



Office of Federal Housing Enterprise Oversight

Human Capital Plan



OFHEO's workforce is our most valuable resource.

The Office of Human Resources Management is dedicated to collaborating as a strategic partner in achieving OFHEO's regulatory mission by proactively determining human capital needs in order to recruit and retain a world-class workforce that is diverse, motivated and committed to excellence.

Office of Federal Housing Enterprise Oversight
Human Capital Plan

Message from the Director



I am pleased to present the Office of Federal Housing Oversight (OFHEO) Human Capital Plan for 2007–2011. This Plan has been developed as a companion to the OFHEO’s Strategic Plan and links our human capital planning to the agency’s strategic policy and management objectives. It emphasizes the importance of human capital management to the successful accomplishment of our mission.

Our employees have a breadth of knowledge and skills second to none. They are dedicated to OFHEO’s mission of ensuring the financial safety and soundness of Freddie Mac and Fannie Mae. OFHEO’s unique mission can only be accomplished with an able, adaptable, and accomplished workforce. These characteristics are portrayed daily, throughout our workforce, and I am honored to work with such a dedicated and committed team.

OFHEO’s human capital initiatives must align with our mission and Strategic Plan. This Human Capital Plan outlines our plans to improve existing initiatives while also expanding our human capital activities into new areas over the next several years.

The agency’s Human Capital Plan is a living document that will be routinely assessed and updated as the agency’s strategic plan’s goals and objectives continue to evolve. I look forward to working with stakeholders to support the initiatives and to achieve the results outlined in this Plan.


James B. Lockhart III
Director

Table of Contents:

SECTION I:	PAGE
Introduction	5
Background	5
External Factors	8
Human Capital Framework	9
OFHEO's Mission	11
OFHEO's Human Capital Challenge	12
SECTION II:	
Strategic Alignment	15
OFHEO's Strategic Goals	15
Human Capital Strategic Goals	16
Human Capital Strategic Objectives	16
Planned Activity and Accomplishments	17
Individual and Organizational Performance Alignment	22
Strategic Alignment Action Plan	23
Strategic Alignment Rating Criterion for Success	23
Organizational Alignment	24
SECTION III:	
Workforce Planning	25
Current Workforce Structure	26
Office Functions and Responsibilities	27
Workforce Planning Challenges	30
Workforce Planning Action Plan	31
Workforce Planning Rating Criteria for Success	31
SECTION IV:	
Leadership and Knowledge Management	32
Leadership and Knowledge Management Action Plan	33
Leadership and Knowledge Management Rating Criteria for Success	33
SECTION V:	
Results Oriented Performance Culture	34
Results Oriented Performance Culture Action Plan	35
Results Oriented Performance Culture Rating Criteria for Success	35

SECTION VI:

Talent	36
Talent Action Plan	37
Talent Rating Criteria for Success	37

SECTION VII:

Accountability	38
Accountability Action Plan	39
Accountability Rating Criteria	39

SECTION VIII:

Human Capital Action Plan with Target Completion Dates	40
--	----

Appendix A: Workforce Data

Staff and Vacancies	42
Minority Statistics	44
Workforce Education Level	48
Attrition	52
Retirement Eligibility through FY2011	52
Competency Gaps	54
Employee Perspective	54
Merit Systems Compliance	54

Appendix B: Workforce Plan

Challenges	57
Vacancies	57
Goal	59
The Value of Succession Planning	60
Workforce Analysis	62
Critical Mission and Leadership Positions	65
Workforce Analysis by Office	67
Leadership Competency Assessment	69
Leadership Competency Definitions	71
Talent Pools	73
Succession Planning Strategies	74
Implementation Strategies	75
Evaluation and Monitoring Plan	76

Appendix C: Accomplishments	78
--	----

SECTION 1

Introduction:

Human capital resources – our employees – provide our agency with skills, technical competencies, experience and knowledge. In return, we reward our human capital with competitive pay, benefits, intrinsic job satisfaction, recognition for good performance, and opportunities to learn and advance in their careers.

Strategic management of human capital is necessary to ensure that our staff members are effectively utilized, and that they support the agency's mission and vision. The agency's Human Capital Plan (HC Plan) directly supports and aligns with the OFHEO's Strategic Plan. The Strategic Plan describes our mission, strategic goals, objectives and strategies for accomplishing them effectively. The Annual Performance Plan sets specific performance targets for each fiscal year. The HC Plan is designed to align with the agency's strategic goals to ensure that the right people are in the right jobs at the right time to carry out the organization's efforts in meeting the strategic goals. This Plan is intended to be a working document, and will evolve and be adjusted to address new human resource related initiatives, requirements and priorities, as necessary.

Background:

The Office of Federal Housing Enterprise Oversight (OFHEO) was established as an independent entity within the Department of Housing and Urban Development by the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Title 13 of P.L. 102-550). The agency is headed by a Director appointed by the President and confirmed by the Senate for a five-year term.

OFHEO's primary mission is to promote housing and a strong national housing finance system by ensuring the safety and soundness of two government-sponsored enterprises (GSEs or Enterprises) - the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac). These GSEs play a critical role in housing finance, keeping funds flowing to mortgage lenders, and in turn, to homeowners. Through effective regulation of the Enterprises, OFHEO contributes to a robust housing sector in the United States and the health of the nation's economy.

Although Human Capital planning cannot alone ensure the achievement of OFHEO's mission, it is a fundamental building block that supports that success. This plan outlines activities to assess, plan for and respond proactively to our human capital challenges. Included in this plan is a clear strategy for determining if there are skill imbalances, or lack of depth in any of our critical competencies. We must also strive for diversity at all levels of the workforce and institute succession planning where we foresee shortages or departures. Succession planning will also provide staff development to ensure against unexpected and anticipated loss of critical human resources.

In carrying out its mission, OFHEO relies heavily on its most critical asset: its workforce. OFHEO's workforce expertise must always be available to ensure mission accomplishment.



The Human Capital Plan is an agency document. It is a planning tool that provides OFHEO with a pathway to goal achievement (results). Every office within OFHEO is responsible for the development and execution of plans to meet the goals and achieve the mission requirements.

The Office of Human Resources Management (OHRM) developed the Human Capital Plan, and will work closely with every office to support and assist them in identifying their needs, planning to fill those needs, and keeping positions filled.

This plan is intended to be a working document that is continually reviewed to ensure connectivity and alignment in support of the OFHEO Strategic Plan and goals.

OHRM Mission Statement

The Office of Human Resources Management is dedicated to collaborating as a strategic partner in achieving OFHEO's regulatory mission by proactively determining human capital needs and recruiting, developing and retaining a world-class workforce that is diverse, motivated and committed to excellence.



OHRM Vision

Our vision is to become a strategic partner that provides exceptional consultation to address human capital needs, and create and maintain employee satisfaction and promote OFHEO as an employer of choice.

External Factors:

Congressional Interest. Oversight committees and individual members of Congress have taken an active interest in the mission and condition of the GSEs, the regulatory oversight of Freddie Mac and Fannie Mae and OFHEO's ability to undertake its critical mission.



The President's Management Agenda includes an initiative for effective management of human capital. This ties closely with the budget and performance integration initiative as well.

The Office of Management and Budget (OMB) Standards for Success.

OMB's "scorecard" defines standards for success. The scorecard is used to assess agencies on their progress in implementing the President's Management Agenda initiatives. The scorecard for human capital management includes the degree to which an agency has an organizational structure that is flat and oriented toward performing its mission, addressing competency/skill gaps, and effective performance management. Although OFHEO is not a scorecard agency, we use these standards as a management tool to rate ourselves, with an increased emphasis on workforce change associated with acquiring, retaining, developing and rewarding the right people for the right work at the right time.

Office of Personnel Management Human Capital Scorecard. OPM also developed a human capital scorecard and a set of associated measures to support the OMB scorecard. These measures are intended to help agencies improve the management of human resources. OPM's scorecard focuses on the following key themes:

- Strategic Alignment
- Workforce Planning
- Leadership and Knowledge Management
- Results Oriented Performance Culture
- Talent
- Accountability

These six themes are addressed throughout the OFHEO Human Capital Plan.

Human Capital Framework

Each of the six components of this plan are incorporated within the framework of OFHEO's strategic goals. These components will guide our efforts and transform how we assess, plan for, and respond to human capital challenges and needs. The components are defined as follows:

Develop our Plans and Goals:

Strategic Alignment. This component promotes the alignment of human capital management strategies with OFHEO's mission, goals and objectives. This is accomplished through planning, analysis, measurement and management of human capital programs. Specifically, OFHEO must incorporate human capital planning into the organizational objectives outlined in OFHEO's Strategic Plan, Annual Performance Plan, and budget.

Workforce Planning (Organizational Alignment) – Workforce planning provides OFHEO with a plan that will assist in designing and developing an effective organizational structure and workforce to carry out our mission. We will take a snapshot of where we are, and our plan for where we are going. This plan will ensure that we have the right people with the right skills at the right time to get there.

Implement Our Plans:

Leadership and Knowledge Management – This component will ensure that OFHEO has continuity of leadership by identifying key leadership competencies and potential turnover. We will ensure that knowledge is shared, and an environment of continuous learning is embraced. And, we will incorporate an integrated, strategic training and development program that builds needed competencies for current and future leaders.

Results-Oriented Performance Culture – By ensuring a results-oriented performance culture, OFHEO will promote a high-performing workforce. We will continue to thoroughly review and analyze our current performance management system, and link individual and agency performance to our goals. We must also review our awards system to ensure that we motivate and reward staff appropriately.

Talent Management – Talent management will address competency gaps, particularly in mission-critical occupations, by implementing programs to attract, acquire, develop, promote and retain employees with the right talent in the right positions at the right time. OFHEO must foster an environment that is attractive to individuals from all segments of society in order to recruit, develop, and retain a diverse group of employees that possess the necessary competencies for mission accomplishment.

Evaluate Our Results:

Accountability – We will monitor and evaluate the results of our human capital management policies, programs and activities by analyzing compliance with merit system principles and by identifying and monitoring necessary improvements in all components. We will develop and implement a data-driven, results-oriented planning and accountability system to analyze and measure performance results in support of the agency mission.

All of the six components listed above align with and support the agency's mission and strategic plan, goals and objectives.

OFHEO recognizes the importance of human capital in achieving our mission.



OFHEO's Mission

As we plan and prepare for the future, we are renewing our commitment to the American public by ensuring that our programs and activities fit within a sound framework and that they remain attuned to the changing conditions of our nation.

Mission Statement

To promote housing and a strong national housing finance system by ensuring the safety and soundness of Fannie Mae and Freddie Mac.

Fannie Mae and Freddie Mac are the nation's largest housing finance institutions with a mission of providing liquidity, stability and affordability to the housing market. They buy mortgages from commercial banks, thrift institutions, mortgage banks, and other primary lenders, and either package them into mortgage-backed securities for resale to investors or hold these mortgages in their own portfolios. These secondary mortgage market operations play a major role in creating a ready supply of mortgage funds for American homebuyers.

The legislation that established OFHEO also requires Fannie Mae and Freddie Mac to meet certain affordable housing goals set annually by the Secretary of Housing and Urban Development. These goals specify the share of mortgages supporting affordable housing that the two GSEs are required to purchase annually.

OFHEO's overriding oversight responsibility is to ensure the safety and soundness of the Enterprises. OFHEO staff conduct safety and soundness examinations of Fannie Mae and Freddie Mac; develop a risk-based capital standard, using a "stress test" that simulates interest rate and credit risk scenarios; make quarterly findings of capital adequacy based on minimum capital standards and a risk-based standard; prohibit excessive executive compensation; issue regulations concerning capital and enforcement standards; and take necessary enforcement actions. OFHEO is funded through assessments on Fannie Mae and Freddie Mac. Its operations represent no direct cost to the taxpayer.

OFHEO's Human Capital Challenges

An effective regulator requires an effective workforce with a high degree of technical expertise in various specialized fields. OFHEO hires examiners, accountants, economists, attorneys, financial analysts, and programmers, to accomplish its core work. We must employ highly skilled staff to support our mission critical functions. With the commitment of time and resources, OFHEO can achieve successful human capital management.

OFHEO's most effective strategy for improving performance is to invest in our employees. OFHEO's leadership endorses the value of this investment by ensuring sufficient funding for employee development and skill training, supporting recruitment and retention programs that include a desirable benefit package, recruitment bonuses, advertising broadly for critical positions, and outreach to minority institutions.

Human capital focuses on the reality that people are critical to mission success. The Office of Personnel Management has rightly illuminated the need to value the workforce in order to ensure continuity and improve organizational performance, as well as to reflect that achievement transparently. The objective of valuing employees seems obvious and straightforward, but effective human capital management may require an adjustment of current priorities.

Our main human capital challenge is recruiting a workforce with the specific competencies needed, particularly in the examination, accounting and financial analysis areas. Positions in these fields have proven difficult to fill, and are yet the most critical to the success of our mission. OFHEO may also see attrition through retirements in several key leadership positions. Our challenge is to prepare for these departures to ensure a smooth transition. Finally, although OFHEO has a relatively large training budget, a current review has indicated that very little leadership and management training has been taken by those in leadership management positions in the organization. Effective leaders guide an organization to its success, so this needs to be addressed.

OFHEO's mission is stable and clear: to effectively oversee the Enterprises to ensure they operate safely and soundly. OFHEO's workload to achieve the mission is dynamic and changing, addressing new or unanticipated issues at either Enterprise. We must be flexible, react quickly, and employ appropriate competencies to confront such dynamic conditions. OFHEO must have the ability to tap resources

within the agency and adjust them as needed. This requires the sharing of resources, through reassignments, details, and cross-functional working groups.

