



HARVARD Kennedy School
JOHN F. KENNEDY SCHOOL OF GOVERNMENT

INSPIRING FEDERAL SERVICE ROUNDTABLE

October 28, 2009
Washington, DC



EXECUTIVE SUMMARY

Hosted by the Harvard Kennedy School and
the University of Maryland School of Public Policy

In collaboration with the U.S. Office of
Personnel Management

BACKGROUND

Motivated by a shared view that this may be a once-in-a-generation moment for the federal government, a group of public, private and nonprofit leaders came together for an off-the-record discussion on October 28, 2009 to explore how the federal government could improve its recruiting and hiring. Titled *Inspiring Federal Service*, the Roundtable was premised on three important facts. First, this is a time when the nation desperately needs to draw upon its very best public servants. Second, there is a large reservoir of outstanding people who want to help the nation and who could provide exceptional leadership. And third, there are serious obstacles to bringing the most talented people to government service.

By some estimates, nearly a third of federal government employees will become eligible for retirement within the next five years. The weak economy, the magnitude of the problems facing the nation, and the catalytic nature of the 2008 election have all contributed to a widespread desire to serve, but the current process of recruitment and hiring is a barrier to finding and attracting the talent that the government needs and that citizens deserve. The goal of the Roundtable was to identify ways to overcome these challenges.

The Roundtable was hosted by the Harvard Kennedy School and the University of Maryland School of Public Policy, in collaboration with the U.S. Office of Personnel Management. The effort was co-chaired by David T. Ellwood, Dean of the Harvard Kennedy School; Constance Newman, Special Counsel for African Affairs, Carmen Group, and Former Director of the U.S. Office of Personnel Management; and former U.S. Senator Paul Sarbanes. Dean Ellwood moderated the discussion.

Below is an executive summary of the major points that came out of the Roundtable. It follows the rough structure of the discussion and represents a synthesis of the wide-ranging observations, data and ideas presented by the 44 participants (see list, page 7).

IMPORTANT THEMES

Several themes ran through the many comments made throughout the day, specifically:

- High-performing organizations focus intensively on recruiting, supporting, and developing their people. They see people as investments in human capital, not costs. The federal government lags far behind best practice in other sectors.
- The focus on recruiting and hiring needs to be led by senior leadership and individual managers, not just left to human resources departments.
- Educating and exciting potential workers about an organization (“branding”) is just as important for public sector employers as it is for those in the private sector.
- Employers need to build continuing relationships with educational institutions and other sources of future workers. Attracting new employees, especially those from diverse populations, requires significant engagement with potential recruits.
- Much of what needs to be done does not require changes in legislation or regulations; innovations to make the recruiting and hiring systems more effective can be accomplished with a shared sense of urgency and focused attention from agency leadership.

DISCUSSION SUMMARY

The day opened with the co-chairs outlining the rationale, goals, and ground rules for the Roundtable.

- The present moment poses unique challenges and opportunities for federal service. Daunting problems loom at home and abroad, and citizens look to government to respond. A vast cohort of veteran civil servants is poised for retirement. At the same time, idealism and weakened private-sector prospects are combining to drive a surge of interest in public service. This is a once-in-a-lifetime opportunity to reinforce the federal government with more of America’s best. It is critical to make sure that the opportunity isn’t wasted.
- The Roundtable included a mix of leaders who know about and care about this issue. Some have worked extensively on federal employment issues. Some are experts from outside government. It is well-known that government works differently than the private sector, for good reasons, but there may

be innovations that are appropriate to adapt to the federal setting.

- Discussion ground rules: Random seating, first names only, nobody will be quoted by name*, no speeches or long presentations, and the discussion should be mainly focused on hiring and recruitment rather than on broader personnel challenges.

❖ *2020 Visions: What Success Looks Like Five to Ten Years Out*

The moderator invited participants to describe key features that would mark a successful transformation of federal service over the next five to ten years. Different participants mentioned a variety of aspirations for the federal service. Ideas included:

- Federal workers would warrant, and receive, the highest respect of their fellow Americans.
- There would be widespread recognition that: effective federal hiring is crucial for success; government performance matters enormously for citizens' safety and prosperity; and the quality of the people who work for government is the main factor in its performance.
- The division of labor between civil servants and contractors would reflect careful analysis rather than ideology or expedience.
- Mission would become paramount in driving recruitment and hiring. Rules and procedures need to inspire both citizens and those who work in government.
- Federal workplaces would be cognizant of, and competitive with, the best private workplaces in their emphasis on flexibility, teamwork, technology, and continuous performance improvement.
- The federal workforce would reflect the diversity demanded by both citizens' legitimate expectations and the operational requirements of federal missions.

