



The State of the Federal HR Workforce: Changes and Challenges

May 2020

In Brief

An effective human resources (HR) staff is vital to the health of the Federal civil service. Such a staff can help management solve complex human capital problems and protect the merit principles that guide how Federal employees are hired and managed.

Over the past 25 years, there have been repeated efforts to make HR offices and HR staff more efficient and more responsive to organizational and management needs. A consistent theme in these efforts is to reorient HR staff from an operational focus on transactions and compliance to a strategic focus on mission requirements and organizational outcomes.

Nevertheless, the Government Accountability Office (GAO) has identified Federal strategic human capital management as a high-risk area since 2001, and MSPB research indicates that this reorientation remains a work in progress. Drawing on workforce data, surveys, information from Federal agency Chief Human Capital Officers (CHCOs), group interviews with Federal HR employees and agency managers, and other sources, this research brief presents preliminary findings from MSPB's research to—

- Discuss how the role of HR has changed over the past 25 years;
- Examine the expectations that customers of Federal HR staff have for the HR function; and
- Describe barriers to making HR offices and HR staff more consultative.

Background

Concerns about the role of Federal HR offices and the capability and performance of Federal HR specialists are longstanding. Below, we outline these concerns and summarize major developments and initiatives affecting Federal HR policy, programs, operations, and staff.

Concerns about HR Office and HR Staff Effectiveness

The Civil Service Reform Act of 1978 sought to make the Federal HR system more modern and responsive, through delegation of personnel authority to Federal agencies, restructuring civil service agencies, and selective changes to Governmentwide personnel policy.¹

Nevertheless, by the 1990s, there was widespread belief that both Federal personnel policy and Federal personnel offices were functioning less well than they could or should. For example, in the 1993 report [*Federal Personnel Offices: Time for Change?*](#), MSPB identified several serious problems in the Federal HR function. Although the HR function was understood as critically important to mission accomplishment, and managers generally considered the HR staff hardworking and courteous, both managers and HR staff expressed deep concern about:

- Complex and ineffective HR policies. Both managers and HR staff believed that HR policies were too complex, yet failed to prevent merit system abuses;

¹ See U.S. Merit Systems Protection Board, [*The U.S. Office of Personnel Management in Retrospect: Achievements and Challenges After Two Decades*](#) (2001), for a brief description of the CSRA's intent and key provisions.

- Poor use of time. Too much HR time and attention was devoted to administering rules and regulations, and too little on finding solutions and addressing strategic issues;
- Understaffing;
- HR staff capability. While a majority of managers rated HR staff positively, over half believed that service delivery was impaired by “lack of sufficient skill” among HR staff; and
- The ability of HR to function as consultant and advisor.

Transforming HR Offices and HR Staff

In the years following the MSPB report, many changes were made to Federal HR offices and policies. Many of those changes were spurred by the National Performance Review (NPR), a 6-month review of Government operations and support functions intended to create a Federal Government that “works better and costs less.” Recommendations and actions resulting from this review included:

- Restructuring and downsizing of Federal HR offices, including the U.S. Office of Personnel Management (OPM), the Federal Government’s central personnel agency;²
- Emphasizing customer service. For Federal HR staff, this entailed less focus on rules and process, and more emphasis on strategy and consulting;
- Reducing rules (“cutting red tape”). Actions illustrating this direction include the elimination of the OPM-issued Federal Personnel Manual (FPM), a 10,000-page rulebook of processes and procedures that implemented HR law and regulation;³ and
- Delegating authority and responsibility. Following the NPR, central examinations for many Federal occupations were discontinued, and many OPM hiring-related services became reimbursable (fee-for-service instead of centrally funded).⁴

The NPR’s vision was that HR offices and HR specialists would become strategic business partners.⁵ A strategic business partner would understand the organization’s mission and be part of the management team, having a “seat at the table” to analyze organizational problems, develop proactive solutions, and share accountability for organizational results. Individual HR specialists would assist managers with planning and executing tailored strategies for recruiting, selecting, developing, and managing people—while fully complying with merit system principles and remaining laws and regulations.

The NPR’s recommendations concerning HR were reflected in both the staffing levels of OPM and the employment of Federal HR specialists. OPM staffing levels declined by more than 50%,

² See Vice President Al Gore, *From Red Tape to Results: Creating a Government that Works Better & Costs Less* (Report of the National Performance Review), U.S. Government Printing Office (1993). The document (p. iii) states that “Most of the personnel reductions will be concentrated in the structures of over-control and micromanagement that now bind the federal government: supervisors, headquarters staff, personnel specialists, budget analysts, procurement specialists, accountants, and auditors.” The text of Recommendation OPM02 (p. 168) was “Restructure and rightsize OPM to enhance and reflect its commitment to addressing its customers’ needs.”

³ See Ban, Carolyn, “Hiring in the Federal Government: Political and Technological Sources of Reform” (pp. 147-148) in Norma Ricucci, ed., *Public Personnel Management: Current Concerns, Future Challenges*, 4th ed. Longman (2006).

⁴ These changes were the result of both administrative and legislative action. See U.S. Merit Systems Protection Board, *The Role of Delegated Examining Units: Hiring New Employees in a Decentralized Civil Service* (August 1999), pp. 1-2.

⁵ The vision that HR operations could be streamlined and transformed was not unique to the Federal Government. See, for example, Spencer, Lyle M., Ph.D., *Reengineering Human Resources*, John Wiley & Sons, Inc. (1995). The preface states that “Information technology is transforming human resources (HR) management” and that “HR practitioner roles will change from doer to consultant for HR services....” (p. 2).

and Federal HR staffing levels dropped by 24% between 1993 and 1998, with some agency HR workforces being cut by as much as 40%.⁶

The belief that the role of Federal HR offices and staff must change has not diminished over the years, as illustrated by the following:

We conclude that federal human capital management processes cannot be modernized without simultaneously and significantly improving the federal human capital profession throughout the government. The government's human capital professionals will, after all, be the guides for the transformation government needs, and the arms and legs for driving it forward.

