

Human Capital Goal #3

Performance Culture

An agency's culture is composed of a set of behavioral norms and expectations under which employees can function and deliver specific outcomes. Instilling a results-oriented culture has been shown to increase performance, motivate individuals and teams, and increase satisfaction and loyalty of employees and customers.

NRCS is committed to creating a culture that maximizes diversity, promotes high performance, ensures accountability, and empowers staff to take an active part in determining and achieving strategic goals.

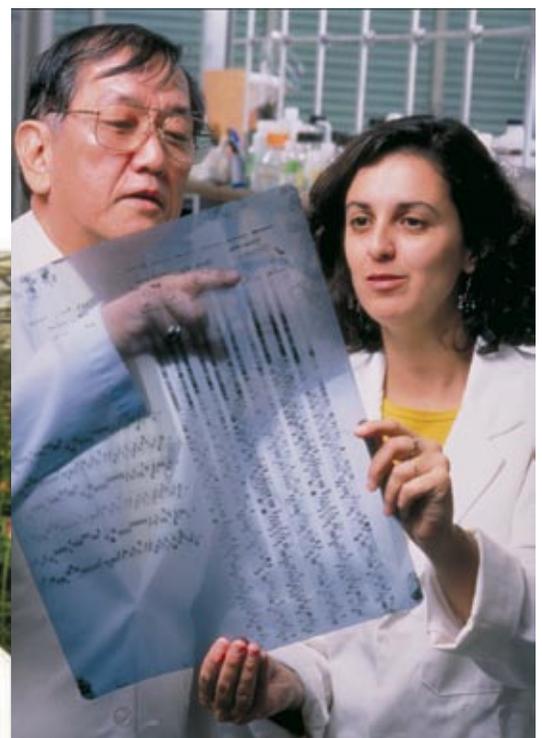
To sustain high levels of performance, NRCS plans to establish mechanisms for enhancing information sharing between leaders and staff; improve the current performance management system; foster an inclusive environment where diversity

is maximized; and enhance processes for resolving workplace conflict. NRCS leaders will be responsible for removing barriers to progress.

We will evaluate the effectiveness of existing processes for eliciting employee feedback and involvement. Enhancement to the processes will be made as necessary to ensure all employees are knowledgeable of and have a role in planning and executing the Agency's mission.

The Agency's strategic plan has been shared with and is accessible to all employees via the national Web site. Employees will have a direct line of sight between the NRCS mission, performance expectations, and recognition systems. Each will be held accountable for achieving results that support the Agency's mission goals and objectives.

Advance to a results-oriented culture that fosters innovation, motivates staff, and sustains a high performing, diverse workforce.





NRCS will implement a performance management system that effectively plans, monitors, develops, rates, and rewards employee performance. In addition, this system will differentiate between high and low levels of performance, and effectively link individual/team/unit performance to organizational goals and desired results.

The performance management system will ensure that supervisors and managers use performance results to offer feedback, identify developmental needs to help improve employee performance, and address instances of poor performance.

We plan to track the percentage of “outstanding” ratings to ensure that there is a relationship between these and the level of achievement of our strategic goals and objectives and our annual performance plan accomplishments.

NRCS plans to implement strategies to recognize and reward individual and team achievements that contribute to meeting Agency goals or improving the efficiency, effectiveness, and economy of the Agency and the federal government in general. Such awards include, but are not limited to, employee incentives

which are based on predetermined criteria, performance ratings, or special acts or service.

We plan to create a “reward environment” beyond compensation and benefits that contributes to attracting, retaining, and motivating employees.

Our ongoing commitment is to promote a high performance culture that contributes directly to accomplishing the Agency’s mission. The NRCS approach is reflected in the following objectives and outcomes:

Performance Culture Objectives and Outcomes

- 1. Develop and implement strategies to ensure the effectiveness of diversity programs and practices.**
 - a. Diversity programs and practices that foster an inclusive environment have been created and barriers to effective implementation have been identified.
 - b. Barriers to effective diversity programs and practices have been removed.
 - c. Diversity programs and practices are evaluated regularly to increase effectiveness.

- 2. Implement a performance management system that aligns employee performance plans with organizational goals, focuses on achieving results, and includes clear performance expectations and measures.**

- a. Organizational goals have been cascaded into employee performance plans.
- b. Managers effectively set performance expectations and provide regular feedback to staff.

- 3. Implement compensation (pay, reward, recognition) structures and practices that distinguish between levels of performance, recognize contribution, and reward merit.**

- a. Compensation structures that distinguish between levels of performance have been created and implemented (practices are transparent across the Agency).
- b. Compensation structures are evaluated regularly and adjustments are made as needed.



Human Capital Goal #4

Talent Development/ Knowledge Management

Knowing what to do and how to do it in order to meet mission goals is critical to the ongoing success of individual NRCS employees as it is to the success of this Agency. As we tackle the challenges of the NRCS strategic plan, employees must continue to focus on better ways to do their jobs. NRCS leaders must work with staff to identify knowledge, skill, and competency gaps and provide ongoing opportunities for training, development, and information sharing, so that every employee can maximize their contribution to the Agency's mission.

NRCS plans to develop competency models that will identify future mission critical positions and associated skill sets. While the Agency will start by building competency models for mission critical positions, the desired outcome is to have competency models for all disciplines—technical, administrative, and programmatic. Once the models are developed, the organization can assess the skills and capacity of the current workforce and identify future needs that will be driven by the Agency's strategic goals. This process will lead to

an analysis which will identify developmental needs and actions to close the gaps.

The result will be the creation of a culture of continuous learning. This will require a shift for the Agency in order to ensure a consistent approach. Individual development and knowledge sharing must become core values that are recognized and rewarded. Professional growth must be viewed from the perspective of getting the right information to the right people at the right time to effectively get the job done.

Leaders will be held accountable for fostering a learning culture that provides opportunities for

Develop, promote, and retain a culture of continuous learning to ensure that the workforce has the knowledge, skills and abilities to achieve the Agency's strategic goals.

continuous development and encourages employees to participate. NRCS leaders will invest in education, training, and other developmental opportunities to help employees build mission-critical competencies. We plan to employ appropriate and innovative technologies and strategies and evaluate the impact in terms of learning, performance, work environment, and contributions to strategic goals.





Strategies that NRCS will deploy to close competency gaps include enhancing our career development process with defined career paths, coaching, counseling, and employee developmental planning. Training will be delivered “just-in-time” to meet workforce needs, blending classroom and computer-based training with hands-on, on-the-job development.

NRCS recognizes the close relationship between talent development and knowledge management. With a large portion of the workforce approaching retirement, it is critical that NRCS preserve the institutional knowledge that has contributed to our success.

