

# THE IRRATIONAL ESCALATION OF COMMITMENT TO USAJOBS

*... and Other Reasons Why the Federal  
Hiring Process is a Deeply Broken Mess*

## **“Improving the USAJOBS Website” Roundtable**

U.S. Senate Homeland Security and Governmental Affairs  
Subcommittee on Regulatory Affairs

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# The Irrational Escalation of Commitment to USAJOBS ... and Other Reasons Why the Federal Hiring Process is a Deeply Broken Mess

By Linda E. Brooks Rix

The Federal hiring process is a broken mess — how do we know that? The numbers speak for themselves.

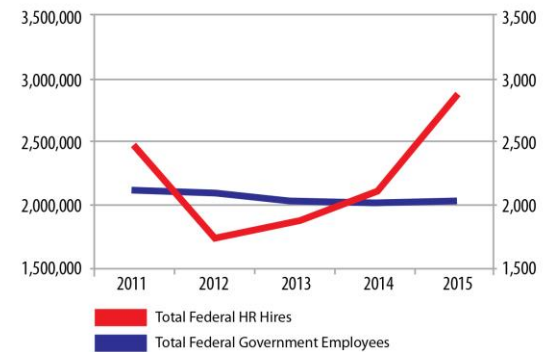
In May 2010, the President issued his Executive Memorandum on “Hiring Reform,” which mandated a hiring process called Category Rating across the board for all agencies. The U.S. Office of Personnel Management, concurrent with the President’s memo, aggressively increased its market share of USAStaffing and estimates that 80 percent of all government hires are currently processed through USAStaffing. OPM mandated all job postings be posted exclusively on USAJOBS and by virtue of this decree eliminated strategic recruiting at the agency level.

Since fiscal year 2000, the size of the federal workforce has increased by 296,365, a 17% growth rate, from 1,762,559 to 2,058,924. In the past 15 years HR capacity has more than doubled, with the number of HR Specialists growing from 11,874 to 28,265, a growth rate of 138% over that same period. Surprisingly, the number of HR Specialists at OPM itself is down from a high of 9% of its total workforce to a low of 7%, while its overall workforce has grown by 37% — a disturbing trend given “Personnel” is its middle name.

Since the President’s hiring reform memo was released in 2010, HR productivity decreased, despite continued growth in HR employment. Between 2005 and 2010, HR Specialists hired an average 276,755 new entrants into the Federal workforce annually. This productivity measure was already alarmingly low at a ratio of 11 new hires for every HR Specialist, *per year*. But between 2010 and 2015, as the number of new hires dropped by 26,859, the productivity of federal HR Specialists dropped further from 11 new hires a year per HR Specialist to a near-fatal 9 per year.

## HR Hires Outpacing Total Federal Workforce

Between 2010 and 2015, the net total number of Federal employees dropped by 54,286. Over that same period, the Federal HR headcount continued to increase with a net of 383 more employees in 2015 than it had in 2010.



SOURCE: OPM Fedscope data

Net Loss  
Total Federal  
Employment  
FY2010-15

# 54,286

21.5%  
Decrease  
From FY2010

This is occurring, despite:  
Federal HR headcount increasing ▲

A decrease ▼ in HR and contractor load capacity from 1:10 to 1:8  
(one HR FTE producing 8 hires per year)

SOURCE: OPM Fedscope data

Today, if you look closely at any agency or Department within the federal government, you find huge backlogs of hiring actions — approximately 10% to 15% of an agency’s total workforce. And the backlogs have persisted, even increased, across fiscal years. While some of the backlog represents stockpiling vacancies because of budget uncertainty, these inefficiencies have created an overall decline of 54,286 employees in the federal government — striking a significant blow to mission performance.

Federal hiring is a three-legged stool that requires each leg to be in balance with the other three. Those three are:

policy, business process, and technology. To address how to balance these so that they proportionately support an agile and inviting hiring process, we offer these sustainable, scalable, and easy fixes which don't require legislation and will right the ship. We need to return the federal government to its previous standing as an employer of choice instead of employer of last resort — and insure the hiring process is responsive to mission execution.

**#1: Policy Change / Decentralize how minimum qualification requirements for jobs are determined.** Right now, OPM, the central personnel agency for the government, defines all minimum qualification requirements for the more than two million jobs in the federal government.