Human capital professionals are the front line of change. Too often, however, these professionals function as satellite operations within federal agencies, pushed aside from agencies' core operations and disconnected from agencies' top leaders, because they are seen as rule-bound, compliance-driven roadblocks that get in the way of accomplishing an agency's work.⁷

If anything, that belief has become both broader and stronger.

Changes in HR Technology and Service Delivery

Advances in information technology drove many changes in how HR offices worked. The advent of electronic personnel records and electronic HR systems (such as the USAJOBS job posting and application system) made it possible to deliver many HR services remotely, enabling agencies to centralize or consolidate many HR functions. Agencies hoped that eliminating human labor from HR processes would both enable HR offices to shrink while maintaining service levels and help HR staff spend more time consulting than processing. Certainly, as we discuss later, technology appears to have eliminated some once-common HR tasks and HR positions, but not all of them.

Technology and greater acceptance of the use of contractors and other parties to perform HR work have also changed how agencies provide HR services. For example, a few Federal agencies now handle payroll processing for the entire Federal Government; agencies can now obtain operational and consulting services from an array of Government and non-Government providers; and OPM's HR Line of Business initiative⁸ envisions further transformation of HR operations.

Where Are We Now?

Fast forward to 2020: to what extent have HR offices and HR specialists been transformed? This section focuses on day-to-day HR services and the people who provide those services, beginning with a look at the composition of the HR workforce.

Composition of the HR Workforce

As shown in Figure 1, HR staffing levels have recovered somewhat from the levels of the late 1990s.⁹ Nevertheless, HR staff levels have declined as a proportion of permanent full-time

⁶ MSPB analysis of workforce data from the U.S. Office of Personnel Management, Enterprise HR Integration, Statistical Data Mart (EHRI-SDM).

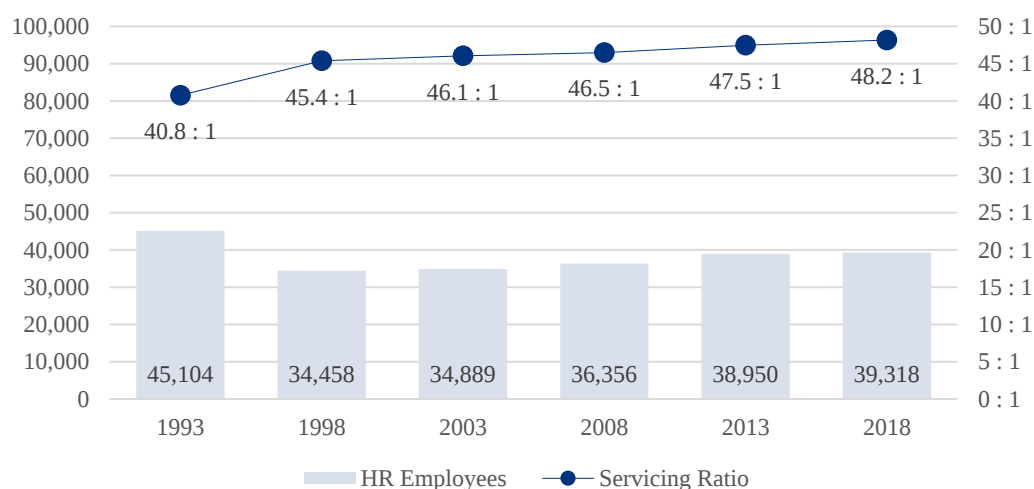
⁷ National Academy of Public Administration, *No Time to Wait, Part 2: Building a Public Service for the 21st Century* (September 2018), accessed at <https://www.napawash.org/studies/academy-studies/no-time-to-wait-part-2-building-a-public-service-for-the-21st-century>.

⁸ See U.S. Office of Personnel Management, "HR Line of Business" (webpage), <https://www.opm.gov/services-for-agencies/hr-line-of-business>.

⁹ The primary OPM-established occupational series for HR work are 0201 (HR specialist) and 0203 (HR clerk and assistant). Here, "HR profession" encompasses full-time permanent employees in those occupations. For these and other tabulations, we excluded the 0260 (equal employment opportunity specialist) series. The 0201 series now comprises the full range of HR specializations, such as military personnel, staffing, classification, employee and labor relations, and employee development.

employment. As of September 2018, agencies averaged approximately one HR employee providing service to 48 agency employees, up from roughly 41 in 1990.

Figure 1. HR Staff Levels and Servicing Ratios¹⁰



Also significant is *how* the composition of the HR workforce has changed: over time, agencies have hired more HR specialists and fewer HR assistants. In 1990, the ratio of HR specialists to HR assistants was approximately 1:1. By 2018, it exceeded 3:1 (see Figure 2).

Figure 2. Ratio of Federal HR Specialists to HR Assistants¹¹

Year	DoD Agencies	Veterans Affairs	Other Agencies	Total
1990	0.79 : 1	1.25 : 1	1.86 : 1	1.08 : 1
2000	1.03 : 1	1.67 : 1	2.69 : 1	1.52 : 1
2010	1.35 : 1	2.30 : 1	4.79 : 1	2.04 : 1
2018	2.26 : 1	3.38 : 1	6.35 : 1	3.21 : 1

This shift is particularly striking in smaller agencies. Department of Defense (DoD) agencies and the Department of Veterans Affairs (VA) account for about two-thirds of the Governmentwide HR workforce. In these two departments, the ratio of HR specialists to HR assistants almost tripled between 1990 and 2018. In other agencies, the ratio more than tripled over the same time period.

Furthermore, the grade distribution of Federal HR specialists has changed, especially outside DoD and VA (see Figure 3). The proportion of HR specialists at higher General Schedule grade levels (grades GS-13, GS-14, and GS-15) remained relatively stable in DoD and VA from 1998 to 2018, but it increased substantially elsewhere, from 41% to 56%.

¹⁰ MSPB analysis of workforce data from OPM's EHRI-SDM. Data as of September 30 for the listed year. The ratio of total employees to HR employees (the "servicing ratio") provides a rough measure of the responsibilities of HR staff and the efficiency of HR service delivery. We note that this measure does not reflect important factors such as the use of shared services or contractor support, the complexity of HR work (such as strategic or consulting services), or other challenges (such as difficulty in recruiting or retention).

