

GAO

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Workforce, Postal Service, and the District of
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HUMAN CAPITAL

Building Diversity in GAO's Senior Executive Service

Statement of Ronald A. Stroman, Managing Director
Office of Opportunity and Inclusiveness





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Building Diversity in GAO's Senior Executive Service

Highlights of GAO-08-275T, a testimony to the Subcommittee on Federal Workforce, Postal Service, and the District of Columbia

Why GAO Did This Study

A high-performance organization relies on a dynamic workforce with the requisite talents, multi-disciplinary knowledge, and up-to-date skills to ensure that it is equipped to accomplish its mission and achieve its goals. For GAO having a diverse workforce and Senior Executive Service (SES) corps is an organizational strength that contributes to the achievement of results by bringing a wider variety of perspectives and approaches to policy development and implementation, strategic planning, problem solving, and decision making. The Office of Opportunity and Inclusiveness (O&I) was created by the Comptroller General in 2001 to transform the agency's diversity management practices. As such O&I is the principal adviser to the Comptroller General on diversity and equal opportunity matter.

The subcommittee asked us to provide information on the diversity of GAO's Senior Executive Service and the agency's succession planning efforts. This testimony focuses on the diversity of GAO's workforce and leadership team and our efforts and processes for building and maintaining diversity in our SES and throughout our workforce.

What GAO Found

As our transformational diversity efforts have been implemented, the diversity of GAO's workforce and leadership team—SES/SL and Band III level staff—has improved. In 2000, minorities represented about 14 percent of the SES/SL corps. As of fiscal year 2007, about 18 percent of the SES members were minorities. Similarly, the representation of minorities at the Band III level—the SES feeder pool—increased from nearly 12 percent in 2000 to nearly 19 percent in 2007, and the representation of women in the SES as well as at the Band III and Band II levels increased.

While we have made progress, we still have work to do. We are committed to improving the representation of all minority groups in the leadership team and in particular, representation of Hispanic and Asian American staff should be improved. The percentages of GAO's Hispanic staff members at the SES level and Asian American staff at the Band III level were lower than governmentwide percentages. However, for both of these groups, the percentages in the feeder pools—staff at the Band III and Band IIB levels—either equaled or exceeded the governmentwide percentages.

Several processes help build and maintain diversity in GAO's SES and workforce. Incorporating our core diversity principles into several key processes has played an important role in helping GAO to meet its strategic objective to build and maintain a work environment that is fair, unbiased and inclusive and that offers the opportunity for all employees to realize their full potential. Our workforce planning and recruitment processes, training opportunities, reviews of human capital processes conducted by O&I, and the selection process for SES candidates help support our efforts to maintain and improve diversity in our SES.



Source: GAO.

To view the full product, including the scope and methodology, click on GAO-08-275T. For more information, contact Ronald A. Stroman at 202-512-6388 or stromanr@gao.gov .

Chairman Davis and Members of the Subcommittee:

Good Afternoon. I am Ron Stroman, the Managing Director of the Office of Opportunity and Inclusiveness at the United States Government Accountability Office (GAO). I am pleased to be here today to address an issue of such vital importance to GAO—Diversity in our Senior Executive Service (SES).

GAO's mandate to support the Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government requires a highly skilled and diverse workforce and leadership team. The diversity of our leaders—SES and Senior Level (SL) executives and our Band III directors—increases the range of perspectives and problem-solving approaches and creates higher value solutions for the Congress and the American people. For example, our leaders directed interdisciplinary teams of analysts, auditors, economists, accountants, investigators, and others; conducted work that addresses many difficult issues confronting the nation, and helped the federal government achieve a total of \$51 billion in financial benefits in fiscal year 2006.

The Office of Opportunity and Inclusiveness (O&I), supports GAO's strategic commitment to diversity. O&I is the principal adviser to the Comptroller General on diversity and equal opportunity matters. The office manages GAO's Equal Employment Opportunity (EEO) program, including informal pre-complaint counseling, and GAO's formal discrimination complaint process. We also operate the agency's early resolution and mediation program by assisting managers and employees to resolve workplace disputes and EEO concerns without resorting to the formal process. In addition, O&I monitors GAO's disability policy, including access to reasonable accommodations, and oversees the management of GAO's interpreting service for our deaf and hard-of-hearing employees. In furtherance of our transformational diversity approach, O&I monitors, evaluates, and recommends changes to GAO's major human capital policies and processes including those related to recruiting, hiring, performance management, promotion, awards, and training. These reviews, along with independent reviews conducted by our Human Capital Office, are generally conducted before final decisions are made in an effort to provide reasonable assurance that GAO's human capital processes and practices promote fairness and support a diverse workforce.

