

April 2003

HUMAN CAPITAL

Selected Agency Actions to Integrate Human Capital Approaches to Attain Mission Results



G A O

Accountability * Integrity * Reliability



Highlights of [GAO-03-446](#), a report to congressional subcommittees

Why GAO Did This Study

Successful strategic human capital management requires the integration of human capital approaches with strategies for accomplishing organizational missions and program goals. Such integration allows the agency to ensure that its core processes efficiently and effectively support mission-related outcomes.

Based on the recommendations of various human capital experts, GAO identified six executive branch agencies that had taken key actions to integrate their human capital approaches with their strategic planning and decision making. The agencies were the Federal Emergency Management Agency, the General Services Administration, the Internal Revenue Service, the Social Security Administration, the U.S. Coast Guard, and the U.S. Geological Survey. These key actions may prove helpful to other agencies as they seek to ensure that their human capital approaches are aligned with their program goals.

www.gao.gov/cgi-bin/getrpt?GAO-03-446.

To view the full report, including the scope and methodology, click on the link above. For more information, contact J. Christopher Mihm at (202) 512-6806 or mihmj@gao.gov.

HUMAN CAPITAL

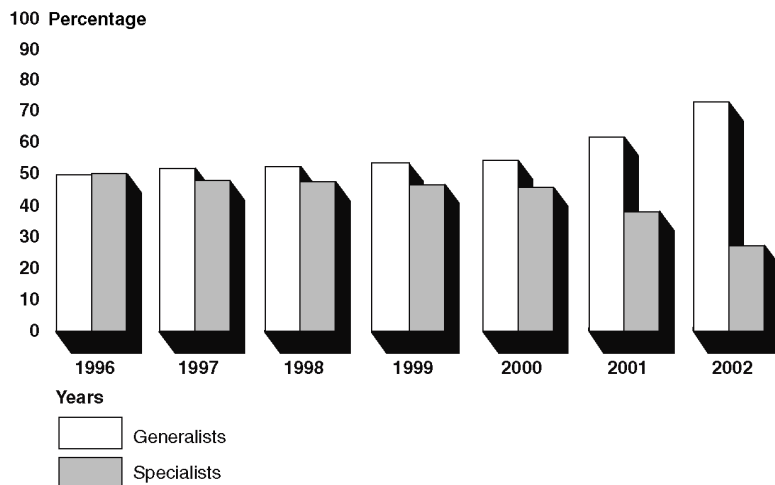
Selected Agency Actions to Integrate Human Capital Approaches to Attain Mission Results

What GAO Found

The executive branch agencies GAO reviewed have taken key actions to integrate their human capital approaches with their strategies for accomplishing organizational missions and to shift the focus of their human capital office from primarily compliance activities to consulting activities.

- Agency leaders included human capital leaders in key agency strategic planning and decision making and, as a result, the agencies engaged the human capital organization as a strategic partner in achieving desired outcomes relating to the agency's mission.
- Human capital leaders took actions to transform the agencies' human capital organizations by establishing clear human capital strategic visions, restructuring their organizations, and improving the use of technology to free organizational resources. Human capital leaders also promoted a transition to a larger strategic role for human capital professionals with their focus being more on consulting rather than compliance activities. The human capital profession is in transition from valuing narrowly focused specialists to requiring generalists, who have all the skills necessary to play an active role in helping to determine the overall strategic direction of the organization.
- Jointly, agency leaders and human capital leaders are having human capital professionals and agency line managers share the accountability for successfully integrating strategic human capital considerations into agency strategic planning and decision making.

Federal Human Capital Workforce: Percentage of Generalists and Specialists



Source: OPM Central Personnel Data File.

Contents

Letter

Results in Brief	1
Background	2
Selected Agencies Took Actions to Integrate Human Capital Approaches with Organizational Missions	4
Conclusions	5
Agency Comments	26
	27

Appendix

Appendix I: Objective, Scope, and Methodology	29
--	----

Tables

Table 1: Key Agency Actions to Integrate Human Capital Approaches with Strategies for Accomplishing Agency Missions	3
Table 2: GSA Human Capital Council Members	10
Table 3: GSA's HR Roles and Competencies	22
Table 4: USGS's HR Competencies	23

Figures

Figure 1: FEMA's Human Resources Division after Restructuring	14
Figure 2: The Federal Human Capital Workforce: Percentage of Generalists and Specialists	19

Abbreviations

CHCO	Chief Human Capital Officer
CHRIS	comprehensive human resources integrated system
CIO	Chief Information Officer
CPO	Chief People Office
FEMA	Federal Emergency Management Agency
GSA	General Services Administration
HR	Human Resources
HRD	Human Resources Division
HRPC	Human Resource Policy Council
IRS	Internal Revenue Service
NAPA	National Academy of Public Administration
OARS	online automated recruitment system
OMB	Office of Management and Budget
OPM	Office of Personnel Management
PMA	President's Management Agenda
SSA	Social Security Administration
USCG	U.S. Coast Guard
USGS	U.S. Geological Survey

This is a work of the U.S. Government and is not subject to copyright protection in the United States. It may be reproduced and distributed in its entirety without further permission from GAO. It may contain copyrighted graphics, images or other materials. Permission from the copyright holder may be necessary should you wish to reproduce copyrighted materials separately from GAO's product.



United States General Accounting Office
Washington, D.C. 20548

April 11, 2003

The Honorable George V. Voinovich
Chairman
Subcommittee on Oversight of Government Management,
the Federal Workforce, and the District of Columbia
Committee on Governmental Affairs
United States Senate

The Honorable Jo Ann Davis
Chairman
Subcommittee on Civil Service and Agency
Organization
Committee on Government Reform
House of Representatives

Strategic human capital management is a pervasive challenge in the federal government. In July 1998, we reported on agencies' efforts to restructure their personnel operations.¹ At that time, resource reductions and changing missions, coinciding with the replacement of aging human capital management information systems, were driving efforts in federal agencies to restructure their human capital offices. We found agencies' additional human capital challenges included the need to achieve a more strategic integration of human capital approaches in the program decision-making processes.

Fortunately, we are seeing increased attention to strategic human capital management and a real and growing momentum for change. Recent legislation creating the Department of Homeland Security includes a provision to establish a chief human capital officer (CHCO) in major agencies of the federal government.² One of the functions of the CHCO is to align the agency's human capital policies and programs with organization mission, strategic goals, and performance outcomes. This increased visibility of human capital organizations within federal agencies underscores the increased recognition that strategic human capital management is a vital enabler of organizational success.

¹ U.S. General Accounting Office, *Management Reform: Agencies' Initial Efforts to Restructure Personnel Operations*, [GAO/GGD-98-93](#) (Washington, D.C.: July 13, 1998).

² Title XIII of Pub. L. 107-296, Nov. 25, 2002, Chief Human Capital Officer's Act of 2002.