¹¹ MSPB analysis of workforce data from OPM's EHRI-SDM. Data as of September 30 for the listed year. DoD agencies comprise the Department of the Army, the Department of the Air Force, the Department of the Navy, and other DoD components.

Figure 3. Percentage of HR Specialists at General Schedule Grades GS–13, GS–14, and GS–15¹²

Year	DoD Agencies	Veterans Affairs	Other Agencies
1998	25%	21%	41%
2018	23%	21%	56%

There are several possible explanations for the differences across agencies and over time. For example, DoD and VA, as large agencies, may be better able to concentrate higher-graded duties in a smaller proportion of positions. Another likely factor is the presence or absence of work related to military personnel management. The military HR specialist occupation is a different career field and is historically lower-graded than the civilian HR specialist occupation.¹³ Finally, recruitment and retention considerations may affect how agencies structure HR positions. DoD and VA have a comparatively high proportion of HR positions outside major metropolitan areas, and may face less competition from both Federal and non-Federal employers.¹⁴

The increased proportion of higher-graded positions is consistent with a vision of Federal HR specialists as advisors, consultants, and strategists—roles that involve more complex work and require greater knowledge and skill.

Changes in HR Service Quality and Delivery

To determine how well expectations of greater operational efficiency and a more consultative relationship were achieved, we conducted numerous structured group interviews with HR specialists and agency supervisors around the country.

Generally, HR specialists believed that technology, although useful, has not transformed HR operations or their jobs as hoped. First, although automation makes some tasks easier, it has not eliminated the need for HR assistants, because it has not eliminated all the processing work that they once performed. Second, many specialists said that they are now overwhelmed by lower-level tasks such as processing personnel actions and data entry. Those tasks reduce the time available to engage and consult with managers. In summary, it appears that many high-graded HR specialists spend significant time on operational activities that are not strategic, even if they are necessary to hire and pay employees.

Efforts to Build HR Capabilities

The state and composition of the HR workforce reflect factors beyond workload. Both workforce data and interviews suggest workforce planning *and* individual training and development have been lacking. One practice that may be slowing the evolution of HR offices is a heavy reliance on internal hiring (“promotion from within”). A large portion of the HR workforce is hired from inside the Federal workforce. From 2014 through 2018, 74% of new HR specialists were hired from within the Federal Government, compared to 26% who were external hires.¹⁵ Among internal hires, most were current employees of the agency (86%), and the most common

¹² MSPB analysis of workforce data from OPM’s EHRI-SDM. Data for employees in General Schedule pay plans (GS and GM).

¹³ MSPB cannot distinguish military and civilian HR specialist positions in EHRI-SDM using occupational series, as OPM consolidated both types of work into one occupational series (0201) in the late 1990s.

¹⁴ In the General Schedule classification system, pay or grade levels offered by other employers (i.e., recruitment and equity considerations) cannot properly be considered when determining a position’s grade level.

¹⁵ MSPB analysis of movement into the HR (0201) occupation using workforce data from OPM’s EHRI-SDM for a 5-year period (fiscal years 2014 through 2018). It is likely that most of these external hires were new to the Federal Government, although we did not attempt to determine whether these individuals had prior Federal Government service.

previously-held occupation was HR assistant (40%).¹⁶ Promotion from within has advantages, such as providing employees with incentives for high performance, affording employees opportunities for advancement, and making better use of talented employees who have the ability to perform in more demanding roles. However, it is only effective when organizations ensure that the promoted employees have the necessary fundamental skills and provide them with the training, development, and feedback needed to succeed as a technical expert and advisor.

Responses to our agency questionnaire also indicate that much HR staff training is neither systematic nor deep. When we asked CHCOs if they had a comprehensive HR training plan or program, the majority of them said they did not. A frequently cited reason was a lack of resources. Also, a majority of CHCOs indicated that most training for new HR staff is on-the-job or mandatory, such as OPM-provided Delegated Examining (DE) training necessary for DE certification. Several CHCOs also mentioned that they hire experienced HR staff, so that on-the-job training focuses on agency-specific HR systems, policies, processes, and culture.

Furthermore, some interviewees thought that HR assistants were being promoted too quickly, for reasons that included:

- A practice of “automatic” career ladder promotions, granted after one year had passed, with no consideration of how well the HR employee was performing or understood assigned HR functions. The burden was on the employee’s supervisor to establish why an employee should not be promoted;
- Overburdened HR supervisors, who were so inundated with work that they did not have the time to document why someone should not be promoted; and
- Staffing pressures. Many participants believed that retention challenges undermined a rigorous approach to staff evaluation and promotion. As a practical matter, it often seemed necessary to promote ambitious, competent employees simply to keep them.

As with training, the management practice described seems more consistent with “HR as transaction processor” than “HR as strategic partner.”

Centralization of HR Services

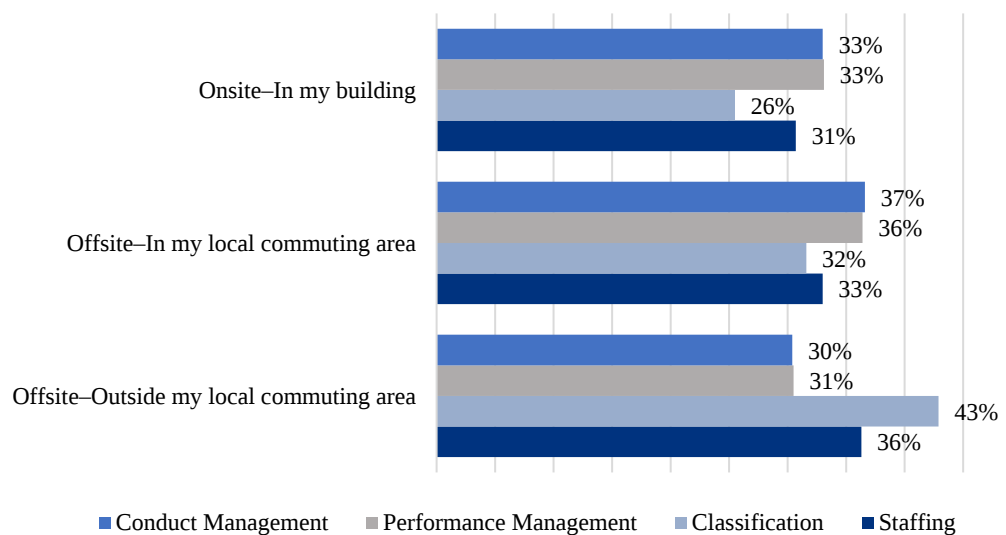
As mentioned, the CSRA and NPR sought to delegate and decentralize HR decision-making, believing that such decisions were best made by the people closest to the mission and line employees. Closeness is also relevant to the vision of HR specialists as strategic business partners. To be effective in that role, HR staff must understand the agency mission and the challenges that line managers face in recruiting, selecting, developing, and managing people. That requires HR staff to establish strong relationships with the managers they support.