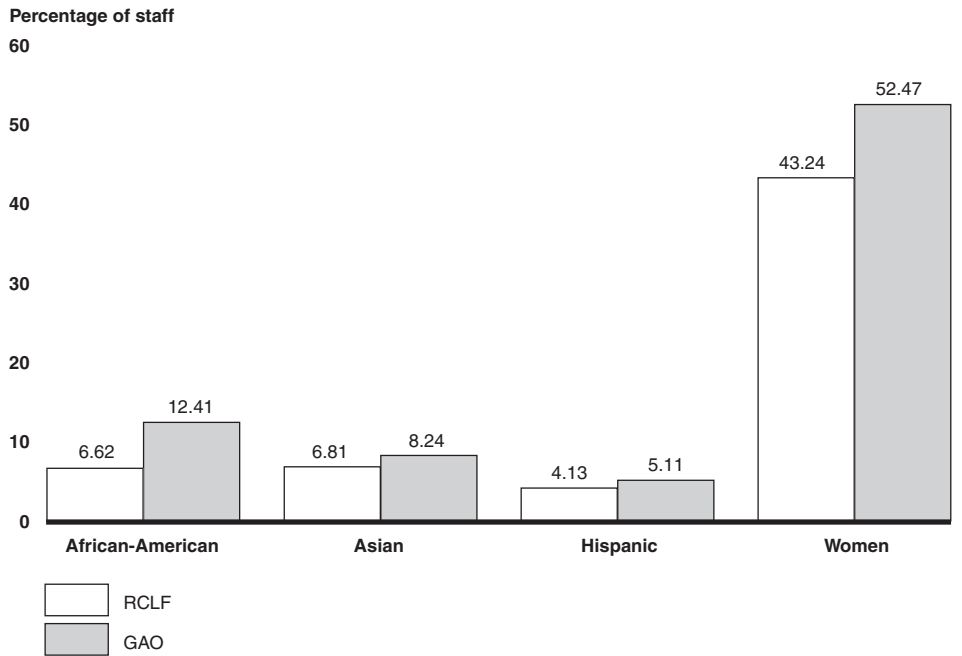
My testimony today will focus on the diversity of GAO's workforce and leadership team and our efforts and processes for building and maintaining diversity in our SES and throughout our workforce.

Diversity of GAO's Workforce and Leadership Team

The Office of Opportunity and Inclusiveness (O&I) was created by the Comptroller General in 2001 to transform the agency's diversity management practices. Since then we have worked closely with the agency's top managers to improve diversity management practices in GAO. As an indicator of our success, GAO's analyst and specialist population is more diverse than the relevant civilian labor force (RCLF).¹ Specifically, the percentages of GAO's analyst and specialist staff, as of October 2006, exceeded the 2000 RCLF percentages for African Americans, Asian Americans, and Hispanic staff as well as for women. Figure 1 compares the GAO and RCLF percentages.

¹ The Civilian Labor Force (CLF) is defined as those 16 and older (including federal workers) who are employed or looking for work and not in the military or institutionalized. The Relevant Civilian Labor Force data (RCLF) are the CLF data that are directly comparable (or relevant) to the population being considered. Throughout this testimony we use 2000 RCLF because it is the most current and reliable data available at this time. Also, we use 2006 data for GAO in order to be make consistent comparisons to the 2006 government wide data.

