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U.S. Merit Systems Protection Board
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the Federal Workforce, and the District of Columbia
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Thank you for the opportunity to testify today regarding the challenges to recruiting and hiring candidates for Federal jobs. In addition to its adjudicatory mission, the U.S. Merit Systems Protection Board (MSPB) is charged by statute to conduct studies of the Federal civil service and other merit systems in the Executive branch to determine if the workforce is managed in accordance with the merit system principles and free from prohibited personnel practices. MSPB's Office of Policy and Evaluation conducts independent, nonpartisan, objective research to support the merit system values, enhance human resources (HR) management and ensure the public interest in a viable merit-based civil service. MSPB studies and reports are based on established scientific methods which have provided us with a unique perspective on the trends and issues that affect Federal human resources management.

Overview

The Federal Government's human capital is its most vital asset. The Federal Government is preparing for increased retirements while striving to address evolving agency-specific mission needs with changing skill requirements. Recruitment and hiring policies and practices play key roles in ensuring that the Government maintains a high-quality workforce capable of meeting the needs of the American public.

MSPB's research has shown that the Government has generally been successful in hiring talented employees with the skills necessary to carry out the agency's mission. For example:

- 75 percent of Federal employees agreed that their agency's workforce has the knowledge and skills necessary to accomplish its mission.¹
- 80 percent of supervisors supervising Federal Career Interns indicated that the quality of their interns was above average to excellent.²
- Almost 90 percent of supervisors supervising employees serving a probationary period indicated that they would hire the probationer again if they had to do it over again.³
- 95 percent of supervisors who recently hired GS-12–15 employees from a non-Government source were satisfied with the quality of the new hires' work.⁴

However, there is growing concern about the Federal Government's ability to continue to attract and hire top talent, particularly those who have the variety of knowledge and skills sets needed by a particular agency. Competition for high-quality talent among American employment sectors is becoming more intense. Some studies have shown that fewer new members of the Nation's workforce are prepared to take on jobs requiring highly technical skills such as jobs in science and engineering. Therefore as the demand for these skills increases and the supply of candidates with these skills decreases, competition will be fierce. Effective recruitment and assessment practices become that much more important.

MSPB's research has identified a set of key challenges the Federal Government faces in terms of recruiting and selecting the next generation of Federal employees. These challenges include the length and complexity of the hiring process, the Government's ability to market its jobs to attract high-quality applicants, the ability of Government assessment tools to distinguish the most

¹ MSPB, *Accomplishing Our Mission: Results of the Merit Principles Survey 2005*, (2007).

² MSPB, *Building a High-Quality Workforce: The Federal Career Intern Program* (2005).

³ MSPB, *The Probationary Period* (2005).

⁴ MSPB, *In Search of Highly Skilled Professionals* (2008).

qualified candidates, and the capacity of human resources staffs and supervisors to adequately carry out Federal hiring programs. I will discuss each of these issues in more depth.

Lengthy Process

One of the most commonly cited complaints about the Federal hiring process from applicants and managers is that it takes too long. Using data from the U.S. Office of Personnel Management (OPM), the U.S. Government Accountability Office (GAO) reported that it takes an average of 102 business days to complete all of the steps in the competitive hiring process (from making the request to fill the position to making the appointment).⁵ Our research has shown that it is not uncommon for a candidate to wait 5 to 6 months or even more from the time he or she submits an application to the time he or she receives an employment offer. The longer the process takes, the more applicant attrition is likely to occur as candidates accept positions with other employers that use faster hiring processes.

We have seen some progress in this area. In recent surveys of entry-level and upper level new hires, MSPB found that 37 and 45 percent of the respondents, respectively, were hired in 2 months or less.⁶ This is a good practice considering that our surveys have historically shown that new hires consider 2 months or less to be a reasonable amount of time for a hiring decision. This timeframe is within OPM's 45-day hiring model. However, 34 and 22 percent of the respondents to each survey, respectively, indicated that it took 5 months or more. Five months is too long to expect high-quality candidates to wait for a hiring decision. This is especially true for candidates who do not understand why the process is taking so long. Anecdotal stories tell us that applicants often submit applications for Federal jobs and do not hear anything from the

⁵ U.S. Government Accountability Office, *Human Capital: Opportunities to Improve Executive Agencies' Hiring Processes*, GAO-03-450 (May 2003).