* Accordingly, this summary synthesizes discussion themes, paraphrases and sometimes quotes specific comments, but does so in a way that avoids individual speakers from being identified.

- Political appointees would understand that nothing is more central to their success than the quality of their people, and invest their time accordingly.
- Federal service would be seen as a logical and intuitive way for young people to put their idealism to work.
- Government, nonprofits and the private sector would share ideas, data, best practices, and people. It would become common for many workers at all levels to divide their careers between sectors.
- In the words that many participants borrowed from President Obama, working for the government (not just certain agencies within it) would be "cool" again.

Several participants remarked upon the overlap among the visions put forward by Administration officials, leaders of employee organizations, academics, private-sector experts, and other participants in the Roundtable.

❖ *The Vital Context: Realities We Need to Remember*

The moderator asked members of the Roundtable's program team to share brief summaries of key background facts and findings, and then facilitated comments and reactions.

The Looming Retirement Wave By some accounts, nearly a third of federal workers are likely to leave their jobs in the next five years. In some agencies, the situation is even more serious; for example, nearly half of Federal Aviation Administration air-traffic controllers will be eligible to retire by 2013, and nearly two-thirds will be eligible by 2016. This pattern holds to varying degrees in nearly every agency. The retirement wave brings a massive challenge of hiring and training. It threatens a loss of vital institutional knowledge. It is compounded by the mismatch between the current hiring system — oriented to matching candidates with a single job for a long-term career — and the expectations of today's younger workers for flexibility and career-long opportunities for change.

The Gap Between Public and Private Work The large cohort of federal workers now approaching retirement started their careers at the high-water mark of the

middle class economy. Income disparities between sectors were mostly small, and federal service meant little or no financial sacrifice. In the years since, pay disparities have exploded in the private sector, and rewards at the top have soared. Few people think the federal government *should* match private-sector compensation for top talent, and nobody thinks it *will*. This raises the stakes for getting everything else right in replacing today's federal workers with people of the same high caliber.

Washington's Appeal to Young Workers Falls Short of Potential For now, at least, government is *not* seen as "cool." As of September 2009, only 23 percent of the public say that they trust the federal government to do the right thing most of the time, down dramatically from the 1960s. But trust is also down in banks, business, and other organizations; the military, by contrast, is held in high regard. Yet there is real potential for restoring government's image and tapping into latent enthusiasm for federal service. Recent surveys show high levels of interest in public service among young Americans. But surveys also show a mismatch between young workers' priorities and their perception of federal work. They view federal service as long on the benefits and security they don't value highly, and short on the responsibility, personal development, and room to grow and learn that they *do* value. Some real changes — especially a simpler and faster hiring process — are required to boost Washington's appeal to young workers. But to a great extent, the problem is also a matter of information, image, and "branding." Most young workers report that they aren't asked to consider federal service, but that such a request coming from a president — or a parent — would be taken very seriously.

Some themes from the subsequent discussion:

- The retirement surge is a classic case of a long-term problem that is serious and highly predictable, but which seemingly lacks the immediate urgency or the political appeal to lead to serious action.
- One must take care to distinguish between the number of people eligible to retire and the number who actually do retire in any given year, and to attend as well to the pattern of retirement. The more urgent problem may not be as much the number of people who retire as the disproportionate loss of mission-critical talent.

- Government should — and can — use other lures, from superior retirement benefits to the intrinsic appeal of the mission, to offset higher private-sector salaries. Corporate participants in particular stressed that the opportunity to be involved in important public missions is a powerful motivator for federal hiring, especially for the younger generation.

••• *Innovative Hiring Outside Government*

The moderator asked private and nonprofit sector participants to describe some of the hiring practices that work well for them, and then invited discussion of what principles and practices might be adaptable to federal service. Among the insights offered by these non-governmental participants were:

- Recruiting is absolutely central to the success of the business and nonprofit organizations that were represented. Top managers, from the CEO on down, focus on recruitment. In one company, it was reported that the most senior people spend four to eight hours per week just on recruiting and screening. Human resources offices typically organize the process, but managers invest lots of their own time in recruitment and recognize it's the most important thing they do. All participants from the private sector agreed that it was absolutely vital to have top management involved in recruitment.
- What attracts great people is *other* great people, so nothing matters more than exposure to an organization's most exciting personnel as part of recruitment and selection. Senior people are a critical element, and the best recruiters are rarely people who do nothing else. People who are attracting and selecting talent need to intimately understand the company and its needs and culture. To ensure that they do not become stale, screeners at one company cycle in and out every six months from other divisions of the company.
- There are many tools for finding top talent. Many companies maintain structured relationships with selected universities. They do not just visit at recruitment season; they get to know key professors, sponsor projects, and participate in visible ways throughout the year. Some

organizations have staffs dedicated to specific universities, identifying promising candidates, encouraging people to consider their company or organization, and simultaneously helping to screen them. One such organization gets in front of top talent early on and makes a very personal case.

