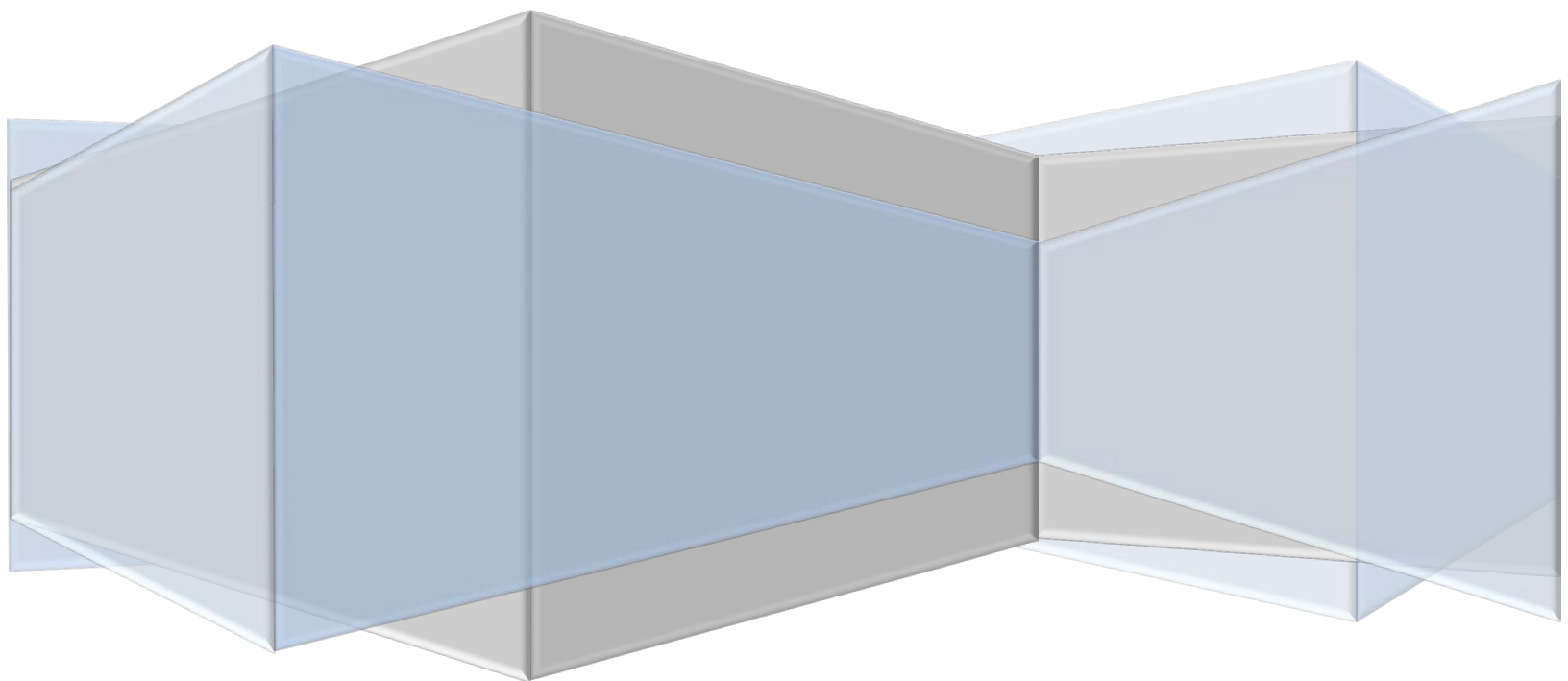


# **U.S. Office of Personnel Management**

**Evaluation System Standards**

**October 2017**



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# Evaluation System Standards

## Introduction

**Evaluation System** – The agency’s Evaluation System contributes to organizational performance as a mechanism for monitoring and evaluating outcomes of its human capital management strategies, policies, programs, and activities.

Determining how well human capital policies and programs support mission accomplishment is a critical step in evaluating organizational performance and determining how to improve processes. An agency’s Evaluation System plays a critical role in helping leadership assess the impact of human capital strategies designed to achieve agency goals.

An effective evaluation system includes the following:

- The agency has a formal and written policy in place that describes how the agency will use the evaluation system, and serves as a roadmap for implementation.
- Agency leadership fully supports and adequately resources the agency’s evaluation system to ensure organizational performance is monitored (metrics), adjustments are made, when necessary, and human capital programs operate within merit system principles.
- Agency leadership ensures there is communication and collaboration across the agency to achieve mission objectives, inform decision-making, eliminate redundancies, and assess progress towards achieving organizational goals.
- Agency leadership uses accurate data to help drive decision making. Data connects human capital management practices to business outcomes and organizational goals to provide baseline information for comparing actual program results with established performance goals. Data provides a link between the agency’s priority goals, Human Capital Operation Plan (HCOP), HRStat, independent audit program (IAP), Human Capital Review (HCR), and other means used to assess the health of the organization and evaluation system.
- Assesses all of its Human Capital Framework (HCF) systems agency-wide to ensure human capital policies, programs, and practices help the agency accomplish its strategic goals, are efficient and effective, and meet merit system principles and regulatory requirements.

The following Evaluation System Standards were developed from these key standards (formal and documented, leadership involvement, communication, data, and assessment) and are designed to gauge the effectiveness of agencies’ Evaluation System. Each standard contains a definition, related CFR citations, description, and maturity model. Each maturity model has four categories (Reactive, Emerging, Advanced, and Optimized) that describe different levels of maturity specific to that standard. The four categories are defined at the headquarters level. Agencies with independent components and/or regional offices may apply the standards at those levels to gauge effectiveness and consistency with component level and department-wide policies.



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## Standard: Formal and Documented

**Defined:** Evaluation system is formal, documented, and resourced adequately to allow for an overarching assessment of agency human capital management, which includes resourcing an IAP.

**Citations:** [5 CFR 250.204(c)(1) and 5 CFR 250.204(d)(4)(i)]

**Description:** The agency's evaluation system has a formal policy, which: (1) is updated as needed, (2) describes and governs how the agency evaluation system operates, and (3) identifies roles and responsibilities to ensure continuity within the agency. The policy must be official, signed by the Chief Human Capital Officer (CHCO), and communicated/supported by senior leadership.

