

Written Testimony of Bob Leavitt
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Subcommittee on Oversight and Investigations
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Chairman Bera, Ranking Member Zeldin, and distinguished members of the Subcommittee: Thank you for the opportunity to discuss what we are doing to support the talented and dedicated workforce of the U.S. Agency for International Development (USAID). We appreciate your commitment to USAID's workforce and mission.

USAID's staff – our colleagues and friends – builds self-reliance in partner countries, projects American values globally, and advances our foreign-policy and national-security priorities. As Administrator Mark Green said before the House Foreign Affairs Committee in April, "USAID remains focused on our core day-to-day work: helping support the world's most-vulnerable populations affected by humanitarian crises; promoting human rights, democracy, and citizen-responsive governance; and improving development outcomes in the areas of economic growth, education, environment, and health worldwide." Our shared commitment stands out in the Federal Employee Viewpoint Survey: In 2018, 98 percent of the Agency's workforce affirmed they put in the extra effort to get the job done, and over 94 percent indicated they are constantly striving to do a better job.

Our operating environment is dynamic and challenging, and at times dangerous and uncertain. Priorities shift in response to, or in anticipation of, opportunities, challenges, and crises. Personnel systems are not as dynamic. The overall Federal personnel system was built for a different era, and updates to it have been ad hoc and short-term. We need a personnel system built for purpose, for our current and future workforce. We need an agile talent-management system that swiftly recruits, trains, deploys, and retains creative and innovative people.

We are investing and transforming the way we support the Agency's talent. Our Office of Human Capital and Talent Management is successfully building and rolling out new and flexible personnel practices and systems so that the Agency's workforce can better focus on the mission, rather than on outdated and burdensome personnel practices. We appreciate your support as we move forward.

Workforce Composition

USAID's workforce totals over 9,000 staff. Sixty-eight percent of our staff is overseas, where we have an official presence in 87 countries and support programs in 19 others. Approximately 4,700 Foreign Service Nationals, who are non-U.S. citizens, work in USAID Missions, account for 50 percent of the entire workforce and 71 percent of those overseas. Direct-Hire career employees (both Civil Service and Foreign Service) comprise 32 percent of our workforce, or over 3,000 staff; more than three-quarters of Foreign Service Officers (FSOs) serve overseas. The remaining 18 percent includes staff hired under a number of primarily program-funded mechanisms, including institutional support contractors.

Recruitment and Hiring

The Agency's Operating Expense (OE)-funded career (on-board) U.S. Direct-Hire workforce is down approximately 7.4 percent since January 2017. One of our top priorities is recruiting, hiring, and onboarding permanent Foreign Service and Civil Service employees consistent with appropriations. As of Fiscal Year (FY) 2019, our OE funding level can support 1,827 FSOs and 1,352 Civil Service employees.

Foreign Service

As of the most recent staffing totals (February 2019), the Agency has 1,699 Foreign Service employees funded by OE, including 46 Civil Service employees who are serving overseas temporarily in FSO positions. In FY 2019, we plan to hire approximately 37 career-track FSOs; a new FSO entry class is scheduled for September 2019. In FY 2020, the Agency plans to hire an estimated 136 additional FSOs. Based on the average annual attrition rate for the Foreign Service, which is 3.7 percent, and the time lag for recruiting, hiring, and on-boarding FSOs with Top Secret clearance, we anticipate meeting our OE-funded level of 1,827 FSOs in FY 2021.

While we plan to prioritize positions in the areas of contracting, health, financial management, administration, and legal services, we are likely to hire FSOs in a variety of other areas as well. We have already begun the process of soliciting for new FSOs and have received hundreds of applications. While we'll draw some of the candidates from an existing hiring pipeline list, we are in the process of refreshing that list and hiring in areas that were not on it. We will also continue to provide opportunities for our career Civil Service to temporarily join the Foreign Service, and do not foresee reducing these opportunities. This long-standing practice builds cohesion within our Direct-Hire workforce while increasing our ability to respond to emerging priorities.

We appreciate Congressional support for the Foreign Service over the years. With strong Congressional support, USAID's Development Leadership Initiative (2008-2012) and subsequent efforts helped increase USAID's Foreign Service by 80 percent between 2008 and 2016. During that time, the Agency hired 820 highly qualified FSOs. This helped revitalize the USAID Foreign Service to meet the needs of the changing operating environment, reverse the decline in workforce levels since the 1990s, helped prepare for the number of FSOs nearing retirement, and allowed us to effectively manage increases in program funding.

