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# FROM CANDIDATES TO CHANGE MAKERS: RECRUITING AND HIRING THE NEXT GENERATION OF FEDERAL EMPLOYEES

## HEARING

BEFORE THE

OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA SUBCOMMITTEE

OF THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

ONE HUNDRED TENTH CONGRESS

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# FROM CANDIDATES TO CHANGE MAKERS: RECRUITING AND HIRING THE NEXT GENERATION OF FEDERAL EMPLOYEES

**THURSDAY, MAY 8, 2008**

U.S. SENATE,
SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT
MANAGEMENT, THE FEDERAL WORKFORCE,
AND THE DISTRICT OF COLUMBIA,
OF THE COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
*Washington, DC.*

The Subcommittee met, pursuant to notice, at 10:03 a.m., in Room SD–342, Dirksen Senate Office Building, Hon. Daniel K. Akaka, Chairman of the Subcommittee, presiding.

Present: Senators Akaka and Voinovich.

## OPENING STATEMENT OF SENATOR AKAKA

Senator AKAKA. This hearing will come to order.

Again, I want to thank you for joining us to discuss the Federal hiring process and how agencies can improve the way they recruit and evaluate the next generation of Federal employees. We would like at this point in time, to look at the 21 Century Federal workforce and look at it in terms of what we can do to make the recruitment and hiring process better.

Today, we are in a crisis. The hiring system is broken. Every day talented people interested in Federal service are turned away at the door. Too many Federal agencies have built entry barriers for younger workers; invested too little in human resources professionals; done too little to recruit the right candidates; and invented an evaluation process that discourages qualified candidates. As a result, high-quality candidates are abandoning the Federal Government.

The Federal Government has become the employer of the most persistent. The Office of Personnel Management estimates that 30 percent of the Federal workforce—approximately 600,000 employees—will retire in the next 5 years. Agencies have an opportunity and a challenge. The opportunity is to hire the next generation of highly talented and dedicated employees. The challenge is how to fix the recruitment and hiring process that is outdated and broken.

Senator Voinovich and I have been working on this, and he is a champion of moving this along as well.

OPM is responsible for rating agencies on their human capital activities, which includes hiring practices. Agencies receive a red,

yellow, or green rating depending on their improvement and success. Yet agencies receive green ratings for human capital, despite the fact that the hiring process is failing.

For example, Federal agencies still require applicants to answer knowledge, skills, and ability questions. Applicants are given 500 to 5,000 characters per answer to respond to many, often redundant, questions. According to the Merit Systems Protection Board report entitled "Attracting the Next Generation: A Look at Federal Entry-Level New Hires," the two greatest obstacles new hires faced were the length and complexity of the process. In the private sector, employers only require a resume and cover letter. Applying to the Federal Government should be just as easy.

The problem is not Congress. Since 2002, Congress has given agencies the flexibilities they need: Agencies no longer must rely on the rule of three; they can use category ratings; and they can get direct hire authority from OPM. However, in many cases Federal agencies are not using these authorities.

The competitive process is not the problem. The notion that merit system principles and veterans' preference are barriers to hiring is wrong. These are good management practices. Agencies need to adapt, just as the private sector has, to the culture of the next generation of Federal workers. For example, agencies should use new media marketing tools to attract young people into Federal service. Candidate-friendly applications that welcome cover letters and resumes should be implemented. Candidates should receive timely and informative feedback. And more pipelines into colleges and technical schools need to be developed to recruit candidates with diverse backgrounds.

The Federal Government is the largest employer in the United States. Federal service is a noble profession. This week—Public Service Recognition Week—we celebrate those men and women who make a commitment to serve their government in the military or civilian corps. In honoring these employees, we have an opportunity to recruit the next generation by highlighting inspiring Federal careers. Good people attract more good people. However, the positive impact of this week will not help agencies recruit if they continue to use outdated hiring practices.

I look forward to hearing about the efforts being made by OPM to address this issue and recommendations from other witnesses to improve recruitment and hiring at Federal agencies.

Now I would like to ask our Ranking Member for his statement. Senator Voinovich.

## OPENING STATEMENT OF SENATOR VOINOVICH

Senator VOINOVICH. Thank you, Mr. Chairman. We really appreciate your calling today's hearing, "From Candidates to Change Makers: Recruiting and Hiring the Next Generation of Federal Employees." That is a pretty good title.

Holding this hearing during Public Service Recognition Week is appropriate given our need to thank the men and women who serve our Nation through their service as Federal employees.

When we discuss hiring, we discuss a process that affects every individual employed by the government today. Making the right hiring decisions affects the current workforce's ability to continue

doing their jobs. It also is the same process these employees must go through when pursuing new opportunities within the government, including promotions.

Additionally, we need to convey to the thousands of men and women at all stages of their career that the Federal Government is more than just an employer, but a place where Americans can utilize and grow their skills in service to their Nation, making a difference to their Nation and their fellow man.

As the old cliche goes, you never get a second chance to make a first appearance. You need to convey to those Americans that the Federal Government wants them. If we do not, someone else will.

We know the challenges confronting the Federal Government. This Subcommittee has focused its attention on understanding and addressing those challenges for the past 9 years. We have discussed for years the human capital crisis that will ensue when the baby-boom generation begins retirement, and that has already begun.

Mr. Chairman, that era is here. The baby boomers are retiring. At the same time, the needs and demands on government continue to grow. OPM itself has identified certain areas of critical hiring importance: Air traffic controllers, Border Patrol officers, engineers, food inspectors, human resources specialists, nurses, visa examiners, patent examiners, scientists, veterinarians, accountants, and acquisition professionals. In addition, the Partnership for Public Service has estimated that over the next 2 years, the government will need to hire 193,000 new people to fill mission-critical jobs in fields such as security, public health, accounting and budget, engineering and sciences, and program management.

Over and over, we hear of the problems in the Federal hiring process: It takes too long, it is too burdensome, and so forth. The quality of technology has improved, but our processes have not. Just yesterday, Stephen Barr of the *Washington Post* hosted an online chat in which dozens of individuals wrote in expressing their frustrations with the process. I hear this at home constantly from people. They want to work for the Federal Government, but how do you get into the system?

Mr. Chairman, the Federal Government has a real image problem if this is the message conveyed to the American people about what it actually takes to come to work for the Federal Government. And I would like to just show you an example. I found three job postings or human resource professionals.

The first I found on the website for the *Washington Post,* and you can see clearly there are two pages, and it asks interested applicants to submit their resumes via e-mail. So it has got the basic, what the job is about, and asks them to submit their resume via e-mail.[1]

The second is a position at Google, which was ranked by *Fortune Magazine* as the Best Place to Work. Again, the initial requirement of applicants is to submit a resume and cover letter.

[1] The copies of applicants submitted by Senator Voinovich appears in the Appendix on page 126.

And, last, if there is an opening in the Federal Government, it asks for the same information, then proceeds to ask applicants to write narrative answers to eight additional questions.

Mr. Chairman, if I were looking for a job, I would be happy to write my cover letters and e-mail my resume to those two companies that I first mentioned on the charts. I do not know that I would have the time or patience to sit down and write letters to eight different questions for my initial application for a position. It just does not make any sense.

Certainly there is a place for this or similar assessment of applicants in the hiring process, but down the road, after you have been through the initial application, then you get into all this other stuff. But I am not convinced it is necessary to subject every applicant to this process. This does not say "welcome" to any prospective candidate. It does not say "Uncle Sam Wants You." This does nothing to dispel any preconceived notions that the Federal Government is nothing but a bureaucratic system that who in the world would want to go to work for.

Too often we have heard that processes exist for what I believe to be unacceptable reasons, such as "That is the way it has always been done." But to be an employer of choice, the government must understand what the competition is doing and adapt to the changing environment. How can we expect employees to lead change if they are first shown the government's inability to respond to what job seekers deserve and expect?

Mr. Chairman, I believe the current statute provides the Federal Government ample flexibility and opportunity for the human resources professionals to utilize a flexible and more dynamic hiring process if there was just the will and the desire to do things differently. And I just want to say this is very critical. We have been working, as Senator Akaka said, as a team for about 8 years to try and give more flexibility to the Federal Government so that we could recruit and retain and reward good people. The competition is very keen today. Everybody has a human capital crisis right across the board. And if the Federal Government is going to get the best and the brightest, we have got to adapt to what the competition is out there. And the competition makes it a lot easier to bring people on board, and that is what we need to do right now if we expect to provide the kind of services that the American people demand from us so that we have the right people with the right knowledge and skills at the right place at the right time.

Thank you.

Senator AKAKA. Thank you very much, Senator Voinovich. You can tell we are of the same mind. We have been working together on this, and I just want you to know we need your help to try to improve the system. That is what we are all about.

And so I would like to introduce our first panel: Robert Goldenkoff, Director of Strategic Issues, GAO, Government Accountability Office; Angela Bailey, Deputy Associate Director, Talent and Capacity Policy Center of the Strategic Human Resource Policy Division, Office of Personnel Management; John Crum, Acting Director, Office of Policy and Evaluation, Merit Systems Protection Board; and James McDermott, Chief Human Capital Officer, Nuclear Regulatory Commission.

As you know, our Subcommittee rules require that all witnesses be sworn in, and so I ask you to please stand and raise your right hand. Do you solemnly swear that the testimony you are about to give the Subcommittee is the truth, the whole truth, and nothing but the truth, so help you, God?

Mr. GOLDENKOFF. I do.

Ms. BAILEY. I do.

Mr. CRUM. I do.

Mr. MCDERMOTT. I do.

Senator AKAKA. Thank you.

Senator VOINOVICH. Mr. Chairman, could I just make one comment before the witnesses——

Senator AKAKA. Before you do, let me note for the record that our witnesses answered in the affirmative.

Senator Voinovich.

Senator VOINOVICH. I would like to say that I am glad that Mr. McDermott is here, and I would like to say, Mr. McDermott, that we worked very hard to provide flexibilities to the Nuclear Regulatory Commission because we anticipated some of the challenges that you would have. And I am glad that you are here today because I think you are going to portray what we could do in other agencies if we put our minds to it.

Thank you, Mr. Chairman.

Senator AKAKA. Well, thank you, Senator Voinovich.

Before we begin, I want to remind you that although your oral statement is limited to 5 minutes, your full written statements will be included in the record.

Mr. Goldenkoff, will you please proceed with your statement?

## TESTIMONY OF ROBERT N. GOLDENKOFF,[1] DIRECTOR, STRATEGIC ISSUES, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Mr. GOLDENKOFF. Thank you, Mr. Chairman and Senator Voinovich. I would like to thank you for the opportunity to be here today to discuss recruiting and hiring the next generation of Federal employees. I would like to commend the Subcommittee for timing this hearing to coincide with Public Service Recognition Week, which honors the employees at all levels of government who proudly serve our Nation and make life better for all of us.

Earlier this week, I visited the exhibits that Federal agencies have set up on The Mall to celebrate the contributions of their employees, and the importance of hiring a top-notch Civil Service employee was abundantly clear. From health care to homeland defense, Federal agencies are on the front lines of issues that have profound implications for our future economic growth, our standard of living, and our national security. The public has come to expect and needs a high-performing and responsive Federal workforce. However, as you know, the government is facing a looming retirement wave which could leave agencies with critical leadership and skill gaps. Restoring this talent could be a challenge as the Federal hiring process is cumbersome and often falls short of the needs of agencies and applicants, as we have just discussed.

[1] The prepared statement of Mr. Goldenkoff appears in the Appendix on page 39.

As requested, my testimony today will focus first on the challenges Federal agencies have faced in recruiting and hiring talented employees; second, the progress that has been made to date in addressing these challenges; and, third, additional actions that are needed to further strengthen the government's recruiting and hiring efforts.

Importantly, in my remarks this morning, I want to stress the following: Although a number of challenges still need to be addressed, in many ways the Federal Government is well positioned to hire the people it needs to carry out its diverse roles and responsibilities. Federal employment offers intangible rewards such as interesting work and opportunities to make a difference in the lives of others, as well as a variety of tangible benefits and work-life flexibilities that many job seekers look for in an employer.

Turning first to recruiting and hiring challenges facing Federal agencies, as you know, studies by us and others have pointed to such problems as passive recruitment strategies, unclear job vacancy announcements, and imprecise candidate assessment tools. These problems put the Federal Government at a competitive disadvantage when acquiring talent. The good news, however, is that in recent years, Congress, OPM, and agencies have taken a number of steps to improve the employment process. For example, as we have already mentioned, Congress has provided agencies with hiring flexibilities that could help agencies streamline their hiring processes and give agencies more latitude in selecting from among qualified job candidates. And for its part, OPM has, among other actions, sponsored job fairs across the country and has placed various tools on its website to help agencies improve and refine their hiring procedures.

Likewise, individual agencies have taken steps to meet their specific recruiting and hiring needs. For example, NASA has recruited workers with critical skills through a combination of techniques that have included improved compensation and benefits packages. While these actions are all positive trends, our past work has found that additional efforts are needed in four key areas: Strategic human capital planning, diversity management, existing flexibilities, and OPM's leadership.

First and foremost, Federal agencies will have to bolster their efforts in strategic human capital planning to ensure they have employees with the skills and competencies necessary to achieve their current goals as well as their future mission.

With respect to diversity management, to ensure that agencies are reaching out to diverse pools of talent, agencies must consider active recruitment strategies, such as widening the selection of schools from which they recruit. This can include, for example, more aggressive outreach to historically black colleges and universities, Hispanic-serving institutions, and women's college.

A third area for improvement is the appropriate use of human capital flexibilities. Although agencies have various flexibilities at their disposal to help them recruit and retain talent, agencies do not always make effective use of them.

A fourth area in need of greater attention is OPM leadership. OPM must continue to assist—and, as appropriate, require build-

ing of infrastructures within agencies needed to implement and sustain human capital reforms.

In summary, OPM and agencies have made progress in addressing many of the impediments to effective recruitment and hiring, but still, as I have discussed today, more can and must be done. With sustained and committed leadership, innovation, and planning on the part of Congress, OPM, and agencies, the Federal Government can brand itself as an employer of choice and successfully compete in the labor market for its fair share of the Nation's best and brightest individuals.

Mr. Chairman and Senator Voinovich, this concludes my prepared statement, and I would be happy to respond to any questions you may have.

Senator AKAKA. Thank you very much, Mr. Goldenkoff.

Ms. Bailey, please proceed with your statement.

**TESTIMONY OF ANGELA BAILEY,[1] DEPUTY ASSOCIATE DIRECTOR FOR TALENT AND CAPACITY POLICY, U.S. OFFICE OF PERSONNEL MANAGEMENT**

Ms. BAILEY. Thank you. Good morning, Chairman Akaka, Senator Voinovich, and Members of the Subcommittee. Thank you for this opportunity to highlight, during Public Service Recognition Week, the Office of Personnel Management's (OPM) mission to ensure the Federal Government has an effective civilian workforce—a workforce that draws on the strength of America's rich diversity of talent. In pursuing our mission, OPM must balance the needs of our agencies and job applicants with merit system principles and veterans' preference. We also are mindful of the responsibilities assigned to OPM under the President's Management Agenda concerning strategic management of human capital, and we are very appreciative of all of the work done by this Subcommittee over the last several years to provide needed flexibilities that are helping to improve Federal recruitment efforts and the overall Federal hiring process.

As the President's human resources advisor, OPM Director Linda Springer fully understands the importance of recruiting and employing the next generation of Federal workers.

OPM has expanded our efforts to reach out across the country to encourage Americans to join Federal service. We have used television ads to promote public service; we are highlighting our compensation and benefits packages; and we are promoting our telework and family-friendly policies, which are geared to the preferences and expectations of today's job seeker.

To help agencies better address their hiring needs at both ends of the employment spectrum, OPM developed a legislative proposal that would allow agencies—without coming to OPM for approval—to rehire annuitants on a part-time and/or time-limited basis under certain conditions, without a salary offset. These experienced workers, with their institutional knowledge, can help the next generation of employees integrate into an agency's workforce by serving as mentors and knowledge management facilitators, thus providing a seamless transition from generation to generation.

[1] The prepared statement of Ms. Bailey appears in the Appendix on page 54.

OPM would particularly like to thank Senators Collins, Warner, and you, sir, Senator Voinovich, for their introduction of this proposal as S. 2003. We also appreciate the support for this proposal from the President of the Partnership for Public Service who is testifying on the next panel.

In addition to the above, I would like to address three specific areas in which OPM is leading the way to improve the recruitment and employment of the next generation of Federal employees: The hiring process, job announcements for entry-level positions, and selection methods for the Senior Executive Service.

We are well aware that the Federal hiring system has evolved over many years into a cumbersome process and hiring takes far too long. There are few of us who do not have a story to tell that illustrates frustration with the Federal hiring process, whether it is our own, a friend's, or a neighbor's.

Under the leadership of Deputy Director Howard Weizmann, we have expanded these efforts by partnering with several agency Chief Human Capital Officers to launch a new, holistic, and systemic view of the hiring process. In the past, we took a much narrower view of the process and tried to "fix" individual pieces rather than look at all of the components and their interrelatedness. By July we will have the results of our pilot efforts and will publish in September a government-wide standard for the hiring process, along with a "how to" guide that includes successful practices such as those mentioned by the Nuclear Regulatory Commission, for the hiring process along with successful templates, which I will discuss later, and scripts for communicating with applicants.

As a subset of this initiative, we also are streamlining our job announcements and creating templates that agencies may use when advertising for entry-level positions. OPM is working with the Federal Acquisition Institute to design a job announcement for the acquisition community and has managed to streamline that announcement by reducing the verbiage by 75 percent. It also advertises up front two of the most important issues of concern to new professionals: Pay and benefits.

Moving to our executive corps, in concert with several agencies, OPM will pilot two separate methods for executive selection starting this June. One alternative in the pilot will be a more streamlined selection method that focuses on an individual's accomplishments as identified through the current executive competencies. The other alternative in the pilot will allow candidates to apply for Senior Executive Service (SES) positions by providing only their resume. This method is specifically designed to attract seasoned executives whose resumes clearly demonstrate the extent of their experience and accomplishments.

If anything, OPM believes that these efforts will prove that it is possible to challenge difficult and esoteric processes and, more importantly, create solutions that do not compromise our principles. Public service is a noble calling, and we look forward to working with you to inspire a new generation to join public service.

Mr. Chairman, this concludes my statement, and I would be pleased to answer any questions you and other Members may have.

Senator AKAKA. Thank you very much, Ms. Bailey.

Dr. Crum, will you proceed with your statement?

**TESTIMONY OF JOHN CRUM, PH.D.,[1] ACTING DIRECTOR, OFFICE OF POLICY AND EVALUATION, U.S. MERIT SYSTEMS PROTECTION BOARD**

Mr. CRUM. Good morning, Chairman Akaka and Senator Voinovich. Thank you for the opportunity today to testify regarding the challenges to recruiting and hiring applicants for Federal jobs.

The U.S. Merit Systems Protection Board (MSPB) conducts independent studies of the Federal Civil Service system to determine if the workforce is managed under the merit system principles and free from prohibited personnel practices. We have identified a set of key challenges the government faces in recruiting and selecting the next generation of Federal employees, which I will discuss. I will also discuss efforts undertaken by the Office of Personnel Management and several other Federal agencies to address these challenges.

Our studies have shown that there are four primary barriers that often prevent qualified applicants from seeking employment with the Federal Government. These include: The length of the process, the complexity of the process, the use of ineffective candidate assessment tools, and an absence of an effective marketing strategy.

First, with respect to the hiring process, research conducted by the MSPB has shown that it is not uncommon for successful applicants to wait 5 months or more to receive job offers. Of course, the longer the process takes, the more applicant attrition is likely to occur.

A second barrier is the complexity of the process. Decentralization of the hiring process has added to the complexity because there is no standard application and there are no uniform assessment processes. Applicants must submit different applications and other required forms to each agency with which they seek employment.

A third issue of concern regarding the Federal Government's ability to hire a high-quality workforce is how Federal employers assess the relative qualifications of job applicants. The assessment tools many agencies use are simply not effective predictors of success on the job.

Finally, the Federal Government often fails to market itself effectively as an employer of choice. MSPB's research shows that Federal vacancy announcements are often poorly written, difficult to understand, and filled with jargon and unnecessary information. Consequently, many announcements actually discourage potential applicants from applying for Federal jobs.

The Office of Personnel Management has attempted to address these challenges in a variety of ways. OPM has worked with agencies to improve the timeliness of the process. OPM has also instituted new hiring flexibilities, such as category rating, and developed new hiring authorities, including the Federal Career Intern Program, and authorized direct hiring authority as needed by agencies. OPM has also instituted a 45-day hiring model and is working with agencies to achieve this goal.

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[1] The prepared statement of Mr. Crum appears in the Appendix on page 58.

OPM has also worked to improve Federal vacancy announcements. This has included working with agencies to develop a job announcement template for use in conjunction with the USAJOBS website that is more streamlined and user friendly. OPM has also been working on the development of standard job announcements for a set of occupations that cut across agencies. Finally, OPM is working with the Chief Human Capital Officer Council to identify additional hiring reforms that will speed the process and protect merit.

A number of other Federal agencies have demonstrated that it is possible for the 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 and hire qualified candidates. For example, a former Director of the Defense Finance and Accounting Service led recruitment events at his alma mater. These efforts conveyed his commitment to effective recruitment 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. These organizations have made recruitment an organizational priority, allocated the resources necessary for it, and employed proactive and creative approaches in their recruitment strategies.

Similarly, at the MSPB we have attempted to streamline and improve our own 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.

MSPB offers the following recommendations to guide reform and improve the Federal hiring process:

First, agencies should manage hiring as a critical business process, not an administrative function that is relegated to the human resources staff. This means integrating discussions of hiring needs, methods, and outcomes into the agency's business planning processes.

Second, agencies should evaluate their own internal hiring practices to identify barriers to high-quality, timely, and cost-effective hiring decisions. Agencies will probably be surprised to see that many of the barriers they face are self-imposed.

Third, 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 use assessment instruments that have a relatively good ability to predict future performance.

Finally, we recommended that agencies implement sound marketing practices and better recruitment strategies, improve their vacancy announcements, and communicate more effectively with applicants. These reforms may well encourage applicants to await a final decision rather than abandon the Federal job search in favor of employment elsewhere.

This concludes my statement today, and again, I thank you, Mr. Chairman, for the opportunity to appear this morning, and I am happy to respond to questions from you or Senator Voinovich.

Senator AKAKA. Thank you very much, Dr. Crum.

Now we proceed to Mr. McDermott for your statement.

**TESTIMONY OF JAMES F. McDERMOTT,[1] DIRECTOR, OFFICE OF HUMAN RESOURCES, NUCLEAR REGULATORY COMMISSION**

Mr. MCDERMOTT. Thank you, Mr. Chairman and Senator Voinovich. I am glad to be here to talk about NRC's hiring practices.

In the fall of 2005, Chairman Nils Diaz and I met with Senator Voinovich to talk about our plans to increase the agency's size to handle the new work coming our way. And Senator Voinovich asked me could I hire 350 people in that year. Well, historically NRC was hiring about 220 people per year, so to the mild displeasure of Chairman Diaz, I said, "Three hundred? Probably. Three hundred and fifty would be a stretch." But in the end, we hired 371 people in that fiscal year for a net gain of 175 in the staff.

The next year, we hired 441 people and gained a net of 216, and this year, we are on the way to more than 400 hires and will hit our target of 200 net gain this year. Forty-five people will start at NRC next Monday.

I think there are four key factors that have made our hiring program successful. The first is the mission. Protecting the public and the environment is a challenge that attracks a broad range of individuals. Its mission resonates with the young and with the not so young. About half the people we hired in fiscal year 2007 were over the age of 40.

What we have done is improve the way we highlight the value of the mission and the value of a career at NRC. We spend a lot of money to upgrade our ads, our displays, and our videos to try and tell a compelling story about a consistent message: Make our mission yours.

The second big key to our success is management commitment and support. Chairman Klein introduces himself as my chief recruiter, claims he works for me. He does. He is constantly setting off my BlackBerry with buzzes about "I found this resume," "Talk to this person," things like that. The other Commissioners participate, and it carries right down through the staff. We have managers who are passionate about recruiting people. They get involved at the recruitment events. They follow up afterwards with candidates and prospects. And they push the mechanisms in the agency to get the job offer out. They say, "Hey, where is the offer to this young person I talked to at the campus?" This commitment is not lost on the candidates, who recognize that investing in people is a real top priority at the NRC.

My third factor in NRC's recruitment strategy is maximum use of the hiring flexibilities. We routinely offer recruitment bonuses, flexible work schedules, AND teleworking opportunities. And for

[1] The prepared statement of Mr. McDermott appears in the Appendix on page 71.

mid- and late-career candidates, the Federal Health Benefits Program, which includes guaranteed health benefits coverage in retirement, is an absolutely huge attractor.

The Energy Policy Act—thank you very much—of 2005 gave us some particularly useful tools. We can cover housing and transportation expenses for cooperative education students during their work periods at NRC. This has made it economically feasible for students from outside the metropolitan area to come and work at NRC during work periods or during the summers. The act also provided us the authority to waive the pension-salary offset when you are hiring retirees either to meet sudden critical skill needs or for short-term knowledge transfer efforts to mitigate the loss of critical skills through retirement.

The fourth key that we use is our reputation as a great place to work. We highlight our rankings in the surveys and being cited as a best diversity company, and one result of this employee-friendly culture is we have about 3,000 recruiters in the agency. They talk to their colleagues and former associates about what a good place NRC is to work, and that word of mouth is a top source of good, quality candidates. Personally, I got both of the jobs I got in the Federal Government by word of mouth, not by the vacancy announcement process.

But, obviously, our program is still a work in progress. We are working hard with OPM to improve the end-to-end hiring process. We have completed one and we are engaged in two other Lean Six Sigma reviews to identify ways to improve our cycle times, and we have established targets, and we have got them in our operating plans. And we are working with OPM and others to try and share this stuff with the government at large so the government becomes an employer of choice.

Thank you very much for the opportunity to talk to you. I would be happy to answer any questions.

Senator AKAKA. Thank you very much, Mr. McDermott.

Let me read to you, the panel, what a few people wrote this week on the *Washington Post* Federal Diary online discussion in response to articles on the Federal hiring process.

One person said, "The biggest problem with Federal hiring is that it is too slow. There are many who would make great public servants who do not even apply because the government has that reputation."

Another person said, "I decided not to apply for other Federal jobs. Not worth the effort."

Yet another said, "For private sector jobs, you send a resume, references, and a cover letter. For government jobs, you fill out endless forms, and if you miss one, you are out."

You all represent agencies with recruitment and hiring programs. Do you think applicants say the same about your agency, what I just mentioned? What do you think we can do about this? That is the question.

Let me begin with Mr. Goldenkoff.

Mr. GOLDENKOFF. Well, I think as we have discussed, the hiring process definitely needs to be streamlined. It is too paper-based, it is very cumbersome. When I think of all the thousands and thousands of applicants who apply for Federal employment each year,

one person comes to mind, and that is my daughter and what would attract her to the Federal Government. And basically there are so many other opportunities out there in the private sector, and I think that she would be turned off, and I know she is already turned off, by just the thought of this daunting process as we saw earlier with those displays. So that is one thing, simplifying the process.

Another factor that agencies would need to consider is being much more aggressive on college campuses and elsewhere in their recruiting. The Government Accountability Office, for example, goes out and establishes long-term relationships with colleges and universities. There is a lead recruiting team for each of about 27 national schools and about 15 target universities that we have included because they have high concentrations of minority students. Each team is led by a senior executive, and they are expected to go out there and establish relationships with the students, with the faculty, and the administrators.

The point to all this is that we just do not go out to the schools when we have something to sell, when we need people. We go out there, we teach classes, we serve on panels, and that is very effective. What it does is it brands your organization as a good place to work.

So those are two approaches right there: Simplifying the process and more aggressive outreach.

Senator AKAKA. Thank you, Mr. Goldenkoff. Ms. Bailey.

Ms. BAILEY. Thank you, Mr. Chairman. To add to what the gentleman had mentioned, I also believe that one of the things that we can do that I had mentioned in my testimony is the idea of streamlining the job announcements themselves. As you demonstrated, where you had eight pages for a job announcement, it is very possible to take those down to where it is at least three to four pages of things that are very direct, hit up front on those key issues that are important to prospective employees—for example, pay—and do not talk to it in terms of GS–5, GS–7, because no one has a clue what that means. So we need to go after and we need to be very clear on what the salary is exactly that an employee can expect.

With regard to our benefits, we have a wealth of benefits. We need to advertise those because what I think most of the studies that GAO and MSPB have shown is that it is not always about the pay. A lot of times what people are actually looking for has to do with our flexible work schedules, our teleworking, our ability to work in different locations, whether it is Guam for the United States Navy or it is with the NRC here in the Washington, DC area.

So there is a wide range of things that we can do to actually get up front, market who we are, be very specific about that, and then talk in much more plain language with regard to what it is that we are looking for, whether it is knowledge, skills, and abilities.

We kind of beat ourselves up occasionally over the idea of assessing employees. Should we do it up front or should we do it in a more hurdled approach? I think that both of them have merit, and we could probably argue those points on both sides. But whichever method that we choose, we have to be very cognizant of the fact

that the very baseline of our merit system principles is that our selections will be based solely on the ability, the skills, and the knowledge of individuals when we make those kinds of selections.

We have to be very clear in our ability to balance both the assessment of those individuals without making it look like it is such an arduous process.

Senator AKAKA. Thank you. Dr. Crum.

Mr. CRUM. Yes, I would say the first thing we need to do is have agencies look more closely at themselves and what they are doing. Oftentimes, I think that they have developed processes that they continue to use because they have always done it that way, instead of reviewing what they are doing to see whether they can be done better.

In many agencies that we have looked at, management is not taking its recruiting and selection as seriously as they should. They get people, but do they get the best people? They do not really know. Their processes are, again, institutionalized and oftentimes turned over to human resources staffs without sufficient involvement with management.

Our view is that management—this is a key objective of management—is to create a workforce for both today and for tomorrow, not just look at who we can get in at the moment but, in fact, build that workforce of the future. So I think agencies have to, in fact, review their processes and see whether there are ways in which they can do it better. I think that there are.

I think another issue is one of applying for jobs across agencies. Right now every time a person submits an application for a job in one agency, that application is not usually transferable to another job in a different agency. They will have to resubmit a new application, fill out new KSAs, in fact, be involved in a very long process that is frequently off-putting. So I think that having a facility to submit at least a basic application for common jobs across agencies would be a big help.

Additionally, as Ms. Bailey mentions, I think we could do a better job of marketing ourselves. We do have an awful lot to offer. Right now we have very passive recruitment strategies. We either rely on people who are in the agencies to tell us about what they do or tell their friends about what they do, or we rely on USAJOBS. We have so much to offer that if we could reach people with the fact that we have a chance to make a difference in people's lives, that we have interesting missions, that we have benefits, I think we could, in fact, entice many more people to apply for Federal jobs.

