

STATEMENT BY

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BEFORE

***THE SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT
MANAGEMENT, RESTRUCTURING, AND THE
DISTRICT OF COLUMBIA***

SENATE COMMITTEE ON GOVERNMENTAL AFFAIRS

ON

**TRAINING EMPLOYEES TO BE THEIR BEST
MAY 18, 2000**

Mr. Chairman and Members of the Subcommittee: Thank you for providing me the opportunity to testify on the subject of "Training Federal Employees To Be Their Best". The Subcommittee's inquiry focuses on two broad areas. The first is whether Federal workers are being trained appropriately to provide the world-class service that is increasingly demanded by the Results Act and other reform legislation. The second is whether the Federal government's spending on training its workforce, especially high-technology training, is comparable to such spending in the private sector.

It is widely recognized that in an age where information knowledge and changing high-speed skill requirements are key ingredients for a successful workforce to master, successful private sector companies require large training investments in terms of both time and money.

The idea of performing at one's best gets to the issue of organization performance through developing the workforce's skills and knowledge. It implies that desire to build performance capacity over a sustained period, and to re-build it as future demands and mandates warrant. Thus, I am glad to see the Subcommittee looking into a subject that is a positive force for providing the beneficiaries and recipients of Government services with a highly qualified, dedicated, and motivated Federal workforce.

Training of the Federal workforce has traditionally been considered a subject that is off-limits to unions. Any suggestions or proposals involving training have had to be approached on a level of generality that was just about meaningless; anything else was, and is, outside the scope of the collective bargaining law, the 1978 Civil Service Reform Act (CSRA). That is because training is

considered management's responsibility, a sub-category of work performance, and any proposal that addresses training in a prescriptive way has been seen as illegally interfering with the management right to assign work. Thus, for most of the post-CSRA period, agencies simply turned a deaf ear to union initiatives that addressed training, its frequency, or adequacy. This is unfortunate because training is a subject on which there ought to be natural alignment between management and labor.

It has been only in the past few years that the Federal government has begun a program promoting labor-management partnerships. It also has acknowledged the increased value of employees in downsized organizations, and has incorporated ways of organizing work which rely on teaming and multi-skilling. With these developments, the time is ripe to make training a subject of active focus, in more than a cursory way, between labor and the Federal government.

Although I would like to have been able to provide hard numbers today, the information available to AFGE about training comes from "bottom up" experiences rather than as quantifiable data. That puts us in about the same position as the Government. The General Accounting Office also has found out that "[I]ittle data exists on the overall Federal expenditures on training, but the anecdotal experience is that in trying to save on workforce-related costs, agencies cut back on the training investments." The trend line for Federal spending on training, then, is apparently a downward one, even though it could be expected to be increasing because of the smaller Federal workforce and the increased demands put on each worker.

Like a lot of reinvention concepts, it is likely that we're at a point where the importance of training is not fully understood by Executive Branch agencies, at least not in a strategic sense. The official policy of the Administration may well be to make "lifelong learning" a priority for the federal workforce," as OPM Director Janice LaChance has said, but the usual practice is still that of sacrificing future performance to the immediate goal of cost cutting, and, in the process, losing the opportunity to get where agencies want to be on their performance by investing in employee development. In this sense, agencies typically continue to talk OPM's talk. But that's all. In answer to the Subcommittee's first area of focus, then, AFGE has not seen a substantive change in the training approaches of agencies, certainly not a change that would signal agencies' implementation of a transformation program in regard to planned-for skill needs.

Even the President's January 1999 Executive Order 13111, "Using Technology to Improve Training Opportunities for Federal Government Employees", does not require greater investment in training, merely that agencies look at doing it using computerized training programs and perhaps devising a training "account" for individual employees. The Order also requires, as part of its annual budget process, that each agency include a set of goals to provide the highest quality and most efficient training opportunities possible to its employees, and a set of outcomes-based performance measures for training. Presumably, training performance measures are to be developed in concert with the skills the agencies need to meet their Results Act plans. Although the Order is only slightly more than a year old, it appears to recognize the strategic value of a well-trained workforce that successful private sector and state government enterprises arrived at earlier.

While those steps make sense, they don't change the fundamental place of training in the management universe, which is to bring employees into the workplace, give them initial

instructions about their work, and let them learn-on-the-fly after that point. Thus, there is an immediate need to commit more to training than is usually the case.

I'm not advocating spending more money on training for the sake of spending it; but I am advocating spending whatever money is necessary to transform training from just one more expense item to the capital investment priority it clearly is.

