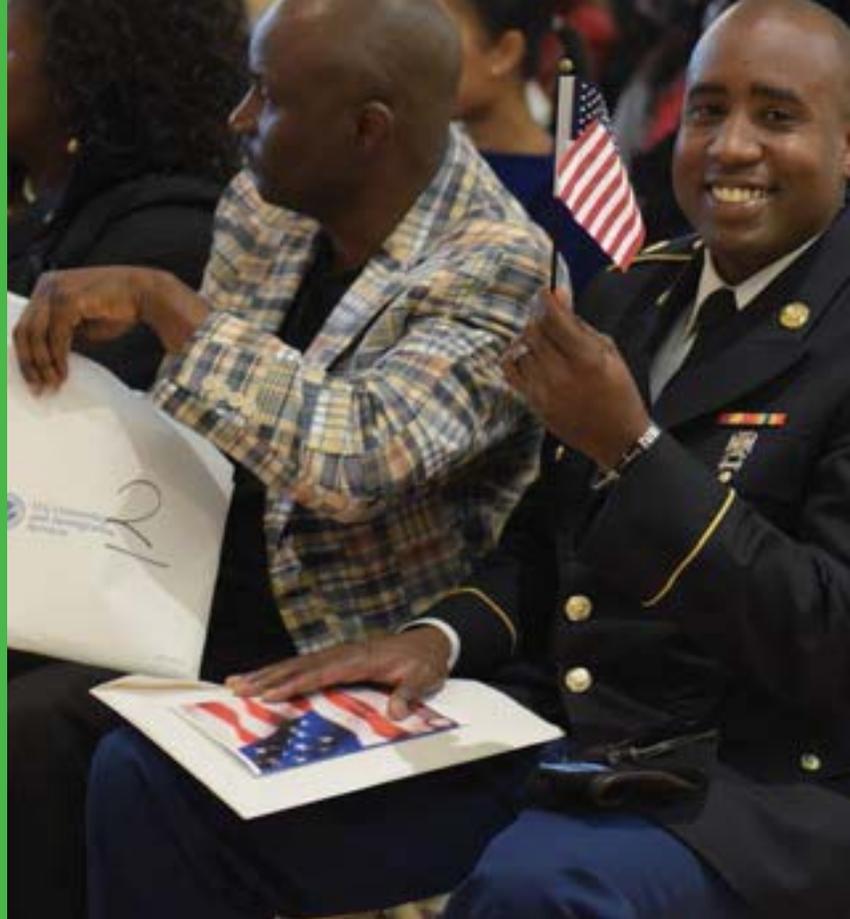




ACQUISITION: USCIS

A key priority of the United States Citizenship and Immigration Services (USCIS) is to **modernize E-Verify**, which is part of the Verification Information System used by **more than 600,000 companies nationwide** to validate employment eligibility to work in the U.S. Using innovative acquisition practices, USCIS was able to award a contract for a new **myUSCIS customer service portal** in just half the time projected. The site is helping users **decrease** case status processing time by **30%** and employer enrollment time by more than **45%**. In 2017, myUSCIS was nominated by satisfied CIS customers and won the American Council for Technology-Industry Advisory Council **Igniting Innovation Overall Award**, which recognizes transformative Government and industry solutions to critical taxpayer problems.



PEOPLE – WORKFORCE FOR THE 21ST CENTURY: REALIGNING HUMAN CAPITAL TO SERVE AMERICA’S PRIORITIES

Federal employees underpin nearly all the operations of the Government, ensuring the smooth functioning of our democracy. While most Americans will never meet the President or even their Members of Congress, they will interact with the Federal employees who work in their community, keep them safe at airports, or welcome them to a National Park. Among other duties, regional offices of USDA and the Department of the Interior (DOI) provide services to farmers and ranchers where they live. When emergencies occur, entities like the Federal Emergency Management Agency (FEMA), the U.S. Coast Guard, and the SBA help to save and rebuild communities.

However, the personnel system supporting Federal employees is a relic of an earlier era that has failed to keep pace with changing workforce needs. Both employees and managers agree that the performance management system fails to reward the best and address the worst employees.³ With annual civilian personnel costs of almost \$300 billion, the Government should always be seeking to ensure its workforce has the right skills, is the right size, and operates with the responsiveness and flexibility needed to best accomplish its various missions.

The Administration intends to partner with Congress on overhauling the statutory and regulatory rules that have, over time, created an incomprehensible and unmanageable civil service system:

- **Realigning the workforce to mission:** The Administration is committed to redefining the role of the Federal Government by reprioritizing Federal spending toward those activities that advance the safety, security, and prosperity of the American people. Agencies must critically examine their workforces to determine what jobs they need to accomplish their core missions.
- **Aligning total compensation with competitive labor market practice:** It is important to appropriately compensate personnel based on mission needs and labor market dynamics. The existing compensation system fails in this regard. The President’s Budget for FY 2019 foregoes an across-the-board pay increase for 2019, while proposing to realign incentives by enhancing performance-based pay and slowing the frequency of tenure-based step

³ Federal Employee Viewpoint Survey, 2017.



increases. The Administration also proposes a \$1 billion interagency workforce fund as part of the FY 2018 appropriations, and supplemented by an additional \$50 million in the FY 2019 Budget. This fund will replace the across-the-board raise that increases Federal employee pay irrespective of performance with *targeted* pay incentives to reward and retain high performers and those with the most essential skills. The Budget also proposes pension reforms that better align Federal retirement benefits with those offered by private sector employers, with whom the Government competes for talent.