Senator AKAKA. Thank you. Mr. McDermott.

Mr. MCDERMOTT. Well, I would say that in regard to a lot of the processes, our best boast is we are no worse than anybody else. But what we trade on is getting the managers involved. Take the University of Puerto Rico at Mayaguez. We send a big team—we blitz them. We have done that every year since 2000, and we take eight or nine people down there, half of them senior executives who really model what a career with NRC could be. It pays off. And then I tell them, "You are here to sell on Friday and screen on Saturday."

So we market—actually, we get in about Wednesday. We talk to them, we get them all lined up, we get the best and brightest. Then we screen them. We sit in a room. I am sitting at a typewriter in the room, and if I get a nod from the interviewer, I am writing an offer letter. And we say, "Here." And we do not talk about Grade 5 or 7. We say, "This is a good life. Come to work for us and in 3 or 4 years you will be making $80,000 a year." That is an offer letter that Mom and Dad are real happy to see when they take it home.

These things work for us, and we think that if we sell and then if we are smart and get the right people doing the screening, we can do things a lot faster.

Senator AKAKA. Thank you very much, Mr. McDermott.

What I will do is ask my Ranking Member for his questions, and I will come back to a second round. Senator Voinovich.

Senator VOINOVICH. Thank you. Mr. McDermott, I am tickled that those flexibilities we enacted in the 2005 Policy Act really have made a difference for the NRC. I was just telling one of the young ladies behind me, I said, "Doesn't that really make you feel good?" [Laughter.]

Mr. MCDERMOTT. It makes me feel good.

Senator VOINOVICH. Ms. Bailey, you have been with OPM for how long?

Ms. BAILEY. Six months, sir.

Senator VOINOVICH. Is this the first time you have testified?

Ms. BAILEY. Yes, it is, Senator.

Senator VOINOVICH. Well, you are probably pretty nervous, I suspect. You did a good job with your opening statement, by the way.

Ms. BAILEY. Thank you.

Senator VOINOVICH. And I have to say that at the end of your testimony, the suggestions that you are making to effect change seem to be very good. The real issue is whether or not you can actually get them done.

Why has it taken so long for OPM to address this issue?

Ms. BAILEY. Senator, we have been trying to fix the hiring process for the last 10 to 15 years. I think that a lot of very good initiatives have been done over the years. The 45-day model is a good start at that. Using the scorecard method with the agencies and drawing attention to their human capital practices is another good area that we have started.

Under Deputy Director Weizmann, one of the things that when he first came on board that we talked about is the fact that what we need to look at, though, is we need to look at the hiring process as an end-to-end thing.

Senator VOINOVICH. When did Deputy Director Howard Weizmann start his work?

Ms. BAILEY. In July 2007.

Senator VOINOVICH. OK.

Ms. BAILEY. When I then came on board, we sat down and we had a discussion about it because the issue that was very important to him was this charge that we needed to fix the hiring process. And from my years of experience in the operating world out in the field, not at the policy headquarters level, there are a lot of things that you can see when you are out in the operating area

that you can see the policy drives much of what we do within the operations area.

The discussion centered around the fact that what we had to look at the hiring process we had to look at the root causes of what was causing some of these issues and go after those root causes. Because it is not always about a new hiring authority or a new automated tool. Sometimes it goes back to basic staffing and recruiting. Sometimes it goes back to having basic commitment from top senior leadership that they are actually going to see themselves as the agency's recruiter, and it is not simply something that is thrown over the shelf to a GS–7 HR specialist.

So in looking at that, we said it starts with workforce planning. Quite frankly, if the agencies—and we are at an agency as well.

Senator VOINOVICH. I hate to interrupt you, but——

Ms. BAILEY. Yes, sir.

Senator VOINOVICH [continuing]. The first thing you ought to do is get back to us on your plan. One of the things that is a concern to me right now, Senator Akaka, is we are getting toward the end of the current Administration.

Ms. BAILEY. OK.

Senator VOINOVICH. It takes a while to get things done. I know that. The first thing I would do is straighten out OPM's internal application process. OPM ought to be able to do that in a very short period of time. There are some good models being discussed here. I would encourage you to look at the forms they are using, and come up with a new form for OPM. OPM is supposed to be the lead personnel management agency, and its application stinks. So OPM ought to straighten that one out in the beginning, and hopefully in the process of doing that the agency could share that reform with some of the other agencies that have the same type of challenges. There are some good role models here. You do not have to hire a consultant. Go talk to Mr. McDermott. Talk to Mr. Crum. Go over to the General Accountability Office and get them in a room. Get a hold of your CHCO Council people. Have they been bothering with this or talking about it at all?

Ms. BAILEY. Absolutely, yes.

Senator VOINOVICH. What have they done?

Ms. BAILEY. The Chief Human Capital Officers are intricately involved in the entire hiring process, and they also are working with us on the streamlining of the templates. We deliberately chose to go after working with the Chief Financial Officer Council to address the accountant and accounting technician, and our next initiative that we are working on right now is with the Federal Acquisition Institute to go after the acquisition community, because what there is is a need for us to work within the communities of interest, not just within the HR communities. So in collaboration with the Chief Human Capital Officers and the communities such as acquisition, we are able to take this and put forth one face to the applicants to be America's buyer as the acquisition community sees themselves.

So there is a tremendous effort going on right now to collaborate together with the different communities, to pull together and create one face to these applicants.

Senator VOINOVICH. When?

Ms. BAILEY. We are doing that right now, and actually we have the template finished. It is in the clearance process. We plan to have that implemented by July 1. We also are going to work with the acquisition community to create a centralized register to address, as Dr. Crum has said, this idea of every time you apply for a job, you have to apply for it under a different method. So, by July 1, we are going to roll out with the acquisition community the idea of a centralized register. You apply for one job. You get to pick the location. You can pick the agencies that you are interested in. And then we will issue those registers.

The other thing that we are looking at is this whole idea of assessment. We also are going to work with the acquisition community to create a streamlined assessment that directly goes after the competencies that the acquisition community is interested in rather than a one-size-fits-all approach so that we can eliminate this need for agencies to think that you have to do both an assessment exam and then turn around and address what we call the KSAs.

We are collaborating with both the human resources professionals and with those communities to say this is your field, this is your expertise. Work with us so that we can come up with exactly what it is that you want to do to assess and be able to predict the successful outcome of that applicant.

Senator VOINOVICH. Are you a Civil Service employee?

Ms. BAILEY. Yes, I am.

Senator VOINOVICH. That means that you will be around to continue to push to reform this process.

Ms. BAILEY. Yes, I am leading this project that I am referring to.

Senator VOINOVICH. Have you been working with Mr. Stier, President, Partnership for Public Service, who is going to testify on the next panel?

Ms. BAILEY. Yes, actually, we are working with him. We also are working with the Corporate Leadership Council. We are working with MSPB. So we are working with a host of people, and to be honest, we are also working with ordinary citizens, I mean literally going out and asking them, showing them these job announcements that are egregious and saying to them, "Would you apply for this job?" The answer is, "No." "All right. Let's talk about what it is that we can do to write this in plain language." Because when an HR specialist looks at it, what looks like plain language to me is not plain language to a 21-year-old junior in college.

And so by working with private citizens and pulling together all the different information that we have, we are able to, I think, come up with something that is——

Senator VOINOVICH. Mr. Chairman, I would like to have a written strategic plan on what OPM is going to do in order to meet the goal that Ms. Bailey has talked about today——

Ms. BAILEY. OK.

Senator VOINOVICH. Within that plan, I would like to know what are the things that OPM is going to do in order to achieve success and some idea of timing so that Senator Akaka and I can sit down and look at the total picture. Maybe you can come in to see us or talk with our staff. I would like to monitor what OPM is doing so that it actually gets done what it claims to want to accomplish and

also identify any impediments where maybe we can provide some kind of blocking in order to make it happen.

Ms. BAILEY. OK.

Senator VOINOVICH. I have to tell you there is an urgency here. This has got to get done. OPM's plan cannot just meander down the stream until next year and hope something is going to get done. We have to get on this right away.

Ms. BAILEY. I agree, Senator Voinovich. We will do that.

Senator VOINOVICH. Thank you.

Senator AKAKA. Thank you, Senator Voinovich.

He is correct. We are going to be pushing this, and we look forward to your help in bringing this about.

Let me ask this of Ms. Bailey and of Mr. McDermott. Most private employers only require applicants to submit a resume and cover letter to apply for a position, yet Federal agencies still use the complicated KSAs—knowledge, skills, and abilities—questionnaire to evaluate candidates. Why aren't Federal agencies using resumes and cover letters to evaluate candidates? Ms. Bailey.

Ms. BAILEY. Mr. Chairman, if I may, I just would like to read very quickly from the merit system principles because I think it sets the stage and puts some of this into context for all of us.

"Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve a workforce from all segments of society, and selection and advancement should be determined solely on the basis of relative ability, knowledge, and skills after fair and open competition, which assures that all receive equal opportunity."

I think what we have done over the years is we have kind of misinterpreted that perhaps a bit to say that somehow there is a requirement then for potential employees to have to literally address every single knowledge, skills, and abilities that we are looking for.

The new approach that we are taking with these templates and with what we are working with the Chief Human Capital Officers on is we have a requirement to list the knowledge that we are looking for and the skills that we are looking for and the ability. I mean, even the *Washington Post* position that was demonstrated by Senator Voinovich's staff, even in there they address the qualifications, what they are looking for: That an individual would possess oral and written communication skills, for example.

So we cannot lose sight of the fact that we have an obligation to tell people what we are looking for, what exactly we are looking for, but we do not have a requirement to then make them write everything—write it out in pages and pages of dialogue. There are many methods for assessing employees and assessing whether or not they have those knowledge, skills, and abilities, and a resume is one way of doing so.

At the agency I worked at before with the Department of Defense, we did away with this idea of KSAs 7 years ago, and we use resumes only. It was an automated system. It came in and it did a word search. And there are some pitfalls with that, too, in that if you do not do your resume well and sometimes with the younger generation or even any generation, they struggle with how to do a good resume.

I think that seasoned executives have that down pat, but a college student sometimes struggles with what exactly he needs to put on a resume.

So as a result of that, what we found is that we needed to balance this idea of using expediency—a resume only—with the idea that at some point in time we also have to have the ability to assess whether or not in particular a GS–15 at a leadership position, do they really have the knowledge that we are looking for, or the skills or the abilities, to lead someone. So we went back and we reinstituted having them address four or five basic questions in that regard. That, coupled with structured interviews or having other interview panels that were diverse, actually led us to having better selections of our leadership positions.

The notion that there should be no reason for us to assess employees concerns me just a little bit in that there has to again be a balance between being able to provide up front to employees exactly what it is that you are looking for, and then being able on the tail end to assess whether or not those individuals had that.

The military has one of the most advanced and sophisticated assessment processes in the world. It is 225 questions with eight different sections. It takes hours to complete. In doing research on this whole idea of templates and how best to assess, I went in and I applied at Panera Bread, so if this does not work out, I will maybe be doing that. [Laughter.]

But, anyhow, I went into Panera Bread, and I applied for that, and believe it or not, you do an application up front, which, yes, even asked for my Social Security number and everything else. It was a five-page application, and it ended with a 212-question questionnaire for me to fill out in order to work at Panera Bread to see if I was a right fit for them.

And so sometimes what concerns me, Mr. Chairman, is that in our quest to simplify all of this, if we want to do assessments that are important enough for the military and for some of the private sector, I want to make sure that those that are coming in to serve the public, which is what we do as Federal employees, that we have some method of also assessing them in such a way as to ensure that they, too, are a right fit within the Federal Government.

Senator AKAKA. Thank you. Mr. McDermott.

Mr. MCDERMOTT. Well, part of the problem is we have been seduced by technology. We thought the computer will make the judgments that need to be made to make sure we hire the right person. That is not true. That is not going to happen.

The other thing we do is we write everything for the trial. It is very defensive. We practically require a legal brief from the applicant to prove that they are going to be the best qualified. We have got to not do that.

Our newest Commissioner, Kristine Svinicki, asked me, she said, "I need a staff. How are you going to get me staff?" I said, "I am going to ask them for a one-page resume and a cover letter that says, 'Dear Commissioner: Here is what I could do for you.'" Stop. She said, "That ought to work." And I said to myself that should work for every job that we are filling. We need to simplify this stuff.

And at the NRC, I am working to make this change. There are a lot of things we do to make selections that we should have done in the assessment phase, not at the selection phase. Let's talk to people. That is really how you find out. There are two things I say: Talk to them and figure out whether they are good or not, and then use the probationary period when you are hiring a new employee, because you are not really going to know until you put them to work and see how well they work. So use it. And if they are good, they are good. Great. If they are not, bye-bye. That is how we should proceed in my view.

Senator AKAKA. Thank you. Now this question is for the panel. OPM has said that 85 percent of Federal agencies have met the 45-day model for hiring new employees. However, according to a recent MSPB report, applicants still complain about the lengthy process it takes to get hired.

How long does it really take to hire a Federal employee from the date a vacancy is announced, an announcement is made and is posted? And if it is long, why does it take so long? Mr. Goldenkoff.

Mr. GOLDENKOFF. Well, I think part of the answer to why there seems to be a disconnect between this 45-day hiring model and the perceptions of applicants is what the 45-day time period measures and what the applicants are expecting. The 45-day time period, in my understanding, is from when the announcement closes to when an offer is made. But the applicants, what they care about is when they actually come on board. And the vacancy announcement could have been open for months. So from that perspective, it is a much longer time frame, so I think that in developing these hiring models, the hiring models need to get in sync with the expectations of the applicants. So I think that would explain that disconnect.

As far as how long it should take, I can only speak for my own agency where the vacancy announcement is open for several weeks. There is a first paper cut, and those who make that initial cut come in for job interviews, and we talk to them face to face. So rather than applying these lengthy KSAs, we have already established the competencies that make a successful GAO employee. It is critical thinking. It is writing. It is oral communication skills.

So then, in the course of the interview, we ask questions that get at those competencies. We just hired a bunch of summer interns back in March. I know in some cases for people that I interviewed, we called them up the next day to make job offers.

Senator AKAKA. Yes. Let me add another question to this, and that is whether you have any recommendations about speeding up this process. Ms. Bailey.

Ms. BAILEY. We are actually working with the Chief Human Capital Officers to develop this and look at it from end to end. You are absolutely right. The 45-day model is a nice start, but it is not truthful. And for employees, for potential applicants, what they are looking at is exactly as Mr. Goldenkoff has said, is that they are looking at when do they actually report on board. So it needs to be from the point that you drop the recruitment into the pipeline and then follow it the whole way through.

The other thing that we need to do is improve the communications to the applicants. We fail at that mostly in that we use, again, as Mr. McDermott said, we are using automation to do some

of that rather than to reach out to the applicant and say to them, "Here is exactly what to expect. If you are applying for this job within the Department of Homeland Security, Defense, or wherever, you can expect 30 to 45 days for your security background investigation. It is very important to us, because you are protecting the borders of the United States, that you meet certain qualifications within that regard."

So some of this is just managing people's expectations. If I knew exactly how long it was going to take and you hit the mark on that, then I can plan my life around it. It is the inability of—or it is the surprise of not really ever knowing when you are going to get back to me that is the issue at hand.

So part of the effort that we have with OPM that we are co-leading with the CHCO Council is to make sure that we establish a government-wide standard that talks about what exactly it is from end to end, not talking anymore about the 45-day model, but from end to end what can you expect, and what should agencies hire within that? We are looking at around 80 days right now for the government-wide standard from end to end, and that includes the security and the suitability process of this as well.

The other government-wide standard is the communications standard. We have to establish that agencies provide some type of communications to applicants.

Senator AKAKA. Mr. Crum.

Mr. CRUM. First of all, the 45-day standard is 45 business days. That is not necessarily meaningful to applicants because that translates to 63 real days for them. So it is 2 months for them, not really a month and a half.

When we ask people who have recently taken Federal jobs how long the right amount of time would be, two-thirds of them said about 2 months. So, again, if they are kept informed, 2 months seems to be a reasonable time, if we can meet that. When we asked the people, again, who came on board with us, we found that really only about 35 to 40 percent of them were, in fact, hired within that time frame. That illustrates to me that it can be done, but it often is not done, that, in fact, the process often does take longer even though it could be quicker.

There are a lot of the reasons, I think, for the fact that it takes as long as it does. One main reason is because of a lack of management commitment to do things more quickly. What we have heard from all of the panel is that when there is management involvement and emphasis, things can be done quickly. Things can be done and prepared in advance that sometimes are not. For instance, crediting plans may not be developed until applicants have already applied for jobs. This wastes time. Management may not schedule interviews except at their convenience rather than in a timely way that meets the needs of applicants. So a lot of the scheduling of things can be better controlled, I think, by the agencies, should they choose to do so. But it requires that sort of management commitment to make that difference.

All the while I have to echo the other point that I made earlier: It is critically important that we keep applicants informed of their status. We lose, I think, a lot of people because it is a black hole to them. Applications come in, they do not know what happens.

What we hear is that people are willing to take 2 months if they know where they are in the process, if they know they are being considered. When they do not know, even 2 months seems like a very long time.

Senator AKAKA. Thank you. Mr. McDermott.

Mr. MCDERMOTT. Well, I should say that I have been working with Angie and Howie Weizmann because I need things—there are things I can learn from them. They are finding out good stuff. I have a little system. We call it "Rats," because it rats out managers. It says, "Where is the ball right now on this particular hiring case?" And I find out that the biggest place, is awaiting a management decision on the selection. So I get apoplectic, and I start pounding on people and say, "Come on."

We used to use an awful lot of panels where I didn't think we needed a panel. I just needed a good reviewer of the case. So I would ask myself, "Who really wants to hire this person? Who needs the person?" That is the person that I would appoint to be the reviewing official. Funny how fast it got done then, and it did not get delayed and delayed.

The other thing, everybody has to get the equivalent of a secret, or an L clearance, to get in the door at NRC. That is sort of the pig and the python problem. The pig used to be at the front end of the python, and OPM—thank you very much—has fixed it. They are getting the investigations back to us in a pretty timely fashion now. The pig has moved down the python, and I am yelling at my security people, "You need to hire more adjudicators." When I am desperate, I say, "Would you go to that bookcase? I know that in that stack of files you have got one already back on so-and-so that I need today. So please pull that one and adjudicate it." An hour later, I get the word they are cleared, they are fine, bring them on.

We have to deal with all the applicants that way because—now, I do not have a problem with the college kids because I am hiring them, if I am smart, in November and December, and they are coming to work in May or June. I have enough problem to take care of that. But the mid-career person? They are not going to wait forever for the job. I have got to move them faster. So put them at the top of the pile. Those are the things we worry about.

Senator AKAKA. Thank you very much. I just want to be clear, before I call on Senator Voinovich for other questions, that I am not suggesting that candidates should not be assessed. We need to break down barriers that deter candidates from applying, and I thank you folks for your responses.

Senator Voinovich.

Senator VOINOVICH. Mr. Chairman, I have no more questions. I think you have done a good job. I think we should let these folks go and get to the next panel.

Senator AKAKA. Well, I do have more questions, and I will submit them for the record. And I want to really thank you for your responses. It has been helpful, and we look forward to continuing to work with you and look for the best ways of improving the process. So let me thank our first panel very much.

Senator VOINOVICH. May I just ask one question.

Senator AKAKA. Senator Voinovich.

Senator VOINOVICH. How long do you need to get the strategic plan in our hands?

Ms. BAILEY. Is 2 weeks OK?

Senator VOINOVICH. That is fine. And if you cannot do it, then I would like you to call and say why you have not been able to do it. OK?

Ms. BAILEY. I will, Senator.

Senator VOINOVICH. Thank you.

Ms. BAILEY. Thank you.

Senator AKAKA. Well, again, thank you very much to our first panel. I will be calling up panel two. Thank you.

We are happy to have our second panel here: John Gage, who is the National President, American Federation of Government Employees; Colleen Kelley, National President, National Treasury Employees Union; Dan Solomon, Chief Executive Officer, Virilion, Incorporated; Max Stier, President, Partnership for Public Service; and Donna Mathews, Principal, Federal Sector Programs, Hewitt Associates LLC.

Our Subcommittee rules, as you know, require that the witnesses testify under oath, so will you please rise and raise your right hand? Do you solemnly swear that the testimony you are about to give the Subcommittee is the truth, the whole truth, and nothing but the truth, so help you, God?

Mr. GAGE. I do.

Ms. KELLEY. I do.

Mr. SOLOMON. I do.

Mr. STIER. I do.

Ms. MATHEWS. I do.

Senator AKAKA. Thank you.

Let it be noted in the record that the witnesses answered in the affirmative. Let me also remind you that although your oral statement is limited to 5 minutes, your full statement will be included in the record.

Mr. Gage, will you please proceed with your statement?

## TESTIMONY JOHN GAGE,[1] NATIONAL PRESIDENT, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL–CIO

Mr. GAGE. Thank you, Mr. Chairman, for the opportunity to testify here today on the question of overcoming obstacles to the hiring of the next generation of Federal employees. It is important to remember that, despite notions to the contrary, the private sector's hiring methods are neither instantaneous nor trouble-free. In addition, while the Federal Government has some problems in its hiring practices, it is not the bumbling caricature it is so often portrayed to be. Moreover, we do not believe that the problems with Federal hiring are caused by adherence to the merit system and veterans' preference.

Hiring the next generation of Federal employees is a serious undertaking. Those charged with the task have a legal and social responsibility to conduct hiring in the most open and fair way possible, and the plain fact is that openness and fairness take a little time. Federal agencies must honor veterans' preference. Internal

[1] The prepared statement of Mr. Gage appears in the Appendix on page 75.

candidates who were selected into career ladder positions must be given the opportunities they have been promised. Background checks and security clearances have to be conducted. Education and prior employment must be verified. Working for a Federal agency is not the same as working at a pizza parlor, and it takes time to make sure an applicant meets the standards and requirements our society expects the Federal Government to uphold.

Another explanation for the slowness in Federal hiring is the fact that agency personnel offices have often been decimated. There are too few hiring personnel to handle the duties in the most expeditious way. Hiring more Federal employees to work in agency human resources offices would obviously speed up the hiring process. The application process could also be streamlined without sacrificing the high standards of the merit system. Many prospective employees point to the lengthy sections of employment applications that require them to describe in great detail their "knowledge, skills, and abilities." Some suggest that only those who pass an initial level of scrutiny be invited to fill out those forms. If that procedural reform were adopted, those asked to reveal their "knowledge, skills, and abilities" would at least know that they had successfully navigated the first hurdle in their quest for Federal employment and may perhaps be somewhat less resentful of the task.

The Federal Workplace Flexibilities Act of 2006 enabled agencies to entice both internal job candidates and candidates who were not yet Federal employees with large bonuses equal to as much as 100 percent of salary for recruitment, retention, relocation, and promises of help with student loan repayment. But not only has there been no funding for those flexibilities, the Administration has been at war with its own workforce on issues ranging from pay to outsourcing to collective bargaining to politicizing what should be absolutely apolitical government work.

The Administration's pay policies have hurt both recruitment and retention. For the General Schedule and the Federal Wage System, the Administration has proposed insultingly low pay adjustments in every annual budget. Without Congressional intervention, the real inflation-adjusted value of the Federal paycheck would have fallen considerably over the last 7 years. In addition, there has been a constant drumbeat of Administration complaint that the employees who received Federal pay raises did nothing to deserve a salary adjustment beyond surviving the "passage of time." They argue that a new system based upon a supervisor's opinion of each employee's performance was needed. Yet in the two agencies where the Bush Administration obtained authority to do, the impact has been even worse. In addition to low morale in numerous large agencies documented by the OPM's biennial Human Capital Survey, the prospect of a corrupt and highly politicized pay-for-performance system has prompted many to plan to retire or transfer as soon as the new pay system is imposed upon them.

Although much emphasis is placed upon external candidates for Federal jobs, the retention of current employees should also be a priority because they often make the best candidates for Federal job openings. The Federal Government's policies should encourage the employees in whom it has already invested to look for career

development possibilities within the government rather than outside it.

And every time I see or hear an advertisement on radio or television for the military, I wonder why Federal agencies are not permitted to do the same thing for civilian Federal employment. The commercials for the Army, Navy, and Marines are compelling, professionally produced, and placed on the air at times when they are likely to have the greatest impact. I have no doubt that these advertisements have contributed greatly to the military's ability to recruit even in a time of war. In contrast, Federal agencies are limited to using relatively inexpensive media and placing their on-air advertisements at inauspicious times, with predictable results.

In conclusion, Mr. Chairman, I heard a lot today that I think our union can get behind, and I would like to say that for AFGE, some of the ideas I have heard are good, and we would certainly like to be part of the solution rather than the problem.

Thank you, Mr. Chairman, for the opportunity to testify.

Senator AKAKA. Thank you very much, Mr. Gage.

Ms. Kelley, will you please proceed with your statement?

**TESTIMONY OF COLLEEN M. KELLEY,[1] NATIONAL PRESIDENT, NATIONAL TREASURY EMPLOYEES UNION**

Ms. KELLEY. Thank you very much, Chairman Akaka and Ranking Member Voinovich. I appreciate the opportunity to be before you today to review the challenges to recruiting and hiring candidates for Federal Government jobs and to offer some recommendations.

Because we have had no comprehensive approach to hiring in the government since the PACE exam 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 what should be 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. I will address this first problem in greater detail.

One of the tools that agencies increasingly rely on is the Federal Career Intern Program. This FCIP was originally intended to be a special focus hiring tool, aimed at providing structured, 2-year training and development "internships." FCIP is now the hiring authority of choice in many agencies in the Federal Government.

Since 2002, Customs and Border Protection has hired all of its officers under this program. For fiscal year 2005 and 2006, that is close to 5,000 employees. The IRS now fills positions such as revenue officer and revenue agents using the FCIP, and the FDIC has begun filling most entry-level positions using FCIP. 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 under FCIP. Veterans' preference rights are diminished under FCIP, and agencies have discretion to make selection decisions without following rating and ranking processes or merit promotion plans. These mis-

[1] The prepared statement of Ms. Kelley appears in the Appendix on page 81.

named "interns" are hired into the accepted service, creating a de facto 2- or 3-year probationary period instead of the standard 1-year probationary period for entry-level positions in the competitive service.

In addition, although the Homeland Security Act contained changes from using the rule of three to what they call "category hiring," Homeland Security hardly uses this. As do most agencies, they ignore it. Instead, they are relying on the FCIP, which MSPB studies have shown can narrow the applicant pool and create the perception of "unfair, arbitrary, or inequitable treatment."

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, including recruitment and retention bonuses, student loan repayment programs, telework, and flexitime. 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

In addition to hiring policies, we need to focus on how to retain good employees. Currently, Federal 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 that or their dedication.

The Department of Homeland Security recently released its annual workforce survey. The employees of Homeland Security 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 in the survey. Just 30 percent of Customs and Border Protection employees responded that they were satisfied with their involvement in workplace decisions. Only 27.1 percent believe their leaders generate high levels of motivation and commitment. At TSA, only 20 percent of employees believe that promotions are based on merit. Only 22 percent of TSA employees felt that creativity and innovation are rewarded,

Our transportation security officers at our airports are subject to most of the human resource management flexibilities this Administration often points to as advancing the recruitment and retention of a high-quality workforce. Those "flexibilities" at TSA have resulted in one of the most egregious personnel systems in the government. With management given a free rein, promotion rules are unknown, bonus points are distributed by favoritism, scheduling is at the whim of management, and you can be fired and told to go home for the slightest infraction or maybe without even knowing why. Grievances, filed in accordance with their internal grievance rules, sit stacked on a desk. All this and the lowest pay in the government, the lowest morale, and the highest attrition rate and injury rate. 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. I think that OPM has to take a leadership role with the agencies. In addition, we believe that OPM needs to step up to its marketing and outreach to workers of all age groups. We would like to see a blueprint put together and funded by Congress for younger workers that would include TV ads, college campus tours, and job fairs. We need a comprehensive plan to increase the odds that the Federal Government can attract the best and the brightest that this country has to offer. The Federal Government's missions will be complicated in the years ahead. We need to attract and retain a workforce that will meet these challenges, and NTEU also stands ready to work with OPM and with Congress to put in place systems that will ensure that the Federal Government becomes the employer of the future.

Senator AKAKA. Thank you very much, Ms. Kelley.

Good to have you, Dan Solomon. Please give your testimony.

**TESTIMONY OF DAN SOLOMON,[1] CHIEF EXECUTIVE OFFICER, VIRILION, INC**

Mr. SOLOMON. Thank you, Mr. Chairman and Senator Voinovich. I very much appreciate this opportunity to testify today. I have been asked to present my views regarding how Federal agencies can improve their recruitment to be more friendly to those between the ages of 25 and 35 years old through new media techniques.

At the outset, let me state my deep admiration for those who serve the public through their Federal service. Personally, I have been honored to hold civilian positions in all three branches of government. I learned a great deal from those professional experiences and hope that my efforts were beneficial to those I served.

Also let me express my appreciation for those who have primary responsibility for recruiting younger people for Federal service. Younger people are a difficult group to reach and engage.

I will not take the Subcommittee's time to recount the substantial research that shows the shift in media consumption patterns, especially among those 25 to 35 years old, away from television to online. And online, these people have a vast array of outlets and activities presented to them—causing the audience to be highly fragmented. And it is this rapidly changing and increasingly rich media landscape that makes the recruiters' job even more difficult.

That said this new media environment gives government agencies a greater opportunity to reach people who are in the process of looking for new career opportunities and to reach people without geographic limitations. Bottom line: People are looking for jobs are online and the government needs to be there to attract the best.

Government recruiters should be encouraged to deploy the appropriate new media techniques at each stage of a job search or career change: When a person might be exploring Federal service, when they are considering different options, and when they are actually making the employment decision.

The Internet is now the most frequented place to look for a job. According to a survey conducted by the Conference Board and TNS, nearly three-quarters of workers who looked for a job between Jan-

[1] The prepared statement of Mr. Solomon appears in the Appendix on page 89.

uary and September of last year did so online. But it is no easy task for government recruiters to decide where to go online to attract job seekers and career changers.

Search engines, such as Google and Yahoo!, are the on-ramp online for most people. If one types in "Federal jobs" into a search engine, USAJOBS—the government's official job site—comes up prominently. But the challenge for recruiters is how to reach those who are not specifically looking for a Federal job.

There are over 50,000 job boards online in this country. These include sites that are affiliated with newspapers, independent career sites, geographic specific sites, and niche sites run by professional associations and industry groups. Where to post and how to use these sites is a challenge for government recruiters.

Social networking sites, such as LinkedIn and those sponsored by alumni groups, are increasingly popular for job hunting. According to a survey done by SelectMinds and reported in eMarketer, nearly three-quarters of GenYers said they viewed these networks as very important, compared with 66 percent for those between 30 and 39 and 61 percent of workers over the age of 40. The challenge for the government recruiter is to appropriately participate in these communities to attract the attention of talented people.