Civil Service

As of February 2019, the Agency has 1,215 OE-funded Civil Service employees, and we anticipate hiring or initiating the hiring of 197 civil servants by the end of FY 2019. Our Agency's average attrition rate (over the past three years) for the Civil Service is 9.4 percent. USAID continues to manage our Civil Service workforce through the Hiring and Reassignment Review Board (HRRB). Established in July 2017, the HRRB monitors attrition levels, identifies gaps in the competencies of our workforce, and prioritizes essential positions to fill strategically. This corporate view ensures we remain within our funding levels and recruit, retain, and deploy the talent we need to advance our mission.

The HRRB has evolved to meet changing needs. During the hiring freeze and the period in which all external hires required the approval of the Secretary of State (from January 2017 through March 2018), the HRRB was a necessary forum for prioritizing positions. As of June 2019, the HRRB does not need to review mission-critical occupations, which are positions with critical skill gaps as designated by the Office of Personnel Management or the Agency's leadership. Any such positions vacated since April 2019 can be filled without HRRB action. The mission-critical occupations include procurement; information-technology management; human-resources management; management and program analysis; science, technology, engineering and mathematics (STEM); and economist.

Diversity and Recruitment

As part of our hiring process, USAID's diversity initiatives have increased our outreach to, and recruitment of diverse talent through targeted programs and partnerships. Thanks to Congressional support, our hallmark program is the Donald M. Payne International Development Graduate Fellowship Program. The Payne Fellowship attracts outstanding talent to Foreign Service careers from minority groups who have historically been underrepresented in development careers. The demographic profile of Payne Fellows since 2012 follows: Hispanic 25 percent; African American 35 percent; Asian 25 percent, Native American 5 percent; and White 10 percent. In FY 2019, USAID has budgeted \$1,400,000 for the Payne Fellowship to pay for 10 Payne Fellows. The funding covers the administrative functions of the program, graduate-school tuition and fees, room and board, stipends, and domestic and overseas internships. In FY 2012, we started with three fellows, later increased to five fellows, and then doubled our numbers to 10 fellows per year.

The Pathways Internship Program and other student programs incorporate targeted diversity recruitment, salaries, and payments for Pathways Interns and other recent graduates. We engage a variety of third-party organizations to support student programs, such as with the Congressional Black Caucus Institute, Congressional Hispanic Caucus Institute, Urban Alliance, Hispanic Association of Colleges and Universities, and International Leadership Program for Asian/Pacific Islander students. In FY 2018, the overall minority representation of Pathways Internship Program was 69 percent with the largest minority demographic being Hispanic at 31 percent. We also support a partnership with the Don Bosco Cristo Rey Corporate Work Study Program, whose student body includes 53 percent Hispanic and 45 percent African American. Since 2014, 16 students have been sponsored at USAID through the Work Study Program.

The Development Diplomat in Residence Program seeks to educate, recruit, and channel talent to USAID by placing senior USAID officials at universities. Similar to the Department of State's Diplomats in Residence Program, the current two FSOs in these positions conduct regional outreach and talent sourcing, particularly targeting under-represented groups, and to raise domestic awareness of the role of development in our national security while broadening support for USAID.

Comprehensive Workforce Planning and Analytics

Establishing and maintaining a corporate workforce planning and management system is essential for USAID to sustain its leadership in development. It is also essential for enabling data-driven workforce decisions in a dynamic operating environment. The development of this system is a central plank of HR Transformation. The model, which is in development now and due to deploy this summer, includes a reporting capability that includes data visualization of the entire workforce, a forecasting capability which predicts attrition, and promotions and hiring years into the future. By 2021 we plan to add a scenario planning capability, which will allow leadership to plan for the future using realistic scenarios.

As USAID's mission has evolved, the workforce must evolve with it. As we look to the future, we will demand different skills, capabilities, and attributes of our workforce to meet the Journey to Self-Reliance and our increased partnership with other public and private organizations. As such, over the next two years, our workforce planning model will incorporate additional data sources that provide information on demographics, skills, capabilities, and workload so we can better understand our workforce needs and develop strategies to address gaps in critical skills and competencies. The Workforce Planning Model will improve our ability to plan and manage the complex workforce to meet the demands of U.S. international development and disaster assistance well into the future.

As part of workforce planning, we are assessing the strategic capabilities and needs of the current and future structure of the Agency. This process will help us plan into the future and ensure that workforce competencies align with the functions and objectives of each operating unit.

