



PARTNERSHIP FOR PUBLIC SERVICE

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Prepared for

**The Senate Special Committee on Aging**

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**“Leading by Example: Making Government a Model for  
Hiring and Retaining Older Workers”**

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Mr. Chairman, Senator Smith, Members of the Committee, 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 of older Americans in 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 know that good government starts with good people. We also know that a looming retirement wave will hit government especially hard; indeed, it has already begun. The federal workforce is graying; 429,000 federal employees are over age 55, and within the next five years, we expect to lose one-third of the permanent full-time federal workforce, a majority due to retirement.

We are fortunate to have a civil service that is extraordinarily capable and committed. But the existing talent pool within government is simply not large enough to fill expected vacancies, especially in government's most senior ranks. Hiring freezes through much of the 1990's left skills gaps across agencies and a thin bench of mid-career talent. By the end of 2009, our federal government will need to hire an estimated 193,000 individuals to fill "mission-critical" positions in areas such as public health, engineering and accounting, and many of those hires will need to have experience as well as an appropriate level of education.<sup>1</sup>

Meeting government's talent needs requires us to think creatively about developing current federal employees and retaining them as long as possible. That must be a priority. At the same time, we must also cultivate new pools of talent. The 78-million strong "baby boom" generation is an incredibly rich source of skill and expertise, and many baby boomers are looking for new professional challenges. Unfortunately, most federal agencies do little to actively reach out and attract talented, experienced workers from outside government, and they continue to struggle to find enough of the right people with the right skills to serve the American public.

We applaud this Committee's interest in ensuring that the federal government benefits from the skills and expertise that experienced workers could bring to federal service. The Partnership's *FedExperience* initiative was launched to better understand the potential of older workers to meet government's talent needs, and to help federal agencies learn how to better access this skilled talent pool and recruit experienced workers. We believe that our work around the *FedExperience* project will do much to inform the Committee's

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<sup>1</sup> Partnership for Public Service, *Where the Jobs Are* (2007).

oversight and legislative efforts regarding the recruitment, hiring and retention of older Americans in the federal workforce.

### **Older Americans: A Rich Source of Talent for the Federal Government**

In January 2007, the Partnership launched *FedExperience*, an initiative to enhance government's recruitment of experienced workers and enlist potential partners to fuel interest in federal service.

We learned through our *FedExperience* survey research<sup>2</sup> that older Americans, including those who have retired from successful private sector and other careers, make attractive candidates to fill government's many critical vacancies – and better yet, we know that many of them are interested in doing so. We also learned that barriers hinder the flow of experienced talent into government. Among our findings:

- Older workers plan to continue working, some of them for several years. For example, twenty-nine percent of our survey respondents who are age 55 to 59 plan to continue working beyond their 65<sup>th</sup> birthday.
- Older workers' skills align well with government's most pressing talent needs. Many occupational areas where government currently hires higher percentages of older workers – information technology, engineering, legal and accounting – are the same areas in which federal agencies say they will have mission critical openings.
- Interest in federal service is relatively strong, particularly among likely job seekers. About 53 percent of older workers surveyed are at least somewhat interested in working for the federal government, with 26 percent highly interested.
- Knowledge about federal jobs is low. Only 11% of older Americans surveyed indicated they are very knowledgeable about employment opportunities in the federal government. Older workers also said that they do not know where to find information or assistance about federal jobs.
- The more that older workers know about federal jobs, the more attractive those jobs become. About 41 percent of those who said they were extremely or very knowledgeable about federal jobs also said they were extremely or very interested in working in a federal job, compared to 21 percent of those who were not knowledgeable.
- Negative perceptions of government bureaucracy and the federal hiring process discourage older Americans from applying for federal jobs. Fifty-seven percent of survey respondents said that applying for a federal job is fairly or very difficult; among those respondents who have actually applied for a federal job in the past, the same proportion – 57 percent – said that the process is fairly or very difficult.

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<sup>2</sup> Partnership for Public Service, *A Golden Opportunity: Recruiting Baby Boomers Into Government* (2007).

## **Barriers and Solutions**

Our *FedExperience* report tells a compelling story about the potential for the baby boom generation to help meet many of the federal government's urgent talent needs. The challenge for Congress and federal agencies is to find effective ways to overcome the many barriers that prevent or discourage the recruitment, hiring and retention of talented older Americans who are seeking ways to make a positive difference in our federal government.

