



Agency Priority Goal Action Plan

Federal Strategic Human Capital Management Tools, Flexibilities, and Authorities and Strategic Skill Gaps Mitigation

Goal Leaders:

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Leadership & Implementation Team

Goal Statement	Enable agencies to effectively address current and projected workforce needs to meet mission objectives. By September 30, 2021, OPM will provide agencies with at least 48 significant tools, flexibilities, and authorities needed to advance their human capital objectives, and mitigate skill gaps in 80 percent of identified high risk mission critical occupations compared to a 2017 skills gap baseline.
Challenge	While Chief Financial Officer (CFO) Act agencies are growing more sophisticated in addressing Strategic Human Capital Management challenges and mitigating their high-risk Mission Critical Occupations (MCO) skills gaps, Strategic Human Capital Management has remained on the GAO High Risk for years. CFO Act agencies are engaging in a systematic process of addressing MCO skills gaps, but more progress needs to be made. Moreover, agencies require additional tools and flexibilities to assist them in meeting their human capital objectives and identifying emerging workforce needs and skills, as automation continues to change the way work is accomplished.
Implementation Risk	<p>Currently, agencies can seem less anticipatory, and more reactionary about workforce needs. This goal aims to help agencies shift to a more future-focused posture, by fully leveraging tools, flexibilities, and authorities and implementing rigorous human capital management methodology.</p> <p>OPM cannot control the level of effort that each agency will put into closing their skills gaps or using the tools, flexibilities, and authorities OPM provides.</p> <p>Agencies will need to put effort into closing their skills gaps and using the tools, flexibilities, and authorities OPM provides. Agency Subject Matter Experts will be</p>

Overview (continued)

required to assist with multiple aspects of this goal. Without the appropriate personnel, the results may not be robust enough to mitigate skills gaps.

The risk is moderate to low as OPM evidence reflects that agencies are devoting the required resources to achieve this goal.

Opportunity

The Federal Government is postured to advance Strategic Human Capital Management using real-time tools, flexibilities, and authorities, as well as forward-leaning strategic workforce planning, to enable agencies to hire, develop, and retain the right talent, in the right place, at the right time.

Through the implementation of 5 CFR 250 subpart B, OPM can support agencies in achieving their human capital objectives by:

- assisting with the analysis and execution of a validated methodology to mitigate skills gaps in Mission Critical Occupations (MCO) to include identifying high risk MCOs, conducting a root cause analysis, developing an action plan, setting targets and monitoring progress;
- creating a foresight methodology to identify the emerging skills necessary for the future of Federal work and proactively engaging agencies to use these recommendations to shape their workforce components; and
- increasing Government efficiency by being less reactive and more proactive to: (1) identify significant tools, flexibilities, and authorities needed to advance human capital objectives; and (2) spot trends impacting the future Federal workforce, to hire, develop, and retain the right talent, in the right place, at the right time.

Overview (continued)

OPM regulation 5 CFR 250 subpart B supports Federal departments and agencies in their ability to implement Strategic Human Capital Management across their varied missions. This regulation creates the framework for agencies to align the human capital necessary to achieve their strategic plans while creating a mechanism for monitoring progress and achieving results. The illustration below captures the four step process agencies use to conduct strategic workforce planning to achieve their goals. Based upon the forward-leaning findings of OPM's Federal Workforce Priorities Report, agencies align their human capital strategies with the Agency Strategic Plans, create a roadmap in their Human Capital Operating Plans (HCOP), and conduct data-driven "HRStat" Reviews on at least a quarterly basis to monitor progress. Agencies then identify improvements and barriers on an annual basis during Human Capital Reviews (HCR) with OPM. In turn, OPM provides guidance and identifies and develops tools, flexibilities, and authorities based on Administration priorities, HCRs, and research.



Overview (continued)

The Federal Strategic Human Capital Management Process



United States Office of Personnel Management

5 CFR 250 subpart B now fully aligns human capital management to broader agency strategic planning activities and better integrates human capital (HC) activities with an agency's mission and strategic goals. Through this process, OPM is better postured to identify the need for governmentwide and agency specific tools, flexibilities, and authorities to assist agencies in hiring, retaining, and developing the workforce for the future.

