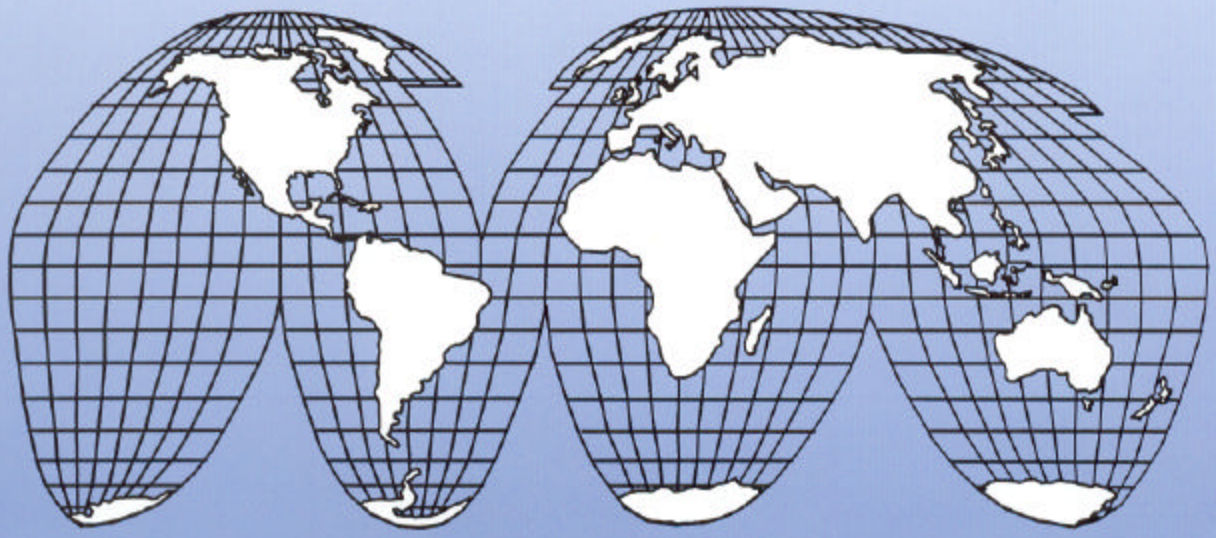
USAID

OFFICE OF INSPECTOR GENERAL

Audit of USAID's Workforce Planning for Procurement Officers

Audit Report Number 9-000-03-001-P

November 13, 2002



Washington D.C.

November 13, 2002

MEMORANDUM

FOR: M/OP, Tim Beans

FROM: IG/A/PA, Dianne L. Rawl /s/

SUBJECT: Audit of USAID's Workforce Planning for Procurement Officers (Report No. 9-000-03-001-P)

This memorandum is our final report on the subject audit. In finalizing this report, we considered your comments on our draft report and have included this response as Appendix II.

This report contains one recommendation. Though you concur with the overall recommendation, your comments address the barriers to successful design and implementation of the recommendation. We understand that implementation of all components of a workforce plan may not be within total control of M/OP; however, we do believe that developing a comprehensive plan, including a plan for collecting relevant data, would provide many benefits, including providing support for budget and staffing requests. Consequently, we do not consider a management decision to have been reached on the recommendation. Please provide within 30 days any additional information related to actions planned or taken to implement the recommendation.

I appreciate the cooperation and courtesy extended to my staff during the audit.

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Summary of Results

This audit was designed to determine, (1) how USAID's acquisition and assistance (A&A) function was organized and staffed, (2) what human capital trends were developing within the A&A workforce, and (3) if USAID had a human capital management plan for the A&A workforce.

The A&A function has two components: the Office of Procurement, located in Washington, D.C., and procurement offices located in USAID overseas missions. At the time of the audit, the Office of Procurement was staffed with 115 direct hire employees, which included an Office Director, two Deputies, and seven division chiefs. In addition, the procurement staff can also include occasional personal service contractors. The Washington workforce included both Civil Service and Foreign Service employees. The overseas A&A workforce consisted of 48 Foreign Service contract officers (COs) assigned to 30 USAID overseas missions, supplemented by U.S. and foreign national personal service contractors and foreign national employees (page 5).