To achieve our goals and mission, OFHEO needs a workforce that properly balances the following characteristics:

Technical expertise. OFHEO must preserve its tradition of effective examination, financial, economic, legal, and industry expertise; of making judgments in an objective and independent manner; and of effectively leveraging institutional knowledge. To meet this requirement, OFHEO must strategically evaluate and fill all its vacancies quickly and ensure that the right people, with the right competencies, expertise and experience, are being targeted. We must also recruit to replace departing employees quickly and effectively to replenish our workforce. OFHEO must begin to hire employees at lower, (trainee) grade levels and must develop formal training programs to ensure that we are not only hiring new staff that possess the expertise we need, but also building a cadre of staff from within that are learning about the entities we regulate and all areas of risk.

Flexibility. In support of our mission, OFHEO must continue to build a workforce that is increasingly flexible. Reaching this goal will require the adoption of broader-based position descriptions to address our rapidly changing needs. This will require developing multiple skill sets through appropriate training so that staff are ready when new challenges arise, or priorities and initiatives change. We must enhance employees' comfort with and ability to handle change, and build organizational structures that allow more employees to move seamlessly within OFHEO to those areas where they are most needed (right skills at the right time in the right place).

New and enhanced skills. OFHEO needs to provide, refresh, and/or enhance competencies and skills that will become increasingly important in the future. These include leadership and management skills, interpersonal skills, information technology skills, and technical skills in new and emerging areas.

Another pressing human capital issue is attracting those who have the competencies we require to meet our goals. Although there has been a significant effort to increase the attractiveness of public service through media, OFHEO must conduct more outreach and develop internal programs to address our needs.

Diversity. OFHEO values a diverse workforce and embraces the advantage of hiring teams from varying backgrounds, experiences, and bring a wide spectrum view with new ideas and suggestions.



The OFHEO Human Capital Plan outlines the steps needed to execute an integrated, systematic, agency-wide approach to effective human capital management.

This Plan is intended to be useful, responsive and supportive of the agency's strategic plans and goals and to be flexible enough to address new issues and changing priorities. It is a roadmap intended to help OFHEO's meet mission requirements to ensure the safety and soundness of Freddie Mac and Fannie Mae.

The Office of Human Resources Management staff members are management consultants, ready and able to assist in decision-making related to immediate and future human capital needs of the agency. OHRM will have data and analytical tools available to assess workforce needs in order to manage current and future risk.

Collaboration and coordination with all offices within the agency is imperative to ensure that OFHEO's goals and human capital objectives coincide, that they reflect and support leadership direction and that this plan can be implemented successfully. This Plan reflects the input of all offices within OFHEO.

Please refer to charts on the following pages that will identify these challenges as they relate to each of the Human Capital strategic objectives.



The following sections describe each strategic goal and related human capital goals and objectives. These goals are inextricably linked and mutually reinforcing.

SECTION II - *Strategic Alignment*

OMB Standard: Human capital strategy (policy and program initiatives) is aligned with agency mission/goals/vision through strategic plan, performance plans and budget.

OFHEO's Human Capital Goal: The agency's Human Capital Plan establishes Human Capital goals that are linked to the agency strategic plan, annual performance plan and budget and reflects how human capital supports the mission accomplishment.

The principal objective of the agency's Human Capital Plan is to utilize human capital strategically to support the agency's mission and goals.

OFHEO's Strategic Plan for the years 2006–2011 is the underpinning for the day-to-day activities of its managers and supervisors. The plan sets out guiding principles that focus managers and staff on the most important activities in support of OFHEO's mission.

The Strategic Plan is given practical expression through the annual performance plans, which form a basis for work plans at the sub-element organizational office level, which then cascade into executive, supervisory, staff and administrative individual work plans.

OFHEO's Strategic Goals:

Goal 1: Enhance supervision to ensure the Enterprises operate in a safe and sound manner, are adequately capitalized and comply with legal requirements.

Goal 2: Provide support for statutory reforms to strengthen our regulatory powers.

Goal 3: Contribute to support the national policy of an efficient secondary mortgage market which promotes homeownership and affordable housing.

Resource Management Strategy: Manage effectively OFHEO's human capital and other resources to support our mission.

Performance Goal 4.1 is related to resource management, and stated as follows:

Maintain a diverse workforce that is skilled, flexible, and performance-oriented to fulfill the goals of the agency.

Three specific areas are defined to measure accomplishments towards achieving this goal, as follows:

Performance Goal Measure 4.1(1) - Develop a workforce planning strategy to assess workforce talent based on needs to meet OFHEO's strategic goals by the end of the FY08.

Performance Goal Measure 4.1(2) - Implement the Federal human capital survey and acquire a baseline result in FY07.

Performance Goal Measure 4.1(3) - Conduct targeted outreach on a quarterly basis to obtain the competencies needed and promote diversity.

Human Capital Strategic Goals:

Performance Goal Measure 4.1(1) - Develop a workforce planning strategy to assess workforce talent based on needs to meet OFHEO's strategic goals by the end of the FY08.

Human Capital Goal 1 – Human capital planning is incorporated into the organizational objectives outlined in the Strategic Plan, Annual Performance Plan, and budget.

HC Strategic Objective 1.1 – Develop a workforce plan that is focused on aligning human capital with strategic goals.

HC Strategic Objective 1.2 – Conduct an OFHEO-wide competency analysis review.

HC Strategic Objective 1.3 – Develop a succession plan to address OFHEO's future workforce needs.

HC Strategic Objective 1.4 – Amend the performance management system to incorporate office and individual work plans and identify a specific connection between the employee's work plan and OFHEO's performance goals.

Planned Activity and Accomplishments

Human Capital Goal 1

Human Capital Management is a specific component of the agency's strategic plan, as indicated in Performance Goal 4.1 - ***Maintain a diverse workforce that is skilled, flexible, and performance-oriented to fulfill the goals of the agency*** - in support of OFHEO's Resource Management Strategy. Workforce planning plays a critical role in getting the right people at the right time to do the right job. It also prepares employees for different and more challenging roles, guides succession planning, and reduces lag time in filling critical positions.

HC Strategic Objective 1.1

The Office of Human Resources Management (OHRM) will develop a workforce planning strategy to assess workforce talent through a competency analysis. We will review the overall goals and work plans and meet with OFHEO executives and management to analyze and determine our competency needs. The second step in this process will be to determine the on-board skills currently available. Finally, a comparative analysis will identify gaps between what we need and what we currently have.

HC Strategic Objective 1.2

The results of the competency analysis will guide us in developing a plan to address our competency needs, and guide our training plans and targeted recruitment efforts.

HC Strategic Objective 1.3

A succession plan will be developed to forecast potential losses in critical areas. That plan will consist of recommendations for addressing future losses now to ensure that the agency does not find itself without the critical competencies and leadership it needs to be effective.

HC Strategic Objective 1.4

The revised performance management program is expected to provide a transparent connection between OFHEO's strategic plan and each individual's annual work plan. If approved, OFHEO will incorporate office and individual work plans into the performance management system requirements. Once approved and communicated, OHRM will introduce an electronic format of the system which will provide a repository for performance data collection and facilitate tracking.

Measure 4.1(2) - Implement the Federal human capital survey and acquire a baseline result in FY07.

Human Capital Goal 2 - Design and develop an effective organizational structure and workforce to carry out our mission.

HC Strategic Objective 2.1 – Implement an employee survey to measure employees’ perceptions about conditions that characterize successful organizations, such as leadership quality, performance culture and talent capacity at OFHEO.

HC Strategic Objective 2.2 – Measure applicants’ and hiring managers’ perceptions about OFHEO and the application/hiring process.

Planned Activity and Accomplishments

Human Capital Goal 2

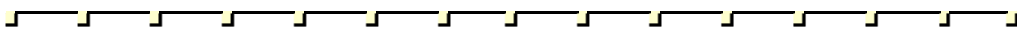
The purpose of the human capital survey is to acquire a baseline result of the current climate. Results will provide OFHEO with employee perceptions about leadership, performance management, and other areas that may need attention. OFHEO’s response to the results will be steps towards the design and development of a more effective structure and workforce. Ensuring that the organizational structures and the workforce are aligned to support and achieve the agency’s mission and strategic goals is fundamental to a workable and successful human capital management plan. Structures must be streamlined and staff resources assigned to the appropriate areas. The Office of Human Resources Management (OHRM) is working with an outside contractor to redesign OFHEO’s position classification system. This effort will assist OFHEO in determining the most effective structure for the agency. OHRM is also revising the performance management system to provide better alignment of employee performance to organizational goal attainment. This transparency will assist with workforce effectiveness by highlighting the importance of individual duties.

HC Strategic Objective 2.1

OFHEO will conduct an employee survey in FY07 to obtain a baseline measurement of employees’ perceptions about working at OFHEO. We will address any issues that become apparent from the survey responses and monitor results annually to ensure we are making progress in addressing those issues.

HC Strategic Objective 2.2

Through the use of the current online applicant application system, OFHEO has the capability of retrieving feedback from applicants and hiring managers. At the end of the application process, applicants are asked for their opinion about the process, and once an applicant is selected, hiring managers are asked for their opinion about the hiring process and the quality of the candidates they considered. This information will be retrieved and analyzed on a quarterly basis. Action will be taken if there are areas that need to be addressed.



Measure 4.1(3) - Conduct targeted outreach on a quarterly basis to obtain the competencies needed and promote diversity

Human Capital Goal 3 – Identify outreach activities to obtain a sufficient pool of highly qualified, diverse candidates.

HC Strategic Objective 3.1 – Conduct a competency analysis review to determine specific competencies needed to achieve agency goals.

HC Strategic Objective 3.2 – Develop a targeted training program that addresses competency needs/gaps.

HC Strategic Objective 3.3 – Develop a leadership training program.

HC Strategic Objective 3.4 – Develop agency branding for OFHEO name recognition.

HC Strategic Objective 3.5 – Locate appropriate entities/organizations to use as sources for attracting diverse applicants.

Planned Activity and Accomplishments

Human Capital Goal 3

A diverse, highly skilled workforce is essential to an effective organization. Effective organizations must be led by effective leaders who are skilled in guiding, motivating and directing the work of others. In this vein, OFHEO intends to develop a leadership training program (curriculum) that addresses those characteristics. OFHEO values its diverse workforce, and needs to continue to attract applicants with a variety of backgrounds and experiences who possess the skills and competencies needed to achieve our mission. We also must ensure that our current staff are fully trained in new skill areas and remain up-to-date on changes and new requirements in their respective areas.

HC Strategic Objective 3.1

The results of a competency analysis will provide a view of the competencies needed for individuals to carry out the tasks required to support OFHEO's strategic and annual performance goals. This information will be found within position descriptions, job performance plans, individual development plans and meetings with Office Directors and managers. The second part of the competency analysis is to determine what competencies are currently available within the agency. This information will be found within the qualification standards, resumes, individual development plans, and meetings with employees.

HC Strategic Objective 3.2

The results of HC Strategic Objective 3.1 will provide the information needed to develop a targeted training program to address any competency gaps that are found.

HC Strategic Objective 3.3

A leadership training program will be developed to ensure that current leadership possess the competencies to be effective in leading others. We also intend to offer leadership training to rising leaders as a succession tool.

HC Strategic Objective 3.4

OHRM staff will work with Avue and OER to develop a career video for OFHEO. This will provide applicants with a visual about OFHEO when they apply for vacancies.

HC Strategic Objective 3.5

OHRM staff will conduct a review of possible sources for diversity recruitment.

The chart below identifies the challenges (indicated more specifically on page 12) to meeting some of the Human Capital objectives.

Human Capital Challenges	
Challenges	Strategy
Recruitment in mission areas	<p>HC Strategic Objective 2.2 - Measure applicants' and hiring managers' perceptions about OFHEO and application/hiring process.</p> <p>HC Strategic Objective 3.1 – Conduct a skills analysis review to determine specific skills needed to obtain goals.</p>
Leadership succession management	<p>HC Strategic Objective 1.3 – Develop a succession plan to address OFHEO's future workforce needs.</p> <p>HC Strategic Objective 3.3 – Develop a leadership training program.</p>
Link between individual performance and agency mission	<p>HC Strategic Objective 1.4 – Amend the performance management system to incorporate office and individual work plans and identify a specific connection between the employees work plan and OFHEO's performance goals.</p>
Leadership commitment and collaboration	<p>HC Strategic Objective 1.1—Develop a workforce plan that is focused on aligning human capital with strategic goals.</p> <p>HR Strategic Objective 2.1 – Implement an employee survey to measure employees' perceptions about OFHEO.</p>



INCORPORATE HUMAN CAPITAL PLANNING INTO BUDGET AND PERFORMANCE PLANNING:

The human capital goals and objectives integrate human capital planning with achieving OFHEO's strategic goals. This is a positive step, but it is reactive rather than proactive. Future budget and performance planning must incorporate human capital needs early in the planning stage. To do this, an action plan must be adopted and embraced by all OFHEO management.

Similar to the Investment Review Board review of IT-related budget requests, the OHRM staff will review all human capital (new position) requests and work with other offices to ensure that the requests identify the competencies needed to achieve agency goals. As OFHEO's priorities change or expand, the human capital needs also will change. When old programs are replaced with new programs, for example, OFHEO may need to retrain current staff rather than hire new staff, or revise current vacancies to include new competencies needed to carry out the new priorities. A competency assessment must be conducted (See Section VI Talent) to determine whether we have the required competencies on staff that we need prior to requesting additional staff. We also must consider outsourcing for specific program areas that can be defined and measured for efficiency.

