Modern Hiring: How Agencies Are Preparing for the Next Generation of Work





GOVLOOP E-BOOK 2020

Executive Summary

For government agencies, workforce hiring has always been a challenge. Especially in areas such as IT, agencies face fierce competition for talent with the private sector. **The challenge is not just to hire enough workers, but to hire workers with the right skills.**

Qualified candidates are often less exposed or drawn to government jobs. Hiring processes can be long and inefficient, and agencies often lack a competitive edge in pay, said Rivka Liss-Levinson, Director of Research at the Center for State and Local Government Excellence (SLGE), in this e-book (see page 10).

The pandemic has further complicated these hiring challenges. The financial impacts have been especially devastating for state and local governments, as many have had to furlough or lay off workers and implement hiring freezes.

To overcome these challenges, agencies are collaborating and sharing best practices with one another and increasingly turning to modern, online methods for recruiting. According to SLGE, more state and local agencies are using social media than before. In the federal government, the U.S. Digital Service (USDS) and Office of Personnel Management (OPM) have partnered to test new hiring pilots, to the benefit of multiple agencies (see page 12). Additionally, the Pentagon's "digital SWAT team" published a guide to help other agencies recruit and hire tech talent more successfully. Diversity, equity and inclusion is a pillar to this process, and it has become an increasingly important area for potential candidates and government workplaces alike.

In this e-book, we'll further explore the ways government is recruiting talent and overcoming hiring obstacles to prepare for the next generation of work.

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In the News

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APRIL 2020

A Federal Hiring Pilot Attracts More CX Talent to Government

In April, the <u>Customer Experience (CX) Cross-</u> <u>Agency Priority (CAP) Goal</u> team launched a hiring pilot to attract more CX talent to the federal government. The CAP Goals track and coordinate management priorities that the White House sets.

What happened: The U.S. Digital Service and the Office of Personnel Management (OPM) collaborated to set qualification criteria for CX specialists.

- It was initially a small use case that widened to include multiple agencies after many shared their challenges in recruiting CX talent. This work led to the creation of a "CX strategist" position.
- Using the set criteria, a panel of CX experts convened to review the best candidates for participating agencies.

The results: More than 800 applicants applied for 30 new positions across more than a dozen agencies. The panel reviewed, interviewed and selected a cohort of CX strategist candidates in six weeks. *(Learn more on page 12)*.

For Attracting Potential State & Local Employees, Social Media Soars

In this year's SLGE survey on the state and local workforce, 60% of respondents said social media was most successful in reaching qualified candidates.

- The percentage has increased considerably from 29% in 2015.
- For example, Maine's Office of Information
 Technology and the Vermont Agency of
 Digital Services post job openings via Twitter.

What else: The use of job fairs is also increasing in prevalence, up from 8% to 26%. Newsletter advertising, on the other hand, has decreased from 16% to 7%.

An interesting note: Seven percent of respondents said they used artificial intelligence for screening or online interviewing, which was a new category in the survey.

What recruitment practices are most successful in reaching qualified candidates?

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65% Online advertising: Government websites

60% Social media

50% Employee referrals

49% Online advertising: Commercial sites

27% Internships / apprenticeships

26% Job fairs

20% Building a communications campaign around public service

13% Outreach to specific neighborhoods or demographics*

7% Newsletters: State / local



7% Artificial intelligence (for application screening or video interviews)*

6% Video campaigns

*Source: SLGE's State and Local Government Workforce: 2020 Survey

APRIL 2020 - Continued

State and Local Governments Have Most Difficulty Hiring Engineers

The SLGE 2020 survey also shows that the highest percentage of respondents -28% - said they found it most difficult to fill engineering positions in their organization.

• Following engineering, respondents identified skilled trades of all types, maintenance work and policing as hard to fill.

What else: More than 20% said IT was the most difficult to recruit for, making it fifth on the list.

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JUNE 2020

Executive Order: More Skills, Fewer College Degrees

In an effort to improve federal hiring processes, <u>the president's June 2020 executive</u> <u>order</u> aims to prioritize skills over college degrees when it comes to hiring for certain jobs.

