

# Written Testimony of Max Stier President and CEO, Partnership for Public Service

Prepared for

The Senate Committee on Homeland Security and
Governmental Affairs
Subcommittee on the Oversight of Government Management,
the Federal Workforce and the District of Columbia

Hearing Entitled,
"Uncle Sam Wants You!: Recruitment in the Federal
Government"

May 7, 2009

Chairman Akaka, Senator Voinovich, Members of the Subcommittee, thank you very much for the opportunity to appear before you today. I am Max Stier, President and CEO of the Partnership for Public Service, a nonpartisan, nonprofit organization dedicated to revitalizing the federal civil service. We appreciate your invitation to discuss recruitment and hiring in the federal government, particularly during *Public Service Recognition Week*, which you have made possible. A skilled and dedicated workforce is absolutely essential to fulfilling the many missions of the federal government on behalf of our nation, and we are honored to share with you our perspective on the challenges of building and maintaining a world-class federal civil service.

The Partnership has two principal areas of focus. First, we work to inspire new talent to join federal service. Second, we work with government leaders to help transform government so that the best and brightest will enter, stay and succeed in meeting the challenges of our nation. That includes all aspects of how we manage people, from attracting them to government, leading them, supporting their development and managing performance; in short, all the essential ingredients for forming and keeping a winning team. Given those objectives, we are highly encouraged by this Subcommittee's interest in fixing one of the most serious barriers the federal government faces in employing the right people with the right skills, and that is the federal hiring process.

In this testimony, I will share the Partnership's views on the most significant challenges in recruitment and hiring, our recommendations for improvement, and our comments on S. 736, the *Federal Hiring Process Improvement Act of 2009*.

#### **An Urgent Need for Action**

Today, our nation faces challenges of unprecedented complexity – from an economy in crisis to piracy on the high seas, from pandemic flu to the search for alternative sources of energy. While intelligent people can disagree on the optimal size of government, or the appropriate reach of government, there can be no disagreement that Americans need and deserve *effective* government -- and the key to good government is good people *in* government.

Meeting the challenges before us will require nothing less than a rebuilding and a revitalization of our federal workforce. A record number of experienced federal workers will soon retire, resign or otherwise leave the government and will need to be replaced. At the same time, the federal government's hiring needs are also growing in response to the stimulus legislation, new or expanded programs, and the goal of having federal employees assume some functions currently done by contract employees. We project that the federal government will make over 580,000 full-time, permanent new hires through 2012. Potential applicants are out there – indeed, the number of applications for federal employment doubled this year over last year – but the challenge is to attract and hire the *right* people with the *right* skills that government so desperately needs. Another challenge for our government is to retain and develop talented individuals already in the federal workforce. Aggressive and immediate action is needed to strengthen the federal

civil service, match new skills to current challenges, and build a government that the public deserves and the times demand.

Mr. Chairman, I believe that we have a once-in-a-lifetime opportunity to revitalize our federal government. What we do now will have major implications for how we cope with immediate crises like the H1N1 virus and how well we ensure our nation's long-term prosperity. And the success or failure of government is linked directly to the health of our federal workforce and its capacity to execute and implement government policies effectively. With the stakes so high, the focus of today's Subcommittee hearing could not be more needed, or more timely.

Current challenges are changing the way that Americans look at government. Citizens are looking to our government for solutions in numbers not seen since the Great Depression. It is imperative that government has the in-house skills and expertise needed to deliver results. This is an exceedingly rare opportunity for the federal government to regain the trust of the American people – let's not waste it.

# I. Attracting, Recruiting and Hiring the Right Talent

The federal government will live up to its potential in serving the American people only when our best and brightest answer the call to federal service and have strong leaders who empower them to perform at their best. The government faces significant hurdles in finding, recruiting, assessing and hiring individuals with critical skills that government needs today.

#### **Demographic challenges add urgency**

In our 2008 "Brain Drain" issue brief, the Partnership reported that over a five-year period, federal agencies will lose nearly 530,000 employees, the majority through retirement. While this projected number may be slightly smaller today as people defer retirement due to the economic crisis, we can say with confidence that at a minimum, the federal government is facing a drain of experienced talent. At best, these losses could adversely impact the delivery of services to the public; at worst, they could cripple our ability to meet core government functions.

Many of the individuals nearing retirement hold leadership and critical skills positions. Among those employed in federal service in January 2008, 76 percent of the Senior Executive Service – government's elite cadre of senior managers – will be eligible to retire by 2012. We have also projected that by 2012, retirements at 23 large agencies will near 20 percent of their workforces. These include agencies that provide direct and highly visible services to the public, such as the Federal Aviation Administration and the Social Security Administration. The Department of Defense, the largest federal agency, is expected to lose close to 20 percent of its more than 600,000 civilian employees through retirement from 2008 through 2012.

