THE FUTURE OF GOVERNMENT HIRING

DEALING WITH THE GOVERNMENT’S BRAIN DRAIN
The Future of Government Hiring

“I have no one under the age of 40 in my office,” said a policy analyst from the Department of Veterans Affairs in a recent GovLoop survey.

That policy analyst isn’t alone – the government is graying. According to the Office of Personnel Management, the average age of a government employee is 47. At the state and local level the number skews even higher – the average age of a state employee is 49. To put those numbers in perspective, consider that 60 percent of federal employees are over the age of 45, compared with 31 percent in the private sector.

All of these older workers means the much-talked-about retirement tsunami has arrived in government. In fact, the number of federal retirements has been on the upswing since 2009. According to the Office of Personnel Management, more than 110,000 federal employees retired in fiscal 2012, and in the first four months of 2013, about 60,000 federal employees applied to retire — a 43 percent increase from the same period in 2012. The Government Accountability Office projects that 30 percent of the more than 2 million federal government employees will be eligible to retire in the next three years.

It’s not just a numbers issue, either – it’s a knowledge transfer and hiring issue as well. When those 2 million employees do clock out of the office for the last time, they will take with them the institutional knowledge, awareness and understanding of how the government actually works. The retirement exodus will also leave millions of job vacancies for chief human capital officers (CHCOs) to fill.

To discuss how this aging workforce came to be and technology and cultural solutions for the future, GovLoop spoke with Enio Velazco, Ph.D., Executive Advisor in SAP’s Human Capital Management Transformation Practice. Velazco noted that without a focus on technology innovations and an eye to the future, the government workforce could be in a precarious situation.

“The baby boomer generation is coming of age and is really starting to look at retirement,” said Velazco. “Many of them were probably envisioning an earlier retirement, but due to the financial recession of the last few years, they have postponed leaving the office. But they can only do that for so long. The concern for Human Resources is that they might at any minute decide to leave, and with them would go a loyal and knowledgeable workforce.”

Velazco explained how CHCOs are facing unprecedented challenges to recruit, retain and develop the next crop of government employees – while still retaining the institutional knowledge of the baby boomer generation. And CHCOs better act fast because, as Velazco said, “The current statistics point to numbers of over 55 percent of the workforce being eligible to retire in three years.”

This research brief will also explore the biggest challenges facing Chief Human Capital

INTRODUCTION

[Figure 1]

Is more than 30 percent of your office eligible to retire right now?

[Figure 2]

What is your office’s biggest challenge when it comes to human capital management?
Currently millennials make up less than 10 percent of the federal workforce. And our survey revealed that the current workforce is not confident that their HR departments were doing enough to attract new talent. In fact, more than half of respondents think their agency could be doing more. (See Figure 3)

Additionally, according to the Federal Viewpoint survey, millennials in government are not particularly happy about their time in public service. “Examining the scores by age, there is a 3.3-point gap in the views of federal workers under the age of 40 and those over 40. The under-40 age group experienced a 5.1-point decline in job satisfaction in 2014, while those over 40 saw their score drop by 3.8 points.”

The negative perception of government isn’t helping the recruitment process. “Unfortunately, government jobs are not very popular among millennials,” said Velazco. “Although public service might be at first appealing to millennials, better career opportunities and higher salaries lead many to seek employment in the private sector.”

One of the reasons this perception might exist with the public sector is that human resource officers do not have the necessary tools to effectively reach out, recruit, and develop new employees.

According to our survey, only 15 percent of respondents were confident their agency had the necessary resources, culture and reputation to attract the right talent. (See Figure 4)

“The old way of attracting talent was good for the period of time before the digital age. Now we must think outside of the box and offer more flexibility and competitive salaries,” said one survey respondent.

Velazco agreed. He named three different recruitment challenges government institutions need to address and provided tactics on how they could do so immediately.

**Challenge No. 1: Ineffective Job Descriptions**

The current process for describing a job on the federal government’s open jobs portal, USAJOBS, has far more to do with checking the boxes than actually explaining a real day in the life of the person in the position.

Here is an actual posting for a program analyst position at the Department of Transportation:

**The incumbent serves as team leader for the Logistics Team, Resource Management Staff. The incumbent is responsible for planning, developing and directing strategic analyses, studies, and plans to achieve APL mission and program objectives. Provides leadership and program guidance in support of complex, national programs and policies and develops management systems pertaining to the following programs: office space management and renovations, acquisitions, office supplies, personal electronic device deployment, property management, web management and headquarters emergency planning.**

The job posting includes references to personal electronic device deployment and office supplies in the same sentence, so applicants can’t get a firm grasp on how the position actually functions.

