



# The Future of the Workforce

Highlights from a Government Roundtable, hosted by ATARC, in partnership with Adobe April 2023

At a recent executive roundtable discussion hosted by the Advanced Technology Academic Research Center (ATARC), experts from various federal agencies came together to discuss the future of the federal workforce and the critical need to reform federal hiring.

The strength of any organization rests on its most important asset - its people. However, an aging workforce, cumbersome hiring processes, lack of consistent reskilling options, and a competitive job market filled with young, digital-savvy candidates make it difficult for the government to meet workforce demands – now and in the future.

Impassioned roundtable participants shared continuous challenges with hiring and reward processes and concerns with the trajectory of the federal workforce. But among these marked moments, participants also shared hopeful success stories of agencies pioneering a new era of federal HR practices.

From political pigeonholing to budget impracticalities, the challenges facing Federal recruitment and retention are far greater than those in the private sector. In fact, several roundtable participants urge industry to take a deeper look at the hiring practices of civil servants purposely governed by rules and regulations when bringing comparisons and solutions to government.

Read on to learn what aspects of recruitment and retention are most challenging to federal agencies, why candidate and employee experience top the list of hiring priorities, and what strategies are currently working for agencies.

**“Public service is not for everyone. We should be very clear what the requirements are to be a civil servant: it’s not about money, it’s about mission. However, we’ve undervalued and under-resourced our workforce so much that we’ve made this an unattractive, un-viable career option.”**

## Recruitment

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Participants all agree that in order for agencies to achieve hiring goals, collaboration and partnership are keys to success. Collaboration among c-suite executives is especially important to reform and expedite federal hiring. All levels of the agency should be in support of the hiring process from c-suite to administrative levels.

Ideally, the hiring and onboarding process is automated from beginning to end, where everyone in the process has the support and resources they need to create a positive recruitment experience.



# The Role of Chief Human Capital Officers

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Several participants emphasized the importance of including Chief Human Capital Officers (CHCOs) at the beginning of the recruitment process. Doing so can save agencies considerable time and resources, while helping to avoid legal and ethical risks associated with federal hiring. CHCOs are charged with maintaining a politically free civil service, but unfortunately the role is often an underutilized asset available to many agencies.

Instead of serving as a strategic hiring partner, CHCOs are spending more time correcting avoidable errors made by agencies not following proper procedures. Additionally, participants urge agencies to utilize CHCOs instead of designating another hiring authority. Doing so simplifies and streamlines the recruitment process considerably.

## Merit Based Hiring System

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Panelists discussed the impact of the merit based hiring system on federal hiring. Most consider the merit-based hiring system to be bloated and inefficient, and in misalignment with the expectations of the future workforce.

There are employees who have served at a GS level for years without opportunities for growth or advancement. There are also employees hired from the private sector who reach the GS 14 and 15 levels quickly, but often lack the institutional knowledge required to be effective. Agencies have used inflated grades as a substitute for the missing pay raises over the last 10 years. Both examples reflect the complexities and the shortcomings of the merit-based system in our current hiring environment.

Quick advancement and high salaries are often helpful to attract talent in a competitive job market. As one participant put it, “We’ve been applying the corporate man of the 1960s to the 2022 workforce, which is very vibrant, very challenging, very moving, very dynamic — and our rules have not kept up. We have a totally inadequate rule system being placed on a workforce which doesn’t expect to have a pension.”

## Attracting a Younger Generation

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Many agencies on the panel are focused on recruiting and retaining young Gen Z employees. With four distinct generations in the federal workforce, agencies must **tailor their hiring approach** to the preferences of each. The data on Gen Z is encouraging. It shows a generation of workers willing and eager to serve.

But the challenge comes with **marketing public service** in a way to attract a young generation. With expectations counter to the current experience being offered by the federal government, agencies must get creative to recruit young workers successfully. One strategy is to connect the agency mission to the role being advertised. Market how the role contributes to the overall mission.

There are other practical ways to begin this work without changing rules or regulations. One agency represented at the roundtable is working on **casting a wider net** when advertising open positions. They are hosting online events to share details and answer questions about open positions. Those interested can hear directly from the hiring manager about the role and the recruitment process. The agency advertised this position for 30 days, and while that is longer than normal, they received 522 applications.