An interesting note: According to <u>OPM data</u>, 52% of federal civilian employees had a bachelor's degree or higher in 2017.

JULY 2020

The Pentagon's Digital SWAT Team Cracks Gov's Hiring Code

In July, the Defense Digital Service (DDS) <u>released a downloadable</u> guide with years of hiring and recruiting knowledge called "Break the Code." (Learn more on page 7.)

Why it matters: In the past five years, DDS has recruited a consistent rotation of highly qualified technologists from the private sector. The team has also <u>sharpened its focus</u> on ensuring that diversity of thought, gender, race, age and experiences are at the forefront of solving the Pentagon's most pressing tech challenges.

Over the past year, what positions, if any, has the organization had a hard time filling? (n = 199)

28% Engineering

26% Skilled trades (all types)

25% Maintenance work / Labor

25% Policing

22% Information technology: Network administration

21% Dispatch

19% Building and grounds cleaning and maintenance

17% Building permitting and inspections

16% Automotive maintenance

16% Driving / Equipment operation (with commercial licenses)

15% Accounting

*Source: SLGE's State and Local Government Workforce: 2020 Survey

AUGUST 2020

OPM Releases Guidance for Skills-Focused Hiring

Following the June executive order, OPM released guidance on how agencies can fulfill the

mandate for more skills-focused hiring.

What's included: Agencies are required to establish points of contact who will participate in focus groups for discussing best practices. OPM hopes to have finalized changes by late October 2020 and an updated federal hiring manual by the end of the year.

States and Cities Institute Hiring Freezes Due to COVID-19

In early August, National League of Cities Executive Director and CEO Clarence Anthony urged Congress to provide aid for municipalities.

 A third of cities are already starting to furlough or lay off essential workers, while nearly half are planning to carry out hiring freezes, Anthony said in the statement.

What else: States such as <u>Maryland</u>, <u>Minnesota</u>, <u>Ohio</u>, <u>Tennessee</u> and <u>Washington</u> had instituted hiring freezes earlier in the year.

The White House Orders Agencies to Review and Limit Temporary Foreign Contractors

The president signed <u>an executive order</u> that requires federal agencies to limit contract work for temporary foreign employees.

What's included: The order requires the heads of each agency to review contracting and hiring practices from 2018 and 2019. Specifically, they must examine the extent to which contractors used temporary foreign labor, whether hiring visa-holders affected opportunities for citizens and if national security was impacted.

Agency leaders have to submit a report with their findings and proposed reforms toward the end of the year.





Colorado Governor Signs Diversity, Equity and Inclusion Order for State Workforce

The governor of Colorado signed an executive order prioritizing diversity, equity and inclusion (DEI) in the state workplace.

What's next: The Department of Personnel and Administration will take five immediate actions toward the goal of creating an inclusive and equitable work environment.

- The first is developing a long-term statewide strategy for implementing inclusive work cultures and equitable hiring, retention and compensation practices.
- Others include providing DEI training for state employees, establishing a reporting structure for progress, reviewing buildings and systems to ensure accessibility, and addressing procurement disparities in contract awards.

Need to Know: Hiring and Recruiting in the Era of COVID-19

Context:

Agencies have been grappling with workforce issues for decades. Those challenges include ensuring that bureaucratic and lengthy hiring practices no longer hinder the most qualified applicants from receiving job offers. Flexibilities such as telework and completely remote work have also been points of contention for employees at some agencies. The lack of workplace flexibility further creates challenges for hiring managers in need of recruitment tools to attract top talent nationwide.

Against this backdrop, governments at various levels are undergoing job classification studies to understand 1) what skills they have within their ranks, 2) what expertise they need to develop or seek outside the organization, and 3) how those skills better position the organization to meet future demands.

Drivers:

COVID-19 has undoubtedly been a main driver forcing agencies to rethink how and where employees work, and what the nature of that work looks like. For state and local governments, the pandemic has taken a considerable toll on employment. "In the public sector, officials responded to the COVID-19 pandemic by furloughing workers at shuttered facilities and trimming payrolls in the face of substantial projected budget shortfalls," according to a June 2020 article from The Pew Charitable Trusts. "Colleges, school districts, and other areas of state and local government have shed approximately 1.5 million jobs since March, but most have been furloughs or temporary layoffs, according to the U.S. Department of Labor."