⁶ Entry-level new hires are GS-5, 7 and 9 employees and upper level new hires are GS-12, 13, 14 and 15 employees, all appointed to full-time, non-seasonal, permanent positions in executive branch professional and administrative occupations.

agency to which they applied for months on end. This lack of communication creates frustration and many applicants may simply accept a position with an employer who shows interest in them and can make an offer more quickly. While the Government is meeting the expectations of many of its new hires, there is still a long way to go.⁷

The hiring process used by individual agencies can be a barrier to timely hiring outcomes. The Partnership for Public Service recently worked with several Federal agencies to conduct “Extreme Hiring Makeovers” and improve their hiring processes. In the course of its efforts, one agency conducted process mapping exercises and found that there were 114 steps in the hiring process; 45 hand-offs between managers, administrative staff, and HR; and at least 2 steps in the process that required the approval of 10 or more officials. Most of these steps were self-imposed by the agency; not by external regulations, and in the final analysis, unnecessary.⁸

OPM has also been working with agencies to improve the timeliness of the process. OPM has instituted new hiring flexibilities, such as category rating and developed new hiring authorities, including the Federal Career Intern Program, which will help improve timeliness. The agency has also instituted a 45-day hiring model and is working with agencies to achieve this goal. Finally, OPM is working with the Chief Human Capital Officer (CHCO) Council to identify additional hiring reforms that will speed the process while protecting merit.

Process Complexity

The complexity of the process is another barrier to effectively recruiting and selecting a high-quality workforce. The Federal Government has an extensive array of individual

⁷ From MSPB, *Attracting the Next Generation: A Look at Federal Entry-Level New Hires* (2008); *In Search of Highly Skilled Workers: A Study on the Hiring of Upper Level Employees From Outside the Federal Government* (2008); *Competing for Federal Jobs: Job Search Experiences of New Hires* (2000).

hiring authorities that can require different recruitment, application and assessment processes. In fact, the traditional competitive examining process is now being used for less than one-third of all new hires. MSPB surveyed agency selecting officials in 2006 and found that these officials do not fully understand the various hiring authorities available to them. If Federal supervisors do not understand these authorities, we cannot reasonably expect applicants to know about or understand them.

Decentralization of the hiring process is a second factor that has added to its complexity. Agencies now administer hiring programs themselves. While decentralization enables agencies to tailor their recruitment and hiring strategies to better meet their mission requirements, it makes the overall process more complicated. There is no standard application and no uniform assessment tool. Applicants generally must send different applications and other required forms to each agency to which they apply. Respondents to our survey of upper level new hires indicated that the burdensome application process is one of the top reasons they did not apply for other Federal jobs. These respondents did not want to re-write descriptions of knowledge, skills, and abilities; re-write or re-format their resumes; respond to lengthy questionnaires; and, in general, spend an inordinate amount of time applying for Federal jobs.

Surprisingly, automation has in some ways increased the burden on applicants for Federal employment. Many agencies have developed individual automated application systems that do not communicate with the automated application systems used by other agencies. Therefore, an applicant who is searching for a “Government job” may have to build a separate electronic resume and profile for each individual agency to which he or she applies.

To help address this concern, OPM has implemented the USAJOBS.gov recruitment website. USAJOB.gov provides applicants with a single location where they can create

⁸ Partnership for Public Service, *Extreme Hiring Makeover: A Makeover that Matters*,

a Federal resume, search Federal job listings, submit the resume to an employing agency electronically, or post their resume so that Federal employers can find them if their skills match the employer's needs. The USAJOBS.gov website has many advantages. It is updated in real time and is available to anyone who can access the Internet. Moreover, the electronic Federal resume can be used to apply online for multiple Federal jobs.

While some applicants have voiced complaints about the site, most of the problems actually fall under the purview of the agency advertising the job rather than OPM. For instance, agency application requirements can be too labor intensive (*e.g.*, long narrative explanations of experience or lengthy occupational questionnaires).

USAJOBS.gov is somewhat limited. Not all Federal job vacancies are listed on this site. Agencies are only required to post competitive service positions. Additionally, applicants' resumes stored on USAJOBS.gov cannot be used for all Federal vacancies because some agencies use different online systems for application submission. Finally, the application tracking feature does not work well when an agency does not make a hiring decision expeditiously. The feature can actually frustrate applicants because their status does not change, reinforcing the impression that their application fell into a "black hole."

We cannot know precisely how many applicants drop out of the Federal job search due to a lack of understanding of the process, burdensome requirements, or other barriers. When applicants lose interest in or are deterred from applying for jobs, agencies can lose much of the potential return on investment for their recruitment efforts.

Recruitment and Marketing

In addition to the problems of length and complexity, the Federal Government often fails to do a good job of marketing itself as an employer of choice. Take for instance

the typical Federal vacancy announcement. MSPB's 2003 report on vacancy announcements brought attention to the fact that Federal vacancy announcements are often poorly written, difficult to understand and filled with jargon and unnecessary information. Moreover, announcements often make little or no effort to market the job and the agency to potential candidates. Consequently, many announcements can actually discourage potential applicants from applying for Federal jobs.⁹

OPM is attempting to help agencies improve vacancy announcements. First, OPM worked with agencies to develop a job announcement template that is more streamlined and user-friendly. The new template includes better organizational capability and a new tabbed display format that allows applicants access to necessary information in a quick and organized manner. However, agencies must improve the actual content of the announcements to make them appealing to applicants. Second, OPM worked with agencies to develop standard job announcements for a set of occupations that cut across agencies.

