



EVALUATION
of
PERSONNEL
MANAGEMENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

MARCH 1968

U. S. CIVIL SERVICE COMMISSION

Bureau of Inspections
Washington, D. C.



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UNITED STATES CIVIL SERVICE COMMISSION
WASHINGTON, D.C. 20415

IN REPLY PLEASE REFER TO

YOUR REFERENCE

March 27, 1968

Honorable William S. Gaud
Administrator
Agency for International
Development
Washington, D. C. 20523

Dear Mr. Gaud:

I want to thank you for sending me the plan of action you are undertaking in response to our Preliminary Inspection Report. Not only are the goals set forth in the plan commendable but their attainment will be instrumental in helping AID to do a better job of planning for, getting, developing, and utilizing its employees to meet the needs of the agency mission.

I have enclosed Evaluation of Personnel Management: Agency for International Development, the final report of our inspection. The report is organized to present the specific recommendations resulting from our inspection, followed in each instance by a statement by AID on what you have done, are doing, or will do in response to each recommendation. I would appreciate your keeping us informed from time to time on the progress you are making.

From our past discussions I know that you realize the seriousness of the issues raised by the report. The developments you have reported on in recent months are encouraging.

I believe that a followup review by the Commission after you have had an opportunity to move ahead with your action plans would be helpful. I will be pleased to consult with you on the timing for such a review at an appropriate time.

Sincerely yours,

John W. Macy, Jr.
John W. Macy, Jr.
Chairman

SURVEY
OF
PERSONNEL MANAGEMENT
IN THE
AGENCY FOR INTERNATIONAL DEVELOPMENT

1966 - 1967

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BACKGROUND

Nature of the Inspection

The 1966 Civil Service Commission inspection of the Agency for International Development was initiated to appraise the overall effectiveness of agency management in planning for, getting, developing, and utilizing its employees to meet both the needs of its mission and the requirements of public policy.

During the course of the on-site inspection, which was conducted in October and November 1966, the team used a number of fact-finding techniques, including:

- Interviews with 169 managers and supervisors and 40 employees.
- Review of Agency issuances and policy statements.
- Desk audits and documentary review of 161 General Schedule positions.
- Review of 579 personnel actions for regulatory compliance, including excepted appointments of consultants and experts.
- Review of functional statements, organizational charts, and staffing patterns.
- Examination of the activities and processing operations of Agency personnel offices.
- Review of studies and analyses of the Agency and its subsystems made internally and by outside groups.
- A visit to Latin America to obtain a first-hand knowledge of programs and personnel operations in the AID overseas mission.

Mission

Since its origin as the Marshall Plan in 1949, the Agency for International Development has undergone several changes in name and organization, as well as accompanying shifts in program emphasis. In its current form, it derives its title and authority from Executive Order 10973 and the Foreign Assistance Act of 1961. Under this enabling order and legislation, AID is charged with administering non-military foreign assistance programs; and under certain pre-existing legislation, the Food for Peace program.

The Agency is made up -- five regional bureaus -- one for Africa, another for Far East - East Asia, a third for Latin America, a fourth for the Near East and South Asia, and the fifth for Vietnam -- each managed by an Assistant Administrator, with the rank of Assistant Secretary of State, and all reporting to the Administrator, with the rank of Under Secretary. Reporting to these Assistant Administrators are the Directors of the some 68 AID overseas missions. To varying degrees the Office of Public Safety and the Office of International Training are regarded as having bureau status, in that the heads of these offices have responsibility for line rather than staff support programs.

Organization for Personnel Management

Personnel management in AID and its predecessor agencies had a history of being centralized, partly decentralized, and at the time of the inspection, being partially recentralized.

Each of the five regional bureaus, the Office of Public Safety, and the AID/Washington headquarters was manned and empowered to manage its own assigned personnel. In anticipation of a possible recentralization of authority, however, the central personnel office had established a recruiting division and had elevated the training function to division status. Thus, at the time of the inspection AID personnel management had arrived at a crossroad. Pending decisions concerning which organizational elements would be given the responsibility, each of the bureaus and the central personnel office was organized to varying degrees to proceed on its own.

Factors Affecting Personnel Management

The existence of seven semi-autonomous operating personnel offices and a central personnel office, all within the Washington headquarters of a moderate sized agency, introduced problems in planning and coordination and contributed to the continuing expansion of personnel staffs.

Other significant influences were found in the composition and distribution of the work force. Like the Department of State, of which it is a part, AID overseas (direct-hire) employees are Foreign Service or Foreign Service Staff, but these employees are all given reserve or limited status. Approximately half of all AID employees are stationed overseas, and most of those in Washington are Civil Service rather than Foreign Service. The heterogeneity and location of the population introduce special problems in career planning, equity of assignments, and position classification.

