



OFFICE *of*  
**INSPECTOR GENERAL**  
★ ★ ★ ★  
UNITED STATES DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT

# U.S. Department of Housing and Urban Development Employee Retention

2022-OE-0008

January 19, 2024

Date: January 19, 2024

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

From: Christopher Backley  
*Acting Assistant Inspector General for Evaluation, Office of Inspector General, G*



Subject: Final Report – U.S. Department of Housing and Urban Development Employee Retention

Please see the attached final report on our evaluation of the U.S. Department of Housing and Urban Development’s employee retention. It contains five recommendations.

In response to our draft report, the Office of the Chief Human Capital Officer (OCHCO) provided technical comments, which we incorporated into the final report as appropriate. Additionally, OCHCO provided formal comments. These formal comments, along with our response to those comments, are included as appendixes in this report. Documentation provided by OCHCO showed the implementation of corrective action steps that are responsive to recommendations 1 and 2. Therefore, we are changing the status of recommendations 1 and 2 to “resolved-closed.” Because recommendations 1 and 2 are now closed, no further action is required for these recommendations. The status of recommendations 3, 4, and 5 will remain as “unresolved-open” until we receive and agree to proposed management decisions for each recommendation. We will contact OCHCO shortly after the issuance of this report to discuss the recommendations.

I greatly appreciate the assistance you and your staff provided throughout the evaluation. The report will be posted to our website within 3 days. Please contact Kaitlyn Large, Acting Director of the Program Evaluations Division, at 202-302-8706 or [klarge@hudoig.gov](mailto:klarge@hudoig.gov) with any questions.

cc

Shannon Steinbauer, Audit Liaison Division Director, Office of the Chief Financial Officer, FMA  
Rassii Elliott, Director of the Office of Accountability, Office of Chief Human Capital Officer, AHCBB  
Terri Swann, Audit Liaison Officer, Office of Chief Human Capital Officer, AHCBB  
Virginia Der, Audit Liaison Officer, Office of Policy Development and Research, RB  
Michael Reed, Audit Liaison Officer, Office of the Chief Information Officer, QMAC  
Peter Jackson, Audit Liaison Officer, Office of Field Policy and Management, M  
Erica Johnson, Audit Liaison Officer, Government National Mortgage Association, TA  
Lawrence Chambers, Audit Liaison Officer, Office of the Chief Procurement Officer, NS  
Kim Adams, Audit Liaison Officer, Office of Administration, A1  
Laura Moore, Audit Liaison Officer, Office of Administration, A1  
Kesha Robinson, Office Administrator, Office of Administration, A1  
Felipe Perdomo, Audit Liaison Officer, Office of Public and Indian Housing, PSF  
Diane Stewart, Audit Liaison Officer, Office of Housing, HW

# Executive Summary

## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT EMPLOYEE RETENTION | 2022-OE-0008

### Why We Did This Evaluation

We initiated this evaluation to assess the U.S. Department of Housing and Urban Development's (HUD) employee retention strategy for fiscal years (FY) 2019-2022. The U.S. Office of Management and Budget and the President's Management Council stated in the Biden-Harris Management Agenda that the Federal Government must become a model employer with strong systems to hire, retain, and develop the people needed to deliver agency missions. Ultimately, the results of this evaluation should help HUD reduce voluntary attrition. Attrition has direct costs, such as time spent hiring and training new employees, and results in loss of institutional knowledge, both of which reduce HUD's ability to achieve its mission or reach staffing goals.


We evaluated how well HUD's retention strategies aligned with best practices. We analyzed HUD's voluntary attrition rates and compared them with the average rates of three comparable agencies, the U.S. Department of Education, General Services Administration, and U.S. Small Business Administration. We assessed HUD's use of employment data to track retention. We also evaluated the extent to which HUD's program offices used retention-related programs.

### Results of Evaluation

Retention is a shared responsibility between HUD's Office of the Chief Human Capital Officer (OCHCO) and HUD's other program offices. OCHCO sets the departmentwide retention strategy, while the program offices have responsibility for managing retention within their offices. Our evaluation determined that HUD's departmentwide retention strategy in FY 2019-2022 mostly aligned with best practices and that OCHCO had a proactive approach to retention. We found that OCHCO had taken the initiative to conduct an exit survey of all departing HUD employees, but also that HUD could better leverage the data it was collecting to address causes of attrition identified in the survey.

We met with retention leads from seven of HUD's program offices and found that those program offices varied in their strategic management of retention. All seven program offices had access to attrition data, which they used to identify positions or grade levels in which it was particularly challenging to retain employees or in which attrition caused greater risks to the mission. Four program offices described specific retention activities or strategies they worked on with OCHCO. However, the seven program offices varied in whether they identified the underlying causes of low retention and addressed them with specific actions, as well as in how they measured the effectiveness of retention activities.

Our analysis showed that HUD's overall voluntary attrition rate was below the average rate of the three comparable agencies. However, when we analyzed the voluntary attrition rates by subgroups, we noticed several significant trends. For example, support-focused offices had the top four highest voluntary separation rates. Additionally, the voluntary attrition rate for governmentwide mission-critical occupations rose during the period FY 2019-2022, while the average of the comparable agencies decreased. HUD's voluntary attrition rate for employees in field offices in large cities also rose during the period, compared to Washington, DC, and field offices in midsize and small cities. During our analysis, we



also determined that HUD had room to improve the quality of its data about HUD-specific mission-critical occupations and position titles.

The use of retention incentives varies across HUD. HUD offers coaching, mentoring, and career development programs. We observed that some program offices used remote work to improve retention in hard-to-fill positions. Retention incentives that make use of compensation and special pay rates have U.S. Office of Personnel Management requirements that limit their applicability to HUD employees.

## **Recommendations**

We provided HUD with five recommendations. Three recommendations are related to improving the quality and usefulness of retention-related data. Two recommendations relate to determining causes behind higher than benchmarked attrition in subgroups within HUD and addressing those causes. We closed recommendations 1 and 2 before issuance of the final report based on documentation OCHCO provided to us. The status of recommendations 3, 4, and 5 will remain as “unresolved-open” until we receive and agree to OCHCO’s proposed management decisions for each recommendation.

# Table of Contents

<b>Introduction</b> .....	<b>1</b>
Objectives.....	1
Background .....	1
<b>Findings</b> .....	<b>5</b>
HUD’s Departmentwide Retention Strategies Mostly Aligned With Selected Best Practices .....	5
HUD’s Overall Voluntary Attrition Rate Was Below The Average of the Three Comparable Agencies for FY 2019-2022, but Some Subgroups Had Higher Voluntary Attrition Rates .....	11
Weaknesses in Some Employment Data May Limit HUD’s Ability to Track Retention Accurately.....	19
Use of Retention Programs Varied Across HUD.....	22
<b>Conclusion and Recommendations</b> .....	<b>26</b>
<b>Appendixes</b> .....	<b>28</b>
Appendix A - Agency Comments and Office of Inspector General REsponse.....	28
Appendix B – Scope, Methodology, and Limitations .....	31
Appendix C – Best Practices Based on U.S. Office of Personnel Management and U.S. Government Accountability Office Guidance.....	33
Appendix D – Program Office Highlights.....	35
Appendix E – Abbreviations .....	36
Appendix F – Acknowledgements.....	37

# Introduction

## OBJECTIVES

Our objectives for this evaluation were to determine

1. The extent to which the U.S. Department of Housing and Urban Development's (HUD or Department) retention-related strategies are aligned with best practices.
2. HUD's voluntary attrition rate relative to similar agencies and which program offices or subgroups, if any, have higher rates relative to HUD's overall rate or to equivalent groups in similar agencies.
3. How HUD uses employment data to track retention.
4. What retention-relevant programs HUD employs and the extent to which program offices use those programs.

We defined retention-related strategies as an organization's policies, practices, and strategic approach to monitoring, evaluating, and improving employee retention. We defined employee retention as an organization's ability to keep its current employees. Although organizations do not have direct control over whether employees choose to leave, effective retention-related strategies and programs can encourage employees to remain at the organization. One key performance indicator for retention is the voluntary attrition rate, or the number of employees who choose to leave an organization during a specified period divided by the average number of employees during that period. The evaluation focused on HUD's employee retention strategies and its voluntary attrition rate from October 1, 2019, through September 30, 2022.

## BACKGROUND

Both HUD and HUD's Office of Inspector General (OIG) have identified managing human capital as a challenge facing the Department. HUD's fiscal year (FY) 2022-2026 Strategic Plan set an objective to "Enable the HUD workforce through hiring, training, opportunities for growth, and promoting a more engaged and inclusive work environment." The Plan explains that more than half of HUD's workforce will be eligible for retirement within the next 5 years. High turnover poses "a risk to staff, succession planning, and knowledge transfer."

The U.S. Office of Management and Budget (OMB) and the President's Management Council stated in the Biden-Harris Management Agenda that the Federal Government must become a model employer with strong systems to hire, retain, and develop the people needed to deliver agency missions.<sup>1</sup> In a committee report on the FY 2023 Budget,<sup>2</sup> the 117<sup>th</sup> Congress' House Committee on Appropriations expressed concern about the overall retention rates<sup>3</sup> of HUD employees. The Committee expressed a particular concern with the retention of HUD employees with less than 3 years of tenure and employees under age 30. The Committee urged HUD to consider additional targeted retention strategies, including

---

<sup>1</sup> OMB oversees the implementation of the President's vision across the executive branch, and the President's Management Council advises the President and OMB on management issues.

<sup>2</sup> [Committee on Appropriations Report on the Departments of Transportation, and Housing and Urban Development, and Related Agencies Appropriations Bill, 2023](#)

<sup>3</sup> The retention rate is the percentage of an organization's employees that remain employed there for a specified period.

further expansion of student loan forgiveness programs, career development, and mentorship opportunities.

## Best Practices

We identified best practices for managing retention based on U.S. Office of Personnel Management (OPM) guidance.<sup>4</sup> OPM's Human Capital Framework provides comprehensive guidance on strategic human capital management in the Federal Government.<sup>5</sup> It establishes key focus areas—including agency strategic planning, workforce planning, and retention—for agencies to consider when designing and implementing a human capital framework. We also considered guidance from OPM on closing skills gaps<sup>6</sup> and from the U.S. Government Accountability Office (GAO) on standards for internal controls.<sup>7</sup> For more information on these best practices, see appendix C.

## Retention-Relevant Programs

For the purposes of this evaluation, we assessed HUD's use of the following nonmonetary and monetary retention programs:

- **Mentoring:** Mentoring is a formal or informal relationship between two people—often a senior and a junior employee—that helps employees advance their careers and build their networks. According to OPM's September 2008 report, *Best Practices: Mentoring*, mentoring influences employee retention because it helps establish an organizational culture that is attractive to top talent seeking growth opportunities.<sup>8</sup>
- **Coaching:** Coaching is a learning and development activity. A September 2019 OPM memorandum to chief human capital officers states, "The benefits of coaching individuals and teams include higher engagement, retention, organizational performance and productivity; increased focus on mission and organizational objectives; improved creativity, learning, and knowledge; and better relationships between people and departments."<sup>9</sup>
- **Career development opportunity:** A career development opportunity could include rotational and shadowing assignments, formal classroom and web-based training, and on-the-job training. The U.S. Merit Systems Protection Board<sup>10</sup> found that perceived lack of opportunity for growth and development doubled employees' likelihood of having strong intentions to quit.<sup>11</sup>
- **Student loan repayment program:** The purpose of the Federal student loan repayment program is to recruit or retain highly qualified personnel. Agencies that participate in the program may make payments toward recipients' federally insured student loans. HUD's student loan repayment program policy states that when employees sign service agreements to participate in the program, they commit to staying with the Department for 3 years.<sup>12</sup>
- **Retention incentive:** A retention incentive is a compensation flexibility in which agencies give employees one or more additional payments of up to 25 percent of their basic pay (50 percent

---

<sup>4</sup> OPM is the chief human resources agency and personnel policy manager for the Federal Government.

<sup>5</sup> [Human Capital Framework \(opm.gov\)](https://www.opm.gov/human-capital-framework/)

<sup>6</sup> [Closing Skills Gaps \(opm.gov\)](https://www.opm.gov/closing-skills-gaps/)

<sup>7</sup> Internal controls are plans, methods, policies, and procedures entities use to fulfill their mission, strategic plan, goals, and objectives. [Standards for Internal Control in the Federal Government \(gao.gov\)](https://www.gao.gov/standards-for-internal-control-in-the-federal-government/)

<sup>8</sup> [Best Practices: Mentoring \(opm.gov\)](https://www.opm.gov/best-practices-mentoring/)

<sup>9</sup> [Coaching in the Federal Government \(chcoc.gov\)](https://www.chcoc.gov/coaching-in-the-federal-government/)

<sup>10</sup> The U.S. Merit Systems Protection Board is an independent, quasi-judicial Federal agency.

