



FISCAL YEAR 2009

**ANNUAL
HUMAN CAPITAL MANAGEMENT
REPORT**

**DEPARTMENT OF AGRICULTURE
DECEMBER 2009**

TABLE OF CONTENTS

| <u>SECTION</u> | <u>PAGE</u> |
|---|-------------|
| I.A Transmittal – Identifying Information | 3 |
| I.B Introduction | 4 |
| II Executive Summary | 4 |
| III. Human Capital Results for HCAAF System | |
| A. Strategic Alignment | 5 |
| B. Leadership/Knowledge Management | 10 |
| C. Results-Oriented Performance Culture | 16 |
| D. Talent Management | 18 |
| E. Accountability System | 22 |
| IV. Appendix A: Agency Specific Measures | |
| A. Strategic Alignment | 26 |
| B. Results-Oriented Performance Culture | 28 |
| C. Leadership/Knowledge Management | 30 |
| D. Talent Management | 31 |
| E. Accountability | 33 |
| V. Appendix B: Additional Accountability Activities | |
| A. Strategic Alignment | 35 |
| B. Leadership/Knowledge Management | 35 |
| C. Results-Oriented Performance Culture | 35 |
| D. Talent Management | 36 |
| E. Accountability | 37 |
| VI. Appendix C: Agency Best Practices | 39 |
| VII. Appendix D: Streamlined Job Opportunity Announcements | 41 |
| VIII. Appendix E: Human Capital Standards, Systems and Metrics | 42 |
| SSM Charts | |
| Tab 1 - End-to-End Metric | |
| Tab 2 - Leadership and Knowledge Management Index Chart | |
| Tab 3 - Leadership Resource and Bench Strength Chart | |
| Tab 4 - Leadership Competency Profile Chart | |
| Tab 5 - SES Organizational Performance Relationship Chart | |
| Tab 6 - Evaluation of Workforce Performance Appraisal Systems Chart | |
| Tab 7 - Results-Oriented Performance Culture Index Chart | |
| Tab 8 - Talent Management Index Chart | |
| Tab 9 - Job Satisfaction Index Chart | |
| Tab 10 - MCO Resource Chart | |
| Tab 11 - MCO Competency Profile Chart | |
| Tab 12 - Acquisitions Competency Profile Chart | |
| Tab 13 - Acquisitions Workforce Resource Chart | |
| Tab 14 - ARRA MCO Resource Chart | |

SECTION I.A – TRANSMITTAL – IDENTIFYING INFORMATION

Agency: U.S. Department of Agriculture

FY: 2009

Prepared By:

John Kusano, Director, Human Capital Accountability/Policy/
Planning Division

(Signature) _____

Date: _____

Approved By:

Karen A. Messmore, Director, Office of Human Resources Management

(Signature) _____

Date: _____

SECTION I.B – INTRODUCTION

Human capital is defined as the time, personal skills, capabilities, experiences, and knowledge of the individual. Human capital is obtained through a variety of means— formal education, job training, on-the-job learning, and life experiences. Employees bring their human capital to the job, and in return, the job rewards the human capital investment through pay, benefits, intrinsic job satisfaction, recognition for good performance, and opportunities to learn and advance in the organization.

Strategic management of human capital is necessary to ensure that human resources are effectively utilized, and that they support the U.S. Department of Agriculture’s (USDA) vision and mission. This Human Capital Management Report (HCMR) supports the USDA’s Strategic Plan for FY 2005–2010. The Strategic Plan defines USDA’s vision and strategy for accomplishing its mission more effectively. Annual Action Plans, based on the Strategic Plan, and as required by the Office of Personnel Management (OPM), set specific performance targets for each fiscal year. In combination, these strategies and action plans design and implement an effective organizational structure and workforce to carry out our mission.

SECTION II – EXECUTIVE SUMMARY

USDA’s mission is to provide leadership on food, agriculture, natural resources, rural development, and related issues based upon sound public policy, the best available science, and efficient management. In carrying out its mission and attaining its goals, USDA continues to understand that its employees are its greatest asset. USDA, like many federal agencies today, faces significant human capital (HC) challenges and, as such, steps must be taken to:

- Prepare today’s workforce for tomorrow’s work;
- Be poised for the anticipated retirement wave and loss of institutional knowledge;
- Ensure that organizational and individual goals are aligned with the agency mission and priorities; and
- Promote a culture of continuous learning.

The challenges of an aging workforce and increased competition for skilled employees from both the private and public sector requires USDA to be creative in how it recruits, develops, and retains employees to fulfill its public health mission. To that end, USDA is continuously enhancing and strengthening its human capital efforts and integrating the U.S. government’s Human Capital Assessment and Accountability Framework (HCAAF) into its workforce planning, talent management, succession planning, and accountability activities.

This Human Capital Management Report (HCMR) discusses how USDA responded to these challenges in Fiscal Year (FY) 2009. All mission areas and agencies within USDA have developed individual HC Plans consistent with the Department’s Plan that include specific actions and milestones tailored to address their specific program objectives. Progress was monitored through USDA’s HC Accountability System, which provides a systematic approach to

overseeing the operations of HR management programs and assessing accountability results and program compliance with law and regulations; and through USDA's Management Information Tracking System (MITS), which requires mission areas/agencies to report quarterly on various HC initiatives.

The Office of Human Resources Management (OHRM) provides leadership, coordination, guidance, and technical expertise related to the management of USDA's HC programs. To facilitate the decision-making process in the administration of OHRM policy and program issues, the Mission Area Human Resources Directors (MAHRD) Policy Board was established, serving as a steering group and decision-making body to help direct key policy and strategic challenges facing the human resources community. OHRM leads weekly forums to share HC and HR best practices, to address HR challenges in areas such as hiring reform, classification, and compensation, and to develop strategic objectives. The MAHRD is chaired by the Director of OHRM and is comprised of the Department's MAHRD's who communicate and coordinate HC activities within their mission areas. Each MAHRD serves as his or her agency's chief policy advisor on all HC management issues and is charged with carrying forth the Department's Strategic Human Capital Plan and other initiatives.

In FY09, USDA mission areas/agencies developed Action Plans in order to drive continuous HC improvement and change within their organizations. These plans set milestones and timelines for creating a high performing Department that attracts, develops, and retains talented employees and ensures they have the support they need to contribute to the mission of their agencies. USDA will continue to employ Action Planning strategies in FY10 in support of the President's Hiring Reform Initiative and the overall strategic human capital management regulations.

SECTION III – HUMAN CAPITAL GOALS, ACTIONS, RESULTS, ACCOUNTABILITY, ADJUSTMENTS

III.A HCAAF SYSTEM – Strategic Alignment

System Standard: Agency HC management strategies are aligned with mission, goals, and organizational objectives and integrated into its strategic plans, performance plans, and budgets.

A. Goal.

1. The Department's HC management strategies are aligned with the Department's mission, goals, and organizational objectives and integrated into strategic plans, performance plans, and budgets. This goal is identified as Goal #1 in the USDA Strategic HC Plan, and links directly to the USDA Strategic Plan Management Initiative to *"institute a practice of systematic HC management that is aligned with the USDA and agency strategic plans, and integrated with budgets."*

B. Objectives.

1. Use the Strategic HC Plan and accompanying workforce succession plans to support USDA's business goals.
2. Use workforce data as a basis for developing HC strategies and monitoring implementation of those strategies.
3. Review and help Mission Areas/Agencies develop their HC plans.
4. Promote an environment of collaboration across the agencies through practitioner working groups who will meet regularly to share best practices, exchange ideas, and build skills in HC areas.

C. Overall summary of system results.

USDA mission area/agency HC plans are organized and aligned to support the USDA Strategic Human Capital Plan and the OPM Human Capital Assessment and Accountability Framework (HCAFF). These HC Plans include human capital goals, strategies, and workforce analysis, performance measures and milestones.

Additionally, USDA began major organizational restructuring efforts in FY 2009, centered on creating new organizations required by the Food, Conservation, and Energy Act of 2008. The following organizations were created:

- National Institute of Food and Agriculture (NIFA). NIFA was established as an Agency within USDA and replaced the former Cooperative State Research, Education, and Extension Service. The establishment of NIFA is expected to improve funding and coordination for USDA's research partners in institutions of higher learning.
- Office of Advocacy and Outreach. USDA established an Office of Advocacy and Outreach to include program areas for small and beginning farmers and ranchers, farm worker assistance programs, socially disadvantaged farmer programs, higher education assistance programs, and community engagement programs. The establishment of the Office is expected to expand and improve USDA's footprint in these vital areas.

The OHRM established several USDA teams to facilitate collaboration and cross-agency communications. These include:

- MAHRD to help direct key policy and strategic challenges facing the human resources community.
- Hiring Reform SWAT Teams to map current hiring processes, identify any barriers to hiring, and develop streamlined job opportunity announcements.
- End-to-End (E2E) Hiring Metrics Coordination Team to develop metrics for four key components of E2E, i.e., workforce planning, recruitment, hiring, and orientation.

Below is a highlight of mission area/agency accomplishments that took place in 2009.

Research, Education & Economics (REE). *(REE is comprised of Agricultural Research Service (ARS), Cooperative State Research, Education, and Extension Service (CSREES), Economic Research Service (ERS), and National Agricultural Statistics Service (NASS))*

- Realignment the administrative staff and functions in ERS to support the changing organizational and technological shifts in the agency mission.
- Continued ARS utilization of the Strategic Resources Management Planning (SRMP) process to manage the fiscal, human, and physical resources required to optimize ARS research capability and output.
- Continued ARS utilization of the Program Adjustment Decision Item (PADI) process to implement organizational changes that strengthen and streamline research programs and operations. There were 24 PADIs approved over the last two fiscal years.
- CSREES implemented the structure and mission proposed in the 2007 Farm Bill officially becoming the National Institute of Food and Agriculture (NIFA).
- ARS and APHIS have primarily implemented the Ames, Iowa, National Centers for Animal Health (NCAH) Combined Services organization supporting the work of the two agencies. (Two APHIS-led activities will be completed in FY 2010.)
- Developed Succession Plans for two REE agencies. Succession strategies are an integral part of the Workforce Plans of the other two agencies.
- NASS continued to utilize Human Resources Management Evaluations (HRME) of their state offices to strengthen their managerial and statistical operations.
- All four agencies added training programs and/or utilized external sources to improve their leadership and development activities. ARS developed a Situational Leadership course for all supervisors and has made their Administrative and Financial Management course available to all REE agencies.
- NASS implemented a leadership dialogue seminar while NIFA is continuing to develop its employees through grants and accounting certificate programs. All agencies have placed training ventures on AgLearn for their employees.
- All REE agencies aggressively used recruiting and employment initiatives to form strategic partnerships with many organizations to improve and support diversity within the agencies. Examples of major agency programs include: Demo Authority hiring – ARS; research associate (post-doc) program – ERS; special salary rate increases for Mathematical Statisticians and cooperative enumerator recruitment – NASS; and administration of the Veterinary Medicine Loan Repayment Act program – NIFA. All agencies are using recruitment and retention authorities to recruit for or retain employees in mission critical or hard to fill occupational series.

