MEMORANDUM

August 2, 2021

To: Lori A. Michalski
Acting Chief Human Capital Officer, Office of the Chief Human Capital Officer, A

From: Brian T. Pattison
Assistant Inspector General for Evaluation, Office of Inspector General, G

Subject: Final Report – Opportunities Exist To Improve the U.S. Department of Housing and Urban Development's Hiring Process, 2020-OE-0002

Please see the attached final report on our evaluation of the U.S. Department of Housing and Urban Development's (HUD) hiring process. It contains 3 findings and 11 recommendations.

In response to our draft report, the Office of the Chief Human Capital Officer (OCHCO) agreed with all 11 recommendations. OCHCO's comments and corrective actions taken to date, along with our response to those comments, are included in the report. The status of each recommendation will remain "unresolved-open" until we agree to OCHCO's proposed management decision for each recommendation. We will contact OCHCO within 90 days to begin discussing its proposed management decisions.

I greatly appreciate the assistance you, your staff, and staff throughout HUD provided throughout the evaluation. The report will be posted to our website within 3 days. Please contact Lindsay Clarke Brubaker, Acting Director of the Program Evaluations Division, at 202-603-1411 or LClarkeBrubaker@hudoig.gov, if you have any questions.

Attachment

cc
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U.S. Department of Housing and Urban Development

Office of Inspector General
Office of Evaluation

Opportunities Exist To Improve HUD's Hiring Process

Program Evaluations Division

Why We Did This Evaluation

We initiated this review to determine how the U.S. Department of Housing and Urban Development (HUD) hires new employees, determine the timeliness of the hiring process as measured by the average time-to-hire, and determine efforts made by HUD to reduce its average time-to-hire.

In addition, this evaluation identifies best practices used by other Federal agencies.

This evaluation was initiated after HUD's Office of Inspector General identified human capital as a top management challenge for HUD in fiscal year (FY) 2020. Additionally, in its FY 2018-2020 Strategic Plan, HUD identified a strategic goal of streamlining operations, including improving hiring and reducing the average time-to-hire.

Results of Evaluation

While some of HUD's efforts to improve its hiring and human capital functions and reduce its average time-to-hire have been successful, HUD's hiring process overall was not efficient. HUD's Office of the Chief Human Capital Officer (OCHCO), which is responsible for developing and implementing policies and procedures associated with human capital management, set a goal to reduce the average time-to-hire but did not meet this goal. OCHCO must implement efforts to improve HUD's hiring and human capital functions and increase hiring efficiency, as defined in its own human capital operating plans.

Hiring process owners, including program office hiring managers and administrative staff, received limited and inconsistent training on the hiring process and were not aware of the roles or responsibilities in the hiring process. The unclear roles and responsibilities, along with the inconsistent training, impacted HUD's ability to hire efficiently.

Additionally, OCHCO had inconsistent and unreliable hiring data due to the manual nature of the data input and the lack of interaction among the various data-tracking tools. As a result, OCHCO may not fully understand how well HUD's hiring process is operating or where its shortcomings exist. The unreliable hiring data impede OCHCO's and the program offices' ability to properly identify when to take actions for improvement.

Recommendations

We offer 11 recommendations to improve HUD's hiring process. Six of the recommendations are aimed at process reform, and five recommendations are designed to support data improvement. The status of each recommendation will remain "unresolved-open" until we agree to OCHCO's proposed management decision for each recommendation.

Table of Contents

List of Figures

Introduction

Objectives

The objectives of this evaluation were

- To determine how the U.S. Department of Housing and Urban Development (HUD) hires new employees.
- To determine whether HUD is able to hire new employees in a timely manner.
- To determine whether HUD's ongoing efforts to reduce the average time-to-hire have the intended effect.[1]
- To compare HUD's hiring practices and timeframes to those of other similar-size Federal agencies.

Background

HUD's human capital challenges have persisted and been documented by HUD, HUD's Office of Inspector General (OIG), and U.S. Government Accountability Office assessments for more than 25 years. Both HUD and OIG recognized that HUD's inability to efficiently hire qualified staff could negatively impact its ability to accomplish its mission. Therefore, HUD included improving hiring and human capital functions as a strategic objective in its fiscal year (FY) 2018-2022 Strategic Plan, and OIG identified human capital as a top management challenge for HUD in FY 2020.

U.S. Office of Personnel Management's Hiring Initiative and Expectations

In FY 2017, the U.S. Office of Personnel Management (OPM) issued an End to End Hiring Initiative report as part of its attempt to take a new, comprehensive, and integrated approach to Federal hiring. The initiative created roadmaps for the five components of hiring: workforce planning, recruitment, hiring process, security and suitability, and orientation. In its hiring process roadmap, OPM developed an 80-day model to hire a new employee, as shown in figure 1.

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[1] Average time-to-hire is the average number of days it takes to fill a vacancy.

FIGURE 1 – OPM's hiring process roadmap[2]

| Workforce Planning | Recruitment | **Hiring** | Security / Suitability | Orientation |

► 14 functions
► 80 days (Based on 2-week announcement window)

| 20 Days | 64 Days | 80 Days |

| Validate Need (1 Day) | Request Personnel Action (1 Day) | Review Position Description (1 Day) | Confirm Job Analysis & Assessment Strategy (5 Days) | Create / Post Job Opportunity Announcement (JOA) including Career Patterns (2 Days) | Receive Applications & Notify Applicants (10 Days) | Close JOA | Evaluate Applications (15 Days) | Issue Certificate / Notify Applicants (1 Day) | Selecting official; Review applications / conduct interviews / check references / select / return certificate (15 Days) | Tentative Job Offer / Accept (3 Days) | Initiate Security Check (10 Days) | Official Offer / Accept (2 Day) | EOD (14 Days) |

Source: OPM's End to End Hiring Initiative, page 27

OPM expected agencies to review the model and their internal hiring process to determine how they could make necessary adjustments to streamline processes and improve time-to-hire. OPM permitted agencies to modify the timeframes for each of the hiring process steps as the agencies saw fit.[3] According to OPM, the governmentwide average time-to-hire for FY 2018 was 98 calendar days.[4]

HUD's Hiring Process Roles

The hiring process involves several process owners outside HUD and across HUD's various administrative and program offices, including

- The Bureau of the Fiscal Service (BFS)
- HUD's Office of the Chief Human Capital Officer (OCHCO)
  - Recruitment and Staffing Division
  - Personnel Security Division
- HUD's Office of the Chief Financial Officer
- HUD's program offices
  - hiring managers
  - administrative officers (AO)
  - internal human resources offices or staff
  - internal budget offices or staff

BFS is part of the U.S. Department of the Treasury and has provided shared services support to HUD since FY 2015. BFS is solely responsible for creating, reviewing, and posting the job

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[2] This OPM roadmap uses the acronym EOD in place of entrance on duty.
[3] On February 25, 2020, OPM issued a modification to how it collects time-to-hire data to account for the time it takes to undergo background investigations, receive security clearances, and conduct other similar activities that are outside the agency's control. Specifically, OPM announced that agencies should report on a time-to-hire from both the time the hiring manager validates the need until the candidate accepts the tentative offer and the time the hiring manager validates the need until the entrance on duty date. This change in how time-to-hire is calculated did not impact the scope of work for this evaluation.
[4] These were the most recent data available at the time of fieldwork.

opportunity announcement for each hiring action, reviewing applications, issuing the certificate of eligible candidates, making the tentative job offer, and making the official job offer.[5]

OCHCO is led by the Chief Human Capital Officer and is responsible for developing and implementing policies and procedures associated with human capital management for HUD, advising the HUD Secretary and senior management on all human resources matters, and setting the workforce development strategy for HUD. OCHCO is also responsible for calculating HUD's final time-to-hire and hiring metrics[6] and reporting them annually to OPM. Within OCHCO, the Recruitment and Staffing Division and Personnel Security Division play significant roles in the hiring process. The Recruitment and Staffing Division advises and provides hiring strategies and resources to HUD's program offices and is comprised of human resources business advisors and human resources business partners. The Personnel Security Division conducts the security process portion of hiring for HUD. While OCHCO and BFS consult regularly on hiring actions, HUD has final authority on hiring decisions.

The Office of the Chief Financial Officer is responsible for reviewing and approving hiring requests to determine whether the program office can afford to hire based on its staffing levels and budget. It also does biweekly payroll projections to determine what hiring has occurred, what hires are planned, and the program offices' funding statuses through yearend.

Employees in HUD's program offices that have a role in the hiring process are the hiring managers, the AOs or administrative staff, the internal human resources staff, and the internal budget staff.[7]

- The hiring manager is solely responsible for validating a need to hire, requesting a personnel action to initiate the hiring process, reviewing applicants, conducting interviews, and making a selection. It is the responsibility of both the manager and BFS to collaborate and review the position description, confirm the job analysis, receive applications, conduct preemployment and security checks, and finalize entrance on duty dates.[8,9]
- While the AO role in the hiring process is not uniform, the AOs are key players in the hiring process and considered the hiring point of contact in the program office. The AO often serves as an intermediary between BFS and the hiring manager and OCHCO and

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[5] A certificate of eligible candidates is a listing that contains the highest ranked eligibles, after application of veterans' preference, and a result of public notice, recruitment, and screening and assessment efforts. The list is prepared and issued by BFS and is the list from which the hiring manager will select a candidate.

[6] Throughout this report, metric is used when referring to actual performance numbers that OCHCO calculates, such as the average time-to-hire.

[7] Unlike human resources specialists in OCHCO, HUD program offices' internal human resources staff is not part of job series 201 – Human Resources Management.

[8] A position description is a statement of the major duties, responsibilities, and supervisory relationships of a position. In its simplest form, a position description indicates the work to be performed by the position. The purpose of a position description is to document the major duties and responsibilities of a position, not to spell out in detail every possible activity during the workday.

[9] A job analysis identifies the competencies and knowledge, skills, and abilities directly related to performance on the job. It is a systematic procedure for gathering, documenting, and analyzing information about the content, context, and requirements of the job. It demonstrates that there is a clear relationship between the tasks performed on the job and the competencies and knowledge, skills, and abilities required to perform the tasks.

the hiring manager. Often, the AO puts the hiring package together on behalf of the hiring manager.
- Some HUD program offices have their own internal human resources staff. However, these employees are not human resources specialists, and all HUD hiring must go through BFS and OCHCO.
- The program office has internal budget staff responsible for ensuring that the office does not exceed its budget allotment. Some program offices require their budget offices to review hiring requests. Others require a second budget approval[10] from an internal budget officer before an official job offer is made to ensure that funding is still available.

Distinction Between Step Zero and the Hiring Process

A critical part of the success of the hiring process begins before a hiring manger starts the recruiting process, commonly referred to as "step zero."[11] Step zero includes the time during which the hiring manager, OCHCO, and BFS work together to create the position description and the job analysis, as well as the time it takes BFS to classify the position. The classified position description and job analysis, as part of a hiring package, must be submitted by a program office to OCHCO to start the hiring process. Therefore, the time it takes to write and classify a position description and write a job analysis is not included in the calculated average time-to-hire. One BFS official estimated that the position description and job analysis could each take between 30 and 60 days.

According to BFS's Hiring Process Job Aid, HUD's hiring process has 13 steps. These are described in brief below and shown in detail in a process map in appendix A.

1. Validate need – The HUD program office hiring manager determines that a vacancy needs to be filled and obtains internal program office approval as needed.
2. Request personnel action – The program office then puts together a hiring package and prepares an official hiring request in the human resources system so OCHCO and BFS can review and approve it.
3. Review position description – BFS must review and validate the position description.
4. Confirm job analysis – BFS must review and approve the job analysis.
5. Post job opportunity announcement – BFS creates and posts the job announcement on USAjobs.gov.
6. Receive applications – BFS receives applications.
7. Minimum qualification review – Once applications are received, BFS does a minimum qualification review, which is the rating and ranking of candidates.
8. Issue certificate and notify applicants – BFS prepares a certificate of eligible candidates and submits it to the HUD program office hiring manager. BFS also notifies applicants of the status of their applications.

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[10] The Office of the Chief Financial Officer conducts the initial budget approval process before the recruitment process can begin.
[11] A hiring manager does not need to be actively looking to fill a vacancy to engage in step zero of the hiring process.

9. Interview and select – The hiring manager uses the certificate to determine which candidates to interview to select a candidate to hire. The hiring manager informs BFS of the decision.
10. Tentative job offer – BFS makes the tentative job offer to the selected candidate(s).
11. Preemployment and security checks – OCHCO's Personnel Security Division does the preemployment and security checks on the candidate and alerts BFS of its security process approval.
12. Official job offer – BFS makes the official job offer to the selected candidate(s).
13. Entrance on duty[12] – The candidate then accepts the official job offer and agrees to a start date.

HUD's Commitment To Improve Its Hiring Process

HUD has committed to improve its hiring process and reduce its average time-to-hire. In the FY 2018-2022 Strategic Plan, strategic objective 11 is to "[o]rganize and deliver services more effectively." As part of this objective, HUD committed to improving the hiring process by identifying bottlenecks and needed resources to reduce the average time-to-hire. One of the strategies HUD proposed to help achieve this objective was to "[i]mprove the hiring and human capital functions, to reduce average time-to-hire and improve the quality of hires, to ensure HUD attracts, trains, and retains an efficient workforce with an accountability structure that accomplishes [HUD's] mission." To measure progress toward its objective, HUD used performance indicators, including tracking its average time-to-hire.