The agency's evaluation system allows for the collection and analysis of human capital data. The results are used to drive decision-making, select strategies, and make adjustments to improve human capital outcomes.

The agency has milestones with targets including dates and required data for each strategic human capital goal as defined in the HCOP or in any other agency documents. This will provide a basis for assessing progress and results.

### Maturity Model Discussion

#### *Reactive*

- Agency has a limited policy that includes: (1) a basic outline of how the agency's evaluation system operates (2) a definition of roles and responsibilities, but typically this is based on availability.
- The policy is not formally communicated by memorandum or accessible by the workforce. No formal mechanism is in place to ensure leadership support and continuity.
- Agency does not have an updated policy in place.

### *Emerging*

- Agency has an adequate and formal policy that includes: (1) how the agency evaluation system operates; (2) description of the roles and responsibilities; (3) how milestones and measures will be used to determine success; and (4) how available resources will be allocated to support and implement the system.
- Policy is documented and most aspects are fully implemented with the support of human resources leadership, e.g., CHCO and human resources officials. The policy has also been communicated formally but only at the strategic level.
- Agency policy has been reviewed and updated within the past five years.

### *Advanced*

- In addition to meeting the next lower level, the agency has established a policy that also includes a complete and clear description of: (1) roles and responsibilities, including leadership outside of HR; (2) how milestones and measures will be tracked to determine success and how often they will be reviewed and updated; (3) how data points from various sources will be used to determine success and sustain continuous improvement within the program; and (4) a process for analyzing review results and incorporating results in subsequent FY planning efforts.
- The policy is fully implemented with the support of leadership, e.g., CHCO, Performance Improvement Officer (PIO), Chief Information Officer (CIO), Chief Operations Officer (COO), Chief Financial Officer (CFO), and other senior leaders throughout the agency. The policy is also communicated through a formal mechanism to all staff members within the agency and is readily accessible by the workforce.
- Agency policy is reviewed and updated as needed every two years.

### *Optimized*

- In addition to meeting the next lower level, the agency has established a policy that also includes a thorough description of: (1) roles and responsibilities in order to ensure continuity within the agency and why each is critical to the effectiveness of the Evaluation System and (2) how benchmark data is used to develop sound HC strategies and identify process improvements (e.g., how the agency develops, tracks, and monitors milestones and measures to determine success, improve processes, and make adjustments as necessary to strategies).
- The policy is not only fully implemented with leadership involvement and support at the headquarters level, but there are cascading responsibilities defined and communicated to leaders in each subsequent level (component, region, field, etc.) in the agency. Staff members are provided training on content of the policy.

- Agency policy is reviewed and updated as needed.

### **Maturity Model Chart – Formal and Documented**

<b>Reactive</b>	<b>Emerging</b>	<b>Advanced</b>	<b>Optimized</b>
Agency has a limited policy covering basic operations.	Agency policy covers evaluation system operations, roles and responsibilities, use of milestones, and dedicated resources.	Agency policy describes leadership roles outside of HR, how milestones and measures will be tracked to determine success, use of data from multiple sources, and a process for analyzing review results to enhance future planning.	Agency policy ensures continuity within the agency, how benchmark data is used to develop sound HC strategies, and identify process improvements.
The policy is not formally communicated and there is uncertainty of leadership support.	The policy has been communicated at the strategic level and most aspects are fully implemented with the support of HR leadership.	The policy is fully implemented with the support of leadership and shared with the entire agency.	In addition to the policy being fully implemented at the headquarters level, there are cascading responsibilities defined and communicated to leaders throughout the agency along with training.
Agency does not have an updated policy in place.	Agency policy has been reviewed and updated within the past five years.	Agency policy is reviewed and updated as needed every two years.	Agency policy is reviewed and updated as needed.

**Note: Please see Appendix A - Evaluation System Policy Guidance**

## Standard: Leadership Involvement

**Defined:** Leadership involvement ensures the programs of the evaluation system (e.g., HCOP, HRStat, IAP, and HCR) are supported, formalized, resourced, and institutionalized throughout the agency with responsibilities cascading from senior leadership to all appropriate leadership levels.

**Citations:** [5 CFR 250.204(c)(1) and 5 CFR 250.204(d)(4)(i)]

**Description:** Leadership adequately supports and resources the agency's evaluation system programs (e.g., HCOP, HRStat, IAP, and HCR) to ensure there is alignment and integration with agency goals and priorities, that staff members possess the competencies necessary to conduct evaluation system activities, and the agency human capital programs are compliant. In addition, leadership champions the continuous improvement of human capital programs.

### Maturity Model Discussion

#### *Reactive*

- Leadership has minimal awareness of the evaluation system, elements are not integrated, results may or may not be used to inform organizational goals and priorities, and the evaluation system is resourced only when needs arise.
- The evaluation system is not formally established, implemented, or communicated to leaders within the agency or staff outside of HR.
- Responsibility for evaluation system activities is assigned as a collateral duty and there may not be an Accountability Program Manager (APM); HR staff associated with the evaluation system possesses technical HR knowledge in one or more human capital systems; and compliance issues are addressed after they are identified.
- Leadership involvement with the evaluation system is limited. Key leadership, roles, and responsibilities for the evaluation system have not been identified at all levels in the agency. Leadership involvement is reactive with limited planning, implementation, oversight, and assessment of the evaluation system.

#### *Emerging*

- Leadership is aware of the elements of the evaluation system, the elements are in the beginning stages of integration, results are still not used consistently to inform organizational goals and priorities; however, leaders ensure the evaluation system is adequately resourced and supported.
- Senior leaders adequately develop and document the components of the agency's evaluation system, including identifying leaders at various levels, roles and responsibilities, and

communicate the purpose and intended use to others in leadership positions beyond HR senior leaders.

