



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE INSPECTOR GENERAL

April 12, 2004

INSPECTION MEMORANDUM

To: Phil Maestri
Director, Management Improvement Team
Office of Deputy Secretary

From: Cathy H. Lewis
Assistant Inspector General
Evaluation, Inspection and Management Services

Subject: Review of MIT Action Item Number 84 (ED/OIG I13E0001)

This memorandum provides the results of our inspection of one Action Plan item from the Department of Education's (Department's) Blueprint for Management Excellence. The EIMS group is examining several Action Plan items related to Human Capital. Our objective is two-fold: 1) was the item completed as described; and, 2) as completed, does the action taken help the Department towards its stated Blueprint objective (improve the strategic management of the Department's human capital). In this report, we examined item number 84 (completed on July 30, 2002), concerning the expansion of innovative recruitment strategies.

Background:

The action required by Action Item Number 84 was to:

Expand innovative strategies to recruit employees, including notification in trade publications and state agencies

Human Resource Services (HRS) created a plan in June 2002 to address this action item. The plan had four components: 1) increase and expand the use of EdHIREs, the Department's web-based, automated hiring system; 2) use paid advertising in newspapers and trade publications; 3) establish a pilot program that requires hiring at least one career intern employee in the Office of Management (OM) and in three program offices; and 4) survey State Employment and Labor offices to determine feasibility of a working group to assist in recruitment. The OM Director approved HRS's plan to expand recruitment of Department employees on July 30, 2002. This action was the basis for the completion date identified by the Department.

Objective 1: Did OM complete the actions needed to complete this item?

While the Department did develop a plan that would have completed this item, it has not fully implemented that plan.

The Department introduced EdHIRES on December 7, 2001 to decrease the amount of time and resources needed to fill positions. While EdHIRES original implementation only allowed Department employees to apply for jobs, in March 2003 this capability was expanded to all recruiting sources; *an initial intent of the design*. As designed the system can also be tailored to send recruitment announcements to an identified list of “professional/occupational websites.” This feature has not been brought on line.

HRS budgeted in 2003 for a subscription to WashingtonJobs.com, an online area job database run through the Washington Post. However, HRS never obtained a subscription to or used this online service, even though this service was noted in its approved plan. The team determined they “did not need to spend the funds” because both EdHIRES and USAJobs, the Office of Personnel Management’s online recruitment source, are available nationwide. After the draft of this report was issued, HRS presented extra information showing that while WashingtonJobs.com was never used, some Principal Offices within the Department have placed job announcements in trade publications and online.

On July 10, 2000, the White House enacted Executive Order 13162, which created the Federal Career Intern Program (CIP). This program was designed to “help agencies recruit and attract exceptional individuals.” While HRS’s plan to expand recruitment included establishing a pilot program to hire at least one Career Intern in OM and three in other areas of the Department, according to HRS, the CIP “has never been a pilot” at the Department. Currently under this program, the Office of the Chief Financial Officer (OCFO) is employing three interns, hired in the Fall of 2002, and the Office of the Inspector General (OIG) recently hired three others.

HRS planned to survey State Employment and Labor Offices located in the same vicinity of Department Offices to determine the feasibility of forming a working group to help in the Department’s recruiting efforts. To date, HRS has never surveyed any of these offices about forming a consortium.

After being questioned on the frequency of usage of innovative recruitment tools, HRS disclosed that it processed three recruitment bonuses and two continuation of retention allowances in 2003. Managers use some recruitment and retention tools more frequently, with superior qualification appointments being the most widely used. Two of the innovative initiatives, CIP and Student Loan Repayment, have been used rarely. In 2002, the Department hired *three* employees under the CIP and used the Student Loan Repayment option *twice*. OM has not looked into the reasons behind this lack of use.

The plan put forward by HRS and cited as the basis for listing this action item as “completed” has itself never been implemented. The Department has not fully utilized all

EdHIRES capabilities, encouraged the use of the CIP and Student Loan Repayment strategies or surveyed State Employment and Labor Offices.

Objective 2: As completed, do the actions taken help the Department towards its stated Blueprint Objective?

The Blueprint objective's intent was to expand the Department's innovative strategies for recruitment and thereby help to improve the strategic management of the Department's human capital. The action taken does not help the Department towards this objective.

The plan, as outlined by HRS, has not been completed and there has been no follow up to determine why the strategies offered are so rarely being used. Absent implementation and an assessment of the plan's effectiveness, there is no basis for concluding that the actions identified as "completing" the action item will help move the Department toward its underlying Blueprint objective.

Departmental Response

We provided the MIT with a draft report that contained recommendations that would, if implemented, support the MIT's decision to list the action item as "completed." The MIT generally did not concur with these recommendations and decided to "close" the item instead. "Closed" indicates that the item is either no longer a priority for the Department or has overtaken by events. Therefore, we have removed our recommendations from the report. We have included the MIT's comments in their entirety as an attachment.

