

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

**Response to the National Academy
of Public Administration Study**
Report to Congress





The Director

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Honorable Carolyn B. Maloney
Chairwoman
Committee on Oversight and Reform
United States House of Representatives
Washington, DC 20515

The Honorable James R. Comer
Ranking Member
Committee on Oversight and Reform
United States House of Representatives
Washington, DC 20515

The Honorable Gary C. Peters
Chairman
Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510

The Honorable Rob Portman
Ranking Member
Committee on Homeland Security
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United States Senate
Washington, DC 20510

The Honorable Rosa L. DeLauro
Chairwoman
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable Kay Granger
Ranking Member
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable Patrick J. Leahy
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Richard C. Shelby
Vice Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairwoman Maloney, Chairman Peters, Chairwoman DeLauro, Chairman Leahy, Ranking Member Comer, Ranking Member Portman, Ranking Member Granger, and Ranking Member Shelby:

As Director of the U.S. Office of Personnel Management (OPM), and pursuant to a Congressional mandate from the National Defense Authorization Act for FY 2020, I am pleased to deliver the enclosed response to the recommendations issued by the National Academy of Public Administration (NAPA) in their study, *Elevating Human Capital: Reframing the U.S. Office of Personnel Management's Leadership Imperative*, dated March 17, 2021.

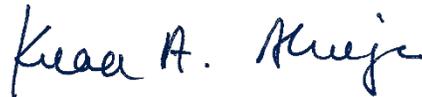
The NAPA study unequivocally affirms the need for a strong, independent, and well-resourced OPM. Over the past six months, OPM has worked to analyze thoroughly, and respond thoughtfully, to each of NAPA's recommendations. The enclosed response – prepared by seven working groups of OPM staff from across the organization and guided by a steering committee

of senior OPM officials – reflects our deep engagement and broad agreement with NAPA’s recommendations. OPM is committed to the policy changes and investments necessary to strengthen OPM’s role as the strategic human capital leader for the Federal Government.

To that end, OPM worked to coordinate our responses herein with our FY2022-26 Strategic Plan and our annual budget development processes. The resulting document reflects OPM’s vital role and demonstrates our commitment to providing agencies with the guidance, tools and services needed to meet their evolving human resource needs.

I appreciate your leadership and commitment to excellence in the Federal Government and your support for our most important asset, the Federal employee. I look forward to partnering with you to build upon the NAPA study recommendations and advancing OPM’s capacity to support Federal employees and agencies in service to the American public.

Sincerely,

A handwritten signature in blue ink that reads "Kiran A. Ahuja". The signature is written in a cursive style with a large initial 'K' and a distinct 'A'.

Kiran A. Ahuja
Director

Enclosure

Table of Contents

Executive Summary	1
Background	4
Agency Overview	4
FY 2020 National Defense Authorization Act Language	4
Methodology	6
Summary of OPM's Response to NAPA Study Recommendations	7
NAPA Study Recommendation Section 1: OPM Role, Leadership, and Mission	7
OPM's Response to NAPA Study Recommendation Section 1	7
NAPA Study Recommendation Section 2: Core Mission Functions and Programs	9
OPM's Response to NAPA Study Recommendation Section 2	9
NAPA Study Recommendation Section 3: Supporting Functions Enabling Mission Execution	11
OPM's Response to NAPA Study Recommendation Section 3	11
OPM's Detailed Response to NAPA Study Recommendations	14
Introduction	14
OPM's Plan to Implement NAPA Study Recommendations	28
Introduction	28
Recommendation 1.1: OPM Role and Mission	29
Recommendation 1.2, Part 1: OPM Director Qualifications	30
Recommendation 1.2, Part 2: Career Chief Management Officer	30
Recommendation 1.3: CHCO Council Vice-Chair	31
Recommendation 1.4: Congressional Subcommittees	31
Recommendation 1.5, Part 1: Organizational Culture	31
Recommendation 1.5, Part 2: Skills and Knowledge Gaps	32
Recommendation 1.5, Part 3: Strategic Planning and Policy Office	34
Recommendation 1.6: Human Capital Advisory Committee	34
Recommendation 2.1: Human Capital Regulations and Guidance	35
Recommendation 2.2: Focus on Innovation	36
Recommendation 2.3: Inclusive Approach to Policymaking	36
Recommendation 2.4: Transactional Oversight Authority	37
Recommendation 2.5: Risk-based Transactional Oversight	38
Recommendation 2.6: Programmatic Evaluations	39
Recommendation 2.7: No-Fee Technical Assistance	40
Recommendation 2.8: Federal Workforce Competencies and Capabilities	41
Recommendation 2.9: Human Capital Management Research	42
Recommendation 3.1: Human Capital Data	43
Recommendation 3.2: Workforce Capacity Measurement	44
Recommendation 3.3: IT Modernization	44
Recommendation 3.4: DCSA Support Sunset	46

OPM Response to the National Academy of Public Administration Study

Recommendation 3.5: Operational Cost Analysis 47
Recommendation 3.6: Budget Justifications 48
Recommendation 3.7: IT Modernization Funding 48
Recommendation 3.8: IT Working Capital Fund 49

Executive Summary

This document is the official response from the Office of Personnel Management (OPM) to the National Academy of Public Administration's (NAPA) study as directed by the National Defense Authorization Act for Fiscal Year 2020 (Act). In the Act, Congress called for NAPA to create a report with recommendations based on a "comprehensive assessment and analysis" of OPM, requiring OPM to respond to the report's recommendations no later than 180 days after its submission. NAPA published its study, "Elevating Human Capital: Reframing the U.S. Office of Personnel Management's Leadership Imperative," in March 2021.

The NAPA study Executive Summary opens with these words:

"The nation is experiencing turbulent times and unprecedented challenges that are collectively affecting the national psyche. These range from the COVID-19 pandemic and home-grown, as well as foreign, terrorism threats to widespread social unrest and economic uncertainty and disparity. The Federal Government plays a critical role in responding to these crises. But, to do so effectively requires a workforce with both the capability and capacity to tackle these issues head on. The agency charged with administering the federal civil service and merit systems—setting the policies on hiring, staffing, development, performance, accountability, advancement, and benefits, and providing a host of services in support of that workforce—is the U.S. Office of Personnel Management (OPM)" (NAPA study, page 1).

Overall, OPM accepts the spirit and much of the substance of the NAPA study and its recommendations. The NAPA study identifies a clear need for OPM as the "independent, enterprise-wide human capital agency and steward of the merit system principles" (NAPA study, page 2). The study broadly affirms the importance of a strong, independent, and forward-leaning OPM to meet the modern human capital management needs of the Federal Government. OPM firmly agrees with this role for the agency and views the general direction and tenor of the NAPA study recommendations as a valuable guide in that direction. For example, OPM has already substantially advanced a cross-cutting priority within the NAPA study by taking significant steps to reinvigorate the Chief Human Capital Officers (CHCO) Council. OPM has appointed an Executive Director who also serves as a Senior Advisor to the OPM Director, transitioned the official coordination of the Council from the General Services Administration (GSA) to OPM, and reinstated monthly meetings and working groups with a focus on the Future of Work; Diversity, Equity, Inclusion and Accessibility

(DEIA); and CHCO Council governance (relates to NAPA recommendations 1.3, 2.1 and 2.3).

OPM acknowledges NAPA's statement that, to be the strategic human capital leader that the Federal government needs, it must "rebuild staff capacity, encourage innovation, and adopt a more data-driven, accountable, and forward-looking human capital approach (NAPA Study, page 2)." OPM agrees that meaningful capacity building and culture change must be achieved to ensure it can fully succeed in delivering on its mission. This response includes substantial detail on the strategies OPM will take to address these internal needs.

OPM further acknowledges the Biden-Harris Administration commitment to a strong and empowered OPM as part of the President's commitment to protect and empower Federal employees. This commitment includes the President's early executive actions, focused on Federal worker safety; protecting the integrity of the civil service; resetting labor relations; rebuilding the workforce, and advancing diversity, equity, inclusion, and accessibility; as well as the significant implementation responsibilities delegated to OPM. OPM welcomes the call to action from the NAPA study and both the opportunity presented and responsibility conferred by the current Administration and is leaning into this role.

OPM took an enterprise wide and in-depth approach in considering NAPA's recommendations and developing this response. OPM formed an Executive Steering Committee and seven cross-organizational Working Groups to drive the development of OPM's response. The Working Groups met multiple times to develop scenario-based Action Plans that described the actions, owners and resources needed to advance the NAPA recommendations found to be most in alignment with guiding principles developed for this review. These Action Plans were then integrated into OPM's FY 2022-2026 Strategic Plan, which is a core input to OPM's annual budget formulation process. This critical step was intended to harmonize OPM's strategic and resource planning efforts and to ensure consistent communication with Congress, as well as OPM's customers and key stakeholders. In particular, building OPM's response to the NAPA study into the FY 2022-2026 Strategic Plan demonstrates the agency's commitment to taking action and driving change.