OCHCO has led many of HUD's efforts to improve hiring and human capital functions. OCHCO restated HUD's commitment to improving the hiring process and reducing its time-to-hire in both its FY 2018-2019 and FY 2020-2021 Human Capital Operating Plans (HCOP). In the FY 2018-2019 HCOP, OCHCO identified five actions that it would take.

1. Reduce the average time-to-hire.
2. Increase the quality of hires as measured by the hiring official.
3. Increase the sources of hires through external hiring.
4. Increase the use of data analytics to demonstrate historical hiring trends and develop strategies to improve time-to-hire and support sound position management and organizational design.
5. Strengthen strategic partnership between OCHCO and the HUD workforce.

In FY 2019, OCHCO's efforts to increase hiring resulted in an increase in employees for the first time since 2011. HUD hired more external new employees than the total number of employees who separated from HUD in FY 2019. HUD also hired significantly more employees in FY 2019 than it had in FY 2017 or FY 2018, as shown in figure 2.

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[12] Entrance on duty is the process by which a person completes the necessary paperwork and is sworn in as an employee. The entrance on duty date is typically the new employee's first day.

FIGURE 2 – FY 2017-2019 number of HUD hires
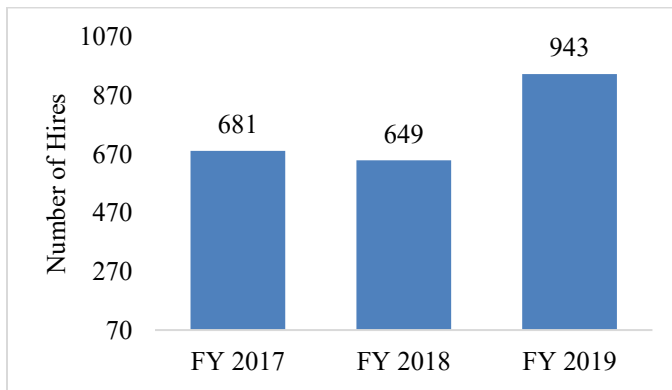
Source: HUD time-to-hire reports provided by BFS

Scope and Methodology

We completed this evaluation under the authority of the Inspector General Act of 1978, as amended, and in accordance with the Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency (January 2012).

Scope

We performed fieldwork for this evaluation between February and November 2020. Our evaluation focused on HUD's hiring process, which begins with validating the need to hire and ends with the entrance on duty date of the new employee. In our analysis of hiring data, we used 3 years of the most recently available data at the time of our fieldwork: FY 2017 through FY 2019.

Methodology

To address our objectives, we reviewed relevant HUD policies, publications, and other documentation. We reviewed hiring data, metrics, and milestones, including average time-to-hire, from FY 2017 through FY 2019, as provided by HUD and HUD's shared service provider, BFS. Most of our analysis focused on the 13 steps of the hiring process. However, we included step zero in our analysis when it related to the actions OCHCO committed to as part of its efforts to reduce average time-to-hire.

We conducted 46 interviews with officials from HUD, BFS, the U.S. General Services Administration (GSA), and the U.S. Small Business Administration (SBA). The staff members we selected for interview from each agency were the ones considered subject-matter experts well positioned to speak about the hiring process. We also conducted a survey of all HUD hiring managers, referred to in this report as the hiring manager survey, to gather program office perspectives on the hiring process. Finally, we contacted OPM to obtain input on OPM's expectations of Federal agencies regarding the hiring process.

See appendix B for detailed methodology on our analysis of the average time-to-hire by hiring process step, appendix C for detailed methodology on how we chose GSA and SBA as agencies comparable to HUD, and appendix D for detailed methodology on our hiring manager survey and the results.

Limitations

Hiring manager survey results were self-reported by HUD hiring managers, and we did not validate the results for accuracy. Because survey responses were voluntary, there is a potential for voluntary response bias. Therefore, the resulting responses could tend to overrepresent those individuals who have strong opinions. As described in appendix D, 227 of 377 possible hiring manager survey recipients responded, resulting in a 60.2 percent response rate. We did not use survey results to make any projections or assumptions about the universe of hiring managers.

We were unable to replicate and validate all hiring metrics. We describe these data limitations in greater detail in the Findings section of this report.

Information that GSA and SBA provided to us was used only to gain insight into Federal agencies that have attributes similar to those of HUD. We did not attempt to independently validate any information provided to us by GSA or SBA, nor are we evaluating or making conclusions on GSA's or SBA's processes.

Findings

HUD Did Not Hire New Employees in a Timely Manner

According to our calculations, the HUD FY 2019 average time-to-hire was 141 days, while HUD's reported goal was 108 days.[13] There are three primary reasons why HUD was unable to hire staff in a timely manner. Foremost, OCHCO did not implement process improvements to reduce the length of four hiring process steps that took longer than they should have; namely, review position description, confirm job analysis, interview and select, and preemployment and security checks. Secondly, HUD employees reported inconsistent training on the hiring process and unclear hiring roles and responsibilities. Finally, OCHCO and BFS both experienced high turnover.

During fieldwork, we attempted to validate different metrics that HUD reported, but we were unable to replicate the data. Therefore, throughout the report, we present the metrics that we calculated, unless otherwise noted. For more information on the average time-to-hire, see the section OCHCO Could Not Provide a Replicable Methodology of Average Time-To-Hire.

HUD's Average Time-To-Hire Did Not Meet Its Goal

In FY 2019, HUD exceeded OPM's average time-to-hire goal by 61 days and HUD's average time-to-hire goal by 33 days. We calculated HUD's FY 2019 average time-to-hire as 141 days, while OPM's goal was 80 days and HUD's goal was 108 days[14] (figure 3). Further, only 29.3 percent of hires made it through the hiring process within 108 days, and 11.6 percent of hires made it through within OPM's 80-day model.

FIGURE 3 – HUD's FY 2019 average time-to-hire compared to goals
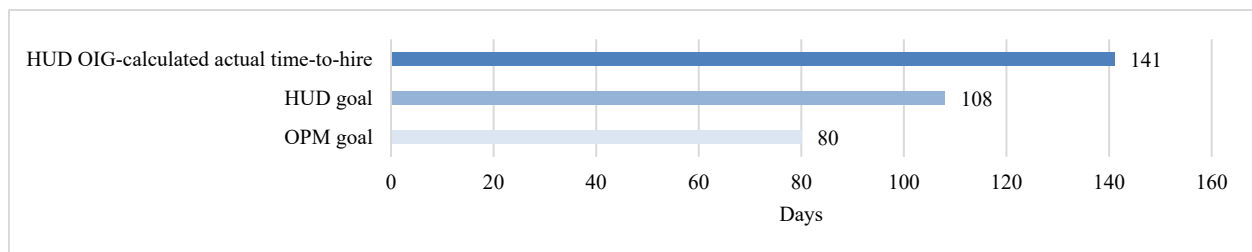
We calculated HUD's actual average time-to-hire for FY 2019 using data provided by BFS because OCHCO was unable to provide a replicable methodology on how it calculated time-to-hire. OCHCO also reported different average time-to-hire calculations for FY 2019 in various documents and publications, complicating our attempts to replicate OCHCO's time-to-hire methodology.

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[13] The 141-day average time-to-hire calculation for FY 2019 includes the 35-day lapse in appropriations that occurred from December 22, 2018, to January 25, 2019. OPM's FY 2019 time-to-hire guidance indicated that agencies should not back out the calendar days that were impacted by the furlough because OPM wanted an accurate understanding of the impact the furlough had on agencies' hiring processes. We followed OPM's guidance.
[14] HUD's FY 2021 Annual Performance Plan reports HUD's FY 2019 time-to-hire goal as 108 calendar days.

<u>Hiring Manager Survey Respondents Reported Negative Impacts Due to HUD's Inability To Hire in a Timely Manner</u>

When we asked hiring managers about satisfaction with the timeliness of the hiring process, 57.8 percent of survey respondents—or 119 hiring managers—reported that they were somewhat or very dissatisfied with the timeliness of the hiring process. Of those respondents, 79.2 percent— or 95 hiring managers—indicated that their program office was negatively impacted by HUD's inability to hire in a timely manner. When we asked the hiring managers to identify how their program office was impacted by HUD's inability to hire in a timely manner, 89.4 percent of survey respondents—or 84 hiring managers—reported "increased workload for employees," and 79.8 percent of survey respondents—or 75 hiring managers—reported "lower morale."

Hiring managers provided comments expanding on the impact that not being able to hire in a timely manner has had on workload, morale, productivity, and stakeholder relationships. The following are a few examples of the comments we received from hiring managers:

- The staffing shortage caused me to reallocate workload causing undue stress to not only myself but to other staff members.
- The longer it takes to bring someone onboard, the longer current employees are doing "double duty" to "pick up the slack" of the vacant positions.
- It is a full-time job to hire someone, especially with all the back and forth. [I have] had to work extra to actually get day-to-day work done. There are things that have fallen "off the plate."
- Not being able to fill the director position in a timely manner impacted HUD's mission ... There were issues maintaining the relationships with the public housing authority because the director's role was vacant. Once the director left, there was no one to give them attention and many things did not get handled as soon as possible.
- Not only was morale affected, the limited number of staff were not able to perform all of the essential functions of their position within the allotted time.

Many hiring managers stated that selected candidates declined job offers because the hiring process took too long. Several hiring managers noted that they had to consider second- or third-choice candidates because their first choice had already accepted another offer. In FY 2019, we calculated that 24.5 percent of selected candidates declined HUD's tentative job offer.

> In FY 2019, 24.5 percent of selected candidates declined the tentative job offer from HUD.

Process Improvement Opportunities Exist To Reduce the Length of Hiring Process Steps

OCHCO could implement process improvements to reduce the length of hiring process steps that take longer than OPM's goals. Specifically, four steps have consistently taken longer than OPM's goals and BFS's Hiring Process Job Aid goals. They are review position description, confirm job analysis, interview and select, and preemployment and security checks. Figure 4

shows the average length of each of the 13 process steps we calculated for FY 2017 through FY 2019, compared to the goal in OPM's 80-day hiring model.[15]

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[15] Due to rounding, data represented in figure 4 may not equal reported average time-to-hire.

FIGURE 4 – FY 2017-2019 HUD OIG-calculated average length of each hiring process step compared to goal
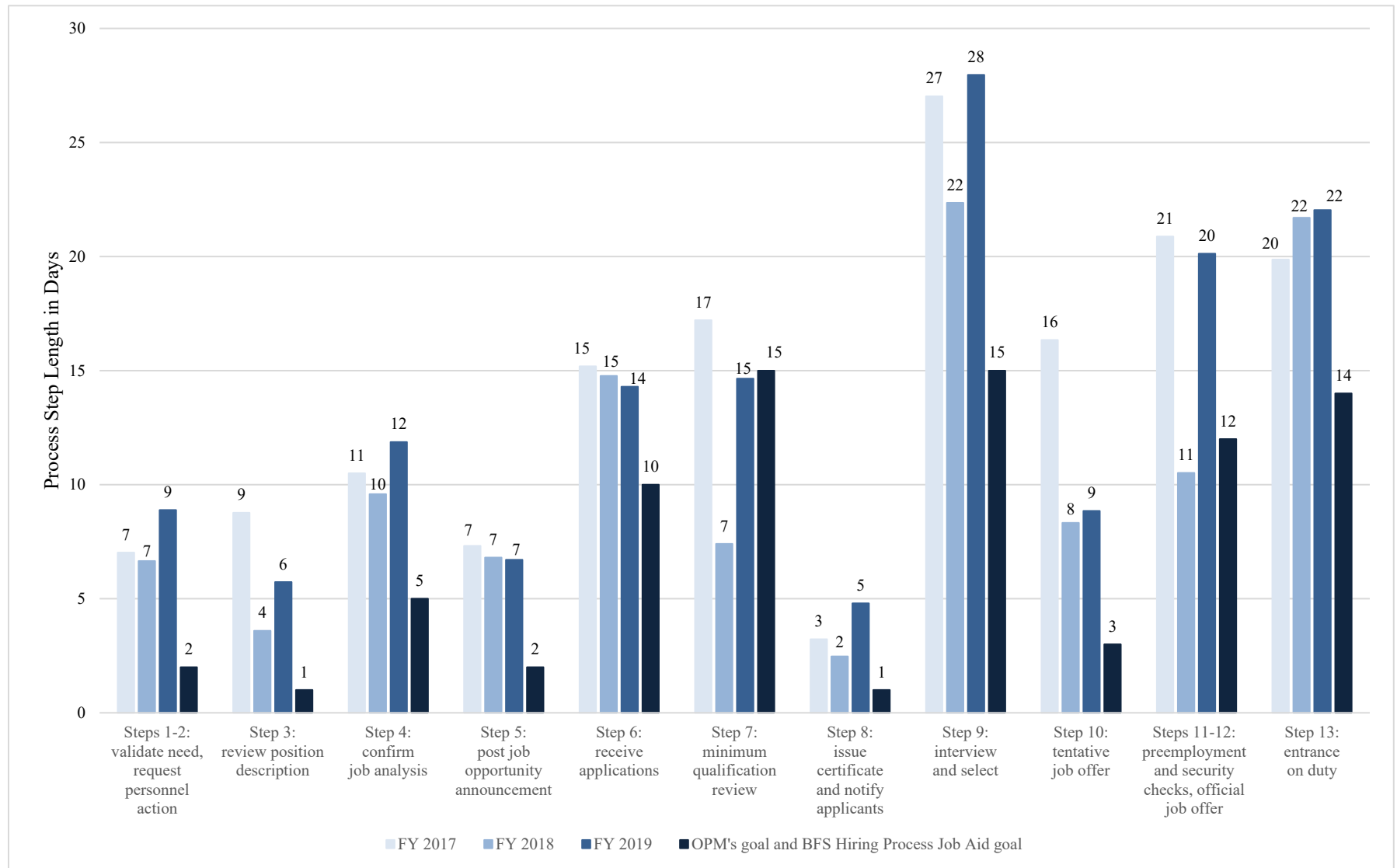
<u>Review Position Description and Confirm Job Analysis Steps Were Untimely</u>

The first and second untimely steps in the hiring process were review position description and confirm job analysis. In FY 2019, we calculated that HUD spent an average of approximately 6 days reviewing position descriptions and approximately 12 days confirming the job analysis.[16] According to OPM's goal and the BFS Hiring Process Job Aid that HUD uses, these two steps should take 6 days total. This means that hiring managers and BFS spent about three times longer than they should have on these two steps, as shown in figure 4.