However, in recent years, the Federal Government has moved away from providing HR services onsite. Many Federal agencies have consolidated HR offices into locations that are not co-located with the managers they serve. In the 2016 Merit Principles Survey (MPS), we asked managers about the location of their servicing HR office. Although approximately one-third of supervisors receive HR services from within their own building (onsite), most reported that HR staff were offsite. The days when a manager could walk down the hall and discuss HR questions and issues in person are apparently over. By the same token, most HR staff can no longer routinely meet

¹⁶ MSPB analysis of movement into the HR (0201) occupation using workforce data from OPM’s EHRI-SDM.

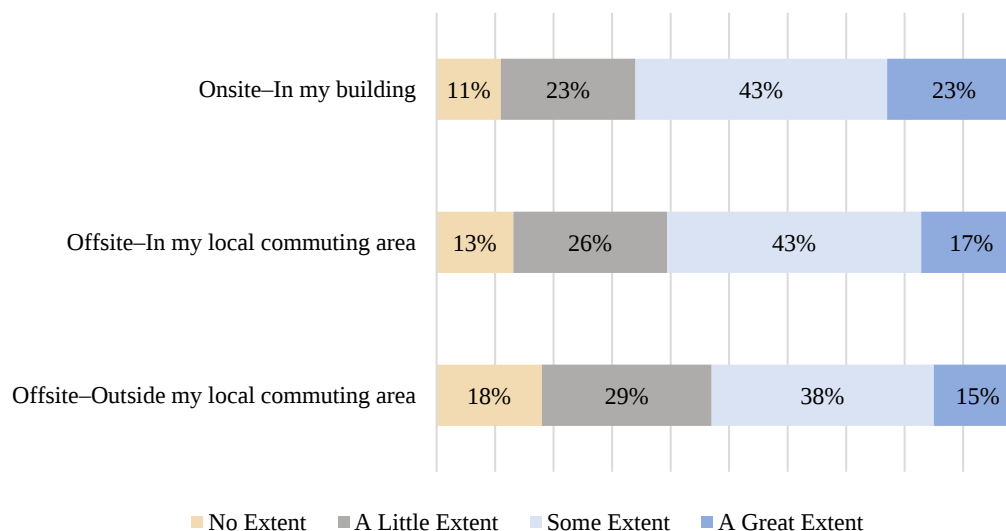
face-to-face with their client managers or organizations. As shown in Figure 4, among the core HR services, position classification appears to be the most “removed.”

Figure 4. Where HR Service Comes From—Location



The HR staff we interviewed generally believed that their customers would be more satisfied with the service they provide if the HR staff were onsite. These perceptions are supported by our survey of agency leaders.¹⁷ As shown in Figure 5, 66% of supervisors were satisfied to some extent or to a great extent with staffing actions when their HR staff was located in their building. That figure was only 53% among managers whose HR staff was located outside of the local commuting area. The decline in satisfaction as HR became more “remote” was accompanied by an increase in dissatisfaction. Notably, 18% of supervisors with HR staff located outside of the local commuting area were satisfied to “no extent” with staffing actions.

Figure 5. Agency Leaders’ Satisfaction with Staffing Actions by Location of HR Staff



Beyond satisfaction with services, we also found that agency supervisors and managers have more positive views of their HR staff when they are co-located (see Figure 6). Curiously,

¹⁷ For this brief, we define agency leaders as agency supervisors and managers.

although managers with offsite HR staff were slightly less likely to agree that HR staff were hard working, they were also more likely to agree that HR staff were over-worked.

Figure 6. Supervisors' Evaluations of HR Staff Characteristics by HR Staff Location

HR Staff Function	Evaluation (% agreement)	HR Staff Location		
		Onsite	Offsite	
			Local	Remote
Staffing	Knowledgeable	73%	70%	66%
	Hardworking	75%	67%	67%
	Responsive	70%	62%	61%
	Over-worked	56%	54%	60%
	Effective in role	70%	63%	61%
Classification	Knowledgeable	80%	77%	71%
	Hardworking	74%	68%	66%
	Responsive	70%	60%	59%
	Over-worked	52%	53%	57%
	Effective in role	71%	65%	60%
Conduct Management	Knowledgeable	87%	83%	85%
	Hardworking	79%	74%	77%
	Responsive	77%	72%	71%
	Over-worked	52%	54%	57%
	Effective in role	77%	72%	73%
Performance Management	Knowledgeable	83%	81%	81%
	Hardworking	80%	74%	77%
	Responsive	76%	71%	73%
	Over-worked	50%	54%	54%
	Effective in role	75%	70%	71%

Reliance on “Shadow” HR Staff

The use of staff outside HR offices to coordinate actions with HR offices or provide selected HR services is not new. (For discussion, we will refer to these staff as “shadow staff” or “shadow HR.”¹⁸) However, such use may be increasing in response to the centralization of HR services. As such, since roles are often informal, and not associated with any particular occupational series, we cannot know the size or characteristics (e.g., grade levels) of shadow staff. Regardless, there are implications for HR service quality.