Although the pandemic has hit federal agencies that employ temporary workers, such as the National Park Service and the U.S. Citizenship and Immigration Services, hard, federal hiring has not experienced the devastating impacts that state and local governments have. But COVID-19 has forced federal agencies to embrace remote work as a necessity — rather than a perk — for current and future employees.

In the federal space, other drivers shaping hiring include the President's Management Agenda (PMA) and the president's executive order prioritizing skills over degrees. Both efforts are forcing agencies to take a hard look at the current makeup of the workforce and employees' performance and engagement.

Outcomes:

The PMA provides a long-term roadmap for achieving administration goals around building a 21st-century workforce. Those efforts include clarifying career paths for federal employees, particularly those whose jobs will be impacted by automation. In a July 2020 PMA progress report, the administration also noted that rather than measuring performance by the time it takes to hire candidates, the focus is now on the quality of new hires first and then efficiency of successful hiring outcomes.

State and local governments are trying to be as flexible as possible in combating budget and workforce challenges. They haven't shied away from social media to recruit talent while offering telework when possible. Additionally, according to the Public Sector Workforce 2030 Summit in September 2019, the highest percentage of respondents identified diversity and inclusion as the biggest trend shaping the state and local workforce of 2030.

Building Blocks: Cracking Government's Hiring Code

How agencies engage with technologists already in the field and those who are entering it is a question that must be asked often and answered honestly.

This is a regular conversation within the Defense Department's (DoD) self-described digital SWAT team unit, known as Defense Digital Service (DDS). In the past five years, DDS has recruited a consistent rotation of highly qualified technologists from the private sector. The team has also sharpened its focus on ensuring that <u>diversity</u> of thought, gender, race, age and experience are at the forefront of solving the Pentagon's most pressing tech challenges.

DDS has compiled years of hiring and recruiting knowledge into a downloadable guide that it calls "<u>Break the Code</u>." That code is symbolic of breaking the status quo of traditional government recruiting and hiring, which often begins and ends with a USAJobs.gov posting.

DDS' commitment to humanizing recruiting is evident in the way Break the Code is written and designed. It's divided into key sections that focus on: Actively recruiting tech talent. That means going where the talent is and not waiting for them to come to you. It also means showing potential employees how they fit into the mission and how their skills will contribute to the life-saving work happening at DDS.

Understanding and using existing policies meant to enhance hiring and recruiting. For example, OPM has authorized agencies to use referral bonuses for hard-to-fill positions and retention incentives. But the reality is many agencies are not taking full advantage of these hiring authorities, according to a 2018 OPM report.

Valuing diversity as a strength that drives tech talent. The focus should be on the candidate's talent, and not whether their hair, fingernails or other personal grooming features fit your agency's status quo. One of the recommendations is to review your agency's hiring practices to identify and eliminate unconscious biases.

At DDS, that includes relying on phone interviews throughout much of the hiring process and

refraining from discussing thoughts about a candidate that could sway someone's opinion — positively or negatively.

