

A Report by the
NATIONAL ACADEMY OF PUBLIC ADMINISTRATION
for the Federal Aviation Administration



***Federal Aviation Administration:
Personnel Reform Effectiveness Assessment***



January 2017



National Academy of
Public Administration®

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***Federal Aviation Administration:
Personnel Reform Effectiveness Assessment***

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January 2017
Printed in the United States of America
Academy Project Number: 2208

FOREWORD

By providing the safest, most efficient aerospace system in the world, the Federal Aviation Administration (FAA) plays a vital role in meeting the increasingly challenging demands of air traffic in the United States and around the world. Congress recognized the critical nature of FAA's unique mission and in 1996 provided the agency with significant flexibility to meet workforce requirements. These flexibilities included exemptions from most of the provisions of title 5 that typically govern agencies' hiring, training, and compensation practices. FAA was also given more authority over the assignment of its personnel to duty stations.

In June 2016, the Office of Management and Budget (OMB) requested that the FAA contract for an independent, third-party assessment of how the agency has utilized these flexibilities. FAA chose the National Academy of Public Administration (the Academy) to conduct this assessment. The Academy formed a professional study team to conduct a five-month study based on extensive independent research, including interviews with agency officials in both headquarters and the field; employee groups; external customer/stakeholder groups and oversight bodies; and in-person visits to FAA. A three-member Expert Advisory Group composed of Academy Fellows provided guidance to the team on such topics as research strategy, leading practices, and possible recommendations for improvement.

The Academy's study team developed nine recommendations to strengthen human capital management at FAA. Among other things, the team urged FAA to develop a comprehensive strategy that allows the agency to (1) strengthen the working relationships between the human resources management office and customer organizations, (2) improve coordination of classification and management of human resources-related positions across the agency, (3) strengthen agency-wide workforce planning processes, and (4) develop a balanced, fiscally responsible approach to labor contract negotiations.

As a congressionally chartered non-partisan and non-profit organization with over 800 distinguished Fellows, the Academy brings nationally-recognized public administration experts together to help public organizations address critical governance and management issues. We appreciate that FAA turned to us to conduct this review and have benefited from the constructive engagement of the agency's personnel and outside stakeholders who provided important insight and context to inform this report. This work could not have been completed without the Expert Advisory Group, which provided invaluable expertise and thoughtful advice throughout the project, and the professional study team that conducted the research and developed the findings and recommendations.

Terry Gerton
President and Chief Executive Officer
National Academy of Public Administration

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ACRONYMS AND ABBREVIATIONS

AFN	Assistant Administrator for Finance & Management
AHR	Assistant Administrator for Human Resources
ANG	Assistant Administrator for NextGen
ASH	Security and Hazardous Materials Safety
ATO	Air Traffic Organization
AVS	Assistant Administrator for Aviation Safety (AVS)
CFO	Chief Financial Officer
CPC	Certified Professional Controller
FAA	Federal Aviation Administration
GAO	Government Accountability Office
HR	Human Resources
HRRO	Human Resources Research Organization
NATCA	National Air Traffic Controllers Association
OMB	Office of Management and Budget
OPM	Office of Personnel Management
PMS	Personnel Management System
SMEs	Subject Matter Experts

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EXECUTIVE SUMMARY

The mission of the Federal Aviation Administration (FAA) is to provide a safe and efficient aerospace system. As part of this mission, FAA regulates civil aviation to promote safety, encourages and develops current and new aviation technology, develops and operates a system of air traffic control and navigation for civil and military aircraft, researches and develops the National Airspace System and civil aeronautics, develops and executes programs to control the environmental effects of civil aviation, and regulates commercial space transportation.

The FAA carries out this mission in a dynamic environment defined by changing technologies and operational demands. To meet these challenges, and those of the future, the FAA needs to attract and develop the best and the brightest talent with the right leadership and technical skills. In 1995, Congress passed legislation exempting FAA from most provisions of title 5 and directed the agency to develop and implement a new personnel management system that would provide greater flexibility in hiring, training, compensation, and in the assignment of personnel to duty locations. In 1996, Congress directed that the new system be negotiated with its unions. The personnel management system reform effort at the FAA has been the subject of numerous implementation reviews. In recent years, external assessments have been done on specific human resources (HR) issues, in particular issues related to the air traffic control workforce, but none had taken a systematic look at FAA's personnel management system.

In June of 2016, the Office of Management and Budget requested that the FAA contract for an independent, third-party assessment of its personnel management system. The Academy's assessment of FAA's personnel management system was guided by two broad criteria: (1) achieving the intent of the exemption from title 5 and (2) cost-effectiveness of the agency's personnel management system, including the role of customer organization staff in performing human resources activities.

Given the lack of baseline data, together with FAA's piecemeal implementation of reforms and changes in HR policies over the past twenty years, it was not possible to trace the impact of the title 5 exemption on the major challenges identified by FAA in the 1990s. Instead, the study team assessed the current state of those challenges and the use of flexibility afforded by the exemption.

The study team made two findings regarding the current state of these challenges. First, FAA has taken important steps in the past few years to address long-standing impediments to the efficient and effective staffing of air traffic control facilities, though it will take additional time to fully assess progress. Second, FAA has taken advantage of flexibility in the area of compensation, but there appears to be some reluctance by AHR staff to more fully explore options that would allow customers greater flexibility in other areas, due to concern over its inability to oversee and enforce conformance with merit system principles.

A lack of data on customer organization staff performing HR-related responsibilities precluded a reliable assessment of the total cost of FAA's personnel management system or its cost-effectiveness. Therefore, the study team focused on a qualitative assessment of the role played by customer organization staff in HR processes and the working relationship between Office of Human Resources Management (AHR) and customer organization staff. The study team found that the performance of AHR and the role and value of customer organization staff in HR processes is disputed. There is little agreement between AHR and customer organizations on problems and causes.

It is clear that there is a legacy of distrust between AHR and customer organizations that must be addressed before progress can be made toward a better working relationship. AHR already has made progress in this regard. Its successes in managing the challenges created by the budget sequester in FY 2013 and, more recently, meeting hiring targets for air traffic controllers, have helped to rebuild some customer confidence in AHR. Since 2015, AHR has taken steps to enable a more proactive, strategic approach to addressing customer staffing needs and the new director of AHR has been undertaking a series of forums to identify opportunities to improve the working relationship with customers and to address specific complaints as she is able in the near term.

However, the study team found that improving the performance of the FAA's personnel management system depends to a large degree on strengthening agency-level capabilities, which will require actions that AHR cannot take on its own. The study team identified three such capabilities.

- Classification and management of human resources-related positions;
- Workforce planning; and
- Labor negotiations.

The study team offers recommendations as part of an overall strategy for improving FAA's personnel management system. This strategy is organized around four objectives:

1. Strengthen the working relationships between AHR and customer organizations;
2. Improve coordination of the classification and management of human resources-related positions across the agency;
3. Strengthen agency-wide workforce planning processes; and
4. Develop a balanced, fiscally responsible approach to labor contract negotiations.

This strategy recognizes that effective action on some objectives is beyond the authority of AHR and that success will depend on active, continuing support by top agency leadership. Accordingly, the study team makes recommendations for action by AHR and top agency leadership as appropriate. (Recommendations are listed at the end the executive summary.)

Recommended actions are intended to build on each other, with progress on one objective contributing to progress on the next. Recommended actions are linked by the following logic. Recommendations for AHR to build on its use of customer forums to communicate its strategic initiatives and to identify opportunities to improve its services, together with recommendations on training to better address misunderstandings of policy, will improve the functioning of HR processes. At the same time, these actions will help build relationships of trust between AHR and customer organizations that can facilitate efforts to improve the coordination of classification and management of positions with HR-related responsibilities. Agency-wide coordination and management of HR-related positions can in turn enable more reliable accounting and more efficient allocation of HR-related staffing across the agency and provide the basis for assessing HR capabilities needed to support effective workforce planning. Effective agency-wide workforce planning will be needed to guide a balanced, fiscally responsible approach to labor negotiations.

