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THE WORST PLACES TO WORK IN THE FEDERAL GOVERNMENT

HEARING

BEFORE THE

SUBCOMMITTEE ON
GOVERNMENT OPERATIONS

OF THE

COMMITTEE ON OVERSIGHT
AND GOVERNMENT REFORM
HOUSE OF REPRESENTATIVES

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THE WORST PLACES TO WORK IN THE FEDERAL GOVERNMENT

Thursday, April 16, 2015

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON GOVERNMENT OPERATIONS,
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:06 a.m., in Room 2154, Rayburn House Office Building, Hon. Mark Meadows [chairman of the subcommittee] presiding.

Present: Representatives Meadows, Gowdy, Massie, Buck, Carter, Grothman, Connolly, Maloney, Norton, Clay, and Plaskett.

Mr. MEADOWS. The Subcommittee on Government Operations will come to order.

And, without objection, the chair is authorized to declare a recess at any time.

For the past few years, Federal employees have had surveys that have revealed government-wide decline in employee engagement and satisfaction. We get these results from the Federal Employee Viewpoint Survey. It is an OPM-administered survey that reaches out to more than 800,000 Federal employees in 2014. And, of that number, nearly 400,000, which is an incredible number, replied. And this data was sorted by OPM to provide numbers and kind of useful metrics that we can look at in terms of employee satisfaction.

Ninety percent of the Federal employees surveyed are willing to put in the extra effort necessary to get the job done, an incredible number, and they consistently look for better ways to do the job. Yet, employee perception of agency leadership continues to decline, with only 42 percent of workers expressing confidence in their superiors. And that is from cabinet secretaries all the way to midlevel managers. And only 50 percent of employees had positive things to say about the integrity of their leadership, including communication and the ability to motivate their workforce.

This is a considerable decrease and should be a concern for agency leaders and raises questions about the priorities in managing our Nation's more than 2 million public servants.

Seven in ten workers said that their chance at a promotion is not based on merit, but on favoritism, something that is extremely troubling, I know, to me and the ranking member. Are agency leaders really doing enough is the question. Survey results from agencies that appear before us today suggest that not enough has been done.

Specifically, DHS and the Chemical Safety Board are consistently below government-wide averages for employee engagement and satisfaction. The Department of Homeland Security—and, Ms. Emerson, we will be hearing from you—the Department of Homeland Security rests as the worst place to work among cabinet agencies and saw its score drop by nearly 3 points from 2013. DHS had ranked 19 of 19 in terms of cabinet agencies on factors such as effective leadership, fairness, empowerment, and skills to match the mission.

Specifically, one that is near and dear to me, as I have mentioned to you previously, is that Secret Service employees ranked number 276 out of 315 among places to work. I continue to get emails from agents who are willing to give their life for the President and, yet, they are afraid to engage with supervisors in terms of making decisions.

So I say that we are having this hearing because this will not be the first of any hearing. This will be an ongoing—really, the ranking member and I believe that focusing on the great workforce that we have is critical. We have agreed to go out and meet with the rank and file on a regular basis to hear from them. And so, if the message is out there today, there is at least one Democrat and one Republican willing to look at what matters most to the hundreds of thousands of Federal workforce employees that serve our public every day.

From an National Archives standpoint, I want to just give a personal thank you for allowing me to come in and meet with some of the folks who are doing a job that really is part of history. As I went around to see the dedicated workers that are there, I got a real sense of their desire to serve sometimes in a very hot warehouse, sometimes in a place that is not necessarily the most glamorous in terms of working for, but, indeed, they are part of history.

And so I share that to say I have great hope that today Mr. Connolly and I will be able to embark and other members of this subcommittee will be able to embark on an effort that is not a hearing for TV or anything else, that it is a real hearing about a message that these surveys and their input matters. And we are going to put real pressure on those who don't perform.

I would be remiss in not saying, even though my opening statement was negative about DHS, that the Secretary of DHS just came by and had a meeting with Mr. Connolly and I and has laid out a number of steps on where he is wanting to address this particular concern for employee morale.

And so I thank all of the witnesses for being here today. And I look forward to a working relationship where we can work together to make sure that we have improved numbers, but, more importantly, improved satisfaction among our Federal workforce.

Mr. MEADOWS. And, with that, I would recognize the ranking member, Mr. Connolly, from Virginia.

Mr. CONNOLLY. Thank you, Mr. Chairman. And thank you for having this hearing.

And I know your commitment is quite sincere. You want to collaborate to make things better, not just cavil. And I think that is a really important point to be emphasized. And you and I most certainly will collaborate in trying to accomplish that. Because it is

easy to complain or highlight problems. It is a lot more difficult to try to address them.

As you said, Mr. Chairman, the Secretary of Homeland Security cared enough about this topic to come see you and me prior to this hearing. And I would ask unanimous consent that the letter addressed to you and me written by the Secretary be entered into the record.

Mr. MEADOWS. Without objection, so ordered.

Mr. CONNOLLY. I thank my friend.

According to the annual Federal Employee Viewpoint Survey administered by the Office of Personnel Management and the Partnership for Public Service, employee morale and job satisfaction in the Federal Government have declined rather dramatically over the last several years.

The Partnership's Best Places to Work for 2014 analysis concluded that the Federal employee morale fell to its lowest point ever since the organization first started measuring it in 2003. The results of 2014 continue the troubling pattern of decreasing employee satisfaction scores for the fourth consecutive year, dropping from a high of 65 out of 100 in 2010 to 57 today.

Federal Government is clearly going in the wrong direction with respect to supporting its people, particularly when contrasted with private sector worker satisfaction. Private sector workers increased their job satisfaction in the same time period from 70.6 in 2010 to 72 in 2014. In fact, now the gap between the two, Federal and private sector, has nearly tripled in that timeframe since 2010.

Looking at the data and the dates, certain events have likely contributed to the decline. After the Great Recession, private sector job satisfaction started to bounce back in 2010. Conversely, since 2010, Federal employees have endured a 3-year pay freeze, $140 billion in pay and benefit cuts, sequestration, budget cuts, hiring freezes, reductions in performance awards and training budgets, and a 16-day government shutdown, with also the threat of perhaps shutting down the Department of Homeland Security, averted at the eleventh hour last month.

It is not surprising that these events, along with political attacks disparaging the Federal workforce by some elected officials, including in this body, have actually had a toll on Federal morale. Imagine.

The problem isn't just within Federal agency management. Part of the problem is the political management problem right here in the halls of Congress. We have to take responsibility for the impacts we are having on your workforce.

What is even more worrisome is that majorities in both the House and Senate recently passed budgets for fiscal year 2016 that would further slash agency spending below sequestration levels by $760 billion over 10 years. These measures call for additional Federal workforce-related cuts, more than $280 billion over 10 years in the House proposal alone.

I am worried about the negative impact of low employee engagement and satisfaction and employment productivity, agency mission, retention of valuable employees, and recruitment of the next generation. We especially need to be mindful of the long-term negative effects on the service the Federal Government provides to the

American people because, ultimately, that is what we are going to be focused on.

Last March I joined with Ranking Members Cummings and Lynch in requesting that GAO conduct a study of Federal engagement trends as well as potential root causes. We asked GAO to provide recommendations for improving workforce morale. I know that GAO is completing that study and is here to testify about some preliminary findings. And I welcome Mr. Goldenkoff to the table.

I understand the National Archives and Records Administration, the Department of Homeland Security, and Chemical Safety and Hazard Investigation Board have ranked poorly in these surveys. This hearing offers us an opportunity to discuss their particular challenges and the steps they are taking to address them.

It is also important to note there are many Federal agencies that are performing better than the ones before us today, including entities that boast higher satisfaction and commitment scores than the average private sector score of 72.

For example, NASA ranked number one of the large agencies with a score of 74.6. The top six mid-sized agencies—FDIC, GAO, Smithsonian Institution, Federal Trade Commission, Federal Energy Regulatory Commission, and the Nuclear Regulatory Commission—all scored higher than the private sector.

I am encouraged that, despite the decline in the indices of employee engagement and work satisfaction, the 2014 Federal Employee Viewpoint Survey data demonstrates that Federal employees, nonetheless, have persevered through a lot of adversity and remain dedicated and overwhelmingly positive about their service to the country, which the chairman alluded to.

Ninety percent of our Federal employees believe that the work they do is important. Ninety-six percent of our Federal employees are willing to put in the extra effort to get the job done. Ninety percent are constantly looking for ways to do a better job. That gives us a lot to work with and renews my faith in who are these public servants. They are dedicated fellow Americans who want to make this a better country.

And I really appreciate that sentiment being expressed by the chairman, who recognizes that in his own interactions with our public servants.

So thank you, Mr. Chairman, for holding this hearing. I certainly look forward to hearing the testimony and having a chance to have a dialogue with our witnesses.

Mr. MEADOWS. Thank you, Mr. Connolly, for those insightful remarks.

I will hold open the record for 5 legislative days for any members who would like to submit a written statement.

I will now recognize our panel of witnesses. I am pleased to welcome the Honorable David Ferriero, the Archivist at the National Archives and Records Administration; the Honorable Manuel Ehrlich, a Board Member of the U.S. Chemical Safety Board; Ms. Catherine Emerson, Chief Human Capital Officer for the U.S. Department of Homeland Security; and Mr. Robert Goldenkoff, Director of Strategic Issues for the U.S. Government Accountability Office. Welcome to you all.

Pursuant to committee rules, all witnesses will be sworn in before they testify. So I would ask you if you would please rise and raise your right hands.

Do you solemnly swear or affirm that your testimony that you are about to give will be the truth, the whole truth, and nothing but the truth?

Let the record reflect that all witnesses have answered in the affirmative. Thank you. And please be seated.

In order to allow some time for discussion and dialogue, I would ask that you would limit your oral testimony to 5 minutes. But your entire written statement will be made part of the record.

And so, Mr. Ferriero, we will come to you. You are now recognized for 5 minutes.

WITNESS STATEMENTS

STATEMENT OF HON. DAVID S. FERRIERO

Mr. FERRIERO. Good morning.

Chairman Meadows, Ranking Member Connolly, and distinguished members of the committee, thank you for inviting me here today to discuss the National Archives and Records Administration and our ranking in the Partnership for Public Service's 2014 Best Places to Work in Federal Government.

My written testimony contains details of the many actions underway to address employee engagement and morale issues at the National Archives. What I would like to convey now to you and, more importantly, to any NARA staff member who may be watching this hearing is that I take the results of the annual Employee Viewpoint Survey very seriously and personally.

Much of the work that goes on behind the scenes at the Archives is hard, physical work in windowless facilities that lack amenities found in most Federal office settings. Believe me, I know. I began my career pulling and reshelving books and journals for long hours in the bowels of the libraries at MIT.

I have traveled to NARA facilities over the past few years and met with employees. What is most distressing to me is that many staff feel that they have felt undervalued and overworked for years. They're also rightfully frustrated by the simple facts that, over the past three decades, our holdings have more than tripled, customer expectations have changed dramatically, and electronic records requiring new resources, while at the same time our workforce numbers have declined.

We are far behind finding efficiencies to do more with less. The very nature of our work has changed to the point where employees of 30 years ago would not even recognize it. NARA staff work hard every day to continue to provide excellent service to our customers and preserve and manage our holdings, but the pressure does affect morale.

I inherited NARA's low EVS scores when I took this job 5 years ago. As you will see in my written testimony, much has been done to address the results of the survey. But because you invited me here today, you also know that positive change has been slow in coming.

We have adopted some of the newest and most innovative practices for engaging the Federal workforce, including the strategies in the recently released OMB memo on strengthening employee engagement and organizational performance and the six best practice strategies recommended by the Partnership for Public Service. These practices include holding executives accountable for executing engagement, improvement plans developed with staff, partnering with our labor union, and being transparent about our EVS results.

More importantly, we listened to staff and are following through with actions they identified as important to improving their satisfaction, including developing a cadre of motivated, well-trained supervisors, administering a fair and effective performance management system, providing meaningful career paths, creating a culture of respect and appreciation, and making workplace safety a priority, providing easy access to the tools employees need to do their jobs.

We have started to see the results of these efforts in our annual scores. In 2014, the majority of NARA employees responded positively to questions focused on the relationship with their supervisors, including trust, respect, and support. We have seen improvement in questions related to performance management and diversity and inclusion.

Our employees have consistently demonstrated their commitment to NARA's mission and work, and this is reflected in the EVS survey. They've also responded positively to questions that measure their perceptions of teamwork and quality of work. These are strengths that NARA must nurture and grow in order to build greater trust in agency leadership and pride in being part of our agency as a whole.

They deserve an agency that they can honestly call one of the best places to work in the Federal Government. I firmly believe that we are on the right path and that the future is bright for the National Archives. Millions of people visit our facilities and walk away full of pride, having been inspired by the history of our Nation.

Three thousand NARA employees make that experience possible. From those who are driving forklifts to those who are helping respond to more than 1 million annual requests, to help veterans claim benefits, to those who are caring for the Declaration of Independence, they all work for the common good of the National Archives and the citizens of our country, and we should all be proud and inspired by their service.

[Prepared statement of Mr. Ferriero follows:]

TESTIMONY OF DAVID S. FERRIERO

ARCHIVIST OF THE UNITED STATES

BEFORE THE

HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

SUBCOMMITTEE ON GOVERNMENT OPERATIONS

APRIL 16, 2015

Chairman Meadows, Ranking Member Connolly, and Distinguished Members of the Committee: Thank you for inviting me here today to discuss the National Archives and Records Administration (NARA) and our ranking in the Partnership for Public Service's 2014 Best Places to Work in Federal Government®.

NARA MISSION AND WORKFORCE

NARA's mission is to store, preserve, and provide public access to the permanently valuable records of the Federal government. NARA works with other agencies to help them manage their records from the time the records are created until they are either properly disposed of or transferred to our ownership. NARA also provides temporary storage of other agencies' records on a fee-for-service basis. Once permanent records are transferred into our legal custody, NARA stores and preserves the documents so that the public may access the records in perpetuity. NARA provides public access to the records through research rooms located across the country, mail and email correspondence, private sector partners, and on-line, at archives.gov and through various social media outlets.

NARA provides records management services, stores temporary records, and holds in trust the permanently valuable records from all three branches of government. In total, NARA holds about 35 million cubic feet of permanent and temporary records (equivalent to more than 83 billion pages) in more than 40 facilities across the United States, including the Presidential Libraries of 13 former Presidents. In fiscal year (FY) 2014, NARA received over 2.7 million written and in-person requests for records, and 4 million people visited NARA facilities to view our museum exhibits, participate in public programs, and view original records. An additional 57 million visitors accessed NARA websites to view government records posted on-line and to learn more about the National Archives.

NARA performs its mission through a workforce of approximately 3,000 employees. More than half of NARA employees occupy General Schedule (GS) grades GS-08 and below. This staff performs primarily NARA customer service activities and manages our vast holdings of government records, often physically demanding work frequently done in warehouse environments with no air conditioning or the amenities found in most government office settings. NARA staff occupying grades GS-09 and above primarily perform the more analytical functions of archival work, support museum exhibits and public programs, or are assigned to specialized units that fulfill unique requirements assigned to NARA by statute or policy. Two-thirds of NARA employees are located in the Washington, DC metropolitan area (40%) or in the vicinity of St. Louis, MO (26%); the remaining one-third of our workforce fulfills NARA's mission in 38 facilities in 16 States.

BEST PLACES TO WORK IN FEDERAL GOVERNMENT®

I am extremely disappointed in NARA's position in the annual Best Places to Work in Federal Government® rankings. In 2014, NARA ranked 23 out of 25 mid-sized agencies (agencies with 1,000 to 14,999 employees) in employee satisfaction. NARA received an overall score of 46.7, well below the government-wide average (56.9). NARA also scored in the lowest quartile in each of the Partnership for Public Service's ten indexes related to workplace environment, including effective leadership, employee skills / mission match, pay, and work–life balance.

NARA's 2014 ranking is consistent with our rankings in previous years. NARA has ranked in the lowest quartile when compared to other Federal agencies in every ranking since 2007. NARA has also declined in rank in the workplace environment indexes: While we were mostly in the third quartile (25% to 50%) in 2007—and exceeded the median score for mid-sized agencies in two categories in 2009—all NARA scores have been in the lowest quartile in both of the past two years. This is particularly disappointing in the two categories where we have demonstrated improvements in our objective scores—fairness and supervisors—but have not been able to make gains in the comparative rankings of Best Places to Work.

AGENCY LEADERSHIP AND MANAGEMENT

I am committed to improving employee satisfaction at NARA and have been directly involved in agency efforts to increase engagement since my arrival in 2009. In each of the past five years, I have actively encouraged staff participation in the annual Office of Personnel Management (OPM) Federal Employee Viewpoint Survey (FEVS), which is used to calculate

Best Places to Work rankings. I personally review the results in detail each year in order to better understand NARA's scores. I have been frank and transparent about NARA's FEVS scores in communications with NARA employees and in my public statements, and I have ensured that NARA FEVS results are widely disseminated and available to all NARA staff. I have conducted "listening tours" to hear concerns directly from employees at facilities across the country, and commissioned internal surveys to better understand how NARA-specific conditions and activities influence our FEVS scores.

In 2012, I formed a partnership with our employee labor union—the American Federation of Government Employees (AFGE) Council 260—to address our low employee satisfaction survey results. Since then, our partnership has evolved into a national action team that includes senior leaders and union officers, meets bi-weekly, and is chaired by the Deputy Archivist of the United States, my second-in-command. I have also solicited assistance from the Partnership for Public Service (PPS) and, based on their recommendations, I sent a joint Labor/Management team of NARA employees to consult with their peers at the Department of the Treasury's Bureau of Engraving and Printing (BEP) and the U.S. Mint, two agencies identified by PPS as having shown the greatest improvement in Best Places to Work rankings.

The most important action I have taken is to direct all NARA Executives to engage in meaningful activities to increase employee satisfaction. Each NARA Executive has a formal plan to address barriers to employee engagement and improve FEVS scores. In most cases, these plans were developed by staff at the local level, who identified challenges affecting employee satisfaction and recommended actions to address them. NARA Executives routinely report to me on their progress to implement their plans and are held accountable for the results in their annual performance assessments.

Significantly, this sustained Executive focus has led NARA to adopt some of the newest and most innovative practices for engaging the Federal workforce. While we still have more work to do, NARA has already implemented many of the strategies in the recently-released Office of Management and Budget (OMB) Memorandum M-15-04, *Strengthening Employee Engagement and Organizational Performance*, including: setting clear employee engagement goals, ensuring Executive accountability, engaging employee unions, developing action plans at the local level, and distributing FEVS survey results to all employees in an open and transparent manner.

NARA has also adopted an improvement program that is consistent with the six strategies recommended by the PPS and Deloitte Consulting LLP in their best practices document, *Ten Years of the Best Places to Work in the Federal Government® Rankings*, including:

- **Own the change.** NARA Executives regularly discuss employee satisfaction at senior leadership meetings and consider employee feedback and engagement concerns when making decisions. NARA Executives set targets based on survey data, develop plans, and report on their progress on a quarterly basis.

- **Partner with unions.** NARA Executives and managers have engaged our union at the national level and in office- and local-level employee satisfaction working groups. NARA has improved our partnership with the union at the national level and is building more effective working relationships at facilities outside of the Washington, DC metropolitan area.

- **Go for quick wins.** NARA has successfully partnered with our union to identify and implement a number of short-term activities to quickly respond to employee feedback.

Examples include re-starting annual Take Your Child to Work Day activities, and developing a process to recognize employee affinity groups, which has empowered our employees to form their own, self-directed groups recognizing the contributions of NARA veterans, Hispanic/Latino employees, Lesbian, Gay, Bisexual, and Transgender employees, women, and disabled employees.

- **Develop shared values.** In 2011, NARA adopted new organizational values of "innovate, collaborate, and learn." Developed by a staff working group, these values reflect the need to operate as a cohesive team as we adapt and modernize to address significant changes in the external environment that impact our mission. Our values are explicitly stated and many NARA leaders actively incorporate our values into their messaging and their interactions across the agency. This is an area in which we can and will do much more work.

- **Build connections through communication.** NARA holds quarterly Town Hall-style video conferences, where senior leaders communicate with all staff on issues of topical interest and provide immediate responses to employee questions and concerns. We have expanded our communications tools to better connect employees with the agency mission through new bi-weekly and quarterly newsletters, digital signage in high-traffic areas, and the Internal Collaboration Network, a NARA-only social media platform that facilitates information sharing, knowledge management, and collaboration.

- **Invest in employees.** NARA is committed to investing in our employees through training. We have recently revitalized our leadership training program with refreshed content and more offerings, and we have committed to send more NARA employees to

participate in the PPS Excellence in Government Fellows program and the OPM Emerging Leaders course. We have worked collaboratively with our union to institute a new cross-training program of rotational assignments that will provide employees with more variety in their work and help build a cadre of staff with a wider range of skills and experiences.

EMPLOYEE AND TEAM PERFORMANCE

NARA has focused management attention on the areas with the most influence on individual and team performance and we are beginning to see results. NARA staff identified three actions that directly impact their satisfaction: increase the skills of their supervisors, improve performance management, and provide meaningful career paths. These actions are consistent with our observations at BEP and the U.S. Mint and align with best practices recommended by thought leaders in the field of improving organizational performance through increased employee satisfaction.

NARA has looked to best practices from outside the agency and implemented new approaches to make substantive, lasting change in three key areas:

- **Develop a cadre of motivated, well-trained supervisors.** I hold regular agency-wide all-managers meetings (approximately eight times per year) and we have established dedicated space in our internal collaboration tool to share organizational information directly with NARA managers and supervisors, communicate expectations, and solicit their feedback and ideas. We have improved our supervisory training courses and increased the number of training opportunities available for managers and supervisors,

and we are working to develop a more comprehensive supervisory development program. We have incorporated OPM's 360-Degree Assessment Tool to provide staff feedback to supervisors. We have developed new job aids to help managers and supervisors fulfill their supervisory responsibilities, and we include critical elements relating to supervision in their performance plans, so that NARA managers and supervisors are evaluated on both work group outcomes and their individual demonstration of supervisory competencies.

- **Administer a fair and effective performance management system**. One of my top priorities as Archivist of the United States is to ensure that NARA employees are treated in an equitable and consistent manner. Early in my tenure, I discovered substantial discrepancies in the annual performance ratings assigned to NARA employees in different GS grades. Over the past several years, NARA Executives have reinforced standards for assessing employee performance and we have provided managers and supervisors with training in performance management and providing constructive feedback. I have introduced regular conversations about performance management into senior leadership meetings and we are making decisions based on data that NARA had not previously collected. I am committed to applying performance standards more consistently across the workforce and—while we have made significant progress in this area--there are still discrepancies that we will continue to address. We have also brought greater rigor and increased accountability by improving our performance management system for NARA Executives.

- **Provide meaningful career paths.** NARA is currently working through a structured process to redesign our core jobs to improve organizational performance, modernize our work processes, and better support employee motivation and engagement. We have already restructured some traditional jobs into new positions that allow employees to use a wider variety of skills, take responsibility for a whole task (instead of only completing a portion of a larger task), and rotate through different activities within a single function or program. Many of these positions were designed to address known shortcomings in organizational performance, but we also expect these changes to improve employee motivation and job satisfaction. In some cases, increasing responsibilities and employee discretion have allowed us to increase the GS grade of selected positions, which has also allowed NARA to offer new opportunities for career advancement.

NARA has started to see the results of these efforts in our annual FEVS scores. In 2014, the majority of NARA employees responded positively to questions focusing on their relationship with their supervisor, including trust, respect, and support. For example, 68% of employees said their immediate supervisor is doing a good job, 78% said they were treated with respect, and 74% reported that their supervisor listened to what they had to say. NARA responses to these three questions were all within two percentage points of the government-wide average.

NARA has also seen improvements in questions related to performance management, where 84% of employees reported that their supervisors had spoken with them about their performance in the last six months, well above the government-wide average and a 6.5% increase over NARA's 2013 score. NARA also exceeded the government-wide average in

response to the performance management questions, "Steps are taken to deal with a poor performer..." (32%) and "Differences in performance are recognized in a meaningful way..." (32%). Despite exceeding the government-wide average, these scores are low and we are continuing our efforts to improve them.

WORKPLACE MORALE

NARA has partnered with our union on a number of initiatives to improve the general work environment for NARA employees. The partnership identified three keys areas for improvement: more respect and appreciation, an increased focus on workplace health and safety, and better access to the tools that employees need to do their jobs. Labor and Management officials used personal observations and experience and collected employee input to select these areas for additional focus and attention.

Over the past three years, NARA has developed these three needs into continuing programs to improve workplace conditions and increase employee morale:

- **Create a culture of respect and appreciation.** In 2013, NARA implemented a new anti-harassment program including a strong policy statement, mandatory training for managers and supervisors, and a clear and accessible process for addressing complaints. In FY 2014, we received 73 complaints and we have successfully resolved 61 to date (84%), without escalating to formal complaints. We have issued our first ever Diversity and Inclusion Strategic Plan, created a new disability employment program, and hired our first full-time disability program manager. NARA has also recently implemented an innovative Special Emphasis Program (SEP) for Equal Employment Opportunity (EEO)

that trained existing staff across NARA to help identify and eliminate employment barriers and promote equal and fair employment practices in the workplace. Additionally, after three years of effort, NARA has corrected 23 EEO deficiencies reported in our MD-715, *Agency Annual EEO Program Report*, and, for the first time, our FY 2014 report identified zero deficiencies.

- **Make workplace safety a priority.** In 2014, I established NARA's first formal policy on workplace health and safety. Labor and Management partnered to develop workplace safety goals, establish clear expectations for management and employees, and establish a system for continuous improvement of workplace health and safety. Labor and Management jointly issued surveys to managers and union officials at each NARA facility to collect information on workplace safety programs and conditions; they are currently reviewing the results to identify best practices and opportunities for improvement. Based on staff suggestions, we have provided all employees with emergency "grab and go" bags that provide essential items for use if they were required to shelter-in-place for a significant period of time or otherwise evacuate their facility.

- **Ready access to the tools employees need to do their jobs.** NARA regularly surveys staff to assess their satisfaction with the common administrative functions that support their operations. NARA uses survey responses to evaluate the success of administrative programs, collect employee suggestions for improvement, and hold Executives accountable for results. In 2013, NARA implemented a one-call "311" system that integrates help desks for multiple internal, administrative functions so that staff can connect to internal service providers with a single one-stop, non-emergency number.

NARA's Federal Record Centers Program has recently implemented a program—based on best practices in equivalent private-sector operations—of frequent, short meetings to quickly check in with all staff and ensure that they have the equipment and materials necessary to do their jobs.

NARA FEVS scores demonstrate incremental progress in each of these areas. NARA responses to questions on respect are stable at a level that is only slightly below the government-wide average and responses to questions on diversity and inclusion—while still well below government-wide averages—have shown slight improvements over prior year responses. NARA consistently approaches or exceeds government-wide averages on FEVS questions assessing the physical conditions of our workplaces and NARA programs to protect employees from safety hazards and security threats.

