

December 2012

# DHS STRATEGIC WORKFORCE PLANNING

## Oversight of Departmentwide Efforts Should Be Strengthened



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## Why GAO Did This Study

With more than 240,000 employees doing diverse jobs, DHS's workforce supports the department's multiple missions to prevent terrorism and enhance security, secure and manage the nation's borders, and ensure resilience from disasters, amongst others. Strategic workforce planning focuses on developing long-term strategies for acquiring, developing, and retaining an organization's total workforce, including federal staff and contractors, to meet the needs of the future. GAO has previously identified workforce-related challenges faced by DHS components. In light of these ongoing challenges, GAO was asked to review DHS's strategic workforce planning efforts. This report assesses whether DHS has incorporated strategic workforce planning leading principles into the department's management of strategic workforce planning efforts. GAO reviewed DHS strategies and guidance related to strategic workforce planning, compared them with leading principles identified in previous GAO work, and discussed ongoing strategic workforce planning efforts with officials from the seven components selected because they constitute the majority of DHS personnel.

## What GAO Recommends

GAO recommends that, among other actions, the Secretary of Homeland Security (1) identify and document additional performance measures to assess workforce planning efforts and (2) document policies and procedures regarding the use of internal audit results. DHS concurred with our recommendations.

View [GAO-13-65](#). For more information, contact David C. Maurer at (202) 512-9627 or [maurerd@gao.gov](mailto:maurerd@gao.gov).

# DHS STRATEGIC WORKFORCE PLANNING

## Oversight of Departmentwide Efforts Should Be Strengthened

### What GAO Found

The Department of Homeland Security (DHS) has taken some relatively recent steps to enhance strategic workforce planning across the department. These steps are generally consistent with leading principles, but the department has not yet implemented an effective oversight approach for monitoring and evaluating components' progress. Specifically, recent steps DHS has taken to develop and implement strategic workforce planning efforts are consistent with the leading principles GAO has reported that include involving management and stakeholders, identifying skills and competencies, developing strategies to fill gaps, and building capability through training. For example, the department demonstrated stakeholder involvement by including component-level stakeholders in the development of the DHS Workforce Strategy. Though DHS has taken steps to implement strategic workforce planning, recent internal audits, as well as GAO's previous work, identified challenges related to workforce planning at the component level that could impair the continued implementation of recently initiated strategic workforce planning efforts. For example, GAO reported in July 2009 that the Federal Protective Service's (FPS) workforce planning was limited because FPS headquarters did not collect data on its workforce's knowledge, skills, and abilities and subsequently could not determine optimal staffing levels or determine how to modify its workforce planning strategies accordingly, amongst others. GAO recommended that FPS take steps to address these issues. FPS officials agreed with our recommendations, and in June 2010 drafted a staffing plan consistent with our recommendation, but as of November 2012, FPS has not gained approval of its staffing plan.

Although DHS began taking positive steps for managing strategic workforce planning in 2011, DHS officials have not yet taken steps to implement an effective oversight approach for monitoring and evaluating components' progress in implementing strategic workforce planning. According to this principle, agencies should measure the effectiveness of the workforce plan and help ensure that the strategies work as intended by monitoring and evaluating the contributions workforce plans make to strategic results. To do this, agencies should determine how well the agency implemented its workforce plan and the contribution that its implementation made toward achieving programmatic goals. However, the Office of the Chief Human Capital Officer (OCHCO) has developed limited performance measures to provide a basis for monitoring and evaluating departmentwide strategic workforce planning efforts. GAO's analysis identified performance measures that reported on only 2 of the 15 elements in DHS's strategic workforce planning model. OCHCO relies on an informal process to evaluate component workforce planning, though processes exist that it could leverage to provide oversight. For example, OCHCO performs internal audits and requires components to develop annual operations plans to implement the department's workforce strategy. However, the results of the audits are not used to evaluate components' workforce planning. Without (1) performance measures that more comprehensively address DHS's strategic workforce planning process, and (2) policies and procedures for ensuring monitoring and evaluation of departmentwide workforce planning, DHS's OCHCO does not have reasonable assurance that such efforts will be institutionalized. Further, the department will not be able to produce departmentwide evidence of component alignment with DHS strategic workforce planning guidance.

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**Abbreviations:**

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| BWPMO | Balanced Workforce Program Management Office |
| CBP   | Customs and Border Protection                |
| CHCO  | chief human capital officer                  |
| DHS   | Department of Homeland Security              |
| DOD   | Department of Defense                        |
| FEMA  | Federal Emergency Management Agency          |
| FPS   | Federal Protective Service                   |
| HCPP  | Human Capital Policy and Programs            |
| HROA  | Human Resources Operations Audit             |
| ICE   | Immigration and Customs Enforcement          |
| MCO   | mission-critical occupation                  |
| OCHCO | Office of the Chief Human Capital Officer    |
| OPM   | Office of Personnel Management               |
| TSA   | Transportation Security Administration       |
| TSI   | transportation security inspector            |
| USCG  | U.S. Coast Guard                             |
| USCIS | U.S. Citizenship and Immigration Services    |
| USSS  | U.S. Secret Service                          |

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United States Government Accountability Office  
Washington, DC 20548

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December 3, 2012

The Honorable Joseph I. Lieberman  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate

The Honorable Daniel K. Akaka  
Chairman  
Subcommittee on Oversight of Government Management,  
the Federal Workforce, and the District of Columbia  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate

With more than 240,000 employees doing diverse jobs—for example, aviation and border security, emergency response, cybersecurity analysis, and chemical facility inspection—the Department of Homeland Security (DHS) is the third largest cabinet-level department in the federal government. DHS's workforce supports the department's multiple missions to prevent terrorism and enhance security, secure and manage the nation's borders, enforce and administer immigration laws, safeguard and secure cyberspace, and ensure resilience from disasters. DHS's Office of the Chief Human Capital Officer (OCHCO) works to support the department's employees and managers to achieve DHS's missions. Human capital leaders across the government face workforce challenges such as increased turnover—for example, throughout the government, retirements have increased approximately 25 percent from a year ago—which may remain high for a while because of the combined impact of an aging workforce and a 2-year pay freeze with possible extensions, as well as ongoing operational and fiscal challenges. For example, a recent governmentwide survey of chief human capital officers (CHCO) found that over half of the 53 CHCOs originally surveyed 5 years ago have since left government.<sup>1</sup> Further, more than half of the 25-member CHCO Council

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<sup>1</sup>Partnership for Public Service, *Bracing for Change: Chief Human Capital Officers Rethink Business as Usual*, (Washington, D.C.: August 2012).

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have served in that position for less than 2 years, including DHS's own CHCO, who has occupied that position since August 2011.<sup>2</sup>

Under the authority of DHS's OCHCO, departmental workforce planning is managed by the Balanced Workforce Program Management Office (BWPMO). DHS's components operate within the human capital framework established and overseen by OCHCO.<sup>3</sup> There are also component-level OCHCOs, or their equivalent, that work with the DHS OCHCO to manage human capital efforts at each of the components.

Within OCHCO, BWPMO provides management and oversight of the department's workforce planning efforts and develops policies to guide departmentwide implementation of strategic workforce planning efforts. Strategic workforce planning focuses on developing long-term strategies for acquiring, developing, and retaining an organization's total workforce, including full- and part-time federal staff and contractors, to meet the needs of the future. Strategic workforce planning also requires defining the critical skills and competencies that an agency will require in the future and developing strategies tailored to address gaps in the number, skills and competencies, and deployment of the workforce.<sup>4</sup> We previously reported that the five leading principles of strategic workforce planning include involving top management and stakeholders; conducting workforce gap analysis; developing strategies to fill those gaps; building

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<sup>2</sup>The CHCO Council advises and coordinates human resources activities governmentwide and is composed of the director of the Office of Personnel Management, the Deputy Director for Management of the Office of Management and Budget, the CHCOs of the 15 executive departments, and the CHCOs of eight additional agencies designated by the OPM Director. CHCOs serve as their agencies' chief policy advisors on all human resources management issues.