Food and Nutrition Service (FNS)

- Emphasis on measurable outcomes for employee performance standards by providing training to all employees on writing effective performance plans and measures.
- Completely redesigned its intranet site in 2009 to provide easier, more attractive access to all topics of employee information, including the agency's mission corporate priorities. In addition, an HR website was developed in 2009 to provide comprehensive news and information to all employees, as well as a secure section devoted to program and policy guidance to supervisors.

Food Safety and Inspection Service (FSIS)

- FSIS' comprehensive Human Capital Plan outlines the agency's strategic direction, identifies goals and objectives, and ensures success through accountability at every level within the organization. The Human Capital Plan directly aligns with the FY 2008 – FY 2013 Strategic Plan with two key outcomes; (1) effective strategic management of human capital to carry out the food safety mission; and (2) effective recruitment of the most qualified inspection personnel support staff for mission critical functions.
- Human capital goals are focused on aligning planning strategies, strengthening workforce skills, recruiting and retaining a talented workforce and implementing performance management systems that recognize results. All of these goals are being realized through different measures that have been put into place. For instance, FSIS has an extensive Recruitment and Outreach program with emphasis placed on working with colleges and universities to bring talent to the agency. The implementation of the agency's pay for performance system is a retention tool that will reward talents.

Forest Service (FS)

- In order to optimize organizational efficiencies, with a benchmark for success of 25% reduction in operating costs in 2010, from the 2006 funding level, the FS initiated a realignment effort in the top tiers of the agency, primarily focusing on the Washington Office, regional offices, and Northeastern Area (WO/RO/Area). A Transformation Management Team has led the effort. Findings from three major Competitive Sourcing and Business Process Reengineering (BPR) studies (Budget and Finance; Information Technology; and HR), were used to drive improved efficiency and customer satisfaction, reduce costs, and improve program delivery and effectiveness. These studies resulted in: a wide-scale restructuring and centralization of these staffs involving more than 3,000 positions; improved program delivery; realigned budgets and reduced indirect costs; improved tracking and evaluation of business processes; and an increased capability to develop key competencies. These three functional areas continue to review their processes to ensure any gaps in customer satisfaction, efficiency, and costs are mitigated. However, simultaneously, the FS continues to monitor and assess what is or is not working, and make adjustments as needed. Completion of centralized HR services to the ASC-HRM is scheduled for 2010 with the final integration of Region 5.
- Understanding the criticality of applying what is learned throughout this implementation stage helps the FS drive continuous improvement into future planning. For example, a key Business Operations' area of emphasis for FY 2010 planning will include the FS adopting a new model for securing HR services. In preparation, the HR redesign team and a core group from the National Leader Council (NLC) is evaluating several options, their costs and consequences.

Farm and Foreign Agricultural Service (FFAS). *(FFAS is comprised of Foreign Agricultural Service (FAS); Farm Service Agency (FSA); and Risk Management Agency (RMA))*

- Performance results and trends of the FFAS Human Capital Plan strategies and goals are analyzed by agency management on a quarterly basis whereby appropriate decisions and corrective actions can be recommended and engaged. The FFAS Human Capital Plan (HCP) is organized and aligned to support the USDA Strategic Human Capital Plan and the OPM Human Capital Assessment and Accountability Framework (HCAAF). The FFAS HCP includes human capital goals, strategies, a workforce analysis focus, performance measures

and milestones; and it is fully integrated with the Agencies' Government Performance & Results Act (GPRA) strategic plans.

- ***FSA IT Stabilization and Modernization*** - \$50 million in funding has been provided to support FSA IT stabilization and modernization. \$31 million is planned for stabilization and \$19 million is planned to “Modernize and Innovate the Delivery of Agricultural Systems.” (MIDAS). Its objective is to streamline FSA business processes and develop an effective long-term IT system and architecture for FSA farm program delivery. The stabilization effort includes improving the management, monitoring and performance of the current web-based system networks, hosting environments, applications, databases and reporting capabilities needed to support customer business transactions on USDA's Common Computing Environment.

Marketing & Regulatory Programs (MRP). *(MRP is comprised of Agricultural Marketing Service (AMS); Animal and Plant Health Inspection Service (APHIS); and Grain Inspection, Packers and Stockyards Administration (GIPSA))*

- MRP developed business plans to focus on policy development, permits and environmental documentation, communication and outreach, international activities, and compliance assistance. Program leaders met to discuss and review the plans to identify priorities and linkages between the plans and resource allocations. The program made significant progress and are continuing to establish milestones and deadlines to accomplish goals.
- APHIS' Human Resources Division has undergone a dramatic expansion in its operations and service responsibilities over the past year in order to support APHIS programs and activities. Valuing and investing in APHIS employees is a key organizational priority in our Strategic Plan. Senior executives on the APHIS Management Team championed and sponsored reviews of supervisory effectiveness, succession planning, and leadership development – one need that emerged was to make leadership development and succession planning less fragmented across the agency. As a result, the training function was restructured and an additional Branch created to support Executive development.
- The APHIS Succession Plan was updated through 2013. The Plan links strategic and workforce planning decisions, analyzes gaps, identifies talent pools, develops succession strategies and offers criteria for evaluating the agency's success in ensuring that APHIS has a diverse and competent cadre of individuals ready to assume leadership positions. The Plan identifies a possible 27% retirement rate in leadership positions over the next five years. This Plan addresses recruitment, employee development and internal management strategies that will help the agency prepare to fill critical leadership positions. Based on the information in the Plan, the Talent Management and Leadership Development Board has identified three priorities of focus for FY 2010 for which they intend to monitor progress:
 - Improving workforce and succession planning
 - Ensuring leadership and supervisory development needs are identified and met
 - Increasing diversity in the workforce

Natural Resources Conservation Service (NRCS)

- NRCS' Human Resources Strategic Plan serves as a companion to the Agency's strategic plan and helps guide the activities needed to ensure its workforce has the skills and operates within organizational structures necessary to achieve Agency goals. The five goals outlined in the plan, along with effective implementation and measurement of these goals, have

enabled the Agency to help the American public be good stewards of the land. Intricately linked, each strategy is a catalyst to the other, allowing NRCS to explore new and creative ways to achieve Agency goals through the strategic management of its workforce. The Plan further defines each goal through outcome statements and objectives. The Plan is a multi-year road map, providing a mechanism to track progress and to make adjustments as needed. Through these strategic goals and initiatives, NRCS employees can see the direct link between the Agency's overall mission and its strategic management of human capital.

IIIB. HCAFF SYSTEM – Leadership/Knowledge Management

System Standard: Agency leaders and managers effectively manage people, ensure continuity of leadership, and sustain a learning environment that drives continuous improvement in performance, and provides a means to share critical knowledge across the organization. Knowledge management must be supported by an appropriate investment in training and technology.

A. Goal.

1. The Department's leaders and managers effectively manage people, ensure continuity of leadership, and sustain a learning environment that drives continuous improvements. This goal is identified as Goal #2 in the USDA Strategic HC Plan, and links directly to the USDA Strategic Plan Management Initiative to *“ensure leadership continuity and development through workforce planning and analysis, and optimal use of available tools and resources throughout the Department, in order to better achieve mission requirements.”*

B. Objectives. USDA achieved the stated objectives.

1. Identify and implement leadership development programs to support accomplishment of USDA's mission.
2. Develop and implement professional development programs to support employee development across USDA.
3. Support expanded use of technology to enhance employee professional development.
4. Continue to implement the SES Candidate Development Program.

C. Overall summary of system results.

USDA mission areas/agencies devote considerable resources to leadership training and development programs, many of which are uniquely tailored to the individual agency's mission critical occupations. USDA has a Strategic Leadership Succession Plan focused on high-level succession planning activities, most of which are well underway. In December 2006, USDA issued Departmental Regulation 3030-12-001, which established USDA policy and assigned responsibilities for the administration of a competency framework for leadership positions below the SES level in USDA. This directive supports leadership development and performance, and

ultimately mission accomplishment throughout USDA. A leadership assessment initiative, led by OHCM, was part of the Department's effort to strategically plan for and sustain a high-performing leadership cadre. Below is a summary of 2009 accomplishments:

Senior Executive Service Candidate Development Program

- As part of its ongoing efforts to address projected retirements, USDA is continuing the management of its Senior Executive Service Candidate Development Program (SES CDP) designed to provide a broad range of developmental activities coupled with formal training to enhance individual executive competencies and to increase awareness and understanding of public policy, programs, and issues. In developing the program, USDA identified the number and nature of projected SES vacancies, including those expected in mission critical occupations for a five-year period; the number of SES candidates necessary to ensure that these vacancies are filled by highly qualified employees; and the number of employees in USDA who were potentially eligible to participate in the program. Seventy-eight candidates were selected to participate in three classes. The first class completed its core academic curriculum with American University in the fall of 2008, with the third class finishing in June of 2009. (*NOTE: A new class, planned for commencing in June 2009, was put on hold at the end of the vacancy announcement period.*)