The Federal recruiter also needs to use online techniques to support their more traditional efforts offline. Offline efforts are, in fact, important to attracting people's attention. According to a 2007 study, in-person networking was used by 40 percent of the people to find jobs, and university career centers were used by 37 percent of college students. And according to the previously mentioned Conference Board study, more than one-half of job seekers said they networked through friends and colleagues.

In this regard, Federal recruiters need to be recruiters—actively following up on possible leads they have generated through their own networking efforts by the systematic use of e-mail. Over time, these techniques in the Federal recruiters' arsenal will include the use of mobile devices.

The Federal recruiters also need to use new media techniques to reach the people who might influence the career decisions of the 25- and 35-year-olds offline—particularly their parents and their friends. Sometimes the primary audience is not the job seeker themselves. This will take creativity, but needs to be an important focus.

One thing is certain: The career of a Federal recruiter is certain to change, and I encourage the Subcommittee to look not just at what agencies can do to improve their communication efforts and their processes, but also to help the recruiters themselves improve their skills and expertise. For the government to ultimately attract talented people, Federal recruiters need to embrace the online world and convey an excitement about public service.

Thank you, and I look forward to your questions.

Senator AKAKA. Thank you very much, Mr. Solomon. Mr. Stier.

**TESTIMONY OF MAX STIER,[1] PRESIDENT AND CHIEF EXECUTIVE OFFICER, PARTNERSHIP FOR PUBLIC SERVICE**

Mr. STIER. Thank you, Chairman Akaka and Senator Voinovich, for inviting me here, and more importantly, thank you for focusing on this vital issue.

If I could take a step back and give a sense of what I see as the overall problem: I agree with OPM this is an end-to-end issue. You have three big buckets.

First, the talent market is unaware of the opportunities that exist in government service. They simply do not think about it. It is not on their radar screen. And our data shows that is true for young talent as well as more experienced talent.

Second, as this hearing has been hearing a lot about, the hiring process is broken, and more on that in a bit.

But third, and equally important, once talent arrives in government, it is not managed in a way either to keep it or to ensure that it gives of its discretionary energy. So we need to work on all three buckets in order to ultimately get the end result of better performance from government.

Your work is already making a very big difference. You heard a little bit about that from the first panel. I also wanted to focus on another example, and that is in the area of student loan repayment. That is a new barrier to entry for talent coming into government, for younger folks in particular, and it is an increasing burden as the cost of college and graduate education goes up. The student loan repayment authority that the government has is very important, and you see its use is increasing dramatically, from a standing start of nothing in 2002, 16 agencies using it for $3 million and 690 employees being helped, to 2006 in which you had 34 agencies and nearly 6,000 employees being helped to the tune of $36 million.

Now, clearly, more can be done. It is very powerful. Our data shows that it actually works, and we need to see more resources being put into it. But the point here is your work already is making a real difference.

You also have a number of items in the pipeline that are very important, including your work on the Chief Management Officer, Senator Akaka, your Federal Supervisor Training Act, GOFEDS legislation, and many other things.

I want, however, to pull out three specific recommendations to highlight from my written testimony. There are a lot of others in there, but I will focus on those three for the remaining time of my statement.

First, I think we need to rethink that hiring process, again, from the applicant perspective and envision a bill of rights, an applicant bill of rights for how they should be treated through that hiring process. It needs to be clear. Two, they need to understand the value of the jobs and why they should be interested in them. It should be easy. Your point about going to a resume, I think, is exactly right. You do not need the KSAs. It needs to be transparent. Three, You need to know where you are in the process. If FedEx and UPS can do that with a package, government ought to be able

[1] The prepared statement of Mr. Stier appears in the Appendix on page 92.

to do that with someone in the hiring process. And, four, it needs to be timely, and it needs to be done in a time frame that is not going to chase away a lot of talent.

Those I believe are the four elements of what the applicant bill of rights ought to be, and it is something that the government needs to commit to doing and that you can hold the government accountable for.

Now, we also can't lose sight of the assessment process, which is not part of the applicant experience, and right now, by and large, the government assessment process is broken. And if you hire quickly or slowly, it doesn't much matter if at the end of the day you hire poorly. And so that is something that we need to make sure we keep an eye on.

Second, we need improved metrics. Now, how are we going to ensure that the applicant bill of rights is actually taking place? Well, we need to measure it in a transparent way. It needs to be public information so we really do understand how long it takes. We need to give people an understanding of where they are in the process. You can do that through applicant interviews. You can do that through what I think is going to be absolutely vital on the assessment process, which is identifying a metric for whether we are getting the right talent. If you really want to make sure that agencies are better managing this process, measure them and make those measurements transparent and available to you and to the public more broadly.

I also think we need to reinforce the work you have already done around employee surveys, which are quite vital, and I think we can improve the legislation such that it is done centrally on an annual basis rather than the current process, which is biennial and each agency doing it on those off years.

Third, is the transition. We have heard some very important things out of OPM, work that they are doing right now. We all know that the typical cycle in government is for things to either slow down or stop and then be reinvented when the next folks come in. And I think that this Subcommittee has a very important role in ensuring at least three things around the transition process:

One, that the good management work that is being done right now gets carried on, and is absolutely important that we simply do not see either a slowdown of work or a reinvention of things that do not need to be reinvented.

Two, we need to ensure that we are selecting the right talent for, in particular, the management positions that are going to be politically appointed, but more generally, that all political appointees that have management responsibilities have management capacity.

And, three, we need to focus on ensuring that whoever is selected for those political jobs is actually prepared to work effectively in this environment. And there is a lot of work that needs to be done, and that means that they have to be prepared to understand how the system works, what the management challenges are, and how it is that they can actually engage and work with the career workforce in a way to solve these problems that all of us believe need to be solved.

So thank you very much again for this opportunity. I look forward to working with you going forward.

Senator AKAKA. Thank you very much, Mr. Stier.

Now we will hear from Ms. Mathews.

**TESTIMONY OF DONNA MATHEWS,[1] PRINCIPAL, FEDERAL SECTOR PROGRAMS, HEWITT ASSOCIATES LLC**

Ms. MATHEWS. Thank you, Chairman Akaka and Senator Voinovich. Thank you for allowing me to appear before you today to talk about this important issue and how leading companies approach recruitment.

As you have heard a lot of the other panel members say today, it is expected that the next 5 to 10 years are likely going to be the most difficult recruiting environment in history: One, because we are faced with a shrinking workforce. It is estimated that by the year 2010 there will be 10 million more jobs than workers. Two, the workforce is becoming and will continue to increasingly become more virtual. Three, the workforce will become more diverse even than it is today. The global competition for talent will continue to increase. And, last, when it comes to the recruiting process itself, each of the individual stakeholders' needs are going to continue to change as we move forward into the future.

So if organizations do not address these challenges, their results will include mediocre hires, long hiring cycles, higher than expected costs, low retention rates, and a negative impact on the organization's employment brand.

Hewitt has worked with many large, private sector organizations over the years, and we have found that there are a lot of effective processes that can be put in place to make for a successful recruiting process. There is no silver bullet, however, but successful organizations do have four themes going for them.

First, these organizations make talent acquisition the lifeblood of their success. As Mr. McDermott said, their leaders are very heavily involved. They become recruiters for the organization, and they continually are talking about the mission of the organization and what kind of people they need and the results they need for the organization.

The second theme is a clearly articulated employment brand. We think a lot about a company's brand to the market, but this is the company's brand to its employees. It is a unique message from the employer to its employee base reinforcing the commitment that that employer makes to the employees. It is used to guide all decisions around the human capital programs. And companies that have these employment brands—and not everybody does—have reported an increase in not only employee retention, but also employee engagement, which results ultimately in improved business results.

The third aspect that leading organizations focus on is creating the process, this end-to-end process that you have heard a lot about today. The first thing they do is from a business perspective they develop workforce plans. Basically, they look at the business results that they desire, and they figure out what kind of talent they are going to need for the next 3 to 5 years to get to those desired business results.

[1] The prepared statement of Ms. Mathews appears in the Appendix on page 102.

They focus on sourcing in a lot of different ways, and that is changing, again, as we move forward into the future. They actually do sourcing campaigns like employee referral programs, vendor relationships, and even people that are in the job—that are seeking jobs today, they will use those as sourcing opportunities also. They target diversity groups, university alumni, veterans returning to the workforce, stay-at-home moms. They even target people that have left the organization maybe in good favor that might want to come back.

And then there is the talent assessment process, which, again, you have heard a lot about today, but they look beyond just the job requirements and the current capability of the candidate to what future potential and what role could this candidate play for the organization. They are really looking for elusive, sort of "hungry" quality—the people who are always unsatisfied with the status quo, their achievements to date, and willing to out-work and out-hustle the competitors.

And they have a formal onboarding and orientation process, and the companies that do this successfully are not viewing the orientation as a 1-day event. It is an ongoing process, and senior leaders are very involved and very visible. They measure the performance, especially in the first year, but in an ongoing way, in a very formal way. And they have the courage to deploy people in the best jobs for those individuals.

Finally, they use a lot of technology. They use technology for the entire recruiting process, and, again, technology does not fix broken practices, but it does speed up the process and helps employers measure the effectiveness. So as we know, employees are the lifeblood of the organization and how an organization recruits, who it recruits, the accountabilities in place in the process all have a dramatic impact on the business, whether it is public or private.

Thank you. I look forward to your questions.

Senator AKAKA. Thank you very much, Ms. Mathews.

You all have been listening to the first panel respond to concerns about the need to address better recruitment, length of hiring process, complicated requirements, and a lack of communication. I want to ask each of you what you think of the first panel's recommendations and recommendations on how to improve the hiring programs. So let me start with Mr. Gage.

Mr. GAGE. I think I agree with a lot of them, I especially like Mr. McDermott, who said if you want to get it done, get the operational manager who has to have the employee, get him involved in that process. And it is interesting because in internal promotions it is this operational manager in most cases who will make those selections. But it seems that external hiring, it will be an HR person that might do that. So I thought that was very interesting.

But I think both of you are on the right road here. It is practicalities, assure the fairness, but speed it up through abandoning the KSAs, for instance, which are really a mess. I do not think there is any way you really can write qualifications for the job down to bathroom breaks and expect someone to come in and try to meet those.

So I think your emphasis on real practical approaches is the way to go, and I thought I heard some during the first panel.

Senator AKAKA. Thank you. Ms. Kelley.

Ms. KELLEY. It was very good to hear NRC talk about how they have used the flexibilities that they were given and that they have put them to good use for the success of the agency. I wish there were more agencies that were doing that. For the most part, what I see agencies doing is having more flexibilities but not using them. So that was good news, and I hope others would follow suit.

What I think has to happen is there has to be leadership from OPM, and we heard Ms. Bailey talk a lot about that, about what they are doing. And while I take that as very good news, I do have to say I was a little bit struck when you were asking her who all they were working with, and she had a very long list. They are working with the Chief Human Capital Officer Council and the Partnership for Public Service and GAO and the agencies and the communities. She never mentioned the unions, and I can tell you that on this subject they are not working with the unions.

It reminded me, actually, that late last week we received an invitation from OPM to attend a briefing they were holding yesterday on hiring. And I thought that was pretty interesting considering this hearing today. So we would have gone to the briefing anyway, so NTEU went to the briefing, and what we were told at the briefing was that OPM is going to publish a booklet of best practices, as they see it. They are going to publish this booklet in September on hiring, and we offered and requested to be involved in the process to provide input. And we were told no, that they were not interested in our input, that they were going to issue the booklet, and that they would send us a copy when they issued it in September.

So while I would like to see OPM play a leadership role on this and take a leadership role, I would surely ask that they ensure that they have everyone involved in the conversation that should be. And I know that both you, Mr. Chairman, and Senator Voinovich would say that the unions should be in that conversation. And I hope the message from OPM changes on this.

Senator AKAKA. Thank you, Ms. Kelley. Mr. Solomon.

Mr. SOLOMON. Yes, I was impressed by the testimony relating to the value and the importance of management passion rather than just systems and processes, because at the end of the day it has to be the human beings that are passionate about what they do that will convey it externally. So I like that.

In terms of the OPM, I thought it was slightly misplaced in terms of that the objectives seemed to be internal collaboration and that all the bases were being touched and the voices of the applicant were not at that table, not active in seeing the value and making sure that the value of the process was used focused, applicant focused, rather than just meeting the needs of the internal stakeholders.

And, finally, what I thought was somewhat missed by all the presenters was that they focused on the efficiencies of the hiring process rather than what is needed in the actual recruitment process to get people's attention to become interested. It seems that much of the focus of the attention is that once somebody is at the Federal Government's door, how do we process them and take advantage of their interest, rather than or in addition to—and this goes back to the three buckets—in addition to focusing on the period of time and

the effort that it is going to take to even get people to consider the Federal Government in the first place, and especially people between the ages of 25 and 35, who have demands in their lives, who have responsibility, who are probably looking for a career change and looking for a different type of opportunity. How to get those people's attention is, I think, and needs to be as much of a focus as making sure that the hiring process itself is efficient.

Senator AKAKA. Thank you. Mr. Stier.

Mr. STIER. Mr. Chairman, I concur with everything that has been said already. The one thing that I would just focus on is the fact that it has been a very long time that the hiring process and some of these issues has been noted as an issue, and yet we still find it to be a problem. And so what I would suggest, if we were to focus on a single item that would help generate change, it would be transparency and metrics, or metrics that provide transparency, because you will find examples that are terrific, like at NRC. You will find examples of agencies that meet the 45-day hiring model. But unless it is transparent for all agencies, we will not know where the problems are. They will not feel the heat of public shame as well as public accolades for good behavior, and that is what we need to see happen. We need to make sure that these processes, the consequence of these processes are being understood and the information is available. And I think that would provide a very important prod to see movement. A lot of this is about implementation more than anything else. Lots of good ideas, there are plenty of those, but getting things done, that is the rarity.

Senator AKAKA. Thank you. Ms. Mathews.

Ms. MATHEWS. It sounds like the NRC is doing a really good job in a lot of different areas, and I want to commend them for that. But one of the things that I think they are doing that a lot of the other agencies and organizations really need to focus on is that they are defining up front what kind of employment experience or career a person is going to have with the NRC.

So if you think about it, I mean, why should somebody come work for the government? You really need to define that and actually market that. So somebody coming out of college, some mid-career person, why should they choose the government over Google or over Microsoft? So defining sort of that brand for the government and what is in it for them actually is probably the first step, and then having the end-to-end process. Again, it is not about the processes as much as selling what the potential candidates are going to get out of this career with the government.

Senator AKAKA. Thank you very much.

In the interest of time, let me then ask my Ranking Member for his questions.

Senator VOINOVICH. Is there a human capital crisis out there?

Ms. MATHEWS. Absolutely.

Mr. STIER. Yes.

Mr. GAGE. Yes.

Mr. SOLOMON. Yes.

Senator VOINOVICH. And Ms. Kelley and Mr. Gage both feel that way about the Federal Government. You have a lot of your members at or nearing retirement.

Ms. KELLEY. I think there is a crisis today, and I think it will get worse in the future unless things change.

Senator VOINOVICH. Mr. Gage, you questioned why it is that the Federal Government does advertising for the armed services and nothing for the civilian workforce in the Federal Government. I would like all of the panelists' opinion on whether or not you think that we should ramp up an advertising campaign about the opportunities that one has through work with the Federal Government. I know that, Mr. Stier, you advertise at the college campuses, but I do not think there is enough of an appreciation currently with the public about the opportunities that one has to come to work for the Federal Government.

Mr. GAGE. I do not see how it could possibly hurt, and I think it might correct a lot of things very quickly, certainly getting the proper applicant pool. I think the Federal Government still in this day and age has a real draw to not only students coming out of college, but also people in mid-careers. There is something about working for the government. There is a steadiness to it. There are predictable benefits, certainly in health care as well as in still a defined retirement benefit, which I think—plus the great work that government agencies do in showing a career in that agency, as one of the gentlemen mentioned, from the NRC, I think is something that would really increase the applicant pool and really let people know what they are getting into ahead of time.

Ms. KELLEY. I would think it would help also, and I guess it depends on whether or not college students today watch a lot of TV, whether or not they catch the ads, but maybe their parents and their siblings would to call their attention to it. But I think it needs to be in a combination with other things, including the job fairs and being out on the campuses. I mean, I will use myself as an example.

When I joined the IRS as a revenue agent—and it was many years ago, more years than I want reflected in the Congressional record, but I did that because they came to my college campus. I had never once considered a job with the Federal Government. I knew nothing about it. So it was not that I considered it and was not interested. I just did not have any information until they came there, and they talked to me, and they gave me information, they answered my questions. And that is where I got the application, and that is where I filled it out.

I think that is what a lot of college students are looking for today, is unless they know specifically what they want to do in the next 5 years of their life, they are looking for what their options are. And I think it runs the whole gamut, from the TV ads to the face to face out there on the college campuses.

Mr. SOLOMON. I think the simple answer is yes, especially for those who are between the ages of 25 to 35. It seems from the people who are testifying that a lot of attention is paid to people just entering the workforce rather than people who are experienced and seeking an alternative place to learn more and to apply their skills or to have career advancement. And it may be people who do not want to spend their entire career with the Federal Government but are willing to commit a period of years. And I think that the promotion needs to not just be traditional advertising, but to also un-

leash the recruiter to actually participate in the conversation somehow in the social media about the job opportunities and the career opportunities, and also encourage people who are actually doing the work to be actively engaged in recruitment, to talk to their neighbors, to use their online communities, to talk about the benefits of their job.

I know in the private sector everyone in my office is part of the recruiting team. It is not an office down the hall. It is not left to somebody else's budget. It is something that everyone actively does, and that is why we are successful.

Mr. STIER. Senator, there is no doubt that this is very important, and our research shows that. We have done research on university campuses, and I would add that the only market research I am aware of shows only about 11 percent of college juniors and seniors feel they are reasonably well informed about government opportunities.

It is the same case for older Americans, too. It is simply not on their radar screen. The good news is when they are told about the opportunities, they are very interested in them. They simply do not know about them, and filling that information gap is something that can be done.

I would add, however, that it needs to be viewed, again, as part of this holistic system. So simply attracting a huge wave of new folks in, while very important, is going to run into a problem if the hiring process is unable to deal with them, and instead it might reinforce a stereotype of government being overly bureaucratic.

I would also say that the Federal Government's own capacity to recruit effectively needs to be built up as well. So as an example—the military is a great example. They have done the market research to understand how to attract the talent they need. But they also understand what exact talent they do need, and they know how to measure for what talent they are trying to receive. They know how much it is going to cost to train that talent. They invest in retaining that talent, and those are all processes that need to take place.

We have done this research. We know the baseline, what needs to take place on university campuses. We know that relationships need to be created. By and large, it is transactional right now. Agencies go out when they think they need to hire someone.

Senator VOINOVICH. You talk about the military, and they have got the big budget, all that money we pour into the Federal budget for the armed services. You are on the college campuses. Do you observe that these agencies have been given the wherewithal to hire the people to do the jobs that are out there? And do they have quality human capital officers working in the various agencies that get it?

Mr. STIER. It is no and no, and they need more. There are other noes as well. They do not have the resources that are being dedicated to effectively recruit. They do not have the personnel to actually manage the process right. They do not have the leadership commitment because, again, as you heard from Mr. Solomon, the reality is the only way this worked is if the leadership cares about the talent that they are trying to recruit and develop, and they have to see that as a priority.

I would point to, as one example, GAO where they assign their senior managers who are responsible for relationships with different universities. They are held accountable. Their performance reviews include whether or not that talent is coming from those campuses and whether that talent is succeeding in GAO. And that is very important. So they have a commitment to make sure they get the right talent in and that that talent actually succeeds. And that is absolutely vital.

The point here is that almost on any issue you will find agencies that are doing the right thing in some places, but, by and large, you will find that they are doing the wrong things in most places. And so the challenge here is how you ensure that those right practices are being adopted by a broader set of agencies. It will take more resources. It is going to take more than that.

Ms. MATHEWS. I would expand on that just briefly. The leadership has to care. They also have to know. They have to know what talent they need, and if you are going to do more advertising, you have to know what messages to deliver to the different generations of people that you are trying to attract.

Senator VOINOVICH. Mr. Chairman, one of the things that we did when we created the CHCO Council and elevated human capital was to try and get agencies to start paying attention to succession planning and transition. I wonder how many of them are really engaged in such activity today. The Government Performance and Results Act (GPRA), never contained anything about the personnel that you needed to get the job done in the agencies. In spite of all the work that we have done, how many of these agencies are actually looking at what they need for the future? You have to first know what you need. Once you realize what you need, then you can go out and recruit a highly-skilled workforce. Any comment?

Mr. STIER. You are right. And, Senator, I think you are asking questions—and this is my point about the data. You are asking a lot of very good questions, and you should have that information available to you. And, again, you cannot ask for too much information, but I think there are a set of questions that you reasonably asked that should be answerable on a regular basis so that you can hold agencies accountable.

There is no doubt that the human resource function needs a significant investment in government, writ large. The actual head count is down something like 20 percent, but more importantly, the actual competencies that are needed are simply not represented today, and they are disappearing. And you can see that both among the senior leadership as well as within the ranks. You need to see a very substantial investment take place there in order to have the expertise to help the whole government and agencies individually get to where they need to go.

Mr. SOLOMON. And I would like to add that I think although more resources are needed, you do so in the context of defined measurements that the Congress will hold the Executive Branch accountable for. You need to make your own job easier, not just bring stories to the fore, as Mr. Stier has said, but match it together with some accountability towards very certain objectives.

Ms. KELLEY. And I would also add that this whole issue of resources is often part of the problem with the agencies, whether it

is about hiring or defining what work they want to do. I think it was Ms. Mathews who said that an agency has to decide what work they want done and then what staff they need to get that done and then to have a plan in place to go and hire that staff.

Well, that works, unless you have an annual budget process that often results in appropriations bills not being passed for 3 or 4 months into the year, which severely impacts an agency's ability to do that. So they are really doing it in reverse. They need to know how much money they have so they know how many they can hire. Then they define what work they can get done with the staff that they have.

And to that I would add that OMB prevents agencies from requesting the staffing that they need, for the personnel they need to get the job done. Every year we go through this annual budget process with agencies defining what they need, and then OMB adjusts the request and does not let them move forward with the budget request that they need. And then, like I said, invariably then it is 3, 4, 5 months into the budget year anyway. And I talk to agencies that we represent every day of every year, and they tell me that they cannot move forward with their hiring plans until they know what their budget is, because we are in a CR or some other situation.

So there are very real problems that are compounded by all the things we talked about, about the application process. But it really is a lot more than that.

Senator VOINOVICH. Thank you, Mr. Chairman. Thank you very much.

Senator AKAKA. Well, I want to thank Senator Voinovich for his questions, and we are right on time. There is a signal that there are votes being called. We were expecting it at noon. But I want to tell you that we heard many good recommendations today on ways agencies can improve recruitment and hiring. We have heard from our second panel on their thoughts and recommendations as to what can and should happen.

Agencies must make reforming the recruitment and hiring process a top priority, and some of you have indicated that the Congress needs to also take a step in the direction of working with agencies for some of these strategies to be put in place. The future of the Federal workforce, of course, is depending on this, and we are looking for answers.

The hearing record will remain open for one week for Members to submit additional statements or questions. Senator Voinovich and I have been, as he mentioned, working on this for several years. We will continue to do so, and we may be taking some harder steps than we have had in the past because you have offered some recommendations that can help us do that. Of course, we are doing this for the Federal workforce. We want it to be the best in the country.

So thank you very much for being part of this, and we look forward to working with you. This hearing is adjourned.

[Whereupon, at 12:06 p.m., the Subcommittee was adjourned.]

# APPENDIX

United States Government Accountability Office

GAO

Testimony before the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Governmental Affairs, U.S. Senate

For Release on Delivery
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## HUMAN CAPITAL

## Transforming Federal Recruiting and Hiring Efforts

Statement of Robert N. Goldenkoff
Director, Strategic Issues

GAO-08-762T

May 8, 2008

GAO
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# Highlights

Highlights of GAO-08-762T, a testimony before the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Governmental Affairs, U.S. Senate

## HUMAN CAPITAL

## Transforming Federal Recruiting and Hiring Efforts

### Why GAO Did This Study

To address the challenges that the nation faces, it will be important for federal agencies to change their cultures and create the institutional capacity to become high-performing organizations. This includes recruiting and retaining a federal workforce able to create, sustain, and thrive in organizations that are flatter, results-oriented, and externally focused.

In 2001, GAO identified strategic human capital management as a governmentwide high-risk area because federal agencies lacked a strategic approach to human capital management that integrated human capital efforts with their missions and program goals. Although progress has been made since that time, strategic human capital management still remains a high-risk area.

This testimony, based on a large body of completed work issued from January 2001 through April 2008, focuses on (1) challenges that federal agencies have faced in recruiting and hiring talented employees, (2) progress in addressing these challenges, and (3) additional actions that are needed to strengthen recruiting and hiring efforts. In its prior reports, GAO has made a range of recommendations to the Office of Personnel Management (OPM)—the government's personnel agency—and to agencies in such areas as hiring, workforce planning, and diversity management; a number of these recommendations have since been implemented. GAO is making no new recommendations at this time.

To view the full product, including the scope and methodology, click on GAO-08-762T. For more information, contact Robert Goldenkoff at (202) 512-6806 or goldenkoffr@gao.gov.

### What GAO Found

Numerous studies over the years have identified a range of problems and challenges with recruitment and hiring in the federal government. Some of these problems and challenges include passive recruitment strategies, unclear job vacancy announcements, and manual processes that are time consuming and paperwork intensive. In recent years, Congress, OPM, and agencies have made important strides in improving federal recruitment and hiring. For example, Congress has provided agencies with hiring flexibilities that could help to streamline the hiring process. OPM has sponsored job fairs and developed automated tools. Individual agencies have developed targeted recruitment strategies to identify and help build a talented workforce.

Building on the progress that has been made, additional efforts are needed in the following areas.

**Human capital planning:** Federal agencies will have to bolster their efforts in strategic human capital planning to ensure that they are prepared to meet their current and emerging hiring needs. Agencies must determine the critical skills and competencies necessary to achieve programmatic goals and develop strategies that are tailored to address any identified gaps.

**Diversity management:** Developing and maintaining workforces that reflect all segments of society and our nation's diversity is another significant aspect of agencies' recruitment challenges. Recruitment is a key first step toward establishing a diverse workforce. Agencies must consider active recruitment strategies, such as building formal relationships with targeted schools and colleges, and partnering with multicultural professional organizations.

**Use of existing flexibilities:** Agencies need to reexamine the flexibilities provided to them under current authorities, including monetary recruitment and retention incentives, special hiring authorities, and work-life programs. Agencies can then identify those existing flexibilities that could be used more extensively or more effectively to meet their workforce needs.

**OPM leadership:** OPM has taken significant steps in fostering and guiding improvements in recruiting and hiring in the executive branch. For example, OPM, working with and through the Chief Human Capital Officers Council, has moved forward in compiling information on effective and innovative practices and sharing this information with agencies. Still, OPM must continue to work to ensure that agencies take action on this information. Also, OPM needs to make certain that it has the internal capacity to guide agencies' readiness to implement change and achieve desired outcomes.

OPM and agencies should be held accountable for the ongoing monitoring and refinement of human capital approaches to recruit and hire a capable and committed federal workforce. With continued commitment and strong leadership, the federal government can indeed be an employer of choice.

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to be here today to discuss recruiting and hiring of the next generation of federal employees. Today's hearing coincides with Public Service Recognition Week, which honors the men and women who serve America as federal, state, and local government employees. We commend the subcommittee for this opportunity to highlight the progress that the federal government has made in improving its recruitment and hiring practices over the past few years as well as draw attention to the continued challenges and opportunities facing federal agencies in acquiring capable and committed employees.

The importance of a top-notch federal workforce cannot be overstated. The nation is facing new and more complex challenges in the 21st century as various forces are reshaping the United States and its place in the world. These forces include a large and growing long-term fiscal imbalance, evolving national and homeland security threats, increasing global interdependence, and a changing economy. Further, as we have pointed out in our High-Risk Series and other reports for Congress, some federal agencies continue to face persistent performance and accountability problems at a time when taxpayers have come to expect—and need—higher levels of performance and greater responsiveness by public officials and programs.

To address these challenges, it will be important for federal agencies to change their cultures and create the institutional capacity to become high-performing organizations. This includes recruiting and retaining employees able to create, sustain, and thrive in organizations that are flatter, results-oriented, and externally focused and that collaborate with other governmental entities as well as with the private and nonprofit sectors to achieve desired outcomes.

As you are aware, in 2001, we identified federal human capital management as a governmentwide high-risk area because federal agencies lacked a strategic approach to human capital management that integrated human capital efforts with their missions and program goals.[1] Although progress has been made since that time, strategic human capital management still remains on our high-risk list.[2] As we have previously

[1]GAO, *High-Risk Series: An Update*, GAO-01-263 (Washington, D.C.: January 2001).

[2]GAO, *High-Risk Series: An Update*, GAO-07-310 (Washington, D.C.: January 2007).

reported in our work on human capital issues, federal agencies do not consistently have the modern human capital programs and policies needed to ensure that they have the right people in the right jobs at the right time to meet the challenges they face.[3]

Exacerbating this problem, governmentwide, about one-third of federal employees on board at the end of fiscal year 2007 will become eligible to retire by 2012. Proportions of workers eligible to retire are projected to be especially high in certain occupations—some of them mission critical—as well as in key leadership positions. Indeed, as we recently reported, about 51 percent of customs and border protection agents, 58 percent of air traffic controllers, 85 percent of administrative law judges, and 64 percent of career executives may be eligible to retire by 2012.[4]

That said, the way forward is not gloomy. In many ways, the federal government is well positioned to acquire, develop, and retain the people it needs to carry out its diverse roles and responsibilities. Importantly, federal employment offers rewards, such as interesting work and opportunities to make a difference in the lives of others, as well as a variety of tangible benefits and work-life flexibilities that make an organization an employer of choice.[5] Moreover, the Office of Personnel Management (OPM) and agencies have made noteworthy progress in addressing the various human capital challenges they face, often in response to our findings and recommendations. For example:

- OPM identified additional human capital flexibilities and worked to build consensus for legislative change;
- the Office of Management and Budget directed agencies to adopt a strategic approach to acquisition workforce planning; and
- the Department of Housing and Urban Development prepared a strategic workforce plan to be better prepared to recruit and hire the people it needs to fulfill its mission.

[3]GAO, *Human Capital: Federal Workforce Challenges in the 21st Century*, GAO-07-556T (Washington, D.C.: Mar. 6, 2007).