The NAPA study's recommendations were divided into three sections, each with between six and nine distinct recommendations:

- Section 1: OPM Role, Leadership, and Mission
- Section 2: Core Mission Functions and Programs
- Section 3: Supporting Functions Enabling Mission Execution

Nearly all the NAPA recommendations were accepted or conditionally accepted by OPM, with the latter designation typically driven by resourcing, statutory or implementation considerations. Recommendations directed to Congress, many in Section 1, were noted as such and addressed with that ownership in mind. Section 2 focuses on OPM's core mission activity and Section 3 contains recommendations mainly focused on OPM's use of data and information technology (IT). This response to the NAPA study contains a narrative summary of OPM's response to the recommendations and a detailed table outlining a response to each one. The response also includes a detailed description of OPM's strategies to implement the recommendation, where appropriate, via the draft objectives and strategies incorporated into OPM's FY 2022-26 Strategic Plan, as well as a high-level estimate of the resources needed to fully implement the recommendation. OPM recognizes that some of the recommendations will require additional resources, reprioritization of existing resources, and / or funding flexibilities for implementation and appreciates the opportunity to engage with Congress to address those areas.

Background

Agency Overview

The U.S. Office of Personnel Management (OPM) serves as the chief human resources agency and personnel policy manager for the Federal Government. OPM provides human resources leadership and support to Federal agencies and helps the Federal workforce achieve their goals as they serve the American people. OPM oversees merit-based and inclusive hiring into the civil service, directs human resources and employee management services, administers retirement benefits, manages health insurance and insurance programs, and manages personnel vetting policies and processes.

FY 2020 National Defense Authorization Act Language

The FY 2020 National Defense Authorization Act required the Director of the Office of Personnel Management (OPM) to contract with the National Academy of Public Administration (NAPA) to conduct a study that included “comprehensive assessment and analysis” of each of the elements set forth below:

- (A) the statutory mandates assigned to the Office of Personnel Management and the challenges associated with the Office's execution of those mandates;
- (B) the non-statutory functions, responsibilities, authorities, services, systems, and programs performed or executed by the Office of Personnel Management; the Office's justification for carrying out such functions, responsibilities, authorities, services, systems, and programs; and the challenges associated with the Office's execution of same;
- (C) the means, options, and recommended courses of action for addressing the challenges identified pursuant to subparagraphs (A) and (B), including an analysis of the benefits, costs, and feasibility of each option and the effect of each on labor-management agreements;
- (D) a timetable for the implementation of options and recommended courses of action identified pursuant to subparagraph (C);
- (E) statutory or regulatory changes necessary to execute any course of action recommended;
- (F) the methods for involving, engaging with, and receiving input from other Federal agencies, departments, and entities potentially affected by any change in the structure, functions, responsibilities, authorities of the Office of Personnel Management that may be recommended;

OPM Response to the National Academy of Public Administration Study

- (G) the views of identified stakeholders, including other Federal agencies, departments, and entities; non-Federal entities or organizations representing customers or intended beneficiaries of Office of Personnel Management functions, services, systems, or programs; and such individual customers and intended beneficiaries; and
- (H) such other matters as the Director may prescribe.

The Act required OPM, within 180 days of the release of the NAPA study, to prepare a response on the views and findings set forth in the NAPA study.

This document is OPM's official response to Congress regarding the NAPA study.

Methodology

OPM took an enterprise wide and comprehensive approach to develop its response to the NAPA study. The approach was intended to engage a wide range of internal stakeholders in considering the recommendations and preparing a robust response in line with OPM's overall strategic direction. To increase that overall strategic alignment, OPM coordinated efforts across the NAPA study response with the FY 2022-26 Strategic Plan and annual budget development processes. The key elements of the approach OPM took to develop its NAPA response were:

- Creation of a **Steering Committee** to guide the overall response effort, with two Senior Leadership team members as the leads
- Creation of seven **Working Groups** with roughly 10 cross-organizational participants each, tasked with reviewing a cluster of NAPA recommendations and drafting responses over multiple meetings
- Development of strategic **guiding principles** used by the Working Groups to provide direction as they reviewed and considered the NAPA recommendations
- Incorporation of extensive **outside stakeholder feedback**, including from the Office of Management and Budget (OMB), General Services Administration (GSA), Federal agency customers and non-governmental stakeholders, on OPM's strengths, opportunities, and challenges, compiled during the agency's recent strategic planning environmental assessment
- Development of **Scenario Based Action Plans** by each Working Group that both outlined a response to the NAPA recommendations and the actions, owners and resources required to carry them forward
- Integration of the Action Plans into OPM's FY 2022-2026 **Strategic Plan**, which is in turn a key input to the development of OPM's annual budget formulation process, to harmonize OPM's strategic and resource planning efforts and communication with outside parties

The result is a robust response to the NAPA study intended to underscore OPM's commitment and plan to fully carry out its mission.

Summary of OPM's Response to NAPA Study Recommendations

OPM serves as the chief human resource agency and personnel policy manager for the Federal Government. OPM provides critical policy, services, and oversight across the talent lifecycle for agency customers and at moments that matter for every single Federal employee. This Administration seeks to elevate and energize OPM's role and capabilities to serve in this critical role, and OPM's response to the NAPA recommendations is consistent with this guiding vision.

Below is a summary of OPM's response to the NAPA recommendations by section and objective. The NAPA objectives and recommendations are taken verbatim from the NAPA study. OPM highlights a few recommendations that are not accepted or conditionally accepted, with a more detailed response to each specific recommendation included in a following section of this document. Please note that the objectives below are alphabetized for ease of reading this response but are not labeled as such in the official NAPA study.

NAPA Study Recommendation Section 1: OPM Role, Leadership, and Mission

Objective A: Reaffirm and broaden OPM's role as an independent entity and leader for federal civilian human capital management and reinvigorate strategic human capital management.

Objective B: Recognize the criticality of the federal workforce as the Government's most important asset for achieving agency missions and focus Congressional attention on federal workforce issues of both today and importantly, the future.

Objective C: Refocus OPM to make it a state-of-the-art human capital organization capable of elevating and supporting human capital as a strategic priority across the federal enterprise and address the needs of a 21st century federal workforce.

OPM's Response to NAPA Study Recommendation Section 1

OPM generally accepts the recommendations associated with the objectives from Section 1 of the NAPA study, noting that many of these recommendations are directed to Congress.

In particular, the NAPA recommendations associated with Objective A and C above highlight specific actions OPM can take to increase its effectiveness in “providing government-wide leadership in strategic human capital management” (NAPA Study, page 3). These actions are summarized immediately below and are addressed in the agency’s draft FY 2022-2026 Strategic Plan, as described in our detailed response summary later in this document.

Actions from NAPA Objective A, Recommendation 1.1 Incorporated into Strategic Plan

- Working with stakeholders to develop policies that foster best practices in all human capital areas and ensure the Government has the mission critical workforce required to execute agency missions and evolving priorities.
- Delegating human capital management authorities to agencies to the maximum extent practicable and feasible and setting standards for the delegated activities.
- Refining and maintaining an oversight program to ensure delegated authorities are in accordance with merit system principles by employing efficient, risk-based, data-driven processes, developed with an eye toward reducing burdensome reporting requirements.
- Leading in the development and use of data and data analytics to forecast needs, identify systemic issues, and inform policy, oversight, and services.
- Promoting and facilitating innovation through research and pilot projects to advance innovative approaches government-wide.
- Setting standards of practice and working collaboratively with the government-wide federal human capital community.

Actions from NAPA Objective C, Recommendation 1.6 Incorporated into Strategic Plan

- Focus on addressing organizational culture issues and silos—in particular, the widely held perception of customers that OPM’s mantra is “just say no.”
- Identify critical staff skill gaps in human capital competencies and analytical skills, such as data analysis.

- Institute a formal knowledge management approach within the agency to strengthen internal knowledge management transfer and minimize the loss of institutional knowledge resulting from staff retirements and attrition.

A significant portion of the recommendations associated with Objective A and B are directed to Congress and, for that reason, OPM provides commentary in our detailed response but only suggests actions where reasonable given its current statutory authority. For example, OPM has no comment on recommendation 1.4 which suggests Congress reestablish various subcommittees.

OPM provides commentary on a component of recommendation 1.2 (which suggests an additional requirement for the position of OPM Director), noting the potential infringement on Presidential discretion. Additionally, OPM disagrees with a component of recommendation 1.5, which calls for the creation of a strategic planning and policy office, given that current organizational structures already address this function, though OPM notes process improvements that will address a core component of this recommendation.