We are addressing this report to you because of your ongoing interest in federal human capital issues and how agencies can effectively manage their human capital to achieve their organizational goals. Our objective for this report was to identify and provide examples of key actions agencies have taken to integrate their human capital approaches with their strategies for accomplishing organizational missions. These actions may prove helpful to other agencies as they seek to ensure that their human capital approaches are aligned with their program goals. We examined selected human capital integration actions within the Federal Emergency Management Agency (FEMA), the General Services Administration (GSA), the Internal Revenue Service (IRS), the Social Security Administration (SSA), the U.S. Coast Guard (USCG), and the U.S. Geological Survey (USGS).³ These executive branch agencies were chosen because various human capital experts identified them as having taken actions to integrate human capital approaches with strategies for accomplishing organizational missions and program goals.

To meet our objective, we analyzed agency documents, such as planning and organizational restructuring documents, and previous studies on strategic human capital management. In addition, we conducted semistructured interviews with agency officials, human resource directors, and line managers, who were involved in designing or implementing their agencies' human capital integration actions, to elicit their experiences and conclusions about the agency actions they believed were most important to the successful integration of their human capital function. After reviewing and analyzing their responses, we developed a framework to classify and report on the types of identified actions. We did not attempt to independently verify the performance results that agencies attributed to their actions. Additionally, our selection process was not designed to provide examples that could be considered representative of all the actions at the agencies reviewed or of the federal government in general. By profiling an agency for a particular action, we do not mean to imply complete success for the action or lack of success for others. Appendix I provides additional information on our scope and methodology.

Results in Brief

The executive branch agencies we reviewed have taken a range of key actions to integrate their human capital approaches with their strategies for

³ Congress has designated FEMA and USCG part of the new Department of Homeland Security (Pub. L.107-296, Nov. 25, 2002).

accomplishing organizational missions and goals. Table 1 identifies the actions taken and who within the agency initiated them.

Table 1: Key Agency Actions to Integrate Human Capital Approaches with Strategies for Accomplishing Agency Missions

Action initiators	Description of action
Agency leaders	<ul style="list-style-type: none"> • Agency leaders included human capital leaders in key agency decision making. For example, USCG’s agency leadership has engaged its human capital organization earlier in the strategic planning and decision-making process by appointing its Assistant Commandant for Human Resources as a member of the agency’s senior management team and a full partner in the development of key USCG management decisions. • Agency leaders also established entities, such as human capital councils, accountable for integrating human capital approaches with strategies for achieving programmatic goals. The groups’ members include both program leaders and human capital leaders. For example, GSA created a Human Capital Council to ensure, among other objectives, that the agency’s human capital strategic plan was integrated within GSA’s strategic plan and supported the agency’s program strategies.
Human capital leaders	<ul style="list-style-type: none"> • Human capital leaders are establishing and communicating clear human capital strategic visions. For example, GSA’s Chief People Officer’s vision is for GSA’s Chief People Office (CPO) to become a partner in GSA’s business success. To do so, she explained that CPO must deliver products and services that enable its customers to focus on their core business. Similarly, IRS’s former Chief Human Resource Officer’s vision is for the human capital professional in IRS to become more proactive in providing human capital strategies and solutions that directly enhance the agency’s performance. • Human capital leaders are restructuring their human capital organizations to improve their alignment with their vision. For example, IRS’s restructured human capital management function includes, as one of three major components, a national headquarters strategic human resources organization. • Human capital leaders are using technological advances to provide opportunities to free organizational resources that can be redeployed for strategic purposes. For example, the USGS partnered with QuickHire, a commercial off-the-shelf software developer, to develop an on-line automated recruitment system (OARS) that allows USGS’s human capital staff to enter job vacancies into a centralized database and develop rating and ranking criteria by selecting and weighting questions from an extensive question library organized by job series. According to USGS, as the agency continues to gain experience and efficiencies using OARS, it hopes to divert an increasing number of human capital staff members to other strategic efforts. • Human capital leaders are promoting a more strategic role for human capital professionals and are investing in the development of new competencies for human capital professionals to support their increased strategic engagement. For example, in response to the changing role and functions of its human capital community, GSA has developed new core competencies needed by its human capital staff. Included in these competencies are the new skills GSA’s Chief People Officer believes the agency’s human capital staff members must develop to become business partners.
Agency leaders and human capital leaders	<ul style="list-style-type: none"> • Jointly, agency leaders and human capital leaders are having human capital professionals and agency line managers share the accountability for successfully integrating strategic human capital approaches into the planning and decision making of the agency. For example, FEMA’s human capital leaders and program officials have implemented an innovative employee staffing effort. According to FEMA officials, this greatly enhanced the agency’s emergency response capability by providing the human capital staff and the line managers the ability to collaborate in identifying available deployment candidates for assignment as soon as federal disasters are declared.

Source: GAO analysis of agency data.

The Office of Personnel Management (OPM) and five of the six selected agencies provided comments on a draft of this report. All generally agreed with the information presented and that there is a need for federal agencies to ensure that their human capital activities are a strategic consideration in accomplishing their missions. Several agencies provided additional examples of strategic actions taken by their human capital offices as well as technical comments that we have incorporated as appropriate. USCG noted that they had no comments on the report.

Background

Similar to the federal government's acknowledgment over the past decade of the need to adopt a more businesslike approach to financial, information technology, and performance-based management, the need for strategic management of human capital is meeting increased recognition. Since we placed strategic human capital management on our high-risk list in 2001, the *President's Management Agenda* (PMA) subsequently identified human capital as one of the five key governmentwide management challenges facing the federal government. The agenda specifically sets an expectation for agencies to integrate their human capital strategies with their organizational missions, visions, core values, goals, and objectives. In October 2002, the Office of Management and Budget (OMB) and OPM approved revised standards for success in the human capital area of the PMA, reflecting language that was developed in collaboration with GAO. To assist agencies in responding to the revised PMA standards, OPM released the *Human Capital Assessment and Accountability Framework*.

Our work and that of others has shown that high-performing organizations link their human capital management systems—from the organizational level down to individual employees—with their strategic planning and mission accomplishment.⁴ This means the function that has traditionally been called personnel or human resources needs to make a fundamental transformation, from being a strictly support function involved in managing personnel processes and ensuring compliance with rules and regulations to designing and implementing human capital approaches to attain the agency’s strategic goals. In addition, we found that effective human capital professionals must have the appropriate preparation not just to provide effective support services, but also to effectively consult with line managers in tailoring human capital strategies to the unique needs of the agency.⁵

In March 2002, we released our *Model of Strategic Human Capital Management* to help agency leaders more effectively lead and manage their people and integrate human capital approaches into their strategic planning and decision making.⁶ The model emphasizes that successful strategic human capital management requires the integration of human capital approaches with strategies for accomplishing organizational missions and program goals. Such integration allows the agency to ensure that its core processes efficiently and effectively support mission-related outcomes.

Selected Agencies Took Actions to Integrate Human Capital Approaches with Organizational Missions

The executive branch agencies we reviewed took a range of actions as part of efforts to integrate human capital approaches with strategies for achieving organizational missions. Top agency leaders and human capital leaders were the primary initiators of the various actions taken. In addition, the agency leaders and human capital leaders jointly have employed human capital professionals and agency line managers to share the accountability for successfully integrating human capital approaches into the planning and decision making of the agencies.

⁴ See, for example, Thomas R. Connolly, et al. “Transforming Human Resources,” *Management Review*, June 1997.

⁵ U.S. General Accounting Office, *Human Capital: A Self-Assessment Checklist for Agency Leaders*, [GAO/OCG-00-14G](#) (Washington, D.C.: September 2000).