NRCS plans to develop and implement a process that provides a means to systematically share critical knowledge across the Agency. Tools, resources, and programs that facilitate and reward gathering and sharing knowledge within and outside NRCS will be available to employees to improve individual and collective performance.



Talent Development/ Knowledge Management Objectives and Outcomes:

1. Develop competency models that identify the future skills that NRCS will need to be successful in achieving strategic goals.

- Skills for mission critical, administrative, technical, and programmatic positions have been identified.
- Competency models have been constructed and are accessible to all employees.
- Strategic partnerships with universities have been formed for curriculum assessment and development.

2. Assess skills of current workforce.

- Skill assessment tools have been created.
- Inventory of skills has been completed.
- Skill gaps have been identified.

3. Implement strategies to close competency gaps created by differences in skill requirements for achievement of strategic goals and current competencies of the workforce.

- Individuals that demonstrate continuous learning competencies are recognized and rewarded.
- Processes for measuring levels of effectiveness for training and development activities (reaction, skill transfer, and productivity) have been implemented.
- Career Development Process has been implemented (defined career paths, career coaching, counseling, and employee development plans).
- Process for development and delivery of training has been evaluated and improvements have been implemented.

4. Implement Strategies to preserve organizational (institutional) knowledge.

- Knowledge management strategy has been developed (people, process, technology and content).
- Standard operating procedures (SOPs) have been documented and are updated regularly.
- Database to capture, store, and access information that has been developed.
- Strategies for sharing and preserving information have been implemented (initial focus on individuals eligible for retirement).



Human Capital Goal #5

Human Capital Effectiveness

Effective human capital management is a critical component in achieving the Agency's mission. In the future, NRCS must successfully integrate all of its human capital components, such as organizational structure, distribution of human resources, alignment of the HCSP with Agency and Departmental strategic plans, and an accountability system that ensures effective utilization of its human resources. Achieving results is the shared responsibility of NRCS at all levels. Across the board, management's commitment is particularly critical to the success of any human capital program or plan. If the HCSP is to be effective, every NRCS employee should be in the right job and understand how his/her work contributes to the successful accomplishment of the overall Agency mission and goals.

The Agency's business and human capital drivers suggest that key elements of human capital effectiveness include ensuring that individual and organizational performance are linked; building workforce capacity through both formal and on-the-job training and development; and aligning human capital policies to support mis-

sion goals. To attain the latter, we must develop and support a workforce that is held accountable and rewarded for achieving results.

As NRCS moves forward, we will need an organizational structure that is flexible and readily adaptable to changing business conditions. In addition to meeting customer needs, this structure will provide for the deployment of resources and take advantage of alternative staffing strategies that mix internal and external resources.

Human capital policies will be examined to ensure they demonstrably support business results. Within the next few years, a predicted retirement surge will result in a critical loss of knowledge and experience that will create staff and skill shortages, especially in leadership positions. Productivity gains, efficiencies from technology, and overall reductions in the federal workforce potentially translate to fewer hiring opportunities to replace experienced NRCS workers. As an Agency, our workforce planning processes must accurately forecast human capital needs and be closely aligned with recruitment, retention, and development strategies.

Ensure that Human Capital Management is recognized as a critical component of the Agency's mission and that human capital strategies, programs and systems are aligned and measured to effectively achieve Agency goals.





As the competition for new talent increases and retention of valued employees becomes more challenging, it will be imperative that NRCS has well-established workforce planning processes.

In order to continue improving the Agency's position as a competitive employer and maintain a capable workforce that can ensure organizational success, we will focus on pivotal workforce issues and continue to strengthen the linkage between human capital and business strategies.

This goal provides flexibility so that each NRCS unit can customize human capital plans to achieve mission priorities, while further enhancing strategic focus and demonstrating how and where value is added. The unit goals, strategies, and approaches will continue to reflect specific human capital needs and form an integral part of our overall strategic planning, budgeting, and performance management processes as required by the Government Performance and Results Act (GPRA).

NRCS will continue to make steady progress toward aligning all human capital strategies and practices to more effectively and efficiently support our overall mission.

Human Capital Effectiveness Objectives and Outcomes

1. **Design an organizational structure that allows the right mix and distribution of the workforce (internal and external resources) to best support the Agency mission and strategic goals.**
 - a. Flexible structure that adapts to changing business needs is in place.
 - b. Structure aligns with customer needs.
 - c. Use of external resources (partners, TSP, ACES, volunteers) has been maximized.
2. **Align Human Capital Management strategies with mission, goals, and organizational objectives and integrate into strategic plans, performance plans, and budgets.**

- a. Human capital management systems are aligned with the Agency strategic plan, budget, performance, and annual business plans.
- b. Technological expertise and tools are used to align future needs.

3. Design a Workforce Planning process, which aligns with the Agency's strategic and annual business plans, and is used to make decisions on structuring, developing, and deploying the workforce.

- a. Annual business forecasting process for anticipating changes to human capital has been implemented.
- b. Workforce planning process has been designed and implemented.
- c. Workforce planning process is aligned with recruitment, retention, and development strategies.
- d. Performance measures, workforce trends, and technological advances are tracked regularly to meet customer/ Agency needs.

4. Implement an accountability system that monitors and measures the results of human capital management policies, programs, and activities.

- a. Accountability system has been developed.
- b. Accountability system has been implemented.
- c. Results are reported quarterly to senior leadership and progress published on the Intranet.





Next Steps for the NRCS Human Capital Effort

This Human Capital Strategic Plan provides strategic direction in the management of the workforce for the next five years. The challenges that we face and the strategies for addressing them have been captured in this plan. NRCS will encounter many of the same human capital challenges as other Federal Agencies and organizations. We also face unique challenges related to our mission of “Helping People Help the Land;” cooperative conservation increasingly requires broader collaboration and technical expertise.

With the strategic plan as our roadmap, we have the opportunity to implement human resource strategies that will enable us to better fulfill the Agency’s mission, to enhance our service delivery, and improve overall management and deployment of our diverse workforce. The successful implementation of our Human Capital Strategic Plan is an Agency priority and has been assigned to the Chief’s Executive Team (CET). The CET will provide direction and resources during the implementation phase. The team will lead the development of an implementation plan that includes task assignments, timing, milestones, and the identification of the necessary resources.

The first step in the implementation process is to establish roles and responsibilities for implementation and ongoing monitoring of progress. The second step is to define the specific actions needed to implement this Plan. The CET will work closely with an implementation team to track progress in achieving desired outcomes, in promoting collaboration, and in assuring that the team has Agency-wide support for implementation. We expect the implementation process to be rigorous, employing the Human Capital Scorecard, in accordance with the President’s Management Agenda. This will serve as the major benchmark against which to assess results, including the need for revisions or additions to the goals and objectives outlined in the HCSP. The implementation team will work closely with the Core Team to implement the Plan. This team will be comprised of representatives from across organizational and functional areas. Implementation will be a collaborative effort between senior managers, human resources managers, and program managers. The Team will foster communication, cooperation, and consultation as the plan is implemented.