NAPA Study Recommendation Section 2: Core Mission Functions and Programs

Objective D: Reorient OPM's policy development approach toward a proactive, systematic model that streamlines the federal human capital management system.

Objective E: Improve OPM's oversight programs and accelerate the shift from a strictly compliance-oriented approach to a more strategic, risk-based framework.

Objective F: Promote OPM's role in strategic human capital management by assisting agencies in effectively implementing federal human capital laws, regulations, and policy guidance, and enhancing federal human capital staff training.

Objective G: Strengthen OPM's ability to steer efforts that encourage and sustain innovation in federal human capital management.

OPM's Response to NAPA Study Recommendation Section 2

OPM generally accepts the recommendations associated with the objectives from Section 2 of the NAPA study, noting conditional acceptance typically where support from outside stakeholders is required to successfully implement the recommendation.

The list below highlights recommendations which OPM built in full or in part into its draft FY 2022-2026 Strategic Plan, with a detailed response summary contained in the table later in this document.

Actions from Recommendations 2.1, 2.2, 2.3, 2.5, 2.6, 2.8 and 2.9 Incorporated into Strategic Plan

- 2.1 Work with agency stakeholders to review federal human capital regulations and guidance to identify needed changes, with attention to streamlining the human capital management system, clarifying requirements, reducing administrative burden, employing a more decentralized and risk-based approach, and encouraging innovation
- 2.2 Develop policy guidance and information sharing practices that focus on strategic human capital management, innovation, and the identification of best practices and lessons learned
- 2.3 Adopt a proactive, systematic, and inclusive approach to developing government-wide human capital policies that effectively address current and emerging workforce issues and reflect the needs of diverse stakeholder groups
- 2.5 Adopt a more decentralized and risk-based approach to executing its transactional approval and oversight responsibilities by delegating, to the maximum extent possible, decision-making authorities to agencies and conducting cyclical reviews to ensure compliance with relevant laws, regulations, and policy guidance
- 2.6 Modernize its approach to performing broad programmatic evaluations by expanding its efforts to conduct strategic and performance-oriented evaluations, focusing on government-wide, systemic issues, and providing forward-looking recommendations
- 2.8 Enhance the competencies and capabilities of the federal human capital workforce by prioritizing and accelerating its efforts to upgrade the human capital competency model, institute a certificate program for credentialing staff, and expand training offerings for human capital professionals with a focus on customer service and problem solving
- 2.9 Expand and prioritize its role in conducting human capital management research and promoting innovative management of federal workforce

OPM conditionally accepts recommendation 2.4, which asks Congress to authorize OPM to conduct transactional approval and oversight through a risk-based approach

that increases delegated authority. OPM believes some of the transactional activities identified by NAPA could be delegated to agencies, but not all. Further, OPM believes that Congress should grant OPM the authority to delegate these authorities rather than directly delegate to the agencies via legislation so that OPM retains oversight responsibility to maintain a consistent governmentwide approach. Successful implementation of this recommendation may also require increased resources.

OPM will further review the conditions where it is feasible to implement recommendation 2.7, which suggests OPM “should provide no-fee technical assistance to agencies for policy interpretation, support, and related training,” and notes that OPM currently provides significant no fee-technical assistance to agencies through existing resources and is open to conducting more. As noted by NAPA, “OPM will require additional funding to provide no-fee technical training and assistance.” OPM also identified multiple strategies from the Strategic Plan that will enhance customer experience, noted in the response to this recommendation.

NAPA Study Recommendation Section 3: Supporting Functions Enabling Mission Execution

Objective H: Enable and realize the untapped potential of federal human capital data and data analytics as key drivers and assets in strategic human capital management.

Objective I: Transform OPM’s human capital technology platforms and enhance the experience of OPM’s customers and employees.

Objective J: Enable more strategic and sustainable funding to support OPM’s mission performance.

OPM’s Response to NAPA Study Recommendation Section 3

OPM generally accepts or conditionally accepts the recommendations associated with the objectives from Section 3 of the NAPA Study, noting conditional acceptance typically where additional resources, sometimes significant, are required to successfully implement the recommendation. The list below highlights recommendations which OPM built in full or in part into its FY 2022-2026 Strategic Plan, with a detailed response summary contained in the table later in this document.

Actions from Recommendations 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8 Incorporated into Strategic Plan

- 3.1 (1) Improve the quality of the federal human capital data it collects, provide an integrated view of the federal workforce, and standardize the functional, operational, and data components of the human capital management lifecycle, and (2) Broaden the availability and accessibility of the data it provides to agencies and the public, in addition to providing tools to help agencies with data collection, analysis, and reporting
- 3.2 Establish a systematic approach and process to measure and track the state and capacity of the federal workforce
- 3.3 Prioritize IT modernization and seek funding from Congress to modernize the eOPF and develop an employee digital record, upgrade technology systems supporting the federal retirement programs, enable a modern human capital data and analytics platform, and transform its website to be both user-centric and user-friendly
- 3.4 Work with OMB and Congress to develop a clear, agreed-to plan to transition and sunset its ongoing IT operational support to the Defense Counterintelligence and Security Agency (DCSA), based on an assessment of the impact on OPM's IT budget and enterprise priorities
- 3.5 Expand its ongoing re-baselining initiative to determine the cost of current OPM operations, assess the cost implications of changes recommended in this report (including provision of core human capital services currently offered on a fee-for-service basis), and identify opportunities to reduce costs and reallocate resources to accomplish mission responsibilities more effectively and efficiently
- 3.6 Continue its efforts to strengthen capacity to track staff costs and implement strategic workforce planning to inform more rigorous budget justifications and manage resources more efficiently and effectively
- 3.7 Provide dedicated funding to be used for specific, major OPM IT modernization projects contingent on the development of an agreed-upon roadmap based on sound IT investment planning and control processes
- 3.8 Provide authority to OPM to establish an IT Working Capital Fund, contingent on the completion of an enterprise-wide IT requirements and cost analysis to enable a more flexible and accountable internal process for funding IT operations and maintenance

OPM notes that the overall recommendations in this section of the NAPA study require substantial resources to fully implement. In particular, recommendation 3.3 calls for OPM to “prioritize IT modernization,” which OPM agrees is a top Agency requirement.

OPM's Detailed Response to NAPA Study Recommendations

Introduction

OPM created seven cross-functional Working Groups organized by policy and operational areas to consider the NAPA recommendations and OPM's response. The table below provides the original NAPA recommendation, OPM's response and some additional commentary. For each response below, the OPM Working Groups considered:

- Ownership – is the recommendation meant for Congress or OPM? If the recommendation was meant for Congress, OPM identifies this in the response column and acknowledges that any final action on the recommendation requires Congressional approval.
- Mission and strategic alignment – does the recommendation advance OPM's core mission and strategic direction?
- Current activities – does the recommendation link to existing or soon to be initiated efforts put in motion before the NAPA study?
- Enabling resources, collaboration, or authority – does the recommendation require additional resources, cross-government collaboration or increased OPM authority to implement, either in part or in full?

Based on this review, OPM then selected between four different responses:

- Accept – OPM agrees with most of the substance of the recommendation and identified strategies to advance it in alignment with the Agency's FY 2022-26 Strategic Plan. In some instances, OPM activities to advance the recommendation may already be underway and some minimal or minimal to moderate resources may be necessary to make significant progress.
- Conditionally Accept – OPM agrees with most of the substance of the recommendation, but changes in authority, moderate or higher funding levels, or increased stakeholder collaboration are likely required to make significant progress. Where appropriate, OPM still identifies strategies to advance the recommendation in alignment with the Agency's draft FY 2022-26 Strategic Plan.
- Do Not Agree – OPM does not agree with the recommendation and includes explanatory language.

- Recommendation to Congress – OPM recognizes a recommendation as meant for Congress. If appropriate, OPM provides commentary and notes where major steps are planned to advance the recommendation through allowable measures (e.g. administratively).

Please note that for “accept” and “conditionally accept” responses, OPM does not intend in all cases to implement recommendations verbatim as written by NAPA, but by developing organizationally appropriate strategies and actions that can be executed through OPM’s FY 2022-2026 Strategic Plan, subject to the availability of resources.