<sup>3</sup>The human capital framework includes the development of strategic goals and an implementation plan that are achievable, realistic, and focused on strategic priorities. It also ensures integration with related DHS business cycles, particularly the DHS Planning, Programming, Budget, and Execution cycles.

<sup>4</sup>Critical skills are those skills critical to achieving strategic goals including those skills that the agency will need to acquire, develop, and retain to meet its goals. A competency is an observable, measurable set of skills, knowledge, abilities, behaviors, and other characteristics an individual needs to successfully perform work roles or occupational functions.

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capability to support strategies; and monitoring, evaluating, and revising those strategies.<sup>5</sup>

Moreover, we previously reported on workforce planning–related challenges at DHS and its components. These challenges include collecting and analyzing workforce data, determining optimal staffing, and identifying gaps in workforce needs, amongst others. For example, we reported in September 2012 that most of DHS’s major acquisition programs experienced workforce shortfalls—specifically a lack of government personnel—increasing the likelihood their programs will perform poorly in the future.<sup>6</sup> We also previously reported that a lack of adequate staff in DHS program offices—both in terms of skill and staffing levels—increased the risk of insufficient program planning and contractor oversight, which is often associated with cost growth and schedule slips.<sup>7</sup> At the component level, we reported in April 2012 that the Federal Emergency Management Agency (FEMA) had not developed processes to systemically collect and analyze agencywide workforce data, and made recommendations that the agency take steps to do so.<sup>8</sup> FEMA officials agreed with our recommendations and in May 2012 said that senior FEMA officials convened a group to discuss ways of addressing some of the recommendations.

In light of DHS’s ongoing human capital challenges, you asked us to review DHS’s strategic workforce planning efforts. This report assesses whether DHS has incorporated the five strategic workforce planning leading principles into the department’s management of its workforce planning efforts.

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<sup>5</sup>GAO, *Human Capital: Key Principles for Effective Strategic Workforce Planning*, [GAO-04-39](#) (Washington, D.C.: Dec. 11, 2003). These principles are discussed in more detail later in this report.

<sup>6</sup>GAO, *Homeland Security: DHS Requires More Disciplined Investment Management to Help Meet Mission Needs*, [GAO-12-833](#) (Washington, D.C.: Sept. 18, 2012). DHS generally defines major programs as those expected to cost at least \$300 million over their respective life cycles, and many are expected to cost more than \$1 billion.

<sup>7</sup>GAO, *Department of Homeland Security: Assessments of Selected Complex Acquisitions*, [GAO-10-588SP](#) (Washington, D.C.: June 30, 2010).

<sup>8</sup>GAO, *Federal Emergency Management Agency: Workforce Planning and Training Could Be Enhanced by Incorporating Strategic Management Principles*, [GAO-12-487](#) (Washington, D.C.: Apr. 26, 2012).

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To address this objective, we assessed DHS's workforce planning strategies and guidance against strategic workforce planning and related leading principles previously identified in our work. We also reviewed DHS strategies and guidance including the following: the *Balanced Workforce Strategy*, the department's effort to identify the appropriate balance of federal and contractor employees; the *Integrated Strategy for High Risk Management*, which addresses our designation of the department's implementation and transformation as a high-risk area and includes multiple human capital initiatives, among others; the *DHS Strategic Plan 2012-2016*; and the *DHS Workforce Strategy 2011-2016* to determine whether the department's workforce planning strategy and guidance aligned with the department's missions and goals. We also reviewed Human Capital Resources Audits—internal audits performed by OCHCO to assess component compliance with DHS's Human Capital Accountability Plan—and the Office of Personnel Management's Human Capital Assessment and Accountability Framework.<sup>9</sup> To determine the reliability of the audits, we reviewed the guide used by internal auditors that included descriptions of the steps taken and information collected during these audits. We also reviewed component-specific workforce planning documents and discussed ongoing strategic workforce planning efforts with officials from the seven operational components that encompass the vast majority of DHS personnel.<sup>10</sup> We also interviewed officials from DHS's OCHCO as well as their component-level counterparts to assess to what extent strategic workforce planning had been implemented.

We conducted this performance audit from April 2012 to December 2012 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that

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<sup>9</sup>The DHS Human Capital Accountability Plan establishes policy as well as a framework for assessments to evaluate current human capital activities in the department. The Office of Personnel Management's Human Capital Assessment and Accountability Framework, developed in conjunction with the Office of Management and Budget and GAO, defines standards for success for the federal government and can serve as a road map for human capital transformation.

<sup>10</sup>The seven operational components, as defined by DHS, are Customs and Border Protection, the Federal Emergency Management Agency, Immigration and Customs Enforcement, the Transportation Security Administration, the U.S. Coast Guard, U.S. Citizenship and Immigration Services, and the U.S. Secret Service.



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the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Background

Strategic workforce planning addresses two critical needs: aligning an organization's human capital program with its current and emerging mission and programmatic goals and developing long-term strategies for acquiring, developing, and retaining staff to achieve programmatic goals.<sup>11</sup> This process includes the determination of critical skills and competencies—such as the identification of mission-critical occupations (MCO)—to meet both current and future programmatic needs. Once skills and competencies are identified, strategies should be tailored to address gaps in number, deployment, and alignment. The development and implementation of strategic workforce planning should be collaborative, involving employees and other stakeholders. Further, organizations should monitor and evaluate progress of their workforce plans and the contributions that their implementation made toward achieving programmatic goals.

In 2002, we reported that a consistent approach to the government's management of its people—its human capital—was the critical missing link in reforming and modernizing the federal government's management practices, noting that many agencies faced challenges in key areas, including leadership, strategic human capital planning, and creating results-oriented organizational cultures, amongst others.<sup>12</sup> We also suggested actions to be taken, such as workforce planning to support the skilled talent needs of the government, the identification of solutions to skills gaps, and the measurement and evaluation of the performance of key initiatives.

In 2003, we designated implementing and transforming DHS as a high-risk area because DHS had to transform 22 agencies—several with major management challenges—into one department, and failure to effectively address DHS's management and mission risks could have serious consequences for U.S. national and economic security.<sup>13</sup> Human capital was among the challenges we identified that DHS faces in implementing

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<sup>11</sup>[GAO-04-39](#).

<sup>12</sup>GAO, *A Model of Strategic Human Capital Management*, [GAO-02-373SP](#) (Washington, D.C.: Mar. 15, 2002).

<sup>13</sup>GAO, *High-Risk Series: An Update*, [GAO-11-278](#) (Washington, D.C.: February 2011).

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and transforming the department. For example, we identified the need for DHS to link workforce planning efforts to the department's strategic and program-specific planning efforts to identify current and future human capital needs, including the size of the workforce; the deployment of the workforce across the department and its components; and the knowledge, skills, abilities, and diversity needed for the agency to meet its goals and objectives. In our most recent update of the high-risk list in February 2011, we reported that the department needed to link workforce planning to its strategic and program-specific planning efforts to identify current and future human capital needs to address DHS's challenges within the department's management functions and in integrating those functions across the department.<sup>14</sup>

In January 2011, DHS issued its initial *Integrated Strategy for High Risk Management*, which included key management initiatives (e.g., Workforce Strategy, Workforce Planning and Balanced Workforce, and Outreach and Targeted Recruitment) to address challenges identified for each management area—human capital, financial, information technology, acquisition, and management integration. DHS provided updates of its progress in implementing these initiatives in later versions of the strategy in June 2011, December 2011, and June 2012. We reported in September 2012 that successfully achieving and sustaining progress in these management areas would demonstrate the department's ability and ongoing commitment to addressing its high-risk designation in this implementation and transformation area.<sup>15</sup>

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## Leading Principles of Strategic Workforce Planning

We have reported that strategic workforce planning includes five leading principles that address aligning an organization's human capital program with its current and emerging mission and programmatic goals, and developing long-term strategies for acquiring, developing, and retaining staff to achieve programmatic goals.<sup>16</sup> The process for strategic workforce planning, along with a description of the five associated leading principles, is shown in figure 1.