CLOSING STATEMENT

I am committed to improving the workplace satisfaction and morale of NARA employees. Our approach is based on the best practices recommendations of leaders in the field of employee engagement, partnership with our employee labor union, and direct feedback from our employees. We have invested considerable time and effort to improve working conditions for our employees across the agency, and we will continue to make the investments necessary to build and sustain high levels of employee engagement and workplace morale. We have started to see evidence of improvement in the specific areas we have focused on, but those gains have not translated into improvements in general employee morale and have not impacted the FEVS responses that influence our ranking in the Best Places to Work in the Federal Government®.

I remain optimistic that NARA can improve employee engagement and improve our ranking in the Best Places to Work. Our employees have consistently demonstrated their commitment to NARA's mission and work: In the 2014 FEVS survey, nearly all employees responded positively when asked if they are willing to put in the effort it takes to get the job done (94%), feel the work they do is important (89%), and are constantly looking for ways to do their jobs better (88%). In each of these questions, NARA's response was within two percentage points of the government-wide average.

NARA employees also responded positively to FEVS questions that measure their perceptions of teamwork and the quality of work, with 70% indicating that the people they work with cooperate to get the job done (slightly below the government-wide average) and 83% reporting that they believe their work unit produces quality work (slightly above the government-wide average).

These results—and other results referenced earlier in my testimony—demonstrate that NARA employees are dedicated to our mission, engaged in their work, and trust their work units and their immediate supervisors. These are strengths that NARA must nurture and grow in order to build greater trust in agency leadership and pride in being part of our agency as a whole. NARA employees regularly demonstrate uncommon skill, dedication, and motivation, and they deserve an agency that they are proud of and that they can honestly call one of the best places to work in the Federal government.

Mr. Chairman, this concludes my formal statement. I look forward to continuing this discussion with you and the Members of the Committee.

Mr. MEADOWS. Thank you so much for your testimony.

And I have been informed that it is streaming back to some of your employees. And so I know they take to heart your comments.

But I would be remiss if I don't say personally a real thank you to many of them for the hospitality that they showed me when I was visiting there and for the way that they treated me with not only such genuine hospitality, but frankness and support.

And I look forward to working with you. Thank you.

Mr. Ehrlich, you are recognized for 5 minutes.

STATEMENT OF HON. MANUEL EHRLICH

Mr. EHRLICH. Thank you, sir.

Mr. Chairman, Ranking Member, and members of the subcommittee, thank you. Thank you for the opportunity to appear here today representing the U.S. Chemical Safety Board and the USB. We welcome your visitation to the agency with your colleagues so you have a better understanding of what we do and how we do it.

Since the CSB is recently without a chairperson, the agency for now is being run with three presidentially appointed board members, of whom I am one. Although we are working together, my views today are my own.

I came to the CSB with training and experience in human resource issues. I spent over 50 years in the chemical industry in a variety of positions, much of my career spent with BASF Corporation, the largest chemical company in the world. At BASF, I worked as a chemical plant manager and in many other roles.

I completed graduate studies in chemical engineering, and I have master's degrees from Columbia in counseling psychology for business and industry. I understand the issues related to some of these human behavior topics.

In the 5 months that I have served on the U.S. Chemical Safety Board, what has impressed me most is the dedication and professionalism of the staff. I have been to industrial chemical accident sites with investigation teams and have seen firsthand how diligently they perform potentially hazardous work, put in long hours, and spend months away from home. They have a steadfast commitment to making industrial chemical facilities safer places for workers, companies, and communities. I am privileged to work alongside them and the rest of the staff.

The Federal Viewpoint Survey does show CSB staff morale is low in some areas. The board is taking steps to improve morale, and I also believe there are critical steps that Congress can take to help. But the survey does not tell the whole story.

Since I became a board member, I have personally met with virtually every staff member face to face. I have listened to their concerns, sought their input on what we, as presidentially appointed board members, can do to show our appreciation for them. I have found commitment to the CSB mission and workplace to be very strong and morale in many areas is high.

The staff derives a great deal of job satisfaction in finalizing reports, presenting them to communities in public meetings and news conferences, and seeing their safety recommendations imple-

mented. They tell me they get considerable job satisfaction in saving lives. That is the CSB mission, and we take it personally.

To address morale issues, the CSB has an active workplace improvement committee, members of which were suggested by the staff itself, which has been meeting regularly to suggest specific improvements. They have spoken to all staff members.

Since last summer, the committee has created action items on improving employee on-boarding, creating a database of CSB best practices, and clarifying employment policies, as they are now working to implement these action items.

I emphasize again that the core work is being accomplished. The CSB has been highly productive, particularly the past year, since the OPM survey was last conducted. The number of cases is now down to 7 from 22, the case backlog 5 years ago. We closed 2 more cases in a recently public meeting, and a total of 8 reports over a 9-month period. Despite the agency's challenges, we are in a period of very high productivity.

I will draw to a close by suggesting that morale could be improved even more if two things could happen. First, we need a chairperson confirmed. We need the ability to hire more investigators. Right now we have only 20 to cover the entire country, based on our current budget.

As a result, we frequently must pull investigators off of one investigation and put them in new ones on an ad hoc basis. This has caused more than a few morale problems. And investigation delays over the years has led to criticism. We do not let the quality of investigations falter. So additional resources are needed to perform the CSB's mission.

In summary, I would like to reiterate the following:Good work is being done at the CSB. We are productive. All of us whom the President appointed to the board are committed to working collegially to further improve morale. We look forward to working with you and other congressional committees to continue to serve the public. Thank you.

[Prepared statement of Mr. Ehrlich follows:]

Testimony of Manuel (Manny) Ehrlich
Board Member, U.S. Chemical Safety Board
Subcommittee on Government Operations
House Committee on Oversight and Government Reform
April 16, 2015

Mr. Chairman, Ranking Member and Members of the Subcommittee:

This hearing is titled "The Worst Places to Work in the Federal Government." I imagine that we are invited here because you think the U.S. Chemical Safety Board is one of those places. With respect, I believe it is a great place to work, and I feel privileged to have been appointed by the president to the CSB board last December.

The Employee Satisfaction Survey does show CSB staff morale is low in some areas, and we are working on that. I have to emphasize that over the past few months I have been continually impressed by the dedication and professionalism of the CSB's staff. I am confident that if the Board continues to work with these dedicated public servants staff morale will improve.

Since I became a Board Member, I have been personally involved with virtually every staff employee on a face to face basis, talked to them about their concerns, asked them about their important work, and asked them what we, as presidentially appointed board members, can do to show appreciation for their work.

I have been to industrial chemical accident sites with investigation teams and have seen how diligently they perform this potentially hazardous work, the long hours and months away from home, and the commitment to making industrial chemical facilities safer places for workers, companies and communities.

The job satisfaction survey does not tell the whole story. In fact, I have found commitment to the CSB mission and workplace to be very strong, and morale in many areas to be high. The staff finds a great deal of job satisfaction in finalizing reports, presenting them to communities in public meetings and news conferences, and seeing safety recommendations implemented. There is a lot of job satisfaction in saving lives.

I want to assure the subcommittee that the board and management are working in a collegial way to do our part to make the CSB a better place to work for those who do express some dissatisfaction with certain policies or processes. I am personally committed -- as are the other board members -- to getting into the field, to meet the investigative teams, and to talk to support staff to let them all know we care about what they are doing and that we are here to help.

We look to provide intrinsic rewards – such as letting people know they are valued, and setting up consistent personnel policies -- where providing extrinsic rewards -- such as pay raises or other benefits -- is not always possible.

The CSB is moving forward as an organization. Employees are encouraged, I believe, by the fact that board members are taking an active role and interest in what they are doing.

I know from experience that these kinds of personnel issues take time and patience to correct. Prior to my appointment in December, I spent over 50 years in the chemical industry in a variety of positions. Most recently I served as a health, safety and environmental consultant to a broad range of companies across the country. And I spent much of my career with BASF Corporation, one of the largest chemical companies in the world.

At BASF, I worked in a variety of roles, including plant management. I completed graduate studies in not only chemical engineering, but I have a Masters of Education and a Masters of Arts from Columbia University in Counseling Psychology for Business and Industry. So I have the experience to work on these issues you have brought up.

For almost a year now, starting well before the beginning of my tenure as a Board Member, the CSB has been working to implement what are known as the Waxman Recommendations. As recommended, we are holding regular briefings and meetings, completed the Chevron investigation very successfully, our action plan has prioritized upcoming CSB cases, and we have streamlined the deployment process.

Very significantly, the CSB internal Workplace Improvement Committee -- members of which were selected by the staff itself – have been meeting regularly to suggest improvements. They have spoken to all staff members. They have made some specific suggestions for improvement that have been or are being implemented, and more are to come. For example, they are creating action items on bringing in new employees, creating a database of CSB best practices, and clarifying employment policies.

I emphasize again that the core work of the agency is being accomplished. Any suggestion to the contrary is not correct. The CSB -- by any benchmarks or metrics -- has been highly productive over the past five years, and particularly in the past year.

The backlog of cases is now down to seven. We closed two more cases in a recent public meeting, and have completed safety videos of our technical investigations that have been viewed tens of thousands of times. We are rapidly closing in on completion of very significant investigations: the West Fertilizer explosion that destroyed a section of West, Texas, the Freedom Industries pollution of the water supply of 300,000 residents in West Virginia, and the final reports on the Deepwater Horizon/Macondo well blowout disaster in the Gulf of Mexico.

I will draw to a close by suggesting that morale could be improved even more if two things could happen.

First: We need a new chairperson confirmed, and anything this committee could do to call attention to this need in the other body would be most appreciated. Not only is a nominee for chair pending, but so is the nomination of an additional board member. We will have only two members – myself and Mr. Engler -- after Mr. Griffon's term ends in late June.

Second: We are in need of an increase in our budget in order to hire more investigators to do more investigations in a timely manner. The alternative -- a reduction in our workload -- seems unlikely to happen.

We only have a total of 40 employees, roughly half of them investigators. Between our own criteria for deployment and Congressional requests, we must on occasion pull investigators off one investigation and put them onto new ones on an ad hoc basis. This has caused more than a few morale problems and investigation delays over the years, and has led to unfair criticism about management of the investigations and delays in producing reports. We do not let the quality of the investigations falter, so additional resources are needed to perform the CSB's mission.

The agency has demonstrated time and again that despite the very real limits on our resources, we are able to pivot and re-allocate our investigation assets in response to a catastrophic incident and a request from Congress. This was done most recently in response to a Congressional request for a team to deploy to the ExxonMobil accident in Torrance, California.

This flexibility has been demonstrated repeatedly over the period that is covered by the survey in question, and speaks to a commitment by all CSB employees to meet the demands of the public to provide answers to why chemical accident tragedies have happened.

In summary, I would just reiterate the following:

Good work is being done at the Chemical Safety Board. We are productive, and I believe morale is improving. We look forward to working with you and other Congressional committees to continue to serve the public.

Thank you.

Mr. MEADOWS. Thank you, Mr. Ehrlich.

Now, are you streaming this back to your employees today, this hearing?

Mr. EHRLICH. I'm sorry. But I don't know, sir.

Mr. MEADOWS. Okay. Ms. Emerson.

STATEMENT OF CATHERINE V. EMERSON

Ms. EMERSON. Chairman Meadows, Ranking Member Connolly, members of the subcommittee, thank for the opportunity to appear before you today to address the Department of Homeland Security's efforts in enhancing employee engagement.

I am Catherine Emerson, the Department's first career Chief Human Capital Officer. I'm responsible for the Department's human capital policy, which covers recruiting, diversity inclusion, learning and development, and workforce planning in support of DHS's mission. My office supports employee engagement efforts led by Secretary Johnson and Deputy Secretary Mayorkas.

DHS employees stand on the front lines day in and day out to protect our citizens from threats at home and abroad. Our employees do difficult work under challenging circumstances, from protecting the border at the Rio Grande Valley to guiding maritime traffic on the Mississippi River, to managing shipments at the Port of Seattle, and welcoming visitors at the JFK International Airport.

Therefore, as the Deputy Secretary has stated, we must create the Department our employees deserve. We recognize that we must start with our leadership to improve employee morale. Employee engagement is not a human resources program. We see employee engagement as a leadership responsibility for the entire Department with human capital support.

Demonstrating this leadership responsibility, the Secretary and the Deputy Secretary launched the employee-focused Building the Department You Deserve initiative. Led by the Deputy Secretary and coordinated through an operationally focused employee engagement steering committee, three items this initiative have focused on are the Secretary honoring over 300 employees at a recent award ceremony.

This was the first one that was held in over 6 years. The Secretary has directed component leadership to host appropriate ceremonies and events to honor the contributions of their employees and DHS partners,and we are doing this to acknowledge and recognize the fine work of our employees.

Our employees have asked for greater transparency in the Department's hiring process. We have posted personnel information on our internal Web site, provided helpful tips for managers that highlight how to lead a transparent hiring process,and we have made a concerted effort to more prominently post job opportunities.

Additionally, DHS is continuing to build a common leadership experience that begins at our on-boarding and continues throughout our leaders' careers. We will continue to emphasize our key executive programs, including the DHS Senior Executive Service Candidate Development Program and the Department's own Executive Capstone Program for new members of the senior executive service.

Moreover, the Secretary and the Deputy Secretary are committed to personally hearing from our employees. Both of our senior lead-

ers hold regular meetings with rank-and-file employees as well as with supervisors, managers, and executives when visiting field offices or in video conferences. In these meetings, they're listening to the concerns and suggestions of our employees across the country.

Furthermore, the Deputy Secretary regularly engages with our union partners, hearing their feedback and concerns. Building the Department our employees deserve is also about finding better ways to do business and building opportunities for them to succeed.

We thank Congress and this committee, particularly Chairman Chaffetz, for last year's passage of the Border Patrol Agent Pay Reform Act. This legislation is an excellent example of finding a better way to do business, as it replaces the administratively uncontrollable overtime model with a new and sound process for ensuring that our Border Patrol personnel are properly paid for their work.

We are leaning forward to implement actions that we believe will make a lasting and valuable difference to our employees. In the words of Secretary Johnson, we must inject a new energy into DHS, and we are working diligently to do just that. Through our efforts, we hope to enhance the work experience and honor the contributions of our hard-working and dedicated workforce.

Thank you again for supporting our employees who are protecting all of us each and every day. I look forward to your questions.

[Prepared statement of Ms. Emerson follows:]

U.S. DEPARTMENT OF HOMELAND SECURITY

PREPARED TESTIMONY FOR

THE CHIEF HUMAN CAPITAL OFFICER

BEFORE THE

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

SUBCOMMITTEE ON GOVERNMENT OPERATIONS

U.S. HOUSE OF REPRESENTATIVES

THURSDAY APRIL 16, 2015

Chairman Meadows, Ranking Member Connolly, and Members of the Subcommittee; thank you for the opportunity to appear before you today to address our efforts at the Department of Homeland Security to enhance employee engagement.

I am Catherine Emerson, the Department's first career Chief Human Capital Officer (CHCO). I am responsible for the Department's human capital policy, which covers recruiting, diversity and inclusion, learning and development, and workforce planning in support of the Department of Homeland Security (DHS) mission. My office supports employee engagement efforts led by Secretary Johnson and Deputy Secretary Mayorkas.

Our employees at DHS stand on the front lines, day in and day out, to protect our citizens from threats at home and abroad. For example, on a typical day DHS employees screen over 1.8 million passengers at our nation's airports; over 19,000 pounds of illegal drugs are seized in or near our ports of entry; over 3.4 million miles of waterways and our borders are patrolled; and 54 search and rescue cases are conducted. Each and every day, our employees must bring and deliver their "A-game" to work to protect the homeland. As noted by Secretary Johnson, "homeland security remains the most important and urgent function a government can provide to its people. There is no room for complacency."

Our employees do difficult work under challenging circumstances, from protecting the border at the Rio Grande Valley, to guiding maritime traffic on the Mississippi River, to managing shipments at the Port of Seattle and welcoming visitors to JFK International Airport. Therefore, as Deputy Secretary Mayorkas has stated, "we must create the Department our employees deserve."

To create the Department that our employees deserve, we must start with our leadership to improve employee morale. We have taken concrete steps to provide our senior leaders with the direction and tools to focus on strengthening employee engagement within their workforce. We are also in the process of implementing efforts to address issues identified by our employees. These issues include: enhancing communication, sharing information about opportunities for professional advancement, addressing pay issues, and creating employee development and training opportunities.

For today, and for the future of our workforce, our focus is on action. The causes of morale issues at DHS have been studied and analyzed. Now, it is time to implement what we have learned from this information to guide our efforts. We are leaning forward to implement actions that we believe will make a lasting, valuable difference to our employees.

We at DHS are not happy with our overall scores in the Federal Employee Viewpoint Survey and we are working diligently to improve. We are proud that DHS components, such as the United States Coast Guard, have achieved high scores in job satisfaction and employee engagement. The variety of missions our employees have to protect our homeland means that we must have a corporate focus for engagement that is driven by the operations of our employees. Employee engagement is not a human resources program. Employee engagement is a leadership responsibility for the entire Department.

While DHS components are developing and executing employee engagement action plans that are specific to their particular needs, the Department is simultaneously focusing on enterprise-level activities. In 2014, the Secretary launched the employee-focused "Building the Department You Deserve" initiative. This initiative is led by Deputy Secretary Mayorkas and is coordinated through an operationally focused Employee Engagement Steering Committee, composed of component representatives, which guides cross-departmental engagement initiatives.

Since last year, the initiative has focused on the following:

- We have added transparency to the hiring process. Employees have communicated through the Federal Employment Viewpoint Survey that they want a better understanding of how to apply for positions and the procedures that are followed throughout the hiring process. We have posted hiring information on our internal employee website, provided helpful tips for managers that highlight how to lead a transparent hiring process, and more prominently posted job opportunities.

- The Secretary honored several hundred employees at the first Departmental awards ceremony that DHS has held in six years. He has directed components to host appropriate ceremonies and events to honor the contributions of their employees and DHS partners. We are providing transparency to enable our employees to understand the performance awards process within components, and encourage acknowledgement and recognition of their fine work.

- We have redesigned our internal "DHS Connect" intranet site to highlight the extraordinary efforts of our employees and their impact in achieving the Department's mission on a rotating basis. This outcome enables greater visibility and appreciation of our employee accomplishments.

- We worked closely with Congress for the passage of the Border Patrol Agent Pay Reform Act in 2014. This legislation replaces the Administratively Uncontrollable Overtime (AUO) with a new and sound process for ensuring that our Border Patrol personnel are properly paid for their work. This has been, and will continue to be, a top priority for the Department. The legislation had the support of the National Border Patrol Council, which represents over 17,000 agents.

- The Deputy Secretary announced to ICE's Enforcement and Removal Operations law enforcement personnel a career path that provides them with growth opportunities and a pay scale commensurate with their tremendous responsibilities and skills.

The preceding measures indicate our commitment to employee engagement as a top Departmental priority. Under the leadership of the Secretary and Deputy Secretary, we will continue to move forward with additional initiatives in the coming months.

Overall, DHS is building a common leadership experience that begins at our onboarding and continues throughout front-line and mid-level leaders' careers. While we plan to announce our efforts shortly, we are leveraging the leader development resources within the Department to create a unified program that will bring together high-potential leaders from across our components. We will continue to emphasize our key executive programs including the DHS Senior Executive Service Candidate Development Program and the Department's own Executive Capstone Program for new members of the Senior Executive Service.

For all employees including our non-SES workforce, we are creating opportunities for employees to shadow DHS leaders. This program will be piloted soon and will primarily have a local focus, exposing our employees more directly to the career prospects and leadership responsibilities of their co-workers, leaders, and local colleagues. For example, a Transportation Security Officer may have the opportunity to shadow a Border Patrol Agent or Coast Guard Officer to learn more about other roles and career opportunities.

We will also be implementing programs to create opportunities for employees to identify and implement innovative efforts that will contribute to the efficiency of their offices.

The Secretary and Deputy Secretary will continue to hold regular town hall meetings with employees, hearing their concerns and suggestions while visiting field offices, during video conferences, and through gatherings at headquarters. The Deputy Secretary will also continue to discussions with union partners, hearing their feedback and talking with them about the Department's efforts to improve employee engagement.

Building the Department our employees deserve is about finding better ways to do business, listening to our employees, and building opportunities for them to succeed. Secretary Johnson has been a vocal advocate for our employees and has framed his Unity of Effort initiative in part on creating clear expectations for collaboration across the Department. In the words of Secretary Johnson, "we must inject a new energy into DHS," and we are working diligently to do just that.

Every day, DHS employees carry out difficult and often dangerous work that in many cases goes unseen by the American public. Through our efforts, we hope to enhance the work experience and honor the contributions of our hard-working and dedicated workforce.

Thank you again for supporting our employees who are protecting all of us, each and every day.

Mr. MEADOWS. Ms. Emerson, thank you for your testimony.

And I will say thank you for the energy that I witnessed just in the meeting prior to this. And I look forward to working with you in the months and years to come.

Mr. Goldenkoff, you are recognized for 5 minutes.

STATEMENT OF ROBERT GOLDENKOFF

Mr. GOLDENKOFF. Chairman Meadows, Ranking Member Connolly, and members of the subcommittee, thank you for the opportunity to be here today to discuss strengthening Federal employee engagement.

A growing body of research on both private and public sector organizations has concluded that employee engagement, which is defined as the heightened sense of purpose and commitment employees feel towards their employer and its mission, can generate such benefits as increased productivity, higher customer service, and less absenteeism. Simply put, engagement is not about happy employees. It's about effective, high-quality, and responsive government.

However, as was noted here today, government-wide levels of employee engagement have declined 4 percentage points, from 67 percent in 2011 to 63 percent in 2014, as measured by OPM's Federal Employee Viewpoint Survey and a score OPM derives from the survey called the Employee Engagement Index, or EEI.

Recognizing the connection between engagement levels and organizational performance, the administration has called on agencies to strengthen employee engagement. For example, agency leaders are to be held accountable for making employee engagement an integral part of their performance management systems.

In addition, as part of their annual performance plans and appraisals, each member of the senior executive service will be responsible for improving employee engagement within their organization and for creating inclusive work environments.

As requested, my remarks today will focus first on government-wide trends in employee engagement from 2006 through 2014;second, various practices that can strengthen engagement; and, third, certain limitations of the EEI that will be important for agency managers and leaders to consider as they use this metric to assess and improve engagement with their own organizations.

Our work indicates that improving employee engagement, especially during challenging fiscal times, is a difficult, but doable, task. The key is to understand and act on the drivers of engagement, both government-wide and agency-specific, and weave those practices into the everyday fabric of agency culture.

With respect to government-wide engagement trends, it's important to note that the majority of Federal agencies actually defied the recent government-wide downward trend in engagement levels and sustained or increased their scores. As one example, from 2013 to 2014, 3 of 47 agencies saw an increase in their engagement scores, 31 held steady, and 13 declined.

The decrease in government-wide engagement is the result of several large agencies, such as DHS and DOD, bringing down the overall average. Employee perceptions of leadership are also pulling down the government-wide average.

Of the three components that comprise the engagement index—employees' perceptions of agency leaders, their perceptions of supervisors, and employees' intrinsic work experiences—agency leadership has consistently received the lowest score and, at times, was about 20 percentage points lower than the other two components.

Our analysis of the Employee Viewpoint Survey identified six key practices that were consistent drivers of higher engagement levels, namely, having constructive performance conversations, providing opportunities for career development and training, supporting a good work-life balance, creating an inclusive work environment, employee involvement in work-related decisions, and good communication from management.

These practices were associated with higher engagement scores government-wide by agency and by selected employee characteristics and, therefore, could be starting points for agency efforts to improve engagement.

Although OPM provides a range of tools and guidance to help agencies analyze their engagement scores, the EEI data itself has limitations that agencies need to be aware of. For example, OPM does not report whether changes to an agency's engagement score is statistically significant, which could lead agencies to misinterpret their results.

Moreover, the way in which OPM calculates the engagement index does not enable agencies to analyze the drivers of engagement for their organization.

Given these and other limitations, agencies will need to supplement their engagement scores with other information such as workforce analytics and facilitated discussions with employees.

In conclusion, to improve performance, agencies must make strengthening and sustaining employee engagement an integral part of their organizational culture and not simply an isolated set of practices.

Put another way, if a talented workforce is the engine of productivity and mission accomplishment, then a workplace that fosters high levels of employee engagement is the fuel that powers that engine.

This concludes my prepared remarks. And I would be happy to answer any questions that you may have.

[Prepared statement of Mr. Goldenkoff follows:]

United States Government Accountability Office

Testimony before the Subcommittee on Government Operations, Committee on Oversight and Government Reform, House of Representatives

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FEDERAL WORKFORCE

Preliminary Observations on Strengthening Employee Engagement During Challenging Times

Statement of Robert Goldenkoff, Director
Strategic Issues

GAO-15-529T

GAO Highlights

Highlights of GAO-15-529T, a testimony before the Subcommittee on Government Operations, Committee on Oversight and Government Reform, House of Representatives

Why GAO Did This Study

A growing body of research on both private- and public-sector organizations has found that increased levels of engagement—generally defined as the sense of purpose and commitment employees feel towards their employer and its mission—can lead to better organizational performance.

This testimony is based on GAO's ongoing work examining the federal government's efforts to improve employee engagement, including (1) trends in employee engagement from 2006 through 2014; (2) practices that could strengthen engagement levels based on the EEI results and the experiences of selected agencies and GAO; and (3) certain limitations of the EEI that will be important for agency managers and leaders to consider as they use this metric to assess and improve engagement within their own organizations.

To identify engagement trends, GAO analyzed responses to FEVS questions from 2006 through 2014 from which the EEI is derived. To identify drivers of the EEI in 2014, GAO conducted a regression analysis. To identify practices that could strengthen engagement, GAO interviewed officials at OPM and three case study agencies (selected for sustained or increased EEI levels) that were responsible for engagement efforts.

What GAO Recommends

Because this statement is based on ongoing work, GAO is not making any recommendations at this time.

View GAO-15-529T. For more information, contact Robert Goldenkoff at (202) 512-6806 or goldenkoffr@gao.gov.

April 2015

FEDERAL WORKFORCE

Preliminary Observations on Strengthening Employee Engagement During Challenging Times

What GAO Found

GAO's ongoing work indicates that the recent government-wide decline in engagement, as measured by the Office of Personnel Management's (OPM) Employee Engagement Index (EEI) masks the fact that the majority of federal agencies either sustained or increased employee engagement levels during the same period. Government-wide, engagement has declined 4 percentage points from an estimated 67 percent in 2011 to an estimated 63 percent in 2014. This decline is attributable to several large agencies—like the Department of Defense and Department of Homeland Security—bringing down the government-wide average. Specifically, 13 out of 47 agencies saw a statistically significant decline in their EEI from 2013 to 2014. While this is 28 percent of agencies, they represent nearly 69 percent of federal workforce. However, the majority of federal agencies either sustained or increased engagement levels during this period. Specifically, from 2013 to 2014, 31 agencies sustained and 3 agencies increased their engagement level.