The creation of the position description and job analysis are part of what is commonly referred to as step zero. Major edits to the position description and job analysis should be made during step zero and not during the review position description and confirm job analysis hiring process steps so as to not impact the average time-to-hire. If a position description or job analysis is heavily edited during the hiring process instead of during step zero, it increases the length of the hiring process and the average time-to-hire.

To reduce the average time hiring managers and BFS spend reviewing position descriptions and job analyses, OCHCO reported in its FY 2018-2019 HCOP that it would establish a SharePoint library for program offices, which would contain approved position descriptions and job analyses, by the end of FY 2018. When this project was not completed, OCHCO committed, in the FY 2020-2021 HCOP, to standardizing position descriptions and job analyses for half of HUD's mission-critical occupations, high-risk occupations, and positions with high-volume staffing needs by the end of FY 2020 and the other half by March 30, 2021. The standardization process would require program office hiring managers and subject-matter experts to provide input and approve the position descriptions and job analyses, which should reduce the need for changes during the hiring process. While several HUD hiring managers highlighted the need for standardization, as of November 2020, OCHCO had not created a SharePoint library site for standardized position descriptions and job analyses.

In comparison to HUD, hiring officials from GSA prioritized standardizing recruitment documents. GSA officials—whose average time-to-hire as of May 2020 was 78 days—agreed that standardizing their recruitment documents, while time consuming for hiring managers and hiring officials to work together to create, was critical to reducing time-to-hire. GSA felt that without standardized documents, agencies "[would] never meet the timeframes" due to all of the back and forth between hiring managers and human resources officials. If HUD standardized position descriptions and job analyses for mission-critical occupations, high-risk occupations, and positions with high-volume staffing needs, HUD's average time to review position descriptions and confirm job analysis could decrease. This measure would lead to a more efficient hiring process, similar to that of GSA.

Recommendation
Recommendation 1: To improve the efficiency of the review position description and confirm job analysis steps, we recommend that the Chief Human Capital Officer standardize position

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[16] In FY 2019, HUD ceased operations for 35 days because of a lapse in appropriations. When calculating this average, we counted all of these days. Unless noted otherwise, this footnote applies to all OIG-calculated averages presented in this report.

descriptions and job analyses for mission-critical occupations, high-risk occupations, and positions with high-volume staffing needs.

Interview and Select Step Was Untimely

Interview and select was the third untimely step in the hiring process. The interview and select step was consistently the most time-consuming step of the hiring process, as shown in figure 4. In FY 2019, we calculated that HUD spent an average of approximately 28 days interviewing and selecting a candidate. According to OPM's goal and the BFS Hiring Process Job Aid that HUD uses, the interview and select step should be completed within 15 days. Three of the eleven interviewed hiring managers and five interviewed OCHCO officials said the interview and selection process was the most time-consuming step of the hiring process.

The length of the interview and select step varies if there is a large certificate of eligible candidates or if the hiring manager wants to do two or three rounds of interviews. It also varies based on the hiring manager's schedule and ability to prioritize interviews and the candidates' availability to attend interviews.

The interview and select step is critical to the success of the hiring process because it allows hiring managers to assess the fit of the candidate. So, while the process should not be rushed, it would be valuable for OCHCO to determine whether there are additional opportunities to decrease the time of the selection process. For example, OCHCO could share tips with the hiring manager, like blocking off time for interviews about 3 weeks after the job announcement closes or choosing the interviewer(s) before receiving the certificate.

Recommendation

Recommendation 2: To address the timeliness of the interview and select step, we recommend that the Chief Human Capital Officer develop and share best practices with HUD's program offices on how hiring managers can execute hiring process responsibilities to meet timeliness goals.

Preemployment and Security Checks Step Was Untimely

The fourth untimely step in the hiring process was the preemployment and security checks step. In FY 2019, we calculated that the preemployment and security check step and the official job offer step took an average of approximately 20 days.[17] According to OPM's goal and the BFS Hiring Process Job Aid that HUD uses, it should take 12 days, as shown in figure 4. The average duration of the preemployment and security checks step of the hiring process varied dramatically. We calculated a difference of more than 10 days between FY 2017 and FY 2018. In FY 2018, we calculated that the average time to complete the preemployment and security checks step and the official job offer step was approximately 11 days, below the OPM goal of 12 days.

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[17] We were unable to calculate the individual average time for the preemployment and security checks step based on available data. Therefore, our calculation combined the preemployment and security checks step with the official job offer step. See appendix B for more details.

OCHCO's Personnel Security Division is responsible for the security portion of the hiring process for HUD. The preemployment and security checks step requires the Personnel Security Division to review paperwork submitted by the candidate, review any security issues, do further investigation like background checks and fingerprinting, and approve the candidate for employment. Three interviewed hiring managers, multiple hiring manager survey respondents, and five interviewed OCHCO officials said security was the most time-consuming step of the hiring process.

The preemployment and security checks step is one of the hiring process steps that varies greatly in length based on certain variables that may be delayed. For example, the Personnel Security Division must communicate with the applicant, and the applicant must complete certain tasks, such as paperwork and fingerprinting. If an applicant has been through the security process before, the Personnel Security Division may be able to streamline the process by using prior investigation documents on file.

While external factors impact the security process, some parts of the process are within HUD's control. Based on the FY 2018 performance, HUD is capable of performing the preemployment and security checks step quickly.[18]

Recommendation
Recommendation 3: To address the timeliness of the preemployment and security checks step, we recommend that the Chief Human Capital Officer determine the cause for the variations in the timeliness of the preemployment and security checks step in FY 2017, 2018, and 2019 and develop appropriate process improvements.

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[18] While we acknowledge that the lapse in appropriations in FY 2019 prolonged the average duration of the security process, the variation between the FY 2018 and FY 2019 performance of the security process did not appear to be solely due to the lapse. When we calculated the average length of the security process, after we removed the hiring actions that had a tentative offer accepted before the lapse and an official offer made after the lapse, the average length of the security process was approximately 19 days. This is still longer than the FY 2018 average, indicating that another variable could be impacting the process time.

Case Study– Office of Field Policy and Management

HUD's Office of Field Policy and Management was the only program office that was able to reduce its average time-to-hire from FY 2018 to FY 2019. Despite the increase in hiring in FY 2019, the Office of Field Policy and Management's reliance on hiring new employees using a variety of special hiring authorities helped it to decrease its average time-to-hire and meet its hiring goals. According to OPM, special hiring authorities may be used by agencies to appoint specific groups of individuals who meet the respective eligibility requirements, such as veterans or persons with disabilities, without competition. Special hiring authorities also allow hiring managers to circumvent certain hiring steps while fast-tracking others. Officials described how this measure helped the Office of Field Policy and Management get back to its targeted headcount and continue to be successful in accomplishing its mission. In FY 2019, we calculated that the Office of Field Policy and Management used traditional hiring authorities, as opposed to special hiring authorities, only 44.4 percent of the time, while we calculated HUD's overall average for using traditional hiring to be 80.3 percent. Several OCHCO officials pointed to the use of special hiring authorities as a successful method for recruiting hires. We calculated that from FY 2018 to FY 2019, the percentage of hiring that used a special authority increased from 4.2 percent to 19.7 percent.
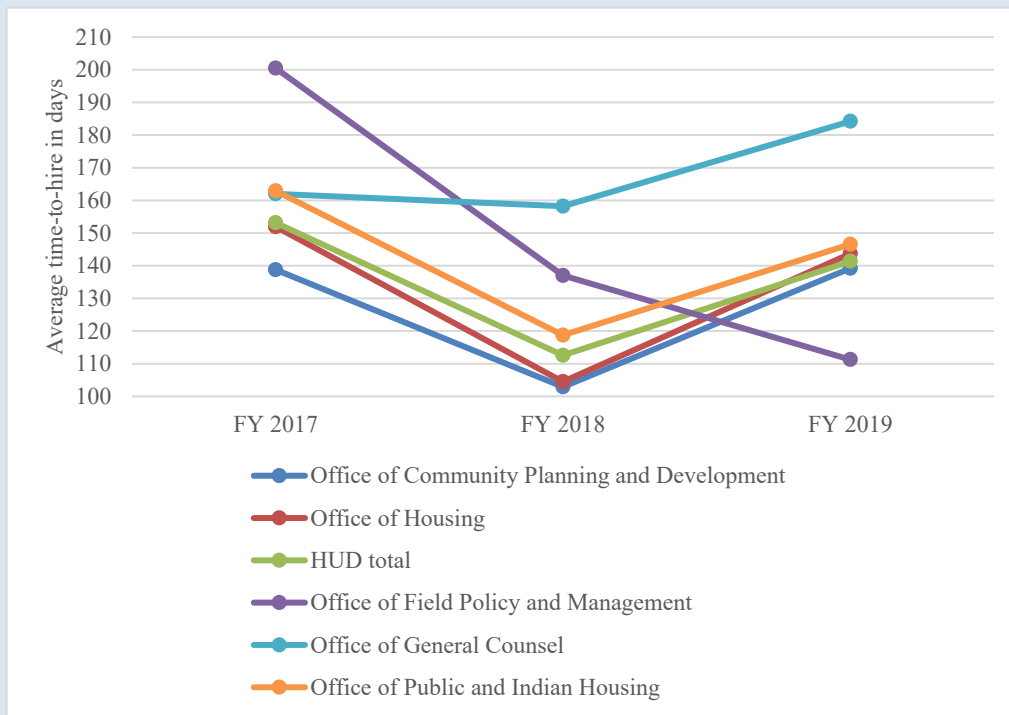
OCHCO Did Not Provide Consistent Training to Hiring Process Owners or Consistently Define Roles and Responsibilities

The second reason why HUD has not been able to hire staff in a timely manner is that many process owners, including hiring managers and administrative staff, reported receiving little or no training and guidance on the hiring process, including on roles or responsibilities and how long the hiring process should take.

<u>Training Was Inconsistent</u>

While GSA and SBA, the comparable Federal agencies we reviewed, offered regular training on the hiring process, OCHCO did not consistently offer training on hiring to hiring managers and AOs. According to the U.S. Government Accountability Office's Standards for Internal Control in the Federal Government, operational success is only possible when personnel are provided the right training and tools.

Multiple OCHCO officials informed us that they were unaware of any training on the hiring process for HUD hiring managers and AOs. Officials expressed that training would be useful and valuable to everyone in the program offices, including hiring managers, and that there needed to be training and resources in writing that people could reference. Two OCHCO officials also commented that this knowledge would help hiring managers know what the hiring process is and have realistic expectations. Some OCHCO officials recalled prior trainings but did not mention any regular trainings available at the time of their interviews. The prior training described was either hosted by BFS or was in the form of informal monthly or quarterly meetings between OCHCO and the program office AOs.

> Eighty-five hiring managers stated they had not received any training or guidance on HUD's hiring process.

While five of the eleven hiring managers we interviewed stated that they received some sort of limited training or guidance related to hiring, five other hiring managers indicated that they had not received or could not remember receiving any formal training on their roles or responsibilities in the hiring process.[19] In addition, 42.1 percent of survey respondents—or 85 hiring managers—said that they had not received any training or guidance on HUD's hiring process.

Similar to experiences that hiring managers shared, none of the AOs interviewed reported that they had received formal training[20] from OCHCO on their role in the hiring process. This lack of training is concerning because the AOs are an important process owner in the hiring process. AOs are often the main points of contact in the program offices, compiling and submitting hiring package documents on behalf of the hiring manager and serving as an intermediary between OCHCO and the hiring manager.

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[19] The eleventh hiring manager did not mention training during the interview.

[20] OCHCO officials stated that there were regularly occurring meetings with AOs to communicate changes to hiring procedures. While these meetings may have communicated information related to hiring, it does not appear that the AOs interviewed considered these meetings to be formal training.

Our survey showed that hiring managers were interested in having training on the hiring process. When asked about training, 45.4 percent of survey respondents—or 89 hiring managers—reported that they would appreciate a general overview training on the hiring process, and 49.0 percent of survey respondents—or 96 hiring managers—indicated that they would like training on how to hire someone using a special hiring authority.

Roles and Responsibilities Were Inconsistent

As of November 2020, OCHCO had not standardized and documented the roles and responsibilities for those involved in the hiring process. This lack of standardization and documentation occurred despite OCHCO's commitment to define roles and responsibilities among BFS, OCHCO human resources business partners, and program office hiring managers and AO staff by June 30, 2020.