There was some variation on the use of online tools for application and recruiting. One participant's firm has an online application process, but it was noted that relatively few people got hired from that pool. Another firm created an "opportunity marketplace" that reaches both internal and external potential applicants. Regardless, no one seemed to suggest that a technological fix could substitute for high-level attention to recruitment and selection.

Many participants emphasized that existing employees must be given clear opportunities to compete for new openings. An organization's best talent is often already inside its walls.

One of the best sources for finding new talent is existing employees. Many companies rely heavily on current employees to build personal networks and recruit new talent. In the private sector, it is not uncommon to pay employees bonuses for the successful recruitment of new employees.

"Branding" an organization is vital for recruiting, but is also a benefit of intensive recruiting. Organizations that are highly visible on campuses and in other settings are not only effective in finding high-quality talent, but also in advancing their other objectives. On most college campuses, a few companies or organizations get a reputation as being *the* places to work.

Creative and effective screening and selection requires serious attention. Initial screening is often done by telephone interviewers, but for final decisions, in-person interviews are crucial. Studies within one company suggest that structured group interviews predict effective employees far better than individual interviews, that four interviews are sufficient, and that any one individual interview has relatively little predictive power. It is absolutely crucial that reference checks go beyond the listed references. Several participants mentioned that they "obsessed over data" analyzing what works best for screening and recruiting.

Several of the companies used internships to great effect, noting they were particularly helpful in both recruiting and screening.

All of the methods emphasized for overall recruitment were seen as especially important for recruiting a diverse applicant pool, including using current employees, effective networking, and internships. Internships that provide intensive support seemed particularly valuable. In addition, one company uses internal affinity groups to promote diversity, and sponsors their outreach to relevant talent pools.

Some themes that arose in the discussion:

In government, it often feels like hiring is all about process. By contrast, the private-sector participants reported how they focus on the result — getting the right people — and adjust the process to fit that goal.

Some of these practices are easily adaptable to government, or are already in use in a few agencies. One federal agency reported already having long-term relationships with the universities that provide its best recruits, with a senior manager explicitly responsible for the relationship.

While looking for good ideas from other sectors, one should remember that government faces unique questions about accountability, merit, special preferences (for groups like veterans and people with disabilities) and other distinctive features of federal hiring.

Participants reported finding the private sector examples helpful. They found a wide gap between the "typical" federal hiring practices and those of the private sector.

Innovative Hiring Inside Government

The moderator asked for brief descriptions of hiring innovations within government with which participants were familiar, and invited discussion on those that might be replicated more broadly.

There are success stories in departments and offices across the federal government. Some organizations, such as the IRS, have their best statisticians and forecasters working out future

workload scenarios and the budget and hiring implications. Others, such as the Army and the Marine Corps, have branded themselves successfully (though it was noted that their recruiting success came with a multibillion dollar budget increase). Some agencies — the FBI, State Department, CIA, and Secret Service — have learned to build good relationships with universities. It's possible to radically speed up hiring without formally revamping personnel policy.

- Many of the obstacles are not legislative and some are not even regulatory. Really focusing on hiring can make a considerable difference. One participant's agency had many traditions to be proud of, but the tradition of slow hiring was not one of them. An application had to go through about 25 people, and if somebody was absent or on leave, the application could just sit on that person's desk and the process would come to a halt. By the time the agency made an offer, the candidate had already been hired elsewhere. The agency improved things dramatically, not by changing the rules, but by simplifying and speeding up the process.
- There is a new willingness to deal with this issue at OPM and OMB and agencies can take advantage of this moment, but it will require significant improvements in the HR functions. One participant noted that his agency would hire thousands of people this year. The agency's leadership realized that the hiring wave could be used as an opportunity to transform the agency, but found that the HR team hadn't done anything of this magnitude for a long time. They needed new capabilities to think strategically about what was needed now and in the years to come. The agency's leaders went to OMB with a request for the necessary upgrades to their HR function, and OMB gave unambiguous support within just a few days.
- Management at all levels really matters. One agency reported finding some time ago that it had more employees over 60 than under 30, and no pipeline of younger people. The agency looked at what was causing the most competent younger people to leave and found that the issue was management and leadership. As the agency's representative noted, people don't quit agencies, they quit

managers — bad managers. It turned out that the top 25 percent of the organization's supervisors thought they were pretty good — but so did the bottom 25 percent. As a result, the agency focused on improving the quality of management. They worked at "getting ourselves out of our own way." There was nothing revolutionary about it, but it made a big difference.