Since 1997, USAID's procurement function has been the topic of numerous reviews. Consistent throughout the resultant reports were statements that there were insufficient numbers of procurement personnel, principally in the Office of Procurement but in the overseas missions as well. A&A employees consistently reported that their workloads were unmanageable and unfairly distributed between individuals and offices, causing stress and necessitating significant overtime (page 9).

The Office of Procurement (M/OP) has not developed a comprehensive workforce plan that covers its entire A&A workforce. As a result, workforce data needed to provide a basis for long-term recruitment and succession planning, workforce and budget requests, and training requirements for the entire procurement workforce have not been routinely collected and analyzed. Lack of a comprehensive plan puts the achievement of USAID's programmatic goals at risk (page 12).

This report includes one recommendation for the Director of Procurement to develop a comprehensive workforce plan for the USAID procurement workforce. This plan would serve USAID in making effective decisions in determining, recruiting, and assigning the appropriate number of procurement officers in Washington and overseas.

Background

USAID achieves development results largely through intermediaries—contractors or recipients of grants or cooperative agreements—and, as a result, efficient and effective acquisition and assistance (A&A) systems

are critical. USAID, the OIG, and the U.S. General Accounting Office (GAO) have identified USAID's A&A systems as a major management challenge and recognized that improvements are essential to the success of USAID's program objectives. A critical component of USAID's A&A system is its procurement workforce.

GAO has focused increasing attention on the federal government's strategic human capital management challenges, which include such key areas as: strategic human capital planning; leadership continuity and succession planning; acquiring and developing a workforce whose size, skills, and deployment meet agency needs; and creating results-oriented organizational structures. GAO reviewed the status of human capital management at 20 agencies for its report, *High-Risk Series An Update*, dated January 2001, and highlighted a significant problem at each agency. GAO's USAID-specific comments targeted the procurement function, stating, "Staffing shortfalls in the procurement area have hampered the agency's ability to initiate and monitor contracts, thus delaying reconstruction assistance in the wake of natural disasters in Central America and the Caribbean."

USAID is not alone in attempting to ameliorate A&A workforce problems. In the same report, GAO noted that:

> It is also becoming increasingly evident that agencies are at risk of not having enough of the right people with the right skills to manage large procurements. Past downsizing efforts coupled with a continuing loss of government's more experienced and valued acquisition workers have resulted in a huge knowledge drain. At the same time, the demand for skilled acquisition workers to manage outsourcing efforts is growing, as outsourcing becomes an increasingly popular avenue for delivery of government services. Acquisition workforce problems can be seen as part of a broader pattern of human capital shortcomings that have eroded mission capabilities across the federal government.

This audit focuses on human capital issues related to the A&A function within USAID.

Audit Objectives

This audit was conducted as part of the OIG's multi-year strategy for auditing USAID procurement activities.

The objectives of this audit were to answer the following questions:

How is the acquisition and assistance function organized and staffed?

What human capital trends are developing within the acquisition and assistance workforce?

Does USAID have a human capital management plan for the acquisition and assistance workforce?

Appendix I contains a discussion of the scope and methodology for this audit.

Audit Findings

How is USAID's acquisition and assistance function organized and staffed?

USAID's acquisition and assistance activities are performed by a workforce that is located both in Washington and in USAID's overseas missions and is composed of people working in a variety of capacities and employment categories. The workforce falls into three major groupings.

- U.S. Civil Service employees, who are assigned to the Bureau for Management, Office of Procurement (M/OP), located in Washington. This group includes contract specialists, purchasing agents, technicians, procurement analysts, auditors, support personnel and warranted procurement officers[1]. Civil Service employees may also undertake temporary duty assignments to support understaffed overseas missions and apply for temporary appointments as Foreign Service procurement officers.

- U.S. Foreign Service employees, who may work in M/OP but are generally assigned to overseas missions. This group includes warranted procurement officers, and executive officers with limited warrants.

- U.S. and foreign national personal service contractors and foreign national employees, who are hired by and work in USAID's overseas missions.

The Washington and overseas workforces are managed quite differently.