NEW Federal Human Capital Framework (HCF) & Diagnostic Tool

The HCF provides the roadmap for implementing strategic human capital management. The four systems that structure the Human Capital Framework - Strategic Planning and Alignment (plan), Talent Management (implement), Performance Culture (implement), and Evaluation (evaluate) - drive the agency's actions and decisions from overall mission to individual programs.



Federal Workforce Priorities Report ... utilizes Foresight practices and scenario based workforce planning to set the Government-wide priorities for the next four years based on the President's Management Agenda.

STRATEGIC HUMAN CAPITAL MANAGEMENT IN FOUR STEPS



Develop and implement **Agency Strategic Plans** with HC strategies that support mission-oriented goals (Every 4 years)



1.1 Government Performance and Results Act (GPRA) Modernization Act requires agencies to align HC to their agency strategic objectives.

1.2 OPM assists agencies using **Foresight** strategies to identify future workforce requirements and emerging skills.

1.3 OPM conducts **Human Capital Learning Sessions** throughout the year to support agencies in aligning HC tools to their strategic objectives.



Develop a path for implementing strategies within a **Human Capital Operating Plan (HCOP)** and update it annually



2.1 Closing Skills Gaps initiative uses the **Multi-Factor Model** to assist agencies in identifying their high risk mission critical occupations (MCO) to target for closure.

- **Federal Action Skills Team (FAST)** are formed to lead the agency efforts to close skills gaps.
- **MCO Resource Charts** are used by agencies to report on staffing targets, staffing gaps, time-to-hire, projected attrition and projected retirements.

2.2 OPM develops **tools, flexibilities, and authorities** to support efforts to hire, retain, and develop the workforce.



Monitor HCOP metrics and Annual Performance Plan indicators through quarterly **HRStat Reviews**



3.1 HR Stat Maturity Model Assessment Tool (MMAT) is used by agencies to assess their growth in implementing the HRStat framework.

3.2 Workforce Dashboards are used to monitor human capital metrics to ensure workforce is able to achieve mission accomplishment.

3.3 Federal Employee Viewpoint Survey (FEVS) is used to develop metrics around employee engagement and other key factors affecting human capital management.

3.4 HRStat Community of Practice provides a forum for collaboration and to share best practices.



Participate in annual **Human Capital Review** discussions with OPM



4.1 Human Capital Review (HCR) discussions are held annually with OPM to review successes and barriers to achieving results.

4.2 Flexibilities such as **Direct Hire, Legislation, Improved Guidance and other tools** result from HCR discussions.

4.3 Federal Workforce Priorities Report is informed from HCR results.

4.4 HCR Report highlights trends and emerging practices from the HCRs.

Overview (continued)

In 2011, OPM and the CHCO Council developed and implemented a strategy on closing skills gaps to remove Strategic Human Capital Management from the GAO high risk list. The initial skills gap effort resulted in the identification of five Government-wide Mission Critical Occupations (MCOs) and one functional area of Science, Technology, Engineering and Math (STEM).

