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Written statement for the record prepared for

Senate Committee on Veterans' Affairs

VA Accountability and Transparency: A Cornerstone of Quality Care and Benefits for Veterans

October 25, 2023

## Introduction

Chairman Tester, Ranking Member Moran and members of the Senate Committee on Veterans' Affairs, thank you for the opportunity to share the Partnership for Public Service's views on improving accountability and transparency at the Department of Veterans Affairs (VA), particularly regarding S. 2679, the Leadership, Employment, Accountability, and Development Act (LEAD Act) and S. 2158, the Restore VA Accountability Act.

The Partnership for Public Service is a nonpartisan, nonprofit organization that works to revitalize our federal government by helping it attract mission-critical talent, engage employees, modernize its management systems, develop effective leaders and deliver a high-performing and accountable government.

Over the past decade, the Partnership has provided the committee with recommendations to strengthen workforce management practices at the VA. Given that any agency must rely on its top resource – people – it is critical that there are processes and rules in place to recruit and retain world-class talent, develop their skills throughout their tenure at an agency and hold them accountable for their performance. Accountability ranges from rewarding outstanding performance to dealing with poor performance, and, where it becomes necessary, to dismiss poor performers.

In 2017 Congress passed major pieces of legislation addressing accountability at the VA, notably the VA Accountability and Whistleblower Protection Act¹ and the VA Choice and Quality Employment Act of 2017.² The Partnership worked with this committee, and with your counterparts in the House, on a number of provisions in these laws concerning hiring and retention, talent development, supervisor accountability and training for human resources professionals. We commend the committees for revisiting these laws this year to assess their effectiveness and determine what revisions might be needed to help VA meet future needs. As part of our written submission here, we are attaching a statement submitted to the House Committee on Veterans Affairs, Subcommittee on Oversight and Investigations in July, addressing accountability and providing key data from the Partnership's Best Places to Work rankings.³

While challenges still remain in hiring, employee development, and employee accountability at the VA and across all of government, the VA has made positive strides in strengthening its management practices. Results from the Partnership's <u>Best Places to Work in the Federal Government rankings</u>, <sup>4</sup> based on the Office of Personnel Management's <u>Federal Employee Viewpoint Survey (FEVS) and other agency-administered surveys</u>, highlight workforce trends across the government. <sup>5</sup> Although the VA conducts its own internal survey, many elements track to the FEVS and show an upward trend in employee experience. The Department of Veterans Affairs <u>ranked fifth this year</u> out of all large agencies for the overall Best

<sup>&</sup>lt;sup>1</sup> P.L. 115-41.

<sup>&</sup>lt;sup>2</sup> P.L. 115-46.

<sup>&</sup>lt;sup>3</sup> "Statement of Max Stier, President and CEO, Partnership for Public Service." Hearing on Pending Legislation, House Committee on Veterans' Affairs, Subcommittee on Oversight and Investigations, 2023. Retrieved from <a href="https://docs.house.gov/meetings/VR/VR08/20230712/116186/HHRG-118-VR08-20230712-SD006.pdf">https://docs.house.gov/meetings/VR/VR08/20230712/116186/HHRG-118-VR08-20230712-SD006.pdf</a>.

<sup>&</sup>lt;sup>4</sup> 2022 Best Places to Work in the Federal Government, P'ship for Pub. Serv., https://bestplacestowork.org/.

<sup>&</sup>lt;sup>5</sup> Off. of Pers. Mgmt., Federal Employee Viewpoint Survey Results (2022),

 $<sup>\</sup>frac{https://www.opm.gov/fevs/reports/governmentwide-reports/governmentwide-reports/governmentwide-reports/governmentwide-report.pdf.}{$ 

Places to Work rankings.<sup>6</sup> By contrast, in 2014, VA's index score was 54.6 out of 100, its lowest level since the Partnership began the rankings in 2003, and VA ranked 18 out of 19 large agencies in employee satisfaction.<sup>7</sup> This improvement is important because an engaged workforce is more productive and provides better customer service. We encourage the committee to work with VA leadership to better understand what is contributing to this upward trend and to support those efforts to ensure that the agency delivers positive outcomes for our veterans.