Ultimately, recruitment strategies affect who learns of job opportunities and therefore who applies. Historically, our research has found that new hires rely heavily on word of mouth from friends and relatives and the Internet for information on Federal job openings. These recruitment strategies are largely dependent on the applicant's access to information about the Federal Government. This means that we might very well be missing out on a lot of candidates who do not take affirmative steps to learn about the employment opportunities with the Federal Government.

A number of Federal agencies have demonstrated that it is possible for the Federal Government to effectively compete for talent. Our 2004 report, *Managing Federal Recruitment: Issues, Insights, and Illustrations*, cited a number of interesting practices that improved agencies' ability to recruit qualified candidates. For instance, a (former) Director of the Defense Finance and Accounting Service led recruitment events at his

⁹ MSPB, *Help Wanted: A Review of Federal Vacancy Announcements* (2003).

alma mater. This effort conveyed his commitment to effective recruitment practices and made a positive impression on candidates. Another agency, the Government Accountability Office, assigns senior executives and a recruiting team to targeted colleges and universities. The Social Security Administration built an agency-wide marketing campaign around a single “tag line” and targets marketing materials to specific needs and audiences.

The Department of Labor’s MBA Fellows program incorporates numerous innovative practices. Secretary Cho spearheaded the effort to attract candidates with business skills and leadership potential. The agency conducted workforce analyses to determine the Department’s recruitment need in this area. It identified and built relationships with schools, professional organizations, and consortiums to target its recruitment efforts. The Department also: (1) offered financial incentives to all or most candidates; (2) hired using the streamlined Federal Career Intern Program; (3) streamlined and improved its vacancy announcements; (4) automated the hiring process and; (5) integrated category rating and structured interviews into the assessment phase of the hiring process.

These organizations make recruitment an organizational priority, allocate the necessary resources for it, and employ proactive and creative approaches in their recruitment strategies. While they attempt to achieve efficiencies in their recruitment efforts, these agencies emphasize quality recruitment strategies that target the needed applicant pool.

Similarly at the MSPB we have attempted to streamline and improve our hiring practices. This included revising our vacancy announcements, implementing category rating, and using a multiple hurdle assessment approach that did away with lengthy knowledge, skills and ability write-ups. Instead, we now use more predictive assessment tools such as structured interviews and work sample assessments to inform our selection decisions.

Improving Assessment

Another issue of concern regarding the Federal Government's ability to hire a high-quality workforce is how applicants are assessed. Assessment is the phase in the hiring process during which the distinctions among applicants are made so that applicants are selected on the basis of merit, as prescribed by the merit system principles. That is, agencies make the determination as to whether an applicant is qualified for the job and, if so, the extent to which s/he possesses the knowledge, skills and abilities required to do the job. The purpose is to identify the best qualified candidates.

MSPB's research found that Federal agencies do not always use the most predictive assessment tools. Focusing on economy rather than efficiency, agencies often use assessment tools that are easier and less expensive to develop and implement. Specifically, the Government has gravitated toward the use of assessments that score applicants on the basis of training and experience (T&E). These assessments tend to measure an applicant's exposure to specific training or experience rather than evaluating how well that training or experience prepared the applicant for the specific job responsibilities. While T&E assessments are relatively fast and cheap to develop, they are not good predictors of job performance and are, therefore, less likely to result in quality selections.

MSPB has encouraged agencies to explore better assessment methods. For instance, in MSPB's 2003 report on structured interviews, we pointed out that a structured interview has a much higher predictive ability and provides greater consistency in the content and conduct of a job interview than unstructured interviews.¹⁰ Reference checks are also a fairly simple and cost effective strategy that can increase the fairness and objectivity of the hiring process.¹¹ Ultimately, the probationary period is one of the most effective assessment tools available because supervisors can observe employees on the job before

¹⁰ MSPB, *The Federal Selection Interview: Unrealized Potential* (2003).

¹¹ MSPB, *Reference Checking in Federal Hiring: Making The Call* (2005).

deciding whether or not to retain them. MSPB's report on agency use of the probationary period indicates that Federal managers rarely use the probationary period to separate employees not fit for the job.¹² Finally, using several predictive assessment tools consecutively—also known as the multiple hurdle approach—can further improve the overall ability of the assessments to predict how well the applicant will perform on the job.

