



PARTNERSHIP FOR PUBLIC SERVICE

**Written Testimony of Timothy McManus  
Vice President for Education and Outreach  
Partnership for Public Service**

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Chairman Akaka, Ranking Member Johnson and Members of the Subcommittee, thank you for the opportunity to appear before you today. I am Tim McManus, Vice President for Education and Outreach at the Partnership for Public Service, a nonpartisan, nonprofit organization dedicated to revitalizing the federal civil service and transforming the way government works.

Today's hearing could not be more important. Our country relies on the hard work and dedication of our nation's civil servants, many of whom are performing highly-skilled, mission-critical functions, whether it is caring for our wounded veterans, conducting cutting edge cancer research, defending against a cyber-attack, or protecting our borders. Attracting the best and brightest to these hard-to-fill positions is absolutely critical. The task is great, especially since government and its employees are under scrutiny. Regardless of where one stands on the appropriate size of government, we can all agree that we want an effective government with a high performing workforce.

In our testimony we have identified five key barriers to recruiting mission-critical talent to government – shortage of needed talent, lack of knowledge and interest, absence of long-term recruiting strategy, cumbersome hiring process, and difficulty retaining talent. The Partnership is working on several fronts to address these challenges. We have also identified a number of efforts that agencies and universities have undertaken to attract critical talent to government. The focus of this hearing is on ways to attract students and entry-level mission-critical talent to government, but there are significant needs at the mid-career and executive levels, as well. Many of our recommendations regarding the hiring process can be applied throughout government.

The bottom line is that agency leadership must make recruiting and hiring a priority in order for success to be achieved. Candidates for and current members of the Senior Executive Service (SES) are evaluated against the Executive Core Qualification related to "Leading People." More importantly, Congress should ensure that executives are held accountable for recruiting, hiring and developing talent for their agencies as an ongoing critical performance expectation. The need for this type of accountability extends to all executives, regardless of technical expertise or level, since hiring and developing people is an essential component of all federal leadership positions.

We are encouraged to see that the Obama administration has made hiring reform a priority, issuing a Presidential Memorandum on *Improving the Federal Recruitment and Hiring Process*, as well as an Executive Order on *Recruiting and Hiring Students and Recent Graduates*. We continue to provide guidance and support to the Office of Personnel Management (OPM) and the agencies as they seek to implement these reforms.

This subcommittee has also worked tirelessly over the years on efforts to improve the federal hiring process and deserves much of the credit for the progress made to date. We look forward to working with you in the future to implement legislative reforms and have outlined some recommendations for your consideration at the conclusion of the testimony.

## **Five Key Barriers to Recruiting Mission-Critical Talent**

### **1. Shortage of Available Mission-Critical Talent**

The Partnership's *Where the Jobs Are 2009* report estimates that the federal government will need to fill nearly 273,000 mission-critical jobs between October 1, 2009 and September 30, 2012, largely due to retirements and those leaving federal service for other reasons. The jobs involve numerous disciplines, are at locations throughout the country and overseas, and have been described by the federal agencies as essential to carrying out their services to the American people.

The majority of federal hires projected by agencies in the *Where the Jobs Are* report are in five broad professional fields, led by jobs in the medical and public health category. This includes an estimated 35,000 nurses and nearly 11,000 engineers. Clearly, the demand for talent is present. Unfortunately, the supply of qualified talent may not meet that demand.

According to the American Association of Colleges of Nursing's (AACN) report, *2010-2011 Enrollment and Graduations in Baccalaureate and Graduate Programs in Nursing*, U.S. nursing schools turned away 67,563 qualified applicants from baccalaureate and graduate nursing programs in 2010. Almost two-thirds of the nursing schools responding to the AACN survey pointed to faculty shortages as a reason for not accepting all qualified applicants into their programs.

The need for nurses will continue to grow as baby boomers enter their retirement years and their demand for care escalates. The current nursing workforce continues to age and new demands are emerging as healthcare reform is implemented. The Bureau of Labor Statistics (BLS) has identified Registered Nursing as the top profession in terms of projected growth through 2018.