LIST OF RECOMMENDATIONS
<p>Recommendation 1: While the customer forums being undertaken by AHR are not intended as vehicles for reviewing HR policy, they offer an important opportunity to obtain customer input that might suggest modifications to existing policies and communication of them. To make effective use of this opportunity, AHR should conduct another more focused round of forums with individual customer groups, to which AHR has been able to give only limited attention during initial, higher-level forums with Air Traffic Organization (ATO), Aviation Safety (AVS) and the Office of Finance and Management (AFN). Also, AHR should continue with its plans to conduct customer forums with other Lines of Business and Staff Offices. AHR should consider this customer input in its annual HR Policy Development/Revision Process (Appendix D) and provide more timely feedback on customer questions raised during forums.</p>
<p>Recommendation 2: In those cases where AHR decides to make a significant change in policy, it should ensure that effectiveness can be assessed in the future, preferably by quantitative methods. This will require that AHR collect baseline data and develop appropriate metrics needed to measure changes in performance in the affected areas (e.g., recruitment, retention, and hiring times).</p>
<p>Recommendation 3: In planning future customer forums, AHR should consider addressing the two areas of concern identified in the study team’s interviews with customer organizations: on-the-spot hiring authority and recruitment.</p>

Recommendation 4: AHR should undertake an analysis of customer recruitment needs and possible options for strengthening recruitment assistance to customers, including both internal services (such as pre-recruitment consultations) and enabling access to external resources.

Recommendation 5: To mitigate the challenges created by incorrect interpretations of policy, AHR plans for training its staff and customer organization staff should be expanded to include detailed discussions of flexibilities available, conditions of use, and the roles and responsibilities of AHR and customer organizations, including what is directed by policy and what is left to the discretion of the customer organizations.

Recommendation 6: AHR should focus its training on policies where misunderstanding is determined to be most frequent and consequential in terms of time and cost to the agency.

Recommendation 7: Greater agency-level coordination is needed to address the challenge of inconsistent classification. Classification should be the responsibility of AHR. However, before transferring this authority, time is needed for AHR to build the needed capabilities and working relationships with customers. Therefore, FAA should pursue a staged approach to returning classification authority to AHR, and the Office of the Administrator should support this approach from a policy and resource standpoint.

Recommendation 8: To support AHR's ability to develop agency-wide strategies, FAA should take steps to strengthen the existing workforce planning process, including clear assignments of responsibility and authority.

Recommendation 9: To help ensure a balanced fiscally responsive approach to union contract negotiations, the Office of the Administrator should provide enterprise-wide perspective and support to the Office of Labor and Employee Relations, which AHR recently established to lead negotiations.

CHAPTER 1: INTRODUCTION

The Federal Aviation Administration is now the largest agency within the U. S. Department of Transportation, but had its beginnings in the Department of Commerce in 1926. At the urging of industry leaders concerned with safety standards for the nascent aircraft industry, Congress passed legislation charging the Secretary of Commerce with fostering air commerce, issuing and enforcing air traffic rules, licensing pilots, certifying aircraft, establishing airways, and operating and maintaining aids to air navigation. In 1958, seeking a greater focus on the safe and efficient use of national airspace, Congress passed the Federal Aviation Act which formed the independent Federal Aviation Agency. The Agency became part of the newly established cabinet-level Department of Transportation (DOT) in 1967, and at that time was renamed the Federal Aviation Administration (FAA).

FAA's mission is to provide the safest, most efficient aerospace system in the world. The FAA regulates civil aviation to promote safety, encourages and develops current and new aviation technology, develops and operates a system of air traffic control and navigation for civil and military aircraft, researches and develops the National Airspace System and civil aeronautics, develops and executes programs to control the environmental effects of civil aviation, and regulates commercial space transportation. In terms of worldwide passenger traffic, the FAA is responsible for four of the top ten world's busiest airports, and six of the top twenty. By aircraft movements, the FAA controls eight of the top ten, and eleven of the top twenty airports worldwide. The FAA's role in providing a safe airspace system came into critical focus during the attacks of September 11, 2001. In less than an hour after the first attack, all takeoffs were grounded and nearly 4,500 flights and approximately 350,000 passengers were safely on the ground within four hours.

The FAA comprises five lines of business:

- Air Traffic Organization;
- Airports;
- Aviation Safety;
- Commercial Space Transportation; and
- Security and Hazardous Materials Safety.

The agency has eight staff offices:

- Civil Rights;
- Communications;
- Finance and Management;
- Human Resources Management;
- Government and Industry Affairs;
- Office of the Chief Counsel;
- Policy, International Affairs, and Environment; and
- NextGen.

Most of FAA's 45,000 employees work in the Air Traffic Organization (ATO), where 35,000 controllers, technicians, engineers and support personnel keep aircraft moving safely through the nation's skies. The Office of Aviation Safety (AVS) is the second largest division, with 7,200 employees dedicated to aviation safety, including more than 4,300 Aviation Safety Inspectors and nearly 750 Aerospace Engineers. AVS is responsible for conducting safety surveillance and oversight programs, audits, evaluations, education and training, research, and accident/incident investigations. AVS also promulgates safety standards and policy, and issues certificates allowing people, organizations, and equipment to operate in the U.S. civil aviation system; manufacturers to build aircraft and avionics; and organizations to provide maintenance services.

1.1 Origin of the Study

The FAA carries out this mission in a dynamic environment defined by changing technologies and operational demands. To meet these challenges, and those of the future, the FAA needs to attract and develop the best and the brightest talent with the right leadership and technical skills. In 1995, Congress passed legislation exempting FAA from most provisions of title 5, U.S. Code, and directed the agency to develop and implement a new personnel management system that would provide greater flexibility in hiring, training, compensation, and in the assignment of personnel to duty locations. In 1996, Congress passed additional legislation requiring that changes to FAA's new personnel management system must be negotiated with the agency's unions. The personnel management system reform effort at the FAA has been the subject of numerous implementation reviews by organizations such as the General Accountability Office (GAO), the Department of Transportation (DOT) Office of the Inspector General (OIG), and the Human Resources Research Organization (HRRO). All reviews reported various stages of success for the reform efforts, depending on the time period studied, since 1996. In recent years, external assessments have been done on specific human resources management issues, in particular issues related to the air traffic control workforce. Also, the Office of Personnel Management (OPM) has undertaken periodic compliance-oriented reviews related to renewing the Interchange Agreement. However, there has not been a comprehensive external evaluation of human resources management practices since 2003.¹

In June of 2016, the Office of Management and Budget requested that the FAA contract for an independent third-party assessment of its personnel management system to include its cost effectiveness, achieving the intent of the 1996 reforms, the impact of line organizations performing personnel management functions, and to benchmark with other non-title 5 and private sector organizations to identify best practices. In August, FAA contracted the National Academy of Public Administration (the Academy) to conduct an assessment responsive to OMB's request.

¹ GAO, *Human Capital Management: FAA's Reform Effort Requires a More Strategic Approach*, February 2003.

1.2 Scope

Based on discussions with FAA officials, it was agreed that the assessment would be guided by two major criteria: (1) achieving the intent of the exemption from title 5; and (2) cost-effectiveness of the FAA's personnel management system, including line office staff involved in human resources management activities. Also, it was agreed that the study team would seek out effective practices to inform opportunities for improvement.

The study scope is further specified in the discussion of the study team's assessment in Chapter 2.