Human Capital Glossary

Definitions of key terms used throughout the NRCS Human Capital Strategic Plan. This glossary of terms has been adapted from the Office of Personnel Management's HCAAF Web site. For additional information visit http://www.opm.gov/hcaaf_resource_center/2-2.asp.

Accountability System: A system that contributes to Agency performance by monitoring and evaluating the results of its human capital management policies, programs, and activities; by analyzing compliance with merit system principles; and by identifying and monitoring necessary improvements.

Agency Annual Performance/ Budget Plan: A combined performance and budget plan prepared yearly by agencies. Agencies are required to submit these plans in accordance with OMB Circular No. A-11, July 2004. This combined document must satisfy all statutory requirements for an annual performance plan as dictated by the Government Performance and Results Act (GPRA). A performance/budget plan relates specific program performance goals to the accomplishment of the Agency's long-term strategic goals.

Agency Strategic Plan: A formal description of how an Agency will carry out its mission over a period of time. The strategic plan must include the Agency's mission, its strategic goals, the strategies to be used to achieve the goals, a description of the relationship between annual program performance goals and the Agency's strategic framework, key factors that could affect the achievement of strategic goals, and a description of program evaluations used in preparing the strategic plan. The Government Performance Results Act (GPRA) requires agencies to develop and maintain strategic plans covering a 5-year period; the plan is updated every 3 years.

Alignment: The positioning of the human capital system's policies, practices, and strategies in relationship to the Agency's strategic plan and performance plan, so what is done in the system is in direct support of the Agency's mission, goals, and objectives.

Best Practice: An innovative and creative human resource (HR) practice, project, activity, or program that facilitates achievement of the organization's mission. The relationship between the practice and its applicability to enhancing the mission is clear, and the practice is easily replicated by other organizations with similar circumstances. Best practices may be considered to be tested solutions to common business challenges.

Coaching: Observing an employee at work and providing feedback and facilitative problem solving to enhance performance and correct deficiencies. Coaches use timely feedback to reinforce positive behavior or correct actions that are not consistent with the Agency's mission or vision. Coaching focuses on helping an employee develop the skills and knowledge required to perform effectively.

Competency: An observable, measurable set of skills, knowledge, abilities, behaviors, and other characteristics an individual needs to successfully perform work roles or occupational functions. Competencies are typically required at different levels of proficiency depending on the specific work role or occupational function. Competencies can help ensure individual and team performance aligns with the organization's mission and strategic direction.

Competency Gap: The difference between the projected or actual availability of mission-critical competencies and the projected or actual demand for such competencies. Identification of current or future gaps typically addresses the size, composition, and competency proficiency levels of the workforce.



Competency Model: A framework that describes the full range of competencies required to be successful in a particular occupation. These models usually describe the required occupation-specific, or technical, competencies and general cross-occupational competencies (e.g., analytical competencies). Competency models are used to support key human capital programs such as selection, career development, training, and performance management.

Competency-Based Career Development

Program: A program that focuses on the development of competencies so that employees acquire the critical skills and knowledge needed to perform their jobs and advance in their careers. Competencies define the clusters of knowledge and skills collectively needed for successful job performance and are directly related to achieving the Agency's mission and goals. Through competency-based career development programs, agencies ensure they cultivate the skills and knowledge needed by the workforce to carry out mission requirements.

Compliance: The process of adhering to the merit system principles and related laws, rules, and regulations for which Federal leaders, managers, supervisors, and employees are held accountable.

Continuous Learning: The constant development of increasingly complex behaviors; the process of building more complicated skills on top of those already developed. Individuals that exhibit continual learning grasp the essence of new information; master new technical and business knowledge; recognize own strengths and weaknesses; pursue self-development; seek feedback from others and take advantage of opportunities to master new knowledge.

Critical Success Factors: The areas on which agencies and human capital practitioners should focus to achieve a system's standard and operate efficiently, effectively, and in compliance with merit system principles. Each of the five HCAAF systems is based on critical success factors that make up the overall system. For example, Change Management and Diversity Management are two critical success factors associated with the Leadership and Knowledge Management system.

Effectiveness: The level of achievement of program goals and the results intended (as defined in strategic plans and in legislation). Examples include the percentage of trainees employed 1 year after completing job training and the percentage of customers/employees satisfied in relation to relevant indices.

Efficiency: The ratio of the outcome or output to the input of any program; the degree to which programs are executed or activities are implemented to achieve results while avoiding wasted resources, effort, time, and/or money.

Government Performance and Results Act of 1993

(GPRA): The primary legislative framework through which agencies are required to set strategic goals, measure performance, and report on the degree to which goals are met.

Human Capital Accountability: The responsibility shared by leaders, Chief Human Capital Officers, line managers, and human capital practitioners for ensuring people are managed efficiently and effectively in support of Agency mission accomplishments and in accordance with merit system principles.

Human Capital Investment: Identifying and using resources, including time and money, to ensure the workforce has the information, skills, and competencies needed to work effectively in a rapidly changing and complex environment as part of the Agency's effort to achieve cost effective and timely results.

Intrapreneur: An employee who exhibits entrepreneurship encouraged by blending entrepreneurial creativity with the stability of a large organization.

Leadership and Knowledge Management System:

A system that ensures continuity of leadership by identifying and addressing potential gaps in effective leadership and implements and maintains programs that capture organizational knowledge and promote learning.

Leadership Competency Model: A model that describes the sets of skills and abilities required for individuals to guide the workforce. In the federal sector, OPM's 1998 Leadership Competency Model (comprised of 27 competencies grouped by five broad dimensions) is the accepted model. It reflects the qualifications necessary to succeed in the Governmentwide Senior Executive Service and is also used by agencies in selecting managers and supervisors.

Leadership Development Program: A program with the purpose of ensuring (1) current leaders continue to develop and "grow" the knowledge and skill necessary to effectively lead the organization, and (2) when a leader leaves a job, an equally talented and prepared employee in the organization is ready to step in and assume the responsibilities of the position. A leadership development program might also be designed to ensure that the organization has a recruitment strategy in place to attract the type of person needed for the leadership position. Successful leadership development programs are typically based on a well-defined set, or model, of leadership competencies.

Mentoring: A formal or informal relationship between senior and junior employees for the purpose of supporting learning and development. A mentor holds a higher position and is usually outside the employee's chain of supervision. Informal mentor/protégé relationships often develop in the workplace or in a professional group. When agencies establish formal mentoring programs, they assign mentors to protégés and provide formal orientation to them about their roles. Agencies typically target groups of people for mentoring who would most benefit from the mentoring process and identify mentors who are able to provide guidance effectively. Mentoring techniques include coaching, role modeling, career development advice, etc., to foster the protégé's individual growth and career development.