The problem is further compounded by an insufficient number of younger employees in federal service. There simply are not enough young employees working in government today to support the future demands of the workforce. According to Bureau of Labor Statistics and Office of Personnel Management (OPM) data from 2008, the federal civil service has a greater percentage of workers over the age of 45 (58.1%) than the overall U.S. workforce (42.2%). A graying workforce makes identifying the next generation of public servants all the more urgent – but as this Subcommittee well knows, young talent is often discouraged by the federal hiring process, discussed later in this testimony.

### The federal government is an attractive employer

Many people inside and outside of government lament a lack of interest in government service by job seekers in general. Research by the Partnership, however, refutes this assumption, emphatically. Indeed, there is a high level of interest in government service among all age groups, from young people graduating from college to more seasoned professionals looking for encore careers.

Our January 2009 report, "Great Expectations: What Students Want in an Employer and How Federal Agencies Can Deliver It," found that government/public service is the most popular industry choice out of 46 options among the undergraduates surveyed. We also found, however, that interest in government service is lower among groups government needs most, including students with technical and scientific majors.

Young people are not the only talent source for government. In January 2007, the Partnership launched *FedExperience*, an initiative to enhance government's recruitment of experienced workers and enlist potential partners to fuel interest in federal service. We learned through our *FedExperience* survey research<sup>1</sup> that older Americans, including those who have retired from successful private sector and other careers, make attractive candidates to fill government's many critical vacancies – and better yet, we know that many of them are interested in doing so. About 53 percent of older workers surveyed are at least somewhat interested in working for the federal government, with 26 percent highly interested.

The barrier to recruiting individuals to government service is not a lack of interest, but rather, a lack of information about job opportunities and a negative view of federal hiring.

#### Lack of information is a barrier to recruitment

Our nation's military spends millions of dollars on highly-targeted marketing campaigns to recruit new uniformed military personnel, but when it comes to attracting young people to the civilian workforce, agencies are largely flying blind. Much more needs to be done to understand how federal agencies can best inform new talent about job opportunities and attract them to federal service.

<sup>1</sup> Partnership for Public Service, A Golden Opportunity: Recruiting Baby Boomers Into Government (2007).

3

The *Call to Serve* program is a joint OPM/Partnership effort to connect federal agencies to the tremendous source of new talent graduating from our nation's colleges and universities. The network includes over 75 federal agencies and over 660 colleges and universities from all 50 states who are doing more to educate young people about internship and job opportunities in the federal government.

To improve the efficiency and effectiveness of federal hiring efforts, the House and Senate Appropriations Committees provided \$600,000 in fiscal year 2006 to the Partnership and OPM for the *Call to Serve Recruitment Initiative*. The *Recruitment Initiative* was a study on five college campuses designed to identify successful, cost-effective agency recruitment practices that are sustainable and replicable across different campuses to increase student awareness of, and interest in, federal jobs. We found that on the whole, college students are very interested in federal service but lack knowledge about federal opportunities. Forty-two percent of college juniors and seniors said that they were extremely or very interested in federal government jobs — only eight points lower than the interest in large private sector companies. The greatest challenge for agencies, however, is that only 13 percent of students said they felt extremely or very knowledgeable about federal jobs. Further, fewer than two in ten faculty and advisors — those who help influence student decisions — felt they were knowledgeable about federal jobs and the process of finding and applying for those opportunities.

According to our survey, students need more information about the types of opportunities that exist in the federal government. They need to understand how to find and apply for a federal internship or job, and they seek information that is tailored to their particular interests and background. Federal agencies would do well to remember that "high touch" is as important as "high tech;" while technology may aid in recruitment efforts and provide access to information, there is no substitute for personal connections – family, friends and faculty, among others -- when it comes to generating interest.

In addition, students search for positions where they can do interesting work and where they will have an opportunity to make a difference. Recruiters will be more successful if they can dispel myths about federal service, emphasize opportunities to serve the greater good and put a face on government, which is often perceived as overly bureaucratic. (Indeed, 53 percent of students cite bureaucracy as the reason they would <u>not</u> want to work for the federal government.) Agencies should strategically target their recruitment efforts on campuses and should build and maintain relationships with faculty advisors and career services professionals. Recruiters could also be more successful by highlighting the government workplace flexibilities that contribute to work/life balance, one of the most important job attributes that young employees are seeking.