Report Emphasis

The inspection and the report are generally limited to matters directly related to personnel management. We made no judgments about AID's basic programs or the extent to which the Agency was or was not accomplishing its assigned mission, apart from situations where poor personnel practices were inhibiting mission accomplishment.

A preliminary report of our inspection was presented to the Administrator of the Agency for International Development in July 1967. Since then AID has proposed and initiated a number of actions designed to improve personnel management. This report presents our major recommendations -- followed in each instance by a statement of what AID reportedly has done, is doing, and proposes to do in response to each recommendation.

WORK ORGANIZATION POSITION MANAGEMENT AND POSTER CLASSIFICATION

Recommendations:

- The Administrator must exercise an active personal concern for sound position management and position classification. This concern must be conveyed to the key members of his staff.
- Bureau of the Budget Circular No. A-64 (Revised), Position Management System and Employment Ceilings, should be implemented by the establishment of an effective system of position management. Particular attention should be given to:
 - o The assigning of appropriate roles in the position management system to budget, management planning, and personnel staffs. The system should insure that their activities are coordinated.
 - o The establishment of a system for review of AID organizations. As a minimum, all proposed reorganizations should be reviewed for their adherence to the principles of sound position management and classification.
- The position classification staff should be strengthened. Each position classification specialist should have a reasonable workload which will permit him to make periodic surveys and become familiar with the organizations he services. If the personnel specialists already employed are utilized in a more effective manner it should not be necessary to augment the total staff.
- Action must be taken to correct misclassified positions throughout the Agency. The classification case listing for this inspection, which discusses individual positions, has been submitted via separate communication. A detailed action plan must be drawn up and a schedule established for the implementation of the plan. A combination survey covering the manpower, organization, and classification of the entire Agency would be one alternative.

The purpose of such a survey would be to:

- o Identify and correct duplication and overlap of duties and functions.
- o Identify and eliminate organizational faults.
- o Provide an accurate record of organizational structure and position content.
- o Apply new classification standards.
- o Correct widespread misclassifications.

- Supervisors at all levels must be made to understand the significance of position management and position classification to organization management and should be clearly made aware that:

- o The evaluation of their performance as managers will take into account their efficiency or inefficiency in using manpower resources.
- o They are responsible for seeing that the positions of their subordinates are accurately described and correctly classified.

Agency Response:

In August 1967, the Administrator advised the Executive Staff that all offices would be expected to participate in an organization and position management review. A memorandum to the executive staff, and office directors under the Assistant Administrator for Administration, directed the conduct of an internal management review by each office, and external management appraisals of each office by the Office of Management Planning, the Office of Personnel Administration and the Office of Controller. It also required that future appointment, reassignment or promotion of employees to positions in AID personnel offices be made only if the need for such actions is specifically justified to and approved by the Director, Office of Personnel Administration. Each office was asked to submit a report to the Assistant Administrator for Administration regarding its findings and actions taken. Finally, the memorandum required the updating of all position descriptions whenever they no longer reflect the duties actually assigned. The revised descriptions are being reviewed as received. AID Manual Order No. 435.2 places responsibility for completeness and accuracy of position descriptions on the immediate supervisor. This responsibility was called to the attention of all supervisory personnel in connection with AID/W efficiency ratings for the year ending October 31, 1967. The responsibility will soon be reaffirmed in materials about to be issued in further implementation of the MUST Program.

AID agrees fully with the Commission's report that a position classification survey of all headquarter's positions is imperative. To this end a new Position Classification and Position Management Branch has been established. Professional staffing of the branch consists of 11 position classifiers, resulting in a workload of approximately 400 positions per classifier, including the Chief. This more than doubles the staff formerly assigned to position classification. The first classification survey of the Information Staff commenced early December. This was followed by a survey in the Office of Security. The third classification survey will commence in the Bureau for Vietnam about January 15 with valuable technical assistance from the Civil Service Commission. Other surveys will follow on a regularly scheduled basis. AID will soon discuss in depth the application of standards to all major organizational groups or positions, including those in the personnel, management planning and security fields.

New roles of the Office of Personnel Administration, Management Planning and the Controller with respect to position control, vacancy reporting and filling of vacancies have been planned and are in process of implementation. In this area the new and broadened Office of Personnel and Manpower, replacing the old Office of Personnel Administration, will play the primary role.