Similarly, a report by the American Society for Engineering Education, *Engineering by the Numbers*, indicates that while only six percent of engineering bachelor's degrees in 2009 were awarded to foreign nationals, 44 percent of the 41,632 engineering master's degrees were awarded to foreign nationals. Since U.S. citizenship is required for most federal jobs, the availability of graduate-level engineering talent is in very tight supply.

Some agencies are working closely with universities to develop pipelines of mission-critical talent. The Scholarship for Service (SFS) program run by the Department of Homeland Security, OPM and the National Science Foundation (NSF), and the smaller Department of Defense (DOD) Information Assurance Scholarship Program (IASP) are two programs that are boosting the supply of qualified talent in cybersecurity. Commonly known as the "Cyber Corps," the SFS program now has about 225 students enrolled at several dozen colleges and universities designated as Centers for Academic Excellence in Information Assurance Education. Upon graduation, students complete their service commitment – one year for each year of scholarship support. While SFS is recognized as the government's most successful pipeline for cybersecurity talent, its roughly 120 annual graduates come nowhere near to meeting government's cybersecurity talent needs.

The Department of Defense has also sponsored national competitions for high school and college students that test their skills in attacking and defending digital targets, stealing data and tracing

how others have stolen it. These competitions help build awareness of the field and opportunities available in government. In May 2009, Forbes magazine reported that talented participants will be recruited for cybersecurity training camps run by the military and funded by private companies. Others participants could be offered internships at agencies including the National Security Agency and the Department of Energy.

Given the limited pools of nursing, engineering, cybersecurity and other mission-critical talent, government must think creatively about ways to effectively attract and retain top talent, including offering financial incentives when possible. Agencies should target scholarship and loan repayment programs towards individuals in mission-critical fields. Understanding that it may be difficult to dedicate additional resources to these programs in the current economic climate, we recommend that Congress issue a review of current federal scholarship and fellowship programs to better understand how resources are being used, to consolidate duplicative programs and infrastructure and to ensure that money is being used strategically to recruit critical talent to government. Along these same lines, we recommend that OPM develop specific mission-critical tracks in the existing Presidential Management Fellows (PMF) program.

In order for agencies to attract mission-critical talent, the federal government must offer salaries that are competitive with other sectors competing for the same limited talent pool. There is much debate these days about the federal compensation system. The Partnership believes federal pay should be driven by the market, taking into account differences in occupations, skill sets and geography. This will allow government to compete for top talent among sectors. We urge Congress to create a market-based pay system for the federal government.

## **2. Knowledge and Interest in Federal Service is Low Among Mission-Critical Talent**

The Partnership's work with the more than 740 colleges and universities that make up the *Call to Serve* initiative continually reinforces that overall student interest in working for the federal government is relatively high. We have also found, however, that students with technical and scientific skills – those needed most by government – are less interested in government jobs than liberal arts majors. As highlighted in our 2009 report, *Great Expectations: What Students Want in an Employer and How Federal Agencies Can Deliver It*, 34 percent of liberal arts majors saw government as an ideal employer while only nine percent of engineering majors, 10 percent of business majors, 13 percent of IT majors and 16 percent of natural science majors viewed government service in the same light.

Given government's demand for employees with technical skills, including engineers, information technology specialists and medical professionals, agencies must work to generate broader interest in government service among students who have these backgrounds. Our research and work with *Call to Serve* universities suggests that this mountain might not be so hard to climb. A few examples of the Partnership's work to bridge the knowledge gap include:

- *Call to Serve*, a joint initiative between the Partnership and OPM, is the only group of colleges and universities dedicated exclusively to promoting federal opportunities to students and has grown to become a vibrant network of 740 institutions.
- *Call to Serve* Webinars focus on topics ranging from the new Pathways Programs to jobs for business majors in government. During the 2010-2011 academic year, the Webinars

reached more than 2,300 college and university faculty and staff members. More than 87 percent of participants said their knowledge of federal careers increased by participating in the Webinars.