OCHCO's definitions for the terms hiring manager, hiring official, and selecting official lacked clarity and distinction. To validate OCHCO-defined roles and responsibilities, we reviewed 20 OCHCO documents, including hiring guides, policies, internal documents, and standard operating procedures. Documentation we reviewed used the terms hiring manager, hiring official, and selecting official inconsistently. Further, only 2 of the 20 documents we reviewed included definitions of the terms. Both the 2013 Delegated Examining Policy and 2004 Merit Staffing Policy defined selecting official, although differently. When we asked OCHCO for the definitions of each term, OCHCO officials were not able to find a definitive source for the definitions, even from OPM. Instead, OCHCO officials drafted their own definitions and sent them to us in an email. OCHCO's definition for selecting official further differed from the two previous attempts to define the term.

Roles and responsibilities are also not fully documented in BFS reference guides for HUD hiring managers, such as the Hiring Process Job Aid and Job Analysis Job Aid.[21] Both documents included only the roles of the hiring manager and BFS and excluded all other process owners that may have a role in HUD's hiring process, such as AOs and OCHCO's human resources business partners.

Another example of roles and responsibilities not being fully documented or up to date is the Schedule A Hiring Process Standard Operating Procedure, issued March 2017.[22] This document did not specifically mention BFS, OCHCO's human resources business advisors and partners, or AOs, all of whom can be involved in Schedule A hiring.

Hiring Manager Survey Respondents Lacked Knowledge and Understanding of Their Role

Without periodic trainings or clearly documented hiring process roles and responsibilities, hiring manager survey respondents reported that they lacked knowledge and understanding of their role in the hiring process. Many survey respondents did not correctly indicate which tasks were their responsibility. For example, 16.6 percent of survey respondents—or 33 hiring managers—

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[21] Hiring Process Job Aid and Job Analysis Job Aid

[22] Schedule A hiring is a way to hire qualified individuals with disabilities, without requiring them to compete for the job.

correctly identified that requesting the personnel action was their responsibility, as shown in figure 5.

FIGURE 5 – Percentage of hiring manager survey respondents who correctly identified each of their responsibilities
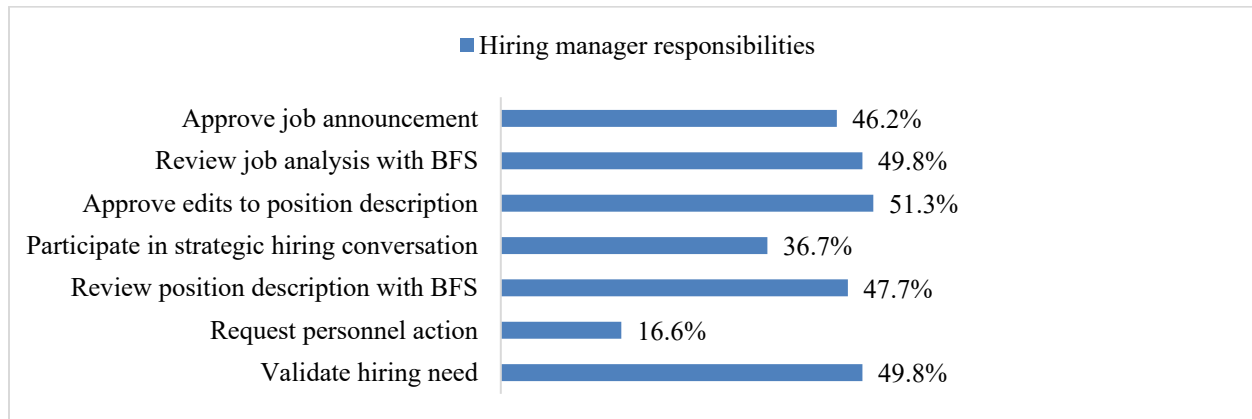
Many hiring manager survey respondents commented on how the hiring process was confusing. The following are a few examples of comments on what they perceived to be the confusing hiring process:

- My role in the process is forever changing and the coordination with BFS and OCHCO is confusing.
- The lines of responsibility between BFS, OCHCO and my program office's administrative staff is unclear.
- No coordination whatsoever between [BFS, OCHCO, and OPM].

According to the then Chief Human Capital Officer, OCHCO had hired a consulting firm to develop a hiring manager's guide that would provide real-time help during the hiring process.

Recommendations
Recommendation 4: To address the inconsistent roles and responsibilities and the lack of hiring managers' knowledge and understanding of their role, we recommend that the Chief Human Capital Officer develop and document comprehensive reference documents on the hiring processes, procedures, roles, and responsibilities.

Recommendation 5: To address the limited and inconsistent training, we recommend that the Chief Human Capital Officer develop and implement regular training for process owners on the hiring process.

High Turnover in OCHCO and BFS Resulted in Knowledge Loss and Slowed the Hiring Process

The third reason why HUD has not been able to hire staff in a timely manner is because OCHCO and BFS have experienced high turnover, impacting HUD's ability to retain and manage its

knowledge base on hiring. According to OPM officials, resource shortages and turnover of human resources staff is a common governmentwide barrier to effectively and quickly hiring talent. HUD is not an exception. OCHCO has almost an entirely new leadership team. The Acting Chief Human Capital Officer took over the position in January 2021, and several other members of the leadership team began at OCHCO in February 2020 or later. The previous Chief Human Capital Officer held the position for 18 months. BFS has similarly experienced high turnover.

OCHCO turnover resulted in a loss of knowledge of previous efforts taken to reduce the average time-to-hire before FY 2019. For example, HUD worked on a hiring process improvement project with Toyota Production System Support Center, Inc., from approximately 2015 to 2016. During that time, Toyota Production System Support Center, Inc., trained OCHCO leadership on its process improvement methodology. OCHCO leadership, with Toyota's coaching and guidance, used that methodology to improve HUD's hiring process and reduce time-to-hire.

However, due to OCHCO leadership turnover, OCHCO could provide only one PowerPoint presentation from January 2016 as evidence of its collaboration.[23] Further, all OCHCO staff members involved in the project have since departed. OCHCO lost its knowledge of Toyota's process improvement methodology, as well as awareness of changes made as a result of this process, the rationale behind those improvements, and plans made to further reduce time-to-hire.

Additionally, BFS turnover led to program offices often working with BFS human resources specialists unfamiliar with the program offices' specific hiring needs. This condition resulted in program offices' having to introduce and familiarize new BFS staff members with their program missions and hiring needs so the BFS human resources specialists would be able to identify applicants with the appropriate skills and qualifications. Given that a recruit action is not assigned to a BFS human resources specialist until after the hiring process has begun, any program office attempt to familiarize new BFS specialists with programmatic needs would occur during the hiring process. This procedure essentially created another step in the process, further delaying time-to-hire.

Of the 65 hiring manager survey respondents who indicated that they were dissatisfied with their interactions with BFS, 81.5 percent—or 53 hiring managers—indicated that they were dissatisfied due to BFS's lack of understanding of their program office. Additionally, of the 65 hiring manager survey respondents who indicated that they were dissatisfied with their interactions with BFS, 41.5 percent—or 27 hiring managers—indicated that they were dissatisfied due to the number of different BFS human resources specialists with whom they had to work.

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[23] In our request to OCHCO for evidence of its collaboration with the Toyota Production System Support Center, Inc., we clarified that we would accept a broad range of documentation, including meeting minutes, meeting notes, emails, standard operating procedures, and evidence of implemented improvements. Given that during our document review, we found references to a second phase that began in FY 2017, a time-to-hire goal not mentioned in the PowerPoint presentation provided, and an April 2016 brainstorming session between Toyota and OCHCO, we concluded that other documentation should have existed.

Recommendation

Recommendation 6: To address knowledge loss, which leads to the frequent need to explain or reexplain HUD's program missions, we recommend that the Chief Human Capital Officer create and implement a knowledge management strategy, such as developing standard operating procedures, reference sheets, and program office fact sheets.

OCHCO Did Not Have Consistent or Reliable Hiring Metrics

In the course of our analysis of HUD's hiring data, we determined that the hiring data OCHCO used in its analytics were inconsistent, unreliable, and inefficient. We could not replicate some of OCHCO's reported metrics using the data provided, and OCHCO's reported goals and metrics were inconsistent across data sources.

Position Organizational Listing Was Reportedly Unreliable and Inefficient

The position organization listing (POL), a spreadsheet on a SharePoint site that OCHCO uses to track hiring data, was reportedly time consuming, unreliable, and inefficient. Data from the POL feed into some of the hiring reports in OCHCO's human capital dashboard. The dashboard is an automated tool OCHCO staff developed, which gives a snapshot of the current status of HUD's human capital data. Errors in the POL are carried forward to the dashboard. The dashboard is what OCHCO uses for decision making across HUD.[24]

Multiple OCHCO officials described the POL's manual nature and how this makes it prone to erroneous or inaccurate information. One of these OCHCO officials described updating the POL as a "100 percent manual process" with plenty of opportunity for mistakes. The official also felt that the POL data may not be consistent with hiring data tracked elsewhere and said that there could be delays in the hiring process because of "problems with OCHCO's data."

> The POL is a 100 percent manual process, which could result in errors.

Because of the manual nature of the POL, staff identified it as one of the most time-consuming parts of the hiring process and stated that it took an estimated 2 hours per day for each OCHCO human resources business partner to update. Human resources business partners are General Schedule 13s and as such, make $92,143 annually, at a minimum.[25] If a human resources business partner spent 2 hours each day of an 8-hour workday updating the POL, it would cost HUD approximately $23,036 annually to update the POL, per person. Because OCHCO has six human resources business partners, we calculated that HUD spent, at a minimum, $138,216 each year to maintain the POL.

Both comparable Federal agencies that we interviewed discussed the importance of information technology and automation. GSA officials attributed part of their 78-day average time-to-hire to GSA's use of automated technologies. GSA used a database to track time-to-hire metrics. The

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[24] The dashboard is maintained by OCHCO. While it may be accessible to select senior-level staff in HUD's program offices to guide strategic decisions, hiring managers are not automatically granted access.
[25] The minimum General Schedule 13 salary with locality pay for the rest of the United States, effective January 2021, was $92,143.

database had several data validation processes to verify hiring data and catch errors. While SBA did not have automation in place, it planned to switch from manual to automated technologies to help with its hiring process, including automating the link between human resources systems so the human resources specialist would not have to enter data manually.

Many OCHCO officials acknowledged that there was an opportunity to improve the POL. Two senior OCHCO officials reported in June 2020 that OCHCO was thinking about automating the POL so the data can flow from BFS's systems into the POL.

Recommendation
Recommendation 7: To increase the accuracy of HUD's hiring data and improve the efficiency of HUD's hiring process, we recommend that the Chief Human Capital Officer conduct a feasibility study for an automated POL.

Goals and Metrics Were Not Consistent, and Metrics Were Not Replicable

OCHCO had competing time-to-hire goals. Although OCHCO is ultimately responsible for compiling HUD's final time-to-hire and hiring metrics as well as reporting HUD's hiring data to OPM as requested, OCHCO was not the only office tracking hiring data. OCHCO, BFS, and certain HUD program offices tracked similar hiring data, each using its own tracking methodology. Despite tracking the same hiring process, OCHCO's and BFS's data did not always align.[26] While BFS's system is primarily automated and has safeguards to prevent manual alteration, OCHCO and the program offices track hiring data manually, as discussed above in the Position Organizational Listing Was Unreliable and Inefficient section. Additionally, some of the reported hiring data were incorrect, lacked a clear methodology, and were not replicable.

> Both OCHCO and BFS tracked hiring data, and those data did not always align.

OCHCO Had Competing Time-To-Hire Goals

OCHCO had multiple, inconsistent time-to-hire goals. While the BFS Hiring Process Job Aid reflected OPM's 80-calendar-day hiring goal, OCHCO chose to set different annual goals based on what its staff thought was achievable. OPM's guidance does allow agencies to modify hiring process timeframes; however, OCHCO's goals were unclear and varied by source. For example, the FY 2020 human capital dashboard time-to-hire goal was 98 calendar days. Alternatively, HUD's FY 2021 Annual Performance Plan indicated that HUD's FY 2020 time-to-hire goal was 93 calendar days. Additionally, while the human capital dashboard provided time-to-hire goals for each of the hiring process steps, the annual performance plan provided only a total time-to-hire goal.

See figure 6 for a comparison of the goals in the BFS Hiring Process Job Aid and the FY 2020 human capital dashboard, as well as the office responsible for completing each step within the maximum number of calendar days allotted for each activity. While we saw only minor

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[26] Because OCHCO is responsible for compiling HUD's final time-to-hire and hiring metrics, we did not assess or review any data that the program offices track.

differences in process step titles, there were significant changes in ownership and the maximum calendar days for each step. For example, the BFS Hiring Process Job Aid showed that BFS was solely responsible for 23 of the 80 total calendar days. However, the FY 2020 human capital dashboard showed that BFS was solely responsible for 37 of the 98 total calendar days.

