

*The Journal of* **Public**  
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Fall/Winter 2000



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*The Journal of Public Inquiry* is a publication of the Inspectors General of the United States. We are soliciting articles from participating professionals and scholars on topics important to the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency. Articles should be approximately 3–5 pages, single-spaced, and should be submitted to Agapi Doulaveris, Treasury Inspector General for Tax Administration, Department of Treasury, 1125 15th Street, N. W., 700 (Ste. A), Washington, DC 20005.

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# Public Inquiry

Fall/Winter 2000

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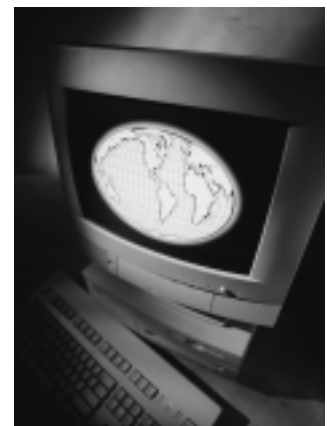
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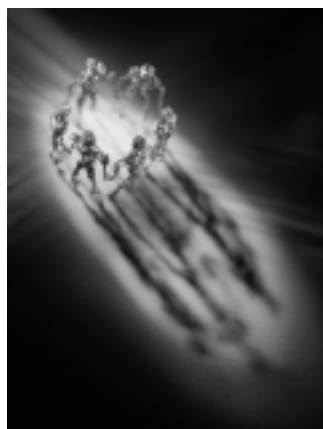
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#### **A NOTE FROM THE IG COMMUNITY**

The President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency presented their third annual awards for outstanding accomplishments in promoting economy and efficiency, and fighting fraud, waste, and abuse, in government programs. A list of award recipients can be found at IGnet (<http://www.ignet.gov>), the Federal IG community's website.



# Of Mouse and Management

## *Improving Federal Performance for the 21st Century*



Senator Fred Thompson

**T**hese are very good times for Americans. We won the Cold War, and we now live in an era of relative peace. We are prospering from a strong economy. The budget is no longer in deficit—at least for now.

The scenario for the Federal government is less rosy, however, when you scratch the surface. Our Nation faces a demographic time bomb with the aging of our population and the impending retirements of “baby boomers.” This could bust our budget surpluses and send us reeling back into deficit. If things continue as they are, just three Federal programs—Medicare, Medicaid, and Social Security—eventually will consume more than three fourths of all Federal revenues.

Other problems are more immediate. Our public schools are troubled in many ways. We face threats from domestic crime, international terrorism, and the proliferation of weapons of mass destruction. We are making little progress in ridding our Nation of the scourge of illegal drugs. Segments of our population are not benefitting from the general economic prosperity.

What compounds these problems and our ability to address them is the lack of public trust and confidence in the Federal government. Opinion polls consistently show that the public views Washington as ineffective, wasteful, and unresponsive to their true concerns. Americans want the Federal government to work, but don’t think that it does. These negative perceptions fall most heavily on our leaders, in both political parties and in both the Executive Branch and Congress.

A degree of public skepticism toward our government is a healthy thing. Rampant cynicism is not. Its effects can be seen in the increasing public apathy toward our political processes and lack of interest in public service, particularly on the part of our young people. This perception is fed by the fact the government operates less efficiently than it should. Few would dispute that the government in Washington cannot do effectively all it is now charged with doing. Much of what Washington does is inefficient and wasteful. But Washington decision makers don’t have a handle on which programs work and which do not.

The performance problems facing the Federal government today are many and varied, and have consistently been identified by the nation’s Inspectors General:

## Fraud, Waste, And Mismanagement

No one knows exactly how much fraud, waste, and mismanagement cost the taxpayers since the Federal government makes no systematic effort to keep track of it. However, based on just a few examples from GAO and Inspector General (IG) reports, my Committee came up with a figure of \$228 billion—\$38 billion in just one year alone.

Obviously we will never completely eliminate fraud, waste, and error in an operation as huge and complex as the Federal government. However, some of the ludicrous situations we often uncover make you wonder if anyone is even trying. In one example, identified by HHS Inspector General June Gibbs Brown, Medicare paid millions of dollars for services allegedly rendered to beneficiaries after Medicare's own records showed they were deceased. In another example, Prisoners get food stamps and other Federal benefits to which they are obviously not entitled. IRS issued a \$15,000 tax refund to someone who owed \$350,000 in delinquent taxes. Many of these errors happen because agencies can't seem to use information they already have in their systems.

## Capacity Problems

The nation's IGs repeatedly single out a number of "root causes" for the problems of fraud, waste, and mismanagement that plague most Federal agencies. For the past three years, IGs for the major agencies have reported to me on the "top 10" most serious performance problems facing their agencies. Their top 10 lists remain much the same year after year. A similar pattern emerges from the work of GAO. Each time GAO updates its "high-risk list" of Federal activities most vulnerable to fraud, waste and mismanagement, the number of problems increases. GAO started with 14 high-risk problems back in 1990. Its most recent list, issued last year, contains 26 high-risk problems. Only one high-risk problem has been removed from the list since 1995. Ten of the 14 original high-risk problems from 1990 are still on the list today—a decade later.

Using IG assessments of each agency's top 10 management problems, FDIC Inspector General Gaston Gianni, Vice Chair of the President's Council on Integrity and Efficiency, provided me with a list of those problems that affect most government agencies. In his letter to me, Mr. Gianni wrote that there were "seven challenges that have applicability across government." Those challenges include:

- Financial Management and CFO Statements
- Information and Technology Resources
- Security and Data Integrity
- GPRC Compliance, Implementation and Accountability

- Procurement and Grant Management
- Personal Security and Safety
- Human Capital and Staffing

These shortcomings also severely limit the capacity of agencies to perform their core missions.

Inattention to day-to-day management is devastating for the Federal government. NASA's recent mishaps are a case in point. During the last year, NASA lost all four of its spacecraft bound for Mars. This cost taxpayers hundreds of millions of dollars and brought the entire Mars program to a halt. It would be one thing if these problems stemmed from the risks inherent in space exploration, but they did not.

Instead, they resulted from simple negligence—such as failing to convert feet to meters and omitting computer codes—that were the result of poor management.

**The nation's IGs repeatedly single out a number of "root causes" for the problems of fraud, waste, and mismanagement that plague most Federal agencies. For the past three years, IGs for the major agencies have reported to me on the "top 10" most serious performance problems facing their agencies.**

## Computer Security

Computer security is another example of basic management failure. Pervasive weaknesses in government information systems make them vulnerable to computer attacks from international and domestic terrorists, crime rings, and everyday hackers. Many of these problems stem from faulty planning

and simple mismanagement. Senator Lieberman and I have sponsored legislation that would supply the comprehensive and coordinated management approach to protecting government information that has been missing up to now.

## Performance Management

The Federal government seems unable to get at the core performance problems facing the Federal government. To address this problem, Congress has enacted a number of laws designed to change how Washington works. Foremost among them is the Government Performance and Results Act, popularly known as "the Results Act." As its name implies, the Act seeks to change the mind set in Washington from what the government does—spending money, issuing regulations, and so forth—to what actual results those activities produce. It does this by asking

agencies three fundamental questions about their programs and activities:

- What results are you trying to achieve?
- What are the specific goals and measures by which you will be accountable for achieving those results?
- How well have you performed against your goals and measures?

We're finding that most agencies have a hard time answering these questions. This is disappointing but not surprising. Folks here are much more comfortable telling us how many people they trained for jobs than how many of their trainees actually got jobs and kept them. Consequently, the transition from looking at process and activities to looking at results has been painfully slow.

### Getting Results From the Results Act

Both the Executive Branch and the Congress need to start using the Results Act and the other management tools at our disposal. We should concentrate on what the government should be doing and ensuring that it does it well. We can do that by:

**Developing Better Performance Measures**—For starters, agencies need to *develop* clear Results Act performance goals and measures that focus on the important outcomes they are supposed to achieve for the American people. The Results Act also is well suited for establishing *specific* and *measurable* performance commitments to resolve the high-risk and other major management problems that persist year after year. And it's one way to get at overlapping programs. We need *consistent* goals for the many programs directed at the same things. This at least keeps them from working at cross-purposes. It also helps us compare their performance to see which ones work best.

**Using Performance Information**—Decision makers in the Executive Branch and Congress need to *use* Results Act performance information to determine what's working and what's not, and to hold agencies and programs accountable. We need to use this information to impose *real consequences*, particularly funding consequences. Of course, the fact that a program is not performing well doesn't necessarily mean it should be de-funded. Maybe it needs legislative fixes or even more funding. However, letting non-performing programs simply continue as is should not be an option. Doing so cheats both the taxpayers in general and the intended beneficiaries of these ineffective programs.

We need to apply results-oriented, performance-based thinking to *all* of our activities. Using the key Results Act questions as a framework, we need to conduct systematic oversight of existing agencies and programs. We need to

scrutinize the design and effectiveness of these programs and make appropriate adjustments.

**Using Performance Management to Solve Management Challenges**—I have consistently asked agencies to adopt goals and measures to address many of their longstanding management challenges. In August of 1999, I wrote each agency head and told them it was essential that they commit themselves to tangible steps that will lead to solutions to these problems and that agency heads accept accountability for following through on these commitments. One obvious way to do this is to establish *specific* and *measurable* goals in annual GPRA performance plans.

This year, I asked IGs and GAO to assess the extent to which agencies were setting such goals to address their longstanding management challenges. Some agencies have made concerted efforts to use Results Act performance goals to help resolve their major management problems. Most notably, the fiscal year 2001 Performance Plan for the Department of Health and Human

**We need to apply results-oriented, performance-based thinking to *all* of our activities. Using the key Results Act questions as a framework, we need to conduct systematic oversight of existing agencies and programs. We need to scrutinize the design and effectiveness of these programs and make appropriate adjustments.**

Services (HHS) includes goals that directly address all of the Department's major management challenges as identified by GAO and the HHS IG. Many other agencies unfortunately did not. Four agencies—the General Services Administration, the Agency for International Development (AID), the Small Business Administration (SBA), and the Nuclear Regulatory Commission (NRC)—did not develop goals for any of their major management problems as identified by GAO and the IGs. Other agencies included goals for their management challenges

only to a moderate extent. The Departments of Agriculture and State, for example, only included goals for about 50 percent of their challenges. I will continue to assert that without specific and measurable performance goals, it is difficult, if not impossible, to assess progress in addressing major management problems and to hold agencies accountable.

**Restructuring Government around What Works**—In addition to looking at how effectively the government



functions, we must also use Results Act information to take a broad look at what the Federal government does today and why. Duplication and fragmentation abound in the Federal government. The sum total of current agencies, programs and responsibilities far exceeds our capacity to perform effectively. There is an obvious need to bring some order out of this chaos. As the Comptroller General testified before the Governmental Affairs Committee, “we now have the opportunity *and obligation* to take a comprehensive look at what the Federal government should be doing and how it does it.”

The nation’s Inspectors General have the capability individually and collectively to review and analyze what the Federal government now does and ask such questions as:

- How can we improve the organization and management of the Federal government in order to maximize productivity, effectiveness, and accountability for performance results?
- What current Federal functions, agencies and program activities are obsolete or redundant?
- What functions could be better performed by state and local governments or the private sector?

We must take advantage of these tools and the expertise of the Inspectors General in order to move the Federal government into a new era of performance-based accountability. The fate of the Results Act is very much an open question at this point. I’m encouraged that many Inspectors General are taking the lead to ensure that the Results Act is fully implemented throughout the Federal government.

Fourteen Inspectors General have identified implementation of the Results Act as a major challenge at the agencies they were appointed to oversee. The PCIE has an active audit committee with a focus purely on implementation of the Results Act. That group is organized to study how best to implement the Results Act in individual agen-

cies, as well as to explore ways to integrate the requirements of the Act into the audit, inspection, and investigation functions of Offices of Inspector General.

## Conclusion

The importance of moving toward a new era of performance-based government cannot be overstated. That is why I was pleased to see the Inspectors General attempt to identify best practices among the community in oversight of Results Act implementation. In an analysis of best practices, the PCIE identified the efforts of the Treasury Department IG. As to why its practices were best, the PCIE wrote:

“By assisting bureau management in improving its strategic planning process . . . the OIG seized an opportunity to obtain knowledge and expertise in areas that might have been unexplored. Management used the OIG’s suggestions to assist them in further developing their strategic plan. The suggestions made are not only useful for management, but also provide potential enhancements to the implementation of the current strategic plan. The OIG’s comprehensive review in analyzing and evaluating the performance measures and related formulas was very helpful in focusing management and program level attention on the importance of developing effective measures.”

We are in a new century with a new economy. The Federal government must embrace the changes that have, so far, passed it by. We need to get the Federal government into the 21st Century, even if we have to drag it in kicking and screaming. Once we do that—and only after we do that—can we expect to regain some of the confidence that the American people once had in their elected representatives. Restoring the public’s trust in government should be our measure, and we should dedicate our performance to that purpose until we get results. 🏛️

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CAROL J. OKIN

*Associate Director for Employment Services, Office of Personnel Management*

SUZY BARKER

*Director of the Staffing Reinvention Office, Employment Services, Office of Personnel Management*

# Panning for Gold

## ***Recruiting Right the First Time to Attain a High Quality, Diverse Workforce***



Carol J. Okin

*“In today’s global marketplace, the demand for highly skilled workers has never been greater. Private sector and public sector employers are in a war for talent for the best job applicants. To simply do our jobs, every agency in the Federal Government must learn how to accomplish its mission by recruiting, hiring and retaining the right candidate for the right job,”*

Janice R. Lachance, Director of the  
U.S. Office of Personnel Management

### **Introduction**

In today’s environment, a manager’s biggest challenge and greatest priority is attracting and retaining a high quality and diverse workforce. Managerial involvement in recruitment is key to effective succession planning and an effective recruitment effort. The more involved managers are in the recruitment process, the more successful they will be in attracting quality candidates. Over the last several years, the Office of Personnel Management has improved the hiring process through policy innovation and optimizing the use of technology, while bringing the recruitment process closer to managers. The hiring process was decentralized, enhancing agencies’ ability to develop focused recruitment strategies and to customize the hiring process to meet their organizational goals.



Suzy Barker

### **Developing a Recruitment Strategy and Plan**

The first step to having a successful recruitment strategy is having a clear mission and clear organizational goals. Agencies looking to attract quality candidates should make a candidate feel that there is a match between their personal goals and the agency goals. To create and foster a positive image, the mission and organizational goals need to be succinct and include an inspiring vision. It is important to ask the following questions:

- What is the organization’s image?
- Is the image today the image needed for the future?
- Will the organization need to reinvent its image?

These questions must be answered when assessing whether the current workforce will be sufficient to meet tomorrow's goals. Analyzing workforce trends and projections, determining skills gaps and needs, and devising succession planning strategies are critical to understanding where the recruitment or retention focus should lie and what actions need to be taken to get the organization where it needs to be in a timely manner. Managers play an integral role in answering the above questions, and in creating an effective recruitment strategy.

The goal of effective recruiting is to attract strong candidates prepared to perform the work that needs to be done in the environment being offered. When developing a recruitment strategy, think about what will attract the strongest candidates most prepared to meet strategic goals and priorities, and what activities should take place. Recruit for meeting those goals and priorities.

Managers, supervisors, and employees, as well as specialists in the areas of human resources management and EEO/civil rights/special emphasis, should design a long-term recruitment plan. This plan must include consideration of what attracts candidates. Campus visits, job fairs, brochures, displays, and web-site use should be considered. Managers and human resources professionals should team up to develop and maintain long-term partnerships with academia and professional associations. The goal of partnering is to start the recruitment process ahead of the actual recruitment schedule, and continuing the relationships even when not in a hiring mode. Relationships with these sources, which are often best formalized through memoranda of understanding or formal agreements, can afford both sides opportunities for increased awareness and opportunities.

Efficient recruitment requires customized recruitment messages to be developed and delivered. A good understanding of what different recruitment strategies will reap in terms of producing a high quality, diverse applicant pool is another requirement for efficient recruitment. Choosing the wrong strategy may produce too many or too few applications to consider. Efficient recruitment strategies produce the required results in the shortest time.

## Selecting the Recruiters

The job of recruiter is not to be taken lightly, and is not for everyone. Recruiters represent the culture of the organization, and provide the candidate with a first impression of the culture. The candidate will use that impression to decide if they fit into the culture.

Managers should be directly involved in recruiting, but being a manager does not necessarily make an effective recruiter. All recruiters should be educated. A formal training program for recruiters should be designed that includes information about internal hiring procedures, personnel flexibilities, effective interview techniques, affirmative employment goals, and appropriate questions and behavior.

Select a diverse cadre of recruiters that includes representatives from program areas as well as staff areas such as managers, human resources and EEO/civil rights/special emphasis.

## Attracting the Candidates

Make sure vacancy announcements provide a realistic preview of the jobs and that they highlight points of interest. Take full advantage of technology by placing announcements on the Office of Person-

nel Management's USAJOBS, a network of information systems (web-site, telephone, and kiosks) where they can be seen worldwide, 24 hours a day, and provides for accepting on-line applications. Supplement that announcement by advertising with professional associations, holding open house events, or on other Web-sites. Agencies may target associations that relate specifically to their mission, or to specific occupations.

Holding an open house tends to be a cost effective and time efficient method of recruiting. Candidates and managers get to meet face to face, and the candidates can get a feel for the work environment and assess if they will fit into that environment. Agencies can use their web-site to tell the candidate more about their organization and give the candidate a feel for the culture.