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
1.1	<p>Congress should amend title 5, section 1101. (5 USC 1101), Office of Personnel Management, to clarify and redefine the role and mission of OPM as the federal government’s enterprise-wide, independent federal human capital agency and steward of the merit system for all civilian personnel systems and employees, responsible for providing government-wide leadership in strategic human capital management.</p> <p>Functions currently delineated in statute should be revised and expanded to clarify that OPM is responsible for:</p> <ul style="list-style-type: none"> • Working with stakeholders to develop policies that foster best practices in all human capital areas and ensure the Government has the mission critical workforce required to execute agency missions and evolving priorities. • Delegating human capital management authorities to agencies to the maximum extent practicable and feasible and setting standards for the delegated activities. • Refining and maintaining an oversight program to ensure delegated authorities are in accordance with merit system principles by employing efficient, risk- based, data-driven processes, developed with an eye toward reducing burdensome reporting requirements. • Leading in the development and use of data and data analytics to forecast needs, identify systemic issues, and inform policy, oversight, and services. • Promoting and facilitating innovation through research and pilot projects and the development of legislative proposals, where indicated, to advance innovative approaches government-wide. • Setting standards of practice and working collaboratively with the government-wide federal human capital community. 	<p>Recommendation to Congress not OPM.</p> <p>Although this recommendation is addressed to Congress and not OPM, OPM conditionally accepts the recommendation and aims to increase engagement across stakeholder groups administratively and through our Strategic Plan as permitted by law.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
1.2	<p>Congress should amend title 5, section 1102. (5 USC 1102), Director, Deputy Director; Associate Directors to:</p> <ul style="list-style-type: none"> • Add a qualifications requirement to the position of OPM Director for demonstrated leadership experience and human capital management expertise (Section 1102 (a)). 	<p>Recommendation to Congress not OPM.</p> <p>Although this recommendation is addressed to Congress and not OPM, OPM notes this may infringe upon the President’s discretion to appoint someone the President deems appropriate. Further, this may reverse Congress’ prior judgment in the Civil Service Reform Act of 1978 to replace a politically balanced Civil Service Commission with a single presidentially appointed OPM Director.</p>
1.2	<p>Add a statutory requirement for a career chief management officer, with responsibilities clearly established to assist the Director and Deputy Director in achieving Administration priorities, while providing continuity and strengthening focus on internal agency management to deliver on mission. (Section 1102 (b)).</p>	<p>Recommendation to Congress not OPM.</p> <p>Although this recommendation is addressed to Congress and not OPM, OPM conditionally accepts the recommendation to establish a statutory requirement for a career CMO. OPM sees the benefit of this recommendation.</p>
1.3	<p>Congress should amend Pub. L. 107-296, title XIII, section 1303, Chief Human Capital Officers Council, to add a rotating vice-chair from among the CHCO membership.</p>	<p>Recommendation to Congress not OPM.</p> <p>Although this recommendation is addressed to Congress and not OPM, OPM accepts the recommendation, contingent upon the specifics of the ultimate proposal, and will need to acquire commitment from OMB leadership and support of the CHCOs. OPM also intends to create an Executive Steering Committee as an interim step in strengthening the Council.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
1.4	Congress should reestablish civil service subcommittees in the House and Senate oversight committees to (1) address the state of the federal workforce and federal human capital management; (2) promote government-wide policy and legislation in support of the workforce and OPM’s role as the lead for federal civilian human capital management; and (3) advance federal human capital management reforms.	Recommendation to Congress not OPM.
1.5	OPM should (1) redefine the OPM mission statement and restructure the organization to effectively and efficiently execute the reframed mission priorities and (2) restore the agency’s reputation for human capital leadership, expertise, and service by redirecting the internal culture and rebuilding internal staff capacity. Among priorities, OPM should:	<p>OPM conditionally accepts this part of the recommendation.</p> <p>OPM has efforts underway to assess current organizational capacity and align to future mission needs. The result of these efforts will inform our strategies to address this overall recommendation, which will require support from Congress and the Administration and potentially additional resources and funding.</p>
1.5	Focus on addressing organizational culture issues and silos—in particular, the widely held perception of customers that OPM’s mantra is “just say no.”	<p>OPM accepts this part of the recommendation.</p> <p>OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it in accordance with applicable law.</p>
1.5	<ul style="list-style-type: none"> • Identify critical staff skill gaps in human capital competencies and analytical skills, such as data analysis. • Institute a formal knowledge management approach within the agency to strengthen internal knowledge management transfer and minimize the loss of institutional knowledge resulting from staff retirements and attrition • Consider establishing a rotational program between OPM and agencies’ human capital staff to enhance knowledge sharing 	<p>OPM conditionally accepts this part of the recommendation.</p> <p>OPM has aligned these recommendations within our Strategic Plan and developed strategies to address them. OPM will consider implementing a rotational program as appropriate pursuant to all appropriations, ethics, conflicts of interest, and related considerations.</p> <p>OPM will also consider the need for additional resources and funding to implement this part of the recommendation.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
1.5	<p>Establish a strategic planning and policy office:</p> <ul style="list-style-type: none"> • Within the office, establish a regulatory affairs function to take a government-wide view of all OPM's policy development and issuance processes (including suitability, insurance, and retirement policy) and coordinate policy issuances across program units and externally to avoid inconsistent, incompatible, or duplicative policies. • Consider establishing a chief customer experience officer. 	<p>OPM does not agree with this part of the recommendation, to the extent it suggests the creation of a new office.</p> <p>OPM currently has a strategic planning function. As is typical throughout the Federal Government, OPM's interrelated strategic planning, organizational performance management, and research and evaluation functions are consolidated in one group reporting to the Performance Improvement Officer and Deputy Performance Improvement Officer within the Office of the Chief Financial Officer.</p> <p>However, OPM recognizes the importance of enhanced enterprise wide regulatory analysis and coordination and has developed strategies to address this within our Strategic Plan (see strategies for recommendation 2.3). OPM also notes that strategies associated with recommendation 2.7 will deliver improvements for the customer experience component of this recommendation.</p>
1.6	<p>OPM should establish a human capital advisory committee comprising representatives of public, nonprofit (including academia), and private sector organizations to advise OPM on emerging best practices and innovation in human capital management and to serve as a sounding board for agency initiatives.</p>	<p>OPM conditionally accepts this recommendation.</p> <p>OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will also consider the need for additional resources and funding to implement this recommendation.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
2.1	<p>OPM should work with agency stakeholders to review federal human capital regulations and guidance to identify needed changes, with attention to streamlining the human capital management system, clarifying requirements, reducing administrative burden, employing a more decentralized and risk-based approach, and encouraging innovation. Steps include:</p> <ul style="list-style-type: none"> • Develop a list of government-wide excepted service authorities, including title 5 and other statutorily excepted authorities, and work with constituent groups to review and update the list regularly and identify opportunities to develop a more unified approach that places greater focus on commonalities across agencies and occupations while enabling appropriate flexibilities. • Establish a cross-cutting taskforce comprising stakeholders from the CHCO Council and representatives from agencies (large, mid-size, and small) to review human capital regulations and identify an initial set of statutory and regulatory changes offering the greatest potential to improve the effectiveness of federal human capital management. 	<p>OPM conditionally accepts this recommendation. OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it. OPM will need Congressional and Administration support and cooperation from CHCOs. OPM will also consider the need for additional resources and funding to implement this recommendation.</p>
2.2	<p>OPM should develop policy guidance and information sharing practices that focus on strategic human capital management, innovation, and the identification of best practices and lessons learned.</p>	<p>OPM accepts this recommendation. OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it. OPM will need Congressional and Administration support and cooperation from CHCOs. OPM will also consider the need for additional resources and funding to implement this recommendation.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
2.3	<p>OPM should adopt a proactive, systematic, and inclusive approach to developing government-wide human capital policies that effectively address current and emerging workforce issues and reflect the needs of diverse stakeholder groups. Actions steps include:</p> <ul style="list-style-type: none"> • Compiling a checklist to identify the key factors that OPM should consider when developing human capital policies, regulations, and guidance including consideration of the long-term impacts of proposed policies on the future workforce and potential administrative burden. • Engaging the CHCO Council, the Small Agency Human Resources Council, and other stakeholders in developing priorities, policies, and implementation guidance and providing feedback before full roll-out government-wide. • Reviewing the policy development process to identify opportunities to improve efficiency by (1) developing internal written guidance on policy development and issuance, addressing key working relationships, identifying performance metrics, and establishing mechanisms for accountability and (2) making broader use of technologies and data that can increase the transparency of the policy guidance development process. 	<p>OPM accepts this recommendation.</p> <p>OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it. OPM will need Congressional and Administration support and cooperation from CHCOs.</p> <p>OPM will also consider the need for additional resources and funding to implement this recommendation.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
2.4	<p>Congress should review and amend statutory mandates requiring OPM to conduct transactional approval and oversight and, to the maximum extent practical, authorize OPM to develop an alternative approach to carrying out its transactional approval and oversight responsibilities. Steps should include:</p> <ul style="list-style-type: none"> • Reviewing statutory requirements to distinguish (1) actions where OPM has flexibility to delegate authority, (2) high-risk actions where OPM should retain decision-making authority (e.g., where there is past evidence of abuse); and (3) actions where authorities should be updated to reflect current issues or needs and where statutory changes are warranted. • Taking appropriate actions to amend or eliminate statutory requirements. • Authorizing OPM to develop an approach in which laws, regulations, and policy guidance are enforced through delegation and periodic reviews or evaluations 	<p>Recommendation to Congress not OPM.</p> <p>Although this recommendation is addressed to Congress and not OPM, OPM conditionally accepts this recommendation. OPM believes several of the transactional oversight activities identified by NAPA could be delegated to Agencies although not all of them. OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it. OPM will consider the list of activities identified in the NAPA study as transactional but notes that some may not be appropriate for delegation due to their already exceptional nature, for example, Direct Hire Authority.</p> <p>OPM also believes that Congress should grant OPM the authority to delegate these authorities rather than directly delegate to the agencies via legislation so that OPM retains oversight responsibility to maintain a consistent governmentwide approach. Further, successful implementation of this recommendation would also require consideration of existing resources and potentially new resources.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
2.5	<p>OPM should adopt a more decentralized and risk-based approach to executing its transactional approval and oversight responsibilities by delegating, to the maximum extent possible, decision-making authorities to agencies and conducting cyclical reviews to ensure compliance with relevant laws, regulations, and policy guidance. The effort should include developing:</p> <ul style="list-style-type: none"> • Policy guidance on how agencies should review transactional cases and exercise decision-making authorities. • Delegation agreements which set the minimum standards of performance and describe OPM’s oversight approach and agency responsibilities (for example, agencies routinely reporting to OPM information relating to their activities under the delegated authority and OPM’s authority to require an agency to take corrective action and suspend or revoke a delegation agreement if the agency fails to comply with relevant laws, regulations, or the provisions of the delegation agreement). 	<p>OPM conditionally accepts this recommendation. Consistent with this recommendation, as well as, OPM’s statutory responsibility to provide oversight, OPM can develop and implement a “trust but verify” strategy as appropriate where we delegate authorities to agencies and develop a strategy for more cyclical oversight reviews.</p> <p>OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it. OPM will need Congressional and Administration support and cooperation from the CHCOs and agencies.</p> <p>OPM will also consider the need for additional resources and funding to implement this recommendation.</p>
2.6	<p>OPM should modernize its approach to performing broad programmatic evaluations by expanding its efforts to conduct strategic and performance-oriented evaluations, focusing on government-wide, systemic issues, and providing forward-looking recommendations.</p>	<p>OPM accepts this recommendation.</p> <p>OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will also consider the need for additional resources and funding to implement this recommendation.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
2.7	<p>OPM should provide no-fee technical assistance to agencies for policy interpretation, support, and related training, such as delegated examining training, to the extent consistent with OPM appropriations. (Note: OPM will require additional funding to provide no-fee technical training and assistance.)</p>	<p>OPM conditionally accepts this recommendation.</p> <p>OPM currently provides a substantial amount of no-fee technical assistances through existing functions within the agency. OPM will review conditions where it can provide additional no-fee technical assistance and develop policies to support this recommendation. As noted by NAPA, without the ability to charge a fee, OPM would need additional resources, funding and authorization to implement this recommendation.</p> <p>OPM has also identified strategies in our Strategic Plan that will enhance the overall customer experience.</p>
2.8	<p>OPM should enhance the competencies and capabilities of the federal human capital workforce by prioritizing and accelerating its efforts to upgrade the human capital competency model, institute a certificate program for credentialing staff, and expand training offerings for human capital professionals with a focus on customer service and problem solving. Steps include:</p> <ul style="list-style-type: none"> • Working actively with agencies to identify training requirements and priorities and exploring more cost-effective training options and tools that are suitable to varying agency needs. • Leveraging external training resources and expertise to expand human capital training offerings by certifying the training programs developed and offered by agencies or external entities. • Supporting the creation of communities of practice to share promising practices and encourage cross agency collaboration. 	<p>OPM conditionally accepts this recommendation.</p> <p>OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will also consider the need for additional resources and funding to implement this recommendation.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
2.9	<p>OPM should expand and prioritize its role in conducting human capital management research and promoting innovative management of federal workforce. Step should include:</p> <ul style="list-style-type: none"> • Working with agencies to leverage its existing authority to expand the use of demonstration projects and seek additional flexibility if needed. • Reviewing and seeking authority to amend the statutory language in 5 U.S.C. 4703 to streamline and simplify the approval process for establishing demonstration projects. • Improving the visibility and highlighting the value of research programs and demonstration projects to boost federal agencies' awareness of these options. 	<p>OPM conditionally accepts this recommendation. OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will also consider the need for additional resources and funding to implement this recommendation.</p>
3.1	<p>OPM should initiate efforts to:</p> <ul style="list-style-type: none"> • (1) Improve the quality of the federal human capital data it collects, provide an integrated view of the federal workforce, and standardize the functional, operational, and data components of the human capital management lifecycle, and • (2) Broaden the availability and accessibility of the data it provides to agencies and the public, in addition to providing tools to help agencies with data collection, analysis, and reporting. 	<p>OPM conditionally accepts this recommendation. OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will also consider the need for additional resources and funding to implement this recommendation.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
3.2	OPM should establish a systematic approach and process to measure and track the state and capacity of the federal workforce.	<p>OPM conditionally accepts this recommendation. OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will need significant collaboration with outside agencies and stakeholders to capture additional data and to define an effective approach to measure the “state and capacity” of the workforce.</p> <p>OPM also will also consider the need for additional resources and funding to implement this recommendation.</p>
3.3	OPM should prioritize IT modernization and seek funding from Congress to modernize the eOPF and develop an employee digital record, upgrade technology systems supporting the federal retirement programs, enable a modern human capital data and analytics platform, and transform its website to be both user-centric and user-friendly.	<p>OPM conditionally accepts this recommendation. OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will consider the need for likely significant additional resources and funding to implement this recommendation, including utilization of innovative funding flexibilities such as an IT Working Capital Fund and the Technology Modernization Fund.</p>
3.4	OPM should work with OMB and Congress to develop a clear, agreed-to plan to transition and sunset its ongoing IT operational support to DCSA, based on an assessment of the impact on OPM’s IT budget and enterprise priorities.	<p>OPM conditionally accepts this recommendation. OPM is not setup to be a shared service provider but is having to operate as such for the ongoing IT, procurement, financial management and other activities provided to DCSA.</p> <p>OPM is working with stakeholders on the exit (sunset) plan. OPM will also consider the need for additional resources and funding to implement this recommendation.</p>