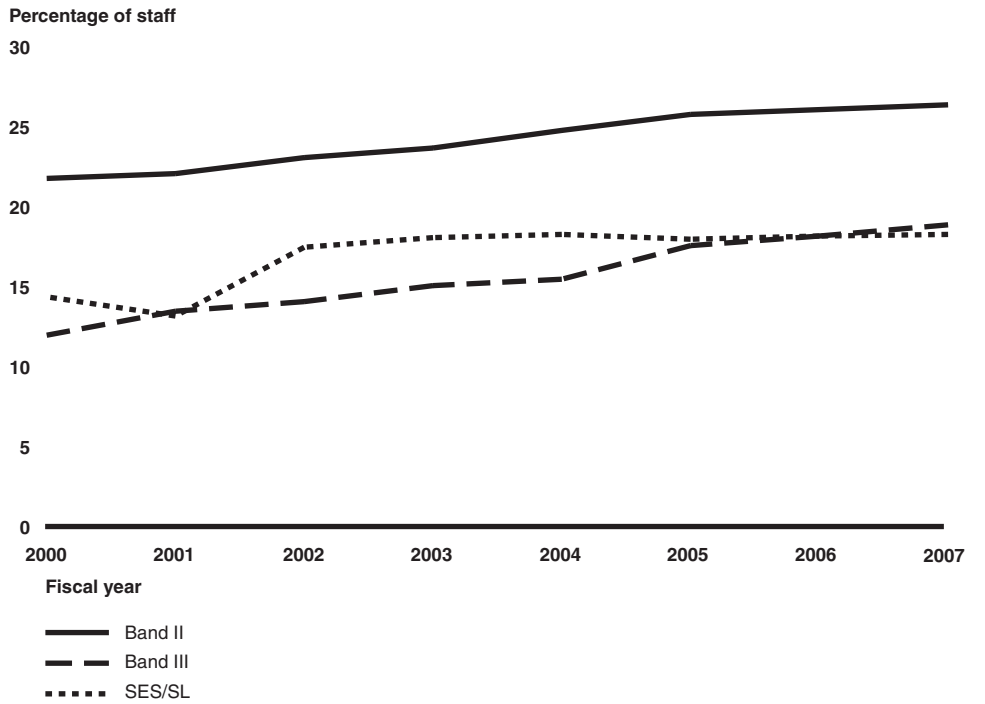
Figure 1: Comparison of GAO's Analysts and Specialist Staff as of October 2006, to the 2000 Relevant Civilian Labor Force Data



Source: GAO analysis.

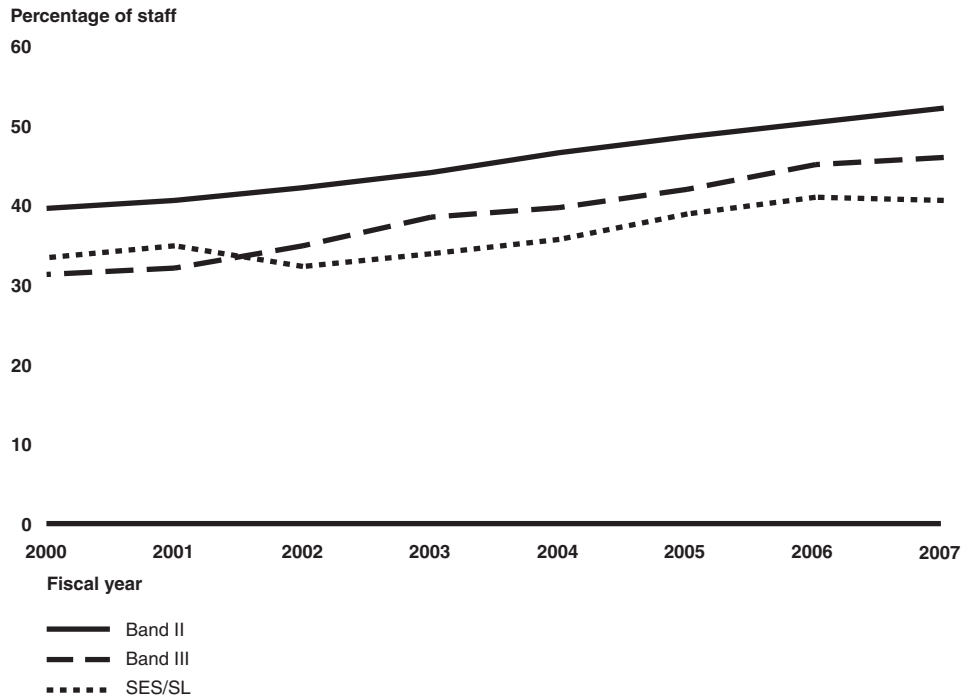
The diversity of our leadership team has also improved over the years. In fiscal year 2000, minorities represented about 14 percent of the SES/SL corps. As of fiscal year 2007, about 18 percent of the SES/SL members were minorities. Similarly the representation of minorities at the Band III—the SES/SL feeder pool—increased from nearly 12 percent in 2000 to nearly 19 percent in 2007, and the representation of women in the SES as well as at the Band III and Band II levels increased. Figures 2 and 3 illustrate changes in the percentages of minorities and women, respectively.

Figure 2: Percentage of Minorities in GAO at the SES/SL level, Band III, and Band II from fiscal year 2000 to fiscal year 2007



Source: GAO.

Figure 3: Percentage of Women in GAO at the SES/SL level, Band III, and Band II from fiscal year 2000 to fiscal year 2007



Source: GAO.