Make the most of entry level hiring strategies such as the Presidential Management Intern Program, Student Employment Programs, Outstanding Scholar Program and



Selective Placement Opportunities. Hire for part-time, intermittent and seasonal work, or use temporary and term appointments where appropriate. Tap into new and diverse populations such as: military/veterans, mid-career workers who may be underemployed or in a career transition in the private sector, former Federal employees, adults with disabilities, minority academic institutions, school systems with significant minority representation and minority serving organizations throughout the nation.

### **What Attracts Candidates**

- ✓ Effective Leadership
- ✓ Training
- ✓ Exciting, meaningful assignments
- ✓ Sense of contribution to the organization
- ✓ Being challenged
- ✓ Remaining on the cutting edge
- ✓ Career advancement
- ✓ Career development

There are many things that attract high quality candidates beyond salary. Presenting what a Federal job offer is worth in terms of salary **and** benefits helps the applicants weigh their offers. The Government is very competitive regarding family friendly flexibilities. Options include several different work schedules, telecommuting, full and part time positions, child and elder care resources, and child support services.

### **Using Personnel Flexibilities**

The appropriate uses of hiring authorities means more than adhering to the laws, rules, and regulations regarding those authorities. It also means achieving efficient use of resources. The flexibilities in the authorities permit hiring new employees for either short- or long-term, permanent or temporary assignments, developmental assignments as students or interns, and even to rehire former government employees. Details, temporary promotions and developmental assignments offer avenues for managers to develop current employees.

Other flexibilities agencies have include paying recruitment, retention, and relocation bonuses to increase their ability to compete with other employers. It is possible to pay for an employee's education, and soon agencies will be able to repay employee's student loans.

### **Conclusion**

Recruiting right the first time involves managers taking a leading role in the entire process. From planning, partnership, recruitment, and to selection, manager involvement depicts the level of commitment an organization has made to hire high quality candidates. It provides the candidates with a view of the culture of the organization, and with whom they will be working. When managers follow these models, they will be well on their way to building a high quality, diverse workforce. 🏠



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GREGORY H. FRIEDMAN

Inspector General, U.S. Department of Energy and  
Chair of the PCIE Audit Committee

PETER SCHLECK

Special Advisor to the Inspector General, U. S. Department of Energy

# Idea-Ology

## *The Power of People*

*“... [T]he best test of truth is the power of the thought to get itself accepted in the competition of the market...”<sup>1</sup>*

—Justice Oliver Wendell Holmes, Jr.

**B**oth within and outside government the importance of human capital has taken on new meaning. It is nearly impossible to pick up a professional journal or periodical, regardless of the occupation or field of interest, and not find a compelling article on some aspect of human capital—be it attracting, retaining, and training quality people or a variety of related subjects. For a number of reasons that are touched on later in this article, it has become increasingly difficult to ensure that government agencies are able to retain a competent, highly motivated and satisfied workforce. Yet, as our nation continues its transformation to a service-based economy, the workforce is clearly the key to success. This transformation applies as well to government and the wide range of services that government provides to the citizens of this country.

The thesis of this article is that there is no segment of government operations which is more “people dependent” than the operation of the various Offices of Inspectors General. Those of us who are in the Inspector General community recognize that we are players in what has been widely described as the “marketplace of ideas.” And, as advanced as we have become technologically, it is still true that ideas only come from people! Thus, it is incumbent upon the IGs to do everything possible to develop their human capital.

Soon we will be meeting with new agency heads and new Members of Congress. As we have done since the inception of the modern inspector general concept, we can and must again prove our worth to these leaders as assisting in the achievement of good government. As we help confront the challenges facing the new Congress and the new Administration, Inspectors General and their staffs do well to heed Justice Holmes and his belief in the virtue of a robust exchange of ideas. That which has come to be known as “the marketplace of ideas” is quite instructive to the role of Inspectors General today. Offices of Inspectors General are in the “ideas” business, and in that business, like others, we must remain competitive.

Our resumes are diverse. We are independent and objective units. We promote economy, efficiency, and effectiveness in agency operations. We wear many hats, and perform

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<sup>1</sup> *Abrams v. United States*, 250 U.S. 616, 630 (1919) (Holmes, J., dissenting).

many roles. We are auditors, investigators, and inspectors. We are attorneys, certified public accountants, and computer specialists. We exercise law enforcement authority responsibly. We are junkyard dogs. We are management consultants. Yet, the work we do, the reports we author, and the recommendations for positive change we formulate, will be of no avail if they are not supported by very simple yet priceless commodities: good ideas. Ideas for making government work more efficiently and effectively.

The technological advancements of the information age are, and will continue to be, extraordinary. The pace of change is breathless. At the same time, all of the technological tools at our disposal, and they are many, will not rescue us from irrelevance if we fail to identify, recruit, train, and retain the right skills mix of people. They are the sources of all those good ideas for positive change.

Government downsizing, the coming retirement wave of the baby-boom generation, and a robust economy's thriving private sector, all have combined for a shortage of skilled public sector labor. These and other factors are contributing to an emerging crisis in human capital. Simply put, the Federal government as a whole faces a significant shortage in the coming years of talented and trained staff to perform its diverse missions. This issue has been widely reported in the press, and analyzed by numerous scholars.

We in the Inspector General community must be prepared to anticipate and meet this challenge. Asked the secret of his success, the hockey great Wayne Gretzky once said, "I skate to where the puck will be, not to where it is."<sup>2</sup> We must have vision. Vision to anticipate. In addition to keeping the Congress and the agency heads informed on this and other issues of concern, we must have the vision to take a hard look at our own operations, and develop strategies for recruiting and retaining the best and the brightest.

<sup>2</sup> Brian Jeffery, "Building Bigger, Better Platforms: Technology-Makers Race to Bring More Powerful Platforms to Market," *MIDRANGE Systems*, February 24, 1995.

Without them, we will lose all of those good ideas, as well as our competitive advantage in the government marketplace of ideas.

The employees of the various Offices of Inspectors General, in our experience, are some of the most dedicated, enlightened, and motivated public servants to be encountered in public service. David M. Walker, the Comptroller General of the United States has concluded that the approximately 1.8 million employees of the federal government are its greatest asset.<sup>3</sup> We agree.

GAO has also sounded the alarm over the emerging crisis of human capital in the Federal government. The Comptroller General has even gone so far as to forewarn that the "shortcomings in the federal government's human capital management systems could well earn them GAO's high-risk designation when the next High Risk series is issued in 2001."<sup>4</sup> As GAO has noted, the Federal workforce is aging, the job market is exceedingly competitive (particularly for employees with computer and other high-tech skills), and the government downsizing of the previous ten years have all contributed to



a coming shortage of skilled federal labor.

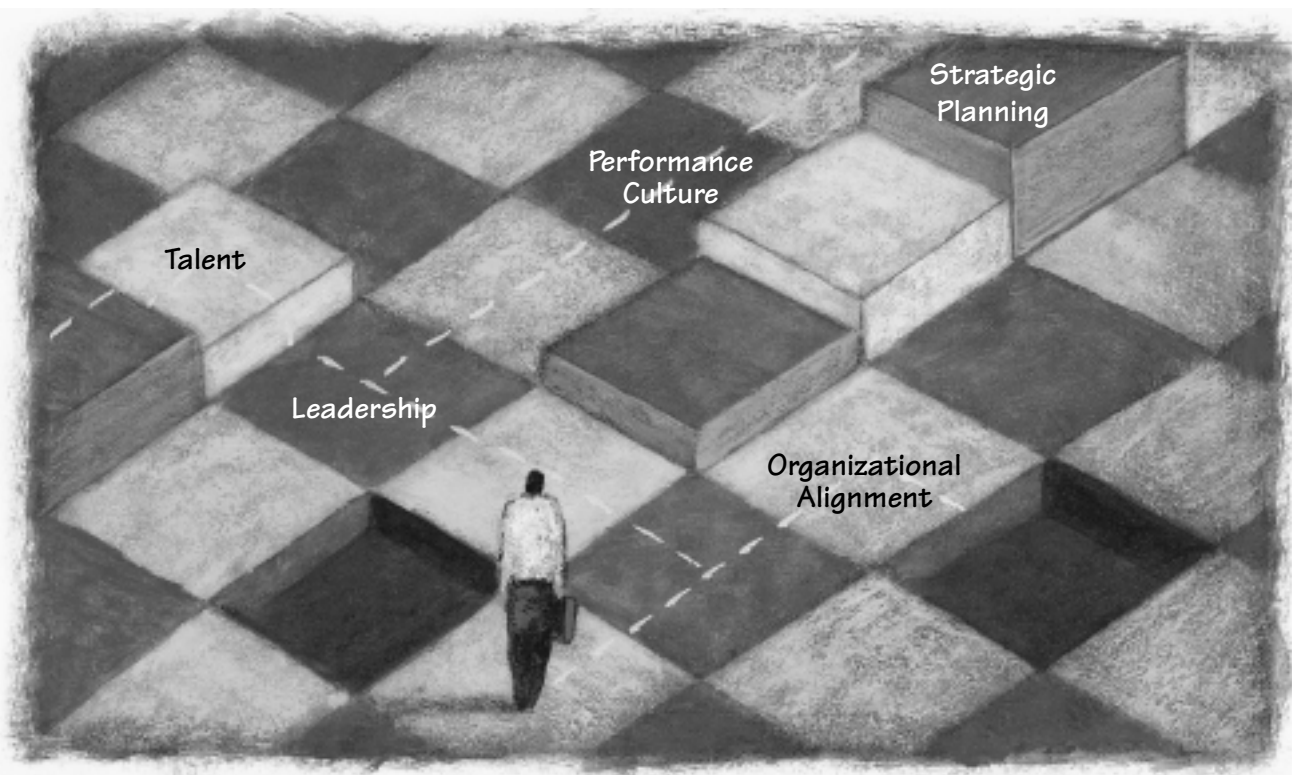
GAO has proposed a checklist for evaluating the efficacy of agency human capital systems. We found this excellent checklist to be directly applicable to the Inspector General community, too:

- *Strategic Planning*: Establish the agency's mission, vision for the future, core values, goals, and strategies.
- *Organizational Alignment*: Integrate human capital strategies with the agency's core business practices.

<sup>3</sup> Statement of David M. Walker, Comptroller General of the United States, before the Subcommittee on Oversight of Government Management, Restructuring, and the District of Columbia, Committee on Governmental Affairs, United States Senate (March 9, 2000), p. 1.

<sup>4</sup> *Id.* at 5.

## Evaluating the Efficacy of Agency Human Capital Systems



- **Leadership:** Foster a committed leadership team and provide reasonable continuity through succession planning.
- **Talent:** Recruit, hire, develop, and retain employees with the skills needed for mission accomplishment.
- **Performance Culture:** Enable and motivate performance while ensuring accountability and fairness for all employees.<sup>5</sup>

How do Offices of Inspectors General rate in this evaluation? Has each Inspector General done all that can be done? We must continuously take stock of agency and our own efforts.

The task begins and ends with recruiting and retaining the right people. This has proven ever more difficult given the salaries and benefits available in the private sector. Indeed, a Congressional Budget Office study confirms, as just one example, the significant pay gap between federal executives and their private sector counterparts.<sup>6</sup>

We must emphasize in our recruitment efforts the many advantages of Federal service, and in particular, the many rewards of service with an Office of Inspector General. In our combined 42 years of government service, we

have not encountered a more challenging and satisfying opportunity to make an impact. These views are no doubt shared by others. Indeed, the distinguished Washington attorney E. Barrett Prettyman, Jr., recently completed a term as Inspector General of the District of Columbia. Mr. Prettyman has the distinction of having clerked for no less than three Justices of the United States Supreme Court and has argued numerous cases before the High Court. Interestingly, with all of his assignments over the years, Mr. Prettyman has stated that his service as an inspector general was “the best job I’ve ever had.”<sup>7</sup>

To be sure, the “dot coms” of the information age can offer salary and other remuneration that dwarfs the Federal pay scale. But the satisfaction derived from serving the country and the taxpayers, as Mr. Prettyman and we will attest, is great.

On this point, Roberta L. Gross, the Inspector General of the National Aeronautics and Space Administration (NASA) has taken a leadership role in promoting existing and underutilized recruitment authorities and incentives, as well as proposing new and innovative solutions to the human capital crisis. This is particularly true with respect to the battle for hard-sought-after information technology

<sup>5</sup> Id. at 12–13.

<sup>6</sup> “Comparing the Pay and Benefits of Federal and Nonfederal Executives,” Congressional Budget Office, November 1999.

<sup>7</sup> “Not Just Another Prettyman,” by Amanda Ripley, *Washington City Paper*, December 4, 1998 (cover story).



workers. In testimony before the Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia, the NASA Inspector General summarized well the challenges facing federal recruiters. And like Mr. Prettyman, the NASA Inspector General observed that “[i]n addition to salaries, bonuses, awards, and other allowances, top notch candidates are often attracted to organizations that are creative or are otherwise highly regarded . . . Outstanding employees will be drawn to progressive, visionary, and high performance organizations.”<sup>8</sup>

We must also continue to maximize our use of the training tools at our disposal. We are fortunate to have institutions like the Inspectors General Auditor Training Institute and the Inspector General Criminal Investigator Academy. Through these organizations, the Inspector General community is endeavoring to offer its staffs the best and latest instruction. Each of us plays a role in ensuring that these organizations continue to meet the needs of the Inspector General community.

Integrating advanced training in a broad range of disciplines, including computer skills, with our core disciplines (investigations, audits, inspections, legal counsel, manage-

ment and policy) represents one of the most pressing training challenges of the next several years. A number of Offices of Inspectors General have created specialized units dealing directly with cyber crimes and other vulnerabilities. We must nevertheless ensure that these skills are also integrated into the overall inspector general mission. We will soon face a paperless workplace. Even now audit workpapers are being created with scanners and not photocopiers.

Where will the next generation of “idea” leaders come from? In large measure, we must “grow our own.” To that end, in April 2000, the Office of Inspector General at the Department of Energy established a formal succession planning program. The program is designed to ensure that there is a ready pool of internal talent for key positions within the Office of Inspector General. This is essential if Inspectors General are to remain relevant contributors of ideas to the effective management of the new Administration, and in the years to come.

In short, when it comes to investing in human capital, if government is to continue to benefit from the invaluable dividends of the good ideas they produce, we must skate to where the puck *will be*, not to where it is. 🚧

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<sup>8</sup> Prepared Testimony of the Honorable Roberta L. Gross, Inspector General, National Aeronautics and Space Administration, before the Senate Committee on Governmental Affairs, Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia, (May 2, 2000).

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JOHN MULLINS

*Office of Inspector General, Environmental Protection Agency*

# Making an Asset of U & Me

## *Building an Organization for Higher Performance*



John Mullins

### Introduction

The term “Human Capital” seems to be the rage here in Washington, D.C. Just turn to the Washington Post and on any given day you can read about the pending crisis in the Federal government’s workforce. The issue has become so acute that on June 9, 2000, President Clinton issued a memorandum to executive departments and agencies to improve the management of Federal human resources, to address human resources/capital in their strategic plans, and to renew their commitment to recruit, develop and manage the workforce to ensure high performance.

For some, the terminology and elevated concerns are new. But in fact, the notion of planning and investing in people to achieve organizational success is not new. While various authorities may argue about when valuing workers actually became common practice, successful organizations—particularly those in the “Knowledge Business,” have long recognized that their success was less dependent on hard physical assets and more on the knowledge, creativity and commitment of their workers.

In the private sector, the human capital dimension has perhaps best been captured in the criteria for the Malcolm Baldrige National Quality Award. In this award, human resources are identified as a critical driver of organizational success. Having been proven in the ultimate arena, the global marketplace, Baldrige Award recipients have demonstrated that the adoption of the criteria increases organizational excellence. Building on the success of the Baldrige Award, then President Bush extended the award criteria to the Federal government when he established the President’s Quality Award. Using almost identical criteria, these awards support the basic principle that human resources must be linked and integrated into strategic thinking, plans and action for organizations to be successful.

With this as the backdrop, both the National Academy of Public Administration (NAPA) and the General Accounting Office (GAO) have published books and articles on the importance of planning for, and investing in, human resources. NAPA has taken a leadership role in advancing human resources as a strategic management issue. Under the leadership of David Walker, the GAO has equally taken up the crusade to elevate the

importance of human capital. GAO's most recent publications include a final report to Congress on human capital, "Key Principles from Nine Private Sector Organizations," and a draft report on human capital, "A Self-Assessment Checklist for Agency Leaders."

The common thread evident in all of these activities is that an organization's success is more dependent on its human capital than its financial capital. Truly effective leaders recognize this salient point and plan, invest and grow this capital to achieve organizational success.

## **Our Approach**

Early in 1998, EPA's Inspector General, Nikki Tinsley, recognizing the need for and importance of increasing the Office of Inspector General's capacity for conducting systematic and comprehensive program evaluations on environmental programs and management systems, embarked on a massive change effort. The starting point was an examination of our office against the Baldrige Award Criteria. From that review, three areas were identified for immediate management attention: strategic planning, audit process streamlining, and human resources. For the purposes of this article, I will focus on our efforts in the area of human resources.

To advance human resources within an integrated change strategy, we adopted the High Performance Organization model (HPO) developed at the Federal Executive Institute, the Government's school for career senior executives, located in Charlottesville, VA. This model's foundation is built on achieving higher performance by valuing people and their contributions. HPO requires managers to answer several critical questions: "What is high performance, how would you know if we were, according to whom are we high-performance, and why do we want to be high-performing? These questions are quickly followed in this change model by an even more critical question: "What values do we need to adopt to achieve a high performance work culture?" These are tough questions and they require serious thought. The first set of questions requires us to go beyond implementing the law and procedure compliance. They force us to answer such questions as: What was the result, the impact, and the effectiveness of our programs and to whom does it matter? These questions read very much like the questions associated with the Government Performance and Results Act.