- **Human capital management reforms:** An Analytical Perspectives chapter on the Federal workforce in the FY 2019 President’s Budget outlines a vision for change that would streamline the hiring and dismissal processes, modernize human resources technology, better utilize data to inform workforce management, rebalance labor-management relations, align Federal workforce management authorities with private sector best practices, and reduce unnecessary red tape to bring the Federal workforce into the 21st Century. For further detail, see the Appendix for the FY 2019 President’s Budget chapter *Strengthening the Federal Workforce*.

Strategic Workforce Management. To achieve a 21st Century Workforce, the Government needs to do a better job of end-to-end strategic workforce management. It needs to look at work in a different way – assessing what our key missions and outcomes are and understanding how we can best align the workforce to meet those needs, particularly through the Administration’s lens of using IT modernization to drive increasing efficiency, effectiveness, and transparency. It needs to engage in constant research and knowledge building, and integrate that work into our workforce planning and strategic planning in order to build a leading edge, first-in-class workforce to meet mission needs efficiently.

In order to best leverage the workforce to achieve our mission efficiently and effectively, Government needs to:

- Build agile organizations and processes to quickly respond and align to changing mission needs, innovations, and technological advancements;
- Reward top performers and those with critical skill sets;
- Acquire and retain top talent to achieve results; and
- Remove employees with the worst performance and conduct violations.

The Administration has developed a road map for three key areas of strategic workforce management. By implementing this roadmap, and by taking into consideration enabling tools and knowledge to help inform actions, we will empower organizations and managers to develop and implement a 21st Century workforce.

Actively Manage the Workforce. The Government needs to do a better job in actively managing the workforce. The Government employs some of the world’s most talented professionals, from Nobel Prize winners to top investigators and scientists who are top recruits in their private sector fields. Leading human capital practices begin with rewards and recognition capabilities that reinforce results, accountability, and performance. Yet Government’s current performance management system provides only a nominal difference in rewards for top employees versus mid-level performers, making it difficult to retain top talent.



In addition, Federal managers are reluctant to remove a (poor performing) employee and may receive inadequate support from their agency in attempting to do so. Notably, only 31% of Federal employees believe that steps are taken to deal with poor performers among their peers.⁴ Such management failures inevitably reduce morale and engagement in the workplace, even for high performing employees. Through the Workforce CAP Goal, the Administration will improve employee performance management to better reward high performing employees, while supporting managers in removing poor performers. For example, OMB directed agencies to develop a single overarching policy for removing poor performers and forming manager support boards to help address performance or conduct issues that require immediate action.

Agile Operations. Perhaps most importantly, the Government needs to become more agile in its organization and operations. Currently, the Government is inflexible and made up of many component entities that generally function predictably and stably. An operational inertia often takes hold, with too little attention paid to incorporating operational efficiencies or responding to technological advances and innovations. In some cases, statutory barriers prevent such adaptation. But, there are countless opportunities to evolve. For example, it is extremely difficult to shift employees across jobs and agencies to match skillsets with need in a responsive manner. Actions set forth in the Workforce CAP Goal will require agencies to look at operations through a different lens – one that stresses the importance of recognizing key mission requirements, and aligning the workforce to meet those needs. This requires identifying opportunities to more efficiently use the people we have, through reskilling and redeployment efforts, and matching employees to important and meaningful work.

Acquire Top Talent. Only 42% of Federal employees believe that Government recruits people with the right skills.⁵ While the Government will work to better align existing employees to mission needs, it also needs to build a capacity to bring in top talent quickly when demand for specific skills exceeds existing capacity. The current overly complex and lengthy hiring process, frequently results in the Government losing potential employees to private sector organizations with more streamlined hiring processes. While ensuring fair and equitable hiring practices, Government can improve its hiring, including by training the human resources workforce to better support hiring managers.

Continuous Learning. To inform implementation of strategic workforce management and better alignment of the workforce to mission, Government needs to be constantly learning, developing knowledge, and incorporating this knowledge into our management practices. By engaging agency thought leaders with experts from industry and academe, Government can use feedback from ongoing research, pilot projects, and other knowledge creation activities to help inform agency actions and priorities in each of the three pillars of this Goal.

Aligning and managing the Federal workforce of the 21st Century means:

- Instating performance management processes that help agencies retain top employees and efficiently remove those who fail to perform or to uphold the public's trust;
- Reducing skills-gaps and eliminating redundant positions;
- Simplifying the hiring process for managers;
- Enhancing personnel management IT, including creation of a paperless employee personnel file and digitalizing health benefits and retirement systems administration;
- Spreading effective practices among human resources specialists;
- Improving manager satisfaction with the quality of the human resources service provided; and
- Rebalancing relationships with Federal employee unions to ensure citizens' interests are kept front and center.

CAP Goal 3: Developing a Workforce for the 21st Century. The Administration has established a CAP Goal to drive sustainable progress in this area. The goal is to align and strategically manage the workforce to efficiently and effectively achieve the Federal government's mission. This will be accomplished by: actively managing the workforce (employee performance management and employee engagement); developing agile operations (reskilling and redeploying human capital resources); and, acquiring top talent (simple and strategic hiring).

The OPM, the Department of Defense (DOD), and OMB will lead this goal. The President's Management Council and Chief Human Capital Officers Council are responsible for coordinating their members for specific tasks. All agencies regardless of size will need to meet goals related to their workforce.

⁴ Federal Employee Viewpoint Survey, 2017.

⁵ Federal Employee Viewpoint Survey, 2017.