- Agency has an official APM in place. Responsibility for evaluation system activities is assigned to others as a collateral duty; human resources staff possesses technical human resources knowledge in all human capital systems; compliance issues are addressed after they are identified.
- Leadership involvement with the evaluation system is sporadic and inconsistent. Engagement and accountability for results related to the evaluation system typically does not extend beyond the CHCO and HR officials, with limited evidence of cascading responsibilities to other components in the agency.

### *Advanced*

- Leadership is knowledgeable of the elements of the evaluation system, integration is evident, results are used more often than not to inform organizational goals and priorities, and the evaluation system is thoroughly resourced and supported.
- Senior leaders formalize and thoroughly document the processes that comprise its evaluation system; identified roles and responsibilities, targets and milestones for human capital goals, objectives, and strategies. Communication flows from agency senior leaders down to all appropriate levels that are directly involved with any aspect of human resources planning, implementation, and evaluation.
- In addition to having an APM in place, dedicated staff is assigned to evaluation system activities; and the evaluation staff has extensive experience in all aspects of human capital including the evaluation system.
- Leadership involvement with the evaluation system is synchronized and consistent involving most organizational levels. Engagement and accountability for results in all phases of the evaluation system include the CHCO, PIO, CIO, COO, CFO, and other senior leaders, with cascading responsibilities defined and communicated to leaders throughout agency headquarters.

### *Optimized*

- Leadership throughout the organization is knowledgeable and actively involved in all elements of the evaluation system, ensuring full integration and utilization of results to inform organizational goals and priorities. Leaders ensure the evaluation system is thoroughly resourced and supported.
- Senior leaders ensure continuity of the evaluation system through a formal, comprehensive process that clearly outlines the program components; identifies leadership roles and responsibilities; communicates human capital goals, objectives, and strategies linked to agency mission, performance goals, and objectives, to all leaders throughout the organization involved in human capital efforts, e.g., CHCO, PIO, CIO, APM, HR Director, supervisors, etc. Senior



leaders fully support organizational goals and sound human capital management based on analysis of data provided by the tracking and monitoring of results.

- In addition to the APM, dedicated and permanent positions are assigned to evaluation system activities and senior leadership advocates proactive human capital program improvements; evaluation staff may have completed OPM's Evaluator Training or equivalent, and are considered subject matter experts.
- Engagement and accountability for results in the planning, implementation, oversight, and assessment of the evaluation system include the CHCO, PIO, CIO, COO, CFO, and other senior leaders at the headquarters level, with cascading responsibilities defined and communicated to leaders in each subsequent level (component, region, field, etc.) in the agency.

## Maturity Model Chart – Leadership Involvement

<b>Reactive</b>	<b>Emerging</b>	<b>Advanced</b>	<b>Optimized</b>
Leadership has a minimal awareness of the evaluation system, elements are not integrated, results may or may not be used to inform organizational goals and priorities, and the evaluation system is resourced only when needs arise.	Leadership is aware of the elements of the evaluation system, elements are somewhat integrated; however, leaders ensure the evaluation system is adequately resourced and supported.	Leadership at the headquarters level is knowledgeable of the elements of the evaluation system, integration is evident, results are often used to inform goals and priorities, and the evaluation system is thoroughly resourced and supported.	Leadership throughout the organization is knowledgeable and actively involved in all elements of the evaluation system. Results are fully utilized to inform organizational goals and priorities.
The evaluation system is not formally established, implemented, or communicated to leaders within the agency or staff outside of HR.	The evaluation system is adequately developed, components of the system and leadership positions are identified, and the purpose and intent is communicated to leadership beyond HR.	The evaluation system is formalized and thoroughly documented; targets and milestones for human capital goals, objectives, and strategies are identified; and have a good flow of communication.	Senior leaders ensure continuity of the evaluation system; communicate human capital goals, objectives, and strategies linked to agency goals; as well as results, throughout the organization.
Responsibility for evaluation system activities is assigned as a collateral duty and there may not be an APM; Evaluation System staff possesses limited technical HR knowledge, and compliance issues are addressed after they are identified.	Agency has an official APM in place, but responsibility for activities is assigned to others as a collateral duty. HR staff possesses technical human resources knowledge in all human capital systems, and compliance issues are addressed after they are identified.	In addition to having an APM in place, dedicated staff is assigned to evaluation system activities and the evaluation staff has extensive experience in all aspects of human capital including the evaluation system.	Permanent positions are assigned to evaluation system activities and senior leadership advocates proactive human capital program improvements; evaluation staff may have completed OPM’s Evaluator Training or equivalent, and are considered subject matter experts.
Leadership involvement with the evaluation system is limited and roles are poorly defined. Leadership involvement is reactive with limited planning, implementation, oversight, and assessment of the evaluation system.	Leadership involvement is sporadic and inconsistent. Engagement and accountability for results typically does not extend beyond the CHCO and HR officials, and limited evidence of cascading responsibilities outside of HR.	Leadership involvement with the evaluation system is consistent. Engagement and accountability for results include key agency headquarters leadership with cascading responsibilities.	There is a high level of leadership involvement not only at the headquarters level, but also with leaders in each subsequent level (component, region, field, etc.) in the agency.

## Standard: Communication

**Defined:** Information about the evaluation system is disseminated throughout all levels of the agency using a formal and structured plan to communicate organizational goals, desired outcomes, supporting human capital strategies, and adjustments that are needed to improve performance in support of mission accomplishment.

**Citation:** [5 CFR 250.203(a)(3)]

**Description:** The agency communicates in an open and transparent manner to facilitate collaboration across the agency to achieve mission objectives, inform decision-making, and assess progress toward achieving organizational goals.

### Maturity Model Discussion

#### *Reactive*

- Agency has a communication plan, but communication is limited.
  - For example: Information is shared only with the CHCO. Not all elements of the evaluation system are communicated (e.g., agency goals, milestones, measures, etc.)
- No clear timelines are established.

#### *Emerging*

- Agency has a documented communication plan that identifies intended messages, target audiences, and communication methods but does not have a strategy to tailor specific messages and methods to target audiences.
  - For example: Information is shared either only at the strategic level (with senior leaders) or with everyone, without targeted messages to specific groups. There is no clear feedback loop.
- Timelines are unstructured or inconsistently followed.

