

ISSUES OF MERIT

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Entry-Level New Hires: The New Aging Workforce?

A look at why professional and administrative entry-level new hires may be older and more experienced than you expect.

When you think of an entry-level new hire, what characteristics come to mind?

The picture most people see is a recent college graduate, in his or her early 20s, with little professional work experience. However, the demographics of entry-level new hires tell a different story.

The average age of the Federal new hire in FY 2005 was 33 years old.¹ MSPB compared the average age using a number of different angles, including grade level, competitive/excepted service and median age. While there were some minor differences in these comparisons, the overall results were the same: the average Federal entry-level new hire is in his or her late 20s or early 30s. And this trend persisted as far back as 1990.

These new hires are not necessarily recent college graduates either. In a recent MSPB survey of Federal entry-level new hires, only a quarter (24 percent) of the respondents entered the Government directly out of school. Furthermore, many of them had solid work experience. Thirty-two percent reported having between 1 and 5 years of full-time work experience before accepting a job with the Federal Government. Even more surprising, almost

20 percent claimed to have more than 20 years of work experience.

Having an older, experienced entry-level workforce is an interesting phenomenon. It begs the question of what factors are affecting the age and experience level of entry-level employees. Some of the factors are logical. For instance, on average, college students today are older than they were 30 years ago. Also, many baby boomers are starting second careers in Government, thereby increasing the average age.

However, this trend can also be partly explained by some agency hiring practices that tend to favor age and experience over potential. Having older, experienced new hires is not a bad thing—provided that selection is based on relative ability, knowledge and skill after fair and open competition. But do current hiring practices meet these criterion?

One issue MSPB has raised over the years is that agency assessments tend to rate applicants based on exposure to

¹For the purpose of this article, entry-level new hires are GS-5, 7 and 9 employees appointed to full-time, non-seasonal, permanent positions in executive branch professional and administrative occupations.

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The MSPB Office of Policy and Evaluation conducts studies to assess the health of Federal merit systems and to ensure they are free from prohibited personnel practices.

Issues of Merit

We offer insights and analyses on topics related to Federal human capital management, particularly findings and recommendations from our independent research.

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DIRECTOR'S PERSPECTIVE

Things Will Be Different When I Am King

Before departing, the Director encourages us to take up the battle cry.

"Things will be different when I am king!" This was for me the battle cry I murmured when I encountered the frustrations of both embarking on a Federal career in personnel administration and learning how to lead in a Federal environment. This cry carried with it my unabashed desire to always make things better and to solve problems. It reflected a confidence in the future and in myself, as I expected the future to be better, and I expected to play a role in making it better.

Alas, unlike Sean Connery and Michael Caine in my favorite movie of a related name (*The Man Who Would Be King*), I did not become king. However, I did continue with confidence, desire and optimism and have seen things become very different and much better. I remain excitedly optimistic and confident that Government will be better yet in 5 years and in 10 and in 20. Here are some reasons you too should be confident about the future and also some reasons that you should take up this battle cry.

The terms of art for our career field have changed—from personnel administration to personnel management to human resources management and now human capital management. This was much more than an evolution of nomenclature. Our occupation is reflective of the people, processes and technology around us. It is these three things that caused the evolution of our career field and, accordingly, our name, and they will continue to drive the bigger changes coming so rapidly.

We are in a workforce that is increasingly multi-sector and multi-

generational. This collaboration between sectors and partners is so prevalent that Harvard University is now offering a fully integrated, joint program in business and government. People are indeed a major moving force of the change ahead.

The process orientation of personnel administration has evolved as processes themselves have changed. The field will be impacted by the continuing ability to buy pieces of HR, such as transactional service. Many services and tasks can now be obtained elsewhere with better quality, more speed and for less cost.

We don't advertise jobs the same way. To attract a multi-generational workforce, innovative agencies are using approaches like the Department of Defense's STAR program where students receive academic credit for marketing DoD as an employer of choice. Other agencies are advertising on Facebook and using innovative assessments to measure competencies instead of just training and experience.