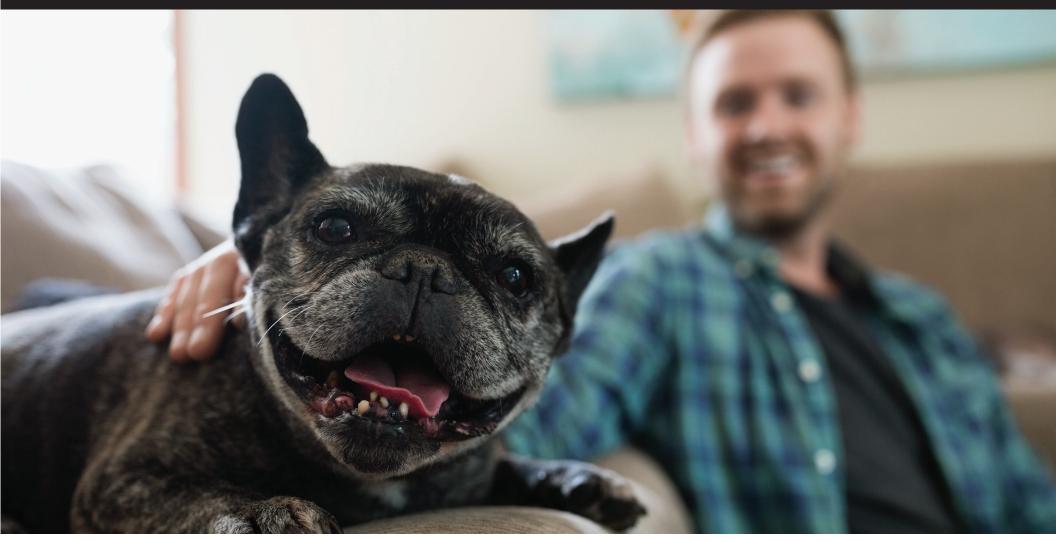
Who is 'Break the Code' for?

Short answer: everyone. DDS advocates for hiring and recruiting to be a collaborative process. Although this is a DoD product, the hope is that all agencies will use it to have honest conversations about their hiring and recruiting practices today and what needs to change.

How do you use 'Break the Code'?

Just dive in. The document is skimmable and for each section, there's clarity around what's available to agencies today and three actions they can take to put that authority into practice. Engage with those involved in hiring and recruiting at your agency and determine how this document can enhance what you're doing and open doors for trying new things.

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3 Ways to Prepare for the Future of Government Work

An interview with Enio Velazco, Ph.D., Vice President, Human Resource Strategy and Business Transformation, SAP

The future of government work entails more than employees adapting to new technologies or mapping career paths.

It requires agencies to look at three dimensions of how government work is changing: 1) What type of work is needed and how it's performed. 2) How the workforce will evolve to perform this work, and who will do the work. 3) How agencies define the workplace and its location, whether in a shared office, at employees' homes or a combination of places.

So what's driving agencies to rethink these critical areas of change?

Market dynamics, changing citizens' expectations, and technology advances. For example, "the loss of talent to retirement is inevitable," said Enio Velazco, Ph.D., Vice President of Human Resource Strategy and Business Transformation SAP, an enterprise software firm. **"Agencies need to prepare for new employees with different expectations who are coming into the workforce, all while ensuring that the mission continues. And, really, agencies need to consider the skills and capabilities that will be needed in the future."**

Velazco shared three ways that agencies can prepare for the evolution of government work.

1. Develop a culture of learning

As employees adapt to new technologies and ways of working, those who have a curiosity to learn will be better suited to make the transition. "There will be a need for people to continue learning," Velazco said. "When agencies are interviewing potential new hires, they need to identify who's curious and who has an appetite for learning."

Creating a culture of learning better positions employees to keep pace with changing demands and expectations both internally and externally from the public. For example, data literacy is a coveted workforce skill that should be prioritized across roles, especially as agencies seek to make data-driven decisions.

2. Elevate emotional intelligence

Velazco stressed the importance of emotional intelligence in the workplace, or the ability to express and understand your emotions, as well as understand someone else's. How agencies identify and elevate this skill will vary, but one constant is that emotional intelligence directly influences how employees relate to each other and the people they serve.

Cross-cultural competence, or the ability to understand and effectively engage with people from different cultures, is also a valued skill that agencies must develop now, and in the future, to effectively serve a diverse public.

3. Embrace modern hiring practices

Hiring should evolve as your organization evolves, Velazco said. "What we call best practices today need to be open for improvement in the future, especially as technology evolves."

This mindset guides the approach that SAP takes when developing workforce solutions, including those that address unconscious bias and enable organizations to attract and assess job applicants. The company has also teamed up with partners to develop solutions that can predict career progression success, Velazco said.

Adapting to the future of work requires a mindset shift. Agencies that prioritize a culture of continuous learning, emotional intelligence and modern hiring practices are in the best position to adapt and excel.