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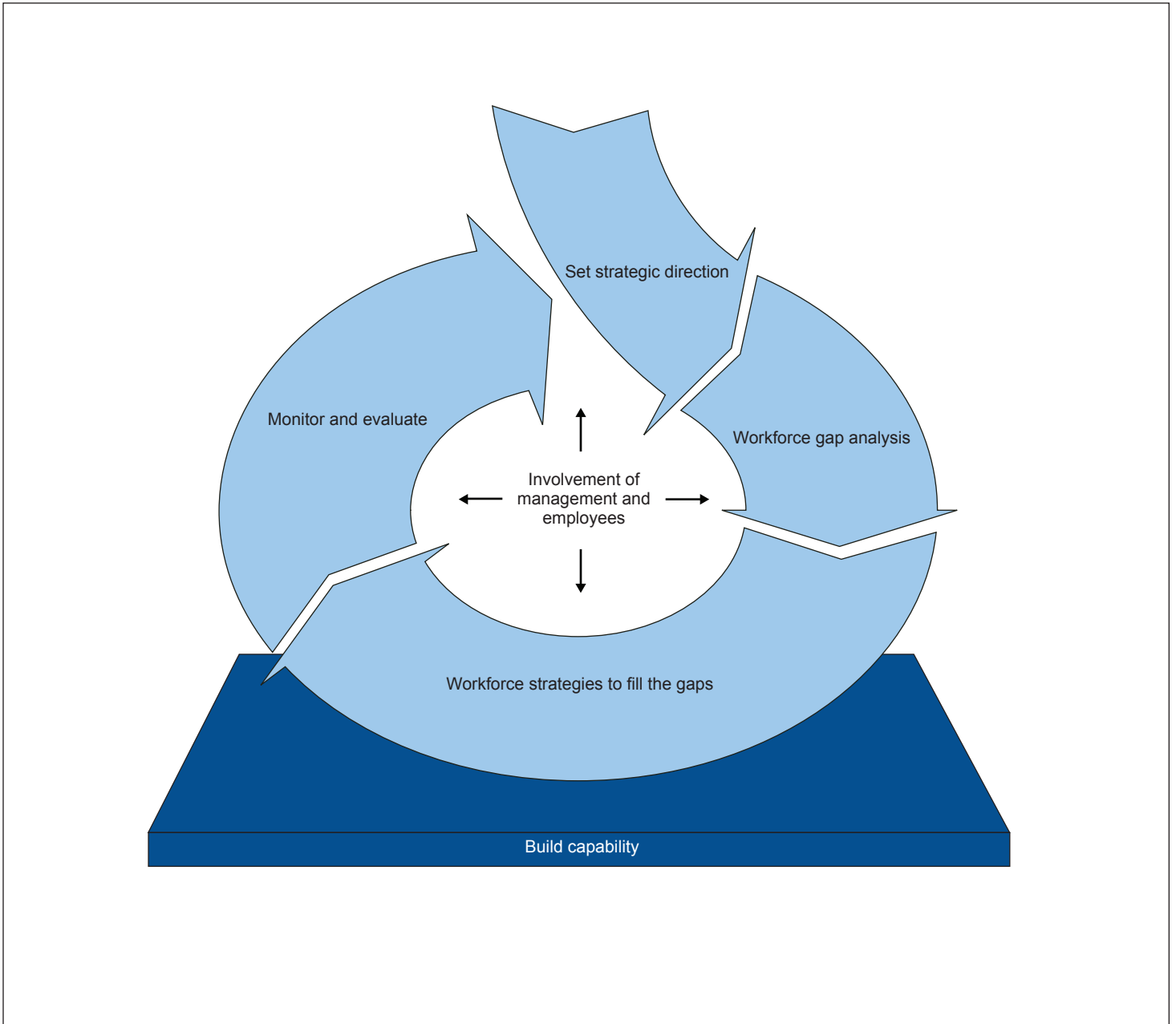
<sup>14</sup>[GAO-11-278](#).

<sup>15</sup>GAO, *Department of Homeland Security: Continued Progress Made Improving and Integrating Management Areas, but More Work Remains*, [GAO-12-1041T](#) (Washington, D.C.: Sept. 20, 2012).

<sup>16</sup>[GAO-04-39](#).

**Interactive graphic** Figure 1: Strategic Workforce Planning Process Incorporating Leading Principles

Move mouse over the phase title to get more information on the phases.



Source: GAO.

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## OCHCO Manages Strategic Workforce Planning for DHS

The department created BWPMO within OCHCO in March 2010 and issued its *Balanced Workforce Strategy* in 2010. The *Balanced Workforce Strategy* refers to the department's effort to identify the appropriate balance of federal and contractor employees required to support critical agency functions. For example, we reported in December 2011, as a result of the balanced workforce efforts, the Transportation Security Administration (TSA) hired 12 individuals in watch officer support positions, which involve collecting information and monitoring domestic events that affect air passenger security, positions that had previously been filled by contractors.<sup>17</sup> Program officials said they plan to convert the remaining contractor positions to positions for federal employees in the near future. Further, we reported that DHS developed the *Balanced Workforce Strategy* in response to congressional concerns about the department's use of contracted services and our 2007 report on its use of professional and management support services.<sup>18</sup> BWPMO issued the *Balanced Workforce Strategy* in 2010 and subsequently developed an automated tool to help components perform the necessary analysis to determine the appropriate mix of federal employees versus contractors.

With the balanced workforce effort established, in January 2011, BWPMO began preparing for a Workforce Planning Summit to focus on Strategic Workforce Planning within DHS that it held in May 2011. From February through May 2011, DHS held four meetings featuring presentations from TSA, the U.S. Coast Guard (USCG), FEMA, and Customs and Border Protection (CBP) to discuss workforce planning best practices. DHS also revised and reissued the department's *Workforce Planning Guide* in March 2011.

Another office in OCHCO, the Human Capital Policy and Programs (HCPP) office, also plays a role in the oversight of component workforce planning efforts. Specifically, HCPP performs Human Resources Operations Audits (HROA) to determine components' compliance with DHS's Human Capital Accountability Plan and the Human Capital Assessment and Accountability Framework. Along with ensuring

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<sup>17</sup>GAO, *Managing Service Contracts: Recent Efforts to Address Associated Risks Can Be Further Enhanced*, [GAO-12-87](#) (Washington, D.C.: Dec. 7, 2011).

<sup>18</sup>GAO, *Department of Homeland Security: Improved Assessment and Oversight Needed to Manage Risk of Contracting for Selected Services*, [GAO-07-990](#) (Washington, D.C.: Sept. 17, 2007).

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compliance with statutes and regulations, these internal audits assess the degree to which policies, programs, and practices provide efficient and effective support of the components' respective missions.

The HROAs assess components in five areas related to human capital using a three-point scale (having met, partially met, or not met desired outcomes). Specifically, the five areas of the HROAs are (1) strategic alignment, (2) leadership and knowledge management system, (3) results-oriented performance culture system, (4) talent management system, and (5) accountability system. Within each of the five areas there are a total of 44 outcomes that, taken together, provide a basis for the assessment. Depending on the results of their findings, auditors can either require actions or make recommendations to the components for further action, which are included in the final report sent to the component.