To be sure, there are some encouraging developments that should be acknowledged and encouraged. For example, the Office of Personnel Management (OPM) 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.

Mr. Chairman, we encourage you and your colleagues to consider the following barriers - and recommendations to overcome them - when drafting your legislation and we hope you will find our suggestions helpful.

### ***Our government does a poor job recruiting, assessing and hiring external candidates.***

A common impediment to the hiring of outside talent is the closed nature of the federal hiring process. Approximately half of federal job opportunities are not even open to external candidates; of those that are open, external recruiting often consists of little more than posting job announcements on USAJobs, the Office of Personnel Management (OPM) federal jobs Web site.

Federal agencies often place an inordinate emphasis on prior federal experience over underlying skills and abilities in assessing job candidates. This contributes to an insular employment culture in which the skills, abilities and expertise of external applicants tend to be undervalued as compared to internal candidates.

Many of today's agency hiring practices were designed for a time when new employees were hired at the entry level and then spent their careers working their way up the professional ladder. Times have changed, and federal agencies need to catch up if they are going to attract new talent with mission-critical expertise. Modern federal workplaces must be adept at hiring people at different stages of their careers, under a variety of work arrangements, to fill a complete range of agency needs, with the understanding that people are likely to change jobs and even careers many times during their professional lives.

*Recommendation:* Federal agencies must re-imagine and reinvent the ways in which they recruit, assess, hire and utilize employees. Government's hiring needs range from entry level to experienced personnel working under a variety of work arrangements including full-time permanent, part-time and temporary jobs. Agencies must become increasingly nimble and creative in reaching out to a diverse pool of candidates at different points in their careers. Congress should hold agencies accountable for adapting their recruiting, assessment and hiring practices so that more talented external candidates with needed skills have a fair opportunity to compete for federal jobs based on their experience.

***A lack of information about federal jobs is preventing older Americans from considering these opportunities.***

Our research has shown that the more knowledgeable older workers are about federal employment, the more likely they are to consider it. Many federal agencies currently do little to advertise and market federal jobs to experienced workers. More must be done to reach out to older Americans about the exciting opportunities available for people like them in federal service.

*Recommendation:* Agencies and the Office of Personnel Management, working with nongovernmental partners, should enhance outreach and marketing of federal jobs to experienced workers. One positive example in this regard are the televised ads sponsored by OPM touting the wide variety of careers and work environments possible in the federal government and the difference federal employees can and do make. Congress and our armed forces invest millions of dollars in marketing campaigns to attract the men and women needed to ensure a robust military; we believe strongly that a similar commitment to marketing civilian jobs to diverse pools of talent would be a wise investment.

***The federal hiring process is broken.***

Long a source of frustration for agencies and applicants alike, the federal hiring process is broken and discourages talent from all sources from pursuing federal service. A Partnership review of hiring at selected agencies revealed that the process for hiring a single employee can include more than 110 steps. Some federal job applicants wait a year, or longer, before receiving a job offer. And some potential workers do not wait at all because the job announcement discourages them from applying in the first place. Often running 10, 20 or even more pages in print form, federal vacancy announcements are frequently confusing and filled with indecipherable jargon. Federal agencies often require applicants to submit college transcripts in short job application timeframes and to customize resumes to meet specific agency requirements. Also, agencies generally do not do a good job of keeping applicants informed of the status of their applications – a basic courtesy that should be afforded to all job seekers. The end result is a difficult, lengthy and complex process that discourages many highly skilled older workers from pursuing federal service.

*Recommendation:* We encourage the 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.

***Transitioning into the federal workplace can be a bumpy experience.***

Integrating new employees into the existing workforce is a challenge when current employees perceive new hires as being uninformed about "how things are done" in government, and those coming from private sector workplaces assume that the government and the private sector are completely different. Current employees can also perceive new hires as a threat to their career prospects, especially if their agency is not investing in their professional development.

*Recommendation:* Agencies should create employee orientation and onboarding processes that recognize the unique needs of new outside hires, including older workers. Agencies should also invest significantly more in training, development, succession planning and the creation of career paths for current employees.

