

**STATEMENT OF THE HONORABLE LINDA M. SPRINGER
DIRECTOR
OFFICE OF PERSONNEL MANAGEMENT**

before the

**SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT
MANAGEMENT, THE FEDERAL WORKFORCE AND
THE DISTRICT OF COLUMBIA
COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
UNITED STATES SENATE**

on

**THE RIGHT PEOPLE?
OVERSIGHT OF THE OFFICE OF PERSONNEL MANAGEMENT**

JUNE 27, 2006

OPM One Year Later – A State of the Agency Report

Mr. Chairman and Members of the Subcommittee:

One year ago, I took the oath of office to become the eighth director of the Office of Personnel Management (OPM). My management objective at that time was to raise the agency's performance level by instituting business disciplines and practices. These fundamentals would be essential to achieving my ultimate goals for OPM – operational excellence and strategic creativity. My message to you today is that demonstrable progress has been made and we are beginning to realize that goal.

Revitalizing Leadership

Since organizations reflect the quality of their leaders, step one in this transformation process was to evaluate, reconfigure and, in some cases, replace the agency's senior officers. By a combination of internal promotion and external hires, fifty percent of OPM's senior management positions have been revitalized. Seated before you today are members of our current senior leadership team, which now interacts with a candor, imagination, and mutual encouragement that were previously absent.

Engaging Staff

Effective organizations ensure and value their associates' connectivity to the mission. However, surveys as recent as 2004 demonstrated that this was not the case at that time for significant portions of OPM – particularly for thousands of associates in the 59 extra-Washington, DC offices nationwide. I was disappointed to learn that my visits to these offices were frequently the first by a Director in ten or more years. It is not surprising that staff indicated their lack of awareness of OPM's goals and objectives when the highest level of leadership was so detached.

Improved communication with our associates in all offices has been reestablished. Using a variety of means ranging from on-site visits to nationwide web casts with live Q and A, we are reuniting the agency, raising morale, providing a flow of ideas to and from associates, and improving the responsiveness of our operations. Maintaining this high level of local engagement is essential to servicing the national Federal workforce, most of which is stationed outside of Washington, DC.

Setting the Course

Achieving excellence in what an organization does assumes its objectives have been defined. To do that at OPM, a fresh set of strategic and operational goals was needed. In a departure from the past, this planning effort sought primary guidance from the men and women of OPM. The collective current first-hand knowledge and expertise of fifty associates from both the Senior Executive Service (SES) and General Schedule ranks, coupled with the direction and vision of the senior leadership team has resulted in our new plan. Among others, the plan was reviewed by members of the Executive Committee of the Chief Human Capital Officers Council. It is significant that the largest section of the plan is devoted to making OPM a “model of performance” - recognition that we must take important steps to achieve the organizational excellence which we value.

The 2006-2010 Strategic and Operational Plan is distinctive in its clarity, candor and specificity. Unlike predecessor plans that were laden with narrative, this plan is dominated by an action-oriented to-do list of approximately 170 deliverables, each with a due date. This unparalleled transparency has received extensive praise and has been described by The Washington Post both as “strikingly clear and simple and reflecting a no-nonsense, down-to-earth style.”

Creating Accountability

Achieving the goals of the plan would require one more managerial component – incorporation of the organization's goals into those of our staff. Accordingly, OPM

associates now have objectives that are tied in some measure to the plan. Performance agreements for senior executives were completely redesigned to give 75 percent weighting to achievement of plan goals. This direct linkage creates a level of accountability and ownership – particularly for the senior executives whose compensation is a function of performance – that gives greater assurance that goals will be achieved and creates an “esprit de corps” environment.

Achieving Results

Having taken these positioning steps, OPM is now ready to raise its operational performance. Associates are focused on their goals, and leaders are supporting their staff. Progress for all plan goals is being monitored using a chronological tracking system, a copy of which is attached. The 2006 section of this tool is available on the OPM website at www.opm.gov/strategicplan/2006/StrategicPlan_goals.pdf for all to see.

The result is that we have achieved every plan objective scheduled to date, on time, since its introduction in March and several more ahead of schedule. By achieving these tangible and important deliverables, we are creating a success culture at OPM – one that we reinforce monthly when each new group of goals is accomplished. Next month, we plan to have a special ice cream celebration with associates served by the senior staff. I extend an invitation to all of you to join us.

Funding the Effort

OPM is delivering on our responsibility to lead the Federal workforce human capital planning effort. Releasing the first phase of our planning guidance for pandemic influenza event in advance of President Bush’s August deadline is just one example of our enhanced service approach. It is indicative of our commitment to timely, as well as accurate, guidance to the human capital management community.

Continued improvement in our customer service will require something more than diligent management and a dedicated workforce. Full appropriation by the Congress of our budget requests is essential for OPM’s continued success. Anything short of our requests, including that for Fiscal Year 2007, will jeopardize the timeliness and outcome of our initiatives.

Particularly noteworthy in this regard is the Retirement Systems Modernization (RSM) project. FY 2007 funding for RSM has recently been eliminated from our appropriation bill by the House of Representatives. This unfortunate development must be remedied – first by the Senate and ultimately in conference. Otherwise retirement calculations – yours and ours – will continue to suffer the effects of a vintage 1950s paper process characterized by 144,000 file drawers – enough to pave the streets from this hearing room to Baltimore and back. Fixing this disgracefully outdated process is my highest priority and I hope the Members of the U.S. Senate will make it one of yours.

Leading Creatively

While continuing on the path to organizational excellence, OPM is breaking new ground in leading the Federal Government's efforts to ensure there is an effective civilian workforce into the future. Just as we are moving our internal capabilities from outdated processes, we are introducing Federal agencies to concepts for reaching and hiring the next generation of civilian employees. In the span of only a few months, OPM has fast forwarded beyond decades of worn out practices to initiate the first two of our three pronged approach for bringing workers to the Government.

In early May, OPM launched a first ever media campaign to raise awareness of the wide range of Federal civilian job opportunities. Four Federal agency employees were highlighted in television commercials produced by OPM. These commercials have run in several states and will continue in the coming months. Evidence of their effectiveness is already showing up in the thousands of increased visits to our USAJOBS.gov website in the coverage areas. More ads are in the planning stages.

In addition to raising awareness throughout the country, OPM introduced, in early June, the new Career Patterns approach for hiring. This initiative moves Federal agencies away from the limited hiring model currently in place to a 21st century approach that recognizes the wide variety of employer-employee relationships that are relevant to today's job seekers. Using OPM's analytic tool that comes with our Career Patterns guide, agencies will be able to improve their job marketing success by offering opportunities that articulate the range of available patterns and the supporting environment (including use of existing flexibilities), as well as the traditional professional qualities.

When these two components are joined by the more efficient hiring process that will be the third initiative, OPM will have positioned Federal agencies to meet the hiring demands of the future – demands that will increase dramatically as we face the retirement eligibility of 60 percent of our workforce over the next ten years. In a talent market where demand will outstrip supply, OPM's foresight and leadership will prove vital in keeping us competitive

Looking Ahead

As I stated in my strategic plan message, "we are committed to our principles, committed to our goals and committed to accomplishing our mission – to ensure the Federal government has an effective civilian workforce." We look forward to reporting our continued progress to you and seeing the benefits of our work for the men and women of the Federal workforce and the American public.

I will be glad to respond to your questions.