1.3 Methodology

The study team employed a mix of primary and secondary sources in its assessment. Primary sources included interviews (described in more detail below), FAA human resources management policies and planning documents, and available FAA and federal government data. Secondary sources included a range of independent assessments dating back to the time when FAA was granted exemption from title 5.

Effective practices research included quantitative benchmarking of time to hire and human resources servicing ratios where federal government and FAA data were available, interviews with other agencies and experts, and reference to key practices in the use of personnel flexibilities compiled by GAO.²

Interviews

The study team conducted interviews with FAA officials (headquarters and field), including the Administrator and the Acting Deputy Administrator; Office of Human Resources (AHR) leadership and staff; mission and human resources personnel from the two biggest lines of business, ATO and AVS; and officials from other customer organizations, including the Program Management Office, the Office of NextGen, Office of Acquisitions and Business Services, the Office of the Chief Financial Officer, and the Office of Civil Rights. The study team also conducted interviews with former FAA and DOT officials, congressional staff, and OMB officials involved in the request to FAA to contract for an independent third-party assessment of its personnel management system. As part of its effective practices research, the team interviewed officials from other federal agencies, including OPM, General Services Administration and the Department of State, to learn from their experiences in reforming human resources management services and building customer relationships. A full list of the individuals interviewed and their affiliations is provided in Appendix B of this report.

² GAO identifies six key practices in a 2002 report that it continued to use as its standard for evaluation. See GAO, *Human Capital: Effective Use of Flexibilities Can Assist Agencies in Managing Their Workforces*, GAO-03-02, (Washington, D.C.: Nov. 2002).

1.4 Organization of the Report

The remainder of the report is organized into two chapters.

- Chapter 2 presents observations from the study team's assessment of the FAA personnel management system. The assessment is organized into two parts, focused respectively on achieving the intent of the exemption from title 5 and cost effectiveness.
- Chapter 3 presents recommendations for action in the context of a broader strategy for addressing challenges and improving cost effectiveness.

CHAPTER 2: CURRENT STATE OF THE FAA PERSONNEL MANAGEMENT SYSTEM

The Academy's assessment of FAA's personnel management system was guided by two broad criteria: (1) achieving the intent of the exemption from title 5 and (2) cost-effectiveness of the agency's personnel management system, including the role of customer organization staff in performing human resources management activities.

2.1 Achieving the Intent of Exemption from Title 5

The FY 1996 appropriations legislation granting FAA the exemption from most provisions of title 5 required FAA to develop a new personnel management system that provided greater flexibility in hiring, training, compensation, and the assignment of personnel to duty locations, but said little about the particular challenges to be addressed. However, in a prior report requested by Congress on reforms needed to improve air traffic control services, FAA argued that federal personnel rules limited its ability to attract and retain qualified staff and to reassign employees in response to changing needs. Study team interviews with officials familiar with the issues surrounding the exemption indicated two more specific challenges to guide our review: (1) attracting/retaining talent for which FAA competed with industry, especially talent needed to support the procurement of next generation air traffic control systems; and (2) matching staffing with workload across air traffic control facilities.

In conducting this review, the Academy study team's conclusion is similar to a previous GAO review.³ Given the lack of baseline data, together with FAA's piecemeal implementation of reforms and changes in HR policies over the past twenty years, it was not possible to trace the impact of the title 5 exemption on the major challenges identified by FAA. Instead, the study team assessed the current state of those challenges and the use of flexibility afforded by the exemption. This assessment was informed by the understanding that the sources of identified challenges may in some cases be due to factors other than a lack of flexibility or the failure to use the flexibility provided by exemption from title 5.

FAA has Taken Advantage of Flexibility in the Area of Compensation, but Could Explore Opportunities in Other Areas

Compensation is often cited as a major constraint in federal government recruitment efforts, but internal FAA customers did not identify compensation as a key issue. While past reviews have pointed to FAA's failure to take full advantage of the flexibility provided by the exemption from title 5, FAA is generally acknowledged to have used its reform authorities to change and expand its pay systems to provide significant flexibility.⁴

³ GAO drew this conclusion in 2003. See GAO, *Human Capital Management: FAA's Reform Effort Requires a More Strategic Approach*, February 2003.

⁴ This point was made most recently in the 2016 IG Audit report, *FAA Reforms Have Not Achieved Expected Cost, Efficiency, and Modernization Outcomes*, January 15, 2016.

Some customers argued that AHR has not fully taken advantage of flexibility in other areas, but offered little in the way of concrete examples. However, interviews suggest that AHR staff has been reluctant to explore options that would allow customers greater flexibility in other areas, due to concern over its inability to oversee and enforce conformance with merit principles.

Leaving aside the use of flexibility, customers reported some concerns about hiring and recruitment. A range of customers identified on-the-spot hiring authority⁵ as an important tool to provide a needed edge in highly competitive labor markets, but expressed frustration regarding inconsistent advice on seeking this authority. Some of the same customers identified recruitment as a significant challenge, but for different reasons. Some customers expressed frustration with the limited resources available to support recruitment efforts. Other customers expressed a need for assistance in identifying the needed skills sets and developing and executing appropriate recruitment strategies.

Customers identified hiring and recruitment as particularly challenging in areas where the demands of the agency's work and the needed skill sets are evolving. For instance, customers expressed frustration working with AHR staff in developing job announcements where the skills and experience sought fell outside of the usual job descriptions.

In areas such as acquisition where new roles and skill sets have emerged, existing approaches to hiring and recruitment may have to be reconsidered to address likely complications. For instance, existing occupational series and job descriptions may not fit. The review of qualifications may be more challenging. The focus of and approach to recruitment efforts may need to change. Existing HR expertise may need to be supplemented with external resources more familiar with the changing landscape.

Progress Toward a More Efficient and Effective Staffing of Air Traffic Control Facilities

FAA's efforts to better match air traffic controller (ATC) staffing to workload initially focused on exercising flexibility in the use of relocation payments to facilitate the reassignment of experienced air traffic controllers. However, in recent years, the focus has shifted to reforming the processes for assigning new air traffic controllers to initial duty stations and reassigning experienced air traffic controllers. While these efforts required agreement with the National Air Traffic Controller Association, they likely could have been implemented without the exemption from title 5. These reforms promise to address long-standing impediments to the efficient allocation of ATCs across facilities.

⁵ See FAA Human Resources Policy Manual, Volume 1: Employment, EMP-1.26 On-the-Spot Hiring. Effective 9/30/2015. This policy sets out the requirements hiring managers must meet to exercise the discretion to fill jobs or hire certain candidates without using competitive procedures or in conjunction with competitive procedures.

Until recently, FAA's ability to match air traffic controller staffing with workload across facilities was greatly constrained by limited central control over assignments and a lack of a consistent basis for determining and prioritizing staffing needs to guide assignments. Candidates were given facility assignments after their selection based on their registered preferences and available data on facility staffing needs at the time. Workloads at facilities, however, often changed between when candidates applied and when they completed Academy training, leading to mismatches requiring a complicated, uncertain process for redirecting candidates to other facilities. Also, inconsistent measures of staffing needs across facilities hindered efficient allocation of new hires. Following an ATO policy change in February 2014, candidates are assigned to facilities following the successful completion of Academy training. Moreover, this placement is guided by a prioritized set of staffing needs across facilities based on projected numbers of Certified Professional Controllers (CPC) in relation to agreed CPC targets.⁶

Prior to the ATO policy change, the process for reassigning experienced FAA air traffic controllers was also lengthy and uncertain. After controllers applying for reassignment were accepted at another facility, the reassignment could be held up to two years by the controller's current facility. Due to lack of system-wide tracking, a controller applying for reassignment could accept offers from multiple facilities without the facilities' knowledge, creating another source of delay. Changes to the reassignment process were initiated in 2016. ATO policy now requires home facilities to release controllers after only six months, significantly reducing delays, and an electronic database allows the tracking of requested reassignments to avoid delays due to controllers accepting multiple offers. Also, reassignments must reflect prioritized facility staffing needs based on a consistent set of workload projections.

