Driver Five: People

Cultivating people; reforming processes for hiring, developing, and retaining workers; and leveraging data and technologies to build the workforce of the future

"There is no time to wait. The nation's problems are too urgent. We need to build a human capital system that meets the needs of the nation's 21st century government and we need to start now."

Many disruptive forces and trends changing the way government does business impact those charged with executing the business of government—the workforce. It is critically important to emphasize the role government workers play in the success of any government to meet mission and achieve outcomes. Yet across the public and private sectors, rapid change affects the workplace, workers, and work itself. As management guru Tom Peters points out, any change in any direction also impacts the way people spend time. As such, government leaders must spend significant time establishing new ways to organize, recruit, develop, manage and engage their people to build the process and culture that will characterize a government of the future. As such, governments around the world must reform their human capital processes to meet the new demands of the digital age.

Similarly, a recent white paper from the National Academy of Public Administration (NAPA), *No Time to Wait: Building a Public Service for the 21st Century,* finds that, "There is no time to wait. The nation's problems are too urgent. We need to build a human capital system that meets the needs of the nation's 21st century government and we need to start now." The report posits that the current federal human capital system—from recruiting, training and retention to retirement—must be modernized, refreshed, and reinvigorated to meet today's public-sector needs.

Challenges Building the "Government of the Future" Today

An engaged workforce drives productivity, quality, and performance. The government of the future requires the best skilled leaders and front-line staff to drive effective decision making and execution mission priorities. As the needs of government change, talent acquisition must step up to meet those changing needs. The digital revolution, as described in this report, is disrupting governments worldwide and transforming how they work, engage, and ultimately serve citizens. In addition, an aging workforce and changing demographics require leaders to identify new and innovative processes to engage and replenish the federal agencies' talent pool.

With this potential demographic shift as a backdrop, the recently proposed U.S. federal budget calls for significant savings that will require agency leaders to manage their workforces in a constrained resource environment. These leaders will also need to identify effective ways to manage and lead a blended workforce where civil servants are joined by contractors, grantees, and others in developing and delivering programs and services.

In addition, the rising interest in and possibilities of artificial intelligence (AI) have the potential to transform future workplace environments defined by collaborative teams in which employees wield cross-functional skills and work in tandem with smart machines. Bill Eggers and Peter Viechnicki, in *What the Future of Artificial Intelligence in Government Could Look Like,* identify the potential promise of AI in reducing or even eliminating time-intensive, administrative work across in government. Staff resources can use newly available time to perform more meaningful work, focusing on creative projects and work directly with citizens. However, they acknowledge that truly achieving the benefits of AI augmentation in government will require some reskilling of current government employees to prepare them for work that complements cognitive technologies: skills like data analytics or designing human-to-machine interfaces.

Advances in technology, changes in workforce demographics, and the resulting opportunities for new management approaches combine to shift the culture and landscape in which agencies operate in fundamental ways. In the IBM Center report, *Growing Leaders for Public Service,* Ray Blunt finds that growing the next generation of public service leaders stands as the most critical responsibility of senior public service leaders today—while also among the most uneven and least understood efforts carried out across federal agencies. This goal of managing talent for tomorrow's needs goes to the heart of building the government workforce of the future.

Why Talent Management Matters in Government

Skilled leaders determine organizational success. Doug Brook and Maureen Hartney in the IBM Center report *Managing the Government's Executive Talent,* place an even finer point on this tenet. The report notes that investing time and resources in talent management has improved mission, managerial, political, and economic outcomes in both the public and private sectors. Effective leaders can set direction though providing vision, allocating resources and building a culture of ethics and trust. This frame enables leaders to guide results across the talent "value chain"— in which organizations improve processes to recruit, hire, compensate, onboard, train, manage, evaluate, develop and separate/retire a productive workforce. In addition, a well-implemented performance management cycle that includes strategy, resources, operations, execution and evaluation can foster talent at all levels of the workforce.

Public sector leadership talent spans a broad array of executives whose collaboration— or lack thereof—sets the tone for agency and program success or failure. These executives include political appointees and career Senior Executive Service officials in program areas and functional areas (human resources, information technology, finance, acquisition, etc.), who guide civil servants and contractors and connect with state and local government, Congress, and even the judiciary to deliver on agency missions. Given this ecosystem, change management serves as a critical element for leaders to manage between and across organizations.