AgLearn

- USDA's Learning Management System, AgLearn, offers employees many opportunities to hone their skills. AgLearn worked during FY09 to capitalize on the gains achieved during FY08 to broaden our positive exposure within USDA and the benefit that we bring to each employee. In FY08, AgLearn expanded its discretionary course offerings to include enterprise wide access to libraries containing over 5,000 Skillsoft courses covering topics such as leadership, management, IT skills, HR, and environmental safety and health. In addition, we added over 925 videos featuring industry leaders from the Leadership Development Channel.
- To build on this benefit in FY09, AgLearn added enterprise wide access to over 12,000 on-demand business and technical book titles through SkillSoft's Books 24x7. AgLearn also added enterprise access to the seventeen Ninth House immersive online training courses and over 500 instant advice modules covering management and leadership topics. Further, AgLearn added enterprise access to the SkillSoft Knowledge Centers which are learning portals that coalesce our learning assets (books, courses, videos, etc.) around thirteen topical areas such as Six Sigma, Leadership and Human Resources management.
- AgLearn also began the process to add cyberFEDS HR training courses and the D. Mason suite of employee financial planning courses. The cyberFEDS courses provide a wealth of topics to support the USDA HR community and USDA supervisors in their daily management duties. These topics include courses on Disparate Treatment and Harassment, the Federal EEO Process, Employee Misconduct in the Federal Workplace, Disabilities and Reasonable Accommodation, and Employee Performance in the Federal Workplace. The D. Mason suite of financial planning courses provide instruction for FERS and CSRS employees who are at the beginning, middle or near the end of their career, which is an OPM requirement. These courses were obtained through an enterprise agreement at substantially reduced cost, about \$0.50 per USDA employee. The very same D. Mason courses are available at the USDA Graduate School for \$205 per course per student.

- To ensure that the AgLearn program maximized the benefit of these additions, in FY09 AgLearn continued the practice of delivering clear and informative communications, both blanketed and targeted, to make USDA personnel aware of new courses as well as the availability of topics in areas already explored by our USDA employees. Further, AgLearn created several unique changes to our system interface that made finding the many course offerings and educational topics much easier.
- Finally, the AgLearn program expanded its set of metrics to measure success from just looking at discretionary training (FY08) to also look at the many system activities provided by AgLearn and their benefit to each user and the related tangible cost avoidance. In FY08, AgLearn measured nearly \$8M in cost avoidance in discretionary training only. In FY09, AgLearn built upon that success and grew its discretionary training completions by 80%, which equated to over \$11M in cost avoidance. In addition, the cost avoidance due to labor efficiencies in areas such as using online registrations, electronic SF-182s, Books 24x7, Knowledge Centers, and participating in mandatory and mission related training brought our overall measured cost avoidance for FY09 to over \$22M.
- AgLearn is widely recognized as the leading Learning Management System in the Federal government. In FY09, AgLearn was recognized for its best practices by several publications, such as Chief Learning Officer Magazine and Government Executive Magazine. In September 2009, the China National School of Administration (CNSA), along with the World Bank, visited USDA to see if AgLearn best practices could be incorporated into their training programs. The CNSA is responsible for the training of Chinese civil servants.

Managing the Multi-Sector Workforce

- In accordance with a memorandum from the Office of Management and Budget (OMB M-09-26), *Managing the Multi-Sector Workforce*, dated July 29, 2009, USDA seeks to improve management of its multi-sector workforce. This entails a careful approach in assessing current policies and practices to utilize indispensable contractor expertise while maximizing federal employees' ability to accomplish agency missions and governmental goals and objectives.
- USDA will employ several measures to optimize and sustain a delicate balance of contractor and federal government employees in the acquisition area. The following includes some of USDA's planned actions: (1) Assess organizational requirements and goals across all mission areas; (2) Contemplate the desired labor force and skill mix to accomplish agency needs; (3) Determine positions types (e.g. inherently governmental; critical, but not inherently governmental; essential, but not inherently governmental); (4) Analyze cost to determine the most affordable sector in cases where both federal employees and contractors are suitable; and (5) Facilitate a partnership that maintains expertise and fosters teamwork, management, and proper oversight.
- Improved management of USDA's multi-sector workforce through adherence to OMB guidelines will ultimately enhance the quality and productivity of the acquisition workforce.
- ***Reducing Acquisitions Spending.*** In accordance with OMB Memorandum M-09-25, *Improving Government Acquisition*, dated July, 29, 2009, USDA strives to reduce its baseline contract spending in both FY 2010 and FY 2011. Enhancing the acquisition workforce will assist the agency in achieving efficiencies which translate into reduced spending. A strategically planned, appropriately staffed, and extensively trained acquisition workforce will strengthen acquisition practices and save contracting dollars. Acquisition

professionals who are well-trained and work in environments with sufficient staffing are better able to evaluate varying contracting processes and procedures to mitigate risk and contain costs. They will be better prepared to implement contracting actions with increased accuracy and leverage government buying power to realize a greater return on investment. Their training and expertise will allow them to prioritize funding on the most important aspects of procurements and negotiate discounts and more favorable terms for the government. They will add value by reducing unnecessary practices, achieving more strategically sourced and targeted results. Furthermore, acquisition professionals will be incentivized to continue working at USDA as their expertise increases, reducing staff turnover, and providing more consistent and successful acquisition outcomes.

Below is a highlight of mission area/agency-specific accomplishments:

Farm and Foreign Agricultural Service (FFAS).

- Each Agency within FFAS has applied OPM's Strategic Leadership Succession Model Assessment to identify Succession Targets and Talent Pool. In addition, Agency leaders and managers strive to effectively manage people, ensure continuity of leadership, and sustain a learning environment that drives continuous improvement in performance, and provide a means to share critical knowledge across the Agency.

Marketing & Regulatory Programs (MRP). (*MRP is comprised of Agricultural Marketing Service (AMS); Animal and Plant Health Inspection Service (APHIS); and Grain Inspection, Packers and Stockyards Administration (GIPSA)*)

- AGLearn course *Managing Performance for MRP* was approved, tested and finalized in 2009 and is accessible for all APHIS, AMS, and GIPSA employees. The course is included in the *Fundamentals of APHIS Human Resource Management (FAHRM)* training and is mandatory for all new APHIS supervisors. The course has also been added to the New Employee Orientation for MRP. The course fulfills the training needs of employees and supervisors and includes material on aligning performance plans with agency mission and goals, ensures credible measures in performance elements and illustrates how to write performance plans that are results orientated and lead to organizational effectiveness.
- Agency Administrator established senior leaders to a Talent Management and Leadership Development Board. The board is comprised of representatives from the program mission offices both in HQ and the field as well as standing membership of senior officials representing Civil Rights and Human Resources. This board meets regularly to help formalize an agency-wide leadership development and succession planning program by making governance decisions and ensuring their incorporation into policies and HR programs.
- To assist in closing competency gaps, APHIS developed a Leadership Roadmap and Leadership Development Toolkit (with URL link in key accomplishment area) to provide guidance for supervisors and employees in identifying and developing the competencies needed in their career development. The purpose of the Roadmap is to outline the variety of appropriate developmental opportunities which employees can pursue in order to acquire the competencies that OPM and APHIS have identified as essential to have in leadership positions. Armed with the toolkit, employees can work in cooperation with their supervisors to take control of their own development and advancement by ensuring critical

conversations take place and a focused blend of learning opportunities is provided. In FY 2009, toolkit briefings were delivered in the APHIS offices of Raleigh, NC, Riverdale MD, Fort Collins, CO, Ames, IA and Minneapolis, MN.

- Strengthened and revised existing supervisory training including rolling out a new experienced supervisory/manager training program using webinars focusing on hiring flexibilities, hiring reforms, and other modules to cover current performance management tools and ways to elevate employee performance and engagement. Development and delivery of a module on hiring reform and hiring flexibilities targeting veterans will be completed 1st quarter FY 2010 and additional training and tools related to performance management will roll out 2nd quarter, FY 2010.
- A new branch was established to provide customized development support to SES executives, GS-15s and high performing GS-14s through coaching, leader effectiveness assessments, leader orientation to those new to the agency, and SES career development. Additionally, this staff will provide organizational development services including leadership transition, team building, and consulting on organization design opportunities.
- Program area developed business plans to focus on policy development, permits and environmental documentation, communication and outreach, international activities, and compliance assistance. Program leaders met to discuss and review the plans to identify priorities and linkages between the plans and resource allocations. The program made significant progress and are continuing to establish milestones and deadlines to accomplish goals.
- GIPSA completed the first phase of a project to capture critical knowledge of research activities conducted by GIPSA's Federal Grain Inspection Service (FGIS) and/or its research partners, as well as documentation of research publication on related areas obtained during literature searches related to FGIS research. The outcome will be an on-line archive of historical research documents, primarily from the 1970s to 2000s, easily available for FGIS management and researchers in the future. By capturing this information into a readily accessible media for multiple people, FGIS can review past efforts and results in specific areas to ensure the knowledge is used in addressing recurring market challenges.
- GIPSA continues the formal mentoring program begun in January 2009. Mentors and mentees are developing relationships and transferring knowledge through meetings and by working together in conducting regulatory activities and investigations. The mentors are working with the new employee's supervisors to ensure a transfer of information and opportunities for necessary experiences to support a successful career in the Agency. Consideration of expanding the mentoring program to include a broader group of employees is currently underway.

Forest Service (FS)

- Developing a rigorous FS HR training curriculum to increase skills of HR Management staff. In addition, the FS is mandating that all supervisors complete 80-hours of supervisory training.
- Implemented a National Middle Leader Program pilot which included 87 participants from across the FS. FS leadership has approved the Program and it will roll-out in January 2010.
- With regard to Leadership/Knowledge Management (KM) and the HCAAF life cycle, at the FS, this Leadership/KM system is in the implementation stage. The FS continues to make great strides to ensure alignment of leadership and professional development programs with

the mission and competencies are developed which directly correlate with the program. For example, when the FS analyzed data from the FCAT-M and FHCS, the Senior Leader Program (SLP) and new National Middle Leader Program (MLP) were realigned to include leadership competencies since they had been identified as improvement areas. During the 2210 series pilot, the FS discovered problems within the technical competencies that had been loaded into AgLearn. There had not been benchmarks (proficiency levels) created within AgLearn to provide accurate assessment information back to the employee regarding their skill gaps. This issue was addressed and modifications were made accordingly. Based on this lesson learned, to avoid the same situation in the future, adjustments have been made to FS practices by building competency proficiency profiles into AgLearn.