INDIVIDUAL AND ORGANIZATIONAL PERFORMANCE ALIGNMENT:

When changes to the performance management system are finalized, OHRM intends to automate the performance evaluation process. This will create a clearly written specific tie between each individual's performance and the annual performance goal his/her work supports.

We must also indicate the relationship between executive performance ratings and the accomplishment of the agency's strategic goals. This will be achieved by adding a new, required critical element, "Results." That element will be tied to each individual's performance plan. Performance plans will list specific projects, objectives and results required during the performance year. First line supervisors will be required to identify which strategic and annual performance goal each project, objective and result supports. This will provide a clear indication of how individual performance affects OFHEO's performance overall, and provide a tracking mechanism to ensure timely feedback. Performance ratings will then have a direct relationship to results obtained.

Strategic Alignment Action Plan

1. Target Completion Date: February, 2007 – Amend the requirement for justifying new positions and provide to OBFM for inclusion in FY2009 budget call.
2. Target Completion Date: June, 2007 – Review new position requests to ensure clear needs exists and sufficient justification is indicated for OMB submission.
3. Target Completion Date: July, 2007 – OHRM will provide input to OFHEO performance plan to assist in clearly connecting requests for additional staff to requested funding for new initiatives, as needed.

The following criterion will be used to evaluate the success of OFHEO’s strategic alignment plan.

Strategic Alignment Rating Criterion for Success

Is there is a clear linkage between Human Capital Plan and OFHEO strategic plan?



Organizational Alignment:

Until 2005, the agency’s infrastructure (administrative areas including financial management, facilities management, information technology and strategic planning) reported directly and independently to the Deputy Director. The human resources function was contained within the financial management office, reporting to the Chief Financial Officer.

The Executive Director position was created in 2005 to integrate and centrally manage the key administrative functions of the agency. The Chief Human Capital Officer position was created to lead a separate Office of Human Resources Management (OHRM), elevating the importance of human resources management as a strategic partner.

OHRM has incorporated advancements through technology and revised hiring efforts to reflect its continued commitment to customer service while also demonstrating the importance of being consultants to all offices, and taking more analytic approaches to human capital management.

As part of this alignment, the Office of Supervision was created and headed by a Director of Supervision. This reorganization moved all the mission-related offices under one organizational umbrella. The mission oversight was strengthened by aligning the mission-critical offices under one authority, thus bringing together all the sub-element offices to focus on goals outlined in the agency's Strategic Plan.

In summary, a structure was created to establish synergy between organizations of similar missions and to ensure leadership attention on key areas. These actions allowed OFHEO to meet its goal of creating an aligned and efficient organization.



SECTION III - *Workforce Planning*

Workforce planning is a process to ensure that we have the right people with the right skills in the right job at the right time. (See Section VI - Talent) This is the backbone of human capital planning.

In FY2006, approximately 59% of OFHEO's authorized funding was expended on civil service salaries and benefits. To meet the demands of OMB and congressional appropriators, agency budget justifications for increased personnel budgets must include workforce planning documentation that combines budget, program performance data and workforce priorities into a cohesive strategy.

Workforce planning ties workforce needs to the strategic goals of the agency. It establishes a plan for recruiting the right people with the right skills at the right time as changes occur in workforce composition and availability of needed competencies is reduced or new competencies are required. It also provides OFHEO with the information needed to develop succession plans that can be used to cope with anticipated retirement eligibility and attrition. Another benefit of workforce planning is that it promotes better identification of training needs.

There are several challenges that could affect OFHEO's ability to attract and retain a skilled and diverse workforce, as follows:

- ❖ Continued financial uncertainties created by the appropriations process .
- ❖ Uniqueness of required competencies.
- ❖ Competition with other regulators for technical skills.
- ❖ Comparability issues with other regulators in compensation packages.
- ❖ Lack of awareness of OFHEO or its mission.
- ❖ Competition with private sector that can offer more monetary benefits for the type of technical expertise we need.

Planning for our ongoing workforce needs is a high priority to ensure OFHEO carries out its mission. A comprehensive workforce plan and related succession plan can be found at Appendices B and C. Appendix A contains the workforce data that is the basis of the analysis and plan. OFHEO must be proactive to ensure that our workforce remains effective. We need to prepare for the the possibility of continued high turnover, to ensure that we maintain the high level of technical expertise that we currently have on board.

We must review options to ensure efficiency by conducting a quality management review of our processes and consider outsourcing areas where we can be more efficient in employing contractors. We must also be aware of pending legislation that would create a new agency by combining OFHEO with the Federal Housing Finance Board and certain GSE-related functions currently at the Department of Housing and Urban Development in planning our workforce needs. Should this legislation be passed, the new agency, headed by the current OFHEO Director, would have to undergo the same type of workforce review as we are currently undertaking at OFHEO.

The following is a breakdown of the current workforce alignment. Mission critical occupations can be found in Appendix A.

Current Workforce Structure

OFHEO operates under the leadership and direction of the Director and the Deputy Director. The agency's work is performed and currently organized into the following main areas: Office of the Director, Office of General Counsel, Office of Supervision and Office of the Executive Director.

Office of the Director

- Office of External Relations
- Office of Technology & Info Mgmt (Chief Information Officer)

Office of General Counsel

Office of Supervision:

- Office of Examination
- Office of Chief Accountant
- Office of Compliance
- Office of Policy Analysis and Research (Chief Economist)
- Office of Capital Supervision
- Office of Supervision Policy, Systems & Quality Assurance
- Office of Risk Analysis & Financial Performance

Office of the Executive Director:

- Budget & Financial Management (Chief Financial Officer)
- Human Resources Management (Chief Human Capital Officer)
- Strategic Planning & Management (Chief Strategic Planning Officer)

Office Functions and Responsibilities:

Office of the Director – provides leadership and direction to all OFHEO offices and staff.

The **Office of External Relations (OER)** is led by the Associate Director for External Relations, reporting to the Director and Deputy Director. The OER functions include public affairs, media and congressional relations. The OER assists in the development of legislative proposals and monitors relevant legislative developments.

The **Office of Technology & Information Mgmt** is headed by the Chief Information Officer (CIO), who reports to the Director, OFHEO, but with a dotted line reporting to the Executive Director on operational issues. The office is responsible for systems security and for maintaining and ensuring the quality, integrity and availability of OFHEO's information systems and related assets. Other areas of responsibility include the establishment, implementation and guidance of IT-related policy, procedures, and standards, and establishment of agency-wide IT architecture.

Office of Supervision

The Office of Supervision (OS) is headed by the Director of Supervision who provides direction and management to the OS subordinate offices, and coordinates their functions and activities to ensure smooth and effective operations. This office encompasses all the direct mission-related offices, as defined below.

The **Office of Examination** is separated into two teams; one oversees the onsite examination for safety and soundness of Freddie Mac, the other of Fannie Mae. This office plans and conducts examinations of the Enterprises, prepares and issues reports of examination that summarize the financial condition and management practices of each Enterprise, and seeks preventive and corrective actions, as appropriate.

The **Office of Chief Accountant** develops policies regarding accounting and financial reporting and monitors accounting standards that affect the Enterprises and works with the Enterprises at a policy level on emerging issues. This office develops and interprets examination guidance concerning Enterprise accounting policy and procedures, systems, reporting and disclosure. This office works with other offices to ensure that accounting policies are interpreted and implemented consistently.

The **Office of Compliance** works to assure that the Enterprises operate in compliance with applicable agreements, laws, and regulations by conducting special reviews on focused issues that may be of concern to OFHEO. The office also assists in providing information for and coordinating the monitoring of compliance with enforcement actions.

The **Office of Policy Analysis and Research** is headed by the Chief Economist. This office assesses the short and long-term economic and market impacts on the regulatory and supervisory functions of OFHEO. They research trends and issues related to the Enterprises' activities, housing finance and financial regulation. The office also prepares research papers, house price index data and reports, and special reports and analyses requested by the Director.

The **Office of Capital Supervision** conducts the comprehensive evaluation and classification of the capital adequacy of the Enterprises. This office develops tools to measure and assess risks that impact capital and manages the production and maintenance of the minimum and risk-based capital regulations and model.

The **Office of Supervision Policy, Systems and Quality Assurance** establishes supervisory policy, guidelines and procedures, reviews the regulatory and supervisory initiatives of and collaborates with regulatory agencies on related issues, and articulates OFHEO supervisory processes and standards. The Office develops, implements and maintains oversight of supervisory systems and ensures consistency between those systems and supervisory policy. The Office also establishes training and policy assurance programs to ensure the consistent application of supervisory processes and standards and the integrity of the supervisory program.

The **Office of Risk Analysis & Financial Performance** monitors, analyzes and identifies current and emerging risks to the Enterprises' financial performance based on reviews of financial statements, risk metrics, and other financial performance data. They produce management reports on the Enterprises' historical and projected financial performance and comparative analyses of the Enterprises' financial performance relative to other financial institutions.

Office of General Counsel - provides advice and guidance on all legal matters pertaining to the operations of OFHEO and the Enterprises. This office also drafts and coordinates the preparation of legislation and agency regulations and supports litigation, as necessary.

Office of the Executive Director

The Office of the Executive Director is responsible for OFHEO-wide management and oversight of all administrative matters, carried out by the subordinate offices identified below. This office is headed by the Executive Director who serves as an advisor to the Director and Deputy Director on administrative matters. The Executive Director also serves as Chief FOIA Officer, Senior Agency Official for Privacy, EEO Director, and Chair of the Executive Committee on Internal Controls.

The **Office of Budget & Financial Management** is headed by the Chief Financial Officer. This office provides budget development and execution, financial management, accounting, contracting and procurement operations, facility and supply management. It also is responsible for day-to-day reporting and internal controls monitoring.

The **Office of Human Resources Management** is headed by the Chief Human Capital Officer. This office provides support services in all areas of payroll, personnel security, and human resources, including recruitment and staffing, classification, employee relations, performance management, training, benefits management, compensation and processing. The office is responsible for developing, managing and implementing agency policy and procedures in its areas of responsibility.

The **Office of Strategic Planning Management** is headed by the Chief Strategic Planning Officer. The office assists the Director in developing and maintaining an agency strategic plan and facilitates efforts to ensure that the activities and operations of OFHEO are consistent with the strategic plan. This office also provides leadership in planning, managing and assessing OFHEO's performance through the development of annual performance plans and goals and reporting.

Workforce Planning Challenges

OFHEO's mission is to promote housing and a strong national housing finance system by ensuring the safety and soundness of Fannie Mae and Freddie Mac. OFHEO must employ individuals in leadership and mission-related occupations that are critical to the success of the agency. Without incumbents in these positions, OFHEO risks not having the competencies and expertise on board to meet its mission requirements. OFHEO continues to have 40+ vacancies, approximately half of which are in the direct mission-related areas within the Offices of Examination, Capital Supervision and Technology & Information Management. OFHEO's turnover rate has averaged 9.2% over the past 3 years, which is 3% higher than the latest 3-year average throughout the federal sector.

OFHEO is hiring internal candidates to fill many vacancies, and is thus not reducing its overall number of vacancies, because when an internal candidate is competitively promoted, it creates another vacancy within the agency. Although it's very positive for an organization to "grow their own" senior level staff, the extent of internal promotions has not allowed OFHEO to reduce its vacancy level. Some of the hiring delay may be because managers often do not feel they have the time to devote to identifying and defining their staff needs, and thus not providing the OHRM staff with a finalized position description (PD) needed to move forward on recruitment packages. Other causes are due to our fast-growing, and constantly changing environment.

OFHEO senior management recently created lower grade levels for several key positions in order for the agency to begin to hire more junior-level staff whom we can train and develop and begin growing a cadre of successors for our many senior-level staff positions.

OFHEO must either reduce its turnover rate or be prepared to hire new staff more quickly to replace departures. The human capital survey responses may identify reasons for turnover which would give us an opportunity to address recurring issues.

With 10 staff currently eligible to retire and six more eligible to retire between now and the end of FY 2007, we must also prepare for these departures through a viable succession planning strategy. All of OFHEO's critical mission-related and leadership positions must be defined, and a plan put in place to ensure that OFHEO has the critical staff it needs to carry out its mission.

Workforce Planning Action Plan

1. Target Completion Date - November, 2006 - Acquire workforce statistical data to include: turnover rates, reasons for departure, retirement eligibility, recruitment action, promotions, and position changes. **COMPLETED**
2. Target Completion Date - January, 2007 - Define critical mission and leadership positions. **COMPLETED**
3. Target Completion Date - March, 2007 - Review and analyze the data acquired from 1. and 2. above and refine the workforce/ succession plan to ensure that OFHEO has the right people with the right skills in the right jobs at the right time. Status as of June 2007 - Draft workforce/succession currently in executive review process.

Identification of training needs for the OFHEO leadership team will be addressed under Section IV - Leadership and Knowledge Management. Ensuring that there is a focus on the linkage between individual performance and OFHEO's performance goals will be addressed in Section V - Results Oriented Performance Culture, and identification of training needs for OFHEO mission-critical staff will be addressed under Section VI - Talent.

The following criteria will be used to evaluate the success of OFHEO's workforce planning efforts.

