

**Statement of Reginald F. Wells, Ph. D.
Deputy Commissioner for Human Resources &
Chief Human Capital Officer
Social Security Administration**

**Testimony before the House Committee on Oversight and Government Reform
Subcommittee on Federal Workforce, Postal Service and the District of Columbia
Hearing on Diversity in the Senior Executive Service
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Mr. Chairman and Members of the Subcommittee:

Thank you for inviting me to return here today to share with you the Social Security Administration's (SSA) efforts to achieve diversity in the Agency's Senior Executive Service (SES) corps.

The employees of this Agency are not only highly committed to our mission and values; we are a diverse organization that mirrors the public we serve. In order to fulfill our mission and provide the kind of service that the public expects and deserves, it is fundamental that we understand its needs. This takes high-performing, well trained, and well-equipped staff, from the front line field office workers to the highest executives. Achieving this goal has been and continues to be integral to how we do business every day and is an important part of SSA's culture.

As I did when I addressed this Subcommittee in 2003, I would like to start by sharing with you some background on the Agency's workforce, the challenges we are facing with regard to the increasing number of employees who will retire, the inroads we have made across the Agency by articulating a business case for recruiting a diverse workforce, and the success we have had developing a pipeline of leadership talent who stand ready to move into the SES corps.

Our Workforce

SSA's workforce consists of about 62,000 employees working in 1,500 installations nationwide. Our workforce is diverse. Seventy percent of our employees are women. Forty-seven percent of our workforce are members of a minority group, compared to 31.8 percent in the rest of government and 27.4 percent in the national civilian labor force. And, I am especially pleased to report that SSA's minority representation for all groups exceeds their representation in the national civilian labor force.

SSA ranks third among federal agencies in Hispanic employment. The number of Hispanic employees in the SSA's workforce has grown to 12.9 percent, compared to 7.5 percent in the federal workforce and 12.8 percent in the national civilian labor force. Asian Americans now make up 4.2 percent of SSA's workforce compared to 4.8 percent in the federal workforce and 4.1 percent in the national civilian labor force. (I have attached a chart to my testimony with more information.)

SSA has the highest number of individuals with targeted disabilities among comparably sized federal agencies of 50,000 – 100,000 employees based on Equal Employment Opportunity Commission statistics, and SSA ranks second highest in the percentage of individuals with targeted disabilities among Federal agencies with 500 or more employees.

The Business Case for Diversity in SSA

It is well established in SSA that having a highly qualified and diverse workforce is essential to the Agency meeting its primary mission of providing quality service to an increasingly diverse public. We believe that having a diverse workforce that reflects the demographics of the public we serve increases the public's confidence in the Agency's ability to meet its needs and enhances the Agency's capability to conduct business in the most effective and efficient manner. With that understanding, the Agency has successfully turned the challenge of the retirement wave of the baby boom generation into an opportunity to expand the diversity of its workforce.

Workforce Challenges

Diversity is a strategic recruitment goal for the Agency. Under the leadership of a National Recruitment coordinator, a career human resources professional, we have been able to bring consistency and professionalism to the recruitment process. However, we continue to face the realities of an aging workforce—the average age of an SSA employee is 47 – and the wave of retirements. An integral function is to continually assess the Agency's retirement wave data. According to recent data:

- SSA retirements are expected to peak between 2008 and 2010 with nearly 22 percent of the workforce electing to retire; this translates to approximately 2,700 employees per year.
- 39 percent of overall staff will be eligible for regular retirement through 2010.
- 66 percent of SES and GS-14/15s will be eligible for regular retirement by 2010.
- We project that we will need to replace nearly 43 percent of the workforce by the year 2015.

While these numbers sound daunting, we have viewed this as an opportunity to expand the diversity in our workforce. Our priority is always to select the best qualified individual regardless of race, national origin, sex or religion. Since 2002, we have hired 18,328 employees. Of those, more than 57 percent were women; 6.6 percent were individuals with disabilities; 27.6 percent were African Americans; 16.5 percent were Hispanics; 7.3 percent were Asian Americans and Pacific Islanders; and 1.2 percent were American Indians and Alaska Natives.

Our success stems from several key factors:

- Support from the highest levels of the Agency;
- Strong linkage to the Agency Strategic Plan;

- A long-term service vision;
- Ongoing analysis and study of potential future losses;
- A comprehensive workforce transition plan; and
- National and regional leadership development programs.

We continue to educate our managers on modern, effective recruiting practices. We have a professional marketing strategy that enables us to compete effectively with government and private organizations. We have designed an extensive array of recruitment resources that are available to managers at all levels of the organization.

In addition, SSA's Office of Human Resources produces a monthly hiring report that cumulatively tracks fiscal year hires on a monthly basis for all employee groups both at the Agency and component level. The report is shared each month with SSA's Senior Staff to keep them apprised of recruitment and hiring outcomes.

