



**Testimony of**

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**On**

**From Candidates, to Change Makers:  
Recruiting and Hiring the Next Generation of Federal Employees**

**Before the**

**Subcommittee on Oversight of Government Management,  
the Federal Workforce, and the District of Columbia**

**United States Senate**

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Chairman Akaka, Ranking Member Voinovich, and members of the Subcommittee, thank you for the opportunity to appear before you to review the challenges to recruiting and hiring candidates for federal government jobs and to offer some recommendations in that regard. As you know, the National Treasury Employees Union (NTEU) represents more than 150,000 federal employees in over 31 different agencies and departments throughout the government.

Because we have had no comprehensive approach to hiring in the government since the Professional and Administrative Careers Examination (PACE) was thrown out in 1979, agencies have been tinkering with ways to attract and hire new employees. Unfortunately, that tinkering has often resulted in a narrow applicant pool and the end of fair and open competition for federal jobs. MSPB has found that between 2001 and 2004, competitive examining was used for only 29 percent of total hires (Page 31, “Reforming Federal Hiring: beyond Faster and Cheaper, Sept. 2006). I will address this first problem in greater detail.

## **HIRING IN THE FEDERAL GOVERNMENT**

**FCIP:** One of the tools that agencies increasingly rely on is the Federal Career Intern Program (FCIP). FCIP was created in 2000 as an excepted service authority to bring new employees into the government. Originally, FCIP was explained to us as a

short-term remedy to fix the lack of a coordinated system of hiring. Unfortunately, because OPM placed very few restrictions on the program, the use of FCIP has skyrocketed in recent years. For the last four years, virtually every Customs and Border Protection Officer hired by DHS was hired under FCIP.

There are many problems with this approach and NTEU has challenged FCIP in two different lawsuits. We believe that FCIP rules give agencies excessively broad discretion to depart from the carefully designed and statutorily mandated competitive examination and selection requirements for the federal civil service. Vacancy announcements do not have to be posted, veterans preference rights are diminished, and agencies have discretion to make selection decisions without following rating and ranking processes or merit promotion plans. They also create a de facto two- or three-year probationary period, instead of the standard one-year period for entry level positions in the competitive service. As a result, many agencies have adopted the FCIP as the hiring method of choice, often at the expense of fair and open competition.

Far from being the limited special-focus hiring tool, aimed at providing structured, two-year training and development “internships”, it is now the tool of choice. It is not just CBP that uses FCIP almost exclusively in its hiring. The IRS now fills positions such as Revenue Officer and Revenue Agent using FCIP, and the FDIC has begun filling most entry-level positions using FCIP. In addition, the MSPB has shown that widespread use of the FCIP can narrow the applicant pool and create the perception of “unfair, arbitrary, or inequitable treatment” (p. 34, Sept. 06 report).

**Rule of Three:** Hiring in the Federal Government used to be governed by the “rule of three”, where applicants were assessed and ranked based on a numerical score. A “certificate of eligibles” was assembled, points were added for veteran’s preference and the selecting official could hire a candidate from among the top three names on the list. Many managers felt that their choices were too limited by this system, and in the Homeland Security Act of 2002, federal agencies were granted the ability to use “category rating” instead of the rule of three. Category rating allows selecting officials to have a group of candidates, instead of a list of three names. Although this new system was touted as better suited to assess candidates, hardly any agencies are actually using it. With little guidance from OPM on how to use it or how to develop policies to use it, category rating has failed in its goal of streamlining the hiring process in the federal government. We have now been years without any kind of comprehensive scheme that will provide easy access to jobs for people seeking to work in the federal government. The only response by OPM has been that it is too costly to design a new system. We need to provide agencies with a pool of qualified candidates within the competitive service. OPM is the logical choice to take the lead on developing this system.

