

JOBS, JOBS, JOBS: TRANSFORMING FEDERAL HIRING

HEARING

BEFORE THE
SUBCOMMITTEE ON FEDERAL WORKFORCE,
POSTAL SERVICE, AND THE DISTRICT
OF COLUMBIA

OF THE

COMMITTEE ON OVERSIGHT
AND GOVERNMENT REFORM
HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

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JOBS, JOBS, JOBS: TRANSFORMING FEDERAL HIRING

WEDNESDAY, MAY 19, 2010

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON FEDERAL WORKFORCE, POSTAL
SERVICE, AND THE DISTRICT OF COLUMBIA,
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:07 p.m. in room 2154, Rayburn House Office Building, Hon. Stephen F. Lynch (chairman of the subcommittee) presiding.

Present: Representatives Lynch, Norton, Cummings, Kucinich, Connolly, and Chaffetz.

Staff present: Jill Crissman, professional staff; Aisha Elkheshin, clerk/legislative assistant; William Miles, staff director; Dan Zeidman, deputy clerk/legislative assistant; Rob Borden, minority general counsel; Howard Denis, minority senior counsel; Marvin Kaplan and Mitchell Kominsky, minority counsels; and Alison Prentschler, minority staff member.

Mr. LYNCH. Good afternoon. The Subcommittee on Federal Workforce, Postal Service, and the District of Columbia hearing will now come to order.

I would like to welcome our ranking member, Mr. Chaffetz of Utah, members of the subcommittee, hearing witnesses and all of those in attendance.

The purpose of today's hearing is to review recent regulatory changes to hiring, such as shared registers, the upgraded USAJOBS Web site, and the veterans' employment initiative, as well as to consider proposed legislative initiatives.

The chairman, the ranking member, and the subcommittee members will each have 5 minutes to make an opening statement, and all Members will have 3 days to submit statements for the record.

I would also like to ask unanimous consent that the American Legion's statement be submitted for the record.

Hearing no objections, so ordered.

[The prepared statement of the American Legion follows:]

**STATEMENT OF
ROBERT MADDEN, ASSISTANT DIRECTOR
NATIONAL ECONOMIC COMMISSION
THE AMERICAN LEGION
BEFORE THE
SUBCOMMITTEE ON THE FEDERAL WORKFORCE, POSTAL SERVICE, AND THE
DISTRICT OF COLUMBIA
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
UNITED STATES HOUSE OF REPRESENTATIVES
ON
“JOBS, JOBS, JOBS: TRANSFORMING FEDERAL HIRING”**

MAY 19, 2010

Chairman Lynch, Ranking Member Chaffetz, and Members of the Subcommittee:

Thank you for this opportunity to present The American Legion's views on transforming Federal hiring. The American Legion commends the Committee for holding a hearing to discuss this very important and timely issue.

The Veterans' Preference Act of 1944 was the first piece of legislation giving veterans a streamlined way to enter into Federal government service or civil service. Since this landmark legislation, there have been many modifications to this bill, such as adding mothers of veterans and spouses of veterans for hiring preference, but overall the original intent of the bill remains. Veterans' preference is meant for those individuals who honorably served their country in the Armed Forces and are qualified to receive veterans' preference. The Federal government has a 5-point and a 10-point preference for those of certain service and for those who are disabled veterans. Veterans have proudly served in defense of their country and the United States has legislated that these individuals should be granted preference in receiving government jobs.

The American Legion believes changing and reforming the Federal hiring process is not an easy task but it is a necessary task. The antiquated ways of doing business caused veterans many months of waiting before getting word that they were or were not selected for a certain position. President Obama has announced two separate hiring initiatives that will assist veterans and help simplify and streamline the hiring process for veterans and all individuals who are looking to join the Federal workforce

The first of those initiatives was the *Executive Order on the Employment of Veterans in the Federal Government*, signed in November of 2009. This government initiative enhances the recruitment of and promotes employment opportunities for veterans within the executive branch of the Federal Government. It also seeks to align the skills and career aspirations of veterans with the staffing needs of Federal agencies. The Office of Personnel Management (OPM) has issued a government-wide strategic plan that will focus on creating infrastructure and programs for the successful recruitment and employment of veterans within agencies. The Departments of

Defense (DOD), Labor (DOL), VA, and Homeland Security (DHS) as well as other agencies are partnering with OPM on the development of the strategic plan and its implementation.