Merit System Principles: Nine principles found in 5 U.S.C. 2301 by which federal personnel management is to be implemented. Consequently, the merit system principles provide guidance for how managers should manage their human resources. These principles are the foundation of the entire Federal Human Capital Management System. The Merit System evolved to ensure selections for federal jobs would be open, competitive, and free of political coercion.

Mission-Critical Occupations: Occupations agencies consider core to carrying out their missions. Such occupations usually reflect the primary mission of the organization without which mission-critical work cannot be completed.

Performance Goal: A target level of performance expressed as a tangible, measurable objective against which actual performance can be compared, including a goal expressed as a quantitative standard, value, or rate.

Program Evaluation: An assessment—through objective measurement and systematic analysis—of the results, impact, or effects of a program or policy; the manner and extent to which Federal programs achieve intended objectives. Program evaluations also are frequently used to measure "unintended results" (good or bad) which were not explicitly included in the original statement of objectives or were unforeseen in the implementation design. Evaluation, therefore, can serve to validate or find errors in the basic purposes and premises that underlie a program or policy.

Results-Oriented Performance Culture System: A system that promotes a diverse, high-performing workforce by implementing and maintaining effective performance management systems and awards programs.

Staffing/Hiring Strategy: A strategy or plan for recruiting and hiring based on the Agency's strategic goals and objectives. It includes analyzing and establishing viable recruitment sources that will produce candidates with mission-critical competencies and fill the vacancies in the organization, and targeting these sources for recruitment efforts. A staffing/hiring strategy is designed and executed to help establish the model organization.

Standard: A description of the critical human capital management outcomes for agencies to strive toward in each of the five HCAAF systems. For example, the standard for the Talent Management system is that the Agency has closed skills, knowledge, and competency gaps/deficiencies in mission-critical occupations, and has made meaningful progress toward closing similar gaps and deficiencies in all occupations of the Agency.



Strategic Human Capital Management:

The active alignment of the talent, energy, knowledge and enthusiasm that people invest in their work, with the strategic objectives of the organization [Jeanne DiFrancesco, Pro-Orbis]. Leaders and managers can maximize their human capital assets by leading from the perspective that human capital produces sustained advantage; and by actively advancing the relationships among strategy, organizational design, deployment of talent, and results.

Strategic Human Capital Plan: A plan that sets forth how the Agency’s human capital management strategies will be aligned with the Agency’s mission, goals, and objectives through analysis, planning, investment, and management of human capital programs. Broadly stated, the plan describes what the Agency will do to ensure its employees have the mission-critical competencies required to carry out the Agency’s strategic goals. This includes workforce planning and deployment, including succession planning; recruiting and retaining talent; achieving performance goals; and addressing unique programmatic challenges.

Talent Management System: A system that addresses competency gaps, particularly in mission-critical occupations, by implementing and maintaining programs to attract, acquire, develop, promote, and retain quality talent.

Training Needs Assessment: An identification of the gaps between the knowledge, skills, and abilities or competencies employees have and those they need to do their work effectively. A training needs assessment helps determine which employees need training and in what areas, and forms the basis for Agency training plans. Many sources of information exist to help agencies conduct a training needs assessment, including employee skills assessments against established competencies, Individual Development Plans, focus groups, workforce surveys, organizational performance data, etc.



Appendices

Appendix 1- NRCS Human Capital Strategic Plan



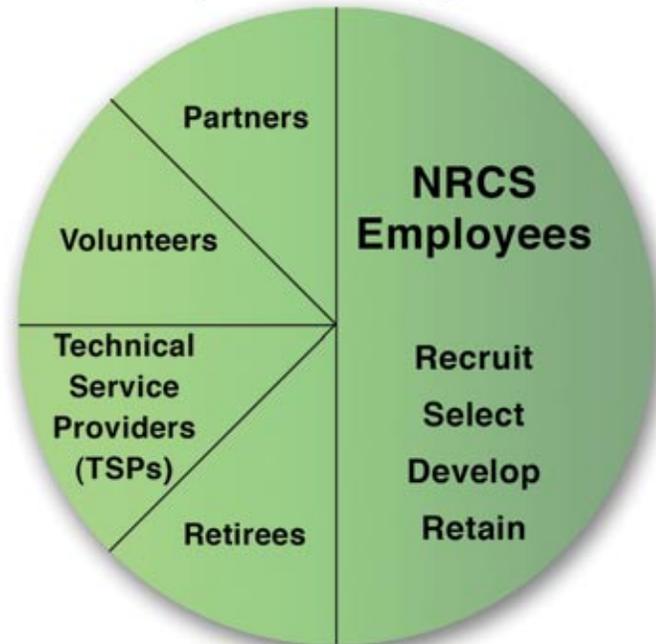
The NRCS Human Capital Strategic Plan consists of five Strategic Goals which are aligned with the agency's strategic plan and build upon our Guiding Principles of **Service, Partnership** and **Technical Excellence**.

- **Leadership** - Develop leaders to ensure NRCS achieves conservation success through cooperative and innovative approaches for its investment in and delivery of products, technology, and services.
- **Recruitment & Retention** - Develop effective strategies to recruit and retain a highly skilled and diverse workforce to meet customer needs and to transform the Agency into the Employer of Choice.
- **Performance Culture** – Advance to a results-oriented culture that fosters innovation, motivates staff, and sustains a high performing, diverse workforce.
- **Talent Development/Knowledge Management** - Develop, promote, and retain a culture of continuous learning to ensure that the workforce has the knowledge, skills, and abilities to achieve the Agency's strategic goals.
- **Human Capital Effectiveness** - Ensure that human capital management is recognized as a critical component of the Agency's mission and that human capital strategies, programs, and systems are aligned and measured to effectively achieve Agency goals.