- A *Speakers Bureau* comprised of dynamic, diverse federal employees from across government is ready to educate audiences about the federal workforce and inspire a new generation to serve. Speakers visit college campuses and other student venues, both live and virtually, to bring government work to life for students and alumni. Before attending a *Speakers Bureau* event only 40 percent of students planned to seek information about and/or apply for federal internship or job opportunities. This figure increased by 30 percent after the session.
- Makingthedifference.org is a comprehensive Web resource for individuals searching for federal employment. This Website guides jobseekers to determine their best federal fit, search for job opportunities and apply for federal positions. More than 62,000 people visit the site monthly.

Additionally, research has found that the most effective recruiters of college students are their peers. As a result, the Partnership created a *Student Ambassador* program, modeled after similar programs implemented by McKinsey, Teach for America, and other leading private and nonprofit sector organizations, to increase knowledge and interest in federal service across entire campus communities. The program identifies and trains outstanding federal interns to return to their university campuses to promote federal opportunities. Ambassadors raise awareness of the benefits of federal employment, give presentations across campus on government opportunities, and meet regularly with students, faculty and staff members to increase their understanding of federal jobs and internships. During the 2009-2010 academic year, 29 Ambassadors interacted with more than 17,000 students.

The Partnership is now working with the Departments of Energy (DOE) and Housing and Urban Development (HUD) to implement Ambassador programs to meet agency-specific talent needs. The Energy Ambassadors focus their efforts on disciplines related to specific DOE hiring needs, including engineering, science, technology, business and social sciences, while the HUD Ambassadors are focused primarily on diversity recruitment efforts.

Another example of an agency recognizing the need to do more to bridge the knowledge gap is the Bureau of Prisons (BOP) Federal Medical Center (FMC) Devens. FMC Devens realized that most job seekers do not understand the breadth of available employment opportunities in a prison, making it extremely challenging for them to attract entry-level medical professionals. To help educate students about their opportunities and break down stereotypes, FMC Devens will bring university staff and students to their facility this summer to “shadow” what it is like to work in a job or internship. By exposing students and their influencers to their work first-hand, FMC Devens hopes to generate greater awareness and understanding of their student trainee program and opportunities that exist at their facility.

While many agencies have recognized the need to educate students about federal opportunities, particularly in mission-critical fields, more can and should be done, especially with faculty and university staff. One opportunity that is not highly utilized by agencies is the Intergovernmental Personnel Act (IPA), providing for the temporary assignment of personnel between the federal

government and state and local governments, colleges and universities, Indian tribal governments, federally funded research and development centers, and other eligible organizations. Assigning federal employees to universities or, possibly more importantly, assigning faculty to an agency, would help expose students to the work of government and build a long-term pipeline of potential talent. As OPM indicates in its April 2010 *Report to Congress on Nursing Faculty and the Intergovernmental Personnel Act Mobility Program*, under the IPA, “government nurses could work at schools of nursing to fill vacant or newly budgeted faculty positions and encourage new nurse graduates to join the government.”

Efforts of the Partnership and federal agencies prove that exposure to federal opportunities can raise awareness, improve perceptions and encourage action. They also demonstrate that it is possible to have an impact without investing significant financial resources. Too often agencies struggle or overthink trying to make certain that all their recruitment pieces are in place. Instead, agencies should see this as a learning process and take creative approaches to educating key talent pools.

### **3. Agencies Lack Long-term Strategies for Building Relationships**

The private sector invests heavily in ensuring that they attract and retain the best talent and now, more than ever, government should be doing the same. Getting agencies to change their paradigm for recruiting and hiring, however, is a lot more like trying to turn an aircraft carrier than turning a jet ski. Too many government agencies remain passive when it comes to marketing, recruiting and hiring entry-level employees. Agencies are often content to post job announcements and wait to see who applies. Change requires developing and sustaining meaningful, in-depth relationships with colleges and universities that includes targeting key universities, departments, faculty and use of alumni.

Booz Allen Hamilton, for example, has taken several approaches to building relationships with universities. Leaders serve on industry advisory boards affiliated with key academic programs at universities that may serve as feeder pools for talent. They have also partnered with universities such as the University of Maryland, College Park, to co-teach courses including Reverse Engineering. Booz Allen Hamilton works hard to maintain ongoing contact with student leaders on campus in order to build their brand year-after-year. Now, more than ever, government should be taking a similar approach, targeting their recruitment and building lasting relationships.