The second of those initiatives is: *Improving the Federal Recruitment and Hiring Process*, which was signed on May 2009. The old way of doing business when hiring individuals is out the window and the OPM has taken steps to streamline the process. No longer do veterans, or any individuals, have to fill out KSA's, but can submit just their resume and a cover letter. In addition they are no longer taking the highest 3 but are allowing more flexibility with the hiring managers to pick all of those who qualified for the position. Veterans who have qualified will be placed at the top of that list in order to make sure Veterans' Preference is being used. OPM noted that the average time from initial screening to hire took the Federal government approximately 130 days. The Metric or goal that they are using will be to get that number down to 80 days or less. Veterans who are looking for immediate job placement will no longer have to wait the extended periods but will be allowed employment as soon as possible. The American Legion believes that Veterans who are seeking jobs within the Federal government should not have to wait 130 days but should be processed as quickly as possible.

The American Legion supports the Federal Hiring Initiative because it ensures veterans receive the maximum opportunity to continue their service to this nation by working for the Federal government. It also makes sense for the government to take aggressive steps to keep transitioning military service personnel within the Federal government. Federal agencies will benefit from the skill-sets of veterans and transitioning service members. Approximately 25 percent of federal employees are veterans. OPM reported in 2008 that DOD employed 257,933 veterans, while the VA employed 73,623 veterans. The American Legion wants to see more Federal agencies reach these significant numbers of veteran employees.

Veterans' preference is the law, not a goal. The American Legion strongly urges all Federal agencies to ensure Veterans' preference is being enforced and not passed over for another hiring process. Veterans have served and fought for this great nation and since the Civil war veterans have been granted preference for Federal hiring, a practice that The American Legion believes is being passed over for other hiring practices.

Finally, The American Legion encourages Congress to oversee each agency to ensure veterans are being interviewed and hired. It is vital that human resource personnel be properly trained on veterans' preference and that they are properly implementing Veterans Preference and using all available means to hire veterans. Veterans are and will continue to be an important source of talent for the Federal workforce.

VA REGIONAL OFFICES (VARO)

The American Legion believes that veteran's are a good source for Federal Employment. The total number of veterans who work in Federal government is 25.5 percent as of 2008. With the work the VA completes on a daily basis, and specifically the claims processors and adjudicators, the American Legion believes that this work should be left to Veterans. Veterans have a better sense of what other veterans need. The veteran workforce percentage in VAROs range from 3.5 percent to over 75 percent. This disparity is unacceptable and needs remedied.

FEDERAL CAREER INTERNSHIP PROGRAM (FCIP)

The FCIP program is a service appointing authority that allows Federal agencies to hire without public notice. The FCIP program has increased its amounts of Federal hiring since its inception in 2000. In 2008, over 22,500 individuals were appointed under FCIP and now accounts for 50% of new hires in professional and administrative positions in the GS-05, GS-07, and GS-09 grade levels. Federal agencies are inclined to ignore the primacy of the competitive examination process, which includes the application of veterans' preference in Federal hiring. With the multiple certificates that Federal agencies have at their disposal, this process leads to the hiring professional to view each one of these as the same and choose one over the other, thereby not following veterans' preference. An individual can only be hired or appointed in the competitive service only if he/she has passed an examination or is of necessity excepted from examination. A departure from using competitive examining as the main entryway into Federal service can lead to violations of veterans' preference laws.

I would like to thank the Chair, Ranking Member and the rest of the Subcommittee for giving The American Legion the opportunity to address this important issue.

Mr. LYNCH. I now yield myself 5 minutes for an opening statement.

Ladies and gentlemen, those of us assembled here this afternoon, no matter our political stripes or whether an applicant, union member, manager, or current Federal employee, unanimously agree that the Federal Government's hiring system falls short of the optimum. Since our Nation is experiencing numerous and complex challenges that require smart, capable individuals who possess the necessary skills and leadership abilities to ensure our future, it is critically important that the Federal Government, as an employer, be able to easily recruit and hire qualified candidates.

Unfortunately, this has not been the case over the past several years, which is why I have called today's hearing to discuss how best to improve the Federal hiring process.

The American public expects merit-based hiring for public service jobs, and rightfully so; however, this is easier said than done since enactment of the Pendleton Act, which established the Nation's adherence to public notice and competition for Federal employment opportunities. Much debate has occurred on this topic, ranging from what assessment tools and standards should be used to evaluate applicants to where positions should be advertised and how candidates should ultimately be selected.

Additionally, the Federal Government has long stood by its commitment to hire individuals with military service. And, given the large number of veterans stemming from Operation Iraqi Freedom and Operation Enduring Freedom and Afghanistan, it is critical that we continue to uphold this pledge. At the same time, scores of college graduates are eager to answer the call of service. It is my hope that, working with all of you in this room, we can craft a hiring structure that will fulfill our obligations to our veterans, as well as allow for the advancement of existing employees and the on-boarding of recent degree recipients.

The Federal Government as an employer must also be engaged in ensuring that a diverse set of individuals are recruited and retained so that the public servants that are charged with performing the people's business ultimately reflect our Nation's society.