Velazco would change this description process.

“I would make sure that the recruiting function has the proper marketing assets and the training to describe the work environment today and the near future. In addition, recruiting specialists would be able to connect the responsibilities of a vacant role with the government agency’s mission plus how it may impact citizens and their communities,” he said.

Our survey respondents agreed. When asked what they would change about the hiring process, one respondent said, “Job descriptions need to be comprehensive and accurate as to the daily duties and far less esoteric.”

In order to help recruiters paint a more accurate picture, Velazco recommended CHCOs ask themselves: What exactly are they recruiting for? What competencies would be more valuable in those roles? Would candidates be motivated by the institution’s mission? Would candidates fit the agency’s culture? Would recruiters be able to recognize these qualities in applicants?

“Sometimes recruiters only use information available in job descriptions to explain the responsibilities and career opportunities that a role offers. Public sector recruiters should be trained to deepen their sourcing and interviewing skills,” he said. “Recruiters and hiring managers need to illustrate the variety of experiences that a successful candidate may go through by using employees’ stories. They should describe the primary aspects of a job, but also highlight project work that may create learning and development opportunities, as well as emphasize how the role helps further the mission of the institution and its community impact.”

Velazco also recommended HR managers should do site visits to get a better understanding of the day-to-day operational...
aspects of a position and its workplace environment. His recommendation was echoed by one of our survey respondents: “I think HR people should come to our lab or talk directly to a supervisor to understand more what kind of personnel we need.”

**Challenge No. 2: Lack of Clarity Around the Benefits**

When candidates consider government jobs, there is a tendency to simply focus on a role’s salary when contrasting opportunities with others in the private sector. Under this scenario, recruiters have an understandably difficult time extolling the benefits of a government career. But the truth is that there are plenty of remarkable advantages to pursuing a career in government service — the awareness of them is just not there.

“HR needs to become marketing-savvy and use their career sites to showcase more compelling messages, even using videos of young employees, which could be downloaded to smartphones and shared by millennials. Recruiters and hiring managers need to start focusing on changing the employment value proposition of their different agencies in the general public and start highlighting for millennials the pros of joining an agency,” said Velazco. “For example, you will get coaching, you will get valuable training, and you will get frequent feedback along the way from experienced professionals. You will work in areas that you feel really passionate about; in a supportive work environment.” These characteristics are not highlighted enough in the recruitment process right now.

According to our survey, the biggest drivers for young talent to pursue a career in the government are the flexible work environment and professional development opportunities. (See Figure 5)

“HR needs to paint with more vibrant colors the work environment that successful applicants would be joining. In addition, agencies may want to consider uploading videos to their career sites featuring current employees relating their own experiences,” Velazco said. “Many agencies also have telework agreements; offer employees opportunities to work on a variety of projects; and match new hires with mentors and/or buddies to accelerate onboarding. All these benefits need to be promoted.”

So what are some quick ways agencies can recruit new talent? Here are our top three benefits:

1. Focus on the mission. Millennials, more than any other generation, want to derive true value from their work. Let the mission do the talking.
2. Promote job security. Full-time employment can be a rocky road in a start-up culture. A government job provides a steady income and stable work environment.
3. Highlight continuing education opportunities. Young people want to continue learning and growing throughout their careers. Underline the numerous learning and training opportunities afforded to government employees.

**Challenge No. 3: Career-Hopping Millennials**

In the past, government employees have spent their entire 30-year careers working in the same agency or department. But the era of the long government tenure is gone.

“Millennials today will have five or six different careers. HR needs to learn to accept this change,” said one survey respondent.

Velazco agreed, but noted that HR can use the career-hopping nature of millennials to their advantage.

“Millennials want to learn and grow. U.S. corporations are hiring more millennials, but they aren’t necessarily investing enough in training, coaching or mentoring. They are moving too fast to provide feedback and coaching. So public sector institutions could say, ‘If you come work for us for 5 to 10 years, we will train you and accelerate your development. We will build on your strengths and get you ready.’ That is a great recruitment technique that agencies are not taking advantage of,” he said.