Because changes in ATO policies governing the assignment of air traffic controllers are quite recent, it is too soon to fully assess progress, especially in the case of reassignment. The study team supports these policy changes, but FAA should establish a plan laying out a time frame for completing these reforms and measures for evaluating progress in order to fully assess their effectiveness over time.

2.2 Cost-effectiveness of FAA's Personnel Management System

The Academy was asked to assess the cost effectiveness of the FAA's personnel management system to include not only the corporate-level human resources organization under the Associate Administrator for Human Resources, but also line office and other customer staff who play a significant role in human resources management processes. This assessment had two major parts. The assessment had quantitative and qualitative components.

⁶ See Standard Operating Procedure, "Updating Facility Placement Priority Tool and Updating Facility Placement List," FAA Management Services Technical Requirements and Forecasting Group, October 24, 2016, p.1.

Lack of Cost and Performance Data Preclude Quantitative Assessments of Cost Effectiveness

As part of the Academy assessment of cost effectiveness, the study team sought to benchmark agency performance using two measures: (1) human resources servicing ratio (human resources staff to other agency staff served) and (2) time to hire.

The total cost of FAA's personnel management system cannot be reliably assessed because FAA does not have sufficient quantitative data on line office staff performing human resources-related responsibilities. This situation stems from a decentralized approach to job classification with little effective oversight. Job descriptions are often vague about roles and responsibilities, making it difficult to independently determine the number and role of personnel involved in human resources management activities.

A 2015 internal agency analysis, based largely on job descriptions, estimated that at least 359 customer organization staff members perform significant roles in human resources management activities. This analysis was unable to assess the proportion of staff time devoted to human resources-related activities, however, because many customer organization staff members perform human resources-related roles as a part-time, collateral duty. Moreover, this analysis did not account for personnel that performed human resource management activities even though their job descriptions did not indicate such a role.

FAA has improved the efficiency of its hiring process in recent years:

- The agency has reduced its time to hire overall from 111 days in FY 2011 to 86 days in FY 2016.
- The agency's time to hire in FY 2016 was just below the government-wide average of 87 days reported by OPM for FY 2012, the last year OPM reported this data before changing its focus to quality of hires.

The efficiency of the hiring process at a more granular level could not be assessed because hiring time data for specific occupational groups (for example, aviation safety inspectors) is unavailable.

Factors Hindering an Effective Working Relationship between AHR and Customers

As part of its assessment of cost effectiveness, the study team examined the role and value of customer organization staff involvement in human resources management processes. The study team found that the performance of AHR and the role and value of line office and other customer organization staff in human resources management processes is disputed. There is little agreement between AHR and customer organizations on problems and causes.

Customer organization interviewees argue that it is necessary to maintain significant staff to help make sure human resources management processes, especially hiring, work tolerably well and to navigate the AHR policies and procedures governing existing flexibilities. Customer organization interviewees emphasize that AHR staff are frequently not customer oriented, often lack needed competence, and are inflexible. They note that AHR policies are not always clear and AHR interpretations are inconsistent. They also report that policies change often, sometimes without notice.

AHR acknowledges service delivery challenges related to inadequate staffing and development as well as the need to improve the customer orientation of its staff. However, AHR interviewees attribute confusion over AHR policies in large part to inaccurate information provided by customer organization staff performing HR roles. AHR staff emphasize that policy changes are undertaken through a formal annual process with multiple opportunities for responsible customer officials to review and comment. This process also includes formal notification of final policy changes to responsible customer officials.

Also, customers argue that AHR is not fully taking advantage of the flexibility made available by the exemption from title 5. AHR staff counters that significant flexibility is available to customers, but some are unwilling to make the business case required.

It is clear that there is a legacy of distrust between AHR and customer organizations. The origins of this legacy go back at least to the initial implementation of reforms following the exemption from title 5 in 1995. The agency's HR staff was excluded from the planning of the reforms and reforms were undertaken in a very brief period of time. The relationship with customers has been complicated by multiple reorganizations of the agency, high turnover in the leadership and staff of the HR function, as well as uneven funding. This legacy of distrust must be addressed before progress can be made toward developing a strong working partnership between AHR and customer organizations.

Progress Toward an Improved Working Relationship

AHR already has made progress in laying the foundations for an improved working relationship with customers. Its successes in managing the challenges created by the budget sequester in FY 2013 and, more recently, meeting hiring targets for air traffic controllers in 2016 for the first time in seven years, have helped to rebuild some customer confidence in AHR. Since 2015, AHR has taken steps to enable a more proactive, strategic approach to addressing customer staffing needs. In addition to continuing this effort, the new director of AHR, who arrived a little over a year ago, has been undertaking a series of forums with customers to discuss AHR services and initiatives and identify opportunities to improve the working relationship with customers. Even critics of AHR are positive about AHR's more collaborative approach.

AHR has sought to move from a transactional, reactive approach to a more proactive, strategic approach to meeting customer staffing needs. Beginning in 2015, AHR reached agreements with three major customers--the Air Traffic Organization, Aviation Safety, and

the Office of Finance and Management--to provide information on projected staffing needs (number, type and location of positions). This allowed AHR the lead time to plan more effectively, including the allocation of workload across AHR service centers. AHR has also sought to use this lead time to work with customers to develop staffing strategies that meet their particular needs. Initial success of this initiative enabled AHR to reach similar agreements with remaining FAA customer organizations.

This strategic approach has been most well developed in the case of Air Traffic Controllers given the clear imperative to address this high-profile hiring challenge. AHR would like to extend this approach more fully to other occupations, but is constrained in the near-term by a limited number of staff with the appropriate skill set.

AHR's customer forums offer an important opportunity to better understand customer needs and sources of frustration, which may suggest modifications to policy or improvements in the communication of policies where there is frequent misunderstanding. However, forums to date have been conducted at the level of business lines and staff offices that often encompass diverse sets of customers with different needs. For example, ATO oversees three major workforces: air traffic controllers, airway transportation system specialists (who support existing air traffic control infrastructure), and Program Management Office staff engaged in managing the procurement and implementation of various systems, including next generation air traffic control systems. In some cases, these forums have focused primarily on addressing urgent human resources challenges relating to particular groups, such as hiring air traffic controllers, allowing little attention to the particular needs of other groups.

To help address misunderstandings about AHR policies, the flexibility they afford, and the conditions of their use, AHR is planning to provide training to its staff and customers on existing policies. While improved communication of policies is important to address misunderstandings, our research suggests that investing in training at this time may be premature. Instead, AHR first needs to do more to understand customer needs and to identify policy areas where misunderstandings are most frequent and potentially most costly to the agency.

Need for a More Integrated, Agency-wide Approach to Human Resources Management

Ultimately, the performance of FAA's personnel management system depends on agency-level capabilities that are beyond the capacity of AHR to address on its own. The study team identified weaknesses in three such areas:

- Classification and management of human resources-related positions;
- Workforce planning; and
- Labor negotiations.

Classification and position management were delegated to customer organizations as part of FAA's implementation of personnel management system reform. This delegation was not

accompanied by an effective mechanism for coordination of classification and position management across the agency, resulting in:

- Inability to assess the cost-effectiveness of the agency's human resources enterprise due to a lack of information on number, grade, and duties of customer organization staff performing human resources functions;
- Counterproductive competition between AHR and customer organizations for performing human resources functions due to inconsistent classification; and
- Limited ability to assess skill gaps/staff development needs across the human resources workforce.