Appendix 2 – NRCS Workforce Model



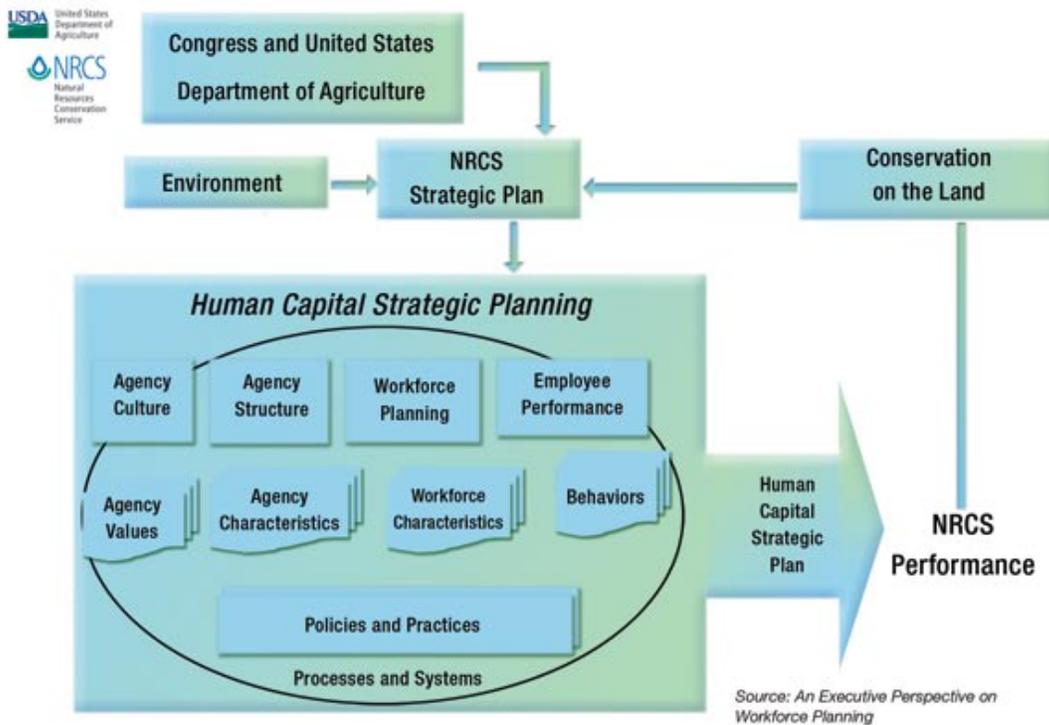
Human Capital Strategic Planning



Conservation First, People Always

NRCS accomplishes its mission through the collaborative efforts of leaders, employees, conservation partners, volunteers, retirees, and private technical service providers. The Agency's success depends upon our workforce having the technical expertise, dedication, and ability to work collaboratively with a diverse customer base.

Appendix 3 – Framework for Human Capital Strategic Planning



Human Capital Strategic Planning provides the means for aligning human capital decisions with the NRCS mission. Comprehensive human capital strategic planning consists of at least four processes: the shaping of Agency culture, Agency structure, workforce planning, and employee performance planning. Strategic human capital management focuses on results aligned with mission and strategy, not processes. It places the right people in the right jobs at the right time to most effectively perform the work of the Agency and has become a focal point of Federal agencies. The need for strategic human capital management, with emphasis on achieving results, is part of a continuing evolution of traditional human resource management practices in Government. The underlying expectation is that strategic human capital management will ensure Agency mission requirements drive all human resource activity and all staff contribute directly to achieving results and are rewarded accordingly.



Appendix 4 – Human Capital Strategic Planning Process

NRCS used a participatory process for developing a human capital strategic plan. The process included executive sponsors (Chief, Associate Chief, Deputy and Associate Deputy Chiefs for Management), senior leaders (Chief's Executive Team, National Leadership Team), a cross-section of Agency representatives including Human Resources professionals serving as a core design team, an executive review team, stakeholders, and technical support staff as needed.

NRCS developed this comprehensive Human Capital Strategic Plan to serve as a companion to the Agency Strategic Plan and to provide strategic direction in the management of the workforce for the next five years. It is projected that within this time frame, more than half of federal employees will be eligible to retire. The Human Capital Strategic Plan was created to meet the challenges associated with the potential loss of so many employees and to ensure that we are positioned to compete for talent in a shrinking pool of candidates. Further, we need a strategy that will make NRCS the employer of choice for highly skilled individuals interested in serving in conservation.

To create buy-in for the plan, NRCS used participatory strategic planning approach that included representation from across the Agency. Feedback and comments on the Agency approach and key issues were solicited during meetings with NRCS partners. A web-based human capital survey was administered in December 2005, to all employees to get input on issues impacting the workforce. Survey results were analyzed and presented during the National Leadership Team (NLT) meeting held on January 18-20, 2006, in Crystal City, Virginia. A substantial portion of the NLT agenda was devoted to human capital. Breakout sessions were held during the NLT meeting to give leadership the opportunity to brainstorm ideas and solutions for addressing the survey results and key issues as input into the Human Capital Strategic Plan.

Using the Agency Strategic Plan, data from the Human Capital Survey, and feedback from the NLT meeting in January, the Human Capital Strategic Planning Core Team (Core Team) drafted human capital strategies that included goals, objectives,

and outcomes for the next five years as well as recommended priorities for the next 12 months. Mission critical occupations were identified as part of the strategic planning process and included in the strategies. The strategies were mapped back to the Agency Strategic Plan and the USDA Human Capital Plan to identify links for the purpose of cascading goals to individual performance plans.

These strategies were presented to the Chief's Executive Team, the Executive Review Team and the National Leadership Team, who provided their insights and endorsed the strategies presented. The Human Capital Strategic Planning Team held teleconferences with human resources professionals across the Agency to engage them as active partners in implementing the Human Capital Strategic Plan. Budget decision and program priorities are being made using the HCSP as guidance, and business plans are being developed with a direct link to it as well.

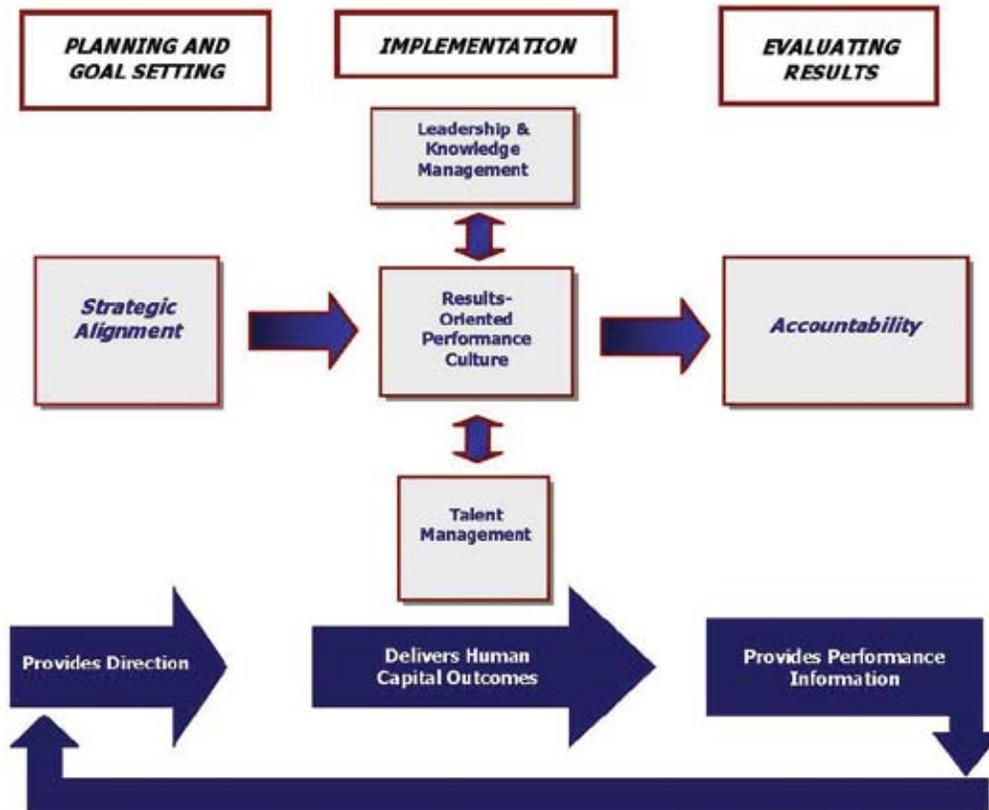
The Human Capital Strategic Plan was developed using the Human Capital Accountability and Assessment Framework (HCAAF) created through the joint efforts of the Office of Personnel Management, the Office of Management and Budget, and the Government Accountability Office. The Office of Personnel Management's Standards for Success and the President's Management Agenda were used as a yardstick for measuring success and included five strategic areas of focus. These areas were: (1) leadership development; (2) recruitment and retention of a highly skilled and diverse workforce; (3) results-oriented performance culture; (4) culture of continual learning; and (5) human capital effectiveness (strategic alignment of and accountability for the human capital strategies).



