

# Innovative Federal Hiring



Leveraging process modernization, technology, and innovative practices to create effective, efficient, and engaging hiring processes for the federal government.

**F**ederal agencies face significant challenges recruiting and hiring talent into the public service. Many attempts to improve federal hiring falter and many hiring managers are disappointed with the quality and volume of candidates. Even with broad-based strategies such as the 80 Day Time-to-Hire (TTH) initiative and Category Rating authorities, the federal hiring process remains complicated and falls short of success.

Recent publications by GAO, MSPB, and OPM show the extent of the frustration. As MSPB states in its August 2014 Report about veterans' preference, "Some of the perceptions of inappropriate favoritism may have been a result of the complex hiring process and a proliferation of hiring

WHITE PAPER  
Innovative Federal Hiring

authorities, which can invite misunderstandings and provide opportunities for suspicion.”<sup>1</sup>

GAO states, in its July 2014 report that “Almost since its inception in 1949, questions have been raised about the GS classification system’s ability to keep pace with the evolving complexity and nature of federal work.”<sup>2</sup> The classification system, as with other personnel management processes that affect recruitment, drives the qualification requirements used by agencies in recruiting talent.

OPM, addressing agency frustration with extremely high volume of candidates for each job posting, is quoted in a *Baltimore Sun* article<sup>3</sup> stating “demand is high for federal jobs and agencies are experiencing a significant increase in the number of applications, which may not necessarily produce more qualified candidates.” This is why the practice of limiting the number of applications per job posting is rising. OPM endorses this practice “depending on their need for qualified applicants and the number of job openings.”

The Partnership for Public Service (PPS), in its May 2014 report<sup>4</sup> states that “Another challenge relates to struggles with the hiring process. Higher than average turnover, rising workloads and tight budgets highlight the importance of making sure that the people agencies hire are exceptionally well matched to jobs, but CHCOs report that this is not consistently the case.”

The challenges of federal hiring are clearly on the minds of policy makers and human capital leaders. To date, process improvements have faltered or failed – so much so that OPM has even revised the TTH reporting requirements substantially.

## Problem Definition

Attempts to deploy new federal hiring processes and methods have failed to streamline and add efficiency to the hiring process. Hiring managers, in particular, are frustrated with the quality of candidates and the number of candidates available to hire. At the same time that the volume of candidates poses a significant business process hurdle for human resource offices, the quality of the candidate presented to hiring managers has failed to meet managers’ needs and expectations.

<sup>1</sup> Merit Systems Protection Board Report “Veteran Hiring In The Civil Service: Practices and Perceptions” August 2014

<sup>2</sup> General Accounting Office Report “OPM Needs to Improve the Design, Management, and Oversight of the Federal Classification System” July 2014

<sup>3</sup> The *Baltimore Sun*, August 17, 2014: [http://articles.baltimoresun.com/2014-08-17/news/bs-md-federal-job-application-limits-20140816\\_1\\_federal-agencies-personnel-management-applications](http://articles.baltimoresun.com/2014-08-17/news/bs-md-federal-job-application-limits-20140816_1_federal-agencies-personnel-management-applications)

<sup>4</sup> Partnership for Public Service Report “Embracing Change: CHCOs Rising to the Challenge of an Altered Landscape” May 2014

The collective problems can be stated simply:

- Job postings are generating extremely high volumes of candidates, hundreds and even thousands per job posting.
- Previously utilized programs for attracting new talent, such as the Pathways Program, have been made more complicated by virtue of changes to recruitment practices, namely the requirement to post to USAJOBS instead of cultivating a direct relationship with colleges and universities that provide the best pipeline of candidates for each agency's mission.
- Managers complain about the quality of candidates, namely that candidates don't meet minimum qualification requirements for the job.
- Managers are also frustrated by having so few candidates referred for consideration.
- Unprecedented numbers of agencies and HR Specialists are losing their hiring authority due to regulatory violations identified in OPM audits.<sup>5</sup>
- CHCOs report a substantial decline in skilled and experienced human resources specialists available for hire and persistent vacancies as more and more agencies pursue a smaller and smaller pool of experts in federal HR.
- Agencies are engaged in more and more upward reporting of metrics, status, performance, and spending which is an added workload that distracts resources from core human resource functions.
- Workload increases have resulted in more and more work going from internal HR staff to contractors further worsening the development of internal skills and experience.
- Technologies that have been adopted have minimally improved HR business processes while online job postings and application receipt have significantly increased application volume.