Despite the progress made at the VA, the Partnership recognizes that there is still work to be done, especially in ensuring employees and supervisors have appropriate tools to drive increased accountability. As the Partnership has stressed in prior testimony, employee accountability encompasses a range of actions. The culture of accountability and service delivery begins with the people who work at the agency. It is critical to strengthen and streamline the front end of the process – including recruitment and hiring, employee development, data collection and supervisor training. We highlight here several areas across the full lifecycle of talent management for the committee to consider:

- <u>Develop and strengthen an enterprise-wide approach to workforce management.</u> Agency leaders should be responsible for ensuring their agency identifies strategic workforce needs and has a plan in place to meet current and future needs. Executives, along with supervisors and managers, should be held accountable in their performance plans for hiring and developing the next generation of talent. VA also needs to ensure that HR staff and hiring managers are trained in the use of the hiring tools available to them. This should include leveraging the Office of Personnel Management's (OPM) work to identify qualified candidates through skills-based hiring, technical assessments and pooled hiring.
- Identify additional areas to streamline employee performance and accountability. While supervisor development, training and leadership attention are critical to holding employees accountable for performance and outcome delivery, there are other areas the committee should consider when streamlining accountability processes. An initial step is to strengthen the probationary period for new supervisors. Managers at VA should be required to make an affirmative decision to pass a new supervisor through their probationary period (typically the first year in a new position) and only do so if the employee has exhibited the necessary management capabilities, in addition to possessing technical qualifications. Managers should also be held accountable in their performance plans for providing feedback to new supervisors throughout the probationary period and for making affirmative decisions regarding whether supervisors should continue on after the probationary period has ended. Additionally, it is the Partnership's understanding that the FEVS question about whether or not steps are taken to deal with poor performers in their work units has been removed from VA's employee survey. Adding this question back would allow employee views on performance management to be tracked over time.
- <u>Move toward a unified personnel system.</u><sup>8</sup> Currently the VA has a complex mix of employee personnel systems through Title 38, Title 5 and hybrid. Anecdotally, we have heard that this makes

<sup>&</sup>lt;sup>6</sup> 2022 Best Places to Work in the Federal Government, P'ship for Pub. Serv., https://bestplacestowork.org/.

<sup>&</sup>lt;sup>7</sup> Ibid.

<sup>&</sup>lt;sup>8</sup> More than Just Filling Vacancies: A Closer Look at VA Hiring Authorities, Recruiting, and Retention Before the Subcomm. on Health of the H. Comm. on Veterans' Affs., 115th Cong. Appendix (2018) (statement of Max Stier,

it challenging for human resources to streamline efforts to recruit and retain employees. The Partnership strongly encourages the committee to work with the administration towards a unified personnel system for the department that will allow it to fully address its hiring, classification, pay and accountability issues.

- Continue to resource and leverage VA's customer experience efforts. One of the best ways that VA can continue to deliver strong outcomes from veterans is through continued investment into customer experience. In addition to modern technology and modern ways of working, a key tenet of a modernized organization is understanding its customers and how they experience services. VA is a leader in customer experience practices through the Veterans Experience Office (VEO). The Partnership has long called for this type of work to be prioritized, resourced and embedded in the governance structures at the highest levels of an agency. For example, the VA addressed low employee engagement at several health centers by creating leadership development and training opportunities, using employee feedback to connect employees to the mission and recognizing high performers.<sup>9</sup> These low-cost, talent-focused efforts led to improved patient satisfaction, a decline in turnover of registered nurses and increased call center answer speed.<sup>10</sup> The committee should identify and promote ways to accelerate and scale customer experience work across the VA to streamline processes and make it easier for employees to serve veterans. Improving the VA's customer experience infrastructure, including defining expectations of federal employees, will help drive accountability and outcomes across the agency.
- Maintain third party review for removal/adverse actions. One of the merit principles the core values of the civil service which are enshrined in law is that employees who cannot or will not improve their performance to meet standards should be separated. To balance efficiency and due process in VA removal actions, the committee should ensure third-party, independent executive review by the Merit Systems Protection Board (MSPB). Independent review of removal decisions from outside the agency helps hold leadership accountable for overseeing their workforce effectively and for avoiding prohibited personnel practices. Survey data available from the MSPB shows that, throughout the government, supervisors themselves overwhelmingly agree that employees deserve protection from managers who make mistakes or act in bad faith during removal proceedings. MSPB appeal rights provide such independent protections. Moreover, MSPB review also provides deterrence against unmerited removal proceedings, as indicated by the fact that agency removal decisions are upheld in the vast majority of cases. Our statement submitted for the record to the House Committee on Veterans Affairs on July 12, 2023 (attached) explains our views in more detail and is relevant to the committee's consideration of S. 2158.

We also must work to overcome other major barriers to removal – namely agency cultures where it is assumed that it is difficult to fire employees and a lack of adequate training and resources for

President and Chief Executive Officer, Partnership for Public Service) (available at

https://docs.house.gov/meetings/VR/VR03/20180621/108430/HHRG-115-VR03-W state-Stier M-20180621.pdf).

<sup>&</sup>lt;sup>9</sup> A Prescription for Better Performance: Engaging Employees at VA Medical Centers, P'ship for Pub. Serv. & Bos. Consulting Grp. 1 (Mar. 2019), <a href="https://ourpublicservice.org/wp-content/uploads/2019/03/BPTW18\_VA-issue-brief.pdf">https://ourpublicservice.org/wp-content/uploads/2019/03/BPTW18\_VA-issue-brief.pdf</a>.