<sup>11</sup> [September 2021 Issues of Merit Newsletter \(mspb.gov\)](https://www.mspb.gov/september-2021-issues-of-merit-newsletter/)

<sup>12</sup> [Pay Administration Handbook, Chapter 4: Repayment of Student Loans \(hud.gov\)](https://www.hud.gov/pay-administration-handbook/chapter-4-repayment-of-student-loans/)

with OPM approval) to retain them. As described in 5 CFR (Code of Federal Regulations) part 575, subpart C, to offer a retention incentive, the agency must determine that employees are likely to leave Federal service and the employees' qualifications or a special need of the agency for the employees' services makes them essential to retain.<sup>13</sup> HUD's retention incentives policy states that for employees to receive a retention incentive, they must sign a written agreement to stay at HUD for a specified period of at least 6 months.

- **Special pay rates:** A special pay rate raises the salary above the minimum rate for specific categories of eligible employees "when it is necessary to address existing or likely significant recruitment or retention difficulties."<sup>14</sup> OPM establishes the rates, and agencies must request authorization to implement them. According to the GAO report, *Opportunities Exist to Enhance Strategic Use of Special Payments*, 89 percent of the Chief Human Capital Officers Council agencies that used special pay rates reported that they had positive impacts on employee retention.<sup>15</sup>

### Retention Process Owners

The Office of the Chief Human Capital Officer (OCHCO) and HUD's other program offices share responsibilities for retaining employees. OCHCO is responsible for setting the departmentwide human capital strategy; organizational development; and conducting workforce planning, succession planning, and workforce analytics. OCHCO provides information on retention to program offices, including strategies and recommendations. OCHCO also manages HUD's Human Capital Dashboard, which provides program offices with information on HUD's human capital data.<sup>16</sup> HUD's Human Capital Dashboard provides HUD leadership with a holistic view of retention and helps HUD develop data-driven strategies around the workforce. Finally, OCHCO administers HUD's student loan repayment program.

Program offices are responsible for retention within their offices and developing and carrying out their own retention strategies. HUD's program offices and OCHCO have shared responsibility for employee engagement, career development, mentoring and coaching programs, and special pay rates. OCHCO works with each program office to develop an engaging culture.<sup>17</sup> OCHCO also developed HUD's Employee Engagement Plan.

For career development, OCHCO is responsible for providing agencywide training to fulfill employees' developmental needs. However, according to an OCHCO official, program offices have control over their own training budgets, which they often use to build employees' technical skills in support of program office missions. OCHCO runs a coaching program that matches employees to coaches through internal and external career development programs, including programs run by program offices.

---

<sup>13</sup> [5 CFR part 575, subpart C](#)

<sup>14</sup> [5 CFR part 530.304](#). A "category of employee" may include employees in one or more locations, grades or levels, occupational groups, series, classes, or subdivisions.

<sup>15</sup> [Federal Pay: Opportunities Exist to Enhance Strategic Use of Special Payments \(gao.gov\)](#)

<sup>16</sup> Examples of human capital data include workforce demographics, attrition rates, and various employee surveys.

<sup>17</sup> OPM defines engagement as employees' sense of purpose, which is evident in their display of dedication, persistence, and effort in their work or overall attachment to their organization and its mission. [Building an Engaging Workplace: Understanding and Using Engagement Drivers \(opm.gov\)](#)



can request the use of retention incentives and special pay rates, but OCHCO is responsible for preparing and submitting applications to OPM for approval.

### **Assessing Retention**

To assess how HUD managed attrition, we analyzed HUD's voluntary attrition rate and new hire attrition rates. For the purposes of this evaluation, we defined voluntary attrition as the percentage of permanent, full-time, General Schedule (GS)-level HUD employees who took a position in another agency or quit Federal service for reasons other than retirement. The new hire attrition rates are important indicators of how well HUD is retaining new hires. We defined the 1-year and 3-year new hire attrition rates as the percentage of employees who departed HUD in 1 year or less or 3 years or less of being hired, respectively. For our analysis, we looked at voluntary attrition rates and new hire attrition rates for HUD overall, as well as different subgroups. These subgroups are program office, governmentwide high-risk mission-critical occupation (MCO),<sup>18</sup> size of field office city, employee age, and length of employment in the Federal Government.

To understand how HUD's attrition compared to that of other government agencies, when possible, we benchmarked HUD's voluntary attrition rate to the average rate of three comparable agencies: the U.S. Department of Education (ED), the General Services Administration (GSA), and the U.S. Small Business Administration (SBA).<sup>19</sup> For these comparisons, we used the publicly available data on FedScope.<sup>20</sup> When data from the comparable agencies were not available, we benchmarked the rates of subgroups within HUD to HUD's overall rate. For more information on our methodology, see appendix B.

---

<sup>18</sup> OPM and the Chief Human Capital Officers Council identified high-risk MCOs in response to GAO's designation of agencies' mission-critical skills gaps as a high-risk area. GAO and OPM defined high-risk MCOs as occupations in which skills gaps (insufficient staff or staff without the appropriate skills, abilities, or behaviors to successfully perform the work) may undermine agencies' abilities to achieve their mission.

<sup>19</sup> We determined that these three agencies were most similar to HUD on the basis of number of employees, occupational group composition, grade composition, distribution of regional offices, and size of budget. We excluded OIG employees from our analysis of HUD, ED, and GSA data, but we were not able to exclude OIG employees from SBA data.

<sup>20</sup> [FedScope](#) consists of publicly available Federal workforce employment data. It is managed by OPM.

## Findings

### HUD'S DEPARTMENTWIDE RETENTION STRATEGIES MOSTLY ALIGNED WITH SELECTED BEST PRACTICES

#### OCHCO Established Departmentwide Retention Strategies That Mostly Aligned With Selected Best Practices

We assessed HUD's departmentwide implementation of the following OPM best practices: (1) setting strategic direction for retention and aligning retention strategies with its strategic plans, performance plans, and budget; (2) establishing measurable and observable performance targets for HUD's retention strategies; (3) tracking attrition throughout the Department; and (4) identifying and addressing underlying causes of attrition. For more information on these best practices, see appendix C.

HUD aligned with three of the four best practices, but we identified areas for improvement for the fourth. HUD set strategic direction and aligned its retention strategies with relevant plans, established measurable performance targets for those strategies, and tracked attrition throughout the Department. Since the issuance of our draft report, HUD took actions to improve its handling and analysis of exit survey responses, enabling it to better assess and address causes of attrition.

#### HUD Aligned Its Departmentwide Retention Strategies, Set Measurable and Observable Performance Targets, Tracked Attrition Throughout the Department, and Identified Underlying Causes of High Attrition

HUD's departmentwide retention strategies in FY 2019-2022 mostly aligned with best practices, and OCHCO had a proactive approach to retention. We evaluated four best practices:

**1. Setting strategic direction for retention and aligning retention strategies with its strategic plans, performance plans, and budget:** HUD's relevant plans were aligned with its strategic objective on retention, as described in HUD's Strategic Plan. The Annual Performance Plan, Strategic Workforce Plan, and Human Capital Operating Plan were integrated, jointly describing how HUD plans to accomplish its strategic objective on retention and how the Department will measure its progress. The budget justifications were aligned and integrated with relevant plans and explain what resources HUD needs to accomplish them. The following summarizes our review of HUD's Strategic Plan, Annual Performance Plan, Strategic Workforce Plan, Human Capital Operating Plan, and budget documentation.

- *Strategic Plan:* HUD's FY 2022-2026 Strategic Plan<sup>21</sup> established strategic objective 5A, "Enable the HUD workforce through hiring, training, opportunities for growth, and promoting a more engaged and inclusive work environment," which is related to retention. The Strategic Plan provided strategies, metrics, and evidence to support the achievement of strategic objective 5A.
- *Annual Performance Plan:* HUD's Annual Performance Plan FY 2023<sup>22</sup> reiterated strategic objective 5A and the evidence to support it. For each strategy laid out in the Strategic Plan, the Annual Performance Plan listed major milestones toward accomplishing it.
- *Strategic Workforce Plan:* HUD's 2023-2033 Strategic Workforce plan included an outline of action plan themes, objectives, and activities for achieving HUD's goal of optimizing human

---

<sup>21</sup> [HUD Strategic Plan FY2022-2026 \(hud.gov\)](#)

<sup>22</sup> [FY2023 HUD Annual Performance Plan \(hud.gov\)](#)

capital. The plan included a strategic theme to attract and retain talent with recommendations that identified data analysis activities that provide insights into historical patterns and drive planning.

- *Human Capital Operating Plan:* HUD’s 2022-2023 version of HUD’s 2022-2026 Human Capital Operating Plan included the goal, “Develop and retain an inclusive, capable, and engaged HUD workforce needed for today and the future.” It outlined strategies and actions for accomplishing that goal and milestones to measure progress on those actions.
- *Budget documentation:* HUD’s FY 2023 Congressional Justifications<sup>23</sup> stated that the 2023 President’s Budget requested an increase in funding for HUD’s OCHCO so that OCHCO may achieve its human capital goals, including its goal to improve employee retention. This budget increase for OCHCO was aligned with OCHCO’s strategic goal to “allocate resources to human capital planning and operations to enable HUD to hire and retain a highly-skilled workforce” from the Annual Performance Plan FY 2023.

**2. Establishing measurable and observable performance targets for HUD’s retention strategies:** HUD’s Strategic Plan, Annual Performance Plan FY 2023, and the 2022-2023 version of HUD’s 2022-2026 Human Capital Operating Plan established nonretirement voluntary attrition as a key performance indicator for retention. HUD’s Human Capital Operating Plan also set departures due to perceived culture issues as a key performance indicator. The Annual Performance Plan and Human Capital Operating Plan outlined past performance and future targets for these key performance indicators, as well as how those targets would be measured.

**3. Tracking attrition throughout the Department:** OCHCO’s Human Capital Dashboard tracks HUD-wide data related to retention, including attrition data, the results of closed-ended questions from HUD’s exit survey, and select Federal Employee Viewpoint Survey results. Attrition data can be filtered by FY and quarter, program office, position data including occupational series, and demographic data including gender or race. Exit survey data can be filtered by FY, program office, and type of separation. Demographic data such as gender and age group are provided with the results. Federal Employee Viewpoint Survey results can be filtered by program office. OCHCO shares this information with leadership throughout the Department, providing decision makers with a holistic view of retention. In 2022, OPM evaluated<sup>24</sup> HUD’s Human Capital Dashboard and stated that the dashboard “has had an immediate impact on HUD’s human capital programs and can further enhance HUD’s operations in all areas of human capital management in the coming years as it continues to be fully integrated and applied.”

**4. Identifying and addressing underlying causes of attrition:** OCHCO analyzed exit survey and Federal Employee Viewpoint Survey data to identify causes of attrition. It also piloted a stay survey to assess reasons why employees stay. HUD identified a link between low employee engagement and whether employees indicated an intent to leave HUD, making low employee engagement a likely cause of attrition. In spring 2022, OCHCO released the HUD Departmental Employee Engagement Plan FY 2022-2023, which includes objectives and deliverables for improving employee engagement and reducing unwanted

---

<sup>23</sup> [2023 Congressional Justifications Report \(hud.gov\)](#)

<sup>24</sup> OPM created standards for assessing Federal agencies’ human capital management. OPM annually evaluates Federal agencies’ human capital goals and results and the impact of those results on meeting agency strategic goals.

attrition, including improving timeliness and meaningfulness of employee rewards and recognition. It also includes a communication campaign called “You Spoke, We Listened,” focused on responding to employee feedback. OCHCO’s proactive approach to identifying and addressing underlying causes of attrition mostly aligned with best practices, but we identified areas of improvement in its handling of exit survey data.

### **OCHCO’s Analysis and Handling of Exit Survey Data Limited HUD’s Ability To Address Causes of Attrition Identified in the Survey**

We identified three areas in which HUD could improve its analysis and handling of exit survey data so that HUD will be better able to address underlying causes of attrition. First, OCHCO did not consistently review open-ended exit survey results. Second, program offices did not have consistent access to the results of open-ended exit survey questions. Third, data on motivation for leaving HUD could be more specific.

The exit survey includes two open-ended questions:

- “If given the opportunity, what, if anything, would you change in your most current HUD experience that would make you stay at HUD?”
- “Do you have any additional constructive feedback, comments, questions, or concerns?”

*OCHCO did not consistently review open-ended survey results:* OCHCO stopped analyzing information from these open-ended questions in early 2021, after the exit survey’s division owner changed multiple times.<sup>25</sup> This lack of analysis reduced HUD’s ability to understand the reasons why employees left the Department and develop strategies to address those reasons. It also prevented HUD from appropriately responding to nine responses that contained allegations of discrimination or barriers to free and open competition.<sup>26</sup> The Equal Employment Opportunity Commission’s Management Directive (MD)-715<sup>27</sup> requires agencies to self-assess such triggers<sup>28</sup> at least annually. Because HUD did not review exit survey comment data from most of calendar year 2021 and all of 2022, it could not include allegations from the survey in its annual reviews during that time, which may have prevented HUD from responding to a trigger or barrier identified by a departed employee. In response to our inquiries about how HUD analyzes the open-ended questions, OCHCO resumed reviewing the results and coordinating with the Office of Departmental Equal Employment Opportunity (ODEEO) and Office of General Counsel (OGC) in 2023. In response to our draft report, OCHCO established a quarterly process to share exit survey results, including open-ended responses, with both ODEEO and its own Anti-Harassment Program.