## High-Level Solution

Absent significant reforms of both the position classification and hiring processes for the federal government, these problems are likely to continue if the business processes inside human resource operations remain the same. Although there are many cries for reform, the likelihood of Congressional action is far into the future as it will follow considerable debate and, if successful, will require years to implement. Therefore, it is incumbent on agency human resource operations to look for methods, technologies, and practices that will address these pressing problems. To do so, agencies will have to examine biases and assumptions that are currently holding back the process of sustainable and impactful change.

<sup>5</sup> The exact number of these is not known since it is not consolidated or publicly reported; however, in examining reports by agencies and departments, an increase appears to be occurring, for example, Department of Energy recently reported that 48% of its Delegated Examining Units had lost their hiring authority due to veterans' preference violations.

Current biases that are worth examining:

1. Human resource specialists add value to the hiring process by examining every application for necessary proof documents and supporting work experience descriptions before generating a referral list. Applicants routinely lie on their applications to game the online application to their advantage.
2. Each vacancy or small group of vacancies should be posted individually, or each location for a group of vacancies posted individually, and for a minimum posting period of 10, 20, or 30 days and open-continuous announcements are hard to manage because lots of candidates are no longer interested in the positions and this causes referral lists to become stale and unusable.
3. Too much manager involvement leads to discrimination or veterans' preference violations.
4. Managers are slow to make selection decisions and that is what elongates the time-to-hire.
5. Contracting the work to OPM, guarantees passing Delegated Examining audits. All available resources are required for production work and time to develop new HR specialists is sacrificed to get near-term production accomplished.

The reason these particular issues are worth challenging is that they are the most significant obstacles to improving HR business processes and leveraging available process improvements. Too often, time-worn assumptions prevail over innovation and change. Given the regulatory complexity of the hiring process and the growing need to fill positions efficiently and expeditiously, it is time to challenge these assumptions and look for solutions that are both compliant with regulation and improve the outcome of the hiring process.

Among the reasons hiring process problems, and other HR business process problems, persist, is the failure to leverage technologies, processes, and skill development opportunities that would effectively address these issues. This is what this white paper seeks to address. The existence of modern and robust technologies can effectively address the most common problems with HR business processes. To be operationally effective in a federal HR program requires the adoption of new ideas, a willingness to experiment and change long-standing assumptions, and development of sustainable expertise within HR offices.

## Solution Details

At Avue, we are practiced at introducing technology solutions that deal effectively with process issues within federal HR offices. The Avue human capital management platform, which is a

native federal platform, uses technology as an HR force multiplier. Here are some ways that happens, and how the specific problems identified earlier, can be effectively addressed by technology.

1. *Human resource specialists add value to the hiring process by examining every application for necessary proof documents and supporting work experience descriptions before generating a referral list. Applicants routinely lie on their applications to game the online application to their advantage.*

This is largely a product of two things. The first is inadequately designed online applications and questionnaires. For an online application process to be trustworthy, it must apply rigor to the eligibility and assessment questions and ensure that the applicant is carefully guided to disclose information accurately. Most online applications use a process with an easily identifiable hierarchy of answers to questions that leads applicants to select responses that are not a good match for their actual experience. When the narrative KSA responses were eliminated, the problem worsened because applicants did not have to make that match happen – despite encouragement by HR to ensure a direct match could be found in the applicant's résumé.

To change that, questions must be nested to ask deeper more probing validation questions and the proof documents must be required at the time the applicant is answering questions related to it. For example, Avue asks each applicant claiming veterans preference to input data into an image of the DD214, in the very boxes that correspond to the sections of the DD214 the HR specialist uses to verify veterans preference. The applicant is then asked to attach the DD214 in this section of the questionnaire. The same is true for the SF50. This greatly reduces the likelihood the applicant is self-certifying inaccurately and insures proof documents are attached to the application which insures applications are complete.

In reviewing thousands of vacancy announcements and online referral lists, Avue found that HR specialists changed a candidate's self-assessment less than 2% of the time – and found that in slightly less than half the cases, the change favored the applicant. When high volumes of candidates are applying, this means that the effort to conduct 100% review is wasted labor. Instead, more rigorous application questionnaires, including questionnaires that apply increased rigor and detail from the applicants initial responses, should be applied. Review of candidates should be left to those within reach on a certificate at best. With the right system, review of the selectee is all that would be required.