AHR has taken early initial steps in a review of current human resources management policies. Ideally, such a policy review would be guided by priorities established through an agency-wide workforce planning process, but the current agency-wide workforce planning process has not matured to point where it is able to supply such priorities.

FAA's *Workforce of the Future Strategic Plan FY 2015–FY 2018* outlines four strategic initiatives, including skills assessment and recruitment, and directed the establishment of a cross-agency governance process. However, the process is not integrated effectively with AHR and customer operations. Progress appears to be hindered by a disconnect between responsibility for the process and the authority to carry it out.

Labor negotiations at FAA frequently have not been conducted in a way that adequately represents an integrated, agency-wide perspective. Two consequences include: (1) air traffic controllers, for which FAA does not compete directly with industry, have set the pace in negotiating higher compensation; and (2) ATC compensation was negotiated without effective consideration given to the compensation of supervisors, leading to pay compression and a resulting difficulty in recruiting and retaining supervisory staff.

Despite the lack of a labor market for air traffic controllers outside of the FAA, the agency and its air traffic controllers' union, the National Air Traffic Controllers Association (NATCA), have negotiated ever-higher pay rates for air traffic controllers. The negotiated rates now exceed the General Schedule rates that would otherwise apply by double-digit percentages. Furthermore, the rates are pushing against the statutory cap on base pay plus locality pay. This cap is the rate for the FAA administrator, which is set at Executive Level II (EX-II), or \$185,100 (CY 2016 rate). Rates are capped in Houston, New York, and San Francisco, and maximum level 12 rates in 12 locality areas are within \$10,000 of the cap.

Up until this new system took effect, air traffic controller positions were assigned a grade under the General Schedule (GS), which covers the majority of Federal government employees (about 71%, or 1.5 million out of 2.1 million executive branch employees). Data obtained from the OPM's Civilian Personnel Data File shows that in 1995, there were 19,489 air traffic controllers with a modal grade of GS-14. The median grade was GS-13. The charts below show 2016 GS-13 and GS-14 rates compared with 2016 level 11 (median level) and level 12 (modal level) air traffic controller rates. All rates are shown exclusive of locality pay.

GS Grade	Min	Max	ATC Level	Min	% Diff	Max	% Diff
GS-13	\$73,846	\$96,004	11	\$101,722	38%	\$137,326	43%
GS-14	\$87,263	\$113,244	12	\$106,811	22%	\$144,195	27%

Table 1: GS Grade to ATC Level rate range comparison

Pay rates were negotiated without fully considering the effects on supervisor and manager pay, leading to pay compression between supervisors and air traffic controllers and a corresponding difficulty in recruiting and retaining supervisory personnel. The charts below show the rate ranges for air traffic control supervisors in bands J, K, and L compared to air traffic controller (ATC) rate ranges for levels 9, 10, 11, and 12. All rates are exclusive of locality pay.

Supervisory Band	Min	Max
J	\$ 75,830	\$117,557
K	90,564	140,327
L	108,388	168,042

Table 2: ATC Supervisory Band rate ranges

ATC Level	Min	Max
9	\$ 84,044	\$113,458
10	96,650	130,478
11	101,722	137,326
12	106,811	144,195

Table 3: ATC Level rate ranges

The pay compression exists in part because of the statutory limit on FAA base plus locality pay of EX-II (\$185,100 for CY 2016). Since the minimum locality payment in 2016 is 14.35%, any pay rate over \$161,871 would be capped, and in the highest locality pay area, San Francisco, with a locality payment of 35.75%, any pay rate over \$136,353 would be capped at \$185,100. The top front line manager band minimum barely exceeds the top ATC band minimum, and in San Francisco, New York, or Houston would have the same maximum as the top ATC band. The rates above include only base pay – pay compression could be an even greater problem when looking at total pay, including bonuses and recruitment, relocation and retention incentives.

An internal analysis of ATO front line manager losses during fiscal years 2014 – 2016 noted an attrition rate of 23 percent for front line managers and identified certain provisions in the NATCA contract as increasing the challenges of retaining front line managers. While FAA is considering options for mitigating the impact of these provisions, the fact remains that front line manager pay rates are simply not competitive with air traffic controller pay rates because of pay compression.

The challenges discussed above have been attributed in part to the fact that negotiations have been led by ATO (business line) executives, not corporate representatives. To help ensure that an agency-wide approach is applied to future negotiations, AHR has established that the Office of Labor and Employee Relations will lead negotiations, while continuing to seek business line input. However, the study team emphasizes that assigning a corporate-level representative to lead labor negotiations is not sufficient to achieve better outcomes. Consistent support from top leadership and Congress will also be necessary.

CHAPTER 3: RECOMMENDATIONS FOR STRENGTHENING FAA'S PERSONNEL MANAGEMENT SYSTEM

To address the challenges reviewed in this assessment, the study team offers recommendations as part of a strategy, organized around four objectives.

1. Strengthen the working relationships between AHR and customer organizations
2. Improve coordination of the classification and management of human resources-related positions across the agency
3. Strengthen agency-wide workforce planning processes
4. Develop a balanced, fiscally responsible approach to labor contract negotiations

This strategy recognizes that effective action on some objectives is beyond the authority of the Office of Human Resources Management (AHR) and that success will depend on active, continuing support by top agency leadership. Accordingly, the study team makes recommendations for action by AHR and top agency leadership as appropriate.

Actions are intended to build on each other, with progress on one objective contributing to progress on the next, but actions on these objectives do not have to follow a strict sequence.

Recommended actions are linked in the following way:

- Recommendations for AHR to build on its use of customer forums to communicate its strategic initiatives and to identify opportunities to improve its services, together with recommendations on training to better address misunderstandings of policy, will improve the functioning of human resources processes.
- These actions will help build relationships of trust between AHR and customer organizations that can facilitate efforts to improve the coordination of classification and management of positions with HR-related responsibilities.
- Agency-wide coordination and management of HR-related positions, in turn, can enable more reliable accounting and more efficient allocation of HR-related staffing across the agency and provide the basis for assessing HR capabilities needed to support effective workforce planning.
- Effective agency-wide workforce planning will be needed to guide a balanced, fiscally responsible approach to labor negotiations.

3.1 Strengthening the Working Relationships between AHR and Customer Organizations

The success of any effort to address the challenges facing FAA's HR enterprise will depend on establishing relationships of trust between AHR and its customer organizations. As noted earlier, AHR already has made progress in this regard. Its successes in managing the challenges created by the budget sequester in FY 2013 and, more recently, meeting hiring targets for air traffic controllers, have helped to rebuild some customer confidence in AHR.

Since 2015, AHR has taken steps to enable a more proactive, strategic approach to addressing customer staffing needs and the new director of AHR has been undertaking a series of forums to identify opportunities to improve the working relationship with customers and to address specific complaints as she is able in the near term.

AHR's customer forums offer an important opportunity to better understand customer needs and sources of frustration, which may suggest modifications to policy or improvements in the communication of policies where there is frequent misunderstanding. However, a more granular approach is needed to understand the particular needs and frustrations of each customer group. The recent customer forums, which were conducted with the two largest Lines of Business—Air Traffic Organization (ATO) and Aviation Safety (AVS)—and a staff office (AFN), could not give sufficient attention to the individual needs of the diverse customer groups comprising those organizations.

Interviewees were generally positive about AHR's recent efforts to engage customers. They praise the more collaborative approach and actions taken to address some specific complaints. At the same time, a number of interviewees expressed frustration with the lack of feedback on questions related to AHR policies.

Recommendation 1: While the customer forums being undertaken by AHR are not intended as vehicles for reviewing HR policy, they offer an important opportunity to obtain customer input that might suggest modifications to existing policies and communication of them. To make effective use of this opportunity, AHR should conduct another more focused round of forums with individual customer groups, to which AHR has been able to give only limited attention during initial, higher-level forums with Air Traffic Organization (ATO), Aviation Safety (AVS) and the Office of Finance and Management (AFN). Also, AHR should continue with its plans to conduct customer forums with other Lines of Business and Staff Offices. AHR should consider this customer input in its annual HR Policy Development/Revision Process (Appendix D) and provide more timely feedback on customer questions raised during forums.