*Program offices did not have consistent access to the results of open-ended exit survey questions:* In our analysis of the responses to the two open-ended questions, we determined that they may be of use to program officials in planning retention strategies. Examples of responses that contained feedback

---

<sup>25</sup> In November 2021, GSA conducted an analysis of HUD’s exit survey results. However, it did not include thematic analysis of open-ended responses.

<sup>26</sup> In our analysis of HUD’s exit survey results, we reviewed 172 comments containing feedback and identified 11 related to themes of alleged discrimination. Two of these comments were provided by employees who filled out the survey in early January 2021, so they were included in the last review conducted in February 2021.

<sup>27</sup> [MD-715 \(eeoc.gov\)](https://www.eeoc.gov/eeoc/md-715)

<sup>28</sup> A trigger is a trend, disparity, or anomaly that suggests the need for further inquiry into a particular policy, practice, procedure, or condition. MD-715 requires agencies to use varied information sources, including exit surveys, to identify triggers.

directed at program office leadership about initiatives or issues that affected employee job satisfaction include feedback on division reorganizations and the distribution of divisions' workload. However, OCHCO did not have a consistent and transparent process for sharing results from open-ended questions with program offices while still ensuring former employees' confidentiality. One of the program offices we interviewed reported receiving the results of the open-ended questions after requesting them. Five of the program offices we interviewed reported that they did not receive results from the open-ended questions. Of those five, at least one interviewed program office repeatedly asked for open-ended results. Responses from another two suggested that those program offices were not aware that they could request open-ended survey data. One program office did not comment on what exit survey results it received. OCHCO did provide an example of when it had shared exit survey results with a program office. In response to our draft report, OCHCO communicated to HUD's General Assistant Deputy Secretaries that close-ended exit survey results are typically available in the Human Capital Dashboard and program office results, including open-ended results, are also available upon request by contacting OCHCO's Strategic Workforce Planning and Analytics Division.

### Recommendation

1. We recommend that the Chief Human Capital Officer implement a transparent process for reviewing open-ended exit survey results and sharing those results with ODEEO, as appropriate, and program offices while still protecting former employees' confidentiality.

*Data on motivation for leaving HUD could be more specific:* Half (52.8 percent) of all respondents in 2021 and 2022 selected "organizational culture" as one of their motivations for leaving HUD.<sup>29</sup> HUD has set reducing attrition due to perceived culture issues as a key performance indicator for retention. However, HUD's exit survey does not provide a definition of organizational culture or ask clarifying questions to identify what aspects of HUD's culture are causing attrition. This lack of specificity makes it difficult for HUD to develop initiatives to address these concerns.

In December 2023, OCHCO shared its plans to revise the exit survey to provide additional insight into HUD's culture, which OCHCO defined as "the way [HUD does] things or [HUD's] common values, practices, and behaviors." OCHCO also developed an administrative manual for the exit survey it will use for knowledge management for the OCHCO staff member responsible for the exit survey. OCHCO implemented the revised version of the exit survey on January 2, 2024.

### Recommendation

2. We recommend that the Chief Human Capital Officer assess what departing employees mean when they indicate that organizational culture is a motivation for leaving HUD.

Additionally, OMB directed agencies in 2023 to select organizational health performance indicators, such as attrition rates and exit surveys results, to measure, monitor, and improve organizational health and organizational performance. It stated that such assessments "can help identify beneficial or adverse impacts of telework<sup>30</sup> and other operational policies on the agency's performance of its mission. These

---

<sup>29</sup> This analysis included only non-Senior Executive Service employees who voluntarily resigned. Respondents could select multiple motivations for leaving HUD.

<sup>30</sup> OPM defines telework as "arrangements where the employee is expected to report to work both at an agency worksite and alternative worksite on a regular and recurring basis each pay period."

may include impacts to... the agency's ability to recruit and retain top talent."<sup>31</sup> In the 2022 Federal Employee Viewpoint Survey, 21 percent of survey respondents indicated that they were considering leaving HUD due to HUD's telework and remote work<sup>32</sup> options.<sup>33</sup> While employees who are considering leaving may not actually leave, this result is several times higher than HUD's normal voluntary attrition rate. From FY 2019 to 2022, an average of 3 percent of permanent GS-level HUD employees voluntarily separated each year.<sup>34</sup> The exit survey and stay survey offer opportunities to monitor whether and how telework arrangements influenced employees' decisions to leave or track changes in attrition rates when telework policies for positions change.

## Program Offices Varied in Whether They Identified and Addressed Causes of Attrition

OCHCO sets annual targets for HUD's nonretirement voluntary attrition rate. Program offices have responsibility for retention within their office, and the program offices' voluntary attrition rates each contribute to HUD's overall rate. We selected seven of HUD's program offices and conducted interviews with their retention leads. (For information on our selection, see appendix B.) The seven program offices varied in whether they had written workforce plans and in their implementation of best practices established by OPM and GAO.

We evaluated whether the seven program offices had implemented the following OPM and GAO best practices: (1) collaborating with OCHCO in workforce planning related to retention, (2) identifying positions or grade levels in which it was particularly challenging to retain employees, (3) employing a risk-based approach to identifying the retention areas of greatest concern, (4) identifying the underlying causes of low retention<sup>35</sup> and addressing those causes with specific actions, and (5) measuring the effectiveness of retention activities. For more information on these best practices, see appendix C.

---

<sup>31</sup> [M-23-15, Measuring, Monitoring, and Improving Organizational Health and Organizational Performance in the Context of Evolving Agency Work Environments](#)

<sup>32</sup> OPM defines remote work as an arrangement in which an employee works from an alternative worksite and which "does not involve an expectation that the employee regularly reports to the agency worksite each pay period."

<sup>33</sup> The 2022 Federal Employee Viewpoint Survey asked the following question: "Based on your work unit's current telework or remote work options, are you considering leaving your organization, and if so, why?" Possible responses included (1) "Yes, to take another job within the Federal Government;" (2) "Yes, to take another job outside the Federal Government;" (3) "Yes, other;" (4) "Yes, to retire;" (5) "Yes, to take another job within my agency;" and (6) "No, not considering leaving based on telework or remote work options." Our reported 21 percent represents the percentage of HUD survey respondents who selected one of the first three possible responses, excluding HUD OIG employees. All full-time and part-time, permanent, nonseasonal, and nonpolitical employees were invited to participate in the Federal Employee Viewpoint Survey. HUD had a 64 percent response rate in 2022.

<sup>34</sup> Voluntary attrition rate includes full-time and part-time, permanent, nonseasonal, GS-level employees who quit Federal service or transferred to another agency, excluding OIG employees. For consistency in comparing the number of employees who left with the number who reported intent to leave in the Federal Employee Viewpoint Survey, we included part-time employees in this calculation of the voluntary separation rate because the Federal Employee Viewpoint Survey included part-time employees.

<sup>35</sup> It was beyond the scope of this evaluation to assess the underlying causes of voluntary attrition at HUD. This evaluation sought instead to assess whether program officials identified program office-specific causes for attrition.

Program offices that reached out to OCHCO for support in retention-related planning described a collaborative working relationship. Four of the program offices we interviewed described specific retention activities or strategies they worked on with OCHCO. The remaining three mentioned talking to OCHCO but gave no specifics. To improve collaboration and outreach, OCHCO’s Strategic Workforce Planning and Analytics Division proactively assigned staff to provide support to specific program offices, and as of August 2023, had piloted an initial succession planning activity with one program office.<sup>36</sup>

During interviews, all seven program officials were able to identify positions or grade levels in which it was particularly difficult to retain employees and positions or grade levels in which attrition caused greater risks to the mission. However, the program offices we interviewed varied in their ability to identify causes of attrition and specific actions taken to address all identified causes (table 1). Only two of the program offices had fully implemented these three best practices. Only one of the program offices, the Office of the Chief Information Officer (OCIO), had a written workforce plan.

**Table 1. Number of program offices that implemented best practices.**

Best practice	Number of program offices		
	Fully implemented	Partially implemented	Not implemented
Identification of... Positions or grade levels in which it was particularly difficult to retain employees	7	0	0
Positions or grade levels in which attrition caused a greater risk to the mission	7	0	0
Underlying causes of attrition and specific actions taken to address all identified causes	2	4	1

Officials from the seven program offices we interviewed also described varying methods for measuring the effectiveness of retention strategies. Three officials reported the use of retention numbers alone, three reported the use of survey results and focus groups, and one stated that the office did not formally measure effectiveness.

For additional initiatives identified by program offices as part of their retention strategies, see appendix D.

<sup>36</sup> OCHCO’s Strategic Workforce Planning and Analytics Division led a pilot succession planning activity with one program office. OCHCO analyzed the program office’s attrition profile. It assessed GS-15 and Senior Executive Service employees’ interest in next level leadership work, current performance level, and potential to develop the needed competencies for higher graded leadership roles. It also discussed with program office leadership any near-term changes in mission, business processes, technology, priorities, or initiatives. Lastly, it developed recommendations and guidance for program offices to consider in further developing employees.

## HUD'S OVERALL VOLUNTARY ATTRITION RATE WAS BELOW THE AVERAGE OF THE THREE COMPARABLE AGENCIES FOR FY 2019-2022, BUT SOME SUBGROUPS HAD HIGHER VOLUNTARY ATTRITION RATES

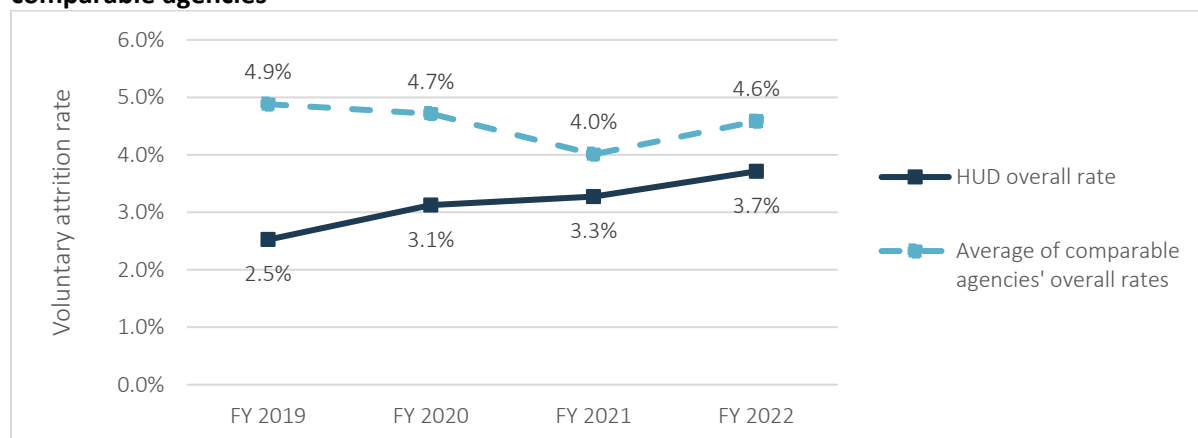
We analyzed HUD's overall voluntary attrition rate as well as voluntary attrition rates for subgroups within HUD, including program offices, governmentwide MCOs, employees' duty locations by city size, age groups, and Federal tenure groups. When possible, we benchmarked HUD's voluntary attrition rate to three comparable agencies to account for governmentwide trends, such as changes in the labor market caused by the COVID-19 pandemic, that may have affected HUD's attrition rates. When benchmarks from the comparable agencies were not available, we benchmarked subgroups to HUD's overall rate. See appendix B for additional information on our methodology.

Our analysis showed that HUD's overall voluntary attrition rate was below the average of the comparable agencies, although some subgroups had higher rates. Voluntary attrition rates varied by program office, with HUD-specific program offices generally having lower rates than support-focused program offices. Two subgroups within HUD, governmentwide high-risk MCOs and employees in field offices in large cities, had voluntary attrition rates higher than the benchmarked rates.

### HUD's Voluntary Attrition Rate Rose During the Period FY 2019-2022 but Remained Below the Average of the Three Comparable Agencies

We compared HUD's overall voluntary attrition rate to the average of the comparable agencies to assess how well HUD managed attrition. HUD's overall rate was lower than the comparable agencies' average rate throughout the period FY 2019-2022. However, HUD's rate rose by 1.2 percentage points between FY 2019 and 2022, an increase that was not seen in the comparable agencies' average, which had a net decrease of 0.3 percentage points (figure 1).