OPM Response to the National Academy of Public Administration Study

Recommendation Number	Recommendation	OPM Response and Commentary
3.5	OPM should expand its ongoing re-baselining initiative to determine the cost of current OPM operations, assess the cost implications of changes recommended in this report (including provision of core human capital services currently offered on a fee-for-service basis), and identify opportunities to reduce costs and reallocate resources to accomplish mission responsibilities more effectively and efficiently.	<p>OPM accepts this recommendation.</p> <p>OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will also consider the need for additional resources and funding in concert with exploring opportunities to reduce cost and reallocate resources, as noted in the recommendation.</p>
3.6	OPM should continue its efforts to strengthen capacity to track staff costs and implement strategic workforce planning to inform more rigorous budget justifications and manage resources more efficiently and effectively.	<p>OPM accepts this recommendation.</p> <p>OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will also consider the need for additional resources and funding to implement this recommendation.</p>
3.7	Congress should provide dedicated funding to be used for specific, major OPM IT modernization projects contingent on the development of an agreed-upon roadmap based on sound IT investment planning and control processes.	<p>Recommendation to Congress not OPM.</p> <p>OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will need the support of Congress and the Administration to implement this recommendation.</p>
3.8	Congress should provide authority to OPM to establish an IT Working Capital Fund, contingent on the completion of an enterprise-wide IT requirements and cost analysis to enable a more flexible and accountable internal process for funding IT operations and maintenance.	<p>Recommendation to Congress not OPM.</p> <p>OPM has aligned this recommendation within our Strategic Plan and has developed strategies to address it.</p> <p>OPM will need the support of Congress to implement this recommendation by enacting the transfer authority necessary to operationalize an IT Working Capital Fund.</p>

OPM's Plan to Implement NAPA Study Recommendations

Introduction

OPM coordinated the development of the NAPA study response with the creation of the FY 2022-2026 Strategic Plan, which is a direct input to OPM's annual budget formulation process. The purpose of this coordination was to integrate the agency's planning efforts and improve the ability and chance of success in implementing those efforts. This step also demonstrates the comprehensive and in-depth nature of the response that OPM took to the NAPA study.

This section is organized by the NAPA study recommendations and includes corresponding information related to the OPM draft FY 2022-2026 Strategic Plan. OPM will begin operating under the direction of the Strategic Plan starting in October 2021, and the full Plan will be public and final in February 2022. In the table below, OPM has included the specific objectives and strategies in the current draft Strategic Plan that most directly address how OPM plans to implement any NAPA recommendation that it accepts or conditionally accepts.