⁶ U.S. General Accounting Office, *A Model of Strategic Human Capital Management*, [GAO-02-373SP](#) (Washington, D.C.: Mar. 15, 2002).

Agency Leaders Recognize Key Role of Strategic Human Capital Engagement

Top leadership in the agencies expected agency human capital leaders to significantly contribute to strategic planning and decision making, evidenced by their establishing human capital roles in positions that are significant in the organizational hierarchy. This acknowledges both the commitment of the agency head to strategically managing the agency's people and the expected role that human capital leaders should contribute to organizational success. In addition, agency heads created entities, such as human capital councils, to regularly review their agencies' human capital strategies and to ensure a data-driven, performance-oriented approach to human capital management. These groups of senior agency officials, including both program leaders and human capital leaders, provide oversight and are accountable for the integration and alignment of the agencies' human capital approaches.

Agency Leaders Ensure Human Capital Representation in Agency Strategic Planning and Decision Making

Although the so-called "seat-at-the-table" is significant, human capital leaders are ultimately valued not by place, but by the value they add to the agencies' strategic human capital approaches in attaining organizational goals. According to a 1999 OPM report on strategic human capital management,⁷ there has often been contention between human capital leaders and agency leaders because of human capital's role as "gatekeeper," that is, enforcing the law, rules, and regulations. Now, with the responsibility of the human capital function evolving, agency leaders are positioning human capital leaders in roles where they have the opportunity to more directly affect agency decisions and achievement of goals.

⁷ U.S. Office of Personnel Management, Office of Merit Systems Oversight and Effectiveness, *Strategic Human Resources Management: Aligning with the Mission* (Washington, D.C.: September 1999).

USCG officials told us that USCG's Assistant Commandant for Human Resources (HR) is a member of the agency's senior management team and is a full partner in the development of key USCG management decisions. They stated that because of the Assistant Commandant's organizational status, USCG's HR unit has participated earlier in strategic planning and decision making, thus facilitating a smoother transition and execution of ideas. The officials cited USCG's use of scenario-based planning as an example of early involvement by USCG's HR unit in agency strategic planning and decision making. Scenario-based planning is a technique used by USCG for managing uncertainty and risk when planning into the future. The agency develops a few plausible future scenarios and then plans how it would best respond to each scenario and what resources it would need to respond. For example, one scenario may describe conditions that imply a greater need to interdict drugs in harbors than another scenario, which may describe a world where the higher priority is to intercept possible terrorist threats from the seas as far offshore as legally possible. Differing competency requirements and operating concepts (e.g., time spent at sea) require different human capital approaches in each of these scenarios. With USCG's migration to the Department of Homeland Security and its added security responsibilities, the agency's plans for balancing resources among its many missions will become increasingly important.⁸

In the summer of 1998, senior USCG human capital staff members were part of a core group of USCG planners who developed scenarios and constructed the operational and support strategies to succeed in those scenarios. The group eventually created five very different worlds that might exist in the year 2020, along with the "history" of events that led to each of those, based on the combined factors of U.S. economic vitality, the global demand for maritime services, the role of the federal government, and threats to U.S. society. The purpose of the five worlds was to create the boundaries of the possible future, and allow leaders and planners to create a strategy for USCG that would work well in each independent scenario. The core group then analyzed the elements common to all five strategies and crafted a core strategy. The human capital strategies that emerged became part of USCG's official strategy, and simultaneously drove the human resource organization's business planning and resource investments for the 2001-2005 time frame.

⁸ U.S. General Accounting Office, *Coast Guard: Strategy Needed for Setting and Monitoring Levels of Effort for All Missions*, [GAO-03-155](#) (Washington, D.C.: Nov. 12, 2002).

USCG attributes a number of its improved processes to the early involvement of its human capital unit with the agency's decision-making management team. Specific examples cited by USCG include (1) a significant restructuring of military occupations and career paths to reflect emerging requirements for new competencies, (2) a revision of assignment and reassignment practices to make better use of the investments in training and development, and (3) a restructuring of civilian personnel management functions to better support line managers in meeting their operational requirements.

USGS's HR Office has also played a prominent role in agency strategic planning and decision making. In 1997, USGS's HR Office led a group of senior USGS managers in developing the first strategic HR plan for USGS as the agency strategically planned how it would remain at the forefront of earth and biological science and technology. USGS's strategic HR plan formed the basis for the four people goals (skills, rewards, flexibility, and leadership) included in the agency's current strategic plan. HR staff members were active in the development of the people goals and in the creation of the current and next-generation measures by which the agency is assessing progress under these goals. They were also involved in planning and implementing the strategic human capital initiatives by which USGS hopes to achieve its goals.

USGS's strategic human resources plan describes how USGS will align its people and processes with the business strategies it has adopted to achieve its mission and also recognizes that organizational goals are seldom, if ever, realized without the effective use and support of people. One USGS business strategy is to increase the agency's flexibility to get work done by using all options other than permanent staff members. The strategic human resources plan states that to enhance USGS's flexibility to acquire skills to meet short-term needs and provide an influx of new ideas, the HR Office will, for example, expand the use of short-term student and faculty appointments from academia and development agreements from the private sector.

SSA's Deputy Commissioner for Human Resources reports directly to the Commissioner and is an equal partner with the agency's other deputies. SSA's human capital officials report that their engagement in the strategic planning activities of the agency has provided a much greater opportunity to contribute to effective outcomes. For example, the human capital organization worked in partnership with SSA's Office of Finance, Assessment and Management regarding the competitive sourcing initiative

of the *President's Management Agenda* to ensure there was no undue negative impact on the agency's human capital and workloads. In addition, SSA's human capital organization has worked closely with SSA's Office of Systems in the construction and implementation of the Office of Systems' major reorganization. The human capital organization believes its efforts have ensured the appropriate mix of employees at the proper levels, and will result in an efficient systems organization.

Agency Leaders Established Entities to Integrate Strategic Human Capital Approaches

Agency leaders established entities, such as human capital councils, accountable for integrating human capital approaches with program strategies to attain successful program results. Composed of senior agency officials, including both program leaders and human capital leaders, these groups meet regularly to review the progress of the agency's integration efforts and to make certain that the human capital strategies are visible, viable, and remain relevant. Additionally, the groups help the agencies monitor whether differences in human capital approaches throughout their agencies are well considered, effectively contribute to outcomes, and are equitable in their implementation.

IRS, for example, created an entity to ensure a coordinated approach to agencywide human capital issues, policies, and strategies. The agency's Human Resource Policy Council (HRPC), which meets monthly for approximately half a day, addresses cross-unit human capital issues that cannot be resolved at lower levels. It is composed of the Chief Human Resource Officer and representatives from each of IRS's major organizations. HRPC is charged with (1) identifying and addressing crosscutting human capital issues and emerging human capital priorities, (2) ensuring that cross-divisional links are in place and operating effectively, (3) making final decisions on all cross-unit human capital issues, (4) providing strategic human capital advice and recommendations to the Commissioner and his senior staff, and (5) addressing the issue of uniformity versus flexibility across divisions for human capital policy. HRPC decided, for example, to eliminate agencywide restrictions regarding fast-track promotion of IRS managers.

