you are aware, the Government is striving to become more efficient and effective, and is moving toward greater decentralization and delegation of personnel management authorities.

As a result, managers and supervisors are acquiring greater administrative flexibilities which will enable them to achieve measurable results and reduce costs. Along with these enhanced flexibilities comes an even greater need to be held accountable for managing human resources in accordance with merit systems principles.

To this end, the Office of Personnel Management is engaged in a Governmentwide review to determine, through fact-finding, the state of human resources management accountability. Our ultimate goal is to improve merit principle adherence throughout the Federal Government. We plan to accomplish this by helping agencies to create and implement improved accountability systems, and by fostering enhanced merit principles education.

As a part of this effort, we are reviewing (Agency) activities across the country this year. We would like to enrich our analysis efforts through the collection of qualitative perceptual data, and focus groups are ideally suited for this.

So, we are meeting today because we want to hear what you think about the state of human resources management accountability and merit principle awareness within your (Agency) component. We are very interested in hearing *differing* points of view. Please feel free to share your view even if it differs from what others have said. We want to hear what you really feel. We're just as interested in negative comments as positive ones. In fact, the negative comments could be the most helpful to us.

We will be talking to a wide cross section of (Agency) managers and supervisors, representing each of the bureaus and services. Data resulting from the focus group sessions and other review activities will be summarized in a report to the Office of Personnel Management Director. This report will describe human resources management accountability efforts across the Government. None of your names will be attached to your comments in any reports we write to ensure confidentiality. But, your comments will be used to help the Office of Personnel Management better understand the condition or state of accountability systems or programs, and to help develop models for Governmentwide use.

Introduction to Focus Group Discussion - Page 2

Before we begin, let me share some ground rules:

Please speak up--only one person should talk at a time.

Please complete your name cards to help us know who you are.

Our session will last about 1 1/2 hours.

We are tape recording the session because we don't want to miss any of your comments.

Please discuss your views with one another. I'm here just to ask questions, and to sit back and listen.

Focus Group Questioning Route

Let's begin by going around the room and introducing ourselves. Please give us your name and where you work. Tell us, whether you've taken the Office of Personnel Management's merit systems principles training course, and if not, then *very briefly* (i.e., in a couple of sentences) how you learned to apply the merit system principles.

Suggested flip chart summary:

- Name
- Where you work
- Taken the Office of Personnel Management's merit principles training? Yes/No
- Briefly, how did you learn to apply the principles?

1. When I use the phrase, "the merit system" what does that mean to you? How would you define it?

Allow the participants to brainstorm--capture key points on a flip chart.

Afterwards, pass out list of Merit Principles. Give them a moment to review them.

2. Based upon your experience, what do you perceive is the relationship between the merit systems principles and the prohibited personnel practices ?

3. Now let's consider the concept of accountability in managing your human resources. What does accountability mean to you? How are you held accountable?

4. In your view, who do you think should be held accountable for implementing Merit Systems Principles? Based upon what you have said, how should they be held accountable?

5. How important is it to you to have information that measures how well, you are applying the Merit Systems Principles? What kinds of information would be helpful to you?

6. Think back to a particularly complex and difficult personnel action you were required to take. Did the merit principles influence your final decision? How?

7. Have you ever been discouraged or prevented from operating in accordance with merit systems principles?

8. Considering everything that's been discussed today, what would it take to make you feel that you are equipped to apply the merit systems principles in the exercise of your daily responsibilities?

Installation Interview Guide - Page 1

The Office of Personnel Management is conducting a Government wide review of Human Resources Management Accountability, a significant segment of which is examination of Human Resources Management Accountability programs in the seven departments and agencies that are under general review for fiscal year 1996. Our ultimate goal is to improve merit principle adherence throughout the Federal Government. We plan to accomplish this by helping agencies to create and implement improved accountability systems, and by fostering enhanced merit principles education. As our first step in achieving this mission, we will be determining, through fact-finding, the "state of human resources management accountability."

We are interested in finding out how you are dealing with accountability in managing your human resources and what accountability tools or programs you have or plan to have in place for managers to use as they exercise greater personnel authorities.

We'd like to ask you a few questions and get your perceptions and thoughts about how you're ensuring accountability for human resources management in your organization. This information is just one source of our data collection, which includes focus groups and survey questions. The data we collect from all the agency reviews will be synthesized to provide a picture of the current accountability programs in the Government and what the needs are for information, tools and merit system principles education.

