GOVERNMENT MANAGERS COALITION

• FAAMA • FMA • NCSSMA • PMA • SEA •

July 5, 2023

The Honorable Kiran Ahuja Director U.S. Office of Personnel Management 1900 E Street, N.W. Washington, D.C. 20415

Dear Director Ahuja:

The Government Managers Coalition (GMC) is concerned that the continued effects of pay compression are deeply diminishing the federal government's leadership pipeline and require an urgent response. We write to request an update on the administration's budget proposal to address pay challenges affecting the federal workforce and agencies.

The GMC consists of the five major federal-sector executive and management professional associations. Collectively, we represent more than 250,000 of the federal government's most dedicated career executives and managers. Our members oversee processing of more than 240 million federal tax returns, ensure 64 million Americans receive their Social Security checks each month, safely handle over 16 million flights annually, safeguard the lives of all 334 million U.S. civilians at home and abroad, and far more. The GMC advocates for policies and practices that reflect commonly held beliefs within the federal executive and manager community, particularly regarding the development and implementation of policies impacting good governance and the federal workforce.

We appreciate that the Fiscal Year (FY) 2024 President's budget request recognizes longstanding pay challenges that have prevented agencies from recruiting and retaining the talent needed to meet agency missions. The call to action to address these challenges, and specifically pay compression, through legislation is a welcome development that our government desperately needs.

As Congress actively considers appropriations legislation, we eagerly await the Biden administration's legislative proposal to make true the promises outlined in the president's budget. It is our understanding that OPM has considered options for solving key pay issues such as pay compression but has not yet drafted legislation.

We cannot emphasize enough how dire the situation is becoming at agencies. Human capital challenges continue to <u>pervade</u> the federal government and <u>inhibit</u> the necessary leadership sustainability to meet evolving and crosscutting challenges. The government cannot function without managers and leaders, yet the current pay structure disincentives employees from entering leadership at every point.

Therefore, we request a meeting to discuss the status of the administration's legislative proposal to address pay challenges impacting the federal workforce, specifically pay compression.

GOVERNMENT MANAGERS COALITION

• FAAMA • FMA • NCSSMA • PMA • SEA •

As one of our coalition members testified before the Federal Salary Council, "Pay compression skews the risk-reward trade-off for employees advancing in their federal careers. At a certain point, the risks of advancing in management continue to grow but the rewards do not keep pace. Public service motivation is the only incentive to enter the SES. That is not enough to sustain our nation's leadership cadre."

This issue is impacting aspiring leaders across the federal government and our ability to retain excellent subject matter experts, and demands urgent attention, as promised by the president's budget.

Thank you in advance for your consideration of our concerns and our meeting request. We look forward to hearing from you and working together to address the challenges facing the federal government and our members.

Sincerely,

MICHAEL F. SMITH

President

FAA Managers Association

ichael F. Shu

CHAD HOOPER

Executive Director

Professional Managers Association

MARCUS L. HILL

President

Senior Executives Association

CRAIG CARTER

President

Federal Managers Association

Craig Carter

DAVID LESCARINI

President

National Council of Social Security

Management Associations

CC: Jason Miller, Deputy Director for Management, Office of Management and Budget (OMB)