As noted at the beginning of Chapter 2, FAA has failed to take steps necessary to assess the effectiveness of AHR policies adopted following the agency's exemption from most provisions of title 5 in 1996. While the FAA cannot go back, it can and should take steps to measure the effectiveness of changes in policies made going forward.

Recommendation 2: In those cases where AHR decides to make a significant change in policy, it should ensure that effectiveness can be assessed in the future, preferably by quantitative methods. This will require that AHR collect baseline data and develop appropriate metrics needed to measure changes in performance in the affected areas (e.g., recruitment, retention, and hiring times).

Customer interviews indicate concerns related to hiring processes and recruitment in two areas: on-the-spot hiring authority and recruitment. With regard to on-the-spot hiring authority, customers expressed frustration with inconsistent advice on the requirements to be met. Customers identified recruitment as a significant challenge, but for different reasons. Some customers expressed frustration with the lack of an agency-wide recruitment strategy to support individual efforts and avoid duplicative investments. Other customers expressed a need for assistance in identifying the needed skills sets and developing and executing appropriate recruitment strategies. Customers identified hiring and recruitment as particularly challenging in areas where the demands of the agency's work and the needed skill sets are evolving.

Recommendation 3: In planning future customer forums, AHR should consider addressing the two areas of concern identified in the study team's interviews with customer organizations: on-the-spot hiring authority and recruitment.

Customers have reported the need for greater assistance for recruitment. AHR has acknowledged both the importance of recruitment assistance and the very limited agency resources available. However, recruitment challenges across the agency have not been systematically considered. Such analysis will be needed to support a credible request for additional funds in this area.

Recommendation 4: AHR should undertake an analysis of customer recruitment needs and possible options for strengthening recruitment assistance to customers, including both internal services (such as pre-recruitment consultations) and enabling access to external resources.

AHR is planning to conduct training of its staff and customer staff on current policies. There are opportunities to strengthen these initial plans. Materials developed for presentations consist of high-level comparisons between FAA policies and title 5 requirements. These presentations do not go into detail about the flexibilities afforded by AHR policies, the conditions of their use and the roles of AHR and customer organizations in their execution, and, therefore, are unlikely to help address the frequent misunderstandings and flawed implementation of policies that AHR and customers identify as sources of delay and conflict. Moreover, current plans do not prioritize AHR policies for training to reflect the frequency and consequence of misunderstanding in terms of time and cost to the agency.

Recommendation 5: To mitigate the challenges created by incorrect interpretations of policy, AHR plans for training its staff and customer organization staff should be expanded to include detailed discussions of flexibilities available, conditions of use, and the roles and responsibilities of AHR and customer organizations, including what is directed by policy and what is left to the discretion of the customer organizations.

Recommendation 6: AHR should focus its training on policies where misunderstanding is determined to be most frequent and consequential in terms of time and cost to the agency.

3.2 Improving the Coordination of the Classification and Management of Human Resources-related Positions

As discussed in Chapter 2, the lack of agency-wide coordination of the classification and management of human resources related positions has had three consequences: (1) the inability to assess the cost-effectiveness of the agency's human resources enterprise; (2) counterproductive competition between AHR and customer organizations for personnel; and (3) a limited basis for assessing the capabilities/gaps of the workforce performing the human resources function.

Strengthening agency-wide coordination of the classification and management of human resources related positions is critical to assessing and improving the cost-effectiveness of FAA's personnel management system. However, doing so is a daunting task in large part because it threatens the customers' perceived power to obtain the services they want on their terms. As discussed in Chapter 2, customers are unlikely to cede control in this area unless they believe they will be able to get the services they want.

That said, successful implementation of recommended actions to improve communication and address some service delivery challenges will build a foundation of trust that may enable a discussion in this area. In addition to likely customer resistance to ceding control over classification and position management, AHR lacks the capacity to assume classification/position control responsibilities in the near term. Therefore, any effort to return control over this function to AHR would require a strategic and incremental approach over time, as well as the support of top agency leadership.

The State Department offers an example of such an approach. State redesigned and streamlined their classification and position management functions by emulating HR industry best practices. They benchmarked HR functions in the public and private sectors; collected and analyzed metrics such as service ratios, cost, and cycle times; and sought customer input, including conducting customer service surveys, and took that input into account as the new process developed. Several major steps undertaken by the State outline a strategic planning and incremental implementation process for making changes to HR systems:

- Identify the ultimate desired outcome
- Benchmark industry best practices
- Communicate with customers on the desired outcome and get their buy-in
- Engage customers in the new design and method for accomplishing the desired outcome

- Work toward the desired outcome using a staged approach over time, to reduce the impact on customers and HR.

State identified the ultimate desired outcome of its classification/position management process as a more centralized approach carried out primarily in a service center. In creating this vision, State benchmarked best practices in both the government and private sectors. State socialized the desired outcome with its customers, and involved them in developing the process to realize that outcome. In implementing the new system, State used an incremental, collaborative, attrition-based approach with their customers over a three to four year period to centralize the classification/position management functions. The new system allowed customers to retain a small number (one to four depending on the size of the bureau) of senior employees (with classification and staffing skills) who would serve as liaisons between the customer and HR. The day-to-day classification and position management functions are now housed in a central HR shared services organization that provides agency-wide services to all State bureaus. In order to maintain the integrity and quality of classification, the HR corporate organization uses a 5-6 member team to conduct compliance audits of all bureaus over a regular five-year cycle.

The purpose of this example is not to imply that FAA should house its classification and position management functions in a service center, but rather that FAA should consider a similar strategic and incremental process for regaining agency-wide position control and creating a more coordinated approach to classification and position management.

Recommendation 7: Greater agency-level coordination is needed to address the challenge of inconsistent classification. Classification should be the responsibility of AHR. However, before transferring this authority, time is needed for AHR to build the needed capabilities and working relationships with customers. Therefore, FAA should pursue a staged approach to returning classification authority to AHR, and the Office of the Administrator should support this approach from a policy and resource standpoint.

3.3 Strengthening Agency-wide Workforce Planning Processes

As discussed earlier, AHR has established agreements with all FAA customer organizations to provide information on their projected staffing needs. The resulting lead time enables AHR to more effectively plan and to work more collaboratively with customers to develop strategies to meet their particular needs. While this initiative is still in the early stages and is constrained by a limited number of AHR staff with the appropriate skill set, it promises improvement in the efficiency and effectiveness of FAA staffing efforts.

However, opportunities for FAA to improve the cost-effectiveness of its staffing efforts will be limited by the lack of an integrated workforce planning process that is able to establish FAA-wide staffing priorities. AHR can focus its efforts with individual customer organizations on that organization's priorities, but it lacks a firm basis for allocating its efforts across customer organizations and making necessary tradeoffs in service delivery.

Only with agreement on staffing priorities agency-wide can AHR focus its limited resources effectively in terms of supporting overall mission performance.

Resolving challenges related to the hiring of air traffic controllers has provided an obvious focus in recent years. However, an integrated agency-wide workforce planning process is needed to guide decisions about how to allocate HR resources to meet the needs of other occupations important to FAA's mission performance going forward.

Current agency-wide workforce planning processes are not well developed and are unable to supply such priorities. FAA has initiated four strategic initiatives, including skills assessment and recruitment and created a cross-agency governance process. However, this process is not well integrated with AHR and customer operations. Responsibility for the process is not linked to the authority to execute.