GAO's preliminary analysis of selected Federal Employee Viewpoint Survey (FEVS) questions indicates that six practices were key drivers of the EEI:

- constructive performance conversations,
- career development and training opportunities,
- work-life balance,
- inclusive work environment,
- employee involvement, and
- communication from management.

Importantly, these practices were generally the consistent drivers of higher EEI levels government-wide, by agency, and by selected employee characteristics (such as federal agency tenure) and therefore could be key starting points for agency efforts to improve engagement. Some agencies that have improved employee engagement, or that already have high levels of engagement, apply these practices.

OPM provides a range of tools and resources to help agencies use EEI data to strengthen employee engagement. They include, for example, an online tool to share OPM-generated survey reports to facilitate agency data analysis. GAO's ongoing work indicates that these resources could provide agencies with needed support. However, OPM does not report whether changes to an agency's EEI are statistically significant—that is, whether an up or down change is not due to random chance. As a result, agency officials may be misinterpreting changes to the EEI and acting on data that may not be meaningful. GAO's preliminary analysis of the FEVS shows that 34 percent of the absolute changes in agency EEI scores from 2013 to 2014 were statistically significant. In smaller agencies and at component or lower levels within larger agencies, large absolute differences are not always significant. GAO's ongoing work has noted that agency officials need to understand and take this (and other limitations) into account so that they properly interpret the information and target corrective actions accordingly.

Chairman Meadows, Ranking Member Connolly, and Members of the Subcommittee:

Thank you for the opportunity to be here today to discuss federal employee engagement. A growing body of research on both private- and public-sector organizations has found that increased levels of engagement—generally defined as the sense of purpose and commitment employees feel towards their employer and its mission—can lead to better organizational performance.[1] Put another way, if a talented workforce is the engine of productivity and mission accomplishment, then a workplace that fosters high levels of employee engagement helps fuel that engine.

Government-wide levels of employee engagement have recently declined 4 percentage points, from an estimated 67 percent in 2011, to an estimated 63 percent in 2014, as measured by the Office of Personnel Management (OPM) Federal Employee Viewpoint Survey (FEVS), and a score derived by OPM from the FEVS— the Employee Engagement Index (EEI).[2]

The Administration has elevated the importance of strengthening employee engagement across government. For example, strengthening employee engagement is now one of three subgoals of the People and Culture Cross Agency Priority (CAP) goal.[3] Moreover, agency leaders are to be held accountable for making employee engagement a priority, as well as an integral part of their agency's performance management

[1]Office of Personnel Management (OPM), *2014 Federal Employee Viewpoint Survey Results: Employees Influencing Change: Government-wide Management Report,* (Washington D.C.: 2014).

[2]While OPM's EEI measures conditions conducive to engagement, OPM and others refer to the EEI as an agency's engagement level. For purposes of this testimony, we refer to EEI scores as engagement levels.

[3]The other two People and Culture CAP goal subgoals are (1) Build a World-Class Federal Management Team starting with the SES, and (2) Enable Agencies to Recruit and Hire the Best Talent. Required by the GPRA Modernization Act of 2010, Cross Agency Priority (CAP) goals are designed to address management challenges that are government-wide or crosscutting in nature. 31 U.S.C 1115(a)(6),(h)(2). CAP Goals are a tool intended to accelerate progress on a limited number of priority areas where implementation requires active collaboration between multiple agencies. In the President's fiscal year 2015 budget, the Administration announced 15 CAP Goals with a 4-year time horizon.

system. The Administration also set a goal for these efforts: by the issuance of the 2016 FEVS results, the federal government is expected to increase employee engagement—as measured by the EEI—from 63 percent to 67 percent. In addition, as part of their annual performance plans and appraisals, each member of the Senior Executive Service (SES) will be responsible for improving employee engagement within their organization, and for creating inclusive work environments.

My remarks today will focus on (1) trends in employee engagement from 2006 through 2014; (2) various practices that could strengthen engagement levels based on the EEI results and the experiences of selected agencies and GAO; and (3) certain limitations of the EEI that will be important for agency managers and leaders to consider as they use this metric to assess and improve engagement within their own organizations.

My observations on employee engagement represent the preliminary findings from our ongoing work conducted on this issue. We expect to complete our study in early-summer and to issue a final report at that time.

Our preliminary work indicates that improving employee engagement, especially during challenging times, is a difficult but doable challenge. In fact, since 2006, the majority of agencies maintained their engagement levels and a few even improved their scores. Agencies can take steps to strengthen employee engagement in the face of difficult circumstances such as constrained budgets. The key is (1) to understand drivers of engagement, such as constructive performance conversations and opportunities for career development and training, and (2) to weave those practices into the everyday fabric of managing staff and leading agencies.

For our ongoing work, among other steps, we analyzed responses to questions from the FEVS for the years 2006 through 2014, from which the EEI is derived. We started with 2006 to include recent trends in two administrations. We calculated the EEI on a scale of zero to 100 at the individual level, based on the proportion of positive responses to the 15

EEI questions for each individual.[4] For 2006 and 2008, we recreated the index using the EEI questions that were included in the survey during that time period.[5] We analyzed this information government-wide, by agency, and for selected demographic groups.[6] For each analysis, we determined statistically significant changes in the EEI from 2006 to 2014. When aggregated to the agency level, our index was almost perfectly correlated with the OPM EEI in 2014. In addition to analyzing index changes over time, we used linear multiple regression analysis to assess the relationship between potential drivers of engagement and the index in 2014, controlling for other factors.

To assess the reliability of the FEVS data, we examined descriptive statistics, data distribution, and explored missing data. We also reviewed FEVS technical documentation as well as the statistical code OPM uses to generate the index and variance estimates. Based on this analysis, we found the data sufficiently reliable for our purposes.

To identify potential drivers of, and strategies for, improving employee engagement, we conducted a literature review of recent studies of public- and private-sector engagement, and interviewed officials from OPM and members of the Chief Human Capital Officers (CHCO) Council and Labor Management Relations joint working group on employee engagement. To identify examples of agency efforts to improve employee engagement, we also interviewed officials from other federal agencies with sustained or increased engagement levels—the Department of Education, Federal Trade Commission and National Credit Union Administration. We obtained agency officials' views on the information contained in this statement and have incorporated their comments as appropriate.

Our ongoing work is being conducted in accordance with generally accepted government auditing standards. Those standards require that

[4]OPM calculates the EEI by averaging the EEI component scores for a given group, subgroup or agency, which are an average of the percent positive responses to each of the questions in the respective components of the EEI—Leaders Lead, Supervisors, and Intrinsic Work Experience

[5]The 2006 and 2008 surveys did not include four questions that became part of the survey beginning in 2010.

[6]For the purpose of this testimony, demographic group is used to describe any common characteristic among employees, such as pay grade and supervisory status.

we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Engaged employees are more than simply satisfied with their jobs. Instead, engaged employees

- take pride in their work,
- are passionate about, and energized by what they do,
- are committed to the organization, the mission, and their job, and
- are more likely to put forth extra effort to get the job done.

The Merit Systems Protection Board (MSPB) found that higher levels of employee engagement in federal agencies led to improved agency performance, less absenteeism, and fewer equal employment opportunity complaints.[7] Similarly, a number of studies of private- and public-sector organizations have found that increased levels of engagement result in improved individual and organizational performance. In addition, studies of the private sector have established that firms with higher levels of employee engagement exhibit increased individual employee performance, increased productivity, and have higher customer service ratings, while also having fewer safety incidents, and less absenteeism and turnover.

OPM has conducted the FEVS—a survey that measures employees' perceptions of whether, and to what extent, conditions characterizing successful organizations are present in their agencies—every year since 2010. The EEI was started in 2010 when FEVS became an annual survey and is composed of 15 FEVS questions covering the following areas:

[7]A Report to the President and Congress of the United States by the U.S. Merit Systems Protection Board, *The Power of Federal Employee Engagement*, (Washington, D.C.: September, 2008). Results were based on responses to MSPB's Merit Principles Survey, which asks employees about their perceptions of their jobs, work environments, supervisors and agencies and is administered approximately every 3-4 years.

- *Leaders lead*, which surveys employees' perceptions of the integrity of leadership, as well as employees' perception of leadership behaviors such as communication and workforce motivation.[8]
- *Supervisors*, which surveys employees' perceptions of the interpersonal relationship between worker and supervisor, including trust, respect, and support.[9]
- *Intrinsic work experience*, which surveys employees' feelings of motivation and competency relating to their role in the workplace.

According to OPM, the EEI does not directly measure employee engagement, but it does cover most of the conditions likely to lead to employee engagement.

Sometimes the EEI is discussed in the same context as another workforce metric known as the *Best Places to Work* rankings. Although the *Best Places to Work* scores are also derived from the FEVS, it differs from the EEI in that the Partnership for Public Service (Partnership) created the rankings as a way of rating employee satisfaction and commitment across federal agencies. The rankings are calculated using a weighted formula of three different questions from OPM's FEVS: (1) I recommend my organization as a good place to work, (2) considering everything, how satisfied are you with your job, and (3) considering everything, how satisfied are you with your organization.

[8]The Leaders Lead component includes questions about (1) senior leaders—department or agency heads and their immediate leadership team, responsible for directing policies and priorities and typically members of the Senior Executive Service or equivalent (career or political), and (2) managers—those in management positions who typically supervise one or more supervisors.

[9]The Supervisors component includes questions about first-line supervisors who are typically responsible for employees' performance appraisals but do not supervise other supervisors.

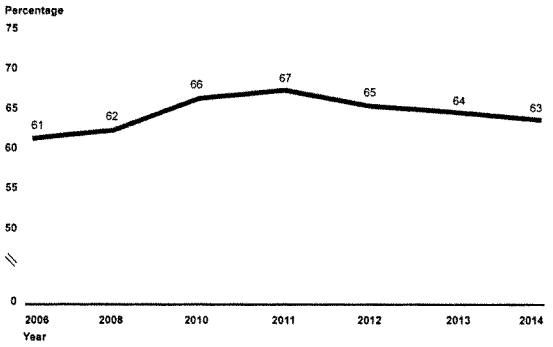
Most Agencies Defied Government-wide Downward Trend and Maintained or Improved Engagement Levels

Our ongoing work indicates that the recent government-wide average decline in the EEI masks the fact that the majority of federal agencies either sustained or increased employee engagement levels during the same period. From 2006 through 2014, government-wide employee engagement levels initially increased—reaching a high of 67 percent in 2011—and then declined to 63 percent in 2014, as shown in figure 1.[10] However, the decline in engagement is the result of several large agencies bringing down the government-wide average. Specifically, our preliminary work indicates that 13 out of 47 agencies saw a statistically significant decline in their EEI from 2013 to 2014; while this is only 28 percent of agencies, nearly 69 percent of federal employees are at one of those agencies, including the Department of Defense, Department of Homeland Security, and Department of Veterans Affairs.[11] Meanwhile, the majority of agencies sustained or improved engagement, as shown in figure 2. Between 2013 and 2014, of 47 agencies included in our analysis of the EEI, three increased their scores; 31 held steady; and 13 declined.

[10]For purposes of this analysis, government-wide means estimates for the 47 agencies with 500 or more employees.

[11]The others were the Department of Energy, General Services Administration, Small Business Administration, Department of the Treasury, Federal Communications Commission, Broadcasting Board of Governors, Merit Systems Protection Board, Commodity Futures Trading Commission, and Consumer Product Safety Commission. We determined that a difference was statistically significant from one year to the next if the two 95 percent confidence intervals around an agency's EEI estimates did not overlap.

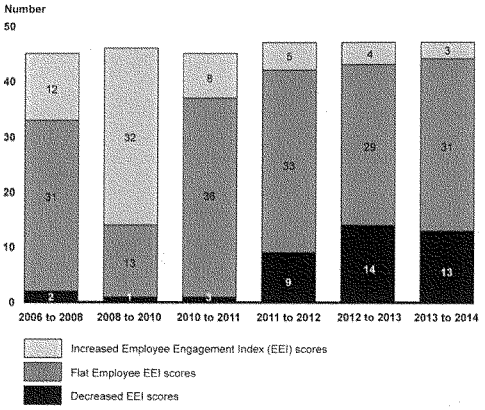
Figure 1: Trends in the Employee Engagement Index (EEI) Government-Wide, 2006 to 2014



Source: GAO analysis of Office of Personnel Management Federal Employment Viewpoint Survey data, 2006-2014. | GAO-15-529T

Notes: OPM's FEVS was administered biennially prior to 2010 and annually thereafter. OPM began calculating the EEI in 2010. To determine the EEI for 2006 and 2008, we included the same questions that OPM uses for the index, excluding those questions not included in the survey during those years. The EEI estimates shown in this figure have sampling variability of no more than plus or minus 1 percentage point at the 95 percent level of confidence unless otherwise noted. Data represents agencies with more than 500 employees and with a minimum number of 100 respondents in each of the years.

Figure 2: Number of Agencies with Statistically Significant Increasing, Decreasing, and Flat Employee Engagement Index Levels, 2006 to 2014



Source: GAO analysis of Office of Personnel Management Federal Employment Viewpoint Survey data, 2006-2014. | GAO-15-529T

Note: Data represents agencies with more than 500 employees and with a minimum number of 100 respondents in each of the years. The counts in each bar sum to the number of agencies (from among the group that we analyzed) who participated in the FEVS in the given year, ranging from 45 to 47 agencies. Statistical significance was determined by comparing whether the 95 percent confidence intervals around the agency estimate overlapped or not. A t-test was not conducted to determine if overlapping confidence intervals were statistically different.

Our ongoing work also shows that the government-wide downward trend in employee engagement levels coincided with external events—such as sequestration, furloughs, and a three-year freeze on statutory annual pay adjustments from 2011 to 2013—that some contend negatively impacted federal employee morale.[12] In March 2014, we reported that officials from

[12]Sequestration is an automatic across-the-board cancellation of budgetary resources. Sequestration was first established in the Balanced Budget and Emergency Deficit Control Act of 1985 to enforce discretionary spending limits and control the deficit. 2 U.S.C. § 900–907d. Accordingly, on March 1, 2013, the President ordered a sequestration to achieve $85.3 billion in reductions across federal government accounts.

agencies that did and did not furlough employees raised concerns about how sequestration affected the morale of current employees.[13]

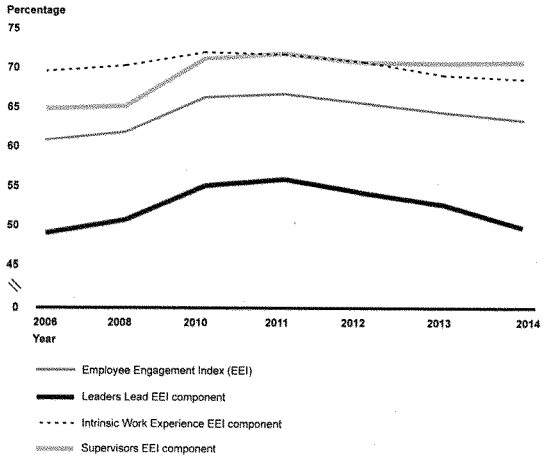
Importantly, while even one agency with a downward trending engagement score is not to be taken lightly, and while there is room for improvement with all federal agencies, the large number of agencies that sustained or increased their levels of employee engagement during challenging times suggests that agencies can influence employee engagement levels in the face of difficult external circumstances. As examples, the Department of Education's engagement levels increased from an estimated 56 percent in 2006 to an estimated 66 percent in 2014, while the Federal Trade Commission maintained a consistent estimate of 75 percent engagement index score—well above the government-wide average—throughout the period of general decline.

Leadership Component of the EEI Consistently Scores the Lowest

Based on our preliminary analysis, of the three components that comprise the EEI—employees' perceptions of agency leaders, supervisors, and their intrinsic work experience—employees' perceptions of leaders consistently received the lowest score, and at times was about 20 percentage points lower than other components. Moreover, from a high-point in 2011, leadership scores saw the greatest decrease and accounted for much of the government-wide average decline in the EEI, as figure 3 shows.

[13]See GAO, *2013 Sequestration: Agencies Reduced Some Services and Investments, While Taking Certain Actions to Mitigate Effects,* GAO-14-244 (Washington, D.C.: Mar. 6, 2014).

Figure 3: Estimated Employee Engagement Index (EEI) and EEI Component Scores for Leaders Lead, Supervisors, and Intrinsic Work Experience, 2006 to 2014



Source: GAO analysis of Office of Personnel Management Federal Employment Viewpoint Survey data, 2006-2014. | GAO-15-529T

Note: OPM's FEVS was administered biennially prior to 2010 and annually thereafter. OPM began calculating the EEI in 2010. To determine the EEI for 2006 and 2008, we included the same questions that OPM uses for the index, excluding those questions not included in the survey during those years. Index estimates shown in this figure have sampling variability of no more than plus or minus 1 percentage point at the 95 percent level of confidence unless otherwise noted. Data represents agencies with more than 500 employees and with a minimum number of 100 respondents in each of the years

The questions comprising the EEI leadership component focus on integrity of leadership and on leadership behaviors such as communication and workforce motivation. Three of the five questions are specific to senior leaders—department or agency heads and their immediate leadership team, responsible for directing policies and priorities and typically members of the Senior Executive Service or equivalent (career or political). Two are specific to managers—those in management positions who typically supervise one or more supervisors. We have previously reported that leaders are the key to organizational change—they must set the direction, pace, and tone, and provide a clear,

consistent rationale that brings everyone together behind a single mission.[14]

Federal Employee Viewpoint Survey Questions that Comprise the Employee Engagement Index

Leaders Lead Questions

- In my organization, senior leaders generate high levels of motivation and commitment in the workforce.
- My organization's senior leaders maintain high standards of honesty and integrity.
- Managers communicate the goals and priorities of the organization.
- Overall, how good a job do you feel is being done by the manager directly above your immediate supervisor?
- I have a high level of respect for my organization's senior leaders.

Supervisors Questions

- Supervisors in my work unit support employee development.
- My supervisor listens to what I have to say.
- My supervisor treats me with respect.
- I have trust and confidence in my supervisor.
- Overall, how good a job do you feel is being done by your immediate supervisor?

Intrinsic Work Experience Questions

- I feel encouraged to come up with new and better ways of doing things.
- My work gives me a feeling of personal accomplishment.
- I know what is expected of me on the job.
- My talents are used well in the workplace.
- I know how my work relates to the agency's goals and priorities.

Source: Office of Personnel Management, *2014 Federal Employee Viewpoint Survey Results: Employees Influencing Change: Technical Report* (Washington D.C.: 2014).

[14]GAO, *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*, GAO-03-669 (Washington, D.C.: July 23, 2003).

The strength of the EEI supervisors component suggests that the employee-supervisor relationship is an important aspect of employee engagement. These questions focus on the interpersonal relationship between worker and supervisor and concern supervisors' support for employee development, employees' respect, trust, and confidence in their supervisor, and employee perceptions of an immediate supervisor's performance.[15]

Intrinsic work experience was the strongest EEI component prior to 2011, but fell during the period of government-wide decline in engagement levels. These questions reflect employees' feelings of motivation and competency related to their role in the workplace, such as their sense of accomplishment and their perception of utilization of their skills.

Pay Category and Supervisory Status Had the Widest Range of Engagement Levels

Our ongoing work has found that government-wide, the demographic groups with the widest gap between most engaged and least engaged were pay category and supervisory status. For example, respondents in progressively lower General Schedule (GS) pay categories had progressively lower levels of engagement government-wide. In contrast, employees in the SES pay category reported consistently higher engagement levels—at least 10 percent more than any lower pay category. According to our preliminary analysis, while there was less difference between the engagement levels of other pay categories, employees in the GS 13-15 categories were consistently higher than all other lower GS pay categories. Employees in the Federal Wage System consistently reported the lowest levels of engagement.[16]

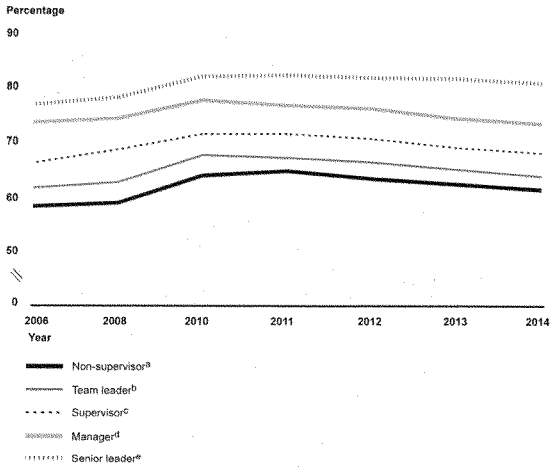
Similarly, respondents with fewer supervisory responsibilities had progressively lower levels of engagement government-wide. Generally, employees with higher supervisory status have more autonomy in how they do their work. Employees in higher pay categories are likely to have more supervisory responsibilities, so it is not surprising that the trends for

[15]FEVS defines supervisor as first-line supervisors typically responsible for employees' performance appraisals and leave approval. This individual does not supervise other supervisors.

[16]The Federal Wage System (FWS) is a uniform pay-setting system that covers Federal appropriated fund and nonappropriated fund blue-collar employees who are paid by the hour. The system's goal is to make sure that Federal trade, craft, and laboring employees within a local wage area who perform the same duties receive the same rate of pay.

each are similar. Variations in engagement by supervisory status are shown in figure 4.

Figure 4: Estimated Employee Engagement Index Government-Wide by Supervisory Status, 2006 to 2014



Source: GAO analysis of Office of Personnel Management Federal Employment Viewpoint Survey data, 2006-2014. | GAO-15-529T

Notes: OPM's FEVS was administered biennially prior to 2010, when it began calculating the EEI, and annually thereafter. To determine the EEI for 2006 and 2008, we included same questions that OPM uses for the index, with the exception of the questions not included in those years. Employee Engagement Index estimates for the categories of the employee supervisory status variable have sampling variability of no more than plus or minus 1.5 percentage point at the 95 percent level of confidence except for those in the senior leader category, which have a sampling variability of no more than plus or minus 5.1 percentage points at the 95 percent level of confidence. Data represents agencies with more than 500 employees and with a minimum number of 100 respondents in each of the years.

[a]Non-supervisor means anyone who does not have supervisory responsibilities.

[b]Team leader means someone who provides employees with day-to-day-guidance, but does not have supervisory responsibilities or conduct performance appraisals.

[c]Supervisor means first-line supervisors typically responsible for employees' performance appraisals but that do not supervise other supervisors.

[d]Manager means those in management positions who typically supervise one or more supervisors.

[6]Senior leader means the political or career agency or department head or a member of the immediate leadership team responsible for directing the policies and priorities of the department or agency. The individual is typically is a member of the Senior Executive Service (SES) or equivalent. Prior to 2014, this category was called Executive and was defined as a member of the SES or equivalent.

With respect to other demographic cohorts, our preliminary analysis shows that engagement levels tended to be similar, regardless of the respondents' gender, ethnicity (Hispanic or non-Hispanic), or work location (agency headquarters or field).

Key Practices Found to Strengthen Employee Engagement

Performance Conversations Are the Strongest Driver of Employee Engagement Levels

For our ongoing work we used regression analysis to test which selected FEVS questions best predicted levels of employee engagement as measured by our index, after controlling for other factors such as demographic characteristics and agency.[17] Of the various topics covered by the FEVS that we analyzed, we identified six that had the strongest association with higher EEI levels compared to others, including (1) having constructive performance conversations, (2) career development and training, (3) work-life balance, (4) inclusive work environment, (5) employee involvement, and (6) communication from management (see table 1).[18] In many ways, these and similar practices are not simply steps

[17]Our regression analysis included all respondents to the FEVS, including those from agencies with fewer than 500 employees or 100 respondents.

[18]We included 18 FEVS questions in our models that we determined to be representative of the potential drivers identified in our literature review. We selected the questions that we determined to be most actionable and representative of the potential driver and other public policy considerations. If we had included different questions in the model, our results may have been different. We used linear regression models to assess the relationship between EEI and specific FEVS questions, controlling for other factors. We treated drivers of engagement as linear predictors of engagement. Because these questions are ordinal rather than true interval data, we conducted sensitivity tests to ensure that our results were similar when we treated the drivers as categorical variables.

to better engage employees; they are also consistent with the key attributes of high performing organizations.[19]

Table 1: Strongest Drivers of Employee Engagement Index, 2014

Constructive Performance Conversations: My supervisor provides me with constructive suggestions to improve my job performance.
Career Development and Training: I am given a real opportunity to improve my skills in my organization.
Work-Life Balance: My supervisor supports my need to balance work and other life issues.
Inclusive Work Environment: Supervisors work well with employees of different backgrounds.
Employee Involvement: How satisfied are you with your involvement in decisions that affect your work?
Communication from Management: How satisfied are you with the information you receive from management on what's going on in your organization?

Source: GAO Analysis of Office of Personnel Management Federal Employee Viewpoint Survey data, 2014. | GAO-15-529T

Notes: Results are based on a linear multiple regression analysis of all FEVS respondents that controlled for 18 potential driver questions, individual level demographic characteristics, and 37 distinct agencies. To set a practical threshold for significance when defining drivers for this discussion, we defined as drivers those FEVS questions for which each increase in positivity was associated with an average 3 percentage point or greater increase in the EEI. Other questions included in our model were statistically significant drivers of engagement, but implied a relatively smaller impact on engagement scores.

Our preliminary results show that having constructive performance conversations was the strongest driver of employee engagement. For the question "My supervisor provides me with constructive suggestions to improve my job performance," we found that, controlling for other factors, someone who answered "strongly agree" on that FEVS question would have on average a 20 percentage point higher engagement score, compared to someone who answered "strongly disagree" on the 5-point response scale.[20] As we found in our March 2003 report on performance management, candid and constructive feedback helps individuals

[19]GAO, GAO-03-669. See also, GAO, *Comptroller General's Forum: High-Performing Organizations: Metrics, Means, and Mechanisms for Achieving High Performance in the 21st Century Public Management Environment,* GAO-04-343SP (Washington, D.C.: Feb. 13, 2004).

[20]The five- point scale generally consisted of strongly disagree to strongly agree or very dissatisfied to very satisfied.

maximize their contribution and potential for understanding and realizing the goals and objectives of the organization.[21]

Our preliminary results also show that after constructive performance conversations, career development and training was the strongest driver. For the question, "I am given a real opportunity to improve my skills in my organization," we found that someone who answered strongly agree to that question would have on average a 16 percentage point higher engagement score, controlling for other factors, compared to someone who answered strongly disagree. As we found in our earlier work on this topic, the essential aim of training and development programs is to assist the agency in achieving its mission and goals by improving individual and, ultimately, organizational performance.[22]

For the remaining four drivers, our preliminary results indicate that someone who answered strongly agree to those questions would have on average a 12 percentage point higher engagement score, controlling for other factors, compared to someone who answered strongly disagree.

