

Executive Summary (May 2003)

SUBJECT: Follow-up on FY 2000 FLRA Inspector General Review of FLRA's Human Capital

BACKGROUND: In FY 2000, prior to the release of the President's Management Agenda, which included a specific government-wide standard on Human Capital, the FLRA Inspector General conducted a comprehensive review of the FLRA's human capital interests. Although several vulnerabilities were surfaced, for the most part, the FLRA was focusing on human capital in a positive way. The FLRA had implemented several programs that would benefit FLRA employees and had a positive union-management interaction regarding policy and issues relating to FLRA employees. The FLRA was in a position to become a model small agency for human capital involvement if it kept going forward with its human capital initiatives and positive focus on its employees.

During FY 2000 and FY 2001, management reported that the relevant Inspector General recommendations from the Human Capital Review had been implemented and provided several documents which affirmed this. However, during FY 2002, several Inspector General Hotline complaints and discussions with some managers and some employees indicated that some of the corrective actions were merely implemented on paper and not institutionalized into programs and/or operations. As a result of this and the fact that human capital is part of the President's Management Agenda, the Inspector General conducted a followup review which was started in November, 2002 and was completed in April, 2003.

DISCUSSION: This follow-up review of human capital verified that several FY 2000 findings still existed and that several closed corrective actions were not implemented. This follow-up also revealed that very little forward progress has been made in this area over the last two years and some additional vulnerabilities have surfaced. Since human capital is the essence of mission accomplishment, the FLRA will now have to focus heavily on this area to bring itself parallel to other Federal Agencies and go forward instead of backtracking. This follow-up review affirmed that the lack of sufficient communication, the resistance (or inability) of some managers to transition to the current Administration's management reforms, and the lack of or minimal FLRA manager's knowledge of Federal programs, human capital, and supervisory qualities has had a negative effect on the morale of FLRA employees.

The current FLRA overall working environment appears tense and has affected the motivation of some employees and their productivity. This is not just a management problem but also an employee problem as well. It is a well known behavioral science factor that most people do not like nor readily adjust to change and will fight it every

inch of the way. Both FLRA management and employees have to accept the reality that the Government structure has started to drastically change and will continue to do so over the next years and decades. Both managers and employees who want to retain their positions must function as assets as well as expect to and be treated as assets. Behavioral, and interpersonal skills are now just as and maybe even more important as technical knowledge and experience. Accountability and results are important Federal performance indicators and the most vital Federal resource and asset a Federal Agency has is its employees.