

Prescription for Hiring Success: Centers for Medicare & Medicaid Services

They serve your parents and grandparents - and, maybe even you. They are the largest health care insurer of Americans and the largest purchaser of health care in the world. They are doctors and scientists, IT specialists and economists. And through their work, they assure access to health care in times of need. They are the Centers for Medicare & Medicaid Services (CMS).

Responsible for programs like Medicare, Medicaid, the State Children's Health Insurance Program, and the Health Insurance Portability and Accountability Act (HIPAA), CMS touches the lives of nearly 1 in 4 Americans. CMS processes more than 1 billion claims per year, providing service to nearly 42 million beneficiaries who receive Medicare benefits.

The agency's mandate was recently expanded with the enactment of the Medicare Modernization Act (MMA)—the most extensive modification to the Medicare program since its inception in 1965. The MMA includes a drug discount card in 2004, new preventive benefits including a "Welcome to Medicare" physical for new Medicare beneficiaries in 2005 and a much anticipated prescription drug benefit plan by 2006, in addition to other improvements to CMS programs.

CHALLENGES

CMS had a pressing need for change in staffing to meet the requirements of the MMA. Implementation of the new law demanded significantly increased hiring, growing the size of the workforce by approximately 500 professionals within two years. This increase constituted 10% of the existing workforce and twice the agency's normal annual hiring. Such changes involved not only consideration of new lines of business but also new skills and competencies to effectively rollout provisions of the MMA.

But the agency's hiring challenges did not begin, nor did they end, with the MMA. Managers were very vocal about their dissatisfaction with both the length of time it took to hire and the quality of applicants that emerged through the certification process. Moreover, like the rest of government, CMS has an aging workforce and will likely face significant retirements in coming years. It must attract and retain a highly skilled workforce to address the increasing pressures of America's aging population.

Hiring challenges were further compounded by the introduction of a new automated staffing system and the transition to a new human resources servicing model as the Department of Health and Human Services consolidated staffing and other services at the Department level. Given the considerable amount of change taking place in the organization, volume hiring for MMA and anticipated retirement turnover, it was clear the old system would not meet the needs of the new CMS.

SOLUTIONS

Working in deference to the priorities and concerns of each Makeover agency, we tailored our work-plan to areas of emphasis that each identified as critical to their ongoing success.

At CMS, a focus on effective selection and assessment processes was central to addressing managers' concerns. They wanted to ensure that the CMS of the future would have top talent to meet changing circumstances and their increasing mission requirements. With high volumes of applicants for many CMS positions and an automated staffing system that few understood how to use effectively, screening and assessing candidates for quality was often a challenge.

ANALYZING THE PROCESS

All of the Makeover efforts included an “end to end” mapping of the hiring process and identification of short term and long term fixes. With resources from across the agency and partners at CPS Human Resources Services, the hiring process was mapped from end to end—starting when a manager identifies their need and concluding when the person reports for duty. That is notable because the effort extends well beyond the traditional HR functions that have received the most comment and attention in typical improvement initiatives. We conducted a series of focus groups with representatives from the key functional areas which allowed us to document the process, identify roles and responsibilities, and to assess obstacles to quality and timeliness.

FOCUSING ON QUALITY

Concurrent with the process mapping and diagnosis, CMS conducted a demonstration hiring process for one of its components. This demonstration process employed a selection of successful pre-screening and assessment processes from best practice organizations, thereby providing a model on which other CMS groups could base their practices. This demonstration also presented the opportunity to test category rating, demonstrating greater flexibility in considering a range of qualified candidates.

The managers of CMS’ Families and Children’s Health Programs Group bravely volunteered for duty in test driving new practices that might be used more broadly in the organization. Designing and implementing the test required significant time commitment on their part.

CMS identified the position of health insurance specialist as the best candidate for the test process for several reasons:

- It was the most common occupation series across the organization. There will always be hiring needs in this area.
- There were immediate hiring needs for multiple positions.
- Many of the projected retirements are expected to deplete these positions going forward, so the work done in this area could benefit future hiring.
- There were no special flexibilities or direct hiring authorities for these positions, so positive results might benefit all hiring efforts and be even more significant for MMA positions.
- CMS could conduct this demonstration outside the current MMA hiring effort, which was already underway, to avoid slowing that process.

Whereas the goal of the demonstration effort was to highlight effective approaches in candidate assessment and selection, building a method to generate high-quality candidates would require the team to apply best practices across the hiring process from end to end.

We began the demonstration effort with a strategic conversation with the hiring manager to clearly define the needs of the position. Information gathered during this critical discussion and during job analysis enabled our expert team (Monster Government Solutions, AIRS, Brainbench, and ePredix) to:

- market the position using a visually appealing, plain-English vacancy announcement,
- proactively target qualified candidates via a number of internet accessible resume databases, and
- build tools to effectively screen applicants and assess their skills and fit for the position, combining several different approaches to enhance results.