This one-size-fits-all qualification determination process is about as relevant as saying, "You can have any color as long as it is black," and about as modern as the Model T. This may come as a shock, but in the Federal government, if you are hiring a cyber-security specialist, it doesn't matter if the job is for NASA, the Securities and Exchange Commission, Department of Justice, or one of those Cobol-era agencies, each position carries the exact same mandatory minimum qualification requirements. How does this make sense?

Worse, OPM issued the minimum qualification requirements for IT professionals and they consist entirely of four "core competencies" which are: Attention to Detail; Customer Service; Oral Communication; Problem Solving. Notably, specific IT skills, expertise, certifications, licenses, training, or education are completely missing. And every agency is mandated to use only these four.

Under 5 USC 1104 a (2), OPM's "... Director may delegate, in whole or in part, any function vested in or delegated to the Director..." Let's just take a stroke of the pen and delegate this critical candidate evaluation function directly to the hiring organization — and without layers of interference from upper levels of Departmental bureaucracy. Here's a little known fact: The standards OPM sets meet zero empirical tests and aren't any more defensible than something a hiring manager produces in consultation with their agency HR department. And OPM has the authority to delegate it.

In fact, OPM already has for the Pathways program. From a June 2014 story in Federal News Radio, "An OPM official said by email Pathways does give agencies broad flexibility for targeted requirements, 'In the case of Pathways internship positions, agencies may develop their qualification standards to target the required skills or occupations for the positions they are seeking to fill,' the official said. 'For the Recent Graduates program, agencies such as [the Defense Department] and NASA are strategically recruiting for specific skill sets that help fulfill mission critical duties. DoD recruits for mission critical career fields, such as accounting, finance and engineering.'"

The qualification standards, of more recent vintage, that OPM has issued are troubling enough but even more alarming is OPM's complete distraction from its core mission in favor of its fee-based business. OPM's website, which posts "recent issuances" of newly released qualification standards



Our government was seriously dumbing down its own financial prowess, as evidenced by the 2011 minimum qualification standards drafted by OPM covering all the government's financial positions.

Among the so-called "competencies" by OPM's minimum standards are the usual skills in the "plays well with others" category.... Two "technical" skills are also required and they include reading comprehension and ... wait for it ... arithmetic. That's right. To qualify for key federal financial management positions, you must be able to read and do arithmetic – and OPM allows for you to qualify even if you need "frequent guidance" to use arithmetic properly. Fortunately, the Association for Government Accountants put a stop to it.

SOURCE: The Huffington Post, "The District of Cognitive Dissonance"

shows that OPM issued four new qualification standards in 2008, three in 2009, and one in 2013 and none since. This means that the thousands of other occupations in the government have not had a new or refreshed qualification standard issued since 2008. (The link to this is: <https://www.opm.gov/policy-data-oversight/classification-qualifications/general-schedule-qualification-standards/#url=Recent-Issuances>). Like its issuances of classification standards, OPM has not updated qualification standards for some occupations in decades.

Not only is this harmful to the hiring process overall, it is particularly harmful to applicants. Overly generic qualification requirements puts highly qualified applicants on the same level as unqualified applicants.

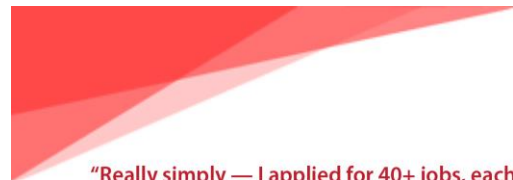
The key measure of whether the minimum qualification requirements are responsive to mission requirements is to look at the cancellation rate of referral lists given to hiring managers. A referral list is a list of rated and ranked job applicants that HR sends to the hiring manager. Currently, agencies have a referral list cancellation rate as high as 70%. The reason? The applicants referred are not qualified to do the job. The job is then successively reposted, sometimes reclassified, but generally put at the end of the queue of whatever backlog exists. (See also the *Shampoo Algorithm* below.)

**#2: Policy Change / Eliminate the USAJOBS exclusivity mandate.** Let agencies go out and re-establish relationships with high schools, trade associations, higher education institutions, diversity groups, and any other source of high quality candidates for federal jobs.

Right now, the government is reduced to a “Post-and-Pray” process of putting out byzantine “job opportunity (vacancy) announcements” and placing jobs on the most confusing job board ever, USAJOBS. Website privacy statements are more interesting than federal vacancy announcements. In one case, a printed federal job announcement stretched 13 feet. USAJOBS is a government attempt at centralizing all candidates into one funnel — an act to seize bureaucratic control and lock down service fees, disguised as a money-saving effort. This peculiar kind of irrationality surfaces when stewardship fails and parochial self-interest supersedes fiduciary responsibility. In other words, this condition exists because OPM is focused on its revolving fund profits not HR leadership.

