

THE MCKENZIE CRAVER COMPANY

WORK FORCE PLANNING OPTIONS PAPER

Prepared for
The Office of Human Resources and Development Management

Agency for International Development

May 17, 1993

In Response to: HNE-0000-0-00-3021-00

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May 17, 1993

Mr. Terry Liercke
Deputy Director
Human Resources and Development Management
Agency for International Development
Washington, D.C.

Dear Terry:

Please find enclosed three reports that address the questions raised in your scope of work.

Report No. 1 defines the types of services that would be called for under a demand driven approach to work force planning.

Report No. 2 categorizes and highlights the field staff data collected during the WFP field surveys carried out during September and October of 1991.

Report No. 3 discusses the types of changes in key agency variables likely to have significant impact on the work force and a proposed checklist for ensuring the systematic assessment of their implications.

The real value to these reports, however, is in their ability to provide more responsive and cost effective approaches to A.I.D. work force planning for the future.

Your thoughts and critique, as always, are welcome.

Very truly yours,



Robert M. Craver

Attachment: Scope of Work

STATEMENT OF WORK

(Workforce Planning Staff Future Actions)

The Contractor shall:

- clearly delineate the kinds of workforce planning capabilities to be produced by WPRS, and detail the human and budgetary resources required to become fully operational,

- index and prepare work assignments to exploit the data gathered on the extensive field interviews conducted two years ago,

- identify the major variables affecting future workforce planning decisions (e.g., program emphasis, other governmental responsibilities, and budget availabilities) and outline a systematic approach for FA/HRDM/WPRS to use in forecasting workforce impact caused by changes in these variables.

The Contractor shall prepare and submit to the AID Project Officer the following reports:

- a report clearly delineating the kinds of workforce planning capabilities to be produced by WPRS, and detail the human and budgetary resources required to become fully operational,

- a report indexing and preparing work assignments to exploit the data gathered on the extensive field interviews conducted two years ago,

- a report identifying the major variables affecting future workforce planning decisions (e.g., program emphasis, other governmental responsibilities, and budget availabilities) and outline a systematic approach for FA/HRDM/WPRS to use in forecasting workforce impact caused by changes in these variables.

The final reports shall be submitted not later than fourteen (14) days of the completion of on-site services.

SUMMARY

The three reports that follow address:

- 1) Recommendations for Future A.I.D. Workforce Planning
- 2) The Workforce Planning Field Study of 1991
- 3) Major Variables Likely to Affect Future Work Force Planning.

Taken together they strongly suggest the need for a change in the agency's current approach to work force planning.

In June 1991, A.I.D. committed itself to a more systematic approach to work force planning and created an HRDM workforce planning unit. That commitment was based on the results of a major work force planning needs assessment and the expectation that the administrator and other senior agency managers would continue to place importance on and draw upon the function. The unit quickly moved forward on such activities as a field based work force survey and a replacement planning model. However, aside from these initial internally generated activities it became apparent over time that very little demand for its services was originating from outside the unit. This absence of demand has led to the unit's current situation where most of its analytical staff have sought reassignment elsewhere and where only a few full time FTEs have been granted to date.

With this experience in mind, it is the consultant's recommendation that A.I.D.'s workforce planning unit be retained as a function rather than as an office or unit and that the function be made the

responsibility of the deputy director, HRDM. Further it is recommended that future investments in work force planning be demand driven, i.e. that further resources only be committed based on demonstrated demand from outside of the function. Work force planning efforts, in the future, should seek to minimize fixed costs by relying on external resources until such time that a consistent level of demand has been proven to exist.

A.I.D. work force planning in the future should be oriented to problem solving rather than seeking to maintain a process for which demand has yet to be determined. Numerous attempts to identify and implement a work force planning process so far have been futile. It is the consultant's opinion that the level of demand likely to be identified in the near term can be met, using outside analytical resources (e.g. IQCs), at an annual cost to the agency of no more than \$60,000 per year. This represents significant savings to the agency. If demand is found to be greater then the agency can either procure more outside support or chose to expand and restaff the function.

Report 2 catalogues and indexes the results of the 1991 field survey. This survey has information concerning the composition, skills mix, and training requirements of the field work force. As such it is probably the most comprehensive source of information concerning the agency's field work force especially as it relates to data about the non U.S. direct hire staff. This information may become especially relevant to future agency decisions that would be likely to impact the number, size and composition of missions in the future. The survey data is contained in a FoxPro data base and should be made freely available to agency users in the future.

Report 3 looks at possible agency program, funding and organizational scenarios having the potential to significantly impact upon the agency's headquarter's and field staffing size and

patterns and identifies important questions likely to be raised by them. The scenarios are, at this stage, hypothetical but the new administration may very well be considering these or other just as important scenarios in the future to which a work force planning function would need to respond.

Taken together the reports strongly indicate a need for a problem solving, demand based agency work force planning function that is both cost effective and able to deliver the right type of analytical talent upon demand. Fixed costs would be reduced to a minimum under this new approach to work force analysis and planning.

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RECOMMENDATIONS FOR FUTURE A.I.D. WORKFORCE PLANNING

REPORT NO. 1

Prepared for the Director, HRDM

May 17, 1993

WORKFORCE PLANNING OPTIONS PAPER

1. PURPOSE

The purpose of this paper is to look at the work force planning unit established in June 1991 and to consider its accomplishments as well as future courses of action that may be available to A.I.D. work force planning.

The paper briefly describes the major accomplishments of Workforce Planning and the circumstances that served to shape and define them. It then looks at the questions of demand and clients for work force planning services in the future and proposes several cost effective options to meet these demands.