The government has an opportunity to take advantage of the private-sector training void by highlighting the fact that agencies have a workforce composed of baby boomers who have not only great experience, but are at a career stage when they may have an interest in mentoring and be more focused on their legacy. Leading a cultural transformation to foster a development mindset among middle managers and introduce senior leaders to the rewards of coaching is advisable.

“Baby boomers have the patience, ability and, in some cases, the mission to mentor. They have the right amount of resources and can spend more time to explain to millennials how things get done, and provide timely and frequent feedback. Young professionals can learn more easily the dos and don’ts, and identify opportunities to hone their skills and deepen their knowledge,” said Velazco.
While HR has accepted that most younger workers will not stay in the public sector for 30 years, it doesn't mean the government shouldn’t put in a strong effort to retain talented employees. After all, millennial leaders are driven by empathy and a need for purpose and collaboration, which are characteristics that can be fostered in HR-led programs to increase employee engagement.

Right now, however, the government is losing the retention battle. According to our survey, more than half of respondents said new hires (those hired within the last three years) didn’t last more than five years. (See Figure 6)

One of the main reasons for the lack of sticking power? Young employees are often stymied on how to rise through the government ranks.

“It’s very important that the organization works on creating job ladders to go from one GS level to the next. Otherwise, people stagnate and stop growing. Why learn new skills and take on new work if you are not going to be compensated for your efforts?” asked one survey respondent.

Velazco understood our survey respondents’ concerns.

“Millennials tend to get hired into the government and get presented with some learning opportunities,” he said. “But then they also are quick to realize that promotion opportunities might not exist as plentifully as in the private sector. So they leave.”

He contended that the dissatisfaction with quick growth opportunities stems from a lack of understanding of government processes. But this also represents an opportunity to design and rollout engagement-building and retention programs.

“While [new hires] might not be able to rise through the ranks as quickly as you can in the private sector, they are in an incredible learning and much more supportive environment,” Velazco said. “They get to be coached by experienced high-performing professionals. This differentiator deserves to be widely promoted in career sites, open-houses, and recruiting assets.”

Figure 6
Do you feel your agency is doing enough to attract talented millennial workers?

- Yes - 48.7%
- No - 51.3%
Some agencies and departments are taking steps to ensure the government of the future is a great one. For example, the Office of Personnel Management has authorized the use of excepted service appointments for the hiring of digital services staff in support of the Management Smarter IT Delivery Initiative. Additionally, veterans are gaining entry into the government in an easier fashion. OPM also created the Veterans Recruitment Appointment (formerly known as the Veterans Readjustment Appointment, or VRA). And on the state and local level, Indiana has launched a New Hire Reporting Center, where they can track and measure hiring success and discover areas that still need to be improved.

Another leader in human resources is the Department of Homeland Security. In the wake of the September 11th attack, President George Bush created the Department of Homeland Security to coordinate homeland security efforts. In less than fifteen years the Department is now home to more than 230,000 employees.

DHS’s mission is to develop and coordinate the implementation of a comprehensive national strategy to secure the United States from terrorist threats or attacks. DHS coordinates the efforts to detect, prepare for, prevent, protect against, respond to and recover from terrorist attacks within the United States.”

And it’s that mission statement that is driving employee recruitment, retention and engagement said the Department’s Chief Human Capital Officer Catherine V. Emerson. “People are attracted to our mission. They want to serve at DHS. Our mission is especially appealing to younger employees. DHS does very well in recruiting Millennials, which represent approximately 22 percent of our workforce, compared to 16 percent across the overall federal government.”

As a result of the high number of young employees joining its ranks, the Department continues to focus on efforts to attract, retain and share knowledge between generations. DHS’s role as the nation’s largest law enforcement agency is a major contributor to the need to refresh the workforce. “One of the reasons we really focus on constantly attracting new employees is because 21 percent of our population has a mandatory retirement age of 57 making it critical for the Department to attract a vigorous, highly qualified workforce to continue to perform our key enforcement missions,” explained Steve McPeek, Executive Director of Strategic Workforce Planning and Analysis at DHS. “We have to be constantly looking to the future because a fifth of our population is forced to retire at a fairly young age.”

Diversity Recruitment Strategy

In an effort to reach an even broader audience the Department launched a new recruiting and outreach strategy in 2011. In 2014, DHS also entered into a Memoranda of Understanding (MOU) or formal agreement with four major diverse higher education associations to share information and resources on new job openings.