**Figure 1. Overall voluntary attrition rate for HUD compared to the average overall rate for comparable agencies**





## Voluntary Attrition Rates for Program Offices Varied, With Support-Focused Program Offices Having the Top Four Highest Voluntary Separation Rates

We compared program offices' voluntary attrition rates with HUD's overall attrition rate to evaluate program offices' contributions to HUD's attrition rate.<sup>37</sup> We divided program offices into three groups: HUD-specific program offices, support-focused program offices, and small program offices with fewer than 50 employees. We identified program offices using HUD's employment and separation data, which grouped together several small program offices. (See appendix B.) HUD-specific program offices carry out HUD's mission and programs. Support-focused offices handle administrative support, including legal counsel, procurement, information technology (IT), human resources, finance, and field office management. Our analysis showed that HUD-specific program offices had lower voluntary attrition rates than support-focused program offices. Small program offices were analyzed separately due to the outsized impact any one departure can have on their attrition rate.

### Program Offices With More Than 50 Employees

HUD-specific program offices included the Office of Community Planning and Development (CPD), the Office of Fair Housing and Equal Opportunity (FHEO), the Government National Mortgage Association (Ginnie Mae), the Office of Housing (Housing), the Office of Public and Indian Housing (PIH), and the Office of Policy Development and Research (PD&R). Of these, PD&R and FHEO had average voluntary attrition rates that were 1.1 percent higher than HUD's average of 3.2 percent, while Ginnie Mae had a rate similar to HUD's average. All other HUD-specific program offices had voluntary attrition rates at least 0.5 percent below HUD's average (figure 2).

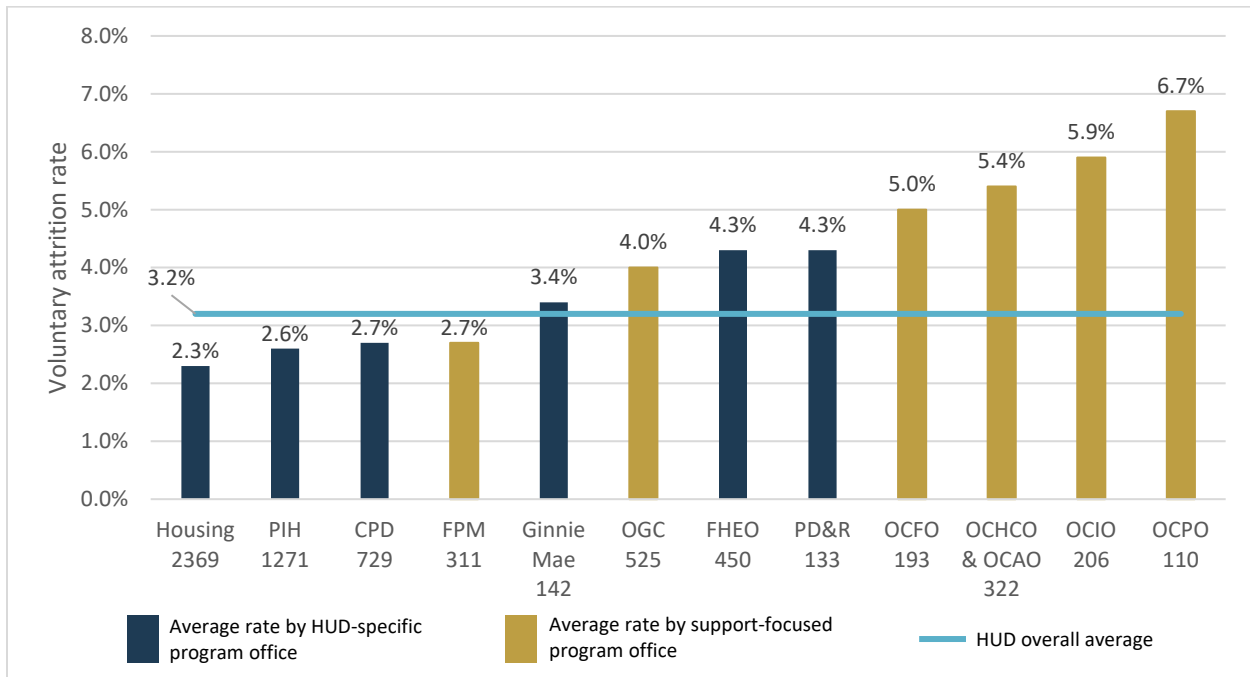
Support-focused program offices included the Office of Field Policy and Management (FPM), OCHCO and the Office of the Chief Administration Officer (OCAO),<sup>38</sup> the Office of the Chief Financial Officer (OCFO), OCIO, the Office of the Chief Procurement Officer (OCPO), and OGC. All support-focused offices except FPM had voluntary attrition rates above HUD's average (figure 2). OCFO, OCHCO, OCIO, and OCPO had rates higher than all HUD-specific program offices.

---

<sup>37</sup> Voluntary separation rate includes full-time, permanent, nonseasonal, GS-level employees who quit Federal service or transferred to another agency, excluding OIG employees.

<sup>38</sup> HUD's separation and employment data combined OCHCO and OCAO.

**Figure 2. Average voluntary attrition rate for HUD-specific and support-focused program offices, FY 2019-2022**



**Program Offices With Less Than 50 Employees**

Small program offices with fewer than 50 employees included the immediate Office of the Assistant Secretary for Administration (ADMIN), ODEEO, the Office of Directives Management (DM),<sup>39</sup> and the Office of Lead Hazard Control and Healthy Homes (OLHCHH). These program offices had voluntary attrition rates that varied widely from year to year due to the outsized impact that any given departure had on their rate. However, none of these small program offices averaged more than two departures annually (table 2).

**Table 2. Average voluntary attrition rates for small program offices (<50 employees), FY 2019-2022**

Program office	Average annual departures	Average annual voluntary attrition rate	Average number of employees
ADMIN	2	9.3%	19
DM	1	3.5%	29
ODEEO	2	12.1%	16
OLHCHH	0	0.5%	44
<b>HUD average</b>	<b>3.7%</b>	<b>3.2%</b>	<b>6,874</b>

<sup>39</sup> DM includes the Office of the Secretary, the Center for Faith-Based and Neighborhood Partnerships, the Office of Congressional and Intergovernmental Relations, the Office of Public Affairs, and the Office of Small and Disadvantaged Business Utilization.

## Positions Classified as Governmentwide High-Risk MCOs and Those Located in Field Offices in Large Cities Had Attrition Rates That Were Higher Than Benchmarked Rates

We evaluated attrition rates for subgroups within HUD to identify groups in which there may have been an underlying issue increasing attrition. Governmentwide high-risk MCOs had both voluntary attrition rates and new hire attrition rates that were higher than benchmarked rates, suggesting high attrition within 3 years of these employees' joining HUD. Employees in field offices in large cities had higher than benchmarked voluntary attrition rates but not higher than benchmarked new hire attrition rates, suggesting attrition more than 3 years into their careers at HUD.

### HUD's Voluntary Attrition Rate for Governmentwide High-Risk MCOs Increased Over FY 2019-2022, While the Average of Comparable Agencies' Rates Decreased

In 2011, OPM and the Chief Human Capital Officers Council<sup>40</sup> formed a working group to identify occupational series as governmentwide high-risk MCOs in which the Federal Government had current and emergent critical skills gaps. Retaining employees who possess mission-critical competencies is a necessary component of closing those skills gaps. During our study period, governmentwide high-risk MCOs included the following occupational series:<sup>41</sup>

- Economist (0110),<sup>42</sup>
- Human Resource Management (0201),
- Auditing (0511),<sup>42</sup>
- Contracting (1102), and
- Cybersecurity professionals within the IT Management (2210) series.<sup>43</sup>

We compared HUD's rate for these occupations to the average of the rates for ED, GSA, and SBA.

HUD's voluntary attrition rate for these occupations increased over FY 2019-2022 by 5.4 percent, while the average of the comparable agencies' rate decreased by 2.4 percent. HUD's rate exceeded the average rate of the three comparable agencies in FY 2022 by 1.1 percent (figure 3).

---

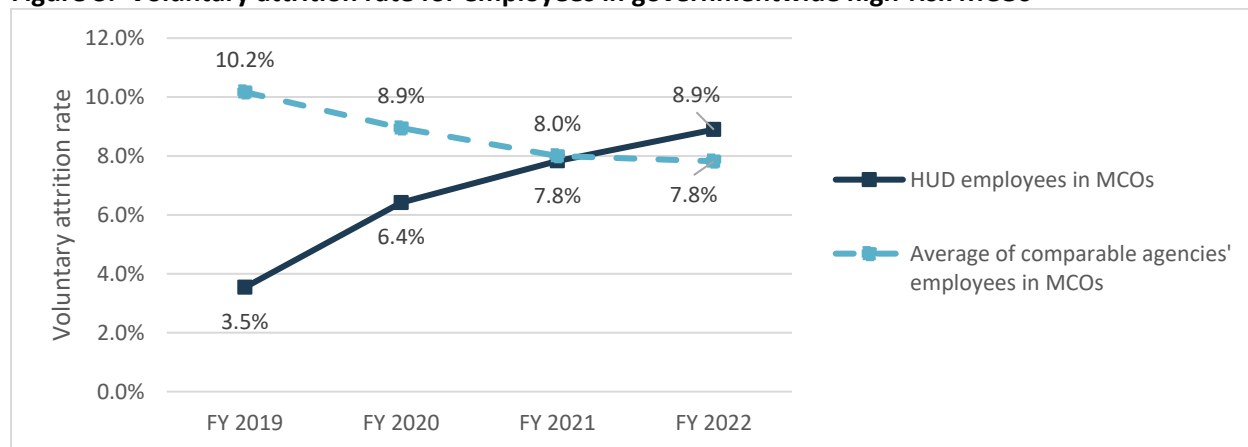
<sup>40</sup> The Chief Human Capital Officers Council is an interagency council that advises and coordinates activities on matters related to human resources. ([Welcome | CHCOC.gov](#))

<sup>41</sup> OPM divides GS positions into occupational series. Occupational series consist of positions with a similar specialized line of work and similar qualification requirements.

<sup>42</sup> In October 2022, OPM removed economists and auditors as MCOs. Since our evaluation scope focuses on FY 2019-2022, we included economists and auditors in our analysis.

<sup>43</sup> It was not possible to distinguish cybersecurity positions from other IT positions in the available data, so we used the full 2210 IT series for this analysis.

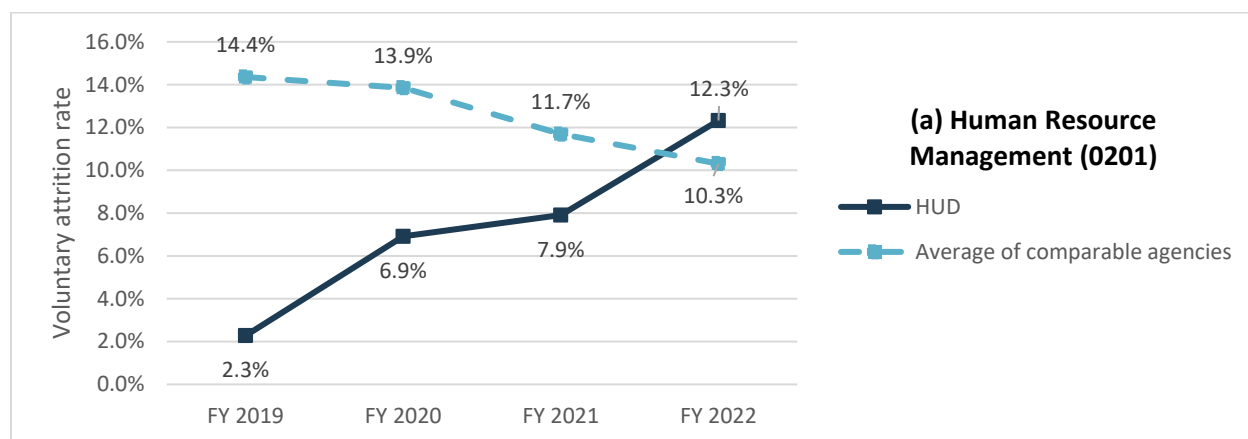
**Figure 3. Voluntary attrition rate for employees in governmentwide high-risk MCOs**