During interviews, we learned that shadow staff typically focus on recruitment and staffing. It is much less common for shadow staff to work in the areas of performance management or employee relations.

Shadow staff arrangements are not inherently good or bad; many organizations deliberately divide HR work among staff and line organizations. However, the arrangements described to us

¹⁸ Such roles may be formally assigned, reflected in position descriptions and classification. For example, such work is common in administrative officer and secretary/administrative assistant positions. However, the role may be informal and performed by a position whose primary role is technical or directly mission-related.

during interviews did not appear to be conscious, strategic decision of the agency about how HR services should be structured and delivered. Instead, they appeared to be a local response by line organizations to perceived deficiencies in HR service or coordination. Interviewees expressed several concerns about the shadow staff structures they observed, including:

- Equity. Some interviewees believed that shadow staff were higher-graded than HR staff in operations centers, with lower workloads;
- Knowledge. Even when shadow staff have HR experience, they may not be cognizant of new HR laws, rules, and regulations or agency policies because they are removed from the formal HR chain of command and communication;
- Conflicting advice. When shadow staff and HR staff interpretations or opinions differ, managers may not know whom to trust, and may decide upon a course of action that is illegal or inconsistent with agency or organization policy; and
- Effects on HR staff retention. Interviewees thought that the existence of shadow staff could impair the retention of high-performing HR specialists. When shadow staff positions are higher-graded than corresponding HR staff positions, HR specialists may leave the HR office for shadow positions in line/mission offices. That could harm both HR office staffing and managerial confidence in the “official” HR staff.

Outcomes: The Current State of HR Staff and HR Services

How have the changes discussed above affected outcomes for Federal agencies and agency leaders? Specifically: What do agency leaders think of the HR service they receive? How satisfied are they with outcomes HR achieves? How has centralization of the HR function affected these attitudes? Has HR made the transition from “technical expert” and “transaction processor” to strategic business partner?

Perceptions of the Quality of HR Services

HR staff must be knowledgeable about the complex Federal HR rules, which remain in abundance. That knowledge must be combined with a desire and ability to provide good customer service, which is a foundation for strategic consultation with managers. In the 2016 MPS, we asked agency leaders for their views of HR staff and service. The results suggest that the management-HR relationship is often more distant and transactional than close and consultative. For example, when we asked agency leaders if they knew the HR person to contact for help, only 54% of agency leaders knew whom to contact for help with classification. The percentages were somewhat higher for staffing (65%) and employee relations (71%).

Leaders’ views of HR outcomes and HR staff were also mixed. First, we asked agency leaders how satisfied they were with the outcomes they received from HR. As shown in Figure 7, leaders were more satisfied with outcomes in management/employee relations and classification than in staffing. However, in every function, less than two-thirds of agency leaders were satisfied to some extent or to a great extent. There is obviously room for improvement across the functions in HR.

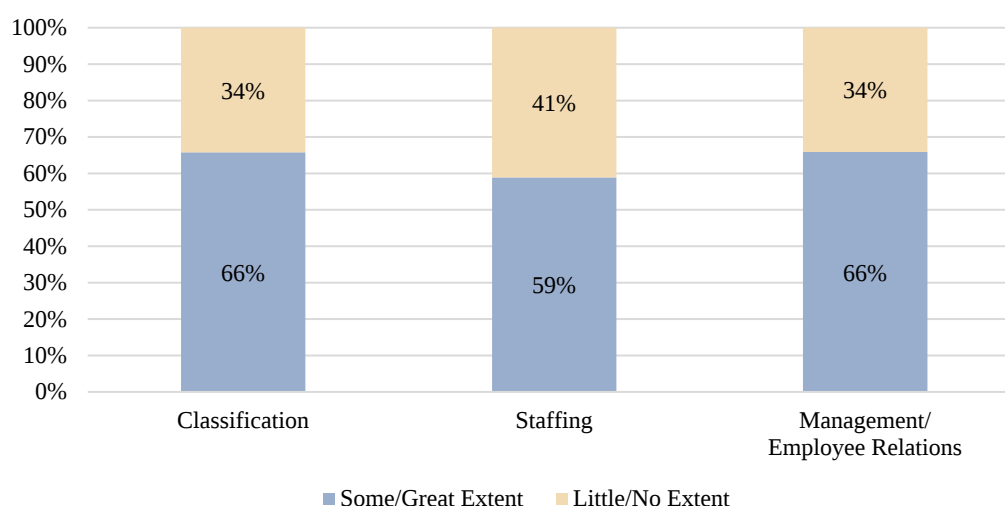
Figure 7. Leaders' Satisfaction with HR Outcomes

Figure 8 shows leaders' views of the importance, knowledge, and effectiveness of their HR staff by functional area. Several patterns are noteworthy.

Figure 8. Agency Leaders' Perceptions of HR Staff

HR staff is...	HR Function	Agree	Neutral	Disagree
Essential to my success	Staffing	75%	17%	8%
	Classification	74%	18%	7%
	Conduct management	75%	18%	7%
	Performance management	75%	18%	7%
Knowledgeable about laws, rules, and regulations	Staffing	69%	17%	14%
	Classification	75%	16%	10%
	Conduct management	85%	9%	6%
	Performance management	83%	10%	7%
Effective in their role	Staffing	64%	21%	15%
	Classification	64%	20%	16%
	Conduct management	73%	15%	12%
	Performance management	72%	16%	12%

First, on a positive note, most agency leaders believe that HR staff are essential to their mission and organizational success. For every HR functional area included in our survey, 70 to 75 percent of agency leaders agreed that HR support is “essential to the success or failure of my office.” The debate over whether Federal HR staff are fully prepared for their roles should not overshadow the fact that HR offices and staff are essential to hiring and managing employees.

Second, agency leaders view the *knowledge* of their HR staffs more positively than they view their *effectiveness*. This suggests that poor HR outcomes may, in some cases, be the product of knowledgeable people working with outdated processes or policies. If so, policy-focused reform initiatives should indeed be part of the solution. Yet for every HR discipline, there is a small proportion of leaders who believe their supporting HR staffs are neither knowledgeable nor effective. These minority views should not be ignored.