In September of this year, the Office of Personnel Administration issued its comprehensive report of "Bureau Personnel Operations and Processing." This was a detailed study of organization, staffing, procedures and productivity of bureau foreign service operations. It was undertaken to determine in part the reasons for the large AID personnel staff and to seek ways of reducing it and of improving, simplifying and expediting personnel operations. It presents the results of analyses of (1) AID's personnel staffing ratios and productivity in comparison with those of other agencies, (2) the productivity of the several AID personnel offices, (3) the relative investments of time by bureau personnel offices in each of several broad foreign service personnel functions, (4) personnel processing procedures, and (5) work performance problems as seen by the personnel staffs. Potential savings of manpower have been tentatively identified. Detailed analyses and development of alternative remedial actions are now taking place. Through realignment of responsibilities, modification of policies, and systems engineering, it is anticipated that significant savings will be produced.

A companion survey to further systems redesign and staff savings has also been conducted within the Civil Service sector of the Agency and is almost completed. This report is parallel in structure and content to the one described above. AID's methods and productivity are compared to those of other Federal agencies operating under the civil service system.

The target AID is setting for itself is a personnel ratio of about 1:40; which may be attained by mid-1969. By that date the expected benefits arising out of recentralization, system re-engineering, and computer based operations should have been realized.

In August 1967 a Personnel Freeze Committee was established to review all requests to establish or to fill personnel positions. In order to insure that the ratio of personnel workers to persons serviced is not worsened, and to improve the ratio if possible, the Personnel Director has been given authority to deny the filling of personnel positions until he is satisfied they are essential.

MANPOWER PLANNING

Recommendations

- A first requirement for manpower planning is the establishment of a central point for the review, coordination, and agency-wide programming of the manpower requirements of missions and bureaus. This will enable AID to establish agency-wide priorities for the allocation of resources and to improve the accuracy of manpower forecasts.
- A second essential is the establishment of a common vocabulary concerning occupations and positions. Divergencies in terminology and the qualifications required for equivalent jobs, block personnel mobility and defeat centralized planning.
- After authority and responsibility have been assigned and communications established, a third step should be the establishment of procedures for projecting manpower requirements sufficiently into the future for AID to permit planning, as opposed to reacting.

Agency Response:

Manpower planning in AID is probably more complex than in most other Federal agencies. The number of employees the Agency will require in any given year depends upon: (a) annual appropriations from Congress, (b) the number of countries in which AID programs are authorized, which may be limited by Congress, political situations, and public opinion, and (c) the number of programs approved by the cooperating governments and AID. These factors are subject to sudden and unpredictable change.

On September 27, 1967 AID issued a manual circular entitled "Manpower Management," placing responsibility for development of a manpower planning program in a new Manpower Planning Branch in the Office of Personnel Administration. This function is initially concentrating on strengthened manpower data, analysis, control, factfinding, development of methodology and recommending the permanent apportionment of responsibilities for continuing operation of the manpower responsibility. The unit which is now being staffed has already made substantial improvements in the currency and accuracy of personnel data introduced into our computerized personnel and manpower data bank and in vacancy and ceiling control. It will soon begin longer-range identification of manpower needs and the updating of data on which projections are based. Short-range planning will be facilitated by a recently revised Completion of Assignment Report system through which headquarters will be advised of employee and position data necessary for timely placement decisions or, if necessary, the recruitment, assessment, and appointment of new employees.

RECRUITMENT

Recommendations:

- Determining recruitment needs. Establish a sound system for determining current recruitment needs throughout the entire Agency and for predicting future manpower needs. AID already has the potential computer capability to make an automated system work. What has been lacking so far has been the ability or willingness of managers to plan ahead and to produce reliable data concerning current and future vacancies.
- Qualification requirements. Establish qualification requirements including appropriate selection devices for all AID foreign service positions, other than one or few-of-a-kind positions. Standardize titling practices and eliminate differing titles for basically similar positions.
- Organization for recruitment. Establish a truly centralized recruitment division responsible for all AID recruitment, both overseas and Washington. Eliminate wasteful duplication and overlap.
- Personalized recruitment. Place greater emphasis on personalized recruitment techniques as opposed to the "shotgun" approach typified by the municipal campaign. More effort should be expended in (1) identifying outstanding people with skills the Agency needs, (2) persuading these people to come to work for AID, and (3) negotiating with the candidate's present employer for a loan or leave of absence so that the candidate can come to work for AID without undue sacrifice to his own career. In the case of Federal employees, this may entail working out more Participating Agency Service Agreements, whereby other Federal agencies "loan" their employees to AID for a limited period of time. It requires working more closely with colleges and universities to obtain leaves of absence for faculty members who are willing to spend some time in Vietnam. It may also be possible for AID to appeal to the patriotism of American businessmen in obtaining leaves of absence for highly skilled specialists who are willing to serve in Vietnam.