GSA has a similar group, its Human Capital Council. The council, created in 2002, meets quarterly and, as shown in table 2, consists of human capital leaders, senior executives and officials for the major service and staff offices, and representatives of regional administrators and deputy regional administrators.

Table 2: GSA Human Capital Council Members

Agency leaders	Human capital leaders
Chief Financial Officer	Chief People Officer
Chief Information Officer	Deputy Chief People Officer
Deputy Commissioner, Federal Supply Service	Director of Human Resources
Deputy Commissioner, Public Buildings Service	Director of Executive Resources
Deputy Commissioner, Federal Technology Service	Director of Information Technology (CPO)
Deputy Associate Administrator, Office of Governmentwide Policy	
Regional Administrator, Region 5	
Deputy Regional Administrator, National Capital Region	
Deputy Regional Administrator, Region 3	

Source: GSA (data), GAO (presentation).

The council ensures that, among other objectives, the agency's human capital strategic plan is consistent with GSA's strategic plan. As an advocate for human capital initiatives, council members are to ensure that activities in the agency reflect the human capital strategic plan. Another objective of the group is to assist CPO in setting human capital program priorities by assuring that program goals are key determinants of the human capital approach. To support future program priorities, the council, for example, determined what the GSA leadership competencies would be and established the policy and requirements for the GSA-wide Advanced Leadership Development Program.

Human Capital Leaders Have Taken Actions to Transform Human Capital Organizations

High-performing organizations treat strategic human capital management as fundamental to effective overall management. Human capital leaders in such organizations develop human capital organizations that can fulfill enlarged roles, such as business partner, human capital expert, leader, and change agent, to meet current and future programmatic needs.⁹ For

⁹ U.S. Office of Personnel Management, *An Occupation in Transition: A Comprehensive Study of the Federal Human Resources Community, Part 3, The HR Workforce: Meeting the Challenge of Change*, MSE-99-7 (Washington, D.C.: January 2000).

example, agency human capital leaders took actions to enlarge the vision of their organizations from being providers of largely transaction-based services to ones whose visions included integrating human capital approaches in agency plans and strategies to successfully accomplish their goals. To align the human capital resources with the organizations' new visions, human capital leaders often found it necessary to restructure the organizations. Additionally, improving and expanding upon the efficiency of human capital systems and technology offers the opportunity to reallocate additional resources for strategic purposes. Human capital leaders also worked to ensure that the human capital professionals within their agencies were prepared, expected, and empowered to provide a range of consultative and technical services to their internal customers.

Establishing a Human Capital Strategic Vision

A human capital strategic vision is crucial in providing a common direction across the organization. Agency human capital leaders we interviewed envisioned their human capital offices becoming more strategically involved with the achievement of agency goals. These leaders communicated their visions to employees and took steps to institute the organizational changes needed to achieve their visions.

IRS's former Chief Human Resource Officer believes that IRS's human capital professionals must be champions of change and be totally committed to thinking and acting strategically with respect to the agency's broader mission, its people, and the importance of linking the two together. According to IRS, to make change on the scale needed to enact the vision requires the involvement of management, employees, and the employee unions in virtually every aspect of the transformation. To obtain employee buy-in, IRS's human capital organization formed work groups to empower its human capital employees to participate in the redesign effort.

IRS's human capital leaders believe the principal contribution of its new human capital organization vision and framework is that it provides a direct focus on developing new and more flexible ways of managing the workforce. For example, IRS has introduced streamlined critical pay authority, developed a category rating process, and instituted a managerial pay banding system. IRS's officials stated that these actions were undertaken to attract world-class senior leadership and technical talent, simplify and accelerate external and internal hiring, and support organizational delayering in addition to creating a culture of performance and individual accountability. In general, they said the innovations provide top management with a strong and direct connection between human capital strategies and systems and mission results.

GSA's Chief People Officer has a vision for GSA's CPO to become a partner in GSA's business success. To do so, she said that CPO must (1) deliver products and services that enable its customers to focus on their core business and (2) develop its workforce to be a valued business partner. GSA's Chief People Officer said that before the human capital organization can play a bigger role as a business partner it must ensure that its transaction-based tasks are accurately and efficiently processed and that day-to-day problems, concerns, and needs of individual employees that are related to human resources are addressed.

To achieve her vision, the Chief People Officer wants to focus more time and resources on CPO becoming a business partner by ensuring that its transaction-based tasks and advisory activities are completed more efficiently. She has placed a high priority on automation and information technology as means to reduce costs and make time available for the business partner role. She has established a Chief Information Officer (CIO) position within GSA's CPO to support GSA's human capital functions that are increasingly being driven by technology.

The Chief People Officer has shared her vision with agency leadership during presentations before GSA's administrators. In addition, she has expressed her vision to program leaders during Human Capital Council meetings and has included information on her vision in electronic newsletters sent to CPO staff members. The Chief People Officer also issues periodic written updates on human capital issues that contain information on her vision and related goals.

Restructuring the Human Capital Organization

Restructuring the human capital organization is an important step that is often necessary for the transformation of the human capital function. Ideally, this restructuring should help align the organization with its revised vision and should position the human capital function to move from a reactive, process-oriented, and compliance focus to the platform needed to become a proactive, results-oriented, consulting-oriented strategic partner. When we reported on agencies' initial efforts to restructure their personnel operations in 1998, we noted that the four departments reviewed generally approached the restructuring of their personnel offices with the intent of achieving staff reductions.¹⁰ Some human capital leaders are now focusing less on finding additional internal efficiencies and more on replacing stove-piped structures that include separate units for functions such as staffing

¹⁰ [GAO/GGD-98-93](#).

and classification, with more flexible structures that support new human capital roles.

The right organizational structure can help human capital organizations strategically align with agency objectives and improve the delivery of human capital products and services. Although some federal agencies are restructuring their human capital organizations along similar lines, the right organizational structure depends on the unique characteristics of the agency. In a 1999 report, OPM maintained that because organizations are starting from different positions, they would need to structure their human capital functions based on mission, not on a “one size fits all” solution.¹¹ In a similar vein, in July 2000 a coalition of individuals representing a wide cross section of organizations with an interest in the federal human capital community anticipated that a variety of human capital organizational structures would form across the federal government.¹² The coalition predicted that factors such as customer needs and agency budgets would design and drive the structure of a particular agency’s human capital organization. The report noted, however, that the group did expect to see movement away from traditional structures toward more flexible arrangements.

In a 2001 National Academy of Public Administration (NAPA) report, one of the key findings was that human capital organizations were restructuring, and the report noted that the emerging organizational model appears to consist of three elements: a center of expertise, a shared service center, and a strategic consultant component.¹³ The center of expertise provides expert technical advice and assistance to managers and employees while the shared service center processes traditional personnel transactions. The strategic consultant component serves as a strategic partner, change agent, and consultant to agency managers. The elements in the new structure attempt to balance the need for consolidation while still allowing human capital professionals to have a direct connection with their customers.