In the current climate of budget uncertainty, agencies may be tempted to pull back on their campus recruiting because they do not have specific positions they are seeking to fill. This would be a mistake; indeed, it is actually more critical than ever that agencies continue to build and maintain these relationships with universities. If they pull back now and limit their campus engagement, history has shown that it will be very difficult for agencies to re-establish these relationships in the future when they have critical hiring needs. However, the onus should not be on the agencies alone. Universities should continue to invite agencies to participate in campus events so they have a sustained presence and continue to educate students about future opportunities in federal service.

Agencies, like private sector companies, should also view internship programs as a primary means for building sustained relationships with universities and long-term pipelines of entry-level talent. According to the National Association of Colleges and Employers’ (NACE) *2011*

*Internship & Co-op Survey*, private sector employers converted 57.7 percent of their interns into full-time, permanent employees. This rate is an all-time high and more than doubles the rate at which federal agencies typically convert their Student Career Experience Program (SCEP) participants into permanent employees. Like the private sector, these programs can become an agency's main mechanism for entry-level hiring, and are a great screening and vetting tool to make sure the candidate is a good fit.

Building on the concept that focused recruiting yields the best results, the Government Accountability Office (GAO) has crafted an effective approach for working with universities. The approach builds name recognition and visibility with students in programs best meeting GAO's hiring needs. A cornerstone of this approach is developing in-depth relationships with specific departments or schools at universities that have the "right" curricula – for example, a public policy school or the IT department – and then actively nurturing and sustaining those relationships.

GAO identifies a Senior Executive Service member to be a part-time "Campus Executive" for each university/program, and that Campus Executive builds and maintains relationships with the school or department head and other key campus officials. The Campus Executive is usually supported by several less senior GAO employees, possibly located in a regional office close to the university, especially alumni of the school/program.

GAO also has an internship program that is a vital part of their entry-level hiring. Interns work at GAO on real projects with carefully selected supervisors. These programs both give the interns good exposure to the real work done at GAO and give their supervisors a clear picture of each intern's skills and capacity for GAO's work. Using this information, GAO typically offers entry-level jobs first to those interns who have performed best during their internships.

GAO carefully monitors the effectiveness of their university recruiting programs. Using a standard set of metrics, they check to see whether their campus-related activities result in applications for internships and permanent positions and the success of those who are selected. Through constant monitoring, they assure that their programs bring in diverse new hires with the skills needed to help the agency achieve its mission.

As a result of budget constraints and reduced hiring, GAO has modified their approach and established three tiers of contact with their targeted universities – virtual, a combination of virtual and in-person and highly personal. By doing so, they continue to nurture proven relationships that have taken time and money to develop, rather than sending the message to universities and their students that they are closed for business.

The Veterans Administration's Learning Opportunities Residency (VALOR) program is another example of a program that works. VALOR allows nursing, pharmacy and medical technology students who have completed their junior year in an accredited clinical program to gain experience at a VA facility. The Northern California VA Health Care System has engaged campuses for years through the VALOR program, hiring nursing students in baccalaureate programs. As an example, a few years ago they began working closely to develop a relationship with one of the Partnership's *Call to Serve* grant campuses, Sacramento State University. As part of that program, Sacramento State students work for the VA to gain hands-on experience. Kathleen Toms, the local VALOR coordinator, believes the program draws in students who

would otherwise not think about working in government, including a number of students who are making career transitions into nursing.

About half of the VALOR participants have been converted into full-time nursing positions. Most importantly, even if students do not want to work in Sacramento, the VALOR program is set up to help them find a position in another VA hospital or in the Navy, Army or Public Health Service. Because VALOR participants are already oriented to the VA and its practice requirements, many who take a position upon graduation are hired at salary levels above their other new graduate counterparts.

The recent Executive Order on *Recruiting and Hiring Students and Recent Graduates* recognizes the need to recruit new talent to government and establishes clear pathways for students and recent graduates. The Executive Order lays the groundwork to improve recruiting efforts, offers clear paths to internships for students from high school through post-graduate school and to careers for recent graduates, and provides meaningful training and career development opportunities for individuals who are at the beginning of their federal careers.

