## Angela Bailey Written Testimony

"Chief Human Capital Officers at 20: What is Needed to Empower CHCOs to Ensure HR Practices Support Agencies' Mission Success" Subcommittee on Government Operations and Border Management of the U.S. Senate Committee on Homeland Security and Governmental Affairs March 2, 2022 (2:30 p.m.)

Good afternoon, Chairwoman Sinema, Ranking Member Lankford, and distinguished members of the Subcommittee. Thank you for the opportunity to appear today. I appreciate you inviting me to speak about the role of the Chief Human Capital Officers and their ability to carry out their responsibilities under the Homeland Security Act of 2002, as well as examining how better to empower agencies and CHCOs to accomplish their Human Capital functions while still upholding the Merit System Principles, including whether the CHCO Act requires modernization to ensure agencies are able to accomplish their missions.

## My Journey

As you are aware, I recently retired from the Federal Government, after a career that spanned 40 years. Almost 35 of my 40 years were spent in the field of human capital, with the last 14 years as a career Senior Executive. I began my career as a GS-2 with the Social Security Administration, and would then spend almost half my career within the Department of Defense (DoD) providing labor and employee relations advice and support to managers and leadership within several different defense agencies. While working full time in the DoD, I met and married an Army soldier, raised two children, and went to college, earning both a Bachelor's and a Master's degree in Leadership. My last position with DoD was with the Defense Contract Management Agency as their Human Resources Director. In 2007, I went to the Office of Personnel Management (OPM) serving in several roles—Deputy Associate Director for Recruitment and Hiring, Associate Director for Employee Services and Chief Operating Officer. And, finally, my last Federal position was as the Chief Human Capital Officer with the Department of Homeland Security (DHS).

Just as important as the positions I have held, and the agencies I have served, is the experience I have lived over those four decades, witnessing many events that have touched the lives of our Federal workforce, including myself and my family. These events, some historic, others far from the headlines, have shaped so much of who I am, what I think, and why I believe the role of the CHCOs and their ability to have a positive impact on their agencies' mission is the essential foundation to ensuring the success of the Federal Government in carrying out its responsibilities on behalf of the citizens and nations they serve.

Some of the more notable events that shaped who I am today, and the CHCO I would become, include:

- 1. A summer internship at the age of 16, with the Army at Fort Ritchie, MD, where I learned the valuable lesson of the interplay between, civilians, military and contractors—today we call this the "total force."
- 2. A quick and simple test, as well as timely notification for a job with the Social Security Administration, would become the basis for the hiring reform I later led while at the Office of Personnel Management.
- 3. Numerous Base Realignments and Closures (BRACs) while with DoD, would cause me to have to move several times for new positions at new installations across Maryland, Pennsylvania, and Virginia. In fact, every single DoD agency that I worked for was BRACed...Fort Ritchie, Letterkenny Army Depot, Defense Logistics Agency—Defense Distribution Center and finally the Defense Contract Management Agency. These career moves, as well as the impact they had on my family, would serve me later as I led and designed several recruiting, hiring and skills development programs while at OPM and DHS.
- 4. Serving as a Chief Negotiator for management and taking disciplinary and performance-based actions against Federal employees while with DoD, would later help me establish productive relationships with National unions and steer my belief that additional legislation was not needed to take action against employees who could not or would not do their jobs—all that was really needed was for supervisors and leaders to have the will and the strength to do what had to be done. This led to me developing and delivering hands-on supervisor training and a lot of "you've got this" advice to help them get through the process—a process that at times was gut-wrenching for everyone involved.
- 5. Leading hiring reform efforts while at OPM, on behalf of both OPM and two different administrations, allowed me the opportunity to make modest changes to the Federal hiring process. It also brought to light that real civil service reform would take more than a few changes to OPM regulations. It would involve legislation and require Congressional support, as well as the support of OMB, national unions, veteran organizations, and good government groups. It would mean taking a bold, fresh look at legislation, regulations, policies and practices that were, in some cases, around since the early 1900s and designed for a Federal workforce within a Federal landscape that by and large no longer exists today. These initial reform efforts would later become the foundation for DHS's Cyber Talent Management System—a bold, innovative, and smart redesign of civil service recruiting, hiring, pay, compensation, training, and development.
- 6. Living through two public failures—the failed launch of USAJOBS and later the "Nation's largest breach" of millions of Federal employees' data, would forever change how I led major HRIT endeavors, "verifying and then trusting," as well as