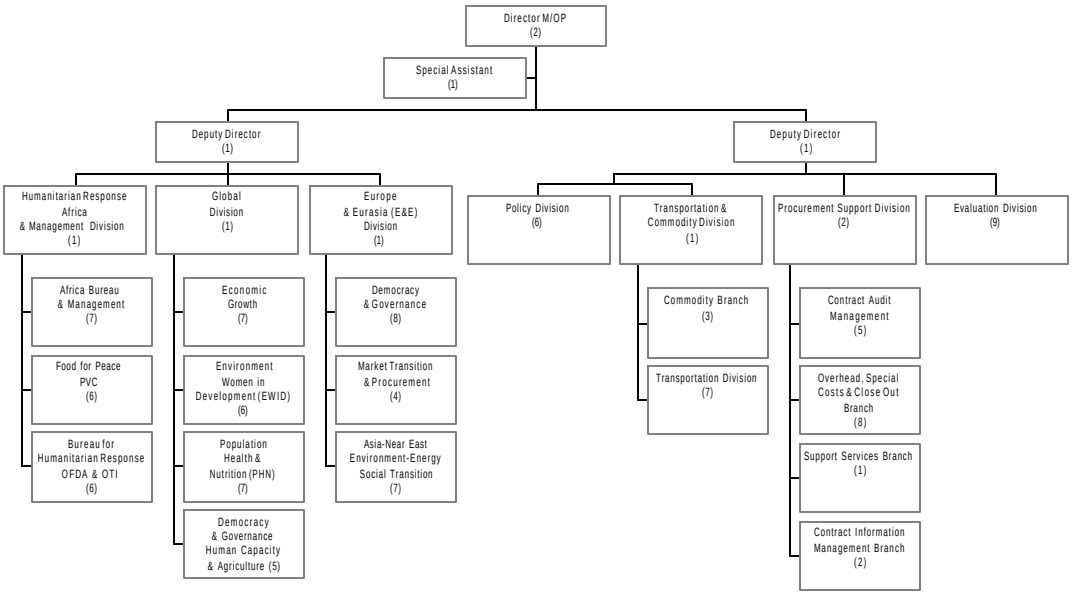
The Washington workforce: Although M/OP has primary responsibility for acquisition and assistance activities in Washington, certain senior

[1] A warrant delegates authority to individuals to negotiate, sign, and administer contracts on behalf of the U.S. Government.

officials in other Washington bureaus have also been delegated authority to award grants and certain interagency agreements. In addition, two of these bureaus have awarded contracts to acquire procurement services to support their program needs.

M/OP manages Washington-based Civil Service (GS) and Foreign Service (FS) procurement officials and on occasion personal service contractors hired by certain bureaus to augment the M/OP workforce. A Director, who at the time of the audit was also USAID's Procurement Executive, and two Deputy Directors head M/OP. The first deputy leads three divisions organized to process acquisition and assistance awards for the USAID/Washington bureaus and offices. The second deputy leads those divisions responsible for providing policy, evaluation, training, and systems support to Washington and overseas procurement. An M/OP organizational chart provided below identifies the branch activities subordinate to each division.

Office of Procurement (M/OP)
As of June 2002



The numbers shown above in parentheses denote the number of staff assigned within each branch/division

Each year, the Bureau for Management allocates a certain number of employee positions to M/OP to perform its responsibilities. The following table shows the status of positions allocated to M/OP during fiscal years 2000, 2001 and 2002.

Status of Positions Allocated to M/OP *(The data presented is unaudited)*				
	FY 1999	**FY 2000**	**FY 2001**	**FY 2002 Revised**
Positions Allocated	128	129	129	126
Beginning Balance	141	131	112	107
Year-end Balance	131 **123**/*8*	112 **105**/*7*	107 **102**/5	115* **111**/*4*

Bold = Number of Civil Service employees
Italic = Number of Foreign Service employees
* = Workforce levels as of June 30, 2002

M/OP's staffing allocation is determined as a part of staffing decisions made for its parent bureau, the Bureau for Management. Once a workforce level has been established for the Bureau, positions are allocated to the Bureau's component offices, including M/OP. Any increase in the allocation to one office would require a corresponding decrease in the allocation to another office. Such a reallocation occurred in fiscal year 2002, when M/OP's initial allocation of 129 positions was decreased to 126 at mid-year to provide positions to another office within the Bureau for Management.

