

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ADMINISTRATION AND STAFF SERVICES

BUDGET ACTIVITY 11: ADMINISTRATION AND STAFF SERVICES

PROGRAM PERFORMANCE

STRATEGIC GOAL/OBJECTIVE	ACTUAL 2002	ESTIMATE 2003	ESTIMATE 2004
<b>Strategic Goal EM: Embrace high standards of ethics, management, and accountability.</b>			
FTE			
Headquarters	415	420	420
Field	285	287	287
Subtotal	700	707	707
S&E Cost (Dollars in Thousands)			
Personal Services	\$58,079	\$60,316	\$61,945
Travel	3,993	3,668	3,854
Transportation of Things	66	79	82
Rent, Communications & Utilities	121,592	124,497	135,473
Printing	1,162	855	869
Other Services	43,775	31,147	40,146
Supplies	4,692	3,840	3,893
Furniture & Equipment	5,599	1,180	3,200
Claims & Indemnities	129	12	12
Subtotal	239,087	225,594	249,474
<b>Strategic Objective EM.1: Rebuild HUD's human capital and further diversify its workforce.</b>			
Indicator: HUD will implement training and development and recruitment strategies designed to ensure that critical positions are filled.	a/	b/	c/
Indicator: HUD will continue implementation of its five-year human capital strategies to determine optimal supervisor to employee ratios and reduce organizational layers for its program areas, as appropriate.	d/	e/	f/
Indicator: HUD continues to address workforce diversity by establishing a Departmental Workforce Plan for Recruitment and Retention and educating managers and supervisors of their responsibilities.	g/	h/	i/
<b>Strategic Objective EM.2: Improve HUD's management, internal controls and systems and resolve audit issues.</b>			
Indicator: Training. HUD Training Academy will increase the number of	137 Supervisors and Managers	200 Supervisors and Managers	300 Supervisors and Managers

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supervisors who take the Supervisory Training Courses.			
Indicator: Administrative Services. The Office of Administrative and Management Services (OAMS) and Administrative Service Centers (ASC) will meet employee approved administrative service needs for equipment, services and supplies and fulfill these requests timely.	8 Business Days	7 Business Days	6 Business Days
Indicator: Performance-Based Contracts. Partner with program clients to increase the use of outcome or performance-based service contracting techniques, ensuring that HUD contracts reward achievement of program objectives.	20 %	20 %	20 %
Indicator: Hiring. Human Resources will reduce the number of days it takes to provide administrative support to recruit and certify applicants for vacancies.	40 Business Days	37 Business Days	35 Business Days
<b>Strategic Objective EM.5: Improve internal communications and employee involvement.</b>			
Indicator: HUD employees become more satisfied with the Department's performance and work environment.	59%	60%	62%

- a/ 235 Interns hired and targeted for mission critical positions. 190 Interns received training related to HUD's mission, functions, and leadership and management skills.
- b/ Continue to provide training and development in core competencies to at least 85 HUD staff.
- c/ Approximately 2,500 employees nationwide fall within the 19 occupational series in the four critical core business functions identified in HUD's Succession Plan. HUD will continue to provide core competency training in at least 50 percent of the 19 occupational series targeted.
- d/ Reduced number of layers reporting directly to the Secretary from 35 to 20.
- e/ During workforce analysis, examine at least one core business program area for optimal supervisor to employee ratio and opportunities for organizational delayering (e.g., 100 percent review of organization having 810 full time positions, 93 supervisors).
- f/ Examine at least two core business program areas (e.g., review approximately 1,500 full time positions and 219 supervisors).
- g/ Established a recruitment team that focuses on external hiring and internal retention.
- h/ Establish and implement a Departmental Workforce Plan for recruitment and retention. Train approximately 701 managers and supervisors in workforce diversity.
- i/ 100 percent of managers and supervisors trained on workforce diversity. Expand recruitment outreach to continue addressing under-representation and focus on diversity retention.

EXPLANATION OF PERFORMANCE

The Office of Administration proposes \$249.474 million in S&E funding to support Strategic Goal C: Strengthen communities.