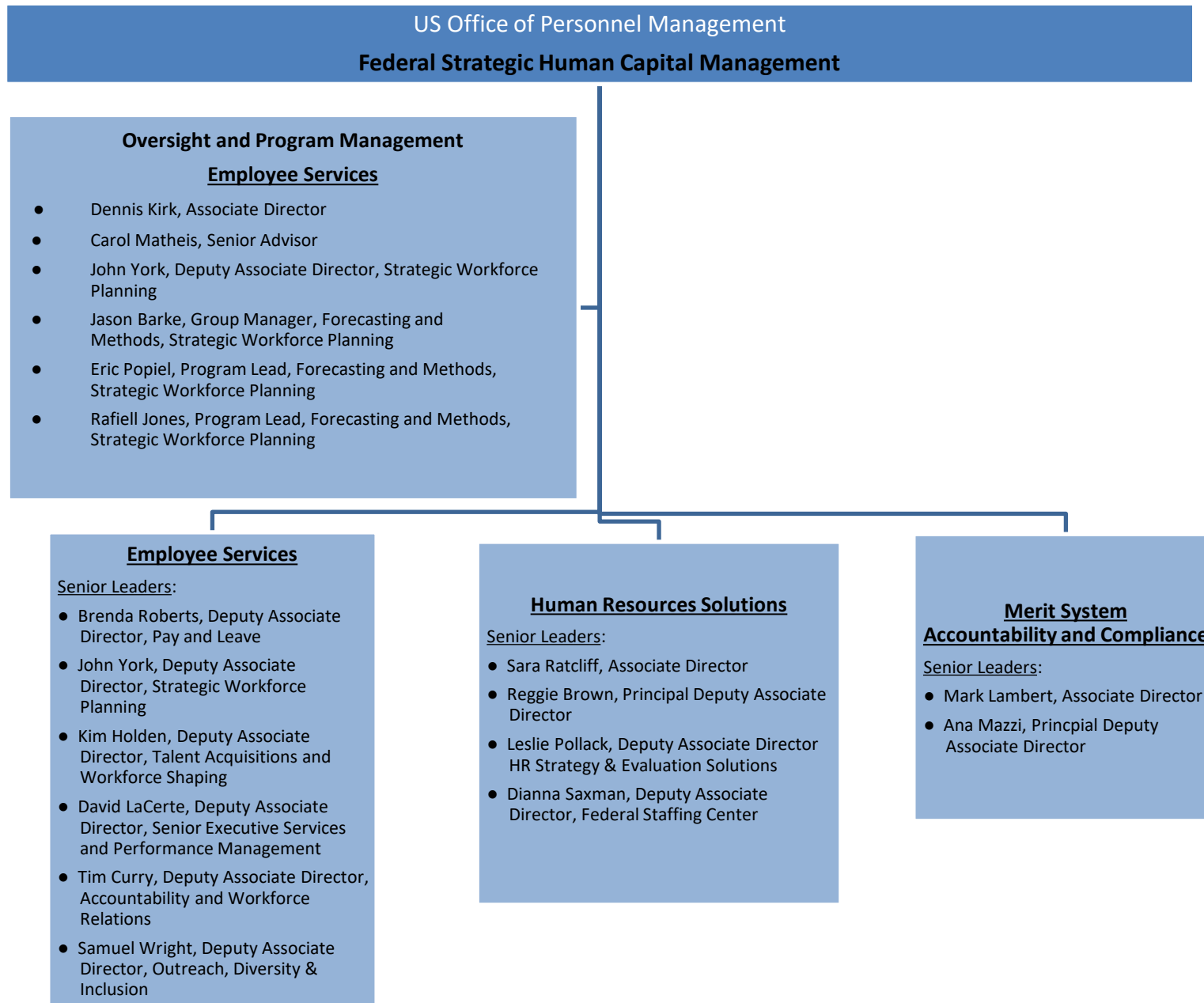
In 2015, OPM designed a new methodology for identifying **high-risk occupations** using a multi-factor model. The Multi-Factor Model is a standardized, data-driven approach that provides consistency across Government. The CHCO Council Executive Steering Committee reviewed and approved the model, provided input, and recommended moving forward with the Multi-Factor Model.

The Multi-Factor Model is comprised of four distinct factors (2-year retention, quit rate, retirement rate, and applicant quality), each having multiple dimensions that include Government-wide comparable data, as well as occupation specific data. OPM aggregates agency findings and applies an e-scanning methodology to determine Government-wide high-risk occupations and Government-wide high-risk competencies.

Performance Element	Occupation Result	Rating Level		Points X Weight Assigned	Summary
		Points	Weight Assigned		
Two year retention rate vs GW	High Risk		15%	0	Total weighted points x 100
Two year retention rate vs GW Occ	Moderate Risk		15%	0	
Quit Rate vs GW	High Risk		15%	0	
Quit Rate vs GW Occ	Moderate Risk		15%	0	
Retirement Rate vs GW	High Risk		15%	0	
Retirement Rate vs GW Occ	High Risk		15%	0	
Applicant Quality vs GW	Low Risk		5%	0	
Applicant Quality vs GW Occ	Minimal Risk		5%	0	
TOTAL			100%	0.00	0

The illustration above is an example of the multi-factor model and how the different elements are used to determine if a mission critical occupation is high risk.