The Partnership has built on the findings of the *Recruitment Initiative* in several exciting ways:

• We have created the *Federal Service Student Ambassadors* program, which develops a corps of passionate student advocates who actively promote government service on campus following their completion of a federal summer internship.

- We have created <u>www.MakingTheDifference.org</u>, a website dedicated to educating students on finding and applying for federal jobs and internships. This website ranks #1 in a Google search for "federal internships."
- Our *Annenberg Speakers Bureau* is a dynamic, diverse group of federal employees who educate audiences about the federal workforce and inspire a new generation to serve. Speakers visit college campuses and other student venues to promote public service and provide resources that will raise awareness of federal opportunities among young people.
- We recommend policies that would improve government's ability to tap into the
  talent on our nation's campuses; for example, our recent report entitled *Leaving*Talent on the Table: The Need to Capitalize on High Performing Student Interns,
  outlines recommendations to help the federal government end its benign neglect of
  student internship programs and use this valuable resource to hire talented young
  professionals, improve government performance and better serve the American
  people.
- Through our *FedRecruit* initiative, we are helping a small group of federal agencies identify, attract and recruit entry-level talent in key fields. We are currently in phase one of this project and are working with three agencies to recruit acquisition professionals; phases two and three will seek to recruit information technology specialists and nurses, respectively, to federal service.

The college and university population is just one place where the federal government can find new talent; federal hiring needs are so acute that it makes sense for federal agencies to tap <u>many</u> pipelines of talent, including the millions of highly-skilled older workers in all sectors of the economy. This is especially important as many initiatives identified in the stimulus legislation and recovery plans require the skill and talents of experienced workers who, in many cases, need to continue to work.

To help address government's critical talent needs, the Partnership for Public Service launched the *FedExperience* pilot program with federal agencies, corporate partners, and other stakeholders to match government's critical hiring needs with the talents of experienced, older workers. There is substantial interest in pursuing federal "encore" employment opportunities among America's tens of millions of baby boomers – and these boomers possess the types of skills, experience and commitment our government needs. However, their knowledge about federal jobs is low. Only 11% of older Americans surveyed indicated they are very knowledgeable about employment opportunities in the federal government.

To take advantage of the interests and skills of baby boomers and to increase their knowledge of federal jobs, the *FedExperience* pilot program explores new and expanded means for government to overcome institutional barriers and tap into the growing talent source of experienced workers. This includes the design of specific strategies for marketing federal job opportunities to this talent pool, use of targeted recruitment and enhanced hiring processes to obtain proven talent, and better orientation, onboarding and retention of mature workers so their contributions will continue into the future.

#### Existing personnel flexibilities are under-utilized

Federal agencies have access to a variety of personnel flexibilities that enable them to recruit, retain and manage their workforces. However, use of these existing tools is uneven at best. The tools and authorities available to federal agencies are many, and include recruitment, retention and relocation bonuses; student loan repayment incentives; direct hiring authority; critical pay authority; non-competitive conversion authority; and category ranking, among others.

Not all personnel authorities just mentioned are right for all agencies. Rather, they comprise a "tool-kit" for agencies seeking to shape their workforces and to fit the right talent in the right jobs. Some agencies, like the State Department and the Government Accountability Office, have found that offering student loan repayment is a powerful incentive for young talent considering federal service. Yet, on the whole, federal agencies do not appear to be using these tools to their best advantage. This is due in part to a lack of resources, a lack of familiarity with available tools and how to use them, and the need for additional guidance from OPM.

We will also note that not all of the tools just mentioned require a significant expense. For example, our new report, *Leaving Talent on the Table: The Need to Capitalize on High-Performing Student Interns*, reported that federal internships are a grossly underutilized tool for identifying and assessing potential new talent. In 2007, 59,510 students participated in the federal government's largest internship programs, the Student Temporary Experience Program (STEP) and the Student Career Experience Program (SCEP). The vast majority of these students – 45,000 – participated in the STEP program, but only SCEP offers a built-in mechanism that makes it relatively easy for federal agencies to offer permanent employment to interns with desirable skills and aptitudes. Many federal agencies make little use of SCEP, the internship program that provides the best chance for a student to convert to full-time civil service employment. The result is that only 6.6 percent of student interns in these programs were converted to permanent full-time jobs in 2007, a dismal rate when one considers that the private sector hired 50 percent of their interns into permanent positions. Surely, the federal government can and must do better.

# The federal hiring process is broken.

Mr. Chairman and members of the Subcommittee, the federal hiring process is the biggest obstacle to bringing much-needed new talent into the federal workforce. Your legislation, S. 736, the *Federal Hiring Process Improvement Act*, comes at a critical time for our government.