Processes have changed greatly and are inextricably intertwined with the technology to enable these changes. Agencies will examine alternate sources to do entire HR functions as well as mere pieces or processes. These changes are being expedited by the availability of technology to effect larger scale consolidations. The Governmentwide HR Line of Business initiative will likely follow in the steps of the massive consolidations we have been seeing in the Government payroll function the last 5 years. The dual edged Chinese blessing is, "May you live in interesting times." We certainly have been and are continuing to live in times of increasingly dynamic and rapid changes.

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Taking Up the Battle Cry

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The path to greater success in such times is not crystal clear and may often become blurred by the sheer speed of change. I offer up three key organizational issues to consider as we look at how things will be different when you are king.

First is playing an active role in the agency organizational structure and determining the core missions that could be done elsewhere. This is part of strategic workforce planning and includes those basic sourcing decisions on what missions, functions, work and tasks are critical to be done internally and which may be considered for optional sourcing. It is crucial for HR to be part of those discussions and decisions.

Second is strategic recruitment planning, which includes a specific plan for obtaining appropriate diversity as well as the future skills necessary for your agency's workforce. This also includes conscious decisions and planning on whether to train for those skills, hire for those skills or buy them elsewhere.

Third, performance management must be a center piece for HR. I predict that pay banding will

replace the General Schedule because organizations need the flexibility it provides for hiring talent in a competitive market. Much less emphasis will be placed on differentiating the value of the responsibilities of a *position* than the skills and competencies the *individual* brings to the organization. Progression up the pay band will depend on strong performance as well as the attainment of new competencies, greater skills or certifications. Therefore, performance management will be critical to making these distinctions.

After more than 35 years of service, I am now retiring from the Federal Government. I therefore pass on my battle cry to the next generation of human capital professionals. These three issues must be the focus of agency leaders relative to expectations of HR. They are also the way you can extricate Excalibur from the stone and take a leadership role in your kingdom.

Steve Nelson

Director, Policy and Evaluation

Entry-Level New Hires

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training and experience, rather than evaluating the actual skills developed during those experiences. This approach not only lowers the ability of the assessment to predict future job performance, but it also benefits older, more experienced applicants simply by virtue of their having worked more years.

In addition, our research indicates that agencies use recruitment methods that are more likely to draw older applicants. Our survey responses indicate that new hires under the age of 30 tend to rely more on personal recruitment sources who come to them, such as a college recruiter or school placement official. New hires 30 and over are more likely to go in search of opportunities, searching out sources such as USAJOBS and agency Web sites. Because agency recruitment efforts rely heavily on posting announcements to USAJOBS, it is not surprising that agencies attract more applicants who are over 30.

Finally, Federal job requirements may also favor people with more experience or education, often without considering future potential. The qualification

standards for occupations that agencies often hire into require certain levels of education or have individual occupational requirements. These requirements can weed out applicants with potential but no experience, despite the fact that the relationship between the requirements and future job performance is sometimes questionable. Also, agencies often hire at higher entry-level grades, requiring applicants to have experience or higher educational levels.

These findings suggest that there may be barriers in the Federal hiring process that make it more difficult for younger applicants who do not have work experience but may have great potential. We are not suggesting that agencies redesign processes to favor younger applicants. Rather, agencies should ensure that their recruitment and assessment practices select the best candidate for the job based on relative ability—regardless of age and years of experience. See our upcoming study, *Attracting the Next Generation: A Look at Federal Entry-Level New Hires*, for more on how agencies can improve their ability to attract entry-level employees. ❖

The Federal Government Rates High Among New Upper Level Employees

While some believe that interest in Federal employment is at an all-time low, the Government's upper level new hires say otherwise.

There is a popular belief that potential job applicants have low interest in the Federal Government as an employer. They perceive the Government to have less challenging work, low pay, little opportunity for advancement and/or poor quality managers and supervisors. To gauge the truth of these perceptions, we asked upper level new hires what they thought of the Federal Government as an employer.¹ Contrary to popular belief, these new hires have positive views of the Government.

