



Comprehensive Root Cause Analysis (RCA) Report

Problem Statement

Rising employee turnover over the past two quarters in FY26.

1. Problem Definition

Over the last two quarters in FY26, the Department of Commerce has experienced an increase in employee turnover across multiple bureaus. This trend poses risks to continuity of operations, institutional knowledge retention, and progress on strategic priorities.

2. Categories of Causes (Ishikawa / Fishbone Framework)

People

- Lack of career development and growth opportunities
- Low morale due to limited recognition and rewards
- Employee burnout from high workloads
- Skills mismatch between roles and employee expertise

Processes

- Inefficient onboarding process for new hires
- Unclear job expectations and performance criteria
- Limited pathways for internal mobility
- Delays in the hiring process, causing existing staff to shoulder additional workloads

Equipment / Technology

- Outdated HR systems preventing proactive tracking of employee engagement
- Insufficient tools for effective hybrid/remote work
- Slow IT support response times

Work Environment

- High-stress culture with limited work-life balance
- Rigid in-office requirements without flexible options
- Inadequate workspace design or resources affecting productivity

Materials / Resources

- Insufficient funding for training and professional development
- Limited access to modern learning platforms and leadership programs
- Budget restrictions impacting employee engagement initiatives



Management / Leadership

- Inconsistent leadership communication across bureaus
- Lack of timely feedback and recognition
- Reactive rather than proactive retention strategies
- Absence of succession planning for critical roles

3. Key Root Causes Identified

- Limited career development and advancement opportunities reduce employee motivation and retention.
- Inefficient onboarding and lack of internal mobility pathways increase disengagement.
- Inconsistent leadership practices and communication undermine employee trust.
- Insufficient flexibility in work arrangements contributes to stress and burnout.
- Outdated HR and workforce management systems limit data-driven retention efforts.

4. Recommended Actions

Strategic Workforce Planning

- Develop structured career pathways and mentorship programs.
- Expand training opportunities in emerging fields (AI, cybersecurity, leadership).

Process Improvements

- Redesign onboarding and performance management processes.
- Introduce fast-track internal mobility programs.

Technology Upgrades

- Modernize HR systems to improve tracking of engagement and retention.
- Invest in collaboration and remote-work tools.

Leadership Development

- Strengthen supervisor training with a focus on recognition, communication, and employee support.
- Create bureau-level retention champions accountable for engagement.

Workplace Flexibility

- Expand hybrid and remote work options.
- Provide wellness and resilience programs to reduce burnout.



5. Expected Outcomes

By addressing these root causes, Commerce can expect:

- Improved employee morale and engagement
- Reduced turnover rates across bureaus
- Stronger pipelines for critical roles
- Increased organizational agility and resilience
- Enhanced reputation as an employer of choice in the federal space