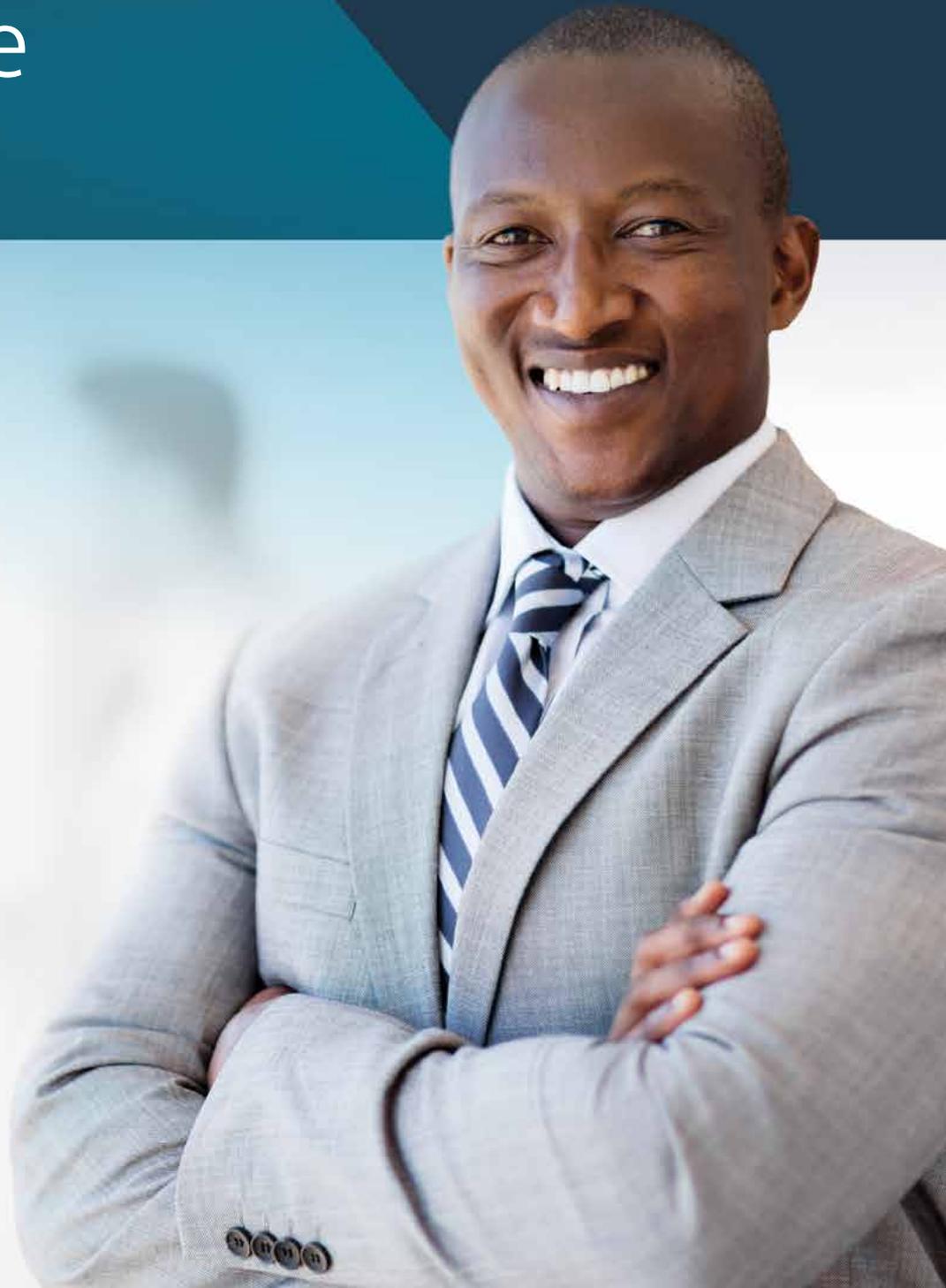




OMB Reform & Workforce Reduction: Agency Action Plan Guide



Introduction

On April 12th, 2017, Office of Management and Budget (OMB) Director Mick Mulvaney issued a Memorandum for Heads of Executive Departments and Agencies. The memo, titled Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce, replaces the federal hiring ban enacted in January. It is part of the administration's goal to make government "lean, accountable and more efficient." The memo states that agencies should adhere to the principles, requirements, and actions laid out in the memorandum to inform workforce planning and personnel actions.