Agency Response:

With the help of improved position management and vacancy control in the foreign service, vacancies above ceiling limitations will be identified to give the Agency a picture of the true vacancy situation. Our Administrative action schedule made possible by new Completion of Assignment Report procedures will make possible the filling of foreign service positions from outside the Agency with only a nominal incidence of actual

Pursuant to its own comprehensive 1967 Report on the Far East Recruiting Program, A/PA has now conducted intensified recruitment on approximately 150 college campuses selected as the most promising sources of candidates, including graduating students, alumni and members of the faculties. Recruitment is also being emphasized through professional organizations. Continuing personalized contacts with these organizations are now supplemented by nationwide direct-mail to memberships of organizations of educators, engineers, economists, agriculturists, etc. Other examples of personalized recruitment are the current use of the College Placement Council's GRAD System to identify experienced professionals who are interested in overseas appointment, and the use of the National Science Foundation Register to identify locations of professionals in shortage categories. AID is engaged in other thrusts of similar nature to increase the yield of well-qualified candidates at lower unit cost. An example of improvements in recruitment is AID's experience in recruiting in Detroit for positions in Vietnam. It was the site of campaigns in both 1966 and 1967. Although only 97 tentatively selected candidates for Vietnam were produced there by 40 man-weeks of staff time in 1966, in 1967 an expenditure of just 16 man-weeks of recruitment time produced 137 candidates.

Building on internal research which had been in progress, AID with the assistance of the Commission, completed an evaluation study on selection. The 110 page report, containing detailed recommendations, was published in April and is in process of implementation. A qualified psychologist with extensive administrative experience in large-scale applicant assessment has been employed to supervise the projected personnel assessment and selection program.

Notable progress has been made in the establishment of occupational standards describing approximately 200 different foreign service job categories or occupational "series" and establishing titles and criteria for determining the levels of approximately 1250 specific kinds of positions. General qualifications requirements are also included in this very significant undertaking which will be completed by June 1968.

IN-SERVICE PLACEMENT

Recommendations:

- Organization. Assign responsibility for staffing the entire Agency, both Washington and overseas, to a single organization.
 - o Personnel staffing specialists would be responsible for staffing all positions in the organizations they service, for example, groups of missions, and for acting as a focal point for all personnel matters in these organizations.
 - o The staffing specialist would receive all Completion of Assignment Reports from his organizations. These are supposed to be furnished six months before an employee's tour of duty is finished. If the position is to be re-filled, the qualifications of all AID people who would be available in a reasonable period of time would be reviewed. If there are no qualified available people within the Agency, then the "Talent Bank" of outside applicants would be reviewed. If that yields no qualified applicants, then outside recruitment would be initiated. A similar process would be used in filling new positions.
 - o Once a list of qualified candidates is drawn up, a selection panel would be convened. This panel would normally be composed of (1) a representative of the organization that has the vacancy for overseas positions (this would normally be the desk officer), (2) the technical backstop or specialist in the occupation involved, and (3) the personnel staffing specialist. In most instances the decision of the panel would be final. This would cut down considerably on the number of persons now involved in a placement action.
 - o Under the centralized system the area of consideration for reduction in force in overseas positions would be Agency-wide rather than bureau-wide as is currently the case.
 - o Under this system employees due for rotation to AID/W assignments would receive special consideration.
- Improving the personnel staff. Establish appropriate selection devices to insure that no employee is promoted from a personnel clerical to a specialist position, or from a non-supervisory position to a supervisory position unless he has the latent ability to satisfactorily perform the duties of the new position. (See the qualification standard for the Personnel Management and Industrial Relations Group, GS-200, in Civil Service Handbook X-118 for methods of evaluating employees for promotion in personnel positions.)

- Training. The background of all personnel people should be reviewed and training needs identified. New supervisors who have had no supervisory training should receive first priority for training.
 - o Trainees. Persons appointed to personnel positions from the Federal Service Entrance Examination should be given professional training and challenging assignments which will encourage growth, rather than clerical assignments, as has been the practice in some cases.
- Delegations of authority. Written delegations of authority should be developed.
 - o Authority to make decisions should be placed at the lowest possible level consistent with good management practices.
 - o Employees should be assigned responsibility and authority consistent with their grades. Employees who are either unwilling or incapable of assuming this authority, should be reassigned.
 - o Supervisors who are unwilling or incapable of delegating authority should be assigned to nonsupervisory positions.