- The FS also identified that a strong succession plan and leveraging of knowledge transfer of 0201 skill sets needed to occur. In response, a Business Case is being developed for the creation of a HRM Academy, which will specifically address the skill gaps in the transactional areas of Personnel Actions and Recordkeeping (PAR), Pay, Classification, and Staffing. A Desk Reference Guide was created for all transactional areas listing not only competencies with benchmarks for each grade level, but also a task inventory for each competency. By incorporating these improvement strategies into future planning, reinforces continuous improvement into FS Leadership and KM efforts. In addition, work continues on the 0460 (Wilderness) and 0462 (Recreation) series.

Food Safety and Inspection Service (FSIS)

- FSIS implemented an agency-wide Leadership Competency Initiative (LCI) that focuses on the OPM non-technical competencies for employees and all levels of leadership. Over the past year, FSIS has accelerated its efforts to reach a wider audience by providing gap analysis and competency training to front line supervisors in the districts and to employees at different agency sponsored events. In addition, FSIS is working to develop a competency based training database within Aglearn that will not only identify training courses and the competencies addressed in the courses, but will also track the training an employee has taken as a means of determining gap closure. Efforts are underway to integrate the LCI with other agency initiatives, such as the Individual Development Plans (IDP) and as a means to improve job satisfaction.
- Closure of skill gaps in mission critical occupations is still on the forefront of agency activities and FSIS is using technical and soft skill training to realize a decrease in the gaps that exist. The LCI has become a key feature of the agency's Basic Supervisory Training (BST) and the Leadership Assessment Development Program (LADP) which offers participants a view of the competencies that are required at different levels. FSIS ensures that all employees hired at the entry-level, as well as those who are promoted to inspection and enforcement occupations, receive mission-critical training within one year of entering their position and ongoing as a condition of employment. These gap closure strategies support FSIS' recruitment, retention and proficiency goals and have resulted in significant strides towards reducing the vacancy rate of mission critical occupations. These gap closure measures also support the human capital objective of advancing a results-oriented performance culture.

Food Nutrition and Consumer Service (FNCS)

- **FNS University.** Major planning activities were carried out throughout the year aimed at making meaningful improvements to FNS University, the agency's corporate training program. Improvements included enhancements to the agency's leadership development program; additional supervisory training, including required training; and the provision of program and technical training for the first time (as opposed to only soft skills training).
- **Focused on improved recruitment and retention.** Major improvements to the agency's onboarding activities as well as new employee orientation were made in 2009. Planned for 2010 is the inclusion of out-stationed employees from around the country in the improved orientation program.

Natural Resources Conservation Service (NRCS)

- Based on the proficiency levels of each competency, NRCS is currently implementing a plan to develop competency models for the three levels of leadership.
- NRCS implemented a National Leadership Development Program (NLDP). This initiative is a major component in an agency-wide strategic approach to developing leadership talent for the future of NRCS. The theme and driving force of NLDP is "*Leaders Growing Leaders.*" The program began in the first quarter of fiscal year 2009 with twenty-nine program participants that were selected from a pool of high performing, high potential employees ranging in grades from GS-12 to GS-14. Each leadership class lasts fifteen months and concentrates on the leadership competencies of external awareness, strategic thinking, vision, leveraging diversity, developing others, political savvy, partnering and a portfolio of fundamental competencies. The program makes individual coaches and mentors available to all program participants.
- Initiated a national mentoring program. The goal of the program is to improve the Agency's ability to recruit and retain top talent by providing quality career development opportunities and to preserve and transfer institutional knowledge. The framework includes a wide assortment of resources needed to implement a comprehensive, research-based mentoring program.

III.C HCAFF SYSTEM – Results-Oriented Performance Culture

System Standard: The agency has a diverse, results-oriented, high-performing workforce and a performance management system that differentiates between high and low levels of performance and links individual/team/unit performance to organizational goals and desired results effectively.

A. Goals.

1. The Department has a diverse, results-oriented, high-performing workforce and a performance management system that differentiates between high and low levels of performance and links individual/team/unit performance to organizational goals and desired results effectively.
2. This goal identified as Goal #4 in the USDA Strategic Human Capital Plan, and links directly to the USDA Strategic Plan Management Initiative to "*improve human capital management*"

by ensuring an efficient, high-performing, diverse workforce, aligned with mission priorities and working cooperatively with partners and the private sector.”

B. Objectives. USDA achieved the following stated objectives.

1. Effectively communicate the importance of aligning individual performance plans to organizational goals and desired results.
2. Increase percentage of individual performance plans linked to organizational goals and which demonstrate desired results.
3. Implement improvement strategies Department-wide that result in a positive increase in the USDA weighted PAAT score.
4. Ensure that agencies and staff offices continue improvement strategies based on the Office of Personnel Management’s (OPM) and OHRM feedback regarding the Performance Appraisal Assessment Tool (PAAT) evaluations.
5. Monitor agency progress on performance improvement activities.
6. Continually assess USDA’s Performance Management Program and policies to analyze effectiveness toward establishing a results-oriented performance culture, improving employee satisfaction, and increasing employee engagement.

C. Overall summary of system results:

FY 2009:

- ***Performance Pilot.*** USDA expanded and increased performance pilot participation Department-wide. USDA completed a Department-wide PAAT assessment in March 2009 which covered the FY performance appraisal cycle, scoring 70 points, and increasing the weighted average PAAT score to 62.
- ***Performance Improvement Initiative.*** USDA incorporated metrics for performance culture in the Human Capital Accountability plan requiring assessments on the PAAT for all agencies and staff offices. Agencies provided quarterly scorecard reports and progress updates as requested on the applicable performance culture metrics. USDA’s overall average weighted PAAT score increased substantially to 62 (as reported: 34 in Dec 07 and 40 in Dec 08) based on the August 2009 OPM assessment of the USDA PAAT report which was scored 70.
- ***Food Safety and Inspection Service Public Health Human Resources System (PHHRS) Demonstration Project.*** In 2008, the Food Safety and Inspection Service sought and received approval from the Office of Personnel Management (OPM) to conduct a demonstration project that will test the use of a results-based, competency-linked pay for performance system in a public health environment. The PHHRS project offers several benefits as it will test (1) the effectiveness of multi-grade pay bands in recruiting, advancing and retaining employees, and in reducing the processing time and paperwork traditionally associated with classifying positions at multiple grade levels; and (2) the application of

meaningful distinctions in levels of performance to the allocation of annual payouts, thus eliminating longevity-based pay progression.

FSIS implemented the PHHRS demonstration project in July 2009. Completed performance appraisals for non-bargaining unit employees are presently being entered into the PHHRS performance rating tool by rating supervisors. Sub-pay pool panels meet to reconcile the ratings and pay pool panels and will convene to review ratings with results finalized by December 5, 2009. Performance rating discussions with employees will be conducted between December 8, 2009 and January 8, 2010. Performance payouts become effective on the 1st pay period in January 2010. FSIS has had an aggressive and ongoing communication effort to ensure all employees and supervisors are informed of PHHRS implementation.

- ***New Performance Management Program.*** USDA's new performance management program became effective on October 1, 2007. The program established a single 5-level Performance Appraisal Program and one performance rating cycle of October 1 to September 30 of each year for all of USDA. The new program strengthens guidance related to progress reviews, establishes mandatory training requirements for supervisors and employees, and requires performance plans be aligned to agency goals with results-focused performance elements that contain balanced credible measures of performance.

In summary, USDA's FY 2009 accomplishments are reflective of the outcomes in the Strategic Human Capital Plan for results-oriented performance culture and improvements demonstrated by the 2009 PAAT report results. Employees have an increased knowledge and awareness of the USDA mission, vision, goals, and objectives and their role in support of the mission. USDA's performance management system makes meaningful distinctions among employee performance. Performance management decisions, policies, processes, and practices comply with merit system principles and related laws, rules, and regulations.

III.D HCAAF System – Talent Management

System Standard. The agency has closed skills, knowledge, and competency gaps/deficiencies in MCOs, and has made meaningful progress toward closing skills, knowledge, and competency gaps/deficiencies in all occupations used in the agency.

A. Goal.

1. The Department has made progress towards closing skills, knowledge, and competency gaps/deficiencies in MCOs and has made meaningful progress toward closing skills, knowledge, and competency gaps/deficiencies in all agency occupations. This goal is identified as Goal #3 in the USDA Strategic Human Capital Plan, and links directly to the USDA Strategic Plan Management Initiative to *“close skills, knowledge, and competency gaps/deficiencies in mission-critical occupations and make meaningful progress towards closing skills, knowledge, and competency gaps/deficiencies in all agency occupations.”*

B. Objectives.

1. Use a variety of HC flexibilities and strategies to close identified gaps in MCOs and other agency occupations. These include retention, recruitment, relocation, and career development strategies.
2. Reduce hiring timelines to meet the 80-day OPM standard.
3. Improve the hiring strategy to ensure that USDA has a diverse and talented workforce.
4. Use student programs and intern programs to permanently and temporarily fill staffing gaps.
5. Use the authority of the American Recovery and Reinvestment Act (ARRA) of 2009 to hire annuitants in positions on a temporary or occasional basis, to use along with existing recruitment and retention flexibilities.