Appendix 5 – Human Capital Roles and Responsibilities

Role	Responsibility
<p>Chief, Associate Chief</p>	<ul style="list-style-type: none"> ■ Maintain commitment to the HCSP, and communicate that commitment through senior leadership ■ Provide direction, hold senior leaders accountable for implementation of the HCSP and resource prioritization and allocation for human capital efforts
<p>Deputy Chief for Management, Associate Deputy Chief for Management</p>	<ul style="list-style-type: none"> ■ Provide Agency-wide human capital policy development and oversight ■ Provide guidance and direction for the human capital planning effort ■ Provide a mechanism for coordination and collaboration with all units; facilitate the gathering of and sharing of innovative practices ■ Manage accountability for the Agency’s progress ■ Lead the effort to maintain and update the plan ■ Communicate human capital progress
<p>Regional Assistant Chiefs, Deputy Chiefs, State Conservationists, Division Directors, Center Directors, Area Directors</p>	<ul style="list-style-type: none"> ■ Integrate HCSP Goals & Strategies into unit business plans ■ Participate in the development of HCSP, human capital plans/ initiatives ■ Identify and make recommendations on human capital issues affecting functional support to NRCS ■ Demonstrate commitment, support, and leadership, and allocate resources
<p>Human Resource Professionals</p>	<ul style="list-style-type: none"> ■ Understand Agency strategic plan to tailor HR programs and practices to build Agency competencies.
<p>Civil Rights Professionals</p>	<ul style="list-style-type: none"> ■ Understand Agency strategic plan to provide EEO/CR guidance and to identify opportunities to facilitate diversity programs and practices.
<p>Supervisors</p>	<ul style="list-style-type: none"> ■ Integrate human capital strategies into organizational decisions and strategies
<p>Employees</p>	<ul style="list-style-type: none"> ■ Align with, participate in, and provide feedback for NRCS human capital efforts

Appendix 6 – Relationships Among Human Capital Systems



The five human capital management systems, **Strategic Alignment, Leadership and Knowledge Management, Results-Oriented Performance Culture, Talent Management,** and **Accountability,** work together to form a coherent structure that supports strategic human capital management in compliance with merit system principles. This structure, known as the Human Capital Accountability and Assessment Framework (HCAAF), was created through the joint efforts of the Office of Personnel Management, Office of Management and Budget, and the

Government Accountability Office to enable agencies to transform the federal workplace into high-performing arenas where every employee understands and is able to maximize his or her contribution to Agency mission. By applying the HCAAF, Federal agencies will be able to focus on: (1) human capital management systems and practices that most impact attainment of their mission and (2) measurable, observable Agency and individual performance results. This will help to assure the public’s continuing trust in the federal government’s ability to serve them through an effective civilian workforce.



Appendix 7 – Human Capital Management Systems

The five human capital systems as defined by OPM work together to form a coherent structure that supports strategic human capital management in compliance with merit system principles.

Strategic Alignment is a system led by senior management that promotes the alignment of human capital management strategies with Agency mission, goals, and objectives through analysis, planning, investment, measurement, and management of human capital programs.

Leadership and Knowledge Management is a system that ensures continuity of leadership by identifying and addressing potential gaps in effective leadership and implements and maintains programs that capture organizational knowledge and promote learning.

Results-Oriented Performance Culture is a system that promotes a diverse, high-performing workforce by implementing and maintaining effective performance management systems and awards programs.

Talent Management is a system that addresses competency gaps, particularly in mission-critical occupations, by implementing and maintaining programs to attract, acquire, develop, promote, and retain quality talent.

Accountability is a system that contributes to Agency performance by monitoring and evaluating the results of its human capital management policies, programs, and activities; by analyzing compliance with merit system principles; and by identifying and monitoring necessary improvements.



Appendix 8– Human Capital Alignment

The NRCS Human Capital Strategic Plan is the vehicle for ensuring that the right people are in the right location with the right skills to support the mission of the Agency. The HCSP is a key component in linking human capital planning to mission goals and outcomes.

Perhaps the most critical link between goals and human capital planning is in the area of performance management and performance culture. Employees who understand the overall mission, have the skills, knowledge, and abilities to do their jobs, and have performance expectations clearly linked to the overall mission are more likely to succeed.

Alignment with Agency Strategic Plan

HCSP Goal #1 defines strategies to identify qualities needed to remain a leader in conservation by ensuring we have the necessary leadership in place throughout the organization. By examining the qualities critical for NRCS leadership, we can build and develop a competency model that addresses our needs for today and for the future. Development of our current and future leaders is a critical link to accomplishing our Agency strategic plan.

HCSP Goal #2 addresses recruitment and retention strategies linked to the business drivers derived from the NRCS Agency Strategic Plan and the skill gaps and demographic issues identified as key human capital drivers. By focusing on recruiting and retaining a diverse workforce with mission-critical competencies, NRCS will continue to build a cadre of employees who can meet the challenges of our core business, such as increased use of technology and elevated customer service expectations, and be well adjusted to continuous change.