OPM's FY 2023 Performance Budget request will be submitted to the Office of Management and Budget (OMB) on the same day that this response to the NAPA study will be delivered to Congress. To provide connectivity with OPM's fiscal planning while not inappropriately sharing specific figures that have not been approved through OMB, OPM has provided high-level, two-year estimates of the potentially new resources required to fully meet the NAPA recommendation starting in FY '23. These estimates should be considered preliminary and directional in nature, and OPM notes the annual budget formulation process with OMB will result in more refined figures balanced against existing resources and the potential to leverage resources for one recommendation to address multiple recommendations. The ranges for these estimates are provided below.

Definitions for High Level Two Year Potentially New Resource Requirements Starting in FY 2023

- Minimal = 0 to \$1M
- Minimal to Moderate = \$1 to \$5M
- Moderate = \$5 to \$10M
- Moderate to High = \$10 to \$20M

- High = \$20 to \$50M
- Very High = \$50M +

Recommendation 1.1: OPM Role and Mission

NAPA Recommendation

Congress should amend title 5, section 1101. (5 USC 1101), Office of Personnel Management, to clarify and redefine the role and mission of OPM as the federal government's enterprise-wide, independent federal human capital agency and steward of the merit system for all civilian personnel systems and employees, responsible for providing government-wide leadership in strategic human capital management.

Functions currently delineated in statute should be revised and expanded to clarify that OPM is responsible for:

- Working with stakeholders to develop policies that foster best practices in all human capital areas and ensure the Government has the mission critical workforce required to execute agency missions and evolving priorities.
- Delegating human capital management authorities to agencies to the maximum extent practicable and feasible and setting standards for the delegated activities.
- Refining and maintaining an oversight program to ensure delegated authorities are in accordance with merit system principles by employing efficient, risk-based, data-driven processes, developed with an eye toward reducing burdensome reporting requirements.
- Leading in the development and use of data and data analytics to forecast needs, identify systemic issues, and inform policy, oversight, and services.
- Promoting and facilitating innovation through research and pilot projects and the development of legislative proposals, where indicated, to advance innovative approaches government-wide.
- Setting standards of practice and working collaboratively with the government-wide federal human capital community.

OPM Implementation Strategies

Improve OPM's relationships and standing as the human capital management thought leader with Congress, good government nonprofits, the media, academia, private sector, and agency partners, by establishing regular, open engagement

- Increase engagement with the CHCO Council to improve OPM's standing as the human capital thought leader across the Federal Government
- Shift the communication and engagement strategy from reactive to proactive

Preliminary Resource Estimate

Minimal to moderate

Recommendation 1.2, Part 1: OPM Director Qualifications

NAPA Recommendation

Congress should amend title 5, section 1102. (5 USC 1102), Director, Deputy Director; Associate Directors to:

- Add a qualifications requirement to the position of OPM Director for demonstrated leadership experience and human capital management expertise (Section 1102 (a)).

OPM Implementation Strategies

None

Recommendation 1.2, Part 2: Career Chief Management Officer

NAPA Recommendation

Congress should amend title 5, section 1102. (5 USC 1102), Director, Deputy Director; Associate Directors to add a statutory requirement for a career chief management officer, with responsibilities clearly established to assist the Director and Deputy Director in achieving Administration priorities, while providing continuity and strengthening focus on internal agency management to deliver on mission. (Section 1102 (b)).

OPM Implementation Strategies

OPM sees the benefit of this recommendation (note that there is no specific associated strategy in the Strategic Plan).

Preliminary Resource Estimate

Minimal

Recommendation 1.3: CHCO Council Vice-Chair

NAPA Recommendation

Congress should amend Pub. L. 107-296, title XIII, section 1303, Chief Human Capital Officers Council, to add a rotating vice-chair from among the CHCO membership.

OPM Implementation Strategies

Improve OPM's relationships and standing as the human capital management thought leader with Congress, good government nonprofits, the media, academia, private sector, and agency partners, establishing regular, open engagement

- Increase engagement with the CHCO Council to improve OPM's standing as the human capital thought leader across the Federal Government

Preliminary Resource Estimate

Minimal

Recommendation 1.4: Congressional Subcommittees

NAPA Recommendation

Congress should reestablish civil service subcommittees in the House and Senate oversight committees to (1) address the state of the federal workforce and federal human capital management; (2) promote government-wide policy and legislation in support of the workforce and OPM's role as the lead for federal civilian human capital management; and (3) advance federal human capital management reforms.

OPM Implementation Strategies

None

Recommendation 1.5, Part 1: Organizational Culture

NAPA Recommendation

OPM should (1) redefine the OPM mission statement and restructure the organization to effectively and efficiently execute the reframed mission priorities and (2) restore the

agency's reputation for human capital leadership, expertise, and service by redirecting the internal culture and rebuilding internal staff capacity. Among priorities, OPM should:

- Focus on addressing organizational culture issues and silos—in particular, the widely held perception of customers that OPM's mantra is "just say no."

OPM Implementation Strategies

Promote a positive organizational culture where leadership drives an enterprise mindset, lives the OPM values, and supports employee engagement and professional growth:

- Increase leadership awareness of corporate citizenship and an enterprise-wide mindset
- Develop a set of guiding principles for an enterprise-wide leadership mindset
- Increase communication to employees focusing on the strategic goals and objectives
- Strengthen customer engagement with OPM system users and stakeholders during design, requirements, and testing phases to improve system quality and adoption

Foster a culture of creativity and innovation within OPM

- Build leader mindsets, skills, and behaviors that foster innovation in offices, including senior leaders' abilities to model professional vulnerability, risks, failures and lessons learned
- Design forums that encourage cross-organizational communication and collaboration where OPM employees can interact with others and learn from creative leaders while continuing to meet OPM's statutory obligations

Preliminary Resource Estimate

Minimal to moderate

Recommendation 1.5, Part 2: Skills and Knowledge Gaps

NAPA Recommendation

Among priorities, OPM should:

- Identify critical staff skill gaps in human capital competencies and analytical skills, such as data analysis.
- Institute a formal knowledge management approach within the agency to strengthen internal knowledge management transfer and minimize the loss of institutional knowledge resulting from staff retirements and attrition
- Consider establishing a rotational program between OPM and agencies' human capital staff to enhance knowledge sharing

OPM Implementation Strategies

Build the skills of the OPM workforce and attract skilled talent

- Determine existing competency gaps between employees' current skills and those skills required to achieve workforce planning, recruitment, retention, and talent development goals
- Create and implement targeted cross-functional developmental opportunities that align with talent management (or reskilling and upskilling) needs
- Leverage compensation, flexible work arrangements, and strategic hiring initiatives on an enterprise-level to attract a highly skilled and diverse OPM workforce
- Equip HR professionals with new tools and capabilities to effectively support mission needs through the creation of a dedicated talent team

Establish a sustainable funding and staffing model for OPM that better allows the agency to meet its mission

- Implement a process and structure that enhances labor code management and reporting across the agency
- Provide OPM supervisors and managers with educational materials about the budget formulation process, resource allocation, and execution

Preliminary Resource Estimate

Moderate to high

Recommendation 1.5, Part 3: Strategic Planning and Policy Office

NAPA Recommendation

Among priorities, OPM should:

- Establish a strategic planning and policy office:
 - Within the office, establish a regulatory affairs function to take a government-wide view of all OPM's policy development and issuance processes (including suitability, insurance, and retirement policy) and coordinate policy issuances across program units and externally to avoid inconsistent, incompatible, or duplicative policies.
 - Consider establishing a chief customer experience officer.

OPM Implementation Strategies

None related specifically to the creation of a strategic planning office.

See strategies for recommendation 2.3 for enhanced enterprise wide regulatory analysis and coordination, and strategies for recommendation 2.7 related to customer experience.

Recommendation 1.6: Human Capital Advisory Committee

NAPA Recommendation

OPM should establish a human capital advisory committee comprising representatives of public, nonprofit (including academia), and private sector organizations to advise OPM on emerging best practices and innovation in human capital management and to serve as a sounding board for agency initiatives.

OPM Implementation Strategies

Improve OPM's relationships and standing as the human capital management thought leader with Congress, good government nonprofits, the media, academia, private sector, and agency partners, by establishing regular, open engagement.

Preliminary Resource Estimate

Minimal

Recommendation 2.1: Human Capital Regulations and Guidance

NAPA Recommendation

OPM should work with agency stakeholders to review federal human capital regulations and guidance to identify needed changes, with attention to streamlining the human capital management system, clarifying requirements, reducing administrative burden, employing a more decentralized and risk-based approach, and encouraging innovation. Steps include:

- Develop a list of government-wide excepted service authorities, including title 5 and other statutorily excepted authorities, and work with constituent groups to review and update the list regularly and identify opportunities to develop a more unified approach that places greater focus on commonalities across agencies and occupations while enabling appropriate flexibilities.
- Establish a cross-cutting taskforce comprising stakeholders from the CHCO Council and representatives from agencies (large, mid-size, and small) to review human capital regulations and identify an initial set of statutory and regulatory changes offering the greatest potential to improve the effectiveness of federal human capital management.