The question on values is perhaps the harder one. It asks us how good are we? Are we a place where people feel valued, their contributions are appreciated, and where creativity is sought and expected? Are we an organization that builds and fosters trust, encourages cooperation, collaboration, and teamwork? Are we an organization that attracts talent and is viewed by others as leaders in our field of endeavor?

To address those questions, the Inspector General formed a new leadership team—the OIG Steering Group.

As this group of senior managers struggled with, and began answering these questions, it analyzed our performance gaps and developed action plans for improvement. This required fundamental change in our personal leadership, our systems, and core competencies of our workforce. Philosophically, it challenged our most basic values. For us to achieve higher performance, we would have to move away from control and supervision and toward release and empowerment. It would require us to lead our organization using values and direction rather than managing our organization by rules and procedures. Our first step using this new philosophical approach to higher performance was the introduction of the Network Talent Model.

## **The Network Talent Model**

The Network Talent Model (NTM) introduced some new perspectives on what is expected of people in a high performance work culture. The NTM consists of four distinct parts: (1) leadership, (2) management, (3) technical, and (4) team skills. In this model, everyone in the organization must contribute to getting the "work of leadership" and the "work of management" done in their part of the organization in addition to their technical skills contribution.

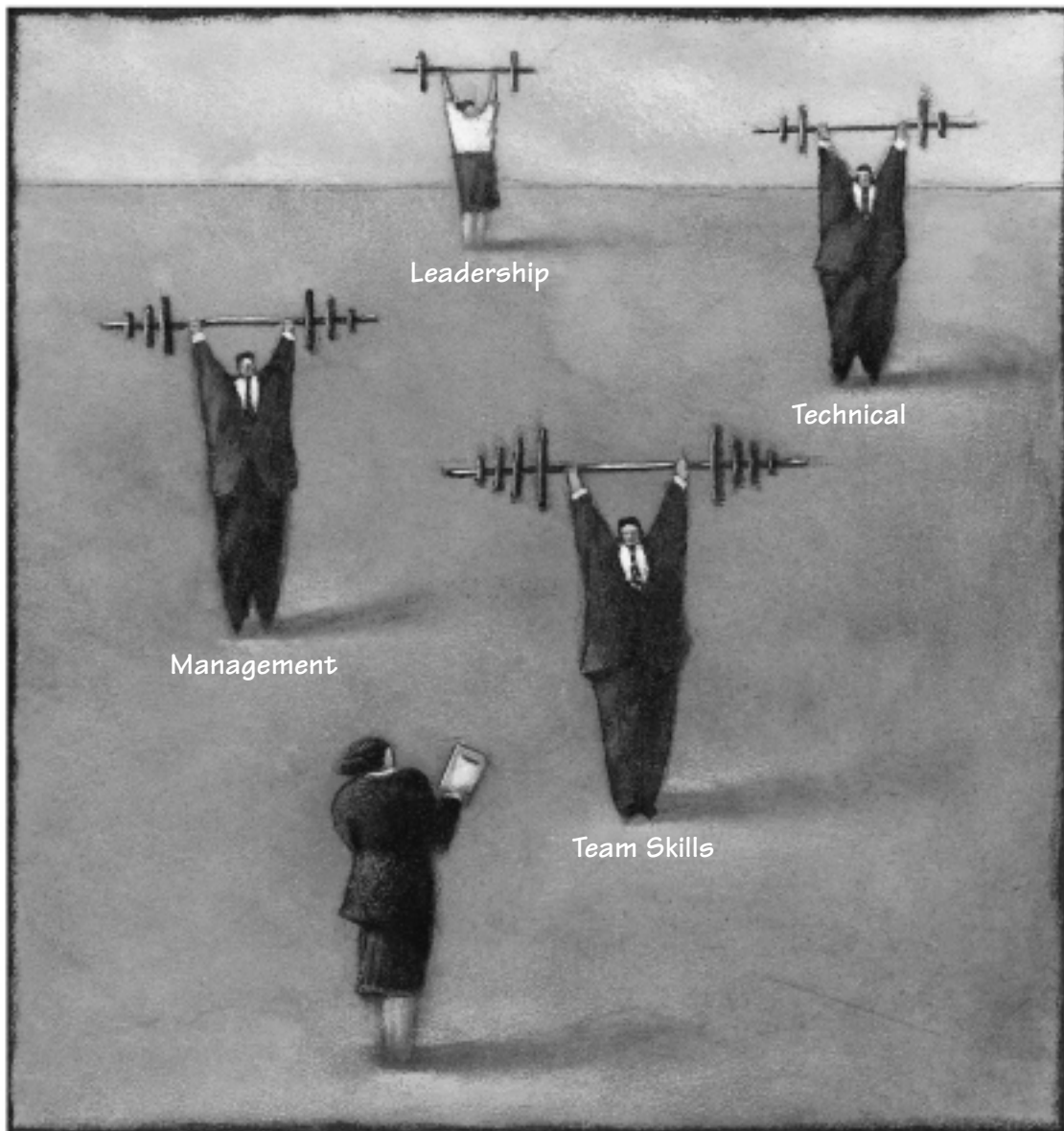
Finally, everyone must also be able to participate and work in a team environment. Leadership is not positional. It is personal. Management of the business is everyone's responsibility. Technical proficiency is a basic expectation but not exclusively sufficient. And finally, team skills are necessary because teams are the way we work.

This model changed everything about how we thought about job design and career management. While we had conducted leadership training before, it was for executive development only. Management training was geared around mid-level development. It wasn't an expectation or our desire that all staff perform this. Technical training was always an expectation and a requirement, but now technical training expanded from a specific discipline to a host of new processes and project management skill sets. Finally, team skills went far beyond what we envisioned when we created workgroups. The NTM focuses on skills, behaviors, continuous learning and personal contributions.

## **What Steps We Have Taken**

1. **Developed a High Performance Curriculum and Plan.** We have identified 13 new courses that most OIG staff members will be expected to take over the next several years. The NTM gives us a road map to achieve our strategic goals and objectives.
2. **Established a Human Capital Budget.** Based on the curriculum and plan, we established a Human Capital budget. This budget protects training and education dollars from other short term emergency spending. It helps

## Network Talent Model



us to more accurately calculate what our total labor costs are. The Human Capital budget is monitored and managed by the Director for Human Capital.

3. **Implemented the High Performance Curriculum Plan.** The first phase of the plan was to focus on leadership and systems thinking. To this end, we trained all of our employees in:
  - *Leadership*—9 Natural Laws of Leadership and the 7 Habits of Highly Successful People
  - *Systems Thinking*—Malcolm Baldrige Quality Award Criteria and High Performance Organization

4. **Held a Theory of the Business Training Conference.** To ensure that our staff understood the business of the

Office of the Inspector General, we held our first Theory of the Business Conference. At the conference we covered such subjects as: leadership, strategic planning, budgeting, human resources information technology, process management and measurement. In addition, we held small workshops on all of the subjects listed above plus such topics as investigative practices, ethics, automated data search tools, and career management. At the conclusion of the conference, our staff told us that they now had a much better understanding of where the organization was going, how it worked and what their role would be. They also told us that meetings of this type were very helpful and should be held with greater regularity. If they were to be owners of the business, open

communications and involvement were areas that needed constant attention.

5. **Aligning and Integrating our HR Systems.** This is an area that will require ongoing attention. While we have made considerable progress, there is still much work to be done. We have taken several steps that have placed us in good stead. They include:

- *The New Employee Contract:* This reflects the most fundamental change in the organization. It changes the relationship between and among OIG staff and management. The new contract is based on a combination of performance and conduct. It has four elements: (1) assignment accomplishment, (2) values, (3) customer service, and (4) continuous learning. In the area of performance, we are focusing on results. Have you completed your assignments consistent with quality, quantity, timeliness and cost as described in the assignment charter? In the area of values, it is not sufficient to accomplish assignments if you are not honoring our values. Customer service emphasizes customer relationships and is not in conflict with OIG independence. Finally, continuous learning is about getting smarter. We expect that everyone will develop new skills, improve on existing skills, and become better performers. That is the new contract.
- *Awards Program:* If we want to change behavior and improve performance, we need to recognize those new expectations. To do that, we revamped our awards program. Now the awards program recognizes environmental accomplishments, teamwork and leadership. Also, the program encourages and permits non-manager nominations. Our staff knows good work when they see it. They can nominate others as well.
- *Journeyman Level:* To reflect the changes in our work products and methods, we elevated our journeyman level. This was appropriate because we are now focusing on agency-wide systems performance in an integrated team environment. We expect personal leadership and ownership from everyone. This expectation is more appropriately graded at the GS-13 level. This is also a public statement that we expect our staff to develop to this level. That expectation is anchored in the continuous learning element of our new performance contract.

## Next Steps

With all that has been done, much remains. And the disturbing truth about high performance is that you never get

there. There are always improvements that can and must be made. Our path however is set. The expectations are clear. Over the next year, the human capital plan will accomplish the following tasks.

1. **Develop and Integrate the HPO Curriculum into New Career Paths.** We need to fully develop and integrate our HPO Curriculum into the new career paths for our office. These new career paths will be designed around skills over tasks and values over procedures. This will be a difficult assignment but one that must be accomplished to ensure alignment with our new direction and philosophy.
2. **Expand the Human Capital Budget.** We need to expand the Human Capital budget to support an increased technical curriculum. Our mission and our new product line of program evaluation require us to become as knowledgeable of agency programs as our clients. We essentially need to go back to school. While we have a good understanding of the environmental laws, we now need to better understand the science, theory, and practice. We also need to know the best practices in government and business in delivering environmental protection and support services. To truly evaluate and recommend, we must have competence, authority and credibility.
3. **Implement a New Recruitment Strategy.** To compete successfully with both the private and public sector, we need an aggressive and sound strategy. Our recruitment strategy is designed to accomplish just that. It establishes a corporate approach, academia partners, streamlined selection process and new recruitment tools. In addition, we can now talk about a new OIG environment that focuses on results, teams, and empowerment. We have strategy to equip our staff with high tech tools, virtual teams and important work that impact on a national level. It is a good story to tell and it has the benefit of being true.

## Closing

In closing, I think we need to end where we began. The Human Capital crisis is clearly one that needs to be addressed. In our office, we see Human Capital not as slogan, a flavor of the month, but as a means to achieve our environmental and public health mission. We have taken the first important steps to integrating Human Capital into our strategic direction and planning. We have integrated this into our budgeting process, formulated it into a curriculum and aligned it into our systems through our new employee performance contract. Much work is left to do, but we have the blue print and a map. Our direction is set and the journey has begun. 🏠

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# Home Grown

## *Succession Planning*



Carol J. Okin



John Salamone

### Introduction

In today's global marketplace, the demand for highly skilled workers has never been greater. Private sector and public sector employers are entrenched in a war for talented applicants. In order to serve the American people well, each agency in the Federal Government must learn how to accomplish its mission by recruiting, hiring and retaining the right person for the right job. This process can be made easier with the development of a results-based workforce planning strategy that focuses on aligning the human resources of the organization with the agency's mission.

Emerging labor trends, such as demographic shifts and technological advances, are transforming the workplace. For example, within five years, approximately 30% of the Federal workforce will be eligible to retire and an additional 20% could seek early retirement.<sup>1</sup> While we know that 50% of the workforce will not leave at the five-year mark, there will be significant losses due to retirement. Also, we know that technological advances will continue to change job functions, requiring new skills and yielding new occupations. Managers and executives will be scrambling to find workers to fill both these newly created jobs and the positions left vacant by the retirement wave.

What if there aren't enough new workers to fill the jobs being vacated? In fact, only 5% of the federal workforce is less than 29 years old.<sup>2</sup> There simply are not enough younger employees to accomplish the work that will be created once the retirement wave begins. In addition, the model of the thirty-year career in one organization may no longer be accurate. As today's younger workers map their career paths, many expect to not only change employers over the course of the years, but also to develop new skills and interests and seek new occupations.

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<sup>1</sup> Barr, Stephen. "Retirement Wave Creates Vacuum" *The Washington Post*, May 7, 2000, p. A01.

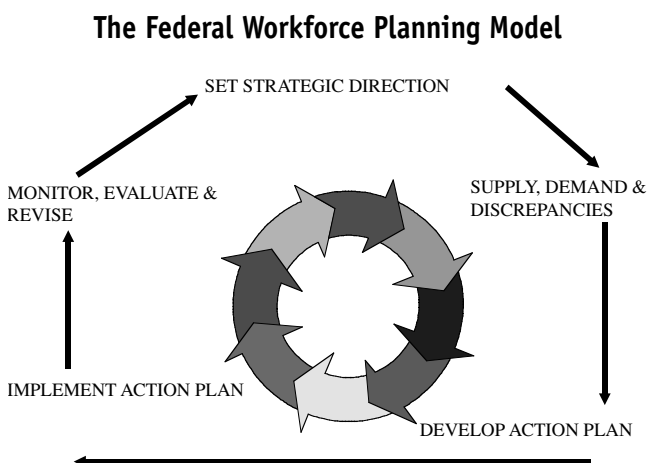
<sup>2</sup> Barr, Stephen. "Retirement Wave Creates Vacuum" *The Washington Post*, May 7, 2000, p. A01.

Performance and accountability initiatives in the public sector also have enormous implications for the current and future Federal workforce. Passed in 1993, the Government Performance and Results Act (GPRA) was developed to make the Federal government more accountable to its customers and ultimately the American public. Accountability is achieved through a series of results-oriented exercises that agencies must complete, including multi-year strategic plans, annual performance plans and annual performance reports. By reviewing each agency's plan and report, Congress, the General Accounting Office and the Office of Management and Budget are able to ensure that the desired outcomes are being achieved.

GPRA's strategic plan requirements, coupled with the emerging labor trends, have made workforce planning a top priority in the public sector. The key to successful workforce planning is to align the organization's human resources with the mission of the agency. Effective workforce planning initiatives must include the human resource community, the planning community, the financial community and the information technology community. Therefore, it is important to bring these parties into the workforce planning process from the beginning. GPRA facilitates this process by requiring agencies to develop clear mission statements, performance standards and action items which enables agencies to have the context to put the right people in the right jobs at the right time.

### The Federal Workforce Planning Model

In order to take advantage of the workforce planning knowledge and expertise in Federal agencies, the Office of Personnel Management (OPM) and the Human Resource Management Council (HRMC) are working collaboratively to design, develop and distribute a five-step Federal Workforce Planning Model that all agencies can use. The model is designed to provide seamless transitions through leadership succession, periods of growth, periods of reduction, shifts in skills needs, and workload imbalances.



The model has five sequentially ordered steps (or modules). It was designed to provide agencies with a "roadmap" as they embark on their workforce planning initiatives.

The modules in the Federal Workforce Planning Model are:

1. Set Strategic Direction
2. Supply, Demand and Discrepancies
3. Develop Action Plan
4. Implement Action Plan
5. Monitor, Evaluate and Revise

#### 1. Set Strategic Direction

Setting a strategic direction is the key to linking the employees to the mission of the agency. This module focuses on the importance of mapping out a direction before beginning the actual work. Planning is only effective if it is done with a goal in mind. Strategic direction-setting provides an organizational compass for workforce planning and sets the organizational standards for methods, means and outcomes. It also guides agencies in the development of their strategic plans to become high performing organizations. Therefore, it is imperative to set a strategic direction before starting any human resources planning.

There are six Elements which help Set Strategic Direction:

- Organize and Mobilize Strategic Partners
- Set Vision, Mission, Values, and Objectives
- Review Organizational Structure
- Conduct Business Process Reengineering
- Set Measures for Organizational Performance
- Position HR to be a Leader

#### 2. Supply, Demand & Discrepancies

The first step in evaluating human resource Supply, Demand, & Discrepancies, is reviewing the organization's strategic direction. Based on that, the organization determines what personnel resources are required (taking into account periods of loss and growth), what personnel resources will be available, and what the gap is in between.

**Supply Analysis**—identifies available sources for the skill requirements identified when the agency set its strategic direction.

**Demand Analysis**—identifies future projections based on past trends, historical data, and current data.

**The Discrepancies**—the difference between the Supply and the Demand. Identifying this gap is critical to successful workforce planning. This step includes conducting an assessment for key roles and competencies, identifying the availability in the current and future workforce, including performance levels. Organizations can analyze their workforce through a wide variety of information sources. One organization may be able to draw upon data main-

tained in-house. Another may rely on data from external sources. Others may benefit from comparisons of internal and external data.

### 3. Develop Action Plan

After the data have been analyzed, the next step is to develop an action plan. Just as the strategic plan helps identify where you are, where you're going, and how you're going to get there, the action plan lays out specific tasks and actions to be taken in order to achieve the agency's human resource goals and objectives. Agencies need to develop workforce action plans in order to implement their strategic plans, address their skills imbalances, and lay out a concrete strategy to ensure that they have a ready and continuous supply of highly skilled, competent workers.

### 4. Implement Action Plan

Implementing the action plan is a way of transforming the vision into concrete tasks. Once the strategic direction is set the workforce supply, demand and discrepancies are identified, and the action plan is developed, the plan can be implemented. At this juncture, it is imperative to have a strong internal communications strategy in place. This will help gain organizational support and the momentum needed to implement the action plan.

### 5. Monitor, Evaluate & Revise

This critical step measures the effectiveness of the workforce action plan. Were the recruiting, hiring, selection, career development, and retention strategies identified in the action plan effective? In this module, measures and benchmarks are identified so that managers, in collaboration with the Human Resource Office, can determine whether or not their strategies have resulted in a high quality, stable workforce.