- Though few thought that the current legislative framework is the primary problem, most seemed to feel that new legislation could be helpful in spurring action. Many participants seem to be favorably disposed toward the broad outlines of Senate Bill 736, with lead sponsorship by Senators Daniel Akaka and George Voinovich, which would give OPM more tools to encourage agencies to improve personnel practices. It would require agencies to develop strategic workforce plans, including hiring projections and inventories of critical skills gaps. It would drop the current "knowledge, skills, and abilities" essays and replace them with a standard resume and cover letter, plus short questions to cover any specialized skills. It would require job postings to be written in plain and concise language and require jobs to be filled within 80 calendar days of vacancies. In addition, it would allow applicants for any vacancy to elect to keep their applications in an inventory of applications without reapplying. The bill was voted out of committee in July 2009.

Some themes that arose in the discussion:

- Just about everything that *should* be happening everywhere in the federal government is *already* happening somewhere in the federal government. It is vital to get the word out about best practices and to develop leaders committed to them.
- There is a huge body of research showing that high-performing organizations that invest in their people do better at innovation, have higher customer satisfaction, have higher customer loyalty, and have higher employee loyalty. The challenge is getting government as a whole, not just isolated cells of experimentation, really focused on this.
- There are some elements of the current system that *nobody* defends. For example, the "Rule of Three," which requires federal managers to hire

one of three pre-screened candidates, takes a huge amount of effort and still doesn't stop favoritism. On item after item, people felt the current practice has long since ceased to accomplish the objectives originally intended, and instead delayed the process and discouraged applicants and agencies alike.

❖ The overwhelming sense of the group seemed to be that OPM, OMB and agencies together could accomplish transformational change even without major new legislation. But it requires willingness to rethink existing practices, close attention by leadership, and real accountability.

❖ Resources must be allocated to make progress on this issue, especially in retraining managers.

❖ *Lessons Learned: Mapping a Path Forward*

The moderator summarized key themes from the Roundtable: High-performing organizations focus resources and attention on recruiting, hiring, and training their people. They empower managers to build their teams and hold them accountable; HR offices support managers in this task rather than lifting the responsibility from managers. "Branding" helps to get potential recruits. Building relationships inside and outside the organization is vital to recruitment. Internships are useful for recruiting in general and for building diversity in particular. Most importantly, senior leadership must focus relentlessly on the organization's human talent. The question is: What other insights are there, and where might the nation go from here?

From a member of Congress We are facing extraordinary challenges. A lot of key workers are about to leave, and we must reach out to young people, as we have not in the past, with a system that makes sense to them.

From a federal official The core message today has been that paying intense attention to people strengthens your agency, improves government performance, and strengthens the country. It would be great to be able to summon a team of advisors who can help us concretely identify and apply and implement best practices.

From a labor leader We need training, especially management training. My union doesn't have managers as members, but we have a huge interest in the quality of managers, whether they know how to mentor, know how to coach, know how to develop a career path for federal workers.

From an academic Some of the people in this room have been part of this conversation for a long time. We also have some new voices, though, from the private and social sectors. Their perspectives have been very valuable, and it is critical to keep them as part of the mix—as sources of information, ideas and moral support—as we move forward.

From a federal official It would be enormously helpful to continue our discussion and to share ideas as they develop with some of the people from the nonprofit and private sectors, as well as of course the union leaders.

From a private sector leader We and many others are more than willing to be helpful in whatever way we can. Having a government that performs at peak levels matters to us and to the nation.

From a federal official The President has put a stake in the ground that government will operate more effectively, and people are a critical part of this. In my time in government, I have been struck by how good most of the people are. But I feel a real urgency. This is like the recent Marine Corps Marathon—everybody was running, but there was a group way out ahead of the pack. There is a group in federal personnel that is the front of the pack. Let's celebrate what they're doing and figure out how to share it. We have to reach a tipping point so that it isn't just part of the federal government that is hiring quickly and hiring the best.

From a federal official The President's Management Council has selected three topics for the "what keeps you up at night" list of truly urgent concerns. One of those three is hiring. So we do have the nucleus of senior attention, including the President. We're poised to start with a "coalition of the willing" and build out from that.