In preparing for today's hearing, I thought about the general state of training and have concluded it cannot be assessed in isolation. Training, as one part of human capital management, has to be looked at in the context of strategic planning and real-world results. The Comptroller General told this Subcommittee on March 9 of this year that private firms with successful human capital management have integrated it with both their strategic planning and their day-to-day business management. They measure effectiveness of human capital policies against their organizational missions and goals. Government reform experts have called human capital management the third leg of the success of results-oriented, customer driven performance, equal in priority to financial management and information technology.

Yet, according to 1999 testimony by the General Accounting Office, most major agencies' fiscal year 2000 annual performance plans that were prepared under GPRA did not sufficiently address how the agencies would use their human capital to achieve results. There is a lack of connection between how agencies conceive of training today, and how it will have to be given more priority in the Federal service of the future. My answer to one area of the Subcommittee's inquiry is that there is no comparing how a lot of Federal agencies and high-performance private enterprises invest or fail to invest in training their respective workforces. For the Federal government, it is still not natural to think in terms of maximizing the most important resource in the organization; it's more natural still to think "where can we cut the training budget further?".

Recent statements of the Comptroller General mirror AFGE's experiences as to the need to reshape the role of training. Many times AFGE has seen possible solutions to agency problems evaporate because the wrong people were at the table representing agency management, and there was no chain of accountability between the bargaining table and the head of the agency. Although these instances are not limited to disputes involving training, downplaying training and discounting union involvement in decisions about it are examples of the systemic mistake of thinking training is "just" an employee concern.

The easy way out, which has happened far too frequently, is to slough off this "employee concern" as being too unimportant to the agency to warrant changes to the agency's training priorities or labor relations game plan. Rather, agencies have too often adopted the position that any problems employees raise should be kept under wraps at a low-level administrative unit that has no responsibility for overall agency performance. That approach has official support in fewer agencies today than before the Results Act triggered rethinking agency performance outcomes, but the more difficult challenge will be to convince Federal agencies that training has to be treated with the same day-to-day priority as do financial reform and information technology.

Labor-management partnerships are a logical place to start fixing training. As is well-known to Chairman Voinovich, in Ohio, the Quality Services Through Partnership Program is in full swing, and a part of the state employees' labor agreement is a Workforce Development Fund. The

QSTP and the bargained-for funding of training complement each other to produce both qualified employees and effective work systems that are essential to statewide quality improvements. With a lot of focus on technical training, especially in information technology, it's noteworthy that the Ohio approach makes a Leadership Skills Workshop available to all employees regardless of their occupational field.

In my view, Ohio's quality of government program, including joint labor-management oversight of employee training, ought to be a guide for the Federal government. The practice of looking at training and cooperation as resource management issues rather than a cost-cutting opportunity, needs to be given an active boost in the Federal sector, and the Administration's Executive Order on training is a first step that might well have gone much further.

In closing, I have suggestions for the Committee's consideration regarding steps that can be taken to improve training in the Federal government as a means to high performing organizations.

To address the natural inclination of agencies to hold on to narrow views about the role and priority of training, they should be required to show in their Results Act plans and reports how training, as an input to organizational outputs, supported or failed to support the outcomes that the agency promised to Congress and the American people. Just like any other capital investment, workforce investment, of which training is an essential part, should be expressly included, as an integral part, in each agency's strategic plan. This requirement is fairly conservative; after all, agencies should already be looking at the ways they will meet their performance obligations, and one way is to perform work using a highly-skilled workforce. Failing to provide the right amount and kind of training is incompatible with managing for results. But this requirement would go a long way toward institutionalizing the concept of investing in workers.

Second, the contracting out of government services should be recognized for what it is: a short-term fix that undercuts the stable, results-oriented workforce that validates the concept of workforce investment. The highly-successful enterprises the Results Act is forcing onto policy analysis agendas depend on a civil service comprised of Federal employees. AFGC has been very vocal in opposing wasteful spending on privatizing the work of Federal workers. But beyond the high financial cost of privatizing, the objective of providing Results-oriented customer service is at risk when an agency's performance outcomes depend on a workforce that is not highly-trained, motivated and committed to the agency's missions. In terms of training, a Results-oriented development approach to Federal employees is jeopardized by privatizing to a contractor workforce that is not adequate to perform at the highest possible levels.

Thank you for the opportunity to address the Subcommittee, and I would be glad to respond to any additional points you may have.