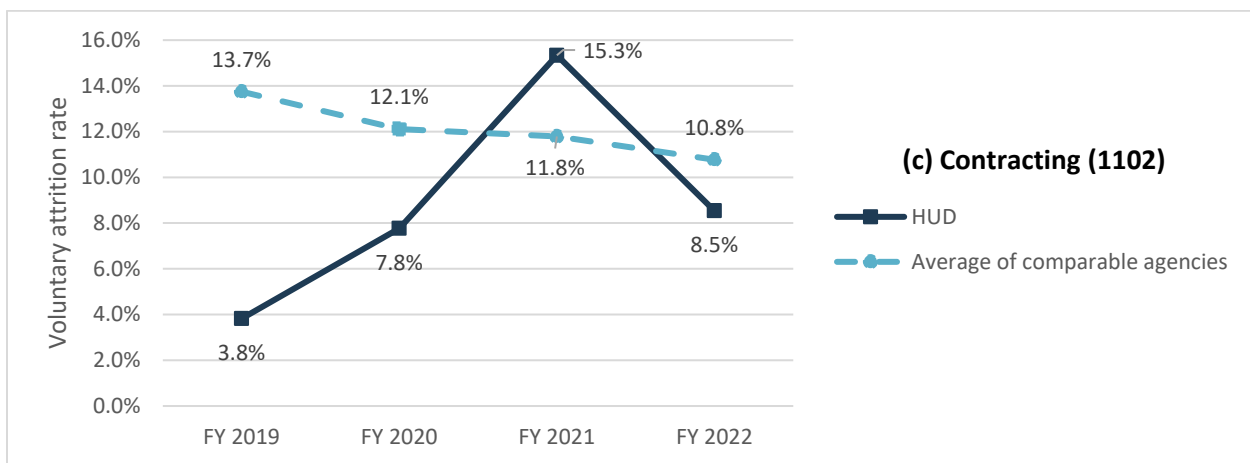
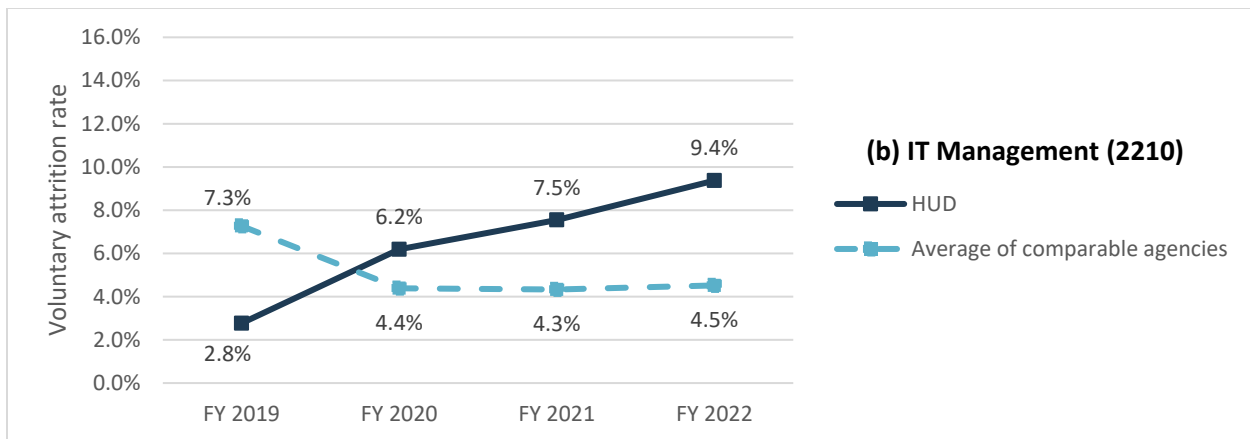


Voluntary attrition for HUD employees in the human resource management and IT occupational series rose continuously over the period FY 2019-2022, while the comparable agency rates fell. HUD’s human resource voluntary attrition rate exceeded the comparable agencies’ average rate in FY 2022 by 2.0 percentage points (figure 4a). HUD’s IT voluntary attrition rate exceeded the comparable agencies’ rate for FY 2022 by 4.9 percentage points (figure 4b). Voluntary attrition for HUD employees in the contracting series had a net rise from FY 2019 to 2022, while the average voluntary attrition rate for the comparable agencies fell (figure 4c).

GSA, ED, and SBA did not employ enough economists or auditors to provide a benchmark, so we benchmarked voluntary attrition rates for those occupational series only to HUD’s overall average voluntary attrition rate. Over the period FY 2019-2022, HUD economists saw a rise of 1.4 percentage points. They had an average rate of 5.7 percent, 1.8 times HUD’s average of 3.2 percent. HUD auditors saw a decrease of 2.0 percentage points. They had an average rate of 3.9 percent over the period, close to HUD’s average.

**Figure 4. Voluntary attrition rate for (a) Human Resource Management (0201), (b) IT Management (2210), and (c) Contracting (1102) occupational series**



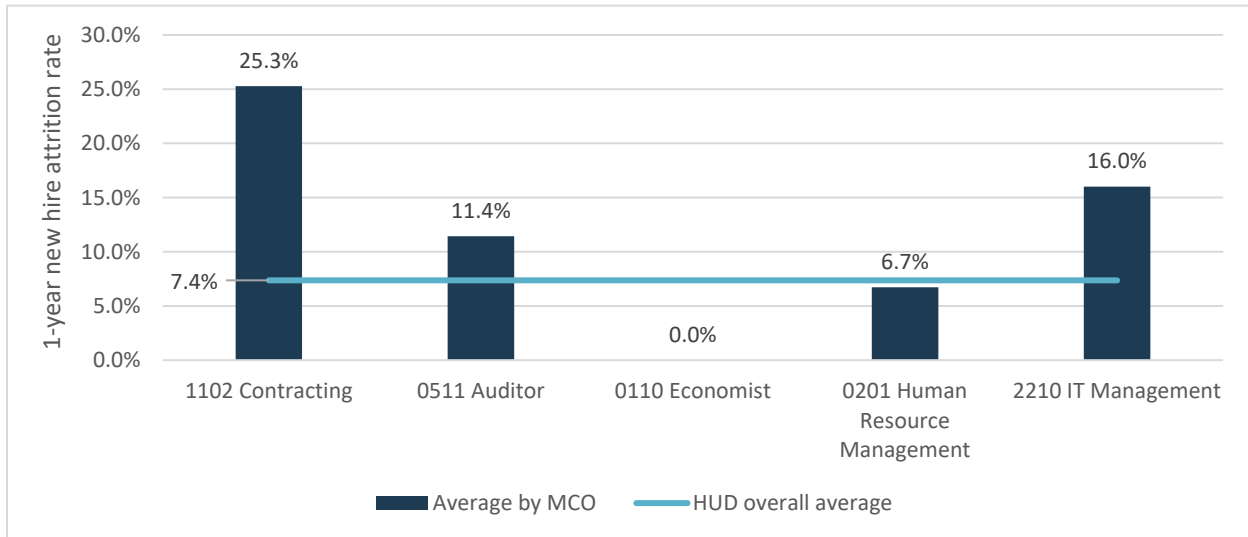


### Employees in the Contracting and IT Management Series Had New Hire Attrition Rates That Were Higher Than Benchmarked Rates

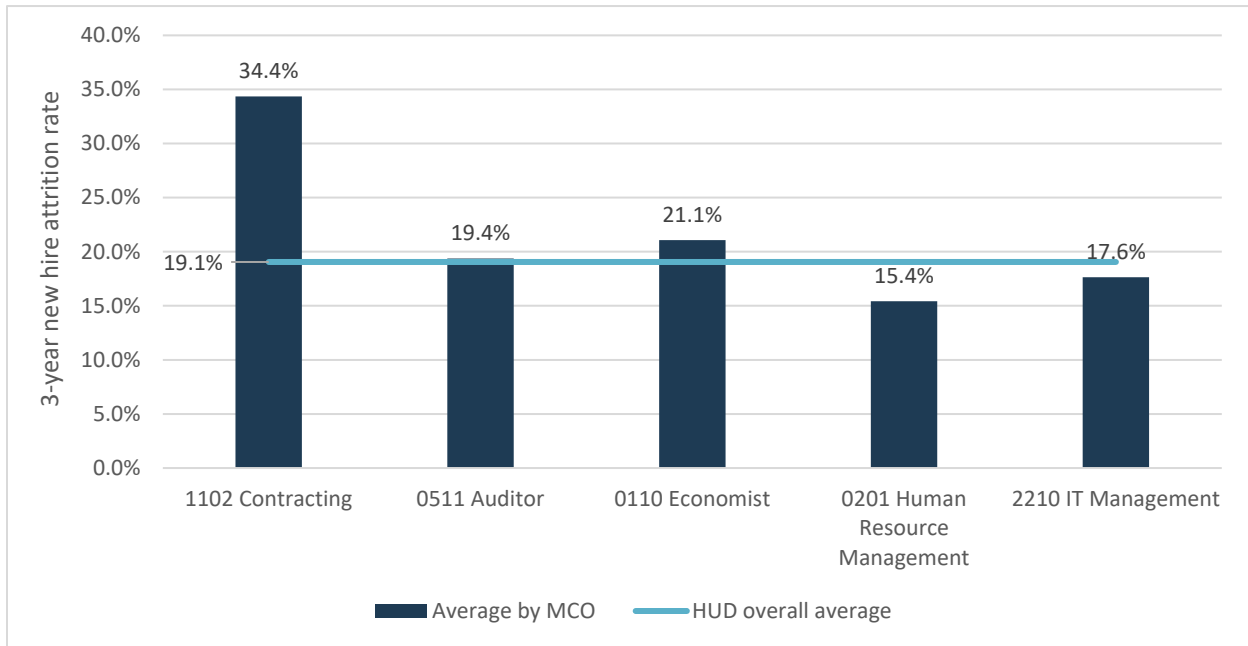
We looked at the new hire attrition rate for governmentwide high-risk MCOs to assess whether attrition was happening shortly after an employee was hired or later in an employee’s career. New hire attrition rates were not available for the comparable agencies, so we compared the new hire attrition rates for high-risk MCOs with HUD’s overall new hire attrition rate.

Our analysis showed that employees in the contracting, auditing, and IT management series were more likely to leave within their first year at HUD than the average new HUD employee (figures 5a and b). Contracting professionals had a 1-year new hire attrition rate that was more than three times higher than HUD’s average of 7.4 percent and a 3-year attrition rate nearly twice as high as HUD’s average of 19.1 percent. The 1-year voluntary attrition rate for IT management professionals was more than double HUD’s average, but the 3-year attrition rate was less than HUD’s average.

**Figure 5a. Percentage of new hires leaving within 1 year by high-risk MCO (average of hire years FY 2019-2021)**



**Figure 5b. Percentage of new hires leaving within 3 years by high-risk MCO (average of hire years FY 2016-2019)**



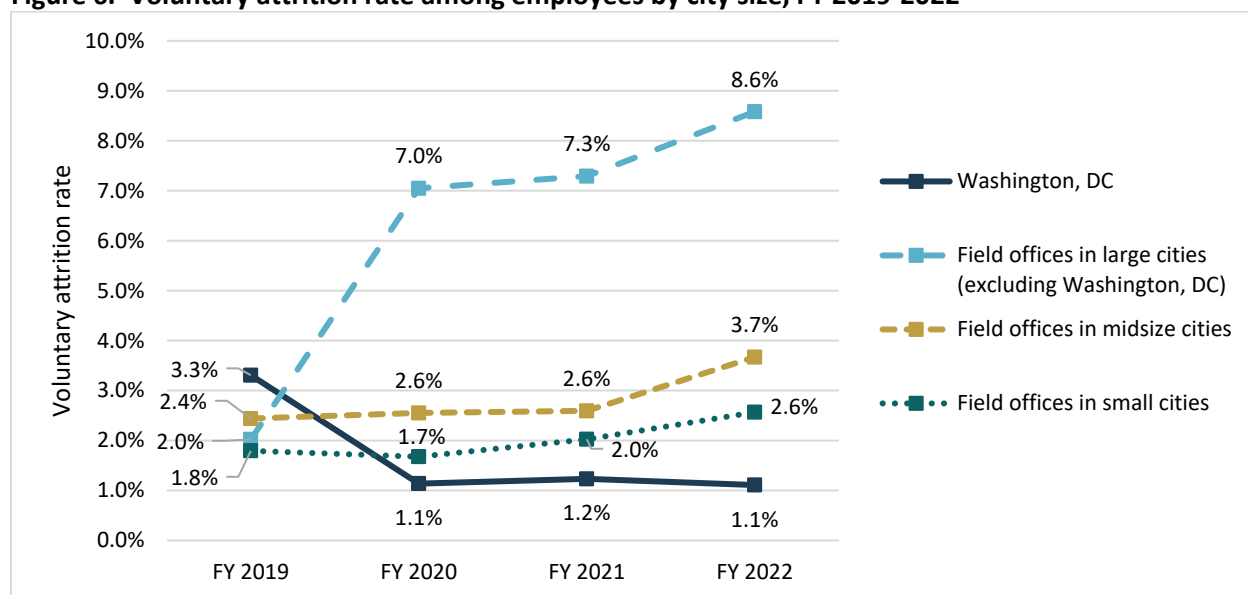
**The Voluntary Attrition Rate for Field Offices in Large Cities Increased Over FY 2019-2022, but the New Hire Attrition Rates for These Offices Were in Line With HUD Averages**

We compared the voluntary attrition rates among offices in cities of different sizes to determine how geographic variation impacted employees’ tendencies to leave. We determined city size based on the

number of people within the city’s Core Based Statistical Area,<sup>44</sup> using data published by the U.S. Census Bureau. We defined large cities as cities with a population of 5.50 million people or more, midsize cities as cities with a population of 2.50 million to 5.49 million people, and small cities as cities with a population of 2.49 million people or fewer. HUD’s headquarters is in Washington, DC, a large city. However, we analyzed employees stationed in Washington, DC, as a separate category, since the large number of employees who work there makes their employment experience unique.<sup>45</sup> Data on employee location were not available for comparable agencies at the city level, so we compared the rates between HUD offices in different city sizes.

