Institute for the Study of Public Policy Implementation
Leadership Forum

May 17, 2005
Agency leaders discussed actions that their agencies can and should take in order to create a common understanding across their organizations of human capital needs and the support systems necessary to adjust for real and expected changes in major business processes at an Institute for the Study of Public Policy Implementation Leadership Forum meeting on May 17, 2005.

“The Program Support Center in the Department of Health and Human Services is one of those places that feel the pressure to change because it is funded from a revolving fund. If it is unable to satisfy its clients, the fund is not replenished and the Program Support Center will go out of business. The Program Support Center really feels the pressure of competition, the pressure to produce, and the pressure to change. But the leaders at the Program Support Center have decided to run slow now so they can run even faster later. They used a systematic approach to assess the current human capital needs and support systems necessary to implement the change they desire. The Program Support Center has attempted to create a common understanding of the human capital skills it has and the human capital needs it may require to implement the changed business processes,” said ISPPI Director Robert M. Tobias.

John Aguirre, Director, Administrative Operations Service, Program Support Center, Department of Health and Human Services, and Julie Ryan, Human Performance Manager, Accenture, gave a joint presentation discussing the reasons for workforce analysis and the human capital findings at the Program Support Center.
Introduction and Discussion by ISPPI Director Robert M. Tobias

“What process might an agency use to create a common understanding across the organization of the human capital needs and support systems necessary to successfully adjust for real and expected changes in major business processes?”

Introduction:
Institute for the Study of Public Policy Implement (ISPPI) Director Robert M. Tobias opened the meeting with a brief overview of the mission and goals of ISPPI, followed by a discussion by agency leaders on whether agencies have a common understanding of the human capital needs across their organization.

Leadership Forum participants discussed the different actions that their agencies are taking, which include:
- Having a list of the “supply” of employees
- Conducting a gap analysis
- Establishing a strategy to reduce that gap
- Understanding the impact on the budget
- Surveying the employees to establish a skills-based assessment of employees
- Recognizing the importance of cultural change
- Realizing the importance of how it relates to the agency’s mission

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What actions might be taken in order to increase this understanding in agencies?
Mr. Aguirre and Ms. Ryan gave a joint presentation detailing a workforce analysis of the human capital findings at the Program Support Center. There are several reasons that the workforce analysis was conducted:

- Focus on reengineering and reinventing the business processes demanded an analysis of our workforce capabilities
- Directly link to the President’s Management Agenda Goal—Strategic Management of Human Capital
- Align with the PSC Strategic Plan Goal—to be an Employer of Choice
- Ensure that we are focused on identifying the skill and knowledge requirements needed to achieve our strategic goals, especially as the way we do business changes
- Identify whether we have the right resources in place to enable employees to not only perform their functions, but do them well
- Prepare the organization to deal with loss of critical employees.

The Human Capital Development Framework provides factual data about the effectiveness and maturity of our human capital processes in several areas and at multiple tiers within the organization; takes input form all levels of the workforce, including employees, managers, executives, and Human Resources; and helps to narrow down what we needed to work on and zero in on the areas that needed the most work in order to make the most with our limited resources.

The top strategic objectives established for PSC were to improve organizational effectiveness and reduce costs; develop and sustain a high performing and qualified workforce; and develop customer relations programs.

The Human Capital Strategy developed is to build a “people vision” and a strategic plan for creating, developing, and retaining your workforce (identifying necessary tools and processes to support the workforce).

Several lessons learned from this process include:

- Major changes in work or business processes have a ripple effect on the workforce that must be managed in order to maximize the benefits from those changes
- Support for a workforce analysis and implementation of initiatives to address deficiencies and gaps must be strong at the highest levels of the organization
- Every organization likely has more opportunities to improve than it has resources to do so—using a tool to focus on areas of weakness and evaluating initiatives based on impact versus effort is most efficient
- Communication of the analysis and management’s plans to address issues is critical to employee support and increased morale.

Mr. Aguirre and Ms. Ryan’s presentation can be found on the ISPPI web site, www.american.edu/spa/isppi, at the Leadership Forum, May 17, 2005, prior meetings tab.