

**OPENING STATEMENT OF CHAIRMAN GEORGE V. VOINOVICH
SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT,
THE FEDERAL WORKFORCE AND THE DISTRICT OF COLUMBIA**

SEPTEMBER 27, 2005

**ALTERNATIVE PERSONNEL SYSTEMS:
ASSESSING PROGRESS IN THE FEDERAL GOVERNMENT**

Good morning, and thank you all for coming. Today's hearing, "Alternative Personnel Systems: Assessing Progress in the Federal Government," will come to order. The Subcommittee will assess the progress federal agencies have made utilizing established workforce authorities to develop what are referred to as alternative personnel systems.

I first would like to thank this Subcommittee's ranking member, Senator Daniel Akaka, for being at this hearing today. Senator Akaka continues to be a strong partner in this Subcommittee's efforts to address the federal government's workforce challenges.

Oversight of the federal workforce by this Subcommittee this year has focused on recently enacted legislation. The federal workforce is in a great state of change. Almost half of the federal workforce will be transitioned into new personnel systems over the next several years, and all agencies now can use significant new flexibilities. Further change for the remainder of the federal workforce has been proposed, but that is not the subject of today's hearing.

Indeed, we must do our due diligence and determine how change has been managed. Congress cannot expect the federal government to successfully implement workforce reforms, however sound and meritorious in their own right, if the capacity of the federal government to implement the reform and accompanying change is lacking. Even the best ideas need to be tested and validated. As many of the reforms are so new that we cannot yet fully judge their effectiveness, alternative personnel systems might offer us the best window right now into change in the federal workforce. The purpose of this hearing is to assess how existing alternative personnel systems, two at the Department of Commerce and one at the Federal Deposit Insurance Corporation, were developed, implemented, and subsequently refined.

We hope to learn more than what rules were changed. We seek to learn how successfully these agencies managed difficult transitions. In my mind this is just as important as any of the new workforce management concepts that are being employed. For example, what was the role of key management agencies such as the Office of Personnel Management, and is it indicative of its ability to drive and manage workforce transformation throughout the executive branch? Do federal managers require specialized and additional training before they use pay banding and classification?

(over)

I also would like to learn how federal employees have been involved in these alternative personnel systems. From their prepared statements I know that the American Federation of Government Employees has opted out of participating in some of the new systems, while National Treasury Employee Union members are participating at the Federal Deposit Insurance Corporation. I look forward to learning more about their experiences.

It is important to learn any specific tips we can glean from the experience of these agencies and others. We all want a better system, and although individuals may differ as to the details, that is not the key question. The key question is: what do we have to do to prepare and manage the transition from the old to the new? I hope that today we will develop a good sense of how three federal agencies have fared in the regard.

Thank you.

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