This module defines appropriate evaluation methodologies for the workforce plan, using:

- HR Workforce Planning Assessment Techniques
- Linkages to Performance Measures
- Return on Investment Analysis
- High Performance Assessment
- Employee Satisfaction Assessment
- HR Strategic Management Assessment

Once the agency has evaluated the effectiveness of its workforce planning strategies, it may wish to make revisions to the workforce plan. The workforce plan should be considered a working document, and revisions and adjustments should be part of the process.

## The Federal Prototype

OPM, in collaboration with the Human Resource Management Council, has designed a Federal Prototype of a Work-

force Planning and Analysis System around the five-step model. The prototype system, developed by the SAS Institute, Inc., is web-based and Windows friendly. It offers a working sample of the key components of a future and more powerful workforce planning system for presentation to and discussion with stakeholders. Four of the five modules in the Federal Prototype are text-based and have helpful web-links associated with them. The text is designed to provide agencies with a guide as they wind their way through the intricacies and complexities of workforce planning. The second module, Supply, Demand and Discrepancies, is the data analysis portion of the prototype. It is linked to various Federal statistical data sources:

- OPM's Central Personnel Data File (CPDF), an historical database of Federal employment,
- Bureau of Labor Statistics' monthly Current Population Survey, which measures civilian employment nationwide
- 1990 Census, and
- National Center for Education Statistics' enrollment data for two- and four-year educational institutions.

OPM has been receiving feedback on the Federal prototype system in facilitated sessions with more than a dozen federal agencies, and it will continue to do so through September 2000. These feedback sessions have been incredibly valuable in identifying common needs and expectations so that the future Federal Workforce Planning and Analysis System will be beneficial to all federal agencies.

After the feedback sessions have been concluded and the findings summarized, OPM will work with Federal statistical agencies to provide links to relevant data sources and with stakeholder agencies to develop requirements for the operational system. Roll out of the next version will begin by Fall 2000 and will occur in two phases. First, OPM will establish a website to provide a clearinghouse of workforce planning information. This clearinghouse will start with a list of "who's doing what" in Federal workforce planning. The second developmental stage will begin by December 2000. In this stage, OPM will provide the Federal Workforce Planning Model's text modules, with guidance and weblinks, through the Internet. The data analysis module (Module 2) will begin with a link to FedScope, OPM's user-friendly software tool to access the Central Personnel Data File. Links to other sources of statistical data will be added as soon as possible.

## Conclusion

To say that Federal workforce planning is a critical issue would be a vast understatement. Emerging labor trends, technological advances, and performance and accountability issues make workforce planning an essential process for



Federal agencies. In conjunction with the HRMC, OPM has developed a prototype Workforce Planning and Analysis System that will provide users with a start-to-finish guide for workforce planning. The project's success will depend on a collaborative development effort. Therefore, through September 2000, OPM will be sharing the Federal Prototype with the human resource, planning, budget and information technology communities throughout government.

OPM's goal is to receive feedback on the prototype and to identify common requirements for the Federal Workforce Planning and Analysis System.

The partnerships that OPM can forge with agencies that are experienced in workforce planning will help the team design, build and deliver a system that all agencies will be able to use as they embark on their workforce planning efforts. 🏠



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*Inspector General*

*Treasury Inspector General for Tax Administration*

# The Invasion of Cybarbarians

*"The barbarians are the brooms which sweep the Historic stage clear of the debris of a dead civilization ..."*

Arnold Toynbee

**G**lobalism is sweeping around us, over us, under us, among us. We might be welcoming it, fearing it or just rolling our eyes, but a new age has arrived, making a very different world for us.

Globalism has morphed the planet from atoms to bytes, as Massachusetts Institute of Technology's Nicholas Negroponte explained a few years ago. Globalism has massaged and reshaped the clay of the planet in its very wired palm.

The planet is becoming small and hot, energized by communication activities that reach everywhere, at a cost nearly too cheap to meter. At astounding speed the knowledge and choices of the world are being accumulated, analyzed, recombined and made instantly available to the emergent global village. For the first time ever, great truths, economic secrets, and enticing choices are available to princes and paupers in the same instantaneous electronic ripples and flashes. Dark reaches of the planet are brightening, economies are expanding and wealth is rushing toward well-positioned corporations and people. The nation state is straining under the decentralized pull of globalism's devastating centrifical force.

And . . . time is also warping under the ebb and flow of globalism's powerful gravitation. The 70s and 80s seem so ancient now. Archeologists must be sifting through the curiosities of my childhood—Captain Midnight, Sky King, Howdy Doody—now distant.

Elements of the corporate world, its arteries bulging from the rushing flow of currency, are also reeling from spiraling cycles of downsizing, reengineering, mergers, and acquisitions. The French President of Michelin Tires has recently described the pace of the age as a "drum beat that grows steadily faster."

To stand apart from the fast current of change, is to experience what authors Stan Davis and Christopher Meyer describe as the sensation of the world passing in a blur. To stand in opposition to globalism or to rely on slight of hand tricks from the good old days, is to suffer a rapid economic death without dignity. And yet to fully participate in this new world feels as though we are being swept along, left to navigate in very fast dark waters without moral beacons.

If you are not so sure of globalism's impact and the passing of the Old World, consider a few facts.

- If you combine the wealth of Bill Gates and a small band of other elite, that wealth exceeds the combined treasuries of one-third of the nations on earth.
- Since 1989, worldwide military spending is down well over half.
- U.S. exports have tripled between 1985 and 1996.
- Business mergers are accelerating and enlarging at an amazing rate—from \$464 billion in 1990 to nearly \$3.5 trillion last year.

The rise of personal wealth and the concentration of corporate power at the expense of the wealth and prestige of nations and those businesses left behind is a strange collateral phenomenon of globalism. Despite the riotous protests of demonstrators around the world and determined governments, geopolitical imperatives vaporize daily in the face of the economic realities of globalism. The world has abandoned the comfortable, but ghastly, specter of the Cold War, into a world of endless, but illusive, possibilities. We have changed from an "economy of death" to an economy of "which way did they go?"

The challenge of how to regulate and find inventive controls for the dark side of globalism, without stifling the beneficial aspects or scaring off needed capital is a process that is still baffling world governments, including our own. Digital globalism randomly sweeps along good, bad and ugly aspects. It certainly possesses intoxicating and beneficial features. But by its nature, it is blind to gender, race, and age . . . and rapidly to location. It is a patch of neutral ground for civilizations, ideologies, and religions to gather for exploration and development. It is liberating, fast, exciting and illuminates neglected and economically depressed regions of the world. It takes knowledge and coolness wherever it goes. And it goes everywhere. Globalism is transforming cities into the glowing nodes of an electronic nervous system for our increasingly accessible planet. That wiring is making for economic and cultural advances and allowing for rapid human development possibilities that we are only just imagining.

But . . . amid the glitter, is that darker side. Globalism is unforgiving and it voraciously eats cultures and traditions that cannot mold themselves to its complicated model.

Globalism destroys resisters and cheaters (even when they are our friends). Globalism makes transparent everything including the state and corporate secrets. Globalism, for the moment, has made it impossible for us to find the balance between computer security needs and rapidly expanding operational requirements.

Globalism devours nation-states, corporations, and professions without even the courtesy of doing battle. Globalism inundated the Soviet Union and passed on leaving embattled wreckage in its wake. So who's complaining? Well, the beast that ran down the evil empire also ate Indonesia and very nearly Korea and Japan.

Globalism presents moral dilemmas and ambiguities for us. Globalism makes it hard for us to see that right and wrong are different from risk and opportunity. With the infinite choices of the Internet, frenzy can mask a lack of discipline or loneliness. The same impulse that blinds globalism to race, gender and age makes it impossible for the age to comprehend forgiveness and empathy.

### **Globalism in Your Face and In Your Lap**

The engine of globalism is, of course, the computer and specifically the personal computer. The superhighway on which the age of globalism advances is the Internet. This communication-of-knowledge revolution has begun

spinning off economic and cultural revolutions, as well as revolutions of governance.

A fundamental aspect of the revolution is the changing workplace. The personal computer and its software have given us incredible power and freedom. It could be said that the normal confines that we associate with an office workplace have fallen from around us, and that we are looking up from our desks and imagining our first tentative steps outside those fallen walls. Workplace technology advances have been so great that the most basic premises concerning corporate and government business workplace settings must be placed into question. In the span of a very few years the basis for expensive offices in congested and inaccessible locations, has been fundamentally undermined.

During the careers of the youngest employees, powerful and mobile communication tools and concentrated access to business tools and resources have



appeared and rapidly become common-place features of the landscape:

- Laptop computers
- Modems
- Palm-size computers
- Search engines
- Hypertext connections
- Wireless technology
- Scanners
- E-mail
- Instant messaging
- E-meetings

Professionals separated from their offices and one another can freely move their projects and written products instantly to colleagues, supervisors or clients to obtain clearance and concurrence; to receive repairs and improvements; and, to submit final reports from point of origin to managers and to clients.

Growing more dependable and more private daily, the Internet brings you the world. The world tearing through your phone line and spilling a sea of knowledge into your lap.

From your personal computer and telephone you can communicate through E-mail or instant messaging, hold E-meetings or teleconferences, engage powerful search engines, or access a sea of research information using point and click technology and hyper text connections.

### Drowning Here!

A word about chaos. The sea is beautiful, but would you like it suddenly pouring into your office? For the moment, we are sometimes in the alchemist's basement in *Fantasia*. Brooms are marching down the stairs with buckets of water . . . and more buckets . . . and more buckets . . . . The information we receive is still not well organized, analyzed, or easily retrievable.

It takes a little foresight to see above the present chaos, and make out the contours of the emergent new age of order and value. President Clinton has said that when he came to office there were 50 Internet sites and that as he leaves the presidency, there are 50,000,000. Would you like fifty million of anything in your lap?

Except that even amid the chaos we should remind ourselves that when we decide matters great and small, we are often starved for information. We decide matters daily from looking at unfinished puzzles and from imagining the whole by peering at fragments. Informed decisions are better ones, even in an age of chaos and highly imperfect search engines.

Now that much of the world's knowledge is in your computer, it is fairly obvious that the next great developmental stage for globalism will be the ordering and analysis of all that mankind knows. When these many fragments are fitted together and recombined in undiscovered ways, globalism will completely change our world. The new explorers on this sea of knowledge will find many new lands. Information ordered, analyzed and recombined is a kind of intelligence in itself that will manage our routine tasks, while we (1) grapple with novel opportunities, (2) face new risks, and (3) attack persistent problems and the lingering plagues of mankind. We are approaching the edge of a knowledge genome project on an order we can only sketchily imagine.

### "A New Science Is Needed For A New World"

Alexis de Tocqueville

The world is changing. Can government departments elect to sit this one out or trail along behind the parade? In many ways Washington has become more than a world capital, it is the de facto capital of the world. We have a special responsibility and are specifically positioned to meet and shape globalism. The United States has engaged the new technology, and is focusing on the social and economic dynamics of globalism, formulating policies and investments that will shape its emergent contours.

An essential element of the government's response to a changed world is a changed workplace. Washington is experiencing the incompatible co-existence of two workplace settings. The first workplace is as powerful and dominant as it is sad and disengaged—that is, a government of dozing pigeons atop bronze statues. It is a world of granite blocks and stodgy bureaucracies. It is a city of venerable old institutions convinced of the virtues of tradition, harboring cavernous warehouses of file cabinets, standing guard like dragons over treasures of secrets moving too slowly to matter. It is a city of creaking manuals that belch detailed instructions to hem workers tightly into worlds of narrow unimaginative duties. It is a government of departments obsessing with command and control, hoarding information at our inundated apexes, valuing location, FTE and autonomy, above even mission accomplishment.

The second government workplace is fragile, but expanding. The pigeons residing there are constantly startled. This new workplace values connectivity over location. The new workplace pursues the vision of its mission, rather than the idiosyncratic behaviors of chiefdoms and fiefdom. Its employees follow simple rules that unleash their imaginations and energies. Workers here are immersed and drenched in information resources and urged to enter and engage the world of ideas. These operations are 24x7

heartbeats that never come to rest. These workplaces are adaptive and customer driven, constantly navigating off the echoes returning from their actions and policies.

### **Scrambled OIGs**

This suggests a question closer to home. What should Office of Inspectors General be doing in the coming world of risk and opportunity, of virtue and vice?

While we assist in the vital role of helping departments respond to issues associated with globalism, we also must be deciding upon the new architecture of our own offices.

IGs are nearly perfect candidates for becoming laboratories for the changing workplace. Many of the corporations, such as Microsoft, Texas Instruments and AOL, that have succeeded in escaping the bonds of the traditional workplace shackles deal with information management. Information management is also our business. IGs collect, analyze and communicate information.

We have a serious need for our employees to be mobile, creative, and drenched in information resources. Workstations should keep employees in touch with their work, their organization and the world of ideas, while they embark on expeditions farther from their offices and closer to their assignments.

In addition to being in the information business, we have the ability to experiment in a fairly risk-free environment. Since IGs are forbidden from taking on agency mission responsibility, our experiments can forge ahead or sputter, without essential services to the public being interrupted or jeopardized.

Our low risk experiments could have a very hefty payoff. Our relatively small offices could show the way and send up cautionary signals as we scout ahead of larger governmental departments. The road ahead is fog-shrouded and littered with sharp stones. It is best probed by small parties, such as ourselves, in advance of the main armies.

The cybarbarians are peering hungrily at us from the near horizon. In an environment moving as rapidly and destructively as digital globalism, horrified observers will not be safe. They will be devoured. Just behind the promise of the new is the destruction of the old. The cybarbarians are approaching to clear away the debris of the current world for a coming age. We have had ten years to grasp the specter of the Soviet Union and others who have chosen to cling to the debris of the Old World. We should begin the process of embracing the new and keeping a step ahead of the cybarbarians. 🦾

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# Romancing the Tone

## *Powerful Possibilities for Offsite Workplaces*



Scott Wilson

Step back 10 years. How many of us had even heard terms like intranet, broadband cable, digital subscriber line or virtual private network? For most, those terms might as well have been greek. Today those technologies are making it possible for organizations to explore new ways of doing business and are jump-starting a move toward a more flexible workplace for employees. Step forward just 3 years. Those technologies, and some that are emerging on the scene, will grow explosively and will likely revolutionize the way we do our jobs and where we do them.

Today many Federal managers are starting to realize the benefits of a flexible workforce. Nearly all the Fortune 1000 companies are already on board. Government is recognizing that people logging in from home or an alternative work site can actually increase productivity by reducing the time and stress of commuting, reduce sick leave and real estate costs, and improve employee retention and morale.

For most of the last decade, agencies have been focused on meeting governmentwide objectives of creating family friendly workplaces, reducing attrition and minimizing administrative costs. Telecommuting arrangements that allow employees to work at home or at designated satellite offices have allowed agencies to work toward meeting all three goals.

As an example, about a third of the General Service Administration's Federal Systems Integration and Management Center 150 employees either work at home or in telecommuting offices scattered around the Washington, D.C., area.

The program has had noticeable benefits in recruiting. Telecommuting has also helped boost recruitment and retention at the Defense Department, where more than 4,000 workers telecommute at least one day a week. And many other organizations have policies which encourage telecommuting programs, including the Departments of Treasury, Transportation, and Energy. (Federal Times, May 8, 2000, Rita Zeidner)

### **Keeping Up With the Enabling Technology**

The workplace of the future will move work to workers rather than the other way around. Organizations need to exploit technology now and look ahead to capitalize on emerging

technologies. Three of the current technologies that are making work-at-home and other remote access alternatives attractive are:

- Networking applications
- Fast cable and digital subscriber line modems
- Virtual private networks to control and facilitate from-home access to intranets.

## Technology Put to the Test

To illustrate how these technologies might work in a real world situation, let's consider the application of the technologies noted above for an audit team (11 auditors located in Dallas and Philadelphia) in my office, the Treasury Inspector General for Tax Administration (TIGTA). We began a pilot in October 2000 to test the concept of a mobile office with the belief that it will lead to increased productivity, lower costs, and greater job satisfaction. For the organization to get the most out of auditors working at home or an alternate site, the basic premise was that employees would be provided with the necessary equipment, tools and computer soft/hardware to perform auditing and administrative functions from remote locations, without the need for commuting to their assigned posts-of-duty. The auditors have the ability to access the TIGTA e-mail system, intra/internet, and other necessary databases from their homes or other remote locations, such as IRS offices, telecommuting centers, and hotel rooms.

Since access to the TIGTA network from a remote location can be agonizingly slow, employees were also provided with digital subscriber lines or cable modems for higher speed data transmissions (both are described in more detail later). Virtual private networks (VPNs) are utilized to provide a secure remote access capability, or tunnel, through the Internet to TIGTA's network.

### *Interactive Networking*

To support virtual work and sustain the team concept, auditors will use a hierarchy of Internet based communication tools, such as virtual conferencing. This will allow the manager and employee real-time interaction while not having to be present in the traditional office setting. Videoconferencing technology (portable camera, microphone and headset, and software) will also be tested for one-to-one or group meetings in lieu of face-to-face meetings.

The pilot will also combine several tools that will allow audit teams to collaborate electronically, in real-time. Employees taking part in the pilot will be able to share calendars and to-do lists, take part in "virtual workspaces" that contain public messages and files, and log into private chat rooms designed specifically for audit projects. Small teams can use instant messaging as a means to increase productivity. This will enable employees to be in constant communi-

cation without having to wait for e-mail messages to download.

## High Speed Remote Access

For work-at-home and other remote access arrangements to succeed, employees should be provided the technology for high-speed access. On a technical level, a fast connection makes it easier to quickly access and retrieve e-mail and files from their network, receive smooth video, clear sound, and searches that pop on the screen. People with fast connections tend to research, investigate and reference information more frequently than those who must work at dial-up speeds.