solidify for me the importance of strong partnerships between CHCOs, and the rest of the C-Suite, including the Chief Information Officers (CIOs), Chief Financial Officers (CFOs), and Chief Acquisition Officers (CAOs).

- 7. Two government shutdowns would impact me and my family, as well as countless other Federal employees, including almost 200,000 DHS employees who worked 35 days without pay, and never once failed at their missions. These shutdowns would make me tenacious in ensuring we had employee and family readiness programs, including financial literacy training for our employees.
- 8. And, nothing was more heart-warming and heart-wrenching than going to the Southwest Border and sitting with our CBP officers and agents and their spouses and listening to them tell their stories of rescuing children in the desert discarded by the drug cartel, only to then go home and have to put their own child to bed at night, worrying and wondering if the child they rescued would be alright; or the wife of a fallen agent who spoke little English and wasn't sure how she would get her daughter to ballet; or the ICE agent who took off his uniform before picking up his son from daycare because he was afraid for his child's safety. These stories and so many more from our Secret Service Agents who missed yet another birthday while on travel, and Transportation Security Officers who are paid in some cases no more than someone working at a fast-food restaurant, and our Federal Emergency Management Agency first responders who drove into the hurricanes and fires to provide relief to those desperately in need, or our asylum and refugee specialists who have seen some of the worst that humans can do to one another. These stories and all the untold stories are what shaped the many different programs I worked tirelessly every day to ensure were offered and continue to be offered to the DHS workforce and their families. They deserve nothing less, and in fact, so much more.
- 9. On top of all of this, we faced a pandemic that would shake our sense of stability, upending our lives, and with no end in sight, would drag our psyche through the mud. And when we thought we could take no more, we also had social and civil unrest, with George Floyd's murder taking us to the tipping point. Our employees lost their lives on the front line and some even by their own hands, committing suicide when they had nowhere to turn. What I learned most from these past two years is that as humans, yes we are resilient, yes we are strong, but what we also need is human connection. It is the glue that holds us together and feeds our soul. My connection with the DHS workforce during these past two years was one of the most rewarding times of my entire career. They shared their joy and their sorrow with me: they shared pictures of their newborn babies; and moose enjoying a snack outside a border station; they told me that they weren't sure if they were enough; when they didn't know how to protect their crew and their family; that they sometimes felt like they were "too black to be blue, and too blue to be black;" and above all else what they really shared was that they were human, having a human experience with all its beauty and all its ugliness.

10. And finally, employee engagement. I have for the vast majority of my career had some of the best leaders one could ask for, and I've had just a couple who have made me raise an eyebrow or two. What I learned from all of them, collectively, is that leaders make a difference...and to borrow from one of my favorite leaders: you make a difference when you do nothing, you make a difference when you do the wrong thing and you make a difference when you do the right thing. Employee engagement cannot be outsourced, it is not a "HR thing" and it's more than "just getting along." It takes everyone—leaders, managers, supervisors, and employees — doing the right thing for people to feel included and engaged. We have an obligation to elevate the human experience, not just for ourselves, but for each other, including those we serve through our missions and those we live beside in our communities. It's not that difficult and we need to stop making excuses for why we don't engage with each other in meaningful ways—start small, make the time, ask questions and then genuinely listen, and most importantly be authentic and realistic.