Agency Response:

The organizational consolidation now underway (see page 15) will make it possible to return to a more integrated program of manpower utilization. Existing problems in in-service placements crossing regional bureau lines should no longer be a serious deterrent to achievement of the best possible placement decision when the nominations are initiated by the centralized Office of Personnel and Manpower. AID has instituted improved reporting devices (a revised manual order on personnel data input in a Completion of Assignment Report system) which will insure that adequate information on which placement decisions can be made will be possessed by the central office.

Published policy contained in Manual Order 418.2, "Rotation of FS Employees to Position in the United States," already prescribes preferential consideration for rotation assignments of foreign service personnel to Washington. To facilitate increased rotation activity and insure that the provisions of the manual order are followed, a small staff is being established to give the matter full-time attention.

Included in the new Office of Personnel and Manpower, which will have the primary responsibility for staffing the Agency with the exception of some actions concerning Latin America and Vietnam, are (1) a Recruitment Division with responsibility for both Washington and overseas recruitment, (2) a unit in the Special Operations Division under an

Assistant Director for Foreign Service Personnel which will be responsible for the task of assessing candidates' qualifications and suitability for overseas service, (3) a Foreign Service organization responsible for general management of the foreign service, including reassignment among regions and (4) a Civil Service Personnel organization which is responsible for virtually all management of the Civil Service system.

All reassignment and other career management actions concerning foreign service officer assignment, with the probable exception of return for a second tour in Vietnam or in Latin America, are being transferred to the Office of Personnel and Manpower. All personnel action processing, except for assignments to Vietnam are similarly being transferred to the Office of Personnel Administration.

Central personnel has proposed the designation of a special "Selection Officer" on each SF-52 requesting the filling of a vacancy. This officer would represent the operating office concerning selection standards and selection decisions and would thereby take the place of present scattered unofficial participation which now inhibits prompt and decisive action.

AID also has improved the quality of the announcements it posts pursuant to the Civil Service merit promotion plan. Proposed exceptions to merit promotion are carefully reviewed and granted only if clearly in consonance with the plan.

To ensure adequacy of professional qualification of persons proposed for appointment or promotion to a professional personnel position, a Personnel Review Committee system was planned in 1966 and set up in April of this year to review candidates as they occur. The Committee was established to introduce professional career hurdles at all grades GS-11 and above. Personnel employees have on several occasions been informed of the record of professional activity and achievement which they will be expected to provide whenever they are considered for advancement. In practice, the Committee has proved to be effective in preventing the employment of individuals who fail to meet the new more demanding standards expected.

To encourage employees to undertake analysis of their professional achievement and take appropriate measures to improve it, copies of AID's Personnel Activities Inventory were distributed to each GS-9 or higher grade employee who is engaged in personnel work. An Employee Development Officer was identified as the advisor from whom personnel employees should seek assistance in obtaining training appropriate to their special needs.

Recently 28 new young employees hired for personnel positions in the Vietnam Bureau were given a special one week course, Introduction to Personnel Management, utilizing in part materials supplied by the Civil Service Commission.

All personnel supervisors, will participate in a Management Effectiveness Program, which will provide practical Agency-wide supervisory training.

Even more rigorously than in other parts of AID/W, A/PA has conducted an internal management review and comprehensive surveys to insure the maximum utilization of skills, particularly professional skills. To this end, organization changes are in process of completion for departmental personnel and the policy and planning, evaluation, systems development, manpower planning, recruitment, foreign service personnel and selection functions.

The internal management reviews and the external appraisals are expected to disclose the scope of the problem involving employees who do not have responsibilities and authority consistent with their grades. Employee counseling and retraining, where applicable, are being planned.

ORGANIZATION OF PERSONNEL OPERATIONS

Recommendations:

Basic changes should be made in the distribution of functions, the delegations of authority, and the organization for personnel management. The changes we propose would not generally affect the line managers' basic personnel authorities to manage his assigned personnel, to participate in recruitment, or to make selection decisions on candidates for AID positions. We would rearrange personnel offices and personnel functions to provide better control and improve personnel operations generally. We would eliminate overlapping functions, reduce the necessity for extensive coordination and meetings, and greatly simplify personnel processes and organizational structure.

The Agency for International Development should develop an overall plan of centralization. To minimize disruption during implementation, centralization should be time-phased in the following order:

1. Centralize program development and coordination of training and employee development activities.
2. Centralize recruitment.
3. Centralize foreign service officer assignment, management advisory service, and personnel action processing.

A centralized personnel operation, of course, means that regional personnel offices must be abolished. We would expect, however, that each bureau would retain a small staff, perhaps one person, in its administrative office to prepare requests for personnel action and handle personnel details. We do not see a need for continuing professional personnel workers within the regional bureaus. Advice to managers on personnel matters we would expect to come from personnel specialists of the central personnel office.