HCSP Goal #3 focuses on retaining a high performing workforce. Maintaining a healthy, innovative work environment where our employees can thrive, learn, and grow will be a key factor in the Agency's success. Employees will be expected to learn new skills and change work processes as

needed to ensure efficiency and effectiveness. Individual performance plans, compensation systems, and organizational goals will lead to the Agency accomplishing its mission. The success of the strategy will be measured by the strength of the linkage between employee expectations, business strategic goals, and incentive-based performance management systems.

HCSP Goal #4 provides for investment in the development of mission critical competencies and the tools, processes, and policies to ensure that NRCS identifies, makes accessible, and retains a repository of organizational knowledge.

Knowledge management plays a key role in attaining the Agency's goals. This includes policy development, process integration, tool selection, and implementation as well as identifying those with critical knowledge, and how it can best be captured and retained in the Agency. The phases of developing and implementing a knowledge management system (technological as well as interpersonal) is a culture shift for the Agency.

HCSP Goal #5 provides the overarching framework for ensuring that the Agency's human capital management reflects and supports core mission accomplishment. It requires that all human capital management strategies and activities be clearly and strategically aligned to the Agency's overarching goals.

NRCS realizes that what gets measured and reported gets done. Continuous improvement requires establishing a baseline of current performance, linking all activities, initiatives, and policies to the mission goals and then measuring, reporting and making mid-course adjustments on a regular basis to ensure goals are attained.



Alignment with Management Initiatives

All of the five Human Capital Goals have clear linkage to the Agency Management Initiatives (MI) as outlined in the Agency strategic plan.

For the mapping of the HCSP Goals to both the NRCS Strategic Goals and the USDA Strategic Plan, please see Chart 1.

Alignment with the President's Management Agenda (PMA)

The President's Management Agenda (PMA) has called for a government that is active but limited, focuses on priorities, and achieves results. The PMA is a starting point for validating that the right things are being undertaken, developed, and accomplished. The PMA contains five government-wide initiatives for improving federal management and delivering results to the American people:

1. Strategic Management of Human Capital
2. Competitive Sourcing
3. Improved Financial Performance
4. Expanded e-Government
5. Budget and Performance Integration

As part of this overarching effort, the HCSP fully supports the PMA initiative of Strategic Management of Human Capital. All human capital strategies will be linked to the Agency's business drivers and to the other four PMA initiatives, which will ensure that the NRCS workforce development programs are aligned with its mission.

The HCSP will fulfill the PMA goal of developing and communicating a comprehensive plan. The plan will provide a framework for ensuring that workforce planning is in place to address skill gaps in mission-critical occupations.

The Agency's human capital efforts will align the workforce to the NRCS mission and ensure that we provide service to the public in the most efficient manner.

NRCS is also incorporating actions into the HCSP that will address under-representation and ensure that it can recruit and retain a diverse, high quality workforce. The success of these efforts will be gauged through a *Human Capital System for Accountability* using a set of challenging performance measures.

Alignment with OPM'S Standards for Success

The human capital strategic goals align with OPM's *Human Capital Assessment and Accountability Framework (HCAAF)*. This framework establishes the following *Standards for Success* for human capital management:

1. Strategic Alignment
2. Workforce Planning and Deployment
3. Leadership and Knowledge Management
4. Results-Oriented Performance Culture
5. Talent
6. Accountability

These standards form the platform for the HCSP outcomes and strategies.

For the mapping of the HCSP Goals to both the PMA and OPM Standards of Success, please see Chart 2.



Chart 1- Strategic Alignment of NRCS Human Capital Goals with the NRCS Strategic Plan and USDA Human Capital Plan

HUMAN CAPITAL GOALS	HCSP Goal #1 Leadership	HCSP Goal #2 Recruitment/Retention	HCSP Goal #3 Performance Culture	HCSP Goal #4 Talent Development/Knowledge Management	HCSP Goal #5 Human Capital Effectiveness
NRCS Strategic Goals					
Foundation Goals					
High Quality, Productive Soils		√	√	√	
Clean & Abundant Water		√	√	√	
Healthy Plant & Animal Communities		√	√	√	
Venture Goals					
Clean Air		√	√	√	
Adequate Energy Supply		√	√	√	
Working Farms & Ranchlands		√	√	√	
Management Goals					
EEO/Civil Rights	√	√	√	√	√
Strategic Human Capital Management	√	√		√	√
Internet-based technology		√		√	√
USDA Human Capital Goals					
Strategic Alignment/Human Capital Planning					√
Workforce Planning & Deployment		√		√	√
Accountability System					√
Talent Management		√			√
Leadership Development & Succession Planning	√				
Knowledge Management & Employee Development				√	
Performance Management			√		√
Diversity Management, EEO & Civil Rights	√	√	√		
Relations/Conflict Management					



Chart 2- Strategic Alignment of NRCS Human Capital Goals with the President’s Management Agenda and OPM Standards

Framework	HCSP Goal #1 Leadership	HCSP Goal #2 Recruitment/ Retention	HCSP Goal #3 Performance Culture	HCSP Goal #4 Talent Development Knowledge Management	HCSP Goal #5 HC Effectiveness
OPM Standards for Success					
#1 - <i>Strategic Alignment</i> Human capital strategy aligned w/ mission, goals, & objectives and integrated into plans and budget.	√		√		√
#2 - <i>Workforce Planning</i> Agency is: citizen-centered; delayed; mission-focused; & leverages e-Government and competitive sourcing.	√	√	√	√	√
#3 - <i>Leadership and Knowledge Management</i> Agency leadership effectively manage people, ensure continuity of leadership, and sustain a learning environment.	√			√	√
#4 - <i>Results-Oriented Performance Culture</i> Agency has diverse, results-oriented, high performance workforce, and effective performance management.	√		√		√
#5 - <i>Talent</i> Agency has closed mission-critical skills, knowledge, and competency gaps, and made meaningful progress toward closing all gaps.		√		√	√
#6 - <i>Accountability</i> Human capital decisions-guided by data-driven results oriented accountability system.	√				√
President’s Management Agenda					
#1 – Strategic Management of Human Capital	√	√	√	√	√
#2 – Competitive Sourcing		√			√
#3 – Improved Financial Performance	√				√
#4 – Expanded Electronic Government	√	√	√	√	√
#5 – Budget and Performance Integration	√		√		√

Appendix 9 – Human Capital Survey – Summary of Results

The Social Sciences Development and Human Capital Strategic Planning Teams implemented an all-employee web-based survey in December 2005. The purpose of the survey, as former NRCS Chief Bruce Knight articulated in an e-mail message to all employees, was to provide an opportunity to give input on areas affecting the workforce. The responses were used to give NRCS leaders insight into the nature of the issues and how best to address them as we developed a human capital strategic plan. The information will also be used as baseline data as we implement strategies. The survey included questions about job satisfaction; individual and Agency job skills; performance; partnerships; training; hiring; retention; diversity; mobility; and retirement plans.