We urge Congress to pass legislation requiring agencies to collect data to better understand agencies' use of internship programs. The *Federal Internship Improvement Act*, H.R. 914, sponsored by Representatives Gerry Connolly (D-VA) and Brian Bilbray (R-CA), was included in the House-passed *National Defense Authorization Act* (NDAA). The bill would require agencies to collect metrics on the effectiveness of their internship programs – specifically data on how agencies recruit interns, the number of interns hired and ultimately converted to permanent positions and the quality of the internship experience as identified through exit surveys. We encourage the Senate to support this language and ensure it is retained in the final conference agreement. We also urge the Senate to promote language which would allow an internship to serve as the equivalent of a competitive examination for future employment in a federal agency.

#### **4. Hiring Process Turns Away Top Talent**

Increasing interest in government jobs is not enough to ensure the government has the right talent to tackle our country's challenges. Long a source of frustration for agencies and applicants alike, the federal hiring process was not designed with applicants in mind and discourages talent from pursuing federal service.

Since the President announced his hiring reform initiative on May 11, 2010, the Partnership has been working with OPM and the Office of Management and Budget (OMB) to ensure broad adoption of the reforms. We collaborated with OPM to develop and implement a series of hiring reform "boot camps" for senior hiring reform officials across government. We are also providing guidance and support to OMB on how to effectively measure agency progress.

In addition to reform efforts, the Partnership works directly with federal agencies through programs like *FedRecruit* to assist them in building their capacity to recruit, hire and retain top entry-level talent. Through a structured, short-term, hands-on engagement, agencies have the opportunity to make meaningful and lasting changes to their efforts to get the right talent into the right jobs.

As part of *FedRecruit*, and in light of the focus on manager engagement in hiring reform, we developed and released *What's My Role? A Step-by-Step Hiring Guide for Federal Managers*. The guide instantly captured the interest of federal managers across the country. In addition to other agency training programs, this resource serves as a cornerstone for a year-long series of workshops and webinars designed, in concert with OPM, to enhance HR and hiring manager collaboration.

*FedRecruit* also provides sustained, in-depth interactions with federal agencies. Four agencies – U.S. Air Force (USAF), Immigration & Customs Enforcement (ICE), National Oceanic and Atmospheric Administration (NOAA) and the Social Security Administration (SSA) – successfully completed Phase II of the program focused on IT. As a result, these agencies felt more prepared to attract and hire entry-level IT talent. They also were more willing to incorporate and adopt new policies around the use of internships and hiring. Through the pilot agencies' engagement, they learned what is possible to accomplish and, based on their feedback, are more likely to embrace changes long-term.

The Partnership applauds the efforts of the administration, OPM, federal agencies and Congress for their efforts to improve the hiring process. While progress is being made, the hiring process is still too cumbersome for today's fast-paced talent market. In a recent survey of *Call to Serve* university career advisors, 49 percent indicated that the federal hiring process has “stayed the same” or is “worse” than it was before the President's hiring reform initiative. Some of the perceptions around the process may be the result of budget uncertainty and hiring freezes but, with a government-wide average time to hire of 105 days, it is clear that more still needs to be done to streamline the process.

For real long-term change to occur, agencies need to be held accountable for continued improvements. The Partnership believes that three key sets of data will tell the story about whether change has fully taken root: (1) time to hire, disaggregated for internal and external hires, (2) manager satisfaction with the quality of applicants and new hires, and (3) applicant satisfaction with the process. We are very pleased to see that OPM recently issued a memo to agencies outlining a set of reporting requirements specifically on time to hire and look forward to similar guidance on applicant and manager satisfaction.

Mr. Chairman, you and Sen. Voinovich championed S. 736, the *Federal Hiring Process Improvement Act* in the 111th Congress, and we urge you to introduce this important piece of bipartisan legislation in the 112th Congress to codify the good work of the administration and hold agencies accountable for further improvement. This legislation should require that the data highlighted above be reported and made public, specific to each agency, on at least a quarterly basis. We also encourage you to include language that would allow agencies to limit public notice in certain circumstances – e.g., targeting specific universities or degree programs if agencies are looking for a particular type of mission-critical talent. Limiting public notice would also allow agencies to target recruiting for certain positions to current students or recent graduates.