FIGURE 6 – Comparison of HUD's 80-day and 98-day hiring process goals

BFS Hiring Process Job Aid				FY 2020 OCHCO human capital dashboard			
Step	Function	Ownership	Calendar days goals	Step	Function	Ownership	Calendar days goal
1	Validate need	Hiring manager[27]	1	1 and 2	Validate need and request personnel action	Program office and OCHCO	5
2	Request personnel action	Hiring manager	1				
3	Review position description	Hiring manager and BFS	1	3	Review position description	Program office and BFS	2
4	Confirm job analysis	Hiring manager and BFS	5	4	Confirm job analysis	Program office and BFS	7
5	Post job opportunity announcement	BFS	2	5	Post job opportunity announcement	BFS	2
6	Receive applications	Hiring manager and BFS	10	6	Receive applications	BFS	14
7	Minimum qualification review	BFS	15	7	Minimum qualification review	BFS	15
8	Issue certificate and notify applicants	BFS	1	8	Issue certificate and notify applicants	BFS	1
9	Interview and select	Hiring manager	15	9	Interview and select	Program office	21
10	Tentative job offer	BFS	3	10	Tentative job offer	BFS	3
11	Preemployment and security checks	Hiring manager and BFS	10	11	Preemployment and security checks	OCHCO and candidate	12
12	Official job offer	BFS	2	12	Official job offer	BFS	2
13	Entrance on duty	Hiring manager and BFS	14	13	Entrance on duty	Program office, BFS, and candidate	14
		BFS total calendar days	23			BFS total calendar days	37
		Hiring manager total calendar days	17			Program office total calendar days	21
		Shared total calendar days	40			Shared total calendar days	40
		Total calendar days	80			Total calendar days	98

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[27] The BFS Hiring Process Job Aid refers specifically to the hiring manager, while the human capital dashboard refers to the program office. Because hiring managers work in the program offices, we are inferring that the ownership of hiring manager and program office are comparable.

Recommendation

Recommendation 8: To improve the consistency and completeness of HUD's hiring process goals, we recommend that the Chief Human Capital Officer develop and implement time-to-hire goals that account for each hiring process step.

<u>OCHCO Could Not Provide a Replicable Methodology of Average Time-To-Hire</u>

OCHCO was unable to provide a replicable methodology on how it calculated average time-to-hire. OCHCO officials informed us that they used both the POL and BFS data but did not explain how they used the sources. We attempted to replicate the average time-to-hire that OCHCO reported despite the lack of a clear methodology from OCHCO. For time-to-hire, we used data provided by BFS. As shown in figure 7, OCHCO reported different time-to-hire metrics in various documents and publications.

FIGURE 7 – FY 2017-2019 variations in reported average time-to-hire

	FY 2017	FY 2018	FY 2019
BFS time-to-hire reports	153	113	141
HUD's FY 2021 Annual Performance Plan	150	113	102[28]
Memorandum from Secretary Carson to all HUD senior executives, dated Feb. 11, 2020	163	113	102
OCHCO's FY 2020-2021 HCOP	150	112	100
HUD OIG calculation of time-to-hire	153	113	141

<u>OCHCO Could Not Provide a Replicable Calculation of Job Analysis and Draft Announcement Timeframes</u>

In the FY 2018-2019 HCOP, as part of its commitment to reducing the average time-to-hire, OCHCO stated that it would reduce the job analysis timeframe. However, OCHCO was unable to provide a replicable description of how it calculated the average time of the job analysis. No one in BFS or OCHCO was able to explain the discrepancy in HUD OIG's calculated numbers and OCHCO's numbers. Using data provided from BFS, we attempted to verify the average job analysis timeframes from FY 2017 through FY 2019 that OCHCO reported in the HCOP, as shown in figure 8.

FIGURE 8 – FY 2017-2019 HUD- and HUD OIG-calculated average length of job analysis in days

FY	HUD OIG calculations	HUD calculations
2017	47 days	74 days
2018	31 days	23 days
2019	44 days[29]	34 days

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[28] The FY 2021 Annual Performance Plan did include the following footnote related to the FY 2019 calculation: "FY [2019] time-to-hire data excludes the time lapse in appropriations and furlough…"

[29] We calculated the average length of job analysis to be 42 days when we excluded hiring actions directly impacted by the 35-day lapse in appropriations in FY 2019.

A job analysis identifies the competencies and knowledge, skills, and abilities directly related to performance on the job and is supposed to be created during step zero. While this process does not impact the calculated average time-to-hire, it does impact how long a position is vacant because BFS and the hiring manager review and confirm the job analysis assessment as part of the time-to-hire metric. A poorly written job analysis may have to be revised, which can increase the amount of time it takes to fill a position.

Similarly, OCHCO's FY 2018-2019 HCOP also committed to reducing the average time to draft the announcement as part of its efforts to reduce the average time-to-hire. OCHCO was also unable to provide a replicable description of how it calculated the average time to draft the announcement. Using data provided from BFS, we attempted to verify the average draft announcement timeframes from FY 2017 to FY 2019 reported in the HCOP. As shown in figure 9, we could not replicate HUD's data, and our calculations showed more improvement in decreasing the length of time than HUD's calculations.

FIGURE 9 – FY 2017-2019 HUD- and HUD OIG-calculated average length of time to draft the announcement in days

FY	HUD OIG calculations	HUD calculations
2017	17 days	31 days
2018	16 days	26 days
2019[30]	19 days	27 days

OCHCO did not transparently track the average time to draft the announcement in a centralized location so that it could monitor progress. Further, the draft announcement process did not coincide with one of the 13 hiring process steps. As a result, the only way to know the average time to draft the announcement would be to manually calculate it using BFS data. This process made tracking progress difficult.

<u>OCHCO Excluded the FY 2019 Lapse in Appropriations From the Average Time-To-Hire</u>

In FY 2019, HUD ceased operations for 35 days as part of the Federal lapse in appropriations. OCHCO informed us that, for FY 2019, OCHCO subtracted the total number of days for the lapse from the average time-to-hire. The reasoning was that the lapse affected all hiring, not just those hires that were in process at the time of the lapse. This reasoning explained part—but not all—of the major discrepancy between the 141-day average time-to-hire that BFS and OIG calculated for FY 2019 and the 102-day average time-to-hire that OCHCO reported in the FY 2021 Annual Performance Plan for FY 2019.[31]

> OCHCO's approach to account for the lapse in appropriations was contrary to OPM guidance.

OCHCO's approach to account for the lapse was contrary to OPM guidance, which informed all chief human capital officers to not adjust their time-to hire because of the lapse. OPM explained, "[w]e

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[30] We calculated the average length of time to draft the announcement to be 17 days when we excluded hiring actions directly impacted by the 35-day lapse in appropriations in FY 2019.

[31] There was also a 3-day Federal lapse in appropriations in January 2018. Given the minimal impact on the hiring process, we did not conduct further analysis on this FY 2018 lapse in appropriations.

acknowledge that the furlough may have a significant impact on [time-to-hire], but we want to be sure to report an accurate account and be able to identify where the furlough had an impact on the hiring process."

While we also acknowledge that the FY 2019 lapse had a significant impact on productivity, we calculated that only 25.0 percent of hiring actions for that year were directly delayed by the lapse. Direct impact means that the hiring actions were initiated before the lapse and completed after it and, therefore, were stagnant during the 35-day lapse in appropriations. When we excluded the 25.0 percent in hiring actions directly impacted from the lapse from the FY 2019 average time-to-hire calculation, we calculated that the average time-to-hire for the remaining hiring actions was 124 days. Therefore, OCHCO's method of removing the 35 days from the average time-to-hire for all hiring actions in FY 2019, even hiring actions that started after the lapse concluded, produced misleading results.

Recommendation
Recommendation 9: To improve the accuracy and consistency of HUD's hiring data and metrics, we recommend that the Chief Human Capital Officer develop and document methodologies on how OCHCO calculates hiring metrics to ensure that its hiring metrics and hiring goals align across all of its data sources, including the POL, the human capital dashboard, and the HCOP.

OCHCO Did Not Track the Quality of Candidates or the Number of Reposted Positions

Despite many hiring managers' expressing dissatisfaction with the quality of candidates, OCHCO did not measure or track the quality of candidates. OCHCO also did not track how often positions were reposted because OCHCO officials did not believe that reposting job announcements was a common occurrence.

Many Hiring Managers Expressed Dissatisfaction With the Quality of Candidates

In its FY 2020-2021 HCOP, OCHCO included actions to improve HUD's hiring and human capital functions. One of those actions was to require that hiring managers complete the OPM Manager Satisfaction Survey after selecting a candidate to hire. However, OCHCO only made the survey mandatory from July 2019 to November or December 2019, less than 6 months. An OCHCO senior official did not provide an alternate measurable means of tracking quality but indicated that OCHCO planned to improve the customer experience and create measurable ongoing success in FY 2021.

The quality of candidates who apply to HUD positions is an area of concern. The survey showed that 47.8 percent of hiring manager survey respondents—or 98 hiring managers—were dissatisfied with the quality of eligible candidates that they received from BFS. When we asked hiring managers why they were dissatisfied with the certificates they received from BFS, 74.5 percent of respondents said it was because the applicants were not qualified, as shown in figure

10.[32] Additionally, 42 respondents provided optional written commentary on how there were often unqualified candidates on the certificates. A few examples include

- Many of the applicants weren't qualified at all for the advertised position.
- I was surprised several of the candidates even made the [certificate of eligible candidates] list.
- Some of the candidates who have been referred are clearly not qualified.

FIGURE **10 – Hiring manager survey question –** *You responded that you were dissatisfied with the quality of the certificates of eligible candidates you received from BFS. What issue did you have with the certificate of eligible candidates?*
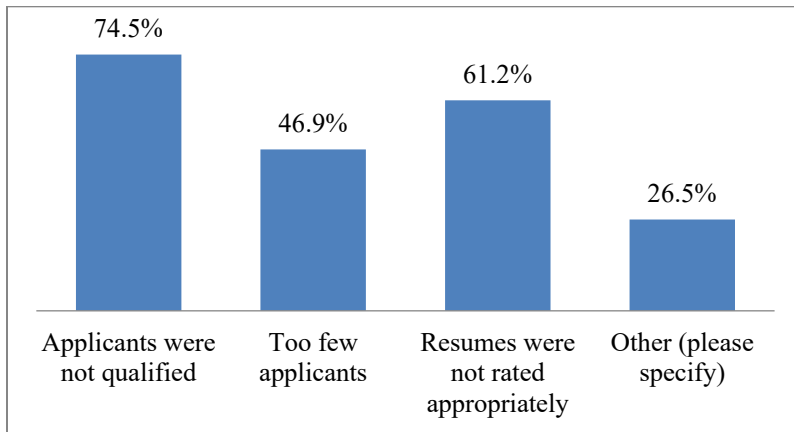
Recommendation
Recommendation 10: To address candidate quality, we recommend that the Chief Human Capital Officer track the quality of candidates as measured by the hiring officials.

Dissatisfaction With Candidate Quality Increased the Average Time-To-Hire

Candidate quality impacts time-to-hire because, if hiring managers are unable to hire quality candidates, they will often choose to repost a job announcement rather than hire someone seemingly unqualified. Between FY 2017 and FY 2019, 53.4 percent of survey respondents—or 109 hiring managers—indicated that they reposted a job announcement because they were unable to hire a candidate the first time. Of those hiring managers, 76.4 percent cited that the reason for reposting was that the candidates lacked desired qualifications.

Reposting means that OCHCO, BFS, and the hiring manager must restart the hiring process, further tying up resources and increasing the overall time-to-hire. Reposting results in extended vacancies and can more than double the average time-to-hire to fill an individual position according to the repostings we identified. We identified 22 examples of recruit attempts that resulted in a nonselection and were therefore reposted, in which at least one

> Reposting a job announcement can more than double the time it takes to fill an individual position.

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[32] Hiring manager survey respondents could select more than one answer.

of the recruit attempts occurred in FY 2017, 2018, or 2019. We then calculated the adjusted time-to-hire between the first recruit request and the date on which the selected candidates started at HUD. Our calculated average time-to-hire for the 22 examples was 299 days.[33] This duration is more than double HUD's FY 2019 average time-to-hire of 141 days that we calculated and more than three times OPM's 80-day time-to-hire model.

OCHCO did not track how often positions were reposted due to a lack of qualified candidates. Understanding the number of successful recruit requests is significant because of the indirect impact unsuccessful recruit requests have on the average time-to-hire. Human resources staff spends time on each recruit request regardless of the success of the recruit.

Recommendation
Recommendation 11: To address the impact of candidate quality on time-to-hire, we recommend that the Chief Human Capital Officer track the number of recruit attempts that result in a selection, the number of recruit attempts that result in a successful hire, and the number of positions that are reposted due to unsuccessful first recruit attempts.

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[33] We identified reposting examples to get a sense for how, if at all, reposting a job position impacted the average time-to-hire. Our identification of examples did not result from a statistically valid sample, and the examples cannot be used to draw conclusions about all reposted job announcements. Our approach to identify examples was not scientific or comprehensive.

Recommendations

OCHCO should implement process improvements to reduce the length of specific hiring process steps, develop and provide consistent training on the hiring process, implement knowledge management strategies and automation, develop methodologies for calculating hiring-related metrics, and track hiring information critical to informed decision making. Therefore, we recommend that the Chief Human Capital Officer take the following actions.

1. **Standardize Position Descriptions and Job Analyses for Mission-Critical Occupations, High-Risk Occupations, and Positions With High-Volume Staffing Needs**

To improve the efficiency of the review position description and confirm job analysis process steps, the Chief Human Capital Officer should develop and make accessible to HUD program offices standardized position descriptions and job analyses for mission-critical occupations, high-risk occupations, and positions with high-volume staffing needs. Standardizing recruitment documents for select positions will improve the timeliness of the hiring process by reducing the position description and job analysis review and approval time because the documents are "tried and true."

2. **Develop and Share Best Practices With HUD's Program Offices on How Hiring Managers Can Execute Hiring Process Responsibilities To Meet Timeliness Goals**

To address the timeliness of the interview and select step, the Chief Human Capital Officer should develop and share best practices with HUD's program offices on how hiring managers can decrease the length of the interview and selection step. This activity should include but not be limited to tips for how hiring managers can meet the timeliness goals associated with the interview and select step. Increasing hiring manager knowledge of promising practices will increase the likelihood that these practices will be implemented and, in-turn, increase the likelihood that hiring managers will execute their responsibilities in a timely manner.