The fact that the Government tends to rely on less predictive assessment tools does not mean agencies are not hiring good people. As previously mentioned, MSPB research reinforces the view that the Government is hiring talented employees with the skills necessary to carry out the agency's mission. However, as competition for high-quality talent among American employment sectors gets more heated, good assessment practices become even more important to ensure the Government continues to high-quality candidates.

Lack of Human Resources Expertise

For hiring programs to be effective, those who administer them need a high level of expertise and competence. In the 1990's, the Federal Government significantly downsized the Federal workforce. Reducing the number of Federal HR professionals by 20 percent, agencies lost many of their senior specialists and their institutional knowledge of effective recruitment and hiring practices.¹³ In many cases, this expertise has not yet been fully restored. Agencies are re-learning some of the tools of the trade necessary to best attract and select a high-quality workforce.

In addition, the demands on supervisors are increasing. The National Academy of Public Administration pointed out in a 2003 study that supervisors have more decisions to make, less time to spend making them, and fewer resources to support

¹² MSPB, *The Probationary Period: A Critical Assessment Opportunity* (2005).

them.¹⁴ As a result, supervisors often do not have time to participate in the hiring process. In addition, some supervisors have reported that they lack the necessary knowledge about hiring rules and procedures and are therefore reluctant to become involved in these activities.¹⁵ Supervisors have indicated that they are generally more satisfied with the results of the hiring process when they are involved than when they are not.¹⁶ The absence of supervisory participation can result in a poor fit between the new hire and the skills needed to accomplish the essential elements of the job. Therefore, the Federal Government needs to do a better job of training and supporting supervisors in their managerial responsibilities so that they can actively contribute to the process.

Recommendations

If Government is to reform the hiring system, it needs to take on reform that focuses on what is important. This means systematically reengineering the process to ensure that the best candidates are hired in a timely and cost-effective manner. Reform should: (1) provide agencies the flexibilities they need to effectively manage their hiring systems, (2) ensure employees and applicants receive the protections promised by the merit system principles, and (3) give the public a high-quality Government workforce working toward its interests. To begin this process, MSPB offers the following recommendations to guide reform and improve the Federal hiring process.

¹³ U.S. Office of Personnel Management, *Federal Human Resources Employment Trends: An Occupation in Transition: A Comprehensive Study of the Federal Human Resources Community*, MSE-9-5, (September 1999).

¹⁴ National Academy of Public Administration, *First-Line Supervisors in the Federal Service: Their Selection, Development, and Management*, (February 2003).

¹⁵ MSPB, *The Role of Delegated Examining Units: Hiring New Employees in a Decentralized Service* (1999).

¹⁶ MSPB, *In Search of Highly Skilled Professionals* (2008); “Managers Speak Out on the Hiring Process,” *Issues of Merit*, Dec. 2000.

First, agencies should manage hiring as a critical business process, not an administrative function. Recruitment and selection is about making a continuous, long-term investment in attracting a high-quality workforce capable of accomplishing the organization's mission. It therefore should not continue to be viewed solely as an HR function. This means integrating discussions of hiring needs, methods, and outcomes into the business planning process.

Second, agencies should evaluate their own internal hiring processes, procedures, and policies to identify barriers to quality, timely, and cost-effective hiring decisions. Often, agencies put processes in place that extend the time it takes to make decisions without even realizing they have done so. Many agencies will probably be surprised to see that many of the barriers they face are self-imposed.

We recommend that agencies, with the assistance of OPM, employ rigorous assessment strategies that emphasize selection quality, not just cost and speed. In particular, agencies should develop and use assessment instruments that have a relatively good ability to predict future performance. Using several assessment tools in succession can make the assessment process even more effective in managing the candidate pool and narrowing the field of qualified candidates. In addition, OPM can work with agencies to develop assessment tools that can be used for occupations that cut across agencies. This would increase the Government's return on investment for these assessments.

We also recommend that agencies improve efforts to manage the applicant pool while making the process manageable for applicants. This means better recruitment strategies, improved vacancy announcements, more communication with applicants, and a timely, understandable application and assessment process that encourages applicants to await a final decision rather than abandon the Federal job search in favor of employment elsewhere.

We recommend that agencies properly prepare HR staff and selecting officials to provide the full range of services necessary to implement an efficient recruitment and hiring system.

Finally, agencies should continually evaluate the hiring process to ensure it is meeting organizational long-term and short-term needs. This evaluation should include an examination of the successful and unsuccessful components of this process.

These are all steps that agencies can take without having to change existing rules and regulations. Implementing these recommendations should help them ensure that they are hiring qualified employees in a timely manner from all segments of society after fair and open competition while treating applicants fairly and equitably, as prescribed by the merit system principles.