“If DHS has a major job announcement for Border Patrol Agents for example, we can shoot a notice out to this network,” explained Nimesh Patel, Executive Director of Diversity and Inclusion at DHS. “Through these MOUs the notice can reach 1,500 different minority students serving in institutions across the country. So, not only do we post notices to USAJOBS, but now we’re also making sure that we’re doing some really effective outreach to diverse communities as well.”
In addition, DHS's recruitment team uses high-level dashboards to better track successes, and identify current challenges. "We use the dashboards to identify successes and challenges within specific components, so we can uncover gaps in a much more systematic way," explained Patel.

In partnership with the Council on Veterans Employment, the Department also launched a strategic initiative to hire more veterans. "We used the quarterly scorecard to track our progress. Through our collective efforts we were able to enhance the Department’s focus on veterans hiring," said Patel. "For the past two years, DHS has achieved record levels of new hires for veterans and veterans with disabilities. Now, DHS is viewed as one of the leaders across the federal government in this space. We were able to drive our efforts because of the tools and technology that told the story."

Retention Rate Success

Between fiscal years 2012 and 2014, DHS had one of the lowest attrition rates in government.

The Department’s Workforce Planning and Analysis team regularly sits down with experts in each of the DHS components to help them identify mission critical occupation gaps. The discussions help the recruitment team target the right employee for the right mission-critical position.

“When we put out a job announcement, we often receive thousands of applications,” said McPeek. “But when we are hiring, we also look at succession planning. What are the technical and leadership skills of the person leaving? If we factor in the skills of the person leaving into the application process of the person coming in we can see major results.”

Information Sharing

Technology is an important tool in the Department’s efforts to manage its workforce. To assist in more effectively delivering learning opportunities and document learning accomplishments, the Department recently began to implement its Performance and Learning Management System (PALMS).

PALMS combines nine legacy learning management systems that were used across the different components into one universal learning platform. "We are still in the early stages of rolling out PALMS, but we did just start a pilot program for CFPB," said Emerson. "PALMS is the one element of an integrated strategy to enhance the development of DHS employees and document their knowledge, skills and abilities to perform the wide range of Department missions. In combination with the learning platform the Department has also launched a formal leadership, development and mentorship program that PALMS tracks.

The Management Cube is another key capability developed by the Department to ensure information is shared across multiple functional areas. "The Department-wide program is pulling data from the various lines of business like financial management, acquisition, human capital data, and others into a common area," explained McPeek. "Now employees are able to pull that data together and report out and answer questions that could not be answered just looking at those single sources of information."

For DHS's CHCO the emphasis on hiring the right employees comes back to the mission of the agency: "For those who wish to serve this country, we offer such a range of types of work that provide hands-on role to this energetic, committed and diverse workforce," said Emerson. "Our work is a powerful motivator.”
Unfortunately, despite the willingness of many boomers to share their knowledge with the incoming millennial generation, the process of passing down intelligence is ripe with challenges.

“The government hasn’t done really a great job at capturing much of that institutional baby boomer knowledge in the information system. The question becomes: How do we retain and leverage the knowledge that these folks have today, before they completely exit the workforce?” asked Velazco.

Velazco noted there were two main challenges to overcoming the knowledge-sharing quandary:

### Challenge No. 1: No Formal System of Knowledge Sharing

When asked what their agency was doing to address the knowledge-sharing issue in government, our survey respondents overwhelmingly noted their agency wasn’t doing anything to properly prepare.

- “We aren’t doing anything to address the knowledge gap.”
- “Not happening. No one cares. Everyone is concerned about preserving their own job.”
- “We aren’t passing down knowledge, unless a younger employee specifically seeks us out.”
- “Our agency was working on how-to videos for certain tasks, but this program has been put on hold until future notice.”
- “Knowledge gap is not being addressed and the clock is ticking.”
- “It’s tough. Individual managers, supervisors and senior staff have to be willing to develop new folks, and impart culture and history to them.”

Specifically, one respondent noted he attempted a more formal knowledge-sharing experiment: “When I was in a supervisory position, I held training sessions with all of my employees so that when I retired, each of them was given the opportunity to learn the tool set that I had. However, I believe that I am the only supervisor that was doing this.”

In fact, at many agencies, new employees are often asked to quickly understand processes that may never have been documented in any way.