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## **DHS's Recent Efforts to Manage Strategic Workforce Planning Reflect Leading Principles, but Increased Oversight of Component Planning Would Enhance Efforts**

While DHS has recently taken steps that are generally consistent with leading principles in managing departmental strategic workforce planning, OCHCO has made limited progress in developing an oversight approach for monitoring and evaluating component-level efforts. As a result, and since OCHCO's efforts are in the relatively early stages, it is too early to determine the potential impact of its strategic workforce planning policies and initiatives on the departmentwide implementation of these efforts. Since January 2011, DHS has developed and disseminated guidance and procedures to guide workforce planning at the component level and has taken steps to enhance workforce planning across the department. These steps are generally reflective of some leading principles we have identified for strategic workforce planning. However, the performance measures contained in various DHS strategies primarily focus on monitoring progress in implementing a single aspect of strategic workforce planning—that is determining whether staff performing certain jobs should be federal or contract employees. In addition, OCHCO officials have not developed a documented evaluation system to institutionalize its oversight efforts. Further, internal audits and our previous work have identified component-level challenges related to workforce planning.

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## DHS Has Taken Steps for Managing Strategic Workforce Planning, but Challenges Remain

DHS has taken steps relatively recently that are generally consistent with strategic workforce planning principles. Specifically, since January 2011, DHS has taken steps to develop and implement strategic workforce planning efforts that are generally consistent with the leading principles including involving management and stakeholders, identifying skills and competencies, developing strategies to fill gaps, and building capability through training.

- **Involving top management and stakeholders:** We have found efforts that address key organizational issues, like strategic workforce planning, are most likely to succeed if, at their outset, agencies' top program and human capital leaders set the overall direction, pace, tone, and goals of the effort, and involve employees and other stakeholders in establishing a communication strategy that creates shared expectations for the outcome of the process. We reported in March 2012 that DHS has demonstrated top leadership commitment by identifying roles and responsibilities at the departmental level for its key management initiatives, including those in the human capital management area, it included in the December 2011 *Integrated Strategy for High Risk Management*.<sup>19</sup> At the component level, BWPMO began efforts in 2011 to obtain input from component stakeholders and communicated information departmentwide via councils and committees, such as the Workforce Planning Council, which meets monthly.<sup>20</sup> In addition, from June through October 2011, BWPMO regularly held committee meetings of its Workforce Indicators Working Group to incorporate component input into new strategic workforce planning initiatives, such as providing common definition of terms so that human capital data, such as rates of attrition, reported by components are uniform.<sup>21</sup> DHS also included component input in the development of the *DHS Workforce Strategy Fiscal Years 2011-2016*. Internal audits found evidence that

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<sup>19</sup>GAO, *Department of Homeland Security: Continued Progress Made Improving and Integrating Management Areas, but More Work Remains*, [GAO-12-365T](#) (Washington, D.C.: Mar. 1, 2012).

<sup>20</sup>For example, officials from CBP presented information at the January 2012 Workforce Planning Council meeting on the progress the agency had made in identifying mission-critical occupations, such as Customs and Border Protection officers, and how these occupations aligned with DHS mission areas, in this case, its mission known as Securing and Protecting the Borders.

<sup>21</sup>The DHS Workforce Indicators Working Group was a series of workshops composed of OCHCO and component officials.

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components are taking steps to involve top managers and stakeholders. For example, internal audits of CBP in December 2011 found that agency workforce planning officials meet with their program-level counterparts at least three times a year to discuss changes within their workforce, develop strategies to retain the workforce, and to provide updated workforce analysis statistics.

- **Identifying critical skills and competencies:** Our work has shown that in order to effectively meet department challenges, agencies must identify the workforce skills and competencies that are critical to achieving strategic goals and identify how the agency will obtain these requirements. OCHCO began working with components in 2011 to help identify critical skills and competencies needed to achieve their current and future workforce needs to achieve the department's missions. OCHCO provided components guidance for identifying critical skills and competencies, among other things, and DHS also developed a common framework for DHS competencies to be used across all components through DHS's Competency Working Group. Specifically, this framework includes a standard set of departmentwide competencies that would apply to all staff, which would be augmented by two further sets of competencies within each component: one set specific to all occupations and the other set specific to individual jobs. OCHCO also worked directly with components to identify MCOs. Internal audits found evidence that components are taking steps to identify critical skills and competencies, as well as the gaps that exist. For example, auditors found in their March 2010 audit that TSA identified mission-critical positions throughout its organization and that information related to the competencies necessary to fill mission-critical positions was housed in a tool utilized as part of a midlevel leadership development program.<sup>22</sup>
- **Developing strategies for addressing gaps:** Our work on strategic workforce planning principles indicates that once an agency identifies the critical skills and competencies needed, strategies should be developed to address gaps in the number, skills and competencies, and deployment of the workforce needed for the future. Developing such strategies creates a road map for an agency to use to move from

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<sup>22</sup>HCPP, *Final Report from the Office of the Chief Human Capital Officer Regarding the Human Resources Operations Audit at the Transportation Security Administration conducted September 20-24, 2010.*

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the current to the future workforce needed to achieve program goals. In September 2011, OCHCO began participating in the governmentwide Executive Steering Committee and Integrated Product Team as part of the Office of Personnel Management (OPM) and Department of Defense (DOD)-led Strategic Human Capital High Risk Initiative to develop strategies for addressing workforce skill gaps.<sup>23</sup> According to BWPMO officials, its efforts on this governmentwide initiative supplemented the gap analysis detailed in the DHS *Workforce Planning Guide*, which BWPMO officials planned to update with additional tools and templates developed based on information from the governmentwide initiative. BWPMO officials reported they plan to complete the update by the end of November 2012. In addition, DHS required components to develop an initial assessment strategy for developing plans to address the skill gaps by the end of fiscal year 2012, and the department reported in June 2012 that 100 percent of its components had developed an initial assessment strategy. For example, officials at the U.S. Secret Service (USSS) said they developed a series of action plans to ensure full staffing of the Uniformed Division officer position, a position designated as a high-risk MCO through efforts related to the work of the governmentwide high-risk initiative. This included the identification and analysis of staffing gaps and the development of action plans to close them.

- **Building workforce planning capability:** Our work on strategic workforce planning principles indicates that agencies should build the capability needed to address administrative, education, and other requirements important to supporting the workforce strategy. BWPMO leadership hosted the May 2011 Strategic Workforce Planning Summit, which involved human capital officials from each component. The summit provided training for component officials on strategic workforce planning to identify workforce indicators, competency and skill gaps, and revise MCOs. The training also included building components' planning capability to address current and future workforce needs using alternative futures scenarios. Officials at FEMA credited the summit with providing them the training they needed to

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<sup>23</sup>The OPM-DOD Strategic Human Capital Management Government-Wide High Risk Initiative is a governmentwide committee led by the Office of Personnel Management and the Department of Defense whose primary objective includes institutionalizing a comprehensive strategic human capital management approach to reduce high-risk skill gaps in targeted governmentwide and agency-specific mission-critical occupations.



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better define their MCOs. In addition, representatives from each of the seven major components we interviewed said that OCHCO staff provided multiple opportunities for building their workforce planning capability through shared knowledge, including leading principles, identifying challenges and solutions, and general sharing of information between DHS and the components and also among the components. OCHCO has also provided resources for components to work directly with each other regarding sharing workforce leading principles. For example, BWPMO manages a shared website that allows officials at each component to share information and utilize resources, such as presentations or leading principles shared by other components.<sup>24</sup> Internal audits found evidence that components are also building workforce planning capability. For example, in March 2012, internal auditors reported that Immigration and Customs Enforcement (ICE) had established communities of practice composed of eight offices tasked with addressing the strategic direction of human capital and improving communications for accuracy and timeliness among the ICE human capital leaders.

While DHS has taken relatively recent steps, since January 2011, to implement strategic workforce planning, recent internal audits, as well as our previous work, identified challenges related to workforce planning at the component level. Specifically, these audits, as well as our previous work, have reported findings of component-level deficiencies that could impair the continued implementation of recent OCHCO efforts. For example, internal audits and our previous work found challenges related to the following.