We asked upper level new hires from outside of Government to compare their current Federal agencies with their last employers in a number of areas to gauge the Government's ability to compete in the labor market. The areas we asked about include: pay; leave and retirement programs; the opportunity to advance; training and development prospects; challenging work; the chance to make a difference; the quality of managers, supervisors and co-workers; ethical practices; workplace flexibility; dealing effectively with poor performers; treating employees with respect; providing feedback on performance; physical work environment; and effectively using employee skills.

It is notable that the new hires rated their Federal agencies the same or better than their last employers in every area except dealing effectively with poor performers. For example, many new hires indicated that their agencies are better than their last employers at providing challenging work, providing opportunities for training and development, and using employees' skills and abilities effectively. They also see the Government as better at providing them a chance to make a difference with their work.

The two areas where the upper level new hires only rated their current agencies about the same as their previous employers were in terms of leave and pay. In terms of pay—where we expected Federal agencies to do poorly—most upper level new hires actually indicated that Government pay is either better (33 percent) or about the same (34 percent); 32 percent said it is worse. Not surprisingly, many of the new hires who indicated that the Government's pay is worse joined the civil

service for quality of life issues. That is, they came to the Government to better balance their work responsibilities and personal or family needs. Also, new hires' views of pay depended on their grade level. For instance, new hires appointed at the GS-12 grade level were likely to say the Government's pay was better than their last employer, while GS-15s were likely to say it was worse. This is not surprising. For instance, many GS-15 new hires were physicians who earned more in private practice or managers who commanded higher pay.

Overall, our survey data show that the Federal Government has strengths that can enable agencies to compete for highly-qualified, upper level applicants. The Government is not generally affected by the cyclical nature of the economy, thus it has an advantage over other employers when it comes to job security. It has a competitive benefits package, and its pay can also be competitive. In addition, it is seen as a place where people can find challenging work and realize their potential.

Therefore, while agencies may face challenges in hiring highly-qualified employees, the challenges are surmountable. Our survey data suggest that agencies have plenty of good things going for them. Understanding what makes people apply for Federal jobs can help agencies develop effective recruiting strategies that will attract a diverse pool of applicants with the skills agencies need. As our new hires indicated, the Government's strengths, such as workplace flexibilities, can compensate for weaknesses, such as perceived low pay. It behooves agencies to use their strengths by highlighting them in vacancy announcements to attract highly qualified applicants.

Read more about improving upper level hiring efforts in our upcoming report, *In Search of Highly-Skilled Workers: A Study on the Hiring of Upper Level Employees from Outside the Federal Government*. ❖

¹For the purpose of this article, upper level new hires are GS-12, 13, 14 and 15 employees appointed into full-time, non-seasonal, permanent positions in executive branch professional and administrative occupations.



Revisiting Career Advancement

After reviewing the past, MSPB is taking a fresh look at the factors that affect how Federal employees move through their career.

Hiring and retaining a high-quality, diverse workforce requires, in part, that employees are satisfied with the Government as an employer. They must also have—or perceive they have—the opportunity to advance in their careers based on their abilities, performance and interests, regardless of non-job related factors. Employees who have these opportunities (or believe that they exist) likely are willing to do more for their agency, are motivated to perform well, are interested in continuous learning and development, and may remain in Government longer. All of these behaviors help improve the effectiveness and efficiency of the Government.

Federal employees vary considerably in their views about work and careers, and there are many factors that may help or hinder their career advancement. Some factors relate to choices that employees make, such as what occupation they choose, how they perform their work and what types of jobs they apply for. Other factors are beyond the control of the employee but may directly and/or inappropriately affect career advancement, such as gender, race, physical ability or age. To retain an effective workforce, policy makers and managers need to understand employees' experiences, desires, priorities and attitudes regarding their careers, and how these factors impact career advancement. This information can be used to implement policies that ensure employees have equal opportunity to succeed in their careers.

Two MSPB reports were among the first to examine these issues concerning Federal employees and are, to this day, two of our most frequently downloaded reports. In a 1992 study, MSPB showed that women employees in the Federal Government did face a glass ceiling—subtle barriers to promotion (mostly at the gateway GS-9/11 grades) that did not relate to their performance or qualifications. Rather, the glass ceiling was related to the erroneous stereotypes regarding women and their roles, and perceptions that women were less committed to their jobs.

