

STRATEGIC MANAGEMENT of HUMAN CAPITAL

Human Resources Division

Farm & Foreign Agricultural Services

FY05

Second Quarter Report

04/21/05

STRATEGIC MANAGEMENT of HUMAN CAPITAL 2Q FY05 Highlights

Strategy One: IMPROVE ALIGNMENT OF HUMAN CAPITAL INITIATIVE TO AGENCY MISSION AND GOALS

- FFAS HR has completed 16 of 42 (38%) of its Human Capital Annual Performance Plans that directly support the programmatic goals of the agencies; more notably:
 - Completed the HR Competency Model and Assessment Tool; setting the development criteria for current and future HR consultative services.
 - 95% of employees' performance plans are linked to the agency mission, goals and outcomes, exceeding the OMB goal of 60%.

Strategy Two: SUPPORT WORKFORCE PLANNING & DEPLOYMENT

- The Human Capital Management data has been added to the internet in order to provide a data source for our employees. HR has increased its web based HR Service Functions by 11% FYTD.
- The estimated reduction in skills gaps in Mission Critical Occupations is 13.8% FYTD. This is determined by the increase of training instances over the FY04 baseline of MCO related training programs from last quarter (from 22.2% to 36.0% over FY04 baseline). Assumably, this trend indicates that participation of MCOs in training is increasing, thus their skills gaps are closing.
- The estimated reduction in skills gaps in SES leadership competencies is 20.6% FYTD. This is determined by the increase of GS 14/15 training instances over the FY04 baseline from last quarter (from 11.6% to 32.2% over FY04 baseline). This trend indicates that incumbent leaders are participating in training interventions to enhance their skills, thus closing their skills gaps.

Strategy Three: IMPROVE THE ACQUISITION AND UTILIZATION OF TALENT

- The 'quality of new hires' index continues to reflect above average satisfaction ratings from managers regarding the degree of competencies (skills, knowledge and abilities) new employees are demonstrating on the job after 90 days on the job. This indicates positive selection criteria are being utilized by HR and the manager, resulting in a higher quality or competent candidate.
- As part of the overall Retention Strategy, exiting employees continue to rate the organization as a "good place to work". 86.4% (19 of 22) of the employees who participated in the exit interview process FYTD claimed their agency is a good place to work. Therefore, other reasons will be assessed by HR over time; and

specific organizational strategies, e.g., leadership training, employee orientation, etc. It is essential that the agencies ensure they do everything to retain high performers.

- Processing time to fill FFAS vacancies averaged 70.5 days through the second quarter. This is a reduction of nearly three weeks (18.5 days) and below the target of 75 days. The reduction is attributable to the relaxation of FTE budget review process, a fewer number of vacant positions to process and an increase of the proficiencies using the automated staffing processes.
- FFAS continues to be below the government-wide OPM measure of 45 days (measured by days from vacancy closure date to date manager makes a selection). FFAS's reported time for the second quarter was 35 days up 9 days from first quarter. The average FYTD is 30.5 days, 14.5 days under the OPM standard / target. The increase is attributable to certificate preparation time and the time the manager takes to select a candidate from the certificate of qualified applicants.
- Workforce diversity of new hires FYTD for FSA exceeded the RCLF representative statistics. This demonstrates a positive return on the recruitment strategies, especially maximizing the benefits of the MANRRS initiative. In terms of management hiring ranks (GS13/14/15), Blacks and American Indians each represent 10% of new hires FYTD, while women maintain a 50% FYTD rate. Hispanics and Asian Americans continue to show a challenge. A positive trend indicates the ability of the agency to leverage diversity in the accomplishment of its programmatic goals.

Strategy Four: SUSTAIN LEARNING ENVIRONMENT AND LEADERSHIP CONTINUITY

- Fundamental analysis of Knowledge Management (KM) Strategies or Systems implemented matched the two that HR indicated last year. Along with the major addition/modification of the HR share drives, HR added the HR Director's 'vision tour' to the HR branches to share functional responsibilities information, competency requirements and visions. The 100% over a baseline of 2 indicates progressive attention to the importance of institutional information sharing.
 - February, 2005 marked the 1st year anniversary of the FFAS HR Internet Web site. The first year ended with almost 500,000 hits and the site is now averaging 50-65 thousand hits per month. The Web site contains more that 2300 pages or downloadable files and over 1500 external hyperlinks all providing HR related information.

NOTE: Best practices regarding KM are currently under review by HRD which may alter how this particular measure is tracked and presented.

- Concerning Leadership Succession, the number of employees (instances) who completed leadership training courses increased some 20% (67 to 81). This represents a slight increase in the potential 'back-up pool' ratio, from .07 to 1 to .08 to 1. This remains well below the target of 3.00 to 1, which represents the ideal 'backup pool' for effective leadership succession.
- The Employee Development Rate increased by 10.7% from the first quarter (14.67% to 25.38%). This increase indicates that all employees in the 27 Mission Critical Occupations and 12 Leadership Occupations with continuity challenges (identified in the FY04-08 FFAS Workforce Analysis), continue to participate in skill development activities.
 - FFAS HRD continues to work with the various divisions to 'lock down' the competencies of their specific mission critical occupations in order to strengthen the recruitment process, training and development initiatives and succession planning strategies.

Strategy Five: IMPROVE THE RESULTS-DRIVEN PERFORMANCE CULTURE

- FFAS has linked approximately 95% of employee performance plans to the Agencies' goals to date. Management in both RMA and FAS indicated that 100% of their agency employees are linked. FSA has only a few more state offices to certify 100%. Not only does this meet the Departmental milestone, but the OMB Human Capital Management Standard of Success as well. FFAS HR will continue this effort to meet its long term goal to link 100% of the employees to their agency's mission, goals and outcomes.
- Employees who have received a form of recognition for demonstrating high performance levels has increased to 10.6%, up from 9.3%. This indicates that despite budgetary restrictions managers are continually reinforcing the positive contributions of their employees, a proven retention factor.
- The overall Mission Area workforce diversity (all groups) increased slightly to 19.8% and the percentage of women in the Mission Area increased 9% (from 46.1% to 55.1%). This measure demonstrates the organizations continuing effort to leverage diversity in the accomplishment of its missions.