C. Overall summary of system results.

Hiring Reform Initiative

- In response to the President's hiring reform agenda, in August 2009 USDA established a Corporate SWAT Team comprised of executive leaders and HR professionals to oversee the Hiring Reform Initiative for the Department. Next, Mission Area SWAT Teams were formed to oversee the initiative at the agency level. A Hiring Reform Working Group was subsequently formed to map the USDA-wide hiring process; to streamline and simplify the USDA's top ten mission-critical occupation job announcements; to improve manager involvement in the hiring process; and to enhance communications with applicants.
- A critical component of the hiring reform initiative was the collection, tracking, and assessing of end-to-end hiring practices and employee satisfaction measures in the mission areas and agencies, a task USDA completed in September 2009. Working collaboratively, the Hiring Reform Working Group:
 - Mapped the hiring process using the standards of the OPM End-to-End Hiring Roadmap and accompanying Hiring Toolkit Diagnostic Model.
 - Collected and analyzed 2009 hiring data using the end-to-end metrics established by OPM. USDA met or exceeded our target and our end of FY08 baseline for all of the 14 E2E Measures.
 - Streamlined and simplified job opportunity announcements (JOAs) for USDA's top ten mission-critical occupations. Per agreement with OPM, six of the JOAs were streamlined and posted on Max 2.0 by September 30, 2009. The other four have been completed and are attached at Tab E.
 - Ensured applicants were notified of their status throughout the hiring process (application received, application assessed for qualification, application referred to selecting official and application selected or not).
 - Developed action plans for the hiring improvement process and increasing manager involvement in the hiring process (copies or both are included in this report).

- USDA completed its 2009 deliverables for hiring reform, and is well positioned to continue its streamlining and reform activities through 2010. USDA believes that better manager engagement will be a key element to USDA's success in refining its hiring processes, and, ultimately, closing its hiring gaps. Development of integrated, automated systems to manage workflow and allow for electronic communications will also enhance USDA's reporting capabilities in the future.

Employee Satisfaction

- Consistent with June 2009 guidance from the Office of Management and Budget (OMB) and Office of Personnel Management (OPM), USDA developed an Employee Satisfaction Action Plan that focuses on the ten items in the 2008 Federal Human Capital Survey (FHCS) on which USDA scored the lowest compared to the rest of the Federal Government, and items on which employee satisfaction decreased in comparison to the 2006 survey results. A sub-group of the Department's SWAT Team met to develop the action plan. Members of the sub-group were comprised of a cross-section of Departmental employees from each mission area, many of whom had been involved in previous FHCS efforts. The group analyzed the ten challenges and extracted the following three themes:
 - Employees feel that workplace and worklife flexibilities are not optimally available to the USDA workforce.
 - Employees feel that they are not recognized for their performance; that poor performers are not dealt with; and that promotions are not based on merit.
 - Employees are not motivated and engaged; employees are dissatisfied with how policies and practices are implemented and applied by management.
- Using the OPM action plan template, the group developed these five themes into action items and steps. Additionally, Department-wide committees were established to ensure USDA-wide commitment, focus and emphasis, with a view to reinforce consistency and accountability across USDA. All aspects of the action plan contain an element of management and supervisor accountability and training, not just within each mission area, but across USDA.
- Lastly, the plan is linked to the USDA Strategic Plan and USDA's priorities and goals. The more the principles instilled by the action plan are ingrained or made an integral part of our priorities, the more they will successfully address employee needs and thus impact and enhance the very culture of USDA.

Improving Employee Wellness

- Consistent with June 2009 guidance from OMB and OPM, USDA submitted an inventory of current wellness activities, cafeteria and fitness facilities, and health clinics.

Closing Leadership and HR Competency Gap

- No assessment of leadership and HR gap closure was conducted in 2009. However, USDA mission areas/agencies were instructed to continue gap closure activities. The mission areas/agencies reviewed their individual data from the 2008 Federal Competency Assessment Tools (FCAT-M and FCAT-HR) and developed action plans to address deficiencies and/or close noted gaps. Some of the programs were specifically developed in response to the assessments; other programs were already being used by the agencies. A list of some of the

programs developed or continued by USDA mission areas/agencies in FY09 to improve competencies are:

- Development of an internal HRD position management/classification course.
- Development of mentoring programs.
- Continued and substantial growth in webcasts to train agency personnel.
- Development of Leadership Succession Plans.
- Continuation of internal development, supervisory, and managerial training within agencies.
- Development of several performance management modules for supervisors and employees and their placement in AgLearn for all USDA employees.
- Creation and continued use of a number of specific training ventures to meet agency-specific competency needs. Two examples are the grants and accounting certificate programs established by the National Institute of Food and Agriculture.

Closing Information Technology (IT) Competency Gap

- IT leadership at USDA identified Information Systems/Network Security and Information Assurance as areas where all IT Security personnel should be highly proficient. USDA developed a plan to increase its IT workforce proficiency in these critical job competencies. In FY09, all employees and partners completed Cyber Security Awareness and Privacy Basics training. All new employees were required to complete the same training prior to receiving network access. In addition, security breaches and incidents were reported daily to OCIO senior management, weekly in the Weekly Activity Report (WAR) to IT officials, and monthly in accrual data reports to USDA senior IT officials. These actions coupled with the Lessons Learned areas that were developed to cover common weaknesses across the Department have increased the proficiency of employees in the IT Security sector and have also greatly reduced the likelihood of a security breach within the USDA.

Closing Acquisition Competency Gap

- USDA recognizes the importance of developing acquisition leaders and having a plan for replenishing its supervisory and managerial talent to ensure continued success in achieving our mission. To that end, USDA drafted an Acquisition Workforce Succession Plan to provide a broad-based strategy for ensuring that the Department's acquisition function has the most efficient and effective workforce possible.
- USDA's acquisition workforce continues to need training to improve two critical competencies: (1) *Effective Negotiation Skills* and (2) *Effective Performance Management and Use of Performance Metrics*. Each course in the mandatory Federal Acquisition Certification in Contracting (FAC-C) program facilitates the employee's ability to build upon these two critical competencies. The USDA has at least one acquisition workforce employee in every county in the United States. Providing mandatory training to these employees requires a substantial amount of travel and training funds. Government-wide standards make acquiring mandatory training critical to the professional development of acquisition workforce employees. However, those agencies that lack adequate training funds cannot provide mandatory procurement training and often lose their employees to other agencies.
- Meeting the mandatory training requirement is directly related to promotional qualifications and other opportunities for workforce members. USDA makes every effort to provide mandatory and continuous training opportunities to acquisition workforce employees who are

critical to their agency's mission as monies become available. However, to assure training that mirrors the Defense procurement training program, civilian agencies such as USDA must be provided prepaid onsite training through the Federal Acquisition Institute (FAI) for all mandatory training.

- Several USDA agencies use the Student Career Employment Program to fill slots in this critical occupation. Other USDA agencies have hired trainees for upward mobility slots with guaranteed promotions to grade 12/13. The lack of funding has been a key factor for the low participation in the federal intern programs to fill entry level acquisition workforce positions. It should also be noted that agencies participating in the program are required to pay a substantial fee to become part of the program. However, agency participants are not guaranteed they will be assigned an intern upon completion of the program.
- USDA's acquisitions planning and leadership development goals reflect a commitment to training and developing the USDA acquisition workforce with a focus on sustaining a learning environment to address future resource gaps. Additionally, USDA's recruitment and retention goals will promote the widespread use of technological advances to enhance recruitment efforts and streamline application processes. Collaboration among agencies will help to leverage resources of time and talent to help build consistency and support services for acquisition leadership. USDA will also look into rotational assignment opportunities to allow acquisitions personnel to interact with new clients, and work on projects and challenges to help develop their contracting skills.

Use of American Recovery and Reinvestment Act (ARRA) Hiring Authority

- USDA uses excepted-service appointments under 5 CFR 213.3102(i)(3) to address the need for hiring additional staff in support of the American Recovery and Reinvestment Act (ARRA) of 2009. USDA agencies use this authority to fill, on a temporary basis for up to one year, positions needed to carry out provisions of the ARRA as they relate to USDA's mission to protect the public health. USDA agencies are strongly encouraged to conduct recruiting in order to meet their particular human capital challenges under the Act. These efforts are reported on a quarterly basis.
- Additionally, USDA agencies utilized dual-compensation waivers to encourage employment of re-employed annuitants. This was particularly critical in the recruitment of Contracting Specialists and Grants Specialists which require lengthy training periods to achieve contract warrants. By utilizing re-employed annuitants USDA was able to obtain skilled and warranted specialists need to administer ARRA programs. A summary of ARRA hiring within USDA is provided at Tab 14.

IV.E HCAAF SYSTEM – Accountability

A. Measures and Objective.

Measures:

1. Accountability Implementation System Plan is efficient, effective, compliant, and supports mission, as reflected in the Department's Strategic Plan.

2. USDA has a robust Human Capital Accountability Audit Program that includes Departmental audits of component agency HC programs and agency self-audits that ensures effective HC management in accordance with merit system principles, civil service laws, results and regulations.

Objectives:

1. Establish a formal, documented Accountability System that meets OPM requirements.
2. Measure and assess all HC management systems for mission alignment, effectiveness, efficiency, and compliance with merit systems principles and civil service laws, rules, and regulations.

B. Targets.

USDA utilizes the process that was implemented in 2007 for its HC accountability review program which measured and assessed mission alignment, effectiveness, efficiency, and our agency's compliance with merit system principles and civil service laws, rules, and regulations. Ten accountability reviews were conducted in FY09, although 19 were scheduled. Accountability reviews were cancelled starting the third quarter of FY09 through FY10 due to budgetary constraints and staff reorganization. Seven scheduled audits of Rural Development field offices were cancelled due to Rural Development's HR office consolidations.

C. Results.

One of the major results of USDA's actions in this HCAFF system is a better defined accountability process that is more efficient, effective, and compliant, and supports our mission goals in the area of HC. By stabilizing our accountability review process, USDA has cleared the path for effective and efficient implementation of our accountability program. USDA has taken steps to continuously monitor and actively update Department records to show the most up-to-date status on USDA's audit reports. OHRM staff developed the *USDA FISCAL YEAR AUDIT TRACKING SYSTEM* which is divided into the four quarters of the fiscal year. The tracking system provides information as it relates to the agency, location, date of audit, evidence of the USDA Findings Letter, due date, the date when the response was received, and evidence of the close out letter sent to agency. In FY09, USDA developed guidance and issued direction for all component agencies to conduct Human Capital Self-Audits on an annual basis and report their audit results to the USDA OHRM.