Finally, we note that there are differences across functions. For example, agency leaders view the staffing function less positively than the employee relations function (assisting supervisors with performance or conduct issues). Leaders having a comparatively positive view of employee relations is good news when dealing with problem performers. However, hiring high-quality employees remains an important aspect of supervisors' jobs, and many supervisors find that task more difficult than addressing problems with employees after they are on board.¹⁹

Agency CHCOs had a more positive perspective on the current state of their HR workforces. In our agency questionnaire, twelve of the thirteen responding CHCOs believed that managers were satisfied or very satisfied with their HR workforce. A majority of CHCOs believed their HR staff were knowledgeable or very knowledgeable about the HR disciplines and were effective or very effective in carrying out their HR role. However, several CHCOs also identified skill gaps in the areas of analysis (data gathering), customer service, and consultation. Notably, one agency expressed a belief that automation in staffing has led to less overall thinking by the HR staff.

Balancing Consultation and Compliance

The vast majority (85%) of agency leaders believed HR staff comply with HR-related laws, rules, and regulations. However, one-third of them believed that HR staff have too narrow an interpretation of the law, and only 48% of managers believed that HR staff knew how to find creative solutions within the law. This pattern suggests that many HR specialists continue to focus on a particular approach to compliance, instead of exploring alternatives and seeking common-sense solutions to workforce issues within a framework of laws and merit system principles. Training HR staff to think more broadly, both about organizational needs and the rules and principles of Federal HR management, could help them better support managers while remaining in compliance with the law.

The vision for Federal HR since the 1990s has been that HR staff would become consultants and advisors instead of enforcers. Yet when we asked managers how effective their HR staff were as consultants, only 62% of managers thought their HR staffing specialist was effective in that capacity. During group interviews, many HR specialists stated that they had neither time nor resources to consult with managers on a regular basis. This seemed particularly true in staffing. In that area, specialists commonly believed that HR leaders focused more on meeting production standards and measures—for example, the time taken to bring a new employee on board—than on the quality of the new hire. HR staff believed they were evaluated on how fast they could fill jobs, and not on consultation with managers. This suggests that while agencies may say they want consultation, they actually reward processing.

Barriers to Transforming the HR Workforce

As discussed, the transformation of HR offices to “business partners” appears incomplete at best. Below, we outline several reasons for this situation.

Complexity of HR Laws and Regulations

Although HR specialists no longer have to contend with the 10,000-page FPM, that does not mean that Federal HR has been simplified or deregulated. Since the FPM sunset, the Federal Government has experienced a proliferation of new HR laws, rules, and regulations. For instance,

¹⁹ U.S. Merit Systems Protection Board, *Addressing Misconduct in the Federal Civil Service: Management Perspectives* (December 2016), p. 4.

in the area of staffing there are several new or modified hiring authorities and programs, targeted to specific applicant populations or lines of work.²⁰ Similarly, there are new laws and guidelines in the areas of performance management and conduct management.²¹ Without time and training to remain current on developments in Federal HR policy and the broader HR discipline, HR specialists will remain hard-pressed to carry out their operational duties while consulting with managers.

There is also continuing concern that Federal HR policies are ill-suited to the needs of Federal agencies and managers. In short, the belief that Federal HR *staff* have not been transformed is accompanied by a parallel belief that Federal HR *systems* have not been transformed. For example, the Administration's budget request for Fiscal Year 2021 states that:

Federal personnel practices have remained comparatively static. The underlying framework of the General Schedule (the civil service personnel system in which most Federal workers are employed) has proven to be neither nimble nor agile. Its job classification system becomes more archaic with each passing year. Both hiring and dismissal processes are lengthy and byzantine.²²

Similarly, in 2019 the National Academy of Public Administration concluded that the Federal Government needed to recommit itself to fundamental principles of merit and make far-reaching changes to personnel policies:

In case after case, ranging from ensuring cyber safety to protecting the nation's borders, the federal government faces profound problems in making government work for the American people. And in case after case, these problems share a common root cause: the federal government's human capital system is fundamentally broken.²³

If so, then it is unsurprising if even well-trained HR specialists must spend considerable time simply to "make the system work," with little time left for planning or consulting.

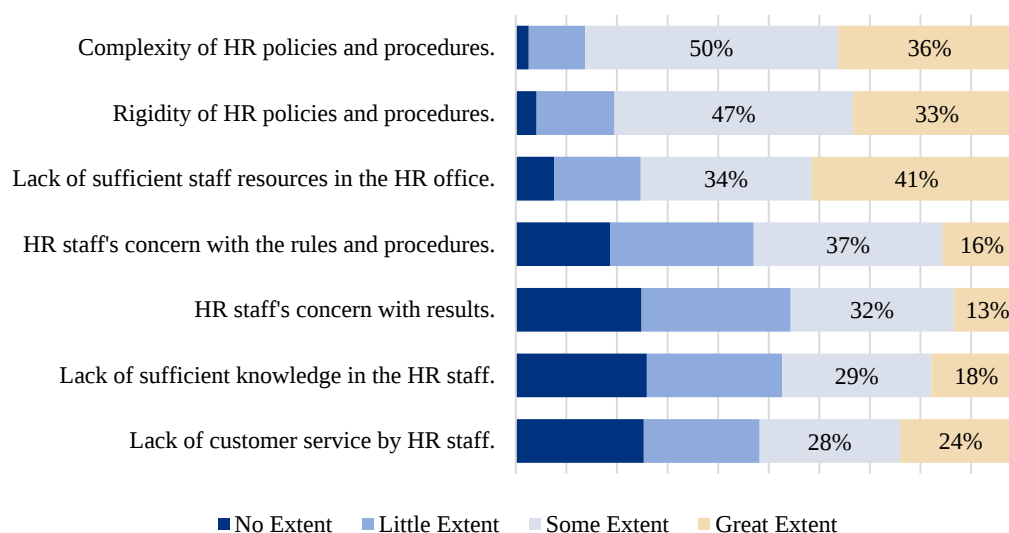
Results from the 2016 MPS confirm both the complexity of the Federal HR systems and Federal managers' need for expert advice. When asked about factors that may cause difficulties for supervisors when solving HR issues, 86% of respondents cited the complexity of HR policies and procedures (see Figure 9). The next two most frequently noted issues were the rigidity of HR policies and procedures (cited by 80%) and the lack of sufficient staff resources in the HR office (cited by 75%).