#### *Advanced*

- Agency has a robust communication plan that tailors the message for targeted audiences using appropriate communication methods, and in accordance with established timelines.
  - For example: Targeted messages are developed for strategic, operational, and employee-level audiences. One or two communication methods are identified for each audience and/or message. Agency adheres to an established timeline (i.e., monthly, annually, etc.). There is a clear feedback mechanism.
- Obstacles to implementation are identified and mitigating strategies developed.

#### *Optimized*

- Agency has a comprehensive communication plan that identifies specific messages for targeted audiences using appropriate communication methods. It outlines regular communication and

feedback at a variety of intervals. The plan is understood and utilized throughout the organization and positively contributes to the effectiveness of the agency's evaluation system.

- For example: Multiple communication methods are identified for each audience (i.e., strategic, operational, and employee-level) and/or message. Agency tailors timing of communication messages (i.e., weekly, monthly, quarterly, beginning of each fiscal year, etc.)
  
- Demonstrates value-added to the agency; includes a business case and/or clear link to organizational goals.

## Maturity Model Chart – Communication

<b>Reactive</b>	<b>Emerging</b>	<b>Advanced</b>	<b>Optimized</b>
<p>Agency has a communication plan, but communication is limited, e.g., information about agency goals, milestones, and measures is shared only with the CHCO.</p>	<p>Agency has a documented communication plan, but does not have a clear strategy, e.g., information is shared only at the strategic level or with everyone, and no clear feedback loop exists.</p>	<p>Agency has a robust and tailored communication plan, e.g., targeted messages are developed for the appropriate audiences and delivered timely. There is a clear feedback mechanism.</p>	<p>Agency has a comprehensive communication plan that outlines regular communication and feedback at a variety of intervals. The plan is understood and utilized throughout the organization and positively contributes to the effectiveness of the agency’s evaluation system, e.g., multiple communication methods are identified for each audience and the timing of delivery is tailored.</p>
<p>Timelines not established.</p>	<p>Timelines are inconsistent.</p>	<p>Implementation obstacles are addressed.</p>	<p>Demonstrates value and a clear link to organizational goals.</p>

**Note: Please see Appendix B - Communication Plan Guidance**

## Standard: Data

**Defined:** Statistical and narrative results derived from multiple sources are used to develop human capital strategies, measures, and milestones to assess and predict organizational performance and drive improvement. Agencies make data-driven decisions based on continuous assessments and analyses to shape and adjust policies, programs, and initiatives.

**Citations:** [P.L. 111-352 §1115(b)(5)(A) and §1116(c)(3)(C)(5); 5 U.S.C. 1103(c); and 5 CFR 250.204(d)(6) and 5 CFR 250.204(d)(7)(i)]

**Description:** Data that connect human capital management to business outcomes and organizational goals provide a basis for comparing actual program results with established performance goals. Data creates a link between the agency's priority goals, HCOP, HRStat, IAP, HCR, and other means used to assess the health of the organization and evaluation system.

The CHCO is responsible for ensuring that the agency uses business analytics to improve strategic human capital management. Also, the CHCO is encouraged to involve the CIO, PIO, and agency and program leaders to inform data availability and accuracy and to identify data of the most value. The agency uses data throughout the organization at the strategic, operational, and employee levels and, as such, data to support human capital should be gathered from all appropriate levels in the organization.

At the strategic level, human capital data and analyses inform agency discussions about progress toward accomplishment of the agency's mission and strategic goals and objectives and help assess human capital policies, programs, processes, and initiatives.

Agency uses relevant human capital data consistent with requirements in public law and regulations to:

- enhance agency performance through demonstrable, quantitative, and qualitative improvements;
- define and measure success through observable performance targets;
- develop and modify strategies contained in the HCOP;
- identify the root cause of identified problems;
- prepare for and answer questions concerning Annual Performance Plan, HRStat, HCR, and other results; and
- use past results to predict future needs.

At the operational and employee levels, human capital data are reliable/valid and available to inform decision-making. Data is the foundation for assessing progress toward agency milestones and targets, including agency performance and operational milestones and targets, as well as allows the agency to conduct evaluations of its human capital programs and human resources operations to ensure compliance with all applicable laws, regulations, rules, and requirements. Data at the operational level also allow the agency to track costs associated with the human resources line of business functional areas identified in the Federal Enterprise Architecture Business Reference Model and to assess return on investment, e.g., customer satisfaction, effectiveness, efficiency, etc.

The data sources vary from agency to agency, e.g., agency databases, human resources information systems, PIO data elements, Federal Employee Viewpoint Survey results, IAP results, third-party reviews, etc. Most importantly, the agency must ensure that applicable data is generated and appropriately disseminated and otherwise made available to inform decision-making. Data can help drive decision-making and conduct strategic workforce planning. Such data include human capital data related to mission accomplishment and organizational performance.

Data can address specific strategic goals, outcomes, and results. Data can also be used to develop and modify strategies contained in the Strategic Plan, Annual Performance Plan, and HCOP. Data may also inform HRStat and HCR discussions, including progress implementing strategies contained in the HCOP. Other data include environmental scans (data from outside-in vs. inside-out). This type of data includes customers and stakeholders, e.g., how they are changing; outside/inside influences driving their behaviors; and how those behaviors, wants, needs, and desires change over time. Other external forces that could influence data include changes that are in progress due to legislative, economic, market, demographic, technology, and/or other changes that will influence customer offerings, services, and products. Review of past data also provides insight about past practices or processes and whether they should be continued in the future.

## **Maturity Model Discussion**

### ***Reactive***

- Data reported are only baseline. No indication measures are used to drive improvement or set targets.
- Data measured are not directly tied to organizational goals, not validated, and collected on an ad hoc basis.
- There is no method to analyze historical information to develop meaningful findings. There is minimal communication and coordination of data across programs, and no or limited coordination of improvement efforts. Agency is reactive vs. proactive.

### ***Emerging***

- Data is used to develop measures and set targets to drive improvement.
- Data measured are tied to organizational goals, but limited quality review of data and minimal validation of data occurs.
- Basic information about data is shared across the organization, but there is limited analysis.