I have shared all of this with you because it is important to understand that there is more to being a CHCO then simply providing human resources policy on "selecting, developing, training, and managing a high-quality, productive workforce," as the CHCO Act implies. And, it certainly takes more than just the CHCO Council, co-led by OPM and OMB, to address all of the issues impacting the Federal workforce and their families, not to mention the modernization of human resource systems and improved human resource information, as well as to devise and pass legislation for human resources operations and organizations. So, yes, not only does the CHCO Act need modernization, but so does how we approach the entire eco-system in which the Federal workforce accomplishes their agencies' mission.

## My Recommendations

- 1. <u>Humans are Not Capital or Resources.</u> All agencies are made up of humans, doing things with and on behalf of or for other humans. And the most important thing we must always remember is that humans are not capital or resources...they are in fact, messy, complex, brilliant and evolving. We need to ensure agencies invest in their employees and their families. As I have said many times, what goes on at home, comes to work, and what goes on at work, goes home. And no matter how much and how fast we deploy technology or AI and robots to "take the human out of the process," at the end of the day, there is still and always will be a human who is creating, engaging, or benefiting with and from technology. Investing in their mind, body and spirit is not "woo-woo" ...it is mission imperative if we want agencies and their workforces to succeed.
- 2. <u>Timely Budgets Are Critical.</u> Almost every year, without fail, agencies face a continuing resolution, sometimes for weeks, other times months and occasionally for a year. Most drastic of all are shutdowns. Agencies and their workforces are expected to innovate, to create, to deliver, to produce, to service. And they are expected to do so with high-quality, on-time and within a reasonable cost. Yet,

what they must do instead is extend their delivery dates, delay their hiring, cut training, and hold-off on implementing new initiatives, all because a budget is not passed and ready to begin on October 1st of each fiscal year. Further, it would be extremely helpful to have two- or three-year budgets, versus having to prepare for, defend, and wait for a yearly budget. I cannot think of any new initiative that does not have a "tail" to it that includes personnel, maintenance, logistics, inflation, etc., and not knowing if you will have the money in the out years to implement your new idea, new training, new hires, new IT solution, often causes leaders to put innovation on hold.

- 3. <u>Alternative Futures Planning is Essential.</u> For the most part, agencies struggle to plan for the future. Some of it may be because of the instability of the budget process, but mostly it is because there is so much sitting in front of them right now to accomplish that they find it hard to pick their heads up and look out into the future. But the lack of doing so has a ripple effect across the agency, and nowhere is it felt more drastically than within their human resource needs. When an agency takes the time to think through alternative futures, with the CHCOs, then they can collectively work to source that future need, whether it is to buy the skill, build the skill, or to work with the educational systems to create curriculum and programs that will ensure a future workforce prepared to meet the agency's future mission requirements.
- 4. <u>It Takes the Entire C-Suite.</u> Nothing is accomplished by the CHCO alone. Almost every single initiative, program, training, hire, or system implemented, has tentacles that reach far beyond the CHCO suite and the CHCO Council. There is an interplay between the CFO, who helps to secure the funding, the CAO, who provides the acquisition strategy and the CIO, who ensures the system or platform used is viable. The Chief Security Officer (CSO) and the Chief Readiness Support Officer (CRSO), also play vital roles in delivery of products and services and we cannot underestimate the value of this team of experts and leaders pulling together to ensure agency's mission is accomplished.
- 5. <u>Simplify and Flexibility.</u> If I'm not mistaken, there are over 100 different hiring authorities on the books. Some are for specific agencies, others are for the entire Federal Government. No one can keep up with, manage, or use this many hiring authorities. Nor are they necessary. Of the over 2 million Federal jobs, only about 150,000 are available every year. To ensure agencies have as much flexibility as possible to hire into these critical positions, there really only needs to be two hiring authorities—one specifically for all qualified veterans who were honorably discharged; and the other authority should be for all qualified US citizens. Agencies should be able to seek applicants from all available sources, rather than tied to, for the most part, USAJOBS. The DHS Enhanced Hiring Act (DHS EHA) proposal is an excellent example of how simplified the hiring process could become if the DHS EHA is passed.