The voluntary attrition rate among employees located in field offices in large cities was similar to that in midsize and small cities in FY 2019 (figure 6). However, it increased by 6.6 percentage points between FY 2020 and 2022, ending 7.5 percent higher than the rate in Washington, DC. Voluntary attrition rates in field offices in midsize cities and small cities rose only a small amount over the same period, by 1.3 percent and 0.8 percent, respectively. While there could be factors outside HUD’s control that impact its voluntary attrition rates, such as changes in the labor market caused by the COVID-19 pandemic, voluntary attrition rates continued to increase into FY 2022.

**Figure 6. Voluntary attrition rate among employees by city size, FY 2019-2022**



### Recommendations

3. We recommend that the Chief Human Capital Officer develop guidance for the program offices to identify the causes behind attrition rates for HUD employees in governmentwide high-risk MCOs and field offices in large cities.

<sup>44</sup> The Core Based Statistical Area is a geographic area defined by OMB.

<sup>45</sup> Employees in Washington, DC, include both HUD’s headquarters and a field office in the Washington, DC, metropolitan area.

4. We recommend that the Chief Human Capital Officer develop guidance for program offices to develop program office-specific action plans to address any causes found for attrition rates for HUD employees in governmentwide high-risk MCOs and field offices in large cities.

## **All Age Groups and Length of Employment Groups Had Voluntary Attrition Rates Equivalent to or Lower Than the Comparable Agencies' Average**

We compared voluntary attrition rates among employees of less than 30, 30-44, 45-59, and 60 or more years of age. Our analysis showed that HUD's voluntary attrition rate was lower than or equivalent to the average rates of ED, GSA, and SBA for all four year groupings.

We compared voluntary attrition rates among employees with less than 3 years of Federal employment, with 3-5.9 years of Federal employment, and with 6 or more years of Federal employment. HUD's voluntary attrition rate was lower than the average of the comparable agencies' rates for all three year groupings.

## **WEAKNESSES IN SOME EMPLOYMENT DATA MAY LIMIT HUD'S ABILITY TO TRACK RETENTION ACCURATELY**

While conducting our analysis, we observed some weaknesses in the data HUD used to track its retention efforts. These weaknesses involve HUD's designations of HUD-specific MCOs as well as consistency in HUD's data on organizational hierarchy, position titles, and occupational series.

## **HUD Had Conflicting Lists for Which Occupational Titles It Designated as HUD-Specific MCOs**

OPM requires HUD to identify agency-specific high-risk MCOs in which skills gaps exist that need to be closed. Agencies must also report to the Chief Human Capital Officers Council on progress toward addressing those skills gaps. HUD identifies agency-specific MCOs<sup>46</sup> and monitors them for skills gaps. OCHCO provided us with three lists of agency-specific MCOs that each varied slightly. One list was from OCHCO Strategic Workforce Plan 2018-2022, one list was from OCHCO's Human Capital Dashboard, and one list was emailed to the team. HUD provided the code used to label positions as MCOs in the Dashboard, and we ran that code against employment data provided by HUD to assess similarities and differences with the other two lists. Figure 7 shows the variations in MCOs across the three lists within Housing's Office of Multifamily Housing Programs. The Chief Human Capital Officer stated that HUD last updated its MCO list in 2016.

As explained in HUD's 2018-2022 Strategic Workforce Plan, "It is important to not only understand HUD's current workforce demographics, hiring and attrition trends, but also workforce profiles [for employees] in MCOs and other high-risk positions." Without a clear and consistent list of HUD-specific MCOs, it is not possible to understand retention trends for employees in HUD-specific MCOs. Further, an OCHCO official indicated that HUD was exploring a new application system for its student loan repayment program that

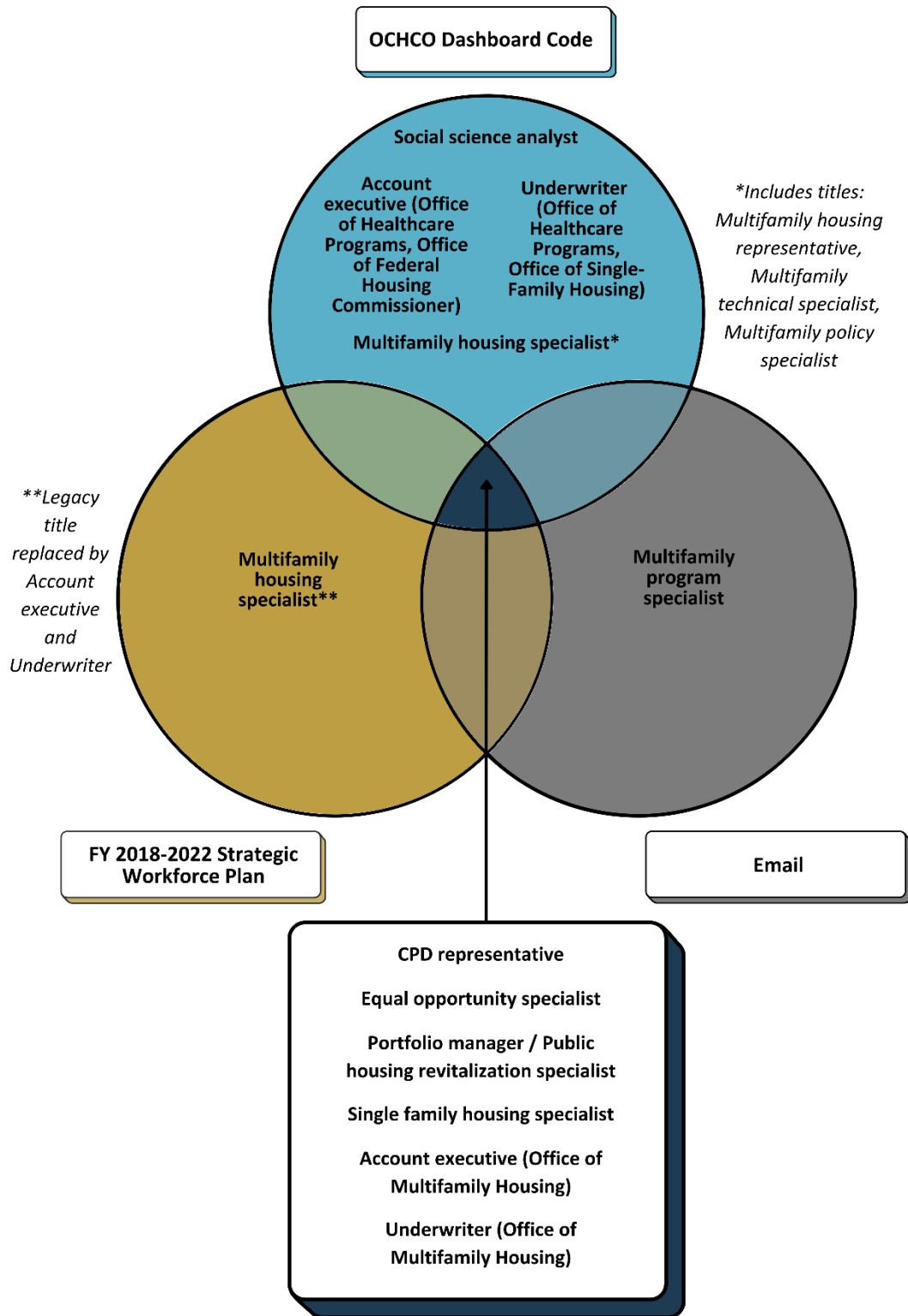
---

<sup>46</sup> HUD has defined its MCOs as occupations essential to mission execution, continuity of operations, national security, and the provision of critical services to the public.



would have the ability to limit applications to employees in HUD-specific MCOs. Without clearly determining which positions are HUD-specific MCOs, it may not be possible to accurately identify which employees should be eligible for retention incentives or other benefits aimed at HUD-specific MCOs. In FY 2023, OCHCO program officials said that OCHCO was revalidating and updating MCOs.

**Figure 7. Variations in the titles included as HUD-specific MCOs in the three lists provided to the evaluation team**



## Recommendation

5. We recommend that the Chief Human Capital Officer create a single, unified agency-specific MCO list updated to reflect current progress towards closing skills gaps.

## Inconsistently Recorded Employee Organizational Data and Position Titles Impacted HUD's Attrition Analysis

We found inconsistencies in HUD employees' organizational data and position titles, which could affect HUD's ability to track attrition for certain subgroups. OCHCO is responsible for data quality assurance for data entered into the National Finance Center<sup>47</sup> data system that HUD uses to track attrition. HUD has made efforts to address human capital data consistency. In 2023, OCHCO established HUD's Human Capital Data Governance Plan, which establishes a governance structure for OCHCO data and analysis, lays out who has authority over the management of data throughout its life cycle, and establishes strategic direction for managing and analyzing human capital data.

HUD's organizational data, which indicate each employee's program office division, were inconsistently coded in the National Finance Center data system. An OCHCO staff member who manages the Human Capital Dashboard stated that the National Finance Center data do not reflect HUD's current organizational structure or provide the level of detail needed to represent HUD's hierarchy in the Dashboard. The evaluation team confirmed these inconsistencies, such as divisions at the same level of hierarchy within a program office being coded at different levels in the system. As a result of the inconsistent organizational data, we were unable to use these data to evaluate attrition rates across divisions within all program offices.

OCHCO identified the inconsistent organizational data as a problem area. In 2021, OCHCO developed a table to translate organizational codes<sup>48</sup> into six levels of HUD's organizational hierarchy. Using this lookup table should ensure that HUD employees consistently interpret organizational data in the Human Capital Dashboard and other reports.

In addition to inconsistent organizational codes, we identified inconsistent abbreviations and spelling in position title data. HUD did not establish a standard system for abbreviating position titles. HUD used position title data to identify employees in HUD-specific MCOs. Inconsistencies in these data increased the amount of manual work needed to identify these employees in attrition analyses. Manual data processing is generally less reliable and efficient than automated processing and more likely to contain errors. Although we are not issuing a formal recommendation, we encourage HUD to develop guidance to increase consistency in recording position titles.

## USE OF RETENTION PROGRAMS VARIED ACROSS HUD

We interviewed retention leads from seven of HUD's program offices to evaluate HUD's use of mentoring, coaching, career development opportunities, student loan repayments, remote work, retention incentives, and special pay rates. The use of retention programs varied across HUD.

---

<sup>47</sup> The National Finance Center is a shared service provider for financial management services and human resources management services. The Bureau of the Fiscal Service, a division of the U.S. Department of the Treasury, enters data into the National Finance Center's database on HUD's behalf.

<sup>48</sup> An organizational code is a numeric code that HUD assigns to each position.

## HUD Offered Coaching, Mentoring, and Career Development Programs

Various studies<sup>49</sup> have shown that career development opportunities, such as coaching and mentoring,<sup>50</sup> improve employee retention, and OPM recognizes such programs as effective tools for improving employee retention.<sup>51</sup> Between FY 2019 and 2022, HUD offered coaching, mentoring, and career development programs.

The HUD Coaching Program matched trained coaches with clients through a variety of internal and external programs. The program supported 24 clients in FY 2021 and 22 clients in FY 2022. (HUD did not supply information on the number of clients for FY 2019 and 2020.)<sup>52</sup>

HUD's formal mentoring program consisted of 62 mentors in FY 2019, 79 mentors in FY 2020, 29 mentors in FY 2021, and 28 mentors in FY 2022. Other internal HUD career development programs included HUD's Aspiring Leaders Leadership Journey Series, a Management Development Program, and a Career Development Program.

- HUD's Aspiring Leaders Leadership Journey Series is a 2-day program offered to GS-12 through nonsupervisory GS-14 employees based on the 7 Habits of Highly Effective People.<sup>53</sup> During FY 2019-2021, a HUD official reported that 355 HUD employees completed the Aspiring Leaders Leadership Journey Series.
- HUD's Management Development Program is a 1-year program for GS-12 and GS-13 employees with the goal of developing a pipeline of employees with the potential to assume future leadership roles. Housing runs this program, and PIH, CPD, FPM, and FHEO participate in the program in addition to Housing. During FY 2019-2022, 102 HUD employees completed the Management Development Program.
- The Career Development Program is a pilot 8-month program that Housing began in 2023 for GS 7 to GS-11 employees who have been in the Federal Government for 3 years or less to develop their career aspirations. The Career Development Program pilot had 20 graduates.