Building and Acquiring Talent

Agency leaders must build and manage a workforce that moves at the speed of change. The American people expect and deserve the best service from their federal government, which in turn requires a talented, highly-skilled federal workforce drawn from a competitive pool. Gaps in digitally savvy and young talent highlight a critical need for governments to attract new skills and experiences from outside their organizations.

However, implementation challenges and issues related to the hiring process too often constrain bringing in top talent and advancing skilled employees.

Government leaders can use the very technology that drives change to identify the right people with the right talent to do the most effective job. Using talent acquisition analytics can help government leaders more effectively allocate resources, form effective teams, and redefine how best to work. That said, the federal hiring process can impede leveraging these innovative ways to connect and engage the workforce of the future today. To acquire needed talent, federal agencies need a hiring process that is applicant-friendly, flexible, and meets policy requirements, such as hiring based on merit.

In recent years, the OPM has launched several initiatives and provided agencies with tools to address federal hiring challenges. Since 2014, OPM has led the People and Culture Cross-Agency Priority Goal intended to deploy a world-class workforce, by creating a culture of excellence and enabling agencies to hire the best talent. As part of this goal OPM, with the assistance of the OMB, kicked off a new initiative in early 2016— the Hiring Excellence Campaign—to improve the federal hiring process. OPM established the campaign to raise awareness and effective use of hiring authorities by managers and human resource professionals and to address administrative and other obstacles that may impede recruiting and hiring. OPM has also been helping agencies in other specific ways, including:

- revitalizing USAJOBS.gov,

- improving the effectiveness of the Pathways Program,

- expanding the use of social media tools for strategic recruitment,

- providing innovative recruitment and hiring tools and services, and

- expanding partnerships with stakeholders, including colleges and universities.

Building on these steps, government leaders can focus more seriously on taking workforce improvement efforts to the next level. Learning from previous experiences and using those insights to chart a path forward will help government to build and manage a high-performing workforce.

The *Partnership for Public Service's 2016 Annual Report* states, "people are government's greatest asset, yet government systems and processes hamper their ability to achieve their agencies' missions. Federal civil servants must contend with broken, antiquated systems that stifle performance, innovation and efficient delivery of services to citizens." The federal civil service system—the rules and regulations for recruiting, hiring and managing federal employees—was last updated more than 40 years ago and was for a government and workforce that faced vastly different problems than today.

Numerous strategies can help government overcome existing barriers in building and acquiring talent:

- **Reform Antiquated Policies and Processes.** Modernizing antiquated policies and processes to meet the needs and expectations of a changing workforce will enable agencies to compete successfully for talent. An important component in this process is hiring authority—the laws, executive orders, or regulations that allow an agency to hire into the federal civil service. Agencies continue to call for more flexibility within a system traditionally based on a "one-size-fits-all approach," with uniform rules across the US Federal government set forth in Title 5 of the United States Code (Title

5). This reform can address how federal hiring authorities meet agencies' needs, and can use this information to explore opportunities for refining, eliminating, or expanding authorities. The rapid hiring successes of the U.S. Digital Service and 18F for competitive talent can provide key lessons learned. Longer term, these kinds of reforms can better position the federal government to harness and embrace the "gig" economy, finding even more innovative ways to exploit non-standard work arrangements (NSWA).

- **Collaboration.** Creating the future workforce goes beyond a human resources (HR) issue—it constitutes a key strategic priority for government. To make progress, HR staff must drive a culture that fosters collaboration with supervisor/hiring managers. Agency leadership needs to support this process, linking such collaboration with performance assessments of front-line/hiring staff and executives.

- **Analytics.** The HR world has begun to understand the importance and usefulness of data and analytics. Federal agencies have large volumes of hiring, candidate, and related data that present opportunities for analysis, insight and organizational improvements. Generally, the data sits untapped or in unused reports. Gaining insight on human capital data yields a competitive workforce advantage to hire, develop and retain the best talent possible—which can drive agency mission success. Expanding the use of "People Analytics" to inform workforce strategy, from planning to strategic recruitment to onboarding and retirement, can help to meet agency mission outcomes. For example, the Federal Employee Viewpoints Survey (FEVS) contains vast stores of data that provide insights on how to enhance employee engagement and inform talent acquisition. The annual *Best Places to Work in the Federal Government*® rankings produced from FEVS by Partnership for Public Service demonstrates the value of these data, but more could be done to mine its untapped potential.