Workforce Planning Rating Criteria for Success:

- ✿ *Are we aware of key competencies that are needed to carry out the mission?*
- ✿ *Does OFHEO have sufficient numbers of staff with the right skills and competencies to carry out the mission?*
- ✿ *Are we able to allocate and utilize personnel in a way that maximizes our ability to achieve our mission?*
- ✿ *Is our workforce planning designed to determine future human resource requirements?*
- ✿ *To what extent does OFHEO provide line managers with the capability to hire, fire, reward and train the people who work for them?*

SECTION IV - *Leadership and Knowledge Management*

OFHEO's leaders and staff are its most valuable asset. Their value is directly related to the knowledge and competencies they possess. OFHEO's ultimate human capital goal is to value, reward, and retain a world-class leadership cadre that is diverse, inclusive and effective.

One of the goals is to create a learning environment to ensure that our leadership possesses the skill to motivate and inspire the workforce towards achievement of goals. They must know how to foster a culture that values excellence, teamwork and continuous learning. They also must possess high standards of integrity, trust, openness and respect.

Once desired leadership competencies are identified, OHRM will develop a plan for current OFHEO leaders to acquire or maintain those competencies needed to motivate the workforce, and to quickly identify and address barriers to goal achievement.

Through our succession plan, we will ensure that potential future leaders are developed for continuity of leadership, and that knowledge is shared, in an environment of continuous learning. OHRM intends to institute an integrated, strategic training and development program that builds needed competencies.

To ensure that new hires to OFHEO possess the most highly valued leadership competencies, qualification requirements for leadership positions must include leadership skills.

A greater focus on leadership development is needed. This can be achieved through formalized mandatory programs that include evaluation instruments and learning opportunities. Programs must be made available to current and potential leaders as well. Succession planning is vital to maintaining the knowledge base of OFHEO and the Enterprises we regulate.



Leadership and Knowledge Management Action Plan

1. Target Completion Date - November, 2006 - Hire an employee in OHRM who has experience in employee development. **COMPLETED – employee on board on 11/13/06.**
2. Target Completion Date - February, 2007 - Develop leadership competency requirements. **COMPLETED**
3. Target Completion Date - March, 2007 - Review leadership development programs that are currently available. **COMPLETED**
4. Target Completion Date – April, 2007 - Review minimum qualification requirements for leaders and amend, as needed. Status as of June 2007 – This target was rolled into the bigger executive compensation review. Decision paper forwarded 6/22/07.
5. Target Completion Date - July, 2007 - Develop training curriculum for current and potential leaders.
6. Target Completion Date - September, 2007 - Develop Leadership Guide.

The following criteria will be used to evaluate the success of OFHEO's leadership and knowledge management efforts.

Leadership and Knowledge Management Rating Criteria for Success:

- ✿ *Are leaders held accountable for organizational performance?*
- ✿ *Do employees feel inspired and motivated?*
- ✿ *Do employees feel they receive guidance from supervisors?*
- ✿ *Are leaders held accountable for high standards?*

SECTION V - Results Oriented Performance Culture

To create and sustain a results-oriented performance culture, OFHEO needs meaningful measures by which to evaluate performance outcomes. We must create a clear connection between individual performance and OFHEO's annual and strategic goals. Because OFHEO is a merit-based environment, the basic structures for utilizing effective measures are currently in place.

OFHEO's Performance Evaluation Management System (PEMS) is effective, but lacks a clear link among individual performance, agency performance goals and OFHEO's strategic plan and goals.

There are five (5) defined performance levels: Outstanding, Commendable, Fully Successful, Minimally Successful and Unsuccessful. The 5-point value system used is effective in evaluating performance because there is a clear value identified at each performance level for each performance element. When combined, those values create the overall score, which then is tied to one of the five levels of performance identified above. Each of the levels is then tied to a merit pay increase. The current system allows managers to set clear goals, and make credible distinctions in performance that are appropriately recognized.

OFHEO's current performance management system is a good starting place for developing and maintaining an effective, results-oriented performance-based culture. Several key issues must be addressed:

- Creating a transparent tie between each individual's performance and the OFHEO strategic and annual plans and goals.
- Instituting clear accountability for results.
- Developing performance elements that are more specific to individual performance for each group of position levels rather than try to fit everyone into a one-size-fits-all program.
- Facilitating manager's execution of performance management by incorporating an automated system.

OFHEO's human capital goal is to clearly tie the performance evaluation management system to the attainment of OFHEO's strategic goals, and make that transparent and understandable to every employee.

Results Oriented Performance Culture Action Plan

1. Target Completion Date: August 2006 - Review Performance Evaluation Management System (PEMS) to ensure accountability requirements, and a clear, distinctive alignment with strategic and annual performance goals. Forward recommendation(s) to Office Directors and meet to discuss. **COMPLETED**
2. Target Completion Date: January 2007 – Revise PEMS using input from executives, to more clearly tie individual performance to agency performance goals. **COMPLETED**
3. Target Completion Date: August 2007 – Work with Avue Technologies to incorporate all approved changes into an electronic format.
4. Target Completion Date: September 2007 – Communicate PEMS changes (to be effective October 1, 2007) to all managers and staff.

The following criteria will be used to evaluate the success of OFHEO's results oriented performance culture efforts.

Results Oriented Performance Culture Rating Criteria for Success:

- ✿ *Do employees feel valued?*
- ✿ *Are they treated fairly and empowered to make meaningful contributions?*
- ✿ *Are they rewarded for work towards achieving agency goals?*



SECTION VI - *Talent*

OFHEO is exempt from Title V as it relates to federal classification and pay. Consequently, it has wide latitude in setting the compensation (salary and benefits) for its workforce. The agency follows merit system principles, and adheres to all regulations and requirements dealing with federal employment. OFHEO also negotiates, secures and provides information related to non-federal benefits programs for employees. These flexibilities facilitate OFHEO's ability to attract and retain a highly skilled workforce.

OFHEO's human capital goal is to develop a strategy to ensure OFHEO hires, develops, and retains a diverse, highly skilled and technically competent workforce that is well-managed and well-led.

On an annual basis, OFHEO conducts an informal review of the other regulators' pay structure changes and performance management increases. This information is used to provide the OFHEO Director with recommended options for merit increases for OFHEO staff that are within a comparability range of the other regulators. Approximately every 3-5 years, OFHEO contracts with an external entity to conduct a formal comparability review of key positions, salary structures, and benefits of all of the federal regulators in order to determine if we have achieved and/or maintained comparability, as required by OFHEO's statute.

For OFHEO to be successful in achieving its mission, it is important to determine what competencies are needed on staff to meet our defined goals. The immediate goal is to ensure that OFHEO staff possesses the competencies needed to achieve OFHEO's strategic goals and carry out our mission. OFHEO will first identify the mission-critical positions and related competencies needed to support of our mission, and then conduct a competency assessment to determine what competencies our workforce currently possesses. We will then develop a plan to close gaps that exist between the competencies we need and the competencies we have on board. The plan may include training, sharing of resources across OFHEO offices, and targeted recruitment.

OFHEO's Training Officer has undertaken a project to identify leadership and mission-critical competencies. These competencies now have common definitions and the project will continue so that a comparison is conducted that provides an accurate picture of the agency's competency strengths and weaknesses. This information will allow us to integrate human capital programs and focus on resolving any potential imbalances.

Talent Action Plan

Target Completion Date: April 2007 – Determine what competencies are needed to carry out the agency goals. **COMPLETED**

Target Completion date: June 2007 – Develop a strategy and action plan to address gaps, future needs, and leadership skills. **COMPLETED**

Target Completion Date: September 2007 - Determine what competencies the workforce currently possess.

Target Completion Date: September 2007 - Conduct a competency analysis to identify potential gaps in mission critical competencies by comparison of input.

Target Completion Date: September 2007 – Identify positions that are proven to be difficult to fill due to unique competency requirements. Recommend specific action for addressing issue.

The following criteria will be used to evaluate the success of OFHEO's talent management efforts.

Talent Management Rating Criteria for Success:

- ✿ *Is OFHEO's performance reflective of a highly skilled workforce?*
- ✿ *Do supervisors feel that their staff possess the requisite skills to perform successfully?*



SECTION VII - *Accountability*

Accountability for results is crucial to this entire plan. Strategically aligning human capital planning and OFHEO's strategic plan creates an environment in which staff members are aware of how their work affects OFHEO as a whole. We are planning and setting goals and enabling employees to understand and maximize their contribution to OFHEO's mission. By ensuring effective leadership, we are providing direction and guidance to ensure that our target remains in sight, and that employees are held accountable for their work requirements. By instituting a results-oriented performance culture we are instilling accountability through a performance management system that effectively measures individual output against a work plan that is directly tied to the strategic plan and goals. By incorporating a talent management program, we are closing or avoiding potential skill, knowledge and competency gaps or deficiencies in mission-critical occupations to ensure that staff have the competencies needed to perform and be accountable for their assigned duties.

We require accountability through data collection and results-oriented planning and accountability systems. We must focus on results and measure our success with meaningful data. OFHEO leadership must be skilled to motivate employees to perform successfully. Our leaders must clearly communicate to staff how work is tied to the achievement of OFHEO's goals, and then hold them accountable for meeting individual goals. We also must use the agency performance management system to hold leaders accountable for meeting goals.



Accountability Action Plan

Target Completion Date: April, 2007 – Ensure that OFHEO's performance management system distinctly links OFHEO's strategic and annual performance goals with individual performance plans. **COMPLETED**

Target Completion Date: July 2007 – Conduct training for all OFHEO supervisors on setting expectations, giving feedback and ensuring performance accountability. **COMPLETED**

Target Completion Date: September 2007 – OHRM staff works with supervisors to assist in the development of individual work plans. **COMPLETED**

Target Completion Date: September, 2007 – Ensure alignment between goal attainment and reward system. **COMPLETED**

The following criteria will be used to evaluate the success of OFHEO's accountability efforts.

Accountability Rating Criteria for Success:

- ✿ *Are OFHEO's goals being attained?*
- ✿ *Are those organizations rewarding staff accordingly?*
- ✿ *Are staff being rewarded in organizations who have not met goals?*



SECTION VIII

HUMAN CAPITAL ACTION PLAN

August 2006 – OHRM reviewed the performance evaluation management system and forwarded recommendations for ensuring accountability, and a clear, distinctive alignment with strategic and annual performance goals. **COMPLETED**

November 2006 - Acquire workforce statistical data to include: turnover rates, reasons for departure, retirement eligibility through FY2011, recruitment action, and numbers of promotions, reassignments, pay adjustments and position changes. **COMPLETED.**

November 2006 - Hire an employee in OHRM who has experience in developing training plans. **COMPLETED**

January 2007 – **Revise** Performance Management System (PEMS) based on input from executive leadership. **COMPLETED.** **Revisions to formal policy in final stages.**

FY07 Targeted Completion Dates:	Action Plan
January 2007	Define mission critical and leadership positions. COMPLETED
February 2007	Develop leadership competency requirements. COMPLETED
	Amend requirement for justifying new positions in budget submissions. COMPLETED
March 2007	Refine/amend workforce plan. Forwarded for executive review 6/07.
	Review currently available leadership development programs. COMPLETED
April 2007	Review minimum qualification requirements for leaders and amend, as needed. In review.
	Determine what competencies are needed to carry out the agency goals. COMPLETED
May 2007	Develop a competency analysis methodology to acquire information regarding competencies possessed by current workforce. Requested purchase.
June 2007	OHRM CHCO reviews budget requests for additional positions, and

Office of Federal Housing Enterprise Oversight
Human Capital Plan

	provides recommendations. COMPLETED
July 2007	Develop training curriculum for current and potential leaders. In development.
	Review minimum qualification requirements and input from staff discussions to determine what competencies the workforce currently possess.
	Provide input to OFHEO performance plan to assist in clearly connecting requests for additional staff to requested funding for new initiatives, as needed. COMPLETED.
	Conduct training for all OFHEO supervisors on PEMS changes, setting expectations, giving feedback and ensuring performance accountability. COMPLETED
August 2007	Conduct a competency analysis to identify potential gaps in mission critical competencies. In process.
	Work with Avue to incorporate PEMS changes into electronic system (Performance Optimization Module).
September 2007	Develop a strategy and action plan to address gaps to address future needs, such as training and targeted recruitment action.
	Identify positions that are proven to be difficult to fill due to unique competency requirements. Recommend specific action for addressing issue.
	Ensure that OFHEO's performance management system provides a clear linkage between OFHEO's strategic and annual performance goals and individual performance plans. COMPLETED
	Communicate PEMS changes.
	OHRM staff assists staff in developing individual performance plans.
	Ensure alignment between goal attainment and reward system. COMPLETED
	Develop a Leadership Guide that provides training options for each required competency.

APPENDIX A: Workforce Data

Strategic human capital management requires a reliable and valid set of metrics that provides an accurate baseline against which progress can be assessed.¹ The information gathered will provide OFHEO with the data needed to analyze where we are, compared to where we need to be. A plan for achieving our goals and progress can then be developed with appropriate timelines.

On Board Staff and Vacancies

The chart below is constantly changing to reflect organizational realignment, current on board strength, current vacancies (as of 6/22/07), and requested new positions **as of October 1, 2006**. It also reflects the actual on board staff at the end of FY06, and the personnel ceiling for FY07.

	FY06 ACTUAL	FY07 PLAN	Vacancies
OFFICE OF:	As of 9/30/06 TOTAL ON BOARD	As of 10/1/06 TOTAL FY07 PLAN	As of 6/22/07
Director	3	4	1
External Relations	6	6	0
SUBTOTAL FTP in OD:	9	10	1
General Counsel	27	30	3
Supervision	1	1	0
Policy Analysis & Research	10	11	1
Examination (Fannie)	25	34	9
Examination (Freddie)	37	40	3
Compliance	13	14	1
Chief Accountant	14	17	3
Capital Supervision	34	40	6
SUBTOTAL FTP in OS:	134	157	23

¹ Introduction to the Human Capital Assessment and Accountability Framework (HCAAF), Section I-6, September 2005.