[4]GAO, *Older Workers: Federal Agencies Face Challenges, but Have Opportunities to Hire and Retain Experienced Employees*, GAO-08-630T (Washington, D.C.: Apr. 30, 2008).

[5]As reported in the Merit Systems Protection Board's Merit Principles Survey 2005, which obtained federal employees' views on how well the workforce is being managed.

As requested, my testimony today will focus on (1) challenges that federal agencies have faced in recruiting and hiring talented employees, (2) the progress that has been made to date in addressing these challenges, and (3) additional actions that are needed moving forward to strengthen the government's recruiting and hiring efforts. My remarks today will underscore the following: Improving the federal recruiting and hiring process to attract the next generation of federal employees is a shared responsibility between the federal government's central personnel agency—OPM, individual agencies, and Congress. With sustained and committed leadership, innovation, and planning, the federal government can brand itself as an employer of choice and successfully compete in the labor market for its fair share of the nation's best and brightest individuals.

This testimony is based on a large body of our completed work issued from January 2001 through April 2008. Our previous work included reviews of OPM and agency documents related to federal hiring, studies on recruiting and hiring that were completed by other organizations in recent years, as well as data from OPM's central database of governmentwide personnel information. We also interviewed various officials from OPM, the interagency Chief Human Capital Officers Council, and selected federal agencies. We performed our performance audits in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## Federal Recruiting and Hiring Has Been a Long-standing Challenge

For years it has been widely recognized that the federal hiring process all too often does not meet the needs of (1) agencies in achieving their missions; (2) managers in filling positions with the right talent; and (3) applicants for a timely, efficient, transparent, and merit-based process. In short, the federal hiring process is often an impediment to the very customers it is designed to serve in that it makes it difficult for agencies and managers to obtain the right people with the right skills, and applicants can be dissuaded from public service because of the complex and lengthy procedures.

Numerous studies over the past decade by OPM, the Merit Systems Protection Board (MSPB), the National Academy of Public Administration, the Partnership for Public Service, the National Commission on the Public

Service, and GAO have identified a range of problems and challenges with recruitment and hiring in the federal government, including the following:[6]

- Passive recruitment strategies.
- Poor and insufficient workforce planning.
- Unclear job vacancy announcements.
- Time-consuming and paperwork-intensive manual processes.
- Imprecise candidate assessment tools.
- Ineffective use of existing hiring flexibilities.

These problems put the federal government at a serious competitive disadvantage in acquiring talent. For example, passive recruitment strategies, such as infrequent or no outreach to college campuses, miss opportunities to expose potential employees to information about federal jobs. Unclear and unfriendly vacancy announcements can cause confusion for applicants, delay hiring, and serve as poor recruiting tools. Weak candidate assessment tools can inadequately predict future job performance and result in the hiring of individuals who do not fully possess the appropriate skills for the job. As evidence of these and other problems, MSPB's most recently published Merit Principles Survey results found that only 5 percent of federal managers and supervisors said that they faced no significant barriers to hiring employees for their agencies.[7]

## Congress, OPM, and Agencies Have Taken Significant Steps to Help Improve Recruiting and Hiring

In recent years, Congress, OPM, and agencies have taken a series of important actions to improve recruiting and hiring in the federal sector. For example, Congress has provided agencies with hiring flexibilities that could help agencies streamline their hiring processes and give agency managers more latitude in selecting among qualified job candidates. Congress has also provided several agencies with exemptions from the pay and classification restrictions of the General Schedule. Other examples of congressional action related to recruitment and hiring follow.

[6]See, for example, GAO, *Human Capital: Opportunities to Improve Executive Agencies' Hiring Processes*, GAO-03-450 (Washington, D.C.: May 30, 2003); *Human Capital: Additional Collaboration Between OPM and Agencies Is Key to Improved Federal Hiring*, GAO-04-797 (Washington, D.C.: June 7, 2004); and *Human Capital: Status of Efforts to Improve Federal Hiring*, GAO-04-796T (Washington, D.C.: June 7, 2004). Also, see Merit Systems Protection Board, *Reforming Federal Hiring: Beyond Faster and Cheaper* (Washington, D.C.: September 2006).

[7]Merit Systems Protection Board, *Accomplishing Our Mission: Results of the Merit Principles Survey 2005* (Washington, D.C.: February 2007).

- Dual compensation waivers to rehire federal retirees. OPM may grant waivers allowing agencies to fill positions with rehired federal annuitants without offsetting the salaries by the amount of the annuities.[8] Agencies can request waivers on a case-by-case basis for positions that are extremely difficult to fill or for emergencies or other unusual circumstances. Agencies can also request from OPM a delegation of authority to grant waivers for emergencies or other unusual circumstances.

- Special authority to hire for positions in contracting. Agencies can rehire federal annuitants to fill positions in contracting without being required to offset the salaries. Agencies are required only to notify and submit their hiring plans to OPM.[9]

- Enhanced annual leave computation. Agencies may credit relevant private sector experience when computing annual leave amounts.[10]

As the federal government's central personnel management agency, OPM has a key role in helping agencies acquire, develop, retain, and manage their human capital. In the areas of recruiting and hiring, OPM has, for example, done the following.

- Sponsored job fairs across the country and produced television commercials to make the public more aware of the work that federal employees do.

- Developed a 45-day hiring model to help agencies identify the steps in their processes that tend to bog them down, and created a detailed checklist to assist agencies in undertaking a full-scale makeover of their hiring process from beginning to end.

- Developed a Hiring Tool Kit on its Web site that is to aid agencies in improving and refining their hiring processes and that includes a tool to assist agency officials in determining the appropriate hiring flexibilities to use given their specific situations.

[8]See 5 U.S.C. § 8344 and § 8468, 5 C.F.R. part 553.

[9]This authority expires December 31, 2011.

[10]See 5 U.S.C. § 6303(e) and 5 C.F.R. 630.205.

- Updated and expanded its report *Human Resources Flexibilities and Authorities in the Federal Government*, which serves as a handbook for agencies in identifying current flexibilities and authorities and how they can be used to address human capital challenges.

- Established standardized vacancy announcement templates for common occupations, such as secretarial, accounting, and accounting technician positions, into which agencies can insert summary information concerning their specific jobs prior to posting for public announcement.

Individual federal agencies have also taken actions to meet their specific recruitment and hiring needs. For example:

- The National Aeronautics and Space Administration (NASA) has used a combination of techniques to recruit workers with critical skills, including targeted recruitment activities, educational outreach programs, improved compensation and benefits packages, professional development programs, and streamlined hiring authorities.[11] Many of NASA's external hires have been for entry-level positions through the Cooperative Education Program, which provides NASA centers with the opportunity to develop and train future employees and assess the abilities of potential employees before making them permanent job offers.

- The Nuclear Regulatory Commission (NRC) has endeavored to align its human capital planning framework with its strategic goals and has identified the activities needed to achieve a diverse, skilled workforce and an infrastructure that supports the agency's mission and goals.[12] NRC has used various flexibilities in recruiting and hiring new employees, and it has tracked the frequency and cost associated with the use of some flexibilities. While there was room for further improvement, NRC has been effective in recruiting, developing, and retaining a critically skilled workforce.

[11]GAO, *NASA: Progress Made on Strategic Human Capital Management, but Future Program Challenges Remain*, GAO-07-1004 (Washington, D.C.: Aug. 8, 2007).

[12]GAO, *Human Capital: Retirements and Anticipated New Reactor Applications Will Challenge NRC's Workforce*, GAO-07-105 (Washington, D.C.: Jan. 17, 2007).

## Additional Actions Are Needed to Strengthen Recruiting and Hiring

While these actions are all steps in the right direction, our past work has found that additional efforts are needed in the areas of strategic human capital planning, diversity management, and the use of existing flexibilities. In addressing these areas, agency managers need to be held accountable for maximizing the efficiency and effectiveness of their recruiting efforts and hiring processes. In addition, OPM, working with and through the Chief Human Capital Officers Council, must use its leadership position to vigorously and convincingly encourage continuous improvement in agencies and provide appropriate assistance to support agencies' recruitment and hiring efforts. In carrying out its important role, OPM will need to ensure that it has the internal capacity to assist and guide agencies' readiness to implement needed improvements. I will discuss each one of these areas in turn.

### Human Capital Planning

First and foremost, federal agencies will have to bolster their efforts in strategic human capital planning to ensure that they are prepared to meet their current and emerging hiring needs. To build effective recruiting and hiring programs, agencies must determine the critical skills and competencies necessary to achieve programmatic goals and develop strategies that are tailored to address any identified gaps. For example, an agency's strategic human capital plan should address the demographic trends that the agency faces with its workforce, especially pending retirements. We have found that leading organizations go beyond a succession planning approach that focuses on simply replacing individuals; instead, agencies should consider their future mission requirements and the knowledge, skills, and abilities needed to meet those requirements.[13]

Recruiting and hiring for the acquisition workforce is a prime example of the government's strategic human capital planning challenges. Acquisition of products and services from contractors consumes about a quarter of discretionary spending governmentwide and is a key function in many federal agencies. We have reported that many acquisition professionals need to acquire a new set of skills focusing on business management because of a more sophisticated business environment.[14] At a GAO-

[13]GAO, *Human Capital: Succession Planning and Management Is Critical Driver of Organizational Transformation*, GAO-04-127T (Washington, D.C.: Oct. 1, 2003).

[14]GAO, *Acquisition Workforce: Status of Agency Efforts to Address Future Needs*, GAO-03-55 (Washington, D.C.: Jan. 17, 2003).

sponsored forum in July 2006, acquisition experts reported that agency leaders had not recognized or elevated the importance of the acquisition profession within their organizations, and a strategic approach had not been taken across government or within agencies to focus on workforce challenges, such as creating a positive image essential to successfully recruiting and retaining a new generation of talented acquisition professionals.[15]

## Diversity Management

Developing and maintaining workforces that reflect all segments of society and our nation's diversity is another significant aspect of agencies' recruitment challenges. As we have previously reported, recruitment is a key first step toward establishing a diverse workforce.[16] To ensure that they are reaching out to diverse pools of talent, agencies must consider active recruitment strategies, such as the following:

- Widening the selection of schools from which they recruit to include, for example, historically Black colleges and universities, Hispanic-serving institutions, women's colleges, and schools with international programs.
- Building formal relationships with targeted schools and colleges to ensure the cultivation of talent for future applicant pools.
- Partnering with multicultural professional organizations and speaking at their conferences to communicate their commitment to diversity to external audiences and strengthen and maintain relationships.

For these types of recruitment strategies, agencies can calculate the cost of recruiting channels and cross-reference those costs with the volume and quality of candidates yielded in order to reallocate funds to the most effective recruiting channels.

Several agencies have taken steps toward developing and implementing active recruitment strategies that take into account a diverse pool of job candidates. For example:

[15]GAO, *Highlights of a GAO Forum: Federal Acquisition Challenges and Opportunities in the 21st Century*, GAO-07-45SP (Washington, D.C.: Oct. 6, 2006).

[16]GAO, *Diversity Management: Expert-Identified Leading Practices and Agency Examples*, GAO-05-90 (Washington, D.C.: Jan. 14, 2005).

- NASA developed a strategy for recruiting Hispanics that focuses on increasing educational attainment, beginning in kindergarten and continuing into college and graduate school, with the goal of attracting students into the NASA workforce and aerospace community. NASA said it must compete with the private sector for the pool of Hispanics qualified for aerospace engineering positions, which is often attracted by more-lucrative employment opportunities in the private sector in more preferable locations.[17] NASA centers sponsored, and its employees participated in, mentoring, tutoring, and other programs to encourage Hispanic and other students to pursue careers in science, engineering, technology, and mathematics.

- An official with the National Institute of Standards and Technology (NIST) said that when NIST hosted recruitment or other programs, it made use of relationships the agency had with colleges, universities, and other groups to inform students about internship or employment opportunities.[18] One group that helped to arrange such recruitment efforts was the National Organization of Black Chemists and Black Chemical Engineers. The NIST official said that NIST had been active in the professional organization's leadership for years and that NIST employees had served on its executive board. Another NIST official said that the professional organization had helped with NIST's efforts to recruit summer interns.

- The Federal Aviation Administration (FAA) developed internship opportunities designed to recruit a diverse group of future candidates for the agency.[19] Its Minority-Serving Institutions Internship Program was designed to provide professional knowledge and experience at FAA or firms in the private sector for minority students and students with disabilities who are enrolled in a college or university, major in relevant fields and related disciplines, and have a minimum of a 3.0 grade point average. Students in the internship program could earn academic credit for their participation during the fall or spring semesters or over the summer.

[17]GAO, *The Federal Workforce: Additional Insights Could Enhance Agency Efforts Related to Hispanic Representation*, GAO-06-832 (Washington, D.C.: Aug. 17, 2006).

[18]GAO-05-90.

[19]GAO-05-90.

## Use of Existing Flexibilities

Additionally, the appropriate use of human capital flexibilities is crucial to making further improvements in agencies' efforts to recruit, hire, and manage their workforces. Federal agencies often have varied statutory authorities related to workforce management.[20] These authorities provide agencies with flexibility in helping them manage their human capital strategically to achieve results. In previous reports and testimonies, we have emphasized that in addressing their human capital challenges, federal agencies should first identify and use the flexibilities already available under existing laws and regulations and then seek additional flexibilities only when necessary and based on sound business cases. Our work has found that the insufficient and ineffective use of these existing flexibilities can significantly hinder the ability of federal agencies to recruit, hire, retain, and manage their human capital.[21]

The ineffective use of available hiring flexibilities represents a lost opportunity for agencies to effectively manage human capital. In 2002, Congress provided agencies with two new hiring flexibilities.[22] One of these hiring flexibilities, known as category rating, permits an agency to select best-qualified job candidates for a position rather than being limited to the three top-ranked job candidates. The other hiring flexibility, often referred to as direct hire, allows an agency to appoint people to positions without adherence to certain competitive examination requirements when there is a severe shortage of qualified candidates or a critical hiring need. However, we have found that agencies were making limited use of these available flexibilities.[23] Various agency officials from across the federal government often had previously cited both of these hiring flexibilities as needed tools to help in improving the federal hiring process.

Agencies need to reexamine the flexibilities provided to them under current authorities and identify those that could be used more extensively or more effectively to meet their workforce needs. Our prior work has

[20]GAO, *Human Capital: Selected Agencies' Statutory Authorities Could Offer Options in Developing a Framework for Governmentwide Reform*, GAO-05-398R (Washington, D.C.: Apr. 21, 2005).

[21]GAO, *Human Capital: Effective Use of Flexibilities Can Assist Agencies in Managing Their Workforces*, GAO-03-2 (Washington, D.C.: Dec. 6, 2002).

[22]These hiring flexibilities are contained in the Chief Human Capital Officers Act of 2002, Title XIII of the Homeland Security Act of 2002. Pub. L. No. 107-296 (Nov. 25, 2002).

[23]GAO, *Human Capital: Increasing Agencies' Use of New Hiring Flexibilities*, GAO-04-959T (Washington, D.C.: July 13, 2004).

identified several human capital flexibilities that agency officials and union representatives frequently cited as most effective for managing thei workforces.[24] These flexibilities encompass broad areas of personnel-related actions that could be especially beneficial for agencies' recruiting and hiring efforts. They include monetary recruitment and retention incentives; special hiring authorities, such as student employment programs; and work-life programs, such as alternative work schedules, child care assistance, and transit subsidies.

## OPM Leadership

As part of its key leadership role, OPM has taken significant steps in fostering and guiding improvements in recruiting and hiring in the executive branch. Still, OPM must continue to assist—and as appropriate, require—the building of the infrastructures within agencies needed to successfully implement and sustain human capital reforms to strengthen recruitment and hiring. OPM can do this in part by encouraging continuous improvement and providing appropriate assistance to support agencies' recruitment and hiring efforts. Innovative and best practices of model agencies need to be made available to other agencies in order to facilitate the transformation of agency hiring practices from compliance based to agency mission based. OPM, working with and through the Chief Human Capital Officers Council, has made progress in compiling information on effective and innovative practices and distributing this information to help agencies in determining when, where, and how the various flexibilities are being used and should be used. OPM must continue to work to ensure that agencies take action on this information.

Moreover, in leading governmentwide human capital reform, OPM has faced challenges in its internal capacity to assist and guide agencies' readiness to implement change. In October 2007, we issued a report on the extent to which OPM has (1) addressed key internal human capital management issues identified through employee survey responses and (2) put in place strategies to ensure that it has the mission-critical talent it needs to meet current and future strategic goals.[25] We found that OPM has taken positive actions to address specific concerns raised by its employees and managers in the employee surveys. We also found that OPM has strategies in place, such as workforce and succession management plans,

[24]GAO-03-2.

[25]GAO, *Office of Personnel Management: Opportunities Exist to Build on Recent Progress in Internal Human Capital Capacity*, GAO-08-11 (Washington, D.C.: Oct. 31, 2007).

that are aligned with selected leading practices relevant to the agency's capacity to fulfill its strategic goals. However, OPM lacks a well-documented agencywide evaluation process of some of its workforce planning efforts. In a relatively short time, there will also be a presidential transition, and well-documented processes can help to ensure a seamless transition that builds on the current momentum.

Equally important is OPM's leadership in federal workforce diversity and oversight of merit system principles. In our review of how OPM and the Equal Employment Opportunity Commission (EEOC) carry out their mutually shared responsibilities for helping to ensure a fair, inclusive, and nondiscriminatory federal workplace, we found limited coordination between the two agencies in policy and oversight matters.[26] The lack of a strategic partnership between the two agencies and an insufficient understanding of their mutual roles, authority, and responsibilities can result in a lost opportunity to realize consistency, efficiency, and public value in federal equal employment opportunity and workplace diversity human capital management practices. We recommended that OPM and EEOC regularly coordinate in carrying out their responsibilities under the equal employment opportunity policy framework and seek opportunities for streamlining like reporting requirements. Both agencies acknowledged that their collaborative efforts could be strengthened but took exception to the recommendation to streamline requirements. We continue to believe in the value of more collaboration.

Finally, OPM and agency leaders need to be held accountable and should hold others accountable for the ongoing monitoring and refinement of human capital approaches to recruit and hire a capable and committed federal workforce. Leadership is critical for agencies to overcome their natural resistance to change, to marshal the resources needed in many cases to improve management, to build and maintain organizationwide commitment to improving their ways of doing business, and to create the conditions for effectively improving human capital approaches. Some agency officials have told us that OPM rules and regulations are rigid, yet agency officials are also often hesitant to implement new approaches without specific guidance. It will be important for agencies and OPM to define their appropriate roles and day-to-day working relationships as they

[26]GAO, *Equal Employment Opportunity: Improved Coordination Needed between EEOC and OPM in Leading Federal Workplace EEO*, GAO-06-214 (Washington, D.C.: June 16, 2006).

collaborate on developing and implementing innovative and more effective recruitment efforts and hiring processes.

In conclusion, OPM and agencies have made progress in addressing the impediments to effective recruitment and hiring since we first designated strategic human capital management as a high-risk area in 2001. Still, as I have discussed today, more can be done. Faced with a workforce that is becoming more retirement eligible and finding gaps in talent because of changes in the knowledge, skills, and competencies in occupations needed to meet their missions, agencies must strengthen their recruiting and hiring efforts. Moreover, human capital expertise within the agencies must be up to the challenge for this transformation to be successful and enduring. With an ongoing commitment to continuous improvement and strong leadership in Congress, OPM, and the agencies, the federal government can indeed be an employer of choice.

Mr. Chairman and members of the subcommittee, this completes my prepared statement. I would be pleased to respond to any questions you may have at this time.

## Contacts and Acknowledgments

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STATEMENT OF
ANGELA BAILEY
DEPUTY ASSOCIATE DIRECTOR FOR TALENT AND CAPACITY POLICY
U.S. OFFICE OF PERSONNEL MANAGEMENT

before the

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA
COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

on

RECRUITING AND HIRING THE NEXT GENERATION OF FEDERAL EMPLOYEES

MAY 8, 2008

Good Morning, Chairman Akaka, Senator Voinovich, and Members of the Subcommittee:

Thank you for this opportunity to highlight, during Public Service Recognition Week, the Office of Personnel Management's (OPM) mission to ensure the Federal Government has an effective civilian workforce – a workforce that draws on the strength of America's rich diversity of talent. In pursuing our mission, OPM must balance the needs of our agencies and job applicants with merit system principles and veterans' preference. We are also mindful of the responsibilities assigned to OPM under the President's Management Agenda concerning strategic management of human capital, and we are very appreciative of all of the work done by this subcommittee over the last several years to provide needed flexibilities that are helping to improve Federal recruitment efforts and the overall Federal hiring process.

**The Next Generation**

As you noted in your invitation letter, approximately 40 percent of Federal employees will retire in the next five to ten years. As the President's human resources advisor, OPM Director Linda Springer fully understands the importance of recruiting and employing the next generation of Federal workers. She has set clear goals and timelines for achieving those goals as part of our Agency's Strategic and Operational Plan, and all of us at OPM are held accountable in the performance of our mission.

OPM has expanded our efforts to reach out across the country to encourage Americans to join Federal service. We have used television ads to promote public service; we are highlighting our compensation and benefits packages, and we are promoting our telework

and family friendly policies, which are geared to the preferences and expectations of today's job seeker.

To help agencies better address their hiring needs at both ends of the employment spectrum, OPM developed a legislative proposal that would allow agencies – without coming to OPM for approval – to rehire annuitants on a part-time and/or time-limited basis under certain conditions, without a salary offset. This proposal, which we submitted to Congress a year ago, would permit Federal agencies to reemploy retired Federal employees, without offsetting annuity from salary, for a maximum of 520 hours in the first 6 months following retirement, a maximum of 1,040 hours in any 12-month period, and a total of 6,240 hours for any individual. While those reemployed under this authority would receive both salary and annuity payments, they would earn no additional retirement benefits based on the reemployment.

This proposal is carefully drafted to make such reemployment both attractive to annuitants and easy for agencies to use, and to avoid abuse. This proposal will encourage individuals who otherwise would leave the Federal Government permanently to continue their service part-time, for a limited period. These experienced workers, with their institutional knowledge can help the next generation of employees integrate into an agency's workforce by serving as mentors and knowledge management facilitators, thus providing a seamless transition from generation to generation.

OPM would particularly like to thank Senators Collins, Warner, and Voinovich for their introduction of this proposal as S. 2003. We also appreciate the support for this proposal from the President of the Partnership for Public Service who is testifying on the next panel.

In addition to the aforementioned, I would like to address three specific areas in which OPM is leading the way to improve the recruitment and employment of the next generation of Federal employees: 1) the hiring process, 2) job announcements for entry-level positions, and 3) selection methods for the Senior Executive Service (SES).

**The Hiring Process**

We are well aware that the Federal hiring system has evolved over many years into a cumbersome process and hiring takes far too long. There are few of us who do not have a story to tell that illustrates frustration with the Federal hiring process, whether it is our own, a friend's, or a neighbor's.

OPM, through collaboration with agencies and on our own, has instituted some important initiatives to "fix the hiring" over the years. OPM has provided recruitment tools and regulatory flexibilities to help agencies achieve their recruitment goals and human capital needs. At the same time, we have reminded agencies of their pivotal role as a strategic "front line" in the Federal hiring process and the need to thoughtfully plan their recruitment strategies to aggressively and creatively pursue applicants in the labor market.

Under the leadership of Deputy Director Howard Weizmann, we have expanded these efforts by partnering with several agency Chief Human Capital Officers (CHCO) to launch a new, holistic and systemic view of the hiring process. In the past, we took a much narrower view of the process and tried to "fix" individual pieces, rather than look at all of the components and their interrelatedness. Our current initiative focuses on five components—workforce planning, recruitment, hiring, suitability and security, and orientation – that work in concert to create an efficient and effective hiring process.

We are also piloting this roadmap within OPM and the Departments of the Army and Navy. The Nuclear Regulatory Commission and the Department of the Treasury are piloting the recruitment and orientation components of the roadmap, respectively. By July we will have the results of our pilot efforts and will publish in September a Governmentwide standard for the hiring process, along with a "how to" guide that includes successful practices, templates, and scripts for communicating with applicants.

OPM plans to require agencies to establish their baseline by December of this year, and will ask the agencies to measure and report their success against this Governmentwide standard by December 2009. The intent is to drive smart, proven hiring practices throughout the Federal Government, increase reciprocity among agencies, and to have measurable improvements both in the length of time it takes to fill a Federal job and in how agencies communicate with applicants throughout the hiring process.

**Improving Job Announcements**

As a subset of this initiative, we are also streamlining our job announcements and creating templates that agencies may use when advertising for entry-level positions. In April, OPM made available through USAJOBS three templates agencies may use for accountant, accounting technician, and secretary positions. Currently, OPM is developing a template for entry-level contract specialist positions. As you are aware, there is a huge demand for qualified acquisition personnel, and attracting and retaining highly skilled employees is of utmost concern.

OPM is working with the Federal Acquisition Institute to design the job announcement for the acquisition community and has managed to streamline the announcement by reducing verbiage by 75 percent. We have replaced the legalese and pages of extraneous information that were not required or necessary to announce a job with a shorter announcement that is written in plain language and is easier to navigate. It also advertises upfront two of the most important issues of concern to new professionals – pay and benefits. The Federal Government has one of the most progressive benefits packages in the world, and the Federal Government must heighten the public's awareness of this by increasing the focus on the benefits package in our job announcements. We simply cannot afford not to promote these benefits to the next generation of Federal employees. OPM anticipates releasing this new template for agencies to use by this summer. We will continue to pursue our streamlining efforts based on the success of our initial templates.

**Selection Methods for the Senior Executive Service (SES)**

Moving to our executive corps, OPM has determined that agency processes for making SES selections are less effective and efficient than they could be, and may ultimately deter qualified individuals from applying for executive jobs in the Federal Government.

In concert with several agencies, (Departments of the Air Force, Army, Navy, Justice, Treasury, Homeland Security, Housing and Urban Development, Veterans' Affairs and Energy) OPM will pilot two separate methods for executive selection starting this June. One alternative in the pilot will be a more streamlined selection method that focuses on an individual's accomplishments as identified through the current executive competencies.

The other alternative in the pilot will allow candidates to apply for SES positions by providing only their resume. This method is specifically designed to attract seasoned executives whose resumes clearly demonstrate the extent of their experience and accomplishments. Both methods may attract individuals who otherwise might be deterred from applying for positions by the additional written requirements to separately describe their executive competencies. We anticipate completing the pilot testing of these initiatives by December 2008.

**The Balancing Act Continues**

OPM must find a delicate balance between efficiency and effectiveness, while maintaining our principles and values as a Federal employer. We believe these initiatives and improvements will preserve our strong foundation of merit principles and veterans' preference. If anything, OPM believes that these efforts will prove that it is possible to challenge difficult and esoteric processes, and, more importantly, create solutions that do not compromise our principles.

The work of the Federal Government relies on skilled, hardworking individuals who have committed themselves to public service. During Public Service Recognition Week, our Nation pays tribute to those who have chosen this means of service. This week serves as a reminder of OPM's mission and guiding principles in striving to ensure we maintain an effective Federal workforce. Public service is a noble calling, and we look forward to working with you to inspire a new generation to join public service.

Mr. Chairman, this concludes my statement, and I would be pleased to answer any questions you and other Members may have.

Testimony of John Crum
Acting Director, Office of Policy and Evaluation
U.S. Merit Systems Protection Board
Before the Senate Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia
May 8, 2008

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

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[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

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[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 Capitol 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

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[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

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[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

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presentation by Katie Malague, 2005.

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

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[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

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[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

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[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.

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[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.

**WRITTEN TESTIMONY**
**FOR JAMES F. MCDERMOTT, DIRECTOR**
**OFFICE OF HUMAN RESOURCES**
**UNITED STATES NUCLEAR REGULATORY COMMISSION**
**TO THE**
**COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS**
**SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA**
**UNITED STATES SENATE**

**RECRUITING AND HIRING THE NEXT GENERATION OF FEDERAL EMPLOYEES**

**May 8, 2008**

Mr. Chairman and Members of the Committee, it is a pleasure to appear before you today on behalf of the U.S. Nuclear Regulatory Commission (NRC) to share some of our successful recruitment strategies.

To give some context to our recruiting efforts, let me note that the NRC is covered by most provisions of civil service law, including those pertaining to retirement, benefits, leave, work schedules, training, and many other flexibilities available government-wide and important to our recruiting efforts. In addition, Section 161d. of the Atomic Energy Act of 1954, as amended, permits the Commission, to the extent it deems necessary to the discharge of its responsibilities, to appoint staff in the excepted rather than competitive service and, within limits, to set employees' compensation. The NRC makes merit-based, excepted service appointments and has an interchange agreement with the U.S. Office of Personnel Management that permits movement of employees between the competitive civil service and NRC positions. The NRC's authority to fix compensation has allowed it to establish higher salary schedules for scientific and technical positions, including entry level science and engineering positions, and resident inspectors stationed at nuclear power plants and fuel facilities. The ability to use a special salary schedule for entry level scientists and engineers is an important component of NRC's ability to make competitive offers in disciplines for which the demand exceeds the supply of recent graduates.

With the worldwide increase in electricity demand, the NRC is preparing for the so called "nuclear renaissance". Until recently the NRC had not received an application for a nuclear power plant in over 25 years, and we have few remaining staff members who were engaged in licensing reactors in the 1970s. So far we have received 9 Combined Operating Licenses (COL's) for 15 units and are expecting to receive 11 more applications for 16 more units by the end of 2009. This will bring our projected workload to 20 COL applications for 31 units by the end of 2009. In order to fulfill our mission of protecting the public health and safety of the environment, the NRC has needed to increase substantially its highly skilled workforce to respond to renewed interest in new nuclear power plants while ensuring the continued safe operation of licensed nuclear reactors. The NRC expects to continue its focus on recruitment for the next several years as the expansion intensifies competition for qualified individuals to serve as technical staff for both the NRC and the industry. We anticipate that the agency's attrition rate, which has historically been approximately 6 to 6.5%, will rise as a result of increasing competition and staff retirements.

To meet this challenge, the NRC established a goal of hiring a net gain of 200 employees in Fiscal Years 2006, 2007, and 2008. The Commission recognized that this was necessary in order to address the influx of new work and to offset expected losses, primarily due to retirements. There was some skepticism about the agency's ability to grow that rapidly. As Senator Voinovich may remember, I was one of the skeptics. Historically, the NRC had been hiring a little over 220 employees a year. To experience a net gain of 200, we would need to hire twice that number. Senator Voinovich asked me if NRC could hire 350 people. At the time, I responded that NRC would break 300, but that 350 would be a stretch. In the end, the agency hired 371 new employees for a net gain of 175. In FY 2007 NRC hired 441 employees for a net gain of 216. For FY 2008 NRC is on track for slightly more than 400 new hires and should achieve the net gain target of 200.