The second reason this detailed review occurs is HR's bias that applicants routinely lie on their applications. This, in itself, is disturbing since it implies that applicants as a whole are distrustful – which would imply that federal government hires are inherently not to be trusted.

Addressing this bias is a matter of two things. One, as stated above, the online application process must be trustworthy. Two, HR specialists must be presented with the facts and metrics about how frequently the applicant's responses are overturned by an HR specialist and whether that ultimately makes a difference in terms of referral lists generated and the selections made. The use of facts and data are important here because nothing else will change the deep-seated distrust of online applications. To have these facts available, the agency's applicant intake technology must be capable of tracking each and every interaction with the vacancy and each action taken by any user in the system.

Avue has found that its detailed logs and reporting data have contributed significantly to the comfort level HR practitioners have in the online process. In particular, the logs, which show each contact with the vacancy, the user, the date, the time, and the activity, are reassuring and allow the HR practitioner the comfort of knowing that manipulation of the system will be tracked and the user clearly identified so that accountability can take place. Reporting data reflects the changes made across the HR operation, including manager actions. This allows the agency to see which specialists or managers engage in these activities and allows for comparison of one to others, or even the group as a whole. This helps identify remedial actions that may be required or training that would be useful in correcting problems.

- 2. Each vacancy or small group of vacancies should be posted individually, or each location for a group of vacancies posted individually, and for a minimum posting period of 10, 20, or 30 days and open-continuous announcements are hard to manage because lots of candidates are no longer interested in the positions and this causes referral lists to become stale and unusable.*

Individual job postings are extremely labor intensive and promote errors. In reality, open-continuous job postings are more effective and reduce TTH significantly. In addition, it provides an easy and effective way to leverage scarce HR resources. There is great value to nationwide, all locations, open-continuous announcements. There is also great value in

posting the entire career ladder for a particular type of position within the agency or all specializations within the occupation as found in the agency.

But not all open-continuous job postings and online systems are equal. At Avue, we learned that to realize the efficiency of open-continuous, and maintain a level of quality in the candidates, referred certain elements of the open-continuous process had to take place. Here is what makes for a successful open-continuous announcement:

- Applicants must choose the locations they are interested in. Stating locations on the vacancy announcement or even in the body of the application questionnaire is not sufficient. An applicant needs to choose locations in order to feel they are committing to a job offer, should one come.
- Relying on applicants to read, in detail, the public notice job posting and provide the necessary information the agency needs, is a serious mistake. Agencies rely on applicants to read the vacancy announcement in detail and to respond to the agency's requirements while burying requirements in large blocks of, frankly, indecipherable text. After reviewing over 11 million job applicants' behavior, Avue found that less than .02% (yes, less than 1%) ever looked at the public notice job posting. Therefore, if it is important for the process to work efficiently, the criteria or requirements must be made an applicant's decision in the online application process, which 100% of the applicants review.
- Avue also found that open-continuous announcements require outreach to the applicants with 'active' applications at least every sixty days. This is addressed via a click-thru email which asks the candidate if they are still interested and available. The applicant must click-thru to their application and respond in the affirmative. If the applicant does not respond after three emails, the applicant's record is moved to "inactive", which removes that applicant from further consideration. If the applicant later wishes to reactivate, they can do so merely by going into their application and updating the information. At that point, they are restored into the applicant pool.
- For open-continuous to work effectively, the HR specialist needs to be able to run test lists for each and every type of hiring authority – competitive and non-competitive and every variation within each of those two categories. Avue has found that providing all types of referral lists and providing the ability to run test lists allows the HR specialist to determine if they pool is sufficient for the vacancy in question or whether the vacancy is better suited to an individual job posting.
- Candidate Quality Assurance (CQA) is another feature that Avue created to ensure smooth open-continuous processing. CQA allows an HR specialist to look at each application and conduct a quality assurance. (See more about the pitfalls of this in item one

above.) When an applicant has gone into his/her application and has updated it, a flag appears to let the HR specialist know that the application has been updated since the last CQA was conducted. It also allows for any HR specialist to have reviewed an application in the pool rather than having one HR specialist be responsible for all applicants.