***Negative perceptions of government hinder recruitment.***

We know from survey data that there is a link between perceptions of government effectiveness and interest in federal service among older workers.<sup>3</sup> We also know that older Americans' attitudes about government are highly negative. Sixty-six percent believe the federal government is ineffective in solving problems and helping people, and a majority of older Americans surveyed said that the main reason not to work for government is that it is overly bureaucratic.

*Recommendation:* More data on older Americans' experiences with the federal government would allow us to better understand the underlying causes for this low confidence in government's effectiveness and to determine how much negative attitudes are based on misperceptions versus personal experience. To improve perceptions, agencies and Congress must work together to put a human face on government service, fix real problems that hinder government effectiveness and celebrate the many success stories of government serving the American people.

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<sup>3</sup> *A Golden Opportunity*, page 11.

***Inadequate use of existing human resources flexibilities, coupled with statutory and regulatory barriers, hinder the flow of talented, experienced workers into government.***

The Office of Personnel Management and Congress could aid the recruitment and retention of highly skilled older Americans in government by providing more federal agencies with the authority to determine when to use direct hire authority for hard to fill positions (with guidance and oversight by OPM), allowing phased retirement of current employees and enabling federal retirees to return to part-time, temporary service without a reduction in their retirement annuities. For the most part, however, agencies do not need additional authorities to improve the recruitment, hiring and retention of experienced workers; they need to make better use of the authorities they already have.

Federal agencies enjoy a large number of recruitment, hiring and retention flexibilities; however, flexibility only works if it is creatively used. Recruitment and retention bonuses, flexible work arrangements, special appointment authorities, enhanced annual leave benefits, and category rating of job applicants are just a few of the tools currently available to federal agencies.

There is a lack of data, however, to explain how these tools are being used, by whom and, most importantly, to what benefit. Using personnel flexibilities first and foremost to ensure that government has the right talent, in the right jobs, is paramount. Better data is needed to know how well agencies are able to hire and retain people with the skills they need.

*Recommendation:* 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. We encourage Congress to 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. We also encourage the collection of 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.

Finally, Mr. Chairman, we urge Congress to provide resources for federal agencies so that they may make the best possible use of the flexibilities that Congress has made available. Without adequate 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.

## **Creating a Model of Success: *FedExperience Transitions to Government Pilot Program***

Based on the findings of our research, the Partnership for Public Service is launching the *FedExperience Transitions to Government* pilot program with federal agencies, corporate partners, and other stakeholders to match government's critical hiring needs with the talents of experienced, older workers. The pilot program will explore new and expanded means for government to overcome institutional barriers and tap into the growing talent source of older workers, including the design of specific strategies for marketing federal job opportunities to this talent pool, use of targeted recruitment and streamlined hiring processes to obtain proven talent, and improving orientation, onboarding and retention of mature workers so their contributions will continue into the future.

The first major corporate talent source to be featured in the *Transitions to Government* pilot program is IBM. The Partnership, with support from AARP, Civic Ventures and other advocacy groups, will work with IBM to create a corporate transition program that identifies, recruits, and successfully hires interested IBM employees and retirees for key jobs in the federal government. Our first agency partner is the U.S. Department of Treasury, which has significant mission-critical hiring needs that overlap with the given skill sets of IBM employees. Based on lessons learned from this initial effort, the Partnership will expand its *Transitions to Government* pilot to other companies and agencies.

The pilot program will launch in July 2008 and will focus on matching the talent and interests of IBM retirees and employees nearing retirement with mission-critical staffing needs at Treasury. The Partnership will help ensure that specific Treasury job opportunities are sent to IBM employees with matching skill sets and experience; help create streamlined hiring processes; provide career transition support, such as employee benefits counseling and networking events; encourage flexible work arrangements; and help establish mentoring programs and other employee-friendly onboarding practices.

## **Conclusion**

Mr. Chairman, the Partnership strongly believes that increasing federal employment opportunities for older, experienced workers will result in a "win-win-win" situation. Older Americans who want to continue working win by finding meaningful opportunities to use their skills and give back to their country. The federal government will win by creating a new and growing reservoir of talent to help address some of our nation's greatest challenges. And the American people will win by having a federal workforce that is better equipped to do its job.

We applaud the Committee for your oversight efforts and we look forward to working with you on your important and needed legislation. Thank you.