According to officials within the Bureau for Management, M/OP's allocation is based on prior year allocations and not on a comparison between current staffing levels and an assessment of:

- the organization's responsibilities,
- the program and customer expectations of the organization, and
- staffing trends within the organization.

Although M/OP is composed primarily of Civil Service employees, as reflected in the table above, M/OP also includes a fluctuating number of Foreign Service procurement officers who are counted against M/OP's on-board staffing levels during their Washington tours. These Foreign Service officers could be assigned to Washington because (1) Washington is their first post of duty, (2) they are transiting between overseas assignments, or (3) they are on their periodic tour of duty in Washington. Some officials believe that M/OP must begin to plan for and set aside a larger number of positions for Foreign Service officers to accommodate a larger Foreign Service procurement workforce. However, an appropriate number has not been established.

The overseas procurement workforce: Just as USAID's Washington bureaus and offices have acquisition and assistance requirements

associated with their programs and operations, each USAID mission or post overseas has acquisition and assistance requirements of its own. The mission directors or principal USAID officers at each post serve as the head of that unit's acquisition and assistance activity and have limited A&A authority by virtue of their positions. For example, mission directors may award grants and non-personal services contracts that do not exceed $100,000 and sign personal service contracts that do not exceed $500,000. After receiving training, 13 mission directors were authorized to award grants that do not exceed $1 million to non-U.S. organizations. Mission executive officers, after receiving training, also have limited authority to sign contracts.

The overseas A&A activities are primarily the responsibility of one or more resident Foreign Service procurement officers, supported by foreign national employees or U.S. or foreign national personal service contractors. Alternatively, procurement staff resident at a neighboring or regional mission may perform these activities. Foreign Service contracting staff report directly to the Mission or Deputy Director.

As of June 2001, 48 Foreign Service procurement officers were assigned to the overseas units shown in the table below.

Overseas Procurement Organization

Africa	Europe & Eurasia	Asia & Near East	Latin America Caribbean
Botswana -3	Kazakhstan-1	Egypt-5	Bolivia-2
Ethiopia-1	Hungary-3	Jordan-1	Guatemala-1
Ghana-2	Ukraine-2	West Bank, Gaza-2	Dominican Republic-2
Madagascar-1	Russia-1	India-1	Peru-1
Mali-1	Georgia-1	Indonesia-1	El Salvador-1
Mozambique-1		Bangladesh-2	Colombia-1
Kenya-4		Philippines-1	Honduras-1
Senegal-2		Cambodia-1	
South Africa-1			
Uganda-1			

The numbers represent the number of direct hire procurement officers assigned to each respective location.

In addition, as shown below, approximately 230 individuals who are non-U.S. direct hires perform procurement-related functions as a part of their duties in USAID missions.

Number of Non-U.S. Direct Hires Performing Procurement Functions Overseas, as of September 2001, by Category *(The data presented is unaudited)*	
Employment Category	**Number**
U.S. Personal Service Contractor (PSC)	14
U.S. Employee on detail from another Federal agency	1
Third country national PSC	14
Foreign national PSC	191
Foreign national employees	10
Total	**230**

Each year, working within non-binding target workforce ceilings established by USAID's Office of Budget, managers in USAID missions and four geographic bureaus prepare workforce requests for their overseas Foreign Service workforces, which include procurement. The Office of Budget controls and monitors overall allocations and on-board staffing levels. Within agency-wide ceilings, when the demand for Foreign Service procurement officers exceeds supply, USAID will initiate a specialized recruitment effort. Mission managers also request and are allocated funds to hire U.S. and foreign national personal service contractors and foreign national employees to support USAID's Foreign Service procurement officers. Finally, M/OP supports overseas procurement with temporary duty personnel from Washington in those instances when Foreign Service procurement officers are absent from their posts for extended periods for such things as home leave.

What human capital trends are developing within the acquisition and assistance workforce?

