



Three Burning Questions for the Next President: A Roundtable Discussion about People Management in the Next Administration

As we approach a presidential transition, government agencies must prepare for the changes that will come. Similarly, the next president must prepare for the looming management issues awaiting the next administration. As part of an ongoing series, the Partnership for Public Service and CNA sponsored a roundtable discussion on August 7, 2008, to address burning issues for the next president. Both organizations are members of the Government Performance Coalition, which supports the “Transitions in Governance 2008” initiative (www.transitioningovernance.org). The Chicago Federal Executive Board gathered a diverse group of agency officials to discuss the impact of the upcoming elections on the federal workforce and to gather their insights and recommendations for the next administration and Congress.

OVERVIEW

Every incoming presidential administration faces pressing management challenges. After taking office on January 20, 2009, the next president will confront a particularly thorny set of “people management” issues related to the 1.9 million civilian employees of the executive branch. The next administration and Congress must answer several key questions regarding the federal workforce that will influence the effectiveness of government. This forum gathered a small, diverse group of federal managers and employees in the Chicago area to offer advice on three important workforce management issues:

- **Federal pay, job classification and performance management**
- **Managing a multi-sector workforce**
- **Building collaboration within the government**

FEDERAL PAY, JOB CLASSIFICATION AND PERFORMANCE MANAGEMENT

Participants began the discussion by agreeing that the current General Schedule (GS) structure has become “antiquated” and “confusing.” Job classifications are inconsistent, position descriptions are often obsolete, and the system lacks flexibility to reward employees for performing beyond their pay grades. The group offered some suggestions:

- Pay banding can provide the flexibility to reward performance and is a better approach to attracting and keeping people.
- Institute clear performance plans to help employees understand what is expected of them and anticipate what they will need to accomplish before earning a promotion.
- Ensure consistent job classification so that employees in different agencies are performing tasks consistent with their GS levels.

Not all participants agreed that we are ready to overhaul the current GS system. Several speakers argued that we need to learn more from experiments in pay banding and pay-for-performance before we act. Even then, the answer may be to let each agency work out its own system. Also, unions represent the “elephant in the room” when discussing any change. A few participants indicated that any proposed pay system changes would require cooperation with unions. Some commented that unions may have too much influence over such decisions.

Some members of the group suggested that improving the hiring process to attract highly-motivated workers would help reduce employee underperformance. If the government could offer more competitive salaries and better opportunities for promotion, one speaker argued, the government could intercept workers who would normally head to pay-for-performance jobs in the private sector. After hiring these qualified candidates, clearly-stated performance goals and expectations would keep them motivated and encourage them to work hard to earn promotions.

MANAGING A MULTI-SECTOR WORKFORCE

Central to the participants' discussion of the multi-sector workforce was their definition of inherently governmental versus "contract-able" tasks. The speakers agreed decisions that obligate the government and work involving secure information should be done by government employees. Highly-specialized tasks where the federal government does not want to maintain the skill sets involved and temporary projects could be performed by private sector employees. One of the biggest blunders in government management, one speaker argued, was that agencies were forced to use private sector workers because of federal employee ceilings or budget limits. We should not hire contract workers – who often earn more than their federal counterparts – when federal employees could perform the same task better and cheaper.

To hire top talent into federal roles, agencies need to recruit young people with promises of satisfying work, significant benefits, and opportunities to advance. A mix of innovative and traditional government employment benefits, such as actually applying a telecommuting policy (several participants stated that the policy is always discussed, but rarely applied) for federal employees and pensions for long-term employees, may help retain qualified workers. When new employees join the government, supervisors should challenge existing staff to work outside their comfort zones, learn skills, and develop the qualities that will help them teach other employees new skills. This last goal could be achieved through leadership instruction for mid-level managers.

The panelists agreed that any fundamental reform to the system must be inaugurated through the younger cohort of government workers, not those nearing retirement. Improving the public's perception of federal employment would have a positive impact on agencies' efforts to recruit and retain these workers.

BUILDING COLLABORATION

Participants were asked how successfully they thought their agencies were building collaboration. Three said their agencies were "doing well," five said "so-so," and three others said "poorly." Panelists agreed that working across agencies and sharing resources through joint program offices would help improve the government's efficiency and effectiveness. Others suggested identifying and implementing similar best practices of companies such as IBM or Google to boost efficiency.

On the other hand, other participants argued that changing the agencies' working culture and enhancing recruitment strategies – rather than just working across agencies – would have a larger beneficial effect. Adding mentoring and leadership coaching to encourage inter-agency collaboration could produce pro-efficiency changes from the top.