Declarations from the memo state that all agencies must:

- > Begin taking immediate actions to achieve near-term workforce reductions and cost savings, including planning for funding levels in the President's Fiscal Year (FY) 2018 Budget Blueprint.
- > Develop a plan to maximize employee performance by June 30, 2017.
- > Align the Federal workforce to meet the needs of today and the future rather than the requirements of the past.

This guide will help your agency's leaders identify and implement improvements to the efficiency, effectiveness and accountability of your agency. The guide lays out specific actions your agency can begin taking now to improve federal performance management, as well as develop and implement a plan to maximize employee performance, as required by the OMB's directive.

This guide is intended to help HR and other federal agency leaders who are responsible for:

- > Implementing plans to maximize employee performance
- > Improving the performance of your agency's employees
- > Improving the overall workforce performance of your agency
- > Ensuring current and future workforce needs are met
- > Ensuring your agency has employees with the necessary skills and competencies
- > Automating performance appraisals
- > Helping employees achieve better results
- > Helping employees and their agencies become more efficient and productive
- > Leadership development
- > Improving engagement and retention rates
- > Improving efficiencies
- > Improving workforce and agency results
- > Ensuring current and future workforce needs.

This guide summarizes key OMB initiatives from the April 12th memorandum, what they mean to your agency and what actions you can take to meet the requirements spelled out in the memo.

OMB Directive

Develop a Workforce Reduction Plan

What it means:

To improve workforce management, the OMB is requiring agencies to take near-term and long-term steps to reduce the size and cost of the federal workforce, stating specifically that agencies must:

- > Begin planning for FY 2018 budget reductions where applicable.
- > Develop a long-term workforce reduction plan as part of their FY 2019 Budget submission to OMB.
- > Develop a plan to improve the agency's ability to maximize employee performance for submission to OMB by June 30, 2017.

What your agency needs to do:

Agencies need to examine the total cost of their personnel, not only the number of employees. This is because staffing levels may not present the full picture of whether an agency's workforce is optimally structured. This involves reviewing and analyzing workforce skills, competencies, leadership potential, together with employee grading.



What can you do right now?

You can begin the process of developing a workforce reduction plan now. To accomplish this, you'll need data and an appropriate workforce planning or analytics tool.

Take inventory of the existing skill set and competencies of your employees.

Assess which positions are still required and which will be required in 1, 3 and 5 years.

Identify redundant positions and positions no longer required due to change in mission, technology or other internal or external factors.

Identify whether some duties can be reassigned to lower organizational levels or lower grades.

Assess retirement eligibility of your employees.

Identify employees with leadership potential.

Utilize planned budgets and budget forecasts to model necessary workforce levels.

Look at HR transactional duties as well as other organizational positions to see which can be reduced or eliminated through automation.

OMB Directive

Develop a plan to maximize employee performance by June 30th, 2017

What it means:

As agencies are developing long-term plans for reducing the size of the workforce, they also need to take near-term actions to ensure that the workforce they retain and hire is as effective as possible. Agencies should determine whether their current policies and practices are barriers to hiring and retaining the workforce necessary to execute their missions as well as appropriately managing and, if necessary, removing poor performers.

What your agency needs to do:

By June 30, 2017, as an immediate and near-term government-wide workforce priority, all agencies must develop a plan to maximize employee performance by reviewing the systems and structures currently in place within their agencies to support managers in managing employee performance, and developing a timeline for improvement.

At a minimum, agencies must address the timeline and implementation actions for agencies to accomplish the following five actions:

1. Review and Update Formal Agency Policy.
2. Provide Transparency around the Performance Improvement Plan (PIP) Process.
3. Ensure Managers and Supporting HR Staff are Appropriately Trained.
4. Ensure Accountability in Manager Performance Plans.
5. Establish Real-Time Manager Support Mechanisms.