Administrative Matters

We appreciate the cooperation given to us during the inspection. If you have any questions or wish to discuss the contents of this report, please call me at 202-205-8639 or Deb Schweikert, Director, Evaluations and Inspections Division at 202-205-5569. Please refer to the control number in all correspondence relating to this report.

February 13, 2004

To: Cathy H. Lewis
Assistant Inspector General
Evaluation, Inspection and Management Services

From: Phillip Maestri, Director
Management Improvement Team

Subject: Draft Inspection Memorandum (January 6, 2004)
Review of MIT Action Item Number 84 (ED/OIG I12E0001)
“Expand innovative strategies to recruit employees”

Thank you for the opportunity to review and comment on a draft version of this inspection memorandum.

Comments on Background and Findings

In response to your draft memo, the MIT reviewed Department activities targeted to “expand innovative strategies to recruit employees, including notification in trade publications and state agencies.” As OIG reports, the action was designated “completed” in July 2002 when the Office of Management (OM) Director approved an HRS plan to address recruitment issues.

Consistent with your findings, the MIT found that some components of that plan were not implemented. The implementation of the plan was not tracked by the MIT, first because the item was “completed” based on the plan rather than the implementation, and second, because the MIT did not track the implementation of offices’ milestones or the component activities identified at their discretion that comprise the plan. As a result, the *Blueprint* was not updated to reflect deviations OM made from its plan as it moved forward with implementation. Specifically:

- ✓ One potential feature of ED Hires—to send recruitment announcements to identified websites—has not been used.
- ✓ One potential avenue of paid advertising – a subscription to WashingtonJobs.com – was not used.
- ✓ CIP was directly implemented, instead of begun by a pilot project in targeted offices.
- ✓ Recruitment partnerships with State Employment and Labor offices were not pursued.

Other components of the plan were completed, including:

- ✓ EDHires was expanded to serve all recruiting sources.
- ✓ Offices used paid advertising for recruitment. OM has examples of this advertising and reports that, in the last year, Principal Offices placed paid advertisements with Attorneyjobs.com, Hotjobs.com, Law.com, Monster.com, Global Media Group, New York Law Journal, New York Times, San Francisco Chronicle, San Francisco Examiner, San Francisco Recorder, and Washington Post. The principal offices have more information on where they advertise.
- ✓ CIP was implemented at ED and interns hired (6 since the inception; HRS reports that 5 other selections have been made and the candidates are awaiting security clearances). The Personnel Manual Instruction (PMI) on CIP was posted in March 2003 and is available to managers at http://wdcrobiis08/doc_img/pmi_302-2p1.doc
- ✓ Information on all recruitment and retention tools, including the innovative ones, is advertised on ConnectED at <http://connected.ed.gov/index.cfm?articleobjectid=369AA60A-0D99-4360-BADC354F80568A8B> and full descriptions are available at http://wdcrobiis08/doc_img/recruit.doc

The MIT concludes that these activities, in all probability, “helped the Department towards” the *Blueprint* objective. We therefore think the OIG conclusion that “the action taken does not help” is an overgeneralization of the results. The MIT recognizes that there has not been a formal assessment of the plan’s effectiveness (that is, an evaluation of the impact of the activities). OM has some data that suggests each vacancy announcement draws a number of candidates that are qualified (between 3 and 8 depending on the occupational category). However, we cannot ascertain from that data whether this is a sufficient number of applicants to meet the need nor if the certified candidates were as qualified as the managers would like. Absent more information, it is not possible to make a statement on the degree to which the objective has been achieved. Such rigorous assessment of the impact of human resource activities was not built into the *Blueprint*.

It is important to note that responsibility for recruitment and other personnel processes are shared. The *Blueprint* recognized this shared responsibility. Action #84 was assigned to all senior officers as well as OM (Action Owners), and to executive officers as well as the HR Director (Responsible Individuals). Upon investigation, the MIT did not find systematic information regarding the actions taken by these other parties. Informal feedback suggests that front-line managers and executive officers are often unaware of or do not understand the recruitment options available. A full understanding of the issue and well-informed plan of action needs to address the scope of responsibility of HRS and

strategies for engaging senior officers, executive officers, and front-line managers in improving human resource management.

A technical correction to OIG's description of the use of recruitment strategies will make it more accurate. Superior qualification appointments are not literally in the category "recruitment bonuses and retention allowances." Therefore the 50-100 requests a year for "recruitment bonuses and retention allowances" is not accurate because most of these are requests for superior qualification appointments. OM's most recent data on this are, in 2003, three recruitment bonuses were paid, two continuation of retention allowances were paid, and 36 superior qualifications appointments were made.

The memo will be clearer if it only discusses the strategy investigated, i.e., the CIP. Other recruitment tools were not components of the OM/HRS plan that the OIG investigated. The MIT will need to do further research if OIG needs information on other strategies.