2. HISTORY AND EXPERIENCE

In February 1991, a decision was made by the agency's administrator to accept the recommendations of the workforce planning task force to formally establish a work force planning unit within A.I.D. The task force, chaired by Peter Askin, had begun its investigations into the need for an agency work force planning unit in the fall of 1990. The task force consisted of a number of senior managers, including several former mission directors. The task force was also supported by the PSPE information services group as well as several external consultants.

The need for a more systematic approach to work force planning had been a recurring recommendation made by numerous internal and external management studies of A.I.D. and it was high on the list of new management initiatives of the then administrator, Dr. Roskens. It was a generally held perception that A.I.D. did not

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have a comprehensive work force plan and would be better served if it did. To this end, a work force planning unit was created (although without benefit of permanent FTE status).

The unit began its operates in June of 1991 with the design of a field staff survey that would seek to identify the composition and skills mix of field mission staff. This followed on a decision made by the agency that the budget office would be concerned with the total numbers of the agency's staff while Workforce Planning would be concerned with skills and work force composition. The unit sent two field survey teams to eight missions in Asia and Latin America and the Caribbean, publishing its survey results in a progress report to the agency in February 1992. The survey yielded a broad array of information concerning the field work force including how it allocates its time, what training was felt to be the most important for the future, and other information concerning skills required for present and future assignments. Survey information was obtained from data entered into a computer data base specifically designed for this purpose.¹

One of the intended proposes of the field survey was to empirically test whether there were significant groups of specialists and generalists within the field work force. The survey demonstrated that there was very little difference in the way various backstop groups allocated their time, or their needs for training, or what skills they felt to be the most important. This information, coupled with analysis carried out by the original task force, demonstrated that there are very few truly technical specialists still within the workforce due to the agency's history of promoting

¹See the accompanying report which catalogues the field survey data collected in September 1991.

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from within the program backstops to 01 backstop positions (i.e. 02s, 12s and 94s). Many specialists, it was found, switched to program backstops at the 01 or 02 levels as part of their career advancement plans. Other useful characteristics of the work force were empirically identified during this time allowing many of the prevailing assumptions concerning the work force to be tested and in many cases disproved.

At about the time that the field survey results were published, Workforce Planning designed and implemented a replacement planning model allowing it to project likely changes in the work force by backstop based on recent agency trends in resignations, retirements, backstop changes, and other forms of attrition. This allowed for better forward recruitment decisions to be planned for up to three years. Subsequently the replacement planning model was automated and updated to more accurately reflect current work force trends.

Workforce Planning then placed emphasis on performing a statistical analysis of the correlation between staffing and program funding at the missions to identify staffing patterns that appeared to be above or below the norm.

Also during this period the PSPE (personnel information systems group) and FSO recruitment functions were folded into the unit to conserve FTEs and to allow the unit to be allocated several FTE positions of its own in order to become a permanent unit.

During the period of the unit's existence the agency has essentially gone on without significant changes in its policies, organization or programming priorities. The 1991 agency

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reorganization preserved the geographic bureau approach although a director for operations was added. A four-plus-one initiative was promulgated but changed very little of the way in which bureaus and missions went about their business although some programs were consolidated^d through focus and concentration efforts on their part. However, in many cases this did not reduce the magnitude of the work efforts, but merely consolidate^d a number of ongoing program or project activities into several larger ones. In 1992, the European buildup took on increasing importance with demands for staffing being met essentially from the existing work force. The NIS task force would experience a similar buildup, based on a draw down on existing staff, in 1992-93. It is probably noteworthy that Workforce Planning was not asked to participate in the planning for either of these significant efforts.

Also during the same period budget and FTE reductions continued to gradually but consistently erode the size of the USDH work force. This could most obviously be seen in the way in which the USHD work force was being reduced over time, usually by cutting USDH staffing depth in the sectors, e.g. agriculture, health, etc. As the number of USHDs in the field declined their losses were usually offset by the hiring of foreign national direct hires or PSCs. Both are used interchangeably depending on local labor market conditions and the ceilings that may apply to wages as set by the embassy. USPSCs continued to play an increasingly important role in filling executive officer, contract specialists and controller functions in the field. In Eastern Europe, USPSCs serve as project specialists supporting project managers in Washington.

3. CURRENT WORK FORCE PLANNING STATUS

After the decision to go forward with a more formal and systematic approach to work force planning, a workforce planning unit was established within the Office of Human Resources Development and Management in June of 1991. However, the unit proceeded without benefit of permanent staff assignments (FTEs) for over a year and was only recently granted a limited number of permanent positions following the consolidation of the recruitment and personnel systems and performance evaluation units into it. The head of the unit's position continues to be staffed through a complement assignment.

The unit has experienced a continuing pattern of having senior staff assigned for periods of up to six months only to have them move on to other permanent assignments within the agency. Some of the systems design work (e.g. replacement planning) has been accomplished through limited outside contracting.

The Workforce Planning Unit has been staffed by one permanent program analyst and one secretary (the latter from the complement) indicating a reluctance on the part of HRDM or the F&A Bureau to commit to a permanent investment in the office or the work force planning function as they are presently conceived. Therefore, the rethinking of the demand for work force planning-related services at this time means minimal disruption to an ongoing unit and the opportunity to potentially revitalize the function in the future.

Revitalization will depend on the demand for HRDM provided work force planning services and establishing a degree of perceived value within the agency for the function. Two years of practical

experience has yielded minimal interest on the part of the agency's managers in the function as witnessed by the lack of requests for its services. To continue to invest in the approach, as presently conceived, would appear to be questionable. However, if the function can be rethought and made more relevant to the needs of the agency, especially in a period likely to provide the basis for profound change, then the function has the possibility for taking on real meaning and value.

It is also conceivable that the placement of the function (in HRDM) could be a limiting factor to its wide spread acceptance and application. Alternatives to its present organizational assignment could include the operations directorate (assuming that it continues under a new organization if there is one), or as part of the offices of budget or policy.