Government agencies have unique missions that appeal to specific candidates. USAJOBS homogenizes all this into a single, oversized government blob — and its reputation has been smeared by the summer 2015 revelation of OPM’s security breach, the largest in government. It has become the single point of failure for all hiring in government. Any catastrophic event, like the security breach and the crashes that occurred when OPM made its first attempt to improve USAJOBS in 2011, puts all government hiring on hold.

USAJOBS has become home to a seething group of confused and angry job seekers and fulfills a main purpose for a limited set of people desperately seeking any kind of employment or those who



“Really simply — I applied for 40+ jobs, each took 2-3 hours to apply for, it took 4-6 months for each job to answer, while private sector jobs paid about 50% better, took a lot less time to apply, and they offered jobs on the spot after interviewing. While I persevered and ended up working for gov’t, all of my friends said it was simply too much work and went to the private sector. And by any normal measure they aren’t dumb – SAT scores, grades, leadership experience, etc.”

— STEVE RESSLER

*Millennial and ‘Keymaster’ (founder) of Young Government Leaders, on using USAJOBS*

SOURCE: GovLoop, “What do you think of OPM Pathways Programs?”

don't really know what job they want. The site is also frequented by current federal employees looking for opportunities posted for insiders wanting to change agency employers. These are hardly the quality candidate referrals agencies desperately need.

To regain their lost recruiting edge, agencies must reestablish crucial relationships with entities that are the best pipeline of candidates for their mission – particularly to recruit Millennials. Each agency needs its own recruiting website, social media outreach strategy, and direct online application process that bypasses USAJOBS.

For agencies, USAJOBS hardly constitutes a strategic recruiting effort and the unproductive mandate to use it exclusively for job posting must be eliminated. The site adds no value to the hiring process and actually elongates the time to hire by forcing applicants through completely unnecessary hurdles and, worse, provides zero advantage to the hiring manager.

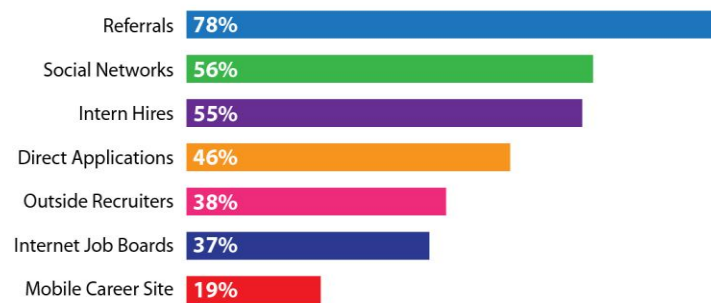
As has been widely documented in private industry, the time for job boards is over. Don Goodman, in his article, *"5 Reasons Why Job Boards Aren't As Effective Anymore,"* makes the case succinctly, saying, "Job boards are simply not as effective anymore since there are social media outlets like LinkedIn, Facebook, and Twitter where you can pretty much network your way to the right contacts. The fact is, job boards have a 2-4% effectiveness rate whereas networking has over a 50% effectiveness rate."

In a HRSmart.com post by Kristen Monsey, *"Social Media vs. Job Boards — The Future of Recruiting,"* she writes, "During a recent poll we conducted on the Social Networks used by our recruiting audience, we found that 61.5% use LinkedIn, 30.7% use Facebook, 23.1% use Twitter, and only 7.7% are using only job boards."

According to Jobvite, "78% of recruiters find their best quality candidates through referrals. This is up from 60% in 2014. In the next year, 41% of recruiters plan to invest more in referrals." This is an untapped recruiting resource for the federal government — using its own workforce to recruit. And, Jobvite reports, "Meanwhile, only 26% of recruiters say the size of their recruiting team has increased significantly in the last year."

## 21st Century Recruiting: The Game Has Changed

Candidates for job vacancies are found in many places, but Internet job boards, such as USAJOBS, continue to decline as an effective source of quality hires. Mobile is a fast-growing segment for recruiting and hiring.



SOURCE: The Jobvite Recruiter Nation Survey 2015

While USAJOBS contemplates copying LinkedIn functionality by building a "By Government, For Government" version, this is clearly duplicative and wasteful. LinkedIn exists. And it is free. Even with premium memberships, it will never exceed the cost of USAJOBS or create the problems that USAJOBS has created for federal hiring. Federal recruiters and hiring managers should be given clear authority to use it, and now.

