

## CHAPTER THIRTEEN

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# Office of Personnel Management

Government Accountability Office **Citizens**

White House Office of Management and Budget

Interest Groups and Associations **Interagency**

**Councils** State and Local Governments

**Unions** White House Policy Councils **Media**

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# OFFICE OF PERSONNEL MANAGEMENT

*By Solly Thomas*

Given its name, you might get the impression that the Office of Personnel Management (OPM) is just another central management organization with which you will have little interaction. To the contrary, OPM's government-wide human capital management responsibilities have a significant impact on each federal agency. OPM is responsible for human capital management programs, and the regulations and policies affecting the federal civilian workforce. Since many of your challenges will be workforce related, it is important that you and your staff understand how OPM can help you in accomplishing your agency's mission.

You will see very quickly that the success of your agency in carrying out its mission depends greatly on the people in your agency. Consequently, your agency must have robust human capital strategies that meet current and future program needs. These strategies will help you recruit, retain, develop, and manage employees—and ultimately ensure that you have a highly skilled and adaptable workforce. Working with OPM can help you accomplish that goal.

OPM provides human capital advice and leadership to the administration and to federal agencies, supporting this role with human capital policies and holding agencies accountable for their human capital practices. OPM sets policies and takes the lead for the administration on human capital programs and initiatives affecting federal agencies and their employees. OPM provides services, support, policies, and guidelines on a number of human resource programs related to hiring, performance management, leadership development, alternative personnel systems, electronic government, and strategic human capital. All of these programs are designed to provide agency leaders with the standards and flexibilities needed to strategically manage their workforce.

## **You Will Face Workforce Challenges**

Your agency, like all federal agencies, is experiencing a number of workforce challenges that you will need to address. First, there is the expected retirement wave of the baby boomers—more than 50 percent will be eligible to retire over the next five years. Second, many of these individuals hold key leadership positions and your agency will need to have succession plans in place to replenish this leadership. Third, there is tremendous competition for talent from both the public and private sectors. Consequently, your agency will need to have effective hiring and workplace practices in place to successfully compete for—and retain—this talent. Finally, as your agency mission, goals, and objectives change, your agency will need to have the right

skills to adapt to these changes. As a result, you will need to have plans in place that target mission-critical skills and close any skills gaps.

## **OPM Can Help You Gain Flexibilities and Waivers**

When you arrive as the new agency head, you will bring a new agenda with priorities, goals, and objectives for the agency. One of the most critical success factors for you will be the ability of the agency workforce to support and implement these goals. Thus, it is imperative that your agency has the right people in the right place with the right set of skills. How your agency recruits, retains, develops, and manages its workforce will greatly depend upon its ability to successfully implement human capital strategies. As a result, understanding the OPM authorities, policies, regulations, and flexibilities will greatly assist you and your agency's ability to make human capital decisions.

For example, what flexibilities do you have to hire, reassign, and manage the Senior Executive Service employees? If you need more SES positions, how do you get them? How do you make political appointments, including Schedule C, non-career SES, and other appointments? How can your agency improve its hiring and/or performance management practices? How does your agency improve its HR operations and implement e-government programs? What flexibilities do you have to recruit and pay your employees? OPM senior staff can work with your chief human capital officer to determine what flexibilities or waivers of rules can best help you accomplish your agency's mission.

As you try to address your workforce challenges, you may find that you need to have more flexibility in hiring or that you need to reshape your workforce to obtain different skills. Similarly, you may see that you need to improve the overall agency performance as well as that of the agency employees including your executives. And you may find that the existing regulations governing your human capital program need to be changed. Finally, you may find that there is a critical need to use HR technology to reduce your overall administrative costs and improve services. OPM can assist you in each of these areas—either by advising you of existing authorities or helping you obtain new authorities.

### **Recommendation One: Get to know the director and deputy director of OPM.**

Because of the role OPM plays in the management of human capital, it is important that you develop strong working relationships with OPM leadership. It will give you a venue to articulate your agency's human capital challenges. Similarly, your agency human capital leadership needs to maintain an ongoing and open dialogue with the OPM staff in order to better understand OPM regulations and flexibilities.

## **Recommendation Two: Become familiar with the Chief Human Capital Officers Council and the Federal Executive Boards.**

Two communities that OPM manages can help you implement human capital programs:

- **Chief Human Capital Officers Council.** The Chief Human Capital Officers Act of 2002 required the heads of 24 agencies to appoint a chief human capital officer and established the Chief Human Capital Officers Council. The council is managed by OPM. As a result, your agency chief human capital officer is critical in advising you on human capital activities and can also be your advocate with OPM.
- **Federal Executive Boards.** OPM also manages the Federal Executive Boards, which help coordinate field activities among federal organizations; almost 90 percent of the federal workforce is located outside of Washington, D.C. The 28 boards across the country assist federal agencies in a number of activities including recruitment, emergency preparedness, and continuity of operations, and coordination of state and local activities.

## **Recommendation Three: Consider OPM as your partner.**

Because of OPM's oversight role for government-wide human capital programs and its responsibilities for merit systems compliance, there is a tendency for some agencies to think of their relationship with OPM as adversarial. That's not the way it should be. In order to ensure that your human capital programs are successful, your agency and OPM need to maintain an open dialogue and work together in a cooperative and partnering relationship. In doing so, you will be able to leverage the advice, knowledge, experience, and many services that OPM can provide.

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