

program objectives, including the extent to which human capital management strategies are integrated into agency strategic plans and performance budgets prepared under OMB Circular A-11;

(2) Identifying and closing competency/skill gaps in the agency's mission-critical occupations; ensuring leadership continuity through the implementation of recruiting, development, and succession plans; sustaining an agency culture that values, elicits, identifies, and rewards high performance; and developing and implementing a knowledge management strategy, supported by appropriate investment in training and technology; and

(3) Holding the agency head, executives, managers and human resources officers accountable for efficient and effective human capital management, in accordance with merit system principles.

**§ 250.203 Agency responsibilities.**

(a) To assist in the assessment of the management of human capital in the Federal Government, and to help meet the statutory requirements to prepare that portion of the performance budget for which agency Chief Human Capital Officers are accountable as well as relevant portions of performance and accountability reports, heads of agencies or their designees must maintain a current human capital plan and provide OPM an annual Human Capital Management Report, as outlined below, based on an approved human capital accountability system. The HCAAF and the HCAAF-SSM provide more specific information on coverage and content for the plan and report.

(1) *Human capital plan.* Using a format established by agreement between the agency and OPM, at a minimum the plan must include:

(i) *Human capital goals and objectives.* These are a comprehensive, integrated set of human capital goals and objectives, with detailed policy and program priorities and initiatives as appropriate, consistent with agency strategic plans and annual performance goals. These human capital goals and objectives must address each of the human capital management systems included in the HCAAF.

(ii) *Workforce analysis.* This analysis of the agency's workforce describes its current state, projects the human resources needed to achieve the agency's program performance goals and objectives during the term of the agency's strategic plan, and identifies potential shortfalls or gaps. An ongoing analysis must, for relevant agency mission requirements, describe the occupation(s) most critical to agency performance (including associated managerial and executive positions) and describe mission-critical competencies and key demographics (e.g., talent analyses, turnover, and retirement eligibility); and for each such occupation, describe its current and projected staffing levels, attrition and hiring estimates, and proposed training and development investments.

(iii) *Performance measures and milestones.* One or more human capital metrics, as well as appropriate program milestones, for each human capital goal or objective, provide a basis for assessing progress and results, including compliance measures with respect to relevant laws, rules and regulations. These metrics must include, but are not limited to, those described in the HCAAF-SSM issued under § 250.202(b). These metrics and milestones must be specifically linked to broader agency program performance goals, to evaluate the impact of the agency's human capital management on its overall mission performance.

(2) *Human capital accountability system.* This system provides for an annual assessment of agency human capital management progress and results including compliance with relevant laws, rules, and regulations. That assessment is conveyed in an annual Human Capital Management Report to OPM. The human capital accountability system must:

- (i) Be formal and documented;
- (ii) Be approved by OPM;
- (iii) Be supported and resourced by agency leadership;
- (iv) Measure and assess human capital management systems for mission alignment, effectiveness, efficiency, and compliance with merit system principles, laws, and regulations;
- (v) Provide for an independent audit process, with OPM participation, for

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periodic review of human resources transactions to insure legal and regulatory compliance;

(vi) Ensure that action is taken to improve human capital management programs and processes and to correct deficiencies; and

(vii) Ensure results are analyzed and reported to agency management and OPM.

(3) *Human Capital Management Report.* At a minimum, the agency’s annual Human Capital Management Report must:

(i) Provide an evaluation of and report on the agency’s existing human capital management policies, programs, and operations, as they relate to the agency’s overall mission/program performance. The report must address the performance measures and milestones contained in the agency human capital plan including compliance measures with respect to relevant laws, rules and regulations. The report must also document actions taken to correct any violations or deficiencies that are identified.

(ii) Inform the development of human capital goals and objectives during the agency’s strategic planning and annual performance budget formulation process, as well as the treatment of human capital results during the annual performance and accountability reporting process.

(b) [Reserved]

**Subpart C—Employee Surveys**

SOURCE: 71 FR 49981, Aug. 24, 2006, unless otherwise noted.

**§ 250.301 Definitions.**

In this part—

*Agency* means an executive agency as defined in 5 U.S.C. 105.

*Executives* are members of the Senior Executive Service or equivalent.

*Leaders* are an agency’s management team. This includes anyone with supervisory or managerial duties.

*Managers* are those individuals in management positions who typically supervise one or more supervisors.

*Organization* means an agency, office, or division.

*Supervisors* are first-line supervisors who do not supervise other supervisors; typically those who are responsible for employees’ performance appraisals and approval of their leave.

*Team leaders* are those who provide employees with day-to-day guidance in work projects, but do not have supervisory responsibilities or conduct performance appraisals.

*Work unit* means an immediate work unit headed by an immediate supervisor.

**§ 250.302 Survey requirements.**

(a) Each executive agency must conduct an annual survey of its employees containing the definitions and each question in this subpart.

(b) Each executive agency may include survey questions unique to the agency in addition to the prescribed employee survey questions under paragraph (c) of this section.

(c) The definitions and 45 prescribed employee survey questions and response choices are listed in the following tables:

Key terms	Definitions
Agency .....	An executive agency as defined in 5 U.S.C. 105.
Executives .....	Members of the Senior Executive Service or equivalent.
Leaders .....	An agency’s management team. This includes anyone with supervisory or managerial duties.
Managers .....	Those individuals in management positions who typically supervise one or more supervisors.
Organization .....	An agency, office, or division.
Supervisors .....	First-line supervisors who do not supervise other supervisors; typically those who are responsible for employees’ performance appraisals and approval of their leave.
Team leaders .....	Those who provide employees with day-to-day guidance in work projects, but do not have supervisory responsibilities or conduct performance appraisals.
Work unit .....	An immediate work unit headed by an immediate supervisor.