Since 1997 several USAID-sponsored task forces and focus groups[2] have reported that USAID's employees, managers, customers, and procurement officials believe that there are serious problems within the procurement function, primarily in Washington but also overseas. An insufficient number of procurement personnel was the presumptive cause of these problems, typically supported with anecdotal, rather than objective

[2] For example, USAID convened a Workforce Planning Task Force in September 1997. In its November 1997 report it stated that M/OP contracting officers carried heavy workloads and that there appeared to be an unacceptably high rate of turnover among procurement staff. This condition was reported again in July 2001 by a consultant hired to assess four management systems, including procurement. Its report noted that M/OP's employees, managers, and customers believed that "procurement within the Agency was concerned that, because of vacancies in M/OP, there were not enough staff members to handle the work. Another consultant reported in fiscal year 2002 that workload comparisons across M/OP divisions and branches suggested staffing/workload imbalances due to the absence of a process within M/OP for realigning staffing and/or workload.

evidence. A&A employees consistently reported that their workloads are unmanageable and unfairly distributed between individuals and offices, causing stress and necessitating significant overtime. Although this working environment caused some to retire, separate, or transfer within USAID, most responders to an OIG questionnaire believed that procurement employees leave the agency primarily to obtain better positions or benefits.

During this audit, the OIG surveyed Civil Service and Foreign Service procurement officials (both in Washington and overseas) to obtain their views on a variety of human capital management issues that affect retention, including workload and staff distribution and recruiting, hiring and succession planning. Detailed information describing the surveys along with information pertinent to the survey respondents is described in Appendix I (page 17). Furthermore, the OIG also surveyed procurement personnel who worked in M/OP and subsequently separated from USAID, or changed career fields during the period October 1998 through March 2001.

The following tables address employees' opinions in the areas of workload (page 10), compensation and benefits (page 11), career development (page 11), and retention (page 12). Overall, a significant majority of the employees who responded to the survey found their work to be rewarding and challenging and believed they had received appropriate training to do their jobs. However, responses to other aspects of their employment with M/OP were not as favorable.

The following table indicates that a significant majority of the 47 employees who responded to the OIG questionnaire found their work to be rewarding and challenging. Notwithstanding these benefits, 87 percent believed that workloads were unbalanced and 85 percent stated that stress levels were high.

Employee Responses Regarding Workloads					
	Percent of Total Responses				Total Responses
	Strongly Agree	Agree	Disagree	Strongly Disagree	
Work is rewarding and challenging	30	55	13	2	47
Workload is manageable	0	15	28	57	47
Workloads are balanced across the procurement workforce	0	13	38	49	47
Stress levels are not too high	0	15	49	36	47
Management supports improvements	2	23	47	28	47

As shown in the following table, 67 percent of the respondents believe that the compensation and benefits package offered by USAID is unsatisfactory. This is significant as the responses to other OIG questions indicate that employees leave their USAID procurement positions most often in search of better benefits.

Employee Responses Regarding Compensation and Benefits					
	Percent of Total Responses				Total Responses
	Strongly Agree	Agree	Disagree	Strongly Disagree	
Compensation is fair and equal to that of other Federal agencies	7	26	38	29	45
Satisfied with benefits	6	45	45	4	47

Although employees felt that appropriate training is encouraged and provided, other aspects of their career development were not given sufficient attention. As shown, nearly 74 percent believed that management failed to recognize high performers. This dissatisfaction might be a reason that some seek better career opportunities elsewhere.

Employee Responses Regarding Career Development					
	Percent of Total Responses				Total Responses
	Strongly Agree	Agree	Disagree	Strongly Disagree	
Career path is defined, communicated and understood	0	40	30	30	47
High performing employees are recognized	0	26	48	26	46
Employees are provided the tools needed to do their jobs	2	41	40	17	47
Management provides feedback and guidance	13	55	17	15	47
Training is encouraged and available	11	59	28	2	47
Sufficient training is provided	15	51	30	4	47

A significant number of responders blamed weaknesses in USAID's personnel management and recruitment processes for the agency's inability to hire replacements at a pace that kept abreast of separations.

Employee Responses Regarding Retention					
	Percent of Total Responses				
	Strongly Agree	Agree	Disagree	Strongly Disagree	Total Responses
USAID is doing a good job at retaining its most talented people	0	4	40	56	45
Staff turnover is managed effectively and does not affect workload	0	9	39	52	46

USAID has not hired enough new procurement personnel to fill M/OP's allocated positions and keep pace with separations, retirements or transfers. To illustrate, 50 staff members separated from M/OP during the period from October 1998 to March 2001. Retirements accounted for 34 percent of the attrition, resignations accounted for 28 percent and transfers to other USAID offices or bureaus accounted for 38 percent. During this period, M/OP experienced a 24.8 percent overall attrition as turnover exceeded the number of additions to the M/OP staff.