During a time of high unemployment, as an employer the Government has a special responsibility to ensure that its citizens are aware of job openings and that the application process is completed as swiftly and as fairly as possible; thus, I anticipate the testimony and feedback we will receive from today's witnesses will provide the subcommittee an opportunity to assess Federal hiring in general, as well as a chance to review recent executive branch hiring programs such as the veterans' hiring initiative, the revamped USAJOBS Web site, and the shared registers and, of course, the President's hiring reform memorandum that was issued just last week.

I am glad that the subcommittee is joined by the Office of Personnel Management Director, John Berry, who, as a champion of our Federal work force, has been tenaciously focused on advancing hiring reform for the Federal Government.

Again, I thank each of you for being with us this afternoon and I look forward to your participation.

[The prepared statement of Hon. Stephen F. Lynch follows:]

STATEMENT OF CHAIRMAN STEPHEN F. LYNCH
SUBCOMMITTEE ON FEDERAL WORKFORCE
AND POSTAL SERVICE, AND THE DISTRICT OF COLUMBIA
HEARING ON

“Jobs, Jobs, Jobs: Transforming Federal Hiring”
Wednesday, May 19, 2010

Ladies and gentlemen, those of us assembled here this afternoon, no matter our political stripes or whether an applicant, union member, manager, or current federal employee, unanimously agree that the federal government’s hiring system falls short of optimum. And since our nation is experiencing numerous, complex challenges that require smart, capable individuals who possess the necessary skills and leadership abilities to ensure our future, it is critically important that the federal government, as an employer, be able to easily recruit and hire qualified candidates.

Unfortunately, this has not been the case over the past several years, which is why I have called today’s hearing to discuss how best to improve the federal hiring process. The American public expect merit-based hiring for public service jobs, and rightfully so. However, this is easier said than done. Since enactment of the Pendleton Act, which established the nation’s adherence to public notice and competition for federal employment opportunities, much debate has occurred on this topic, ranging from what assessment tools and standards should be used to evaluate applicants to where positions should be advertised and how candidates should ultimately be selected.

Additionally, the federal government has long stood by its commitment to hire individuals with military service, and given the large number of veterans stemming from Operation Iraqi Freedom and Operation Enduring Freedom in Afghanistan, it is critical that we continue to uphold this commitment. At the same time, scores of college graduates are eager to answer the call of service. It is my hope that working with all of you in this room, we can craft a hiring structure that will fulfill our obligation to our veterans as well as allow for the advancement of existing employees and the on-boarding of recent degree earners. The federal government as an employer must also be engaged in ensuring that a diverse set of individuals are recruited and retained, so that the public servants that are charged with performing the people’s business ultimately, reflect our nation’s society.

During a time of high unemployment, as an employer the government has a special responsibility to ensure that its citizens are aware of job openings, and that the application process is completed as swiftly and fairly as possible. Thus, I anticipate the testimony and feedback we will receive from today’s witnesses will provide the Subcommittee an opportunity to assess federal hiring, in general, as well as a chance to review recent Executive branch hiring programs, such as the Veterans’ hiring initiative, the revamped USAJOBS website, shared registers, and of course, the President’s hiring reform memorandum issued just last week.

I’m glad that the Subcommittee is joined by Office of Personnel Management (OPM) Director John Berry, who as a champion of our federal workforce, has been tenaciously focused on advancing hiring reform for the federal government. Again, I thank each of you for being with us this afternoon, and I look forward to your participation.

Mr. LYNCH. I will now yield 5 minutes to the ranking member, Mr. Chaffetz of Utah.

Mr. CHAFFETZ. Thank you, Mr. Chairman, and thanks to you, Director Berry. I want you to know I sincerely appreciate the cooperative spirit that you bring to working with the subcommittee, and with both of our staffs on both sides of the aisle. That is very much appreciated and we thank you for being here today, and the other witnesses that will testify on the second panel, as well.

I do support the Office of Personnel Management's efforts to streamline and reduce the bureaucratic red tape, the Federal recruiting and hiring process. I am very sympathetic with the idea that it takes 160 days, and trying to reduce that down to 80 days. Even 80 days to me seems like much too long to have to go through the process for fulfilling a position. If suddenly an employee were to leave, for whatever reason, and there was a gaping hole, it seems like a very long, convoluted process that can certainly be streamlined. I am very sympathetic with those goals and concur with the goals along the way.

At the same time, there are a number of concerns with the Federal work force and I'm sure this won't be easy. The Federal Government already employs approximately 2.8 million civilian employees and is experiencing a robust expansion of unprecedented levels. Perhaps this discussion is there for another day.

When we talk about jobs, jobs, jobs, I am more concerned about jobs in the private sector, not the public sector, but, nevertheless, given the administration's push for the growth and expansion of Government, we are going to have to deal with the fact that we need to hire people at unprecedented rates.