Remaining open and **honest about the hiring process** is also important to set expectations early with young workers. Offering guidance on when and how to apply for internships and jobs can also be helpful. For example, for college students interested in the Pathways program, they should apply in January or February of each year. College graduates should also cast a wide net and apply to many agencies, understanding they may not get their first choice. Technology can help automate communications, expand outreach and allow agencies to proactively connect candidates to similar open roles.

Because the government cannot reasonably compete for private sector roles on pay alone, hiring managers should hire the people who want to serve. Identifying their reason for wanting to work in government is key to retaining these young workers. At the same time, agencies must adapt to the needs of a younger workforce. Because work-life balance is important for young people, agencies should not automatically dismiss that need because it doesn't currently align with agency culture or practice.

## **Retention**

**“Besides people of retirement age, the second biggest group leaving the government are people under thirty. That's a bad sign. Something's wrong.”**

### **Retention Challenges**

The next greatest challenge besides recruiting skilled talent is retaining existing employees. While there are myriad factors contributing to high turnover rates in government, ultimately it comes down to funding. With workers turning to higher paying jobs in the private sector, agencies simply cannot compete. Ideally, agencies could offer student loan repayment incentives and lifetime healthcare after five years of service.

But as one participant noted, the reality is that most agencies can't even provide a decent cost of living wage to existing employees, let alone offer updated technology and systems to create an enjoyable working experience. With the threat of government shutdowns, government employees could go up to 29 days without paychecks. Due to charged politics on the Hill, agencies also receive their budgets late, forcing them to spend 12 months of funding in half a year. These circumstances are creating an undesirable working environment, yet are largely out of agency control.

**“Good projects get started, and then if there's a change in administration, they get shot down – even if they were good for business.”**

Participants point to the politicalization of civil service and the fundamental work of government. Agency leaders often find themselves spending time campaigning for why a program, initiative, or upgrade should exist, rather than receiving appropriate funding to keep up the normal cost of doing business.

Political chatter calls for agencies to tell a more comprehensive story. It is not a one-size-fits-all approach for entry, mid and senior level candidates. And it does not come with an easy solution. Agencies need adequate funding and courageous leadership to fulfill their mission and retain skilled workers.

## Retention Strategies

- Rewards programs
- One on one conversations
- Surveys
- Gamify training
- Mandatory training waivers, earned with perfect score on pre-tests
- Saying thank you

**“We want employees to know that they're valued, that they're appreciated, and that they're seen.”**

## Improve Training

Data shows that agencies should be recruiting for lower GS positions and training these workers for mid-career opportunities, while improving their experience, so as to retain them long-term.

To ensure workers successfully learn new skills, move GS levels, and stay engaged agencies must improve how they train their employees. Participants noted a shift in how new generations of employees learn to do their jobs. Up until the recent shift to remote and hybrid work, most Federal employees learned through an apprenticeship model. With employees scattered across the globe, training is now often conducted through lengthy online videos.

Not only is this type of online training non-engaging, but an entire generation of federal employees are also likely missing out on learning key institutional knowledge that's absorbed by working in-person. Thankfully, new technology is helping agencies offer personalized training content that's interactive and team oriented. Some agencies are using AI based technology to facilitate better communication between remote teams.

But participants caution on the future use of AI in government, especially when it comes to decision-making. Senior level roles in government require having good judgment and often picking the lesser of two evils. These decisions typically involve multiple, complex factors and have long term implications. It's unclear what role AI will have in future government decision-making.

## Recent Hiring Success Stories

- HR intern program - Agency brought in over 600 interns so far this year. 41% are new to the federal government. Contributes success to direct hiring authority issued by Congress.
- IT division - Agency wrote job descriptions, recruited, hired, and on-boarded 16 tech positions since December 2022. Contributes success to creative recruitment strategies and full support from c-suite and administrative roles.
- Large agency - Agency seeing lowest turnover rates in 20 years. Contributes success to prioritizing new retainment strategies, employee engagement, and improving the employee experience through rewards programs and regular surveys.

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