<sup>&</sup>lt;sup>10</sup> *Ibid.* at 1-2.

<sup>&</sup>lt;sup>11</sup> Off. of Pol'y & Evaluation, Addressing Misconduct in the Federal Service: Management Perspectives, U.S. Merit Sys. Prot. Bd. 3 (Dec. 2016),

https://www.mspb.gov/studies/researchbriefs/Addressing\_Misconduct\_in\_the\_Federal\_Civil\_Service\_Manageme nt\_Perspectives\_1363799.pdf.

managers and supervisors on how to discipline or fire an employee. Congress could also look to streamline the appeals process for removal and adverse procedures – not only at VA but government-wide.

## Perspectives on the LEAD Act, S. 2679 and the path on accountability going forward

The LEAD Act provides an additional approach to accountability by ensuring that oversight recommendations are centralized and implemented. This provides an opportunity to encourage best practices across the agency, and particularly at Veterans Health Administration (VHA), to meet common challenges. More broadly, the LEAD Act has a number of policy approaches consistent with the Partnership's recommendations to Congress, including centralizing data to allow for evaluation of effectiveness and improved decision-making, training for supervisors on requirements contained in the bill and the exploration of improved management processes. Furthermore, assigning responsibility for ensuring implementation and follow-through on oversight recommendations to a clearly designated entity (the TEAM Office) allows for an enterprise approach to management across VHA. The Partnership suggests a few additional areas for consideration as the committee continues its work in this area.

- Ensure the supervisor training called for in Title 1 of the bill is evaluated for effectiveness. Across the government, supervisor training when it does occur has often become an afterthought or a check the box exercise. The Partnership applauds the sponsors of the bill for requiring supervisor training. While the intent is to provide supervisors with a level of familiarity with adverse actions and related data collection, this is a complex issue. As mentioned previously in this statement, there often exists a culture of myths around the ability of supervisors to hold employees accountable. Ensuring that VA's human capital officials regularly evaluate the impact of the training, by using methods other than self-assessment questionnaires, and its effects on outcomes would likely increase the effectiveness of the training.
- Increase the impact of the newly created TEAM office through the use of dashboards to track recommendations and best practices. Oversight and implementation functions are often scattered across an agency and its components. In a large organization, offices may be especially siloed. The TEAM office could provide much needed consistency and transparency to the oversight functions across VHA and provide sustained focus on addressing challenges and applying best practices. Given the multitude of functions and oversight that the TEAM office would bring together, a dashboard containing the status of recommendations and compiling resources and best practices could accelerate progress. The legislation directs VHA to consider best practices from the Government Accountability Office (GAO). The Partnership recently had the opportunity to testify on modernizing GAO before the House Administration Committee Modernization Subcommittee. In that statement we recommended that consolidating disparate information (such as that produced by GAO, the Congressional Budget Office, and Congressional Research Service) could lead to less duplication of reports and more transparency on recommendations to allow for more effective decision-making. In addition, the committee and

https://docs.house.gov/meetings/HA/HA27/20230927/116332/HHRG-118-HA27-Wstate-BlockwoodJ-20230927.pdf

<sup>&</sup>lt;sup>12</sup> "Written Testimony of James Christian-Blockwood, Executive Vice President, Partnership for Public Service." Hearing on "Legislative Branch Advancement: GAO Modernization," Committee on House Administration, Subcommittee on Modernization, 2023. Retrieved from

VHA might consider the <u>recommendations</u> dashboard that GAO manages<sup>13</sup> as a potential example.

• Consider streamlining reporting requirements and reducing possible overlap. Throughout the bill there are various data and survey requirements, as well as multiple requests for reports. While each of these is individually important, multiple reports and surveys are resource intensive. Like many federal agencies the VA is subject to numerous, sometimes competing, reporting requirements. While formal reports can help consolidate information, they can also turn attention away from mission delivery. Additionally, multiple surveys run the risk of creating survey fatigue among employees, especially since the VA already conducts the All Employee Survey that may have related information to that being sought through this bill. To ensure that this committee and the agency get the information necessary to inform decisions and policies, the Partnership encourages the committee to consider whether existing survey and reporting mechanisms could be repurposed for these reports, whether briefings or other methods of information sharing, including dashboards, might better serve Congress' needs, or whether there are outdated reporting requirements that could be eliminated to reduce the overall reporting burden on the department.

## Conclusion

Thank you again for the opportunity to provide this statement. Reforming the VA has and will continue to require sustained attention and support from Congress, and I commend this committee for remaining deeply engaged on this issue. The Partnership looks forward to continuing to work with you to ensure a strong, accountable VA workforce delivering results for veterans and their families.

<sup>&</sup>lt;sup>13</sup> Government Accountability Office, "Recommendations Database." Retrieved from <a href="https://www.gao.gov/reports-testimonies/recommendations-database.">https://www.gao.gov/reports-testimonies/recommendations-database.</a>