- **Branding.** Government agencies need to move beyond simply improving the quality of a Job Opportunity Announcement. Agencies need to shift from passive job postings to more strategic, need-driven practice—using new social media platforms and apps to engage, connect, and recruit future government leaders. Government has great advantages as an employer for talented people—a sense of purpose, a mission that matters, serving the public with integrity, interesting work, internal mobility, and job variety. Showcasing this story provides a labor market advantage for government.

- **Selection.** Increasing the use of subject matter experts (SMEs) can assist HR in assessing applicants. Effective assessment of applicants yields the best qualified candidates. Having and using the right tools in evaluating job applicants helps HR teams to avoid costly hires. Managers and HR specialists should collaborate and engage in identifying assessment strategies, designing rating tools, and identifying SMEs who can assist HR at various phases of the application review and assessment process (including determining minimum qualifications, rating and ranking, and selection).

Engaging, Training, and Developing Talent

Building and acquiring the right talent with the right skills represents only half of the effort in building the workforce of the future. Once government agencies hire and place employees, they need to keep them, grow their talent, and develop their skills—a complex task when mixed teams of contractors and grantees work alongside federal employees in support of agencies. Many agencies, such as the U.S. Department of Energy and NASA, have far more contractors than government workers. As noted in the NAPA whitepaper, government increasingly needs a strategy for managing of its stakeholders who contribute to the performance of public sector work.

Nearly all top-performing organizations benefit from a highly-engaged workforce. Employee engagement refers to the connection an employee feels to their organization, its mission, and its customer. Increased levels of engagement lead to better organizational performance. The Merit Systems Protection Board found that high levels of employee engagement correlated with better mission achievement and program outcomes, reduced intent to leave, fewer days of sick leave used, and lower rates of work-related injury or illness. Agency leaders need to make engagement a priority across the organization and foster a culture and processes to communicate that priority in engaging employees –leveraging social media and new modes of communication in responding to employee feedback and concerns. Pulse surveys, town hall meetings, brown-bag sessions with senior leaders, video conferences, and websites soliciting employee ideas all provide potential avenues to communicate with employees. Short-term activities that directly address employee feedback can help agency leaders demonstrate action in addressing employee concerns.

Properly engaging employees also involves investing in innovative training and development opportunities. Training enables agencies to act on how they value employee career growth. Leadership development, technical training, and mentorship opportunities all offer ways for employees to grow, improve their skills, and become more deeply invested in the work of the agency. For example, many young employees use digital technologies more frequently than their older colleagues. Some private sector companies bring together seasoned and younger employees to learn about these tools from each other. Younger employees learn best practices and career development advice, while their colleagues gain insight into new technologies and innovations in the use social media during these sessions. Employee development complements training and can involve formal and informal mentoring, rotational assignments, and apprenticeship.

In difficult budget times, cutbacks in training programs often occur. These decisions impact employee engagement and development. Government leaders need to identify new and less costly ways to offer technical training for their people. Advances in technologies, remote learning platforms, and interactive web-based learning all offer opportunities to provide necessary training that helps agencies and employees to grow in a cost-effective manner.

Conclusion

Building the future workforce represents a strategic priority for all levels of organizational leadership. Recognizing this reality also intuits a new kind of dynamic, team-centric, and connected government workforce, with leaders and staff keeping pace with technology, adapting to the disruption of the digital economy, and recognizing that a shifting demography calls for new ways of leading.

This new type of government leader needs to position their agency as an employer of choice by telling the positive story of public service. This also involves building and growing talent with a serious focus on talent management, leadership development, and succession planning to prepare for workforce transitions. It builds a needed bench strength and grows future leaders. These leaders will also benefit from revamping antiquated HR practices to meet the needs and expectations of a changing workforce and to compete successfully for talent. Success also rests on creating a culture that values and engages people in meaningful ways while also leveraging technology, data, and new processes to improve government operations and provide employees with the tools for success.

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