1. First, we'd like to know what "accountability for managing your human resources" means to you?

2. Based on your unique perspective as the personnel director, to what extent do you think that managers and HR specialists understand the merit system principles?

- To what extent should they understand them?

- Do you feel they consider merit system principles in making personnel decisions?

Installation Interview Guide - Page 2

3. How do you keep apprised of managers adherence to the merit system principles?

- What reports, surveys or other data sources capture human resources management accountability?

- Are these the same sources that managers themselves receive to tell them how well their applying merit system principles?

- What do you think should be done to keep apprised of managers adherence to merit system principles?

- How can data or information that you are provided through various systems help you to ensure human resources management accountability? help managers?

4. What role do you currently see the union playing to ensure consistent and fair treatment of employees and managing human resources in accordance with the merit system principles?

- What do you think the union role should be?

Installation Interview Guide - Page 3

5. Suppose it was discovered that a Merit Systems Principles violation had occurred within your organization. (*Let's use, as an example, the principle: "All employees should maintain high standards of integrity, conduct, and concern for the public interest."*) In your view, how would your organization respond?

- Do you think your organization's process should be improved? If so, how?

6. In your organization, describe the level of commitment and role for human resources management accountability, e.g. top level, 1st line supervisors, Personnel Office, etc.

- What should the level of commitment and roles be for human resources management accountability?

APPENDIX C

MERIT SYSTEM PRINCIPLES AND PROHIBITED PERSONNEL PRACTICES

MERIT SYSTEM PRINCIPLES

As stated in Section 2301(b) of title 5, United States Code:

Federal personnel management should be implemented consistent with the following merit system principles:

- (1) Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve a work force from all segments of society, and selection and advancements should be determined solely on the basis of relative ability, knowledge, and skills, after fair and open competition which assures that all receive equal opportunity.
- (2) All employees and applicants for employment should receive fair and equitable treatment in all aspects of personnel management without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition, and with proper regard for their privacy and constitutional rights.
- (3) Equal pay should be provided for work of equal value, with appropriate consideration of both national and local rates paid by employers in the private sector, and appropriate incentives and recognition should be provided for excellence in performance.
- (4) All employees should maintain high standards of integrity, conduct, and concern for the public interest.
- (5) The Federal work force should be used efficiently and effectively.
- (6) Employees should be retained on the basis of the adequacy of their performance, inadequate performance should be corrected, and employees should be separated who cannot or will not improve their performance to meet required standards.
- (7) Employees should be provided effective education and training in cases in which such education and training would result in better organizational and individual performance.

(8) Employees should be -

(A) protected against arbitrary action, personal favoritism, or coercion for partisan political purposes, and

(B) prohibited from using their official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for election

(9) Employees should be protected against reprisal for the lawful disclosure of information which the employees reasonably believe evidences -

(A) a violation of any law, rule, or regulation, or

(B) mismanagement, a gross waste of funds, an abuse of authority or a substantial and specific danger to public health or safety.

PROHIBITED PERSONNEL PRACTICES

As stated in Section 2303 (b) of title 5, United States Code:

(b) Any employee who has authority to take, direct others to take, recommend, or approve any personnel action, shall not, with respect to such authority -

(1) discriminate for or against any employee or applicant for employment -

(A) on the basis of race, color, religion, sex, or national origin, as prohibited under section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-12);

(B) on the basis of age, as prohibited under section 12 and 15 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 631, 633a);

(C) on the basis of sex, as prohibited under section 6(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d));

(D) on the basis of handicapping condition, as prohibited under section 501 of the Rehabilitation Act of 1973 (29 U.S.C. 791); or

(E) on the basis of marital status or political affiliation, as prohibited under any law, rule, or regulation;

(2) solicit or consider any recommendation or statement, oral or written, with respect to any individual who requests or is under consideration for any personnel action except as provided under section 3303(f);

(3) coerce the political activity of any person (including the providing of any political contribution or service), or take any action against any employee or applicant for employment as a reprisal for the refusal of any person to engage in such political activity;

(4) deceive or willfully obstruct any person with respect to such person's right to compete for employment;

(5) influence any person to withdraw from competition for any position for the purpose of improving or injuring the prospects of any other person for employment;

(6) grant any preference or advantage not authorized by law, rule, or regulation to any employee or applicant for employment (including defining the scope or manner of competition or the requirements for any position) for the purpose of improving or injuring the prospects of any particular person for employment;