Office of Federal Housing Enterprise Oversight
Human Capital Plan

	FY06 ACTUAL	FY07 PLAN	Vacancies
OFFICE OF:	As of 9/30/06 TOTAL ON BOARD	As of 10/1/06 TOTAL FY07 PLAN	
Executive Director	3	3	0
Technology & Info Mgmt	26	33	7
Budget & Financial Mgmt	14	18	4
Human Resources Mgmt	9	11	2
Strategic Plng & Mgmt	2	2	0
SUBTOTAL FTP IN OED:	54	67	13
OFHEO TOTAL	224	264	40

At the beginning of FY2007, the agency had 224 federal employees on board and 40 vacancies.

NOTE: As of June 22, 2007, the agency has 229 federal employees and 42 vacancies. However, this is misleading because **OHRM staff filled 32 vacancies** between Oct 1, 2006 and June 22, 2007. This is due in large part because many vacancies were filled from within the agency, thus creating another vacancy, and the addition of several new vacancies since the beginning of the fiscal year.



MINORITY STATISTICS:

Workforce Minority Representation (by Office)

As of
9/30/06

OFFICE	Men						Women				
	Total	White	Black	Hispanic	API		Total	White	Black	Hispanic	API
OD	2	2	0	0	0		1	0	1	0	0
OER	1	1	0	0	0		5	4	1	0	0
OS	1	1	0	0	0		0	0	0	0	0
OGC	10	7	2	0	1		17	10	6	1	0
OE/FNM	17	12	2	2	1		8	3	4	1	0
OE/FRE	24	16	4	2	2		13	9	2	0	2
OCS	23	15	4	0	4		11	9	2	0	0
OC	5	5	0	0	0		8	4	3	1	0
OCA	7	5	2	0	0		7	3	4	0	0
OPAR	6	5	1	0	0		4	2	2	0	0
OED	1	1	0	0	0		2	1	1	0	0
OHRM	1	1	0	0	0		8	4	4	0	0
OBFM	3	2	1	0	0		11	7	4	0	0
OSPM	0	0	0	0	0		2	2	0	0	0
OTIM	22	18	1	0	3		4	2	1	0	1
TOTAL	123	91	17	4	11		101	60	35	3	3
%	54.9%	40.6%	7.6%	1.8%	4.9%		45.1%	26.8%	15.6%	1.3%	1.3%

Workforce Minority Representation (by Grade Level)

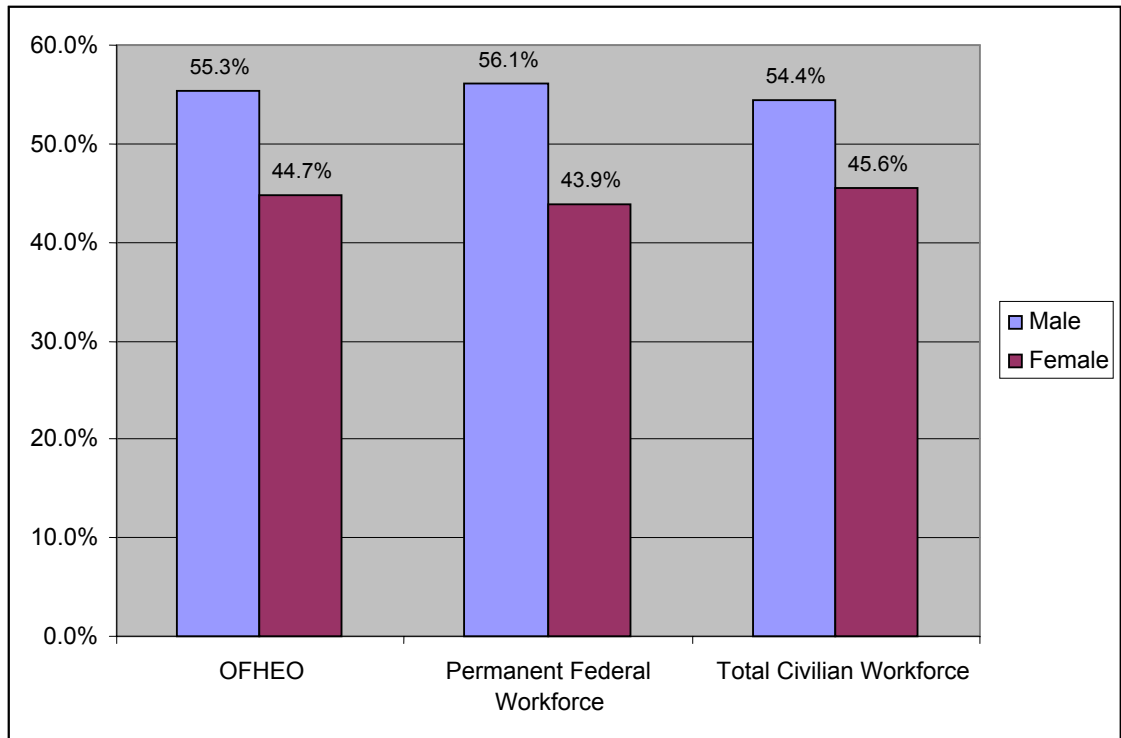
As of
9/30/06

GRADE	Men						Women				
	Total	White	Black	Hispanic	API		Total	White	Black	Hispanic	API
OF-10	0	0	0	0	0		1	0	1	0	0
OF-11	0	0	0	0	0		1	1	0	0	0
OF-12	0	0	0	0	0		0	0	0	0	0
OF-13	0	0	0	0	0		1	0	1	0	0
OF-14	1	1	0	0	0		6	3	3	0	0
OF-15	0	0	0	0	0		8	3	5	0	0
OF-16	1	0	1	0	0		5	2	4	0	0
OF-17	0	0	0	0	0		2	1	1	0	0
OF-18	5	2	2	0	1		12	6	7	0	0
OF-19	6	4	1	0	1		4	3	2	0	0
OF-20	15	12	2	0	1		5	3	0	1	1
OF-21	14	8	4	0	2		5	4	1	0	0
OF-22	30	23	3	2	4		21	13	5	1	1
OF-23	32	22	4	2	2		22	13	5	1	1
OF-24	6	6	0	0	0		6	6	0	0	0
OF-25	4	4	0	0	0		1	1	0	0	0
OF-26	6	6	0	0	0		1	1	0	0	0
OF-27	3	3	0	0	0		0	0	0	0	0
TOTAL	123	91	17	4	11		101	60	35	3	3
	54.9%	40.6%	7.6%	1.8%	4.9%		45.1%	26.8%	15.6%	1.3%	1.3%

DEMOGRAPHICS COMPARED TO EXTERNAL WORKFORCES

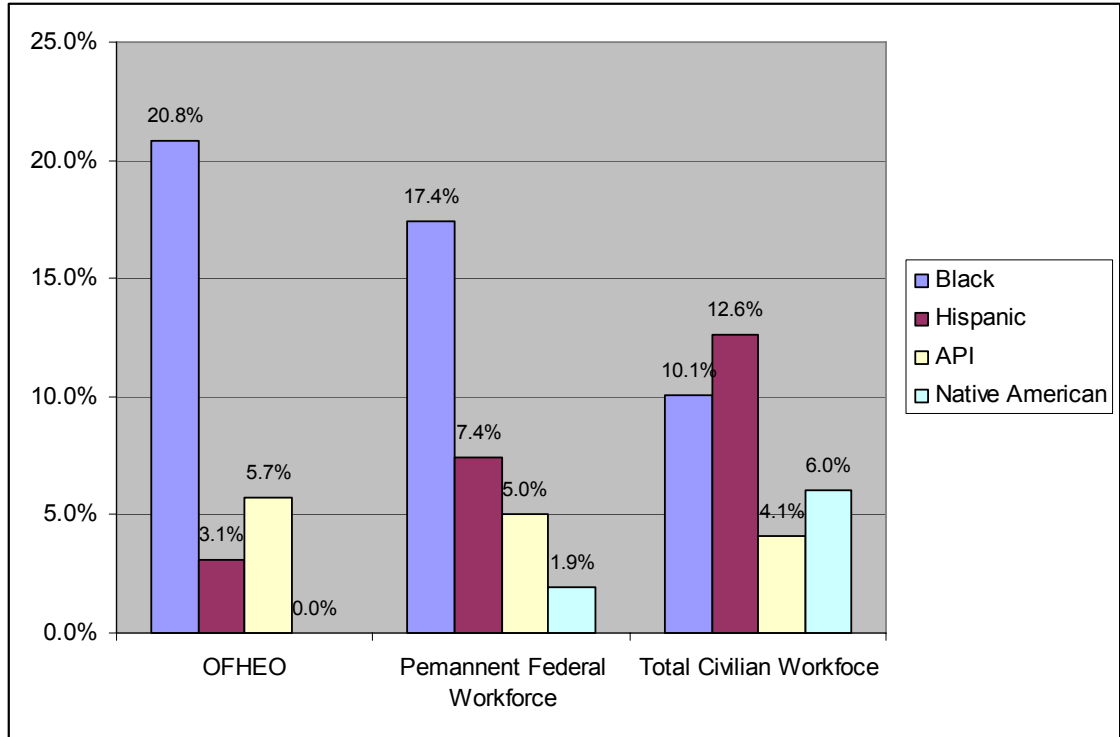
Gender

Based on data obtained from the most recent Office of Personnel Management – Federal Equal Opportunity Employment Program Report, the chart below provides a comparison of OFHEO's gender representation compared to the gender representation of the Permanent Federal Workforce as well as the Total Civilian Workforce – as of 9/30/06.



As indicated in the Chart above, with less than a 2% difference for each gender category, OFHEO's male representation and female representation is nearly identical to the representation in both the Permanent Federal Workforce and the Total Civilian Workforce.

Minority Representation
As of 9/30/06

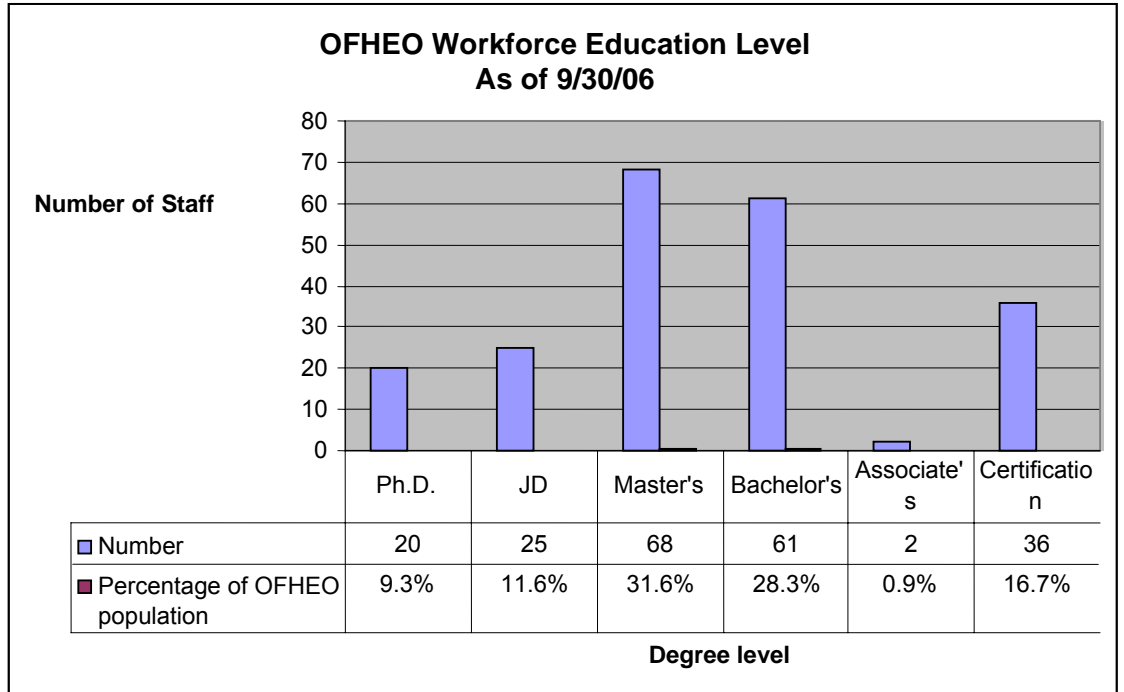


As indicated in the chart above, the representation of Black and Asian Pacific Islander employees at OFHEO is higher than the average representation for both the Permanent Federal Workforce and the Total Civilian workforce.

OFHEO's Hispanic representation is significantly lower than both external workforces. Currently OFHEO has no representation for Native Americans.

Workforce Education Level

OFHEO's workforce is highly educated and highly skilled. Approximately 80% of OFHEO's workforce holds a Bachelor's degree or higher. Fifty-two percent have attained a Master's degree, J.D. or Ph.D.



PROMOTIONS

FY06: Thirty-three (33) staff received promotions. Seventeen (17) of those were competitive, and 16 were career ladder promotions.

FY05: Thirty-three (33) staff received promotions. Sixteen (16) of those were competitive, and 17 were career ladder promotions.

FY04: Thirty-three (33) staff received promotions. Twenty-five (25) of those were competitive, and 8 were career ladder promotions.

REASSIGNMENTS

In FY2006, 12 staff were reassigned to different positions at the same grade level. Two managers, one in OE and one in OTIM were moved to non-supervisory, Principal level (OF23) positions. In OTIM, this was done to streamline and reduce management levels.