We are also very pleased to see that the administration has also made student programs and entry-level hiring a priority in issuing an Executive Order on *Recruiting and Hiring Students and Recent Graduates*. The Executive Order recognizes government's need to be more competitive

in recruiting and hiring talented individuals who are in school or recently graduated, and develops clear pathways for them to enter federal service.

We are hopeful that OPM issues regulations in the very near future to allow agencies time to effectively implement the new Pathways Programs in the next year. We stand ready to assist OPM, as we did with hiring reform, in providing training necessary for agencies to implement the Executive Order.

We encourage this subcommittee to provide oversight during the implementation process, ensuring agencies have the necessary resources to effectively implement the Executive Order and holding them accountable for results. As previously mentioned, we urge Congress to mandate the frequent collection of data on the use of internship programs so agencies can make the best use of their programs, offering quality experiences and priming their own talent pipelines.

## **5. Difficulty Keeping Top Talent**

While our federal government faces many challenges in attracting top talent in hard-to-fill occupations, recruitment and hiring is only half the battle. Federal agencies must also focus time, attention and resources on retaining key talent.

Employee attrition in the federal government historically has been quite low, leading many people to believe that it should not be a matter of concern or cause for serious attention. But overlooking the importance of employee turnover, and failing to understand exactly who is leaving federal employment and why they are leaving would be a mistake for government managers, workforce planners and human resources professionals. Employee attrition, depending on an individual's talents, experience and the type of job involved, can have a significant impact on how agencies implement policies and programs, deliver services and meet the needs of the American people. It also can have other significant consequences, both positive and negative.

On the plus side, attrition can create space in an agency for new talent and skills, remove workers who are not performing well and provide promotion opportunities for highly capable but less senior employees. Agencies may determine that a vacated position is no longer needed, or they can use attrition to help with a gradual reshaping of the workforce. On the negative side, the loss of experienced employees due to retirement or more promising opportunities can deal a serious blow to an agency's operational capacity and performance if the departing employees leave with institutional knowledge and organizational savvy that up-and-coming staffers have not yet developed or obtained. Too much attrition of recently hired employees or those with special skills also can have a significant adverse impact.

Attrition, moreover, is an important bellwether about the state of the workplace environment. High turnover is a useful indicator of employee dissatisfaction and can suggest a number of problems. For example, while attrition of recently hired employees means a loss of the considerable investment expended to bring them on board, it also can indicate weaknesses in the agency's recruiting, hiring and onboarding processes.

But in government, the consequences of a loss in talent may involve more than money. Attrition can potentially jeopardize an agency's ability to perform its core mission, whether that is a homeland security mission, the nation's ability to respond to a pandemic or the ability to monitor

the integrity of our financial markets. Losses like these can have impacts that far exceed financial costs.

With so much time and effort invested in improving agency hiring processes, and given the anticipated slowdown in federal hiring, retention of new mission-critical employees is more important than ever. In two recently released reports on attrition and retention – *Beneath the Surface: Understanding Attrition at Your Agency and Why it Matters* and *Keeping Talent: Strategies for Retaining Valued Federal Employees* – the Partnership recommends that agencies study and understand attrition and use that information to improve the workplace to help retain those in key positions.

Specifically, we further recommend that agencies and Congress look at attrition rates of three categories of employees: (1) those who are recently hired and have been with the agency two years or less; (2) those who are eligible to retire within the next five years; and (3) those in mission-critical occupations. We found in our report that about 24 percent of those hired in fiscal year 2006 had left their jobs within two years; about 48 percent of all federal employees will be eligible to retire by 2015, including 67 percent of federal supervisors; and, attrition rates of mission-critical employees in 2008 were as high as 30 percent in selected occupations. These numbers should convey the urgency of understanding why employees leave so we can take steps to keep the employees that we need the most.