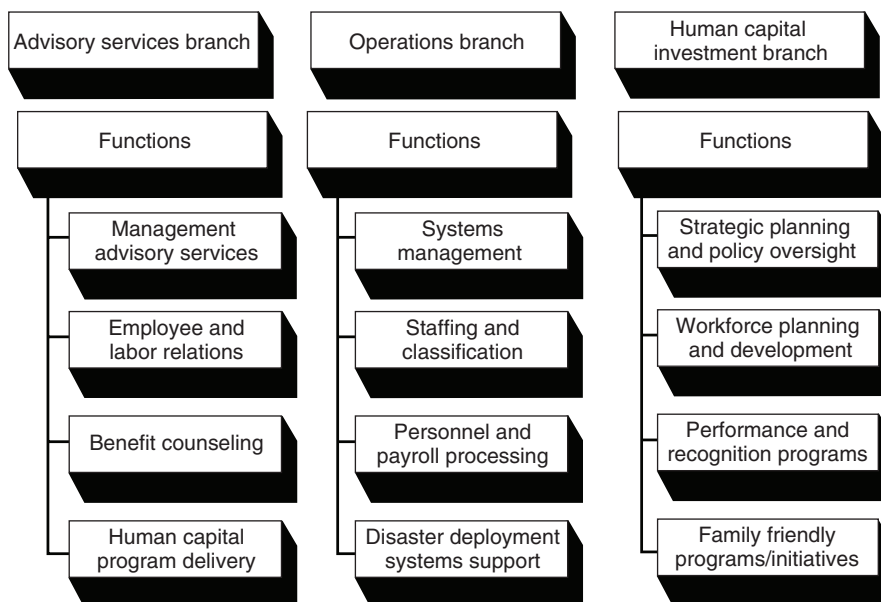
¹¹ U.S. Office of Personnel Management, *An Occupation in Transition: A Comprehensive Study of the Federal Human Resources Community, Part 2, Looking to the Future: Human Resources Competencies*, MSE-99-6 (Washington, D.C.: September 1999).

¹² A Coalition on the Future of the Federal Human Resource Management Profession, *A Call to Action* (Washington, D.C.: September 2000).

¹³ National Academy of Public Administration, *Changes in the Human Resources Function Since 1996: Implications for Federal HR Competencies* (Washington, D.C.: March 2001).

FEMA's Human Resources Division (HRD) has recently restructured in a manner similar to this emerging organizational model. As shown in figure 1, FEMA's new HRD structure contains three branches: an advisory services branch, a reconfigured operations branch, and a human capital investment branch.

Figure 1: FEMA's Human Resources Division after Restructuring



Source: FEMA (data), GAO (presentation).

The advisory services branch provides on-site management advisory service and support to FEMA directorates, regional offices, divisions, and branches. The operations branch handles all staffing and selection, classification systems, employee self-service operations, and records processing. The human capital investment branch is designed to take the lead in FEMA's strategic human capital planning and policy oversight.

FEMA officials told us that the agency restructured its human capital organization to meet the emerging requirements of its strategic planning initiatives and to address its inability to respond effectively to growing operational demands. Since the restructuring, HRD has initiated over 30 projects targeting human capital improvements that are aligned to the agency's strategic plan and the *President's Management Agenda*. For

example, the improvement initiatives included determining uniform compensation bands based on staff competencies and a series of initiatives focused on improving human capital services throughout the agency. Additionally, in connection with its migration to the Department of Homeland Security on March 1, 2003, FEMA identified a set of 17 “matrix/virtual” teams of HRD and agency leaders to address key transitional issues.

IRS also restructured its human capital management function with the same three elements found in the emerging organizational model. The IRS structure includes (1) an embedded human resources organization in each business/functional unit, (2) an agencywide shared services organization, and (3) a national headquarters strategic human resources organization called Strategic Human Resources. Under this arrangement, each operating division has its own human capital office “embedded” within its division. These embedded human capital offices report to the operating division leader and are tasked with formulating, implementing, and customizing human capital policies, procedures, and strategies to fit the business unit’s unique needs. IRS’s agencywide shared services performs an operational mission involving the delivery of common products and services to organizations, managers, and employees across the agency. Strategic Human Resources develops strategic human capital management policies, programs, and strategies in collaboration with a council that includes human capital directors from the major business units.

Technology Used to Facilitate Change

Improved efficiencies and economies of transaction-based services provide the opportunity for agencies to reallocate resources and enable their human capital organizations to meet expanded roles as business partners and change agents. However, as we found in our 1998 report on agencies’ efforts to restructure personnel operations, agencies need to carefully plan and manage the implementation of new technology to fully achieve the desired benefits.¹⁴

USGS has developed OARS, which allows its human capital staff to enter job vacancies into a centralized database and develop rating and ranking criteria by selecting and weighting questions from an extensive question library organized by job series. Applicants register and apply for vacancies on-line. The system immediately rates, ranks, and scores applicants based on their answers to weighted questions, taking into account all of the

¹⁴ [GAO/GGD-98-93](#).

regulations that govern the federal hiring process. The list of the best-qualified candidates is provided to the hiring manager within several days. USGS's officials said that OARS has given applicants a quick and easy way to apply for jobs, increased the number of applicants per vacancy between 40 and 500 percent, dramatically reduced the time it takes to fill vacancies, and allowed human capital professionals to refocus their efforts from processing to consulting. USGS hopes to be able to divert an increasing number of its staff members to other strategic efforts as it continues to gain experience and efficiencies using OARS.

As mentioned above, GSA has established a CIO for the personnel function located within its Chief People Office. The position was created several years ago when GSA began developing an information technology management system for federal personnel operations. Because GSA's comprehensive human resources integrated system (CHRIS) required major systems modification and was intended to serve other federal agencies, a senior-level technology position was needed to facilitate the effort. According to CPO's CIO, his role is to evaluate, develop, and install systems that support GSA's human capital technology needs. He believes that technology is vital to achieving GSA's Chief People Officer's goals. He explained that improved technology and automation efforts mean less staff time is needed for traditional human capital functions, thus allowing the CPO staff members to play bigger roles as business partners. However, because most of GSA's system is fairly new or still under development, CPO's CIO has not reduced resources and identified staff savings. In an earlier report, we noted instances where agencies eliminated personnel staff before new technology for automating personnel transactions was in place. This resulted in delays in implementing new personnel and payroll systems.¹⁵ According to CPO's CIO, resources reallocation will be accomplished as efficiencies are demonstrated. CHRIS is expected to ultimately provide self-service to employees and managers, performance management capability, integrated training solutions, and succession planning. As technology becomes more important to the entire human capital process and productivity drives future GSA staffing, the Chief People Officer believes that by having the CIO in-house, she has needed input into the technology decision making and the capital allocation process for the agency.

¹⁵ [GAO/GGD-98-93](#).

As the President's human capital management advisor, OPM has recently been given the responsibility of leading five e-Government initiatives that are designed to use technology to improve the strategic management of the federal workforce. OPM is the managing partner for the Recruitment One-Stop, e-Clearance, Enterprise Human Resources Integration, e-Training, and e-Payroll initiatives. The e-Payroll initiative, for example, is designed to simplify and integrate payroll systems across the federal government. OPM and OMB announced on January 15, 2003, the selection of two payroll partnerships to consolidate federal payroll systems and save the federal government an estimated \$1.2 billion over the next decade. The Enterprise Human Resources Integration and e-Clearance initiatives are focused on electronically integrating personnel records across the government and reducing the delays involved in security clearance processing. The full implementation of these two initiatives is scheduled for the end of fiscal year 2006.¹⁶ OPM envisions that the use of technology will help streamline and improve procedures for moving federal employees through the employment life cycle by removing redundancies, reducing response times, eliminating paperwork, and improving coordination among federal agencies.

