Chairman Daniel K. Akaka

OPENING STATEMENT Senator Daniel K. Akaka Chairman Committee on Veterans' Affairs United States Senate

Hearing on the Nomination of Michael W. Hager to be Assistant Secretary for Human Resources and Management

November 14, 2007

Good morning. This hearing will come to order. The Committee is here today to consider the nomination of Michael W. Hager, to be VA's Assistant Secretary for Human Resources and Management. I am pleased to welcome Mr. Hager and his family here today, as we say in Hawai'i, E komo mai, or welcome, to our hearing.

Mr. Hager, if confirmed, you will be responsible for coordinating five major program areas within the Department, including diversity management and equal opportunity, human resources management, labor-management relations, resolution management and administration. The leadership and program direction that your office provides for the Department impacts veterans on a daily basis by responding to the needs of a VA workforce of over 250,000 permanent and temporary employees who are directly or indirectly responsible for delivering health care, benefits and memorial services. As Assistant Secretary, you will have the daunting task of managing VA's human resources activities during a period when VA is confronted with the challenges of a growing retirement-eligible workforce, health care provider shortages, and delays in delivering benefits due to personnel shortages.

Included in your responsibility for administering VA's labor-management relations program is the oversight of negotiation and implementation of master agreements with five national labor unions. The quality of care and the efficient delivery of benefits to veterans is contingent upon VA's ability to recruit and retain a quality workforce. When carrying out this responsibility you will need to appreciate the unique relationship that VA employees have with the veterans they serve. This relationship goes beyond the bottom line and is based upon maintaining a workforce, many of whom are veterans themselves, that has a sense of service and dedication. As you so aptly quoted Omar Bradley in your response to pre-hearing questions, "we are dealing with veterans, not procedures; with their problems, not ours."

Mr. Hager, your 35 years of experience in human resources, coupled with your general management experience, suggests that you have the qualifications for taking on the challenges of this office.

Assuming you are confirmed, I urge you to work closely with the three VA Administrations and key staff offices to develop workable and viable succession plans, while improving hiring

practices so that the delivery of care and benefits to veterans is not disrupted by a changing workforce.

In closing, I note that the nominee has completed the Committee Questionnaire for Presidential Nominees and responded to my pre-hearing questions, all of which will appear in the hearing record. Also included will be a letter from the Office of Government Ethics acknowledging that Mr. Hager is in compliance with laws and regulations governing conflicts of interest.