Importantly, our ongoing work suggests that these six practices were generally the consistent drivers of higher EEI levels when we analyzed them government-wide, by agency, and by selected demographic groups (such as agency tenure and supervisory status).[23] Because these six practices are the strongest predictors of engagement, this suggests they could be key starting points for all agencies embarking on efforts to improve engagement.

[21]GAO, *Results-Oriented Cultures: Creating a Clear Linkage between Individual Performance and Organizational Success*, GAO-03-488 (Washington, D.C.: Mar. 14, 2003).

[22]GAO, *Human Capital, A Guide for Assessing Strategic Training and Development Efforts in the Federal Government*, GAO-04-546G (Washington, D.C.: Mar. 2004).

[23]We limited our analysis of drivers to the 24 major agencies known as the Chief Financial Officers (CFO) Act agencies because the smaller agencies did not have a sufficient number of responses to produce reliable results. The CFO Act agencies are the executive branch agencies listed at section 901(b) of title 31, United States Code. The agencies covered by the CFO Act of 1990, as amended, are generally the largest federal agencies and account for over 98 percent of the federal workforce. We analyzed the drivers by demographic groups that represented a range in variation of engagement levels within the demographic group, did not overlap populations, and those where agencies could identify actionable steps for a subset of the demographic population, in our opinion. The demographic groups we analyzed were supervisory status, age, veterans status, work location (headquarters versus field), and agency tenure.

Agencies Are Taking Specific Steps to Strengthen Engagement

During our ongoing work, we have found that agencies that have improved employee engagement, or that already have high levels of engagement, apply the drivers noted above. Their experience with what works can provide practical guidance for other agencies as they attempt to improve their own engagement scores. For example, at GAO—which has consistently placed among the top five agencies on the Partnership for Public Service's *Best Places to Work* list since 2005—we have a number of initiatives related to the drivers of engagement. With respect to constructive performance conversations, at GAO, effective performance management is a priority. Performance conversations—including ongoing feedback and coaching—are expected to occur on a regular basis and not just as part of the annual appraisal process. Moreover, at all levels of the agency, supervisors are expected to create a "line of sight" connecting individual performance to organizational results. Likewise, with respect to an inclusive work environment, with involvement and support of top management, our Human Capital Office and our Office of Opportunity and Inclusiveness lead the agency through several continuous efforts, including (1) communicating the importance of diversity and inclusiveness from senior leaders, (2) linking SES/Senior Leader performance expectations to emphasize diversity, and (3) attracting and retaining a diverse workforce by, among other things, recruiting at historically black colleges and universities.

Actions taken by other agencies can also provide insights about implementing key engagement drivers. For example, during our ongoing work, Education's Office of the General Counsel (OGC) officials told us that they convened an office-wide meeting with employees at all levels to discuss the FEVS results—both to identify areas in which they could continue to build on positive trends, and also to identify opportunities for taking constructive steps to improve in other specific areas of the EEI scores. The focus of the conversation included steps that they could take to enhance and strengthen communication throughout the office, employee training and professional development, performance evaluation processes, and employee empowerment overall; as a result, Education's OGC management introduced additional training and professional development opportunities and improved employee on-boarding through a new handbook and mentoring program. Education's OGC officials said these opportunities—and the permanent, staff-driven Workforce Improvement Team (WIT) that formed as a result—have created feelings of stronger ownership, engagement, and influence in office decision making. Education's OGC officials said that OGC's management relies on the WIT for feedback to evaluate the effectiveness of improvement

efforts. This strengthens two-way communication, which improves employee engagement and organizational performance.

In another example, National Credit Union Administration (NCUA) officials told us that the head of the agency and its senior leaders communicate with line employees (who are mostly in the field) through quarterly webinar meetings. The meetings are scheduled to accommodate the field employees' frequent travel schedule and generally start with any "hot topics" and continue with discussion of agency efforts to meet mission goals. The agency head takes questions in advance and during the webinar and, when needed, participants research and share responses with agency employees. According to NCUA officials, these regular, substantive conversations demonstrate top leadership's commitment to line workers as valued business partners.

Agencies Need to be Sensitive to Limitations with EEI Data and Use Supplemental Information to Identify and Address Engagement Issues

OPM provides a range of different tools and resources to help agencies use EEI data to strengthen employee engagement. They include, for example, an online mechanism to share OPM-generated survey reports (at government-wide, agency specific, and sub-agency levels) to facilitate data analysis. OPM has also created an online community of practice to help share best practices. Our ongoing work indicates that these resources could provide agencies with needed support. However, when analyzing the information, it is critical that OPM highlight (and for agencies to be aware of) various limitations in the EEI data that could affect agencies' analyses. Our preliminary results found that these limitations include, for example, the following:

- The EEI Does Not Show Whether Changes Are Statistically Significant. OPM does not report whether changes to an agency's EEI are statistically significant—that is, whether an up or down change is not due to random chance. As a result, agency officials may be misinterpreting changes to the EEI and acting on data that may not be meaningful. Although OPM provides agencies with absolute changes in the EEI, those increases and decreases are not always statistically significant. Our preliminary analysis of the FEVS showed that 34 percent (16 of 47) of the absolute changes in agency EEI scores from 2013 to 2014 were actually statistically significant. In smaller agencies and at component or lower levels within larger agencies, large absolute differences are less likely to be significant.

- The EEI Calculation Does Not Allow for Analysis of Engagement Drivers. Research on employee engagement emphasizes the

importance of identifying the drivers of an engagement score as an initial step in improving employee engagement. For example, the Partnership for Public Service's *Best Places to Work* guidance lists a driver analysis as a key element in determining where agencies should focus their action planning efforts. However, we found that the way OPM calculates the EEI precludes a driver analysis because individual level data are needed to assess correlates of engagement, controlling for other factors.[24]

- The Short Cycle Time Between Surveys Presents Analytical Challenges. According to some agency officials we spoke with, the short cycle time between one annual survey and the next and the amount of time it takes for organizational change to take effect could be problematic. For example, because the FEVS survey cycle begins around May and agencies receive results in September or October, it may be late-winter or early-spring before an agency will have designed an action plan. By this time, the next survey cycle is on the horizon, allowing little time for agencies to analyze, interpret, and implement their action plans. Moreover, the annual survey cycle may not allow enough time for employees' perceptions to change before the next cycle begins. According to agency officials we interviewed, it can take at least few years, sometimes more, for a particular organizational change to have an impact on employee engagement. As a result, when examining a particular change in engagement level, it could be unclear whether that change is due to an action implemented the previous year or a different action implemented several years earlier. Thus, determining what works and what does not could be challenging.

  While acknowledging the issues with short survey cycle time, OPM stated that agencies are increasingly using the FEVS as a management tool to help them understand issues at all levels of an organization and to take specific action to improve employee engagement and performance. An annual survey such as FEVS can help ensure that newly appointed agency officials (or a new administration) can maintain momentum for change, as the surveys suggest employees are expecting their voices to be heard. Further,

[24]OPM calculates the EEI at the aggregate level—an average of the percent positive response—which precludes an analysis of drivers of engagement. For the work on this testimony, GAO re-calculated the employee engagement index at the individual survey respondent level in order to facilitate this analysis.

OPM noted if agencies, managers, and supervisors know that their employees will have the opportunity to provide feedback each year, they are more likely to take responsibility for influencing positive change.

Given these limitations and agencies' current uses of FEVS data, our preliminary results suggest that agencies will need to supplement FEVS data with other sources of information. For example, some agencies use facilitated discussions to better understand their EEI scores and to identify and implement strategies for improvement. Other quantitative data—such as turnover rates, equal employment opportunity complaints, and sick leave use—may provide insights as well.

In conclusion, research on both private firms and government agencies has demonstrated the linkage between high levels of employee engagement and improved organizational performance. Given the complex and challenging missions agencies face as well as the myriad number of routine actions and services they perform on a daily basis—all within a constrained fiscal environment—agencies must make strengthening and sustaining employee engagement an integral part of their organizational culture and not simply a set of isolated practices.

OPM recognizes this and has taken a variety of actions that, in concept, show promise for improving employee engagement government-wide. They include (1) focusing agencies' attention on strengthening engagement by leading efforts to implement the CAP goal; (2) establishing a performance target; (3) providing a variety of tools and resources to help agencies analyze FEVS data and share best practices; and (4) holding agencies and senior leaders accountable for specific efforts and achieving key results.

At the same time, our ongoing work has shown that the EEI has limitations and the short time between survey cycles could be problematic. Agencies need to understand and address these limitations so that they properly interpret the information and target corrective actions accordingly.

Chairman Meadows, Ranking Member Connolly, and Members of the Subcommittee, this completes my prepared statement. I would be pleased to respond to any questions you may have.

Contacts and Acknowledgments

For further information regarding this statement, please contact Robert Goldenkoff, Director, Strategic Issues, at (202) 512-6806, or goldenkoffr@gao.gov.

Individuals making key contributions to this statement include Chelsa Gurkin, Assistant Director; Tamara Stenzel, Analyst-in-Charge; Carl Barden, Alyssia Borsella, Martin De Alteriis, Deirdre Duffy, Anna Maria Ortiz, Ulyana Panchishin, and Karissa Schafer.

Mr. MEADOWS. Thank you all. Thank you for your testimony.

And, Mr. Goldenkoff, I want to come to you first because, obviously, your agency is—they are doing things right because you get better scores. Some of the things that you just highlighted there certainly are things that need to be implemented.

In the analysis that you did, did you find a resistance, perhaps, on the part of senior-level executives or mid-level managers or the like or even as high as cabinet to implement some of those additional recommendations or observations that you have made?

Mr. GOLDENKOFF. No. We definitely did not find a resistance. It seems like, at the top level, agencies seem to be getting it. As you've heard here today,secretaries and other heads of agencies at the senior level, they seem to be getting it.

To the extent that there are any breakdowns, it seems to be more in the implementation, either insufficient data analysis, for example, doing root cause analyses, looking for the drivers of engagement both at the enterprise level and by component level. In some cases, there are issues with communication.

So it's not the case—you know, if you look at it sort of as a maturity model, agencies are definitely recognizing the need to take action. But it's more now in terms of—and where the focus should be is on better implementation of key steps.

Mr. MEADOWS. All right. So let me ask one other question before I go on to some of the other witnesses.

How much of this is a legislative fix that is needed with regards to either the civil service, you know, performance metrics or whatever? How much of that can we fix and how much of that is where we have to put emphasis so the agencies can fix, in your opinion?

Mr. GOLDENKOFF. Well, what's so important is I think there needs to a partnership. And we've heard a lot of that today. It's really very encouraging. Clearly, Congress gets the message as well.And just being supportive of the Federal workforce, but also holding them accountable for results, is so important.

In terms of legislative fixes, most of what needs to be done really starts with agencies and agency leaderships creating that culture of engagement and then cascading that down and creating almost like micro-levels of engagement.

So it can be done. It starts at the top level, at the C–Suite, and then filters all the way down to the cubical and then just focusing on these key ingredients and these key drivers of engagement.

So in terms of a legislative fix, you know, I don't think anything stands out. I mean, there are certainly things like the shutdown, things that may not have been helpful. But at the same time——

Mr. MEADOWS. My ranking member was just about to go crazy that that softball was not hit out of the park.

But go ahead.

Mr. GOLDENKOFF. GAO is not completely inattentive.

And one thing is important to note. And this is what we bring out in our testimony, in the written statement, but, also, in the full report that will be coming out in a couple of months.

During those difficult times, what was interesting was the number of agencies that actually improved their scores and went up. So, you know, it——

Mr. MEADOWS. So let me ask you: On the ones who improved their scores, what kind of affirmation did they get to continue that?

Because, you know, we all are in either a reward or risk-averse society where punishment we hate, rewards we like.

But did any of that happen to any those that improved scores other than that they got a good score on a report that some would say most don't look at?

Mr. GOLDENKOFF. Well, there is that. But a lot of people do read that. And, of course, it's in the Washington Post, and we have hearings on it. So these things do get a lot of publicity.

I think that, you know, really what drives so much of this is, one, better agency performance. You know, we are all public servants and we really focus on agency mission.

So to the extent that better engagement and higher morale leads to better accomplishments at the agency level and then at the subcomponent, that's a big driver.

And then, also, holding individual leaders, from the executives all the way down to those front-line supervisors—everybody is responsible for improving engagement.

Mr. MEADOWS. All right. Thank you so much.

Mr. Ferriero, I want to come to you. Yesterday you shared with me how you worked in a very hot area picking books off and that you understand some of the issues that some of your workforce gets to engage in on a regular basis.

So I would ask you: With the scores being as low as they are and the action plan that you have outlined, what are the major impediments to providing—to getting the scores up?But, more importantly, the scores would represent a change in attitude among many of the people that you have working.What is the major impediment that you might have?

Mr. FERRIERO. I think it's clear that a tripling in the size of the record collection and a decrease in the number of total staff over a period of years has had tremendous impact on the staff's ability to keep up with the work that needs to be done.

What I was sharing with you yesterday was my own experience about how routine the jobs get to be and no opportunities for advancement or enhancement of job skills.

So we have an initiative underway that's addressing career paths so that folks have an opportunity to join the National Archives and see a career path that gives them a certain set of skills and opportunities for advancement.

As I said, it's very personal to me because this is the situation that I had when I first started my job in this profession.

Mr. MEADOWS. So can we get from each one of you that are on this list kind of a benchmark of where you would like to be 6 months from now and a year from now? I mean, are each one of you willing to at least give me a goal that you are looking to get in terms of increasing these numbers? I will start with you.

Mr. FERRIERO. Well, we've laid out—I'm encouraged because the staff at large has taken this seriously and they've taken ownership of the issue.

So we have employee engagement teams working across the National Archives to identify in the local area what are the most important issues that are—and they're basing this on the scores—

what can we do locally to address these issues. A national-level team works with those individual teams to look at patterns across the agency.

Mr. MEADOWS. I guess what I am asking for is, in order for me to properly evaluate it and for the ranking member to properly evaluate it, we at least need a goal that the three of you are looking at. And that may be a modest goal in saying, "We are looking at increasing the score and making it here or here."

And is it that something that you are willing to get with your senior staff and provide to the committee in terms of some clear objectives and where you want to be?

Then we have got a matrix to at least measure against so we are not here next year saying, "Well, we didn't make much progress" and all of you are saying, "Oh, we did make progress." I need something quantifiable, I guess is what I'm saying.

Mr. FERRIERO. I would like to be able to come back to you and brag about the fact that we have improved scores in at least three different areas that the staff has identified as problem areas.

Mr. MEADOWS. Let me put it a different way for all three of you. Here is what I am asking you to provide to this committee, is a score, a quantitative number, in terms of where we are today and where you would like to be a year from now.And then you have already outlined some of the action plans that you are doing, obviously, to get there.

But I want to make sure that we can measure against that and say, "Okay. Well, gosh, these things worked. These things obviously didn't move the needle at all. So let's scrap them and go on to something else." Would all three of you be willing to work on that?

Mr. FERRIERO. I can provide that for you.

Mr. EHRLICH. Yes, sir.

Mr. MEADOWS. I've gone way over my time.

So I am going to recognize the ranking member, Mr. Connolly.

Mr. CONNOLLY. No problem. Thank you, Mr. Chairman.

Mr. Ferriero, how many employees have you got?

Mr. FERRIERO. Just under 3,000.

Mr. CONNOLLY. Three thousand.

And would it be fair to say you are kind of focused on the organizing principle of a core mission that is fairly clear, employees understand what their mission is?

Mr. FERRIERO. And they love it.

Mr. CONNOLLY. And they love it.

Ms. Emerson, how many employees have you got?

Ms. EMERSON. DHS is the third largest Federal agency. So we have over 225,000 employees at DHS. We're very large.

Mr. CONNOLLY. And how many agencies—subagencies were amalgamated to create the Department of Homeland Security.

Ms. EMERSON. Approximately 22 agencies.

Mr. CONNOLLY. Twenty-two agencies.

And so would it be fair to say, unlike, say, Mr. Ferriero, although you have got an overarching mission, the security of the homeland, once you get below that—that amalgam of 22 agencies, you have got lots of different missions?

Ms. EMERSON. We have lots of different missions underneath that. Of course, we have our main mission, and this is——

Mr. CONNOLLY. No. No. We got that.

Ms. EMERSON. —protecting the homeland.

Mr. CONNOLLY. We got that.

But when we look at Secret Service, it has got a specific focus. Coast Guard has a very different focus. You know, Border Patrol has a different—you know.

And would it be fair to say that it is a little misleading to even give a grade to the Department of Homeland Security as a whole because, actually, when you look at your constituent parts, there is enormous variety in the scores of morale and employee satisfaction?Is that correct?

Ms. EMERSON. That's correct.

Mr. CONNOLLY. So, for example, Coast Guard has a very high score.Is that correct?

Ms. EMERSON. That's correct.

Mr. CONNOLLY. And perhaps Secret Service at the moment has a fairly low score relative to that.

Ms. EMERSON. They've been dropping in their score.

Mr. CONNOLLY. Yeah. They have been dropping.

So I think that is really important, that in the case of the Archives, we have got a focused agency, clear core mission, and the employees love that mission and are imbued with it, and it is a fairly focused kind of set of activities we have got to concentrate on because the numbers are manageable and small and all that relative to you.

The Department of Homeland Security is, you know, a huge enterprise, and it is really misleading in some ways to give you one score because, implicitly, it suggests a homogeneity that, in fact, is not correct, is not accurate.

Mr. Goldenkoff, I assume, as GAO is looking at this process, it is taking cognizance of that difference.

Mr. GOLDENKOFF. Yes. I mean, with DHS in particular, I mean they've merged all these agencies, merging these very, very different cultures, different missions, and it just takes time. And DHS is still working through that process.

Mr. CONNOLLY. Yes.

And I don't want to overstate it. And the chairman was kind enough to note that I was a little agitated as you were answering his question because I do think that Congress has to take responsibility for some of this. We're not bystanders or observers.

And sometimes, listening to ourselves, you know, we might as well put up a sign, "The flogging will continue until morale improves." We're, in part, responsible for that. I gave a litany of actions we have taken that have certainly not contributed to improved morale.

And I would hope—and I know the chairman absolutely is committed to trying to do what he can to turn that around. We need to be speaking in respectful tones about our workforce. We need to be motivating them and incentivizing them. We need to be fair. We need to avoid the demagogic or the pandering, even though the temptation politically may be great. Because back home, you know, beating up on nameless bureaucrats, you know, can help you.

Defending the Federal employee is of low political yield in many districts, not mine, but many. And avoiding that, you know, I think

is really important. And I really respect the chairman for the fact that he is committed to that, too. And he is in a different kind of district than mine. And I really appreciate that commitment.

Mr. Ehrlich, let's take a look at the ranking of the Chemical Safety Board. The Partnership ranks your board 10th out of 10, the lowest of the low of small agencies, with a score of 33.7.

Now, that's almost half the average and well below the high of 76 and well below the private sector. And that represents a 2.9-point fall from just the year before and a huge decline from what it was just 2 years ago, when it was 54.2.

So you've seen a precipitous drop in morale in the Chemical Safety Board.Is that correct?

Mr. EHRLICH. Yes, sir. I have seen the numbers, and I understand that. I've been there 5 months. I can tell you it's getting better and we're going to continue to make it better. I think we understand why some of those issues occurred, and I think we're doing something to turn them around. Our work product has not faltered during this period.

Mr. CONNOLLY. You said "we think we understand why." Perhaps you can elaborate. Why?

Mr. EHRLICH. Well, for one thing, many years ago, a guy by the name of Tom Peters wrote a book that was called Management by Walking Around. Okay? I have not seen that until recently. Okay?

We have people we're dealing with. They are not robots. They're not automatons. They're human beings who want to know that they're valued. And just going out and asking them, "How are you doing? How's your family?"—you are out on an incident where four people got killed. We have got two teams deployed right now, one in Texas where four people died at La Porte, Texas, and a massive explosion in California. Those people need to know that we care about them.

And once you start to let people know that you care about them and you are willing to invest your time and your effort, which is really what we all get paid for, and be part of the solution instead of part of the problem, morale gets better.

Mr. CONNOLLY. The CSB, of which you are a board member, hired a consulting company called Vantage Human Resource. And in September of last year, it found that 80 percent of staff expressed "much frustration with top leadership" and further felt "conflict among board members is having a negative impact." And 47 percent said there is a perception of a climate where senior leaders discourage dissenting opinions.

Now, you are part of that leadership.Maybe not a long-termer.You are part of that board. Your observations about the findings of your own consulting firm that you retained—the board retained to look at these issues.

Mr. EHRLICH. Well, there's some issues with that Vantage study in terms of how it was handled and how it was managed, and as well I'm sure you know. Because of our concerns about that, the whole process has been turned over to the IG for examination and we're awaiting the outcome of that examination now.

I think that the data was clearly taken. I don't have a whole lot of confidence in it right now. I have not reviewed it in absolute de-

tail because I want to go down and talk to the people myself and I want to find out what's really on their minds.

And I think that's much better derived by face-to-face intervention and interaction than by having somebody fill out a piece of paper and talk to somebody else.

Mr. CONNOLLY. If the chair will indulge just one follow-up question, did it surprise you, Mr. Ehrlich, or your colleagues that the actions or statements, or both, of the board actually had an impact in terms—a fairly dramatic impact in the morale of the workforce itself.

Mr. EHRLICH. No. It really didn't surprise me because, in talking to the staff members, they want something from their board members. They want to know "We're part of the team." They want to know we're there to support them, not to achieve our own agendas and objectives, whatever they may be.

One of my pet peeves about being a board member is I don't have a job description. Well, we're working on a job description. I want to know what people hold me accountable for. I hold myself accountable for very high standards. And I think and I believe sincerely that, once that message gets out to the staff, that you're going to see a dramatic change.

Mr. CONNOLLY. Thank you, Mr. Chairman.

Mr. MEADOWS. I thank the ranking member.

Mr. Ehrlich, let me follow up. I'm confused. I mean, you've been there 5 months. You've been here before this committee on another issue just a few weeks ago.

Mr. EHRLICH. That's correct.

Mr. MEADOWS. And there was disagreement among the board members during that hearing. Would you——

Mr. EHRLICH. That's correct.

Mr. MEADOWS. So, what the ranking member just brought up in his questioning doesn't seem like you've fixed that, or are you saying that, shazam, it's been fixed.

Mr. EHRLICH. Well, no, I didn't say that at all, Mr. Chairman. Those things takes time to fix——

Mr. MEADOWS. Well, I guess here's my concern. You've one of the smallest agencies.

Mr. EHRLICH. That's correct.

Mr. MEADOWS. So knowing what they're thinking is certainly a whole lot easier than what Ms. Emerson has to deal with.

Mr. EHRLICH. Understand that.

Mr. MEADOWS. How many employees do you have?

Mr. EHRLICH. 40.

Mr. MEADOWS. Forty. At the time of this survey you had 34 employees, and 32 of them responded, which is an incredible response rate.

Mr. EHRLICH. Yep.

Mr. MEADOWS. I mean, I've never seen that ever. And yet that incredible response rate gave you an F, a failing grade. And you're sitting here saying that there was a problem with the study that the ranking member highlighted? How could that be? I mean, what basis do you say that there was a problem with? Do you base that on the fact that Mr. Horowitz, who is still working with you, pun-

ished the point of contact for actually doing the survey? Do you base that on that?

Mr. EHRLICH. Sir, I'm not sure I accept that terminology.

Mr. MEADOWS. Well, he did punish the point of contact. Is that your testimony that he did not?

Mr. EHRLICH. There were mitigating circumstances to how that information was handled. Dr. Horowitz is a very valuable asset to the agency.

Mr. MEADOWS. I agree with that, and why would Dr. Horowitz not be here today, Mr. Ehrlich? We asked him to testify because he probably knows it better than you since you've only been there 5 months. Why would he not have come today, Mr. Ehrlich?

Mr. EHRLICH. Well, first of all, he is not in a policy making decision, and general counsel advised that the person that represents the agency should be in a policy making decision or a pass. There—there—first of all——

Mr. MEADOWS. So did he punish him or not?

Mr. EHRLICH. Not in my opinion. No, sir——

Mr. MEADOWS. All right. How about the other board members who are not here? In their opinion did he punish him? I mean, I've got reliable information that would suggest that he did.

Let me tell you why you're here today is because the employees that work for you have given you an F consistently. And the other thing is what we are not going to put up with is a whole lot of it isn't as bad as it seems. Your particular agency is troubling in that we get the best analysis, you know, I think—I think the ranking member said it was 80 percent of the people didn't have confidence in the leadership. You know, 80 percent of 40 people or 34, depending on which you want to look at, is a significant number, and that's very troubling to me, because it should be very easy to address their concerns. Wouldn't you agree with that, Mr. Ehrlich?

Mr. EHRLICH. I would. And——

Mr. MEADOWS. So how are you specifically, other than walking around, which I used to be a consultant. I could—I taught on that particular book, and so—but other than just walking around, specifically how are you addressing these concerns?

Mr. EHRLICH. We have a work improvement committee in place where we've detailed six major topics that we're working on. We're going to put metrics in place relative to them. They're not—totally unlike what other witnesses here have talked about in terms of onboarding and statistics and the like, those things take time. And they are getting better. All right.

Mr. MEADOWS. Based—okay. You just talked about metrics, and I am going to come to the delegate from D.C., and she's been gracious to not complain, but let me—under what metrics are you saying that they've gotten better? Because I don't—I don't see any. I mean, you just talked about metrics that the GAO—you're going to implement some of those. Under what metrics are they getting better?

Mr. EHRLICH. The fact that we're continually finishing reports. The fact that we've got our backlog down.

Mr. MEADOWS. Backlog and reports is not employee satisfaction, guy. I'm just telling you it's——

Mr. EHRLICH. I'm sorry, sir, but I believe when people take pride in turning out reports and turning out videos as they do——

Mr. MEADOWS. But that's not a metrics, Mr.——

Mr. EHRLICH.—that is employee satisfaction.

Mr. MEADOWS. Mr. Ehrlich, let me just tell you. I was in the private sector for long time. I did consulting. I did this kind of work on employee satisfaction. And so, you know, when you—I've run into managers like you who said everything's fine. The metrics you have can't be accurate. I've run into it a number of times, and let me just tell you, I'm asking you specifically: What metrics are you referring to that they've gotten better? Not—not stories, not anecdotal references. What metrics? Are there any? Yes or no. Are there any metrics? Yes or no.

Mr. EHRLICH. Yes.

Mr. MEADOWS. What are they?

Mr. EHRLICH. I just told you what they were, sir.

Mr. MEADOWS. That's not a metrics, sir.

Mr. EHRLICH. Okay.