Overview (continued)



Goal Structure & Strategies

Related Strategic Objective: OPM Objective 3.1- Strengthen OPM coordination of policy, service delivery, and oversight resulting in agencies achievement of human capital objectives

OPM will provide agencies with at least 48 significant tools, flexibilities, and authorities and initiate 3 ongoing efforts needed to advance their human capital objectives. These items include:

- Issuing Regulations/Authorities: 13
- Providing Guidance/Memos: 14
- Tools/Resources: 21
- Ongoing Initiatives: 3

OPM will implement the following strategies to support goal accomplishment:

- Review Human Capital Operating Plans and Human Capital Review findings and other feedback from agencies to identify agency needs.
- Identify, develop and release potential tools, flexibilities, and authorities to address needs.
- Conduct comprehensive Environmental Scan to determine what factors might impact Mission Critical Occupations in the future.
- Collaborate with agencies and Subject Matter Experts, collect pertinent data, and determine the best solution to meet their needs.

Summary of Progress – FY 20 Q4

Closing Skill Gaps Initiative

During Q4 FY 2020, OPM continued to monitor agencies' progress in mitigating skill gaps through the quarterly submissions process and technical assistance in support of their efforts. OPM is developing a revised multi-factor model with agency feedback and the support of a workgroup including DOD, DOE, DOJ, GSA, NASA, NSF and USDA. This tool will be used to identify agency-specific and Government-wide high-risk mission critical occupations. OPM will begin the closeout process for the last year of the four-year closing skill gaps initiative cycle in Q1 FY 2021 and expects to deploy the new multi-factor model in Q2 FY 2021.

Pay and Leave Regulations and Guidance

[Paid Parental Leave for Federal Employees Interim Regulations](#): On December 20, 2019, President Trump signed into law a major improvement to the compensation and benefits package for Federal civilian employees. The new law amended the Family and Medical Leave Act (FMLA) provisions in title 5, United States Code, to provide up to 12 weeks of paid parental leave to covered Federal employees in connection with the birth or placement (for adoption or foster care) of a child occurring on or after October 1, 2020. On August 7, OPM issued [interim regulations](#) to add new paid parental leave regulations to OPM's leave regulations and make necessary clarifications, changes, and additions to OPM's FMLA regulations. On September 28th, OPM hosted a guidance briefing on the benefit.

[Notice of the Determination that the National Emergency Concerning the Novel Coronavirus Disease \(COVID-19\) Outbreak Constitutes an Exigency of the Public Business for the Purpose of Restoring Forfeited Annual Leave](#): On August 27, OPM notified agencies of the determination that the COVID-19 national emergency constitutes an exigency of the public business for the purpose of restoring forfeited annual leave.

[Interim Regulations on Scheduling of Annual Leave by Employees Performing Services Determined to be Essential for the Response to Certain National Emergencies](#): To avoid the cumbersome process for a large number of employees who have been required to work during the COVID-19 national emergency, OPM has issued [interim regulations](#) that will allow agencies to continue to meet their vital missions while streamlining the process for restoration of annual leave for employees whose services are essential to respond to this emergency.

[Continuation of National Emergency in Iraq](#): As a result of the President's notice continuing the declared national emergency in Iraq, OPM issued revised guidance on September 11 regarding premium pay cap waiver authority for civilian employees working in qualifying overseas locations, including Iraq.

Summary of Progress – FY 20 Q3

OPM Guidance for the 2020 Presidential Election Period

OPM issued a memorandum on [Appointments and Awards During the 2020 Presidential Election Period](#) on September 22nd, including guidance concerning appointments, incentive awards, and other employment matters for all competitive and non-political excepted service appointment actions that involve the appointment or conversion of a current or former political appointee, Schedule C employee, or Noncareer SES member, as well as instructions for submitting requests for pre-appointment review.

On September 29, OPM issued guidance on [Flexibilities during the 2020 Election](#) including information on the Federal Government's longstanding policy of granting employees limited time off from work (that is, excused absence) to vote in Federal, State, county, or municipal elections, or in referendums on any civic matter in their community. This memorandum also encourages agencies to permit Federal employees to use available workplace flexibilities to volunteer to serve as a nonpartisan poll worker.