Today, remote access solutions for federal users are available in a variety of systems and at prices that can provide even the smallest office or part-time worker with immediate, full-time network access at high speeds. Not so long ago, high-speed Internet access for the home office or remote location was an expensive proposition. But new technologies have made telecommuting and remote office connection over the Internet a snap in many parts of the country.

The two most popular high-speed access technologies are cable modems and Digital Subscriber Lines (DSL). These are becoming mass-market technologies that can provide cost-effective, always-on Internet access for telecommuters. DSL lines are about 25 times faster than a typical 56K modem used with a home computer. Cable modems are 25 to 100 times faster.

Cable modems work by connecting a computer via a special modem to the wideband network of a local cable TV system. A modem at the other end of the network connects the system to the Internet. Cable modems provide blazingly fast network speed, but they do have drawbacks. Because users share cable bandwidth with every other home or office on the local node, access speeds will drop as more users compete for a slice of the network.

DSL isn't as fast as cable, but its speed doesn't slow during periods of heavy use as does cable. DSL has the advantage of going most anywhere telephone wires are available. But DSL has its limits too. The most significant is degradation of service according to a user's distance from the local phone switch. If that distance is too far, some would be users can't get DSL.

A knock against cable modem and DSL connections is that the shared bandwidth could compromise a user's security because other users on the same node might be able to gain access to data. Since the connection is "always on", the host is a much easier target. Increasing numbers of subscribers have reported attacks on their computers, sometimes leading to copying or destruction of sensitive data. Without a well thought out security strategy, "always on" DSL or cable modem connections can translate into "inher-



ently vulnerable.” In most situations, the solution is to use firewall software to protect against unwanted intruders.

### Virtual Private Networks

Balancing remote access with security is tough. The main problem with the Internet, of course, is security. You never

**Not so long ago, high-speed Internet access for the home office or remote location was an expensive proposition. But new technologies have made telecommuting and remote office connection over the Internet a snap in many parts of the country.**

know who may be listening in on your exchange of data across an always on cable modem or DSL. That’s where VPN comes in. By encrypting the data and covering it with an authentication sheath, it should be able to pass your private communications through a “tunnel” in the Internet and have them emerged unscathed. One of the major drawbacks of VPNs is the lack of speed. Sporadic drops in available bandwidth between your network and remote users elimi-

nates some of VPNs advantages. Nevertheless, the business case for remote access VPNs is clear-cut from a security perspective.

### The Next Big Thing

The one ingredient that can become a deal killer in achieving all the potential benefits of working at home or from other sites is lack of telecommunications capacity, also known as bandwidth or broadband. As noted, with DSL or cable modem, access speeds increase significantly. However, Internet traffic is doubling every 100 days, which

could soon stretch current telecommunications capabilities to the limit and bring the Internet to a standstill. This would put a serious crimp in telecommuting arrangements, which are often heavily dependent on their ability to quickly access and transmit information.

Fortunately, the next generation of the Internet will provide very high bandwidth at low costs, increased reliability and security, and integrated voice, video and data. The most probable solution to the insatiable demand for bandwidth will be the replacement of the old-fashioned copper phone lines we have now with fiber optics lines. Fiber optics can carry data, voice and video through massive, multiple channels at the speed of light, thousands of times faster than today’s fastest modems. Once fiber optic lines are widely available, tools such as desktop video conferencing will become so cheap and practical that travel for meetings may become a thing of the past. Also, an entire work group could easily link up for a video meeting from multiple locations without coming into the office.

The wireless revolution is another major development. The next generation of Web-enabled cell phones seems to have it all: e-mail, calendars, calculators, and phone directories. You can also browse the Web and send e-mail, but expect it to be extremely slow. However, the three million Americans who today work the Internet without a wire are projected to grow to 50 million by 2004. Web-enabled phones promise an entirely new future for the Internet. There are an estimated 300 million cellular phones in use across the country today, compared to only 100 million PCs. Realistically, though, cheap, dependable, one stop communications—anytime, anywhere—are probably still three years away. (PC Computing, April 2000, Marty Jerome)

Finally, voice recognition may have a larger role in the wireless world than you would expect. The trouble with popular handheld devices, like personal digital assistants, is that entering data and commands is maddening on such a small keypad. Leading voice recognition software companies have developed voice packages for navigating the Web. There will be no need to type in a search anymore—just tell your device what to search for. 🗨️



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JESSICA A. HALL

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# From a Distance

## *Telecommuting in the Federal Workplace*

### **Telecommuting Considerations in the Federal Workplace**

**G**overnment agencies are saying yes to telecommuting because it promotes greater flexibility and bigger budgets to recruit and retain workers, especially information technology workers. More money would go a long way in helping agencies deal with the recruitment and retention problem and encourage agencies to use incentives such as recruitment bonuses and retention allowances more often. This alternative work approach, telecommuting, will make it easier for agencies to find and keep the right people in today's constricted federal marketplace.

The Federal government has been experimenting with flexible workplace arrangements and telecommuting. Between June 1990 and June 1992, the Office of Personnel Management (OPM) and the General Services Administration (GSA) operated and evaluated a home-based, flexiplace pilot program that included fifteen agencies and one thousand participating employees nationwide. The overwhelming majority of employees and supervisors judged flexiplace arrangements to be a desirable workplace option.

As a result of this pilot effort, OPM has written all federal agencies assuring them of their authority to establish telecommuting programs and encouraging their use. Both GSA and Department of Transportation (DOT) have publicly promoted federal agency use of telecommuting as a means of reducing traffic and improving air quality. Moreover, Department of Defense (DoD) and the Veteran's Administration (VA) have telecommuting programs dedicated to persons with disabilities to reducing the duration of worker compensation cases. Several agencies are considering telecommuting in conjunction with office space reduction.

### **What is Telecommuting?**

Telecommuting is working from an alternative location such as your home, using computers, telephones, facsimile machines, and other remote capabilities, rather than commuting via automobile or public transportation to and from a designated employer's facility to perform work. Telecommuting is a work agreement between an

employee and his/her supervisor that allows an employee to perform assigned duties at an alternative work site. It is a managerial/supervisory option and not an employee benefit or right. Telecommuters must conform to all state laws and regulations regarding state employment to the extent they are applicable.

## Goals to Implement Telecommuting at the Department of Energy

Secretary Bill Richardson has made it very clear that he intends to move toward telecommuting at the Department of Energy (DOE). On March 16, 2000, the Secretary of Energy made the following statement in a memo to employees regarding DOE's Flex Program:

*As a Department, we are among the leaders in implementing a variety of family friendly programs, including flexible work schedules, employee health and assistance, and family friendly leave. My goal is to become a model Federal agency in the use of Flexiplace. This goal is directly tied to and supportive of one of the Department's primary missions, energy conservation. It also makes practical sense, because organizations that use Flexiplace have found that many types of work can be done productively away from the office setting. Finally, most employees of this Department have demonstrated that they will act responsibly in using the workplace flexibilities they are given to accomplish the public's business.*



It is my hope and expectation that the effect of these and future efforts will be to make the Department of Energy a model employer of choice whose enlightened policies support us in serving the American people more effectively. By listening to and working with our employees and their union representatives, I believe we will succeed.

## Who Has the Responsibility to Provide Telecommuter Infrastructure?

In regard to the Secretary's direction department wide, Mr. Steve Scott, Director of the Environment Safety & Health Technical Information Services made the following

comments in regard to the DOE Flexiplace Program. "In my experience in the public sector, it is very critical that we evaluate the workplace arrangement to consider the most optimal solutions for alternative arrangements." Mr. Scott sees four major planning elements that need to be addressed in the DOE's Flexiplace Program:

1. Develop Formal Policies — Policies should cover short term as well as continuing arrangements, and ensure a common understanding of the program and its requirements.
2. Suitability of Work — Ensure the nature of the work is suitable and qualifies for the Flexiplace Program.
3. Employees and Supervisors — Supervisors should offer the Flexiplace Program as an incentive to help an employee improve performance.
4. Workplace Schedules — Develop flexible procedures that allow supervisors and telecommuters to determine the best balance for individual situations.

## Management Concerns in the Federal Workplace

Managers want to know the most optimal solutions for how they can measure what the employee produces at the alternative worksite. Supervisors

would like to call employees who are working at home as often as needed to ensure they are being productive. A lot of managers are concerned that they do not have the skills to adequately manage telecommuters because it is not the same as managing employees at a work site. Supervisors are concerned about the quantity of work, not necessarily quality. Some managers want to conduct off-site visits.

## Shifting the Paradigm for Managers in the Federal Workplace

A different management style is needed for telecommuting. Managers must focus on the quality of work, not necessarily quantity of time spent off-site. They should identify and discuss problem areas as soon as possible and develop a plan of action to avoid bigger problems down the road. Management must learn how to be more trusting and flexible. An option to feel more connected as a manager is to include telecommuters in all appropriate office meetings. Another recommendation for federal agencies as they begin to establish flexiplace standards for the workplace is to fol-

low the guidelines established by their agency. These guidelines should include criteria for determining which employees are suitable for telecommuting consideration.

### Some Advantages of Telecommuting

Agencies that allow telecommuting could help save energy. Some areas where telecommuting could save energy include the following:

- Fewer cars on the roads (save on related resources);
- Decline in the need to build more roads (save on related resources);
- Reduces the need to use resources to repair roads;
- Lessens construction for building new work sites;
- Decrease in usage of public transportation;
- Decreases traffic and parking congestion, energy consumption, and air pollution;
- Lowers demands on energy for heating, cooling and lighting needs for office buildings; and
- Requires fewer parking facilities.

Telecommuting preserves the environment by reducing land use requirements for road expansion and by reducing slow-moving automobile emissions. Roads and parking lots would not consume large quantities of our land surface area if agencies decided to let employees telecommute to work. Automobiles, which are the largest contributor to our pollution problems, would be drastically reduced on the roads and in the parking lots. Congested rush hour traffic would also be reduced and possibly eliminated.

Telecommuting promotes safety. People will no longer have to rush to get to work. Road rage would decrease. Traffic fatalities would decrease. Fewer injuries and vehicular damage would occur, simply because people will not be driving as much.

Telecommuting can improve our health by reducing stress related to compromises made between home and the job. The stress associated with commuting back and forth to work away from the home is real, and telecommuting offers a renewed opportunity for workers to get in touch with family by working from home. It allows greater opportunities to increase involvement with family.

Telecommuting can provide flexibility for dependent care. Time saved commuting to work can be spent with family members. For example, a parent may need less after school care for a school age child, or an adult child may have time to take an aging parent to the doctor. However, employees need to understand that they should not be caring for children when they are working at home.

It improves job performance and increases productivity by reducing office overcrowding and providing a less distracting environment for reading, thinking, and writing. People who commute back and forth to work in the con-

ventional manner spend much time on unnecessary activities. With telecommuting, employees no longer need to prepare for the commute and spend as much time to be "presentable." Employees can work in their casual attire, except for days when they have meetings or other work-related engagements. As for employees with health problems or handicapped persons, working from home may offer more quality opportunities.

Telecommuting potentially enhances recruitment and promotes diversity by expanding the geographic recruitment pool; and

It potentially increases tenor on the job and reduces the number of people "job hopping." Telecommuting is an approach that may help keep loyal and productive employees on board, and attract skilled employees.

### Some Disadvantages of Telecommuting

- If certain guidelines are not established, other staff members may be adversely affected. Guidelines must be implemented before employees begin to work at alternative work sites. The overall interests of the office must take precedence over working at alternative sites.
- Telecommuting can burden other staff members if the workload has not been equally distributed and accounted for:
- Due to high cost, many telecommuters may not have high tech equipment available at their homes.
- Work-at-home arrangements may increase an employee's home utility costs.
- It may create unhappiness for some employees unable to telecommute, since not all jobs are appropriate for telecommuting.
- Telecommuting could pose supervisory challenges.
- It could be expensive to set up an alternative work site.
- Without good supervision and good selection of telecommuters, it could compromise job productivity and effectiveness; and
- It could create a sense of isolation for employees, especially if he/she telecommutes many hours a week.

### Technology Issues That Hinder Widespread Use of Telecommuting

- Speed of communication
- Cost of technology for users
- Ease and speed of converting hard copy to automated form
- Ease of establishing data linkages from remote locations
- Phone company incompatibilities and cost of line charges

- Full, effective use of videoconferencing and interactive video technology
- Credible data security and risks of data retention or integrity
- Software compatibility problems

### **Be Aware of Hidden Costs**

The acquisition, development, deployment, operations, and management of Information Technology (IT) involve costs that go beyond the initial price of technology that you buy. For example, purchase of a commercial off-the-shelf (COTS) and a computer based training (CBT) software package is just the beginning of costs involved to support telecommuting. A few of the hidden costs of ownership include training; interoperability; maintenance; licenses; and, support.

### **Conclusion**

If federal agencies want to attract good skilled workers, they must consider having a telecommuting program in

place. A lot of agencies have embraced the idea and are currently building a framework to establish these programs. Since telecommuting is generally viewed very favorably by employees, and is being offered more and more in the private sector, agencies are well advised to examine job functions that may be suitable for telecommuting. Allowing employees who serve in such positions the option of telecommuting may enhance an agency's ability to compete with the private sector for talent. Clearly, not all jobs are compatible with telecommuting. Moreover, it will probably take managers and supervisors some time to feel confident that their employees can be just as productive working from home. The best solution may be for agencies to take some small, initial steps towards telecommuting, by allowing a limited number of employees to work from home just a day or two per week. This would allow both supervisors and employees to gain experience with telecommuting before completely plunging in. Nevertheless, telecommuting seems to be the wave of the future, so agencies should take the time to take a good, hard look at it. 🏠

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# You've Got Jail

## *Penetrating Answers about Investigating Computer Intrusion*

**O**n August 31, 1888, Mary Ann Nichols became the first victim of a serial killer who quickly became known as “Jack the Ripper.” At the time of her murder, no law enforcement agency anywhere in the world employed science as an investigative tool. By the time Jack the Ripper committed his last murder, just three months later, a new discipline had been born—forensics. One hundred years later, on November 8, 1988, Robert Morris released a program onto the Internet that became known as the “Morris Worm.” His program effectively took the Internet down and profoundly demonstrated law enforcement’s shortcomings in conducting investigations in a high technology environment. The Morris case is credited with giving birth to a new area of specialization within the investigative community—the Cybercop.

Computer security and the investigation of computer crimes are a top priority of the Federal government, and a growing responsibility of the Inspector General (IG) community. In May 1998, President Clinton signed Presidential Decision Directive 63, which made the protection of Federal cyber assets a national priority. Furthermore, pending legislation such as the Government Information Security Act will significantly improve Federal computer security laws and establish an important role for the IG community in computer security audits and investigations.

Cybercops are in high demand these days. Like any specialized function in law enforcement, they are often viewed with curiosity and intrigue. They investigate cases that are often shrouded in secrecy and few other agents are able to relate to the investigative techniques they employ. The thread that ties them to the rest of the investigative community is their common goal—identifying and prosecuting criminals.

Traditional law enforcement has historically focused on physical crime and physical security. However, with the rise of the Internet, electronic commerce and the passage of laws like the Government Paperwork Elimination Act, Federal funds, programs and commerce are moving to an electronic environment. And as always, the crooks have followed

the money. Frauds that have traditionally occurred in the physical world have migrated into the cyber environment.

## The Threat

A lot of attention has been paid to the prolific teenage/college hackers that successfully penetrated various Federal systems. However, this is not the only reason the Federal government is focusing so much attention on computer security. The theft of sensitive government or personal information, the compromise of major Federal computer systems, and the diversion or interruption of the delivery of goods and services by Federal computer systems are also major threats posed by domestic and international criminals and terrorists.

Furthermore, the investigator must be mindful that external forces do not always pose the threat. In fact, most computer attacks are committed by “insiders,” such as present or former government employees, present and former contractor employees and others who have legitimate access or who have not had their access to the government computer terminated upon departure from their position. Crimes committed by insiders are often harder to detect and investigate because too often all of the safeguards are set on the perimeter of the network. Insiders, of course, enjoy easy or unfettered access to the data the government is trying to protect.

The Federal government’s proliferation and reliance upon networked computers, combined with the explosive growth of the hacker community and the lack of adequate investigative resources, places the Inspector General investigative community in a very bad situation—a situation that is progressively getting worse.

## Jurisdictional Problems

Prior to the introduction of the automobile, criminals were pretty much confined to the areas that they lived in. They committed crimes where they lived and were prosecuted where they lived. The introduction of the automobile changed that, criminals became mobile—they could commit a crime in one jurisdiction then flee to another. In order to combat this rise in interstate crime, Federal and local law enforcement had to expand their horizons and learn to operate on an interstate and national level. Similarly, the growth of the World Wide Web has led to the creation of a class of international computer criminals that can commit crimes in foreign countries without ever physically leaving their homes. Law enforcement must once again expand its horizon to counter this new threat.

Inspector General investigators have not, for the most part, been involved in investigations that leave our Nation’s borders. However, in order to be truly effective in addressing computer crime, the Inspector General community must be prepared to conduct investigations on an international level.

It’s a well-known fact that experienced hackers intentionally limit their susceptibility to prosecution by rarely hacking in the country they live in. For example, the recent denial of service attacks against electronic commerce and other major systems within the United States

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(CNN, Yahoo and others) were perpetrated by a Canadian teenager. Furthermore, many web page attacks on Federal computer systems are traced to multi-national hacking organizations.

Today, the Internet is posing unprecedented challenges to the way crimes are committed and prosecuted. To the Internet way of thinking, there are no countries, no borders, just global Internet Protocol (IP) addresses, and we are ill prepared to deal with this issue.