D. Future/Improvement Actions Based on Results.

USDA's accountability program is three years old. In general, the field agencies that were reviewed experienced a high turnover rate in the human resources function thereby losing continuity and expertise, particularly in the area of staffing. Despite these heavy losses of personnel, of the ten audits conducted in FY09, no major violations were found such as veterans' preference or merit system principles. However, some problems were noted consistently throughout a few agencies:

- Many vacancies were advertised both internally and externally when the agency almost always selected internally for the specific type of position, e.g., Unit Leader, Program Manager. This resulted in the external advertisement going unused on a consistent basis.
- Lack of continuous supervisory training to refresh supervisory skills and update supervisors on changes in policies, programs, and practices.
- SF-39's were incomplete
- CTAP, no definition for well qualified
- No evidence that ICTAP was cleared
- Specialized experience was not well defined on vacancy announcements

The mission areas/agencies with citations were instructed to take corrective actions, and the following recommendations were made:

- USDA is re-examining a policy to advertise “all-sources” for all professional and administrative positions. A proposal to provide agencies the flexibility to choose the area of consideration for these vacancies based on need is currently being reviewed for approval.
- AgLearn, the Learning Management System of on-line training courses, should be used to help supervisors keep their supervisory skills up to date.
- Ensure the use of standard position descriptions
- Ensure HR staff has adequate training and that training requests are processed through AgLearn
- Ensure that all files contain all required documentation
- Use checklists for merit promotions
- Approve personnel actions prior to the effective date

E. New Measures/Targets.

To address the deficiencies noted above, USDA will issue Departmental guidance on Delegated Examining (DE) to ensure agencies apply a consistent approach to competitive hiring and case file management in order to maximize results. When the audit review process is reestablished and the vacant positions are filled we anticipate fewer deficiencies such as those listed above. One of our measures was to ensure timely self audits. Our audits revealed that the majority of our agencies conducted timely self audits and documented them in accordance with OPM's DE Handbook.

USDA FISCAL YEAR 2009 AUDIT TRACKING

QUARTER 1

| Agency | Location | Date of Audit | USDA Findings Letter | Due Date | Agency Response | Close-out Letter |
|--------|----------------|------------------|---|---------------|-----------------|---|
| NRCS | Columbus, OH | Oct. 20-24, 2008 | K:\Audit Reports\NRCS.Columbus.OH.pdf | Feb. 6, 2009 | Feb. 2009 | K:\Audit Reports\NRCS.OH.closing.pdf |
| RD | Columbus, OH | Oct. 20-24, 2008 | K:\Audit Reports\RD - Columbus.OH.pdf | Mar. 2, 2009 | March 2009 | K:\Audit Reports\RD.OH.closing.pdf |
| ARS | Beltsville, MD | Nov. 3-7, 2008 | Audit moved to Jan. 2009 | | | |
| NRCS | Fort Worth, TX | Dec. 8-12, 2008 | K:\Audit Reports\NRCS - Ft. Worth.TX.pdf | Jan. 23, 2009 | March 17, 2009 | K:\Audit Reports\NRCS.TX.closing.pdf |

QUARTER 2

| Agency | Location | Date of Audit | USDA Findings Letter | Due Date | Agency Response | Close-out Letter |
|--------|----------------|------------------|---|-----------|--------------------|---|
| ARS | Beltsville, MD | Jan. 12-16, 2009 | K:\Audit Reports\ARS.Beltsville.pdf | 6/1/2009 | 6/8/2009 | K:\Audit Reports\ARS.Beltsville.closing.pdf |
| NRCS | Nashville, TN | Feb. 9-13, 2009 | K:\Audit Reports\NRCS - Nashville.pdf | 6/22/2009 | 7-14-09 to Patrick | K:\Audit Reports\NRCS.TN.closing.pdf |
| RD | Nashville, TN | Feb. 16-20, 2009 | | | | Audit Cancelled |
| NRCS | Boise, ID | Mar. 23-27, 2009 | K:\Audit Reports\NRCS.Boise.ID.pdf | 6/30/2009 | | K:\Audit Reports\NRCS.ID.closing.pdf |
| RD | Boise, ID | Mar. 23-26, 2009 | | | | Audit Cancelled |

QUARTER 3

| Agency | Location | Date of Audit | USDA Findings Letter | Due Date | Agency Response | Close-out Letter |
|--------|------------------|---------------------|---|------------|-----------------|---|
| NRCS | Washington, D.C. | Apr. 27-May 1, 2009 | K:\Audit Reports\NRCS.Washington.DC.findings.pdf | 7/24/2009 | | K:\Audit Reports\NRCS - HQ.closeout.pdf |
| NRCS | Casper, WY | May 11-15, 2009 | K:\Audit Reports\NRCS.WY.findings.pdf | 10/21/2009 | | K:\Audit Reports\NRCS - Casper.WY.closeout.pdf |
| NRCS | Indianapolis, IN | May 11-15, 2009 | | | | Audit Cancelled |
| RD | Indianapolis, IN | May 18-22, 2009 | | | | Audit Cancelled |
| NRCS | Athens, GA | June 15-19, 2009 | K:\Audit Reports\NRCS.Athens.GA.pdf | | | K:\Audit Reports\NRCS.Athens.GA.closeout.pdf |
| RD | Athens, GA | June 23-26, 2009 | | | | Audit Cancelled |

QUARTER 4

| Agency | Location | Date of Audit | USDA Findings Letter | Due Date | Agency Response | Close-out Letter |
|--------|-----------------|-----------------------|---|----------|-----------------|---|
| RD | Portland, OR | July 13-17, 2009 | | | | Audit Cancelled |
| NRCS | Portland, OR | July 20-24, 2009 | K:\Audit Reports\NRCS.OR.findings.pdf | | | K:\Audit Reports\NRCS-Portland.OR.closeout.pdf |
| RD | Minneapolis, MN | Aug. 10-14, 2009 | | | | Audit Cancelled |
| RD | Champaign, IL | Aug. 31-Sept. 4, 2009 | | | | Audit Cancelled |
| FS | Albuquerque, NM | Sept. 21-25, 2009 | | | | Audit Cancelled |

SECTION IV – AGENCY-SPECIFIC MEASURES

IV.A HCAAF SYSTEM – Strategic Alignment

A. Measures and Objectives.

Measures:

1. Effective management of HC strategic planning and performance measures and milestones to better align the HC Strategic Plan with USDA’s mission, strategies and goals.
2. Better utilization of HR information systems to track and effectively manage HC.

Objectives:

1. Expand the availability and use of workforce data as a basis for developing HC strategies and monitoring implementation of those strategies.
2. Promote organizational effectiveness through restructuring efforts that promote HC and economic efficiencies.

B. Targets.

1. Update Mission Area/Agency Strategic HC Plans and accompanying workforce succession plans to support USDA’s business goals.
2. Promote an environment of collaboration across the agencies; operational practitioner working groups will meet regularly (e.g., monthly or quarterly) to share best practices, exchange ideas, and build skills in HC areas.

C. Results.

Mission area/agency human capitals goals and implementation strategies are aligned with USDA’s HC Strategic Plan. A review of these plans indicated that they are focused on aligning planning strategies, strengthening workforce skills, recruiting and retaining a talented workforce and implementing performance management systems that recognize results. These goals are being realized through different measures that have been put into place, such as extensive research and outreach programs, with emphasis placed on working with colleges and universities to bring talent to the Department. Additionally, workforce planning efforts are underway to look at the mission critical functions of USDA mission areas to ensure that they are adequately positioned to continue to meet its critical public health mission. Below is a highlight of what has been accomplished:

Veterinary Medical Officer Workforce Planning

- Partnering with OPM, the Food Safety and Inspection Service (FSIS), the Animal and Plant Health Inspection Service (APHIS), and the Agricultural Research Service (ARS), as well as other agencies that employ Veterinary Medical Officers (VMOs), established action teams to formulate government-wide recommendations for the VMO occupation. Membership on these teams included VMOs and human resources specialists to engage in VMO corporate workforce planning and job task analysis, recruitment and retention strategies, and talent management. Because of the critical nature of the VMO occupation to USDA's mission of protecting the nation's food supply, USDA took pro-active steps to ensure that both adequate staffing levels and competency proficiencies are maintained.
- USDA's Office of Human Resources Management (OHRM) formed internal partnerships with FSIS, APHIS, and ARS to evolve plans for structuring and deploying its VMO workforce. The agencies have each focused on the VMO occupation, analyzed skill and competency gaps, and put in place measures to ensure optimal staffing and skill levels. For example, FSIS has utilized special authorities such as Dual Compensation Waivers and Direct Hire along with their existing authorities for recruitment incentives to successfully support staffing levels. FSIS also began operating under the Public Health Human Resources System (PHHRS), a Pay Banding and Pay for Performance Demonstration Project. PHHRS will allow FSIS the flexibility to offer exceptional VMO candidates higher salaries than most other Federal agencies. The Demonstration Project will test whether an innovative pay-banding system can enhance recruitment and improve retention.
- APHIS has used a competency survey of their supervisory VMOs to build a comprehensive competency-based employee development strategy to ensure sustained effectiveness in these key positions. As a result of these pro-active measures, the VMO occupation is expected to achieve optimum staffing levels into the future.
- USDA is currently working on a USDA Workforce Plan to document corporate strategies developed and implemented throughout USDA to ensure an adequate VMO workforce to protect public health, as well as respond to pandemic and zoonotic threats as communicated during congressional testimony and to document challenges relating to the growing national shortage of Federal VMOs.

Farm & Foreign Agricultural Service (FFAS)

- To help reduce under representation and sustain workforce diversity, particularly in mission critical occupations and leadership positions, FFAS established a long-term recruitment strategy coupled with the Federal Equal Opportunity Recruitment Plan and a long-term FFAS training and development strategy. Both of these strategies align with USDA and OPM initiatives.

Research, Education & Economics (REE). (*REE is comprised of Agricultural Research Service (ARS); Cooperative State Research, Education, and Extension Service (CSREES); Economic Research Service (ERS); and National Agricultural Statistics Service (NASS)*)

- Realignment of the administrative staff and functions in ERS to support the changing organizational and technological shifts in the agency mission.
- CSREES implemented the structure and mission proposed in the 2007 Farm Bill officially becoming the National Institute of Food and Agriculture (NIFA).