²⁰ Examples include the Pathways Programs, an array of agency- or occupation-specific direct hire authorities, the Veterans Employment Opportunities Act (VEOA) authority, and provisions to expand employment opportunities for selected groups (e.g., temporary employees of land management agencies).

²¹ See, for example, Department of Veterans Affairs Accountability and Whistleblower Protection Act of 2017 (P.L. 115-41) § 201, codified at 38 U.S.C. § 713 (stating that the standard of proof for adverse actions will be that the Secretary "determines the performance or misconduct of the covered individual warrants such removal, demotion, or suspension" when civil service laws have historically required that the action advance the efficiency of the service); E.O. 13839, Promoting Accountability and Streamlining Removal Procedures Consistent with Merit System Principles (May 25, 2018), available at 83 Fed. Reg. 25343-47 (encouraging agencies to limit the advanced notice period to the 30 days required by law and stating that progressive discipline is not a requirement); U.S. Office of Personnel Management, *Guidance on Progressive Discipline and Tables of Penalties* (Oct. 10, 2019) (explaining that while progressive discipline and use of tables of penalties are well-established practices, OPM was encouraging agencies to have supervisors exercise more independent judgment based on the totality of the facts and circumstances).

²² U.S. Office of Management and Budget, *A Budget for America's Future: Analytical Perspectives* (February 2020), p. 47, accessed at https://www.whitehouse.gov/wp-content/uploads/2020/02/spec_fy21.pdf.

²³ National Academy of Public Administration, *No Time to Wait: Building a Public Service for the 21st Century* (July 2017), p. 1, accessed at https://www.napawash.org/uploads/Academy_Studies/No-Time-to-Wait_Building-a-Public-Service-for-the-21st-Century.pdf.

Figure 9. Factors Causing Difficulties for Supervisors

Lack of Training for HR Staff

In interviews, HR staff often mentioned that they lack time for training because of their day-to-day workload. In agency questionnaires, some CHCOs mentioned a lack of resources for training. Furthermore, we also heard that training agencies might provide staff at the department level does not necessarily reach line or field staff.

Beyond training, several managers and HR staff expressed a need for measures such as an HR certification program or professionalizing the HR occupation along the lines of the contracting occupation.²⁴ This is an idea that bears more research to see how it has worked in the private sector and explore how it might work in the Federal Government. But it is also clear that Federal agencies need to make HR training a priority now.

We note there are initiatives underway to make the training of Federal HR specialists more thorough and systematic. OPM, working in cooperation with the Federal CHCO Council, recently established the Federal HR Institute (FHRI), which it describes as “a comprehensive curriculum designed to ensure the federal HR workforce continuously improves; and is agile, strategic, and competent. Our curriculum establishes a single, standardized, federal HR framework, and teaches this framework to federal HR practitioners.”²⁵ The FHRI’s first courses focus on the staffing function, with other functions to follow. OPM is also updating the Governmentwide competency model for the HR specialist occupation, as a foundation for efforts to close skills gaps and improve how HR specialists are hired, developed, and managed.²⁶ These are promising developments, but they will only pay off if agencies allocate the necessary funds and time.

²⁴ In the Federal Government, the contracting occupation (1102 series) was professionalized following passage of the 2001 National Defense Authorization Act. Professionalization included changing qualification requirements for entry (introducing a positive educational requirement), establishing certification requirements for varying roles and levels of responsibility, and requiring employees to complete continuing education to retain certification.

²⁵ U.S. Office of Personnel Management, “Center for Leadership Development: Federal HR Institute” (website), <https://www.opm.gov/services-for-agencies/center-for-leadership-development/federal-hr-institute>, accessed on February 4, 2020.

²⁶ U.S. Office of Personnel Management, “Memorandum for Human Resources Directors, Subject: Information Request for Human Resources Management Competency Model,” July 25, 2019, <https://www.chcoc.gov/content/information-request-human-resources-management-competency-model>, accessed on February 28, 2020.

Losses of Leadership and Expertise

The restructuring and decentralization of HR beginning in the 1990s may have created a void in leadership of the Federal HR community that has not been fully filled, despite efforts to strengthen HR leadership within Federal agencies. For example, the Chief Human Capital Officers Act of 2002 established the director of human resources as a “C-suite” position in Cabinet departments and selected individual agencies,²⁷ and the CHCO Council was created to advise OPM and the Office of Management and Budget on human capital strategies and policies, inform and coordinate activities related to HR systems and legislation, and provide leadership in sustaining and developing of the Federal Government’s human capital community.²⁸

Nevertheless, the centralized expertise and leadership that resided in OPM do not appear to have been restored,²⁹ and HR staff recruitment, selection, and development are managed by individual agencies. The interviews provided little indication that agencies have cultivated deep expertise or broad thinking in their HR workforce. A common belief was that HR staff do not understand the theory or principles behind the processes; they know only that they were told to do things a certain way.

Lack of HR Workforce and Succession Planning

As discussed, we found several practices in HR recruitment and training that appear more habitual than strategic, such as a heavy reliance on internal hiring, hiring experienced specialists from other agencies instead of growing or developing staff, and limited training that emphasizes rules and software operation over fundamental principles and foundational skills. These tactics do not seem to reflect a conscious or sustainable workforce planning strategy. Agencies, in collaboration with OPM, should consider what recruitment, assessment, and development strategies are needed to develop and sustain the HR workforce of the future.