Because computer

crimes often take on international overtones, cybercops must be prepared to work in an international law enforcement environment.

Finally, laws have not kept pace with technology, particularly in foreign countries. The recent ILUVYOU virus propagated by an individual from the Philippines highlighted this—there were no laws in the Philippines proscribing this activity. The international nature of computer crime and the lack of cooperation between countries are posing challenges to the law enforcement community that are difficult to overcome.

## Coordination of Efforts to Protect Against the Cyber Threat

There’s an old adage that the only secure computer is one that is turned off. Today’s systems are turned on all the time, networked, and available. Furthermore, with the growth of telecommuting and remote access to Federal computer systems, the resultant risk posed by those remote connections will increase. These systems will contain more and more sensitive and mission critical information. Much of what we cherish as individuals—privacy—is stored in other people’s computers. The citizens of this country expect, and demand, that their government protect their information just as they protect their lives and property.



Working within the framework currently available to us, it is imperative that we implement three initiatives—prevention, detection and collaboration.

### **Prevention**

Traditionally, law enforcement agencies are reactive by nature. A crime is committed and we come in and investigate it. However, to properly address computer crime, Inspector General investigators need to change the way they do business. We need to commence a proactive program to work with computer systems administrators in preventing computer crimes.

Some will argue that it is the role of the system administrators to manage and secure their systems. However, the reality is that most administrators are not properly trained in computer security and they don't recognize the importance of timely reporting of computer crimes to Federal law enforcement. Progressive security programs involve the open sharing of information between investigators and systems administrators. Sharing threat information with administrators greatly enhances their ability to secure their systems and creates an excellent dialog between the investigators and the administrators. It helps investigators learn about their agency's computer systems and vulnerabilities. It also helps to alert investigators to potential problems that have not, or cannot, be mitigated within the current systems architecture.

### **Detection**

An effective computer security program cannot exist without:

- Computer security responsibility assigned to trained systems administrators
- Effective and enforced security policies
- Use of appropriate monitoring tools (firewalls, intrusion detection systems, etc.)
- Regular review of the logs generated by the monitors
- Timely reporting of suspected criminal activity to Inspector General law enforcement agents.

### **Collaboration**

Finally, investigators must develop liaisons with cybercops in other agencies. Have your cybercops meet with their cybercops. Almost all computer hackers attack more than one agency, and other forms of computer crime are also often directed at or impact upon multiple systems. Effective liaison with other cybercops will enable your agency to develop and understand the totality of the crime. Joint investigations with other agencies will become routine. It's the only way to fight this kind of crime. Further, if you have certain capabilities that others don't, advertise them and offer to make those resources available. Share information and knowledge; the hackers certainly do!

If you do become involved in a case that pushes the technical capabilities of your staff, ask for help. Don't overlook the private industry as an excellent source of expertise. There are a significant number of private companies that are willing and eager to assist law enforcement.

## **Organizational Challenges to the Inspector General Community**

One of the biggest problems the Inspector General community faces today is the severe shortage of qualified cybercops. Recruitment and retention of skilled law enforcement professionals is difficult because the demand for these skills is high in both the government and private sectors.

The skill sets for cybercops differ from other law enforcement technical skills. Traditionally, Federal agents have received specialized training in the search and seizure of computers, not in the conduct of investigating in the networked computer environment. Cybercops need to have a thorough understanding of the environment in which they are called to investigate. This includes computer hardware architecture, operating systems and network technologies, as well as a thorough understanding of the hacker culture.

Furthermore, these specialized agents need ongoing professional training because the systems they have to understand are constantly changing. Agencies have to invest in these agents—and it's expensive. Every 12–18 months the technology of systems, networks and subnets are changing.

**One of the biggest problems the Inspector General community faces today is the severe shortage of qualified cybercops. Recruitment and retention of skilled law enforcement professionals is difficult because the demand for these skills is high in both the government and private sectors.**

Hand-in-hand with the need for advanced training goes the need for specialized hardware and software.

Yet another challenge is the operating tempo required by computer crime investigations. Traditional Inspector General investigations rarely require the ability to respond on a 24 hour, seven-day a week basis throughout the agency. We rarely respond to a contract fraud in progress. Computer crimes occur at all hours of the day and night and require an immediate response by law enforcement.

Unlike traditional crimes, where the crime scene can often be preserved, evidence of an ongoing denial of service attack or system pen-

etration often lasts only minutes, and the investigation must commence immediately and continue at a rapid pace.

The cybercop has to be able to instantly coordinate the response to and processing of the crime scene. Unlike traditional crime scenes, which can be sealed, photographed and preserved for later forensic analysis, the cyber crime scene is part of an operational computer system that often cannot be shut down. The cybercop must work with systems administrators to obtain necessary evidence in a manner that will not adversely effect the computer systems and mission of the agency.

In conclusion, the investigation of cybercrimes presents one of the larger challenges in the history of the

Inspector General community. However, the challenge presents a unique opportunity for the community to become a major participant in the fastest growing area of law enforcement. The growing computer crime threat, the increasing expectations and unfunded mandates on the community, and the difficulty in recruiting and then retaining qualified staff will require the IG community to examine its current priorities and to work cohesively across agency and international boundaries in order to combat this threat. Just as the forensic sciences emerged to help solve crime, computer science has emerged as a solution for crimes of the future. 📧

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## The Dream Team

### *Human Capital Needs for Auditors in Performance-Oriented Government*



Kathryn Newcomer



Sam Neill

It's understandable if auditors feel a little anxious these days. Expectations of Federal Inspector General offices and OIG auditors are simultaneously higher and more ambiguous in the current performance-oriented environment. Congressional committees, political appointees in their agencies, the General Accounting Office and the public are all looking for expert assistance from the OIGs in evaluating the credibility of program performance measures, proposed targets, and reported results. Combined with the expanded scope of performance auditing, the challenges in providing such support are complex.

Program managers, agency executives, OIGs, and Congress are still learning what credible means in the context of performance data. OIG involvement in these early days of performance reporting is bound to shape agency measurement and reporting—and may be tough to disentangle in later audits. Missteps or inappropriate emphasis could stifle or destroy budding initiatives in measurement and management. To rise to the challenges, auditors need the right skills. But the necessary human capital may be missing from the tool kits many auditors carry today. Getting the right set of human capital, then, is essential.

#### **The Brave New World of Performance-Oriented Government**

Measuring and reporting program performance systematically is itself a fairly new endeavor in Federal agencies. The first performance reports required of agencies under the Government Performance and Results Act (GPRA) were due in March 2000. Building up for that submission, agencies had submitted strategic plans (beginning in September 1997) and performance plans (in March 1999) under GPRA, with a flurry of development activities taking place throughout agencies as they geared up to report on literally hundreds of program outputs and results. While GPRA has been the prime mover in pushing agencies to publish performance data, beginning with passage of the Chief Financial Officers Act in 1990, a whole host of statutes have required agencies to provide non-financial measures of “program results.” The focus on results at the federal level merely echoes what has taken place at local level of government in the U.S. for over two decades;

taxpayers have been asking what they are getting for their money, not merely how it has been spent.

So what is the impact of the continuing demand for performance information on the IG community? Providing performance information is now a recurring, legislatively mandated responsibility of agencies. Leaders of both the U.S. Senate and the U.S. House of Representatives have requested that IGs assess agency progress (U.S. Senate and U.S. House of Representatives letters to IG's 1998). Auditing performance information, along with performance auditing, are emerging challenges facing OIGs today. Rising to these challenges may well require some innovative thinking and training to prepare audit staff to meet their own performance expectations in the current environment.

### Performance Auditing and Auditing Performance Information

The term performance auditing reflects an evolving approach taken by auditors worldwide and entails questions that go beyond financial management and compliance issues. Performance auditing encompasses analyzing everything from program implementation and efficiency to net program impact on program recipients. In fact, performance auditing has expanded over the last few years to be equated with program evaluation broadly construed. The proposed definition of performance audit to be included in the 2001 revision of the Yellowbook is:

“A performance audit is an objective and systematic examination of evidence for the purpose of providing an independent assessment of the performance of a government organization, program, activity, or function against established or specific criteria in order to provide information to improve public accountability and facilitate decision-making by parties with responsibility to oversee or initiate corrective action” and includes “work classified by some organizations as a program evaluation, a program effectiveness (results) audits, an economy and efficiency audit, an operational, or a value-for-money-audit.”

Many state auditors rather accurately label their staff conducting performance audits as evaluators, in line with the U.S. General Accounting Office personnel designation for the majority of their staff.

Performance information, on the other hand, can be characterized as performance data and the recurring management contexts that use it: performance measurement (or indicators), targets (or performance goals) and reporting (or results). The term performance data is a rather global concept. As Joseph Wholey has aptly observed, the term performance is subjective and may have many meanings (Wholey 1999, page 289). In fact, performance measures may capture quite diverse aspects of programs—inputs,

activities, outputs, intermediate outcomes and outcomes, or as Wholey points out, those program dimensions that “are important to the performance information” (Wholey, 1999, p. 290). This subjectivity of performance has probably contributed to the call for assessment of the agency performance information. There is an emerging demand that performance information be examined separately from program performance itself.

Recent legislation in Canada and the response of the Auditor General illustrate one approach to auditing performance information without auditing performance. The Canadian Food Inspection Agency (CFIA) Act requires the Auditor General of Canada to assess the fairness and reliability of the performance information found in the agency's annual reports. This assessment is integral to the annual report itself, and is aimed at adding credibility to the performance information and helping Parliament and the public judge how well the agency is doing its job. In their first report, the Auditor General makes clear that they “did not assess or comment on the actual performance of the CFIA.” The Auditor General instead assessed agency performance information in the context of the agency's report, using established criteria representing the “characteristics expected in good reporting of performance against objectives”: Relevance, Understandability, Attributability, Accuracy, and Balance. (Auditor General of Canada, 1998).

Performance auditing and auditing performance information, although different in scope and intent, go hand in hand. Weaknesses discovered in agency performance information, particularly in the attribution of reported results, may identify programs or sub-programs for more targeted performance auditing. But are skills needed for either performance auditing or auditing performance information different from the skills IG's possess today? Largely, no, but the context of the tasks facing IG staff in performance-oriented audits suggest an emphasis on certain social science and statistical skills less commonly used by auditors. This is illustrated by examining the tasks an IG may face in auditing agency performance information. These tasks stem from the fundamental questions Congress and the public might have while reading a performance plan or report: Are the measures sound? Are the targets reasonable? Are the reported results credible?

### Sound Measures

The first tasks to emerge from agency performance information are likely to be questions about the selection, development, and quality of performance data and performance measures. Questions for IG auditors might include:

- *How valid are the performance data we are receiving?* IG staff may apply the basic rules of evidence to ascertain the level of competence displayed in design and collection of the data or the relevance of

the measures to program mission and performance goals. They might also assess whether the data are sufficient to adequately capture the notion of performance articulated in the performance plan. The notion of validity in the social sciences actually goes beyond the Yellowbook rules of evidence however, and may direct auditors to question aspects such as the face validity of the measures in the eyes of experts or other stakeholders, and its validity in the context of management decisions as opposed to absolute accuracy. Error and bias are tolerated within context in the social and managerial sciences. All data have errors, and assessing validity is an analytic rather than an accounting task. Data are not dollars—there will always be some missing. IG's will be asked to comment not on the presence of error, but on the impact of any error on management and the credibility of reporting.

- *Are the performance measures validly constructed?* Performance data from a primary source may, by itself, constitute the agency's performance measure (traffic fatalities, for example). Frequently, however, performance measures are constructed from multiple data sets (numerators and denominators in fatality rates, for example) or are statistically smoothed. Perfectly sound performance data, then, can be used to assemble performance measures of questionable utility or validity. To judge this, auditors must understand basic measurement theory, valid techniques in normalizing data, and the impacts of tools such as moving or weighted averaging.

In assessing data systematically gathered for use in agency management, auditors may need to delve into the information systems and their databases. Source and accuracy might be assessed for consistency and for declaration of known shortcomings. Furthermore, agencies that use primary data to build performance measures may screen out certain data. Criteria such as incident size or severity (large or small) or certain external factors can be used to remove data from reported outcomes. This is most often done to remove outliers or data not relevant to the goal, or to improve sensitivity to underlying trends of interest. However, this also can bias the results or limit the reported outcomes to a subset of results that conform better with program expectations. Assessing these information systems requires skill in data query and the ability to decompose measures methodically, identifying the statistical effects of screens and filters.

### Reasonable Targets

The most challenging (and potentially confrontational) task facing auditors may be to assess the reasonableness of agency targets (or performance goals). Initially this might

be a simple check of whether targets meet GPRA criteria as objective, quantifiable, and measurable. More nuanced questions may emerge, however, as executives and the congress consider targets in the context of resource allocation. These might include:

- *What do the trends in performance data mean and what are appropriate comparisons to make with proposed targets?* As agency staff involved in performance data collection are learning, it takes time, contextual knowledge, and valid base line data or data from reasonable benchmark-entities to make sense of performance data. Understanding trends, inherent fluctuation in realized outcomes, and statistical significance will be necessary in assessing the reasonableness of targeted performance. Interpretation of performance data and proposed targets will likely be politicized, making this enterprise particularly tricky.
- *Do targets make sense in the context of proposed programs and expected external influences?* This is almost a no-win question for an auditor to answer, as it supposes a deterministic and objective knowledge of the impacts of programs and external factors. In reality, target setting for outcome goals is often a subjective mixture of forecasting external factors, program analysis, guessing the probable contribution of other federal, state, local, and non-profit initiatives, and leadership "stretch." Auditors will need to move cautiously, but what they may contribute is an assessment of whether there exists enough past information on programs and external factors to draw into question the reasonableness of the target.

### Credible Reporting

After several iterations of performance planning and reporting, the validity of agency performance measures should become more or less established. Assessing the credibility of agencies' reported outcomes may, in time, become the most important task performed by IG auditors in reviewing performance information. This is also an area where unique skills are required to assess goal achievement, trend direction, external influences, and the causal relationship between programs and outcomes. This area of assessment may also prove a valuable trigger for more detailed performance auditing. Questions might include:

- *How do we know the performance data accurately capture outcomes attributable to the program?* Program evaluators have long been tasked with addressing impact questions. Ascertaining whether or not a program had intended effects on program participants is a hard and expensive task. In an era

where many politicians ask that performance measures capture intended program results, a logical follow-up question is may be: How do we know that it wasn't really factors other than government actions that created the results being reported? To address whether or not outcomes are logically linked to program activities, an audit of programmatic performance may ultimately be required. A program evaluation that measures program implementation, outputs and outcomes, and systematically identifies the effects of external factors on outcomes will best address the attribution question. However, techniques are available to audit performance information that may provide reasonable assurances of plausible association between program activities and performance indicators (Henricks, 1996; Reynolds, 1998)

Audits or evaluations of programs that address the attribution issue may also be initiated to identify external factors that contribute to a program's failure to achieve targets as well. In fact, the Government Performance and Results Acts directs agencies to undertake program evaluations to address under performance.

■ *Where used, are preliminary results developed in a credible manner?* Like any business using performance measurement to support management decisions, agencies must balance the accuracy of results with the cost and timeliness of information. Where performance data are gathered from outside sources—state and local authorities, industry, and other jurisdictions—data may be collected in different information systems and in different fiscal years. Final collection, verification and validation of data may follow the reported-on year by six or more months. As a consequence, agencies may need to develop preliminary results from partially-reported or unvalidated initial data. Auditors may find it necessary to assess sampling and other statistical techniques in order to comment on how reasonably preliminary results may reflect final results.

### Rising to the Performance Challenge

Table 1 lists a set of potential topics that IG staff training may address to prepare staff tasked with performance-oriented auditing. OIG staff whose professional training has been in accountancy and business administration will typically not have been exposed to social science methodological skills that will come in handy to address performance-oriented questions. For example, progress in the development of and training in program logic modeling, has been so rapid that even IG staff with professional training in a social science are probably not well versed in the latest guidance and software (McLaughlin and Jordan,

1999). As Table 1 illustrates, IG staff will require the skills to address questions about program performance, performance measures and performance monitoring systems ranging from the theoretical—how confident are we that we can attribute the observed outcomes to the program?—to the mundane—are the states reporting rates using the same denominators?

**TABLE 1. Topics for Training IG Staff in Auditing in Performance Oriented Government**

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I. Auditing Performance Measures
1. Probing Measurement/Construct Validity
a. Face Validity
b. Content/Criterion Validity
c. Predictive Validity
d. Potential for Misrepresentation
e. Analyzing Trend Data
2. Collection Strategies Appropriate for Qualitative Data
II. Auditing Performance Data Collection Systems
1. Sampling Strategies
2. Potential for Selection Threats in Sampling
3. Comparability of Data Reported from Different Entities
4. Computer-Based Data Systems Reliability
III. Interpreting Performance Data
1. Assessing Preliminary Data
2. Identifying Appropriate Baselines and/or Benchmarks
3. Time Series Data Analyses, e.g. moving averages
4. Statistical Control Strategies
IV. Performance Auditing Design
1. Program Logic Modeling
2. Interpreting Causal Inferences
3. Identifying Rival Explanations
4. Identifying Appropriate Units for Comparison

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### Managing Ambiguity Without Anxiety

The momentum is clearly going forward regarding measuring and reporting on Federal program activities. GPRA and other statutes require performance data to be collected on an annual basis. Expectations of the availability and quality of data are growing not only in Congress but also among special interests and other stakeholders whose appetites for such data have been whetted. Given that transparency in government is every bit as politically popular as performance reporting, thoughtful questions about collection, validity and credibility of the reported performance are likely to increase.