OPM Implementation Strategies

Streamline Federal human capital regulations and guidance to reduce administrative burden and promote innovation while upholding merit system principles

- Review Federal human capital regulations and guidance usage by agencies to identify high level strategic changes to streamline and simplify human capital management
- Implement, as appropriate, the recommendation(s) related to decentralized approaches, innovation, and the use of existing data to eliminate current reporting requirements that result from the review of regulations and guidance
- Determine what current regulations or guidance needs to be modified to be effective in reducing the burden on agencies, while upholding merit system principles

Preliminary Resource Estimate

Minimal to moderate

Recommendation 2.2: Focus on Innovation

NAPA Recommendation

OPM should develop policy guidance and information sharing practices that focus on strategic human capital management, innovation, and the identification of best practices and lessons learned.

OPM Implementation Strategies

Improve OPM's ability to provide strategic human capital management leadership to agencies through expansion of innovation, pilots, and identification of best practices across Government

- Identify key human capital strategies to communicate and operationalize key aspects of human capital research and successful practices that support improvements across the human capital management lifecycle, which may include creating or amending policy and developing or amending guidance
- Improve the visibility and highlight the value of research programs and demonstration projects to boost Federal agencies' awareness of these options
- Identify best practices across Government and create a repository of best practices for agencies to access on a designated portal

Preliminary Resource Estimate

Minimal to moderate

Recommendation 2.3: Inclusive Approach to Policymaking

NAPA Recommendation

OPM should adopt a proactive, systematic, and inclusive approach to developing government-wide human capital policies that effectively address current and emerging workforce issues and reflect the needs of diverse stakeholder groups. Actions steps include:

- Compiling a checklist to identify the key factors that OPM should consider when developing human capital policies, regulations, and guidance including consideration of the long-term impacts of proposed policies on the future workforce and potential administrative burden.

- Engaging the CHCO Council, the Small Agency Human Resources Council, and other stakeholders in developing priorities, policies, and implementation guidance and providing feedback before full roll-out government-wide.
- Reviewing the policy development process to identify opportunities to improve efficiency by (1) developing internal written guidance on policy development and issuance, addressing key working relationships, identifying performance metrics, and establishing mechanisms for accountability and (2) making broader use of technologies and data that can increase the transparency of the policy guidance development process.

OPM Implementation Strategies

Revamp OPM's policy-making approach to be proactive, timely, systematic, and inclusive

- Expand the agency's overall competencies in regulatory development and analysis
- Review processes for internal OPM clearance for potential improvements
- Better enable senior official(s) to track and coordinate policy development across OPM
- Build higher level relationships between OPM leadership and leadership of other agencies and the White House to understand core talent priorities and concerns
- Systematize OPM's ability to collect input from stakeholders and use evidence to inform and evaluate policy prioritization, development, and implementation
- Strengthen OPM's capacity to increase awareness and understanding of OPM policies and programs among key stakeholders and customers

Preliminary Resource Estimate

Minimal to moderate

Recommendation 2.4: Transactional Oversight Authority

NAPA Recommendation

Congress should review and amend statutory mandates requiring OPM to conduct transactional approval and oversight and, to the maximum extent practical, authorize

OPM to develop an alternative approach to carrying out its transactional approval and oversight responsibilities. Steps should include:

- Reviewing statutory requirements to distinguish (1) actions where OPM has flexibility to delegate authority, (2) high-risk actions where OPM should retain decision-making authority (e.g., where there is past evidence of abuse); and (3) actions where authorities should be updated to reflect current issues or needs and where statutory changes are warranted.
- Taking appropriate actions to amend or eliminate statutory requirements.
- Authorizing OPM to develop an approach in which laws, regulations, and policy guidance are enforced through delegation and periodic reviews or evaluations

OPM Implementation Strategies

Increase focus on Government-wide policy work by identifying authorities that could be exercised by agencies without significant risk to merit system principles and then delegating such low-risk functions to agency heads where possible and efficient

- Identify low-risk adjudicative or oversight activities for which OPM is responsible that are appropriate for delegation to agencies, and delegate such authorities, where delegation can be accomplished without a legislative change
- Collaborate with OMB and Congress to develop legislation to provide OPM the statutory authority to delegate certain low-risk adjudicative or oversight activities to agencies, if OPM determines the activities should be delegated to the agencies

Preliminary Resource Estimate

Minimal to moderate

Recommendation 2.5: Risk-based Transactional Oversight

NAPA Recommendation

OPM should adopt a more decentralized and risk-based approach to executing its transactional approval and oversight responsibilities by delegating, to the maximum extent possible, decision-making authorities to agencies and conducting cyclical reviews to ensure compliance with relevant laws, regulations, and policy guidance. The effort should include developing:

- Policy guidance on how agencies should review transactional cases and exercise decision-making authorities.
- Delegation agreements which set the minimum standards of performance and describe OPM's oversight approach and agency responsibilities (for example, agencies routinely reporting to OPM information relating to their activities under the delegated authority and OPM's authority to require an agency to take corrective action and suspend or revoke a delegation agreement if the agency fails to comply with relevant laws, regulations, or the provisions of the delegation agreement).

OPM Implementation Strategies

Increase focus on Government-wide policy work by identifying authorities that could be exercised by agencies without significant risk to merit system principles and then delegating such low-risk functions to agency heads where possible and efficient

- Provide agencies additional guidance and optimal training on standards to be met in exercising delegations
- Oversee agency use and compliance with laws, regulations, policies/ procedures, and merit system principles

Preliminary Resource Estimate

Minimal to moderate

Recommendation 2.6: Programmatic Evaluations

NAPA Recommendation

OPM should modernize its approach to performing broad programmatic evaluations by expanding its efforts to conduct strategic and performance-oriented evaluations, focusing on government-wide, systemic issues, and providing forward-looking recommendations.

OPM Implementation Strategies

Create a seamless customer and intermediary experience across OPM's policy, service, and oversight functions

- Review and modify evaluation methodology to incorporate strategic, data-driven, and performance-oriented evaluations that focus on Government-wide, systemic issues

Preliminary Resource Estimate

Minimal to moderate

Recommendation 2.7: No-Fee Technical Assistance

NAPA Recommendation

OPM should provide no-fee technical assistance to agencies for policy interpretation, support, and related training, such as delegated examining training, to the extent consistent with OPM appropriations. (Note: OPM will require additional funding to provide no-fee technical training and assistance.)

OPM Implementation Strategies

Create a seamless customer and intermediary experience across OPM's policy, service, and oversight functions

- Establish a customer experience infrastructure with the organizational power to coordinate agency efforts to create consistent, shared language, goals, and measures around customer experience, with the influence to require adherence
- Promote collaboration across programs when developing and issuing policy and providing guidance and services to agencies in a timely fashion
- Create blended interpretation, technical assistance, consulting, learning, and oversight product and service offerings to meet agency needs across the talent lifecycle, to the extent consistent with appropriations requirements
- Deliver strategic support and guidance to agencies, to the extent resources are provided, as part of an expected, comprehensive catalog of services OPM typically provides

Preliminary Resource Estimate

Moderate to high

Recommendation 2.8: Federal Workforce Competencies and Capabilities

NAPA Recommendation

OPM should enhance the competencies and capabilities of the federal human capital workforce by prioritizing and accelerating its efforts to upgrade the human capital competency model, institute a certificate program for credentialing staff, and expand training offerings for human capital professionals with a focus on customer service and problem solving. Steps include:

- Working actively with agencies to identify training requirements and priorities and exploring more cost-effective training options and tools that are suitable to varying agency needs.
- Leveraging external training resources and expertise to expand human capital training offerings by certifying the training programs developed and offered by agencies or external entities.
- Supporting the creation of communities of practice to share promising practices and encourage cross agency collaboration.

OPM Implementation Strategies

Build the skills of the Federal workforce through hiring and training

- Modernize the Federal workforce competency model
- Strengthen the Federal human resource, acquisitions, and cybersecurity workforce
- Facilitate recruiting and hiring of diverse, early career talent by implementing recently enacted statutory changes applicable to early career talent, modernizing the Pathways program, and designing innovative paid internship programs
- Expand training offerings for human capital professionals and leaders focused on customer service and problem solving
- Drive improvements to assessments used for Federal hiring by establishing Government-wide hiring assessment line of business and agency talent teams

- Leverage Competency Exploration for Development and Readiness tool to conduct Government-wide skill gaps analysis across multiple high-risk functions and develop resources to address identified skill gaps
- Create a talent surge playbook to support agencies to acquire the skillsets needed to achieve their missions
- Support agencies in advancing the implementation of skills-based hiring approaches to fill priority positions

Preliminary Resource Estimate

Moderate to high

Recommendation 2.9: Human Capital Management Research

NAPA Recommendation

OPM should expand and prioritize its role in conducting human capital management research and promoting innovative management of federal workforce. Step should include:

- Working with agencies to leverage its existing authority to expand the use of demonstration projects and seek additional flexibility if needed.
- Reviewing and seeking authority to amend the statutory language in 5 U.S.C. 4703 to streamline and simplify the approval process for establishing demonstration projects.
- Improving the visibility and highlighting the value of research programs and demonstration projects to boost federal agencies' awareness of these options.