In a 1996 report on fair and equitable treatment of minorities in the workforce, MSPB found that the status of minorities had improved markedly since 1978 with overall minority employment in the Federal Government exceeding that in the civilian labor force. While minorities were promoted at rates equivalent to non-minorities in

higher graded administrative occupations, minorities were not evenly distributed across the white collar Federal workforce. There was little evidence of widespread intentional discrimination, but the perceptions of minority and non-minority employees about the treatment of minorities were so divergent that the two groups had difficulty understanding and accepting the other's perspective.

As announced in the last newsletter edition, MSPB is currently administering the Career Advancement Survey to a Governmentwide random sample of 24,000 employees. Given that much has changed in the U.S. culture over the last 10–15 years, we believe that it is time to revisit the issues brought forth in the previous studies, as well as look at some emerging career advancement issues. We want to know the career experiences and perspectives of all Federal employees, taking into consideration a variety of personal characteristics, such as gender, race and age. Survey respondents will help policy makers and agencies identify barriers to career advancement, and ultimately help ensure the Government maintains a high-quality and diverse workforce. ❖

Quotes from Previous Studies

“Men are promoted at a rate nearly 33 percent greater than women at the GS-9 level, and 44 percent greater than women at the GS-11 level.”

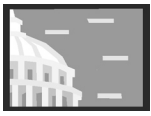
*A Question of Equity:
Women and the Glass Ceiling, 1992*

“Like the issue of mobility, the time that an employee has available to devote to the job is often considered as a key component in evaluating his or her suitability for advancement.”

A Question of Equity, 1992

“...though minorities have had some success of late in gaining entry into professional and administrative occupations, they have been less successful in increasing their proportional representation in the ranks of management within these occupations.”

*Fair and Equitable Treatment: A Progress Report
on Minority Employment in the Federal Government, 1996*



Agency Corner: The State Department Is Keeping in Touch with Retirees

In the next few years, the Government expects to lose many of its most knowledgeable workers to retirement. Therefore, policy makers have discussed how to make it easier and more beneficial for retirees to return to work part-time or as re-employed annuitants. By capturing information about employees' interest in work beyond retirement, agencies can be prepared to find and bring back the right retiree when there is an emergency or short-term staffing need. The State Department is leading the way in establishing this type of database and other agencies should consider following their example.

The State Department has set up a Web site (www.RNet.state.gov) for employees to complete forms and other procedures associated with retirement. But, while the soon-to-be-retired employees are indicating when they would like to retire, they may also indicate if they would be interested in returning on a part-time basis.

What makes RNet such an interesting system is that this is not just a yes/no question. Employees who indicate that they are willing to consider future employment are

able to input their skills so that they can be matched to future opportunities. They can provide information about themselves to highlight what makes them extraordinary, or why they would be a good selection for a certain type of assignment.

One of the most useful features of RNet is that employees are also asked what types of positions they are interested in and to what locations they are willing to travel. This gives the agency a matching ability that may increase its chances to find the right retirees for jobs in a timely manner. Also, retirees will be able to find jobs that are right for them, and therefore be willing to come out of retirement for the assignments being offered.

RNet works particularly well for the State Department because the Foreign Service rules already allow for bringing retirees back part-time. But a similar system could be valuable for other agencies as well. If knowledge is power, then a database with the skills, interests and availability of agency retirees can be a powerful tool in helping manage human capital needs. ❖

Supervision 101: Coaching Your Employees

Coaching is an important part of every supervisor's job. Just as a skilled coach is vital to the success of a sports team, an effective coach is essential for a high performing work team.

What Is Coaching? Coaching is guiding employees to enhanced job performance by analyzing what can be changed and helping them learn how to make those changes. Not everyone can be a superstar, but everyone can learn to perform to their maximum potential.

What is the difference between feedback and coaching? Feedback is providing information on past behavior while coaching is helping an employee alter future behavior. However, feedback is an integral component of coaching because it is important for employees to understand what has worked or not worked in the past before they can change their future behavior. The basketball coach recalls a player's triumphs or errors as the starting point for a discussion of what the player can do in the next game to score more points. The supervisor can also use examples of an employee's past effective and ineffective behaviors to highlight the changes needed to maximize performance.