Office of Federal Housing Enterprise Oversight
Human Capital Plan

SALARY ABOVE and BELOW MIDPOINT & FOURTH QUARTILE

of Employees - as of 9/30/06

OFFICE:	OF10-16				OF17-22				OF23-27		
	Below Mid	Above Mid	4th Quartile		Below Mid	Above Mid	4th Quartile		Below Mid	Above Mid	4th Quartile
Director	0	0	0		1	0	0		2	0	0
OER	1	0	0		1	0	0		0	4	0
OGC	0	3	0		14	3	0		2	5	0
Supervision	0	0	0		0	0	0		0	1	0
OE/FNM	0	1	0		11	1	0		7	5	0
OE/FRE	2	0	0		12	5	0		10	8	0
OCS	2	0	0		20	3	0		3	6	0
OC	1	1	0		3	2	0		3	3	0
OCA	1	0	0		6	0	0		7	0	0
OPAR	1	1	0		3	2	0		0	3	0
OED	1	0	0		0	0	0		2	0	0
OHRM	2	0	0		6	0	0		0	1	0
OBFM	4	1	0		4	1	0		3	1	0
OSPM	0	0	0		1	0	0		0	1	0
OTIM	0	2	0		13	7	0		2	2	0
TOTAL	15	9	0		95	24	0		41	40	0

OFHEO GRADE DISTRIBUTION

of Employees

OFFICE	OF10-16	OF17-22	OF23-27
OD	0	1	2
OER	1	1	4
OGC	3	17	7
OS	0	0	1
OE/FNM	1	12	12
OE/FRE	2	17	18
OCS	2	23	9
OC	2	5	6
OCA	1	6	7
OPAR	2	5	3
OED	1	0	2
OHRM	2	6	1
OBFM	5	5	4
OSPM	0	1	1
OTIM	2	20	4

Office of Federal Housing Enterprise Oversight
Human Capital Plan

As of 9/30/06				
GRADE Distribution				
	<u>OF10-16</u>	<u>OF17-22</u>	<u>OF23-27</u>	<u>TOTALS</u>
# of staff in grade				
# of staff below midpoint	15	95	41	151
# of staff above midpoint	9	24	40	73
# of staff in 4th Quartile	0	0	0	0
				224
Yrs of Federal Svc				
0 - 5	6	51	16	73
6-10	3	19	15	37
11-15	7	15	12	34
16-20	3	18	11	32
21-25	3	9	17	29
26-35	2	7	10	19
Avg yrs of federal svc:	11.9	10.3	15.5	224
Age				
25-30	4	10	1	15
31-40	9	43	11	63
41-44	1	15	6	22
45-49	4	19	27	50
50-54	5	20	17	42
55-59	0	11	13	24
over 60	1	1	6	8
Avg Age: 44 yrs				224
Grade Distribution	24	119	81	
SOURCE: NFC				

OFHEO Employee Years Of Service

The average number of years of federal service for incumbents in grades OF-23 through OF-27 is 15.5. However, twenty-seven (27) incumbents in these grades have between 21 and 35 years of service, indicating a high potential for retirement eligibility either now or in the not-too-distant future.

OFHEO Employee Average Age

Although OFHEO employees' average age is 44 years, there are 124 employees who are currently age 45 or above, reflecting more than half of the workforce. Of those 124 employees, thirty-two are age 55 or older, and another 42 are between age 50 and age 54.

Office of Federal Housing Enterprise Oversight
Human Capital Plan

	Manager to Staff Ratio			OF-23 - Manager vs Non-Manager		
OE/FNM	Managers 8	Staff 26	RATIO 1:3.25	Total OF- 23 14	Managers 4	Principals 10
OE/FRE	Managers 8	Staff 32	RATIO 1:4	Total OF- 23 15	Managers 4	Principals 11
OCS	Managers 5	Staff 36	RATIO 1:7	Total OF- 23 7	Managers 4	Principals 3
OPAR	Managers 2	Staff 8	RATIO 1:4.5	Total OF- 23 1	Managers 1	Sr. Advisor 1
OGC	Managers 5	Staff 25	RATIO 1:5	Total OF- 23 3	Managers 0	Assoc. GC 3
OER	Managers 1	Staff 5	RATIO 1:5	Total OF- 23 3	Managers 0	Other 3
OC	Managers 3	Staff 11	RATIO 1:3.6	Total OF- 23 6	Managers 2	Principals 4
OCA	Managers 3	Staff 13	RATIO 1:4	Total OF- 23 7	Managers 2	Principals 5
OTIM	Managers 4	Staff 29	RATIO 1:7.25	Total OF- 23 4	Managers 2	Principals 2
OBFM	Managers 5	Staff 13	RATIO 1:2.4	Total OF- 23 2	Managers 2	Principals 0
OHRM	Managers 1	Staff 10	RATIO 1:10	Total OF- 23 0	Managers 0	Principals 0

As reflected on the chart on the previous page, OFHEO's manager-to-staff ratio is very low. Although OHRM, OCS and OTIM have ratios of 1:10, 1:7, and 1:7.25 respectively, eight offices have ratios as low as 1:2.4 (OBFM) and 1:3.3 (OE/FNM). Please note that manager to staff ratios include vacant positions. This ratio is further enhanced by the employment of OF-23 Principal level staff who have acquired that grade level due to the fact that they act as team leaders. This position was developed to assist the supervisors in managing the staff and projects. The Office of the Director, OSPM, OED and OS were not included on the chart because these offices employ 3 or fewer FTE.

Attrition

The agency's attrition rate over the past 5 fiscal years has been as follows:

<u>OFHEO Attrition Rate</u>	<u>FEDERAL Attrition Rate²</u>
FY2002 – 3 separations – 2.7%	5.03%
FY2003 – 6 separations – 4.6%	5.83%
FY2004 – 16 separations – 10.3%	6.03%
FY2005 – 15 separations – 8.1%	6.76%
FY2006 – 19 separations – 9.2%	not available from OPM

As indicated above, OFHEO's attrition rate has averaged 9.2% over the past 3 years. This rate is 3% higher than the federal average rate of 6.2% over a three year period. OFHEO's attrition rate in FY2004 and FY2005 was 4.27% and 1.34% above the average rate reported by OPM for Federal employees in the United States for the same time frame. (source: OPM Workforce Information and Planning Group)

Retirement Eligibility

At the beginning of FY2007, the agency had 226 federal employees on board. Of those, 8 are currently eligible to retire. By the end of FY2007, another 7 will be eligible. There are an additional 7 employees eligible by the end of FY2008 (22 total); 7 in FY09 (29 total); 4 in FY10 (33 total); and 6 in FY11. The total number of employees eligible to retire within the next five years is 39.

OFHEO's FTE ceiling for FY2007 is 264. A total of 15 employees will be eligible to retire by the end of FY07, or 5.7% of the total workforce. A breakdown of these potential retirements is provided below. Green denotes eligibility through FY07. Yellow indicates FY08 eligibility. FY09 eligibility is reflected in orange. FY10 and FY11 reflected in blue.

As of 9/30/06

Ofc	FY Eligible	Eligibility Date	Grade	Title
OD	FY07	Immediate	18	Assistant
OGC	FY07	Immediate	24	Deputy
	FY07	7/15/2007	23	Associate
	FY08	12/25/2007	24	Deputy
	FY08	1/9/2008	24	Deputy
	FY11	1/22/2011	23	Associate

² Acquired from OPM Human Capital office on 11/1/06.

Office of Federal Housing Enterprise Oversight
Human Capital Plan

OS	FY07	Immediate	26	Executive
OCS	FY07	Immediate	23	Principal
	FY07	Immediate	23	Principal
	FY09	6/10/2009	23	Principal
	FY09	9/30/2009	22	Manager
OCA	FY07	Immediate	23	Principal
OC	FY09	7/11/2009	22	Senior
	FY10	10/22/2009	19	Analyst
	FY11	9/9/2011	23	Principal
	FY07	Immediate	22	Senior (Market Risk)
	FY07	3/20/2007	23	Mgr (Fin Engineering)
	FY08	3/12/2008	23	Manager (Market Risk)
	FY08	3/14/2008	22	Senior
OE	FY08	7/11/2008	23	Principal (Model Risk)
	FY09	3/16/2009	24	Deputy
	FY09	4/19/2009	26	Executive
	FY09	4/20/2009	24	Chief of Staff
	FY09	5/10/2009	22	Senior (Credit Risk)
	FY10	8/1/2010	22	Senior
OPAR	FY07	Immediate	21	Senior
	FY07	8/24/2007	25	Executive
	FY08	5/27/2008	21	Senior
	FY10	10/21/2009	23	Senior
	FY11	12/22/2010	22	Senior
	FY11	6/1/2011	22	Senior
	FY11	9/2/2011	23	Manager
OSPM	FY08	6/13/2008	25	Executive
OTIM	FY07	Immediate	15	Assistant
	FY07	3/20/2007	18	Manager
OBFM	FY07	3/14/2007	22	Senior
	FY07	9/17/2007	24	Deputy
	FY10	3/2/2010	22	Officer
	FY11	6/20/2011	15	Assistant

Additional, detailed information that includes employee name and title will be provided individually to each Office Director for planning purposes.

The average grade of retirement eligibles in FY07 is OF-22. Twenty three of the 39 eligibles are in Grades 22 and 23. Thirteen are in Grade 23, representing principal or first-line manager positions. Nine of the eligibles are in Grades 24 and above, representing Deputy or Office Director level (executive positions).

Competency Gaps

As indicated in Section VI. Talent, a competency analysis will be conducted to determine what competencies and skills are needed within the agency, to carry out our goals and mission and what competencies and skills the current workforce possess. The potential “gap” between these two sets of data will determine how we target our recruitment efforts, train our internal staff, or outsource for a particular talent.

Employee Perspective

OFHEO plans to conduct an employee survey in FY07 to determine a baseline satisfaction level pertaining to general satisfaction with jobs and various aspects thereof, including OFHEO leadership and the performance management system.

Merit System Compliance

OFHEO’s Office of Human Resources Management (OHRM) underwent a comprehensive OPM audit in March, 2006. The results were favorable, and the final report indicated only one required action: to ensure that employees receive their job performance plan requirements on a timely basis. The OHRM tracks the completion of this requirement and agrees that there have been too many instances of late submissions. OFHEO leadership must hold all managers accountable. To do this, leadership must address this issue in their subordinate managers’ own performance evaluations.

During a comprehensive review of OFHEO’s HR processes and procedures, OPM auditors also identified eight recommended actions, as follows:

1 - Complete OFHEO’s Human Capital plan and ensure that the plan links to the new strategic plan and supports mission accomplishment. Share the plan with the workforce.

Action Plan: Complete the Human Capital Plan by June, 2007.

2 - Fill the Human Resources Manager position so that the Chief Human Capital Officer (CHCO) can devote time to strategic HC management as was envisioned when the CHCO position was created and filled.

Action Plan: A decision was made to utilize that vacancy as a senior HR staff member to fill critical gaps in the areas of Personnel Security and Employee Development. The expectation is that the incumbent of this position will also assist in the execution of the Human Capital Plan action items. A new position was requested in the FY2008 budget that may be used to fill the HR Manager or team lead position.

3 - Identify leadership competencies needed and methods (e.g., mentoring, just-in-time training) and training courses, including sources for the training, that would most effectively provide the competencies to managers and supervisors as needed from the probationary first-level supervisor to the senior executive. To develop buy-in, consider conducting interviews with supervisors and managers so that they can provide input.

Action Plan: OHRM's new Employee Development and Security Specialist (as indicated above) was hired to conduct this evaluation. The incumbent came on board on 11/13/2006, and is currently developing a work plan for this project.

4 - Consider creating a training function in the future to develop, coordinate, monitor, and evaluate the program as training and employee development activities and programs become more formal and mature. Request input from supervisors and managers on a training function and how it could best be structured.

Action Plan: The newly hired Employee Development and Security Specialist will conduct a competency review and analysis and evaluate leadership training programs that are currently available.

5 - Review OFHEO timelines for providing progress reviews to ensure they are reasonable and supervisors can meet them.

Action Plan: OHRM requires that new performance plans be communicated to subordinates within 30 days of the beginning of the appraisal year. We believe this is reasonable and attainable. At the annual training, we impress upon 2nd level supervisors the need to be accountable and to hold their subordinate supervisors accountable for these requirements through the performance evaluation system that is currently in place.

6 - Ensure that supervisors are held accountable for managing employee performance compliant with OFHEO's performance management policy.

Action Plan: See #5 above.

7 - Formally evaluate the performance appraisal system and performance appraisal program to determine its effectiveness in supporting a results-oriented performance culture.

Action Plan: A formal, comprehensive review of OFHEO's performance evaluation management system and related policy was conducted in October, 2006. Recommendations for changes included a clarified tie between individual performance and the strategic and annual performance plans, a refinement of the job elements that are more specifically tied to each employee's type of position (clerical, professional, manager, executive), and the implementation of an automated performance management system.

8 - Formally evaluate the awards program to assess its contributions to a high-performance environment for possible improvements.

Action Plan: A formal evaluation of OFHEO's awards program was conducted and recommendations were forwarded in October, 2006. New guidelines and procedures were approved by the Director on 3/5/07. Recommendations for a formalized presentation program is in development.

APPENDIX B: Workforce Plan

Challenges

OFHEO's main challenge is filling current vacancies, and then maintaining a full staff level by preparing for future departures. There are several reasons for the high number of vacancies at OFHEO, including a rapid growth rate, a large number of internal hiring through competitive promotions (which create other vacancies), delays in defining the position requirements as the first step in the recruitment process, competing with private sector and the other federal regulators for key positions, and positions that are intrinsically difficult to fill due to the nature of the technical skills needed. OFHEO's high attrition rates need to be reviewed and evaluated (through the exit interviews and employee survey results) to determine how to address recurrent reasons for the departures or job offer declinations.