- 6. Modernize Classification, Qualifications, and Awards. As I mentioned above, the Federal classification system is outdated, exacerbating the pay and compensation disparity. Merit System Principle 3 states, "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." I'm not convinced this Merit Principle is followed at all. Within the same work "family," the classification system does a pretty good job of ensuring equal pay for work of equal value. For example, an HR specialist is paid pretty much the same regardless of agency or geographic location. But, when comparing an aerospace engineer to an HR specialist, within the same agency and geographic location, it's hard to imagine how or even why they are both paid the same. And, it is not clear to me either how or when rates in the private sector are factored in. This is exactly why DHS took the bold step of walking away from the OPM classification and qualification system for its cybersecurity positions and created the CTMS. It provides a modern approach to compensation, based on market-sensitive pay and a recognition that there are numerous ways to qualify for cyber positions beyond the traditional university route. It also recognized that there are more appropriate ways to award performance than simply taking the pot of money available for awards and splitting it evenly across the board. DHS's CTMS is true civil service reform and should be considered for all agencies. Congress would need to modify Title 6 to include all agencies and all positions for civil service reform to become a reality across the Federal Government.
- 7. Billion Dollar Operations-We've Got This. DHS's budget this fiscal year is over 122 billion dollars. It employs close to 250,000 employees. It has 22 different components, secures borders, ensures safe travel, stops human trafficking, delivers resources to people hit by fires and hurricanes, protects our cyber infrastructure, rescues people lost at sea, ensures athletes from across the world receive their visas to play on US professional teams, protects Presidents and world leaders, and has a mind-boggling 90 congressional committees and subcommittees overseeing it. Yet, despite all of this tremendous responsibility and accountability, DHS still has to go to OPM to request a waiver to fill a position with a rehired annuitant, allowing that person to receive a "dual-comp waiver;" DHS must request approval from the OPM director for an award over \$10,000, they must get approval from OPM and OMB to offer voluntary early retirement and voluntary incentive pay to ensure it has the right number of folks in the right number of positions; and must seek approval from OPM for the number of senior executive allocations it can have to run its vast operation. There is no business anywhere that would find this amount of micromanagement sane, and again, it seems to fly in the face of Merit Principle 5-the Federal workforce should be used efficiently and effectively. And, even more surreal is that all of the aforementioned OPM approvals will require legislation if there is any hope at all of having the agency CHCOs be--as the CHCO Act requires--the agency's advisor for human resources policy and charged with selecting, developing, training, and managing a high-guality, productive workforce.

8. <u>Congressional Partnership</u>. All of the above calls for a strong collaborative partnership with this Committee and other interested Congressional partners, committees and subcommittees if we are going to see any type of change, modernization and respect for the CHCO community. Most of what is outlined above will require legislation. There is an incredibly talented, strong, and committed CHCO community who is more than willing and able to work with Congress to write legislation that can and will fix most of what troubles the agencies today. Civil service reform and the role of the CHCO has been admired for way too long. There are more than enough studies, all concluding the same thing-that legislated modernization across the board is imperative if CHCOs and agencies are to succeed today and into the future. With OPM, the CHCO Council, and Congress working together, change is possible. There is a lot of talent within OPM to help write legislative language that is implementable (which is often not the case, when OPM is left out of the conversation), and there is a tremendous amount of realism, practicality, and expertise within the CHCO Council to help strategize and write the legislation needed to ensure the CHCOs and agencies have the flexibility, responsibility and accountability needed to "get the job done."

It is my greatest hope and desire that this hearing and my written and oral testimony spark some interest and some commitment to addressing if not all, at least some, of what I've addressed today. Most of what I've covered has been said before, some of it by me, during several different hearings over the last 14 years. I have had the pleasure and the honor of working with incredibly talented human resource professionals, at DoD, OPM, DHS, and across the Federal Government. They, like me, are committed to working with Congress to make the changes our Federal workforce, and the agencies whose mission they carry out, deserve.

Thank you again for the opportunity to speak with you today. It has been an honor to serve these past 40 years and I appreciate your willingness to listen and to entertain the idea of helping us, help you, make a difference.