Recommendation 8: To support AHR's ability to develop agency-wide strategies, FAA should take steps to strengthen the existing workforce planning process, including clear assignments of responsibility and authority.

3.4 Developing a Balanced, Fiscally Responsible Approach to Labor Contract Negotiations

It is unlikely that future negotiations would be able in the short term to restore a balance between air traffic controller rates and rates for supervisors and managers in the Air Traffic Control Organization. However, future negotiations with the air traffic controllers union, NATCA, and the other FAA unions should be undertaken with a greater awareness of the effects such negotiations could have on the FAA agency-wide, not only in terms of compensation, but other important issues, such as work rules, that have important implications for the cost-effective performance of the agency's missions.

Past FAA negotiations with employee unions have not always been led by officials representing the agency as a whole. For instance, the recent negotiations with the National Air Traffic Controller Association were led by Air Traffic Organization executives. To address this issue, AHR has established that the Office of Labor and Employee Relations will take the lead in future labor contract negotiations to help ensure that a broader corporate perspective is taken. However, long-time observers of the agency have emphasized that success ultimately depends on the support of top agency leadership.

Recommendation 9: To help ensure a balanced fiscally responsive approach to union contract negotiations, the Office of the Administrator should provide enterprise-wide perspective and support to the Office of Labor and Employee Relations, which AHR recently established to lead negotiations.

APPENDIX A: PANEL AND STUDY TEAM

EXPERT ADVISORY GROUP

Jonathan Breul,* Adjunct Lecturer, McCourt School of Public Policy, Georgetown University. Former Executive Director, IBM Center for The Business of Government, and Partner, IBM Global Business Services; Former positions with U.S. Office of Management and Budget: Senior Advisor to the Deputy Director for Management; Chief, Evaluation and Planning Branch, General Management Division; Senior Management Analyst. Former Senior Grants Policy Specialist, Office of the Assistant Secretary for Management and Budget, U.S. Department of Health and Human Services.

John Palguta,* Vice President, Policy and Research, Partnership for Public Service; Adjunct Professor, McCourt School of Public Policy, Georgetown University. Former positions with U.S. Merit Systems Protection Board: Director, Policy and Evaluation; Deputy Director, Policy and Evaluation; Supervisory Research Analyst. Former positions with U.S. Office of Personnel Management: Branch Chief, Personnel Office; Personnel Management Advisor, Bureau of Personnel Management Evaluation.

Nancy Potok,* Deputy Director and Chief Operating Officer, Census Bureau, U.S. Department of Commerce. Former Associate Director, Demographic Programs, U.S. Census Bureau, U.S. Department of Commerce; Deputy Undersecretary for Economic Affairs, Economics and Statistics Administration, U.S. Department of Commerce; Chief Operating Officer, McManis & Monsalve Associates. Former Senior Vice President and Director, Economics, Labor and Population Department, National Opinion Research Center (NORC); Former positions with the U.S. Census Bureau: Principal Associate Director and Chief Financial Officer, Associate Director for Administration/Controller. Former Deputy Assistant Director for Finance and Budget, Administrative Office of the U.S. Courts; Budget Examiner, U.S. Office of Management and Budget; Presidential Management Intern, U.S. Department of Transportation; Staff Intern, Senate Transportation Appropriation Subcommittee, U.S. Senate.

ACADEMY STUDY TEAM

Joseph P. Mitchell, Ph.D., *Director of Academy Programs:* Dr. Mitchell leads and manages the Academy's studies program and serves as a senior advisor to the Academy's President and CEO. He has served as Project Director for past Academy studies for the Government Printing Office, the U.S. Senate Sergeant at Arms, USAID/Management Systems International, the National Park Service's Natural Resource Stewardship and Science Directorate, and the USDA Natural Resources Conservation Service. During his 15 years at Academy, Dr. Mitchell has worked with a wide range of federal cabinet departments and agencies to identify changes to improve public policy and program management, as well as to develop practical tools that strengthen organizational performance and assessment capabilities. As the Academy's studies director, he has provided executive-level leadership, project oversight, and subject matter expertise to over 50 highly regarded organizational

assessments and studies, consulting engagements, and thought leader engagement. He holds a Ph.D. from the Virginia Polytechnic Institute and State University, a Master of International Public Policy from The Johns Hopkins University School of Advanced International Studies, a Master of Public Administration from the University of North Carolina at Charlotte, and a B.A. in History from the University of North Carolina at Wilmington.

Thelma Hite-Harris, Project Director—Ms. Harris is President and CEO of Hite Consulting, Inc., and serving as the Project Director on this project for the Academy. Ms. Harris has served as a member of the Senior Executive Service for the Internal Revenue Service, where she consolidated four Treasury complaint centers into one center, managed the IRS education and development program for executives and senior leaders, and designed and delivered a Quality Improvement Training Program. She has also served as a Human Resources Advisor to the Inspector General of the U.S. Department of Housing and Urban Development and led the Mid-Atlantic Regional EEO and Diversity operation for the U.S. Office of Personnel Management. Her consulting work has focused on providing services in the areas of leadership development, human resource consultation, systems and process analysis, and general management consulting services. Her areas of expertise include modernization design, systems reengineering, training and education, fiscal and human resources management, and equal employment opportunity and diversity. Ms. Harris holds a B.S. in Business Administration and Education from Morgan State University and she completed graduate human resource courses at Temple University.

Chuck Grimes, Senior Advisor—Mr. Grimes is an independent consultant on agency operations and HR policy and administration. He co-chairs the National Science Foundation's Business and Operations Advisory Committee, and serves on the board of advisors for MTCI, a human capital management, training, and program management firm. He also is on the board of directors of The Public Manager, a quarterly journal for public sector learning professionals. Mr. Grimes is active in the Partnership for Public Service's Strategic Advisors to Government Executives (SAGE) program in the COO and CHCO communities. Mr. Grimes recently retired from Federal service, having served as the Chief Operating Officer for the U.S. Office of Personnel Management (OPM). Previously, he served as the Deputy Associate Director, Employee Services, and Acting Associate Director, Employee Services and Chief Human Capital Officer at OPM. He also headed the Performance and Pay Systems center at OPM. Prior to joining OPM, he served as the Assistant Director, Compensation Policy, in the Internal Revenue Service's Strategic Human Resources Division. He spent most of his career in the Department of Defense (DOD), where he last served as the Director, Wage and Salary Division, in DOD's Civilian Personnel Management Service. Mr. Grimes received his B.A. in Biology from the University of Virginia and an M.A. in Management and Supervision from Central Michigan University.

Jonathan Tucker, Ph.D., Senior Analyst—Jonathan Tucker joined the Academy staff in 2004. His areas of expertise include: strategic planning/foresight, organizational design, change management, and S&T/innovation policy. He has worked on projects with seventeen federal agencies. He holds a PhD in Public Policy from George Mason University,

an MS in Science and Technology Studies from Rensselaer Polytechnic Institute and a BA in Public Policy from New College of the University of South Florida.

Adam Darr, *Research Associate*—joined the Academy in 2015 as a Research Associate having previously interned in the summer of 2013. Adam has served on several Academy projects including the National Science Foundation, Farm Service Agency, and U.S. Secret Service. Adam graduated from Virginia Commonwealth University (VCU) with a B.A. in Political Science and Homeland Security and Emergency Management. Prior to joining the Academy, Adam interned with the Henrico County Office of Emergency Management as an Emergency Management Specialist where he created a countywide program to facilitate better disaster response and recovery by coordinating monthly meetings for all faith-based organizations within the county. He also spent past summers interning with the Fairfax County Public Schools in the Office of Family and Early Childhood Education. He has worked during two General Assembly Sessions within the Virginia House of Delegates under Delegate Thomas Davis Rust and Delegate Barbara Comstock, respectively.