Any attempt to place more resources against an increasing commitment level to USAJOBS is wasteful. It is clear that the world has moved on. Applicants certainly have. OPM can further the effectiveness of federal hiring by decentralizing — exactly the opposite of what it is doing now.

**#3: Technology Change / Break the Shampoo Algorithm that is called federal staffing.** Federal staffing used to be a critical function directly tying agency mission performance to the workforce with the same level of value and importance. Now, federal staffing is a mindless repetition of ghost behaviors: “Post, Wait, Refer.” When coupled with the passive “Post-and-Pray” USAJOBS process, the attractiveness of Federal jobs diminishes greatly. It’s the absence of critical thought that is particularly dangerous. Each day, as many as 25,000 jobs are posted onto USAJOBS using this cycle, and OPM’s USAStaffing merely enables these bad policies and practices.

Instead, agencies should continuously recruit. Why post an IT job 500 times a year when you can have a single agency recruitment site, with jobs continuously posted, where applicants can stay in an active pool for consideration when the time comes for the agency to hire. And once the Federal government is back into the recruiting game, it’s all the more important to have an agile and responsive hiring process and technology that isn’t reactive, but proactive and efficient.

Individual job postings are extremely labor intensive and promote errors. In reality, open-continuous job postings are more effective and reduce Time-To-Hire (TTH) significantly – in just two cases we experienced with agencies, TTH went from 9 months to 45 days and in another instance, from 260 days to 20 days. In addition, it provides an easy and effective way to leverage HR resources and regain losses in HR productivity. There is great value to nationwide, all locations, open-continuous announcements. There is also great value in posting the entire career ladder for a particular type of position within the agency or all specializations within the occupation as found in the agency — especially for the applicants.

But not all open-continuous job postings and online Talent Acquisition Systems (TAS) are equal. This is where the scalability and functionality of TAS technologies are crucial to the candidate’s experience. To create that engaging candidate experience, realize the efficiency of open-continuous, and maintain a level of quality in the candidates referred, certain elements of TAS technology have to be there.

Here is what makes for a successful open-continuous announcement:

- Applicants must choose the locations they are interested in. Stating locations on the vacancy announcement or even in the body of the application questionnaire is not sufficient. An applicant needs to choose locations in order to feel they are committing to a job offer, should one come.
- Relying on applicants to read, in detail, the public notice job posting and provide the necessary information the agency needs, is a serious mistake. After reviewing over 11 million job applicants’ behavior, we found that less than .02% (yes, less than 1%) ever looked at the public notice job posting. Therefore, if it is important for the process to work efficiently, the criteria or requirements must be made an applicant’s decision in the online application process, which 100% of the applicants do review.
- The TAS must facilitate and trigger ongoing communications to the applicants.
- HR specialist needs to be able to run test lists for each and every type of hiring authority – competitive and non-competitive and every variation within each of those two categories (there are over 100 different Federal hiring authorities). Running test lists allows the HR specialist to determine if they pool is sufficient for the vacancy in question or whether the vacancy is better suited to an individual job posting.
- Candidate Quality Assurance (CQA) is another feature that ensures a smooth open-continuous processing. CQA allows an HR specialist to look at each application and conduct

a quality assurance. It also allows for any HR specialist to have reviewed an application in the pool rather than having one HR specialist be responsible for all applicants.

- CQA also ensures consistency throughout the agency — so an applicant that is deemed qualified in one location is not later told they are not qualified in another location for the exact same position.
- Agencies also need to know how often an applicant had been referred and the disposition of that applicant. It is important, therefore, to track each applicant and know how many times the applicant was referred, if the applicant was actively on a different referral list, the process the applicant was in — such as interviewing or reference checking — and how many offers were made, and if made, whether the candidate accepted or declined.
- Much of the functionality required for a high quality open-continuous process is based on agency policies, past practices, and applicant assessment processes, in particular multi-hurdle assessment processes. It is important to have an extensive selection of configurations that ensure the process will work within these parameters and match the agency's practices.

In a USAJOBS focus group conducted by OPM, agency HR Specialists complained extensively about USASTaffing. The complaints centered around lost data, unsaved work, and force-fitting their process into a single, ineffective business process template. Agencies also complained about how inefficient the system was for them. In one major DoD component using USASTaffing, performing the work requires the HR Specialist to have eight different computer screens open at one time.