### ***Advanced***

- Insights gained from evaluations and data analysis are valued and used to drive improvement, make changes, and help the organization attain business outcomes and efficiencies.

- Data is validated and used to determine gaps and closure strategies are identified.
- Business partners across programs are communicating, sharing information, and meeting on a regular basis to discuss and understand issues, outliers, trends, etc., to jointly develop potential solutions.
- Identified measures that support business outcomes are routinely achieved.
- Impacted parties have an increasing understanding of the goals and expectations and take an increasingly proactive approach to data analytics and results to inform future planning.

### *Optimized*

- Measures are generally performing well against internal and external benchmarks and targets.
- Integrity and validation is built into systems used to collect data. Data is valid and reliable due to well-defined and established processes.
- Continuous feedback occurs, which increases the likelihood the agency will meet targets.
- Data analysis is used throughout high levels in the organization to determine possible cause and effect relationships and to develop better strategies and improve results.
- Data and information support program accountability. Efforts are based on mission-focused delivery and intra-agency collaborations. A holistic systems approach is applied to define solutions for current and future possible problems.
- Program managers work together to strengthen the current and future state in sections of the organization through the use of data, which includes innovation capabilities, benchmarking, and teaching employees.
- Agency uses data to be proactive. Strategic conversation and planning is ongoing. Data-driven decisions are made for multiple purposes, including informing future planning.



## Maturity Model Chart – Data

<b>Reactive</b>	<b>Emerging</b>	<b>Advanced</b>	<b>Optimized</b>
Only baseline data used and no measures to assess results.	Data is used to develop measures, targets, and drive improvement.	Evaluation results and data analysis are used to drive improvement, make changes, and enhance organization success.	Measures are generally performing well against internal and external benchmarks, and targets.
Data not directly tied to organizational goals, not validated, and collected on an ad hoc basis.	Data tied to organizational goals, but limited quality review and minimal validation occurs.	Data is validated and used to determine gaps and closure strategies are identified.	Integrity and validation is built into systems used to collect data.
There is no method for conducting trend analysis and minimal communication about data across programs. There is no or limited coordination of improvement efforts, and the agency is reactive.	Basic information about data is shared across the organization, but there is limited analysis.	Business partners across programs share information, regularly meet to discuss trends, and develop solutions.	Continuous feedback occurs, data analysis is used to determine possible cause and effect relationships, and develop strategies to improve results.
		Measures are routinely achieved, impacted parties understand goals and expectations, and take an increasingly proactive approach to using data to inform future planning.	Data support program accountability and there is intra-agency collaboration on sharing information. There is a holistic systems approach applied to develop solutions and program managers work together. Agency uses data to be proactive.

## Standard: Assessment

**Defined:** The agency assesses all HCF systems to help the agency accomplish strategic goals, ensure human capital policies, programs, and practices are efficient and effective, meet merit system principles, and maintain regulatory compliance. The assessment includes reviews of practices in the area of planning, implementing, and evaluating human capital management initiatives and human resources operations, using the four HCF systems as guideposts. The agency also periodically reviews the effectiveness of the overall evaluation system to ensure it enhances organizational performance by informing the agency's continuous process improvement efforts.

**Citations:** [5 CFR 250.204(c)(1), 5 CFR 250.204(d)(4)(i), 5 CFR 250.204(d)(5), and 5 CFR 250.204(d)(5)(i)]

**Description:** The agency evaluates all human capital management systems for mission alignment, effectiveness, efficiency, and compliance.

The agency incorporates and uses information provided in the Federal Workforce Priorities Report (FWPR), HRStat, HCOP, HCR, and other sources as needed to make data-driven decisions. The agency applies an independent audit process to assess and ensure compliance with merit system principles and applicable Federal laws, rules, and regulations. Takes corrective action to eliminate deficiencies identified by OPM or through the IAP, in order to improve human capital management. The agency adjusts, as appropriate, to inform and improve the next cycle of planning.

The agency has sufficient staff with the appropriate competencies to conduct accurate measurement and rigorous evaluation of human capital policies, programs, and initiatives.

### Maturity Model Discussion

#### *Reactive*

- Agency uses elements of the evaluation system to review human capital strategies, but they have little or no impact in creating change or driving continuous improvement.
- Agency only reviews an HCF system or focus area when a problem arises.
- Agency does not have adequate resources devoted to an IAP, e.g., agency may not have an established APM position and/or staff may also be pulled away from assigned work as needed to form/participate on an ad hoc audit team.

#### *Emerging*

- Agency uses elements of the evaluation system to review human capital strategies, which drives some change, but to only certain components of the agency.

- Agency assesses the impact of human capital policies, programs, and initiatives on organizational performance, and uses milestones/measures to assess progress of strategic human capital goals/objectives. Agency leadership (i.e., CHCO, PIO, human resources leaders) consults with the APM on measures/milestones for human capital goal planning and uses data from the independent audits to identify measures and target dates for achieving results.
- In most cases, agency uses data-driven analysis and audit results to identify and take action for improving or correcting deficiencies in human capital policies and programs.
- Agency establishes an accountability program as a separate division that is fully staffed based on servicing size of the organization, and intermittently plans and conducts segmented (e.g., one HCF system or part of a system) independent audits annually, compiles and disseminates audit results to ensure compliance, but does not utilize information to inform management decisions. Provides follow-up, but written reports are not always issued timely and no one is held accountable to ensure the findings do not occur in the future. Limited change or continuous improvement is made within the agency.
- Agency uses other human capital program managers and/or OPM to supplement team composition but has an APM. Agency staff is identified and training is provided to ensure competency within the areas of the IAP.