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APPENDIX B: PARTICIPATING INDIVIDUALS AND ORGANIZATIONS

(Titles and positions listed are accurate as of the time of the Academy's contact.)

Department of Transportation

- Keith Washington, Deputy Assistant Secretary for Administration

Office of the Inspector General

- Francis Danielski, Project Manager
- Matthew Hampton, Assistant Inspector General for Aviation Audits

Federal Aviation Administration

Office of the Administrator

- Michael Huerta, Administrator
- Victoria Wassmer, Acting Deputy Administrator

Office of Human Resource Management (AHR)

- Annie Andrews, Assistant Administrator for Human Resource Management
- Fred Renz, HR Services Division Manager, William J. Hughes Technical Center
- Gian Macone, AHR Chief of Staff
- John McFall, Deputy Director, Labor & Employee Relations Policy & HQ Operations
- Joyce Smothers, Director, HR Policy & Compliance Division
- Lamont Virgil, Principal Deputy Director, HR Services
- Matt Amato, Director, Great Lakes Region
- Melissa King, Director, Talent Development
- Pat McNall, Principal Deputy Chief Council
- Renee Coates, Director, HR Services
- Rickie Cannon, Deputy Assistant Administrator for Human Resource Management

Air Traffic Organization

- Gene Burdick, Manager of Technical Requirements and Forecasting
- Greg Motl, District Manager
- Lisbeth Mack, Deputy Vice President, System Operations Services
- Nancy Kalinowski, Vice President, System Operations Services
- Randy Park, Deputy Chief Operating Officer

Aviation Safety

- Jeff Duven, Aircraft Certification Executive
- Lance Gant, Manager, Rotorcraft Directorate
- Peggy Gilligan, Associate Administrator for Aviation Safety
- Rick Domingo, Division Manager, Northwest Mountain Region & Central Region
- Sunny Lee-Fanning, Director, Office of Quality, Integration and Executive Services

- Thomas Winston, Division Manager, Southern Region

Other Customer Organizations/Staff Offices

- Mark House, Deputy Assistant Administrator for Financial Services/Chief Financial Officer
- Nathan Tash, Deputy Assistant Administrator for the Office of Acquisitions and Business Services/Chief Acquisition Officer
- Tina Amereihn, Acting Assistant Administrator for the Office of Finance
- Paul Fontaine, Portfolio Management & Technology Development
- Kristen Burnham, Vice President, Program Management Organization
- Mamie Mallory, Assistant Administrator for Civil Rights

Former DOT and FAA Officials, congressional staff

Former FAA Officials

- Carolyn Bostick, Former Assistant Administrator for Human Resource Management
- Jane Garvey, former Administrator
- Nicholas Stoer, Assistant Administrator for Budget and Accounting (CFO)
- Ventris Gibson, Former Assistant Administrator for Human Resource Management

Former DOT Official

- Mortimer L. Downey, III, Deputy Secretary of Transportation

Former House Aviation Subcommittee Staff

- David Schafer, Counsel

Other Federal Agency Officials

Office of Management and Budget

- Andrea Petro, Program Examiner
- Rob Seidner, Performance Manager

State Department

- Philippe Lussier, Deputy Assistant Secretary in the Bureau of Human Resources

General Services Administration

- Katherine Pearlman, Data Analytics Specialist
- Todd Coleman, Senior Data Analytics Specialist
- Trey Bradley, Benchmarking Program Director

Office of Personnel Management

- Ana Mazzi, Deputy Associate Director, Merit System Accountability and Compliance
- Bryce Baker, Senior Advisor, Compensation
- Mark Allen, Pay Systems Manager
- Mike Mahoney, Hiring Policy (Staffing) Manager

APPENDIX C: SELECTED BIBLIOGRAPHY

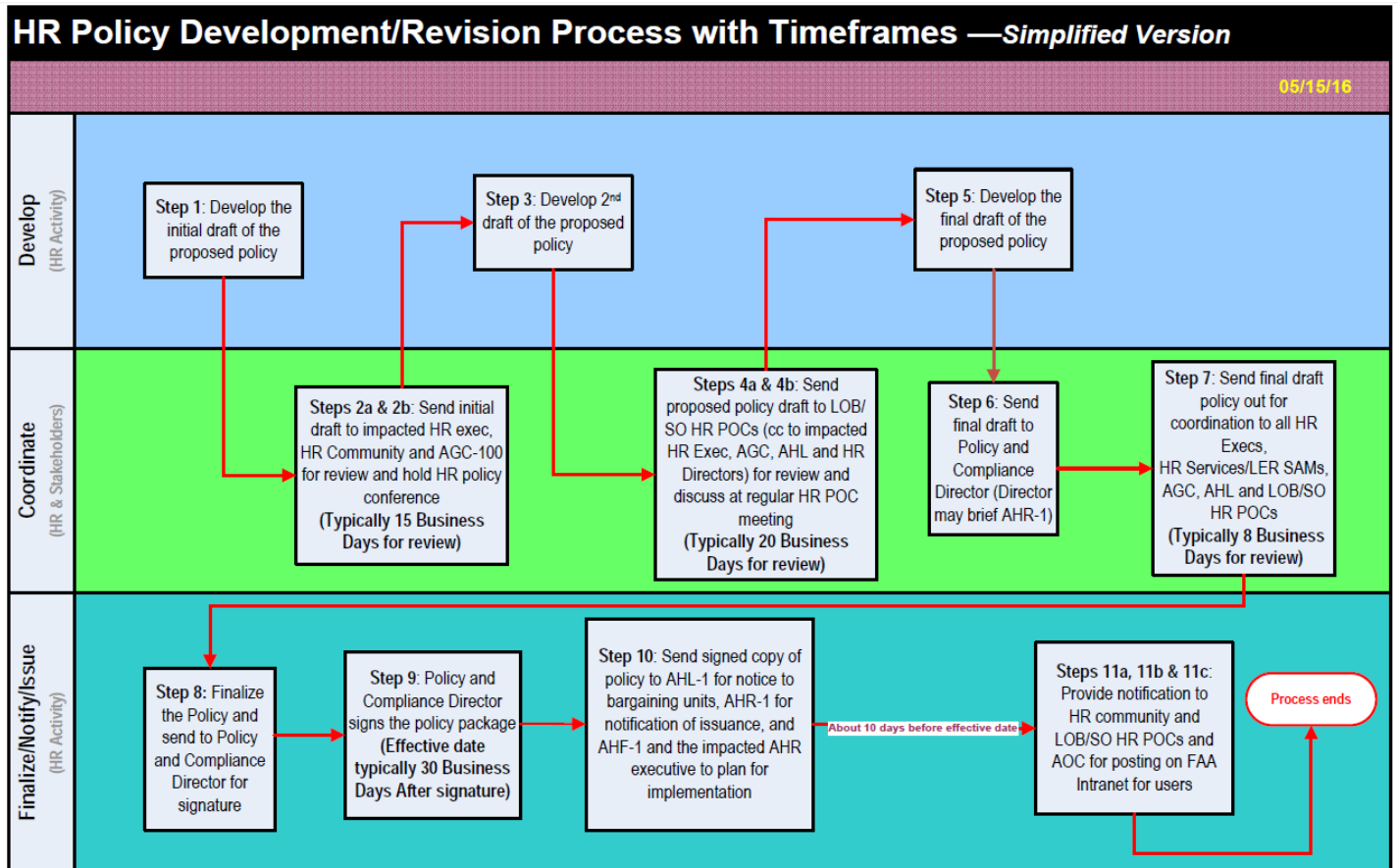
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APPENDIX D: HR POLICY DEVELOPMENT/REVISION PROCESS WITH TIMEFRAMES



This process will typically take between 16 and 24 weeks depending on the scope of the policy and urgency of the policy need.

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