These competitive enrollment programs demonstrated a commitment to growing and developing employees. However, given that HUD had an average of 6,874 GS-level, full-time, permanent employees in FY 2019-2022, only a small percentage of HUD employees have participated in these programs.

HUD also offered about 2,300 career development training sessions with noncompetitive enrollment taught by internal and external trainers during the period FY 2019-2022. These sessions covered a wide range of topics and had an average enrollment of 21 individuals per session.

---

<sup>49</sup> Examples of studies include [Employee Commitment and Other Factors that Affect Attraction and Retention of Employees in Organizations \(January 2013\)](#) and [Effects of Mentoring on Perceived Career Development, Retention, and Advancement in Organizations \(September 2015\)](#).

<sup>50</sup> Coaching differs from mentoring in that mentors provide guidance, direction, and career advice based on their own experience, while coaches are certified professionals who use an established process and set of skills to guide the coachees to achieve their full potential.

<sup>51</sup> [Coaching in the Federal Government \(CHCOC.gov\)](#)

<sup>52</sup> Clients included both HUD employees and participants in cross-agency coaching programs.

<sup>53</sup> [7 Habits of Highly Effective People \(franklincovey.com\)](#)

## HUD Offered a Student Loan Repayment Program To Support Retention

HUD offered student loan repayments as a retention incentive in 2019, 2020, and 2022, in exchange for a commitment that recipients would remain at HUD for 3 years or repay the funds.<sup>54</sup> The stated purpose of the program in the policy was to “attract or retain highly or uniquely qualified candidates into mission-critical positions and retain highly qualified employees into critical positions.”

The policy defined eligibility for retention benefits as employees who had held their current position for at least 1 year and who also had high or unique qualifications or whose services were essential to a departmental or program-critical mission. Employees’ managers submitted a determination describing the extent to which the employee’s departure would affect the Department’s ability to carry out an activity or function. The policy defined essential employees as key participants in a program plan or employees who were critical to an important project, which are terms broad enough to encompass a high percentage of HUD employees. A HUD official who administered the program confirmed that generally all employees who applied for the program and qualified received benefits, with the two main reasons for denying applications being employees with less than 1 year in their position and applications that were missing documents.

## Some Program Offices Used Remote Work To Improve Retention in Hard-To-Fill Positions

As of 2023, some HUD offices used remote work as a retention incentive for specific hard-to-fill or hard-to-retain positions. Among the program offices the evaluation team spoke to, OCIO and Housing officials stated that they offered remote work to specific occupational series. OCIO offered remote work for employees who were part of the 2210 IT management series, and Housing offered remote work for appraisers. PD&R and PIH officials stated that they each had one position approved for remote work, while Ginne Mae officials stated that they had two positions. OCPO and FPM explained that they did not offer remote work.

## Retention Incentives and Special Pay Rates Have OPM Requirements That Limited Their Applicability to HUD Employees

In most circumstances, program offices may offer a retention incentive only to employees who are likely to leave the Federal Government.<sup>55</sup> Given this criterion, OCIO and Ginnie Mae were the only program offices the evaluation team spoke to that said they routinely had employees eligible for this incentive. Two program offices explained that most of their employees leave for other Federal agencies, so they are not able to use this program often.

As described above, OPM has the authority to approve special pay rates that raise employees’ salaries above the standard rate for specific categories of employees “when it is necessary to address existing or

---

<sup>54</sup> In 2019, HUD disbursed \$738,000 on behalf of 411 employees. In 2020, HUD disbursed \$702,000 on behalf of 405 employees. According to a HUD official, HUD did not run the program in 2021. Its final disbursement amount for 2022 was not available at the time of reporting because HUD was in the process of identifying loans it repaid that were later forgiven through the Public Service Loan Forgiveness program.

<sup>55</sup> Agencies may offer a retention incentive to employees who are likely to transfer to another agency only when the employee has been notified that their position may or would be affected by the closure or relocation of the employee’s office, facility, activity, or organization. This requirement is stated in [5 CFR part 575, subpart C](#).

likely significant recruitment or retention difficulties.” A Housing official stated that HUD implemented the available special pay rates for appraisers in 2022. OCIO requested a special pay rate for IT professionals, but as of August 2023, OMB had not approved one for HUD. As of October 2023, a Ginnie Mae official stated that Ginnie Mae was in the process of implementing the critical position pay<sup>56</sup> that OPM (in consultation with OMB) authorized for economists in Ginnie Mae’s Office of Enterprise Risk. Once processed, six employees would receive this incentive. Ginnie Mae retention leads also mentioned plans to conduct a demonstration of the need for an alternative pay scale<sup>57</sup> to make employees’ enterprisewide salaries more competitive with other financial regulation agencies that have been granted additional pay flexibility through the Financial Institutions Reform, Recovery, and Enforcement Act.<sup>58</sup> The remaining program offices did not discuss their reasons for not using special pay rates or stated that there were no special pay rates available for their use.

---

<sup>56</sup> Critical position pay fixes the pay rate for a specific position that requires an extremely high level of expertise and is critical to the successful accomplishment of an important agency mission. No more than 800 positions at a time may be authorized governmentwide.

<sup>57</sup> Some agencies, such as the National Institute of Standards and Technology, use pay scales other than the GS pay scale.

<sup>58</sup> [Public law 101-73: The Financial Institutions Reform, Recovery, and Enforcement Act. \(103 Stat. 183; date: August 9, 1989\)](#)

## Conclusion and Recommendations

OCHCO established departmentwide retention strategies that mostly aligned with best practices. However, OCHCO's analysis and handling of exit survey data limited its ability to address the causes of attrition identified in the survey. Program offices varied in whether they identified and addressed causes of attrition.

HUD's overall voluntary attrition rate was below the average rate of comparable agencies but increased during the period FY 2019-2022. If this trend continues, HUD's rate may exceed the comparable agencies' rate in future years. Governmentwide MCOs and employees in field offices in large cities had higher than benchmarked rates, indicating that there may be an issue causing high attrition for those subgroups. The use of retention programs varied across HUD. Retention incentives and special pay rates applied to limited numbers of employees.

### WE RECOMMEND THAT THE CHIEF HUMAN CAPITAL OFFICER

#### **1. Implement a transparent process for reviewing open-ended exit survey results and sharing those results with ODEEO, as appropriate, and program offices while still protecting former employees' confidentiality.**

OCHCO should develop a transparent process for reviewing qualitative exit survey data on a timely basis while still protecting former employees' confidentiality. Our analysis found that open-ended responses can contain feedback for program offices' leadership on initiatives or issues that affect employee job satisfaction. As appropriate and with proper safeguards to ensure confidentiality, OCHCO should share qualitative data with program office retention leads for their use in retention planning. OCHCO should also ensure that program offices are aware that they may request their results at any time and know whom they should contact to do so. In addition, OCHCO should share with ODEEO any identified comments that may indicate the presence of discrimination or barriers to free and open competition for use in HUD's self-assessments according to MD-715. By reviewing and sharing data from open-ended questions with program offices, OCHCO will help program offices make better, data-driven decisions when addressing retention issues.

#### **2. Assess what departing employees mean when they indicate that organizational culture is a motivation for leaving HUD.**

HUD has set reducing attrition due to perceived culture issues as a key performance indicator for retention. Given the frequency with which former employees selected "organizational culture" in the exit survey as a motivator for leaving, OCHCO should assess what departing HUD employees mean when they indicate that organizational culture is a motivation for leaving HUD. Collecting additional information on this topic should allow OCHCO to develop better data-driven strategies to address those concerns.

### **3. Develop guidance for the program offices to identify the causes behind high attrition rates in governmentwide high-risk MCOs and field offices in large cities.**

We identified two areas in which HUD's attrition rates were higher than benchmarked rates: governmentwide high-risk MCOs and employees in field offices in large cities. Identifying the underlying causes of high attrition is a necessary first step for resolving attrition concerns and preventing their recurrence. OCHCO should work with the relevant program offices to identify the causes behind high voluntary attrition rates and new hire attrition rates among these MCOs and the high voluntary attrition rate among employees in field offices located in large cities.

### **4. Develop guidance for program offices to develop program office-specific action plans to address any causes found for high attrition rates in governmentwide high-risk MCOs and field offices in large cities.**

We identified two areas in which HUD's attrition rates were higher than benchmarked rates: governmentwide high-risk MCOs and employees in field offices in large cities. Once OCHCO, in collaboration with the program offices, has identified possible underlying causes of high attrition in governmentwide high-risk MCOs and employees in large cities, OCHCO should develop guidance for program offices to use in developing program office-specific action plans to address those causes.

### **5. Create a single, unified agency-specific MCO list updated to reflect current progress toward closing skills gaps.**

There was variation in the MCO lists used in the OCHCO Strategic Workforce Plan 2018-2022 and OCHCO's Human Capital Dashboard and provided to the team as testimonial evidence. OCHCO should assess which positions are MCOs in which HUD has current and emergent critical skills gaps. Determining which positions are HUD-specific MCOs should allow HUD to track retention in these positions.



# Appendixes

## APPENDIX A - AGENCY COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE

### Summary of the Office of the Chief Human Capital Officer Comments and the Office of Inspector General Response


We requested that the U.S. Department of Housing and Urban Development's (HUD) Office of the Chief Human Capital Officer (OCHCO) provide formal comments in response to our draft report and indicate agreement or disagreement with our recommendations. OCHCO provided formal comments and agreed with our recommendations.

In its formal comments, OCHCO said that it was working with program offices across the Department to manage departmental retention, with a focus on employee engagement, professional development, and a positive work culture. In response to our recommendation related to high attrition rates in field offices in large cities, OCHCO noted that the COVID-19 pandemic resulted in demographic movement away from cities, which impacted the Federal workforce. OCHCO also stated that it was in the process of addressing many of the findings identified in the report.

Recommendation 1 stated that the Chief Human Capital Officer should implement a transparent process for reviewing open-ended exit survey results and sharing those results with the Office of Departmental Equal Employment Opportunity (ODEEO) as appropriate, and program offices while still protecting former employees' confidentiality. In response, OCHCO provided documentation showing that it had implemented such processes. In June 2023, OCHCO's Strategic Workforce Planning and Analytics Division initiated a review of the open-ended survey results it had received since OCHCO's last analysis in 2021. Additionally, in response to our draft report, the division established a quarterly process to share exit survey results, including open-ended responses, with both ODEEO and OCHCO's Anti-Harassment Program. On January 11, 2024, OCHCO also communicated to HUD's General Assistant Deputy Secretaries that close-ended exit survey results are typically available in the Human Capital Dashboard and that program office results, including open-ended results, are also available upon request by contacting OCHCO's Strategic Workforce Planning and Analytics Division. These changes will enable HUD to better identify and respond to causes of attrition. As a result of OCHCO's action, we are changing the status of recommendation 1 to "resolved-closed." No further action is needed.

In response to recommendation 2, which states that the Chief Human Capital Officer should assess what departing employees mean when they indicate that organizational culture is a motivation for leaving HUD, OCHCO provided documentation showing that it had updated the exit survey to include additional questions on organizational culture. OCHCO launched the new version of the survey on January 2, 2024. The updated survey should provide HUD with a greater understanding of employees' perceptions of HUD's organizational culture, particularly as it relates to attrition. As a result of OCHCO's action, we are changing the status of recommendation 2 to "resolved-closed." No further action is needed.

We will continue to work with OCHCO to put corrective action plans and estimated completion dates in place for the remaining recommendations. OCHCO told us, separate from its formal comments, that it



will provide the corrective action plans and estimated completion dates early in 2024. Therefore, recommendations 3, 4, and 5 will remain as “unresolved-open” until we receive and agree to OCHCO’s proposed management decisions for each of those recommendations.



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 7<sup>th</sup> 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, "Housing and Urban Development Employee Retention" (2022-OE-0008). In the draft report, HUD OIG makes five recommendations to OCHCO regarding HUD retention.

OCHCO is working with program offices across the department to manage departmental retention. The COVID-19 pandemic has reshaped the landscape of employee retention strategies, emphasizing the need for agility, empathy, and innovative approaches to meet the evolving needs of the federal workforce. We recognize the significance of maintaining a stable and engaged workforce and we are delighted that our efforts in this regard have been reflected positively in the audit results. Our focus on employee engagement, professional development, and a positive work culture has contributed to the remarkable employee retention rates observed during the audit period.

As for the higher attrition in large cities, it's important to note the pandemic accelerated trends of remote work adoption, prompting many to reconsider the necessity of residing in urban centers. As people prioritized safety, flexibility, and reevaluated lifestyle priorities, the large-scale departure from cities underscored the profound impact of the pandemic on the federal workforce. This trend occurred in several series and occupations. We concur with the recommendations and are already in the process of addressing many of the findings. In our interviews with the OIG, we shared the progress we have made in the areas identified in the report. We will work with HUD OIG officials to put in place corrective action plans that address the recommendations provided.