### *Advanced*

- Agency has an evaluation system that assesses alignment of human capital strategies to agency strategic goals, which drives change throughout the entire agency.
- Agency uses a robust evaluation system to analyze and develop HC drivers (e.g., leadership practices, employee engagement, knowledge management, etc.) and predictors between human capital and organizational performance. The agency also develops analytical tools to identify cause(s) of variations in key areas of organizational performance. Agency uses milestones and measures aligned to strategies with targets to assess progress and results of strategic human capital goals/objectives and to drive change.
- Agency identifies and develops key actions based on data-driven analysis and audit results to improve and correct deficiencies in both human capital policies and programs.
- Agency's accountability program is led by a senior staff manager with support staff, and has complete autonomy in identifying the types of HC programmatic and transactional reviews to audit and report on. Agency plans and conducts full HCF systems independent audits annually, communicates audit results and improvement action(s) planned and taken, and utilizes information to ensure compliance, identify process improvements, and inform management decisions. Agency takes into consideration the FWPR, HRStat, HCOP, HCR, and other data-driven sources to support data-driven decision-making. Agency also reviews audit findings,

survey results, hiring metrics, employee engagement scores, etc., to identify deficiencies and areas in need of improvement. Written reports are issued, follow-up is provided, and managers are held accountable for taking corrective action and ensuring negative findings do not reoccur in the future.

- Agency has established a cadre/partnership with sub-agency level resources, e.g., bureau, office, component, etc. Agency has a dedicated staff with extensive knowledge in all aspects of human capital management. Training is provided to staff to ensure competency within all areas of the IAP.

### *Optimized*

- Agency has a fully developed evaluation system to ensure alignment of human capital strategies, assesses the effectiveness and efficiency of those strategies, which has a significant impact and drives change throughout the organization.
- Agency employs strategic decisions on evidence-based drivers and predictors to create an effective high performing workforce. Agency evaluates organizational performance in key areas to implement and improve strategies that increase organizational performance. Agency uses measures and milestones, using key data and targets aligned to strategies to address progress and results, assist with decisions to ensure strategies are effective, and to create significant impact and drive change or improvement efforts throughout the agency.
- Agency takes swift action based on key data to improve and/or correct both human capital policies and programs, and holds managers accountable for correcting deficiencies. In addition, measures are put in place to guard against recurrence.
- Agency plans and conducts fully collaborative independent audits across the agency annually. They communicate audit results, improvement action(s) planned and taken, and strategically utilize the independent audit process to ensure compliance, effectiveness, efficiency, **and** mission alignment. The independent audit identifies process improvements and informs strategic human capital planning and management decisions. Fully incorporates the FWPR, HRStat, HCOP, HCR, and other data-driven sources to further facilitate data-driven decision-making. Agency also reviews audit findings, survey results, hiring metrics, employee engagement scores, etc. to identify deficiencies and areas in need of improvement. Written reports are issued, follow-up is provided, and managers are held accountable. In areas needing attention, the agency takes swift action that is clear and well-documented. In addition, measures are put in place to guard against recurrence. Agency often shares model practices with other agencies.
- Agency uses a database and/or dashboard to track and evaluate assessment results/findings. Trend analyses of audit findings are leveraged to support budgetary decisions impacting human capital programs and policies.

- Agency has mandated dedicated resources from both the department level and sub-level to formulate a robust IAP. The audit staff members are considered technical experts within the agency, and have completed OPM's Evaluator Training class or agency equivalent.

## Maturity Model Chart – Assessment

<b>Reactive</b>	<b>Emerging</b>	<b>Advanced</b>	<b>Optimized</b>
<p>Agency uses elements of the evaluation system to review human capital strategies, but assessment has little or no impact.</p>	<p>Results of agency evaluation efforts drive some change, but to only certain components of the agency.</p>	<p>Agency has an evaluation system that assesses alignment of human capital strategies to agency strategic goals, which drives change throughout the entire agency.</p>	<p>Agency evaluation system ensures alignment of human capital strategies and assesses the effectiveness and efficiency of those strategies.</p>
<p>Agency only reviews an HCF system or focus area when problems arise.</p>	<p>Agency assesses the impact of human capital management on organizational performance and uses milestones/measures. Leadership consults with the APM and uses data from the audits to identify measures and targets. In most cases, agency uses analysis and results to take action.</p>	<p>Agency uses the evaluation system to analyze/develop HC performance drivers and predictors, and to identify the root cause(s) of variations in performance. Milestones and measures are used to assess progress, results, and make changes. Actions are based on analysis and audit results.</p>	<p>Agency makes strategic decisions based on sound data and evaluates performance to assess strategies. Agency measures progress and results, and uses data to assess strategies to drive change throughout the agency. Swift action is taken to improve processes and managers are held accountable for correcting deficiencies.</p>
<p>Agency does not have adequate resources devoted to an IAP or clear leadership in place. Work assignments may be made on an ad hoc basis.</p>	<p>Agency establishes an accountability program as a separate division that is fully staffed and conducts limited HCF audits. Audit results are disseminated to ensure compliance, but information is not always provided timely, nor used to inform management decisions or drive change. Agency has an APM, but no permanent staff. However, the staff who participate are competent.</p>	<p>Agency’s accountability program is led by a senior manager who has complete autonomy. Agency conducts full HCF systems audits annually, and communicates results to ensure compliance, make improvements, and inform decisions. Agency takes into consideration data from multiple sources to identify deficiencies. Written reports are issued timely, follow-up is provided, and managers are held accountable. Agency has a dedicated and knowledgeable staff.</p>	<p>Agency conducts agency-wide audits and strategically utilizes results to ensure compliance, effectiveness, efficiency, and mission alignment. The agency incorporates data from multiple sources to facilitate decision-making. Agency shares best practices and conducts trend analyses, which is used to support budgetary decisions. Agency has a fully staffed independent audit team, who are considered technical experts.</p>

# Appendix A – Evaluation System Policy Guidance

(AGENCY)

## Human Capital Evaluation System Policy

**Note: This guidance is provided as a suggested approach for agencies to meet the 5 CFR 250 requirements for a formal and documented evaluation system. The format listed below is not required; however, agencies must document evaluation system policies to address the spirit and intent of the key elements described within this guidance.**

**1. Purpose and Scope.** To ensure continuity among agency leaders, state the purpose of the agency’s evaluation system by describing its intent (i.e., to ensure effective human capital management in support of the agency’s strategic plan consistent with the merit system principles) and scope (i.e., a systematic, agency-wide system to oversee the operations of human resources management programs to assess results of organizational performance and compliance with law and regulation). It is important to make the connection between the evaluation system and the agency’s Human Capital Operations Plan, (i.e., assesses progress towards human capital goals and oversees its use of HR authorities).