- CQA also ensures consistency throughout the agency – so that an applicant that is deemed qualified in one location is not later told they are not qualified in another location for the exact same position.
- Avue also found that agencies wanted to know how often an applicant had been referred and the disposition of that applicant. It is important, therefore, to track each applicant and know how many times the applicant was referred, if the applicant was actively on a different referral list, the process the applicant was in - such as interviewing or reference checking – and how many offers were made, and if made, whether the candidate accepted or declined. Each applicant’s application history with the agency must be visible to HR. This ensures that applicants are not offered competing jobs and that managers are not referred candidates already in active consideration for selection in another location.
- Much of the functionality required for a high quality open-continuous process is based on agency policies, past practices, and applicant assessment processes, in particular multi-hurdle assessment processes. It is important to have an extensive selection of configurations that ensure the process will work within these parameters and match the agency’s practices.

### 3. *Too much manager involvement leads to discrimination or veterans’ preference violations.*

Federal managers are routinely restricted from participating in parts of the hiring process in order to insure the merit systems and regulatory compliance are maintained. This does differ substantially, agency-to-agency. In most cases, there is an unintended consequence to these restrictions, namely that the manager’s involvement occurs at the end of the process and fuels manager discontent with the quality of the applicants presented for hire.

This outcome repeats time and time again. To counteract the unintended effects and still preserve the merit system, Avue found that asking managers to select from a wide range of competencies, certifications, and other attributes of a prototype candidate helps HR understand better the manager’s needs. In many cases, the attributes the manager seeks also informs the HR specialist of a potential classification problem.

For example, the use of the GS-0301 series has proliferated substantially in government.



The number of GS-0301 series positions has grown by 211% since 1998<sup>6</sup>. This is a series with generic qualifications criteria and is used to classify positions where no other series applies. Yet, for the managers of many of the positions classified in this series, specific skills are sought – for example, IT project management skills or budgeting skills. By ensuring that managers are asked to identify specific criteria prior to the job classification and posting, the HR specialist has an opportunity to ensure the position is classified correctly so that the correct qualification standards are used.

In Avue, every manager is surveyed after each selection in order to measure manager satisfaction. In cases where the satisfaction level is low, managers are called to determine the exact nature of the dissatisfaction. In the majority of cases, it is not timeliness or HR service that is the problem. The problem is the quality of candidate and in these cases, with few exceptions; the classification of the position was the culprit. Changing the classification allows the correct qualification criteria to be used and results in a much higher satisfaction level with the candidate pool.

Making this discovery is the reason why a system of applicant assessment should be tightly intertwined with the federal classification of the job and, if both classification and staffing technologies are used, the technologies used should be tightly coupled. This is a proactive step that HR can take to insure the manager is satisfied with the applicants presented to him/her as well as insure managers are protected from inadvertent mistakes that later are made more serious regulatory or merit system violations.

#### *4. Managers are slow to make selection decisions and that is what elongates the time-to-hire.*

Managers should be given the maximum time possible to make selection decisions because the stakes are very high for the manager. A poor choice may be one the manager lives with for a very long time – something that is somewhat unique to the federal sector. Managers like to know as much as possible about a candidate before making what can be a career-defining call.

To help create confidence in making selections, the manager cannot feel rushed to judgment. That means the HR processes must be made efficient to a maximum. Time spent in the HR process creates a deficit of time for the manager, which has been made far more restrictive under the 80 day time-to-hire model.

<sup>6</sup> Source: OPM Fedscope Data

Making HR processes maximally efficient requires deployment of technology solutions that are truly force multipliers. This means using processes like open-continuous announcements which eliminates the protracted process of individual job postings and individually reviewed applications. The balance of time is best spent with high quality manager decision making. Process purity around elements like vacancy announcement content, job analysis, crediting plan development, and other necessary, but time consuming HR processes, need to be performed as efficiently as possible.

At Avue, this meant integrating the development of the job description and classification with other related personnel management processes. That is why, as the job description is created, the qualification requirements, job analysis worksheets, crediting plans, performance plans, FLSA exemption reports, and individual development plans are created at the same instant as the PD and job classification. This eliminates a considerable amount of time spent in the supporting HR processes that must take place to be in compliance with the Merit System, the Uniform Guidelines on Employee Selection Procedures, the Classification Act, and Delegated Examining requirements.