Flexibilities

Through its statute, OFHEO was granted the flexibilities granted to other federal regulators, specifically, an exemption from Title V as it relates to federal classification and pay. Although OFHEO is required to maintain comparability in compensation with four of the other federal regulators, this flexibility allows OFHEO's Director to set pay as determined to be appropriate to hire the staff needed to get the job done.

For OFHEO to maintain comparability with the other federal regulators, the OHRM staff conducts an informal annual review of any changes affecting pay and benefits at the other federal regulators. The OHRM staff analyzes the changes and provides the OFHEO Director with options and recommendations for merit increase percentages. OFHEO periodically contracts for a formal study review of the other federal regulators' pay and benefits, using specific jobs as comparators, to determine where OFHEO is maintaining comparability, as required by the statute.

Vacancies

At the beginning of FY2005, OFHEO had 66 vacancies.

At the beginning of FY2006, OFHEO had filled 36 positions and had 30 vacancies. However, the FTP ceiling increased another 12 FTP, which brought the number of vacancies up to 42.

At the beginning of FY2007, OFHEO's FTP ceiling increased by 14 FTP, to a total of 264 FTP positions and the number of vacancies increased from 24 to 38.

Although the number of vacancies is slowly declining, the level of recruitment is far higher than it appears. In fact, during FY2006, the OHRM staff extended 49 job offers. Forty-two (42) of those job offers were accepted; seven were declined (5 due to insufficient compensation and 2 were internal candidates who accepted other positions within OFHEO). Eighteen vacancies were filled with internal candidates, creating other vacancies within OFHEO; (two (2) executive positions - Director of Supervision and CIO, seven (7) were manager positions, seven (7) were principal positions, and the other two (2) were lower level staff positions). Those internal selections created other internal vacancies, so did not reduce our total number of vacancies within the agency. Twenty-four external candidates were hired, for a total number of 42 hires. However, there were 19 departures from OFHEO during FY2006; a net gain of 5 employees, as reflected below.

Beginning of FY 2006

42 vacancies

18 internal selections (no reduction in vacancies)

42 vacancies remained

-24 external hires

18 vacancies remained

-19 departures

37 vacancies remained

Beginning of FY2006 - 42 vacancies

End of FY2006 – 37 vacancies

Utilizing our internal resources to fill our hiring needs is a positive step. Senior staff who exhibit the potential to take on additional responsibility are good sources from which to pull. However, this creates other, lower level vacancies within OFHEO that need to be revisited. One of our challenges is to ensure that these internal recruits possess the leadership and management skills needed for the higher level positions that require those competencies. This challenge is addressed in SECTION IV: Leadership and Knowledge Management and SECTION VI: Talent.

Our immediate focus is to fill all vacancies. This can be done by immediately addressing the new gap created by an internal hire. Presently, hiring offices take far too much time in deciding how and when to fill vacancies. And, once a vacancy is posted and the list of eligible candidates is referred to the Selecting Official, there is too great a delay in conducting interviews and making selections. Not only does this

threaten the possibility of losing good candidates, it increases the amount of time that OFHEO offices remain understaffed. We cannot accurately forecast our needs and budget realistically until we have hired staff to fill our current vacancies. Further, OFHEO cannot continue to request additional personnel through our budget submissions until we hire staff to fill vacancies we currently have.

To determine our needs and target appropriate outreach and training plans, the OHRM staff will begin development of a competency analysis during FY2007. This project will require a determination of what skills/competencies are needed to carry out the duties to reach our goals. We will then compare that list to the skills/competencies that our staff currently possess. Any gaps identified will be addressed through targeted recruitment plans and specific training programs. This project will also be used to identify leadership competencies and the development of a leadership competency training for current and potential future leaders of OFHEO.

Workforce Plan Goal

OFHEO leadership is aware of the workforce needs and have a plan in place for achieving them. The plan will be used to ensure that OFHEO has the human resources necessary to achieve its goals. There is a succession plan and training program in place to address attrition, competencies and diversity. Funding is made available for training to ensure that OFHEO has the right skills available at the right time and for a leadership program to train current and potential future leaders. Barriers are identified and eliminated. Offices are structured to effectively manage and make informed decisions.

Future Workforce	
OFHEO Future Mission and Business Environment <ul style="list-style-type: none"> • Stable Mission • Dynamic Workload • Potential Merger 	Requires This Kind of Workforce <ul style="list-style-type: none"> • Deep Technical Expertise • Flexible • New and Enhanced Competencies

THE VALUE OF SUCCESSION PLANNING

Succession management is a systematic approach to ensure a continuous supply of the best talent through helping employees develop to their full potential. As the number of employees eligible for retirement increases, it is in OFHEO's best interest to have a plan in place to ensure that mission critical and key leadership positions have a pool of qualified internal applicants available. Continuity of leadership is vital in ensuring that OFHEO has the executive guidance needed to reach its strategic goals. Succession planning is key, and will assist OFHEO in a number of ways.

Succession planning will build a leadership pipeline/talent pool to ensure leadership continuity. OFHEO can develop potential successors in ways that best fit their strengths and OFHEO's needs. The findings of our workforce analysis will provide the information that is needed to determine where to focus our efforts. This analysis will identify OFHEO's current and projected workforce needs of the key leadership and critical mission occupations.

OFHEO has a unique workforce that requires a highly-educated cadre of employees with knowledge of complex risk management issues, policies and procedures as applied to mortgage finance, complex examination and analytical skills, skill in financial model development and economic analysis, and knowledge of complex financial institutions conducting mortgage finance related activities, to name a few.

Because of the learning curve to train senior staff in leadership and management skills and/or for skill training, our immediate focus must be to implement a succession plan for those eligible to retire within the next few years. OFHEO must develop a succession plan in order to prepare for a smooth transition when these departures occur.

OFHEO's hard-to fill mission-critical occupations are in the key areas of risk analysis (model, market, credit, operational) and model development. Succession planning will allow the agency to identify various strategies for the recruitment, selection, development, and retention of staff in these highly skilled positions. In addition, it will ensure the continuity of the mission achievement by building a leadership pipeline/talent pool for all of its key leader positions.

OFHEO's executive leadership team feels strongly about the need for succession planning, and has committed resources to ensure its success, including funds allocated for formal leadership development programs and other internal developmental opportunities. Internal and external development opportunities will be further described under "Succession Planning Strategies."

Every employee at OFHEO has an individual development plan in place that is updated annually. This plan is developed together by the supervisor and subordinate to identify developmental opportunities to assist the employee in acquiring new competencies, updating competencies and skills, or staying abreast of new laws and regulations governing their area of expertise.

OFHEO's workforce analysis identifies historical data, trends and projected attrition through retirement, to evaluate and prioritize future needs and vacancies in the key leadership population. The results from this analysis will form the basis for formulating specific strategies, action plans and initiatives that will support the agency's succession plan.



WORKFORCE ANALYSIS

Mission critical occupations

Defined by strategic goal, are identified as follows:

1. Enhance supervision to ensure the Enterprises operate in a safe and sound manner, are adequately capitalized and comply with legal requirements:

- ✿ **Examiners** - conduct reviews and examinations of the Enterprises and report on areas of risk.
- ✿ **Financial Engineers** – support the capital adequacy and safety and soundness responsibility by developing alternative models and measurements of risk and capital adequacy and research topics that have a direct impact on the effectiveness of our measures of capital adequacy.
- ✿ **Financial Risk Analysts** – analyze the Enterprises’ financial performance using traditional measures such as GAAP earnings and revenue, non-GAAP metrics such as fair-value based measures, and measures of key business risk such as credit risk and interest rate risk.
- ✿ **Capital Model Analysts** – ensure the integrity of the Enterprises capital classifications by effectively managing the production and maintenance of the minimum and risk-based capital regulations and model, and implements changes and enhancements to the risk-based capital regulations and model that continually enhance our capital calculation.
- ✿ **Policy Analysts** – develop House Price Index calculation and preparation for use in the risk-based capital model. Conducts review of executive compensation and termination benefits.
- ✿ **Attorneys** – review the Enterprises’ compliance with applicable laws and provide advice on legal matters concerning the functions, activities and operations of the Enterprises and prosecute enforcement actions against the Enterprises and related parties.
- ✿ **Information System Analysts** – develop, maintain and secure the agency's information technology systems, including the Enterprise Architecture, which supports the risk based capital model.
- ✿ **Public Affairs Officers** – conduct comprehensive review of daily news and provide clips for OFHEO staff review to ensure awareness of the political environment in which the Enterprises run and to maintain up-to-date information on new requirements or laws that affect the Enterprises.

2. Provide support for statutory reforms to strengthen our regulatory powers.

- ✿ **Director, Deputy Director and Executive Staff** – provide testimony to Congress
- ✿ **Policy Analysts** - conduct analysis of legislation to strengthen OFHEO's regulatory powers and impact on regulatory and supervisory functions. Conduct research on safety and soundness, enforcement, capital adequacy, portfolio limits, and other issues that would lead to recommendations for legislative changes.
- ✿ **Attorneys** – coordinate the preparation of legislative proposals and interpret the effects on OFHEO.
- ✿ **Public Affairs Officers** – serve as liaison to coordinate all communication between Congress and OFHEO. Monitor legislative developments and drafts speeches and legislative proposals for the Director. Prepare testimony. Conduct outreach efforts with industry and trade groups, mortgage market participants, financial institutions and groups and the public.

3. Continue to support the national policy of an efficient secondary mortgage market which promotes homeownership and affordable housing.

- ✿ **Same as Strategic Goal #1 above.** By ensuring that the Enterprises operate in a safe and sound manner and are adequately capitalized, OFHEO is supporting the national policy of an efficient secondary mortgage market, which promotes homeownership and affordable house. This would include OER responsibility for website and Annual Report.
- ✿ **Policy Analysts** – prepare studies of U.S. housing markets, including market structure and effectiveness, and of policy issues affecting housing, especially the secondary mortgage market.

4. Resource Management Strategy: Manage effectively OFHEO's human capital and other resources to support our mission.

- ✿ **Chief Financial Officer** – responsible for ensuring fiscal responsibility for all procurements, oversight of all OFHEO contracts, leasing and other facility management such as relocation planning.
- ✿ **Chief Information Officer** – ensures that systems are functioning so that work can be done with little to no interruption due to system failure.
- ✿ **Chief Human Capital Officer** – responsible for creating and carrying out a workforce planning strategy to ensure human capital is available with the right competencies to carry out the duties in support of our mission and goals.
- ✿ **Chief Strategic Planning Officer** – ensures that there is a strategic plan in place that ties to the agency mission and that annual performance goals are developed and progress is tracked.

- ✿ **Attorneys** – provide legal advice and assistance in all areas of administration

Critical Mission and Leadership Positions

Critical Leadership Positions

- ✿ Deputy Director
- ✿ Director of Supervision
- ✿ General Counsel
- ✿ Executive Director
- ✿ Examiners in Charge
- ✿ Chief Compliance Examiner
- ✿ Chief Accountant
- ✿ Chief Economist
- ✿ Associate Director, Office of Capital Supervision
- ✿ Associate Director, Office of External Relations
- ✿ Associate Director, Office of Risk Analysis and Financial Performance
- ✿ Associate Director, Office of Supervision Policy, Systems & Quality Assurance
- ✿ Chief Financial Officer
- ✿ Chief Information Officer
- ✿ Chief Human Capital Officer
- ✿ Chief Strategic Planning Officer

Continuity of leaders in these positions is essential to achieving the strategic goals of OFHEO.

Mission Critical Occupations

- ✿ Examiner
- ✿ Accountant
- ✿ Financial Engineer
- ✿ Financial Risk Analyst
- ✿ Capital Model Analyst
- ✿ Policy Analyst
- ✿ Attorney
- ✿ Information System Analyst
- ✿ Public Affairs Officer

Mission Critical Positions – defined by Strategic Goals

OFHEO has identified the following positions as mission-critical:

In support of Strategic Goal 1:

- Executives³
- Examiners
- Financial Engineers
- Financial Risk Analysts
- Capital Model Analysts
- Economists
- Policy Analysts
- Attorneys
- Information System Analysts
- Public Affairs Officers

In support of Strategic Goal 2:

- Executives
- Policy Analysts
- Attorneys
- Public Affairs Officers

In support of Strategic Goal 3:

- Same as Strategic Goal #1 above.

In support of Resource Management Strategic Goal 4:

- Executives

³ Executives are defined as the Director, Deputy Director, Director of Supervision, General Counsel, Executive Director, and Agency Directors.

Workforce Analysis by Office

There are some key areas within each office that must be addressed, relating to retirement eligibility, manager to staff ratios, filling vacancies timely, etc. The Chief Human Capital Officer will meet with each of the Office Directors, the Director of Supervision, the Deputy Director and the Executive Director to discuss these issues. Together, we will define the issues and develop a plan that addresses the issues and to ensure that there is a solid succession plan in place so that critical competencies and leadership continues to be on board at OFHEO.