Developments since the completion

In the 18 months since the OM plan was first approved, the system of on-line job applications and job announcements has matured and grown. EDHires allows both internal and external candidates to find and apply for ED jobs on line. All ED vacancy announcements appear on "USAJobs" (OPM's site). State employment agencies create seamless access to national job postings through America's Job Bank (AJB). A MIT cursory investigation suggests that the state job web sites link directly to USAJobs or, at least, link directly to AJB, which links to USAJobs. College and university job web sites also link to AJB and USAJobs.

HRS reports that senior HRS staff met with WashingtonJobs.com and determined it was not cost effective to purchase the subscription, based both on cost and duplication between this and other advertising sources. The OIG memo does not make it clear that HRS followed up on this and made a specific determination.

Subsequent to its initial planning, HRS determined that the state employment working groups were not an effective strategy. First, the need was limited. Regional office recruitment is low relative to ED-wide need. As of January 2004, there were 11 recruitment actions in the regions (underway at various stages of the process), compared to 172 headquarters recruitment actions underway. Second, it is not clear that state employment offices are a good source of applicants. Third, electronic distribution of information to state employment web sites through the AJB/USAJobs links meets much of the need. Finally, HRS reports that Regional HRS offices participate on the Federal Personnel Council and the Federal Executive Board, which serve some of their networking needs.

Finally, OM developed a survey to help identify barriers to using special hiring and compensation flexibilities. The survey was distributed January 29, 2004 to executive officers and selected senior executives who OM identified as "key informants" with

specific experience with or insight into the use special hiring and compensation tools. Responses were due to OM by February 6, 2004. OM will report its findings to the EMT.

Response to recommendations

The MIT concludes that the fundamental criteria in developing future HR-relative activities must be the extent to which further activities are needed and whether the benefits justify the costs. HRS dropped some of the components of the original plan because, in the staff's judgment, they were not cost-effective. The MIT suggests that new recommendations address current needs and consider cost effectiveness.

Given experience with this and other hiring, recruitment, retention, and performance appraisal related activities, much greater attention must be paid to the limited role that HRS plays and how to engage those on the front lines. Supervisors, senior executives, and executive officers are not cohesive groups accountable to one individual. But they clearly must take on responsibility to forward this agenda.

Recommendation 1: *“Fully implement EDHires by populating and using its notification lists.”* It might be cost-effective to implement the automatic notification feature of EDHires, if targeted institutions can be identified and logically linked to the specific types of job announcements. This will require further investigation.

Recommendation 2: *“Publish job announcements in trade publications and newspapers.”* It appears offices already publish announcements in trade publications and web sites. If there is evidence that this resource is underutilized, the response should take into account that executive offices and front-line supervisors, rather than OM, may be the ones to address this.

Recommendation 3: *“Create a well-publicized CIP that follows the initial requirements and effectively recruits individuals.”* The CIP program was established. The information is available on ConnectED. Note that supervisors are responsible for identifying vacancies to fill using CIP and for ensuring it is a good developmental experience for the interns. (See PMI 302-2) Determining whether the program is underutilized and whether it is effective requires further investigation. The MIT suggests that this recommendation focus on evaluating CIP. Further program implementation should be guided by those findings. The HRS director is responsible for evaluating the overall effectiveness of the CIP (PMI 302-2). The HRS survey of executive officers and managers asks why they do not used CIP and other recruitment authorities. Using the survey results, OM/HRS will report to the EMT on recruitment and hiring strategies.

Recommendation 4: *“Survey local State Employment and Labor Offices about the feasibility of forming a working group.”* Given the limited recruitment at regional office and the posting of ED vacancies announcements at state labor department web sites, this activity has probably been rendered obsolete.

Recommendation 5: *“Work with Executive Officers to identify why recruitment/ retention tools are not being used. Develop a plan for encouraging greater use and share that plan with the EMT.”* The MIT suggests that this recommendation focus on assessing whether further use is needed, rather than increasing the use of the flexibilities. Given the scope of HRS’ responsibility and authority, executive officers and senior officers must take an active role in recruitment and retention. HRS’ January survey of executive officers and selected managers addresses recruitment and retention tools. OM/HRS will report to the EMT on the results of that survey.

Recommendation 6: *“Within one year, survey executive offices to assess the effectiveness of that plan.”* OM has existing forums to communicate with executive offices. The MIT request that this recommendation be sufficiently flexible to allow OM to find the best method to do such follow up, which might not be a formal survey. As with recommendation #5, the MIT also suggests consideration be given to the responsibility of the executive officers for carrying this out.

Recommendation 7: *“Designate Action Item Number 84 as ‘open.’”* The MIT concurs that this action item was not completed as originally planned. As a result, the MIT will record action item #84 as “closed” rather than “completed” and will provide more details regarding the specific activities associated with this item in the comments section of the *Blueprint*.