Several recommendations for the revitalization of the agency's work force planning function follow in the next section.

4. CHARACTERIZING WORKFORCE PLANNING ACCOMPLISHMENTS TO DATE

Since its inception Workforce Planning has been able to:

- o Compile original data on the composition, time allocation and skills mix and training requirements of the field staff;
- o Design, implement and automate a work force replacement planning model; and
- o Construct a statistical approach to analyzing program and staffing levels by mission for the agency.

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In addition, Workforce Planning has carried out special one-of-a-kind studies of issues directed to it by the HRDM director.

If work force planning had been introduced during a period of dynamic change might the number and types of its activities have been different? Since the creation of the Workforce Planning unit the agency has essentially continued on with its usual activities introducing no fundamental changes in policy, programming, organization or overall funding.

The Workforce Planning Unit has accomplished about all that it could reasonably be expected to given the agency's status quo situation. But what if fundamental changes are in the offing given a new administration and a new agency administrator? What will Workforce Planning need in terms of resources, talents and other capabilities to be relevant to agency decision makers? Will it need to be more demand driven than in the past? If so, who should be its clients?

The question of who should be Workforce Planning's clients is an extremely important one. As a service function, it should have sufficient users to justify its existence. As originally envisioned, Workforce Planning would support policy makers concerned with work force planning issues. It would construct analytical frameworks, produce data necessary to answer questions raised, and make recommendations to senior management on work force courses of action to be taken. It would also be available to work on such issues as staff distribution and diversity, grade levels and career advancement. But little if any interest has been shown by the agency's managers in these or other work force issues leaving Workforce Planning having to define its own activities and

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to seek out those that would be interested in results produced. Over time it has become increasingly supply oriented; even within HRDM.

In 1992, Workforce Planning Unit costs were estimated to be over \$500,000. This estimate includes staff salaries, fringe benefits, overhead and outside contractors.

5. POSSIBLE WORKFORCE PLANNING OPTIONS FOR THE FUTURE

If Workforce Planning has been successful in accomplishing all or most of its maintenance objectives--e.g. replacement planning, skills identification, programming versus staffing patterns--what then remains to be done. Or if the agency is likely to be entering a period of potentially rapid changes involving policy, programming, organization, or funding, what should be the work force planning functions of the future?

Under the status quo scenario, it might be concluded that Workforce Planning has achieved what it set out to do, i.e. establish baseline data, and that the need for an ongoing unit may no longer be required. While a unit may not be required the function will be if only because reviewers outside of the agency will demand it. The function can be assigned elsewhere within HRDM or elsewhere within the agency. Some might argue that under any circumstances a work force planning function should be a part of operations rather than HRDM.

Under a moderate to greater than moderate change scenario, the function takes on greater importance. If the case for an ongoing

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analytical capability, based on proven demand, can be made then an ongoing investment can more easily be justified. Also, if the demand is there should the resources be permanent or on call? On call resources could be drawn from the agency's work force on a task by task basis or from outside consultants.

Further, it is suggested that work force planning activities should focus on solving problems identified by operations management as important to them.

But what if the need for problem solving is intermittent? If that is the case than a compelling argument can be made for having standby capabilities rather than a fixed cost unit.

A standby work force planning capability can be established in three ways:

- 1) By identifying a cadre of good analysts from within the ranks of the Washington work force that can be called upon as the need arises. They would come to their assignment, complete their work, and then return to their regular jobs. Different staff could be assigned to different tasks.
- 2) By using contract staff with the necessary qualifications, skills and depth of resources to respond to the work force implications inherent in changes in functions, policies, organization or funding.
- 3) Through a combination of inhouse and contract staff to be assembled on a case-by-case basis.

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Under any of these options it will be necessary to have a designated manager who can interpret problems to be addressed, make sure that the right resources are assembled, and that progress is made and desired results achieved. Again, the emphasis should be on solving problems rather than studying them.

If the demand is constant, than a full time program manager would be required. If the demand is intermittent than^e the responsibility can be assumed on a part time basis.

Other skills required by the analytical staff will include good writing, presentation and interviewing techniques. A premium should be placed on creative thinking and bringing innovative solutions to work force related problems.

6. FUTURE WORKFORCE PLANNING STAFFING

If there are no changes in the agency's policies, programs, organization, or funding levels the need for an expensive commitment to a work force planning function is questionable. However, if the possibility exists for truly fundamental changes to take place, then a stronger case can be made for a Workforce Planning unit but not necessarily the same one that exists today.

A.I.D.'s work force planning capacity should be a flexible and oncall one with little or no fixed costs. Specifically stated, if there are no requests for work force planning there should be no costs. A small to moderate demand would require the part time attention of someone, probably from the current Workforce Planning Unit, who is also performing other duties, e.g. recruitment,

information systems; or overseeing them.

If a decision is made to build up an on call, inhouse capability someone will need to identify candidates for these future assignments and maintain communications with them and their supervisors. If a decision is made to use outside resources someone will need to select them and be able to draft scopes of work and oversee progress and results. That person will also need to receive requests for problem solving from the agency's management.

At this time no one can say what the level of demand for such services may be in the future. However, with the change in the administration and the agency's new administrator this should be known within the next three to six months. In the mean time it is recommended that HRDM minimize its present Workforce Planning costs and stand ready to respond to future needs as proposed above.

Three staffing options are proposed for future work force planning: 1) low; 2) medium; and 3) high.

1. Low - Under the low staffing option, work force planning would be designated as a function rather than a unit. Responsibility for the function would reside in the HRDM directorate; possibly at the deputy director's level. Requests for analysis assistance would come to the deputy director's office. The deputy director would have access to external consultants that had been preselected for work force planning assignments based on their experience, skills and familiarity with the agency. The deputy director would prepare scopes of work and oversee the performance of the contractors. Under this scenario there would be no full time head of a workforce

planning unit or support staff.