Mr. MEADOWS. So what metrics?

Mr. EHRLICH. I believe that when you go out and you ask people questions about how they feel about their workplace, how they feel about senior management, what is it they want, that, to me, can be resolved and reduced to writing and put into some kind of metrics.

Mr. MEADOWS. All right. I am going to—well, we will have a second round of questions. We'll come back and address that.

I appreciate the patience of the gentlewoman from the District of Columbia, and I'll recognize her for a round of questioning. Ms. Norton.

Ms. NORTON. Thank you, Mr. Chairman. You can always count on me to be patient.

Mr. Chairman, actually, I very much appreciate this hearing. And just to put in hearing—sorry. To put in context my appreciation for the hearing, no matter how you look at it, employees of the Federal Government have felt under special criticism, particularly from the Congress. I mean, there's no gain saying this. In fact, yesterday some of us were on the floor as there was a—by the way, there was some good bills on the floor during tax day, and then there were some bills that were very demoralizing. I went to the floor to speak to one on tax filings where the Federal Government workers have the best tax filings in the country, and, sure, they're being paid by the Federal Government, but they took a lashing even though they are in place, absolutely in place, very—very good and effective ways to deal with those tiny numbers who have not fully paid their Federal taxes.

So, to be lashed when you are the best, I don't know what you have to do. And we are seeing a generation which may be the golden generation of Federal employees. These employees who came in after JFK. These people who were the best and the brightest who decided to give it all to the Federal Government when they could have been everywhere, and if you want to see just good they are, there are annual prizes. And these people have invented things that if they'd invented them in the private sector, they would be

millionaires by now. Discovered all kinds of health benefits. It's quite amazing. I go to this ceremony every year.

I'm particularly interested in the Department of Homeland Security, Ms. Emerson, because the last agency in the country perhaps we need to have last—rated last is this high security agency within this—which in this very room we created in order to secure the homeland. Now, some of the reasons are quite obvious. I mean, we just finished having a late budget fight when everybody else in the Federal Government was funded except your security agency. Imagine how that would make you feel if you work for one of those agencies. And over nothing. Had to give up in the end. So why do such a fight. I don't even want to go into the sequestration, and to not having—and to the continuing cuts on—in pay. So I think everybody ought to understand that there's a wonder that there's anything approaching good morale.

But when you look at the Department of Homeland Security, which ranks near the bottom and is so important to every American, how would you explain, Ms. Emerson, its low ranking?

Ms. EMERSON. Thank you. And thank you for mentioning those challenges that DHS employees have had, as well as the rest of the Federal employee workforce.

Sequestration, budget cuts, freezes, furloughs, they all have an effect on employee morale. And as you mentioned, just recently DHS went through a potential lapse in budget again. So that—that does have an effect, but what I'd like to bring forward is that we have top leadership support through our Secretary and Deputy Secretary. In fact, before we even started this hearing, Secretary Johnson was here giving his support, showing how important employee morale is to him. He has——

Ms. NORTON. I know that—I appreciate and I'm very sorry. I had a breakfast of my own. I could not go to this meeting that he has come forward personally to try to explain what he's doing, but I was concerned that the senior leadership of all places is where you've seen so much turnover at the Department of Homeland Security. Why is that?

Ms. EMERSON. In fact, our attrition rate is better than the rest of the government in terms of senior leadership and in the rest of the Federal workforce, and that's been confirmed by OPM as well as our own internal folks who——

Ms. NORTON. Secretary Johnson has characterized it as a leadership vacuum of alarming proportions.

Ms. EMERSON. Well, he has been very busy filling senior leadership vacancies. In fact, he's filled 16 of them. We have three more left, but he's done a very good job, and he's worked——

Ms. NORTON. You do have some—some acting officials in a fair number of your top jobs. Is that because of difficulty in getting people to come to the agency because of the difficulties it's preceded, or is there some—it's incumbent—it's gotten or is there some other reason?

Ms. EMERSON. Well, Secretary Johnson has worked very hard to get those positions filled. From day one he came in promising that he was going to fill those top leadership positions. We do have three acting positions now that he's still working. He's working hard every day to get those positions filled, and anything that you

all can do to help him out on that we would appreciate because I think that when you have someone in an acting position at a very high leadership role, that does tend to——

Ms. NORTON. Well, I can't help but notice that the one agency within the Department of Homeland Security that stands out is the United States Coast Guard, and it is the one agency that already has its new headquarters. You are building a new headquarters here in the District of Columbia. The Congress has slowed you up, and as a result has cost the taxpayers billions more because the only agency to be completely built is the Homeland—is the United States Coast Guard, and yet it has strong scores among the best places. Do you think that has something to do with the fact that at least they have a decent place to work?

Ms. EMERSON. I think it very well could, and when Secretary Johnson was here this morning, he was talking about the headquarters building we call the NAC, the Nebraska Avenue Complex, and invite all of you to come see that.

Ms. NORTON. No. I'm talking about the Coast Guard building.

Ms. EMERSON. Oh, the Coast Guard building is the new building, and, yes, it's very nice. And that could have an effect on their morale. They're together and it is a state-of-the-art building, and we appreciate that building.

Ms. NORTON. Thank you, Mr. Chairman.

Mr. MEADOWS. Thank you so much.

The chair recognizes the gentleman from Colorado, Mr. Buck.

Mr. BUCK. Thank you, Mr. Chair.

Mr. Ferriero, could you tell me, what is the mission statement for your agency?

Mr. FERRIERO. To collect, protect and encourage the use of the records of the U.S. Government.

Mr. BUCK. Okay. And Mr. Ehrlich.

Mr. EHRLICH. Our mission is to—our mission is to respond to major chemical incidents and supply that information to the American public to make the chemical industry a safer place to work.

Mr. BUCK. Okay. And if I looked it up, that would be the mission statement that you have on your Web site that your employees get?

Mr. EHRLICH. It's a little more involved than that, but I think everybody works towards that mission, yes.

Mr. BUCK. Okay. And Ms. Emerson?

Ms. EMERSON. At Department of Homeland Security, we have a very important mission, and that's to protect the homeland.

Mr. BUCK. Okay. And that's the mission statement that's written?

Ms. EMERSON. Yes, sir.

Mr. BUCK. And is one of those areas, I take it, immigration?

Ms. EMERSON. Yes, sir.

Mr. BUCK. And do you think that the immigration policies of the administration that have encouraged hundreds of thousands of people to cross the border illegally, does that have an effect on morale at your agency?

Ms. EMERSON. I know that our Secretary and Deputy Secretary have met with employees and their union representative to discuss that issue.

Mr. BUCK. Is that a yes or a no?

Ms. EMERSON. I'm unsure. When you look at the FEVS scores, it's hard to tell what, you know, affects the scores, and oftentimes you have to do a deeper drive. So that would be hard for me to speculate on. But I know it is something that our Secretary and Deputy Secretary work with the union partners and employees on.

Mr. BUCK. So I just want to make sure I understand. It's hard for you to speculate about the fact that the immigration service is trying to regulate immigration in this country, and it has gotten to the point where it's completely unregulated and it's hard for you to speculate whether that is causing a morale issue?

Ms. EMERSON. Yeah. I'm not—I'm not sure, and I'm not an expert on immigration, but I do know that it is an issue that our Secretary and Deputy Secretary work with our employees on.

Mr. BUCK. Do you think we have an immigration problem in this country with the number of illegal immigrants that have come into this country?

Ms. EMERSON. Sir, I'm not an immigration expert, and I really don't feel I should give an opinion on that.

Mr. BUCK. Do you read the newspapers?

Ms. EMERSON. Yes, sir.

Mr. BUCK. And watch TV?

Ms. EMERSON. No. Not much.

Mr. BUCK. Not much.

Ms. EMERSON. There is a lot of sporting event on in my house. We have two teenage boys.

Mr. BUCK. That's a good thing.

So in your daily experience, you haven't noticed whether we have an immigration challenge in this country?

Ms. EMERSON. I know that Department of Homeland Security is abiding by the law, rule, and regulations, and our Federal employees do that as well.

Mr. BUCK. And the fact that—I have worked with a number of immigration agents, and they feel like they are a race horse that is being kept in the stable. They never get out to the gate to be able to run. And that is the morale issue that I hear from the people that are on the ground and in my prior life in law enforcement.

And I think if people have a mission and a mission statement and they are frustrated—they're obviously attracted to the agency because they wanted to work on that mission, and that they're frustrated in that sense, it seems to me that would be part of the morale problem. Any opinion on that?

Ms. EMERSON. It certainly could be. As Federal employees, you know, we have different policies and laws that we have to follow, and sometimes they come with different administrations, but that's our job, is to follow the laws, rules, and regulations that are in place at the time.

Mr. BUCK. And in some cases not follow the law. Not that you're breaking the law, but not enforcing the law because a President has issued executive orders and other direction and used the terms prosecutorial misconduct or has decided in other ways that he is going to frustrate the mission statement of an agency.

No further questions.

Mr. MEADOWS. I thank the gentleman.

The chair recognizes the gentlewoman from New York, Ms. Maloney, for 5 minutes.

Mrs. MALONEY. Okay. First of all, I want to thank the chairman and the ranking member for holding this hearing. I think it's very important because we have the finest workforce in the world. Our Federal Government is superb, and that morale is low is very, very troubling to me from the reports that the chairman was able to review personally on it.

I have worked on the city and state level in New York in the bureaucracy, and everyone I worked with were very dedicated, very hard working, as are our Federal employees, and I was amazed when I came to the Federal Government to see how very professional this government is in their work. There's always room for improvement, but it's extremely professional. And I believe some of the problems is that people attack Federal employees all the time, and it seems like every time we need to find some money, we take it out of Federal employees.

And instead of leading the country with work/family balance, which the President has spoken about and which one of your reports showed from GAO that work/family balance is a very important part, you are dragging behind the private sector tremendously, and I will give you two examples, and I think that, Chairman Meadows, these are things we can work on together that don't cost money. I know that's the first thing with the Republican party. I can't spend a dime, but can make things work better, and I'll give you two bills that the President actually—and I was very thrilled that he mentioned them in his State of the Union address.

One is paid leave for the birth of a child. I've had this bill in for a number of years. It passed the House once. Never passed the Senate. The President has endorsed it. GAO did a report, as did OMB, that it would not cost any money. And in the report that I did, and actually even wrote about it in a book, Rumors of Our Progress Have Been Greatly Exaggerated, we are the only country in the world, save two, that does not provide paid leave for the birth of a child. The two that do not provide it is Lesotho and Papua, New Guinea. And in the report they said the birth of a child for 2 weeks paid leave would be—the work would be picked up by other fellow employees helping out. Granted it would be more work for them, but you're not going to hire another person for it, but it's something that we can work together and make happen in a positive way.

I will tell you, I have had Federal employees call me on is this bill passing. I want to time the birth of my child around the passage of it because in our family I cannot afford to lose workweeks and pay for the birth of a child. I think that's a concrete step that we can take to show Federal employees we value their work. Most—all Fortune 500s, most companies have this, but the Federal Government does not.

Another—and I want Trey Gowdy to hear this, because he's from a conservative state and I'm from a liberal one. If we ever teamed up, we might be able to get some of these things done.

That bill should pass. Issa said he's for it. Let's take a look at it. Let's see if we can pass that bill.

Secondly is work/family balance. And as a mother who raised two children, I can't tell you how distressing it is if you have a doctor's appointment or your child's home sick and you have to be at the office.

Now, what the Work/Family Balance Bill does, which was supported by Labor, and it was authored by myself and former Senator Kennedy, and based on policies that were put in place in England, it merely allows an employee to go to their HR advisor, human resources advisor, and ask about work/family balance items. And with the guarantee that you will not be fired for asking about it. And many people are very terrified of being fired. They need their jobs.

I've been in the same position in my own life, and I can tell you when I had a child, I went to my HR and asked about family leave, and they said: There is no leave policy. Women just leave. When are you leaving? I said: I have no intention to leave. I'm coming back. But I was terrified that I would be fired because I was going to become a mother.

And as a country that talks about family values as the most important thing in our country, if you look at our policies, they're really not there. We could pass paid leave easily, and we could pass—we could pass work/family balance very easily. Does not cost any money. You work it out with your HR advisor, and if it works within the timeframe and you can get the work done, then it can work out.

Now, if have you a highly motivated worker, which I think the Federal employee—employees are, they make a choice to serve this great country. What an honor to serve in the Archives. On the archives on this greatest democracy. This great country. To preserve them.

We in New York have digitized our main libraries so that everyone in the country can access our books. Everyone in the country should be accessing what we have in our great archives. To see the original Declaration of Independence. The original things that are part of our country. And I read that that hasn't happened. You should go back to your office, work with your team, make it happen, and report back to this committee every month on how fast you're working to digitize this system so that every American—believe me. Your workforce will be so motivated over the great goal of having this trove of information.

To protect the greatest defender of democracy and human rights in the world, what a privilege to work at the Homeland Security Department. What a privilege. And if you have clear guidelines, you should make them go to the 9/11 Museum and hear the stories of the devastation. Hear the stories from the SEALS that risked their lives. They thought they were going to die when they went out to kill Osama bin Laden, but they did that to protect this country, to make sure if anyone did this—killed an innocent American, that we aren't going to forget, we're going to get them. What a story to tell.

I'm telling you, you take a day. Take them down to that museum. Have them study it. They will come back so motivated on the goal that they have to protect Americans and this great country. We have such an opportunity.

Now my time is expired, unfortunately. I'm just warming up.

Mr. MEADOWS. You may be running for President. We're ready.

Mrs. MALONEY. Now, I have some more ideas, but I'll wait for my turn. But I think that there's things that we can do that will not cost money. I know my marching orders. We will not cost a dime. That we can do to help this workforce and help them catch up to the private sector, and most people look to the Federal Government for best practices, and we should be implementing all the best practices that Mr. Goldenkoff put out in his report, and work/family balance. I happen to have some bills in it, I've worked in it, I've lived it. So I——

Mr. MEADOWS. I will——

Mrs. MALONEY. But we should implement those recommendations that the GAO gave.

Mr. MEADOWS. I will endeavor to work with the gentlewoman from New York, and we'll get that.

I recognize the gentleman from South Carolina for 5 minutes.

Mr. GOWDY. Thank you, Mr. Chairman. And I want to thank you for your hard work on this issue and so many other issues on the Oversight Committee, and I do want to say that I not only have great personal affection for the gentlelady from New York, but I also have great respect for her, and I would welcome every opportunity to work with her on whatever issue she is working on.

Ms. Emerson, with—I want to follow up on what District Attorney Buck brought up with respect to—to your place of employment. Do you want to hazard a guess why women and men go into law enforcement?

Ms. EMERSON. To serve their country.

Mr. GOWDY. Yes. More specifically, what would you say? What draws women and men to law enforcement?

Ms. EMERSON. At DHS?

Mr. GOWDY. Just in law enforcement in general.

Ms. EMERSON. My thought is to protect the homeland, to follow—to enforce the laws.

Mr. GOWDY. Right.

Ms. EMERSON. Do the right thing.

Mr. GOWDY, Respect for the rule of law?

Ms. EMERSON. Yes.

Mr. GOWDY. Because the law is the greatest unifying force that we have in our culture. It's the greatest equalizing force that we have in our culture, and it really is what separates us from lots of other societies. It provides order. It provides structure. It provides predictability.

And I realize that your job may or may not afford you the opportunity to go out into the field and talk to the women and men who work. I don't want to judge your job. I don't pretend to know how many opportunities you have, but I can tell you District Attorney Buck in a previous life worked with law enforcement every day, and so did I. And I have a lot of friends that are still in Federal law enforcement.

And it breaks my heart to see that any law enforcement entity ranks itself 314 out of 315 in terms of places to work. And I would just ask you to encourage—or I would encourage you to ask yourself whether asking men and women who went into a job to enforce

the law not to enforce the law might possibly be responsible for that low rating.

Because I can tell you every time I go home and I talk to the women and men who are still in law enforcement, nothing would diminish their morale quite like being asked to do the opposite of what they signed up to do.

Mr. Archivist, as you know, I am biased towards you. So I—my questions or lack thereof will reflect that bias. I worked with you in the past. You were gracious enough to come to my district where you were warmly received and wildly popular. They want you to come back and they want me to leave. They actually do. So I will say this. I am confident that you are going to identify whatever issues exist, and I am confident that you are going to work on those issues. I know you will.

And I would also encourage you, because there's not a more fair minded, conscientious, hard working member of Congress than Mark Meadows, our chairman, and to the extent that you could privately meet with him. He was wildly successful in a former life, and he's wildly successful in this life. I know that you want that ranking to improve, and I know that he wants that ranking to improve, and to the extent that you all could work together to remedy that situation, I think it would be in all of our best interests.

And with that I would yield whatever remaining time I do have to my friend from North Carolina, Mr. Meadows.

Mr. MEADOWS. I thank the gentleman for his kind words, and I would debate one particular point in that, the tenacious spirit of the gentleman from South Carolina and the diligence of which he performs his actions are unmatched and unrivaled, and so I thank him.

And I would concur, archivist, you have a near and dear place in our—in many of our hearts, and part of that is because of what is seen, you know, at the place that most of us visit. But it's just as important on the places that very few people visit, that backbone of what is imperative, is key, and so I thank you for being willing to work on that.

Mr. Ehrlich, let me come to you. And I've got a couple of questions.

Mr. Horowitz, is he currently listed as the managing director of CSB on your Web site?

Mr. EHRLICH. Yes, sir.

Mr. MEADOWS. So he is the managing director?

Mr. EHRLICH. Yes, sir.

Mr. MEADOWS. Okay. Why was his title changed to—from managing director, to lead investigator of Deepwater Horizon just before our last hearing and now it's been changed back? I don't understand that.

Mr. EHRLICH. I don't think it was changed before the last meeting, sir. It was my understanding that he was given that title relative to a functional responsibility and that specific project. And his title of managing director hasn't changed since 2010.

Mr. MEADOWS. So, you changing it—so it never changed from managing director to that particular title and then back. Is that your testimony here today?

Mr. EHRLICH. I believe one is a functional title and the other one is the organizational title.

Mr. MEADOWS. So he carries both of those titles.

Mr. EHRLICH. I'm not sure how much longer he's going to carry the title relative to Deepwater because that project is nearing close.

Mr. MEADOWS. Okay. So was that the reason he was moved from SES to GS–15—why was he moved? Why was his status changed?

Mr. EHRLICH. Well, he was a temporary SES as I understand it. And when the chair stepped down, he went back to a GS–15.

Mr. MEADOWS. Why?

Mr. EHRLICH. I think that was his wishes.

Mr. MEADOWS. Oh. So we're letting him decide what he gets to do?

Mr. EHRLICH. I didn't say that, sir.

Mr. MEADOWS. What about the other 40 employees? Do we let them do that too?

Mr. EHRLICH. Well, I with think with the SES issue it's a very special issue and——

Mr. MEADOWS. So you're telling me an SES can say: I want to be a GS–15 tomorrow, and that's—the board just says: That's fine.

Mr. EHRLICH. I think what happened was when—and I don't know all the government issues related to SESs, but I think when the chair stepped down, I don't believe that applied to him anymore.

Mr. MEADOWS. All right. So what is the status of the search for a new managing director?

Mr. EHRLICH. Dr. Horowitz is the managing director.

Mr. MEADOWS. All right. So he's going to be it from here on out?

Mr. EHRLICH. To the best of my knowledge. Yes, sir.

Mr. MEADOWS. And so as a managing director, would he not have understanding of the employee morale issues?

Mr. EHRLICH. I think he does have an understanding.

Mr. MEADOWS. So why would he not be here today, then, if he has an understanding? Wouldn't he be in a better position than you, Mr. Ehrlich, that you've been a board member for 5 months? Wouldn't he know better than you would know?

Mr. EHRLICH. We've talked about the issues, I think I can express the issues, and as I indicated, I am in a policy making position.

Mr. MEADOWS. So what policies do you believe that are necessary in order to improve performance?

Mr. EHRLICH. Well, we've looked at this work improvement thing, and we've got six particular items that we're putting policies and procedures in place for.

Mr. MEADOWS. When did you start working on those policies and procedures?

Mr. EHRLICH. And we're going to develop metrics against them to satisfy your initial request of an hour ago.

Mr. MEADOWS. Right. So when did you start working on that? You say you've been working on that. So when did you start working on——

Mr. EHRLICH. Well, I've been working on it with the committee, and they've been working on it for about a year now as I understand it.

Mr. MEADOWS. So who specifically's been working on it?

Mr. EHRLICH. One of our——

Mr. MEADOWS. Who heads it up? What's their name?

Mr. EHRLICH. Kara, you head that up. Don't you? Kara heads that up. She's one of our——

Mr. MEADOWS. So should we swear her in for testimony and let her give testimony?

Mr. EHRLICH. I think you'll have to take that up with her.

Mr. MEADOWS. Okay. Okay. All right. Well, I'm go to——

Mr. EHRLICH. It is fine with me.

Mr. MEADOWS. It is fine with you? Okay. Well, good. We may come back there.

I'll go to the gentlewoman from the Virgin Islands, Ms. Plaskett, for 5 minutes.

Ms. PLASKETT. Yes. Good morning, and thank you, Mr. Chairman.

You know, I'm interested in the impact that these reports have and show. Well, rather what they show about the low morale among employees. And specifically, low morale to me is an outcome of leadership and an outcome of mechanisms that have been put in place for employees to feel that the workplace is a great place to work.

Mr. Ehrlich, I wanted to ask you about employees repeatedly expressing concern that the leaders aren't responsible stewards of their positions, and that they don't listen to employees' concerns. That's something that's been in the report.

How do you think employees can expect to best fulfill their work requirements when they don't feel that their leaders are not steering them in the right direction or don't understand the jobs that they themselves have?

Mr. EHRLICH. Well, I think that attitude has to be changed, and it is changing. We've obviously lost a chair. That takes its share of trauma on the organization. We made it known that we're going to change issues, and those—those attitudes have to be changed, and they will change over time, but they're not going to change overnight.

Ms. PLASKETT. So do you think that just changing—putting another individual in place does that, or what mechanisms and what programs have been done?

Mr. EHRLICH. It's not a matter of putting one more person in place. It's a matter of changing the culture.

Ms. PLASKETT. And what specifically have you done to do that?

Mr. EHRLICH. Well, first of all, we recognize and let our folks know that we appreciate, we value, and we understand the risks to which they put themselves every time they go out on an incident. We care about them. We care about their families. We care about their family values. That is very important.

Ms. PLASKETT. But how is that different than—I'm sure you expressed that to them in prior years as well. I can't imagine that you wouldn't have done that. So how are you doing it incrementally different now than previously?

Mr. EHRLICH. I can't speak to prior years. I've been there basically since the first week of January, but I know that—and I expressed this to the chairman. I have sat down with every employee

of the agency, both in Washington and in Colorado, and talked about issues, and tell them what's important to me and tell them the directions we're going in. All right? And it's going to take time to change some of those attitudes around. But I truly believe we're going to change them.

The chairman asked for measurable metrics down the road. We're going to get them for him.

Ms. PLASKETT. Okay.

Mr. EHRLICH. And I assure you that you're going to see a change in the way people feel about the job.

Ms. PLASKETT. But you have metrics in place which you believe are going to be driving the change of the culture?

Mr. EHRLICH. We have a list of issues that are being worked on from which we can derive a dashboard and metrics.

Ms. PLASKETT. Great. I—because I believe that if you can't measure it you can't change it.

Mr. EHRLICH. I have no argument with that, ma'am.

Ms. PLASKETT. Great.

Ms. Emerson, you of course are here with one of the largest agencies which, in my mind, started off in a difficult position because it was so many different components from so many different places being put together very quickly. I actually was in part of the leadership team at the Department of Justice when Homeland Security was put together, and I understand how this has been—this is a very young agency that is doing one of the most critical works that our country needs right now.

So one of the things, you know—and when we talk about the low morale that's present in Homeland Security, and my colleagues, of course, have talked to immigration and illegal immigration and the policies that may be with regard to immigration, and I don't think that it's the policies of the administration or the policies of this Congress which drive people to necessarily like or do not like their job. I think that things like sequestration and us not being able to pass a bill that would allow individuals to continue working at Homeland Security are the things that cause people to feel at risk about their job and have additional stress in being on one of the front lines.

We had the director—Secretary Saldana here at a previous—several weeks ago talking about the enforcement priorities. That there are 7,300 personnel of ICE that identify and apprehend convicted criminals, remove aliens, detain aliens, supervise alternatives. This is a large job that they're working on.

My district, the Virgin Islands, is considered now the third border in terms of illegal guns, drugs, as well as immigrants, undocumented immigrants, coming into this country.

And so I wanted to ask you that how you are combating the issues of personnel and having enough individuals to be able to do the job.

Ms. EMERSON. Thank you. Our employees have difficult jobs, as you were describing them. Those are very challenging positions, and actually we do a very good job recruiting high-quality diverse workforce at DHS, and then I was saying earlier our attrition rates are low. So our employees are extremely dedicated to their jobs.

They do what it takes to get the job done. So in terms of recruiting, hiring, retaining, DHS does a good job there.

Do we have more work to do in employee engagement? You bet. And our Secretary who was here today and the Deputy Secretary have made this a number one priority, starting out with themselves. Increasing communication. Getting out with the rank and file. Holding all employee meetings. Meeting directly with the senior executive service. They've done that on two occasions.

Ms. PLASKETT. And do you believe that you've coalesced to a real agency from one that has come from disparate and different agencies coming together?

Ms. EMERSON. Yes. And, actually, I was at Department of Justice during that time too when—when we were putting together Homeland Security, and it was a very big event, but it is coming together. We have—employees are extremely dedicated to the mission of protecting the homeland.

I'd like to mention that the Secretary and Deputy Secretary also together held the first awards ceremony for our DHS employees. Over 300 of our employees were recognized. I think that goes a long way. In addition to that, they have required component heads and executives to recognize and say thank you to our employees for those very difficult jobs that they do.

Ms. PLASKETT. Thank you.

Mr. MEADOWS. I thank the gentlewoman.

The chair recognizes the gentleman from Wisconsin, Mr. Grothman.

Mr. GROTHMAN. Okay. I'll ask a couple questions here, Mr. Ferriero. About how many employees do you have at the National Archives?

Mr. FERRIERO. Just under 3,000.

Mr. GROTHMAN. Wow.

Mr. FERRIERO. In 44 facilities—46 facilities across the country.

Mr. GROTHMAN. Okay. Do you have ever keep track like compared to other agencies how many employees, I guess, leave prematurely? You know, turn over not normal retirement age.

Mr. FERRIERO. Our attrition rate is comparable to other Federal agencies except in the area of student employees where we have been in the past heavily reliant on student help, and that turns over faster than—than regular employees.

Mr. GROTHMAN. Yeah. Among regular employees, like out of every, whatever 100, how many leave every year? Do you know?

Mr. FERRIERO. Between 7 and 8 percent.