The good news is that information on why employees are leaving or are thinking about leaving can provide the answers. Exit data, which must be collected by individual departments or agencies, provides vital insights into employee attrition. We urge Congress to require agencies to conduct exit surveys so more information is available to federal agencies. When supplemented by analysis of data already collected via the annual Federal Employee Viewpoint Survey, agencies can gain insight into gaps in employee satisfaction among key employee groups so they can proactively address problem areas and head off unwanted attrition.

### **Recommendations for Congress**

In summary, we would like to offer the following recommendations for Congress:

- *Oversight* – It is critical that this subcommittee continue to ask agencies what is needed in order to effectively implement the Executive Order on *Recruiting and Hiring Students and Recent Graduates* and the administration’s mandate for hiring reform. Specifically, Congress should make sure agencies receive the necessary resources and training for effective implementation, and Congress should hold agencies accountable for results.
- *Hold Agency Leaders Accountable for Recruiting, Hiring and Developing Talent* – Candidates for and current member of the SES are currently evaluated against the Executive Core Qualification related to “Leading People.” Congress should ensure that executives are held accountable for the on-going recruiting, hiring and developing of talent for their agencies as a critical performance expectation. The need for this type of accountability extends to all executives, regardless of technical expertise or level, since hiring and developing people is an essential component of all federal leadership positions.

- *Require Agencies to Collect and Regularly Report on Metrics of Hiring Effectiveness* – Mr. Chairman, we know you championed better collection of metrics on hiring in S. 736, the *Federal Hiring Process Improvement Act*, in the 111th Congress. We urge you to introduce this legislation in the 112th Congress and require agencies to collect and publicly report data on (1) time to hire, disaggregated for internal and external hires, (2) manager satisfaction with the quality of applicants and (3) applicant satisfaction with the process.
- *Allow Agencies to Target their Recruiting Efforts* – Mr. Chairman, we encourage you to include language in your hiring reform bill, which would allow agencies to limit public notice in certain circumstances – e.g., targeting specific universities or degree programs if agencies are looking for a particular type of mission-critical talent. Limiting public notice would also allow agencies to target recruiting for certain positions to current students or recent graduates.
- *Request a Review of Current Government Scholarship Programs* – Congress should issue a review of current federal scholarship programs to better understand how resources are being used, to consolidate duplicative programs and infrastructure and ensure that money is being used strategically (e.g., invest in scholarships for mission-critical fields of study).
- *Pass the Federal Internship Improvement Act* – The *Federal Internship Improvement Act*, H.R. 914, introduced by Representatives Gerry Connolly (D-VA) and Brian Bilbray (R-CA), was recently attached to the House-passed *National Defense Authorization Act (NDAA)*. We encourage the Senate to support this language and ensure it is retained in the final conference agreement. The legislation would require agencies to collect metrics on the effectiveness of their internship programs – specifically data on how agencies recruit interns, the number of interns hired and ultimately converted to permanent positions, and the quality of the internship experience as identified through exit surveys. The bill requires OPM to centrally house information about internships in government, and provide a clear point of contact for student programs in federal agencies.

We also urge the Senate to promote language allowing internships to serve as the equivalent of a competitive examination to ascertain the fitness of an intern for a relevant position in the competitive service. This would help agencies hire their top-performing interns.

- *Create a Market-Based Pay System for the Federal Government* – Federal pay should be driven by the market, taking into account differences in occupations, skill sets and geography. For example, engineers in government should be paid comparable to engineers in the private sector. This will allow the federal government to compete for top talent, particularly in mission-critical fields.
- *Exit Surveys* – Congress should require agencies to conduct exit surveys when employees leave government to better understand the reasons for their departure and make continuous improvements. This will particularly help agencies identify challenges to retaining mission-critical talent and make real-time corrections.

## **Conclusion**

Especially in today's very difficult budget climate, federal agencies must continue efforts to identify, recruit and retain new talent. We appreciate the subcommittee's ongoing commitment to ensuring that our government has a highly-skilled, highly-engaged workforce to perform at its best for the American people.

Mr. Chairman, Senator Johnson, we thank you and your colleagues for the opportunity to share our recommendations with you today and would be pleased to answer your questions.