RESULTS

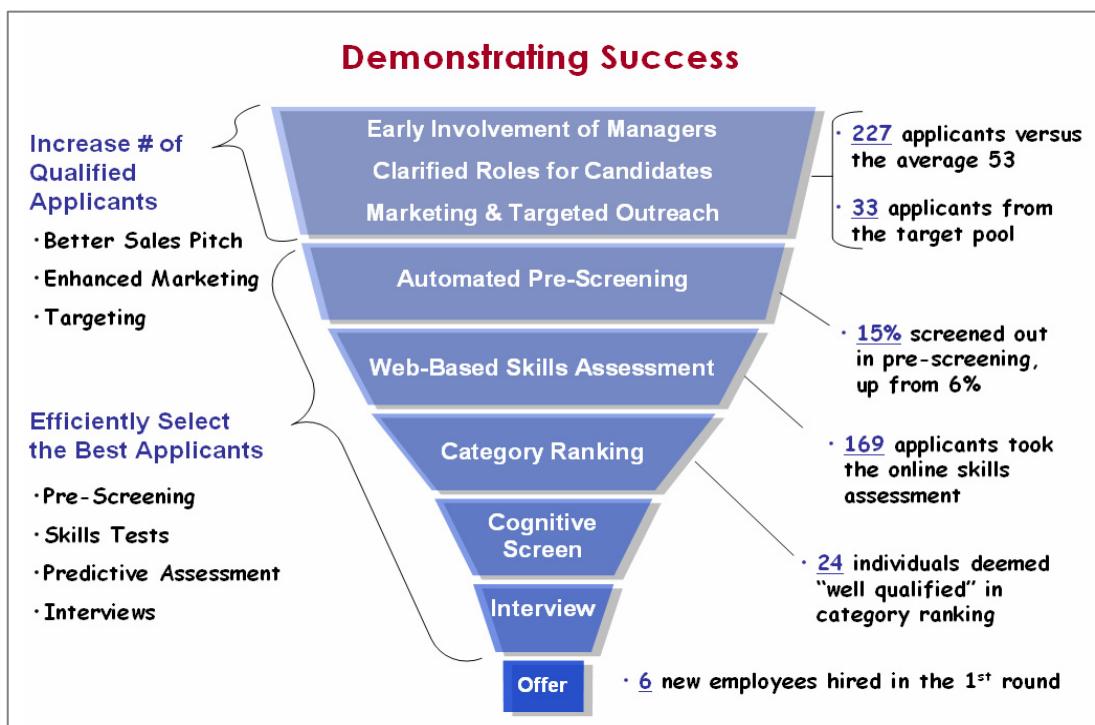
Results from the demonstration process were very impressive. In the first round, more than 200 people applied for the GS-13 health insurance specialist position. This was particularly impressive when considering the average number of applicants for similar positions in HHS was slightly more than 50. Of that population, 33 applicants were a direct result of our proactive recruiting efforts using internet accessible resume databases.

Pursuing a phased approach to screening and assessment, CMS required the applicants to complete a questionnaire in QuickHire. The well-crafted questions screened-out about 15% of applicants, a significantly higher percentage than in most other CMS efforts. The remaining applicants were then required to complete an online skills-test. Applicants were ranked based on the combined score from the questionnaire and skills test.

Applying category rating, the hiring manager was presented 24 applicants to consider rather than three as in the conventional process. Finally, candidates invited to interview were required to complete an additional assessment. Whereas the first online skills test reviewed specific knowledge and writing skills, the final assessment was predictive, reviewing behavioral competencies and cognitive abilities.

In the final analysis, the hiring manager was able to hire seven people—the first within 22 business days of closing the vacancy announcement—and was extremely pleased with the caliber of candidates. Having committed significant time to the project, he stated “the process produced great candidates and was well worth the effort!”

In addition to conducting the pilot, CMS also implemented some “quick fixes” to the hiring process. This included modifying the vacancy announcements to better market the agency and streamlining the hiring process to eliminate redundancies and unnecessary handoffs. In streamlining the hiring process, we identified more than 60 steps in the hiring process that represented a series of actions involving the hiring managers, their executive officers, budget resources, agency and HHS executives, EEO and multiple HR resources. Illustrating the steps highlighted some of the inefficiencies that had crept into their practices over time and helped each function better understand its involvement in the overall process.



The illustration also led to a focus on accountability. When a process crosses so many organizational functions, who owns it? It would be impossible to fix it without an owner, and at CMS, the Deputy COO has enthusiastically embraced responsibility for the process and the fix. Following our process mapping effort, experts helped CMS reduce the steps in their hiring process by more than 20%. The agency has since taken steps to further streamline the process.

NEXT STEPS

Building on the lessons learned in this project, CMS has begun to look beyond fixing their screening and assessment process toward a fundamental change in the way it acquires talent. Under the leadership of the Deputy COO, there is an impressive effort underway to shift the view of hiring as an administrative function to a critical, strategic function in which the partnership between managers and their HR/recruiting counterparts is essential for success. Recognizing this will require a monumental culture change, CMS is developing a comprehensive strategy to gain buy-in across the agency by delivering results.

A multi-functional team comprised of CMS managers, executive officers and HR specialists from the Baltimore Human Resources Center, are working to further streamline the hiring process and to implement best practices in recruiting from end to end to ensure every candidate presented to a hiring manager for consideration meets their needs. Current efforts are focused on providing hiring managers with tools to facilitate their engagement in the process and building the knowledge and skills of HR professionals to ensure consistently satisfying hiring outcomes.

In the coming months, CMS will pilot the streamlined hiring process along with improved practices in strategic planning, marketing, proactive recruiting and applicant screening and assessment. The agency has already begun to apply some best practices learned in this effort, most notably, with regard to vacancy announcements. CMS jobs posted on the USAJobs website are now more than an obligatory requirement to "announce" a job but are important vehicles in marketing job opportunities and the CMS mission to potential employees.