Regardless of the final organization and position structure, there are several key elements that must be present if centralized personnel operations are to be successful:

- All personnel administration activities must be centralized; this includes the personnel operations of all bureaus and offices.
- The central personnel office must have strong professional leadership. Key positions must be staffed with the best people available. The leadership of the personnel office must be recognized and supported by the Administrator and top

management. This means, above all, that the Director of Personnel must have direct and regular access to the Administrator on program matters, not simply troublesome cases. The Administrator should also consider, in the interests of continuity, staffing one of the two top personnel jobs with a civil service personnel specialist rather than using both positions for rotation of foreign service officers.

- The centralized personnel operation will, of course, fail completely if managers are not given timely service and continuing professional advice. It is important therefore that competent personnel specialists be assigned to provide this service to operating organizations and that they spend the bulk of their time working directly with the managers -- not processing papers.

- A key feature of our proposal is a greatly strengthened position management and position classification function for the central personnel office. We would place more responsibility for position management review, i.e., average grade, control of high grade positions, supervisory ratios, in the personnel office. In addition, we would expect to see regular classification and position management reviews including recommendations on organizational structure emanating from the classification staff on the personnel office.

Agency Response:

AID agrees with the Commission that the partial decentralization of personnel authorities five years ago, while tending to satisfy short run regional and certain functional interests, has not served the Agency as a whole in equivalent measure and has proven to be a costly experiment. Accordingly, AID is moving toward recentralization of all personnel management functions, powers and authorities. Initially, it seems advisable to exclude the Bureaus for Latin America and Vietnam from the full consolidated organization which will become effective February 19, 1968. The Bureau for Vietnam will be brought in on February 1, 1969. Discussions are continuing with the U. S. Coordinator for the Alliance for Progress regarding the sharing of responsibility with central personnel. The Office of Personnel Administration is actively engaged in planning the reorganization and in initiating the re-engineering of personnel systems, both within its own present operations and within the Bureaus' sphere of responsibilities, for the purpose of facilitating and taking maximum advantage of recentralization.

The Director of Personnel now has access to the Administrator as recommended by the report. Equally important for better leadership, all personnel divisions and staffs are being grouped under the direction of

TRAINING AND CAREER DEVELOPMENT

Recommendations:

- That sufficient authority be recentralized to A/PA to allow it to direct career management programs for both the FS and GS employees of AID.
- That manpower resources be reallocated within the Foreign Service Personnel Division of A/PA, as necessary to accelerate the development of standardized AID foreign service job descriptions and occupational standards.
- That better assignment patterns and career development objectives be developed for GS employees, and that they be used as a basis for the determination of training requirements.
- That the three referenced recommendations of the 1964 Task Group, concerning determination of long-range requirements, identification of resources, and establishment of inventories of training needs, be accepted and implemented.
- That AID expand the supervisory training program to meet the demonstrated needs of the Agency to train its supervisors better for communicating with, counselling, evaluating, training and developing their subordinates.

Agency Response:

The new Office of Personnel and Manpower is to be responsible for the general management and coordination of all training, with the initial exception of a small portion of that conducted by the Vietnam Bureau. All career and manpower development planning and control is being centralized in the Office of Personnel and Manpower.

Since January 1967, 88 employees received supervisory training. In January 1966 detailed plans were prepared for the establishment of a comprehensive Agency-wide training Program for Management Effectiveness. Lack of funds have thus far prevented the actual undertaking of the program, but a somewhat smaller program will soon be launched. The Training Division conducted an intensive review of self-study materials on supervision, for trial use in overseas missions. Also, the Orientation Training Program was revised to incorporate greater emphasis on supervisory skills as part of human relations effectiveness training.

The Training Division has identified and maintained a list of Agency training resources in the many subject areas associated with the Orientation Training Program and the Program Documentation Course. In connection with measures taken to develop mid-career institutes, a survey

was conducted to identify officials to participate in the design of this type of training program. To date, 116 officials have been identified, 70 of them have participated in the development work.

Steps are being taken to expand employee orientation training. AID recently notified all Missions that hereafter they should plan for approximately 3 weeks of orientation training in Washington to prepare contractor employees for the living conditions and working environment which they will face abroad.

With relation to Title IX of the Foreign Assistance Act, seminars of senior personnel abroad have been commenced for the purpose of exploring possible methods of assisting cooperating countries in the development of their political institutions. Also, in order to render more effective Agency input into the program of the Far East Training Center, a senior AID technician has now been placed in full time residence in Hawaii. This is the center which provides special training to technical advisors on route to Vietnam and certain other Far East posts.