(7) appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advancement, in or to a civilian position any individual who is a relative (as defined in section 3110(a)(3) of this title) of such employee if such position is in the agency in which such employee is serving as a public official (as defined in section 3110(a)(2) of this title) or over which such employee exercises jurisdiction or control as such an official;

(8) take or fail to take, or threaten to take or fail to take, a personnel action with respect to any employee or applicant for employment because of -

(A) any disclosure of information by an employee or applicant which the employee or applicant reasonably believes evidences -

(i) a violation of any law, rule, or regulation, or

(ii) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety if such a disclosure is not specifically prohibited by law and if such information is not specifically required by Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs; or

(B) any disclosure to the Special Counsel, or to the Inspector General of an agency or another employee designated by the head of the agency to receive such disclosures, of information which the employee or applicant reasonably believes evidences -

(i) a violation of any law, rule, or regulation, or

(ii) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety;

(9) take or fail to take, or threaten to take or fail to take, any personnel action against any employee or applicant for employment because of -

(A) the exercise of any appeal, complaint, or grievance right granted by any law, rule, or regulation;

(B) testifying for or otherwise lawfully assisting any individual in the exercise of any right referred to in subparagraph (A);

(C) cooperating with or disclosing information to the Inspector General of an agency, or the Special Counsel, in accordance with applicable provisions of law; or

(D) for refusing to obey an order that would require the individual to violate a law;

(10) discriminate for or against any employee or applicant for employment on the basis of conduct which does not adversely affect the performance of the employee or applicant or the performance of others; except that nothing in this paragraph shall prohibit an agency from taking into account in determining suitability or fitness any conviction of the employee or applicant for any crime under the laws of any State, of the District of Columbia, or of the United States; or

(11) take or fail to take any other personnel action if the taking of or failure to take such action violates any law, rule, or regulation implementing, or directly concerning, the merit system principles contained in section 2301 of this title.

APPENDIX D

HUMAN RESOURCE MANAGEMENT DATA INDICATORS

In an effort to assure taxpayers, Congress and the President that the Merit System is still functioning as intended, the Office of Personnel Management Office of Oversight and Effectiveness organizes available data indicators of human resources management performance in Federal agencies according to the nine Merit System Principles. Such data provide the basis for a dialogue about how effective human resources management can improve organizational performance, and for action-planning to make targeted improvements.

Many questions arise in such a dialogue, such as: Which data are important? How does human resources management data clearly connect to organizational results? Each agency must choose its own approach to measurement -- one that fits into its ongoing strategies to measure organizational performance. The Oversight and Effectiveness staff is ready to work with any agency that is interested in exploring their options.

There are many ways to assemble data to support analysis of human resources management effectiveness in an agency. Central Personnel Data File statistics can be arrayed to show patterns such as types of promotions by job or demographics, occupations and who seeks them over time, average grades by job and demographics, etc. Questionnaire responses and focus group or interview feedback can point to patterns of organizational behavior. These patterns can raise questions about organizational human resources management practices and focus attention on areas that need further investigation and improvement.

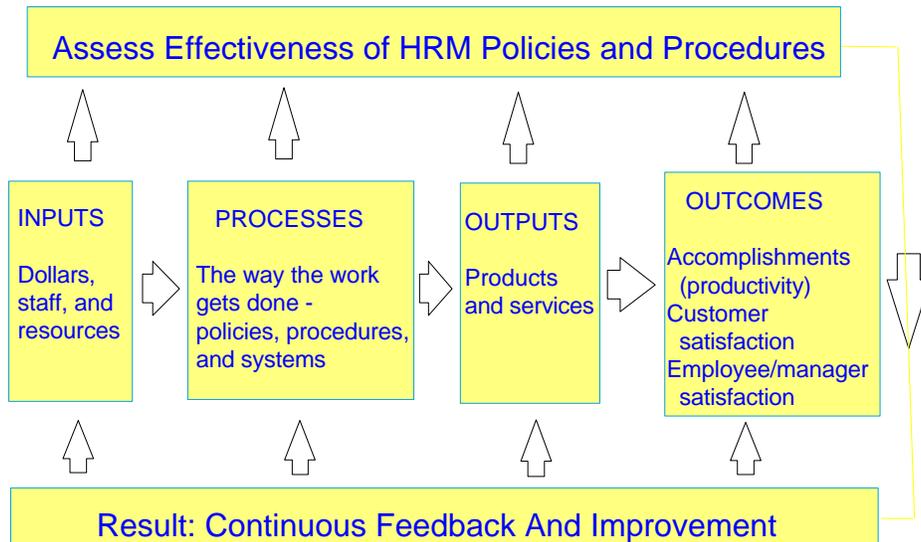
Outcomes-focused systems model

To provide a structure for data analysis, the Office of Personnel Management uses an analysis tool called the outcomes-focused systems model. This model, which comes from the quality improvement discipline, offers a starting point agencies can use in assessing human resources management effectiveness. As the Federal Government strives to become more results-focused, this model provides a structure to help analyze the flow of how resources are used to achieve desired outcomes. The model lays out four basic elements of the way work flows through an organization:

- ▶ inputs,
- ▶ processes,
- ▶ outputs, and
- ▶ outcomes.

The following model is focused on human resources management effectiveness.

Outcomes-Focused Systems Model



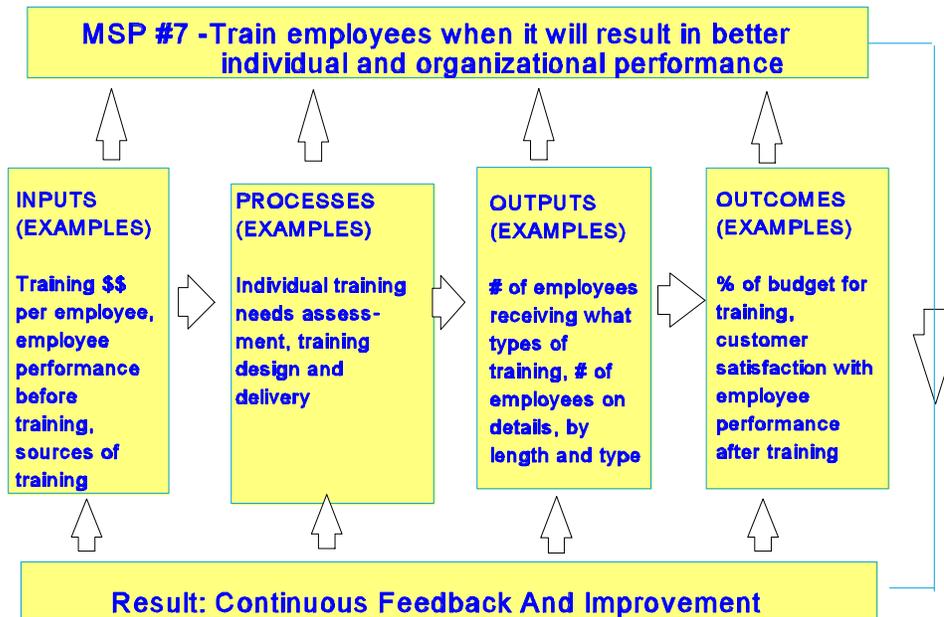
To apply this model, the Office of Personnel Management Oversight and Effectiveness works with an agency to gather and analyze information reflecting all parts of the system. First, we look at outcomes indicators, and determine whether and how the agency has clearly defined its desired human resources management outcomes. Then we look at indicators of inputs, processes, and outputs to assess where to make improvements.

The Merit System Principles describe the values set forth for the Federal human resources management environment. The outcomes-focused systems model and the Merit System Principles can be used together to:

- ▶ Provide a structure for assessing human resources management effectiveness,
- ▶ Look beyond traditional inputs, process, and outputs measures,
- ▶ Link agency planning to mission accomplishment, and
- ▶ Focus attention on improved outcomes and results.

The next example shows how the outcomes-focused model and the Merit System Principles can be used together.

An Example



This brief example shows a few of the indicators that reflect the inputs, processes, outputs, and outcomes that carry out Merit System Principle #7. If outcomes indicators reflect low productivity or dissatisfaction with employee/manager performance, and lack of or insufficient training is identified as a cause, then these inputs, processes, and outputs indicators can help agencies determine where improvements are needed.

Some human resources management processes and activities touched on in this analysis would include:

- ▶ performance measurement and evaluation (both organizational and individual)
- ▶ organizational goal-setting and performance planning
- ▶ budgeting for training needs
- ▶ training needs assessment
- ▶ individual development planning
- ▶ identification of internal or external sources for training design and delivery

Based on review of these activities, and possibly further information-gathering from customers, managers and employees, decisions can be made about where improvements are needed. Key stakeholders should be involved in action-planning on how to make improvements.

APPENDIX E

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