- **Involving stakeholders:** In July 2010, internal auditors recommended that human capital professionals in the Coast Guard work with component and program-level human capital stakeholders to determine the workforce needed to meet organizational goals.<sup>25</sup> Similarly, in August 2009, internal auditors recommended that U.S.

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<sup>24</sup>DHS utilizes an online database known as the share point site to store presentations and documents utilized for workforce planning, and a library of competency models organized by job series for use by all DHS components.

<sup>25</sup>HCPP, *Final Report from the Office of the Chief Human Capital Officer of the Human Resources Operations Audit at the United States Coast Guard Conducted July 12-16, 2010*. It is unclear what actions USCG officials took in response to the July 2010 HROA since, according to DHS, no record exists of the Coast Guard's required action plan response to the findings of the July 2010 audit.

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Citizenship and Immigration Service (USCIS) educate all managers, supervisors, and employees on the significance of the strategic workforce plan, including their roles and responsibilities in implementing the plan.<sup>26</sup>

- **Identifying critical skills:** Internal auditors found in March 2012 that ICE had performed the preliminary identification of MCOs in fiscal years 2010 and 2011, and recommended that ICE continue efforts to identify competency gaps, among other things.<sup>27</sup> Additionally, internal auditors found in July 2010 that while USCG identified a list of MCOs, the list was inconsistent across the functional areas of human capital and that a comprehensive list should be compiled and shared amongst the various program areas.<sup>28</sup> In July 2009 we reported that, among other things, the Federal Protective Service's (FPS) workforce planning was limited because FPS headquarters did not collect data on its workforce's knowledge, skills, and abilities.<sup>29</sup> We reported that without such information, FPS was unable to determine what its optimal staffing levels should be or identify gaps in its workforce needs, or determine how to modify its workforce planning strategies to fill these gaps, and we made recommendations that FPS take steps to address these issues. FPS officials agreed with our recommendations and in June 2010 drafted a staffing plan consistent with our

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<sup>26</sup>HCPP, *Final Report from the Office of the Chief Human Capital Officer of the Human Resources Operations Audit at USCIS Conducted on August 10-14, 2009*. It is unclear what actions USCIS officials took in response to the August 2009 HROA since, according to DHS, no record exists of USCIS's required action plan response to the findings of the August 2009 audit.

<sup>27</sup>HCPP, *Final Report from the Office of the Chief Human Capital Officer for the ICE HROA Conducted March 5-9, 2012*. The internal audit in October 2009 identified the need for ICE to expand the mission-critical occupations it identified to include other series included in the Office of Personnel Management's list and utilize competency analyses to drive human-capital strategic planning and workforce planning efforts. It is unclear what actions ICE officials took in response to the March 2012 HROA because ICE did not submit the required response plan to HCPP until the end of October 2012. Because ICE did not submit the plan until the end of October 2012, we were unable to assess the plan as part of this review.

<sup>28</sup>HCPP, *Final Report USCG HROA Conducted July 12-16, 2010*. It is unclear what actions USCG officials took in response to the July 2010 HROA since, according to DHS officials, no record exists of the Coast Guard's required action plan response to the findings of the July 2010 audit.

<sup>29</sup>GAO, *Homeland Security: Federal Protective Service Should Improve Human Capital Planning and Better Communicate with Tenants*, [GAO-09-749](#) (Washington, D.C.: July 30, 2009).

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recommendations, but as of November 2012, FPS has not gained approval of its staffing plan.

- **Developing strategies for addressing gaps:** A March 2012 internal audit reported that although ICE had made significant progress in the development of a draft succession plan demonstrating progress in moving toward a strategically aligned workforce plan, the agency had not yet finalized a comprehensive agencywide workforce and succession plan, and that this area remains a source of concern.<sup>30</sup> Further, we reported in February 2009 that TSA did not have a reasonable basis for determining the workforce needed to achieve inspection goals of its transportation security inspector (TSI) workforce.<sup>31</sup> According to TSA officials, planned aviation inspection goals were met in fiscal year 2007, but aviation cargo inspection goals were not met because, among other reasons, TSA did not fill all of its cargo TSI positions. TSA reported that it had plans to conduct a staffing study in fiscal year 2009 to identify the optimal workforce size to address its current and future program needs. In September 2011, we further reported that TSA had completed the workforce study in March 2010 to provide the agency with a more reasonable basis for determining the optimal workforce size needed to achieve its current and future inspector workload needs of its aviation and air cargo inspectors.<sup>32</sup> We did not assess the extent to which the results of this study were informing TSA's resource allocation decisions as part of this review.

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<sup>30</sup>HCPP, *Final Report ICE HROA March 5-9, 2012*. The internal audit in March 2012 identified the need for ICE to continue its efforts to identify competency gaps and develop streamlined recruitment strategies for all designated MCOs. It is unclear what actions ICE officials took in response to the March 2012 HROA because ICE did not submit the required response plan to HCPP until the end of October 2012. Because ICE did not submit the plan until the end of October 2012, we were unable to assess the plan as part of this review.

<sup>31</sup>GAO, *Aviation Security: Status of Transportation Security Inspector Workforce*, [GAO-09-123R](#) (Washington, D.C.: Feb. 6, 2009). Transportation security inspectors (TSI) conduct on-site inspections of all regulated entities in the aviation, air cargo, and surface transportation modes of transportation to determine their compliance with federal requirements involving transportation security. For example, at airports, TSIs may check the integrity of access control systems, alarms, security lighting, and biometric devices used to restrict public access to secure areas.

<sup>32</sup>GAO, *Department of Homeland Security: Progress Made and Work Remaining in Implementing Homeland Security Missions 10 Years after 9/11*, [GAO-11-881](#) (Washington, D.C.: Sept. 7, 2011).

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- **Building capability:** In internal audits conducted from August 2009 through May 2010, auditors found that three of the seven components' human capital managers and staff had insufficient awareness of the linkage between human capital planning and the department's missions and goals. Specifically, as mentioned above, in August 2009, auditors recommended USCIS educate all managers, supervisors, and employees in Human Capital on the significance of the human capital strategic plan and how its strategic objectives affect the mission, including their roles and responsibilities in executing the plan.<sup>33</sup> Audits conducted in October 2009 and May 2010 resulted in similar recommendations for both ICE and USSS.<sup>34</sup>

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## DHS Efforts to Monitor and Evaluate Components Progress

Although the department recently began taking positive steps for managing strategic workforce planning in 2011, DHS officials have not yet taken steps to implement an effective oversight approach for monitoring and evaluating components' progress in implementing strategic workforce planning, consistent with strategic workforce planning principles.

### Monitor Progress

According to leading principles, agencies should measure the effectiveness of the workforce plan and help ensure that the strategies work as intended by evaluating the contributions workforce plans make to strategic results. To do this, agencies should determine how well the agency implemented its workforce plan and determine the contribution that the implementation made toward achieving programmatic goals. Periodic measurement of an agency's progress toward human capital goals and the extent that human capital activities contributed to achieving programmatic goals provides information for effective oversight by identifying performance shortfalls and the need for appropriate corrective

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<sup>33</sup>HCPP, *Final Report of the HROA at USCIS Conducted on August 10-14, 2009*. It is unclear what actions USCIS officials took in response to the August 2009 HROA since, according to DHS officials, no record exists of the USCIS's required action plan response to the findings of the August 2009 audit.

<sup>34</sup>See HCPP, *Final Audit Report Immigration and Customs Enforcement October 19-23, 2009*; *Final Report ICE HROA March 5-9, 2012*. The required action plan developed by ICE did not respond to this recommendation, though auditors did not make a similar recommendation in their 2012 audit of ICE. See also HCPP, *Final Report from the Office of the Chief Human Capital Officer of the Human Resources Operations Audit at USSS Conducted May 17-21, 2010*. In its required response plan, USSS reported that its *Human Capital Strategic Plan* was in the final stages of publication and that the Director of the USSS Office of Human Resources and Training would lead an effort to communicate the publication to all USSS employees.