OPM Implementation Strategies

Improve OPM's ability to provide strategic human capital management leadership to agencies through expansion of innovation, pilots, and identification of best practices across Government

- Identify key human capital strategies to communicate and operationalize key aspects of human capital research and successful practices that support improvements across the human capital management lifecycle, which may include creating or amending policy and developing or amending guidance

- Improve the visibility and highlight the value of research programs and demonstration projects to boost Federal agencies' awareness of these options
- Identify best practices across Government and create a repository of best practices for agencies to access on a designated portal

Preliminary Resource Estimate

Minimal to moderate

Recommendation 3.1: Human Capital Data

NAPA Recommendation

OPM should initiate efforts to:

- improve the quality of the federal human capital data it collects, provide an integrated view of the federal workforce, and standardize the functional, operational, and data components of the human capital management lifecycle, and
- broaden the availability and accessibility of the data it provides to agencies and the public, in addition to providing tools to help agencies with data collection, analysis, and reporting.

OPM Implementation Strategies

Expand the quality and use of OPM's Federal human capital data

- Develop and advance an OPM enterprise data strategy using the Federal Data Strategy framework
- Advance data quality, timeliness, and accessibility of key data assets to internal and external customers
- Upgrade user interfaces, two-way data integration, and other capabilities of priority systems
- Expand accessibility of HR analytics via reports, tools and services that support critical external customer decision making for talent needs, as consistent with appropriations requirements
- Build and expand OPM's capacity to use advanced analytical tools and methods like Artificial Intelligence and Machine Learning

- Improve OPM-wide data governance, including data privacy considerations, across all critical data efforts
- Develop the Human Capital Federal Information Business Framework and Human Capital Information Model to provide standardized human capital lifecycle functional, operational, and data components to the extent possible

Preliminary Resource Estimate

High

Recommendation 3.2: Workforce Capacity Measurement

NAPA Recommendation

OPM should establish a systematic approach and process to measure and track the state and capacity of the federal workforce.

OPM Implementation Strategies

Expand the quality and use of OPM's Federal human capital data

- Develop and advance an OPM enterprise data strategy using the Federal Data Strategy framework
- Advance data quality, timeliness, and accessibility of key data assets to internal and external customers
- Expand accessibility of HR analytics via reports, tools and services that support critical external customer decision making for talent needs, as consistent with appropriations requirements

Preliminary Resource Estimate

Moderate

Recommendation 3.3: IT Modernization

NAPA Recommendation

OPM should prioritize IT modernization and seek funding from Congress to modernize the eOPF and develop an employee digital record, upgrade technology systems supporting the federal retirement programs, enable a modern human capital data and analytics platform, and transform its website to be both user-centric and user-friendly.

OPM Implementation Strategies

Modernize OPM IT by establishing an enterprise-wide approach, eliminating fragmentation, and aligning IT investments with core mission requirements

- Analyze OPM's spending patterns, through the effective implementation of OMB's mandated Technology Business Management, to leverage its purchasing power through development and execution of strategic sourcing procurement vehicles and policies
- Improve IT governance processes to better align with modernization strategy and governmental best practices
- Conduct discovery sessions with programs to build a mutual understanding of current systems' capabilities and program offices' needs
- Evaluate IT systems for risk, consolidation, and modernization potential, developing an enterprise roadmap, and modernization timeline
- Upskill the workforce through cloud training and activities
- Improve agile software development and operations through adoption of best practices and tools
- Expand and leverage cloud services to enhance employee productivity and cybersecurity protections

Expand the quality and use of OPM's Federal human capital data

- Advance data quality, timeliness, and accessibility of key data assets to internal and external customers
- Expand accessibility of HR analytics via reports, tools and services that support critical external customer decision making for talent needs

Enhance the Retirement Services customer experience by providing timely, accurate, and responsive service that addresses the diverse needs of OPM's customers

- Develop and upgrade user interfaces, modernize system components, and enhance data integration of Retirement Services systems to improve customer service

Create a personalized USAJOBS experience to help applicants find relevant opportunities

- Implement USAJOBS IT modernization efforts to leverage technology and process advancements

Transform the OPM website to a user-centric and user-friendly website

- Strengthen customer engagement with OPM stakeholders during design, requirements development, and testing to improve system quality and adoption
- Create an OPM Digital Governance Board to advance the creation, maintenance, and update of digital tools across the agency
- Increase employee education on human-centered design principles, plain language, privacy, and accessibility to facilitate the creation of clear and consistent website program content and digital tools
- Use human-centered design principles to create a site that is designed for and useful to external customers (as well as OPM program offices), that helps customers efficiently obtain the information they need, and creates opportunities for feedback
- Migrate to a cloud hosted OPM.gov platform to allow for elasticity as demand increases or decreases, delivering a positive customer experience during peak usage
- Implement a modern content management platform to more easily update and maintain the content on OPM.gov
- Establish a unified approach to the development and maintenance of web content

Preliminary Resource Estimate

Very high

Recommendation 3.4: DCSA Support Sunset

NAPA Recommendation

OPM should work with OMB and Congress to develop a clear, agreed-to plan to transition and sunset its ongoing IT operational support to DCSA, based on an assessment of the impact on OPM's IT budget and enterprise priorities.

OPM Implementation Strategies

Modernize OPM IT by establishing an enterprise-wide approach, eliminating fragmentation, and aligning IT investments with core mission requirements

- Complete transition of ongoing IT operational support to Defense Counterintelligence Security Agency (DCSA)

Preliminary Resource Estimate

Moderate to high

Recommendation 3.5: Operational Cost Analysis

NAPA Recommendation

OPM should expand its ongoing re-baselining initiative to determine the cost of current OPM operations, assess the cost implications of changes recommended in this report (including provision of core human capital services currently offered on a fee-for-service basis), and identify opportunities to reduce costs and reallocate resources to accomplish mission responsibilities more effectively and efficiently.

OPM Implementation Strategies

Establish a sustainable funding and staffing model for OPM that better allows the agency to meet its mission

- Implement a process and structure that enhances labor code management and reporting across the agency
- Leverage enhanced reporting and external studies to support future budget justifications
- Provide OPM supervisors and managers with educational materials about the budget formulation process, resource allocation, and execution
- Identify alternative external funding sources (separate and distinct from the discretionary budget request process)

Preliminary Resource Estimate

Minimal to moderate

Recommendation 3.6: Budget Justifications

NAPA Recommendation

OPM should continue its efforts to strengthen capacity to track staff costs and implement strategic workforce planning to inform more rigorous budget justifications and manage resources more efficiently and effectively.

OPM Implementation Strategies

Establish a sustainable funding and staffing model for OPM that better allows the agency to meet its mission

- Implement a process and structure that enhances labor code management and reporting across the agency
- Leverage enhanced reporting and external studies to support future budget justifications

Preliminary Resource Estimate

Minimal to moderate

Recommendation 3.7: IT Modernization Funding

NAPA Recommendation

Congress should provide dedicated funding to be used for specific, major OPM IT modernization projects contingent on the development of an agreed-upon roadmap based on sound IT investment planning and control processes.

OPM Implementation Strategies

Establish a sustainable funding and staffing model for OPM that better allows the agency to meet its mission

- Identify alternative external funding sources (separate and distinct from the discretionary budget request process)

Preliminary Resource Estimate

Minimal (Note: the implementation strategies above require minimal resources to implement, but the ultimate funding needed is substantial, and generally reflected in the response to recommendation 3.3)

Recommendation 3.8: IT Working Capital Fund

NAPA Recommendation

Congress should provide authority to OPM to establish an IT Working Capital Fund, contingent on the completion of an enterprise-wide IT requirements and cost analysis to enable a more flexible and accountable internal process for funding IT operations and maintenance.

OPM Implementation Strategies

Establish a sustainable funding and staffing model for OPM that better allows the agency to meet its mission

- Identify alternative external funding sources (separate and distinct from the discretionary budget request process)

Preliminary Resource Estimate

Minimal (Note: the implementation strategies above require minimal resources to implement, but the ultimate funding needed is substantial, and generally reflected in the response to recommendation 3.3)



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