Note: To demonstrate the commitment of the agency’s top management, we recommend the policy be issued by the agency’s Deputy Secretary (or equivalent); as a minimum, issue from the Chief Human Capital Officer (CHCO), as detailed in the roles and responsibilities under 5 CFR 250.204(c) and (d).

**2. Human Capital Accountability Coverage at (agency).** Describe how the evaluation system will function at the agency, including the responsibility of top-level management to establish human capital goals and objectives, determine measures for assessing results, establish budgets and identify resources for system operation, monitor and assess results, and take appropriate improvement or corrective action. It will be helpful to discuss, in general, the overall framework and operation of the agency evaluation system (e.g., CHCO provides leadership and overall direction; PIO monitors and assesses organizational progress on goals and objectives; agency performance management system provides mechanism for holding executives, managers, supervisors, and employees accountable; HR organization provides direction and guidance on HR policies and programs).

**3. Roles and Responsibilities.** Leadership plays a critical role in establishing and maintaining an effective evaluation system. It is paramount that agency leadership fully supports and adequately resource the agency’s evaluation system to ensure organizational performance is being monitored, strategic adjustments are made, when necessary, and the human capital programs operate within merit system principles. In addition, effective communication among agency leadership is crucial to ensure cross-agency collaboration towards achieving mission objectives, inform decision-making, and assess progress toward achieving organizational goals.

Key leaders should know how they can help ensure the evaluation system is highly functional. It is beneficial to detail the specific roles and responsibilities of key personnel/organizations in the oversight, planning, conducting, reporting, and follow-up on agency evaluation system activities. Examples include various HR organizations with program responsibility (e.g., awards, training, and performance management programs) as well as:

- Deputy Secretary or designee
- CHCO
- PIO

- CIO
- Executive Review Boards
- Director of HR
- Evaluation System Program Manager
- Heads of Bureaus/Components
- Supervisors and Managers
- HR Specialists (accountability, policy and data analytics staffs)
- HC/HR Management Committees or Councils

**4. Evaluation System and Assessment Activity.** Agency personnel need to fully understand how the evaluation system operates. It is helpful to describe in general terms the operation of the evaluation system addressing how system components communicate and work together to ensure coverage across all Human Capital Framework systems focusing on mission alignment, program effectiveness, process efficiency, and merit system compliance. Specifically describe the intent and desired outcomes of the evaluation system (i.e., **assess** actions/initiatives, **inform** top management of results, and **improve** human capital processes) by detailing its objectives, including how:

- The agency applies an independent audit process and evaluation system that periodically reviews HR systems to insure compliance with merit systems principles and Federal laws, rules, and regulations.
- The agency tracks costs and benefits and evaluates all human capital management systems for mission alignment, effectiveness, and efficiency.
- Measures/milestones with data and targets for each strategic human capital goal/objective provide a basis for assessing progress and results.
- The agency has staff with the appropriate competencies to conduct accurate measurement and rigorous evaluation of human capital policies, programs, and initiatives.
- The agency provides adequate and appropriate resources to track and evaluate human capital policies, programs, and initiatives.
- The agency focuses evaluation resources on assessing the effectiveness of human capital policies, programs, and initiatives that require high investments, affect large proportions of the workforce, create significant change, and/or are expected to have significant impact.
- The agency examines linkages between human capital policies, programs, and initiatives and organizational performance to identify human capital drivers and predictors of performance.
- The agency has mechanisms in place to collect continuous, reliable, and valid human capital data and systematically develop new data collection methods, as needed, to inform decision-making.
- The evaluation system clearly communicates data and analyses to leadership that are relevant to accomplishment of mission, strategic goals and objectives, and annual organizational performance plans.
- The agency takes action to improve human capital policies and programs and correct deficiencies based on data-driven analyses and audit results.

**Note: Agencies should continually reassess how well they are meeting the objectives listed above.**

Describe agency **evaluation system activities** (e.g., program evaluation, data and metric analysis, on-site or virtual audits) and the types of methodology (e.g., data and trend analysis, transactional and records



reviews, annual employee survey, focus groups and interviews) used in the operation of the evaluation system.

Annually establish a **schedule of evaluation system activities** for the upcoming FY, which incorporates an assessment of the HCF systems, including employee engagement, the performance appraisal, awards, and training programs. The plan for the upcoming FY should list virtual and on-site audits and include coverage, methodology, responsibilities, timeframes, and locations. Coverage should include assessment of agency HR programs and initiatives to support agency human capital goals and review of personnel actions for compliance with legal and regulatory requirements.

Describe how the results of specific evaluation activities will be reported and tracked. Describe mechanisms and responsibilities for taking corrective and improvement actions that come out of evaluation system operations. Discuss remedies and possible consequences when systemic and non-systemic violations occur.

## Appendix B – Communication Plan Guidance

The agency's communication plan is a written set of strategies documenting how human capital evaluation system information will be shared. The most effective communication plan contains the following:

- Message – What information is being shared? What information should not be shared (i.e., budget, classified materials, and/or sensitive information)? What do you want the target audience to do with the information (i.e., knowledge only, take action, etc.)?
- Responsible Party – Who is responsible for sharing the information?
- Target Audience – Who is receiving the information?
  - Strategic – CHCO, PIO, CIO, COO, and CFO
  - Operational – Bureau/component heads, program managers (e.g., APM), senior managers, supervisors, Administrative Officer (AO), and HR Directors
  - Employees – team leads, program analysts, and AO
  - Other Stakeholders – Who affects the activities that are taking place or who are affected by them? (i.e., accountability staff, IT, HR assistants)
- Communication Method – What method will be used to share the information? (e.g., written, spoken, electronic) Note: Two-way communication may be required.
- Timeline – When should the message be relayed? (i.e., weekly, monthly, quarterly, beginning of each fiscal year, etc.)
- Feedback –
  - Is the communication plan effective? Are adjustments needed?
  - How will the agency receive feedback on the evaluation system and human capital information?
  - How will the agency track strategies to ensure follow-up and follow-through?