- Developed Succession Plans for two REE agencies. Succession strategies are an integral part of the Workforce Plans of the other two agencies.
- All four agencies have added training programs and/or utilized external sources to improve their leadership and development activities. ARS developed a Situational Leadership course for all supervisors and has made their Administrative and Financial Management course available to all REE agencies.
- NASS has implemented a leadership dialogue seminar while NIFA is continuing to develop its employees through grants and accounting certificate programs. All agencies have placed training ventures on AgLearn for their employees.
- All REE agencies have aggressively used recruiting and employment initiatives to form strategic partnerships with many organizations to improve and support diversity within the agencies. Examples of major agency programs include: Demo Authority hiring – ARS; research associate (post-doc) program – ERS; special salary rate increases for Mathematical Statisticians and cooperative enumerator recruitment – NASS; and administration of the Veterinary Medicine Loan Repayment Act program – NIFA. All agencies are using recruitment and retention authorities to recruit for or retain employees in mission critical or hard to fill occupational series.

IV.B HCAAF SYSTEM – Results-Oriented Performance Culture

A. Measures and Objectives.

Measures:

1. Ensure USDA agencies continue progress toward sustaining a results-oriented performance culture, share best practices, and facilitate cross agency collaboration to result in the achievement of a target goal for 80 points on the PAAT for USDA's appraisal program for June 30, 2011. (Ongoing)
2. Analyze employee feedback through the Federal Human Capital and USDA/Agency surveys and incorporate relevant results into performance culture change and communication strategies of agency performance improvement action plans and assessments. (FY 2010)
3. Develop and implement training on the new USDA Senior Executive and Senior Level and Scientific or Professional employee's performance management systems. (FY 2010)
4. Provide implementation guidance and procedures on the new performance management program to ensure more than 70% of employees are covered by an effective performance management system. (Ongoing)
5. Foster organization-wide commitment to a results-oriented performance culture that results in increased stakeholder acceptance and satisfaction. (Ongoing)

Objectives:

1. Tie individual performance plans to organizational goals and desired results.

2. Monitor USDA performance appraisal program to evaluate effectiveness in making meaningful distinctions between levels of performance.

B. Targets.

Agencies continued implementing improvement strategies brought forward on October 1, 2008, which was the start of the FY 2009 appraisal cycle. As a result, USDA made positive advancements in FY 2009.

C. Results.

USDA agencies are required to 1) generate reports certifying that performance plans are provided to employees, 2) audit and review sample performance plans to ensure they conform to established criteria, and 3) provide timely PAAT assessments. Action plans must specifically identify agency reporting, auditing, and tracking methods, along with the verification processes used to evaluate the effectiveness of program improvement strategies, i.e., ensuring performance plans are in place within identified timeframes; ensuring progress reviews take place during the appraisal period; etc. Such requirements serve to measure the agency's effectiveness in using internal tracking and verification processes.

USDA maintains 70% of the agency's workforce is covered by a performance management program that effectively links to the agency mission, goals, and outcomes; holds employees accountable for results appropriate for their level of responsibility; differentiates between various levels of performance; and provides consequences based on performance.

D. Future/Improvement Actions Based on Results. (Based on lessons learned, are there future improvement actions that will be implemented?)

In FY 2010, USDA will continue to blend the improvement strategies identified in agencies' action plans with the USDA's Human Capital Initiative – Results-Oriented Performance Culture.

E. New Measures/Targets: (Did your agency find it necessary to establish any new measures or targets based on last year's results?)

USDA has found it necessary to create new measures for FY 2010 and beyond based on the results of last year's assessments. They are as follows:

- Appraisal and award systems: The agency demonstrates that it has performance appraisals and awards systems for all senior executives and managers, and more than 80% of the workforce, that effectively: link to agency mission, goals and outcomes; hold employees accountable for results appropriate for their level of responsibility; differentiate between various levels of performance (i.e., multiple performance levels with at least one summary rating above Fully Successful); and provide consequences based on performance.
- Performance pilot: The agency's Department-wide performance pilot demonstrates evidence that clear expectations are communicated to employees; rating awards data demonstrate that managers effectively planned, monitored, developed and appraised employee performance.

- 3. Target score of 80 points or higher on the future Department-wide PAAT.

IV.C HCAAF SYSTEM – Leadership/Knowledge Management

A. Measures and Objectives.

Measures:

1. Succession management plans are in place that results in a leadership talent pool.
2. Leaders throughout USDA are engaged in supporting leadership programs and in creating opportunities for leaders to develop other leaders whenever possible..

Objectives:

1. Identify and implement leadership development programs to support accomplishment of USDA mission.
2. Develop and implement professional development programs to support employee development across USDA.

B. Targets.

1. Identify and implement leadership and professional development programs to support accomplishment of USDA's mission.
2. Develop leadership development and succession planning framework, based on best practices that are tied to workforce planning and recruitment strategies.

C. Results.

USDA has a current Strategic Leadership Succession Plan in place. USDA mission areas applied USDA's Strategic Leadership Succession Plan to identify succession targets and talent pools. USDA/OHRM worked with the mission areas to assist them in meeting their targets for closing leadership gaps, and to build upon the bench strength of future leaders.

As part of its ongoing efforts to address projected retirements, USDA is continuing the management of its FY 2007 Senior Executive Service Candidate Development Program (SES CDP) designed to provide a broad range of developmental activities coupled with formal training to enhance individual executive competencies and to increase awareness and understanding of public policy, programs, and issues. In developing the program, USDA identified the number and nature of projected SES vacancies, including those expected in MCOs for a five-year period; the number of SES candidates necessary to ensure that these vacancies are filled by highly qualified employees; and the number of employees in USDA who were potentially eligible to participate in the program. Seventy-eight candidates were selected to participate in three classes. The first class completed its core academic curriculum with American University in the fall of

2008, with the third class finishing in June of 2009. A new class, planned for commencing in June 2009, was put on hold at the end of the vacancy announcement period.

D. Future/Improvement Actions Based on Results.

USDA leaders will need to continue to ensure that agencies have well staffed and well trained employees. To ensure high quality candidates, the Department will continue collaborating with Mission Area/Agency HROs to identify and develop competency-based recruitment processes, streamlining vacancy announcements, updating selection criteria and interview guides, and continue to evaluate the effectiveness of recruitment efforts and to recommend improvements.

To ensure employees receive adequate training, we will encourage employees to develop their job skills, provide time for them to access available web-based training, encourage participation in OPM/USDA/Mission Area driven competency assessments, and provide developmental opportunities. OHRM will collaborate with mission area HROs to monitor success of this effort.

E. New Measures/Targets.

USDA did not find it necessary to establish any new measures or targets based on last year's results.

IV.D HCAAF SYSTEM – Talent Management

A. Measures and Objectives.

Measure:

1. USDA has closed skills, knowledge and competency gaps/deficiencies in MCOS, and has made meaningful progress towards closing, those gaps/deficiencies in all occupations used in USDA.

Objectives:

1. Market USDA as an “employer of choice” through use of effective recruiting strategies and efficient hiring processes to limit gaps in MCOs and reach diverse candidates.
2. Expand the use of existing worklife and other HR flexibilities

B. Targets.

1. Identified gaps in leadership, HR, IT, and Acquisitions MCOs.
2. Reduced hiring timelines to meet or better the OPM standard.

C. Results.

USDA is committed to ensuring it has a diverse and talented workforce that is well prepared to achieve strategic goals and meet changing priorities. For the past four years, USDA has taken aggressive steps to attract quality applicants by eliminating barriers/stovepipes, re-engineering business processes, automating functions, and increasing oversight and accountability. USDA is using a variety of HC flexibilities and strategies to close identified gaps in MCOs. These include retention, recruitment, relocation, and career development strategies.

Although no competency assessment was done in 2009, OHRM supported USDA agencies in their development of gap closure plans with quarterly milestones, providing agencies with guidance in gap analysis, identifying options for employee development, monitoring agency, and reporting progress to OPM on a quarterly basis.

Tactics for Closing Competency Gaps

USDA's goals for reducing competency gaps are two-fold: (1) expand awareness and knowledge for the role and purpose of consistent employee Performance Management principles as they relate to organizational performance; and (2) provide opportunities to apply that knowledge. Following are examples of various approaches USDA may apply to the effort of closing/reducing Performance Management competency gaps:

Expanding awareness and knowledge for the role and purpose of employee Performance Management principles as they relate to organization performance:

- Developing a Performance Management course with detail in strategic alignment, performance measures, and accomplishment report;
- Providing an advanced Leadership program addressing leadership competencies;
- Providing effective communication training that includes feedback to improve employee performance;
- Expanding Leadership Transition Services to supervisors and managers, identifying helpful information and resources for achieving success;
- Establishing mandated training requirements for Leaders;
- Mandating a Performance Management course offered in AgLearn to help build consistency in USDA's Performance Management knowledge base, while allowing for a minimum of one other Performance Management course as an elective;
- Developing a Desk Guide for preparation of performance plans for managers and supervisors; and
- Revising a 3-day seminar, "Human Resources Management for New Supervisors".

Opportunities for application of expanded knowledge:

- To bolster training, work with internal Subject Matter Experts to modify existing courses to teach employees how to identify measured performance management program goals and objectives (align and cascade them from the agency strategic plan to the employee level; and how to write accomplishment reports. as well as how to use them to evaluate performance ratings);
- Increasing emphasis on competency-based hiring to increase employee retention;
- Providing services to supervisors in development of research-based performance standards.

Agencies will focus attention on pockets of particular need for strengthening skills, as appropriate, based on data trends. Collaboration among agencies and leadership from OHRM will help to leverage resources of time and talent to help build consistency and support services for performance management leadership at the employee level, benefitting overall organizational performance in mission accomplishment. Together, these tactics will contribute significantly toward closing gaps in Performance Management.