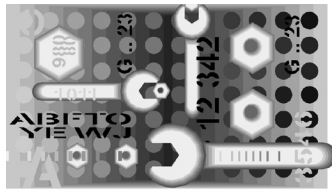
A good coach builds a bridge from current to improved performance by objectively identifying how employees can improve, providing candid feedback and assisting employees in planning how they can enhance their performance. Focusing on improvements and paying attention to the critical details makes the difference between winning and ho-hum performance.

When Should You Coach? Coaching is an ongoing partnership between supervisors and employees with the employee's continual growth as the shared objective. Employees who have not yet developed the competence for the job may blossom into solid performers; solid performers may become master performers; and master performers may move to the next level of expertise.

Some situations are especially appropriate for coaching, including helping employees transfer new knowledge and skills learned in training to the workplace, preparing employees for a new or especially challenging assignment, equipping employees for career advancement, and leading employees from an upsetting failure or shortfall to being well prepared for the next opportunity.

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TOOLS OF THE TRADE



Using employee referral programs to bolster recruitment.

Several MSPB studies have shown that a large number of Federal new hires first heard about their job from a friend or relative, often one who already works for the Federal Government. This fact demonstrates the potential value of an employee referral program. In addition, several studies of private sector referral programs (including work by the Society for Human Resource Management and Ohio State University) show that they are more cost effective than more traditional recruiting methods and that the resulting hires stay longer. Therefore, agencies may want to consider integrating referral programs into their larger recruitment strategy.

Federal agencies may grant referral bonuses to employees who attract new employees to their agency under their general incentive awards authority (5 CFR §451). Agencies need only to determine whether the use of such bonuses is appropriate and then establish criteria for giving the bonuses to employees. However, to make employee referral programs an effective recruitment tool, agencies should do more than simply encourage employees to refer friends and acquaintances for job openings. A survey by Referral Networks revealed that

Coaching

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How Do I Coach? Effective coaching begins with careful thought. If you formulate answers to the following questions before meeting with an employee, you should be well prepared.

- ∞ What is your analysis of the situation? What are the employee's strengths and weaknesses? In what areas can the employee improve or change?
- ∞ What is the goal for the coaching session?
- ∞ What specific examples of past behavior (successes as well as failures) can you provide?
- ∞ Are there any obstacles to improved performance—what are they and what can be done about them?

During the coaching session, encourage the employee to share his or her perspective and ideas. This is a dialogue, not a monologue. Collaborate with the

employees often refer someone because they want to help a friend find a good job, rather than to help the company.

One way to increase the quality of referrals is to formalize organizational and employee networking activities. Ask employees to identify the leaders in their field and explore ways to contact and build relationships with these people. Encourage employees to participate in interagency meetings, conferences and associations to identify high performers who may be cultivated for current or future job openings.

To properly cultivate these contacts, employees must understand the future hiring needs of the organization. So, communication about these needs should be clear and constant. In addition, managers must support these networking activities as a part of an employee's job responsibilities and appropriately reward employees when their efforts result in a high-quality hire.

In addition to improving the quality of referrals, a proactive approach may also alleviate concerns that often surface in discussions about employee referral programs: that they may result in a less diverse applicant pool because employees will tend to refer candidates who look like them. A proactive approach focuses on targeting high performers instead of just referring friends and acquaintances. In addition, a robust employee referral program should only augment, not replace, other methods of advertising vacancies that ensure a diverse applicant pool. By using employees to proactively establish bonds and relationships with employees in high performing organizations, agencies can be more confident in their ability to recruit high-quality applicants. ❖

employee to develop a plan for moving forward and follow through on the plan over time.

Also, be tactful but be candid and specific about the behaviors that need to be changed and the expected impact of the changes. Remember, good coaches care about their people but they do not try to win popularity contests. They tell their team members what they need to hear even if a team member does not want to hear it.

Coaching employees means helping them maximize their potential through effective use of their talents, developing new skills and knowledge, and overcoming challenges to their performance. These steps will not only help the employee improve his or her individual performance, but they may also lead to greater morale, teamwork and productivity within the organization. ❖



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