[Collective Bargaining Agreements public database:](#)

As of the end of FY 20, OPM has posted 987 collective bargaining agreements for the [public database](#) required under Executive Order (EO) 13836, Developing Efficient, Effective, and Cost-Reducing Approaches to Federal Sector Collective Bargaining, signed by the President on May 25, 2018, which requires agencies to submit each term collective bargaining agreement and its expiration date within 30 days of the agreement's effective date. EO 13836 requires OPM to make these agreements publicly available on the Internet. This promotes transparency by allowing the public to view the types of agreements reached between agencies and federal sector unions.

Launch of the 2020 Federal Employee Viewpoint Survey with new questions addressing the COVID-19 pandemic

On September 14th, OPM began the administration of the [2020 OPM Federal Employee Viewpoint Survey](#). OPM updated the survey during the summer to achieve a responsive survey program. Responding to requests from multiple agencies to ease administrative burden, OPM streamlined the core set of standard items for 2020. As in prior years, the survey will include widely used Employee Engagement and Global Satisfaction indices. A comprehensive section of questions addressing the COVID-19 pandemic will allow the identification of ways in which employees continue to achieve missions in the face of an unprecedented pandemic. The rollout of results reports to agencies will begin in December, with most scheduled for release after the first of the year.

Key Milestones

Milestone	Milestone Due Date	Milestone Status	Deliverables
Issue four tools, flexibilities, or authorities	Q1 FY 2020	Completed	<ol style="list-style-type: none"> 500 Series Classification Guidance Data Analytics Micro-learning Session Federal Supervisory Assessments Employee Engagement Playbook
Initiate three ongoing efforts	Q2 FY 2020	Completed	<ol style="list-style-type: none"> Foresight Guidance HRStat COP CHCO Manager Survey
Issue one tool, flexibility, or authority	Q2 FY 2020	Completed	<ol style="list-style-type: none"> SES Assessments OPM Memorandum - Human Resources Flexibilities Available for Federal Employees Impacted by the 2019 Novel Coronavirus Guidance OPM Memorandum - Preliminary Guidance to Agencies during Coronavirus Disease 2019 OPM Memorandum On-boarding Processes for New Employees During the COVID-19 Emergency COVID-19 Surge Response Program via Open Opportunities OPM Fact Sheet - COVID-19 Excepted Service Hiring Authority OPM Fact Sheet - Options for Telework-Eligible Employees with Caregiving Responsibilities
Issue eight tools, flexibilities, or authorities	Q3 FY 2020	Completed	<ol style="list-style-type: none"> Human Capital Review Report and Addendum release Gears of Transformation Tools Webinar Agile Federal Workforce Forum and Flysheets Federal Cybersecurity Workforce Summit and workshops HRCOP Pilot for Staffing Professionals

Key Milestones

			<ol style="list-style-type: none"> 6. OPM Fact Sheet - Recruitment, Relocation, and Retention incentive waiver requests for COVID-19 pandemic health crisis 7. OPM Fact Sheet - Federal Employee Coverage under the Leave Provisions of the Families First Coronavirus Response Act (FFCRA) 8. OPM Memorandum - Waiver of the Premium Pay Limitation and Aggregate Pay Limitation for Employees Working in Response to Coronavirus Disease 2019 9. OPM Fact Sheet - The Use of Flexible Work Schedules in Response to Coronavirus Disease 2019 10. OPM Fact Sheet - The Use of a Maxiflex Work Schedule in Response to Coronavirus Disease 2019
Issue ten tools, flexibilities, or authorities	Q4 FY 2020	Completed	<ol style="list-style-type: none"> 1. Paid Parental Leave for Federal Employees Interim Regulations and guidance webinar 2. OPM Guidance - Notice of the Determination that the National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak Constitutes an Exigency of the Public Business for the Purpose of Restoring Forfeited Annual Leave 3. Interim Regulations on Scheduling of Annual Leave by Employees Performing Services Determined to be Essential for the Response to Certain National Emergencies 4. OPM Guidance - Continuation of National Emergency in Iraq 5. Development of the Collective Bargaining Agreement database