Mr. GROTHMAN. Okay. Do you ever do followup and find out why they're leaving?

Mr. FERRIERO. Our—we do exit interview, yes. Very often it's better opportunities. We have tremendous placement of our—especially of our archivists in other Federal jobs. So we do a lot of training, and people take those skills and go to be records managers in other agencies, for instance.

Mr. GROTHMAN. Okay. Thanks. Maybe we'll ask this same question of Mr. Goldenkoff. You know, how many—first of all, how many employees do you have?

Mr. GOLDENKOFF. About 3,000 in about a dozen different installations across the country.

Mr. GROTHMAN. Same thing. And we'll give you the same question. What's your turnover among—turnover by, you know, not retiring but non-retirement age.

Mr. GOLDENKOFF. Resignations. Offhand I don't know. I do know that it's very low, and those people that do leave, it's typically, though, for more personal reasons. It's not dissatisfaction with the agency. It's more because the spouse got a job in a different location or they just decided to change careers.

Mr. GROTHMAN. Okay. So neither of you feel that there's a—if your employees are unhappy, it's not unhappy—so unhappy that they're leaving.

Mr. GOLDENKOFF. That's correct. It's not forcing them to leave. We really go to great lengths to keep our employees happy and motivated, and it is something that we also track very closely.

We also do exit interviews, and we also talk about engagement. It really is part of our culture, as a matter of fact. We try and bring in all employees, no matter what level, and make them feel really part of the team. Actually have a—she's still here—one of our—an intern who feels so motivated that helped out with this report and has come back to see the hearing.

Mr. GROTHMAN. I see she's got a nice smile on her face. So she certainly looks satisfied. There she is. Very good.

And Mr. Ferriero was shaking his head. As I unfairly asked two people a question simultaneously, he was shaking his head, but now I'll yield the rest of my time to the—Congressman Meadows.

Mr. MEADOWS. Thank you, Mr. Grothman.

Ms. Emerson, I want to come back to you on one issue, and because of the volume of employees that you have and—would it be possible or are you willing, let me put it this way. It's possible. Are you willing to look at exploring of taking maybe a smaller snapshot within the umbrella of DHS to look at performance on perhaps lumping two or three agencies together. I think your testimony was you had 22 different areas of responsibility. Is that correct?

Ms. EMERSON. That's correct.

Mr. MEADOWS. And so would you be willing to look at maybe putting those and bundling those together where we can start to see the worst of the worst under the DHS umbrella, and I think the GAO can help you on that. Is that correct, Mr. Goldenkoff?

Mr. GOLDENKOFF. Well, that is correct.

Ms. EMERSON. Well, we have been working very closely together, and I would like to thank GAO because they've come. They've helped us with best practices. We worked hand in hand—in fact, employees——

Mr. GOLDENKOFF. We made several recommendations to DHS, and they've been making progress on at least some of the recommendations.

Ms. EMERSON. In fact our leadership, the Secretary and the Deputy Secretary and I myself have been over to GAO to meet with their leadership. So, we are working very closely together.

Mr. MEADOWS. Well, in terms of that benchmark that I asked you for earlier, perhaps let's break that down so that we can look at—you know, give you credit for the good stuff you're doing and maybe focus more emphasis on those other areas because, as you—you know, over 200,000 employees, it gets very difficult. You know,

it's like turning a ship. It would be very difficult than what Mr. Ehrlich has to deal with with 40 employees, and so I'm about to go to the gentleman from Missouri, but, Mr. Ehrlich, I want to ask you, who decided that you should be the one to testify here today? Because obviously you were not the one we requested. We requested Mr. Horowitz. So who decided that?

Mr. EHRLICH. Well, general counsel felt that there should be a pass from the organization, and I volunteered to be here, sir.

Mr. MEADOWS. Okay. So were—was that in consultation—so your counsel. Was that in consultation with the other board members?

Mr. EHRLICH. I let them know that I was doing it, and they were welcome to come. Yes, sir.

Mr. MEADOWS. All right. So they were willing to come and declined to come? So is that what you're saying is, is that you drew the short straw?

Mr. EHRLICH. No. I volunteered. They chose not to come.

Mr. MEADOWS. So if we called them——

Mr. EHRLICH. I can't speak to their——

Mr. MEADOWS. If we called them, they will say that they were given the opportunity to come and declined. Is that correct? Is that your testimony?

Mr. EHRLICH. They were given the opportunity to come.

Mr. MEADOWS. And they declined. Is that your testimony?

Mr. EHRLICH. They're not here, sir.

Mr. MEADOWS. Is that your testimony?

Mr. EHRLICH. Yes, sir.

Mr. MEADOWS. Okay. Thank you.

Mr. EHRLICH. And I'm here.

Mr. MEADOWS. I will recognize the gentleman from Missouri, Mr. Clay.

Mr. CLAY. Thank you, Mr. Chairman, and let me thank all the witnesses for being here today.

Agency leaders can and must use the resources at their disposal to build inclusive, motivating, and productive work environments. However, we must recognize that Congress has repeatedly asked these agencies to do more with less. This is a problem within itself and no doubt prevents agencies from operating at their full potential.

Mr. Ferriero, according to a recent NARA staffing report, NARA's Federal Record Center Holdings have grown from 14.4 million cubic Federal—feet of records in 1985 to 29.5 million cubic feet in 2013. Despite a doubling in the workload, you have about half the employees you had in 1985.

Has NARA received sufficient funding to keep pace with the rapidly increasing volume of documents under it's management?

Mr. FERRIERO. The ability for us to do more with less has reached the—its—we're at the point where we can't do more with less. We have not—the appropriate level of staffing to do the job that we need to do.

Mr. CLAY. And how has that affected employee morale?

Mr. FERRIERO. It certainly contributes to—we have a—we have a staff who ranks their passion for the job at something like—98 percent of the staff love what they're doing and feel that they're

doing important work, and the fact that they can't do the quality of work that they've done in the past really hurts.

Mr. CLAY. And so, Mr. Chairman, this raises a valid point. When we think about the ratings of these agencies, if we as the legislature don't give the proper resources to adequately pay employees, to adequately fund these agencies, who happen to be, for the most part, domestic agencies, even DHS, then we are doing a disservice to the agencies also. And I just want to bring that up, not to debate that issue here. This isn't the place for it, but it also raises a real issue, Mr. Chair.

Mr. MEADOWS. I would agree.

Mr. CLAY. Thank you.

Ms. Emerson, DHS was created through a merger of 22 agencies following the 9/11 attacks. Today DHS is tasked with securing our airports and patrolling our waterways and borders, among other vital responsibilities, yet my colleagues across the aisle have made DHS funding the object of political gamesmanship. What are the inherent challenges or managing a department tasked with such a diverse array of responsibilities? What are some of your challenges?

Ms. EMERSON. Well, you mentioned one of the big ones, the budget uncertainty. That is a challenge that our employees had to deal with just recently, and that, quite honestly, can have an effect on morale. So anything you all can do to help us in that area, we'd really appreciate. It wasn't just—you know, it wasn't the entire government this time going through that. It was DHS. And that's hard for our employees who work hard every day to protect this country. As you were pointing out, our employees do an amazing job.

Mr. CLAY. Sure.

Ms. EMERSON. They have a lot of work that they deal with and those jobs are difficult. But they come to work every day and give 110 percent.

Mr. CLAY. Yeah. And hopefully our colleagues are listening to you all's concern and the points that you raise today.

Mr. Goldenkoff, government-wide Federal employee engagement has declined 4 percentage points from 2011 to 2014. However, the majority of Federal agencies have either sustained or increased employee engagement levels during this time. NASA, FIDIC, Service Transportation Board and U.S. Trade and Development Agency all topped at 2014 PPS best places to work rankings.

Additionally, the Department of Education's engagement levels increased at an estimated 56 percent.

Based on your research, what are theses agencies doing right?

Mr. GOLDENKOFF. Well, we found several commonalities. One starts with leadership. That's critical. But in terms of some specific drivers, we found things like having constructive performance conversations with your staff. That was very important. Career development and training. Having effective work and being very supportive of work/life balance programs. An inclusive work environment. Showing respect and support for diversity and inclusiveness. Employee involvement. And then communication from management.

You know, and I just would like to kind of link this to something that Ms. Maloney said a little while back is that so many of these

drivers of engagement, they don't cost anything, or they cost so little. You know, it's being supportive. It's listening to your people, valuing what they have to say. It's not everything. There are—you know, there's more to be been done. But at lease it's such a very good starting point.

One of the things that, you know, I'm reminded of at GAO, when we came back to work after the shutdown, the head of our agency, Mr. Dodaro, he was out in front of the building welcoming people back. People are still talking about that to this day. So it's—sometimes it's very little things like that. It many cases it's things that we learned in kindergarten that we just sometimes forget about them in just the busyness of day-to-day operations, fighting the fires that we all have to face every day. We sometimes forget those little personal touches that can go a long way. Just saying thank you in a very—don't send it out in an email. Show up in someone's office and say, you know, you did a great job with——

Mr. CLAY. Thank you, and my time is up, but apparently respect goes a long way, so appreciate it, Mr. Chairman.

Mr. MEADOWS. I thank the gentleman from Missouri.

I recognize the gentlewoman from New York, Ms. Maloney, for a closing statement.

Mrs. MALONEY. Well, I want to thank the chairman for calling this hearing. Quite frankly, at first I thought it was ridiculous. I mean, what do you mean the first—worst agencies. But coming to it, I think it's really very important, and I think it's extremely important that there is a big disconnect in the—that many of you are testifying that everybody's happy and they're all giving 100 percent, but when they're filling out their forms, they're telling a very different story, and I think that we have a lot of work to do because we really set the leadership for the country.

Many people look to the Federal Government for leadership. And I think that the GAO is a wonderful resource. And in your testimony, he identified six factors that correlated with higher employee engagement levels, and I'm going to read them to you, and I would like to ask all of you to go back to your agencies, and in the next month try to implement them, and write us back on what happened. Or maybe the chairman will call you back in a month or two on that you took these five—six recommendations and put them to work.

I would add a seventh one, and that would be to look to promote from within so that people know they have a career path, that they have a future at these wonderful agencies, that they—that they're going to have a—be looked at on their merits and if they understand their material and produce a good work product that they have a shot of heading this agency. I would get that message out.

And they're very simple. It says, "Having constructive performance conversations. Career development and training. Work/family balance. Inclusive work environment. Employee involvement and communication from management." And I would say if you took those guidelines, that they put a lot of research in putting together and implemented it for a month or two, I think you'd see some differences, and I'd like to hear the response if you get back to the chairman. Try it for a month. Try it for two months. And see what the difference is.

And I want to say to Homeland Security, to Ms. Emerson, I helped write the legislation that created the Department of Homeland Security. It grew out of the biggest disaster in the history of our country. Three thousand people were killed because they were Americans. Woke up and went to work one day, and thousands and thousands more are dying and sick because of their exposure to the deadly toxins at the work site.

But out of that I think came the best work I've ever seen in Congress. A commission was set up that was Republican and Democrat, headed by two outstanding people, former Governor Kean from New Jersey, a former member of Congress Hamilton, and they made an agreement they would not do anything unless they involved their counterpart. They issued a report called the 9/11 Commission Report that sold more copies than Harry Potter. Literally. Sold more copies than Harry Potter. Most read document in the history of our country.

I nominated them for the National Book Award. They didn't win. They should have, though. And it gave an outline of what was wrong. And the first outline was we were way behind in our intelligence in homeland security. We had 22 different agencies, and we took that recommendation and created the Department of Homeland Security. You're the most important department in our entire government. If we can't protect our President, our workers, our people, then we can't do anything. Your department's the most important department in the entire government. And you took 22 different agencies that weren't talking to each other on intelligence and other areas and are forcing them to talk, share information, and protect this country, and bottom line, you're doing a great job. We haven't been attacked again. But people are trying.

In the great State of New York, they've tried 14 different times, but because of the work of your agency and the locals, we prevented it. We prevented it. We are preventing the attacks on our great country.

And I mean what I said. I'd like you to take your workers down to 9/11. When they see what happened that day and hear the stories of the families of the people that were killed, and hear the stories of the SEALS and Governor Kean and Hamilton and others that worked to put these pieces back together again, and to make our country even stronger, they should have the best morale in the whole—whole government.

So I think the chairman is telling me he's serious about this. He's going to be reading these reviews, and he wants to see some changes, but I think we have a responsibility in Congress because the way we treat people nominated for positions and people that are working in government, I think is tremendously disgraceful.

And I want to mention a gentleman I called in my office, Anthony Weis. He was recommended for a department—a job in Treasury. I never met him. I don't know him. But he was vilified. He was vilified that somehow he caused the 2008 economic meltdown on Wall Street. He was basically in research and analysis and advice. He wasn't trading. He wasn't part of any mistakes that were made, but they said because he was from a firm—this firm wasn't even involved in Wall Street or the trades or that, but he

was in a firm, in this case, doing reach and advice. He wasn't fit to serve.

And every now and then I think we're a strong country because we have a strong private sector. We have a public sector, and if we vilify people who understand how they can volunteer and help the public sector, we're making a big mistake in this country.

You know, he told me there were demonstrations in front of his house, petitions against him. His children are saying: Why are they saying you're a horrible person that caused the financial crisis and you can't serve your government? You know, it might be good to have somebody who understands finance to serve in finance.

I use that as one example. We could also talk about Loretta Lynch, a distinguished, accomplished leader in the Justice Department her entire life. Her appointment being held up. No one says anything bad about her, but her appointment's held up.

But often people are vilified if they want to serve in government. If we continue that, no one is going to want to serve. It's absolutely wrong. And I think it's very unfair how we vilify Federal employees oftentimes. There's a problem, it's the Federal employees fault, and instead of trying to work together to find the solutions.

Mrs. MALONEY. I think you're great. We need to improve. But you have a great job to do. And I think you ought to go back to your agencies, turn this around and help us move forward in a positive way. Because we have the greatest country and we don't have the greatest country without the greatest workforce. And you're part of it.

I think part of the problem, Mr. Chairman, quite frankly, is that we in Congress and the public and other people vilify public servants, and they don't deserve it.

Mr. MEADOWS. Well, today is the start of trying to get at the root of that problem, Ms. Maloney. And that's why I felt like it was important that we held this hearing.

I will say to each one of you I am a tenacious and unforgetting individual. I make notes and I remember things—well, I reread my notes.I don't remember. And I can forget the trash if my wife asks me to take it out.

But I will say this, that I do want you to report back. I do want to see progress. I do want us to not make this a hearing that goes away. Each and every year we will have this. I'm hopeful that the three of you won't be on this list next year and it will be somebody else that we bring in.

But, in the meantime, we will be checking with you.We will be asking—the committee will be asking you for additional information to provide. I thank each of you for your testimony.

But I would be remiss in not thanking the committee staff on both sides, but the committee staff that works so incredibly hard. You know, this goes off like clockwork not because of my preparation, but because of theirs. And so I want to thank them.

And for those that are streaming and that are watching here today, thank you for your service. Thank you truly for being willing to be public servants.

And if there is no further business, without objection, the subcommittee stands adjourned.

[Whereupon, at 11:03 a.m., the subcommittee was adjourned.]

APPENDIX

Material Submitted for the Hearing Record

Statement for the Record
U.S. Environmental Protection Agency
before the
House Committee on Oversight and Government Reform,
Subcommittee on Government Operations
2014 Federal Employee Viewpoint Survey and Related Activities

April 16, 2015

Good morning, Chairman Meadows, Ranking Member Connolly, and members of the subcommittee. I am Karl Brooks, Deputy Assistant Administrator for the Office of Administration and Resources Management at the U.S. Environmental Protection Agency (EPA). Thank you for inviting me to submit a statement for the record that discusses how the United States Environmental Protection Agency is using its 2014 Employee Viewpoint Survey (EVS) results to enrich employee engagement, a key element of Administrator McCarthy's strategic commitment to strengthening our high-performing organization. We look forward to working with this Committee, the Executive Office of the President, and our Executive Branch partners as we move forward.

The EVS results help the legislative and executive branches work in a dynamic partnership to develop and sustain the world's finest national workforce. The EPA is using the results of the survey to identify management priorities and focus on rewarding excellence, promoting problem-solving, fostering continuous innovation, securing public transparency, and sustaining this agency's tradition of highly motivated public service.

A Nationally Complex and Locally Vibrant Agency

At the EPA, we have learned that best practices can emerge from diverse organizations across our vibrant agency. Over two-thirds of the EPA's permanent employees work outside of headquarters. As a result, opportunities and the responsibility to improve the EPA's workplace and employee engagement are shared among the program and regional offices, multiple laboratories and in other EPA offices throughout the country.

The 2014 EVS results confirmed that the EPA's managers and staff retain the tradition of high expectations for work products and work performance and remain dedicated to offering their best efforts to protect public health and the environment. However, after a careful and thoughtful analysis of the results of the survey, the Agency, program and regional offices have developed individually tailored action plans to better equip first-line supervisors to reward excellent work, strengthen our union partnerships, recognize creativity, and maintain the agency's high standards for scientific excellence, public transparency and employee-driven innovation. Because approximately three-quarters of the EPA's employees are represented by bargaining units, often with nationally negotiated Collective Bargaining Agreements, the agency ensures that its labor partners are kept informed and engaged in action planning deliberations.

Administrator and Acting Deputy Administrator Are Leading the Way

In an effort to further bolster employee engagement, EPA is putting into practice several initiatives on complementary fronts. Both Administrator Gina McCarthy and acting Deputy Administrator Stan Meiburg have made it clear – to senior managers and all agency staff – that employee engagement should be a top priority because our workforce is our greatest strength.. Led by the Administrator and Acting Deputy, the EPA's leadership is improving its communication channels throughout the agency. For example, the Administrator sends out key messages to employees via video clips readily accessible through EPA's intranet homepage and YouTube. On March 23, 2015 Administrator McCarthy launched the fourth in her series of *Aim High* campaigns to promote employees' sharing of innovative successes in advancing the EPA's mission. The Acting Deputy held all-hands meetings in every national program office and will visit regional offices to communicate with employees, hear feedback and to share important news with staff. Both the Administrator and the Acting Deputy have also challenged the EPA's leadership team to facilitate directed problem-solving conversations with staff.

EPA Strength: First Line Supervisors

Data from the survey demonstrated quite clearly that first line supervisors are a strength and that employees have good working relationships with their immediate supervisors. To sustain and increase this strength, the EPA launched several critical initiatives to support first line supervisors. The Agency has since directed its senior management team in the Office of Administration and Resources Management, the Office of the Chief Financial Officer, and the Office of Environmental Information to revamp its online Supervisor's Toolkit which now provides timely information on management issues. First line supervisors are also now receiving additional information that they can use to talk to staff on timely issues to improve and further facilitate employee engagement. Topics have included policies on guidance on how to effectively conduct a performance evaluation and the types of flexible work schedules offered by the EPA. In addition, senior managers will soon conduct focus groups with first line supervisors to get feedback about these new tools and learn more about other training and resources that would be helpful to them. EPA will use the focus group results to further refine how we support these critical leaders.

EPA Strength: Work-Life Programs

Work-life programs, such as the availability of telework and flexible schedules, is another EVS- indicated strength for the EPA. According to the latest numbers, 70% of the EPA's employees teleworked within the last year, and 81.5% of the EPA's employees are satisfied with our telework program. In order to maintain this strength, the EPA continues to educate employees and management about the right to request work schedule flexibilities and the availability of other work-life programs such as child care, elder care, and health programs. Agency managers are working with their union partners to potentially improve and expand the work-life programs at every EPA office across the country.

Rewarding Excellence

Rewarding good work is an area which needs improvement based on the EPA's 2013 EVS results. In response, the EPA launched a GreenSpark Challenge last fall to gather ideas from employees about how to best improve the EPA's awards and recognition program. GreenSpark is an online platform that solicits ideas and input from employees by encouraging interactive collaboration; through GreenSpark employees can submit ideas on a given topic and "like" or comment on other submissions. For instance, through the Greenspark Recognition Challenge, we gathered over 100 thoughtful and creative ways to improve employee recognition. For example, the EPA's Human Resources Council is using a number of these ideas to improve the EPA's recognition system, such as implementing an agency-level peer recognition program that allows non-supervisors to recognize fellow their peers. We are also looking at ways to simplify and streamline our awards processes so that recognition can be provided in a timely manner.

Rebalancing and Rebooting Skills throughout the Workforce

Last year, the EPA used Voluntary Early Retirement Authority/Voluntary Separation Incentive Payment opportunities, otherwise known as early out/buy outs, to restructure its workforce. As talented, experienced people left the agency, the EPA has been able to hire employees with needed new skills at lower grade levels. The addition of new staff reshapes our workforce while opening up developmental opportunities for more staff.

Our Skills Marketplace program provides another option for strengthening the skills of our workforce. Skills Marketplace is an internal work sharing program where employees can spend up to 20% of their time lending their skills and talents to projects in other parts of the agency. This is a great cross training and retention tool since it allows employees and project managers the flexibility to seek opportunities outside of their home offices on a part-time basis while still working in their home offices. Currently there are approximately 237 active projects in Skills Marketplace program.

Process Excellence That Taps Employee Experience

One of the focal priorities for the Agency is to work smarter by focusing on opportunities that coordinate efforts among offices and streamline business processes. For example, LEAN, a collection of principles and methods that focus on the systematic identification and elimination of non-value added activity involved in producing a product or delivering a service to customers, has been enthusiastically embraced by the Administrator. Its use, as well as other process excellence initiatives, are currently being applied to programs such as employee onboarding, training/development, and grants management. LEAN is a powerful tool to help us both engage our talented staff and streamline our processes. On average, the EPA's LEAN project teams were able to reduce process steps by 39% and redesign processes to become 53% faster, benefitting both EPA employees and their customers. Additionally, the Agency is striving to update and improve technology that will give employees the tools needed to improve efficiencies to meet mission demands.

In Closing

In spite of many challenges faced during the past several years, the Agency remains committed to fostering employee engagement and retaining a committed workforce. The data from the 2014 EVS show that the EPA's employees remain dedicated to our mission of protecting human health and the environment. Our retention rates remain high. EPA employees know that they work for an invaluable agency performing the critical work that enriches the lives and communities of Americans across the nation. It is this conviction that drives EPA employees to do their best every day.

Secretary
U.S. Department of Homeland Security
Washington, DC 20528

April 15, 2015

The Honorable Mark Meadows
Chairman
Subcommittee on Government Operations
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, DC 20510

The Honorable Gerald E. Connolly
Ranking Member
Subcommittee on Government Operations
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, DC 20510

Dear Chairman Meadows and Ranking Member Connolly:

I understand that the Subcommittee will tomorrow hold a hearing entitled "The Worst Places to Work in the Federal Government," at which Catherine Emerson, Chief Human Capital Officer for the Department of Homeland Security will be a witness. Morale within the Department is one of my top priorities, and the Deputy Secretary and I have embarked upon an aggressive campaign to improve it. I request the opportunity, in advance of tomorrow's hearing, to personally meet with you and other subcommittee members so that you may hear directly from me on this issue.

For starters, I have determined that one effective way to improve morale is to stop continually telling my workforce that it suffers from low morale. After a while, the suggestion becomes self-fulfilling. Respectfully, a congressional hearing suggesting that the Department of Homeland Security is among "the Worst Places to Work in the Federal Government" is more of the same. People are actually influenced by what their leaders say.

Please work with me, not against me, to turn this around. Congress can help. I appreciate that Congress passed the Border Patrol Pay Reform Act last year. This legislation addresses key pay issues in the Border Patrol that have existed for decades. Also, the Cybersecurity Workforce Assessment Act provides us additional tools to recruit and retain cyber professionals. There is more Congress can do. My team is formulating additional legislation that would be valuable to addressing pay and workforce issues, which I will submit to Congress in the near term.

In the meantime, we have moved beyond paid, outside studies about morale to implementing tangible efforts. Here is my action plan:

- To address concerns about fairness in the personnel process, we have increased transparency in component hiring and promotion processes;
- To address concerns about recognition, I reestablished the annual Secretary's Awards and directed that Components do the same;
- To address concerns about employee communication, we redesigned our employee intranet pages, launched our recurring senior leadership forums, and enhanced employee messaging. I also conduct weekly Component site visits to hear directly from employees and expect my leadership team to conduct similar town halls;
- To address concerns about career opportunities at U.S. Immigration and Customs Enforcement, we have worked with the Office of Personnel Management to create a new career path for Enforcement and Removal Operations officers that we will implement soon;
- To address morale issues at the U.S. Secret Service, I have appointed new leadership and we are implementing the recommendations of the Protective Mission Panel; and
- To further our overall efforts throughout DHS, I established an Employee Engagement Steering Committee, comprised of leaders from the operational components to further drive change across the Department.

In the coming weeks, at my direction, we will continue to take concrete action to address employee engagement. We will take the following steps:

- To build an innovative and engaged workforce, we will launch a series of pilots across DHS to elevate and share ideas from the workforce and among senior leadership;
- To allow employees to see how their work impacts the mission and provide senior leadership with employee perspectives, we are initiating job shadowing opportunities for employees and component leadership;
- To build and grow the leadership skills of our employees, we will create a leader boot camp for emerging, front-line leaders throughout the Department;
- To further focus senior leadership on the importance of morale, we will place greater emphasis on employee engagement during the recruitment process and during the probationary period for new senior leaders; and
- To institutionalize our efforts, I have directed that an office, staffed by career leaders, be established to manage these and future efforts.

My overall goal for the Department of Homeland Security is to create an environment in which our employees can succeed, know they are valued, are led by high

quality and trusted leaders, and have a work environment that allows them to see evidence of their contributions to securing our homeland.

In fact, the Department of Homeland Security is a good place to work. There are remarkable and highly dedicated people here. I know them—from the health care worker who traveled to Liberia to treat Ebola victims, to the TSA officer who suffered a gunshot wound through the bicep but came to work the next day. As often as I can, I thank our 225,000 men and women for their good work, and remind them that there is no more important public service than the protection of the homeland. I encourage other senior leaders of the Department to do the same.

Change of this magnitude will not occur overnight. I share your concerns, and need your assistance in this effort. Only by working together will we be able to demonstrate to our employees their value. With your help, we can focus on the contributions our employees make, and the value of their public service to the security of our Nation.

Thank you for your interest in this matter.

Sincerely,

Jeh Charles Johnson

U.S. Chemical Safety and Hazard Investigation Board

2175 K Street, NW • Suite 650 • Washington, DC 20037-1809
Phone: (202) 261-7600 • Fax: (202) 261-7650
www.csb.gov

May 15, 2015

The Honorable Mark Meadows
U.S. House of Representatives
Committee on Oversight and Government Reform
Subcommittee on Government Operations
2157 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Meadows:

This letter responds to your request for follow-up information related to my testimony at the April 16, 2015, hearing of your Subcommittee on Government Operations. Thank you for the opportunity to provide this information. This letter represents my own views as one of three presidentially appointed Board members. My fellow Board members may have additional views on the questions raised in your letter, and in the future the Board as a whole may want to supplement this letter by suggested additional performance metrics.