While we have made progress, we still have work to do. We are committed to improving the representation of all minority groups in the leadership team and in particular, representation of Hispanic and Asian American staff should be improved. As shown in table 1, percentages of GAO’s Hispanic staff members at the SES level and Asian American staff at the Band III level were lower than governmentwide percentages. However, for both of these groups, the percentages in the feeder pools—staff at the lower levels—either equal or exceed the governmentwide percentages. Specifically, 3.9 percent of GAO’s Band III staff and the GS-15’s governmentwide are Hispanic and the Asian American staff represent 7.2 percent of the Band IIB level in GAO while Asian staff are 5.4 percent of the GS-14 staff governmentwide. We expect that several staff will be prepared to move into higher positions in the next few years and therefore improve the representation at these levels. O&I is also working closely with GAO executive committee and teams’ managing directors to ensure that sufficient developmental opportunities are being provided.

Table 1: Percentages of GAO and Governmentwide staff by Demographic Group at the SES/SL, Band III, and Band IIB levels, October 2006

SES/SL staff as of October 2006		
Demographic Group	Government wide	GAO
African American	8.6	11.6
Asian American	2.3	5.8
Hispanic	3.6	0.8
Caucasian	84.0	81.8
Men	73.5	59.5
Women	22.7	40.5
GS-15/Band III staff as of October 2006		
Demographic Group	Government wide	GAO
African American	7.3	10.8
Asian American	7.1	4.1
Hispanic	3.9	3.9
Caucasian	80.9	81.2
Men	70.2	54.1
Women	29.8	45.9
GS-14/Band IIB staff as of October 2006		
Demographic Group	Government wide	GAO
African American	11.5	10.3
Asian American	5.4	7.2
Hispanic	4.3	4.4
Caucasian	77.7	78.1
Men	65.2	48.8
Women	34.8	51.2

Source: GAO and GAO's analysis of the Office of Personnel Management's Central Personnel Data File

Note 1: Governmentwide includes civilian employees of all cabinet-level departments, independent agencies, commissions, councils and boards in the executive branch except the intelligence agencies, the Postal Service and the Foreign Services (as of 2006). We included GS-15, GS-14 and equivalent employees. GS-equivalent employees are those in equivalent grades under other pay plans that follow the GS grade structure and job evaluation methodology or are equivalent by statute.

Note 2: While Band IIB and GS-14 levels are not equivalent, we compared these groups because they represent the feeder pools for the Band III and GS-15 levels, respectively.

Several Processes Help Build and Maintain Diversity in GAO's SES and Workforce

One of GAO's strategic objectives is to build and maintain a work environment that is fair, unbiased, and inclusive and that offers the opportunity for all employees to realize their full potential. Several efforts and processes support our strategic commitment to diversity. As shown in figure 4, our workforce planning and recruitment processes, training opportunities, reviews of human capital processes conducted by O&I, and the selection process for SES candidates help support our efforts to maintain diversity in our SES.

Figure 4: Processes That Support Diversity in GAO's SES



Source: GAO.

Top Leaders Involved in Rigorous Selection and Training Processes for SES Candidates

Throughout the year, the Comptroller General and the executive committee engage in broad, integrated succession planning and management efforts that focus on strengthening both current and future organizational capacity. The Comptroller General and the executive committee members regularly discuss the anticipated leadership needs as well as the ability of the current workforce to meet future needs. Our top leaders are directly involved in the selection of our executives and support a diverse senior executive corps.

Our process for selecting individuals from among a diverse pool of qualified candidates directly affects the quality and diversity of our executives. The process begins when the Comptroller General determines that a need exists for additional executive candidates. Applications are reviewed by GAO Executive Resources Board—a diverse group of senior executives that includes the Chief Administrative Officer and the General Counsel—and those they recommend are then referred to the Chief Operating Officer and the Comptroller General. O&I reviews this list of applicants and provides comments to the Comptroller General. During the review, O&I considers the diversity of the proposed list of SES candidates, the relative strength of each applicant’s nomination package in view of the workforce planning needs of the agency, and any issues regarding the diversity management practices of the candidates. The Comptroller General then selects the executive candidates.

Once selected, each SES candidate must complete a rigorous leadership training program. GAO’s Executive Candidate Assessment and Development Program (ECADP) is designed to create candidates capable of becoming GAO executives. The program is designed to provide all candidates with an institutional framework to perform successfully as a GAO executive and to ensure that the candidates have essential technical and managerial competencies for success in the SES. The ECADP includes training workshops, and assessment and feedback on leadership styles and skills. Also, candidates are assigned mentors, shadow a senior executive, create individual development plans, and complete special assignments and projects. Some of the SES candidate special projects focus on human capital issues that could have an effect on diversity in the workforce. For example, one SES candidate conducted a review that examined whether there were differences in the retention rates of new staff from various groups. O&I participates in the training of executive candidates by discussing leading practices in diversity management, the importance of clearly communicating top leadership’s commitment to diversity, and strategies that managers can use to communicate that commitment while holding staff accountable for results.