Changing Roles and Competencies for Human Capital Professionals

The actions that human capital leaders, and federal agencies in general, are taking to improve their integration of human capital approaches with their missions are reflected, in part, by a definite shift in the roles of human capital professionals throughout the federal government. The occupation is in transition from valuing narrowly focused specialists to requiring generalists, who have all the skills necessary to play an active role in helping to determine the overall strategic direction of the organization. As agencies further integrate strategic human capital approaches into their strategic planning and decision making, investment in the development of new competencies for human capital professionals is receiving more attention.

¹⁶ U.S. General Accounting Office, *Electronic Government: Selection and Implementation of the Office of Management and Budget's 24 Initiatives*, [GAO-03-229](#) (Washington, D.C.: Nov. 22, 2002).

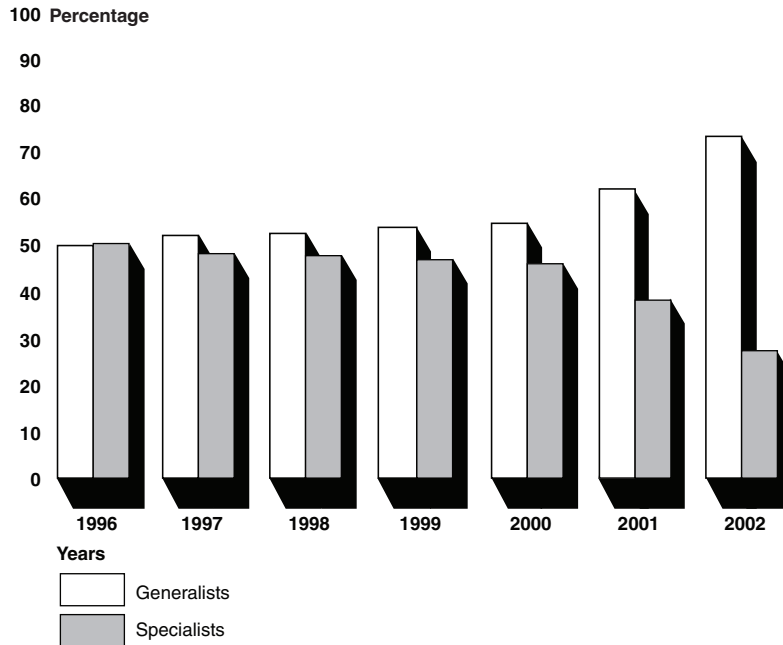
OPM published a study in 1999 establishing a statistical profile of the human capital profession within the federal government.¹⁷ The report described the federal human capital community as a cadre of experts separated into seven distinct occupational series. One series represented the human capital generalist, who typically has a breadth of knowledge about personnel issues. The other six categories consisted of specialists, such as classifiers and staffing specialists, who possess in-depth knowledge in specific human capital areas.¹⁸ The report noted that from 1969 through 1998 there had been a small but noticeable shift occurring in the human capital profession away from specialist positions to generalist positions. In 1998, generalists made up a slight majority of human capital professionals at 53 percent, while specialists positions had declined to 47 percent.

Consistent with the changing roles and expectations for human capital professionals, this noticeable shift toward human capital generalists has accelerated since 1998. As of June 2002, generalists made up 73 percent of human capital professionals, while specialists had declined to 27 percent. Figure 2 shows the dramatic change in the percentage of human capital generalists since 1996.

¹⁷ U.S. Office of Personnel Management, *An Occupation in Transition: A Comprehensive Study of the Federal Human Resources Community, Part 1, Federal Human Resources Employment Trends*, MSE-99-5 (Washington, D.C.: September 1999).

¹⁸ We use the term “human capital specialist” throughout the report to denote a human capital professional who focuses on a specific area. It does not refer to an occupation title.

Figure 2: The Federal Human Capital Workforce: Percentage of Generalists and Specialists



Source: OPM Central Personnel Data File.

A combination of factors appears to have contributed to this shift. According to OPM, it was necessitated, to a large degree, by the significant downsizing in federal office staffing levels during the 1990s, which precluded continuing a specialized approach.¹⁹ In addition, OPM concluded that human capital management as an occupation had been undergoing a significant redefinition. For example, automation began to greatly affect how human capital products and services were delivered. Many agencies began using the Internet or their own intranets to educate managers and employees about human capital programs and options. OPM also noted in a 1999 report that many agencies were beginning to outsource some of their human capital services.²⁰ With more efficient ways to deliver products and services, human capital professionals could focus on their

¹⁹ Human Resource Management Council, *Transmittal MSG-083b, Appendix H—Historical Record and Explanatory Material* (Washington, D.C.: 2000).

²⁰ U.S. Office of Personnel Management, *An Occupation in Transition: A Comprehensive Study of the Federal Human Resources Community, Part 2*.

emerging roles as advisors and consultants, which require more generalist practitioners able to work across multiple human capital functions.

The advantage to the agencies of this shift was that existing staff members could be deployed more flexibly and new staff members could be recruited for broader human capital competencies that had less to do with specialized procedures than with general human capital knowledge, concepts, and principles. In fact, OPM concluded in 2000, based on a body of research and evidence, that the human capital occupation was truly becoming generalized in nature both inside and outside the federal government.²¹ Although OPM did not find that human capital roles had shifted in every agency, it determined that agencies needed their human capital staff members to leave behind their roles of technical specialists focused on regulatory compliance and to take on more consultative roles. This entailed working with managers, employees, and their representatives to ensure that human capital programs and practices were properly aligned to help the organization meet its strategic objectives, while adhering to merit system principles and other legal obligations.

To reflect these changes in the federal human capital community, in December 2000, OPM issued a new consolidated classification standard for the Administrative Work in the Human Resources Management Group. OPM expects the agencies to apply the new job family position classification standard within a reasonable amount of time of its release, as determined by the agency. According to an OPM official, agencies are making progress in applying the new standard.

The pressures on human capital professionals to assume new roles present a significant learning and development challenge for human capital staff members. For human capital professionals to begin acting in their new capacities, human capital leaders must ensure that they develop the competencies and gain the experience to effectively take on the expected roles. Consistent with the changes reflected by OPM's new classification standards, several of the agencies we reviewed have developed human capital competency models designed to develop staff members who can contribute at the strategic and business partner levels as well as design and manage delivery systems, which achieve value-added services at lower costs.

²¹ Human Resource Management Council.

GSA recognized the vision of its Chief People Officer and the changing role of its human resources organization and assembled a team of experienced human resources staff members to develop new core competences needed by the CPO staff. This group developed GSA's new human capital core competencies needed to support its CPO business model and identified five roles that GSA believes its human capital community must play successfully to achieve the Chief People Officer's vision and to meet the expectations of the GSA customers. The five roles are consultant, leader, technologist, transactional expert, and expert. Specific competencies support each role. In addition, GSA uses its competency model as a recruiting tool for human resources professionals. The model lists desirable attributes for job candidates as well as a few suggested interview questions for determining whether applicants possess these attributes. Table 3 lists GSA's HR roles and the primary competencies GSA states are essential for success in each of the roles.