OFHEO-wide Plan:

ISSUE: *Vacancies are not being filled within an acceptable timeframe.*

PLAN: OFHEO leadership should consider implementing a management performance requirement that positions not remain unfilled, without good cause, for more than 3 months, and that selections be made within 30 days of receipt of the list of candidates from OHRM. OFHEO is required to fill jobs within 45 days, as prescribed by OPM. Although OFHEO's average is currently 39 days, the level of delays between the closing date of the announcement and the selection of a candidate has forced this average far above what it could be. OPM does not include the number of days it takes to embark upon the recruitment process. Due to OFHEO's rapid growth and changing needs, it often takes hiring offices a great deal of time to define their needs and develop position descriptions to identify the competencies needed in the organization. This has been the cause of major delay in getting jobs filled, with the delay in making the selection a close second.

ISSUE: *Hiring managers and selecting officials are not aware of the hiring programs and flexibilities that are currently available.*

PLAN: OHRM needs to conduct more training of managers and selecting officials on the hiring flexibilities and programs available for their use.

Action to Date: OHRM has been proactive in educating one office at a time on the use of recruitment flexibilities such as category rating and cut-off dates. Two offices have used these flexibilities successfully, and category rating will now be used as the default recruiting tool. OHRM recently developed the career intern program policy that is expected to be used in at least one office. We have also identified at least one office that is interested in hiring a Presidential Management Fellow.

ISSUE: *OFHEO needs to consider competitive sourcing as a viable option.*

PLAN 1: Although OFHEO has utilized many contract vehicles for specific project work (electronic timekeeping, OTIM help desk, electronic staffing system, classification review, comparability study, i360 for financial system, etc.), we have not competed any internal functions to determine if they can be carried out more efficiently with external contractors. OFHEO's infrastructure offices need to review their internal processes to consider competitive sourcing.

Action to Date: OBFM is embarking on a review of the OFHEO accounting function. OHRM has considered outsourcing the personnel action processing function, which can be utilized within the current Avue Digital Systems contract.

PLAN 2: OFHEO should consider outsourcing the administrative function and have a pool of administrative staff that move to where they are most needed. Once the timekeeping function is individualized and automated, there will be less need for this task, leaving travel and training form completion as the main tasks for Administrative Assistants in many offices.



LEADERSHIP COMPETENCY ASSESSMENT

OFHEO plans to conduct a leadership competency assessment closely related to OPM's leadership model.

OPM Leadership Competencies		
Leading Change	. Flexibility . Resilience . Service Motivation . Continual Learning	. Creativity/Innovation . Vision . External Awareness . Strategic Thinking
Leading People	. Integrity/Honesty . Cultural Awareness	. Conflict Management . Team Building
Building Coalitions - Communications	. Oral Communication . Written Communication . Interpersonal Skills	. Influencing/Negotiating . Partnering . Political Savvy
Results Driven	. Decisiveness . Customer Service . Technical Credibility	. Problem Solving . Accountability . Entrepreneurship
Business Acumen	. Human Resources Management . Financial Management . Technology Management	. Planning

The following key leadership positions and relevant critical technical competencies are identified in the table below.

All executives must possess the following competencies:

- Organizational Awareness
- Conflict Management
- EEO
- Financial Management
- Human Resources Management
- Performance Management
- Planning and Evaluation
- Project Management
- Strategic Planning

Office of Federal Housing Enterprise Oversight
Human Capital Plan

Key Leadership and Mission Critical Positions	Critical Technical Competencies	
Deputy Director	. Economics . Banking	. Resource Mgmt . Information Technology
General Counsel Deputy General Counsels* Attorneys	. Legal, Government and Jurisprudence . Legislative Management	. Litigation
Director of Supervision*	. Risk Management . Technology Awareness	. Government Regulatory Awareness . Policy Evaluation
Executive Director	. Information Technology	. Legal, Government, and Jurisprudence
Examiners-In-Charge* Chief Accountant Chief Compliance Examiner	. Risk Management . Accounting	
Associate Director of Capital Supervision*	. Economics . Risk Measurement	. Model Development . Information Technology Mgmt
Chief Economist* Policy Analysts	. Economics . Risk Management	. Policy Evaluation
Associate Director for External Relations Public Affairs Officers	. Public and Congressional Relations	
Examiners**	. Risk Management	. Technology Awareness
Financial Engineers (Econ)** Financial Risk Analysts Capital Model Analysts	. Risk Management	. Info Technology Awareness
Executive Director	. Info Technology Awareness	. Records Management
CFO Contracting Officer**	. Federal Budgeting . Federal Contracting	
Chief Information Officer Info Systems Analysts	. Information Technology Mgmt and Awareness . Technology Risk Mgmt	. Capacity Management . Model development

*denotes high risk position due to potential retirement

**denotes high risk position due to required skills

LEADERSHIP COMPETENCY DEFINITIONS

- **Capacity Management:** Knowledge of the principles and methods for monitoring, estimating, or reporting actual performance or the performance capability of information systems or components.
- **Conflict Management:** Manages and resolves conflicts, grievances, confrontations, or disagreements in a constructive manner to minimize negative impact.
- **Economics and Accounting:** Knowledge of economic and accounting principles and practices, tax laws and practices, the financial markets, and the analysis and reporting of financial data.
- **Financial Management:** Prepares, justifies, and/or administers the budget for program areas. Plans, administers and monitors expenditures to ensure cost-effective support of programs and policies; assesses financial condition of an organization.
- **Human Resources Management:** Plans, distributes coordinates, and monitors work assignments of others; evaluates work performance and provides feedback to others on their performance; ensures that staff are appropriately selected, utilized, and developed, and that they are treated in a fair and equitable manner.
- **Information Technology Management and Awareness:** Uses efficient and cost effective approaches to integrate technology into the workplace and improve program effectiveness. Develop strategies using new technology to enhance decision making. Understands the impact of technological change on the organization. Knowledge of developments and new applications of information technology (hardware, software, telecommunications), emerging technologies and their applications to business processes, and applications and implementation of information systems to meet organizational requirements.
- **Legal, Government and Jurisprudence:** Knowledge of laws, legal codes, court procedures, precedents, legal practices, government regulations, executive orders, federal rules, government organization and functions, and the congressional process.
- **Legislative Management:** Drafts and analyzes legislative proposals and congressional responses; provides advice on legal issues, and prepares or reviews testimony involving legal and policy questions.

- **Organizational Awareness:** Knows OFHEO's mission and functions, and how their office work products support the OFHEO goals in support of its mission. Aware of the programs, policies, procedures, rules, and regulations of the organization.
- **Performance Management:** Ensures that subordinate staff are aware of how their duties tie to the achievement of OFHEO's goals.
- **Planning and Evaluation:** Organizes work, sets priorities, and determines resource requirements; determines short-or long-term goals and strategies to achieve them; coordinates with other offices to accomplish goals; monitors progress and evaluations outcome.
- **Policy Evaluation:** Conducts an analytical review of new and/or pending policy affecting OFHEO and provides a comprehensive overview to the Director.
- **Project Management:** Knowledge of the principles, methods, or tools for developing, scheduling, coordinating, and managing projects and resources, including monitoring and inspecting costs, work, and contractor performance.
- **Public Relations Management:** Directs internal communication program; reviews all internal and external communications regarding OFHEO policy, positions, and programs to the media and general public.
- **Risk Management:** Knowledge of methods and tools used for risk assessment and mitigation of risk.
- **Risk Measurement:** Directs development, maintenance, and enhancement of state-of-the-art Financial Simulation Model to implement the stress test used to determine the capital requirements of the Enterprises and for related analysis; directs research and analysis related to the development of sophisticated financial and econometric models used for measuring risk to the enterprises' portfolios under conditions of financial stress..
- **Strategic Planning:** Formulates effective strategies consistent with and in support of OFHEO's mission. Examines policy issues and strategic planning with a long-term perspective. Determines objectives and set priorities; anticipates potential threats or opportunities.

TALENT POOLS

Having a source of qualified candidates available to fill vacancies in a minimal amount of time is critical to ensuring continuity of leadership and competencies in key critical positions. OFHEO has identified internal and/or external talent pools to draw from for each position covered under the succession plan. The table below identifies sources that can be used for outreach for specific positions, in addition to USA Jobs, should vacancies arise.

KEY LEADERSHIP/MISSION CRITICAL POSITIONS	SOURCES OF TALENT POOL
Deputy Director Director of Supervision	Washington Post The Economist Wall Street Journal New York Times Other federal regulatory agencies
Executive Director General Counsel Attorneys	Washington Post The Legal Review Legal Times newspaper
Chief Accountant	Financial Regulatory Agencies Academia AICPA Corporate Accounting Firms
Associate Director of Capital Supervision Examiners	Other federal regulatory agencies Private banks CBO
Chief Economist Financial Engineers	Washington Post The Times Washington Economist's Club Joe Openings for Economists (JOE) New York Times
Chief Information Officer	Washington Post Academia

SUCCESSION PLANNING STRATEGIES

Organizations with effective succession planning efforts have common characteristics. One of those characteristics is the use of a variety of strategies that help build the continuity of talent needed for future succession.

Based on results from the workforce analysis OFHEO is using and/or plans to use the succession planning strategies indicated in the table on the following page. Once the leadership competency assessment has been completed, OFHEO will reevaluate the following strategies and any relevant programs, policies and/or practices to determine if additional strategies need to be implemented to close any identified competency gaps.

OFHEO is using or plans to use the following strategies:

Strategy Description	OFHEO adopted Strategy
Leadership Training	In Development
Special Projects and Assignments	YES
Job rotations	YES
Individual Development Plans	YES
Mentoring	
Self-Directed – On Line Training	Plan in Development

Special projects and assignments are tasks or projects given as learning and development experiences. These can be specifically designed to offer opportunities to explore new areas and learn new competencies and skills.

Job rotation is a career development strategy where an employee is temporarily detailed into a “shadow” position. The intent is to challenge the employee to broaden his/her understanding about different areas across the organization.

Mentoring occurs when a senior staff member is given oversight of an employee’s career development. The senior member is outside the employee’s chain of supervision. Mentors help employees clarify career goals, understand the organization, analyze strengths and developmental needs, build support networks and deal with potential obstructions.

IMPLEMENTATION STRATEGIES

OFHEO is confident it will continue to enhance the competencies of its current leadership and develop a leadership talent pool that is diverse and viable. The implementation of the succession management strategies will occur in stages. The final stage, “Evaluation”, overlaps with the first two stages, because baseline data may be collected during stage I, results metrics data may be collected during stage I and beyond.

Stage	Major Activities
I - Review & Analysis	<ul style="list-style-type: none"> • Conduct a competency/skill analysis. • Determine if competency/skill gap(s) exist.
II - Commitment & Program Development	<ul style="list-style-type: none"> • If gap exists, develop targeted succession program • Integrate with existing programs (PEMS/Training policy) • Develop communication materials to publicize program
III - Activation	<ul style="list-style-type: none"> • Collect data for metrics • Continue promoting succession program • Brief supervisors on importance of succession planning • Build enrollment in the succession program
IV - Evaluation	<ul style="list-style-type: none"> • Gather and analyze program participation data • Establish ongoing evaluation process

EVALUATION AND MONITORING PLAN

OFHEO realizes the importance of measuring the effectiveness of succession management programs and activities, including its approach for making continuous improvements and ensuring that succession targets and outcomes are realized.

Training and development activities are a major component of succession management programs. Therefore, evaluating the effectiveness of training and development activities will be an integral component of the evaluation of the whole succession management program. The primary purpose of evaluation data is to make decisions. Consequently, OFHEO will evaluate its Succession Plan using a variety of criteria, including the identification of core mission critical occupations and related competencies, and a determination of average time from date vacancy announcement closes to date offer is made for key leadership and mission critical positions.

Accountability and evaluations are vital to ensuring the effectiveness of OFHEO's succession plan and related programs. The OHRM will periodically and systematically evaluate the succession management program to ensure that intended outcomes are realized. Continuous improvements and feedback to senior executives will occur periodically, and an extensive review will be completed annually, and improvements will be planned and implemented accordingly.

Office of Federal Housing Enterprise Oversight
Human Capital Plan

Measure	Purpose	Measurement Approach	Frequency	Who is Responsible
Employee satisfaction with leadership	To determine the extent to which employees are satisfied in their jobs.	Employee survey	FY07 and then annually	OSPM
Difference between competencies needed and competencies possessed by managers & leaders	To determine the extent to which competency gaps are being closed for mgmt and leadership competencies	Assessment of competency gaps	FY07 and every 3 years thereafter	OHRM
Program compliance with merit system principles and related laws, rules, and regulations	To determine that decisions, policies, processes, and practices comply with merit system principles, and related laws, rules, and regulations governing Leadership Succession Mgmt	Compliance assessment of programs	Incorporate into audit activities	OPM auditors or independent audit team
Percentage of key leadership positions filled from internal sources, other Government sources and non-Government sources	To determine the extent to which internal succession planning efforts result in the selection of leaders in key leadership positions	Data collected on recruitment sources when leaders are selected for key leadership positions	As positions are filled	OHRM
Average time from date vacancy announcement closes to date offer is made for key leadership positions	To determine the extent to which succession planning efforts are allowing the agency to fill leadership positions in a timely manner	Data collected on time to hire	As positions are filled	OHRM

Office of Federal Housing Enterprise Oversight
Human Capital Plan

<p>Risk Index</p>	<p>To determine that plans are in place to mitigate key leadership succession risks</p>	<p>Any key leadership position that is determined to be “high risk” must have an aggressive plan of action that addresses what will be done to reduce the risk of loss</p>	<p>Semi-Annually</p>	<p>OHRM</p>
<p>Training and Development</p>	<p>To ensure that critical job skills and effective leadership is acquired.</p>	<p>Progress and achievement towards attainment of performance goals</p>	<p>Annually</p>	<p>Everyone</p>

Appendix C: Accomplishments