For purposes of costing, it is assumed that relatively senior outside technical resources can be acquired in this way at about a full cost of \$600 per day. Depending on the nature of the analysis to be performed, other related expenses (e.g. travel, report production, secretarial support) may also be anticipated. For purposes of estimation it may be assumed that they would add an additional 10% to the total cost of services to be procured.

Therefore, the total external resource cost is estimated to be between \$40,000 to \$60,000 per year. Internal requirements would be for someone to receive requests for analytical support from the bureaus or offices and translate them into scopes of work suitable for indefinite quantity contracting (IQCs). The same person could then assume responsibility for reviewing the progress and results of the contractors and assuring that the information and analysis needs of the original requestor have been met.

All such activities should be clearly geared to decision making rather than simply analysis and reporting, i.e. a work force decision should be forthcoming as a result of the analytical effort.

A low staffing option would be called for given the current level of demand.

2. Medium - Under the medium staffing option there would be a full time work force program officer assigned to the deputy director's office who would be responsible for interpreting requests for work

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force planning assistance. He or she would be responsible for identifying highly qualified analytical staff from within the agency to serve on problem solving teams as specific problems are identified. He or she would also be responsible for augmenting inhouse analysts with external consultants when demand exceeded internal supply. The workforce program officer would oversee all team activities and ensure contractor performance. Some secretarial support as well as office space would be required under this option.

Under this option requests for work force planning assistance would originate from the agency's central management, e.g. the administrator, the operations directorate, finance and administration, etc., rather than an individual bureau or office. The request would have potentially broader implications concerning the impact of changes in organization, delivery mechanisms, headquarters to field ratios, e.g., the European model, etc., and would require an analytical approach to solution. Under this scenario, HRDM would receive one or two such requests for analysis a year which could represent between 90 to 180 days of internal or external technical support. Again it is recommended that IQC or other in-place mechanisms be used to obtain required resources.

Further, under this scenario using only external resources it is estimated that there would be a need for one senior management consultant who would be able to interpret requests in terms of approach, staffing and skills required, and outcomes and end products. There would also be the need for one to two mid level analysts to carry out the work under the direction of the senior consultant. The same 10% ratio of expenses of 10% would apply as in the first option.

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Estimated annual costs to the agency for option 2 are:

- 1 Senior Work Force Consultant
@ \$600 per day x 90 to 180 days x 50% = \$27,000 to \$54,000

- 2 Mid Level Work Force Consultants
@ \$400 per day x 90 to 180 days = \$36,000 to \$72,000

- Related direct expenses @ 10% = \$ 6,300 to \$12,600

Estimated Total: \$69,300 to \$138,600

To this it would be necessary to factor in the time involved in screening requests, procuring the necessary external resources and overseeing performance. For purposes of estimation, level 2 efforts can be expected to consume up to 1/3 of a senior HRDM manager's time at an estimated cost of approximately \$45,000 per year bringing total estimated costs of this option to between \$114,300 to \$183,000 per year.²

A medium staffing option would be called for when more than four requests of medium staffing intensity (i.e. two or more full time people dedicated to any one assignment for more than four weeks) were called for in any one year.

3. High - Under the high staffing option there would be a need for a full time work force planning staff with proven analytical skills. Analytical staff should be drawn from the middle ranks of the GS and Foreign Service based on their demonstrated analytical

²Salary at the maximum FSO 1 level x 1.25 fringe benefits x 1.25 over head x 1/3.

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capabilities and enthusiasm for analytical assignments. The position should be seen as an assignment to be sought out rather than placed in. Only highly qualified and motivated applicants should be accepted.

This would also require a full time Workforce Planning Chief, a support staff and at least one or two analysts. The chief should also be considered part of the analytical staff. Appropriate support staff, office space and equipment would also be required. Under this option workforce planning would be staffed by permanent employees as follows:

- One foreign service officer (FSO 1) and one or two analysts (FS 02/CS 11 or 12). Staff costs under this configuration would be approximately \$176,000 and full costs (including fringe benefits and overhead projected at 25% each) of approximately \$275,500.

WORKFORCE PLANNING FIELD SURVEY 1991

REPORT NO. 2

Prepared for the Director, HRDM

May 17, 1993

WORKFORCE PLANNING FIELD SURVEY 1991

In the fall of 1991 two Workforce Planning survey teams visited eight missions in Asia and Latin America. The purpose of the field visits was to collect information on field staff--and in particular on the non U.S. direct hire field staff--that had not been previously available. A standard questionnaire was designed and used in all missions visited. A list of the questions asked is shown in Exhibit 1.

One team visited three missions in Asia: Indonesia; Bangladesh and Nepal. The second team visited five missions in Latin America and the Caribbean: Barbados; Bolivia; Costa Rica; the Dominica Republic and Nicaragua.

It is important to put the survey in context with important agency issues at that time. HRDM management was very interested in testing how many of the field work force could be considered specialists versus generalists. The survey would try to distinguish the two through questions having to do with functions performed and time allocated to them. There was also at the time the thought that the Workforce Planning survey should complement a parallel field survey to be eventually carried out by CDIE. The CDIE survey would address the need for future field presence. For that reason, questions were included in the work force planning survey concerning such topics as functions currently being performed and the time allocated to them, as well as the potential for transferring functions from the field to regional or AID/W offices. The majority of the questions, however, were concerned with field staff skills, proficiencies and training needs. This followed an understanding that Workforce Planning would concentrate

on skills/ issues of the work force and FA/Budget on numbers.

It was expected that the data collected would be used for work force and other HRDM planning efforts such as recruitment and selection, training and assignment.

Because of the effort that went into the survey and the volume of field based information it provided, it is important that a record of its existence be made so that future HRDM or work force planners will be aware of its existence and, therefore, not have to recreate new data when existing data might already meet their needs.