Experienced individuals comprised 73% of the professional and administrative staff hired in FY 2007. Approximately 60% are minorities or women; overall, minorities and women comprise approximately 52% of the staff. As you would expect, hiring to replace retiring staff has resulted in an overall decrease in the average age of staff. The agency's current average age is about 47 years old, which is down from nearly 50 years old three years ago.

The NRC maintains a vigorous and successful recruitment program by participating in approximately 80 recruitment events each year at colleges, universities and professional gatherings. In selecting of our calendar of recruiting events each year, the NRC considers the disciplines to target for each event, past success at obtaining well qualified individuals through the events, and the ability to reach diverse candidates. In addition to attending recruitment events sponsored by others, NRC hosts agency recruitment events to discuss employment opportunities and benefits and conduct screening interviews.

I believe there are four key factors that make the most important contribution to the NRC's successful hiring program: (1) a mission that attracts a broad range of individuals to public service; (2) strong, top-to-bottom management involvement and support; (3) creative use of hiring tools and flexibilities; and (4) worklife culture that has garnered the NRC its number one rating as the best place to work in the Federal government.

The key foremost factor is NRC's mission. Protecting the public health and safety and the environment is a challenge that attracts individuals to public service, perhaps more so today than in the past. The NRC finds itself positioned at the intersection of concerns about safe and reliable energy supplies as well as the environmental implications of various energy sources. The NRC's mission resonates with the young and with the not so young. Of the 441 people the agency hired last fiscal year, 214, or nearly half, were over the age of 40. The Commission advertises the value of a career at the NRC, through our ads, displays, and videos around a consistent message: "Make Our Mission Yours."

The second key factor to the NRC's success is recruiting is management commitment and involvement from the top to the bottom of the organization. Chairman Klein frequently introduces himself, as he did when he met recently with the Chief Human Capital Officers Council to talk to them about hiring, as my Chief Recruiter. We are lucky to have Commissioners and the Chairman actively engaged in workforce issues.

NRC senior executives and managers also participate actively in recruitment activities. They identify the critical skill areas the NRC needs to target. They give presentations and work the booth at recruitment events. They participate personally in interviews and follow up contacts with prospects. Just as importantly, they sustain momentum and attention through the selection

process to the job offer. Finally, their commitment is not lost on candidates, who cannot fail to recognize that investing time in people is a top priority at NRC.

The third major factor in the NRC's recruitment strategy is to make maximum use of the hiring flexibilities available to the NRC and to other agencies. The NRC offers recruitment bonuses to new graduates, as needed, as well as competitive salaries. Government benefits, such as flexible work schedules and telework, appeal to both new and experienced candidates. The OPM initiative permitting credit for private sector experience in determining the amount of leave a new employee can earn has eliminated what had been a show-stopper for some experienced candidates. I mentioned earlier that about half our new hires last year were over forty. For them, the Federal Health Benefits program, which includes guaranteed health benefits coverage in retirement, is a huge attractor.

The NRC, thanks largely to enactment of the Energy Policy Act of 2005, has some hiring tools not generally available to others. Like many private as well as public sector organizations, the NRC builds a pipeline of entry-level employees by engaging students in cooperative education arrangements during their college years. The Act gave the agency the authority to cover some housing and transportation expenses for these students during their work periods, making it economically viable for students outside the Washington, DC, metropolitan area to join us. The Act also greatly enlarged our potential target population by providing the NRC authority to waive the Federal pension salary offset when hiring retirees. The NRC uses this cautiously, but its value in meeting sudden critical skill needs or for short-term knowledge transfer efforts to mitigate the loss of critical skills through retirement is enormous.

Congress has also provided the NRC authority and funding for grants to support nuclear-related education. Last year we awarded 27 grants to academic institutions in 17 states for fellowships, scholarships, and curriculum development. Response to this year's invitation for proposals is running 50% higher than last year. In addition to this $5 million dollar program, NRC has been charged by Congress to distribute another $15 million this year to support the development of academic and trade skills essential to the safe and effective expansion of nuclear technology applications. Both programs are providing us opportunities to access wider pools of potential applicants.

Finally, the fourth key factor the NRC uses in recruiting is our reputation as a great place to work. We are very proud of, and seek to leverage, our ranking as the Best Place to Work in the Federal Government, according to the 2006 Federal Human Capital Survey, and a Best Diversity Company by Diversity Careers Magazine. The Commission realizes that the success of the agency depends on the talent and commitment of its employees. We strive to create a workplace rich in opportunity where employees are fully engaged in meaningful and challenging work. To do this the agency fosters a climate that values adaptability to change and builds organizational capacity by tapping into the full potential of all staff. The NRC values a healthy balance between professional and personal life, and fosters it by openness to flexibility in work schedules and telework opportunities.

One result of our employee-friendly culture is that we have 3000 or so auxiliary recruiters marketing a career with the NRC. We find that, next to the internet, word of mouth is our most prolific source of actual hires. Our employees reach out to former colleagues and associates with whom they would like to work and promote the NRC.

With all this said, the NRC's hiring program is still very much a work in progress. We are engaged in OPM's end-to-end hiring process improvement initiative. We have completed one

and embarking on two more Lean Six Sigma reviews to identify ways to improve hiring cycle times. We have established improvement targets and incorporated them in agency operating plans. We intend to improve the quality of a new hire's first day and pay closer attention to them during their first months of employment.

The NRC is not alone in this. Through the efforts of the Chief Human Capital Officers Council and the support of OPM, we are seeking and sharing the best practices that can make the Federal government as a whole an employer of choice.

Mr. Chairman and Members of the Committee, I hope my testimony provides you with an understanding of the NRC's recruitment strategies. I would be pleased to respond to your questions.

STATEMENT OF

JOHN GAGE
NATIONAL PRESIDENT

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO

BEFORE THE

THE SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

SENATE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

ON

# FROM CANDIDATES TO CHANGE MAKERS: RECRUITING AND HIRING THE NEXT GENERATION OF FEDERAL EMPLOYEES

MAY 8, 2008

American Federation of Government Employees, AFL-CIO
80 F Street, NW, Washington, D.C. 20001 ★ (202) 737-8700 ★ www.afge.org

Thank you for the opportunity to testify here today on the question of overcoming obstacles to the hiring of the next generation of federal employees. My name is John Gage and I am the National President of the American Federation of Government Employees, AFL-CIO (AFGE). Our union represents more than 600,000 federal employees across the country and around the world, and our members work in almost every agency of the federal government.

One of the myths that has haunted discussions of hiring over the past decade has been the false belief that in contrast to the federal government, hiring in the private sector is virtually instantaneous and trouble-free. To listen to proponents of direct hiring, the mighty private sector descends upon college campuses, conducts rapid and enjoyable interviews of the multitudes of highly qualified and eager young people who are to join them, and hires them on the spot. These "best and brightest" start their fabulous private sector careers the next morning, and they all live happily ever after. Meanwhile, the federal agency representatives can barely find their way to campus, burdened as they are by the heavy load of red tape they carry around, and scare off most prospective hires with their boring sounding jobs and thick application materials. Then they offend the courageous few who express an initial interest by forcing them to fill out numerous forms listing their qualifications and then tell them they will have to wait, sometimes months, while the information they provide is validated, and while candidates who might have a higher status by virtue of their military service to our country edge them out of the competition.

Neither of these caricatures is accurate, of course, but they do reflect what many seem to believe is a vast gulf in hiring methods between the private sector, which we're told to emulate, and past practice in the federal sector, which is condemned as a matter of course. AFGE strongly supports hiring policies that facilitate recruitment of talented new employees; after all, they are our future members as well. However, we believe that the problems with federal hiring are in no way a result of a scrupulous adherence to the merit system and veterans' preference. As such, we will continue to oppose any and all proposals that evade these standards, no matter how compelling the arguments for expediency may sound.

Contracting out to the private sector for "hiring services" should also be off the table. Recall the debacle at the Transportation Security Administration (TSA) when it contracted with NCS Pearson to hire airport screeners, and auditors ended up challenging $300 million of the $741 million that Pearson charged for its services. In a report on recent contracting abuses in various federal agencies, Representative Henry Waxman, Chairman of the House Committee on Government Reform reported that the audit showed that the private contractor billed the government for $48 per hour for temporary workers it paid $20 per hour, allowed subcontractors to take out $5,000 at a time in petty cash without requiring any supporting documentation, spent more than $377,000 on unsubstantiated long distance phone calls, spent more than $500,000 on tents

that didn't hold up in a rainstorm, and charged $4.4 million for "no show" fees for job candidates who never appeared to take their tests. The coup de grace was a Pearson subcontractor who paid herself $5.4 million for nine months "work," along with a $270,000 pension.[1] The decision to contract out for hiring would have been just as wrong if the Bush Administration had not been following its customary practice of handing private contractors blank checks; no contractor should ever have been hired at any price, because the core function of selecting the people who will make up the federal workforce must be performed by federal agency personnel who know the agency's mission, and who can assess candidates' ability to carry out that mission.

Hiring the next generation of federal employees is a serious undertaking. Those charged with the task have both a legal and social responsibility to conduct federal hiring in the most open and fair way possible, and the plain fact is that openness and fairness take time. Federal agencies have a legal and moral responsibility to honor veterans' preference. Internal candidates who were selected into career ladder positions must be given the opportunities they have been promised. Background checks and in some cases, security clearances, have to be conducted. Information regarding education and prior employment must be verified. Working for a federal agency is not the same as working at a pizza joint, and it takes time to make sure an applicant meets the standards and requirements our society expects the federal government to uphold.

One of the many complaints one hears about federal hiring is that it is slow. One explanation for the slowness, apart from the requirement for being thorough I have described above, is the fact that in the indiscriminate downsizing of the 1990s, and the indiscriminate privatization conducted by the Bush Administration, agency personnel offices have been sometimes decimated. There are too few personnel to handle the duties related to hiring in the most expeditious way. Hiring more federal employees to work in agency human resources offices would be an enormously important step in speeding up the hiring process, to the delight of both the agencies and prospective employees.

The application process could also be streamlined without sacrificing the high standards that the merit system imposes on federal agencies. Many prospective employees point to the lengthy sections of employment applications that require them to describe in great detail their "knowledge, skills, and abilities." It has been suggested that only those who pass an initial level of scrutiny be invited to fill out those forms. If that procedural reform were adopted, those asked to reveal their "knowledge, skills, and abilities" would at least know that they had successfully navigated the first hurdle in their quest for federal employment, and may perhaps be somewhat less resentful of the task. In any case, there is reason to believe that improvements in the applications job

[1] Contracting Abuses Under the Bush Administration, Rep. Henry A. Waxman, Ranking Minority Member, Committee on Government Reform, U.S. House of Representatives, September 20, 2005, page 2.

candidates are required to fill out would increase both the quality and quantity of applicants.

*The Washington Post* reported last week that Defense Secretary Robert M. Gates had agreed to change the Department's rules regarding answers to "Question 21" in the Questionnaire for National Security Positions, which asks candidates whether they have sought care for mental illness at any time over the past seven years. The new rules allow an applicant to say "no" to that question as long as the care has not been ordered by a court and was "strictly related to adjustments from service in a military combat environment."[2] This change is intended not only to encourage military veterans to seek care for various "psychological" wounds of war, but also to encourage them to seek federal civilian employment in the Defense Department and elsewhere in the federal government. AFGE applauds this change, as we do not believe that seeking medical care for post-traumatic stress disorder, depression, anxiety, or other conditions should disqualify anyone from federal employment.

The federal government has sent mixed messages over the past several years that may have consequences for hiring in the indefinite future. On the one hand, there is evidence of a sincere desire to hire a new generation of employees to replace the retiring baby-boomers, the most important of which was the passage of the Federal Workplace Flexibilities Act of 2006. This law enabled agencies to entice both internal job candidates, and candidates who were not yet federal employees, with large bonuses equal to as much as 100% of salary for recruitment, retention, and relocation and promises of help with student loan repayment. But not only has there been no funding so that those flexibilities could be used, the Bush Administration has been at war with its own workforce on issues ranging from pay raises and pay systems to outsourcing to union recognition to politicizing what should be absolutely apolitical government work to refusing to engage in constructive negotiations with employee representatives.

Of all the issues in that long list where this Administration has been at odds with its workforce, its pay policies have been the most self-defeating with respect to the government's hiring goals. The Bush Administration's pay policies have hurt both recruitment and retention. For the General Schedule (GS) and the Federal Wage System (FWS), the administration has continued to refuse to follow the law and has proposed insultingly low pay adjustments in each year that it has been in office. These adjustments have been so low that absent the improvements insisted upon by Congress, the real inflation-adjusted value of a federal paycheck would have fallen considerably over the course of the George W. Bush presidency. These low raises were accompanied by a constant drumbeat of Administration complaint that the employees who received them did nothing to deserve a salary adjustment beyond surviving the "passage of time" and that a new system based upon a supervisor's opinion of each employee's performance was needed. In the two agencies where the Bush Administration

[2] "Military Stressing Veterans' Counseling," by Ann Scott Tyson, *The Washington Post*, May 2, 2008.

obtained authority to base pay and pay raises at least nominally on these supervisors' opinions, the impact has been even worse. In addition to low morale in numerous large agencies documented by the Office of Personnel Management's biennial Human Capital Survey,[3] the prospect of a corrupt and highly politicized pay for performance system has prompted many to announce plans to retire or transfer as soon as pay for performance is imposed upon them.

In the past three years, the size of the measured pay gap between federal and non-federal salaries has actually grown according to the Federal Salary Council and the President's Pay Agent. The reason for its growth is not because private sector salaries have grown so much faster than federal salaries over the period. Instead it is because the Salary Council has adopted a more detailed and accurate measure of the gap, one that includes far more actual job matches between the private and federal sectors. The new measurement includes jobs at various supervisory levels, and far more professional and technical jobs. Thus it provides a truer, richer and even more relevant picture of how much federal salaries lag behind those in the private sector. The pay gap cannot be ignored in any discussion over the obstacles to federal hiring.

Although much emphasis is placed upon external candidates for federal jobs, the retention of current employees should also be a priority. Current employees often make the best candidates for federal job openings. The federal government's policies should encourage the employees in whom it has already invested to look for career development possibilities within the government rather than outside it. The hostile federal workforce policies of the Bush Administration have had their most deleterious impact on this group. Far too many federal employees have reacted to the harshness of the Administration's contracting out and union-busting agenda by stating that they will leave as soon as they gain enough experience or skill to move to a similar or higher position outside – not inside—the federal government. I always encourage them to stay and fight to make things better, but this bitterness is a legacy of the Bush Administration that will be felt for years, especially in the area of hiring.

Every time I see or hear an advertisement on radio or television for the military, I wonder why federal agencies are not permitted to do the same thing for civilian federal employment. The commercials for the Army, Navy, and Marines are so compelling, so professionally produced and placed on the air at times when they are likely to have the greatest impact. I have no doubt that these advertisements have contributed greatly to the military's ability to recruit even in a time of war. In contrast, federal agencies are limited to using relatively inexpensive media and placing their on-air advertisements at inauspicious times, with predictable results.

One common theme to almost all of the obstacles to hiring that I have discussed is money. Hiring adequate numbers of federal employees to handle

[3] Federal Human Capital Survey for 2006, Office of Personnel Management, February 2007.

job applications expeditiously costs money. Improving and streamlining the application process itself, with more upfront interviewing, costs money. Funding recruitment and retention bonuses, and student loan repayment programs costs money. Paying federal employees salaries that are comparable to those paid in the private sector costs money. Training current employees so that they will have the skills necessary to move up to the next job being vacated by a retiring federal employee costs money. Producing good advertisements and showing them on television or radio when people are watching and listening costs money.

Fortunately, ending the relentless push to outsource and privatize federal jobs saves money – lots of money. Eschewing hostility toward unions and engaging in constructive negotiations with us saves money. Perhaps these two things alone could save enough to fund many of the policies that would facilitate hiring.

That concludes my statement. I will be happy to respond to any questions.

**Testimony of**

**Colleen M. Kelley**
**National President**
**National Treasury Employees Union**

**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**

**May 8, 2008**

1750 H Street, N.W. • Washington, D.C. 20006 • (202) 572-5500

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.

Written Statement of Dan Solomon
Chief Executive Officer of Virilion, Inc.

Before the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia
Committee on Government Affairs
United States Senate

May 8, 2008

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to submit this written statement.

My name is Dan Solomon. I am CEO of Virilion, which is an interactive marketing services agency with offices in Austin, Boston, Los Angeles and Washington, DC. We help our clients use digital technologies to gain awareness and build relationships among their key audiences.

We have worked with federal agencies, including the Small Business Administration, FEMA, and the Coast Guard. Specifically, we helped the Coast Guard recruit civilian employees.

I appreciate this opportunity to present my views regarding how federal agencies can improve their recruitment and hiring process to be more friendly to those between the ages of 25 and 35 year olds through new media techniques.

At the outset, let me state my deep admiration for those who serve the public through their federal service. Personally, I have been honored to hold civilian positions in all three branches of government. I learned a great deal from those professional experiences and hope that my efforts were beneficial to those I served.

Also let me express my appreciation for those who have primary responsibility for recruiting younger people for federal service. Younger people are a difficult group to reach and engage.

I will not take the Committee's time to recount the substantial research that shows the shift in media consumption patterns, especially among those 25 to 35 years old, away from television to online. And online, these people have a vast array of outlets and activities presented to them ... causing the audience to be highly fragmented.

And it is this rapidly changing and increasingly rich media landscape that makes the recruiters' job even more difficult.

That said this new media environment gives government agencies a greater opportunity to reach people who are in the process of looking for new career opportunities and to reach people without geographic limitations.

Bottom-line: people are looking for jobs are online and the government needs to be there to attract the best. I will be the first one to say that the government cannot rely solely on digital efforts to achieve its recruiting objectives. But online efforts can both reach people directly and help improve the effectiveness of the government recruiters offline efforts.

Government recruiters should be encouraged to deploy the appropriate new media techniques at each stage of a job search or career change: (1) when a person might be exploring federal service, (2) when they are considering different options, and (3) when they are actually making the employment decision.

The internet is now the most frequented place to look for a job. According to a survey conducted by the Conference Board and TNS, nearly three-quarters of workers who looked for a job between January and September 2007 did so online.

But it is no easy task for government recruiters to decide where to go online to attract job seekers' and career changers' attention.

Search engines, such as Google and Yahoo!, are the on-ramp online for most people. If one types in "federal jobs" into a search engine – USAJobs – the government's official job site comes up prominently. But the challenge for recruiters is how to reach those who are not specifically searching for a federal job.

There are over 50,000 job boards online, according to Peter Weddle, a publisher of a guide to job boards. These include sites that are affiliated with newspapers, independent career sites, geographic specific sites, and niche sites run by professional associations and industry groups. Where to post and how to make use of these sites is a challenge for government recruiters.

Social networking sites, such as LinkedIn and those sponsored by alumni groups, are increasingly popular for job hunting. According to a survey done by SelectMinds and reported in eMarketer, nearly three quarters of GenYers said they viewed these networks as very important, compared with 66% of workers age 30-39 and 61% of workers age 40+. The challenge for the government recruiter is to appropriately participate in these communities to attract the attention of talented people.

As I mentioned earlier, the federal recruiter needs to also use online techniques to support their more traditional offline efforts. And offline efforts are important.

A 2007 study by Experience, Inc. asked college students to list their most effective-job hunting resources (multiple answers): in-person networking 40 percent, university career centers, 37%, internships 37% and online job boards 27%.

According to the previously mentioned Conference Board and TNS survey, more than one-half of job seekers said they networked through friends and colleagues.

In this regard, federal recruiters need to be recruiters ... actively following-up on possible leads they have generated through their own networking efforts by e-mail. Overtime, these techniques in the federal recruiters' arsenal will include the use of mobile devices.

The federal recruiters also need to use new media techniques to reach the people who might influence the career decisions of the 25 and 35 year olds offline -- particularly their parents and their friends. This will take some creativity. But needs to be a focus.

Once an agency has someone's attention, the agencies' web sites provide a cost-effective way to get people excited and interested through compelling content. They have lots of competition, including the dreams held out by American Idol and the rest of popular culture. I point to the games and simulations created by the Army as the most significant example.
The recruiting web sites of federal agencies need to be more engaging and descriptive of the career opportunities ... not just a stagnant site with government information.

During the hiring process itself, agencies need to incorporate online techniques. The expectation of the 25 to 35 year olds is that they can make choices and manage those choices online. Again according to the Conference Board and TNS survey, 57% percent reported using the Internet to submit resumes and applications. To be successful in its recruiting efforts, government agencies must move meet those expectations.

One thing is certain, the career of a federal recruiter is certainly changing. And I encourage this committee to look not just at what agencies can do to improve their communication efforts but also to help the recruiters improve their skills and expertise. For the government to attract talented people, federal recruiters need to embrace the online world and convey an excitement about public service.

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

Hearing Entitled

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

May 8, 2008

Mr. Chairman, 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. We deeply appreciate your invitation to discuss the recruitment, hiring and retention challenges facing the federal workforce.

The Partnership has two principal areas of focus. First, we work to inspire new talent to join federal service. That includes talent at all levels, from new college graduates to seasoned workers seeking encore careers. 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 the federal government manages 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 world-class workforce.

We want to thank you for your efforts over the years to help our federal government attract and retain top talent. Under your leadership, we now have chief human capital officers working to solve government's talent challenges at major federal departments. We've expanded the use of loan repayment benefits, helping to alleviate a major barrier to government service. We've given federal managers more flexibilities, such as category ranking and the expanded ability to use bonuses as recruitment and retention tools.

But for all these successes, we have much more road to travel. We are still faced with a constant stream of stories that emphasize the need to invest in our federal workforce. An independent panel recently reported that "the Food and Drug Administration's inability to keep up with scientific advances means that American lives are at risk." The backlog of appealed Social Security disability claims is 755,000, up from 311,000 in 2000. The wait for an appeals hearing averages more than 500 days, compared to 258 in 2000. Secretary of Defense Robert Gates has said "al-Qaeda does better at communicating its message on the Internet than America" as a result of our failure to invest adequately in our diplomatic corps.

Today, I want to offer some specific recommendations about ways to help our government attract and retain the talent we need to tackle these challenges. Before I do, I would like to offer a theory for understanding these issues inspired by a somewhat unlikely source – the NFL draft.

I was first asked to testify at today's hearing in late April, just days before the draft. As I began thinking about what I was going to say, I was struck by how many lessons from that draft apply to human capital in the federal government. In particular, I think there are seven lessons from the NFL draft that apply to our federal government's human capital challenges and put them into the proper context.

1) Obsessions can be healthy.
2) Short-term pressure can derail long-term success.
3) The performance of one affects the performance of the whole.
4) It all comes down to three simple things.
5) Smart changes require smart measurement tools.
6) Copying is allowed and encouraged.
7) The process never ends.

***Obsessions can be healthy.***

As anyone with cable, an Internet connection or a newspaper subscription knows, you couldn't find any sports information during the month of April without coming across coverage of the draft. To many, the attention seemed like overkill, but media companies simply provide what their customers want. Football fans and general managers obsess over the draft, because each Sunday in the fall, they have to watch as their team's biggest personnel weaknesses are exploited before their very eyes. They understand, in starkest terms, that if their team doesn't bring in some new talent to address skills gaps, they will see them continue to pop up again and again.

On one count, our government shares this obsession for filling its talent needs. Congress and our armed forces invest millions of dollars in marketing campaigns to attract the men and women needed to ensure a robust military; a similar commitment to marketing civilian jobs to diverse pools of talent would be a wise investment. One positive example is the televised ads sponsored by the Office of Personnel Management (OPM) touting the wide variety of careers and work environments possible in the federal government and the difference federal employees can and do make.

***Short-term pressure can derail long-term success.***

Owners and fans always want to win, so there is great temptation to focus on making a big splash now. This can lead to drafting the high-profile running back when you really need an offensive lineman or trading too many future draft picks to get the player you want now.

There is a similar dynamic in place in our federal government that threatens our ability to solve its human capital challenges. Our government is run by short-term political leadership that has little incentive to focus on long-term issues like workforce management. With an average tenure of less than two years and a long list of policy initiatives they are supposed to advance for the president, political appointees are naturally reluctant to spend precious time working on internal issues that won't deliver any pay-off until they are long gone. Congress has a responsibility to ensure that long-term issues like human capital do not get shortchanged.

***The performance of one affects the performance of the whole.***

You cannot evaluate the skills of football players in isolation. The performance of football players are connected to the performance of their teammates, and teams lose sight of these connections at their own peril. In addition, you can be the strongest team in the league at certain positions, but if you have gaping holes elsewhere, overall team performance will suffer.

Government's recruitment and retention challenges are similarly interconnected. First, across all demographic groups, there is a lack of knowledge about federal job opportunities and how to get them. Government service is simply off the radar of most job seekers. Even when individuals are knowledgeable about and interested in federal jobs, other barriers remain. Among younger people, a growing number find themselves priced out of public service by increases in the average debt burden. Many mid-career and older workers find themselves shut off from interesting opportunities by our government's practice of opening only half of all high-level jobs to external candidates. One of the most significant barriers to government service is the federal hiring process. In too many cases, the process takes too long, is too complicated, lacks transparency and fails to produce the right talent for the job. Finally, after new employees arrive, many agencies do a poor job of managing them, failing to adequately integrate these employees and offering only limited financial incentives due to an inflexible and antiquated compensation system.

Each of these challenges needs to be addressed individually, but isolated solutions that don't fit into a comprehensive strategy to tackle these problems as a whole will have limited impact.

***It all comes down to three simple things.***

There's an old cliché that football is boiled down to three simple phases: offense, defense and special teams.

The same could be said about the federal government's workforce challenges. An effective federal workforce can be boiled down to three core elements: the right talent; an engaged workforce and strong leadership. Our government faces challenges on each front.

- **The Right Talent** -- The average civil servant stays in his/her job for a little less than 20 years. The average private sector employee stays in a job for less than four years. Today's job seekers don't want their next job to be a career; they want it to be a career-builder. Government needs to recognize these attitudes and re-imagine itself as a place that can draw talent for short periods of time from other sectors, and it needs to do so at all experience levels. Typically, government brings in talent at the entry-level, but government needs to take a closer look at bringing in external talent in senior positions, where talent needs will be

particularly acute due to the retirement of the baby boomers. To be sure, there are some encouraging developments that should be acknowledged and encouraged. For example, the Office of Personnel Management has developed the Career Patterns initiative - a new approach for bringing the next generation of employees into federal government positions. OPM has recognized that the "new normal" for the 21st century workforce will bear little resemblance to that of the late 20th century. OPM encourages agencies to adopt a "career patterns mindset," in which different arrangements - telework, flexible work schedules, and varied appointment types – are seen as natural and regular ways of getting work done and not as aberrations. More work along these lines is needed.

- **An Engaged Workforce** -- Research consistently shows that increases in employee engagement lead directly to improvements in organizational performance. Government's track record on this issue is a mixed bag. As we can see from the Partnership's *Best Places to Work in the Federal Government* rankings, some agencies have seen an increase in employee engagement, while others have seen a decrease. Overall, employee engagement in government appears to be static.
- **Strong Leadership** -- The *Best Place to Work* rankings also show that the most important driver of employee engagement is leadership and this is the area where government most lags the private sector. Employees in the federal sector are twice as likely as their private sector counterparts to report that their leaders – political and career – do not have the leadership skills needed to do their jobs effectively. Federal civil servants also give government relatively low scores for creating a performance-based culture, sharing information and providing training.

Like the pieces of the recruiting and retention continuum, these three items are interrelated. You need talented people for an organization to succeed. You need workers to be engaged to best utilize their skills. You need strong leadership to ably engage your employees. When government faces challenges in one area, it affects the others. That is why it is important to have a comprehensive agenda that addresses all of them.

***Smart changes require smart measurement tools.***

Identifying talent needs is a very scientific exercise in the NFL. Team executives look at statistical data to identify the team's biggest strengths and weaknesses. They can also use metrics to determine if previous attempts to solve a weakness worked. For example, if you spent your first two picks in last year's draft on defensive backs to shore up a weak pass defense, but your team then proceeded to allow even more passing yardage this year, you might want to re-consider if those draftees were the right solution to your problem.

Unfortunately, our government operates in an environment without any real-time metrics for performance or organizational health. You can't manage what you can't measure, and due to the

challenges of measuring success in the public sector, the federal executive has very few indicators that managers can use to gauge which operational reforms are working and which are not. Remedying this problem has to be part of a long-term strategy to improve federal recruiting and retention.

***Copying is allowed and encouraged.***

The year after the Tampa Bay Buccaneers surprisingly won the 2003 Super Bowl using its new "cover 2" defense, teams all over the league began copying it. Most teams found that it worked for them, too.

When it comes to federal recruiting and retention, many agencies are employing their own equivalent of the "cover 2." The problem is that our federal government doesn't share the same copycat culture when it comes to new ideas. Almost everything that needs to be done to improve federal human capital management is happening somewhere, either in the public or private sectors. We need to encourage sharing best practices so that improvements are made throughout government.

***The process never ends.***

The process of attracting and developing talent never ends for NFL teams. Once the draft ends, teams begin working with their new hires to integrate them into the team and help them enhance and best utilize their skills. On a separate track, teams continue looking for new talent through the free agent market. Then, before you know it, they are preparing for next year's draft.

The federal workforce requires constant attention and an understanding that no matter how many reforms we pass and successes we enjoy, there will always be more to do. Along these lines, even if agencies already have the authority to make most of the changes necessary to improve federal recruiting and retention, Congress can always be making it easier for them by creating incentives for reform.

## Recommendations

Improving the federal hiring system will not necessarily require an act of Congress. Federal agencies already have a great deal of flexibility and authority to make changes. Having said that, there are a number of actions Congress could take to encourage the executive branch to implement reforms and to improve the effectiveness of our federal workforce.

***Engage in more aggressive, strategic recruiting.***

- In 2006, Congress funded the Partnership's *Call to Serve Recruitment Initiative*, the first extensive market research to examine ways to attract college students to government service. This research has provided valuable insights into the most effective ways to reach this key audience that have been shared with federal agencies and more than 600 schools through the Partnership's *Making the Difference* campaign. Congress should encourage agencies to apply the lessons of this research and consider funding additional studies to target audiences like mid-career workers and retiring boomers.

***Expand the use of financial incentives.***

- Congress should establish a new government-wide scholarship program to fund graduate-level study in exchange for a federal service commitment in targeted mission-critical jobs. The Roosevelt Scholars proposal, promoted by Rep. David Price (D-NC), would create a ROTC-like scholarship program that could restore prestige to federal service by more broadly raising awareness about federal opportunities and rebranding the government as a place where the best and brightest go to make a difference.
- Congress should enhance the attractiveness of loan repayment assistance by passing S.1047, Senator Voinovich's "Generating Opportunity by Forgiving Educational Debt for Service Act", which treats loan repayment as a non-taxable benefit.
- Congress should fund agency requests for improvements to their HR practices, specifically existing recruitment tools, such as expanded use of recruitment bonuses or student loan repayments for hard-to-fill mission-critical occupations.
- Finally, resources need to be set aside so these incentives can be fully funded in the future. Congress should make a long-term, sustained investment in these incentives in order to build a pipeline of talent into the federal government.