In summary, surveys, including that performed by the OIG, indicate that USAID's procurement personnel find their work to be both challenging and rewarding. However, the same staff members also believed that, because of unfilled vacancies and poor recruiting and personnel management practices, their workloads were unmanageable and they were unable to perform all their responsibilities well. As discussed below, although the employees believed that USAID could do more to stem losses and fill vacancies, USAID managers have not collected the data needed to pinpoint the causes of attrition and unsuccessful recruiting efforts and make needed changes to retain qualified procurement personnel.

Does USAID have a human capital management plan for the acquisition and assistance workforce?

USAID has not developed a comprehensive workforce plan that covers its entire A&A workforce. The General Accounting Office has issued numerous reports intended to help federal agencies better manage human capital. The need for both agency-wide and unit-specific workforce plans was discussed in detail in a recent GAO Exposure Draft: *A Model of Strategic Human Capital Management*, GAO-02-373SP, released March 2002. In this report GAO reports that human capital planning should be a key component of agencies' efforts to build a results-oriented organization and achieve organizational goals. A human capital management plan for USAID's A&A workforce is particularly critical because USAID's goals and results will be achieved in large part through the contracts, grants, or

cooperative agreements awarded to intermediaries by the A&A workforce. M/OP has not developed a comprehensive workforce plan that covers its entire A&A workforce, although it does use annual requests for procurement staff submitted by overseas missions to initiate Foreign Service recruitments and to allocate funds for non-U.S. direct hire procurement personnel. Furthermore, neither M/OP nor USAID's Bureau for Management, Office of Human Resources (M/HR) routinely collected or analyzed workforce data needed to provide a basis for long-term recruitment and succession planning, workforce and budget requests, and training requirements for the entire procurement workforce. Lack of a comprehensive plan, including a plan to collect relevant data, puts the achievement of USAID's programmatic goals at risk. M/OP has not developed a comprehensive workforce plan because of the limited control it has over factors such as, allocated staffing levels and budget resources, and the assignment of Foreign Service officers.

M/OP has not developed a comprehensive workforce plan for the A&A workforce

Strategic human capital management is increasingly seen as an essential element of good governance. The need for both agency-wide and unit-specific workforce plans was discussed in detail in a recent GAO Exposure Draft: *A Model of Strategic Human Capital Management*, GAO-02-373SP, released March 2002. This publication promotes several concepts that GAO believes are essential to effective organizations. According to this publication, "people are an agency's most important organizational asset. An organization's people define its character, affect its capacity to perform, and represent the knowledge-base of the organization." It further reports that high-performing organizations use a fact-based approach to human capital management to maximize the value of human capital as well as manage risk. In a fact-based approach, valid and reliable data are critical. The types of data that can inform workforce planning efforts include but are not limited to: size and shape of the workforce, skills inventory, attrition rates, projected retirement rates and eligibility, deployment of temporary employee/contract workers, dispersion of performance appraisal ratings, average period to fill vacancies, data on the use of incentives, employee feedback surveys, feedback from exit interviews, grievances, or acceptance rates of job candidates.

Despite the widening gap between separations and new hires, neither M/OP nor M/HR routinely held exit interviews with departing employees, and officials in these offices did not collect information that could be used to determine why M/OP employees had decided to retire, separate, or transfer to other USAID offices. During the OIG audit, we surveyed 14 individuals who had separated from M/OP between October 1999 and

March 2001. Six of the respondents replied that their principal reason for leaving M/OP was the expectation of better opportunities elsewhere in USAID or with other organizations. Most did not leave for other career fields: eleven of the respondents continued their career in procurement-related positions subsequent to separating from M/OP. Recruiting and training new employees can be expensive for any organization and efforts to improve retention can reduce the need for these costs. Information gained by talking to departing personnel can help M/OP and M/HR uncover ways to make M/OP's A&A positions more attractive and satisfying to existing and new workers.

Information about the success or efficiency of specific recruitment efforts would also be useful to an effective recruitment effort. However, neither M/OP nor M/HR was able to provide the following information regarding efforts to hire procurement officials during the period October 1999 through March 2001:

- The average number of days that elapsed from receipt of an application to date of candidate interview, from interview to date of job offer, and date of job offer to onboard date.

