

A Message from the Director

Strategic Management of Human Capital Second Quarter FY 2006 Update

Advancing the Strategic Management of Human Capital

Improving Performance Management in Government

Our work in improving performance management systems continues to be a high priority. The focus this quarter was to support agencies in assessing their performance appraisal systems and to implement tools to develop and enhance management skills.

The Performance Appraisal Assessment Tool (PAAT) is a tool that helps agencies assess the effectiveness of their performance appraisal programs at supporting a high performing organization. Twenty five of twenty six agencies have submitted PAATs assessments of their beta sites with a range of scores that assign numeric ratings to their systems. A score of 80 or above is recommended. We are now analyzing agency submissions and working with agencies to address identified weaknesses in their programs.

We have learned through the implementation of new personnel systems at the Departments of Defense and Homeland Security and through our demonstration projects that management training plays a critical roll in managing in a pay for performance environment as well as in cultivating and sustaining a results-oriented performance culture.

Managers needing to develop or upgrade their skills in measuring employee performance and addressing poor performance can now access two Web-based courses on our USALearning at <http://www.usalearning.gov/USALearning>.

The *Measuring Performance* course provides training to managers to help them develop employee performance plans that align with organizational goals. This course leads the user through a process for developing employee performance plans that align with organizational goals and focus on achieving measurable results. It includes example elements and standards developed for a

variety of jobs, including clerical, technical, and professional positions.

The *Addressing and Resolving Poor Performance* course provides guidance to managers on addressing poor performance in the workplace. This course leads the user through a 3-step process for addressing and resolving poor performance. After completing each step, the user has access to checklists, answers to commonly asked questions, and samples of documents. Other lessons present information on several special topic areas such as union representation, making reasonable accommodations, documentation, and appeals. Both courses are approximately two hours in length.

Agencies on the Move

Overall momentum for the human capital initiative continues as several agencies moved closer to achieving "Green" status on the Human Capital Executive Scorecard, while all agencies made progress in improving performance appraisal systems, closing skills gaps, or building leadership capacity.

For instance, the Department of Veterans Affairs, the U.S. Agency for International Development and the Smithsonian Institution have significantly reduced skills gaps in mission critical occupations. The Office of Management Budget, Small Business Administration and the Smithsonian Institution have developed and implemented programs to ensure a leadership talent pool is in place. The Department of Veterans Affairs and the Environmental Protection Agency (EPA) made improvements to their performance appraisal systems, while EPA also updated its workforce planning system.

Federal Workforce Conference

To support agency efforts in developing and implementing human capital strategies, we sponsored the 2006 OPM Federal Workforce Conference, which was held on February 27 – March 2, 2006, in Baltimore, MD. This year's theme was *Transformation for Results* which

was reflected in each of the plenary sessions, focused forums and workshops.

The conference provided an opportunity for agency representatives to have in-depth discussions on strategic, operational, and tactical issues across all human capital areas. It also enabled the sharing of a number of successful programs implemented since the initiation of the President's Management Agenda.

The conference was attended by over 1,500 participants (including more than 50 HR directors) from over 65 Federal departments and agencies. The conference offered over 100 breakout sessions, providing access to the latest information, practical strategies and tools, and best practices from subject matter experts throughout the Federal community.

More Information

For more information on how OPM is supporting agencies with their human capital efforts, visit www.opm.gov and click on "Strategic Management of Human Capital." You will find excellent information resources and reports, including the Human Capital Assessment and Accountability Framework (HCAAF) Resource Center. The Resource Center offers practical tools and solutions for improving human capital programs.

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