Long a source of frustration for agencies and applicants alike, the federal hiring process is not designed with applicants in mind and it discourages talent from all sources from pursuing federal service. A Partnership review of hiring at selected agencies revealed that the process for hiring a single employee can include more than 110 steps. Some federal job applicants wait a year, or longer, before receiving a job offer. And some

potential workers do not wait at all because the job announcement itself discourages them from applying in the first place. Sometimes running 10, 20 or even more pages in print form, federal job announcements are frequently confusing and filled with jargon indecipherable to the average person. Federal agencies often require applicants to submit college transcripts in short job application timeframes and to customize resumes to meet specific agency requirements. Also, agencies generally do a poor job of keeping applicants informed of the status of their applications — a basic courtesy that should be afforded to all job seekers. The end result is a difficult, lengthy and complex process that discourages many highly skilled candidates from pursuing federal service — and worse, once a hire is made, many managers are unhappy with the result.

The Partnership recently reached out to the career placement offices in the colleges and universities who are part of our *Call to Serve* network with a survey about changes in student interest in federal jobs and internships. Out of 258 respondents, 41 of them volunteered written comments on the problems with the application and hiring processes, USAJOBS, and the length of time it takes to respond to job applications. In our experience, for such a high number of respondents to volunteer written comments is a clear signal as to the depth and breadth of applicant discontent with federal hiring. Among the comments we received are the following:

- "Listings of jobs are incredibly wordy and filled with government-ese language that puts students off."
- "Any beginning interest or curiosity from students just discovering the arena of federal jobs and internships often tends to dissolve once they learn more about the application process, the need to customize each resume to a particular job or internship, KSA demands, et cetera. It's often simply just more work and effort than they want or choose to make, no matter how promising the jobs or internships might be."
- "While student interest is high, their frustrations with the slow process continue to be a hindrance. They are also confused by the multiple sites they must consider in their job search."

To its credit, the Office of Personnel Management undertook an interagency effort last year to improve the federal hiring process, and we are encouraged that the new director of OPM, John Berry, has said he will make improving federal hiring a priority. Given the nature of the problem, this effort will need to be sustained and given a high priority over an extended period of time. While good progress is being made, there is no time to waste.

We believe that, at a minimum, all agencies should adopt a user-friendly application process (for example, allowing a resume to serve as an application whenever possible); clearly written job announcements; timely and useful information about the status of an application; and a timely hiring decision. We strongly support S. 736, the *Federal Hiring Process Improvement Act*, which was introduced last month by Chairman Akaka and Senator Voinovich. This bipartisan legislation will make the federal hiring process more applicant-friendly, measure hiring effectiveness and train agency human resources

professionals. The Partnership strongly encourages the Subcommittee to make this legislation a top priority, and we offer specific comments on the bill below.

## II. S. 736, the Federal Hiring Process Improvement Act

Mr. Chairman, Senator Voinovich, the Partnership for Public Service strongly supports S. 736, the *Federal Hiring Process Improvement Act of 2009*. Your bill takes the very necessary step of rethinking federal hiring from the perspective of an applicant, and it sets ambitious improvement objectives for both OPM and federal agencies.

The many strengths of S. 736 include:

- the requirement for each agency to develop a strategic workforce plan that includes hiring projections and recruitment strategies;
- the requirement to make those hiring projections public;
- the requirement that agencies seek to target a diverse set of applicants and to build relationships with targeted applicant pools;
- the emphasis on "plain writing" in job announcements;
- allowing a cover letter, resume and responses to a few brief questions to serve as application for employment;
- not imposing lengthy written requirements such as knowledge, skills and ability essays as part of an initial application;
- not requiring the submission of additional material in support of an application unless necessary to complete the hiring process;
- requirements to involve the hiring manager in the hiring process;
- the requirement to keep applicants informed as to the status of their application;
- the training provided for human resources professionals; and,
- the measures of federal hiring effectiveness.

We believe this excellent bill can be enhanced even further with a few additional modifications, which we submit for the Subcommittee's consideration:

- Applicant assessment Hiring well demands more than identifying, attracting and recruiting new talent; it also requires an effective system for assessing job applicants and their qualifications. We suggest that Section 5(a) on the application process include language to provide for "a valid, job-related assessment process to help identify the best candidates for the position to be filled and which does not place an unreasonable burden upon potential applicants."
- Student internships Student employment and internship programs present an ideal opportunity for federal agencies to see student employees in action, assess their performance and identify those who would be strong candidates for permanent employment yet few federal agencies make good use of student employment programs for this purpose. We suggest including language under Section 9 on measures of federal hiring effectiveness to require agencies to

measure and collect data on their use of student employees as a talent pool for permanent hires.