The results of the field surveys were collected and entered into a FoxPro data base. For purposes of the initial review, data was sorted by:

- o U.S. Direct Hires
- o Non U.S. Direct Hires
- o Non U.S. Direct Hires minus PSCs
- o PSCs
- o U.S. Direct Hires and PSCs
- o All Respondents
- o Respondents from the Dominican Republic.

Future researchers may want to use this data base for other sorts as well, for example, by backstops.

235 field staff participated in the survey. 89 were U.S. direct hires and 146 were not. U.S. direct hires represented 1/3 of the participants. Foreign service direct hires and PSCs made up 40% of the sample with the rest comprised of U.S. PSCs, PASAs, TCNs, etc.

Latin American staff represented 52% of the respondents and Asia 48%. At the time of the survey it was anticipated that other survey teams would visit Africa, the Middle East and Europe. This ultimately proved not to be the case.

In January of 1992 the Workforce Planning Unit prepared a progress report in which some of the information collected from the field survey was presented.

The report stated several conclusions based upon the survey analysis:

1) U.S. direct hires spend on average about 3.5 hours a week outside the office dealing with counterparts and observing and monitoring results in the field although this varied by backstop. For example, business and private sector backstops spent 13 hours a week outside of the office while program analysts spent 3.7. The results suggest that the perceived comparative advantage of infield staff may be subject to question given the amount of time actually spent outside of the mission.

2) The most significant impediments to accomplishing work were A.I.D. administrative and clearance procedures and A.I.D. processes for design, management, implementation, accountability and evaluation of programs and projects. U.S. direct hires placed reporting and feedback to AID/W and the embassy as third on their list of significant impediments

Exhibit 1

WORKFORCE FIELD SURVEY QUESTIONS

1. Functions performed and time allocated?
2. Functions that could be carried out by FSNs?
3. Changes in process or procedures or removal of work impediments so that time could be spent more productively?
4. General skills that staff must have to adequately perform their present job?
5. Types of training felt to be most needed to prepare for future responsibilities?
6. Proficiencies in skills areas important in the future?
7. Proficiencies in traditional skill areas (backstops)?
8. Sources from which technical knowledge and skills were acquired?
9. Sources from which managerial knowledge and skills were acquired?
10. Sources from which A.I.D. process knowledge and skills were acquired?

1991 CATELOGUE OF FIELD SURVEY RESULTS AND HIGHLIGHTS

11. Resources for supplementing personal technical knowledge and skills from within the mission?

12. Resources for supplementing personal technical knowledge and skills from within the region?

13. Resources for supplementing personal technical knowledge and skills from AID/W?

while non USDHs felt it important to increase the capabilities, responsibilities and numbers of FSNs. Further streamlining of internal practices and procedures continues to have a high potential for reducing the need for USDHs in the field or freeing them for other more productive activities. Conversely non USDHs feel that they can take on more responsibilities which has implications for reallocation of tasks from the USDH to the non USDH components of the work force.

3) USDHs perceived that they gained more of their technical knowledge from their AID work; foreign nationals from formal technical education acquired prior to A.I.D. Managerial skills for both US and non US staff came first from experience at A.I.D. followed by experience before A.I.D. A.I.D. short term and long term management training was rated relatively lower. A.I.D. process skills, for both US and non US field staff, were acquired primarily through on-the-job training provided by supervisors. This may infer something about the relative importance of formal agency management training (or its availability) for consideration for the future.

4) When seeking technical support within the mission, both US and non USDHs depend on other USDHs although this varies by backstop. However, reliance is shifting towards institutional contractors, R&D staff or centrally funded contractors.

5) Both US and non US staff perceived managerial, analytical and computer skills to be the top three skills they require to do their jobs. USDHs follow these with communications and personnel management skills. NonUSDHs followed with program

and project design skills and interpersonal skills. Future training courses may want to consider these priorities.

6) Specific training requested for the future included management, economics, trade and investment, computers and banking and finance for USDHs. Non USDHs requested program and project management, general management, trade and investment, and banking and finance. Again, these insights may be used for purposes of planning future training courses for the field or reconsidering current training program content.

In addition to the conclusions drawn by Workforce Planning, the survey data allows for a number of additional analyses to be performed based on the needs of future researchers. What follows is a cataloguing of the data to be found in the data base and some additional conclusions drawn from the original Workforce Planning effort.

Survey information may be grouped into five general categories:

- I. Functions and Time Allocation
- II. Changes in Process or Procedures
- III. Skills and Training
- IV. External Support.

I. Functions and Time Allocations

Questions under this heading included:

1. How did the work force allocate its time across nine general activity groups:

- a) policy dialogue and external negotiations
- b) analysis and design
- c) implementation of programs and projects evaluation
- d) contractor management
- e) financial management and budgeting
- f) general administration
- g) personal management
- h) other?

Respondents were asked to: one, estimate how they allocated their time across these functions; and two, how they would like to allocate their time given a choice. It was noted that the difference in responses of the USDHs and non USDHs was not significant both in terms of the way they allocated their time and the way in which they would like to allocate it.

2. Respondents were asked other time related questions. These questions included:

- a) How much time is spent in communicating with AID/W weekly?
- b) How much time is spent out of the office dealing with counterparts?
- c) How many nights were spent on field trips in the last

three months?

d) How many hours per week was spent on mission related work?

USDHs spent approximately 13% of their time communicating to AID/W. They spent 3.5 hours a week dealing with counterparts outside of the office and 2.1 nights per quarter outside of the capital city. USDHs estimated that they spent 50 hours a week on mission work. Non USDHs and PSCs spent more time with counterparts (6.6 hours) but less time on mission work (38 hours). The significance of these answers may be the relatively little time that USDHs spend with counterparts or outside of the capital city if incountry presence is felt to be that important.