USASTaffing has none of the features or characteristics required to eliminate the inefficiencies of the Federal hiring process. This is one reason effective recruitment and hiring strategies, policies, and process improvements have not been enacted in government, despite the problems they solve and the efficiencies gained — if USASTaffing does not have the functionality to support these systemic changes, OPM cannot promote them without cutting into its fee-for-service business.

As former OPM Inspector General Patrick McFarland reported in his June 5, 2013 testimony before the House Subcommittee on Federal Workforce (“OPM’s Revolving Fund: A Cycle of Government Waste?”), OPM’s human resource services revenues were \$825 million in 2010, and \$708 million and \$791 million in 2011 and 2012, respectively. McFarland said, *“Our audit staff recently completed a risk assessment of Human Resources Solutions’ activities/functions and program groups. The program activities that were rated as being most vulnerable to fraud, waste, and abuse were (1) the methodology used to price its services and products and (2) the means through which customer-agencies pay for those services and products.”*

While he leaves out the impact on its policy function, it is clear that this is a significant hurdle to promoting the technologies that should be managing the hiring process for Federal agencies, in order for OPM to favor its own.

**#4: Eliminate the HR “Shared Service” initiative and redeploy HR Specialists back into the field with the federal hiring managers they service.** This would address a number of problems produced by shared service centers which were created on the theory that shared services are a less expensive and more efficient way to operate.

The growth rate of HR Specialist headcount is greater than the growth rate of federal employment overall and is continuing to trend upward despite significant, and serious, productivity losses. As the President’s Hiring Reform memo launched, so did the mandate that agencies move to

consolidate HR into service centers that provided hiring services in a central HR factory operation. Contrary to theory, this has proven to be a troublesome and inefficient form of service delivery.

With a loaded labor rate of \$90,000/per HR FTE, in today's rates, the government, under hiring reform and shared services policies, now spends \$500 million more in HR salary costs than it did in 2000. Based on the average salary of HR Specialists in government in 2015, 2015's total cost for HR payroll equals a whopping \$2.5 billion. The HR labor cost per hire is up from approximately \$8,000 per hire to slightly more than \$10,000 per hire. This does not include contractor costs or the annual \$800 million agencies pay to OPM in HR Service fees for USAJOBS, USAStaffing licenses and HR services to support USAStaffing — so much for the theory that shared services reduce costs and promote efficiency.

Given OPM's declaration that 80% of hires in government come through USAStaffing, and the escalation of hiring labor costs, it is time to sunset that product. USAStaffing has become the *Force Majeure* of federal hiring — a software tornado that destroyed the government's capability to hire efficiently. It's hard to pick up the far-flung pieces, but we must rebuild.

Shared services also creates isolation by consolidation. The HR Specialist, sitting in an HR factory, remotely located (usually to lower salary costs), is not engaged or inspired by the mission served. One very easy way to determine if management values the services of its HR providers is to look specifically at where they are located. In too many cases, the HR office is geographically removed from the mission-centric business units. Even if this is just a few city blocks, it removes accountability for supporting the mission.

HR Specialists are inspired by agency mission. The closer their relationship with the business unit, the better performing the HR practitioner will be. Shared services eliminates this important aspirational link. As the numbers show, productivity is critical to lowering costs. Reducing HR to a factory setting devalues the output and, sadly, the individuals performing the work. It doesn't take very long before HR practitioners are so disengaged that everything is done by rote and accountability disappears. A demoralized HR operation, however remote, ultimately undermines mission performance. This link needs to be reestablished quickly.

**#5: Business Process | Eliminate Category Rating.** Heralded as a solution to the time-to-hire problem and trumpeted to eliminate KSAs, Category Rating was not only oversold, it was a purely political maneuver that directly contributed to the decline in overall HR productivity. Then-OPM Director John Berry ignored the warnings of expert and experienced HR practitioners and Chief Human Capital Officers. Slyly, in closed-door sessions, Category Rating was communicated as a way around veterans' preference, which was, and still is perceived by many, to be a barrier to hiring highly qualified candidates.

The previously referenced cancellation rate of referral lists shows the actual impact of this policy. When category rating was combined with ill-fitting software products, like USAStaffing, and bizarre qualification requirements, the cumulative effect was devastating on the government's ability to hire. Similarly, reversing direction will reverse these adverse impacts.

Category Rating is unwieldy and did nothing to eliminate KSAs or improve hiring cycle time. It also masked the real causes of the government's hiring problems by creating a superficial workaround. Part of the reason is that OPM's own workforce has so few HR practitioners and true HR expertise. With only 7% of its workforce in the HR field, it is bound to continue to make serious and damaging



policy mistakes. OPM must first clean its own house before foisting ill-conceived policies on the government as a whole.

