



**UNITED STATES OFFICE OF PERSONNEL MANAGEMENT**

**STATEMENT OF  
THE HONORABLE KATHERINE ARCHULETA  
DIRECTOR  
U.S. OFFICE OF PERSONNEL MANAGEMENT**

**before the**

**SUBCOMMITTEE ON THE EFFICIENCY AND EFFECTIVENESS OF FEDERAL  
PROGRAMS AND THE FEDERAL WORKFORCE  
COMMITTEE ON HOMELAND SECURITY & GOVERNMENTAL AFFAIRS  
UNITED STATES SENATE**

**on**

**"A More Efficient and Effective Government: Cultivating the Federal Workforce"**

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**May 6, 2014**

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Chairman Tester, Ranking Member Portman, and Members of the Subcommittee:

Thank you for allowing me the opportunity to appear before you today to discuss the state of the Federal workforce. This week, we celebrate Public Service Recognition Week to recognize the service of Federal, as well as State and local, government employees. Those who have answered the call of public service, and especially those who have given their lives, deserve our gratitude for their contributions to the Nation. Circumstances such as the three year pay freeze, sequestration, the October 2013 government shutdown, and reductions in budgets, which have led to reductions in employee investment, have presented serious challenges to our Federal workforce. One of my top priorities as the Director of the Office of Personnel Management (OPM) is the enhancement of employee satisfaction and engagement. In fact, in our Strategic Plan for Fiscal Years 2014-2018, the goal for OPM is to provide leadership in helping agencies

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create inclusive work environments where a diverse Federal workforce is fully engaged and energized to put forth its best effort, achieve their agency's mission, and remain committed to public service. As Director of OPM, I am working closely with the Chief Human Capital Officers Council (CHCO Council), the Office of Management and Budget, the National Council on Federal Labor-Management Relations, and agency leaders to address employee satisfaction and engagement.

**The Federal Employee Viewpoint Survey**

One tool measuring employee satisfaction and engagement is the Federal Employee Viewpoint Survey (FEVS). OPM has administered the FEVS, previously called the Federal Human Capital Survey, since 2002. The FEVS provides a snapshot of Federal employees' perceptions of whether, and to what extent, conditions that characterize successful organizations are present in their agencies. The survey is designed to provide agencies with valuable information on employee satisfaction, commitment, engagement, and ultimately retention needed for driving change within an organization. The FEVS is a self-administered confidential web-based survey of full- and part-time, permanent, non-seasonal employees across the Federal Government.

The FEVS is comprised of four Human Capital Assessment and Accountability Framework indices, including the Leadership & Knowledge Management Index, Results-Oriented Performance Culture Index, Talent Management Index, and Job Satisfaction Index. The indices were created to guide agencies in building high-performing organizations by providing consistent metrics for measuring progress toward Human Capital Assessment and Accountability Framework objectives. In addition, the FEVS includes an Employee Engagement Index and a Global Satisfaction Index. The Employee Engagement Index is comprised of three subfactors,

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including Leaders Lead (employees' perceptions of the integrity of leadership), Supervisors (interpersonal relationship between worker and supervisor, including trust), and Intrinsic Work Experience (employees' feelings of motivation and competency relating to their role in the workplace). The Global Satisfaction Index is a combination of employees' satisfaction considering everything with their job, pay, organization, and their willingness to recommend their organization as a good place to work.

In 2013, OPM surveyed approximately 780,000 employees from 81 agencies and over 376,000 employees responded, resulting in a 48 percent response rate. The 2013 FEVS government-wide results revealed that over 80 percent of the Federal employees who responded like the work they do, understand how their work relates to their agency's goals and priorities, and rate the overall quality of the work done by their work unit as high. However, all four of the Human Capital Assessment and Accountability Framework indices decreased for a third straight year. There were also decreases in all three subfactors of the Employee Engagement Index and all four items that comprise the Global Satisfaction Index. The item with the largest decrease was pay satisfaction (which decreased from 59 percent in 2012 to 54 percent in 2013) followed by employees recommending their organization as a good place to work (which decreased from 67 percent in 2012 to 63 percent in 2013).

OPM is committed to working with agencies to provide the tools needed to improve employee satisfaction and engagement. To assist in this partnership, each individual agency's leadership can use data from the FEVS to make improvements within their own organization. To assist agencies, OPM developed an online tool with over 13,000 agency subcomponents available which is a significant improvement from when this Administration began when approximately

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1,500 organizational breakouts were available in 2010. OPM has provided this data for agencies to use in order to better understand their FEVS results. In addition, OPM provides agencies with a detailed management report to assist with interpreting their agency-specific FEVS results. The detailed management report identifies strengths and challenges and includes a section that identifies where agencies can focus planning efforts based on survey results. Also, OPM, in partnership with the Department of Veteran Affairs, developed an Inclusion Quotient, called "the New IQ," using twenty questions from the FEVS. The New IQ assists agency leadership with measuring inclusion in order to assist managers and supervisors in practicing behaviors that foster inclusion. With all of this information, agency leadership can work to develop a more engaged and inclusive workforce. Finally, we are establishing a workgroup on the topic of employee engagement, which will identify best practices, obstacles to engagement, and processes that drive improvement.