3. USDH respondents were asked to recommend functions that could be transferred to FSNs. The most frequent recommendations were: embassy-USAID joint committees; housing; and some types of analysis. It is not apparent how much these transfers would reduce USDH workloads or free more of their time for other responsibilities.

II. Changes in Processes or Procedures

USDHs felt the following changes in processes or procedures or removal of work impediments to be the most important:

1) Streamlining administrative clearances, paperwork, handbooks, regulations, and processes.

2) Streamlining program and project processes and the design, management, implementation, accountability and monitoring and

evaluation of projects.

3) Reducing reporting to AID/W.

4) Streamlining contracting, procurement and property management procedures.

5) Increasing FSN capabilities, responsibilities, benefits and numbers.

Non USDHs essentially concurred with these choices but not necessarily in the same order.

III. Skills and Training

1. The survey sought to learn more about skills that field staff felt would be the most important for present and future assignments and the sources of this knowledge and these skills.

USDHs felt these to be the five most important skills for performing their present assignments: 1) general management; 2) analysis; 3) computers; 4) communications; and 5) personnel management. Non USDHs presented a slightly different set: 1) general management; 2) computers; 3) analysis; 4) interpersonal; and 5) communications.

2. For the future, USDHs felt that training in the following areas would be of most importance to them: 1) general management; 2) economics; 3) trade and investment; 4) computers; and 5) banking and finance. Non USHDs listed: 1) program and project design; 2)

computers; 3) general management; 4) trade and investment; and 5) banking and finance.

Common themes from these two questions include the need for skills and training in computer applications, communications, general management and analysis. It is clear that the need for private sector knowledge and skills is also being felt at the mission level by all staff, i.e. the interest in bank and finance and trade and investment.

3. The questionnaire asked field staff to rate their level of proficiency in the agency's more traditional skills areas, i.e. the backstop codes. It also asked them to rate their level of knowledge and proficiency in 31 areas felt by AID/W senior management to be of growing importance for the future.

The data base contains the results of both their self appraisals. From the results it appears that field staff already have a fair amount of familiarity with many of the areas identified by management as important for the future.

4. Field staff were asked to provide information about the sources and relative importance of their technical, managerial and A.I.D. process skills. They reported the following:

Technical

Both USDH and non USDH staff felt that their A.I.D. work experience had been the most important source of their technical knowledge.

Managerial

Both USDH and non USDH staff felt that they had acquired their most relevant managerial experience from their A.I.D. work experience.

A.I.D. Processes

USDH and non USDH felt that on-the-job training had proved to be the most important source of agency process knowledge.

5. Field staff were asked to comment on the most important source available to them within the mission, the region or from AID/W for supplementing their technical knowledge and skills when required.

Mission

USDHs were most important.

Region

Again, USDHs were the most important source.

AID/W

The bureau technical backstops were the most important source at headquarters.

This summary was intended to catalogue and highlight selected findings from the original Workforce Planning field survey. Future researchers may choose to sort and analyze the data differently, e.g. non USDHs minus PSCs, PSCs only, specific backstop, etc. All of this is possible using the data base. For future reference, researchers may want to contact Lee Hougen or Hank Merrill, both foreign service officers who were involved either in the design, field survey or data analysis and reporting.

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MAJOR VARIABLES LIKELY TO AFFECT FUTURE WORK FORCE PLANNING

REPORT NO. 3

Prepared for the Director, HRDM

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The McKenzie Craver Company

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MAJOR VARIABLES LIKELY TO AFFECT FUTURE WORK FORCE DECISIONS & PROPOSED RESPONSES

The recent change in administration and a new agency administrator and senior staff may well provide the opportunity for radically different approaches to the way foreign assistance is carried out by the agency. Such changes will have the potential for significantly affecting the size, composition and functions of the future work force. This paper considers the various types of changes that may be forthcoming in this period of change and attempts to link possible work force decisions to them. By doing this it may be possible for the agency's work force planners to better prepare the responses required to ensure that the work force implications of such changes are given proper and accurate attention.

Most observers of the agency's recent history and performance might agree that there has not been much in the way of radical change in the way it has gone about its business. Funding levels have remained relatively constant although the importance of certain programs, e.g. AIDs, the environment, family planning, have increased^d while others, e.g. rural development, education, have declined. The agency has accommodated this by reassigning its existing work force to meet these shifting priorities. The A.I.D. work force is a relatively flexible one that emphasizes program and administrative skills to manage and administer outside resources to accomplish ~~with~~ program objectives. This flexibility is demonstrated by the frequent changes taking place between sector backstops, e.g. agriculture, health, rural development, to the program backstops, e.g. project officers, program offices, general

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development officers. It is further demonstrated through field surveys performed by the Workforce Planning Unit that found that most A.I.D. employees rated technical knowledge obtained on the job as the most important source of training in order to perform their job. This was also true for management skills and A.I.D. process skills.

The one constant change has been the long term decrease in OE funding and FTEs. This has resulted in declining headquarters and field staffs. In the field, it has resulted primarily in the reduction of program support functions, e.g. controllers, contract specialists, legal support and the depth in technical specialists. In the technical areas, U.S. direct hire employees have been reduced to a minimum where before there had been a certain amount of depth allowed. For example, in a mission with three or four USDH agriculture specialists two or three years ago there may now be only one or two USHDs, or the sector responsibilities may have been folded into a multi-sector function, e.g. agribusiness-private sector initiatives. Concurrent with this decrease in USDHs in the field has been the increase of other components of the work force: US and foreign national PSCs, FNDHs, local hires, etc. Changes in the variables that influence the agency in the future will have direct albeit different implications for the various components of the work force.

Probably the most important contribution that a work force planning unit can make to the agency is the ability to take proposed changes in key operating variables and translate them into work force outcomes.