Human Resource Transformation

We are rebuilding our approach to human-resource service-delivery to provide consistent, high-quality customer service. The Agency's overall transformation is advancing and accelerating many of our efforts under Human Resource Transformation, which began in 2016. We are focusing on three core areas: human-resource operations, talent management, and workplace accountability and well-being. Some of our achievements follow:

LaunchPad

In May 2018, USAID debuted an online employee portal for HR, called LaunchPad. An innovative, collaborative, technology-driven platform, LaunchPad demonstrates how we are reimagining human capital and talent-management, and doing so in an accountable, effective, and efficient manner. In its first year, LaunchPad has received more than 541,000 visits, and USAID employees have submitted over 26,900 HR cases. During this same period, our scores on customer-satisfaction surveys have risen from 76 to 91 percent. As an Agency employee wrote, LaunchPad is "one of many, rather magnificent HR initiatives which had been called upon for many years but is now being realized." Others have commented that we are now in the 21st century. In addition to helping employees, LaunchPad makes it easier for HR specialists and managers to track personnel actions.

LaunchPad gives users 24-hour access to their personnel data in one place, including their leave balances, benefits elections, and retirement plans. Having such easy access empowers employees to make any necessary adjustments and initiate personnel actions online. LaunchPad includes an innovative self-service feature to help employees walk through common work-life events, such as getting married or having a baby. LaunchPad gives our workforce a modern HR experience that builds trust in our Agency and, importantly, consumes less staff time. LaunchPad also helps meet the expectations of employees accustomed to such easy technology applications in their daily lives.

We plan to pilot robotic process-automation over the next year, and we are on schedule to automate about 70 percent of personnel actions by 2021. Thanks to this shared initiative with the Bureau for Management's Office of the Chief Information Officer, we have made significant advances in how we use technology to support a modern workforce, and these successes will help us spend more time on higher-value, more strategic talent management.

Management of Our Employee's Performance

USAID's long-standing performance-management system for FSOs was outdated and unproductive. During a comprehensive evaluation, FSOs reiterated that performance-management processes were too time-consuming and promotion-focused. They were ineffective in improving performance and promoting professional development.

Our team and volunteers from across the Agency incorporated best practices from industrial organizational psychology, private corporations, and Federal Government agencies. Having worked closely with the American Foreign Service Association, we rolled out the new processes in April 2018. The new processes prioritize professional development, identify the most-qualified candidates for promotion, and increase accountability, all while saving numerous hours of staff time. To ensure that we are developing our people, our performance-management system now seeks to focus on quarterly conversations and quality feedback on an ongoing basis. The new promotion process makes meaningful distinctions among candidates by applying clear and uniform criteria that directly link to the skills FSOs need for success, and by expanding the numbers and types of individuals who provide input on an FSO's readiness for promotion while avoiding conflicts of interest. The new and automated ePerformance tool in LaunchPad saves time, making it easy to capture performance discussions between employees and supervisors. One important reform is to prohibit the solicitation from implementing partners on Contracting and Agreement Officers who manage their awards.

The team also tackled one of the most-vexing challenges – dealing with poor performance. FSOs at all levels recognized the need for tools, training, and policies that would support supervisors who are struggling to deal with poor performers, and hold both supervisors and employees accountable. A culture focused on learning and growing needs clear policies designed to provide poor performers a reasonable opportunity to improve. If or when that fails, we have an efficient, fair, and greatly streamlined mechanism for separating employees from service.

Foreign Service Assignments

Each year, approximately 600 FSOs bid on new assignments. In August 2018, USAID implemented a new Assignment and Bidding Platform on LaunchPad, which brought together all bidding-related information for the first time, including Post-specific information on schools, medical facilities, and allowances. This replaces what had been hundreds of hard copy pages into a searchable, online tool that is easy to sort and filter. The Agency also prioritized assignments by position, rather than by country, which enhances our commitment to strategic workforce-management. Bureaus now identify 60 priority positions that receive the highest preference for assignments, which has proven incredibly effective. Bureaus now have more input into the process. FSOs have commented on how efficient, user-friendly, and more transparent the assignment and bidding process has become. We also launched an automated Getting-to-Post questionnaire, which replaced a cumbersome paper process and reduces processing time from three months to 21 days. Last month, we launched an FSO Position-Validation tool that makes FSO positions transparent to everyone for the first time, which makes it easier to fill positions now and in the future, a helps FSOs plan their careers.

Staff Care and Organizational Resilience

Staff Care plays a critical role in advancing the Agency's overall mission and building a culture of well-being, performance, and engagement. In 2018, the Office of Personnel Management (OPM) recognized USAID's Staff Care as the most-utilized Employee Assistance Program in the Federal Government, according to the 2018 OPM Work-Life Survey Report. USAID's Staff Care surpassed Government-wide benchmarks for employee participation, satisfaction, and positive outcomes, including improved performance, improved morale, health, improved stress-management, and an increased desire to stay at the Agency. USAID scored approximately 26 percent higher than the U.S. Government average in these areas. As OPM stated, "USAID's success is attributed to Staff Care's comprehensive and integrative approach to supporting its workforce."