Avue supports all activities relevant to position management, including job classification and pay, and completely automates the processes involved in creating and identifying the work in classified positions and uses sophisticated rules engines to determine relationships between duties, job classification, compensation level, and performance standards. After the analysis is complete, all of the documents are fully integrated to the major duties and responsibilities allocated to a position.

Any system used for federal staffing must do this as well. Digital expert engines must insure that results comply with applicable laws and regulations, in particular the Uniform Guidelines on Employee Selection Procedures and the Merit System Principles. The technology should insure content validity rather than rely on human intervention to manually review and ensure compliance.

Minimizing litigation risk for the agency can be made possible by digital processing engines and extensively correlated occupational databases. Applicant assessment questionnaires or résumé search engines can actually introduce EEO and Merit System compliance risk if this integration is lacking and the agency does not mandate that the job duties and assessment criteria be tightly coupled.

Maximizing and optimizing the business processes within HR, so that managers have the opportunity to thoughtfully make selections, requires innovative thinking and a willingness to operate HR programs differently. As an example, take a recurring hiring process that took a federal agency's HR operation nine months to complete, with managers subsequently taking up to three months to make selections. By using open-continuous postings for all locations and all grades, and a carefully structured online application intake process, the agency was able to reduce HR's workload from six months to 45 days while still giving managers ample time to make selections. Because all selections were made online, HR specialist and managers could see when an applicant was under active consideration in a different location or for a different hiring manager. Applicant volumes increased substantially – and were north of 120,000 each year. At the same time, process time and labor decreased substantially. So, instead of nine months to hire 5,000 to 8,000 employees, the agency was able to complete the same volume of new hires in one third the time.

5. *Contracting the work to OPM, guarantees passing Delegated Examining audits. All available resources are required for production work and time to develop new HR specialists is sacrificed to get near-term production accomplished.*

There is no substitute for expert and experienced HR practitioners within an agency. Contracting the work out, whether to OPM or any other contractor will never eliminate the agency's liability for the work done. In working closely with agencies, Avue has learned that there is no substitute for the quality of the HR operations staff inside the agency. Although work can be performed by contractors to augment agency staff, it can only be performed with quality if the contractor's workforce is comprised largely of retired federal HR experts.

Transference of tasks and activities can be performed well in a partnership where the agency collaborates with a truly knowledgeable contractor with the expertise worthy of a partnership like this. Since the agency, and the agency alone, bears the burden of compliance, it is crucial the agency have internal expertise to properly evaluate and assess the performance of the contractor. For many agencies today, this is problematic – and is worsened by the impending retirement of many HR practitioners.

Similarly, technology choices made by an agency are best evaluated by individuals whose expertise is deep in federal HR. Superficially, technologies may be perceived as the same. In order to evaluate the extent to which the technology is compliant and is, in fact, a force mul-

tiplier, technologies need to be evaluated by individuals with the expertise to see the value from a field of system choices.

Any technology selected by an agency's HR office must raise the expertise of the HR practitioners within that office. At Avue, the technology became part of a total support system that includes in-depth HR training on the regulations, program management requirements, accountability, and services delivered. The technology is one element of the solution. The ability to support the development of expertise within the agency is a crucial element to sustainable success. To further that, support services should be coupled with the technology and the technology should be sufficiently sophisticated to provide 'digital guardrails' that insure regulatory compliance.

## **Business Benefits and Summary**

Federal HR programs benefit greatly from technologies that can be deployed as true force multipliers. The current regulatory environment is complicated and can force business process inefficiencies into HR operations. This does not have to be the case. Thoughtfully developed and well executed technologies can eliminate 80% to 90% of the process inefficiencies introduced by complex regulatory systems.

At the same time, to achieve sustainable success, agencies must partner with contractors with proven and demonstrated expertise in federal human resources – to create a robust ecosystem for service delivery fulfillment and internal expertise development. The federal sector will undoubtedly need reform. Until then, there are meaningful and impactful innovations that can be applied to address the current environment.

Agencies should take every opportunity to investigate, adopt, and deploy the right blend and type of innovation and technology. Only then will sustainable improvements be made to HR operations. The primary requirement is that there is deep federal expertise to back it.