I appreciated testifying before the Committee, and I would like to reiterate my invitation to you to personally visit us sometime at the U.S. Chemical Safety Board – either in our Washington, DC, headquarters or our Western Regional Office in Denver, CO – and become acquainted with our tremendously talented and committed staff, who are the backbone of the organization.

You requested target benchmarks for CSB employee engagement for the next twelve months. As you know, the OPM Federal Employee Viewpoint Survey is a frequently used tool for tracking employee engagement. The Partnership for Public Service uses certain employee satisfaction and commitment scores from the OPM survey to rank the Best Places to Work in the Federal Government annually. For 2014, the CSB received a composite score of 33.7 for employee satisfaction and commitment in the category of "Very Small Agencies." This category includes agencies with fewer than 100 permanent employees but at least 30 survey respondents.

My pledge to you is to help the agency improve our employee satisfaction and commitment score in this index by an additional 26.3 points, bringing the total composite score to 60 by 2016. The score is compiled by weighing the positive responses in the OPM Viewpoint Survey for the following questions:

U.S. Chemical Safety and
Hazard Investigation Board

1) I recommend my organization as a good place to work.
2) Considering everything, how satisfied are you with your job?
3) Considering everything, how satisfied are you with your organization?

As a CSB Board Member I am taking the following steps to drive improvement in these categories. First, I will support the staff with a new management system of project review, to be housed on our internal Sharepoint site. The site will be visible to all employees at all times. This system will track the status of major projects and have specific deliverables, responsibilities, and targeted completion dates. Next, I am assisting the staff with investigative protocol development. The CSB has had a protocol committee tasked with revising and updating investigative procedures. Protocol committee members have been producing formal procedures in stages for management review and acceptance. The staff tells me that updated procedures in these areas will make their day-to-day lives easier.

To help improve scores in the job and organizational satisfaction categories, I will continue to promote collegiality among the staff and Board. Since becoming a Board Member, I have met with virtually every staff employee on a face to face basis, talked to them about their concerns, and asked them what we, as presidentially appointed board members, can do to show appreciation for their important work.

I am dedicated to exploring all resources available to agencies looking to improve employee morale. For example, the CSB has reached out to the Partnership for Public Service – the organization that specializes in federal employee engagement – to provide agency leaders with insights on key federal management challenges. Representatives from the Partnership have agreed to provide a briefing for management and staff on June 2. My hope is to continue to engage similar opportunities for the board and staff throughout my tenure.

Finally, I pledge to support our internal, six-person, staff-led Workplace Improvement Committee in its activities and recommendations to promote organizational efficiency and staff wellbeing.

Thank you again for the opportunity to update the Committee on our activities.

Sincerely,

Manny Ehrlich, Jr.
Board Member

NATIONAL
ARCHIVES

ARCHIVIST *of the*
UNITED STATES

DAVID S. FERRIERO
T: 202.357.5900
F: 202.357.5901
david.ferriero@nara.gov

21 May 2015

The Honorable Mark Meadows
Chairman
United States House of Representatives
Committee on Oversight and Government Reform
Subcommittee on Government Operations
Washington, DC 20515

Dear Chairman Meadows:

Thank you for inviting me to the hearing on April 16, 2015 to discuss the National Archives and Records Administration (NARA) and our Federal Employee Viewpoint Survey (FEVS) results. I appreciated the opportunity to testify before you and your colleagues on the Committee on Oversight and Government Reform.

This letter responds to your letter of April 30, 2015 in which you asked me to supply NARA's target benchmarks with respect to employee engagement for the next 12 months, and the steps we will take to achieve those targets.

As I noted in my testimony before the Committee, leaders across NARA are committed to improving employee engagement. To do so, we will continue to align our efforts with best practices identified in the Office of Management and Budget (OMB) Memorandum M-15-04, *Strengthening Employee Engagement and Organizational Performance*, and with the Partnership for Public Service and Deloitte Consulting LLP in their document, *Ten Years of the Best Places to Work in the Federal Government® Rankings*. Above all, we will continue to respond directly to feedback from NARA staff.

NATIONAL ARCHIVES *and*
RECORDS ADMINISTRATION
700 PENNSYLVANIA AVENUE, NW
WASHINGTON, DC 20408-0001
www.archives.gov

Our current and planned actions include:

- Owning the change through leadership commitment and accountability.
- Emphasizing and supporting local, organization or facility-specific engagement plans and teams.
- Maintaining an agency-level FEVS Action Team composed of management and union officials to focus on national engagement initiatives.
- Working in partnership with our Union.
- Developing a cadre of motivated, well-trained supervisors.
- Administering a fair and effective performance management system.
- Expanding a culture of respect and appreciation (including diversity and inclusion initiatives; Employee Affinity Groups; a robust anti-harassment program; a special emphasis program; and a non-monetary recognition program).
- Improving employee communication.
- Reinvigorating our wellness program.
- Investing in employee training and development (including Individual Development Plans; a new cross training program; occupational development programs; and leadership development programs).
- Investing in job tools, including those that will help staff manage large volumes of electronic records.
- Establishing a carefully-constructed employee suggestion program to empower employees and reward innovation.
- Providing meaningful career paths.

Over the next 12 months we plan to place increased emphasis on our most challenging FEVS area, leadership. We plan to assess the drivers behind our low leadership scores via a staff survey (with a narrative component) and via a leadership climate survey. We will use the results to create and enact concrete steps to improve those scores, and we will conduct at least one "pulse check" before the 2016 FEVS survey to allow us to correct course as needed. We will also add specific targets for employee engagement critical elements for all Senior Executive Service members at the beginning of FY16, and will then cascade this down to managers. Finally, my senior leaders will focus on connecting all staff with our mission, strategic goals and shared values; explaining agency priorities and decisions; seeking input and feedback; and connecting personally with staff.

To measure the results of these efforts, we will use the OPM FEVS Employee Engagement Index, derived from FEVS data, as our benchmark. The Employee Engagement Index is made up of three sub-indexes: Supervisors; Leaders Lead; and Intrinsic Work experience.

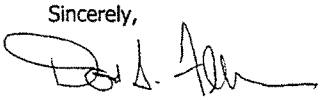
It is my hope that these efforts will allow us to increase our score by 6 points over the next four survey years (2016-2019). We have set interim targets for each survey year: 2016 - increase by 2 percent; 2017 - increase by 1 percent; 2018 - increase by 2

percent; and 2019 - increase by 1 percent. We have chosen to alternate 2% and 1% each year to allow time for some of the longer-term initiatives to have the desired impact.

NARA's 2014 score on the Employee Engagement index was 59, compared with the government-wide average of 64. We do not yet know our 2015 score. If there is no change from our 2014 score, a 6 percent increase over 4 years (2016-2019 surveys) will bring us to 65%. OPM has identified 65% as the threshold for a positive result.

Thank you for your continued support of NARA and its employees. If you have additional questions, please do not hesitate to contact me.

Sincerely,



DAVID S. FERRIERO
Archivist of the United States

cc: The Honorable Gerald E. Connolly

DHS Employee Engagement Program

August 14, 2015

Homeland Security

DHS Employee Engagement Action Plan

Overarching enterprise objectives…

- Select and cultivate high performing leaders
- Develop excellent leaders at all levels
- Communicate in a powerful way that connects the workforce

The enterprise objectives are executed at the Department level and supported and executed at the component level, along with component objectives tailored to address component-specific issues and Federal Employee Viewpoint Survey results.

Management Directorate executes enterprise objectives and supports components by:

- Creating overall enterprise integrated plan and focus areas;
- Providing overarching support and guidance;
- Providing customized support for individual components;
- Tracking progress and reporting to senior management and other stakeholders.

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DHS Employee Engagement Action Plan – Stakeholders

As we execute the DHS Employee Engagement Action Plan, it is critical that we consult with and satisfy a multitude of stakeholders, to include:

- DHS Employees
- The Secretary and Deputy Secretary
- DHS Employee Engagement Steering Committee
- DHS Human Capital Leadership Council
- Homeland Security Advisory Committee
- Congress
- Government Accountability Office
- Office of Management and Budget

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Objective: Select and Cultivate High Performing Leaders

Long term change requires leaders who have the skills to foster a culture of engagement. We must select leaders with those skills, nurture their development, and ensure results.

We have issued guidance to SES Performance Review Boards concerning the evaluation of the leadership competency based on engagement actions in SES performance plans; developed guides at the component level to make the hiring and promotion process transparent; and brought the SES cadre together in two full-scale forums with the S1 and S2.

In the next 30 days we will issue a message from the Secretary outlining performance expectations concerning engagement; and launch a behavioral interview question bank to help hiring managers identify positive, engagement-oriented attitudes and behaviors among senior executive job candidates.

In the next 16 months we will:

- Enhance the on-boarding process for new supervisors and new senior executives through an enhanced centralized orientation process, to include a swearing-in ceremony for SES, delivered on a quarterly basis (Pilot completed FY16 4Q).
- Increase accountability for employee engagement in the SES performance management system by requiring rating officials to certify the percentage of executives that developed and implemented Employee Engagement Plans. CHCO guidance to PRBs will emphasize the weighting of employee engagement and discuss consequences of positive and negative outcomes.
- Set groundwork for implementation of a new OPM SES Performance System (2018).

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Objective: Develop Excellent Leaders at All Levels

DHS employee engagement efforts require a demonstrated commitment to leader development. The activities in this focus area relate to training and development of leadership through the full spectrum of the employee lifecycle, and are foundational to the entire plan.

We have released minimum requirements for each tier of the five-level leadership development framework for components to meet.

In the next 60 days we will launch a Leadership Resource Center on Connect with resources for motivating performance, coaching, encouraging innovation and improving communication.

In the next 16 months we will:

- Implement the DHS five-level leadership development framework and other identified priorities, with an emphasis on developing frontline leaders.
- Support the Rotational Assignment Program to develop an elite cadre of qualified, merit-selected second-level supervisors and executives who will rotate across the Department, serving three-year terms in each position before being rotated to a new position in a new component.

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Objective: Communication

Communication at all levels – from DHS leadership down through line management – is critical to fostering a culture of engagement. These activities address various aspects of communication throughout DHS, and will require effective use of current channels as well as development of new ways of reaching the workforce.

We have launched *Leader Alerts,* a new method of communicating with all supervisors, stood up functioning employee engagement councils in every component; started peer-to-peer recognition programs in every component.

In the next 60 days we will distribute a DHS employee orientation video that will be integrated into a new all employee orientation framework in order to promote unity of effort, connection to the DHS mission, and pride in the mission ; and continue to hold regular all-SES town hall meetings.

In the next 16 months we will:

- Continue outreach to unions through DHS Labor-Management Forum and component forums.
- Enhance the onboarding process for all new employees, to include a creating a new DHS 101 video that will provide a more in-depth view of DHS components and the ways in which they work together to achieve the mission; and will be designed for multi-purpose use (recruiting, training, etc.).
- Encourage use of social media and other two-way communication mechanisms (town hall meetings, ideation platform and innovation network) to promote best practices, highlight successes, etc.
- Create new Secretary's Award for Innovation.

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BACKUP SLIDE: Mapping to HSAC Task Force Recommendations, Focus Area 1 – Select and Cultivate High Performing Leaders

- Greatly increase the emphasis on leadership qualities when filling managerial positions and when assessing the performance of incumbents: *Recommendation I*

- OCHCO guidance to SES Performance Review Boards: *HSAC Action 1*
- SES Forums: *HSAC Action 9*
- Message from S1 re: performance expectations for engagement: *HSAC Action 1*
- Behavioral interview question bank for SES candidates: *HSAC Action 5*
- Enhance the on-boarding process: *HSAC Action 14*
- Increase accountability for employee engagement in SES pm: *HSAC Action 1*
- Set groundwork for OPM SES Performance System: *HSAC Action 1*

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BACKUP SLIDE: Mapping to HSAC Task Force Recommendations, Focus Area 2 – Develop Excellent Leaders at All Levels

- Significantly improve management training, particularly leadership training: *Recommendation II*

- Leadership Resource Center on Connect: *HSAC Action 23*
- Implementation of five-level leadership development framework: *HSAC Action 12*
- Rotational Assignment Program: *HSAC Action 8*

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BACKUP SLIDE: Mapping to HSAC Task Force Recommendations, Focus Area 3 – Communication

- Significantly strengthen communication (upward, downward and outward), making greater use of modern communication technology: *Recommendation IV*

- Leader Alerts: *HSAC Action 25*
- Peer-to-peer recognition programs: *HSAC Action 23*
- New employee orientation video: *HSAC Action 14*
- Regular all-SES town hall meetings: *HSAC Action 9*
- Continue outreach to unions: *HSAC Action 10*
- DHS 101 video: *HSAC Action 14*
- Encourage use of social media and other two-way communication: *HSAC Action 26*
- Create new Secretary's Award for Innovation: *HSAC Action 22*

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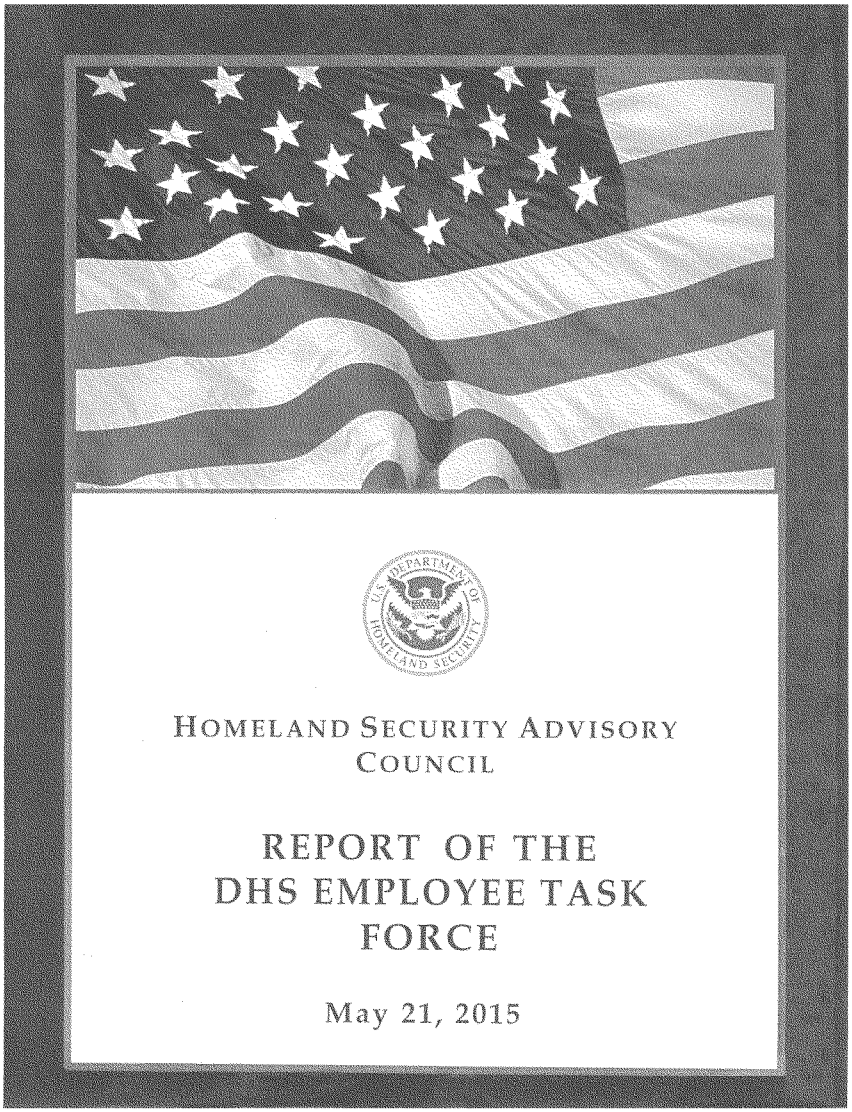
HOMELAND SECURITY ADVISORY COUNCIL
REPORT OF THE DHS EMPLOYEE TASK FORCE
May 21, 2015

HOMELAND SECURITY ADVISORY COUNCIL
EMPLOYEE TASK FORCE

May 21, 2015

Secretary of Homeland Security
Department of Homeland Security
Washington, D.C.

Dear Mr. Secretary,

Provided herewith is the report of the Task Force that was established by the Homeland Security Advisory Council in response to your request concerning employee satisfaction issues within the Department of Homeland Security.

The Department has faced a number of challenges with regard to employee satisfaction and engagement throughout its history, many of which, but by no means all of which, have external causes or at least are thereby exacerbated. The Council offers four major recommendations and 27 actionable steps for your consideration. In some instances you have already begun to implement them.

Morale is of course an intangible factor, but one that can have highly tangible consequences. As such, it is not changed either quickly or easily. Only through demonstrated, sustained actions can positive results be achieved, and it is the belief of the Council that steps you have initiated will contribute greatly to an eventual favorable result.

In carrying out our task, the group met with several dozen individuals who possess expertise in personnel matters or who offer unique perspectives of the Department. We also reviewed dozens of documents, including several prior studies of this same issue, and met with the senior leadership of the agency most highly rated (NASA) in the recent survey conducted by the Office of Personnel Management. We further drew upon the experience of the members of the Task Force itself, most of whom have served in government or industry or academia or a combination thereof. We are especially appreciative of the contributions of the extraordinary staff that supported our Task Force.

Finally, we thank you for entrusting our group to address this important and sensitive issue and for emphasizing the need to candidly present our views. We have sought to do exactly that.

Very truly yours,

Norman R. Augustine, Chair

Lydia W. Thomas, Vice Chair

TASK FORCE MEMBERS

Norman Augustine (Chair) - Retired Chairman and CEO, Lockheed Martin Corporation;
Former Undersecretary of the Army
Lydia Thomas (Vice-Chair) - Retired President and CEO, Noblis, Inc.
Stephen Adegbite – Former Senior Vice President, Wells Fargo & Co
Thad Allen - Executive Vice President, Booz| Allen| Hamilton Inc.;
Former Commandant, U.S. Coast Guard
Elaine C. Duke - Principal of Elaine Duke & Associates, LLC;
Former DHS Undersecretary for Management
Gary Kelly - Chairman/CEO, Southwest Airlines
Former member President's Job Council
Carie Lemack - Cofounder, Global Survivors Network and Families of September 11
Wilson "Bill" Livingood - President and Partner, Livingood Advisors, LLC;
Former Sergeant At Arms, of the U.S. House of Representatives
Walter McNeil - Past President, International Association of Chiefs of Police
Former Police Chief for the City of Quincy, Florida
Bonnie Michelman - Director of Security, Massachusetts General Hospital
Former President of ASIS-International

The DHS Employee Task Force would like to thank **Travis Peterson**, Senior Manager, People, at Southwest Airlines for his excellent support and service to the Task Force.

HOMELAND SECURITY ADVISORY COUNCIL STAFF

Sarah E. Morgenthau, Executive Director, Homeland Security Advisory Council
Mike Miron, Director, Homeland Security Advisory Council and
Director, DHS Employee Task Force
Erin Walls, Director, Homeland Security Advisory Council
Katrina Woodhams, Homeland Security Advisory Council Staff
Jay Visconti, Homeland Security Advisory Council Staff

Jessica Tassava, Student Intern
Christopher Evans, Student Intern
Hank Harrington, Student Intern

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EXECUTIVE SUMMARY

Morale matters.

This has long been recognized by leaders of successful military organizations and industrial entities who thereby devote considerable attention to the subject. This is the case not only because they prefer a satisfied workforce as a matter of principle, but because individuals possessing high morale are far more likely to devote the extra effort needed and work together as a team to assure success in an organization's most demanding undertakings.

Various independent surveys show rather convincingly that overall morale ("employee engagement") within the Department of Homeland Security is inferior to virtually all other parts of the federal government, even though its employees individually express support for, and commitment to, the homeland security mission. There is no one reason for this situation. Driving factors include many within the Department's purview as well as many external to the Department. Recent trends are not encouraging.

Certain well recognized practices and qualities characterize successful organizations (see, for example, "Good to Great," by James Collins). These include empowering employees such that they can do their jobs to the best of their abilities; providing frequent informal feedback regarding job performance; listening to employees; and treating employees equitably. None of this is news to the senior management of the Department of Homeland Security. The challenge is to do the above within the constraints imposed on, and by, the Department; within the available resources; and under the circumstances that have been allowed to evolve over the life of the Department…or to change those constraints and circumstances.

The Task Force believes that there are a number of actions that can be taken that will markedly improve morale within the Department and concurrently enhance the extent of the Department's success in carrying out its mission. The steps needed are not "rocket science;" but do require commitment by every level of management and extreme diligence in following through their implementation. The Task Force offers four general recommendations in the areas of management, training, personnel development and communications. More significantly, it also offers 27 implementing actions. Because of the intentional brevity of this report, these recommendations and actions are not repeated in this summary but can be found in the section entitled "Recommendations."

One general observation, however, is offered; namely, experience strongly suggests that morale issues can only be dealt with by changing the conditions that underlie the extant morale—not by meetings, pronouncements or repeated surveys. In fact, the latter actions are often

counterproductive. When an individual is repeatedly asked (particularly by a person in a senior position), "Are you OK?", soon that individual begins to wonder if indeed they *are* "OK." In the case of the Department of Homeland Security, the time has come to cease discussing morale as an end in itself and focus on implementing the actions needed to correct the problems that undermine morale. As in most circumstances wherein an individual or organization suffers a loss of confidence, the only solution is to "*perform.*"

INTRODUCTION

The 2014 U.S. Office of Personnel Management employee survey placed the Department of Homeland Security (DHS) Employee Engagement Index at 54 out of a possible 100 points, the lowest rating in government. The Engagement Index considers leadership, performance culture, talent management and job satisfaction. The above response is nine points below the government-wide average, 26 points below the leading government organization and represents a decline of two percentage points from the prior year's survey. Of 84 individual questions on the survey that require a "yes/no" response, the Department was below the government-wide average for favorable replies in every instance…and at or very near the bottom of the government-wide range in 46 of the 84 queries.

In an analysis of the Federal Employee Viewpoint Survey, conducted by the Partnership for Public Service, DHS scored 44 points out of a possible 100, placing it in 19th place out of 19 federal organizations having more than 15,000 employees, fully 11 points behind the next lowest-rated organization and reflecting a decline of 15 points (twice the government average) in the past four years.

There is a very wide variation of indicated employee engagement across the various components of DHS. In the Office of Personnel Management Survey, this span is 32 points, ranging from a low of 48 at Immigration and Customs Enforcement to a high of 80 at the Domestic Nuclear Detection Office. Approximately 70 percent of the overall DHS score is derived from responses by employees in just three of DHS's components: Transportation Security Administration, Customs and Border Protection, and Immigration and Customs Enforcement, all with scores below the government average—although ten of the fifteen DHS components for which data are individually available rank below the government-wide average. Clearly, if the prevailing circumstance within the Department as a whole is to improve, the above three organizational components will require particular attention.

The root causes of this result are also widespread, with no single driving factor being identifiable—although lack of confidence in leadership at many levels, perceived shortages of means to carry out job responsibilities, insufficient communications with supervision and higher management, and inadequate career development opportunities are fundamental issues. There also appear to be direct correlations between employee dissatisfaction and such parameters as organization size, extent of contact with the public, and geographical span of the entity; although causality is uncertain. The further need to clearly explain to all components the DHS mission and each component's role in accomplishing that mission is apparent.

Among encouraging aspects is the fact that the Department's leadership has clearly taken the above results seriously and has already initiated a series of actions to address the expressed concerns. The fact that such actions can make a difference is evidenced by the experience of the U.S. Patent and Trademark Office that, although a much smaller organization than DHS (approximately 10,000 employees), improved its position among federal sub-components from 172nd place to first place in a period of just five years. Actions taken included, but were not limited to, empowering employees, increasing training, further involving first-line supervisors in management decisions, and establishing improved incentive systems.

There is ample evidence from a variety of organizations that employee engagement can have a profound impact on organizational effectiveness, amplifying the importance of addressing the problem indicated by the Office of Personnel Management surveys as well as other indicators. That this particular problem should exist at DHS seems paradoxical given the importance of the Department's mission to protect the Homeland—a mission that virtually every citizen strongly embraces. Further, 86 percent of DHS employees indicate their belief that the work they do is important. Eliminating the root causes of the problems cited herein will not only enhance the Department's ability to effectively execute its critical mission but will also greatly enhance the quality of the work experience of the nearly one-quarter million dedicated men and women who serve the Department and the nation.

ASSESSMENT

Over the past five years the Partnership for Public Service's "Best Place to Work in Government" Index has placed the Department of Homeland Security between six points and thirteen points (today) behind the government-wide average (on a scale of 100). Further, a comparable survey of industrial firms positions the federal government as a whole 15 points behind the experience in industry—both reasons for concern.

The causes for the above marked differences include the "message" sent to DHS employees by furloughs, pay freezes, sequestration, leadership turnover, long periods without established leadership in key positions, and even the lack of timely budgets. In sharp contrast with industry, government personnel rules designed to protect employees from undue political influence have had the unintended consequence of making it extremely difficult to remove non-performing employees. The latter is especially counterproductive in that it is observed by the workforce as a whole and thereby produces a demoralizing impact on that majority of individuals who in fact are working hard and are significant contributors.

Examples of these factors include:

- More than 100 congressional committees, subcommittees or groups in the 113th Congress exercised oversight of DHS. DHS offices and officials participated in 4,066 hearings, briefings, and other congressional engagement events.
- In the case of DHS, six months after the current Administration was in place (2009), there were still 11 vacant Presidential Appointee positions that require Senate confirmation.
- Throughout 2014, vacancies in the Department's Presidential Appointee positions requiring Senate confirmation averaged 22 percent.
- Since its establishment over 13 years ago, DHS has operated under a continuing resolution throughout 11 of those years. When it did receive a fully processed budget, that budget on average was received one-fourth of the way through the operating year.

Little of the above, however, accounts for the differential in indicated employee morale between DHS and other federal agencies that operate in a generally comparable environment. (A recent exception was when DHS—after the conduct of the surveys cited herein—was singled out for possible "shut down" during budget negotiations, an extremely damaging message to employees.) DHS has also been confronted with the unique challenge of bringing together 22 separate organizations into a single operating entity. This is of course an extraordinarily complex and demanding task. Experience in industry indicates that 60-80 percent of mergers

and acquisitions fail, often for cultural reasons; with mergers of equals failing at a rate closer to the higher of the above figures. Notwithstanding this, sound reasons have been stated why organizations charged with key facets of missions as critical to the nation as homeland security should operate under a single chain of command. Furthermore, it has now been many years since the Department was formed and one might reasonably expect that the issues of concern would previously have been resolved.

Without substantial changes in such factors as those cited above that are external to DHS, it will be very difficult for the Department of Homeland Security to become a world-class organization. Nonetheless, there is much that can, and should, be accomplished *within* DHS. To that end, the following section of this report offers overarching recommendations and specific implementing actions.