3. **Determine the Cause for the Variations in the Timeliness of the Preemployment and Security Checks Step in FY 2017, 2018, and 2019 and Develop Appropriate Process Improvements**

To address the timeliness of the preemployment and security checks step, the Chief Human Capital Officer should determine the cause for the variations in the timeliness of the preemployment and security checks step from FY 2017, 2018, and 2019 and develop appropriate process improvements. Identifying and implementing process improvements to ensure that the preemployment and security checks step is timely will enable HUD to hire in a more efficient manner.

4. Develop and Document Comprehensive Reference Documents on the Hiring Processes, Procedures, Roles, and Responsibilities

To address the inconsistent roles and responsibilities and the lack of hiring managers' knowledge and understanding of their roles, the Chief Human Capital Officer should develop and document comprehensive reference documents on the hiring processes, procedures, roles, and responsibilities. Clear and complete reference documents made available to process owners will improve the efficiency of the hiring process by increasing the understanding and transparency of the hiring process and reducing unnecessary back and forth among BFS, OCCHO, and the program offices.

5. Develop and Implement Regular Training for Process Owners on the Hiring Process

To address the limited and inconsistent training on the hiring process, the Chief Human Capital Officer should develop training on the hiring process. Consistently offering training on the hiring process will improve the efficiency of the hiring process by increasing the understanding of the hiring process. In addition to training on roles and responsibilities, hiring managers expressed an interest in the following training topics:

- How to hire someone using a special hiring authority.
- A general overview of the hiring process.
- An overview of hiring incentives and when to offer them.
- An overview of HUD's time-to-hire metrics.

6. Create and Implement a Knowledge Management Strategy, Such as Developing Standard Operating Procedures, Reference Sheets, and Program Office Fact Sheets

To address knowledge loss, which leads to the frequent need to explain or reexplain HUD's program missions, the Chief Human Capital Officer should create and implement a knowledge management strategy, such as developing standard operating procedures, reference sheets, and program office fact sheets. These resources will improve the efficiency of the hiring process by increasing understanding and reducing unnecessary back and forth.

7. Conduct a Feasibility Study for an Automated POL

To increase the accuracy of HUD's hiring data and improve the efficiency of HUD's hiring process, the Chief Human Capital Officer should conduct a feasibility study for an automated POL. While an automated POL would come with a cost, OCHCO can improve the efficiency of the hiring process by prioritizing automation as well as allowing its staff to focus on strategy and other priorities. Additionally, an automated POL would likely decrease staff time needed to complete it, thus partially offsetting any costs associated with the automation.

8. Develop and Implement Time-to-Hire Goals That Account for Each Hiring Process Step

To improve the consistency and completeness of HUD's hiring process goals, the Chief Human Capital Officer should develop and implement time-to-hire goals that account for each hiring process step. The BFS Hiring Process Job Aid and the human capital dashboard annual targets do not agree, and the annual performance plan targets provide only for a total time-to-hire, not detailed time-to-hire goals for each process step. A time-to-hire model that includes goals for each hiring process step should be used as the standard and will allow OCHCO to determine where improvements are needed and to hold process owners and themselves accountable. Goals should be communicated to HUD's program offices.

9. Develop and Document Methodologies on How OCHCO Calculates Hiring Metrics To Ensure That Its Hiring Metrics and Hiring Goals Align Across All of Its Data Sources, Including the POL, the Human Capital Dashboard, and the HCOP

To improve the accuracy and consistency of HUD's hiring data and metrics, the Chief Human Capital Officer should develop and document methodologies on how to calculate each of the hiring metrics it wants to track. These methodologies will ensure that OCHCO's hiring metrics and hiring goals are accurate and align across all of its data sources, including the POL, the human capital dashboard, and the HCOP, which, in turn, will improve the accuracy and reliability of all hiring data and metrics and increase knowledge among all process owners.

10. Track the Quality of Candidates as Measured by the Hiring Officials

To address candidate quality, the Chief Human Capital Officer needs to track the quality of candidates as measured by the hiring official. If OCHCO can increase the quality of candidates, it may result in overall improvement because candidate quality impacts the average time-to-hire.

11. Track the Number of Recruit Requests That Result in a Selection, the Number of Recruit Attempts That Result in a Successful Hire, and the Number of Positions That Are Reposted Due to Unsuccessful First Recruit Attempts

To address the impact of candidate quality on time-to-hire, the Chief Human Capital Officer should track the number of recruit requests that result in a selection, the number of recruit attempts that result in a successful hire, and the number of positions that are reposted due to unsuccessful first recruit attempts. This information will help OCHCO understand whether HUD hiring managers are receiving a list of qualified candidates from which to select. It will also allow OCHCO to identify the impact reposting unsuccessful job announcements has on time-to-hire and better understand how frequently reposting occurs. These metrics would indicate whether a hiring manager chose not to hire due to the quality of candidates because it

would distinguish between instances when a hiring manager did and did not select a candidate. These additional hiring metrics can inform future decision making across HUD.

Other Observations

We evaluated several areas related to HUD's hiring process that did not result in a finding. We have included the results here for informational purposes only. This information includes analysis we conducted to determine whether certain variables had an impact on the calculated average time-to-hire and information regarding OCHCO's partnership with the HUD workforce.

Trends in Average Time-To-Hire

We analyzed different variables in HUD's hiring process to determine what impact, if any, the variables had on the calculated average time-to-hire. Those variables were

- the areas of consideration used for the hiring action;
- the grade, series, and duty location of the hiring action; and
- the program office doing the hiring.

Area of Consideration Did Impact Average Time-To-Hire

We calculated that the percentage of HUD hires using merit promotion[34] and public areas of consideration[35] dropped from 95.2 and 95.8 percent in FY 2017 and 2018, respectively, to 80.3 percent in FY 2019. In FY 2019, there was an increase in the use of other areas of consideration. Merit promotion and public were the most common types of areas of consideration HUD used to hire people in FY 2017, 2018, and 2019. Merit promotion had a faster average time-to-hire (by at least 30 days), compared to public advertisements.

The number of instances in which other areas of consideration, such as Veterans' Recruitment Appointment or Schedule A, were used was too small to identify whether they allowed for timelier hiring. When we interviewed OPM, an official said that OPM has found that "agencies who use all of the available hiring flexibilities afforded to them have had success in reducing [time-to-hire]."

Grade, Series, and Location Did Not Impact Average Time-To-Hire

Using time-to-hire data received from BFS for FY 2017, 2018, and 2019, we found that grade, series, and location had no clear impact on the average time-to-hire.

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[34] Merit promotion allows a current or former Federal employee to apply for a job without having to compete with the general public or people with veterans' preference. Anyone that is a U.S. citizen or national can apply for jobs that are open to the public.

[35] Area of consideration describes the individuals from whom the agency will accept applications to compete for the position. It may be a broad or a limited group of individuals. Area of consideration may also be referred to as "who may apply" within the vacancy announcement.

Program Office Did Not Impact Average Time-To-Hire

Using time-to-hire data received from BFS for FY 2017, 2018, and 2019, we found that program office had no clear impact on the average time-to-hire. In addition, we found that the offices with both the fastest and the slowest average time-to-hire across all years made fewer hires than other offices, indicating that the quantity of hires may not impact an office's ability to hire in a timely manner.

OCHCO's Strategic Partnership With HUD's Workforce

As previously mentioned in this report, OCHCO identified five actions to reduce the average time-to-hire. One of those actions was to "strengthen its strategic partnership with the HUD workforce" by "identify[ing] strategic touchpoints to increase communication in the recruitment process." The goal of the strategic touchpoints is to increase communication throughout the recruitment process and improve both program offices' and OCHCO officials' understanding of one another.

According to feedback received in the hiring manager survey, some hiring manager respondents reported very few or unsatisfactory interactions with OCHCO. When asked, "How satisfied or dissatisfied are you with your interactions with HUD's [OCHCO]?," 29.8 percent of respondents—or 61 hiring managers—reported, "I have not had any interactions with OCHCO." An additional 24.9 percent of respondents in response to the same question, reported that they were dissatisfied with their interactions with OCHCO during the hiring process. Some hiring managers even indicated that they were not allowed to contact OCHCO. Hiring manager comments include the following:

- Not really sure who [OCHCO is].
- …there is little to [no] communication from [OCHCO]…
- OCHCO's management or staff does not attend any meetings to collaborate with the program offices and hiring managers.
- I have not had direct interactions with OCHCO…

Given that BFS is primarily responsible for many of the interactions with hiring managers, OCHCO's interactions with hiring managers did not rise to the level of a finding. We mention this matter only to ensure OCHCO's awareness.

Agency Comments and OIG Response

Summary of OCHCO Comments and OIG Response

We requested and received comments from OCHCO in response to our draft report, which indicated its agreement with all 11 recommendations.[36] The status of each recommendation is "unresolved-open."[37]

OCHCO's comments described eight corrective actions taken by OCHCO in the last 15 months that it believes addressed issues raised in the report, as well as four additional items for our situational awareness. OCHCO provided 19 documents to support its corrective actions taken to date. Past and future corrective actions include hiring for various OCHCO leadership positions, implementing regular informational and training meetings with HUD's program offices, creating and updating hiring process documentation and procedures, and procuring and improving various systems and tools used throughout the hiring process.

We greatly appreciate the efforts taken to date by OCHCO to improve HUD's hiring process. We will continue to review the documentation submitted by OCHCO to support the corrective actions taken to date and will contact OCHCO within 90 days to begin discussing its proposed management decisions. We will work with OCHCO to better understand its corrective actions, request additional documentation, establish estimated completion dates, and determine whether actions taken to date meet the intent of our recommendations.

Recommendations 1-3

For recommendations 1-3, we agreed to the corrective action plans and are prepared to designate recommendations 1-3 "resolved-open" upon receipt of an estimated completion date for each recommendation.[38] To close recommendation 1, we request that OCHCO provide documentation showing that the assessment template packages process has been codified and shared with HUD's program offices via the release of the hiring memorandum referenced in OCHCO's response. OCHCO should also provide examples of an assessment template package and documentation showing that there are packages for mission-critical occupations, high-risk occupations, and positions with high-volume staffing needs. To close recommendation 2, we request that OCHCO provide examples of slides used to brief HUD program offices from May to July 2021, examples of referenced reports provided to HUD program offices that flag process steps above target timeframes, and documentation showing the release of the hiring memorandum, describing the 15 calendar days hiring managers have to make a selection. To close recommendation 3, we request that OCHCO provide examples of its Personnel Security

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[36] Because OCHCO's comments stated, "we concur with the findings," we contacted OCHCO to clarify its agreement with our recommendations. OCHCO clarified that "HUD concurs with all findings and recommendations."

[37] "Unresolved-open" means that we are not in agreement or have additional questions about HUD's corrective action plan.

[38] "Resolved-open" means that we agree with HUD's corrective action plan but request additional documentation to support the recommendation's closure.

Division's notifications to the program office human resources advisors. OCHCO should also provide documentation showing that receipt of electronic documents is enabled in PERSIST.[39]

Recommendations 4-11

Recommendations 4-11 will remain "unresolved-open." While OCHCO demonstrated that it has done work to address these recommendations, we plan to have follow up questions on the ongoing and future corrective action plans.

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[39] OCHCO's Personnel Security Division uses a case management system called PERSIST—the Personnel Security Integrate Tracking System.

OCHCO Comments to the Draft Report

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-3000

CHIEF HUMAN CAPITAL OFFICER

Brian T. Pattison
Assistant Inspector General for Evaluation
HUD Office of Inspector General
451 7th Street, SW
Washington, DC 20024

Dear Mr. Pattison:

The Office of the Chief Human Capital Officer (OCHCO) appreciates the opportunity to review and comment on the HUD Office of Inspector General (HUD OIG) draft report entitled, *"Opportunities Exist To Improve HUD's Hiring Process" (2020-OE-0002)*. In the draft report, HUD OIG makes 11 recommendations to OCHCO intended to improve the hiring process.

OCHCO is actively focused on improving hiring within the Department. Fiscal Year 2020 was the first year HUD hired just over 1,000 external employees within a fiscal year in nearly a decade. Although HUD did not reduce the time to hire, HUD exceeded the 1,500 personnel hiring goal for FY20 ending with 1,630 Entrance on Duties (EOD) from internal and external sources. Building upon this progress, HUD expects to achieve further hiring gains through streamlined hiring processes that we hope realize in FY22. We concur with the findings and have developed and started implementing action plans to prevent similar such future findings. Attached is information regarding those plans.

Once again, thank you for the opportunity to comment on the draft report. If you have any questions, please contact our Audit Liaison Rassii Elliott in HUD's Office of Accountability, at 202-402-5231.

Sincerely,

Priscilla W. Clark
for
Lori Michalski
Acting Chief Human Capital Officer

Attachments

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2

Corrective Actions

1. **New leadership team hired.** In 2020/2021, OCHCO hired a new Director and Deputy Director of Human Capital Services (HCS). Shortly before doing so, OCHCO hired a new Director of the Recruiting and Staffing Division (RSD) within HCS. HUD is currently in the process of filing new positions to better right size the RSD to meet HUD's hiring demand signal to further reduce time to hire and enable HUD to expand its footprint in FY22.