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actions.<sup>35</sup> Further, OPM's Human Capital Assessment and Accountability Framework calls for agencies to develop a system for monitoring and evaluating the results of its human capital management policies, programs, and activities, and identifying and monitoring necessary improvements based on the principle that agency human capital management decisions should be guided by a data-driven, results-oriented planning and accountability system.

OCHCO has developed limited performance measures to provide a basis for monitoring and evaluating departmentwide strategic workforce planning efforts.<sup>36</sup> Our analysis shows that DHS had three performance measures related to strategic workforce planning and that two of these three measures gauge components' efforts to determine whether positions should be filled with federal or contract employees.<sup>37</sup> Determining whether a function should be staffed by either a federal employee or a contractor is one element of the first of five steps (strategic direction setting) in DHS's workforce planning model, which includes five steps made up of a total of 15 elements. The five steps and 15 elements of the DHS Workforce Planning Model, as well as whether there are any related performance measures for these elements, are described in table 1.<sup>38</sup>

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<sup>35</sup>[GAO-04-39](#).

<sup>36</sup>We identified these performance measures in two different strategy documents, DHS's *Workforce Strategy* and its *Integrated Strategy for High Risk Management*.

<sup>37</sup>Specifically, one of the three performance measures assesses the "proportion of component contract work that has been analyzed and documented using the balanced workforce methodology to determine appropriate balance" regarding federal and contract employees. Additionally, a second measure monitors the percentage of major contracts that have been evaluated by the components to determine whether the positions should be converted to ones held by federal employees or remain as ones held by contractors.

<sup>38</sup>BWPMO officials reported that some of the elements in the DHS Workforce Planning Model are to be modified in the next update of the *DHS Workforce Planning Guide*.

**Table 1: The Five Steps and 15 Elements of DHS’s Workforce Planning Model, and Related Performance Measures.**

| Workforce planning model step                          | Workforce planning elements                            | Related performance measures |
|--|--|------------------------------|
| <b>Step 1—strategic direction setting</b>              | • Linking strategy to the workforce                    | • No                         |
|  | • Defining and evaluating work to be performed         | • Yes <sup>a</sup>           |
|  | • Defining the source to perform the work              | • Yes <sup>a</sup>           |
|  | • Consider the workforce planning scope                | • No                         |
| <b>Step 2—supply, demand discrepancies<sup>b</sup></b> | • Supply analysis                                      | None                         |
|  | • Demand analysis                                      |                              |
|  | • Discrepancies and gap analysis                       |                              |
| <b>Step 3—develop action plan</b>                      | • Design a workforce plan to address gaps              | None                         |
|  | • Identify strategies and action items                 |                              |
| <b>Step 4—implement action plan</b>                    | • Management, leadership, and support                  | None                         |
|  | • Conduct recruitment, hiring, training, and placement |                              |
|  | • Implement retention strategies                       |                              |
|  | • Other important considerations                       |                              |
| <b>Step 5—monitor, evaluate, revise</b>                | • Monitor, evaluate, and revise workforce plan         | None                         |
|  | • Monitor, evaluate, and revise process steps          |                              |

Source: GAO analysis of DHS data.

<sup>a</sup>Both elements relate to efforts to determine whether positions should be filled with federal or contract employees. There are two different performance measures related to these elements in the *DHS Integrated Strategy for High Risk Management*. One of these performance measures is essentially duplicated in the *DHS Workforce Strategy*.

<sup>b</sup>There is a single performance measure in the *DHS Integrated Strategy for High Risk Management* that relates to this step. However, because it measures components’ progress in developing an initial skill gap assessment strategy, it is not actually a measure of any of the elements included in this step.

The remaining performance measure gauges the percentage of components that have developed an initial assessment strategy for determining skills gaps for an analysis of workforce supply, which is a

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precursor to step 2 of the workforce planning model. OCHCO also uses what it refers to as the Human Capital Dashboard to monitor and report to senior DHS officials regarding targeted indicators of workforce health, such as attrition, aligned with the MCOs.<sup>39</sup> For example, in DHS's first mission area, Preventing Terrorism and Enhancing Security, the Dashboard identifies workforce information such as number of staff and attrition rates for job series identified as MCOs, including transportation security officers from TSA and special agents from USSS.

Thus, on the basis of our evaluations, OCHCO has established performance measures that monitor only 2 of the 15 elements in the department's workforce planning model. When we asked BWPMO officials about developing performance measures for other steps or elements of the DHS Workforce Planning Model, officials agreed that the existing measures did not adequately report the state of strategic workforce planning at the component level. BWPMO officials said that they intended to include additional performance measures in revising the *Workforce Strategy*, sometime in 2016. In subsequent discussions, BWPMO officials said that, in response to our inquiries, they planned to discuss how to accelerate their efforts to incorporate additional performance measures for reporting components' progress implementing strategic workforce planning at a future Workforce Planning Council meeting.<sup>40</sup> However, as of November 2012, OCHCO had no plans in place to develop and implement additional workforce planning-related performance measures. Without performance measures that provide BWPMO a basis to monitor all aspects of departmentwide strategic workforce planning, DHS has limited means of determining components' progress toward achieving human capital goals or the contribution of human capital activities toward achieving programmatic goals. Additional performance measures that monitor additional steps and elements of DHS's workforce planning model could enhance the department's oversight of these efforts.

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<sup>39</sup>The Human Capital Dashboard report is given to DHS leadership and provides the status of the DHS workforce overall, as well as changes to the workforce in mission-critical occupations that may signal potential mission risk. Further, though the dashboard presents information on items such as attrition, DHS has not yet established, for example, any criteria or standard for what is "acceptable" or "unacceptable" attrition.

<sup>40</sup>BWPMO officials also discussed applying a governmentwide measure in fiscal year 2012 to measure staffing gaps as part of its annual reporting to OPM.

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## Evaluate Progress

BWPMO officials rely on an informal management approach to assess component workforce planning, which provides it with a limited means of evaluating components' progress in implementing departmental policies and procedures governing workforce planning. BWPMO's reliance on an informal management approach to evaluate components' progress in implementing departmental policies and procedures governing workforce planning provides limited oversight of components' efforts because it fails to leverage and institutionalize existing processes.

Two processes exist within OCHCO that BWPMO could leverage to more effectively evaluate components' progress implementing workforce planning, though these have limitations. Specifically, components develop and provide to OCHCO for review, annual operational plans to report on the components' progress implementing the department's *Workforce Strategy*, though OCHCO has not provided timely review of components' annual operational plans. Additionally, HCPP uses internal audits in its evaluation of component-level human capital-related efforts, but BWPMO has not used the results of these audits to evaluate the implementation of the components' workforce planning efforts.

The department's *Workforce Strategy* requires components to submit annual operational plans to OCHCO that describe, among other things, how their strategic workforce planning supports the strategy's goals and objectives.<sup>41</sup> Specifically, the annual operational plans are the method by which components report to the Secretary of Homeland Security and the CHCO on component-specific actions in support of the department's goals, objectives, and associated performance measures identified in the *Workforce Strategy*. OCHCO is responsible for overseeing the implementation of the *Workforce Strategy* and also for providing oversight and feedback on the components' annual operational plans, among other things. In order for these annual plans to be an effective tool for component leadership to ensure that their workforce planning efforts are aligned to the department's *Workforce Strategy*, component officials need departmental feedback in time to make any corrections or revisions so they can fully develop the operational plans prior to the start of the fiscal year and then implement them once the fiscal year begins.

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<sup>41</sup>Strategic workforce planning is referred to under goal 2, recruit a highly qualified and diverse workforce, of the department's *Workforce Strategy* and is one of four goal 2 objectives.