USAID's Staff Care promotes a range of programs that strive for a 21st century work environment where its entire workforce feels valued. Staff Care routinely receives requests from Washington, D.C.-based Operating Units and overseas Missions to improve organizational and individual resilience. Staff Care works with teams through assessments, staff retreats, and leadership consultations to achieve these goals. Mission engagements also include counseling consultations, wellness activities, and work-life support, all of which is focused on improving mental and physical health and well-being. Staff Care also manages lactation rooms across USAID, which helps the mothers on our staff achieve longer nursing periods than the national average.

Culture of Leadership and Accountability

As the world's premier international development Agency, USAID develops leaders prepared to lead anywhere, anytime. Strong leaders are critical to the success of USAID. Through a collaborative process, a community of stakeholders from across the Agency identified the leadership methods that contribute to an empowered and adaptable workforce that can thrive in increasingly complex and changing environments. As a result, in October 2018, Administrator Green launched the USAID Leadership Philosophy. The Leadership Philosophy embodies what it means to be a leader for everyone at USAID, irrespective of position, level, or hiring

mechanism, by articulating a common understanding of desired leadership practices and behaviors that all staff should demonstrate. The Leadership Philosophy enables leadership at all levels to foster a culture of respect, learning, and accountability. By articulating a common understanding of desired leadership practices and behaviors, this new approach will guide our leadership-development programs and practices to build an empowered workforce across the Agency.

Foreign Service Nationals Talent

Foreign Service Nationals (FSNs) represent the largest segment of USAID's workforce, and are critical to achieving Agency goals. FSNs navigate the local, cultural, and political realm in which USAID Missions work. In 2014, USAID established the FSN Advocacy Council to help elevate the role of FSNs, ensuring they receive recognition and resources to do their jobs most effectively. Currently, as part of the Agency's Transformation, in concert with the FSN Advocacy Council, the Agency will further advance and empower FSNs colleagues. Specifically, we seek to advance and leverage their unique skills to strengthen Agency capacity, and contribute to both their individual and their countries' development, and guide partner countries on their respective journeys to self-reliance. Ultimately, the Agency needs to champion that our valued FSN colleagues are the vanguard of our efforts to foster self-reliance in partner countries.

Remaining Challenges and Opportunities

Program-funded hiring mechanisms have provided us with hiring flexibility, essential for the Agency's operations and success. At the same time, there are limitations and costs associated with them, including the complexity of managing many mechanisms with differing authorities. Some have restrictions on what work an employee can perform (i.e., "inherently governmental" work, supervising employees, or managing funds), and some have limited benefits (e.g., health and life insurance). The differing mechanisms can lead to an imbalance in employment categories in Operating Units and management burdens. USAID has had to shift some of our talent in these Bureaus from one mechanism to another.

Adaptive Personnel Project

As we continue to hire more career Civil and Foreign Service personnel to support our development programs, USAID seeks to test a more agile, fit-for purpose, non-career, term-limited excepted-service personnel system in our humanitarian-response, complex-crisis, and global health programs.

In the President's Budget Request, USAID is requesting to use Program funds to pilot an Adaptive Personnel Project to hire rapidly, move flexibly, and retain for the duration required a talented, Program-funded workforce. Congressional authorization to use program funds for such a purpose would allow us, in consultation with Congress, to further develop this mechanism. APP could be very helpful by removing our reliance on Participating Agency Service Agreement (PASA) positions and reducing some of our requirements for U.S. Personal Service Contract positions. Since such a mechanism would help streamline and rationalize the use of hiring mechanisms, it would also contribute to comprehensive workforce-planning, talent-management, and more consistent, organized, and nimble.

APP is meant to be more than a hiring mechanism, we have designed it to help us rethink and pilot improved personnel practices that provide greater flexibility. For example, whereas the current Civil Service system relies on numerous job series, we would pilot the use of three broad talent models: Programmatic, Supervisory, and Operational. Broad talent models enable agility across sectors and traditional positions to work on priorities, and advance professional growth. While our current personnel systems provide some flexibility, we seek to streamline how that takes place so that we can focus on strategically supporting workforce needs rather than managing a complex web of personnel actions. If we had such an authority to use program funds for this purpose, we would remain committed to regularly briefing and consulting with the relevant committees.

Conclusion

Mr. Chairman, Ranking Member, and Members of the Committee, I appreciate today's opportunity to talk with you. Building on our successes, supporting our workforce, and meeting our hiring objectives are our highest priorities. We will continue to ensure that USAID – because of our by a dedicated and diverse workforce – remains the world's premier international development Agency.

I would also like to thank my colleagues in USAID's Office of Human Capital and Talent Management, some of whom are here today. I am grateful for their leadership, dedication, and hard work. They have often carried heavy day-to-day workloads, while also helping us set our path to the future. They have my enduring appreciation and respect.