The right human capital, grounded in social science methodology, will prove increasingly important to auditors tasked with assessing program performance and

performance information. Newly developed human capital, however, is unlikely to remove the inherent ambiguity in performance-oriented auditing. There is no primer or body of work that will reasonably lead to generally accepted procedures in performance auditing, or at least not to the level of specificity found in other areas of auditing. New skills will not give auditors a framework of acceptable answers. What these new skills should provide is a framework for asking the most appropriate questions of program performance, with the aim of helping Congress, executives, and the public better judge agency reports and accomplishments. 🏠

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# Writing to the Rescue



Terry M. Freedy

One of my favorite cartoons depicts a group of distinguished gentlemen, dressed in colonial garb and powdered wigs, gathered around a similarly dressed man holding a quill to a sheet of parchment. The caption reads, “So, then . . . would that be ‘us the people’ or ‘we the people’?”

To me, the cartoon illustrates the lack of confidence many of us feel when we put pen to paper—or begin to ply the computer keyboard. We admire the way great writing can move us emotionally or inspire us intellectually, but somehow, when we ourselves try to produce an effective written product, our ideas are weakened when forced into the mold of proper grammar. We become particularly frustrated when a simple statement of facts, such as an interview, is not easily reduced to a coherent memorandum. Often, the final product little resembles what we had in mind when we began composing.

## Customer-Based Investigative Writing

In the Inspector General community, competency in investigative writing is absolutely essential. Our written products, whether a report of investigation or an affidavit for a warrant, represent us to our customers. Those customers may be Assistant United States Attorneys, labor relations specialists, executives in our agencies, or a variety of other readers. Regardless, they make a judgment about us—our professionalism, credibility, and worth—based on the product in their hands. With so much riding on their review of our writing, we can’t afford to be apathetic about our writing skill.

Before I continue, let me confess: I love the English language. I truly appreciate a clever turn of phrase and cringe at glaring word misuse or typographical errors. Before I became a Federal criminal investigator 25 years ago, I taught high school Spanish and English. Most people I’ve supervised in my law enforcement career would enthusiastically agree that I’m a stickler for good writing. For some time, I’ve wondered if I were the only person who felt that the skill level of writers, at least in the Federal investigative community, was diminishing.

In September 1999, I found I was definitely not alone in my concern. For three days that month, the Inspector General Criminal Investigator Academy (Academy) hosted a

conference to assess the Academy's curriculum and to determine its training priorities. Eighty-five individuals, mostly Assistant Inspectors General for Investigations and agency training officers, attended all or part of the conference. The results of a pre-conference survey completed by training officers were reaffirmed energetically by those in attendance: the Academy had to include training in investigative writing as part of its Inspector General Investigator Training Program.

When it became obvious that the conference attendees wanted the Academy to teach "writing," the Academy staff tried to define precisely what was needed. Did the Offices of Inspector General (OIGs) want us to teach what the content of reports of investigation should include? The tone of the reports? Grammar? Punctuation? The answer we received was, "Teach all of it."

### Teaching Boomers and X-ers

Obviously, it is unrealistic to expect a basic course for OIG investigators to completely cure an illness that managed to survive at least 16 years of education. However, the Academy has made investigative writing a significant and pervasive part of the training program, and the initial feedback we are receiving from students and their supervisors gives us hope that we are succeeding in some measure. Before we discuss the steps the Academy has taken to improve our investigators' writing skills, perhaps it would be helpful to examine why many of us perceive good writing as a lost art.

One primary reason for the "expectation gap" between what supervisors want in their investigators' writing and what they actually receive may be simply generational. While I'm not aware of any statistics showing the age of supervisors in the OIGs, I suspect that most supervisors are Baby Boomers, defined as those individuals now 39 to 56 years old. In general, Boomers are the products of a stable educational system with traditional objectives and defined standards. Remember tests that required us to identify and correct punctuation and grammar errors? Remember memorizing parts of speech and diagramming sentences?

Contrast the Boomers' experience with that of the "Generation Xers", whom we've now hired and are attempting to train. These individuals, now 18 to 38 years old, generally experienced what Neil Howe, author of *Generations* and other works on generational differences, describes as "schools in chaos." Rigid, hard and fast rules (such as grammar and punctuation) were downplayed in favor of creativity. Standards were lowered or eliminated altogether as schools experimented with "open curricula" and "self-realization objectives."

As a result, supervisors are now reviewing reports written by employees with very different exposure to the "do's and don'ts" of writing. While many Boomers simply have

forgotten what was drilled into them in fourth grade, many Gen-Xers may have missed the drill entirely. As a result, Boomers wonder why Gen-Xers cannot write coherently; Gen-Xers wonder what all the fuss is about.

A second contributing factor may be the prevalence of the computer and its word processing software. Thanks to the insidious presence of the grammar and spelling checker, many writers happily abdicate responsibility for actually proofing their products for grammar and spelling errors. When those writers don't proofread, they also fail to catch problems in the content, such as missing information, poor organization, or unclear meanings.

A third factor, closely related to the second, is the lack of clerical help not only to prepare but also to review our written products. At the beginning of my law enforcement career, I actually dictated reports and memoranda to a very capable secretary. Armed with her GPO Style Manual, correspondence guide, and trusty dictionary, she made sure my documents looked good and represented me well. In today's work environment, few criminal investigators, particularly at the entry level, have the luxury of a clerical safety net. As a result, many errors formerly corrected by support staff are now reaching the eyes of supervisors.

The Academy considered all three factors when developing its investigative writing training. First, we took into account both specific characteristics of Gen-Xers and general characteristics of adult learners. Gen-Xers need to see a direct nexus between what they are learning and their performance on the job.

Theory is irrelevant; just tell them what they are supposed to do. In other words, how will going to the trouble of learning something directly benefit them? Gen-Xers also enjoy learning by doing. They like to work in small groups, using opportunities to practice new skills while being guided by a mentor. Lectures are something to be barely endured, while experiential learning guided by a facilitator is welcomed.

These traits dovetail nicely with those of most adults in training. Adult learners are heavily invested in their self-esteem and self-protection. Not only do they like to be able to contribute to and participate in the learning process, but they need to be successful when they try new tasks.

### The OIG Writing Course

With these characteristics in mind, the Academy geared its investigative writing training toward helping the students

**One primary reason for the "expectation gap" between what supervisors want in their investigators' writing and what they actually receive may be simply generational.**

help themselves. The first step was to create an awareness of their need for good writing skills. When there is a perceived need for knowledge, a desire to learn soon follows; when the desire exists, a fertile learning climate is created.

In that climate, the Academy makes its writing training highly interactive and participatory. Throughout the training program, the students, working in pairs or small groups, conduct a series of interviews or other investigative activities, which they must then document and hand in to the Academy staff. The staff encourages the students to conduct peer reviews of their writing and uses a variety of methods to provide meaningful feedback to the students. For example, some writing assignments are chosen at random, projected onto a screen, and critiqued by the class as a

**It becomes quite obvious that their management considers good writing a necessary skill, and that it would behoove them to do the same.**

whole. Others are critiqued by students within their table groups of six students. All assignments are reviewed by an Academy instructor who functions as a facilitator for each table group. The students receive written and one-on-one feedback regarding their writing.

To address the second and third factors, the Academy provides each student with a laptop computer during the training program. We ask each student to bring a computer disk with the specific agency's templates for reports, memoranda, and other commonly used documents. In this way, students grow familiar with the format required by their agencies. They also learn not to trust the grammar or spelling checker, and that they alone are responsible for their reports.

I thoroughly enjoy teaching the 6-hour classroom block of instruction on investigative writing, and usually begin it by asking the students what they like about their jobs as criminal investigators with an OIG. They respond enthusiastically, mentioning such things as being able to get out of the office, working on different kinds of investigations, and meeting people from all walks of life. As you may have guessed, writing activities have been consistently and conspicuously absent from the list. After all, the self-image of many criminal investigators is probably closer to James Bond than to a reclusive author in a garret! When I ask the students why writing is not one of their favored activities, I'm usually greeted with groans. "Too difficult," "Don't feel confident in my writing abilities," and "Don't know what's expected," are typical responses.

The class and I then begin to explore how much of their workday is spent in writing activities. Classes have consistently estimated that they spend 50 to 55 percent of

their time writing. When I point out that they're devoting a large block of their time doing something they don't particularly like or feel confident doing, the students usually begin to express a desire to improve their skills.

To drive the point home, I ask the students to come up with an impromptu list of all the documents they may write in the course of their work. The number of written products they may author is usually both impressive and surprising, ranging from internal memoranda to congressional correspondence and from administrative reports to indictments. We then discuss the number of customers who may rely on their written products. This exercise is often an eye-opener as well. Finally, I ask for a show of hands of those students with a critical element in their performance expectations regarding written communication. It becomes quite obvious that their management considers good writing a necessary skill, and that it would behoove them to do the same.

The class then comes to a general conclusion—a criminal investigator must write well to be successful. No matter how proficient an interviewer, no matter how innovative an investigator, no matter how persistent and dedicated they may be, they must be able to reduce their activities to an accurate, objective, and easily understood document. If not, all their hard work has been in vain. As more than one student has noted, "If it ain't in the report, you didn't do it!"

At this point in the class, I make the students an offer. If the Academy could suggest some ways to become more effective and efficient writers, would they be willing to try them? Nearly 100 percent respond affirmatively, and, at that moment, they have committed themselves to improving their investigative writing skills. We build on that commitment throughout the training program.

During the duration of the classroom portion of the training, we discuss and define traits of good investigative writing. Content and tone issues, such as objectivity, completeness, accuracy, and conciseness are always raised. Mechanical issues, such as grammar, punctuation, format, and style, are also mentioned. We assure the students that we are not the "Federal Grammar Police," and that they are not expected to exhibit total mastery of every grammar or usage principle. Instead, we teach them where to find out the answers to those niggling questions. We give them several excellent resource books for use during the training program and to take home with them.

When discussing the relative importance of content over format, we advise the students that the Academy places greatest importance on the former rather than the latter, but that we will critique grammar and punctuation when it muddies the meaning of their writing. Interestingly, it's often grammar points that spark the greatest discussion and comments such as, "I never knew that before!"

The training program also includes an analysis of the writing process. The Academy favors the POWER approach to writing: Plan, Organize, Write, Edit and Rewrite. Most students seem to skip the first two steps of that process and

begin at the third, writing without any advance thought about what should be said and in what order. As a result, what most often happens, especially in longer writing assignments, is that they simply postpone the moment in which they realize they have to stop and plan. They've gone from a vague, general idea about what they want to write to a half-composed beginning that leads nowhere. Only now, to their chagrin, they have invested a good amount of time and effort without getting where they want to go. Once they realize that the time spent planning makes the actual writing time much shorter and more productive, they begin to plot their attack more carefully.

Based on my observations, I have concluded that the lack of planning—which is simply critical and clear thinking prior to writing—is frequently at the root of many of our students' writing problems. Before they begin composing, writers must have a good grasp of their intended reader, of that reader's needs, and of what action the reader should take as a result of reading the product. It involves knowing how much information is necessary to make an investigative report complete without including every bit of extraneous information gleaned during the case. It means including appropriate exculpatory information and distinguishing between facts, opinions, and conclusions. Since the circumstances of each case are different, the development of good writing skills requires students to think, not just to be told what to write.

These are ambitious goals for a four-week training program. How are the students responding? By and large, the Academy instructors notice a significant improvement in our students' writing by the end of the program. The students exhibit an increased awareness of the importance of

their documentation and appear to be more open to constructive criticism. We can only hope that their improvement continues when they return to their posts of duty, and that they pursue excellence in writing throughout their careers.

It is also fair to ask how the students perceive the writing instruction provided by the Academy. In general, this portion of the training program has received very positive evaluations, most in the "very good" to "excellent" category. However, I must confess that some of the critiques have been frustrating to review. One student, for example, thought the writing training was necessary but described it as "too basic and too long." Another critique was very complimentary of the course content and thanked me for my "inciteful comments."

While investigative writing is just one of many subject matter areas taught by the Academy, it is indisputably an essential one. The old refrain declaring "the pen is mightier than the sword" may have to be updated to "the word processor is more influential than the service weapon." Skill with the weapon is a must; it may certainly save the life of one of our agents or an innocent citizen. However, the ability to document the case may save a career or a prosecution. Consider also the frequency with which the two skills are used. With luck, an agent may never have to use deadly force during his or her career; in contrast, it's rare for a day to go by without an agent being required to prepare some written communication.

The Academy is committed to preparing the criminal investigators in our IG community to meet all the challenges of their jobs. We welcome your feedback and encourage all OIG personnel to make suggestions to this or any other component of our training programs. 📧

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KENNETH F. CLARKE

*Director, The Inspectors General Auditor Training Institute*

# Knights with Armor

## *The Inspectors General Auditor Training Institute Ten Years Later*

**W**hen I was assigned to direct the Inspectors General Auditor Training Institute in December 1999, I had only a limited idea of the challenges and rewards involved in this position. Now, having completed my first year as Director, I have a greater appreciation for both the Institute and our community.

The Institute was not unfamiliar to me. In 1991, I was special assistant to then Treasury Inspector General Donald E. Kirkendall, who was instrumental in founding it. Later, as a Regional Inspector General for Audit, I sent students to the Institute's first training program—and many programs thereafter. In 1992, I participated with my peers from other Offices of Inspector General (OIG) in a focus group that designed the Auditor-in-charge training program. Occasionally I have been a student at the Institute.

The Inspectors General Auditor Training Institute held its first class on July 8, 1991. The Institute—often known by its acronym IGATI and now approaching its tenth anniversary—has taught more than 60 Introductory Auditor programs. More than 10,000 students from 68 Federal OIGs and 32 related organizations attended IGATI classes as of September 30, 2000.

The ten-year milestone is a good place to revisit some fundamental questions about the Institute. Why was it created? Does it provide quality training? Why is it located at Ft. Belvoir, Virginia? Why has the Institute succeeded in light of other available sources for audit training? Does it have a distinctive role to play in providing training for OIG auditors in the twenty-first century?

### **Why IGATI**

Recognizing the need for training devoted exclusively to the needs of the Federal OIG audit community, the President's Council on Integrity and Efficiency (PCIE) voted in December 1990 to establish the Institute. The Institute is an organizational component of the U.S. Department of the Treasury's Office of Inspector General, which administers it for the PCIE. In fiscal year 1998, the Institute joined the Department of the Treasury's Franchise Fund as a Federal business activity. Subsequently the Institute has been funded solely by tuition revenue rather than appropriated funds.

Since the Institute's inception the PCIE's Audit Committee has provided oversight, serving as its Board of Directors. On three separate occasions, the Audit Committee has conducted thorough internal reviews of IGATI's curriculum. The most recent of these was completed this fall.

Although best known for its Introductory Auditing program, the Institute teaches twenty-three distinct programs. The curriculum includes well attended series on information systems and financial auditing as well as popular programs to enhance auditors' skills in making presentations, writing reports, auditing Government Performance and Results Act products, auditing to improve processes, and researching on the Internet.

Each July, the Institute surveys the needs of all its customers. The responses by the OIGs are used to build the training calendar for the upcoming fiscal year. The Institute's catalogue of training programs is available on our web site, at [www.igati.org](http://www.igati.org).

The Institute also designs programs to meet the needs of individual Offices of Inspector General. These "customer specific" programs can be taught at either IGATI's offices or the customer's preferred location. During fiscal year 2000, we taught on-site programs for several OIGs, including: the Social Security Administration in Baltimore, Maryland; the Department of Energy in Scottsdale, Arizona; the Treasury Inspector General for Tax Administration in Cincinnati, Ohio; the National Archives and Records Administration in Adelphi, Maryland; and both the Department of Education and the Small Business Administration in Washington, DC.

For Fiscal Year 2001, we made several changes to meet our customers' needs. First, the Introductory Auditor training has been enhanced and streamlined from a 3-week to a 2-week program. Second, the Institute is providing five new training programs:

1. **Essential Skills and Techniques for Evaluators** covers the basic concepts needed to perform effective evaluations and inspections within Federal organizations. The 5-day program gives a chronological overview of the

entire evaluation process, focused on a practical system for providing rapid feedback to decision-makers on program and policy issues. Students learn low cost, accessible strategies for providing outcome-oriented, practical information to Federal managers for their immediate use. This is the first training program designed to meet the exclusive needs of Federal Office of Inspector General evaluators and inspectors.

2. **The "Real World" Electronic Data Gathering and Analysis Workshop** provides students with a 5-day practical experience in gathering and analyzing elec-

tronic data. Through videotaped simulations and team exercises, students experience the challenges of defining and retrieving electronic data from such disparate sources as personal computers, legacy systems, local area networks, and mainframe computers. After gathering the data, students will use IDEA software to manage and analyze the data, to identify significant trends, and to find potential fraud.

3. **Practical Application of Statistical Sampling in Audits and Evaluations** will familiarize auditors and evaluators with practical methods for integrating statistical sampling more effectively into their assignments. Through team exercises and case studies, this 3-day program seeks to engender enthusiasm and overcome natural reluctance

to use statistical sampling to quantify the effect and impact of our work.

4. **Audit Report Team Writing From Entrance Conference to Final Report** is a 5-day program specially designed for those organizations that desire a team approach to writing audit reports. By integrating report writing into the audit process from the start, and by learning a common language for editing and structure, teams will be able to write reports together rather than climbing up and down the ladders of review associated with conventional report processing.

5. **Enhanced Testimonial and Briefing Skills** is a 3-day program that enables executives to hone oral communication skills that are essential to success when briefing departmental and agency senior management, testifying



*Our challenge as trainers is to provide team-focused training and the opportunity for students from various Federal OIGs to network and share ideas.*

before Congress, or speaking before the news media. The program concentrates on proven techniques for anticipating questions and being prepared to respond most effectively. Special emphasis is given to the timing, length, tone and degree of formality of executive level presentations in each of these scenarios.