AID employees who do not possess high school diplomas have been identified. Special counselling, testing and training have been offered to 21 persons. During the last half of FY 67, 25 employees were given special training in stenographic skills to enable them to advance from otherwise dead-end positions. Further steps are being planned in AID's implementation of the Personnel Review Committee and MUST Programs.

PUBLIC POLICY AREAS

I. Equal Employment Opportunity

Recommendations:

Although progress is being made and AID has established a basis for a positive EEO program, further attention should be given to the following broad program areas:

1. The Equal Employment Opportunity "Plan of Action" is more a statement of general policy than a planned campaign of specific action. It should be more direct about proposed actions. It should:
 - Designate specific areas requiring special attention.
 - Set priorities and establish target dates for accomplishment of specific actions.
 - Provide for continuous evaluation of the program to identify, promptly, factors that may be inhibiting progress.
2. Accelerate implementation of Operation "MUST" (Maximum Utilization of Skills and Training) through the following:
 - Develop special training programs which will give employees, especially those in dead-end jobs, opportunities for training and advancement.
 - Redesign jobs, to the aide and technician levels so that disadvantaged persons have a better opportunity to obtain and advance in Federal employment.
3. Make it clear, through training courses and face-to-face meetings, that every supervisor has a personal responsibility in the Agency equal employment opportunity program and that "lip service" is not enough. Managers at all levels must understand that they have a duty in their official capacity to support the AID equal employment opportunity effort by action, to assure equal employment opportunity in their respective organizations.

Agency Response:

The Agency's Equal Employment Opportunity "Plan of Action" has been revised and the appropriate agency units have initiated action in accordance with the plan. Target dates have been set. All unit Deputy Equal Employment Opportunity Officers will assess progress on a quarterly basis.

Since the adoption of the plan, special attention, with some success, has been given to very difficult task of equalizing opportunity for appointment of minority personnel in GS-15 or higher positions and equivalent foreign service positions.

Grades GS-12 to 14 and equivalent foreign service classes, where good opportunity frequently exists, have also been the point of focus for the Agency's minority recruiter. He has given particular attention to avoidance of unreasonable barriers and entrance requirements for minority personnel.

Monthly civil rights seminars for supervisors have been developed and will begin on February 12, 1968.

A special Fair Housing Program was launched in November 1967 to provide improved opportunities for all AID employees.

In an effort to enhance the employment opportunities of employees, an intensive review of training potential of AID officers at the GS-11 through 14 levels has been undertaken. As a result of this exercise several minority employees have been identified for future training.

II. Federal Women's Program

Recommendations:

- We recommend that top management issue policy statements affirming their support of equal opportunity for women in AID and that the Agency develop a program to encourage the employment of women, particularly in the foreign service.

Agency Response:

AID has undertaken an analysis of the positions held by women in the Agency both in Washington and overseas. This study will serve as a basis for developing plans on the further utilization of women in senior agency positions.

AID recently reassigned responsibility for the administration of the Equal Opportunity for Women Program and is currently recruiting staff to implement this program.

D.Y.A.

SURVEY
OF
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AGENCY FOR INTERNATIONAL DEVELOPMENT

1966

THE PERSONNEL MANAGEMENT FUNCTIONS IN AID
PROPOSED REORGANIZATION

Personnel management in AID and its predecessor agencies has a history of being first centralized, then partly decentralized, and now (at the time of our review) being further recentralized.

Each of the four regional bureaus, the Office of Public Safety, and the AID/Washington Headquarters has its own separate personnel operation. To meet a need for better coordination and improved operational capability, the central personnel office has now established a recruiting division and has elevated the training function to division status.

Thus, at the time of the inspection AID personnel management had arrived at a crossroad. Pending decisions concerning which organizational elements will be given the responsibility, each of the bureaus and the central personnel office is organized to varying degrees to proceed on its own.

To a certain extent, at this time AID is staffed and organized to operate on both a centralized and decentralized basis. To illustrate, we note that a total of about 18 man-years is spent in the personnel offices of the Regions and the Office of Public Safety on the servicing of AID personnel in Washington, a function formally delegated to the Departmental Personnel Division of the Office of Personnel Administration.

Admittedly, there are factors affecting personnel management in AID which cause unusual problems and situations. These factors in themselves, however, do not preclude the need for discipline, efficiency, economy, and performance that is responsive to the needs of management.