**The President's Management Agenda – People and Culture**

The President's Management Agenda will also facilitate a more effective and efficient government that is supportive of economic growth. The President has encouraged agencies to re-evaluate traditional ways of doing business and to explore fresh ideas and approaches, including from the private sector, to deliver better, faster, and smarter services and businesses. The President believes, and I agree, that the best way to deliver success in the Management Agenda's areas of focus is to engage with not only agency leadership but also with employees and union representatives. We want to tackle the path forward together.

One of the four pillars of the Management Agenda is "People and Culture." Given OPM's work to make the Federal Government America's model employer for the 21st century, as well as our

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experience in championing the Federal workforce, OPM plays a pivotal role driving this piece of the Management Agenda forward. OPM believes that an engaged, inclusive, and diverse Federal workforce is critical to the Federal Government's success, and we look forward to working with the President to invest in our current and future Federal employees.

The "People and Culture" pillar of the Management Agenda is comprised of three sub-goals. These sub-goals are: (1) helping agencies create a culture of excellence and engagement that enables the highest possible performance from employees; (2) assisting agencies in building a strong, world-class Federal management team, beginning with the Senior Executive Service (SES); and (3) helping agencies to draw from all segments of society in order to ensure that they hire the best talent.

**Creating a Culture of Excellence and Engagement to Enable Higher Performance**

In seeking to create a culture of excellence and engagement to enable higher performance, three initiatives have been identified as positive courses of action. The three initiatives include GovConnect, GovU, and the development of data visualization tools. GovConnect is designed to help all agencies test and scale talent exchange programs. These programs, which a small number of agencies have already developed, enable employees to find project-based rotational assignments and enable managers to reach into a broader talent pool to fill critical skills needs. GovConnect creates a more mobile and agile workforce through communities of practice that can share ideas and solutions with each other through online networking.

For the second initiative, OPM is working on an enterprise approach to learning and development resource exchange called "GovU." GovU is modeled after OPM's Human

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Resources University (HRU). HRU has, at its core, a collaborative model for the sharing of training and development resources across the Federal Government. OPM hopes to continue in this model with GovU by enabling agencies to share training and development resources to meet common needs. Examples include onboarding, mandatory training, and skills training for occupations like HR that span the entire Federal enterprise. To facilitate this, OPM is collaborating with the CHCO Council and the Chief Learning Officers Council to create an operational project plan for sharing additional developmental resources where appropriate. Training and development resources are critical tools in employee growth, and OPM is reviewing these resources to ensure they are consistently excellent and easily accessible government-wide. For example, OPM recently announced a government-wide agreement with the University of Maryland's University College, which now provides discounted tuition for all Federal employees and their legal dependents who are not already eligible for discounted in-state tuition. Further, through increased training and development comes greater accountability from and higher performance expectations for Federal employees. As capabilities and credibility are enhanced, efforts are needed to incorporate continuous improvement in the educational opportunities and tools available to Federal employees.

The third initiative includes the development of a data driven approach to enhancing management in the form of a dashboard. The goal behind the dashboard is to drive improvements to engagement and government operations. Training and development are important to improving employee engagement, and the dashboard will enable agencies' leadership to quickly see and analyze their engagement metrics, including the Engagement Index

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from the FEVS. The dashboard will also allow agencies to collaboratively build on their strengths and to address their challenges.

**Building a World-Class Federal Management Team**

The Management Agenda's commitment to a first-class Federal workforce includes strong investments in civil service leadership. To that end, OPM is working with agencies to strengthen the SES-wide leadership and engagement training curriculum. This includes an emphasis on leveraging diversity, as well as the changing needs of the 21st century workforce. Additionally, by linking and coordinating cross-agency leadership initiatives, OPM will work government-wide to continue to expand management development opportunities for SES members and candidates.

**Enabling Agencies to Hire the Best Talent from All Segments of Society**

Finally, at a time when agencies are dealing with smaller budgets, fewer hiring decisions, and less experienced human resources expertise, it becomes more critical than ever that agencies find the best talent possible. OPM is committed to working with agencies individually or through existing forums such as the CHCO Council, the Pathways Advisory Council, and others, to reduce skills gaps, foster diversity in Federal employment, and improve organizational outcomes. We hope to develop enhancements that will offer improvements to the Federal hiring process. For example, we hope to develop improvements to hiring and retention practices that will help agencies foster a highly effective workforce drawn from all segments of society. OPM will collaborate with Federal stakeholders to improve hiring outcomes in the short term by identifying and addressing "knots" within an agency process or to determine whether an OPM policy can be accomplished in a way that would help "untie that knot." In the short term, we will

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develop a variety of tools that would include additional guidance, an enhanced Hiring Tool Kit, or best practices guides. In the long-term, OPM may use demonstration projects, ask the Administration to adopt legislative changes, or revise its regulations to improve the Government's ability to ensure that its hiring processes attract and retain America's top talent.

**Conclusion**

Despite all the challenges, there is cause for optimism. Survey results show that Federal employees continue to be committed to serving the American people. Over 90 percent of respondents reported that the work they do is important; Federal employees report that they constantly look for ways to better do their jobs; and Federal employees report a willingness to put in the extra effort to get the job done. Employees are also happy with workplace flexibilities such as telework, leave, and alternative work schedules that help them be more productive by balancing their work and family needs. Harnessing this enthusiasm to encourage employee satisfaction and engagement is a top priority at OPM, and we know that an engaged workforce is a more productive workforce. I want to thank you for this opportunity to testify today, and I am happy to address any questions you may have.