## Quality Training

Inspectors General, Deputy Inspectors General, Assistant Inspectors General for Audit, and their staffs have developed the Institute's curriculum and program content through their participation in focus groups and course design activities. Student feedback, also carefully considered in course design, rose from 88 percent approval in FY 1999 to 90 percent approval in 2000.

As a training provider, IGATI is unique in that:

- All full time instructors and administrative staff are Federal OIG employees.
- All training is designed to the specification and with the participation of Federal OIGs.
- Training is delivered at cost to ensure that Federal OIGs receive desired training at the lowest price.

As I have learned more about the Institute this year, I have been especially impressed with the quality of the instructors and their diligence in keeping program content fresh and up-to-date. Our small staff includes three instructors plus a fourth instructor detailed to the Institute by the Department of Defense OIG on a fully reimbursable basis. To meet the needs of our customers, we also contract out for instructors—most of whom are retired Federal auditor managers or private consultants.

Greatly enhancing the quality of our programs are those current Federal employees from audit, investigation and other disciplines whose agencies permit them to volunteer their time to teach a module or segment of a training program. They bring contemporary, pertinent examples from real life experience along with their expertise. To the extent that IGATI is viewed by many as the leading Federal audit training provider, we owe a great deal to these volunteers.

As someone who, until this year, has been an IGATI customer, I sometimes thought I would like to be a volunteer instructor. I wondered why no one contacted me. Of course, I made no inquiries or attempts to volunteer my services. Anyone who would like to talk about serving as a volunteer instructor, please call me at (703) 805-4511 or send me an email at [clarkek@oig.treas.gov](mailto:clarkek@oig.treas.gov).

## Why Ft. Belvoir

For these ten years, the Institute has been located at Ft. Belvoir, Virginia. We were placed at Ft. Belvoir because

inexpensive space was available there. Advantages of being at the Fort include a lovely campus-like setting, inexpensive student accommodations, ample free parking, and the Fort's many facilities and services. Also, students enjoy being far enough away from their offices to avoid having their training interrupted by calls to return to the office.

The single disadvantage is that Ft. Belvoir is located outside the Beltway, more than twenty miles from Downtown Washington. Without access to Metrorail, public transportation is limited.

For several years, the Institute has been a tenant in a building occupied by three larger schools: the Army Management Staff College, the Army Inspector General School, and the Army Force Management School. The Army has made clear that the Fort cannot accommodate our need for additional space. As Ft. Belvoir continues to attract other Army organizations, the Institute must plan for its eventual move to a new location that may lack some of the Fort's advantages but will be more accessible by public transportation.

## Why IGATI Succeeds

The Inspectors General Auditor Training Institute is an entity of the PCIE and the Executive Council on Integrity and Efficiency. The Institute is uniquely and exclusively of, by and for the Federal OIG audit and evaluation community.

I have met with nearly one third of the IGs, who have shared highly favorable views about the Institute as well as suggestions for the future. At least once a month, a different Inspector General has visited the Fort to address a graduating class of students. To a person, visiting Inspectors General have been generous with their time and ideas. They share an abiding conviction that training is important. However, this community is no captive audience for the Institute.

Federal OIGs choose from many sources of training outside of the community including the U.S. Department of Agriculture's Graduate School, professional associations, and private training organizations. Also, some OIGs develop their own in-house training programs through which they derive the benefits of organizational team building.

Competition from diverse training sources provides the community with optimal training options at affordable prices. Historically, this competition has encouraged IGATI to work smarter, harder and faster to deliver high quality training at low prices.

Competition does not mean that the training we provide cannot be in harmony with the training provided by our competitors. On the contrary, one of my first initiatives was to meet with the Director of the Graduate School's Government Auditor Training Institute to seek ways in which our separate organizations can be more complimen-

tary and cooperative in curriculum planning. Twice we appeared together to answer questions at meetings of the PCIE's training coordinators. We also discussed the possibility of joint projects by which we might better serve the community.

Quality training, good instructors, competition, and working cooperatively with competitors are contributing factors to IGATI's success. To these I would add two other critically important factors: (1) the synergy derived from the OIG community coming together in this place as teams of students, teams of curriculum designers, teams of instructors, and teams to assure oversight and accountability; and (2) the heart exhibited by the people who work in this place. To amplify this last point, ask any former IGATI student about the environment they found here—people caring and working together. Perhaps in no small measure that special quality began with my predecessor, Andrew J. Pasden, Jr. As a “people person,” my friend Andy is a tough act to follow.

### **Where We Are Going**

The stage is set. The President signed a memorandum in June that directed agency heads to incorporate human resource management goals into their October 2000 performance plans. The Comptroller General has said that human capital issues are among the greatest concerns that

the General Accounting Office sees in the federal government at a time when we must prepare for a mighty wave of pending retirements in the next few years. Will our successors be prepared to fill the coming audit management void?

To meet this challenge, the Inspectors General Auditor Training Institute and other training providers must step forward with tested methods and new techniques. First, our training needs to put the student more in a “real world” environment. Training should be integrated into—not separated from—our audit work. Second, we not only want to evoke a positive response from such training but also to find more effective ways to ensure that students apply what they learn in training when they return to their audit assignments. Third, training must effectively help students master needed knowledge, skills and abilities. Fourth, curriculum must continuously be reassessed in light of the disciplinary core competencies of auditors and evaluators. Finally, we must rise to the challenges of educating adults outside the classroom through distance learning and interactive video and audio learning.

Perhaps most important, our challenge as trainers is to provide team-focused training and the opportunity for students from various Federal OIGs to network and share ideas. The Inspectors General Auditor Training Institute excels in this respect and is dedicated to delivering both tested methods and new techniques. 🏰



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JOSE BERRIOS

*Vice President/Staffing and Diversity, Gannett Co, Inc.*

# The Corporate Look



Jose Berrios

Public and private employers must understand today's highly complex world in order to serve their customers, employees and shareholders well. For government employers it means fulfilling their legislatively mandated mission. For private employers, it means remaining competitive and growing their revenues.

Organizations that understand these forces and promote positive, effective human resource practices will create an environment that allows their human capital to flourish. They, in turn, will make a difference in their organizations—whether it's providing the best services to taxpayers or contributing to the bottom line performance of their companies.

Let's look at this complex world a little closer. Then, we'll look at how the Gannett Company, an international news and information company based in Arlington, Virginia is meeting its staffing and retention challenges in a highly competitive recruiting environment.

## First, the World of Work

Today we're in the middle of a true revolution in how work gets done. For the most part, organizations and individuals do not work the way they did one, five or more years ago.

Think about the way you work today. Now, think back five years ago and how you worked then. Quite a difference!

Technology, the Internet and telecommunications devices have had a profound effect on us, on the work processes we use and the speed at which we work. Today, the very definition of work is changing. For example, we no longer need to "go to work," that is, go to a physical location to "do work." Personal computers, modems, cellular phones, facsimile machines, and telephones now allow us to work from remote locations wherever and whenever we need to work. We are in constant communication. And we are never too far from the central office or customers.

This shift in the work paradigm has had positive and negative effects on individuals and organizations.

On the negative side, we no longer are ever truly away from our work obligations. At times it may seem like we can never be free to relax or spend quality time with friends or family members. If we go on vacation, we still are expected to return phone calls, pages, email messages, or respond to faxes that are sent to our vacation site.

Anyone who travels these days on the New York or Boston shuttle knows what it is like to be overwhelmed by cell phones ringing around you every few seconds. The annoying noise level from those around you who are compelled to stay connected even after the captain or flight attendant has instructed passengers to turn off their cellular phones is more annoying.

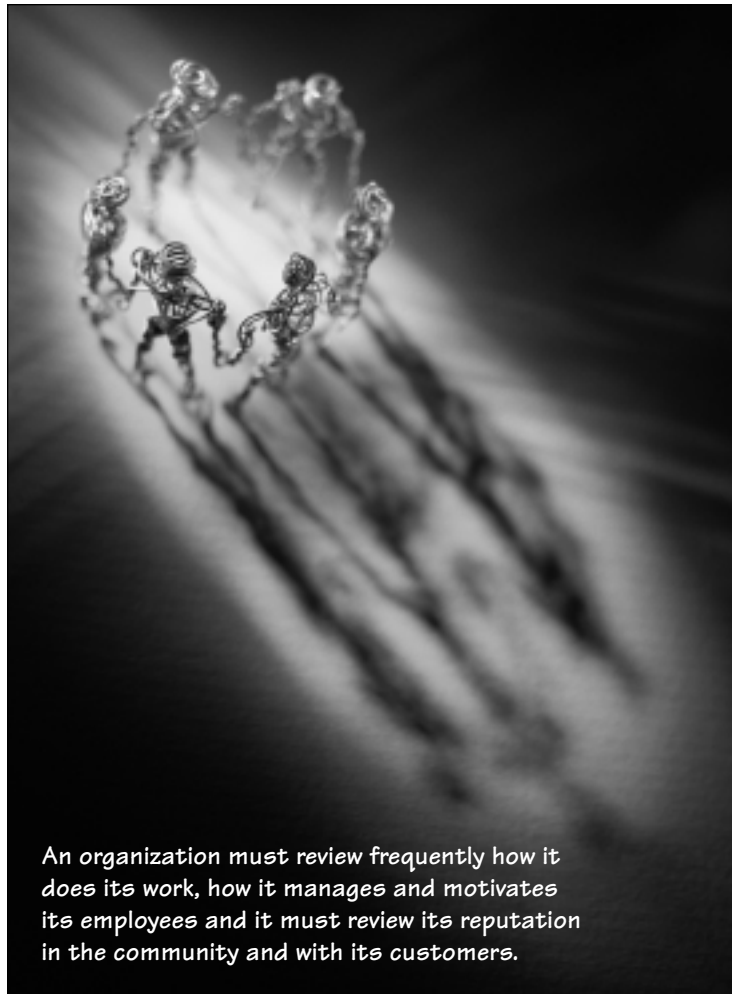
Our social norms also have been affected by the pressures of work and our collective desires to succeed. Often it feels as if our lives are totally consumed with stress, high expectations, multi-tasking and simple lack of manners. Around us we see people caught in the middle of a new epidemic of anger, and sometimes deadly rage. A recent USA Today story (July 18, 2000), notes many examples of this uncontrollable rage—road rage, airplane rage, biker rage, surfer rage, grocery store rage and rage at youth sports activities. Bad tempers are on display everywhere. And, it appears that we have lost respect for others.

The same USA Today article points out that experts blame the causes for this behavior on an increasing sense of self-importance, the widespread feeling that things should happen “my” way. Other factors, they say, include too little time, overcrowding, intrusive technology and too many demands for change in a society hurtling forward in the 21st century.

And, religious, civic and military institutions that historically have been revered as pillars of our society’s morals, sense of duty and service, have also become victims of this epidemic. One example is the Washington Post story on July 19, 2000 about the U.S. Naval Academy. The

superintendent of the academy commissioned a sweeping review of the culture and attitudes at the college in an effort to instill more “respect and dignity” among the 4,000 officers-in-training.

On the positive side, technology and telecommunications also have had an effect on our quality of life. Today, the vast majority of us are experiencing new heights of success and a better quality of life. Today’s living standards are the highest in U.S. history.



*An organization must review frequently how it does its work, how it manages and motivates its employees and it must review its reputation in the community and with its customers.*

Americans are richer, freer, and our working conditions are better than they have ever been. According to the U.S. Department of Labor, since 1950 we have doubled our paid holidays, our vacation days are up by 63% and the biggest part of the workforce has dropped four hours off its average work week since 1966.

We are enjoying the fruits of our labor like never before. Our economy is so strong that most private employers have been continuously reporting record earnings. Investors are happy, shareholders are happy and employees enjoy their rewards.

So, while we feel the pressure to deliver results, and we pay a dear price for this progress in our personal lives, we still make progress. But, often, we fail to realize that collec-

tively we are responsible for pushing the world to change. Organizational change consultant and author Price Pritchett notes that all of us drive the change that makes our organizations deliver results. (“Mindshift,” Price Pritchett, 1996) He points out further that “as consumers we get more demanding all the time. We want better quality stuff. We want it faster. And cheaper. Plus, we want more choices to pick from.” So, whoever meets our expectations, gets our business. Those that do not meet our expectations or disappoint us, lose our business.

This means that those who provide a service or create a product that we consume must be improving constantly or soon they cannot compete.

We cause progress because we are tough customers. Successful organizations know this and constantly look for ways to keep us happy. That may mean finding ways to improve goods or services, experimenting with new techniques or production to make sure their customers get quality and choices at a fair price.

This is the world we work in today. A world made up of demanding consumers who expect and demand quality products, services delivered at the “speed of business” and offered at a reasonable price.

And this is the reality that organizations, whether private or public, face each day.

## The Human Capital Factor

Those organizations that do not understand and appreciate this environment will not succeed. For public employers it means being able to provide quality service to demanding citizens. Private employers need to understand their customers in every facet of their operation from product design, production, and distribution, to marketing, sales and service. If any part of the service cycle does not take into the account the customer’s expectations and demands, that government agency or private company will fail its mission. And the consequences are grave.

In the case of public employers, public confidence erodes and services deteriorate. Citizens are forced to call upon their elected representatives to correct the ills of the agencies responsible for providing services. For private employers, it means losing market shares, shrinking revenues and loss of jobs for its employees.

It is critical that human resources executives understand these forces. Successful HR executives must develop strategic solutions to meet these organizational challenges. And these solutions need human capital.

Today, finding and keeping human capital is the single most important challenge facing private and public employers. Unless you’ve been in the tiny island of Pulau Tiga in the South China Sea with the cast of “Survivors,” you know how fierce the competition for talent is in the U.S.

Much has been written about the current labor shortage in the U.S. and the lack of sufficient college graduates to fill vacant jobs. At the same time, we are experiencing an increase in the number of immigrants in the labor market.

Compounding this problem is another factor that often is ignored. That is, the work expectations of the new entrants in the labor force. Whether they are members of generation X or Y—or any other letter you choose—their work styles, motivation, skills, and knowledge are much different than new entrants in past years. These factors pose a significant recruiting challenge for organizations.

Skilled recruiters alone cannot entice this new talent into an organization. The organizational environment plays a large role. Organizations that understand what motivates

these individuals and whose work processes allow for acceptance, flexibility, development, recognition and rewards will succeed in bringing in this new talent. Conversely, those organizations that are rigid, bureaucratic, and are governed by policy manuals or lack technical resources to provide quality services, will lose out.

## The Gannett Model

It is in this context, that the Gannett Company set out two years ago to study ways to attract and retain the talent needed to produce quality news products. Gannett publishes daily newspapers, including USA TODAY, and owns and operates television stations in major U.S. markets.

We found out that many of the people we needed to produce and sell our products were leaving our newspapers at a rate that caused concern. Naturally, we expect a certain amount of turnover and raiding from other companies since we are the leader in newspaper publishing. However, we also saw a new phenomenon in our industry. We were losing people to start-up dot com companies.

We established a company-wide task force to look at all internal and external issues that had an impact on recruiting and retention of talent. The group was asked to look critically at all aspects of our operations to determine what works well and what needed changing. And, like all good task forces, committees were established to look at specific issues. Unlike most committees, however, Gannett task forces or committees are expected to work quickly, work smart and deliver practical results within an aggressive timetable.

Committee assignments included reviewing our culture to see whether it works to our advantage or created artificial impediments in attracting and retaining talent; exploring the Gannett “brand” to leverage it in all aspects of our business; leveraging technology to enable us to work more efficiently; examining the role of human resources; providing recruiting training for hiring managers; and, developing our employees.

Progress was made after 90 days and six months of deliberations. After its first year the task force completed most of its work and produced products and made recommendations for implementation. These recommendations and products addressed our ability to attract new talent; model programs were created to help Gannett newspapers implement recruiting and retention strategies; training programs were developed to assist hiring managers; additional recruiting professionals were hired; and new desktop data analysis programs were created to help managers manage their people better. Finally, the task force recommended a new strategic role for HR to ensure that they play a key role in the process of recruiting and retention.

In the second year we were able to fine tune our approach. More work was done on tracking turnover in crit-

ical positions such as news and advertising sales. More innovative ways to find talent were explored, including use of the Internet, industry databases, professional groups, and conferences. And, we encouraged more use of paid employee referrals. Extensive work has been done on defining new skills and competencies for HR professionals to help them become more strategic.

The single most critical issue in this process was the need to communicate frequently about the issues and the planned solutions. Group meetings, focus groups, Intranet, newsletters, progress reports and scheduled conference calls were used to keep company managers and employees informed.

Six months into the new strategies, we are beginning to see positive results. Our turnover numbers decreased by 50% and more of our key positions are being filled with quality candidates. Work is still progressing and we anticipate better results by year-end.

The lesson we learned from the work of the task force was that an organization must review frequently how it does its work, how it manages and motivates its employees and it must review its reputation in the community and with its customers. Organizations must understand the societal forces that affect how it conducts its business. They must adjust, change, or modify themselves as needed. Those that do this well continue to be winning organizations. 🏆

## **In Memory of .....**

John Kenneth Mansfield, 78, who in 1978, was appointed by president Jimmy Carter as the first Inspector General of the Department of Energy, a position he held until he left government service in 1981, died April 6, 2000. Mr. Mansfield also served three United States presidents in executive branch appointive positions and held important posts on Capitol Hill. He is survived by his wife Jane Shalley Mansfield of Washington, D.C.; his sister Ruth Reazin of New Albany, Indiana, and two nieces and a nephew.