## Appendix C – Glossary of Terms

**Advanced** - An agency is fully integrated and operates in a manner in which the agency achieves the desired results against established benchmarks to facilitate change within the agency.

**Annual Performance Plan** - From the strategic goals and objectives in the agency's Strategic Plan, agencies establish the annual performance plan that describe the level of performance to be achieved during the year the plan is submitted and the next fiscal year (i.e., budget year). The plan also describes the strategies the agency will follow in making progress towards achieving strategic goals and objectives (including human capital goals), identifies priorities among the goals, and explains how the agency will monitor progress.

**Assessment** - The agency assesses all Human Capital Framework (HCF) systems to ensure human capital policies, programs, and practices, meet merit system principles and regulatory compliance, are efficient and effective, and help the agency accomplish strategic goals. The assessment includes reviews of practices in the area of planning, implementing, and evaluating human capital management initiatives and human resources operations, using the four HCF systems as guideposts. The agency also periodically reviews the effectiveness of the overall evaluation system to ensure it enhances organizational performance by informing the agency's continuous process improvement efforts.

**Business Analytics** - The agency leadership reviews current activities and past practices, including workforce and performance data, metrics and results, to anticipate and plan for future strategic and operational requirements.

**Business Reference Model** - Supports architectural analysis and reporting in the business services sub-architecture view of the overall Enterprise Architecture.

**Chief Financial Officer** - The senior executive responsible for managing the financial actions of an agency. The CFO's duties include tracking cash flow and financial planning as well as analyzing the agency's financial strengths and weaknesses and proposing corrective actions.

**Chief Human Capital Officer** - The agency's senior leader whose primary duty is to: (1) advise and assist the head of the agency and other agency officials in carrying out the agency's responsibilities for selecting, developing, training, and managing a high-quality, productive workforce in accordance with merit system principles; and (2) implement the rules and regulations of the President, the U.S. Office of Personnel Management, and the laws governing the civil service within the agency.

**Chief Operations Officer** - The senior executive who oversees ongoing business operations within the agency.

**Communication** - Information about the evaluation system is disseminated throughout all levels of the agency using a formal and structured plan to communicate organizational goals, desired outcomes, supporting human capital strategies, and adjustments that are needed to improve performance in support of mission accomplishment.

**Dashboard** - A graphical summary of various pieces of important information to give an overview of the program's metrics and related content.

**Data** - Facts, statistics, or items of information that have been abstracted in some schematic form and collected together for reference or analysis.

**Data-Driven Decision-Making** - The agency leadership implements a systematic, flexible, and inclusive process to gather relevant information from a variety of sources to identify solutions for complex situations and uses the data to support strategic and operational decisions.

**Effectiveness** - The degree to which the right task or activity is done to produce a desired result.

**Efficiency** - The degree to which a task or activity is done in an optimal way (i.e., the fastest or least expensive).

**Emerging** - An agency has established processes in place which results in the agency generally achieving its desired outcome but not always. Some inconsistencies may still occur within the agency.

**Evaluation System** - An overarching system for evaluating the results of all human capital planning and implementation of human capital strategies to inform the agency's continuous process improvement efforts. This system is also used for ensuring compliance with all applicable laws, rules, regulations, and agency policies.

**Federal Employee Viewpoint Survey** - A tool that measures employees' perceptions of whether, and to what extent, conditions characterizing successful organizations are present in their agencies.

**Federal Enterprise Architecture** - Provides principles and standards for how business, information, and technology architectures should be developed across the Federal Government so they can be used consistently at various levels of scope within and between agencies, as well as with external stakeholders.

**Federal Workforce Priorities Report** - A strategic human capital report, published by OPM no later than the first Monday in February of any year in which the term of the President commences. The report communicates key Governmentwide human capital priorities and suggested strategies.

**Formal and Documented** - Evaluation system must be formal, documented, and resourced adequately to allow for an overarching assessment of agency human capital management, which includes resourcing an independent audit program.

**HRStat** - A strategic human capital performance evaluation process that identifies, measures, analyzes human capital data to inform the impact of an agency's human capital management on organizational results with the intent to improve human capital outcomes.

**Human Capital Framework** - Provides comprehensive guidance on the principles of strategic human capital management in the Federal Government.

**Human Capital Operations Plan** - An operational plan to support the implementation of human capital goals and strategies that are aligned and integrated with agency strategic planning and Governmentwide workforce priorities.

**Human Capital Reviews** - Is OPM's annual, evidence-based review of the agency's design and implementation of its Human Capital Operations Plan, independent audit, and HRStat programs to support mission accomplishment and human capital outcomes.

**Independent Audit Program** - A component of an agency's evaluation system designed to review all human capital management systems and select human resources transactions to ensure efficiency, effectiveness, and legal and regulatory compliance.

**Leadership** - The collective body of individuals within the agency with the influence and authority to make critical decisions affecting the existence, resources, and execution of programs and initiatives. A leader is an individual within this body typically serving as an agency head or Senior Executive Service member.

**Leadership Involvement** - Leadership involvement ensures the programs of the evaluation system (HCOP, HRStat, independent audit program, and Human Capital Review) are supported, formalized, resourced, and institutionalized throughout the agency with responsibilities cascading from senior leadership to all appropriate leadership levels.

**Optimized** - An agency is engaged and focused on continual improvement to ensure the agency operates in an effective and efficient manner. The agency is considered a leader and is recognized for establishing best practices for other agencies to implement and use.

**Performance Improvement Officer** - A senior-level agency leader with responsibility to supervise agency performance management activities, advise agency leaders about measuring performance, and assist with integrating performance information into an agency's employee performance appraisal process.

**Reactive** - An agency does not have formal processes in place and only becomes involved when an issue occurs, which results in inconsistencies and limited desired outcomes to facilitate change across the organization.

**Target** - A quantifiable or otherwise measurable characteristic that tells how well or at what level an agency aspires to perform.