It's fair to say that Category Rating, which appeared to make the process easier for the applicant by eliminating the KSA essays, did not make it better or fairer for the applicant — and it had the unintended consequence of elongating the hiring process. Instead of reducing time-to-hire, it extended it because an HR specialist now pored over a résumé to connect the dots between the résumé and the KSAs.

This ultimately resulted in agency warnings to applicants to make sure résumés contained easy-to-identify information demonstrating possession of a particular KSA. Some agencies went further to ask the applicant to identify where within the résumé the related work experience was described. In the end, these practices effectively neutralized any gain made by the mandate to use Category Rating.

Category Rating did refer more applicants to managers. Extremely high volumes of applicants flowed into the Federal government, largely due to the jobs slump occurring at the same time that category rating rules were made mandatory. Record volumes also meant record numbers of veteran applicants, particularly at the close of the Iraq and Afghanistan wars. Under Category Rating, priority candidates were veterans — the same as with Rule of Three. The net result of Category Rating was the same as experienced under the Rule of Three — which is priority consideration is given to veterans before other categories of applicants could be considered.

To a hiring manager, there isn't much difference between Category Rating and the Rule of Three. To an HR operation, the difference is a much higher workload. — so high that many agencies are posting job opportunities that close as soon as a "sufficient" number of applicants have applied. This can mean as few as 10, for example. The result of this workaround is that job postings may appear for as little as 24 hours.

In its May 2014 "Embracing Change: CHCOs Rising to the Challenge of an Altered Landscape," the Partnership for Public Service (PPS) notes, *"A significant issue raised in our interviews, however, is that the federal hiring process has evolved significantly since the Veterans Preference Act of 1944, as has the manner in which veterans' preference is applied and the weight that it carries. Several CHCOs noted, for example, that it is becoming increasingly difficult to achieve other public policy objectives, such as those contained in a 2011 executive order on diversity in hiring. No one we interviewed suggested that veterans' preference be discontinued, but a number did suggest it could be applied more strategically and in a way that takes into account changes in the hiring process itself."*



**Forty-seven percent of chief human capital officers and other federal HR leaders are not using the Pathways program at all or using it only to a 'limited extent,' according to a recent survey.**

**The survey noted comments of HR leaders using Pathways, rating the program as poor at meeting their agency's needs.**

**The biggest criticism: Agencies are mandated to accept applications from all sources, regardless of agency need or circumstance.**

SOURCE: Federal News Radio, Partnership for Public Service, Grant Thornton

Instead of elevating the veteran, veterans' preference has become the Federal thing to "get around" in order to hire "qualified" candidates. Veterans' preference is sinking under the weight of an unwieldy set of regulations and oversight requirements.

Also, MSPB's assertions that veterans' preference is "extremely complex" should not be interpreted to mean that veterans' preference laws make the hiring process more complex. It is not veterans' preference that has made Federal hiring complex – the culprit rests with the plethora of regulations that each Federal HR office must apply – or lose the hiring authority delegated to it by its Department or OPM.

A former OPM official once characterized the agency as "pathologically preoccupied with purity." Oversight and ensuring compliance with regulation is a necessary function of both OPM and MSPB – but when regulatory compliance devolves into a painstaking examination of procedural nits, oversight becomes nothing more than an assessment of paperwork purity. The purpose of oversight is actually programmatic improvement. The net effect should be to ameliorate, not worsen the condition of Federal hiring practices.

It is time for an honest appraisal of what works, what does not, and whether what does work for HR also furthers accomplishment of mission — and Category Rating does not work.

All concerned should promote strengthening veterans' preference as a remediation tool and rewarding agencies that have achieved a balanced representation of veterans in their workforce while mandating corrective actions when the balance is not achieved or sustained. A simple annual report, showing the representation of employed veterans as comparable to the representation of veterans in the labor force, is more effective, less harmful to veterans, and more in keeping with the concept of merit-based hiring. If an agency shows underrepresentation, then require the agency to apply veterans' preference until it has remediated the problem.

The last major hurdle to fixing the hiring mess is to change the thinking of federal HR practitioners. Moving from transactional processing to strategic engagement is not easy to implement and not the chosen path of many in the profession. Changing minds and gaining support takes committed leadership. And OPM needs to prioritize its policy mission ahead of its fee-for-service line of business. It's time to restore OPM's mission as well.

Until then, the numbers speak for themselves.