The Office of Administration provides general Departmental support such as management analysis, human resource management, grants management, training, strategic use of information technology resources, correspondence and scheduling for the Secretary, staffing and performance analysis, general building and office services, as well as special activities directly assigned by the Secretary. Field Administration staff also provides management information services, including reports and statistics, as well as direct and essential daily administrative support to program operations.

The Departmental staffing ceiling for the Office of Administration for fiscal years 2003 and 2004 is 707 FTE.

Means and Strategies

HUD is currently in the process of further refining and developing a comprehensive strategic workforce plan that will guide its recruiting, hiring and other key human capital efforts. A Human Capital Management Executive Steering Committee, consisting of representatives from all HUD program areas, has been established to develop a 5-year strategic plan to focus on the following critical human capital issues: current and future Departmental staffing level requirements; organizational de-layering; supervisor to employee ratios; and, redirecting positions towards service delivery. In developing this strategic plan, the actions of the Executive Steering Committee will include a careful and comprehensive workforce examination and analysis to identify and confirm mission-critical positions, skills imbalances, and an assessment of the organizational impact and potential risks associated with the retirement eligibility of the existing staff, at all locations, for the core business functions of the Department. These reviews also require an assessment of management's plans to use training and development of existing staff, new intern hires, and external recruitment to ensure that the Department has an adequate and capable workforce to carry out its mission well into the future.

In addition, the HUD Training Academy has launched several initiatives to support workforce planning. Studies have been conducted to identify mission-critical positions in the core business programs. Core competencies were developed for these positions to assist in addressing skills imbalances and employee training needs for both program technical training and career advancement. Accordingly, many training resources are readily available to employees, via desktop applications, the HUD Virtual University, and Career Resource Centers. A new program, Operation Brain Trust, engages seasoned HUD staff to share their institutional knowledge and professional experiences by providing technical training to HUD employees. Leadership and developmental training for new supervisors, aspiring supervisors, and managers is a departmental priority.

The Department is continually improving its procurement procedures and operations as a result of the Chief Procurement Officer (CPO) participating as a member of the Contract Management Review Board. The CPO will partner with program offices to increase the use of outcome or performance-based service contracting techniques, ensuring that HUD contracts reward achievement of program objectives. CPO will ensure that at least 20 percent of total eligible service contract dollars obligated for new awards use outcome or performance-based service contracting techniques (for new contracts over \$25,000).

To support HUD's management and internal controls, the fiscal year 2004 budget submission for the Office of Administration reflects the following increases:

- The contracts reflect revised funding estimates for contractual services (new telephone systems and space alterations) that support all field office lease expirations, realignments, office moves and office reconfigurations that are anticipated during fiscal years 2003 and 2004. As a result of including these costs there is an increase of approximately \$8,999,000, which will support at least 13 lease expirations and moves; 11 space configurations; funding for the workforce analysis study; minimum growth rate in all contract categories for mail services; equipment, furniture and vehicle maintenance and repair; NFC payroll systems; health services; Departmental Child Care Subsidy and Headquarters transit subsidy program, and the Student Loan Reimbursement Program.
- There is an increase in travel to support the field for the delivery of on-site administrative assistance to offices that are supported remotely and to coordinate office moves.

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- The HUD Training Academy (HTA) increase of \$522,000 during fiscal year 2004 will continue to support the HUD Virtual University (HVU) as a source of education and training for all HUD organizations and employees. A core curriculum of courses enhances critical skills in management, leadership, team-building, communications and project management. A second major core curriculum provides information technology courses ranging from software training to systems administration and programming. HTA will manage an expanded HUD intern program to develop succession strength in all program areas so that as experienced, knowledgeable managers and employees retire, there are trained employees moving up the career ladder. Operation Brain Trust is a HTA initiative developed to capture the knowledge of experience HUD professionals and leaders, and deliver that knowledge to new and less experience employees. The program supports the President's Management Agenda, which includes Strategic Management of Human Capital. Implementation of the program is a 3-step process encompassing the identification and selection of HTA professors, providing train-the-trainer sessions on how to design and deliver training, and the actual implementation of HUD courses.

Resource Management Information

No FTE increase reflected.