2. **Use of Assessment Template Packages.** Starting in January of 2021, OCHCO started using previously developed position descriptions, job analysis, and candidate assessments called assessment template packages (APTs) to fill the same position if the APT was validated and used within the last two years to make a selection. This reduces non-value-added transactions and redundant work unlikely to yield different outcomes in the hiring process. HCS reiterated this approach with the program offices during Executive-level Human Capital Service/ Program Office meetings in May. As a result of these efforts, hiring timelines in FY21 (124 calendar day average) are down 16% from FY20 timeframes (143 calendar day average). HUD is in the process of codifying this approach via a hiring memorandum, release of which is forthcoming. (These actions align to OIG recommendation 1.)

   Objective Quality Evidence: See 2021 hiring timeframes and 2021 hiring timeframes; a sample of May HCS/ Program Office Executive Level Meeting Slides; and draft hiring memorandum, release of which is forthcoming.

3. **Bi-monthly Executive-level program Office Meetings, in addition to regular meetings with program office Administration Officers, to share best practices and discuss joint opportunities for improving the hiring timelines.** Starting in May of 2021, HCS leadership began conducting bi-monthly Executive level meetings with Program Offices. During these meetings hiring process best practices are shared along with program office staffing performance trend data to enable discussions of opportunities to partner regarding opportunities to improvement. HCS also solicits Program Office input on and provides status updates on classification and staffing strategic initiatives during these meetings.

   OCHCO also provides reports to each Program Office that outlines the total number of classification and hiring actions and their overall cycle times, and flags process steps that are above target timeframes to provide awareness. These reports serve as the basis of a "what can we do to help" conversations between OCHCO and our Program Office customers.

   (These actions align to OIG recommendation 2 and 5.)

   Objective Quality Evidence: See a sample of May HCS/ Program Office Executive Level Meeting Slides.

4. **Streamlined personnel security process.** HUD was under sequestration in 2018, which restricted the number of employees and contractors that onboarded that year. With less actions to

3

handle, it is easier for the Personnel Security Division (PSD) to complete actions faster. Further, with less cases, there is proportionately less cases with personnel security issues to address. After the employee submits all required information approvals are generally granted in 10 days or less for cases without potential personnel security issues. For cases with potential personnel security issues appointees are afforded between 15 (and 30 days with requests for an extension) to reply to interrogatories with clarifying information related to the issues identified. Due process requirements for cases with issues, automatically puts these cases beyond the 10-day OPM target and drives up the PSD timeline averages for approving selectees to onboard.

In 2019, OCHCO acquired the PERSIST system to streamline and automate personnel security case management. And in 2020, HUD hired a new Director of PSD. PSD now notifies the Program Office HR advisors weekly of applicant's status to include information about when selectees have not timely submitted required personnel security onboarding forms. Due to streamlined processes and enabling automation, the process for approving employees to onboard is down 22% in FY21 (15 calendar day average) from FY20 timeframes (19 calendar day average).

PSD is also in the process of updating the PERSIST system to enable receipt of electronic documents currently received via U.S. mail, which will further reduce timeframes. Additionally, PSD is exploring PERSIST system updates to enable *automated* communication to the program offices about the status of pending cases to enable the streamlining of shared accountability for reminding candidates to complete their personnel security forms timely.

(These actions align with OIG recommendation 3.)

Objective Quality Evidence: See step 10 (personnel security approvals to onboard) of the hiring process timeframes for 2021 and 2020.

5. **Hiring job aides and training for Hiring Managers and Administrative Officers.** HCS has developed a document: Roles and Responsibilities timeline recruitment table. This document outlines the steps of the recruitment process, roles/responsibilities, and timeframes provided to perform each step.

    HCS also developed a Hiring Efficiencies memo to address strategies to improve time to hire. In conjunction with the hiring efficiencies memo also developed quick guides to navigate through the recruitment process, release of which is forthcoming.

    As of April 2020, OCHCO has established and will continue to conduct bi-weekly AO/RM Program office meetings. These meetings are used to inform Program Offices of new/revamped processes as well as provide just in time training in the subjects of recruitment & staffing.

    Classification training is being provided to AOs and hiring managers in Q4 FY21, July and August. OCHCO provides informational sessions pertaining to various aspects of the hiring process as needed with Program Offices based on targeted needs.

4

(These actions align with OIG recommendation 4 and 6.)

Objective Quality Evidence: See attached draft document: Roles & Responsibilities Timeline Recruitment Table; the draft hiring memorandum; and a sample of RM/AO slides; and a copy of the position description training announcement.

6. **Updated, POL tool.** OCHCO is currently building a tool to automate the POL. This tool will allow for greater visibility and transparency of the hiring process and minimize the manual data entries. (These actions align with OIG recommendation 7.)

    Objective Quality Evidence: OCHCO will provide validation once the automated POL tool is completed; the expected completion date is early FY22.

7. **New data analytic capabilities/ business intelligence (BI) tool implemented.** OCHCO invested in improving its data analytic capabilities to enable more visibility into the status of its hiring actions for improved case management. The BI tool aligns with the OPM prescribed reporting requirements that OCHCO adheres to across all reporting methodologies as follows:
    a. 80 calendar day target from power recruit to selectee entrance on duty via a 12-step process with target timeframes for each step
    b. 52 calendar day target from power recruit to tentative offer via steps 1-8 steps of the 12-step process

    OCHCO developed business intelligence tools that enable insight into the number of recruit requests that result in a selection and the number that do not result in a selection; visibility into the timeliness of each of the 12 steps of the hiring process from power recruit to entrance on duty; EOD rates; the number of cancelled actions; and the time associated with the various types of hiring areas of consideration, among other things. This data can be sorted by year and program office going back to 2016. OCHCO's Recruitment and Staffing Division Team has full access to the referenced dashboards and are establishing regularly scheduled Hiring Manager check-ins to review the status of all classification and hiring actions, and the promising practices that other Program Offices and Hiring Managers are using that lead to better timely outcomes. OCHCO is planning to make access to the BI tool available to each program office for its data in FY21Q4 or FY22Q1. (These actions align to OIG recommendation 8, 9, and 11.)

    Objective Quality Evidence: See BI tool screen shots.

8. **Improved candidate quality.** In FY21Q4 HCS started piloting use of competency-based candidate assessment strategies, through OPM's USA Hire, statistically proven to be better predict on-the-job performance.

    In addition, HUD uses the BFS and OPM surveys to track how hiring officials measure the quality of candidates. This survey is administered automatically when a Hiring Manager returns a hiring certificate with a selection. Initially, these survey results were limited to a quarterly OPM Federal Action Skills Team (FAST) Report. Starting in FY 2021, access to the OPM data became

5

more readily available. Per the 2020 DEU report BFS survey had a 91% satisfaction rate and the OPM survey had a 77% satisfaction rate.

(These previously taken actions align with OIG recommendation 10)

Objective Quality Evidence: See attached survey results.

Additional information for situational awareness:

9. **New PD library.** HCS has gathered use case requirements, with program office input, for a new automated PD library. Once developed, the PD library will be available to program offices—and that will enable efficient access to reusable, HUD-wide, and Program Office-wide position descriptions. This technology is expected to be available in FY22.

10. **New multi-year staffing forecasting process.** HCS is in the process of gathering use case requirements, from across HUD, for enabling technology to support first ever multi-year staffing forecasting process. This process will integrate business planning processes from OCHCO, OCFO, OCIO, OCAO, and OCPO where synergies and efficiencies can be leveraged for a streamlined program office experience. This process will enable better position management and classification and staffing planning so that classification and staffing work can be spread across a greater period in the year to minimize bottlenecks, decreasing time to hire and increasing HUD's ability to grow its footprint in FY22. The enabling technology for this effort is expected to be available in early to mid FY22.

11. **New shared cert technology.** HCS has developed draft policies to enable use of shared certificates to fill identical positions filled across HUD, which is expected to reduce time to hire. The enabling technology to support deployment is expected to be available in mid FY22.

12. **Automation of end-to-end hiring.** HCS is in the process of procuring Service Now software to enable end-to-end automation of the hiring process. This technology is expected to be available in mid to late FY22.

6

Hiring Evaluation Attachments List
Objective Quality Evidence

Attachments:
1. 2021 hiring timeframes
   a. HUD MONTHLY RECRUITS
   b. EXAMPLE T2H
2. Draft hiring memo with attachments
   a. Hiring Memo – Draft
   b. Use of APTs
   c. Initiating a power recruit and submitting a recruitment package
   d. Initiating a classification package
3. Roles & Responsibilities Timeline Recruitment Table
   a. Roles Responsibilities Timeline Recruitment Table
4. Copy of writing a PD training announcement
   a. Handout 1 – PD template cheat sheet
   b. Handout 2 – Job Aid
   c. Handout 3- Good VS Bad Duty Stmts.
5. Survey results from OPM and BFS
6. Sample of May HCS/ Program Office Executive Level Meeting Slides
   a. OCIO- Program Office Update (Bimonthly)
7. BI Tool: Performance data re Personnel Security Approvals 2021 and 2020
   a. T2H and T2 Personnel Security
8. BI Tool: Cancellations and Non-selections
   a. Bi-tool Cancellations & Non-selections
9. BI Tool: Separations
   a. Bi-tool Separation

Appendixes

Appendix A – HUD's Hiring Process Map, Created by HUD OIG

HUD s Hiring Process

Process Map Legends

Roles Legend

- Hiring manager – HUD program office hiring manager initiates the hiring process by identifying a need in their program office.
- Administrative Officer (AO) – The AO or staff member in a HUD program office that assists the hiring manager with the hiring process.
- Human resources business advisors and partners – In the Office of the Chief Human Capital Officer s (OCHCO) Recruitment and Staffing Division assigned to the program office that is hiring.
- Bureau of the Fiscal Service (BFS) – Part of the U.S. Department of the Treasury and HUD s shared service provider that is responsible for transactional pieces of the hiring process.
- Personnel Security Division – Part of OCHCO and comprised of security specialists.
- Candidate(s) – Individual(s) who applied for the position.

Symbol Legend

- Represent the 13 process steps that comprise the hiring process.
- Represent the additional steps that occur in the hiring process.
- Represent decision points in the hiring process.
- Represent factors that delay specific process steps and time-to-hire.

Line Legend

- Represent the path from one process step to the next.
- Represent the path to optional process steps.
- Represent required interaction between two process owners.

HUD s Hiring Process, Continued

	Hiring manager	AO	Human resource business advisors and partners	BFS	Personnel Security Division	Candidate(s)
Step 1	Step 1: validate need					
Step 2	Step 2: request personnel action	May submit personnel action on hiring manager s behalf	Review personnel action — Personnel action approved?	Reviews and approves personnel action		
Step 3	Step 3: review position description / Reviews position description / Makes revisions and corrections to position description	May assist hiring manager with obtaining and editing position description and job analysis		Reviews position description — Position description approved?	Subject to delays if major edits are required or position description is reclassified	
Step 4	Step 4: confirm job analysis		Continued on next page	Reviews and confirms job analysis	Subject to delays if major edits are required	

(Step 2 decision: Yes / No. Step 3 decision: Yes / No.)

HUD s Hiring Process, Continued

	Hiring manager	AO	Human resource business advisors and partners	BFS	Personnel Security Division	Candidate(s)

Step 5

- Continued from previous page
- Approves job announcement
- Step 5: post job opportunity announcement

Steps 6 – 8

- Step 6: receive applications
- Submits application
- This step is subject to delays based on the number of candidates
- Step 7: minimum qualification review
- Receives and reviews certificate(s)
- Step 8: issue certificate and notify applicants
- Receives notification of status

Step 9

- Step 9: interview and select
- Interviewed
- May choose alternative candidate or cease hiring
- This step is subject to delays based on the number of candidates, the number of rounds of interviews, and availability of hiring manager and candidate(s)
- Makes selection? — No
- Optional second round Interview(s)
- Yes
- Informs BFS of selection(s)
- Continued on next page

HUD s Hiring Process, Continued

	Hiring manager	AO	Human resource business advisors and partners	BFS	Personnel Security Division	Candidate(s)
Step 10	May choose alternative candidate(s) or cease hiring		Continued from previous page	Step 10: tentative job offer		Receives tentative job offer / Accepts offer? No / Yes / May request above the minimum pay
Step 11			This step is subject to delays based on type of hiring, previous Federal employment, responsiveness of candidate, and background of candidate		Step 11: preemployment and security checks	Responds to security requests
Step 12	Some program offices require a budget check before official offer / May choose alternative candidate(s) or cease hiring			Step 12: official job offer		Receives official job offer / Accepts offer? No / Yes
Step 13	Agrees to entrance on duty date	Assists hiring manager and BFS with onboarding		Step 13: entrance on duty	This step is subject to delays based on where in the pay period the date lies and availability of candidate	Average length of one successful recruit attempt was 141 days in FY 2019

Appendix B – Time-To-Hire by Hiring Process Step Methodology

We analyzed the 13 steps in the U.S. Department of Housing and Urban Development's (HUD) hiring process to determine whether the steps had an impact on the calculated average time-to-hire.

We had to make some assumptions when calculating the time-to-hire metrics. We used the 13 steps associated with the U.S. Office of Personnel Management's (OPM) 80-day hiring model, as shown in figure 1, as a guide for our analysis and calculations. We used the Bureau of the Fiscal Service's (BFS) time-to-hire data from fiscal years (FY) 2017, 2018, and 2019 to calculate the average duration for each step of the hiring process. Following is a summary of our methodology:

- **Step 1: validate need and step 2: request personnel action**: The OPM End to End Hiring Initiative has the validate need and request personnel action steps broken out separately. The BFS data did not contain the data needed for us to calculate these as separate steps. Therefore, we combined these two steps. When we compared HUD's performance to the OPM model, we added the days associated with each step in the OPM model to get a combined time estimate. We used the BFS metric Request Initiated Time to measure the average time between when the program office initiated the hiring request and when BFS received the request.