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- o How will the changes affect the size and distribution of the work force?
- o What skills will be most needed? How will the distribution across the various components of the work force be affected?
- o How could larger funding levels and programming be accommodated with the same or fewer staff?
- o What would be the work force implications of a smaller headquarters and what should be done with the excess staff?

KEY VARIABLES

In the immediate future, A.I.D. may be faced with some or all of the variables that follow:

1. Policy - The U.S. government may decide to make fundamental changes in what it will seek to accomplish through its foreign assistance programs and may choose to revise funding levels. Policy changes may include the nature of U.S. foreign assistance, regional and country specific priorities, and the increased use of other federal agencies in foreign assistance delivery.
2. Programs - Changes in programs may result from changes in policy or revisions to the delivery of existing policy. Current programs emphasize democratic pluralism, market driven economies through privatization, family systems (health and family planning, agriculture, rural development) and environment.
3. Funding - The new administration and Congress may choose to substantially increase or decrease total foreign assistance or reallocate funds to better reflect current priorities. The increase in funding for the NIS countries is a prime example of

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this occurrence although its implications for other regions is not yet known. Funding may also be reallocate^d_^ by type, i.e. program versus operational expenses (OE). Changes in operational expense^s_^ have and will continue to have significant impact on the size, geographic distribution and composition of the agency's work force. This is already being seen in the decreasing number of USDHS in the field and a corresponding increase in the other components of the work force. In some cases funding will be passed through A.I.D. to other U.S. government agencies (e.g. Europe, NIS) for which A.I.D. will continue to have oversight responsibilities.

4. Organization - Changes in policy, programs and funding may have significant implications for functions to be performed and the assignment of these functions. Current funding cuts have led to decreased levels of support being provided at the mission level as more of these functions are pulled back into consolidated regional and headquarter's support units. The Europe Bureau has devised a Washington-based technical resource approach that designs and manages projects centrally from Washington with monitoring and implementation support the responsibility of a relatively small field apparatus. It is claimed that this allows Europe to deliver its technical programs at a fraction of the cost of traditional mission operations. As political realities are reassessed it is likely that some of the existing smaller missions throughout the A.I.D. system will be eliminated, reduced in size or consolidate^d_^ into regional units. This type of restructuring will have implications for both field and headquarters staffing, skills mix and grade distribution.

5. Delivery Mechanisms - Each choice of delivery mechanisms has an associated cost. For example, recent analyses have shown a wide

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range in the delivery cost of different sector programs. Private sector initiatives, with their emphasis on credits and other forms of non technical assistance or the use of centrally funded contracts, have the lowest per unit cost to administer. More labor intensive technical assistance efforts cost significantly more to manage and administer. A return to capital loans could also have a significant impact on the numbers, types, skills and composition of the agency's work force.

Potential for Programmatic Impact on the A.I.D. Work Force

All of the factors enumerated above have the potential for impacting the size, composition, allocation and geographic assignment of the agency's work force. It may be, for purposes of illustration, useful to consider several possible program scenarios that could have implications for the way in which future work force planning issues would need to be addressed.

The examples given are not meant to be exhaustive or to suggest that they will or will not be under consideration in the near future. They do, however, provide a basis for work force scenario planning and the consideration of the factors that such planning may bring to bear.

SCENARIO 1 - A.I.D. Decides to Concentrate on One Programmatic Area, for Example, Humanitarian Assistance.

Under this scenario, the agency commits itself almost exclusively to humanitarian assistance for the future. All other current

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programs are instructed to phase out and no new commitments are to be made. Work force questions related to this decision include:

- 1) How large will be the humanitarian assistance program?
- 2) How many countries will it include and how will they be selected?
- 3) Will the programs be long term or short term (i.e. terminated when an immediate need has been met, e.g. Somalia)?
- 4) How large a delivery and support staff will be required?
- 5) Will they need to be in the field, in AID/W, some combination?
- 6) How many of the staff (to directly support the new program) will need to be US direct hires?
- 7) How many of the present staff can be redirected to this program? How many will not be required? How will redundancies be addressed?
- 8) What will be the oversight, reporting and audit requirements of the program?

A one program scenario would have a dramatic affect on the size, composition and dispersement of the agency's existing work force.

SCENARIO 2 - A.I.D. Shifts Geographic Emphasis and Greatly Reduces its Programs and Presence in One Region.

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Under this scenario, one of the geographic regions' programs is greatly scaled down. Ongoing programs and projects are funded for the life of the original commitment but no new programs are authorized. Current programs are reviewed to determine how many of them may be prematurely terminated without serious disruption to the host government or U.S. government's vital interests in the region. Work force questions related to this scenario are:

- 1) How long will the present staff be needed to wind down and close out present program and project commitments?
- 2) How much of this can be done using local staff (FNDHs, PSCs, etc.)?
- 3) What are the immediate demands for regional staff for reassignment to other regional bureaus?
- 4) How much of a reduction can be realized in AID/W management and support staff?
- 5) How many of the region's staff will not be reassignable in the short run?

The major work force issues associated with this scenario will be reassignment and the downsizing of home office support.

SCENARIO 3 - A.I.D. Reorganizes the Agency and Replaces Regional Bureaus with Functional Bureaus.

This scenario has implications for AID/W staffing as well as

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management and reporting relationships with the field. Functional bureaus would be responsible for promoting their functions, e.g. health and population, agriculture, democratic initiatives, worldwide regardless of region or country. As such they would be similar to the current PRE and R&D bureaus.

- 1) Would consolidating program areas by functional bureau require more or less staff in AID/W and the field?
- 2) What would be the skills mix required?
- 3) What affect would such a decision have on the management of field operations?
- 4) Would the functions be represented on a regional basis or even on a country basis? Is it likely that a country would have only one funded function?
- 5) What type of staff support would such a reorganization require in the field and in headquarters?