***Fix the federal hiring process.***

- We encourage Congress to hold the Office of Personnel Management and federal agencies accountable for making hiring more timely, efficient and user-friendly. To OPM's credit, it has undertaken an interagency effort to improve the federal hiring process and the Deputy Director of OPM is leading that effort. Given the nature of the problem, of course, this effort will need to be sustained and given a high priority over an extended period of time.
- At a minimum, all agencies should adopt and enforce an "applicants' bill of rights" that promises a user-friendly application process (for example, allowing a resume to serve as an application); clear job announcements; timely and useful information about the status of an application; and, a timely hiring decision.

- Congress should also require agencies to evaluate their applicant assessment process to ensure that agencies ultimately choose the person with the right skills for the position. In assessing candidates, agencies should emphasize expertise rather than prior federal experience.

***Encourage and improve use of existing flexibilities.***

Congress must ensure that federal agencies measure the effect of personnel tools and how they are used, or not used, toward the goals of recruiting, hiring and retaining the right talent.

- Congress should ask for the collection of metrics to assess how agencies are using personnel flexibilities, which flexibilities are most effective at attracting and retaining older workers and other demographic groups, whether using flexibilities are resulting in good hires for government and how flexibilities can be used more effectively.
- Congress should ask agencies to collect data from employees; for example, a 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.
- Congress should provide resources for federal agencies so that they may make the best possible use of the flexibilities that Congress has made available. Without adequate and sustained funding, agencies will be severely constrained in their use of personnel tools to recruit, hire, retain and develop the right talent for government. Investing in talent is an investment that will more than pay for itself over time.

***Make the federal pay system more performance-based and market-sensitive.***

- Congress should require each agency to establish a performance management system before moving to a performance-based compensation system. These performance management systems would have to be certified as fair, credible and transparent.
- Ultimately, Congress and the president should replace the General Schedule (GS) pay system for all federal organizations with a fair, credible and transparent pay system with broader pay bands. Performance- and market-oriented compensation is a valuable recruitment incentive in today's "war for talent."
- Federal agencies should be allowed to tailor the system to their individual needs while ensuring that all agencies have a level playing field with regard to overall compensation levels for similar occupations and experience levels. For example, equitable compensation across law enforcement occupations would alleviate the incentive for employees to move to other units within the same agency purely for salary reasons.

***Increase oversight and accountability.***

Congress should exert oversight authority to hold agencies accountable through hearings on recruiting and hiring, regular reports from agencies on workforce planning and other means. In addition, Congress should work to:

- Require agencies to annually submit their hiring projections to the Office of Personnel Management. This data – broken down by occupation and grade level – should also be made easily accessible to the public through the USAJOBS Web site and the FedScope searchable database. This is a powerful recruitment tool and aids enterprise-wide planning.
- Increase transparency and make more readily available the hiring mechanisms and incentives that agencies use to attract and retain employees. This information would enable potential applicants to compare, by agency, what percentage of recent hires were external, how many were converted from intern or fellowship programs, and the use of loan repayment, bonuses and other hiring incentives.
- Create a system of metrics to gauge the effectiveness of federal recruiting, which is essential to effective oversight. Metrics are needed in three key areas including (1) identifying workforce needs, (2) building and maintaining pipelines to attract the right talent, and (3) selecting and hiring the employees they need.

***Measure engagement and commit to improvements.***

- Congress should enact – and financially support – a centrally administered annual Federal Human Capital Survey, with publicly available results. This survey is critical to gauging federal employee engagement.

***Enhance formal training and on-the job development.***

- Congress should set aside and protect funds for employee training and development. This could be done for specific critical skills areas such as contract management or leadership development.
- Agencies should be allowed to "roll over" unspent funds from one fiscal year to the next, to finance training opportunities.
- Congress should enhance the ability of managers and supervisors to manage their employees by passing S. 967, Senator Akaka's "Federal Supervisor Training Act."

***Establish long-term leadership.***

- The president and Congress should build on the work of this Subcommittee and create a Chief Management Officer for each department to oversee implementation of management reforms, particularly tracking program and organizational performance. In some cases, a Deputy Secretary may already fill this role through a focus on management. Ideally, this position should be a term appointment, allowing the individual to address ongoing management challenges across administrations.
- Congress should work with OPM and the management councils to establish statutory qualifications for senior management officers in the federal government.

## Conclusion

I want to close by making a point about the timing of these efforts. This November we will elect a new president, who will be sworn in on January 20, 2009. Some people think that election years are synonymous with gridlock, but in fact the opposite is true. They are a time of tremendous opportunity. The first change in administrations in eight years means the stakes are raised. Going back to my opening metaphor, it's as if your team has a top pick in the draft. This opportunity doesn't come along often, so you want to be sure to get this right.

I would encourage the Subcommittee to put pressure on both parties' nominees to begin preparing for the transition now and to ensure that human capital issues are a priority for every department and agency of government. I would also encourage the Subcommittee to serve as a bridge between administrations. As I said in my opening, we've made a lot of progress in recent years. Rather than hitting reset and starting from scratch, we need to think about ways to preserve our gains and build on them. Working together, I am confident that we will keep moving forward and continue improving the quality of our federal workforce and our government's ability to confront our common challenges.

**STATEMENT OF DONNA MATHEWS ON BEHALF OF HEWITT ASSOCIATES**

**SUBMITTED TO**

**THE SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA**

**May 8, 2008**

Good morning Chairman Akaka, Senator Voinovich, and members of the Subcommittee. I appreciate the opportunity to appear before you today to discuss how leading companies approach recruitment, and why those efforts are important components of their success.

My name is Donna Mathews and I am a Principal and Account Executive for federal sector programs with Hewitt Associates LLC ("Hewitt") in Falls Church, Virginia. I appear before you today on behalf of Hewitt at the invitation of this Subcommittee to talk about how our experience, perspective, and hands-on service delivery help private-sector employers design and execute their recruitment programs toward achieving their strategic mission. I have been with Hewitt for over nineteen years and prior to joining the Federal Sector within Hewitt, I worked and consulted with many of Hewitt's large, private clients.

Hewitt, which was founded in 1940, is a global human resources service delivery and consulting firm. Headquartered near Chicago, Illinois we employ more than 20,000 associates who work in 38 countries worldwide. Our clients include more than two-

thirds of the FORTUNE 500™ and more than a third of the *Global 500*. As the largest multi-service human resources delivery provider in the world, we provide HR services to over 19 million participants. We have been recognized by *Industry Week* magazine as one of the most innovative users of Information Technology to support HR programs in the U.S.

In my testimony today, I would like to begin with a description of the HR challenges employers face in today's recruitment environment. Then, my testimony summarizes some concrete strategies and actions used by leading-edge, private-sector employers to manage these challenges.

**The Challenges**

Organizations in both the private and public sector face significant challenges in their ability to attract, assess, and hire top talent. The next 5 to 10 years will likely represent the most difficult recruiting environment in history.

Here is why we believe that to be true:

**We are faced with a shrinking workforce and the impending retirement of baby boomers.** It has been estimated that by the year 2010, the United States will have 10 million more jobs than workers. There will be a 16% decrease in the number of middle-aged

workers and more workers will be retiring early. We will also see a less skilled, more youthful workforce.

**A "virtual and empowered" workforce increasingly will be the norm.** Technology is redefining the workplace and workday with 20+ million off-site and satellite offices. There has been an increase of 2 million teleworkers in the last 5 years and an increase of 10 million mobile workers in the last 5 years. It is unreasonable to expect employees to stay with an employer for more than a few years. 45% of workers want to change jobs at least every three to five years, up from 26% in 1999. And, 51% of U.S. workers are extremely likely or very likely to look for a new job or work situation. This means that employers will be required to recruit continually and aggressively, and create and maintain incentives to retain top performers.

**The workforce will be much more diverse.** There will be four generations in the workforce: Matures, Baby Boomers, Generation X, and Millennials. The workforce will be more gender balanced. By 2025, nearly 40% of workers will be Hispanic, African-American, or Asian. Predictions indicate that over the next 10 years, the United States and Europe will account only for 3% of the world's entering work force, while 75% of the world's new workers will come from Asia.

**Economic activity is increasingly global, producing keen global competition for talent.**

Global labor migration has already doubled in the past 40 years. Technology, low cost communication and rising education levels in emerging countries not only make it viable but a sound business decision to select locations globally. It is estimated that the number of U.S. jobs—that potentially could be affected by global site selection in the next 10 to 15 years—range from 3 to 14 million.

**In the recruitment arena, there are unique and often conflicting stakeholder needs.**

Business leadership desires a competitive workforce that is highly productive in a short amount of time in order to maximize their return on recruiting and training costs and minimize loss of productivity while the position is vacant.

Hiring Managers want the "perfect candidate" as quickly as possible.

Employees want access, consideration, and equitable selection processes to positions for career development. If they don't find it at their current employer, they'll find it somewhere else.

External job seekers want a fast, efficient interview experience, access to opportunities and hiring decision makers, and timely feedback and communication regarding their status.

Recruiters want access to qualified candidates, minimal administration, and cost effective / efficient recruiting programs.

Unfortunately, an organization's inability to address these challenges often result in a recruiting process that yields mediocre hires, an unsatisfactory customer experience for candidates and managers, long hiring cycles, higher-than-expected recruiting costs, a low return on the recruitment investment, low retention rates, and a negative impact on the organization's employment brand in the marketplace.

**Practical Ways to Improve Recruiting Processes and Maximize Results**

These challenges will not go away, and new ones will emerge. Finding, attracting, and assimilating talent has never been more important or challenging as the war for talent increasingly goes global. Fortunately, there are successful strategies and tools to overcome them. Hewitt has worked with hundreds of large, private sector organizations over the past several years to improve their talent acquisition and management processes.

In doing so, we have identified the following themes.

**First, high-performing organizations make talent acquisition the lifeblood of their success.** The notion that people are important has been around a long time. The great industrial leader of General Motors, Alfred Sloan, once said, "take my assets, leave my people, and in five years I'll have it all back." More recently, Bill Gates of Microsoft said, "Take our 20 best people and virtually overnight we become a mediocre company." A study completed by Hewitt several years ago looked at the people practices of companies that consistently experience double-digit growth. One key finding was that these organizations view talent as their lifeblood. In these companies, leaders are always talking about the importance of talent and are heavily involved in the talent acquisition and development process.

**The second theme that leading organizations embrace is a clearly articulated employment brand or employment value proposition.** Branding is much more than a flashy ad or a cleverly worded job posting. It is a unique, clearly stated message from the employer to current and potential employees about the employment experience. I should note that this goes beyond a simple recruiting brand used to attract new talent. Rather, when done correctly, the employment brand can be used throughout the employment experience to reinforce the commitment that the employer makes to the employee, and in some ways the commitment the employee makes to the employer.

The employment brand is a narrative proclamation of how the employer intends to carry out its responsibilities to employees and uphold the values in the employment relationship. The statement is used to guide decisions on a day-by-day basis that impacts the employment relationship. It ideally serves as the framework for all human capital programs such as talent acquisition, orientation, performance management, total rewards, and benefits.

The advantages of a well-designed and executed employment brand are significant. In 2000, Hewitt conducted a survey of more than 200 companies that had implemented an employment brand. The results were telling. Of the companies surveyed, over 90 % reported an increase in employee retention and an increase in employee engagement or satisfaction. 90 % of respondents indicated they were better able to attract job candidates. Over 70 % of the respondents experienced improved business results that could be attributed to the employment brand. Improved business results largely stemmed from a more engaged workforce—that is, employees were more apt to stay with the employer, had positive things to say about the organization, and were productive in their roles.

While the benefits of implementing an employment brand are impressive, it is not something that can be put into place overnight or even in a matter of weeks. It affects every aspect of human capital management. It requires sponsorship and participation from senior leadership. It is unlikely to succeed if viewed solely as an HR initiative. It also must support strategic

business intent and differentiate the organization in the market. It certainly cannot be a simple slogan or graphic without substance or commitment from leadership. Finally, organizations that implement an employment brand must be willing to make certain commitments and balance aspirations with business realities.

**The third aspect that leading organizations focus on is creating a talent acquisition and internal deployment process that meets the needs of business leadership, managers, recruiters, employees, and external job candidates.** As I mentioned earlier, stakeholders often have conflicting needs in the recruitment process. Leading organizations have developed ways to overcome or mitigate these conflicts in such areas as forecasting talent needs, sourcing talent, assessing and selecting staff, and on-boarding new associates:

- **Workforce Planning**—It has been our experience that the best employers take a very systemic and methodical approach to understanding the talent required to drive business results over a 3- to 5-year horizon. That is, they forecast hiring needs based on where the organization is heading strategically. They carefully identify roles, skills, and attributes needed to get future business results. They also forecast talent demand to identify the quantity of critical roles required to support the business in 3 to 5 years, and conduct a gap analysis against internal talent supply and capabilities to predict challenges, impact, and risk to the business if not addressed. These

organizations develop early intervention strategies such as implementing new training programs to upskill talent to fill emerging needs, succession planning, and leadership development programs, and retention and external talent acquisition strategies to address the forecasted talent gaps. Often these organizations conduct multiple assessments based on varying scenarios and "plausible events" to provide insights and alternative plans based on probability analysis to meet longer-term business goals.

- **Sourcing talent**—Over the past several years, companies have been inundated with job seekers. It is not uncommon for hundreds of job seekers to apply for a single opening. There is no doubt that the volume of resumes received has steadily increased over the past 4 years, however a high quantity of resumes does not equate to a high quality of candidates. Often, the most qualified candidates are "passive job seekers" not currently seeking employment, and it takes creative sourcing techniques to attract and acquire this type of talent. A major shift is underway around the manner in which employers find high quality talent.

  Employers are conducting targeted, relationship-based, candidate sourcing campaigns to find qualified job candidates. The concept behind this approach is to network with contacts who understand the organization and the positions available. Examples of

this are employee referral programs, vendor relationships, and even referrals from existing job seekers. Increasingly, employers are becoming reluctant to attend open call job fairs because these events rarely yield the quantity of highly skilled, qualified candidates the employer is seeking.

Employers are also organizing their recruitment teams to allocate specific resources targeted on "hunting" for candidates, known as strategic sourcers, versus "farming" candidate and manager relationships to further extend the customer/candidate relationship—candidates may not be ready now to move to a new position, but through targeted and planful relationship-building, they may be ready to move in 6 to 12 months, and will think of those first who paid attention to them.

Employers are also establishing relationships with organizations to creatively develop pools of targeted job candidates. These organizations include diversity groups, university alumni, veterans returning to the workforce, and stay-at-home moms who are looking for part-time and flexible jobs. For example, a large consumer product company headquartered in Atlanta, GA formed an alliance with the United Negro College Fund to sponsor a summer internship program. A large home-improvement retailer based in the southeast created an alliance with AARP to source store

employees who are knowledgeable about home improvement, and can help customers in need of advice.

Today, nearly 100% of FORTUNE 500™ companies have a career section on their corporate web site. An emerging trend is to build Candidate Relationship Management processes into the Careers section. Companies are increasingly using their Career Section to build virtual relationships with prospective job seekers. For example, on the USAJOBS web site (the Federal Government Career portal), job seekers can search for open positions, complete a career interest inventory to identify matching job profiles, and receive automated job alerts via email when a job matching their specifications becomes available.

- **Assessment and Selection**—Another finding of Hewitt's research is that successful organizations all have rigorous talent assessment processes. Many of these successful organizations use cognitive or behavioral testing to make sure they are getting the best applicants. They look beyond the job requirements when hiring people. They consider not only current capability, but future potential and cultural fit. They look for that elusive "hungry" quality—people who are always unsatisfied with their achievements and willing to out-work and out-hustle competitors. These are the kinds of people who are going to contribute to an organization's success rather than

maintain the status quo. Specifically, leading organizations do the following to assess job candidates:

— Identify developmental competencies and success factors in advance, and interview all job candidates against these characteristics. This approach helps to reduce the subjectivity of the assessment and the personal style of the interviewer.

— Use automated, web-based selection and screening to quickly qualify job candidates. This helps to quickly narrow the large volume of resumes and applicants down to a manageable number of qualified candidates. For example, a computer manufacturer located in the southwest uses an electronic self-selection tool for candidate assessment. Candidates perform a "fit check" by answering a series of questions to find out the degree of compatibility between the company and themselves.

— Understand the selection process is a two-way street, and provide opportunities for job applicants to interact with various levels of management and potential future peers. Best employers will provide opportunities for the applicant to experience the work environment, work team, and leadership.

— Offer flexible interview schedules to accommodate job applicant's needs. Increasingly, interviews are being conducted before and after standard work hours.

— Communicate with job applicants frequently and consistently to keep them informed as to their progression in the recruitment process. Leading companies give as much information to candidates as they get from them.

— Use validated behavioral-based assessments that require the applicant to describe a past situation, action, and result they achieved. A large commercial airline company assesses job candidates on customer service, teamwork, and attitude. Part of their assessment includes a panel interview to see how a candidate performs in front of a group, and behavioral questions are used to predict future success.

— Make swift hiring decisions to avoid losing job candidates to competitors.

— Develop training and coaching tools to develop managers' assessment skills and assure legal compliance during interviews.

- **Onboarding and Orientation**—We have found that there is no one best way to onboard and integrate new talent into the organization. However, there are a few guiding principles we have observed that leading employers use to assimilate new employees.

First, these companies ensure employees at all levels understand the importance of a seamless onboarding experience. They also appreciate the link between a strong orientation experience and performance / productivity in the first year.

Leading employers view orientation as a long-term process, not an event. Orientation may last three, six, nine, or twelve months. These activities often start before the new employee arrives for the first day of work. Senior leadership is often highly visible in

the orientation process. There is a focus on cultural integration, and ownership of the process is shared between HR, business leadership, managers, and the employee. A leading computer chip manufacturer headquartered in the Silicon Valley sends a welcome packet as soon as the job offer has been accepted. They also have a web site where the new employee can visit to learn more about the initial orientation, training, and submit employment forms online. New employees attend a session that includes a welcoming video from the CEO and a briefing from a senior manager regarding the company's business strategy, mission, and objectives. They also meet face-to-face with their manager to have a "no nonsense" discussion about what will be expected. During the first month, every new hire attends a mandatory class that covers corporate values and governance. Over the next six months, new employees attend briefings with executives from various business departments where the new employees can ask questions and learn more about the business.

A strong orientation program increases the ability of new employees to become productive faster. The new employee gets a good grasp of organizational history, values, and goals. They better understand what the company expects in terms of work content, behavior, policies, and procedures. The new employee also knows the importance of their job and how it fits within the larger mission of the organization.

- **Measuring Performance.** Highly effective talent acquisition processes also involve clearly-defined performance goals and frequent assessments and performance feedback sessions during the first year. They not only are measuring performance as a way to confirm that the talent selected is having a positive impact on the bottom-line company performance, but they are also making sure that the new hire in engaged with the organization.

- **Internal Deployment**—Hiring great talent only helps if the organization has the courage to move people and get the best person into the critical roles. Just as an organization needs to take some risks in order to grow the company, it also has to be willing to take some risks on people. When Hewitt interviews business and HR leaders in successful organizations, we frequently see that most of these leaders have been in multiple areas of the company and most have spent time in functional areas outside of their area of formal training.

**Finally, leading employers use technology to execute their recruiting flawlessly.**

Over the past 10 years we have witnessed incredible advances in technology and its adaptation within the recruiting function. As mentioned earlier, nearly all large employers have a career section attached to their web site. Now, leading-edge organizations are using web-based technology to conduct online screening of job candidates to aid in determining the best-qualified applicants, as well as increasing process efficiencies, thereby improving the candidate experience due to greater visibility, a higher touch process, and more authentic communications.

Leading employers are also using recruiting management technology solutions such as Taleo, Vurv, Authoria, Peopleclick, and Virtual Edge to manage all recruiting activities. These solutions allow companies to build virtual relationships with job seekers and employees. They provide functionality for managers to review applicant information via email or even on a Blackberry without logging into a system. These solutions can send email correspondence to candidates with a click of a button, notifying them of their status in the process. These recruitment management systems can also interface with other third-party providers such as relocation, background checking, drug screening, and staffing agencies to make the process more efficient. These interfaces help speed up the process and maintain the security of candidate data. Finally, these solutions provide reporting capabilities that allow

employers to measure the effectiveness of recruiting activities. Employers can also track progress related to diversity goals and monitor EEOC compliance.

When administered properly, these solutions make the process more user friendly for managers, candidates, and employees. Recruiters also see significant benefits from the use of these solutions. Using technology to automate the process frees recruiters to spend more time meeting with qualified candidates to sell the job openings and consulting with hiring managers regarding recruiting activities. They waste less time on piles of resumes and paperwork.

One caveat: while technology can enable recruiting processes, it cannot fix flawed or broken processes. Careful attention must also be given to ensure the processes are aligned with organization needs and strategy.

**Conclusion**

Successful private-sector companies, because of their culture and business, often impose unique requirements that affect the development and successful deployment of their recruitment programs. So does the Federal Government; Veterans' Preference is an example of one of its unique recruitment requirements. While the requirements may be different from one setting to another, they can be honored without diminishing the effectiveness of the

recruitment program. In other words, having unique requirements does not mean that an organization has to succumb to confusion, frustration, and delay. There is ample evidence that organizational leadership, branding, process redesign, and technology can be harnessed and synthesized in ways that make a marked contribution to an organization's strategic goals.

Whatever the setting, employees are the lifeblood of an organization. How an organization recruits, whom it recruits, the accountabilities in place and the process, all have a dramatic impact on private-sector business results—the same as they do for results in the public-sector.

Thank you, Mr.Chairman, and members of the subcommittee, for offering Hewitt the opportunity to share some of its views on this important topic. I would be pleased to answer any questions you may have for me.

**BACKGROUND**
**FROM CANDIDATES TO CHANGE MAKERS: RECRUITING AND HIRING THE NEXT GENERATION OF FEDERAL EMPLOYEES**
**May 8, 2008**

**Recruitment**
According to the Office of Personnel Management (OPM), the average age of a federal employee is 49, the average age of a new federal hire is 33 years old, and over the next five years, approximately one-third of the federal workforce, or 600,000 employees, are expected to retire. In the next two years, federal agencies will need to hire close to 200,000 new federal employees to fill critical needs staffing areas. To address this issue, there have been a number of proposals recently to attract older workers into federal service and to ease the loss of talent as the Baby Boomers begin to retire. However, this is only a stop-gap and does not address the need to hire a new generation of federal workers and cultivate a workforce with new aspirations, expectations, and goals in their careers.

While federal agencies primarily are responsible for conducting their own recruitment, OPM has invested in federal career fairs around the country and television advertisements that promote federal jobs. The majority of federal agencies use the website USAjobs.com to advertise open positions. However, according to a report by the Merit Systems Protection Board (MSPB) on hiring skilled workers, more new hires relied on networking than the USAjobs.com website to learn about job opportunities in the federal government.

According to a fall 2005 survey[1] of college students by the Partnership for Public Service (The Partnership), the federal government's biggest problem in attracting college graduates was not a lack of interest in federal service, but a lack of knowledge about federal jobs and how to apply for them. This statistic points to the need for Federal agencies to reexamine how to attract the 18-29 year olds or "millennials" who have an interest in meaningful careers related to public service. To examine this issue further, the Partnership and OPM launched a *Call to Serve Initiative* in 2005 that partnered 615 schools with 75 federal agencies and required a commitment by the schools to educate their students about career opportunities in the federal civil service.

In their October 2007 report evaluating *Call to Serve* entitled *Making a Difference: A Blueprint for Matching University Students with Federal Opportunities*, the Partnership found that "cost-effective recruiting efforts can make a difference on college campuses." The use of low-cost marketing tools such as email notifications, federal recruitment visits by agency employees, and schools hiring a part-time or graduate student to focus on promoting federal career opportunities increased overall interest in federal careers by an average of 12 percent at five participating pilot schools.

The Partnership's report had seven other key findings that would be helpful for federal agencies to improve their own recruitment efforts among young workers:

[1] *Back to School: Rethinking Federal Recruiting on College Campuses*, Partnership for Public Service, May 2006.

- Exposure can raise student awareness and improve perceptions of federal employment: It also can encourage action;
- The more students know about federal service, the more they like it;
- Technology plus person-to-person follow-up is an invaluable tool for driving action;
- The knowledge gap about federal service extends beyond students to include faculty and staff, and closing this gap is key to sustainability;
- Effective does not have to be expensive;
- The best message and messenger vary from campus to campus so be aware of your audience; and
- Inspiration and process matter.

The Merit Systems Protection Board (MSPB) released a report in January 2008 entitled *Attracting the Next Generation: A Look at Federal Entry-level New Hires*, that surveyed recently hired federal employees on the process of entry into federal service. The new employees surveyed were asked how they first learned about their federal job. The answers for those employees under the age of 30 were:

- 32 percent from a friend or relative;
- 17 percent from a college/university career fair;
- 14 percent from USAJOBs website;
- 14 percent from the school placement office; and,
- Less than 5 percent from ads in publications, other job fairs, and non-governmental job sites.

**Recommendations to Improve Recruitment**
The MSPB made five general recommendations for federal agencies and two specific recommendations to OPM in its report. MSPB recommended agencies should:

- Use more predictive applicant assessment tools;
- Use a balanced set of recruitment strategies that promote fair and open competition;
- Market what is important;
- Evaluate the agency hiring process to ensure there are no unnecessary obstacles; and
- Avoid stereotyping applicants based on generational assumptions.

MSPB recommended OPM should:

- Work with agencies to develop a governmentwide framework for federal hiring reform that simplifies hiring procedures by streamlining and consolidating appointing authorities while protecting merit-based hiring; and
- Work with agencies to develop better assessment tools.

**Hiring Background**
Getting students interested in only part of the challenge. According to a number of reports by the MSPB, the Government Accountability Office (GAO), and the Partnership for Public Service (PPS), the merit-based competitive hiring process at federal agencies is broken. Once students

begin to look at federal employment opportunities unclear job announcements, onerous application requirements, non-communicative agencies, and timely processes often deter younger candidates from completing the process.

According to a 2003 GAO report entitled *Human Capital: Opportunities to Improve Executive Agencies' Hiring Processes* (GAO-03-450), it takes an average of 102 days to complete all of the steps in the hiring process and according to an MSPB survey entitled *The Federal Merit Promotion Program: Process v. Outcome*, supervisors estimate that it takes 204 days to bring someone on board.

There are many ways that interested candidates can be hired into federal service. Each agency develops its own process to evaluate and process applicants that reflects the mission of the organization. Some of the authorities agencies have to hire new federal employees are:

- **Excepted Service** is a streamlined approach to hiring that does not require adherence to veterans' preference and other rules governing the competitive service process. In general, employees hired into the excepted service cannot transfer into competitive service positions.
- **Competitive Examination Process** is a tool agencies can use to evaluate the ability and qualification of job applicants for federal service for example, the Foreign Service Examination.
- **Competitive Service** is a broad authority that encompasses more than fifty percent of the federal employment positions and requires adherence to merit system principles, veterans' preference, public notification of positions, comparison of relative ability among candidates, and selection of a highly qualified individual for the position.

Within these various hiring authorities there are many different steps, variations, and requirements that agencies establish to ensure they evaluate candidates properly. However, in general agencies are given broad authorities to establish their own processes and have considerable flexibility to modify the process as they see fit.

The MSPB report *Attracting the Next Generation* found that new hires tend to be a little older and have more experience (33 years old with 1-5 years experience) than most entry-level hires. The report explained that this was a direct result of "recruitment and assessment practices agencies use that often favor older applicants who have more experience over younger applicants who may have more potential." The survey also asked what the greatest obstacles they faced to the federal hiring process and the number one answer for 30 percent of those surveyed was the length of the process.

**Hiring Challenges**

One of the greatest challenges in the federal hiring process is the requirement that candidates provide considerable of information upfront. Currently, candidates interested in a competitive service position must respond to a series of knowledge, skills, and abilities questions that require considerable detailed information about their employment and education experience. The questions are often repetitive and agencies score the answers based on key words used by

applicants. Candidates may also be required to submit educational transcripts, detailed resumes, and complete examinations just to apply.

One of the other potential problems in the hiring process could also be the capabilities of the human resources workforce. According to OPM, the civilian human resources workforce declined by 20 percent from 1991-1998 and took with it significant expertise and institutional knowledge. There was an expectation that those positions would be replaced by streamlined processes, technological advancements, and new regulations, but that never came together.[2] According to a survey of federal HR executives in 2000 by OPM, 94 percent indicated that there was a critical skills gap in the HR workforce. Since then, the Chief Human Capital Officers Council has brought greater attention to the need for competent human resources professionals in federal agencies, but there has been little impact.

As the Partnership's 2006 issue brief on the Federal HR workforce points out, "Federal HR professionals have a disproportionately large impact on the rest of the federal workforce, and an investment in attracting and developing highly skilled HR employees will pay enormous dividends in improved organizational effectiveness. We must invest in the federal HR workforce today in order to have a first class federal government tomorrow."

**Hiring Flexibilities**

To address the hiring challenges, Congress approved a variety of hiring flexibilities to help agencies improve the timeliness, communication, and effectiveness of their hiring processes. In 2002 Congress passed legislation[3] that provided federal agencies the authority to use category rating and direct hire authority. Category rating allows agencies to pool applicants into groups based on how highly qualified they are for a given position. Direct hire authority allows agencies with critical vacancies can receive authority from OPM to go outside the competitive hiring process and not adhere to veterans' preference, but still adhere to merit system principles.

However, according to OPM and other federal agencies, agencies have not been using the category rating because they do not have the systems in place to do so, and instead are asking for broader direct hire authority, which does not require OPM approval for its use. Many agencies are now seeking such flexibilities to avoid the internal processes they have established to bring candidates into the competitive service.

The 2002 legislation also established Chief Human Capital Officers at the 25 largest federal agencies and required a Council to be established with the Director of OPM and the Deputy Director for Management at the White House Office of Management and Budget to serve as Chair and Vice Chair respectively. The council meets on a monthly basis to discuss human resources needs in the federal government and share best practices. They have recently established a subcommittee of the council to address hiring challenges, which will be lead by Defense Under Secretary David S. Chu.

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[2] The Federal HR Workforce, Issue Brief PPS-06-03, Partnership for Public Service, May 31, 2006, http://www.ourpublicservice.org/OPS/publications/viewcontentdetails.php?id=44.

[3] Homeland Security Act of 2002 P.L. 107-296.