D. Future/Improvement Actions Based on Results.

For the future, USDA hopes to better market our agency as an “employer of choice” through effective recruiting strategies and efficient hiring process to limit gaps in MCOs and reach diverse candidates. Additionally, USDA will:

- Use a variety of HC flexibilities and strategies to close identified gaps in leadership, HR, IT, and Acquisition MCOs (e.g., retention, recruitment, relocation, and career development strategies);
- Reduce hiring timelines to meet the OPM standard for GS and SES employees
- Implement action planning activities to improve the hiring process, report and discuss baselines (in comparison to the OPM 80-day model), and one-year improvement targets;
- Implement action plans for addressing barriers to hiring manager involvement in the hiring process, including targets for improvement on Manager Satisfaction Survey scores; and
- Streamline and simplify job opportunity announcements

E. New Measures/Targets.

USDA did not find it necessary to establish any new measures or targets based on last year’s results.

IV.E HCAAF SYSTEM – Accountability

A. Measures and Objective.

Measures:

1. Accountability Implementation System Plan is efficient, effective, compliant, and supports mission, as reflected in the Department’s Strategic Plan.
2. USDA has a robust Human Capital Accountability Audit Program that includes Departmental audits of component agency HC programs and agency self-audits that ensures effective HC management in accordance with merit system principles, civil service laws, results and regulations.

Objective:

1. Measure and assess all HC management systems for mission alignment, effectiveness, efficiency, and compliance with merit systems principles and civil service laws, rules, and regulations.

B. Targets.

USDA implemented its HC accountability review program which measured and assessed mission alignment, effectiveness, efficiency, and our agency's compliance with merit system principles and civil service laws, rules, and regulations.

C. Results.

One of the major results of USDA's actions in this system was a better defined accountability process that is more efficient, effective, and compliant, and supports our mission goals in the area of HC. It was clear that the previous accountability schedule would rapidly put USDA on a path of overseeing an accountability review (or audit) program instead of a fully realized accountability program. Such a path would not support our HC strategic goals or allow us to establish and implement an accountability system that would hold OPM's continued approval. By stabilizing our accountability review schedule, USDA has cleared the path for effective and efficient implementation of our accountability program.

D. Future/Improvement Actions Based on Results.

USDA's accountability program is, for all practical purposes, very new. Our program was approved in September 2006. In FY07, we hired and fully trained an audit staff that conducted accountability reviews and oversaw the accountability function. In order to continue assessing the best course for any future improvement actions, USDA will need to: 1) broaden the samplings of USDA agencies that we reviewed, and 2) address any unresolved deficiencies that were addressed in the Federal Human Capital Survey.

E. New Measures/Targets.

Based on last year's results, USDA has not found it necessary to establish additional measures or targets beyond broadening the scope of our accountability review activities by expanding the number of agencies or mission area personnel offices we review and refining our review methodology to maximize our results.

SECTION V – ADDITIONAL ACCOUNTABILITY ACTIVITIES

V.A HCAAF SYSTEM – Strategic Alignment

There were no additional FY09 accountability activities pertaining to is implementation system that have not been reported in previous sections of this report.

V.B HCAAF SYSTEM – Leadership/Knowledge Management

A. Briefly summarize additional FY09 accountability activities pertaining to Leadership/Knowledge Management (e.g., including onsite audits, program evaluation, assessment of alternative personnel systems, etc.).

There are no additional accountability activities for this implementation system to report. USDA utilized the process that was implemented in 2007 for its HC accountability review program which measured and assessed mission alignment, effectiveness, efficiency, and compliance with merit system principles and civil service laws, rules, and regulations. Ten accountability reviews were conducted in FY09, although 19 were scheduled. Accountability reviews were cancelled starting the third quarter of FY09 through FY10 due to budgetary constraints.

B. Were activity milestones established and met during the fiscal year?

USDA conducted 10 of 19 scheduled audits for FY09. Due to budget constraints, the remaining audits were cancelled for FY09, and no Departmental audits are planned for FY10.

C. Briefly describe any major findings for this implementation system.

No major findings were found for this implementation system.

D. Identified Systemic Problem or Deficiency.

No major systemic problem or deficiency was noted for this implementation system.

Corrective Action(s) and Date Implemented.

N/A

V.C. HCAAF SYSTEM – Results-Oriented Performance

A. Briefly summarize additional FY09 accountability activities pertaining to Results-Oriented Performance Culture (e.g., including onsite audits, program evaluation, assessment of alternative personnel systems, etc.).

In FY09, USDA's Human Capital Accountability Branch conducted agency accountability reviews that included reviews of performance culture to ensure compliance with regulatory requirements. USDA reviewed performance plans, performance appraisals, and awards for non-SES employees. In addition, USDA used focus groups of employees and managers to gather more information pertaining to Performance Culture.

B. Were activity milestones established and met during the fiscal year?

The established USDA program goals in Performance Culture for FY09 were met.

C. Briefly describe any major findings for this implementation system.

Overall, there were no major findings during FY09 reviews. However, the need continues to provide performance training for managers, supervisors, and employees to increase their knowledge and understanding of performance management principles, and how to write and evaluate performance elements that are results-focused and include balanced, credible measures of performance. We will continue to work with the Department and program managers to address this need.

D. Identified Systemic Problem or Deficiency.

No major systemic problems or deficiencies.

E. Corrective Action(s) and Date Implemented.

N/A

V.D HCAAF SYSTEM – Talent Management

A. Briefly summarize additional FY09 accountability activities pertaining to Talent Management (e.g., including onsite audits, program evaluation, assessment of alternative personnel systems, etc.).

There are no additional accountability activities for this implementation system to report. USDA utilized the process that was implemented in 2007 for its HC accountability review program which measured and assessed mission alignment, effectiveness, efficiency, and compliance with merit system principles and civil service laws, rules, and regulations. Ten accountability reviews were conducted in FY09, although 19 were scheduled. Accountability reviews were cancelled starting the third quarter of FY09 through FY10 due to budgetary constraints.

B. Were activity milestones established and met during the fiscal year?

Activity milestones were met for the fiscal year.

C. Briefly describe any major findings for this implementation system.

There were no major findings during for this implementation system.

D. Identified Systemic Problem or Deficiency.

We identified no serious systemic problems or deficiencies.

E. Corrective Action(s) and Date Implemented.

N/A

F. Results/Accomplishments of Corrective Action(s.)

N/A

V.E HCAAF SYSTEM – Accountability

A. Briefly describe how your existing accountability system is used to evaluate the results of your HC programs and practices.

USDA will continue to explore how we can best utilize our accountability program to evaluate results of our HC programs and practices. However, at present through FY10, HC accountability system reviews will be conducted at the mission area/agency level.

B. Briefly describe how the results of our accountability activities are being used to inform HC planning.

Feedback to mission areas/agencies on audit findings allows them to target specific HC processes for improvement.

C. Were activity milestones established and met during the fiscal year?

Milestones were established and met for the fiscal year.

D. Briefly describe any major findings for this implementation system.

There were no major findings for this implementation system.

E. Identified Systemic Problem or Deficiency.

We identified no serious systemic problems or deficiencies.

F. Corrective Action(s) and Date Implemented.

N/A

G. Results/Accomplishments of Corrective Action(s).

N/A

SECTION VI – AGENCY BEST PRACTICES

- To facilitate the decision-making process in the administration of OHRM policy and program issues, the Mission Area Human Resources Directors (MAHRD) Policy Board was established, serving as a steering group and decision-making body to help direct key policy and strategic challenges facing the human resources community. OHRM leads weekly forums to share HC and HR best practices, to address HR challenges in areas such as hiring reform, classification, and compensation, and to develop strategic objectives. The MAHRD is chaired by the Director of OHRM and is comprised of the Department's MAHRD's who communicate and coordinate HC activities within their mission areas. Each MAHRD serves as his or her agency's chief policy advisor on all HC management issues and is charged with carrying forth the Department's Strategic Human Capital Plan and other initiatives.
- A USDA HR Enterprise Solution initiative was started and is reflective of USDA's organization change process directed toward continuous improvement. It will search for best practices among recognized leaders that are contributors to the organization's superior performance. The basic idea is to analyze what other high-performing agencies are doing to make improvements and then integrating the best methods into USDA's operations. Management of the HR technology resources at the enterprise level will provide the coordination necessary to guide the evolution of HR data and services. Decisions made about technology will significantly influence how HR processes will be accomplished in the future, which in turn will influence the roles and responsibilities of the HR positions, service standards, and the organizational structure.
- The Natural Resources Conservation Service (NRCS) hired contractor PDRI to develop a report that provides comprehensive information on best practices related to competency model development and use, as well as relevant examples from the public and private sector. Specifically, this report presents information on: (1) the types of content contained in competency models; (2) approaches for organizing competencies to form competency models; (3) the procedures used to develop competency models; (4) an example best practice competency model; (5) common uses of competency models; and (6) keys for successful competency model development and use. NRCS will use the strategies noted in the report for managing competencies and competency-related information.
- Marketing & Regulatory Program's Grain Inspection, Packers and Stockyards Administration (MRP/GIPSA) established a formal mentoring program in January 2009. Mentors and mentees are developing relationships and transferring knowledge through meetings and by working together in conducting regulatory activities and investigations. The mentors are working with the new employee's supervisors to ensure a transfer of information and opportunities for necessary experiences to support a successful career in the agency. Consideration of expanding the mentoring program to include a broader group of employees is currently underway.
- Marketing & Regulatory Program's Animal and Plant Health Inspection Service (MRP/APHIS) developed a Leadership Roadmap and Leadership Development Toolkit to

provide guidance for supervisors and employees in identifying and developing the competencies need in their career development. The purpose of the Roadmap is to outline the variety of appropriate developmental opportunities which employees can pursue in order to acquire the competencies and OPM and APHIS have identified as essential to have in leadership positions. Armed with this toolkit, employees can work in cooperation with their supervisors to take control of their own development and advancement by ensuring critical conversations take place and a focused blend of learning opportunities is provided.

SECTION VII – STREAMLINED JOB OPPORTUNITY ANNOUNCEMENTS

See attached Job Opportunity Announcements (JOAs).

Appendix E

SECTION VIII – HUMAN CAPITAL SYSTEMS, STANDARDS AND METRICS

See attached SSM charts.