Significant influences are found in the composition and distribution of the work force. Like the Department of State, of which AID is a part, AID overseas (direct hire) employees are Foreign Service Reserve or Foreign Service Staff. These employees are all given reserve or limited status. Approximately half of all AID employees are stationed overseas and most of those in Washington are Civil Service rather than Foreign Service. The heterogeneity and deployment of the employee population introduce special problems in career planning, equity of assignments, and position classification.

The existence of six semi-autonomous operating personnel offices and a central personnel office, all within the Washington headquarters of a moderate sized agency, introduces problems in planning and coordination and contributes to the continuing expansion of personnel staffs.

The current organizational structure for personnel management in AID is not serving the Agency well -- is not responding to the needs of the Agency. Even though over 400 man-years of effort are devoted to the support of line operation in an agency of 7,500 workers, and there is a ratio of one personnel worker to every 18 employees, managers seem largely dissatisfied with the service they receive.

AID appears to have more than enough personnel people to give management sound and timely advice on personnel matters. The fact that this is not always the case is due in large part, we believe, to faulty organization and distribution of personnel functions. Problems giving rise to these conclusions include the following:

- The proportion of personnel workers to those serviced is uncommonly high.
- There is some overlap and duplication of function between the operating personnel offices and the central personnel office.
- There is a marked lack of coordination in recruitment, in-service placement, and to a lesser extent training between the various personnel offices.
- This lack of coordination and, in some cases, lack of cooperation inhibits the Agency's ability to project and recruit externally for inter-bureau occupational needs. It means, too, that other Federal agencies which support AID with detailees and PASA's must negotiate with several bureaus, each with different procedures.
- The independence exercised by individual regional bureaus over the assignments of foreign service personnel under their purview is not in the best interest of the employees or the Agency. The decentralized assignment system makes the employee the virtual captive of one bureau (provided, of course, that he is a good employee) and has the effect of denying his skills to other bureaus where he may be able to make an even greater contribution. (An exception to this has been made in connection with the Vietnam crisis.) In short, AID is not managing its human resources in the best interest of AID as an independent, unified agency.

- The setting in which bureau personnel offices operate is such that a full range of professional personnel work is not demanded or apparently required by bureau management. As one high bureau official expressed it, "We really have no need for professional personnel work at the bureau level." Nevertheless, the bureaus have been permitted large personnel staffs which are overorganized and overgraded for the work to be performed. We believe that a thorough re-examination of the current organizational structure is therefore urgently needed.

Basic changes should be made in the distribution of functions, the delegations of authority, and the organization for personnel management. The changes we propose would not generally affect the line managers' basic personnel authorities to manage his assigned personnel, to participate in recruitment, or to make selection decisions on candidates for AID positions. We would rearrange personnel offices and personnel functions to provide better control and improve personnel operations generally. We would eliminate overlapping functions, reduce the necessity for extensive coordination and meetings, and greatly simplify personnel processes and organizational structure.

The Agency for International Development should develop an overall plan of centralization. To minimize disruption during implementation, centralization should be time-phased in the following order:

1. Centralize program development and coordination of training and employe development activities.
2. Centralize recruitment.
3. Centralize foreign service officer assignment, management advisory service, and personnel action processing.

A centralized personnel operation, of course, means that regional personnel offices must be abolished. We would expect, however, that each bureau would retain a small staff, perhaps one person, in its administrative office to prepare requests for personnel action and handle personnel details. We do not see a need for continuing professional personnel workers within the regional bureaus. Advice to managers on personnel matters we would expect to come from personnel specialists of the central personnel office.

Regardless of the final organization and position structure, there are several key elements that must be present if centralized personnel operations are to be successful:

- All personnel administration activities must be centralized; this includes the personnel operations of all bureaus and offices.
- The central personnel office must have strong professional leadership. Key positions must be staffed with the best people available. The leadership of the personnel office must be recognized and supported by the Administrator and top management. This means, above all, that the Director of Personnel must have direct and regular access to the Administrator on program matters, not simply troublesome cases. The Administrator should also consider, in the interests of continuity, staffing one of the two top personnel jobs with a civil service personnel specialist rather than using both positions for rotation of foreign service officers.
- The centralized personnel operation will, of course, fail completely if managers are not given timely service and continuing professional advice. It is important therefore that competent personnel specialists be assigned to provide this service to operating organizations and that they spend the bulk of their time working directly with the managers -- not processing papers.
- A key feature of our proposal is a greatly strengthened position management and position classification function for the central personnel office. We would place more responsibility for position management review, i.e., average grade, control of high grade positions, supervisory ratios, in the personnel office. In addition, we would expect to see regular classification and position management reviews including recommendations on organizational structure emanating from the classification staff on the personnel office.