- The number of employment offers made and number accepted.

- Amounts spent on recruitment of procurement officers.

- A statement of the knowledge and skills needed for current and future members of the A&A workforce and specific skills that should be targeted as a part of recruiting efforts.

- Guidelines or succession plans for ensuring continuity in key M/OP management positions.

- Analyses of the relationship between allocated staffing levels and M/OP and mission A&A workloads during fiscal years 1999 through 2001.

Workforce planning decisions should consider both the range of tasks to be accomplished and the size of the workforce needed to accomplish them. However, an agency team recently developed customer service standards for M/OP without developing data on the size, location, and skills of the workforce needed to implement them. As part of an agency-wide effort to meet the expectations of Executive Order 12862, "Setting Customer Service Standards," a USAID team developed standards for the acceptable performance of 28 major services provided by each of M/OP's seven divisions. M/OP officials said that the team did not consider the human capital needed for successful fulfillment of the standards. Business

decisions made without due consideration of the human capital needs they entail or the human capital approaches required are not likely to be successfully implemented.

Because an effective A&A function is so critical to the successful achievement of USAID's goals, we are making the following recommendation to help ensure that USAID has the right people, with the right skills, in the right place, and at the right time to carry out USAID's A&A responsibilities as efficiently and effectively as possible. In our opinion, this recommendation would facilitate USAID in making effective decisions in determining, recruiting, and assigning the appropriate number of procurement officers in Washington and overseas.

Recommendation No. 1: We recommend the Director of Procurement develop a comprehensive workforce plan for the USAID procurement workforce. A comprehensive workforce plan should include a mechanism for collecting and analyzing data related to the procurement function to allow managers to compare current staffing patterns to developing trends, initiate recruitment and training programs, match staff to workloads, and quickly adjust when unbalanced workloads develop.

Management Comments and Our Evaluation

In response to our draft report, M/OP management overall concurred with the recommendation to develop a more comprehensive workforce plan for USAID's procurement workforce. However, M/OP management questioned whether a plan could be developed and implemented, given the limited control M/OP has over factors such as, allocated staffing levels and budget resources, and decisions regarding Foreign Service officer assignments. M/OP commented that, without a comprehensive Agency-wide workforce plan, it might not be able to implement its own plan.

M/OP's concerns should not prevent it from developing plans to collect and analyze data related to the procurement function that would allow managers to compare current staffing patterns to developing trends, initiate recruitment and training programs, match staff to workloads, and quickly adjust staffing patterns when unbalanced workloads develop. In fact, the audit recommendation if implemented might assist M/OP with the management challenges it faces. The data generated from the recommended comprehensive workforce planning process could serve as justification for increased staffing and budget allocations. Because management has not provided a plan of action for implementing Recommendation No 1, we do not consider that a management decision has been reached.

Management also suggested some changes and corrections to the draft report, all of which we have incorporated into the final report. Management comments are included in their entirety in Appendix II (page 19).

Scope and Methodology

Scope

The audit was conducted in accordance with generally accepted government auditing standards. The Performance Audits Division of the Office of Inspector General conducted the audit to determine, (1) how USAID's acquisition and assistance (A&A) function was organized and staffed, (2) what human capital trends were developing within the A&A workforce, and (3) if USAID had a human capital management plan for the A&A workforce. We reviewed staffing-related information for the period covering October 1999 through June 2002. We did not perform tests to examine management controls of the A&A function nor has the OIG performed prior audits of M/OP's workforce planning process. We conducted the audit fieldwork between June 25, 2001 and July 31, 2002 in USAID/Washington. An exit conference was conducted with the Director of M/OP on September 5, 2002 to discuss the results of the audit.

Methodology

To accomplish the audit objectives we performed the following procedures:

- Reviewed regulations relating to workforce planning;
- Conducted interviews with eight of the nine M/OP Branch Chiefs, five of the seven M/OP Division Chiefs, and both the M/OP Director and two Deputy Directors;
- Developed a questionnaire to survey employees who resigned from M/OP;
- Reviewed “Best Practices” documentation from several other federal agencies to determine how other agencies managed workforce planning; and
- Conducted research through the Office of Personnel Management workforce planning website on workforce planning done by other federal agencies.