In Recruiting Wars, Agencies Should Play to Their Strengths

An interview with Rivka Liss-Levinson, Ph.D., Director of Research at the Center for State and Local Government Excellence

For state and local governments, recruiting and hiring are always a challenge. This is especially true when it comes to fields such as IT, in which agencies compete with the private sector for talent. But that's not to say it's hopeless.

Despite some clear disadvantages, government agencies do have some strengths that put them in a good position to recruit new hires — and those strengths are becoming more important than ever.

To learn more about the competitive landscape that agencies face, GovLoop spoke with Rivka Liss-Levinson, Ph.D., Director of Research at the Center for State and Local Government Excellence, a nonprofit that conducts research on workforce issues in state and local government.

*Quotes were edited lightly for clarity.

Sizing up the obstacles

Salary (of course). State and local governments have a number of fields with increasingly difficultto-fill positions, including policing, firefighting and emergency medical care. But IT is unique in that it is an area in which agencies compete head-tohead with the private sector, Liss-Levinson said.

> "For a lot of the folks who go into state and local government or just public sector in general, it's really a mission-driven kind of thing. I think something like IT may feel a little different than, let's say, police or fire or teaching. I think you have many fewer people saying that they want to help government in terms of information technology. IT's going to have a harder time in the same way that maybe finance does or other [positions] further away from the front line."

Shrinking benefits. Unfortunately, in many places, the challenge around salary has been exacerbated in recent years by cuts in benefits, which traditionally have been one of public service's selling points.

"There's always been kind of this social contract with folks going into public service. If I'm a public servant, I know I'm not going to get paid as much as I could in the private sector, but I will have a stable job and will be comfortable in retirement. As we're seeing some cuts to benefits, that's a bit of a harder sell. For example, you have increased amounts of time needed for vesting, and increased employee contributions, switches from defined benefit pension plans to defined contribution or hybrid plans – as well as reductions in health insurance coverage. That's problematic."

Sizing up the opportunities

All that said, state and local agencies have several reasons to be optimistic, Liss-Levinson said.

Enviable stability. Even with the changes to pensions and health insurance, the public sector still has stronger benefits than many places in the private sector, and more job security.

"[Those advantages] are still very appealing. Especially when you have times like now, when there's a pandemic, with the resulting economic strain, those things are going to be important."

Holistic benefits. Government agencies also might have an edge in what Liss-Levinson calls "non-traditional benefits" – such as better work-life balance, support for childcare, and an emphasis on financial literacy and financial wellness.

"With the pandemic now and the kinds of uncertainty that folks are facing, having benefits like financial wellness or childcare...these are places where agencies can shine. And these things aren't necessarily as costly as some of the traditional benefits. For example, you don't need that much money to get a financial wellness program off the ground."

Mission-oriented branding. Government agencies don't often think in terms of their "brand," as corporations do. But they ought to, Liss-Levinson said. And the heart of that brand is the mission.

"This is something where, in terms of competition with the private sector, the public sector has them beat. If you think about being 'mission-driven,' that's why a lot of people go into the public sector. And the pandemic has amplified the importance of what people in the public sector are doing, which could increase interest in working in public service."



USDS, OPM Test New Ideas for Improving Hiring Outcomes

Here's an idea: When it comes to evaluating candidates for a job, why not get insights from subject matter experts who have firsthand knowledge of the competencies required?

That is the idea behind an ongoing initiative by the Office of Personnel Management and the U.S. Digital Service (USDS). In late 2018, USDS was invited to do a "discovery sprint" at OPM to improve outcomes in competitive hiring. USDS recommended two things: that self-assessment questionnaires be replaced with SME-based qualifications assessments (SME-QA) for measuring competency and that SMEs help HR with resume review by only looking at the first two or three pages of each resume to equalize the playing field for private sector applicants.

USDS got permission to move ahead with a handful of pilots to test the outcomes. To learn more about this initiative, GovLoop submitted questions to USDS, which solicited input from various stakeholders. Here are excerpts from their responses. Their full responses are available here.

GOVLOOP: What were the basic goals?