- **Step 3: review position description**: We used the BFS metric, Review Position Description Time, to measure the average time between when the hiring request was received by BFS and when the hiring manager completed the review.

- **Step 4: confirm job analysis**: We used the BFS metric, Confirm Job Analysis Strategy Time, to measure the average time between when BFS reviewed the position description and when BFS approved the job analysis.

- **Step 5: post job opportunity announcement**: We had to calculate the average time between when BFS approved the job analysis and when BFS posted the job opportunity announcement.

- **Step 6: receive applications**: We used the BFS metric, Receive Applications, to measure the average time between when BFS posted the job opportunity announcement and when the job opportunity announcement closed.

- **Step 7: minimum qualification review**: We had to calculate the average time between when the job opportunity announcement closed and when BFS completed its qualification reviews.

- **Step 8: issue certificate and notify applicants**: We had to calculate the average time between when BFS completed its qualification reviews and when BFS issued the certificate of eligible candidates.

- **Step 9: interview and select**: We used the BFS metric, Selection Made Time, to measure the average time between when BFS issued the certificate of eligible candidates and when the hiring manager selected a candidate.

- **Step 10: tentative job offer**: We had to calculate the average time between when the hiring manager selected a candidate and when the candidate accepted the tentative offer.

- **Step 11: preemployment and security checks and step 12: official job offer**: The OPM End to End Hiring Initiative has the security and official offer steps broken out separately. The BFS data did not contain the data needed for us to calculate these as separate steps. Therefore, we combined these two steps. When we compared HUD's performance to the OPM model, we added the days associated with each step in the OPM model to get a combined time estimate. We had to calculate the average time between when the candidate accepted the tentative offer and when BFS made the official offer; this step included the security and preemployment background check processes.

- **Step 13: entrance on duty**: We used the BFS metric, Entrance on Duty, to measure the average time between when BFS made the official offer and when the employee started work.

Appendix C – Selecting Comparable Federal Agencies' Methodology

We identified attributes to compare across agencies. We considered agencies with attributes similar to those of the U.S. Department of Housing and Urban Development (HUD) more appropriate for inclusion in our comparative analysis. The agency attributes we researched included

1. agency size,
2. agency occupational group composition,
3. agency General Schedule and equivalent-grade composition,
4. agency distribution of regional offices, and
5. agency budget.

We conducted research, searching publicly available documents, to complete an attribute profile on each agency. We compared each agency's attributes with HUD's attributes to determine whether the agency would be appropriate for our comparative analysis.

As a result of our analysis, we determined that the U.S. General Services Administration (GSA) and the U.S. Small Business Administration (SBA) were the agencies most similar to HUD. Human resources staff from both agencies agreed to meet with us and share their challenges and best practices related to the hiring process. We then compared SBA's and GSA's hiring practices to those of HUD. We also compared both agencies' hiring model to the U.S. Office of Personnel Management's (OPM) 80-day hiring model. The results of our time-to-hire comparison are in figure 11 below:

FIGURE 11 – Agency time comparison to OPM's 80-day hiring model

Hiring process step	OPM	HUD[40]	GSA	SBA
Validate need	1	1		21
Request personnel action	1	1	1	
Review position description	1	1		
Confirm job analysis	5	5	5	
Post job opportunity announcement	2	2	3	
Receive applications	10	10	10	
Minimum qualification review	15	15	10	16
Issue certificate and notify applicants	1	1		
Interview and select	15	15	24	25
Tentative job offer	3	3	2	8
Preemployment and security checks	10	10	1	
Official job offer	2	2	3	30
Entrance on duty	14	14	20	
Total days	**80**	**80**	**79**	**100**

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[40] Figure 11 reflects the hiring process step timeframes from the BFS Hiring Process Job Aid based on a total of 80 calendar days.

Appendix D – Survey Methodology and Results

Survey Methods

We conducted a survey of all of the U.S. Department of Housing and Urban Development's (HUD) hiring managers to gather HUD program office perspectives on the hiring process and determine how the hiring process impacts HUD's ability to accomplish its mission.

We used SurveyMonkey to create and distribute our survey. At the time of the survey, the Office of the Chief Human Capital Officer (OCHCO) did not have a list of hiring manager email addresses. Therefore, we developed a methodology to compile a list of hiring manager email addresses ourselves. This process resulted in a total of 377 email addresses of hiring managers who could serve as respondents to the survey. Of those 377 possible respondents who received the survey, 227 took the survey, bringing the response rate to 60.2 percent. We accepted responses to the survey from June 1 to June 30, 2020.

Survey Questions and Responses

Our survey included 29 questions. We did not require all respondents to answer every question. In addition, certain survey questions depended on respondents' answers to a previous question.

Six of our survey questions used a Likert scale to measure respondents' satisfaction or dissatisfaction with a statement. We chose to use a "forced choice" scale, eliminating the "neutral" option. Figure 12 below shows how to interpret the results of the survey questions using the Likert scale.

FIGURE 12 – Interpreting the Likert scale

Positive responses		Negative responses		Agnostic	
Very satisfied	Somewhat satisfied	Somewhat dissatisfied	Very dissatisfied	Don't know	I have not had any interactions with ...
Very helpful	Somewhat helpful	Somewhat unhelpful	Very unhelpful	Don't know	

Six of our survey questions asked respondents to answer "yes," "no," or "don't know." Six of our survey questions were completely open ended. The remaining 11 questions asked respondents to select answers from many possible answers. See figure 13 below for the survey questions and their responses.

FIGURE 13 – Hiring manager survey results

1. Have you been involved in attempts to hire someone at HUD between fiscal year (FY) 2017 and FY 2019?	Yes	No			
	94.3%	5.7%			
If respondents selected "No" to Question 1, they were not given the rest of the survey.					

2. How long have you been a hiring manager at HUD?	More than 5 years	More than 3 but less than 5 years	More than 1 but less than 3 years	Less than 1 year	Don't know
	55.0%	24.4%	17.7%	2.4%	0.5%

3. Between FY 2017 and FY 2019, how many employees would you estimate you hired?	0 - attempted but was not successful	1-2	3-5	6-10	11 or more	Don't know
	1.9%	27.3%	37.3%	19.6%	13.4%	0.5%

4. Did you attempt to hire someone in FY 2019?	Yes	No	Don't know		
	92.8%	6.2%	1.0%		

5. What office do you work in?	Open ended				

6. How satisfied or dissatisfied are you with the overall hiring process?	Very satisfied	Somewhat satisfied	Somewhat dissatisfied	Very dissatisfied	Don't know
	10.7%	37.4%	29.1%	22.8%	0.0%

7. Starting in your program office with the validation of need, and ending with the employee's entrance on duty, how satisfied or dissatisfied are you with the timeliness of the hiring process?	Very satisfied	Somewhat satisfied	Somewhat dissatisfied	Very dissatisfied	Don't know
	7.3%	33.5%	28.6%	29.1%	1.5%

8. You responded that you were dissatisfied with the timeliness of the hiring process. Was your program office negatively impacted by HUD's inability to hire in a timely manner?	Yes	No	Don't know		
	79.2%	12.5%	8.3%		

9. How was your program office impacted by HUD's inability to hire in a timely manner? (select all that apply) * *Top six answers shown.*	Increased workload of employees	Lower morale	Decreased productivity	Increased risk to the agency	Lack of continuity	Strained stakeholder relationships
	89.4%	79.8%	59.6%	45.7%	41.5%	37.2%

10. How satisfied or dissatisfied are you with the quality of the certificates of eligible candidates you received from the Bureau of the Fiscal Service (BFS)?	Very satisfied	Somewhat satisfied	Somewhat dissatisfied	Very dissatisfied	Don't know
	10.2%	39.0%	29.3%	18.5%	2.9%

11. You responded that you were dissatisfied with the quality of the certificate of eligible candidates you received from BFS. What issue did you have with the certificate of eligible candidates? (select all that apply) *	Applicants were not qualified	Resumes were not rated appropriately	Too few applicants	Other	
	74.5%	61.2%	46.9%	26.5%	

12. How satisfied or dissatisfied are you with your interactions with HUD's OCHCO during the hiring process?	Very satisfied	Somewhat satisfied	Somewhat dissatisfied	Very dissatisfied	Don't know	No interactions
	13.2%	26.8%	14.2%	10.7%	5.4%	29.8%

13. Why were you dissatisfied with your interactions with HUD's OCHCO during the hiring process?	Open ended					
14. How satisfied or dissatisfied are you with your interactions with BFS?	Very satisfied 15.7%	Somewhat satisfied 37.8%	Somewhat dissatisfied 19.1%	Very dissatisfied 12.8%	Don't know 2.0%	No interactions 12.8%
15. Why were you dissatisfied with your interactions with BFS? (select all that apply) *	Understanding of your program by the BFS human resources specialists 81.5%	Timeliness of responses from BFS human resources specialists 55.4%	Quality of responses from BFS human resources specialists 44.6%	Number of different BFS human resource specialists you work with during a hiring action 41.5%	Other 12.3%	
16. Between FY 2017 and FY 2019, have you ever had to repost a job announcement because you were unable to hire a candidate?	Yes 53.4%	No 41.2%	Don't know 5.4%			
17. Why were you unable to hire a candidate? (select all that apply) * *Top five answers shown.*	Candidate lacked desired qualifications 76.4%	Desired candidates declined the tentative offer 43.6%	Desired candidates declined the final offer 35.5%	Other 22.7%	Hiring freeze 9.1%	
18. Have you ever had a strategic conversation about hiring with someone from HUD's OCHCO?	Yes 21.6%	No 70.1%	Don't know 8.3%			
19. How helpful or unhelpful was your strategic conversation with that person from HUD's OCHCO?	Very helpful 18.2%	Somewhat helpful 43.2%	Somewhat unhelpful 13.6%	Very unhelpful 6.8%	Don't know 2.3%	Other 15.9%
20. Were you told about OCHCO's internal metric regarding how long it should take hiring managers to make a selection after receiving the certificate of eligible candidates from BFS?	Yes 47.1%	No 40.7%	Don't know 12.3%			
21. According to HUD's internal metric, how many calendar days should it take a hiring manager to select a candidate after receiving the certificate of eligible candidates from BFS?	15 Calendar days 67.7%	21 Calendar days 8.3%	28 Calendar days 9.4%	35 Calendar days 3.1%	Don't know 11.5%	Other 0.0%
22. If you have a question about the hiring process, do you typically know who to contact to get the answer you need?	Yes, I typically know 58.1%	No, I typically don't know 9.4%	About half the time, I know and the other half I don't 16.8%	I don't have questions 3.0%	Other 12.8%	
23. Which tasks are you, as the hiring manager, the primary point person? (select all that apply) * *Top six answers shown.*	Conduct interviews 96.0%	Select candidate 90.0%	Review certified candidate list 86.4%	Approve edits to position descriptions 51.3%	Validate need 49.8%	Review job analysis with BFS 49.8%

24. What training or guidance have you received from HUD about the hiring process? (select all that apply) * *Top six answers shown.*	I have not received any training	Handbooks resource guides or job aids	Virtual or online training from HUD	Just-in-time internal training from my office	Formal in-person training from HUD	Other
	42.1%	35.6%	22.8%	20.8%	13.4%	11.9%
25. For which areas of the hiring process would you appreciate additional training? (select all that apply) * *Top six answers shown.*	Hiring using a special authority	A general overview of the hiring process	Overview of hiring incentives and when to offer	An overview of HUD's time-to-hire metrics	How to hire strategically	How to write a position description
	49.0%	45.4%	44.9%	41.8%	30.1%	28.1%
26. What do you like about the hiring process?	Open ended					
27. What aspects of the hiring process need improvement?	Open ended					
28. What suggestions do you have to improve the hiring process?	Open ended					
29. Is there anything else you would like us to know?	Open ended					

Note: Due to rounding, not all percentages sum to 100.

* Percentages do not sum to 100 as respondents could select more than one answer.

Appendix E – Acknowledgements

This report was prepared under the direction of Brian T. Pattison, Assistant Inspector General for Evaluation; Paul Bergstrand, Director of the Program Evaluations Division; and Kaitlyn Large, Supervisory Evaluator. The Office of Evaluation staff members who contributed are recognized below.

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Appendix F – Acronyms

ACRONYM	DEFINITION
AO	administrative officer
BFS	Bureau of the Fiscal Service
FY	fiscal year
GSA	U.S. General Services Administration
HCOP	Human Capital Operating Plan
HUD	U.S. Department of Housing and Urban Development
OCHCO	Office of the Chief Human Capital Officer
OIG	Office of Inspector General
OPM	U.S. Office of Personnel Management
POL	position organizational listing
SBA	U.S. Small Business Administration

The Office of Inspector General is an independent and objective oversight agency within the U.S. Department of Housing and Urban Development. We conduct and supervise audits, evaluations, and investigations relating to the Department's programs and operations. Our mission is to promote economy, efficiency, and effectiveness in these programs while preventing and detecting fraud, abuse, and mismanagement.

Report fraud, waste, and mismanagement in HUD programs and operations by

Completing this online form: https://www.hudoig.gov/hotline/hotline-form

Calling the OIG hotline: (800) 347-3735

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https://www.hudoig.gov/whistleblower-rights

Website

https://www.hudoig.gov/

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