In addition to the procedures outlined above, a survey questionnaire was developed for purposes of collecting information to identify human capital trends developing within the A&A workforce. The survey was structured into four sections. The first section collected general employment data (e.g., number of years in procurement, number of years of work at USAID, job series, grade, etc.). The second section collected data on USAID's recruitment and hiring process. The remaining sections asked respondents to indicate their level of satisfaction with various areas of employment and retention efforts in the Office of Procurement and

USAID. We conducted an analysis of the collected data in order to identify common responses and specific issues regarding the recruiting, hiring, retention, and succession planning efforts within M/OP. Descriptive information relative to the universe of employees surveyed and corresponding respondents is provided in the following table:

Information about Respondents	
Number of employees who received the questionnaire	147
Number of surveys received *	53
Number of respondents who are GS	32
Number of respondents who are FS	21
Average number of years of government service	18.4
Average number of years with USAID	10.9
Average number of years in the procurement field	14.5
Average number of years in the procurement field with USAID	8.8

*A total of 53 surveys were received. However of these 53, six surveys were not sufficiently completed to incorporate into the summary calculations.

Management Comments:

U.S. Agency for International Development

MEMORANDUM

TO: IG/A/PA, Roosevelt Holt, Jr.

FROM: M/OP, Timothy T. Beans

SUBJECT: Draft Report - Audit of USAID's Human Capital Staffing of Procurement Officers

Thank you for the opportunity to review and provide our comments on the draft audit report. Overall, we concur with the recommendation to develop a more comprehensive workforce plan for USAID's procurement workforce. Our biggest concern is whether we can, in fact, develop and implement a plan with reasonable success given the limited control we have over many factors such as what our FTE level will be from year to year, what budget resources will be available, where foreign service officers will be placed, when foreign service officers may need to return to Washington. Without a comprehensive Agency-wide workforce plan that is actually used to manage the Agency's workforce, we may not be able to implement our plan.

As the report notes, there are a number of difficult factors involved in assessing workforce needs as well as retention factors. In regard to retention incentives, M/OP has made various recommendations (e.g., higher on-the-spot awards, tuition reimbursement), but we have had limited Agency resources to implement them, or they have been dependent upon

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other offices within USAID to provide the authority to implement. We have undertaken some tuition reimbursement with our own budget resources given the importance we place on this matter. With regard to staff departures, we plan to undertake a more consistent effort discern staff reasons for leaving USAID's procurement workforce.

We have learned from our recruitment efforts over the past two years with an open continuous announcement at the GS 9-13 level. A continuous announcement is very difficult to manage, requires continuous resources, and may not correspond to specific recruitment needs at any one time due to attrition and needed skill levels. In regard to recruitment incentives, M/OP has also made various recommendations (e.g., recruitment bonuses, outreach conferences), but we have only been able to utilize them in some instances due to limited funding resources. Our most recent thoughts on recruitment are to alternate between entry-level positions (GS 5-7) and more experienced career ladder positions (GS 9-13), and to undertake 2-3 recruitment cycles during the course of a year given the difficulty in being able to predict needs and skill levels at any onetime. In regard to USAID's foreign service (FS) workforce, recruitment is more institutionalized among M/HR and M/OP, and typically involves two recruitment cycles per year. This knowledge will be quite helpful in developing a workforce plan.

In addition we have a couple of comments on the language of the draft report. On page 5,the second bullet identifies Mission Directors as part of the A&A workforce. While Mission Directors perform certain A&A functions, it doesn't seem appropriate to categorize them as part of the A&A workforce. Particularly since the audit is geared towards having the OP director develop A&A workforce plans. Mission Directors can't be included in any such plan except a recognition that they can sign some awards - clearly they need staff to do it. If discussion of Mission Directors remains, the discussion at the bottom of page7 and the top of page 8 needs to be changed. In the second line, top of page 8, strike "may be vested with" and replace with "has". In the next line, change the line as follows: "limited A&A authority by virtue of their position." Next line, change to "grants and non-personal services contracts that do not exceed $100,000,...."

CC: IG/A/PA, Catherine Trujillo
M/MPI, Diane Travis