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However, OCHCO has not provided feedback on operational plans in time for the components to revise and implement their plans before the start of the fiscal year. Specifically, when we spoke with component officials from April through May 2012, they said they had previously provided their fiscal year 2012 operational plans to OCHCO for review, but at that time had not yet received feedback on these plans. An official from the OCHCO Chief of Staff's office, the office responsible for overseeing the implementation of the workforce strategy and for providing feedback on the components operational plans, said that as of September 2012, nearly 1 year after the beginning of fiscal year 2012, the components' had not received feedback on their operational plans for fiscal year 2012, and subsequently the department had not begun working with components to develop their plans for fiscal year 2013. Further, fiscal year 2013 had already begun yet OCHCO had not completed the process for finalizing the fiscal year 2012's plans. This official agreed that components' operational plans should be finalized and in place prior to the start of the fiscal year for which they are intended in order to guide components' operations for the coming year.

When we asked the official from the OCHCO Chief of Staff's office whether the component operational plans were an effective tool for the department to use in its evaluation of component-level workforce planning, the official acknowledged that the plans do not serve as an effective management tool for OCHCO to evaluate component workforce strategy-related activities, including workforce planning. The plans do not serve as an effective management tool because there have been delays in preparing, reviewing, and approving component annual operational plans, as well as in providing feedback. Such feedback serves as the basis for revising and finalizing the plans, as well as providing baseline information to develop the following year's plans. OCHCO officials agreed that they have not provided components with feedback regarding their operational plans in a timely manner, which has delayed the implementation of the fiscal year 2012 plans as well as the development of fiscal year 2013 plans. OCHCO officials agreed these plans should have been developed and implemented prior to the start of the fiscal year for which they are to be used to evaluate the implementation of the *DHS Workforce Strategy*. As a result, without timely feedback and implementation, OCHCO is unable to use the annual operational plans to determine the effectiveness of components' efforts to implement the department's workforce strategy.

In addition to OCHCO's requirement that components report annually on the status of their implementation of workforce planning efforts, HCPP

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conducts internal audits called Human Resources Operations Audits on each operational component every 3 years.<sup>42</sup> Our analysis determined that 11 out of 44 total outcomes in the HROAs related to workforce planning. Within the first section of the HROA, strategic alignment, there are three outcomes that explicitly assess components' workforce planning efforts. For example, one outcome assesses whether workforce planning is strategically approached. In addition to the three outcomes explicitly identified in the audits as related to workforce planning, our analysis determined there are an additional eight outcomes within the audits that relate to the strategic workforce planning leading principles our previous work has identified. For example, one outcome DHS components are assessed against is whether they have documented and communicated human capital accountability policies, processes, measures, and results throughout their organization. This outcome directly relates to the strategic workforce planning leading principle regarding monitoring and evaluating.

The most recently completed audits conducted on the seven operational components included in our review revealed that five of the seven components had not taken needed steps to ensure that human capital accountability policies, processes, measures, and results are documented and communicated throughout the organization. Additionally, four components had not fully incorporated systems to continually assess and improve human capital planning and investment as well as their impact on mission accomplishment. For example, in their most recent HROAs, CBP and TSA met all four outcomes pertaining to accountability; however, audits of the other five components included recommendations to develop accountability programs. For example, in March 2012 auditors recommended that ICE officials develop a formalized accountability program that describes a system for measuring accountability goals and compliance with applicable legal authorities and continue developing standardized policies and procedures that will be used to hold program areas accountable.<sup>43</sup> Similarly, USCIS's most recent audit report in

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<sup>42</sup>OCHCO Human Capital Policy and Program Officials noted that beginning with the planned audit of USCIS in November 2012, the HROAs will be conducted every 4 years, on a rotating basis.

<sup>43</sup>It is unclear what actions ICE officials took in response to the March 2012 HROA because ICE did not submit the required response plan to HCPP until the end of October 2012. Because ICE did not submit the plan until the end of October 2012, we were unable to assess the plan as part of this review.

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August 2009 recommended that USCIS officials develop and implement a human capital accountability plan.<sup>44</sup>

Further, HCPP and BWPMO, the two offices in OCHCO responsible for providing oversight of components' workforce planning, have not coordinated their efforts. Specifically, within OCHCO, HCPP uses the HROAs to evaluate components' compliance with certain statutes and regulations, among other things, while BWPMO, the OCHCO office primarily responsible for departmentwide workforce planning, had no knowledge that HROAs included workforce planning-related required actions and recommendations.

According to the OCHCO *Human Resources Audit Manual*, the guide used by audit teams to perform HROAs on the components, the component is responsible for preparing an action plan for the accepted required actions and recommendations. This plan must be submitted to the audit team lead for review and approval and must include a timeline of activities to fulfill each action and must identify the documentation that will be provided to the audit team lead upon completion of each item.

When we asked OCHCO officials how the required action plans were evaluated, they said that as part of their follow-up and tracking of component HROA responses, HCPP reviews component action plans and closes out audit reports. This process includes issuing the final audit results to the component and, in response, the component develops an action plan. Once HCPP receives the required component action plan, HCPP staff evaluates the plan to determine its sufficiency in addressing the required actions from the audits and adds notes to the report to indicate their final determination or provide further direction to the component. Finally, HCPP issues a close out report to the component documenting the status of the findings.

Despite BWPMO's responsibility for departmentwide workforce planning, officials in that office did not use the workforce planning-related portions of the HCPP HROAs to evaluate component workforce planning. When we asked BWPMO officials how they used the results of these audits for departmental management and oversight, they said that they were not

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<sup>44</sup>It is unclear what actions USCIS officials took in response to the HROA reported in June 2010. According to DHS officials, no record exists of USCIS's required action plan response to the findings of the audit.

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aware that the HROAs included recommendations or required components to take certain actions pertaining to workforce planning. Thus, these officials said that they had not integrated the results of these audits into their strategic workforce planning efforts. Because HCPP performs the human resources operational audits and BWPMO had not used the results to assess compliance, the BWPMO officials relied on informal discussions with component officials to gather information on the status of component strategic workforce planning efforts.

As a result of our inquiries, BWPMO officials said they planned to coordinate with HCPP in the future to ensure that workforce planning analysis conducted during the audits is consistent with BWPMO workforce planning efforts, and that the results of required actions and recommendations from the final audit reports related to workforce planning are evaluated across components. However, BWPMO had no documented plans regarding using these audits to evaluate components' implementation of strategic workforce planning efforts. Though BWPMO and HCPP officials stated they planned to revise the *Human Resources Audit Manual* to incorporate changes, as of November 2012, BWPMO was unable to provide specific information regarding how these audits would be used in the future. *Standards for Internal Control in the Federal Government* calls for agencies to have appropriate documentation of transactions and internal controls, which should appear in management directives, administrative policies, or operating manuals. Moreover, the standards state that such policies and procedures should provide reasonable assurance that ongoing monitoring and evaluation is institutionalized in the agency's operations. Without policies and procedures in place to ensure that monitoring and evaluation is institutionalized, OCHCO will continue to have limited oversight of the implementation of strategic workforce planning at the component level.

In addition, although components are required to develop annual operational plans to report on their efforts to implement the department's workforce strategy and the HROAs are performed on components to assess the extent to which they are contributing to mission accomplishment, among other things, the two efforts are not linked. In conjunction with additional strategic workforce planning performance measures, incorporating the results of human resources operations audits, including the status of addressing required actions and recommendations, in the components' annual operational plans could provide OCHCO with a greater ability to oversee departmentwide strategic workforce planning. Moreover, monitoring and evaluating the results of components' implementation of OCHCO's strategic workforce

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planning policies and procedures is essential to ensure that issues and concerns identified in prior internal audits are consistently and comprehensively resolved and to provide a means of assessing the impact of OCHCO's recent initiatives.