Analysis of results:

Interpretation of Data: A Likert scale was used for a majority of the questions, with 1 or 2 equaling a positive response, 3 a neutral response, and 4 or 5 a negative response. A mean or average was calculated to analyze responses. Statistical significance tests were used to compare responses to one another. In general terms, a response was considered positive when the mean value was less than 2.6; an average score was between 2.61 to 2.8; and a negative response was above 2.81. Another indicator used was the percentage of positive responses (1 or 2's) given by respondents. For comparative purposes, this survey data was compared to NFC and ICAMS data, a 1999 NRCS employee survey and a survey of 148,000 federal employees.

Respondent Profile: Sixty-five percent, or 7,754 employees, responded to the survey. Respondent characteristics are similar to comparative information from NFC and ICAMS data bases. Over 70 percent are located at a field or area office and about 65 percent are between grades of GS-9 and GS-12. The majority of respondents are male (67%),

Caucasians (81%) and non-supervisors (70%). The respondent's average age is between 45 and 54 and over half have at least 16 years of Federal service. Seventy-five percent are married; 53 percent of the spouses work full time and 12 percent work part time. About 25% do not have any children, while those with children have an average of 2.4. Less than 20 percent have a parent or relative in elder care and five percent have a disability. Approximately a quarter of the respondents plan to retire within the next five years.

Satisfaction and Goals: Employees are highly satisfied with their jobs, their pay, and the kind of work they do. When comparing positive responses about satisfaction with job with other surveys, 79 percent responded positively in this survey compared to 74 percent for the private sector and 68 percent for other federal employees. This measure is typically a bellwether of overall satisfaction with an organization. Respondents also gave high ratings to job-related personal accomplishments and the work itself. Responses to "I like the kind of work I do" were 88 percent positive, an extremely high rate. When asked about career goals, a normal distribution resulted with "content" (20%), "ambitious" (60%), and "super ambitious" (20%). For ways to achieve career goals, respondents identified on-the-job training, formal training, leadership development program, and out-of-state details. Many employees gave a relatively low rating to the meritorious nature of the reward and recognition system.

Job Skills: Respondents evaluated their own skills as well as the Agency's skills, and typically rated themselves higher. However, at either level, the ratings were only a little better than average. This indicates employees feel individual and Agency skill sets need improvement. When asked specifically whether the Agency has job-relevant knowledge and skills to accomplish organizational goals,



only half the respondents gave positive responses compared to a survey of federal employees in which 75 percent responded positively.

Respondents who gave neutral or negative replies were asked to specify what additional skills the Agency needed. Some employees feel the Agency has appropriate skills but lacks enough people, while others cited a lack of technical skills (especially engineering), and the need for GIS/GPS specialists. Other responses indicated a lack of business-oriented skills including leadership and management; communication; contracting and administration; public relations; and data entry. When asked which particular specialties are needed, employees cited GIS specialists, engineers, environmental specialists, agronomists, and pesticide/nutrient management specialists (in priority order). Employees felt that the Agency is doing an average to poor job of developing and training leaders and managers.

Performance and Partners: Employees gave an average or below average rating regarding the clarity of the Agency's vision, the amount of Agency red tape, and feedback about organizational performance. Concerning individual performance, respondents rated daily feedback, supervisory assistance, and the fairness of their appraisal only slightly better than average. This latter question, fairness of their appraisal, had fewer positives (61%) than a survey of federal employees (67%). Organizational partners who are most involved in NRCS work are conservation districts, other federal employees, and state agency employees. When asked of future involvement, respondents named, in priority order, these same three partner groups followed by university personnel, TSPs, temporary employees, and Earth Team volunteers.

Training: Employees have rated Agency training relatively low in past surveys and this survey was no exception. Respondents felt that the Agency does not devote enough resources to training and computer training was below average. They gave an average rating for the training they receive for their present job. Similar to their responses for reaching career goals, employees favor on-the-job training, formal training and details. Sixty-three

percent have an Individual Development Plan (IDP), while the remainder either don't have an IDP or don't know whether they have one. Of those who have an IDP, most responded that they are making good progress toward completing their plans.

Hiring, Retention, Diversity, and Mobility:

Employees cited several hiring obstacles including low pay, low awareness of NRCS, mobility and lack of good hiring strategies. Respondents identified ways to retain employees as follows: enable the Agency to run as a meritocracy; provide better training; improve supervisors, leaders and managers; supply the field with more equipment, staff, and tools; increase the time conservation planners can spend in the field; and decrease administrative time spent on computers. The workforce supports diversity, but recognizes problems in this area with recruiting, retention, and advancement. Mobility does not seem to be a large issue for most employees. Employees seem to understand that to earn a promotion, one may have to move. Interestingly, the more ambitious an employee, the fewer times they have already moved, but the more they favor possible moves in the future. Finally, if an employee is relocating, many would like for the Agency to offer job placement assistance to spouses.

Retirement: Twenty-four percent of the respondents plan to retire within the next five years. These prospective retirees rated the Thrift Savings Plan, annuities, and health insurance highly; they gave an average rating to life insurance, spousal benefits, and long term care insurance; while giving dental insurance an abysmal rating. If this segment of the work force retires in the next 5 years, the Agency will lose a great deal of experience and expertise. However, prospective retirees, because they are highly satisfied with their jobs and like the work they do, would consider staying on the job for another year if they received a retention bonus, worked as a paid annuitant through the ACES program, worked through a job sharing arrangement, or worked as an Earth Team volunteer.



Summary Statements

The following summary statements could be inferred from an analysis of the data:

- Field employees want help on data entry tasks so they can have more field time for conservation planning. Temporary employees, volunteers, and TSPs could be enlisted to assist in these tasks
- Recruiting for diversity should mirror our changing customer base and the demographic composition of America. In addition to focusing recruitment efforts on race, gender, disability and ethnicity, the Agency should concentrate on an array of needed specialties including GIS, engineers, environmental specialists, agronomists, and pesticide/nutrient management specialists.
- Agency leadership/supervisors should base performance ratings on achievement and merit.
- Agency should improve its leadership and management development and training programs.
- Respondents wanted more consistent feedback to employees concerning the Agency's performance.
- The Agency should devote resources toward training. Computer training needs to be improved. Employees prefer on-the-job training, formal training, and details.
- All employees should have an IDP that is assessed annually and progressively implemented.
- In addition to technical areas, training should focus on business skills.
- Bureaucratic red tape should be reduced as it unnecessarily complicates Agency processes and work flow.
- NRCS should develop a job placement assistance program for spouses of relocated employees.
- A wide selection of dental insurance programs for current and retired employees should be made available.
- To maintain the services of prospective retirees, NRCS should implement flexible programs including retention bonuses, job sharing, paid annuitant (ACES), and Earth Team.

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