This scenario would have the greatest work force implications for questions of size, management and skills mix.

SCENARIO 4 - A.I.D. Changes its Preferred Basic Delivery Mechanism and Deemphasizes Technical Assistance and Promotes Increased Capital Project Programs.

Technical assistance is the most labor intensive of all of A.I.D.'s

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assistance delivery mechanism. It is both management and administratively intensive because of its reliance on grantees and contractors who's performance must be overseen, reported and audited.

- 1) How many of the agency's technical managers would continue to be required?
- 2) How could the agency avail itself of the engineering talent required by a large capital project portfolio?
- 3) How would the field staff be augmented to reflect this change in assistance priority?
- 4) Would fewer but larger funding activities require more or less contract specialists, lawyers and other support specialists?
- 5) What would be the impact on the I.G. function?
- 6) How would headquarter's technical backstop units be affected? Where would displaced staff, without engineering backgrounds, be reassigned?

This scenario would create the immediate demand for trained engineers that could not easily be reassigned from existing disciplines. Numbers would be fewer and primarily from backstop 25 causing a massive rethink of the deployment and use of the existing work force. Large scale reductions in force could be anticipated.

SCENARIO 5 - A.I.D. Changes its USDH Field Staffing Policy to be No

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More Than Two U.S. Direct Hires in Each Mission

Under this scenario, U.S. direct hires are greatly reduced overseas.

- 1) What are the actual numbers of staff to be retained in the field?
- 2) What should be their backstops and grades?
- 3) What will be the size and diversity of the technical assistance portfolio they will be required to manage and be accountable for?
- 4) How should they use staff from other components of the agency's work force (e.g. FSNS, PSCs, etc.) to accomplish their project responsibilities?
- 5) What affect will this have on the agency's rotation policies between headquarters and the field? How many positions in Washington can be cut because there is no longer the need to rotate approximately 20% of the total FSO work force each year?
- 6) How will USDHs not staying in the field be absorbed?

This scenario principally raises questions about the need for AID/W positions no longer needed for large numbers of field rotations and the placement of 95% or greater of the current USDHs in the field.

SCENARIO 6 - A.I.D. Changes Its Career Policies to Encourage no More Than 10% of its Work Force to Seek Career Tenure.

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Under this scenario a small percentage of the work force would be with the agency long enough to obtain career status. The agency would promote itself as a challenging opportunity for development professionals interested in working in the field for the agency for a period of three to seven years and then moving on to other career assignments inside or outside of the federal government.

- 1) What impact would this have on the recruitment and selection process?
- 2) How much additional training would be anticipated for a more transient work force that was turning over every three to five years?
- 3) What affect would this have on the agency's cost of retirement benefits (significant savings would be envisioned)?
- 4) What would be the potential affect on the level and quality of service that the agency's new work force would be able to provide?
- 5) Would the quality of the agency's management be affected over the long run?
- 6) What would be the program, administrative and accountability risks to be associated with such a policy?

Major work force implications under this scenario have to do with the change in level and quality of program management? Also the need for more active recruitment, selection and training.

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SCENARIO 7 - A.I.D. Changes Its Rotational Policies to Assign FSOs in the Field Only between Overseas Missions and Not AID/W.

This scenario has two primary implications: 1) There is no longer the need to maintain positions in Washington for foreign service officers on rotation (and conversely they would no longer be a source to fill headquarter's positions) and, 2) The missions would have immediate access to approximately 20% more FSO staff than they do now.

- 1) What AID/W FSO reserved positions should be eliminated or reassigned?
- 2) What would be the potential attrition rate for FSOs due to longer term field assignments?
- 3) What would be the hiring requirements for those positions that remain that were traditionally filled by returning FSOs (from the field)?
- 4) How could civil service employees be used to fill them?
- 5) Would the field missions be able to absorb this additional 20% of the FSO work force?
- 6) Would normal tours of duty need to be extended or shortened to accommodate this change?

The work force implications of this scenario impact mostly on AID/W positions that no longer need to be reserved for returning FSOs and the ability of the missions to absorb the 20% of FSOs that would

then become available to them.

These kinds of hypothetical examples are useful in giving definition to the types of support that a work force planning unit could provide to the agency. They strongly suggest that work force planning would have to be highly analytical in nature, not bound by traditional wisdom and convention, and able to provide well thought out solutions for addressing radically different program needs.

The more scenarios to be consideration--and the more radical the scenarios--the more a case can be made for a permanent work force planning function within the agency.

This approach to work force planning stresses rapid response rather than being maintenance based. The agency's two years of maintenance based work force planning has demonstrated so far very little demand or interest on the part of its management.

Potential Work Force Planning Approach to Meeting Such Needs

Agency work force planning will need to have a capacity to take proposed variables like those enumerated above and translate them into statistically supported impact statements. Before going forward with a new course of action, A.I.D.'s management will want to know their work force implications. Work force planning should be able to deliver the following information concerning changes in key variables concerning policy, programs, organization, funding levels and delivery mechanisms:

1. Size - Work force planning should be able to translate given

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variables into work force numbers. Will a change in a key variable be more or less labor intensive?

2. Skills Mix - Will the changes anticipated require the same or a different mix of education, training, experience or skills?

3. Location - Will anticipated changes affect headquarters or field offices?

4. Composition - How will the various components of the work force be affected: e.g. USDHs; FSNDHs; PSCs; contractors; others? What is the optimum composition?

5. Recruitment - How should replacements or additions to the current work force be carried out? What priority should be placed on filling positions? What education, training, skills and experience should new hires bring to the job?

6. Training - What training will be required to equip the existing work force to be most responsive to changing policies, programs and priorities? How will this differ for each component of the work force?

These six questions provide a systematic checklist for analyzing the implications of change on the work force likely to be brought about by key operating variables likely to occur in the near future.