Once again, thank you for the opportunity to comment on the draft report. If you have any questions, please contact Rassii Elliott, Director, Office of Accountability, at 202-402-5231.

Sincerely,

*Lori A. Michalski*

Lori Michalski  
Chief Human Capital Officer

[www.hud.gov](http://www.hud.gov)

[espanol.hud.gov](http://espanol.hud.gov)

## APPENDIX B – SCOPE, METHODOLOGY, AND LIMITATIONS

### Scope

The scope of this evaluation was the retention of full-time, permanent, U.S. Department of Housing and Urban Development (HUD) employees during FY 2019-2022. We defined voluntary attrition as employees who quit the Federal Government or left for another agency. We also examined the 1-year and 3-year new hire attrition rate, defined as the percentage of new hires who voluntarily separated from HUD in 1 year or less and 3 years or less after their hire date, respectively.

### Methodology

We interviewed the Chief Human Capital Officer and eight additional individuals within the Office of the Chief Human Capital Officer (OCHCO), as well as one or two retention leads from seven of HUD's other program offices (table 3). We considered the following criteria in the selection of program offices: number of employees, HUD-specific or support-focused employees, voluntary attrition rates, exit survey and Federal Employee Viewpoint Survey results, percentage of employees in field offices versus headquarters, and plans for increasing future employee numbers. Interviewees ranged in seniority from deputy assistant secretaries to nonsupervisory employees. We also conducted a focus group with representatives from employee resource groups.

**Table 3. Number of interviews conducted by program office**

Program office	Number of interviews
OCHCO	9
Office of Housing	2
Office of Public and Indian Housing	2
Government National Mortgage Association	2
Office of Policy Development and Research	1
Office of Field Policy Management	2
Office of the Chief Information Officer	1
Office of the Chief Procurement Officer	2

We conducted an analysis of the voluntary attrition rate and new hire attrition rate for HUD overall, each of HUD's program offices, and certain subgroups within HUD. We identified program offices using HUD's employment and separation data, which grouped together several small program offices.

- **Office of Community Planning and Development (CPD):** HUD's data combined the Office of Economic Development with CPD.
- **Directives Management (DM):** Data labeled DM included the Office of the Secretary, the Center for Faith-Based and Neighborhood Partnerships, the Office of Congressional and Intergovernmental Relations, the Office of Hearings and Appeals, the Office of Public Affairs, and the Office of Small and Disadvantaged Business Utilization.
- **OCHCO and the Office of the Chief Administrative Officer:** HUD's data combined these two program offices.

- **Office of General Counsel (OGC):** HUD’s data combined the Departmental Enforcement Center with OGC.

When possible, we benchmarked HUD’s rates with the average of three comparable agencies, U.S. Department of Education (ED), General Services Administration (GSA), and U.S. Small Business Administration (SBA), using data from FedScope.<sup>59</sup> Program offices vary between agencies, so we benchmarked program office rates to HUD’s overall rate. FedScope data were not available for city size and two of the mission-critical occupational series, so for these subgroups, we also benchmarked to HUD’s overall rate (table 4).

**Table 4. Benchmark for each subgroup analyzed**

Subgroup	Benchmark
Program office	HUD overall rate
Governmentwide mission-critical occupation (MCO) overall rate	Comparable agency average
Mission-critical occupational series: Human Resource Management (0201), Contracting (1102), Information Technology (IT) Management (2210)	Comparable agency average
Mission-critical occupational series: Economist (0110), Auditing (0511)	HUD overall rate
Size of city of employee’s duty location	HUD overall rate
Employee age	Comparable agency average
Length of tenure in the Federal Government	Comparable agency average

## Limitations

We removed employees from HUD Office of Inspector General (OIG), GSA OIG, and ED OIG from the voluntary attrition rate analysis for HUD, GSA, and ED. It was not possible to remove SBA OIG employees from SBA’s voluntary attrition rate analysis because they were not marked in the FedScope data. It also was not possible to separately identify Cybersecurity professionals in the analysis of mission-critical occupations, so we analyzed all 2210 IT professionals instead.

---

<sup>59</sup> FedScope is an online tool developed by the U.S. Office of Personnel Management that provides public access to anonymized human capital data from across the Government.

## APPENDIX C – BEST PRACTICES BASED ON U.S. OFFICE OF PERSONNEL MANAGEMENT AND U.S. GOVERNMENT ACCOUNTABILITY OFFICE GUIDANCE

We identified four best practices for the U.S. Department of Housing and Urban Development’s (HUD) Departmentwide retention strategies based on the U.S. Office of Personnel Management (OPM) guidance:

1. **Setting departmentwide strategic direction and aligning retention strategies with its strategic plans, performance plans, and budget:** OPM’s Human Capital Framework<sup>60</sup> states that agencies should establish strategic direction for human capital management and align their human capital programs with agency mission, goals, and objectives. To implement this practice, agencies must integrate strategic plans; annual performance plans and goals; and other relevant budget, finance, and acquisition plans. This alignment creates a common understanding of expectations throughout the agency and improves the efficiency and effectiveness of operations. We evaluated whether HUD set a departmentwide retention strategy and aligned it with the agency’s strategic plans, performance plans, and budget justifications.
2. **Establishing measurable and observable performance targets for HUD’s retention strategies:** OPM’s Human Capital Framework requires agencies to ensure that human capital management strategies, plans, and practices contain measurable and observable performance targets. This practice allows agencies to determine the effectiveness and outcomes of their human capital management program. We evaluated whether HUD set measurable and observable performance targets related to retention.
3. **Tracking attrition throughout the Department:** OPM’s Workforce Planning Guide<sup>61</sup> states that workforce data analysis, including understanding attrition, is the foundation of good workforce planning. OPM’s Human Capital Framework requires agencies to communicate human capital practices in an open and transparent manner to facilitate cross-agency collaboration to achieve mission objectives. We evaluated whether HUD had a comprehensive view of attrition throughout the Department and whether the Office of the Chief Human Capital Officer (OCHCO) shared the results of its attrition analyses with program offices.
4. **Identifying and addressing underlying causes of attrition:** OPM’s guidance on closing skills gaps<sup>62</sup> states that to find effective solutions to issues like low retention and prevent them from recurring, agencies must identify the root cause of the issue and strategically address that cause. We evaluated whether HUD identified departmentwide causes of low retention and addressed them with specific plans and actions.

We identified five best practices for retention strategies at the program office level based on OPM and the U.S. Government Accountability Office (GAO) guidance:

1. **Collaborating with the human capital office in workforce planning related to retention:** OPM’s Workforce Planning Guide emphasizes the importance of collaboration between human resources and program management leadership because workforce planning is a shared responsibility. The Guide states that human capital management is most successful when

---

<sup>60</sup> [Human Capital Framework \(opm.gov\)](https://www.opm.gov/policy-data-oversight/human-capital-framework/)

<sup>61</sup> [Workforce Planning Guide \(opm.gov\)](https://www.opm.gov/policy-data-oversight/workforce-planning-guide/)

<sup>62</sup> [Closing Skills Gaps \(opm.gov\)](https://www.opm.gov/policy-data-oversight/closing-skills-gaps/)

agencies establish a culture of collaboration and integration among cross-functional partners. We evaluated how program offices collaborated with OCHCO on their office-specific retention strategies.

2. **Identifying positions or grade levels in which it was particularly challenging to retain employees:** OPM's Workforce Planning Guide states that metrics, including attrition rates, allow agencies to engage in timely interventions, as needed, to improve performance and efficiency. In addition to assessing whether HUD had a comprehensive view of attrition throughout the Department, we evaluated whether program offices were able to identify positions or grade levels within their office in which it was particularly challenging to retain employees.
3. **Employing a risk-based approach to identifying the retention areas of greatest concern:** OPM's Human Capital Operating Plan Guidance FY 2022-2026<sup>63</sup> states that the chief human capital officer should work with agency leaders to identify the human capital risks and opportunities relating to specific agency goals and work units. A risk management process allows agencies to identify challenges, focus resources toward key risks, and develop solutions to address those challenges and risks. We evaluated whether program offices were able to identify positions or grade levels within their office in which attrition caused a greater risk to the mission.
4. **Identifying the underlying causes of low retention and addressing those causes with specific actions:** OPM's Workforce Planning Guide states that workforce data analysis, including understanding attrition, is the foundation of good workforce planning. We evaluated whether program offices could identify underlying causes of low retention in their office and whether they described specific actions they took to address all of the causes they named.
5. **Measuring the effectiveness of retention activities:** GAO's Standards for Internal Control in the Federal Government<sup>64</sup> state that agencies should assess the effectiveness of the methods they use to achieve goals. We evaluated whether program offices measured the effectiveness of their retention activities.

---

<sup>63</sup> [Human Capital Operating Plan Guidance FY 2022-2026 \(opm.gov\)](https://www.opm.gov/policy-data-oversight/workforce-planning/)

<sup>64</sup> [Standards for Internal Control in the Federal Government \(gao.gov\)](https://www.gao.gov/resources/reports-and-testimony-publications/)

## APPENDIX D – PROGRAM OFFICE HIGHLIGHTS

Program officials stated that their offices had implemented the following initiatives as part of their retention strategies.

### **Workforce Plan**

The Office of the Chief Information Officer (OCIO) maintained a 4-year OCIO Workforce Plan to track retention, retirement eligibility, skills gaps, and the competitiveness of hiring. The plan identified specific action items to improve retention as well as the party responsible for carrying out each action.

### **Identifying Retention Areas of Concern**

The Office of Housing tracked its attrition to identify spikes where additional resources or targeted intervention may be needed.

In fiscal year 2023, the Office of Public and Indian Housing (PIH) began administering an exit survey for employees who had been hired to another division within PIH or to another program office within HUD. This exit survey was intended to supplement the Office of the Chief Human Capital Officer's exit survey for employees leaving the U.S. Department of Housing and Urban Development.

### **Onboarding To Reduce New Hire Attrition**

PIH held internal onboarding for its employees that explained what each division within PIH does, provided an overview of the performance management system, and gave employees an opportunity to meet the Deputy Assistant Secretary in charge of each division.

The Office of Field Policy and Management (FPM) held a HUD 101 training for employees in which representatives from other program offices explained what their office does and how it intersects with FPM's work.

### **Strategic Use of Career Ladders**

The Office of the Chief Procurement Officer brought employees on at the General Schedule-9 level, hoping to retain them longer as they move up the career ladder.

### **Alternative Pay Scale Demonstration**

The Government National Mortgage Association planned to conduct a demonstration of the need for an alternative pay scale to make employees' enterprisewide salaries more competitive with financial regulation agencies that have been granted additional pay flexibility through the Financial Institutions Reform, Recovery, and Enforcement Act.<sup>65</sup>

---

<sup>65</sup> [Public law 101-73: The Financial Institutions Reform, Recovery, and Enforcement Act. \(103 Stat. 183; date: August 9, 1989\)](#)



## APPENDIX E – ABBREVIATIONS

ADMIN	Office of Administration
CFR	Code of Federal Regulations
CPD	Office of Community Planning and Development
DM	Office of Directives Management
ED	U.S. Department of Education
FHEO	Office of Fair Housing and Equal Opportunity
FPM	Office of Field Policy and Management
FY	fiscal year
GAO	U.S. Government Accountability Office
Ginnie Mae	Government National Mortgage Association
GS	General Schedule
GSA	General Services Administration
Housing	Office of Housing
HUD	U.S. Department of Housing and Urban Development
IT	information technology
MCO	mission-critical occupation
MD	management directive
OCAO	Office of the Chief Administration Officer
OCHCO	Office of the Chief Human Capital Officer
OCFO	Office of the Chief Financial Officer
OCIO	Office of the Chief Information Officer
OCPO	Office of the Chief Procurement Officer
ODEEO	Office of Departmental Equal Employment Opportunity
OGC	Office of General Counsel
OIG	Office of Inspector General
OLHCHH	Office of Lead Hazard Control and Healthy Homes
OMB	U.S. Office of Management and Budget
OPM	U.S. Office of Personnel Management
PD&R	Office of Policy Development and Research
PIH	Office of Public and Indian Housing
SBA	U.S. Small Business Administration

## APPENDIX F – ACKNOWLEDGEMENTS

This report was prepared under the direction of Christopher Backley, Acting Assistant Inspector General for Evaluation; Kaitlyn Large, Acting Director of the Program Evaluations Division; and Gabrielle Foster, Assistant Director of the Program Evaluations Division. The Office of Evaluation staff members who contributed are recognized below.

### Major Contributors

Patricia Schwindinger, Senior Evaluator (team lead)

Melissa Faunce-Bellerjeau, Evaluator

Sungmi Song, Evaluator

### Other Contributors

Rachel Mokriski, Intern

Kelly Richardson, Evaluator

Danica Swiggart, Evaluator

Megna Sundar, Evaluator (referencer)