



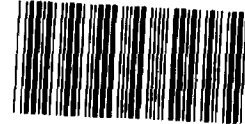
UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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FEDERAL PERSONNEL AND
COMPENSATION DIVISION

SEPTEMBER 15, 1980

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The Honorable Alan K. Campbell
Director, Office of Personnel
Management

Dear Mr. Campbell:

Subject: [Interagency Advisory Group for Personnel
Policy and Operations] (FPCD-80-77) DLG 05211

[Since implementation of the Civil Service Reform Act in January 1979, the relationship between the new Office of Personnel Management (OPM) and agency personnel staffs has been fundamentally altered. Accordingly, the Interagency Advisory Group (IAG) was restructured to reflect this changed relationship. We examined the new structure and the activities of IAG and talked with OPM officials and many agency personnel directors about the group. We believe several changes may improve IAG's efficiency and effectiveness.

[IAG was, and is, an excellent forum for regular communication from the agency personnel directors to OPM, and vice versa, as well as a network for personnel directors. Because personnel activities have been decentralized, information-sharing between OPM and the personnel directors and among the personnel directors are more important than ever.

The former Civil Service Commission dealt almost exclusively with agency personnel directors. [OPM has opened and widened the lines of communication to agencies and has encouraged two-way dialogue on policy issues by also involving agency heads, assistant secretaries, and line managers in personnel activities.]

Although informal communication channels between OPM and agencies exist with all OPM groups, two formalized organizations--the restructured IAG and the Agency Relations Group--were established by OPM to foster better communication with the agencies.

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IAG, under its new charter, was "established to provide a mechanism for continuing consultation between OPM and agencies of the Federal Government in personnel management policy and operational matters." The current structure attempts to provide a forum for personnel directors to discuss

- policy issues of broad significance relating to work force productivity, effectiveness, and accountability;
- proposed legislation and executive initiatives concerning recruitment and management issues; and
- program improvements especially in relation to deregulation of authority.

IAG is located organizationally in the Office of Planning and Evaluation (OPE), because IAG's mission has included policy development, a function of OPE. Although ultimate responsibility and staff support lies with OPE, a key component of IAG is its mission subgroups who have worked with another OPM unit, the Agency Relations Group, which

- serves as a contact or focal point for agencies in dealing with OPM;
- gives OPM an agency-focused approach and build knowledge of agencies' activities; and
- coordinates OPM activities internally and externally.

Agency officers establish working relationships with agency heads and assistant secretaries as well as personnel directors and have an understanding of their concerns. Concerns for IAG thus have been shared between two OPM units.

IAG members are organized into five major "community of interest" subgroups. The Executive Committee, composed of three elected representatives from each of the five subgroups, serves as the IAG steering committee and sets yearly objectives. Specific program and technical issues are studied by IAG program committees. Sitting on these committees are key agency functional specialists designated by the personnel directors. The committees are chaired by appropriate OPM staff and report to both IAG and OPM on their findings.

The new structure appears to be working well for the program committees which deal with narrowly defined topics and are run as they were under the Civil Service Commission. However, only one of the mission subgroups, the Natural Resources, Energy, and Science Group has had regular and successful meetings. The functioning of this subgroup can be attributed to three factors: (1) the natural homogeneity of the subgroup, (2) the Executive Secretary, a former personnel director who personally knows some of the group, and (3) the Agency Relations' Assistant Director's devotion of time and energy to making the group work. Without his leadership and constant prodding, the Natural Resources subgroup would not be working well, OPM officials said.

Having relinquished much of its control over IAG to the personnel directors, OPM now serves primarily in a support capacity. Individual personnel directors have made valiant efforts to sustain and give direction to IAG; however, the personnel directors as a group have failed to assume the leadership role. Some personnel directors have lost interest in IAG because they do not have a significant role in the policymaking process.

An additional advisory body to top OPM officials is the Assistant Secretaries' Working Group, a longstanding group, revitalized to serve as an advisory body to the President's Federal Personnel Management Project. The group meets periodically with the Deputy Director, OPM, to discuss broad policy issues. A small agency, Executive/Administrative Directors Group parallel to the Assistant Secretaries' Working Group, was established recently.

In our conversations with OPM officials and agency personnel directors, it was apparent that, with the shifting relationships between OPM and the agencies and the increased visibility of the Assistant Secretaries' Working Group, some personnel directors believe the Assistant Secretaries' Working Group now fulfills some of the functions previously handled by IAG. They are particularly sensitive to the actions of this group when their Assistant Secretaries fail to communicate group proceedings.

Although it is crucial to the success of the Civil Service Reform Act for Assistant Secretaries and line managers to be more active in personnel issues than they have been traditionally, it is equally important to retain the interest and enthusiasm of the personnel directors who have vital knowledge and implement many of the personnel changes.

OPM has tried in a variety of ways to make IAG a dynamic organization responsive to the recent changes of the Reform Act and Reorganization Plan No. 2 of 1978. IAG meetings with the Deputy Director, institution of quarterly one-day conferences, the development of a white paper on the role of the personnelist, and efforts to establish an Executive Officer Group for small agencies are to be commended. We believe, however, that OPM could take further actions to improve the operations of IAG and involve personnel directors in the policy development process in a more substantial and positive way.

First,¹ we recommend relocating IAG from OPE, where it is housed, to the Agency Relations Group. OPE, since it serves all of OPM, could continue providing the necessary white papers to IAG. By locating IAG in the Agency Relations Group, the policy development functions would not be lost; rather, IAG would be unified with its mission subgroup directors and the agency officers who have daily contact with agencies. This, in our opinion, would achieve a better functional fit. With only one OPM unit responsible for IAG, "ownership" for its problems could be established, and OPM leadership could be developed. The individual responsible for IAG (Associate Director, Agency Relations) would have direct authority over the Assistant Directors for the mission subgroups.

Second,² we recommend the IAG Executive Committee include the Associate Director for Agency Relations and the four Assistant Directors of the community of interest groups as ex-officio members. This, we believe, would help communication and coordination and provide incentives for more active involvement of the Assistant Directors. Further, in light of current difficulties with the mission subgroups, we recommend that the Executive Committee review the current IAG organizational structure. Specifically, we suggest the Committee consider alternative methods of organizing the personnel directors. Other organizational structures which might be considered include small agency/large agency groups or issue task forces to study issues of interest to personnel directors.

IAG should consider setting an annual policy agenda in conjunction with OPM's policy agenda, which could then be used as the basis for planning quarterly conferences. Task forces could be established to address these policy issues. This approach would be proactive and thus strengthen the image of IAG and personnel directors. With task forces studying policy issues, it will also be easier for OPM to continue and more actively involve the personnel directors in the early stages of policy development. Further, the

personnel directors will be more able to bring policy matters of concern to OPM's attention. One method to achieve and institutionalize dialogue on policy matters would be through an annual meeting of the full IAG with the OPM Director and Deputy Director to discuss priorities prior to OPM's annual planning process.

We believe that adoption of these recommendations would increase the efficiency and effectiveness of the IAG as well as continuing to support the role of the personnel directors in the policy advisory function and foster regular communication and information sharing between agencies and OPM.

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House Committee on Government Operations and the Senate Committee on Governmental Affairs not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Chairmen, House and Senate Committees on Appropriations; the Chairmen, House Committees on Post Office and Civil Service and Government Operations and Senate Committee on Governmental Affairs; the Director, Office of Management and Budget; and the Executive Committee of IAG.

Sincerely yours,



H. L. Krieger
Director