RECOMMENDATIONS

One should not expect instant results when engaging an issue as fundamental and broadly-encompassing as morale. A true turnaround can be expected to take years—a fact that is exacerbated in the case of DHS by external forces, including a change in Administration that will take place just 20 months from the time of this report. This points to the need to institutionalize whatever remedial actions are taken.

Again, the Task Force recognizes that in a few instances implementing the recommendations presented herein does not reside entirely within the purview of the Department of Homeland Security leadership—but that does not make them unworthy of notice.

RECOMMENDATION I: Greatly increase the emphasis on leadership qualities when filling managerial positions and when assessing the performance of incumbents.

Action 1 - Substantially increase the weighting of employee engagement in every Senior Executive and manager's responsibility statement and provide consequences for both positive and negative outcomes.

Given the negative assessment of DHS employee morale it seems evident that the levels of management that directly deal with the larger body of employees have not considered the issue to be a priority. This can be changed only if the factors that underlie employee engagement are made a matter of emphasis in assessing individual manager's performance.

Action 2 - Establish councils (with revolving membership) at all levels of management to provide input on specific decisions that broadly affect the Department's employees.

There is substantial evidence that employees as well as lower-level managers within the Department do not believe that they have significant input in formulating decisions that affect them. By establishing small advisory councils at each level of the organization that meet without higher levels of management present during deliberations, feedback that is important to arriving at sound decisions can be obtained. Further, employees can be assured that they have the opportunity to share their perspective.

Action 3 - After additional training, delegate greater authority to line managers to exercise judgment in carrying out their assigned responsibilities.

The criticality of many of the responsibilities of individuals even at lower levels of the DHS makes it more difficult to delegate authority than in organizations with less consequential outcomes. Nonetheless, to the extent that employees can be given the authority, after full training, to exercise their best judgment in some matters not only empowers employees and increases work satisfaction but often leads to better decisions.

Action 4 - Take decisive steps to remove non-performing employees, even when it may not seem cost-effective in the short-term to do so.

The time and cost associated with removing non-performing employees within the federal government is sufficiently great that supervisors often conclude that it is a preferable decision simply to live with the status quo. This is probably a justifiable short-term conclusion; however, the longer-term consequence of tolerating non-performing employees far exceeds this inconvenience because of the impact it has on the rest of the workforce that has no choice but to conclude that management condones, or at least tolerates, non-performance.

Action 5 - Heavily weight prior service in line-management positions, when selecting senior managers.

Too often individuals in significant line-management positions have not had adequate management experience. This is particularly true in technical organizations, but is by no means unique to them. There is no substitute for experience in producing strong leaders. In this regard, it is particularly important that individuals being assigned headquarters' positions have had field experience—in most instances in "line" jobs. This should be an important factor in career planning and succession management.

Action 6 - Do not leave senior executive management positions unfilled, or filled on an "acting" basis, beyond a very brief period.

As has been noted, an inordinate number of Senior Executive Service management positions are filled on an "acting" basis awaiting identification and approval of incumbents. This is particularly chronic in the case of political appointees. In the business world, if senior positions can be filled on a

"temporary" basis for extended periods, or not filled at all, the most likely conclusion is that the positions may not be needed.

Action 7 - Vastly reduce the number of political appointees filling senior management positions in the Department and, where the positions are still deemed to be needed, convert them to the Senior Executive Service.

Political appointees perform an important function in assuring that the policies embraced by an Administration are indeed implemented. However, it would seem that 168 such individuals (26 in FEMA alone) is an excessive number, even for a department the size and complexity of DHS. Further, while many political employees are extremely well qualified for the positions they fill and make major contributions, there are many who hold assignments for which they have little background. This is a circumstance that demoralizes subordinates of these individuals and, perhaps more importantly, discourages highly sought-after potential employees from accepting positions in an organization where they will have little opportunity to rise into the senior ranks and where their leaders will change every few years. While the Task Force performed no formal analysis, it would seem that the number of political appointees in the Department could be reduced by a factor of five and the responsibilities they hold assigned to members of the Senior Executive Service…all while improving work outcomes..

Action 8 - Transfer high-performing managers and executives across operating components of the Department.

One of the best ways to build cohesiveness in an organization, particularly a newly-formed one, is to move qualified individuals across various segments of the organization. This not only serves to establish credibility and confidence in the overall quality of leadership but also creates ties among various organizational components and better prepares individuals to fill senior leadership positions.

Action 9 - Conduct separate but regular (twice per year) meetings of individuals representing like levels of management to exchange information on best practices.

No one person or organization has a monopoly on good ideas. By conducting meetings of individuals working at comparable levels with comparable responsibilities throughout the Department, ideas can be exchanged that

improve operations and at the same time break down "stovepipes" that are remnants of the components that made up the Department when it was created.

Action 10 - Resolve issues of seemingly modest consequence that are provoking antagonism with unions, even if some concessions must be made.

The relationship between the Department's unions and the Department's leadership appears to be more confrontational than in many other governmental organizations. Some of the issues contributing to this circumstance, such as the fact that TSA employees do not have the right to outside review of work disputes, need to be taken off the table inasmuch as they contribute disproportionately to an adversarial relationship.

Action 11 - Establish a small office reporting to the Secretary, overseen by a Senior Career person (Ombudsman), with accountability, to oversee implementation of leadership transformation activities.

Prior studies of morale within DHS have provided a number of suggestions to improve the situation that prevailed at the time of the individual studies. Unfortunately, that situation, if anything, has worsened over the years and the lack of follow-up to actions that were directed by top leadership or suggested by review boards has undoubtedly contributed to decay and morale. A formal follow-up mechanism is needed to assure that actions directed by senior management are in fact being implemented and to provide a place for employees to anonymously call attention to practices that are counterproductive to employee engagement efforts.

RECOMMENDATION II: Significantly improve management training, particularly leadership training.

Action 12 - Require all individuals assuming significant new managerial responsibilities (from first-line supervisors to and including political appointees) to participate in a leadership training program adapted to their particular level of responsibility and other related circumstances.

While some argue, not without a degree of merit, that it is impossible to teach leadership, it is possible to place individuals in training circumstances where they can develop their own leadership capabilities and where they can learn from the experiences of others. A formal leadership training program that addresses real-world situations, preferably relating to the Department, should be

required of all individuals assuming increased management responsibilities. Following that training, a mentoring/shadowing cadre should be created composed of recognized leaders worthy of emulation. Some federal departments also offer voluntary programs in leadership development online, even making them available to Special Government Employees.

Action 13 - Establish a separate, enduring, line-item to fund management training.

Management training tends to be among the first casualties of budget reductions, yet is one of the most important long-term investments that the Department can make. To help protect against such eventualities, the establishment of a special line-item to fund management leadership training should be created.

Action 14 - Include presentations on the culture expected within DHS in introductory programs for new employees.

New employees cannot be expected to fully understand the culture sought by an organization they are joining. The best way to convey this culture, is of course, to have it exhibited by existing members of the organization, particularly those in management, who live the culture day-in and day-out. A DHS on-boarding course like DHS 101 should be mandatory for all incoming leadership and employees. Emphasis is needed on positive examples.

RECOMMENDATION III: Adopt proven industrial standards for personnel development.

Action 15 - Substantially increase variability of bonuses to more accurately reflect differences in performance of members of the Senior Executive Service.

The current bonus system provides little incentive. Ninety-four percent of the Senior Executive Service employees receive bonuses, and the variation in size of the bonuses is modest (for example, excluding the 24 employees who ranked in the bottom two of the five personnel rating categories, the difference, on average, between those in the highest and the lowest of the remaining categories was 1.6 percent of base salary). Much greater impact could be achieved from the investment made in bonuses by providing them to far fewer individuals and of significantly greater size.

Action 16 - Consider converting from the existing Senior Executive Service performance rating system to a system based on more meaningful adjectival ratings (e.g., "significantly exceeds expectations;" "exceeds expectations;" "meets expectations;" "needs improvement;" and "unacceptable"), and use the entire spectrum of categories, such that the extent of individual contributions can be discerned.

The current Senior Executive Service performance rating system places so many individuals in the Senior Executive Service in the top categories (94 percent at DHS [2014] versus government-wide 89.9 percent [2013]...with one department at 95 percent!) that it provides little incentive to employees to truly excel; provides little feedback to employees; provides management with correspondingly little information to discriminate between good performers and great performers and forms little basis for removal of inferior performers. While changes in employee rating systems must be implemented with great care, consideration should be given to adopting a rating system that makes clear what is acceptable, what is unacceptable and what is extraordinary. The current "Lake Woebegone" approach, wherein everyone is above average, should be abandoned.

Action 17 - Involve representatives from all levels of employees in a formal review of current promotion and compensation systems, identifying improvements in both equity and transparency.

There is substantial evidence that employees lack faith in the fairness of the existing promotion and General Schedule compensation system. While the Task Force has no basis to assess the validity of that belief, perceptions do matter, particularly in matters of such importance to individual members of the workforce. A special task force should be created within DHS but outside of the "personnel" function to assess the existing situation and make appropriate recommendations to be considered by senior management and implemented under the aegis of the personnel system.

Action 18 - Conduct personal interviews with employees leaving the Department (or, at least, when leaving the Federal Service) to gain deeper insight into the true reasons for separations, and provide periodic feedback to Departmental leadership.

While there are voluminous instructions regarding the separation of DHS employees, including "check the box" questionnaires as to the reasons for

leaving, most of the information obtained is highly pro forma. Individual interviews of (willing) departees by (independent) individuals in personnel functions would likely have provided early warning of many of the problems now confounding the Department. The overall attrition rate in 2014 was 6.8 percent (7.7 percent government-wide) and the rate among DHS executives was 10.1 percent. A more important metric is "regretted attrition rate" (loss of employees in the highest rating category); however, as discussed elsewhere herein, this latter category is so large as to offer little valuable information. Revealingly, 70 percent of departing employees government-wide say no effort was made to encourage them to remain with the government.

Action 19 - Co-locate all headquarters functions at a single facility.

Even short separation distances greatly impede cohesiveness and coordination within an organization. Currently, DHS senior leadership is physically widely scattered and this, coupled with the size of the organization, makes management particularly difficult. While it is recognized that accomplishing this goal takes time, the DHS is no longer an entity that can reasonably be termed to be in its infancy.

RECOMMENDATION IV: Significantly strengthen communications (upward, downward and outward), making greater use of modern communication technology.

Action 20 - At the beginning of each (fiscal) year, managers at every level should commit to conduct Town Hall meetings and provide a two-page summary of the lessons-learned from those meetings to their immediate supervisor (to be used in the manager's annual performance evaluation as well as in improving operating effectiveness).

The large number of somewhat disparate organizations of which DHS is composed make it extremely challenging to build Department-wide loyalties. Further, the size of the Department makes communication relatively complex. Experience in other large organizations indicates that having managers, from the senior official through the chain of command, conduct periodic Town Hall meetings is an important mechanism for enhancing communication and team building. Importantly, these sessions should be two-way. One proven technique is for the "host" to accept questions submitted on cards anonymously during the meeting, read aloud and answered spontaneously. Properly handled,

this practice can greatly improve confidence in leadership and lead to resolution of many undesirable situations.

Action 21 - Have managers and supervisors at all levels conduct brief, weekly staff meetings with their direct reports.

As basic as is the idea of weekly staff meetings, all too many managers do not conduct such events or conduct them as superficial, one-way lectures. The reasons for this range from time demands imposed on the managers to discomfort in confronting issues that may be raised. Nonetheless, by far the best means of communication continues to be face-to-face, and all managers and supervisors should be expected to conduct such sessions weekly. Furthermore, higher levels of management should monitor that they are indeed being conducted.

Action 22 - Encourage employees to submit written suggestions to increase organizational effectiveness and have immediate supervisors provide brief written responses, endorsed by the next higher level of management.

No one knows their job better than the people performing them. Many have constructive suggestions and, if encouraged, are willing or even eager to share their ideas. However, when the suggestions that are offered are ignored, morale is eroded further than if the suggestions had not been sought in the first place. Some response needs to be provided to every suggestion and various forms of rewards need to be provided for particularly significant contributions.

Action 23 - Expand the employee recognition program.

The DHS employee recognition program sustained a serious setback when it was deferred for several years due to budget reductions. The implied sense of priority attributed to recognition was inevitably discerned by employees. The existing DHS recognition program is extremely important and could be strengthened by adopting some of the practices currently in use in other departments and other agencies. These are characterized by a variety of recognition mechanisms that address both individuals and groups. Teams composed of members from several components of DHS deserve special consideration in this regard, as does the possibility of employee-nominated, employee-selected (voted) awards. Importantly, employee exit interviews

indicate great potential payoff when supervisors and managers simply express appreciation of special contributions.

Action 24 - Publicize throughout the entirety of DHS the accomplishments of individual components of DHS.

Continuing to build "One DHS" is an important goal that is fostered when all employees celebrate major triumphs of individuals and teams from specific components of the workforce. However, this is only possible if employees are aware of those accomplishments. Means should therefore be established to communicate the many significant contributions being made within individual DHS organizations such that they can be recognized and celebrated throughout the enterprise as a whole.

Action 25 - Establish a hierarchical electronic communications system whereby news impacting any particular organizational element is provided in a timely fashion to members of all levels of management above that element, including important questions (and answers) that may arise from the affected workforce.

The credibility of supervisors and their ability to act as true members of management depends in part upon their being promptly informed of key issues and being able to answer questions they confront from their associates. An electronic information dissemination system is needed that provides each supervisor and manager with information affecting their workers, but only that information, since flooding all news to everyone soon results in all news being ignored. Thus, a family of pre-established distribution lists needs to be maintained.

Action 26 - Use social media to augment communications, especially with employees in the field.

Many members of today's workforce use social media as a primary source of information. Wherever possible, information should be distributed using social media in parallel with the more traditional means of communication. This is particularly important for younger employees and employees holding field assignments.

Action 27 - Have the Secretary of Homeland Security promptly and personally recognize individual employees or teams of employees that have made particularly significant contributions.

There is little that brings greater appreciation and encouragement to an individual or team than to have senior management acknowledge their contributions. In the case of truly major achievements, this recognition should be both immediate and from the highest level of management.

APPENDIX A - MEMBER BIOGRAPHIES

Norman R. Augustine (Chair)

Mr. Augustine served as chairman and CEO of the Lockheed Martin Corporation during the integration of the seventeen companies or major parts of companies that created that firm, composed of 180,000 employees with an operating budget of $50B. He served ten years in the Federal Government in six different capacities, including Under Secretary of the Army and Acting Secretary of the Army. He was a member of the President's Council of Advisors on Science and Technology for 16 years, the President's Homeland Security Advisory Board, and the Department of Homeland Security's Advisory Council since its creation. He chaired the Defense Science Board, the National Academy of Engineering, the Aerospace Industry Association and the American Red Cross and served as president of the American Institute of Aeronautics and Astronauts and the Boy Scouts of America and as President and Chairman of the Association of the United States Army. He has been a trustee of Princeton, Johns Hopkins and MIT and is a regent of the University System of Maryland (composed of twelve institutions). He has served on the Board of Directors of Procter & Gamble, ConocoPhillips, Black & Decker and Lockheed Martin and has been presented the National Medal of Technology by the President of the United States. He has been awarded 34 honorary degrees.

Lydia W. Thomas, Ph.D. (Vice Chair)

Dr. Thomas became the President and CEO of Noblis, Inc. in June of 1996 and served in that position until September, 2007. As the leader of the organization her duties included M&A activities, a blending of cultures and values for a unified organization. Prior to Noblis, she served as a senior vice president and general manager at the MITRE Corporation. Her career there spanned 23 years. Dr. Thomas has served the Department of Homeland Security as a member of the Homeland Security Advisory Council since its founding. Prior to the formation of the Department she served the President through the Office of Homeland Security as an advisor. She is a former member of the Defense Science Board and the board of Trustees of the George Washington University, serving as both vice chair of the board and the chair of the Academic Affairs Committee. She is currently a director at the Cabot Corporation, Mueller Water Products, US Energy Association, Planet Forward, a trustee of the Inova Health System, Noblis, and Washington Mutual Investors Fund, one of the American Funds, and a member of the Council on Foreign Relations. She holds a Doctorate of Philosophy with a concentration in Cytology.

Steve Adegbite

Steve Adegbite is the former Senior Vice President in charge of the Enterprise Information Security Program Oversight and Strategy Organization at Wells Fargo & Co. Prior to joining Wells Fargo & Co., Mr. Adegbite was the Director, Cyber Security Strategies at Lockheed Martin Information Services and Global Services (IS&GS). Prior to joining Lockheed Martin, Mr. Adegbite was the Chief Security Strategist for Adobe Systems Inc. within the Adobe Secure Software Engineering, Steve has also worked with Operations (IO) positions at the National Security Agency (NSA), the National Geospatial-Intelligence Agency (NGA) and the Defense Intelligence Agency (DIA), both as a government employee and as an associate consultant for Booz Allen Hamilton, a strategy and technology consulting firm.

Thad Allen

Thad Allen serves as an Executive Vice President at Booz Allen Hamilton, Inc. and the leader in the firm's Departments of Justice and Homeland Security business in the civil market. He is known for his expertise in public-private sector collaborative efforts in addressing governmental regarding the future direction of law enforcement and homeland security. In May 2010, Allen completed his distinguished thirty-eight year career in the U.S. Coast Guard as its 23rd Commandant. In 2010, President Barack Obama selected Allen to serve as the National Incident Commander for the unified response to the Deepwater Horizon oil spill in the Gulf of Mexico. Prior to his assignment as Commandant, Allen served as Coast Guard Chief of Staff. During his tenure in that position, he was designated Principal Federal Official for the US Government's response and recovery operations in the aftermath of Hurricanes Katrina and Rita. Additionally, Admiral Allen was the first recipient of the Homeland Security Distinguished Service Medal and has been awarded three Coast Guard Distinguished Service Medals and the Legion of Merit. Allen also currently serves as a director on the Coast Guard Foundation and Partnership for Public Service.

Elaine Duke

Principal, Elaine Duke & Associates, provides acquisition and business consulting services to a wide variety of clients and specializes in assisting companies seeking to do business with the Federal Government. Ms. Duke had a 28 year acquisition career with the Federal Government. She was confirmed as the DHS Under Secretary for Management and served in that position from July 2008 until April 2010. Prior to that, Ms. Duke was the DHS Deputy Under Secretary for Management, DHS Chief Procurement Officer and the first Assistant Administrator for Acquisition at the Transportation Security Administration. She began her federal career as a contracting officer for U.S. Air Force, and continued her acquisition career supporting the U.S. Navy, Department of Transportation, and Smithsonian Institution.

Gary Kelly

Gary Kelly serves as Chairman of the Board, President, and Chief Executive Officer of Southwest Airlines. Gary assumed his current roles in 2008 following stints as Chief Financial

Officer, Vice President of Finance, Executive Vice President, and Vice-Chairman. Mr. Kelly is a 28-year Southwest veteran who began his career at Southwest Airlines as Controller, moving up to CFO and VP of Finance, then EVP and CFO, before being promoted to CEO and Vice Chairman in 2004. Mr. Kelly became Chairman and President in 2008. Mr. Kelly is a Certified Public Accountant; serves on the Board of Directors of the Lincoln National Corporation; and is Chairman of Airlines for America. Mr. Kelly previously served on the President's Job Council. Corporation; and is Chairman of Airlines for America. Gary previously served on the President's Job Council.

Carie Lemack

Carie Lemack has more than a decade of experience in counterterrorism policy, advocacy, and entrepreneurial endeavors. Currently a Senior Fellow at GW's Center for Cyber and Homeland Security, she previously served as Director of the Bipartisan Policy Center's Homeland Security Project. Before that, Lemack co-founded Global Survivors Network, an organization for victims of terror to speak out against terrorism and radicalization. She coordinated and inspired events globally and produced an Academy Award-nominated documentary film, Killing in the Name. In 2001, she co-founded and led Families of September 11.

Carie has testified before Congress and been interviewed repeatedly on national and international media outlets, including CNN, BBC, NPR, Fox News, al Jazeera, "The Oprah Winfrey Show", The New York Times and The Wall Street Journal. She authored opinion pieces that ran in The Washington Post, USA Today, The Boston Globe and The Guardian, among others.

Before entering the non-profit sector, Carie worked in the technology sector and received a Masters in Public Administration from the Harvard Kennedy School of Government after receiving an MBA from Stanford University Graduate School of Business. She graduated from Stanford University with a Bachelor of Science degree in symbolic systems.

Wilson "Bill" Livingood

Wilson "Bill" Livingood is the President and Partner of Livingood Advisors, LLC. Mr. Livingood is an accomplished Senior Federal Law Enforcement Executive. His expertise is in all aspects of management, planning, leadership, operations, security, and emergency preparedness gained through 17 years as the U.S. Congress Sergeant-at-Arms and 33 years in the U.S. Secret Service. As the 36th Sergeant At Arms, of the U.S. House of Representatives and Mr. Livingood was the third longest serving Sergeant at Arms in U.S. history and was also appointed by both Republican and Democratic administrations. Many of his key positions at the U.S. Secret Service included: Presidential, Foreign Dignitary, and Candidate Protection; Criminal Investigation; Headquarters and Field Office Management; Senior Agent in Office of Inspection; and Senior Advisor to several Secret Service Directors.

Walter McNeil

Walter McNeil is the former Police Chief for the City of Quincy and past President of the International Association of Chiefs of Police. Chief McNeil has more than 29 years of law enforcement experience, serving as the Secretary of the Florida Department of Corrections, and head of the Florida Department of Juvenile Justice. Prior to being selected to lead the above named agencies, he was the Chief of Police for the City of Tallahassee, Florida. Chief McNeil holds a Master's Degree in Criminal Justice and a Bachelor's Degree in Criminology. Chief McNeil is also a graduate of the FBI National Academy.

Bonnie Michelman

Bonnie Michelman has extensive leadership and security management experience in diverse industries. Ms. Michelman currently is the Director of Police, Security and Outside Services at Massachusetts General Hospital and the Security Consultant for Partners Healthcare Inc. comprising 13 hospitals in Massachusetts. Ms. Michelman was formerly District Manager at First Security Services overseeing 60 diverse operations and Assistant Vice President for General Services/Operations at Newton Wellesley Hospital managing 16 departments. Ms. Michelman served as President in 2001 of ASIS-International, Chairman of the Board in 2002, and Foundation President from 2003-2005. Ms. Michelman is a Past President (2008 and 1995)/Chairman of the Board of the International Association for Healthcare Security and Safety (IAHSS). Ms. Michelman is currently on the Board of Directors for the International Security Management Association (ISMA) and instructor at Northeastern University, College of Criminal Justice in the Graduate and Undergraduate program. Bonnie is on the Regional Board of Directors for the Anti-Defamation League (ADL) and chairs their National Security Committee. Ms. Michelman has an MBA, and MS in Criminal Justice and a BA in Government and Sociology.

APPENDIX B - TASK STATEMENT

Secretary
U.S. Department of Homeland Security
Washington, DC 20528

October 9, 2014

MEMORANDUM FOR: Judge William H. Webster
Chairman
Homeland Security Advisory Council

FROM: Secretary Johnson

SUBJECT: Homeland Security Advisory Council
Establishing a DHS Employee Morale Task Force

I request that the Homeland Security Advisory Council establish a Task Force to provide recommendations on how to improve employee morale throughout the DHS enterprise. As the Council is comprised of senior level officials from local and federal government, academic experts, and community leaders, the Council is uniquely positioned to provide updated analysis to its 2007 "Report on Culture Task Force" for how best to address the current challenges associated with low employee morale. The DHS Employee Morale Task Force should address, among other closely related topics, the following questions:

- **What are the core or root causes of continued low morale in the Department of Homeland Security?**
  - What do the results of the OPM Employee Viewpoint Survey tell us about core or root causes of continued low morale?
  - Are core or root causes different within DHS headquarters and Components? Are they different between Components? Are they different between all headquarters elements and the field?
  - What additional research, including surveys, studies, or other analysis, is necessary to understand core or root causes of low employee morale?

- **How can DHS strengthen its leadership cadre, in order to both enhance mission effectiveness and also increase employee morale?**
  - What do the results of the OPM Employee Viewpoint Survey tell us about strengths and weaknesses in the DHS leadership cadre?
  - Do strengths and weaknesses differ among Senate-confirmed leadership, the Senior Executive Service, and General Schedule supervisors and managers?

Among DHS headquarters and Components? Between Components? Between headquarters and the field?
- How does DHS's leadership cadre compare to the leadership cadres of similar organizations in the public and private sector with respect to key competencies, proficiency, mission effectiveness, and other factors materially impacting employee morale?
- What steps can DHS take within its current authorities to strengthen its leadership cadre? What additional authorities should DHS request?

- **How can DHS work as a whole, across the agencies and recognizing their distinct cultures, to build a greater sense of belonging and improve employee morale?**
  - What are DHS work culture priorities that should be defined and universally communicated to the whole organization?
  - How can DHS leadership help shape a better work culture to promote staff empowerment and innovation while also encouraging a healthy work-life balance?
  - Are there tools such as cross-Component rotational assignments and/or career paths that can help increase employee morale? Are there workforce concepts that might actually further hurt employee morale?

- **Referencing the 2007 HSAC DHS Morale Assessment:**
  - Which of those recommendations were successfully implemented?
  - For those items that were not and which still remain relevant, what changes should be made to increase the likelihood of successful implementation and organizational adoption?

Should you have questions, please communicate them to Ben Haiman, Deputy Executive Director of the Homeland Security Advisory Council, Office of Policy, U.S. Department of Homeland Security at (202) 380-8615.

APPENDIX C - SUBJECT MATTER EXPERTS

Kim Baranof, Senior Counselor to the Deputy Secretary, U.S. Department of Homeland Security

Charles F. Bolden, Jr., Administrator, National Aeronautics and Space Administration

Jeri L. Buchholz, Chief Human Capital Officer and Assistant Administrator for Human Capital Management, National Aeronautics and Space Administration

Tina Cariola, Workforce Engagement Branch Manager, Office of Training and Workforce Engagement, Transportation Security Administration

J. David Cox, Sr., National President, American Federation of Government Employees

Andrew Edelson, Specialist Leader, Deloitte Counseling, LLC

Catherine Emerson, Chief human Capital Officer, DHS

Kim Hutchinson, Deputy Assistant Administrator, Office of Training and Workforce Engagement, Transportation Security Administration

Colleen Kelley, National President, National Treasury Employees Union

Travis Peterson, Senior Manager, People at Southwest Airlines

Marian Manlove, Manager, Workforce Engagement Division

Vince Micone, Chief of Staff, Office of Management

Steve McPeek, Executive Director, Strategic Workforce Planning and Analysis

Max Stier, President and CEO of Partnership for Public Service

Colleen Wilson, HR Specialist, National Aeronautics and Space Administration

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