Various Processes Support a Diverse Workforce

Each year, to coincide with the budget, GAO initiates a workforce planning process to help identify workforce requirements needed to accomplish our strategic objectives. GAO’s workforce planning process helps us accomplish our mission efficiently and effectively; link our resources to our strategic direction; identify and address skill gaps, surpluses and succession shortages; and provide a strategy to attract and retain the right people with the right skills at the right time. GAO’s 2008-

2009 workforce planning process established several principles to communicate and guide organizational expectations and to foster a transparent, effective and strategic resource planning process. Several of these principles addressed key human capital areas that affect the diversity of the workforce and the leadership, such as succession planning, hiring, and promotions.

Our recruitment process includes a variety of steps to help attract a diverse pool of candidates. We have identified a group of colleges and universities that have demonstrated overall superior academic quality, and that either have a particular program or a high concentration of minority students. This group includes several Historically Black Colleges and Universities, Hispanic-serving institutions, and institutions with a significant portion of Asian-American students. In addition, GAO has established partnerships with professional organizations and associations with members from groups that traditionally have been underrepresented in the federal workforce, such as the American Association of Hispanic CPAs, the National Association of Black Accountants, the Federal Asian Pacific American Council, the Association of Latino Professionals in Finance and Accounting, and the American Association of Women Accountants. GAO's recruiting materials reflect the diversity of our workforce, and we annually train our campus recruiters on the best practices for identifying a broad spectrum of diverse candidates.

GAO's training emphasis and framework supports our efforts to maintain a diverse workforce by providing opportunities for all employees to realize their full potential. Our Learning Center has established learning tracks for all levels of the GAO analyst population that help all staff prepare for leadership roles. These learning tracks identify mandatory courses required by federal statute or GAO policy that all GAO employees must complete, core courses designed to provide basic knowledge and skills needed to succeed at each band level and elective courses that provide supplemental knowledge and skills. As staff move to a senior level, the core courses include those that help prepare them to manage a diverse workforce. For example, Band II level staff should take a course on coaching others. One learning objective for this course is to understand the importance of recognizing individual differences and tailoring one's coaching style to the unique characteristics of the person being coached.

The O&I staff conduct reviews to ensure fairness in performance appraisal decisions, promotions, awards, hiring, and recruitment. For the review of draft performance appraisals, O&I uses a two-part approach; we review statistical data on performance ratings by demographic group within each

unit, and where appropriate, we conduct assessments of individual ratings. The O&I performance appraisal reviews have identified areas for improvement. As I testified before this Subcommittee on May 22nd of this year, GAO is deeply concerned about the differences in average appraisal ratings among African Americans at all bands for 2002-2005 compared with Caucasian analysts.² We have hired a full-service management consulting firm to conduct an independent assessment of factors that may influence these rating differences and to make recommendations regarding further steps that GAO can take to ensure fair, consistent, and nondiscriminatory application of GAO's performance management system. The contractor has an outstanding reputation for quality, working with public and private entities, including the Congressional Black Caucus Foundation. The contractor's report is due March 2008.

In addition, O&I staff perform a two-part review of the Band II and Band III promotion process. First, O&I staff review the proposed list of Best Qualified candidates. Generally, we expect that those candidates with the best appraisals scores—those who have performed well—would also be ranked highly by the panel. If our review identifies concerns, I discuss these concerns with the senior executive who served as the chairperson for the panel and in some instances discuss the matter with the executive committee members. The second part of the promotion review process focuses on the proposed promotion decisions, and we consider diversity relative to available candidates. As with the appraisal review process, if there are concerns I discuss them with the selecting officials and the executive committee, when needed. Promotion decisions are not finalized until after the O&I review process.

Concluding Remarks

The agency's top leadership is fully committed to creating an environment that is fair and unbiased and that values diversity. Having a diverse workforce and leadership cadre is an essential strategic component to GAO's success. While the diversity of our workforce and leadership team has improved, there are areas that still need to be addressed. Our efforts to enhance diversity in the SES coupled with incorporating our core diversity principles into our human capital processes will enable us to continue to improve the diversity of our future leadership team.

² GAO, *Human Capital: Efforts to Enhance Diversity and Ensure a Fair and Inclusive Workplace at GAO*, GAO-07-901T (Washington, D.C.: May 22, 2007).

This concludes my prepared statement. At this time I would be pleased to answer any questions that you or other members of the subcommittee may have.

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