OPM launched a Hiring Tool Kit for federal agencies to improve their hiring processes. As part of the Kit, OPM launched a 45-day hiring model, which they claim 85 percent of participating federal agencies have met. The Kit takes a four step process approach: preparing to hire, recruiting top talent, selecting the best, and measuring success. OPM has partnered with Federal Executive Boards across the country to run workshops educating human resource professionals how to use the Tool Kit, and every month they hold a local session in the Washington area for local agency representatives. To view more from the Kit, visit http://www.opm.gov/HiringToolkit/.

**Recommendations to Improve Hiring**
Human resources consulting firm Hewitt Associates recommends a "hurdle" approach to the hiring process whereby a candidate provides more information as they are determined to meet the qualifications at each step in the process. For example, a job announcement is posted and candidates apply with a cover letter and resume. If they are determined to meet critical competencies, they are selected for an interview or further writing assessment. If they continue to meet the desired qualifications, they are brought in for further evaluation and assessment. This requires a more balanced mix between the human resources professionals and the hiring managers.

MSPB released a report on September 1, 2006, entitled *Reforming Federal Hiring: Beyond Faster and Cheaper*, which included the following recommendations for federal agencies:

- Manage hiring as a critical business process, and not an administrative function.
- Evaluate internal hiring processes, procedures, and policies to identify barriers to quality, timely, and cost effective hires.
- Employ rigorous assessment strategies that emphasize selection quality, not just cost and speed.
- Improve efforts to manage the applicant pool while making the process manageable for applicants.
- Properly prepare HR staff and selecting officials for their hiring responsibilities.
- Plan carefully when implementing automated tools designed to support the hiring process.
- Evaluate success.

The report went on to recommend that OPM:

- Work with agency Chief Human Capital Officers, Congress, and the Administration to develop a Governmentwide framework for Federal hiring reform.
- As part of Governmentwide reform, streamline and consolidate appointing authorities to simplify hiring procedures.
- Better assist agencies to develop and implement valid and practical assessment tools.
- Expand efforts to develop competency-based qualification standards.

**Federal Career Intern Program Lawsuit**
On July 12, 2000, President Clinton issued Executive Order 13162, which established the Federal Career Intern Program (FCIP) to allow federal agencies an alterative option to hiring

recent college graduates. FCIP is an excepted service hiring authority that allows agencies to convert interns to competitive service positions after two years and does not require use of veterans' preference.

After the rules were finalized in 2005 by OPM, the National Treasury Employees Union filed suit in January 2007 claiming the program undermines merit system principles and has become the hiring method of choice for many federal agencies despite the appearance of being a narrowly tailored program. OPM Director Linda Springer responded to the lawsuit in a January 25, 2007 statement saying, "We believe the NTEU suit is unfortunate. In light of the pending departure of hundreds of thousands of employees to retirement, the Federal government needs every available tool to ensure we have an effective workforce, including the Federal Career Intern Program (FCIP) which brings in approximately 10,000 employees each year."

**Resources**

- *In Search of Highly Skilled Workers: A Study on the Hiring of Upper Level Employees From Outside the Federal Government*, A Report to the President and the Congress of the United States by the U.S. Merit Systems Protection Board, Office of Policy and Evaluation, Perspectives, February 2008.

- *Attracting the Next Generation: A Look at Federal Entry-level New Hires*, A Report to the President and the Congress of the United States by the Merit Systems Protection Board, Office of Policy and Evaluation, Perspectives, January 2008.

- *Reforming Federal Hiring Practices: Beyond Faster and Cheaper*, A Report to the President and the Congress of the United States by the U.S. Merit System Protection Board, Office of Policy and Evaluations, Perspectives, June 2006.

- *Back to School: Rethinking Federal Recruiting on College Campuses*, Partnership for Public Service, May 2006.

- *Human Capital: Status of Efforts to Improve Federal Hiring*, Testimony of J. Christopher Mihm, Government Accountability Office, before the Subcommittee on Civil Service, Agency Organization, Committee on Government Reform, House of Representatives, June 7, 2004 GAO-04-796T.

- *Human Capital: Increasing Agencies' Use of New Hiring Flexibilities*, (GAO-04-959T)Testimony of J, Christopher Mihm, Government Accountability Office before the Subcommittee on Civil Service, Agency Organization, Committee on Government Reform, House of Representatives, July 13, 2004.

- "Parsing the Fine Print on Federal Ads," Mary Ellen Slayter, The Washington Post, November 4, 2007, http://www.washingtonpost.com/wp-dyn/content/article/2007/11/03/AR2007110300205.html.

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| **Job Title:** | Human Resources Generalist, $60-65k, McLean |
| **Job Status:** | Full-Time |
| **Job Code:** | AHR |
| **Industry:** | Consulting Services<br>Computer - Software<br>Other<br>Associations |
| **Job Function:** | Policy / Program Management<br>HR / Personnel / Recruiting |
| **Job Division:** | Not Listed |
| **Education:** | Bachelor's |
| **Pay Range:** | $61-80K |
| **Career Level:** | Experienced (Non-Manager) |
| **Job Location:** | McLean, VA<br>**Public Transportation \| Driving Directions** |
| **Contact Information:** | Not Listed |
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- Write job descriptions and identify primary requirements for open positions
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- Conduct employee orientations and exit interviews
- Help department Managers design, coordinate and execute staff training programs
- Plan and oversee other special events such as open houses, job fairs, career days, and professional networking events
- Administer Benefits programs
- Assist with payroll processing and other related accounting functions
- Manage employee records while maintaining strict confidentiality
- Develop policies and administrative procedures as needed

**Qualified applicants will demonstrate:**

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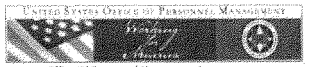


Agency: **Office Of Personnel Management**

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Overview

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**Promotion Potential:** 13

**Open Period:** Thursday, April 24, 2008 to Wednesday, May 07, 2008

**Position Information:** Full Time Career/Career Conditional

**Duty Locations:** 2 vacancies - Washington, DC

**Who May Be Considered:**
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### WORKING FOR AMERICA AT OPM

What did you do at your job today? Would you like a job where you can make a difference? Where you can make an impact? Be a part of the Office of Personnel Management (OPM) team where our mission is to ensure the Federal Government has an effective civilian workforce—not just now, but in the future, too! Discover how exciting a job can be that affects every single Federal employee, both current and retired! Working for America every day! We are seeking individuals from either the private or public sector who, at the end of the day, want to say "Wow! I made a difference today". Come join the OPM team and be a part of something bigger than yourself. OPM is the lead human resources agency for the Federal government. As such, we are seeking highly skilled individuals to lead this effort into the future.

This position is located in the Office of Personnel Management, Center for Human Capital Management, Talent Services Group. The Talent Services Group provides staffing and classification services to Office of Personnel Management managers and employees. We are eagerly seeking a dynamic, highly motivated individual with strong communication skills and excellent technical ability to provide daily assistance to OPM managers and employees in the areas of staffing and classification. You will help us develop and transform the HR office into a model program at OPM and for government. OPM has a fast-paced culture, and our work has far reaching impact. This requires dedicated employees who get tremendous satisfaction solving problems and providing extraordinary HR customer service to accomplish our mission.

**Key Requirements:**
- U.S. Citizenship



Duties

**Major Duties:**
**As a Human Resources Specialist you will:**

- Serve as the HR representative for a designated OPM organization.
- Help design, develop, and implement innovative, flexible, merit-based operational strategies to help us meet the President's high standards for managing our human capital.
- Perform a variety of high level human resources services in the area of recruitment and placement, position classification, and personnel/payroll processing.
- Analyze and evaluate various human resources issues for the purpose of classifying and evaluating jobs, filling vacancies, and reviewing and approving various types of personnel/pay actions.
- Provide management advisory services on human resources programs for an assigned organization.
- Provide advice and guidance to managers and employees concerning regulations and procedures relating to recruitment, selection and utilization of employees. Initiate recruiting campaigns involving numerous public contacts at all levels with a variety of recruiting sources, using special recruiting authorities and other recruitment techniques to locate and identify job applicants who are well qualified.
- Develop vacancy announcements, review applications, make qualification determinations using an automated staffing system, and make complex pay determinations for various personnel actions; advise on position management/human capital planning, reorganizations, job restructuring, and development of position descriptions.
- Perform desk audits, make classification determinations, and oversee organizations exercizing delegated classification authority.
- Execute the program to support goals of our office which entails gathering and analyzing performance metrics.

Qualifications and Evaluation

**Qualifications:**

**To meet the basic qualification requirements for this position, you must have:**

**For the GS-09**: You must have at least one year of full-time specialized experience that is equivalent in difficulty and complexity to work performed at the GS-07 level in the Federal service. Specialized experience is defined as experience that is in or related to the line of work of this position and has equipped you with the critical competencies to successfully perform the duties of this position. More specifically, you must have specialized experience performing duties in any of the following areas: 1) recruitment and placement; 2) position classification; and 3) personnel/payroll processing.

**Or**

**You may qualify for the GS-9 if you have a master's or equivalent graduate degree or 2 full years of progressively higher level graduate education leading to such a degree.**

**Or;**

**a combination of both education and experience.**

**For the GS-11:** You must have at least one year of full-time specialized experience that is equivalent in difficulty and complexity to work performed at the GS-09 level in the Federal service. Specialized experience is defined as experience that is in or related to the line of work of this position and has equipped you with the critical competencies to successfully perform the duties of this position. More specifically, you must have specialized experience performing duties in at least one of the following areas: 1) recruitment and placement; 2) position classification; and 3) personnel/payroll processing. Specialized experience would involve duties such as: providing guidance to managers and employees concerning regulations and procedures relating to recruitment and selection of candidates; developing and approving vacancy announcements, and reviewing applications to make qualification determinations utilizing an automated staffing system; making complex pay determinations for various personnel actions; etc. Advises on development of position descriptions; prepares classification evaluation statements; and makes classification determinations on the appropriate series and grade level of positions; and developing effective solutions to mission requirements.

**Or;**

you may qualify for the GS-11 if you have a Ph.D or equivalent doctoral degree or 3 full years of progressively higher level education leading to such a degree.

**Or;**

a combination of education and experience.

**For the GS-12:** You must have at least one year of full-time specialized experience that is equivalent in difficulty and complexity to work performed at the GS-11 level in the Federal service. Specialized experience is defined as experience that is in or related to the line of work of this position and has equipped you with the critical competencies to successfully perform the duties of this position. More specifically, you must have specialized experience performing duties in two of following areas: 1) recruitment and placement; 2) position classification; and 3) personnel/payroll processing. Specialized experience would involve duties such as: providing guidance to managers and employees concerning regulations and procedures relating to recruitment and selection of candidates; developing and approving vacancy announcements, and reviewing applications to make qualification determinations utilizing an automated staffing system; making complex pay determinations for various personnel actions; advising managers on the development of position descriptions; preparing classification evaluation statements; and making classification determinations on the appropriate series and grade level of positions; and developing effective solutions to mission requirements.

You must meet all qualification requirements within 30 days after the closing date of this announcement.

Additional information on the qualification requirements is outlined in the OPM Qualifications Standards Handbook of General Schedule Positions or the OPM Handbook X-118 C for Wage Grade Positions. They are available for your review on OPM's website at http://www.opm.gov/qualifications.

**How You Will Be Evaluated:**
Upon receipt of your complete application package, a review of your application will be made to ensure you meet the basic qualification requirements. Next, your responses to the questionnaire and/or competency statements will be evaluated to determine the degree to

which your skills match this position.

**The occupational questionnaire is designed to assess your ability to demonstrate the following competencies:**

- Knowledge of and experience with a variety of position classification and position management issues.
- Knowledge and experience with a wide range of recruitment and placement flexibilities.
- Experience using automated staffing systems to post vacancy announcements, review applications for minimum qualifications, and issue certificates of referrals.
- Knowledge of delegated examining rules, regulations and procedures in external recruitment.
- Experience reviewing and approving personnel actions, assuring appropriate codes and remarks.Experience in applying and advising managers and customers on complex pay setting regulations and policies.
- Ability to maintain effective working relationship while resolving problems.
- Ability to balance interests of a variety of clients, readily readjusts priorities to respond to pressing and changing client demands.
- Anticipates and meets the need of clients; achieves quality end-products; is committed to continuous improvement of services.



**Benefits:**
Working for OPM offers a number of really exciting flexibilities. The Federal government offers a number of other exceptional benefits to its employees. The following web address is provided for your reference to explore the major benefits offered to most Federal employees. To find out more click here http://www.usajobs.opm.gov/ei61.asp

**How To Apply:**

**To begin, choose one of these options:**

- If your résumé is coming from the USAJOBS Resumé Builder, click the Apply Online button near the bottom of this page. Your résumé will be attached only to the Application Package you complete.
- If your resumé is coming from outside of USAJOBS Resumé Builder, click this link to begin the process: Online Questionnaire

To submit your occupational questionnaire, résumé and supporting documents via fax: Send the documents to **1-(478)-757-3144.**

- If you are faxing Form 1203-FX, do not use a separate cover sheet. Simply make sure the Form 1203-FX is on top of any other documents you are faxing.
- If you are faxing the documents without Form 1203-FX, always use the official cover sheet. Click here to obtain the cover sheet-- http://staffing.opm.gov/pdf/usascover.pdf

If you wish to submit your occupational questionnaire, résumé and supporting documents in

hard copy by mail or hand deliver click, this link to print a copy of the OPM Form1203-FX or insert or type this URL into your browser http://www.opm.gov/Forms/pdf_fill/OPM1203fx.pdf

Please mail or hand deliver your application materials to the address below:

Center for Human Capital Management Svcs

1900 E Street NW
Room 1469
Washington, DC 20415
USA

WP186905

All electronic submissions or faxes must be completed by 11:59 PM Eastern Time Wednesday, May 07, 2008. All mailed resumes and/or supporting documents must be postmarked by Wednesday, May 07, 2008 and must be received in this office within 5 working days after Wednesday, May 07, 2008.

**NOTE**: Submission of a résumé alone **IS NOT** a complete application. This position requires the completion of additional forms and/or supplemental materials as described in the "How to Apply" section. Please carefully review the complete job announcement and the "How to Apply" instructions. Failure to provide the required information and/or materials will result in your not being considered for employment.

**Required Documents:**
Your resumé must contain the basic information outlined in the Optional Application for Federal Employment OF-612: http://www.opm.gov/forms/pdf_fill/of612.pdf

In addition to the online application (résumé and responses to the questionnaire), you are required to submit the following forms:

- Transcripts (if applying based on education)
- SF-50 (or equivalent Notification of Personnel Action) if you are a current or former Federal employee
- Veterans Preference documentation (DD-214 or equivalent, SF-15 and VA Letter, as appropriate) if claiming veterans preference.
- Interagency Career Transition Assistance Plan (ICTAP) documents, if applying for an ICTAP appointment. https://www.opm.gov/rif/employee_guides/career_transition.asp

**Contact Information:**

Renee Brooks
Phone: (202)606-2891
Fax: (478)757-3144
Email: RBBrooks@opm.gov

Or write:
Center for Human Capital Management Svcs
1900 E Street NW
Room 1469
Washington, DC 20415
USA
Fax: (478)757-3144

**What To Expect Next:**

Once your complete application is received, we will conduct an evaluation of your qualifications and determine your ranking. The most highly qualified candidates will be referred to the hiring manager for further consideration and possible interview. We expect to make a selection within 45 work days of the closing date of this announcement. You will be notified of the outcome

**Social Security Number**

**Vacancy Identification Number**

The Vacancy Identification Number is: WP186905
**1. Title of Job**

HR SPECIALIST (Recruitment, Placement & Classification)
**2. Biographic Data**

**3. E-Mail Address**

**4. Work Information**

If you are applying by the OPM Form 1203-FX leave this section blank.

**5. Employment Availability**

**6. Citizenship**

Are you a citizen of the United States?
**7. Background Information**

If you are applying by the OPM Form 1203-FX leave this section blank.

**8. Other Information**

If you are applying by the OPM Form 1203-FX leave this section blank.

**9. Languages**

If you are applying by the OPM Form 1203-FX leave this section blank.

**10. Lowest Grade**

09
11
12

**11. Miscellaneous Information**

If you are applying by the OPM Form 1203-FX leave this section blank.

**12. Special Knowledge**

If you are applying by the OPM Form 1203-FX leave this section blank.

**13. Test Location**

If you are applying by the OPM Form 1203-FX leave this section blank.

**14. Veteran Preference Claim**

**15. Dates of Active Duty - Military Service**

**16. Availability Date**

If you are applying by the OPM Form 1203-FX leave this section blank.

**17. Service Computation Date**

If you are applying by the OPM Form 1203-FX leave this section blank.

**18. Other Date Information**

If you are applying by the OPM Form 1203-FX leave this section blank

**19. Job Preference**

If you are applying by the OPM Form 1203-FX leave this section blank.

**20. Occupational Specialties**

001 Competitive
002 Merit Promotion
003 Non-Competitive
004 ICTAP
006 Special Hiring Authority

**001 - Competitive**. In order to apply under this specialty code you must be a current United States citizen or National, who is at least 16 years of age.

**002- Merit Promotion Eligibility.** In order to apply under this specialty code you must be a current, permanent (non-temporary) civilian employee on a competitive service appointment in a Federal agency or a former civilian Federal employee who achieved career status in the competitive service; or an interchange agreement eligible; or a VEOA eligible; or a former civilian Federal employee who served on a career-conditional appointment and was separated less than three years ago without achieving career status in the competitive service. (YOU MUST SUBMIT SUPPORTING DOCUMENTATION)

**003 - Non-Competitive Eligibility.** In order to apply under this specialty code you must have held a permanent position in the competitive service at the same grade level with the same or higher promotion potential as this position.(YOU MUST SUBMIT SUPPORTING DOCUMENTATION)

**004 - ICTAP Eligibility.** In order to be considered for this position you must be an eligible Interagency Career Transition Assistance Program (ICTAP) applicant. To be considered well-

qualified and exercise selection priority for this vacancy, displaced Federal employees must be rated at 85 or above on the rating criteria for this position. (YOU MUST SUBMIT SUPPORTING DOCUMENTATION)

**006- Special Appointing Authority Eligibility.** In order to apply under this specialty, you must be eligible for a special appointment such as Schedule A for the severely disabled; 30% or more disabled veterans; Veteran's Recruitment Appointment, and returned volunteers from the Peace Corps or Vista, etc. (YOU MUST SUBMIT SUPPORTING DOCUMENTATION)

**21. Geographic Availability**

0675 Washington, DC

**22. Transition Assistance Plan**

**23. Job Related Experience**

If you are applying by the OPM Form 1203-FX leave this section blank.

**24. Personal Background Information**

If you are applying by the OPM Form 1203-FX leave this section blank.

**25. Occupational/Assessment Questions:**

1. Do you have at least one year of full-time specialized experience that is equivalent in difficulty and complexity to work performed at the GS-09 level in the Federal service? Specialized experience is defined as experience that is in or related to the line of work of this position and has equipped you with the critical competencies to successfully perform the duties of this position. More specifically, you must have specialized experience performing duties in at least one of the following areas: 1) recruitment and placement; 2) position classification; and 3) personnel/payroll processing. Specialized experience would involve duties such as: providing guidance to managers and employees concerning regulations and procedures relating to recruitment and selection of candidates; developing and approving vacancy announcements, and reviewing applications to make qualification determinations utilizing an automated staffing system; making complex pay determinations for various personnel actions; etc. Advises on development of position descriptions; prepares classification evaluation statements; and makes classification determinations on the appropriate series and grade level of positions; and developing effective solutions to mission requirements.

A. Yes
B. No

2. Do you have at least one year of full-time specialized experience that is equivalent in difficulty and complexity to work performed at the GS-07 level in the Federal service? Specialized experience is defined as experience that is in or related to the line of work of this position and has equipped you with the critical competencies to successfully perform the duties of this position. More specifically, you must have specialized experience performing duties in any of the following areas: 1) recruitment and placement; 2) position classification; and 3) personnel/payroll processing.

**Or**

You may qualify for the GS-9 if you have a master's or equivalent graduate degree or 2 full years of progressively higher level graduate education leading to such a degree.

**Or;**

a combination of both education and experience.

A. Yes
B. No

3. Do you have at least one year of full-time specialized experience that is equivalent in difficulty and complexity to work performed at the GS-11 level in the Federal service? Specialized experience is defined as experience that is in or related to the line of work of this position and has equipped you with the critical competencies to successfully perform the duties of this position. More specifically, you must have specialized experience performing duties in at least two of the following areas: 1) recruitment and placement; 2) position classification; and 3) personnel/payroll processing. Specialized experience would involve duties such as: providing guidance to managers and employees concerning regulations and procedures relating to recruitment and selection of candidates; developing and approving vacancy announcements, and reviewing applications to make qualification determinations utilizing an automated staffing system; making complex pay determinations for various personnel actions; etc. Advises on development of position descriptions; prepares classification evaluation statements; and makes classification determinations on the appropriate series and grade level of positions; and developing effective solutions to mission requirements.

A. Yes
B. No

Indicate your level of knowledge of the following HR Program areas by selecting the response that best reflects your experience and/or training in each program area.

A- I have not had any education, training and/or experience in this program.
B- I have had education or training in this program and/or I have performed assignments under close supervision.
C- I have performed assignments in this program as a regular part of a job and normally without review by a supervisor or senior co-worker.
D- I am considered a technical expert in this program area because of my in-depth knowledge of regulations, principles, practices and procedures.

4. Knowledge of and experience with a variety of position classification and position management issues

In the space provided below, please address your working knowledge of the wide-range of classification and position management issues.

5. Knowledge and experience with a wide range of recruitment and placement flexibilities

In the space provided below, please address your working knowledge of the wide-range of recruitment and placement flexibilities.

6. Experience using automated staffing systems to post vacancy announcements, review applications for minimum qualifications, and issue certificates of referrals

In the space provided below describe your experience using automated staffing system to post vacancy announcements, review applications for minimum qualifications, and issue certificates of referrals.

7. Knowledge of delegated examining rules, regulations and procedures in external recruitment.

In the space provided below, please describe your experience with delegated examining rules, regulations and procedures in external recruitment and identify whether or not you are or have been a certified delegated examiner.

8. Experience reviewing and approving personnel actions, assuring appropriate codes and remarks.

In the space provided below, please describe your experience processing, reviewing and/or approving personnel actions.

9. Experience in applying and advising managers and customers on complex pay setting regulations and policies.

In the space provided below please provide examples of your experience advising customers and managers on pay setting.

For the following General Competencies, choose the statement from the list below that best describes your level of proficiency or capability. Remember to rate all of the general competencies listed below. Darken the oval corresponding to that statement in Section 25 of the Qualifications and Availability Form C.

A- I can apply the competency in the simplest situations. I require close and extensive guidance.
B- I can apply the competency in somewhat difficult situations. I require frequent guidance.
C- I can apply the competency in difficult situations. I require occasional guidance.
D- I can apply the competency in considerably difficult situations. I require no guidance
E- I can apply the competency in exceptionally difficult situations. I have served as a key resource and advised others.

10. Ability to maintain effective working relationship while resolving problems.

In the space below please describe your experience maintaining an effective working relationship with your coworkers and helping your teammates resolve problems.

11. Ability to balance interests of a variety of clients, readily readjusts priorities to respond to pressing and changing client demands. Anticipates and meets the need of clients; achieves quality end-products; is committed to continuous improvement of services.

In the space below, please provide examples of how you have balanced the interests of a variety of clients, readjusted priorities to respond to pressing and changing client demands and anticipated and met the need of clients.

Post-Hearing Questions for the Record
Submitted to Ms. Angela Bailey
From Senator Daniel K. Akaka

"From Candidates to Change Makers: Recruiting the Next Generation of Federal Employees"
May 8, 2008

**1. Agencies do a poor job of communicating with applicants. As the Washington Post's online discussion forum on May 6, 2008, showed, an applicant may apply for a job and never hear from the agency again.**

- **What can agencies do to improve their timely feedback to all applicants of their status in the process?**

  **RESPONSE:** Agencies have several opportunities to improve their timely feedback to all applicants of their status in the process:

  - Accountability: Through established standard operating procedures that include established timeliness measures that are tracked/audited, agencies can hold HR professionals and line managers accountable through their performance plans for providing timely feedback to applicants.

  - Automated Systems: Agencies can use automated systems to notify applicants of the status of their applications. ANSWER is one example of an automated system used by the Department of the Army to provide updates to applicants throughout the hiring process.

  - Applicant Hotlines: HR customer service representatives are available to respond to applicant questions, concerns and provide updates to the applicant throughout the process.

  Accountability is the number one thing agencies can do to improve the communication to applications. Set standards for timely and accurate communication, measure it and hold employees accountable for doing it.

**2. The Office of Personnel Management's (OPM) hiring tool kit, which is designed to help agencies improve recruitment and hiring, recommends a battery of tests and requirements to assess the quality of a candidate. While the candidate assessment and matching process can be difficult, that does not mean that the complexity of evaluating a candidate has to be a burden on the applicant.**

- **Can you explain how the hiring tool kit is streamlining the hiring process and making it more candidate-friendly?**

**RESPONSE:** The Hiring Toolkit offers an array of tools and guidance that agencies can use to streamline their hiring processes and improve the applicant's hiring experience. Developed in conjunction with the Partnership for Public Service, the tools are based on successful hiring makeovers and extreme hiring makeovers conducted by OPM and the Partnership, respectively. The Toolkit covers the four critical phases of hiring: 1) Prepare to Hire; 2) Recruit Top Talent; 3) Select the Best; and 4) Measure Success.

Each element of the Hiring Toolkit details specific steps that, if taken, will improve the hiring process. For instance, the Toolkit includes a step-by-step guide (i.e., OPM's Hiring Makeover Process: Soup to Nuts) for conducting a hiring makeover, and in support of OPM's current 45-day hiring model provides an interactive tool for agencies to identify where they can reduce the time it takes to hire.

Within the "Prepare to Hire" phase, there is a video library that provides information on the different hiring flexibilities available to agencies and how they can use the flexibilities to improve their hiring processes. In the coming months, we plan to update the Hiring Toolkit for a third time to reflect insights gained from our End-to-End Hiring Initiative, which will provide a more aggressive set of standards for the federal hiring experience.

**3. In 2002, Congress gave federal agencies the authority to use category rating in the hiring process. However, agencies are not implementing category rating because of technology barriers.**

- **What is OPM doing to help agencies use all available hiring flexibilities, including category rating, and address technology barriers to using those flexibilities?**

**RESPONSE:** OPM stresses the importance of incorporating the use of hiring flexibilities into agencies' recruitment strategies and has provided numerous tools to assist them. To ensure agencies are actively using the flexibilities available to them, OPM tracks the use of hiring flexibilities on a quarterly basis through the President's Management Agenda (PMA) scorecard.

Agencies are required to report their usage on a number of hiring flexibilities including the Federal Career Intern Program (FCIP), Category Rating, Veterans Authorities, Persons with Disabilities, the Presidential Management Fellows (PMF) program, as well as other available flexibilities.

OPM has and continues to work with agencies and their vendors to assist them in incorporating category rating processes and procedures into their individual automated staffing systems. Many organizations have developed their own procedures and are using category rating as they see fit.

OPM continues to train agencies on the use of category rating through its on-line video, Category Rating Fact Sheet and the Delegated Examining Operations Handbook which provide step-by-step procedures throughout the examining process. Recently OPM also launched the *Federal Hiring Flexibilities Resource Center* on our Website. The Resource Center provides direction and guidance on category rating, appointment of veterans, direct-hire authority, student employment, and excepted service employment. It also includes a diagnostic tool that assists human resources specialists to decide which potential hiring flexibilities will best meet their agencies' needs.

To support agencies in implementing hiring flexibilities, OPM has conducted numerous training sessions across the country to explain hiring flexibilities and how best to use them in building effective recruitment strategies. The training sessions were conducted in partnership with the Federal Executive Boards to ensure we reached agencies' field locations where over 80% of federal employees work.

OPM also developed and delivered a comprehensive training course (1 to 1 ½ days) on Category Rating to further support agency application of this important flexibility. Through our train-the-trainers approach, we developed a cadre of instructors who are available to conduct this training for agencies as well. The course materials (instructor guide and student guide) were made available to agencies so their internal trainers can use them.

The results of these efforts have been exceptional as we continue to see increased use of hiring flexibilities. A recent OPM review indicates the use of category rating has increased over the past three years. In addition, there is increased usage of FCIP and Veterans Recruitment Appointment (VRA).

OPM continues to work very hard at assisting agencies in determining where best to use not only category rating, but other hiring flexibilities as well.

**4. Private sector employers with good hiring strategies will target college sophomores and juniors for summer internships, and once they have assessed the intern's abilities and performance, they can determine if the intern would be a good hire.**

- **What has OPM done to help agencies with reaching out and staying in touch with college students to bring them into federal service?**

**RESPONSE**: OPM supports an active program that provides Federal agencies with the information and opportunity to develop and sustain long term relationships with colleges and universities. The focus of this program is the Call to Serve (C2S) Initiative of which OPM is a founding sponsor.

The fundamental aims of the C2S are to highlight the importance of a strong civil service, strengthen the relationships between agencies and campuses, provide students with a clearer understanding of the opportunities in the Federal Government, and ensure that

students have the tools they need to pursue those opportunities. The three main components of OPM's C2S program are:

- Federal Career Days
- Effective Hiring Workshops
- Virtual National Career Services Conference

**Federal Career Days:** OPM continues to sponsor Federal Career Days (FCDs) at campuses across the Nation. These job fair events are part of our continuing effort to attract talented people for Federal service by building long term recruiting relationships between the host schools and participating Federal agencies. They also reflect OPM's goals of sponsoring job fairs that are more targeted by such mission critical occupations as:

- Engineering
- National Security and Criminal Justice (including Foreign Language skills)
- Business and Accounting
- Science and the Environment
- Medicine and Public Health
- Information Technology

Each event includes career fair activities for Federal agency representatives to speak directly to students and alumni. At each FCD, OPM also conducts a seminar for students on "How to Find and Apply for Federal Jobs". This presentation includes information on the following:

- Searching the USAJOBS and Studentjobs.gov websites
- The many benefits of government service
- Special hiring programs available to students
- Completing a federal job application and resume

OPM conducted Federal Career Days on the following campuses during 2007-08:

- Northern Virginia Community College, Annandale, VA
- Louisiana State University Fall-07 Career Expo; Baton Rouge, LA;
- New Mexico State University; Las Cruces, NM;
- University of New Mexico; Albuquerque, NM;
- Duquesne University; Pittsburgh, PA;
- Ohio State University Federal Career Day; Columbus, OH;

OPM will conduct Federal Career Days on the following campuses during the remainder of 2008:

- Johns Hopkins University; Baltimore, MD; October 2, 2008
- University of Pittsburgh; Pittsburgh, PA; October 29, 2008
- Rutgers University; New Brunswick, NJ; November 7, 2008

- University of New Mexico; Albuquerque, NM; November 20, 2008
- Massachusetts Institute of Technology (MIT); Boston, MA (date TBD)

**Virtual National Career Services Conference:** OPM designed the Virtual Conference as a series of Federal agency presentations available on the internet for an audience of college and university students and career services professionals. It gives university career services professional's information to counsel their students on the opportunities available in the civilian workforce. It consists of panel presentations on the following topics:

- How to Find and Apply for Jobs with the Federal Government
- Student Opportunities with the Federal Government
- Conducting a Federal Career Fair on Campus and Building Sustainable Relationships with Federal Agencies
- Conducting a Campaign to Promote Federal Service on Campus
- Mission Critical Occupation Panels on the Following Occupations:

  - Business and Accounting
  - Information Technology
  - Medical: Clinical, Research, Public Health & Health Policy
  - Science and Environment
  - Homeland Security
  - Engineering

These presentations are available 24/7 at www.opm.gov/vncsc and have been viewed over 30,000 times.