Competitive hiring is based on merit so we wanted to make sure qualified applicants could

make it through and non-qualified applicants would not. By replacing the self-assessment questionnaire and federal style resumes with SME evaluated resumes and pass/fail assessments, we hoped to ensure a fair opportunity for all applicants. On top of that, we wanted to try to encourage a more efficient hiring process. Instead of opening announcements for one hire at a time, have 40 applicants qualify, and only one selected, why not have truly effective assessments where fewer qualify but then everyone who qualifies can be given an offer somewhere in the federal government? That was our vision.

What are the key tenets of the initiative?

- Empower SMEs to make qualification
 determinations on technical competencies.
 HR specialists review the justifications
 from SMEs' to make sure the decisions
 are retraceable and that the SMEs have
 documented the specific competencies
 that the applicant doesn't meet. HR
 specialists defer to the SMEs' judgment for
 these decisions.
- Create accurate job announcements on USAJOBS that represent the position and are not copied directly from the position description.

- Replace the self-reported, and oftenover-inflated, occupational questionnairewith a skills-based SME resume review andassessments in accordance with a June2020 Executive Order.
- Limit the number of pages of work experience that would be reviewed on resumes to level the playing field for private sector applicants and reduce burden on SMEs conducting reviews.

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- Applicants who pass SME resume review
 earn entry to the assessment. These
 assessments, rather than resume review,
 determine whether the applicant is qualified.
 After assessments are completed, all
 veterans' preference and category rating
 rules apply. Preference is adjudicated after
 applicants pass all hurdles (resume review
 and typically two assessment rounds).
- Reduce burden on participating SMEs, for example by allowing minimal justification documentation when reviewing resumes, by permitting a single SME to conduct an individual assessment, and only doing a second assessment round for those who pass the first round.

What are the results so far?

Highlights include:

- The Customer Experience working group and USDS launched the first governmentwide SME-QA pilot. We pooled what ended up being 16 vacancies across three GS levels at 9 participating agencies in 13 individual bureaus. A total of 20 SMEs across government joined the pilot to share the work of resume review and interviews. Of 844 applicants, 44 qualified and were placed on certificates. Thus far there have been 14 acceptances and 18 selections.
- The Environmental Protection Agency (EPA) completed their first SME-QA pilot in just 6 weeks from posting the announcement to issuing the certificates. The hiring manager selected four applicants from the certificate to fill all four vacancies at EPA for personnel security specialists.
- The Centers for Medicare and Medicaid Services completed its first SME-QA pilot in just 6 weeks from posting the announcement to issuing the certificates. CMS has 9 SMEs participate from 3 different offices. Of the 12 applicants found qualified, CMS made 10 selections. This was the first pilot that used both the Resume Review Tool and a written assessment to replace the first interview round. CMS started its second pilot for data scientists with a workshop on July 29 and the job posted August 2, 2020.

The State Department completed its first pilot for grant management specialists. The main office selecting from the certificate had four openings and filled all four slots with the DE certificate then shared the certificate at State resulting in a fifth selection. State was able to run the pilot largely on their own with the support of our two-day SME-QA training, materials from our website, and contacting us with ad hoc questions. State is currently on its **second SME-QA pilot** for Foreign Affairs Specialists.

Other successful results were seen at the U.S. General Services Administration, HHS, the Interior Department and the Office of Management and Budget.

Are there any other new ideas that might be tested out in the future?

We are trying to balance applicant experience with being able to handle higher applicant volume. Applicant volume is considerable for federal positions and many of our announcements have had to close in one to five days because we quickly reached our max number of applicants. We're really focused on iterations that could help us handle greater volume without sacrificing the quality of the process and are working with OPM to run a series of private sector listening sessions this fall to learn more about private sector best practices.

Conclusion

Government hiring often feels like a secret code that only few know how to crack. But it doesn't have to be that way. And, frankly, agencies can't afford not to empower everyone involved in hiring activities, including job seekers.

Developing the workforce of the future requires agencies to make hiring more about the people and less about paperwork and processes. The agencies that focus on elevating qualified employees and prioritizing diversity and inclusion to tackle tough problems will be best positioned for the next generation of work.







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