Diversity in the SES Corps

While having a diverse workforce at the service delivery level is important, it is equally important to have diversity throughout the management and executive ranks. In spite of the large number of retirements in our SES corps, we have generally been able to maintain our level of minority representation in the SES. As of September 30, 2006 approximately 30 percent of the SES corps was minority compared to 16 percent government wide.

Since the beginning of the current fiscal year, we have lost 14 executives, 6 of whom were minorities and 5 of whom were women. Fortunately, SSA is well-positioned to replenish the leadership ranks with minority candidates. As a result of being proactive and developing the business case for diversity and staying the course with our aggressive recruiting efforts and comprehensive developmental programs, we will be able to maintain a highly qualified and diverse workforce.

Recruiting a Diverse Workforce

Agency leadership is firmly committed to continuing our efforts to build a workforce that reflects the face of our nation. A diverse SES corps depends in large part on a diverse total workforce.

We continue to conduct on-campus college recruiting as an important source of diverse new hires. SSA regularly recruits at historically black colleges and universities and Hispanic-serving institutions and we have cooperative agreements with Native American tribal colleges and universities. Further, we have established partnerships with national organizations with ties to colleges and universities to help us attract a diverse candidate pool.

SSA also has benefited from its long-standing relations with its chartered Equal Employment Opportunity Advisory Groups. Since the late 1970s, long before it was popular, SSA recognized such groups as a valuable recruitment resource and vehicle for community relations. These organizations are key players in our recruitment initiatives in addition to their primary role of assisting the Agency to better address employees' concerns and to better serve persons with targeted disabilities, women, minorities and the non-English speaking public.

The six employee advisory groups are: the Advisory Council for Employees with Disabilities; the American Indian and Alaska Native Advisory Council; the Black Affairs Advisory Council; the Hispanic Affairs Advisory Council; the Pacific Asian American Advisory Council; and the Women's Affairs Advisory Council.

In addition to developing talent internally, we attract executive talent from other public and private sector sources.

Leadership Development

SSA has a long and successful tradition of developing leadership from within. National leadership development programs cover employees from grades 9 to 15 in all positions and are enabling the Agency to meet the staffing and leadership challenges referred to earlier in my remarks. To date, over 500 employees have participated in our national leadership development programs and over 60 percent have advanced to higher level positions. In addition, we have regional and component-level developmental programs that offer challenging opportunities for skill and leadership development. Since 2003, nearly 800 employees have participated in such programs.

Regardless of the occupation, leadership positions are considered to be critical to the Agency mission. We have developed a formal Strategic Leadership Succession Plan that serves as a blueprint for identifying future leadership needs and maintaining an adequate leadership talent pool at the Agency level as well as the component level. We are also focusing on addressing leadership losses by identifying mission critical skills and closing skill gaps where they exist. We have an aggressive plan that uses a multi-level methodology to identify critical competencies, analyze skill gaps, maps a strategy to address the gaps, and assess results.

OPM has recognized our leadership programs as among the "best practices" in government and our programs are continually benchmarked and mirrored by other agencies. The programs are structured and managed to emphasize development of recognized government wide leadership competencies. Key features of the programs include selection processes that focus on critically important leadership competencies, development plans that focus on real and challenging leadership assignments that further participants' leadership competencies, continual feedback through assignment evaluations, and strong mentoring for each participant.

At the higher levels, we are beginning to reap the benefits of our recruitment efforts. Of the appointees from the most recently completed SES Candidate Development Program classes remaining with the Agency, 45 percent have been women and 32 percent have been minorities. The makeup of the current SES Candidate Development Program Class includes 33 percent minorities and 63 percent women.

By increasing the diversity of the employee population, the diversity of the applicant pools for these developmental programs has also increased and continues to enrich the pipeline of minority talent who will be ready to move into leadership positions. At the SES level, this pool of talent has enabled the Agency to maintain diversity levels despite losses due to retirements.

The Advanced Leadership and the Leadership Development Programs, for employees in grades 9 through 14, are equally important for a quality, diverse future SES corps. These programs have helped us increase the representation of minorities and women at the grade 14 and 15 levels. We currently have more minority employees at the GS-15 level than ever before—over 27 percent are minorities and nearly 47 percent are women. At the grade 14 level, nearly 30 percent are minorities and 51 percent are women.

Conclusion

In closing, I think it's important to emphasize the Agency's pride in its workforce and the proactive model we have adopted to promote diversity among employees. We believe that our pride in our workforce and our commitment to diversity is part of the reason that SSA was recently named one of the top ten Best Places to Work in Federal Government. The business case for diversity in our workforce is convincing. We believe that because we have incorporated this principle in all we do, we are positioned to maintain a highly qualified and diverse workforce at all levels of the Agency. Thank you and I will be glad to answer any questions you may have.

Race/Ethnicity	SSA†	Civilian Labor Force *
White	53.4%	72.5%
Black	28.2%	10.2%
Hispanic	12.9%	12.8%
Asian	4.2%	4.1%
American-Indian	1.2%	0.6%

† SSA workforce profile as of March 31, 2007

* CLF data based on 09/30/2005 OPM figures