CLOSING

The moderator closed the Roundtable by thanking the participants for their time and ideas and encouraging further collaboration among the sectors. “I come away optimistic that we might not know exactly how to reach the top, but we know it is uphill,” he said. “There are plenty of challenges — but lots of opportunities in front of us.”

FINAL PARTICIPANT LIST

INSPIRING FEDERAL SERVICE ROUNDTABLE

October 28, 2009, Washington, DC

PROGRAM COMMITTEE AND CHAIRS

Donahue, Jack, *Raymond Vernon Lecturer in Public Policy, Harvard Kennedy School*

Dorn, Jennifer, *President and CEO, National Academy of Public Administration*

Ellwood, David T., *Dean, Harvard Kennedy School (co-chair)*

Kettl, Donald, *Dean, University of Maryland School of Public Policy*

McGinnis, Patricia, *Professor of Practice, Georgetown Public Policy Institute*

Newman, Constance, *Special Counsel for African Affairs, Carmen Group, and Former Director, Office of Personnel Management (co-chair)*

Sarbanes, Paul, *Former United States Senator (D-MD) (co-chair)*

Wald, Sarah, *Chief of Staff and Senior Advisor, Harvard Kennedy School*

ADMINISTRATION

Berry, John, *Director, Office of Personnel Management*

Donovan, Shaun, *Secretary, Department of Housing and Urban Development*

Gould, W. Scott, *Deputy Secretary, Department of Veterans Affairs*

Griffin, Christine, *Deputy Director, Office of Personnel Management*

Kichak, Nancy, *Associate Director for Employee Services, Office of Personnel Management*

Krueger, Alan, *Assistant Secretary for Economic Policy, Department of the Treasury*

Lu, Chris, *White House Cabinet Secretary and Assistant to the President*

Metzenbaum, Shelley, *Associate Director for Performance and Personnel Management, Office of Management and Budget*

Mihm, Chris, *Strategic Issues Managing Director, Government Accountability Office*

Neal, Jeffrey, *Chief Human Capital Officer, Department of Homeland Security*

Sullivan, Mark, *Director, Secret Service*

Zients, Jeff, *Deputy Director of Management and Federal Chief Performance Officer, Office of Management and Budget*

CONGRESS

Members

Hoyer, Steny, *Majority Leader, U.S. House of Representatives*

Sarbanes, John, *Congressman, U.S. House of Representatives*

Staff

Crissman, Jill, *Professional Staff for Representative Stephen Lynch, Committee on Oversight and Government Reform*

Davidson, Jonathan, *Chief Counsel, Senator Mark Warner*

Hemingway, Jennifer, *Staff Director for Senator George Voinovich, Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Homeland Security and Governmental Affairs Committee*

Khim, Christine, *Counsel, Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Homeland Security and Governmental Affairs Committee*

Miles, Adam, *Professional Staff for Representative Edolphus Towns, Committee on Oversight and Government Reform*

Novey, Larry, *Committee Staff for Senator Joseph Lieberman, Homeland Security and Government Affairs Committee*

Powell, Lisa, *Staff Director for Senator Daniel Akaka, Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Homeland Security and Governmental Affairs Committee*

Wood, Amanda, *Committee Staff for Senator Susan Collins, Homeland Security and Government Affairs Committee*

GOVERNMENT EMPLOYEE ORGANIZATIONS

Bonosaro, Carol, *President, Senior Executives Association*

Gage, John, *President, American Federation of Government Employees*

Kelley, Colleen, *President, National Treasury Employees Union*

Perkinson, Darryl, *President, Federal Managers Association*

Reeves, J. David, *National President, Blacks in Government*

Sandate, Gilbert, *Chairman, Coalition for Fairness for Hispanics in Government*

PRIVATE, NON-PROFIT, AND ACADEMIC SECTOR

Bilmes, Linda, *Lecturer in Public Policy, Harvard Kennedy School*

Bock, Laszlo, *Vice President of People Operations, Google*

Clapp, Elissa, *Senior Vice President of Recruitment, Teach For America*

Glover, Ron, *Vice President of Global Workforce Diversity, IBM*

Guide, Lisa, *Associate Director, Rockefeller Family Fund*

Sena, Elizabeth, *Global External Recruiting Leader, General Electric*

Stier, Max, *President and CEO, Partnership for Public Service*

Wolf, William, *Principal, McKinsey and Company*



Mixed Sources
Product group from well-managed
forests, controlled sources and
recycled wood or fiber
www.fsc.org Cert no. SW-COC-003135
© 1996 Forest Stewardship Council