Post-Hearing Questions for the Record
Submitted to Angela Bailey, Office of Personnel Management
From Senator George V. Voinovich
From Candidates to Change Makers: Recruiting and Hiring the Next Generation of Federal Employees
May 8, 2008

**1. In preparation for this hearing, my staff shared with me anecdotal evidence that just confounds me. For example, one member of my staff shared that among a group of three professionals, over a six month period of applying for positions with the federal government, only one of those individuals received any acknowledgement that their application had been received. Another shared that job postings that required separate KSAs were immediately excluded from consideration. One individual with a graduate degree was told she was not qualified for a position that was a GS-7. Someone else shared the story of a federal agency recruiting this staff person for a position and then never after submitting her application, including lengthy KSAs, never receiving any response. These individuals are bright, talented professionals who now are discouraged from executive branch service. In addition, their stories will be shared with friends and family, which will only reinforce the negative stereotypes of federal service.**

- **What is OPM doing to change these real practices, for itself and for the rest of the government?**

**RESPONSE:** In partnership with the Chief Human Capital Officers (CHCO) Subcommittee on Hiring and Succession Planning, OPM launched the End-to-End Hiring Initiative to create a more aggressive standard for federal hiring. This initiative addresses key issues like timeliness of the hiring process, regular and clear communications with applicants, and use of streamlined vacancy announcements that more clearly explain job and application requirements. Once we have tested the new model in our partner agencies, we will disseminate the model to all agencies, and they will establish baselines and set targets to improve their hiring practices.

- **Why has OPM not used tools, like the President's Management Agenda scorecard to drive such real, concrete changes at agencies?**

**RESPONSE**: OPM uses various human capital tools including the PMA scorecard to help agencies develop, implement and institutionalize effective human capital practices. Agencies use the scorecard to set direction and identify action items that build a solid workforce.

Each year OPM sets specific scoring requirements, provides concrete assistance on improving human capital programs, and assesses program and organizational performance. As an example, one of the performance measures on the Human Capital

Scorecard is "meets hiring improvement targets." Key requirements agencies must meet to successfully meet this benchmark are:

- Agency notifies 70 percent of all applicants of their final status within 45 days and sustained this performance at least two consecutive quarters; and
- Agency hires 70 percent of its employees within 45 days and sustained this performance over at least two consecutive quarters

Based on the most recent information submitted by agencies, approximately 80 percent of hires are made and 90 percent of applicants are notified within the 45 day standard. Meeting these requirements supports the government's efforts to compete for top talent.

OPM is currently piloting one of its HR positions using a streamlined vacancy announcement along with resume only application process. The recruitment action is being conducted under a recently developed model using End-to-End hiring process standard timelines.

OPM is also partnering with the Federal Acquisition Institute (FAI) in developing streamlined standard announcement template along with creating centralized registers for the acquisition community.

**2. As the agency responsible for human capital, OPM should be leading by example.**

- **How can we expect agencies to replace confusing job announcements when the lead agency is not using a streamlined application process for its own vacancies, including human resource specialists?**

**RESPONSE**: OPM is currently piloting one of its HR positions using a streamlined vacancy announcement along with resume only application process. The recruitment action is being conducted under a recently developed model using End-to-End hiring process standard timelines.

As stated, OPM is also partnering with FAI and targeted members of the acquisition community in developing a streamlined standard announcement template along with creating centralized registers for the acquisition community as it relates to an entry-level contracts specialist position (1102-05/07). At the conclusion of the pilot, the intent is to pursue other communities with a similar approach.)

**3. Have you conducted a government or agency-wide analysis of the human resources workforce, either within your own agency or across the government?**

- **Are there plans to conduct such an assessment?**

- **Do you believe there should be statutory requirements for human resources professionals, such as what was enacted for Department of Defense acquisition workforce?**

**RESPONSE**: As part of the effort to advance Strategic Human Capital Management, OPM identified a critical need to recruit, develop, and retain a Human Resources Management (HRM) workforce capable of developing and implementing people management strategies and systems that will help agencies meet their mission goals.

In December 2005, the Chief Human Capital Officers (CHCO) Council released its initial HRM Competency Model. The Model represents an initial set of competencies HRM specialists across Government need. The 19 competencies are organized in four areas (i.e., HR Technical, People, Consulting, and Analytical). In May 2008, the Council added six future-focused competencies to its model to support the growing strategic nature of HRM work in Government.

Using the CHCO Council HRM Competency Model, OPM conducted Government-wide assessments in FY 2006 and FY 2007. A third assessment is scheduled for this summer, which will include the six future-focused competencies. Agencies are using the assessment information to set targets for closing specific competency gaps in the HR workforce and to assess progress towards closing gaps. Agencies will report results of their efforts to OPM in the 2008 Human Capital Management Report, which will be submitted by December 15, 2008.

**4. GAO's testimony emphasizes the need for OPM to have the internal capacity necessary to lead change. I was dismayed to learn that the recent SES Candidate Development Program was delayed due to OPM's inability to make sound management decisions.**

- **With agencies paying $25,000 per slot, why were basic mistakes made?**

**RESPONSE:** Fed CDP was offered for the second time in January, 2008. Because of issues surrounding the processing of applications in January, OPM decided to close the January announcement and is preparing to re-open Fed CDP. The irregularities in the process arose from OPM's well-intentioned effort to increase the number of applications by extending the vacancy announcement period by three days and arranging to have automated reminder emails sent to any individual who had begun to fill out the on-line Fed CDP application, but had not submitted a completed application. The actions taken were not related to a review of applicant qualifications, test security issues, or rater bias. OPM reviewed applications against the qualifications outlined in the vacancy announcement and made determinations about qualifications in accordance with merit system principles. A quality control review indicated that OPM applied rating determinations and scores accurately and consistently. Additionally, test security was not compromised during the process.

OPM is taking several steps to ensure similar issues do not arise with the re-opening of the Fed CDP vacancy announcement. During the application and selection process of the re-launched Fed CDP, OPM will make all Fed CDP communications publicly available to all potential applicants by posting them to USAJOBS at www.usajobs.opm.gov. Additionally, OPM added language to the vacancy announcement intended to ensure applicants understand what is required for an application to be "completed" and "submitted" for consideration. OPM also developed an Applicant Guide to address frequently asked questions about the assessment process and to provide further instructions for applicants. OPM will post this guide along with the new vacancy announcement.

**5. Several witnesses have emphasized the need for the federal government to increase its investment in agency recruitment practices and incentives, such as student loan repayment. From time to time, it has been suggested that Congress create a line item to help ensure appropriate resource allocation in this area.**

- **Are there downsides to this approach, or do you believe it would help Congress and agencies give this funding need the priority it deserves?**

**RESPONSE:** The Federal student loan repayment program under 5 U.S.C. 5379 and 5 CFR part 537 allows agencies to establish a program under which they may repay certain types of Federally made, insured, or guaranteed student loans in order to recruit or retain highly qualified personnel. Congress has not appropriated funds specifically for agencies to use for this particular human capital management tool. However, we note that agencies may seek dedicated funds for student loan repayments as a line item as part of the annual appropriations process. We are aware that at least one agency, the Department of State, has been able to make its student loan repayment program a separate line item in its budget, which has allowed greater use of this recruitment and retention tool.

As OPM has reported in its annual reports to Congress on the Federal student loan repayment program, many agencies report that the primary impediment to using a student loan repayment program is a lack of funding. For example, in OPM's FY 2007 Report to the Congress, 18 agencies commented that a lack of funding has impeded their ability to use the student loan repayment program as a recruitment or retention tool. (OPM's FY 2002–2007 reports are available at http://www.opm.gov/oca/PAY/StudentLoan/index.asp.) OPM supports agencies continued use of this incentive to recruit or retain highly qualified employees, but we recognize that locating funding in existing salaries and expenses budgets to use student loan repayments effectively presents a significant challenge.

OPM has not taken an official position on whether Congress should allocate funds specifically for the Federal student loan repayment program.

**6. The statute provides broad flexibility to OPM and to agencies in setting hiring processes. Yet, we continue to hear about the absence of basic, common sense practices, such as not notifying candidates if they are qualified or when a selection has been made.**

- **Do you think, given agencies inability to make these changes on their own, that they should be written into the statute?**

**RESPONSE:** No, we do not need legislation to make such changes.

- The creation of additional statutory mandates will not make a more efficient hiring process within the Federal government. Agencies must assess their mission requirements and determine what their priorities are in the human resources management arena. If recruiting and hiring is critical to accomplishing agencies missions, then it will be necessary for agencies to ensure they have a trained workforce in place to recruit and retain talented employees. Agencies can do this today without legislation. It takes leadership and accountability to ensure the kinds of changes you and OPM are recommending are followed through on.

- OPM will continue to work with agencies to ensure they are using hiring flexibilities properly and continue to provide guidance on hiring and recruitment practices.

**7. Ms. Colleen Kelley of the National Treasury Employees Union stated during the hearing that federal employee unions had only just been briefed on OPM's efforts to lead change in federal hiring practices.**

- **Why were federal employee unions not included in the process of developing such efforts?**

**RESPONSE:** OPM decided to partner with the Chief Human Capital Officers Council Subcommittee on Hiring and Succession Planning to launch this initiative. Initial work on the model and standards has been conducted by an interagency working group to streamline the effort of analyzing internal processes in order to revamp federal hiring. Once we have tested our ideas within the agencies, we will expand this effort to outside stakeholders

- **Why were they told their input was not welcome on OPM's work to date?**

**RESPONSE:** Union representatives were told that OPM values their unique perspective since their members have been through the hiring process, and that we know unions actively engage with their agencies on issues associated with federal hiring. It is for this reason that OPM informed the union representatives at the meeting that we fully expect our partner agencies to incorporate union perspectives into the first stage of this effort. We also explained that once we have tested our ideas within the agencies, we will expand this effort to outside stakeholders.

**Post-Hearing Questions for the Record**
**Submitted to John Crum, Ph.D., Merit Systems Protection Board**
**From Senator Daniel K. Akaka**

**"From Candidates to Change Makers: Recruiting the Next Generation of Federal Employees"**
**May 8, 2008**

1. **Agencies do a poor job of communicating with applicants. As the Washington Post's online discussion forum on May 6, 2008, showed, an applicant may apply for a job and never hear from the agency again. What can agencies do to improve their timely feedback to all applicants of their status in the process?**

The Merit Systems Protection Board (MSPB) has long recognized that communication with applicants has been a problem in the Federal hiring system. We have conducted several studies on Federal hiring practices over the past decade, and the lack of communication has been an issue raised by applicants in each of these studies.

There are several actions agencies can take to improve their communication with applicants. To start, agencies need to have hiring process that is clearly explained within the job announcement. The instructions should include a timetable letting applicants know what steps are in the process, who is responsible for the respective steps, and how long each step is expected to take. This will help to manage applicants' expectations. As I mentioned in my testimony, job announcements are often unclear and contain jargon that non-Federal employees do not understand. Additionally, agencies should have a point of contact listed in the job announcement for applicants who have questions.

Agencies should at a minimum notify applicants that their applications were received. This type of notification is standard on most automated application systems and should be used by all agencies. Communication should not stop there. Because the Federal hiring process is typically longer than that of the private sector—especially for jobs requiring security clearances—agencies should communicate both electronically and personally with applicants throughout the process. Applicants should be periodically notified of the status of their application, when the next step should occur, or why the process may be taking longer than expected. Furthermore, agencies should timely notify applicants when they are no longer being considered for a position. If applicants are kept well-informed, they will be more likely to stay with the process than if their application falls into a proverbial "black hole."

Finally, an efficient, effective process is important. Agencies need to look at their hiring process to ensure that it is as timely as possible and does not contain unnecessary steps and bottlenecks. Because of their missions, some agencies may be able to keep applicants engaged in the process for a long period of time. However, a large segment of applicants, especially those with highly sought after skills, will not wait months at a time for a job offer, regardless of communication efforts.

**2. The Office of Personnel Management's hiring tool kit, which is designed to help agencies improve recruitment and hiring, recommends a battery of tests and requirements to assess the quality of a candidate. While the candidate assessment and matching process can be difficult, that does not mean that the complexity of evaluating a candidate has to be a burden on the applicant. How does OPM's hiring tool kit support recommendations made by MSPB? How are they divergent?**

Although we have not examined OPM's hiring tool kit in depth, its materials and guidance appear to be consistent with recommendations made by MSPB. Areas of agreement include emphasizing the importance of: (1) conducting job analysis; (2) using highly, predictive assessments; and (3) using multiple assessments.

We note that, while OPM's tool kit may present an agency with a "battery of tests and requirements," the tool kit does not mandate use of all tests and requirements. Instead, the agency is expected to choose judiciously, considering factors that include cost, anticipated number of applicants, and applicant burden. Moreover, we note that a well-designed, well-administered hiring process can deploy a battery of assessments without excessive burden on the applicant.

First, some assessments, such as reference checks, require little effort on the part of the applicant. Second, the "multiple hurdle" approach cited in our testimony can help agencies minimize applicant burden. Using assessments in sequence, instead of simultaneously, enables agencies to use a full "battery" of assessments on only the most promising applicants. Reserving the assessments that require the most effort, such as structured interviews, for the latter stages of the hiring process, makes better use of both applicants' and agencies' valuable time. Finally, making applicants aware of potential future stages, and the fact that a smaller group moves on to the next stage, can help them feel that the extra steps are worth the effort.

**3. As we look at the recruitment and hiring programs, we need federal employees from all backgrounds. Have you identified any agencies that have developed good programs to improve their diversity in recruiting and hiring? If so, could you provide more details on those programs?**

Achieving diversity is an increasingly important aspect of agency recruitment practices. In conducting our 2004 study, *Managing Federal Recruitment: Issues, Insights, and Illustrations*, we found that many agencies are working to integrate diversity into their recruitment strategies. They typically use traditional recruitment strategies—such as Internet recruiting, college recruitment fairs, and paid advertisements—but target them at recruitment sources that are more likely to yield a diverse applicant pool in terms of race, gender, and people with disabilities, as well as veteran status. The most common approach to diversity recruiting appears to be visiting and establishing relationships with colleges and universities that have large populations of targeted students,

including Historically Black Colleges and Universities and Hispanic Serving Institutions. Other common strategies include:

- Establishing internship programs targeted at underrepresented groups, such as the National Association for Equal Opportunity in Higher Education Internship Program and the Hispanic Association of Colleges and Universities Internship Program;
- Partnering and networking with professional associations and organizations whose members consist of persons who have been traditionally underrepresented in the labor force;
- Advertising in publications and on Web sites whose focused readership includes underrepresented groups, people with disabilities, and veterans;
- Visiting and partnering with military transition centers;
- Using targeted mailings and e-mailings; and
- Partnering with special emphasis event coordinators.

As we talked with agencies for this study, we found examples of agencies that were focusing on diversity in their recruitment efforts. One good example is the Social Security Administration (SSA). To aptly serve its diverse customer base, SSA has a particularly important need for a diverse workforce. For instance, the agency recruits for over 800 language specialties.

SSA uses a comprehensive approach to recruitment and selection to meet these needs. To start, SSA established Equal Employment Opportunity advisory groups that help assess applicant flow data to identify any barriers to employment. They work with management to develop mentoring programs and other opportunities to facilitate the development of employees from all backgrounds. In addition, the agency has established a workforce plan, a recruitment/marketing plan, and an integrated package of marketing materials. SSA also uses an array of HR flexibilities to attract candidates. Also, SSA attempts to target media to the intended audience. For instance, it produces bilingual recruitment materials and advertises in bilingual magazines and newspapers to help target a more diverse applicant pool. *Latina* magazine featured an article about three Hispanic SSA executives and how they became leaders. These efforts likely contributed to SSA's success in becoming one of the most diverse agencies in Government.

**Post-Hearing Questions for the Record**
**Submitted to John Crum, Ph.D., Merit Systems Protection Board**
**From Senator George V. Voinovich**

**"From Candidates to Change Makers: Recruiting the Next Generation of Federal Employees"**
**May 8, 2008**

1. **As well as the MPSB has been doing in updating its hiring practices, no system is perfect. What has MSPB identified as the next wave of workforce challenges your agency will have to address?**

Like many agencies, MSPB is experiencing increases in retirements, especially of its most senior managers and highly experienced adjudicatory staff and research analysts. In the past 2 years, MSPB has experienced turnover in many of its Senior Executive Service (SES) Program Manager and Regional Director positions. We are taking a strategic approach to fill these positions from outstanding SES applicants from within and outside the agency. We are also selecting a new group of employees to participate in our second Senior Management Fellows Program to facilitate the further development of well-qualified employees who can compete for future agency leadership vacancies.

Replacing highly experienced administrative judges, research analysts and other senior agency staff is a challenge because it may take up to 3 years for new hires to reach optimal performance in these occupations. MSPB managers play a primary role in this process. We will continue to use a variety of methods to expedite our hiring process, reduce applicant burden and maintain and improve the quality of our selections. These methods include focused recruitment, the use of highly valid assessment tools over successive stages (multiple hurdles including assessments such as accomplishment records, structured interviews and work sample tests) and the use of category rating. We will continue to assess the effectiveness and efficiency of our hiring process to ensure we can recruit and hire the highly qualified employees we need, within our resource levels.

In addition to issues related to the recruitment and hiring of our managerial and senior professional staff, we must consider scheduled changes to our Board membership. As you are aware, the MSPB Board consists of three people, no more than two of which can be from the same political party, who are nominated by the President and confirmed by the Senate. Each Board Member serves a 7-year, nonrenewable term with a possible extension of up to 1 year. The Board member who serves as Chairman undergoes a separate nomination and confirmation process for that position. In March of 2008, one MSPB Board Member completed the 1 year extension of her term which expired in March of 2007, leaving one vacancy on MSPB's Board. The terms of the remaining two Board Members expire in March 2009 and March 2011, with mandatory departures scheduled for March 2010 and March 2012, respectively. The need to replace these Board Members coincides with the transition in the Administration and the beginning of

a new session of Congress. This creates a potential challenge to MSPB's ability to adjudicate headquarters cases because two Board Members are required to issue Board decisions on petitions for review.

It is important to note that several external factors further emphasize the need for MSPB to hire and retain highly qualified staff. For example, the increased number of agency-specific human resources management systems (such as those in DHS, and other agencies) generally increases the complexity and difficulty of MSPB's adjudication work and emphasizes the need for MSPB to conduct studies to ensure that employees are managed in accordance with merit system principles and free from prohibited personnel practices. Legislative changes, such as passage of the proposed legislation to enhance Whistleblower protection, would also potentially increase the number of appeals brought to MSPB. Court decisions under the Uniformed Services Employment and Reemployment Right Act (USERRA) are also expected to increase the number of MSPB hearings. Federal workforce issues such as the pending retirement wave may lead to an increase in the number of retirement-related appeals. Further, as these employees are replaced with younger workers, we may experience an increase in the number of appealable actions as our research has found that adverse actions for conduct and performance are more prevalent in the early years of employment and for younger workers.

2. **Several witnesses have emphasized the need for the Federal government to increase its investment in agency recruitment practices and incentives, such as student loan repayment. From time to time, it has been suggested that Congress create a line item to help ensure appropriate resources allocation in this area. Are there downsides to this approach, or do you believe it would help if Congress and agencies give this funding need the priority it deserves?**

The MSPB is not in a position to comment on the viability or effectiveness of including a line item in agency budgets for recruitment practices and incentives. In general, improving recruitment practices and incentives in agencies depends in large measure on the degree to which agencies consider recruitment and hiring to be an important business process rather than an overhead or administrative function. Improving recruitment practices and incentives in agencies may or may not require specified agency resources. For instance, we found in our recent report *In Search of Highly Skilled Workers: A Study on the Hiring of Upper Level Employees From Outside the Federal Government,* that a significant number of new hires who had received recruitment incentives would have still taken the job if the incentives had not been offered. Therefore, it is difficult to determine the degree to which a line item strategy will result in the desired outcomes of hiring and keeping more highly qualified employees.

One area in which MSPB has recommended that specific appropriations be requested is for the development of valid employee assessment tools. Agencies should have better access to the best selection tools, regardless of internal expertise or financial capability to develop them. Therefore, we have recommended in our reports that the Office of

Personnel Management make the business case to receive appropriated funding for centralized development and validation of good candidate assessment tools that agencies could acquire at little or no cost, particularly for Governmentwide and "at-risk" occupations.

**3. Have you conducted an agency-wide analysis of the human resources workforce? Are there plans to conduct such an assessment? Do you believe there should be statutory requirements for human resources professionals, such as what was enacted for the Department of Defense acquisition workforce?**

MSPB has not conducted any formal analysis of the Federal Government's HR workforce and has no current plans to do so. However, when conducting research on Federal agencies' HR policies and practices, we have consistently found indications that many HR employees lack the resources or expertise needed to design and implement effective recruitment and assessment practices, or to provide the advisory and consulting services essential to truly manage human capital strategically.

For this reason, our testimony cited the lack of human resources expertise as one of the challenges many agencies face in recruiting and hiring candidates for Federal jobs. Accordingly, we believe that the Federal Government needs to improve the training and management of its HR workforce. We have not studied whether statutory requirements for an occupation (such as those that apply to the Department of Defense acquisition workforce) are an effective way of instilling desired levels of expertise and professionalism. Therefore, we have no basis for either recommending or discouraging that approach. However, weaknesses in the HR community may be a result of HR being seen as "overhead" to be cut rather than a valuable resource for better developing and managing the workforce

Senator Daniel Akaka to James McDermott

QUESTION 1. Agencies do a poor job of communicating with applicants. As the Washington Post's online discussion forum on May 6, 2008, showed, an applicant may apply for a job and never hear from the agency again. What can agencies do to improve their timely feedback to all applicants of their status in the process?

ANSWER.

The NRC understands that a favorable first impression during the recruitment process is immensely important. Communication is the key to creating that favorable impression in a competitive recruitment environment. The NRC takes advantage of an automated hiring system to communicate electronically with applicants at every step of the hiring process. This form of communication is fast and efficient and provides applicants timely feedback on their status during the process and closure once the process is complete. However, electronic communication is only part of the equation. Personal contact with the applicant is critical. To engage potential new hires, the agency needs to ensure that communication does not stop when a selection is made. Human resources professionals, supervisors, and managers must invest time and effort throughout the hiring and "on-boarding" process to ensure that new employees are effectively integrated into the agency's environment.

Senator Daniel K. Akaka to James McDermott

QUESTION 2. The Office of Personnel Management's hiring tool kit, which is designed to help agencies improve recruitment and hiring, recommends a battery of tests and requirements to assess the quality of a candidate. While the candidate assessment and matching process can be difficult, that does not mean that the complexity of evaluating a candidate has to be a burden on the applicant. As a member of the Chief Human Capital Officers Council, what is the perception among agencies of the hiring tool kit as an effective resource in streamlining hiring and how do you think it can be improved?

ANSWER.

The NRC has utilized some of the practices in the Office of Personnel Management's hiring tool kit. We believe the toolkit could be improved by eliminating unnecessary steps in evaluating the quality of candidates. For example, for some positions we suggest eliminating the use of crediting plans and lengthy answers to knowledge, skill, and ability (KSA) questions and instead rely on selecting officials to evaluate candidates by reviewing resumes, much like our private sector counterparts. The NRC is currently experimenting with such a mechanism to see if it will improve our responsiveness to job applicants and managers. In addition, the NRC is using the Lean Six Sigma evaluation method to analyze the NRC's internal hiring process procedures and implementing recommendations from the study to make the hiring process more efficient.

Senator Daniel Akaka to James McDermott

QUESTION 3. The Nuclear Regulatory Commission (NRC) has done a good job of attracting the best and the brightest. What has been the most important factor in improving NRC's recruitment?

ANSWER.

There are several important factors that led to the NRC's successful recruitment program. Our mission to protect the public and the environment resonates with potential applicants. The possibility of a nuclear renaissance creates excitement among potential recruits as they feel the work we do is important, exciting, and makes a difference. Developing a recruitment campaign that highlights our mission and integrating this theme with appealing recruitment materials was important in helping us attract and compete for quality candidates. In addition, being selected as the "Best Place to Work" in the Federal government based on our own employees' perceptions gives creditability and marketability to our recruitment campaign. Most importantly, the support of senior level managers in providing resources and in participating in recruitment activities played a significant role in our success. Potential applicants see that top leadership in the agency recognizes that employees are our most valuable resource.

Senator Daniel Akaka to James McDermott

QUESTION 4. Private sector employers with good hiring strategies will target college sophomores and juniors for summer internships, and once, they have assessed the intern's abilities and performance, they can determine if the intern would be a good hire. How is the NRC reaching out and staying in touch with college students to bring them into federal service?

ANSWER.

Surveys show a strong link between awareness and interest. Based on this insight, the NRC works to create a presence on campus and to establish and maintain close relationships with colleges and universities. Our University Champions program is staffed with volunteers who serve as emissaries of the NRC and establish a close individual liaison with school officials. They participate in meetings with engineering and science department faculty, professors, and career counselors, as well as conduct information sessions with students. University Champions work closely with the NRC recruitment team to ensure that highly qualified students have an opportunity to be considered for employment at the NRC. The NRC targets high-potential college students to participate in the Student Temporary Education Program (summer hire) and the Student Career Education Program (formerly known as Cooperative Education). These programs provide an opportunity for students to assess the NRC as a potential employer and the NRC to assess individuals' abilities for future employment. The NRC also participates in over 30 college career fairs to recruit entry level and student hires. The *Energy Policy Act of 2005* has been instrumental to our success as it provides the NRC the authority to provide housing and transportation expenses for student hires, which has been very effective in making the agency competitive for students. Finally, the NRC received funding to award grants to

support nuclear-related education. Last year the NRC awarded 27 grants to academic institutions in 17 states for fellowships, scholarships, and curriculum development. In addition to this $5 million program, the NRC has been charged by Congress to distribute another $15 million this year to support the development of academic and trade skills essential to the safe and effective expansion of nuclear technology applications. Both programs are providing us opportunities to access wider pools of potential applicants.

Senator George V. Voinovich to James McDermott

QUESTION 1. As you noted in your testimony, NRC has separate statutory authorities that it has been able to use to help in its human capital planning. I am proud to have worked with the NRC to include some of these provisions in the *Energy Policy Act of 2005*, including reemployed annuitant authority, stipends for summer interns, and a scholarship program. I believe one reason NRC has seen its recruitment and hiring efforts succeed is the commitment of Chairman Klein. What advice do you believe could be shared to other agencies to help them recognize the importance of a streamlined and effective hiring process?

ANSWER.

The Commission appreciates your consistent support and assistance. According to multiple reports, the Federal government typically takes much longer to make a job offer than its private sector counterparts. In addition, the process itself appears to be a turn-off to potential applicants as it promotes the appearance of a bureaucratic environment which deters people from Federal service. If we hope to compete with the private sector for top talent, we need to make our hiring process more effective and user-friendly. The Office of Personnel Management (OPM) recognizes this need and is paving the way with government-wide initiatives, such as recruitment-one-stop, career patterns, and the 45-day hiring model. These initiatives have given added attention to the need to improve the process and have been used as a tool to help the NRC substantially reduce the time it takes to fill job vacancies. The NRC has also taken a hard look at our internal hiring process using the Lean Six Sigma evaluation method and are piloting several ways to make our process more efficient. One promising initiative involves a pilot that requires an applicant to only submit a resume for NRC job vacancies.

Senator George Voinovich to James McDermott

QUESTION 2. As well as the NRC has been doing, no system is perfect. What has the NRC identified as the next wave of workforce challenges your agency will have to address?

ANSWER.

In order to fulfill our mission of protecting people and the environment, the NRC has needed to substantially increase its highly skilled workforce to respond to this resurgence of interest in new nuclear power plants while ensuring the continued safe operation of the current fleet of reactors. The NRC expects to continue its focus on recruitment for the next several years as the resurgence intensifies competition between the NRC and its licensees for qualified individuals to serve as technical staff. We anticipate that our attrition rate, which has historically been approximately 6 to 6.5%, will rise as a result of increasing competition and staff retirements. We also plan to focus attention on developing and training staff, succession planning, and retaining our highly skilled workforce.

Senator George Voinovich to James McDermott

QUESTION 3. Several witnesses have emphasized the need for the federal government to increase its investment in agency recruitment practices and incentives, such as student loan repayment. From time to time, it has been suggested that Congress create a line item to help ensure appropriate resource allocation in this area. Are there downsides to this approach, or do you believe it would help Congress and agencies give this funding need the priority it deserves?

ANSWER.

Human capital flexibilities, such as those authorized by the *Energy Policy Act of 2005*, have been instrumental in helping the NRC to recruit and retain our highly skilled workforce. As competition for skilled individuals increases, additional emphasis and resources must be given to these types of flexibilities in order to remain competitive with our private sector counterparts. The NRC believes that at the agency level, specific line items are not practical. Instead, a more global approach is necessary that would provide the Federal government, as a whole, additional flexibility.

Senator George Voinovich to James McDermott

QUESTION 4. Have you conducted an agency-wide analysis of the human resources workforce? Are there plans to conduct such an assessment? Do you believe there should be statutory requirements for human resources professionals, such as what was enacted for Department of Defense acquisition workforce?

ANSWER.

The NRC conducts an annual competency assessment of the entire workforce, human resources professionals included, using our online strategic workforce planning tool. These competencies are then matched against skill needs to determine critical skill gaps. This gap analysis is used to inform the agency recruitment plan and to determine training needs that will increase staff proficiency levels. In addition, in 2006, the agency human resources staff completed an Office of Personnel Management (OPM) sponsored competency gap analysis using OPM's online survey assessment tool. This tool provided valuable insight into our human resources competency strengths and weaknesses. The NRC does not believe there should be statutory requirements for human resources professionals, such as those for the acquisition workforce. This requirement would limit our ability to recruit professionals in an already competitive environment. In addition, formal education, although beneficial, does not provide individuals with competencies indicative of successful performance in the human resources arena. These competencies are gained mostly through a combination of on-the-job training activities, developmental opportunities and assignments, and formal training that is directly related to a specific competency. A statutory requirement would severely limit our applicant pool and would not necessarily be an indicator of professional success in the human resources field.

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