Table 3: GSA's HR Roles and Competencies

Roles	Primary competencies essential for success
HR consultant	<ul style="list-style-type: none"> --Knows the mission, culture, and business of customers --Has applied knowledge of customer service --Communicates effectively --Is innovative and willing to take risks --Builds partnerships/relationships --Has knowledge of HR program, laws, and practices and how they contribute to workforce/organizational effectiveness --Understands and applies the change process
HR leader	<ul style="list-style-type: none"> --Knows the mission, culture, and business of customers --Understands organizational and human behavior --Communicates effectively --Acts professionally and builds trust --Builds partnerships/relationships --Influences others to take action --Understands and applies change process --Has knowledge of HR programs, laws, and practices and how they contribute to workforce/organizational effectiveness
HR technologist	<ul style="list-style-type: none"> --Understands HR operations and the impact of the systems they develop --Has broad knowledge of trends/technology in automation field, with special emphasis on application in HR --Communicates effectively (writing, speaking, and listening, especially with nontechnical customers) --Influences others to take action --Uses technology to improve efficiency and service --Understands and applies change process --Has in-depth knowledge of variety of current automated software, tools, systems, and techniques
HR transactional expert	<ul style="list-style-type: none"> --Knows the mission, culture, and business of customers --Communicates effectively --Is able to work in teams --Has knowledge of relevant HR laws and practices --Is able to use technology to improve efficiency and service --Has applied knowledge of customer service
HR expert	<ul style="list-style-type: none"> --Knows the mission, culture, and business of customers --Has applied knowledge of customer service --Communicates effectively --Builds partnerships and relationships --Has mastered relevant HR laws and practices --Analyzes programs/process and measures results

Source: GSA (data), GAO (presentation).

USGS's HR Competency Model also identifies and describes a set of human capital competencies that are essential to effective performance in the roles and responsibilities of the agency's human capital office as outlined in its business model. USGS's competency model identifies core or universal

competencies that USGS human capital staff members need and specific competencies that human capital managers, strategic consultants, operating specialists and generalists, and assistants need. For each competency, the model describes how that competency is applied. According to USGS, the competency model is currently being used as a tool for self-directed human capital development, and portions of the model have been incorporated in the new automated skills assessment system. In the future, USGS plans to use the model as a basis for recruiting and interviewing candidates, making decisions about developmental assignments, and developing the competencies of every human capital staff member to think and relate strategically to the science mission of USGS. Table 4 lists USGS's competency categories.

Table 4: USGS's HR Competencies

Competency categories	Competencies
Communications	Facilitation, listening, presentation (formal), oral communications, reading, and written communications
Personal credibility	Assertiveness, creative thinking, ethics, flexibility, learning, self-awareness, self-management, stress management, and time management
Interpersonal skills	Conflict management, diplomacy, diversity, negotiating/influencing, networking, partnering, and teamwork
Leadership	Change management, coaching, decisiveness, integrity/honesty, leadership, political savvy, self-esteem, and team building
Organizational skills	External awareness, organizational awareness, organizational development, performance measurement and improvement, planning and evaluating, strategic planning, systems thinking, and vision
Management	Analytical thinking/reasoning, financial management, human resources management, information analysis, problem solving, process management, project management, and technology management
Customer orientation	Advertising, customer focus, distribution, market analysis, message development, message packaging, and product knowledge
Technical	Attention to detail; HR automation, HR laws, regulations, and policies; information management research methods and techniques; and technology application

Source: USGS data.

Joint Actions Result in Shared Accountability

As the role of the human capital organization evolves to include serving the individual employee and helping to achieve the organization's strategic objectives, the accountability for human capital management is increasingly being shared by top management, line managers, and human capital professionals. Successful organizations, according to our *Model of Strategic Human Capital Management*, include human capital professionals acting together with agency leaders and line managers in developing strategic and program plans to accomplish agency goals. Through this joint action, agency and human capital leaders and their staffs share accountability for successfully integrating strategic human capital approaches into the planning and decision making of the agency.

Assuming Shared Accountability for Achieving Program Goals

Agency and human capital leaders, human capital professionals, and line managers share responsibility for achieving agency programmatic and human capital goals, and they ultimately share accountability for effective, legally compliant human capital management. According to OPM, agencies have delegated more key human capital authorities to line managers.²² In a recent report, we highlighted the importance of delegating authority and holding line managers accountable for the effective use of human capital flexibilities, important tools that assist agencies in managing their workforces.²³ Agencies are also following a more collaborative approach between managers and human capital professionals for those human capital authorities retained by the human capital staff members. Additionally, more agency and human capital leaders are linking human capital policies and practices to organizational outcomes and expecting more collaboration between line managers and human capital professionals.

IRS, for example, has dispersed human capital professionals throughout the agency's divisions to help apply strategic thinking to each operating division's unique interest. Human capital staff members are responsible for advising operating division managers on how to best apply human capital strategy to improve results. The human capital professional may have responsibility, for example, for assisting managers in anticipating

²² U.S. Office of Personnel Management, Office of Merit Systems Oversight and Effectiveness, *HRM Accountability System Development Guide* (Washington, D.C.: December 1998).

²³ U.S. General Accounting Office, *Human Capital: Effective Use of Flexibilities Can Assist Agencies in Managing Their Workforces*, [GAO-03-2](#) (Washington, D.C.: Dec. 6, 2002).

changes in the labor market and recommending strategies for sustaining a well-qualified and productive workforce. The operating division managers are responsible for rating the performance of the human capital professionals working with them. According to IRS officials, some of the benefits of the shared accountability of human capital professionals working with operating division managers have included customized support for recruitment plans and hiring products and a facilitated merit promotion process.

FEMA line managers and human capital staff members have developed a system where the human capital staff works with line managers to quickly identify available employees for deployment as soon as disasters are declared. FEMA employs approximately 2,600 full-time employees and as many as 4,000 temporary and reserve employees who are deployed during federal disasters. In response to this need, the human capital office has implemented the Automated Disaster Deployment System. This automated system allows the staff to track employee credentialing (including knowledge and experience levels and performance ratings), availability, past and present assignment locations, dates of employment, and other vital employee data. According to FEMA officials, the system enables human capital staff and line managers to share accountability for identifying employee training and promotion needs, matching employee expertise with specific disaster site victim needs, and creating a selection routine that rotates available employees, thereby avoiding employee burnout. The process has reduced the time necessary to complete the staffing review and selection from days to hours. Additionally, centralized deployment provides a dedicated staff that acts upon all deployment requests within 3 hours.

Increasing Role for Line Managers in Human Capital Management

Line managers have always played a key role in human capital management. They interact with, teach, evaluate, reward, develop, and promote employees from the day they join an organization. According to OPM, many agencies are now pursuing the strategy of delegating key human capital authorities to managers thereby making the delegated authorities within the agency shared responsibilities of the manager and the human capital staff.²⁴ SSA officials, for example, described how responsibility for recruiting new employees is now shared between human capital professionals and line managers. SSA involves agency line

²⁴ U.S. Office of Personnel Management, Office of Merit Systems Oversight and Effectiveness, *HRM Accountability System Development Guide*.

managers in the preliminary recruiting determinations and has human capital professionals take over in the final, technical stages.