Velazco wasn’t surprised by the lack of formality. “The current approach is to try to bring new employees to either shadow or work under some of these baby boomers, but the system is very haphazard. Agencies could use learning management systems to capture and share knowledge instead.”

But despite the survey results, there are in fact a few agencies that are making progress when it comes to crafting a formal development and knowledge-sharing program. The Environmental Protection Agency, the Department of Housing and Urban Development and the Department of Veterans Affairs have started formal knowledge-sharing programs to create more robust environments of knowledge transfer.

“These programs offer CHCOs a great opportunity to align several HR initiatives like mentoring and reverse mentoring,” said Velazco. “That way, it’s a two-way street where both the baby boomer and the millennial are getting something out of the knowledge-sharing. If both sides are invested, then the relationship is more likely to flourish.”

Reverse mentoring works when the millennial also teaches something new to the baby boomer. Reverse mentoring allows the pairing to level the playing field, and maybe accelerate the development of a good relationship. For example, a young mentee could help tutor an older employee about social media best practices, while the older employee could explain government procedures and processes.

### Challenge No. 2: Not Knowing How to Mentor

One of the reasons a formal mentorship or knowledge-sharing program isn’t being cultivated across every agency could be because many managers are uncertain how to take the first step to become a mentor. This was reflected in many responses from our survey.

- “I would love to mentor, but no one seems interested.”
- “HR never seemed interested in me sharing information, so I didn’t.”
- “Sharing my knowledge is in my job description, but no one told me how.”
- “We mentor our new employees with a preset list of mentoring topics and trainings. We aren’t allowed to deviate.”

One particularly frustrated survey respondent noted that at their agency, “We hire retirees back on a non-permanent basis for extra help, but we do not utilize these staff for training or any other sharing of essential information. This is true of the last three agencies where I worked. It’s a waste of resources because we don’t take advantage of the knowledge they could pass down.”

The lack of formal mentorship training is what Velazco said is the biggest cause of a lack of a more robust mentor pool.

“We need to provide resources to train employees on how to give feedback correctly, how to coach appropriately and how to engage with millennials. You can’t just tell someone they have to be a mentor; you have to give them the resources to become successful coaches,” he said.

In the end, this mentor void goes back to culture.

“The baby boomers are not being presented with an opportunity to have a mindset shift regarding the development of future generations. Some experienced managers have not been exposed to the joys and opportunities of giving back. Or others would like to, but lack the skills to properly provide feedback. We need to make mentoring a given,” said Velazco.

To help curate and train the next generation of mentors, here is a list of seven mentoring best practices:

1. **Chart your course.** There is no one universal type of mentor-mentee relationship. Will you be providing career guidance? Or will you be mainly an information source for your mentee? Pick a lane and stick to it.

2. **Get real with yourself.** Sit down and think about what strengths and weaknesses you’ll bring to the mentoring relationship. What are you most/least knowledgeable about? What are your
Dealing With the Government’s Brain Drain

“We need to create a mindset shift when it comes to government recruiting, retention and knowledge-sharing. We need to start transforming the current culture into one that fosters learning and development, and start leveraging technology to promote the virtues of working in the public sector,” said Velazco. “We need to change the way we think and act, because the retirements are coming and they are coming quickly.”

In an effort to assist agencies with the workforce transformation, SAP offers an integrated strategic human resources management system. This solution allows governments to better attract, develop and retain the right talent by improving workforce planning and analytics. By using a single system of records for global and localized HR and payroll processes, SAP users have seen a 32 percent drop in employee turnover and a 20 percent increase in revenue per worker.

“Our technologies give human resources the full picture of what and how their workforce is growing and changing. The data provides the information to power smarter and more strategic organizational and IT decisions,” said Velazco.

The future of the government workforce is changing. With better understanding of culture, mentoring, and new technologies that support recruiting, retaining and knowledge sharing, CHCOs could see massive improvements in their ability to cultivate the government of the 21st century.

CONCLUSION: THE BRAIN DRAIN IS HERE, BUT THERE’S A PATH FORWARD

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About GovLoop
GovLoop’s mission is to “connect government to improve government.” We aim to inspire public sector professionals by serving as the knowledge network for government. GovLoop connects more than 200,000 members, fostering cross-government collaboration, solving common problems and advancing government careers. GovLoop is headquartered in Washington, D.C. with a team of dedicated professionals who share a commitment to connect and improve government.

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