



Treasury Inspector General for Tax Administration Office of Audit

THE HUMAN CAPITAL OFFICE IMPROVED THE HIRING PROCESS, BUT ADDITIONAL ACTIONS CAN BE TAKEN TO BETTER MONITOR HIRING TIMELINES

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Highlights

Highlights of Report Number: 2011-10-089 to the Internal Revenue Service Human Capital Officer.

IMPACT ON TAXPAYERS

The Internal Revenue Service (IRS), like many Federal agencies, is faced with the major human capital challenge of replacing a large number of its 107,000 employees with unique skills and institutional knowledge who are expected to retire or leave for other jobs over the next several years. Human Capital Office management has taken steps to reduce hiring timelines and has created performance measures that include all hiring categories used by the IRS. Further improvements will help the IRS better monitor and reduce hiring timelines in order to compete for the best potential employees and lay the foundation for providing quality service to America's taxpayers for years to come.

WHY TIGTA DID THE AUDIT

This audit was requested by the IRS and addresses the major management challenge of Human Capital. The overall objective was to determine whether the IRS has developed an adequate methodology to monitor and improve the timeliness of hiring new employees.

WHAT TIGTA FOUND

Human Capital Office management has taken steps to reduce hiring timelines through system improvements and the use of hiring timeline tools and has created performance goals and measures for individual steps in the hiring process for all hiring categories. As a result, the IRS reports that the timelines for hiring employees from outside the Government for the various single open positions (versus large group hirings) decreased from 157 calendar days in June 2009 to 130 calendar days for Fiscal Year 2010.

While improvements have been made, Human Capital Office management's implementation of a new computer system to increase efficiency did not provide easy access to hiring inventory reports, and hiring timeline tools were not used in all Human Capital Office

Employment Operations offices to fully achieve their benefits. Further improvements in these areas could help Human Capital Office management further reduce hiring timelines to compete for potential employees with the unique skills needed to replace those who are retiring or leaving for other jobs.

WHAT TIGTA RECOMMENDED

TIGTA recommended that the Director, Employment, Talent, and Security Division, IRS Human Capital Office, complete programming for web-based, time-in-process reports and provide guidance to ensure Human Capital Office branch offices understand the use and benefits of tools developed to reduce hiring timelines.

In their response to the report, IRS management agreed with the recommendations. Human Capital Office management completed programming for web-based reports. The reports are posted on an intranet web site to allow Human Capital Office personnel and hiring managers in the business units to monitor announcement inventory and accumulated calendar days in the hiring process. In addition, Human Capital Office management plans to issue guidance to all employment offices on when timeline tools should be used.

READ THE FULL REPORT

To view the report, including the scope, methodology, and full IRS response, go to:

<http://www.treas.gov/tigta/auditreports/2011reports/201110089fr.pdf>