## **FINDING A JOB**

Everyone has heard some horror story about a person trying to get a job in the government. If you can actually navigate the USAJOBS web site, which is not very user friendly – it uses terms of art that cannot be easily understood and are not defined, like

Career-Conditional and Excepted Service, and it has the irritating habit of kicking you out in the middle of a search – you could wait for months and sometimes up to a year to hear from the agency to which you applied. Even if you do get called in for an interview, the backlog for background investigations can add another year to your wait for employment and there are so many more jobs that require a background investigation. Many people get discouraged and find other work.

We believe that OPM needs to step up its marketing and outreach particularly to younger workers. We would like to see a kind of blueprint put together, and funded by Congress, that would include TV ads, college campus tours, and job fairs.

We have seen much in the media about the upcoming retirement tsunami, but there's another problem behind that one. The federal government did very little hiring in the 1990's while at the same time, the workforce was reduced by about 400,000 workers. We're not only losing one layer of workforce in the next 10 years. There's no one behind them to do the jobs! We would also like to work with you, Mr. Chairman, to develop ways to attract older workers to federal jobs without impacting on new hires or on promotions for current employees.

## **EXISTING RECRUITMENT AND RETENTION FLEXIBILITIES**

One of the most frustrating things I hear is that if only management had more flexibility, they could recruit and retain employees much easier. It is frustrating to me, because there are already flexibilities available to managers that they rarely use.

Agencies can provide recruitment bonuses to employees in difficult to fill positions. They can provide relocation assistance. They can pay a retention bonus to retain an employee they deem essential. There is a student loan repayment program. In special circumstances, you can match previous private sector annual leave. Telework is an underutilized option. Flexitime schedules are available. With greater use of these flexibilities, I believe we can attract more workers. I understand that in many cases, agency budgets have been slashed so significantly that there is no money for these flexibilities. Maybe we need to consider mandating that funds be allocated to these accounts so that they can really be used. There are ways to improve hiring in the federal government that do not involve demolishing the merit system.

## **MAKING THE FEDERAL GOVERNMENT AN EMPLOYER OF CHOICE**

Looked at from the outside, the federal government as an employer seems pretty good. People see job security, good benefits, and an ability to make a difference. From the inside, workers see their jobs threatened by contracting out competitions, with money needlessly spent proving they can do their jobs efficiently; they see a continual assault on their benefits, paying more for less every year; and, they feel that although they work in the federal government because they want to make a difference, often management does not respect their dedication. Some have it worse than others.

The Department of Homeland Security initiated an annual survey of its workforce after consistently ranking at or near the bottom on all key questions of the OPM bi-annual

survey of federal employees government-wide. The employees of DHS overwhelmingly believe in what they do and regard it as an important part of our nation's safety. Unfortunately, that is about the only good news. 30% of the U.S. Customs and Border Protection (CBP) employees responded that they were satisfied with their involvement in workplace decisions. A mere 27.1% believe their leaders generate high levels of motivation and commitment. At the Transportation Security Administration (TSA), only 20.9% of the employees believe that promotions are based on merit. Only 22.7% felt that creativity and innovation are rewarded, and this is in a position where we need to reward innovative thinking.

Our Transportation Security Officers at our airports are subject to most of the management flexibilities this Administration often points to as advancing the recruitment and retention of a high quality workforce. Those "flexibilities" have resulted in one of the most egregious personnel systems in the government. With management given a free rein, there is no job security, bonus points are distributed by favoritism, scheduling is at the whim of management, ten minutes late is AWOL and goes in your file, and you can be fired and told to go home without ever knowing why. Grievances, filed in accordance with the TSA grievance rules, sit stacked on a desk. No one looks at them. All this and the lowest pay in the government, the lowest morale and the highest rate of attrition and injuries. TSA is no showcase for anything except the worst case scenario when the merit system is not followed.

I believe we have it in our power to fix these problems in recruitment and retention in the federal government. I think that OPM has to take a leadership role with the other agencies, providing the kind of resources that will really help agencies improve their hiring and retention efforts. We need to have a depository of good ideas for agencies to use. We need a comprehensive plan to get back to the place where we attract the “best and the brightest” this country has to offer. The federal government’s missions will be complicated in the years ahead. Let’s try to create a workforce that will help us through them.