- Strategic workforce planning We applaud the requirement in Section 3 that agencies prepare and submit strategic workforce plans. We encourage the Subcommittee to consider whether OPM should be directed to use the agency plans as the basis for a government-wide strategic workforce plan that would take into account the multi-sector workforce and address the capacity of federal employees to manage contractors and other non-federal employees who are doing the work of government.
- Mapping the current process Section 8 of the bill directs the head of each agency to develop a plan to reduce the length of the hiring process. Based on our experience, we believe that this must start with an analysis and mapping of each agency's current hiring process to allow for a thorough understanding of the bottlenecks and a clear view of the opportunities for improvement. We encourage the Subcommittee to include language requiring an analysis and mapping of the current process in each agency in accordance with standards established by OPM.
- Timely release of data S. 736 requires that each agency's measures of hiring effectiveness (Section 9) be provided to OPM, and that OPM provide the information to Congress and the public in a consistent format. To ensure that such data are made available to the public in a timely manner, we suggest adding language to require that OPM provide the required information to the public within 90 days of receiving it from the agencies.
- Resources S. 736 authorizes additional resources for OPM to meet its
  responsibilities under the Act. We encourage the Subcommittee to consider
  including some recognition in the bill that other federal agencies will also need to
  devote resources to implementing the bill's requirements, even if it is through a
  reallocation of existing resources.
- Applicant inventory The bill requires that OPM establish and maintain an inventory of job applicants. We recommend ensuring that this inventory, if established, allows agencies to search applicants based on useful criteria (e.g., occupation, skills, geography and/or prior experience). We also suggest that this inventory should be clearly separate and apart from any specific job announcements or applications a candidate may submit.

#### **III. Additional Recommendations**

In addition to our suggestions regarding S. 736, the *Federal Hiring Process Improvement Act*, the Partnership is pleased to offer the following recommendations to the Subcommittee as you pursue your legislative and oversight agenda regarding federal recruitment and hiring:

- 1. Congress should build new pipelines of mission-critical talent into government by passing the *Roosevelt Scholars Act*, a proposal to fund education in key fields in exchange for a federal service commitment.
- 2. Better and more frequent data are essential for Congress to conduct necessary oversight of how agencies are managing the federal workforce. We recommend that the Office of Personnel Management conduct the Federal Human Capital Survey on an annual basis, and release the data as soon as its accuracy can be assured. This will enable federal agencies to make real-time course corrections where needed; provide an annual benchmark capability by providing consistent data across agency lines; and provide Congress a more timely and informative oversight tool.
- 3. Federal agencies must re-imagine and reinvent the ways in which they recruit, assess, hire and utilize employees. Government's hiring needs range from entry level to experienced personnel working under a variety of work arrangements, including full-time permanent, part-time and temporary jobs. Agencies must become increasingly nimble and creative in reaching out to a diverse pool of candidates at different points in their careers. Congress should encourage agency efforts to adapt their recruiting, assessment and hiring practices so that the most talented external and internal candidates with needed skills are recruited and then have a fair opportunity to compete for federal jobs based on their education and experience.
- 4. Congress must ensure that federal agencies measure the impact of various human resources tools and how they are used, or not used, toward the goals of recruiting, hiring and retaining the right talent from diverse talent pools. We encourage Congress to ask for the collection of metrics to assess how agencies are using these flexibilities, which flexibilities are most effective at attracting and retaining particular demographic groups, whether using flexibilities are resulting in good hires for government and how flexibilities can be used more effectively. We also encourage the collection of data from employees; for example, a periodic third-party exit survey of departing employees would do much to shed light on the factors that contribute to employee engagement, including the tools and practices that might have been more successful in attracting and keeping needed talent.
- 5. Congress should provide resources for federal agencies so that they are able to make the best possible use of the flexibilities that are available. Without adequate funding, agencies will be severely constrained in their use of human resources tools to recruit, hire, retain and develop the right talent for government. Congress may wish to consider reserving funds specifically for investments in (a) federal workforce recruitment, retention and development, and (b) training and developing the federal human resources workforce. Investing in talent is an investment that will more than pay for itself over time.

### Conclusion

The Partnership believes that the way to better government is through people. No federal agency can succeed if it does not have enough of the right people with the right skills to get the job done. While we have long argued that more investment in the capacity of the federal workforce is desperately needed, recent economic and public health challenges add a new sense of urgency to your efforts to help our government improve its recruitment and hiring.

We applaud the Subcommittee for holding this hearing – especially during *Public Service Recognition Week* – and we look forward to working with you to ensure the passage of S. 736, the *Federal Hiring Process Improvement Act of 2009*.

Thank you.