Lack of Support for Administrative Tasks

HR specialists now greatly outnumber HR assistants. Unfortunately, HR staff we spoke with believe that the decline in HR assistant positions has outpaced the decline in HR assistant work. Consequently, specialists must not only focus more time on operational tasks than on advising and strategically thinking, they must also perform clerical work. To illustrate, some HR staffing specialists said they performed “cradle to grave” recruitment, from creating vacancy announcements to issuing referral lists to processing the appointment paperwork.³⁰ HR specialists also described performing clerical work that had been reengineered in theory, but not in practice. For example, some HR specialists indicated that they had to print or complete benefits forms for employees because those employees could not or would not use self-service systems.

Lack of Needed Technology and Process Improvements

One rationale for HR reductions, particularly among HR assistant positions, was that automation would eliminate much routine work. That has not always happened as envisioned. While some

²⁷ Chief Human Capital Officers Act of 2002, enacted as part of the Homeland Security Act, P.L. 107-296 (November 25, 2002).

²⁸ Paraphrased excerpt from the charter for the CHCO Council (as of February 2020), accessed at <https://www.chcoc.gov/content/council-charter>.

²⁹ For example, as of September 2018, OPM employment of permanent full-time HR specialists—a rough measure of OPM’s capacity for HR policy development, analysis, and oversight—was approximately 20% lower than in September 1998. (Figures based on MSPB analysis of workforce data from the U.S. Office of Personnel Management, Enterprise HR Integration, Statistical Data Mart (EHRI-SDM).)

³⁰ Specifically, specialists mentioned completing and processing the Standard Form 52 (SF-52, Request for Personnel Action), which is used to initiate, approve, and code personnel actions throughout the Federal Government.

steps or processes were eliminated, others remained—and those often fell to HR specialists to do. Also, streamlining efforts sometimes had unexpected effects. For example, efforts to simplify Federal job application procedures³¹ sometimes produced more work for Federal HR offices and staff. A 2010 prohibition on requiring applicants to submit written narratives as part of an initial application did reduce the effort needed to apply for a Federal job—but it also produced a flood of applications for some jobs, which HR staff then had to process.³² Those same HR staff often found that they did not have the technology or tools needed to process those applications efficiently or effectively.³³

Lack of Involvement and Training of Managers

Both the CSRA and NPR envisioned that supervisors and managers would be more involved in HR processes and decisions. However, it is not clear that those HR processes are functional or that managers are well prepared to navigate them:

- In the 2016 MPS, only 56% of agency leaders agreed that they understood HR laws, rules, and regulations;
- About half of leaders thought that HR laws, rules, and regulations are too complex; and
- More than half (59%) wished that Congress and the President would simplify those laws.

During interviews, supervisors, managers, and HR staff often mentioned the need for HR training for supervisors, with some saying that even basic Federal HR training has not been offered. Agencies should ensure that they train supervisors and managers in basic HR regulations, prohibited personnel practices, and the merit system principles.

Lack of Trust and Cooperation between HR and Supervisors

The relationship between supervisors and HR staff is critical. Both must believe that the other is well intentioned and competent. Otherwise, mutual distrust will lead to a poor working relationship that is neither collaborative nor consultative. Unfortunately, interviews indicate that trust and respect are often lacking. Many HR participants stated that supervisors and managers do not respect HR. For example, at one site HR staff believed that the HR office was obliged to give managers what they wanted and (in their words) “get to yes.” These staff described line supervisors and managers who would contact higher-level HR managers until they received the answer they wanted and HR managers who would frequently overrule HR specialists’ judgments, leading to demoralization.

For their part, many supervisors and managers believed that HR staff were needlessly inflexible and viewed them as roadblock. Supervisors described HR staff who did not respond to their requests and complained about poor quality referral lists and a lack of consulting. Sometimes, supervisors were just told “no” without any explanation.

To address these issues, HR staff must learn to communicate clearly and concisely with managers about HR actions, have sufficient knowledge to research questions and provide advice, and be flexible within legal and ethical boundaries. That requires knowledge that is broader and deeper

³¹ See Presidential Memorandum, “Improving the Federal Hiring Recruitment and Hiring Process,” May 11, 2010 (accessible at <https://obamawhitehouse.archives.gov/the-press-office/presidential-memorandum-improving-federal-recruitment-and-hiring-process>).

³² These narratives were composed of written descriptions of tasks and accomplishments that documented the applicant’s possession of specified job-related knowledge, skills, or abilities. These descriptions are commonly referred to as “KSA narratives” or simply “KSAs.”

³³ See U.S. Merit Systems Protection Board, *Improving Federal Hiring Through Better Assessment* (July 2018), pp. 6-7 for a summary of the 2010 hiring improvement initiative and its effects on hiring processes and outcomes.

than merely knowing how to operate automated systems. However, managers must also accept that they must hire and manage people in a manner consistent with law and the public interest. Managers must respect HR staff if they are informed—with proper reasoning and documentation—that an action would violate a law or regulation or constitute a prohibited personnel practice.

Conclusion

Drawing on ongoing MSPB research, this research brief outlines events affecting Federal HR specialists and HR offices—such as staff reductions, centralization, and technological change—and the current state of the Federal HR workforce.

On a positive note, most agency leaders recognize that the HR function is essential to organizational success. But is HR prepared to help agency leaders make strategic decisions about how to recruit, select, develop, and manage Federal employees? The answer appears to be “not always.” Workforce data, survey results, ongoing efforts to reform Federal HR policies, and continuing concern about the state of Federal HR offices and staff all indicate that this vision remains a work in progress.

That is because some critical components of this vision are incomplete. This is not surprising; the challenges in providing HR services that are both responsive and principled are not new, as MSPB outlined in our 1993 report. Compliance with law and merit principles remain essential to a merit-based civil service. Moreover, as summarized in this brief, the barriers to HR transformation are longstanding.

MSPB plans to continue research on the Federal HR workforce. Nevertheless, it is clear that efforts to overcome these barriers must continue, and that lasting improvement to Federal HR operations and outcomes requires attention to policies and people. In summary, policymakers and leaders need to ensure that Federal HR laws and practices are both merit-based and functional, and ensure that HR staff and managers have adequate training, resources, and support to carry out their respective responsibilities.