Some agencies have developed tools and services to help line managers assume more human capital authority. Within our selected agencies, SSA, for example, has a link on its Office of Personnel Web site that contains, "Information for Managers." The Web site presents a myriad of information, from addressing poor performance to life resources counseling. GSA's CPO has issued a supervisory desk guide to provide supervisors with basic information on human capital topics. The desk reference guide provides an overview of personnel and administrative practices and procedures that supervisors should know. According to the guide, it is not meant to make supervisors into personnel experts or provide the answers to all personnel-related or administrative questions. The guide is meant to give supervisors basic information on topics such as internal and external recruitment, pay flexibilities, and worker's compensation that will enable them to handle most situations and to provide references and contacts for more information.

Conclusions

As agencies integrate their human capital strategies with their organizational missions, visions, core values, goals, and objectives, they are increasingly recognizing how human capital activities contribute to achieving missions and goals. Congress has recognized this through recent legislation creating a chief human capital officer position in major agencies. Effective human capital integration efforts require the cooperation of management and employees throughout the organization. All members of an organization must understand the rationale for making organizational and cultural changes because everyone has a stake in helping to implement the initiatives as part of the agency's efforts to meet current and future challenges.

In this report, we have identified actions agencies have taken to improve their integration of strategic human capital approaches with their strategies for accomplishing organizational missions and goals. Agency leaders included human capital leaders in key agency strategic planning and decision making. Human capital leaders transformed the agencies' human capital organizations to better enable them to add value to the strategic activities of the agencies. Working together, agency leaders and human capital leaders have employed human capital professionals and agency line managers to share accountability for successfully integrating strategic human capital considerations into agency planning and decision making.

As agencies take action to enhance their ability to meet organizational goals by linking their human capital activities with their strategic planning and decision making, agencies can consider the initiatives we identified. However, each federal agency will have to consider the applicability of specific actions to be taken within the context of its own mission, needs, and culture.

Agency Comments

We provided a draft of this report to the Director of OPM and to cognizant officials from the individual agencies we visited. OPM and five of the six agencies provided comments on the draft report. All generally agreed with the information presented.

Two of the agencies and OPM provided written technical comments to clarify specific points regarding the information presented. Where appropriate, we have made changes to reflect those technical comments. In other cases, agencies provided additional examples of actions they had taken to integrate human capital approaches to attain mission results. OPM noted that the results of the agency initiatives have not been evaluated, which is an important next step for agencies to take, but was not within the scope of this report. USCG noted that they had no comments on the report.

We will send copies of this report to appropriate congressional committees, the federal agencies and offices discussed in this report, and the Directors of OPM and OMB. We will also make copies available to others upon request. In addition, the report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you have any questions about this report, please contact me or William Doherty on (202) 512-6806 or on mihmj@gao.gov and dohertyw@gao.gov. The major contributors to this report were Clifton G. Douglas, Jr. and

Judith Kordahl, Mark Braza, Matthew Tropicano, and Laura Turman also made key contributions.

A handwritten signature in black ink that reads "J. Christopher Mihm". The signature is written in a cursive style with a large, stylized "J" and "M".

J. Christopher Mihm
Director, Strategic Issues

Objective, Scope, and Methodology

Our objective in this self-initiated review was to identify examples of key actions that agencies have taken to integrate their human capital approaches with agency strategies for achieving mission objectives.

To address our objective, we identified and focused on six federal agencies that were integrating their human capital approaches. We analyzed agency documents, such as planning and organizational restructuring documents, and previous studies on strategic human capital management. In addition, we conducted semistructured interviews with agency officials, human resources directors, and line managers from our selected agencies that were involved in designing or implementing their agencies' human capital integration actions. We elicited their experiences and conclusions about the agency actions they believed were most important to the successful integration of their human capital functions. After reviewing and analyzing their responses, we developed a framework to classify and report on the types of actions identified. We did not attempt to independently verify the performance results that agencies attributed to their actions.

To select the agencies we reviewed, we first held discussions with human capital experts from American University, the Center for Policy Implementation, George Washington University, and the National Academy of Public Administration. We asked these experts to identify federal agencies that they believed had taken actions to improve the integration of their strategic human capital management functions. We also reviewed our *High-Risk Series*, the *Federal Managers' Survey*, and other documents for examples of federal agency integration efforts not identified by the human capital experts.¹ In addition, we considered the size, mission, and type of workforce of the pool of identified agencies to get a variation of federal agency experiences. We selected six agencies—the Federal Emergency Management Agency, the General Services Administration, the Internal Revenue Service, the Social Security Administration, the U.S. Coast Guard, and the U.S. Geological Survey—to identify examples of human capital integration actions. Our selection process was not designed to provide examples that could be considered representative of all the actions at the agencies reviewed or of the federal government in general. By profiling an

¹ See, for example, U.S. General Accounting Office, *High-Risk Series: An Update*, [GAO-01-263](#) (Washington, D.C.: January 2001), and National Academy of Public Administration, *Changes in Human Resources Competencies Since 1996: Implications for Federal HR Professionals* (Washington, D.C.: March 2001).

Appendix I
Objective, Scope, and Methodology

agency for a particular action, we do not mean to imply complete success for the action or lack of success for others.

We conducted our work from February 2002 through January 2003 in accordance with generally accepted government auditing standards.

GAO's Mission

The General Accounting Office, the audit, evaluation and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through the Internet. GAO's Web site (www.gao.gov) contains abstracts and full-text files of current reports and testimony and an expanding archive of older products. The Web site features a search engine to help you locate documents using key words and phrases. You can print these documents in their entirety, including charts and other graphics.

Each day, GAO issues a list of newly released reports, testimony, and correspondence. GAO posts this list, known as "Today's Reports," on its Web site daily. The list contains links to the full-text document files. To have GAO e-mail this list to you every afternoon, go to www.gao.gov and select "Subscribe to GAO Mailing Lists" under "Order GAO Products" heading.

Order by Mail or Phone

The first copy of each printed report is free. Additional copies are \$2 each. A check or money order should be made out to the Superintendent of Documents. GAO also accepts VISA and Mastercard. Orders for 100 or more copies mailed to a single address are discounted 25 percent. Orders should be sent to:

U.S. General Accounting Office
441 G Street NW, Room LM
Washington, D.C. 20548

To order by Phone: Voice: (202) 512-6000
 TDD: (202) 512-2537
 Fax: (202) 512-6061

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:
Web site: www.gao.gov/fraudnet/fraudnet.htm
E-mail: fraudnet@gao.gov
Automated answering system: (800) 424-5454 or (202) 512-7470

Public Affairs

Jeff Nelligan, Managing Director, NelliganJ@gao.gov (202) 512-4800
U.S. General Accounting Office, 441 G Street NW, Room 7149
Washington, D.C. 20548

**United States
General Accounting Office
Washington, D.C. 20548-0001**

**Official Business
Penalty for Private Use \$300**

Address Service Requested

**Presorted Standard
Postage & Fees Paid
GAO
Permit No. GI00**