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## Conclusion

DHS's ability to successfully meet its multiple, diverse, and essential missions involves the efforts of more than 240,000 employees, the vast majority of which work within the seven operational components. To ensure DHS has the workforce it needs to accomplish these missions, and effectively manage the human capital challenges it is facing along with the government as a whole, such as increasing turnover, the department needs to align its strategic planning with programmatic goals and budgetary realities to develop long-term strategies for acquiring, developing, and retaining staff to achieve these goals. DHS has recently taken steps to implement more strategic, departmentwide workforce planning by working collaboratively with components through various committees and councils to focus the department on strategic workforce planning. Nonetheless, as DHS moves forward, it will need to determine how to assess its progress and ensure components are achieving workforce planning goals. DHS currently has limited performance measures and lacks policies and procedures regarding how to use the results of audits for departmental oversight of component workforce planning. Without additional performance measures related to workforce planning to hold components accountable for making progress in implementing these efforts, DHS's OCHCO does not have an effective means of monitoring progress. Similarly, without policies and procedures for integrating the results of audits into component workforce plans and annual reports, DHS lacks reasonable assurance that evaluation of such efforts will be institutionalized, nor can it provide evidence of component alignment with departmental strategic workforce planning guidance.

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## Recommendations for Executive Action

To help ensure that DHS strategic workforce planning is effectively implemented departmentwide, we recommend that the Secretary of Homeland Security direct the Office of the Chief Human Capital Officer to take the following three actions to provide a basis to monitor and assess the effectiveness of departmentwide strategic workforce planning:

- identify and document additional performance measures, such as measures to monitor component efforts to develop and implement action plans to address workforce supply and demand discrepancies,

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and use them to assess and report on components' progress in implementing DHS's strategic workforce planning process;

- document policies and procedures for the Balanced Workforce Program Management Office and the Human Capital Policy and Programs Office to use the results of audits related to component-level workforce planning; and
- integrate the results of these audits with components' annual operational plans and review the plans and provide timely feedback to enhance components' implementation of strategic workforce planning efforts.

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## Agency Comments

We requested comments on a draft of this report from DHS. On November 16, 2012, DHS provided written comments, which are reprinted in appendix I, and provided technical comments, which we incorporated as appropriate. DHS concurred with our three recommendations and described actions planned to address them. Specifically, DHS stated that—

- The department has taken steps to implement an effective oversight approach for monitoring and evaluating components' progress in implementing strategic workforce planning. These steps include an effort by BWPMO and HCPP to develop a checklist outlining specific performance measures to be used in future HROAs to determine component compliance with workforce planning guidance, among other things.
- BWPMO plans to document oversight policies in the next update of its workforce planning guidance, and that HCPP will provide audit findings to BWPMO staff in order to ensure appropriate internal control processes and component compliance with workforce planning guidance. The procedures outlined in the planned update to the DHS *Workforce Planning Guide* will also be used by BWPMO to monitor and provide workforce planning oversight of components.
- OCHCO will use HROA audit results as a source of component information as OCHCO conducts reviews of component annual operational plans. OCHCO will begin this integration of HROA information and component operational plans with the issuance of HCPP's next HROA audit report scheduled for the end of November 2012.

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We are sending copies of this report to the Secretary of Homeland Security, selected congressional committees, and other interested parties. In addition, the report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-9627 or [maurerd@gao.gov](mailto:maurerd@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report are listed in appendix II.

A handwritten signature in black ink that reads "David C. Maurer". The signature is written in a cursive style with a long, sweeping tail on the letter "r".

David C. Maurer  
Director, Homeland Security  
and Justice Issues

# Appendix I: Comments from the Department of Homeland Security

Office of the Chief Human Capital Officer  
U.S. Department of Homeland Security  
Washington, DC 20528



**Homeland  
Security**

November 16, 2012

David C. Maurer  
Director, Homeland Security & Justice Issues  
U.S. Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Re: Draft Report GAO-13-65, "DHS STRATEGIC WORKFORCE PLANNING: Oversight of Department-wide Efforts Should Be Strengthened"

Dear Mr. Maurer:

Thank you for the opportunity to review and comment on this draft report. The U.S. Department of Homeland Security (DHS) appreciates the U.S. Government Accountability Office's (GAO's) work in planning and conducting its review and issuing this report.

The Department is pleased to note the report's positive description of recent steps taken by DHS to enhance its strategic workforce planning efforts across the Department, consistent with GAO leading principles for workforce planning. These steps include involving management and stakeholders; identifying skills and competencies; developing strategies to fill gaps; and building capability through training.

The draft report contained three recommendations with which the Department concurs. Specifically, GAO recommended that the Secretary of Homeland Security direct the Office of the Chief Human Capital Officer (OCHCO) to:

**Recommendation 1:** Identify and document additional performance measures, such as measures to monitor component efforts to develop and implement action plans to address workforce supply and demand discrepancies, and use them to assess and report on components' progress in implementing DHS's strategic workforce planning process.

**Response:** Concur. The Balanced Workforce Program Management Office (BWPMO) and the Human Capital Policy and Programs Office (HCPP) have taken steps to implement an effective oversight approach for monitoring and evaluating components' progress in implementing strategic workforce planning, consistent with strategic workforce planning principles.

Specifically, since July 2012, BWPMO and HCPP have developed an audit checklist to be applied during the Human Resources Operations Assessment (HROA) to determine each component's compliance with DHS's guidance for Workforce Planning and the Office of Personnel Management's Human Capital Assessment and Accountability Framework. The checklist outlines specific performance measures (to include the five steps and fifteen elements



of DHS's Workforce Planning Model) that provide a basis for evaluating each components' compliance with department-wide strategic workforce planning guidance.

The workforce planning audit checklist is scheduled to be piloted the last week of November 2012, modified if needed based on pilot results, and finalized by December 31, 2012. BWPMO staff members will participate as members of the HCPP audit team.

**Recommendation 2:** Document policies and procedures for the Balanced Workforce Program Management Office and the Human Capital Policy and Programs Office (HCPP) to use the results of audits related to component-level workforce planning.

**Response:** Concur. BWPMO has documented oversight policies and procedures within the revised DHS Workforce Planning Guide, which was provided to the components for review and comment on September 28, 2012. BWPMO staff are adjudicating and incorporating comments. The guide will be completed by November 30, 2012.

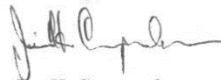
HCPP routinely conducts audit follow-up with the components to ensure their corrective action plans have been implemented as required. Going forward, HCPP will provide audit findings to BWPMO staff in order to ensure appropriate internal control processes and component compliance with workforce planning guidance. The procedures outlined in the DHS Workforce Planning Guide will also be used by BWPMO to monitor and provide workforce planning oversight to components.

**Recommendation 3:** Integrate the results of these audits with components' annual operations plans and review the plans and provide timely feedback to enhance components' implementation of strategic workforce planning efforts.

**Response:** Concur. OCHCO will use HROA audit results as an important source of component information as OCHCO conducts reviews of the components' annual operations plans. OCHCO will begin this integration of HROA information and component operational plans with the issuance of HCPP's next HROA audit report. That audit is scheduled for November 26-30, 2012.

Again, thank you for the opportunity to review and comment on this draft report. Technical comments were previously provided under separate cover. Please feel free to contact me if you have any questions. We look forward to working with you in the future.

Sincerely,



Jim H. Crumpacker  
Director  
Departmental GAO-OIG Liaison Office

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# Appendix II: GAO Contact and Staff Acknowledgments

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## GAO Contact

David C. Maurer, (202) 512-9627 or [maurerd@gao.gov](mailto:maurerd@gao.gov)

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## Staff Acknowledgments

In addition to the contact named above, Chris Keisling, Assistant Director; Scott Behen, Analyst-in-Charge; David Garcia; Steve Lozano; and Katherine Davis made significant contributions to the work. Mary Denigan-Macauley, Tracey King, and Amanda Miller also contributed to this work.

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## Public Affairs

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