Key Milestones

			<ul style="list-style-type: none"> 6. Launch of the 2020 Federal Employee Viewpoint Survey with new questions addressing the COVID-19 pandemic 7. OPM Guidance - Appointments and Awards During the 2020 Presidential Election Period 8. OPM Guidance - Flexibilities during the 2020 Election
Issue four tools, flexibilities, or authorities	Q1 FY 2021	On Track	
Issue four tools, flexibilities, or authorities	Q2 FY 2021	On Track	
Issue eight tools, flexibilities, or authorities	Q3 FY 2021	On Track	
Issue nine tools, flexibilities, or authorities	Q4 FY 2021	On-Track	

Key Indicators

Measure	Q1 FY 20	Q2 FY 20	Q3 FY 20	Q4 FY 20	FY 20 YTD Status	FY 20 Year-End Target	FY 21 Year-End Target
Number of strategic human capital management tools, flexibilities, and authorities provided to CFO Act agencies (Cumulative)	4	11	21	29	G	23	48
Percent of CFO Act agencies that have actively mitigated identified Mission Critical Occupations skill gaps (conducted root cause analysis, submitted an action plan, developed targets, and submitted quarterly reports) (Cumulative)	54.5%	54.5%	86.4%	86.4%	G	70%	80%
Number of CFO Act agencies that have actively mitigated identified Mission Critical Occupations skills gaps	12	12	19	19	-	-	-
Number of CFO Act agencies	22^	22^	22^	22^	-	-	-
Percent of CFO Act agencies that successfully accomplished a reduction in one or more of the Multi Factor Model categories (2-year retention, quit rate, retirement rate, applicant quality) from their 2015 baseline (Cumulative)	72.7%	72.7%	72.7%	86.4%	G	70%	80%
Number of CFO Act agencies that successfully accomplished a reduction in one or more of the Multi Factor Model categories	16	16	16	19	-	-	-
Number of CFO Act agencies	22^	22^	22^	22^	-	-	-

^Two CFO Act agencies do not have skills gaps as determined by workforce data and, as such, they have been removed from the denominator.

Data Accuracy and Reliability

Measure 1

Definition of Measure:

Cumulative number of strategic human capital management tools, flexibilities, and authorities provided to CFO Act agencies.

Data Source:

OPM (divisions) database, data calls, OPM website, CHCO Council website, and surveys.

Data Verification and Validation:

OPM will check the agency and CHCO Council websites to verify that guidance was posted, and review responses to surveys of OPM program offices / data calls for accuracy.

Data Limitations:

There are no significant data limitations.

Measure 2

Definition of Measure:

Cumulative number of CFO Act agencies that have conducted root cause analysis, submitted an action plan, developed targets, and submitted quarterly reports to mitigate Mission Critical Occupations skills gaps divided by the number of CFO Act agencies.

Data Source:

Quarterly reports from agencies, including milestone and metrics on their progress on closing skill gaps.

Data Verification and Validation:

OPM will review all quarterly submissions for accuracy, and work with individual agencies to resolve any issue.

Data Limitations:

There are no significant data limitations.

Data Accuracy and Reliability

Measure 3
Definition of Measure: Cumulative number of participating CFO Act agencies successfully accomplish a reduction in one or more of the Multi Factor Model categories (2-year retention, quit rate, retirement rate, applicant quality) from their 2015 baseline divided by the number of CFO Act agencies.
Data Source: Quarterly reports from agencies, including milestones and metrics on their progress on closing skill gaps.
Data Verification and Validation: OPM will review all quarterly submissions for accuracy, and work with individual agencies to resolve any issues.
Data Limitations: There are no significant data limitations.

Additional Information

Contributing Programs

OPM Strategic Objective

- Goal 3.1: Strengthen OPM coordination of policy, service delivery, and oversight resulting in agencies achievement of human capital objectives

President's Management Agenda

- CAP Goal 3: Workforce for the 21st Century

Regulations

- 5 CFR Part 250 subpart B, Strategic Human Capital Management

GAO Priority Recommendation

- Strategic Human Capital Management on the GAO High Risk List

Stakeholder / Congressional Consultations

- Federal departments and agencies
- Government Accountability Office