Take these actions:

- > Begin implementation of a federalized performance management system to ensure all appraisals, feedback and communication between managers and employees is recorded and preserved online. Start with a small pilot for a quick win.
- > Require regular performance reviews and leverage the performance management solution to ensure conformance.
- > Ensure employees agree to all critical elements.
- > Implement ongoing performance feedback that is recorded via online journals.
- > Utilize performance management data to:
 - > Identify and recognize high performers
 - > Identify and address areas in need of improvement
- > Identify and move quickly to address employees who are not meeting performance expectations.



What can you do right now?

This is another key area where an OMB-recommended “best-in-class” solution can deliver your agency fast results, helping you quickly implement your required plan for maximizing employee performance. As outlined previously and stated in the memo, agencies should ensure the following is adhered to:

Performance expectations must be rigorous, aligned to the work that needs to be done and the grade of the employee, and effectively communicated.

Regular, ongoing performance feedback should be provided.

Agencies should ensure that managers have the tools and support they need to manage performance effectively to achieve high-quality results.

Managers should recognize high performers, help employees identify and address areas in need of improvement, and move quickly to address employees who are not meeting performance expectations.

OMB Directive

Improve organizational efficiency and effectiveness

What it means:

A key component of this OMB initiative is improving the efficiency and effectiveness of agencies, along with improving performance and accountability. Elements include agency mission, quality of service, decision making, communication, productivity and management.

What your agency needs to do:

The memo calls for agencies to assess what activities can be restructured, streamlined and merged to:

- > Align the agency organizational structure with the agency core mission and strategic plans.
- > Improve the efficiency, timeliness, and quality of services.
- > Improve organizational decision making.
- > Improve coordination and information sharing across existing silos, (including identifying statutory barriers to data sharing).
- > Reduce duplication of activities or functions across multiple parts of the organization.
- > Eliminate unnecessarily redundant levels of management or administrative support.
- > Provide managers greater freedom to manage administrative tasks efficiently.



What can you do right now?

If your agency is using pen and paper for its performance reviews, or simply scanning OPM performance appraisal forms and entering data into a spread sheet, there are now simple, cost-effective cloud-based performance management solutions that meet stringent federal security requirements and can be implemented quickly. This will provide short-term wins for your agency and put it on an immediate path toward improved efficiency and effectiveness.

Furthermore, you can adhere to the OMB guidance to go outside the federal government for "best-in-class" third-party solutions to achieve fast, high-impact results. OMB recommends looking for this type of high-quality, high impact solution. There is no need to be confined to internally built or legacy systems.

Follow these steps:

Ensure your mission is communicated clearly to all employees.

Have managers meet with employee and confirm there is agreement on employee goals.

Ensure your employees' goals align with your agency's mission.

Task managers with defining this alignment for each of their employees.

Automate manual processes; identify a few processes within a group or department to achieve even faster buy-in and success.

Leverage automation to improve processes and eliminate redundancies and duplication

Include employees in decision-making process and continually communicate changes to employees

Implement a best-in-class, rapid-deployment performance management solution.

Identify and record cost savings.

Acendré

Elevate Your Workforce

Acendré's cloud-based performance management system is *designed* for federal agencies – with input *from* and *through* partnerships with federal agencies. By working closely with federal HR leaders and federal performance management experts, we've built a federal performance management system for today's federal government that also meets stringent federal security requirements.

Call for a personalized demo today and let us show you how we can help you and your agency meet the new federal requirements of maximizing employee performance and ensuring a high-performing agency.

Why not get started today?

For more information please contact us via our channels below.

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ELEVATE
your workforce

Ready to get Started?

Acendré's federal workforce solutions and team of federal talent management experts is ready to help you now on your journey toward meeting the new OMB directives.

Acendré Performance and Acendré Workforce Planning, with our exclusive People Analytics, is helping federal agencies elevate their workforces today through these measures:

Eliminating paper work

Automating and speeding the federal performance review process

Aligning individual performance with agency mission

Linking individual performance to agency performance

Improving employee engagement and morale

Improving productivity

Saving money