I am concerned about the trend and believe that the hearing presents an opportunity to examine how to maximize the efficiencies of the Federal work force and certainly try to become closer to what is already happening in the private sector.

We have the average age of the Federal work force rising. We have retention rates that are much greater than in the private sector because of these high-paying jobs with good benefits. At the same time, we have an aging work force, and we need to consider hiring practices that can fill the looming gap. Our troubled economy has created a dynamic with more and more people looking for jobs than ever before. Prospective employees are no doubt seeking greater stability, higher pay, and attractive benefits that Federal employment has to offer.

The American public, who on average earn significantly less in wages and benefits than Federal employees, rightfully demand their money be spent wisely and efficiently, something that cannot be said of the current Federal employment system. However, the administration is attempting to address some of these inefficiencies and I applaud them in those efforts.

Last week the President issued a memorandum intending to improve the recruitment and hiring of Federal employees, and I applaud these proposed reforms. I do have some specific questions and things that will need further clarification as we move forward, and hopefully they will all be successfully implemented.

Today's hearing allows us to engage in a spirited discussion of the administration's recent memorandum and other initiatives, es-

pecially since Federal human resource management is one of our key oversight functions.

I look forward to hearing from the witnesses today.

I do believe there are some other issues that we will need to address, although not directly on topic. I think the idea and the notion that current Federal employees should be paying their Federal taxes and that potential Federal employees should be current in paying their Federal taxes is an issue that I will not let go of, and I think we need to address it sooner rather than later.

Obviously, we have issues with veterans, with the intern program that I know Congressman Connolly and others are working on, Congressman Bilbray from the Republican side of the aisle. We will have to explore those ideas, as well.

But again, Mr. Chairman, I want to thank Director Berry for being here and the cooperative spirit that he brings to us and look forward to the hearing.

I yield back. Thank you.

[The prepared statement of Hon. Jason Chaffetz follows:]

Opening Statement

Rep. Jason Chaffetz, Ranking Member
Subcommittee on Federal Workforce, Postal Service, and D.C.

Hearing: "*Jobs, Jobs, Jobs: Transforming Federal Hiring*"
May 19, 2010

Thank you, Chairman Lynch, for holding this hearing.

Mr. Berry was confirmed as Director of the Office of Personnel Management over a year ago, and I appreciate that he has worked cooperatively with our Subcommittee. I support OPM's efforts to streamline and reduce bureaucratic red-tape the federal recruiting and hiring process. At the same time, I remain concerned about numerous issues facing the federal workforce.

The federal government already employs approximately 2.8 million civilian employees and is experiencing a robust expansion. Meanwhile, the private sector has been losing jobs at alarming rates. I am concerned by this trend and believe this hearing presents an opportunity to examine how to maximize the efficiency of the federal workforce, not simply increase the size of the federal workforce.

With the average age of our Federal workforce rising, we are facing an unusual retirement crisis. While the Federal government must consider hiring practices that can fill the looming gap, our troubled economy has created a dynamic of more and more people looking for jobs within the government. Prospective employees are, no doubt, seeking the greater stability, higher pay, and attractive benefits that federal employment has to offer.

The American public, who on average earn significantly less in wages and benefits than federal employees, rightfully demands their money be spent wisely and efficiently – something that cannot be said of the current federal employment system.

However, the Administration is attempting to address some of these inefficiencies. Last week, the President issued a Memorandum intended to improve the recruitment and hiring of federal employees. I applaud the proposed reforms. However, it remains unclear whether the proposed reforms can or will be successfully implemented.

Today's hearing allows us to engage in a spirited discussion of the Administration's recent Memorandum, and other initiatives, especially since federal human resource management is one of our key oversight functions.

I look forward to hearing from our witnesses today about the challenges we have in seeking to properly structure our Federal workforce. We must continue our dialogue to ensure Congress takes action to improve the effectiveness and performance of the federal government.

Mr. LYNCH. I thank the gentleman.

The Chair now recognizes the gentlelady from the District of Columbia, Ms. Eleanor Holmes Norton, for 5 minutes.

Ms. NORTON. First, Mr. Chairman, I just want to commend, compliment, and thank you for letting no grass grow under your feet after this Executive order before calling us right here so that we can get moving on this right away. The complaints don't begin with this administration, they seem to be ad infinitum.

Of course, what the President has done raises other questions. I commend the President for as far as he has gone, and believe that we can go the rest of the way under your leadership, Mr. Chairman.

Thank you very much.

Mr. LYNCH. I thank you.

It is the committee policy that all witnesses are to be sworn. Could I ask you please to rise and raise your right hand.

[Witness sworn.]

Mr. LYNCH. Let the record show that the witness has answered in the affirmative.

I will offer a brief introduction, and then we will proceed to questions.

Mr. John Berry serves as Director of the U.S. Office of Personnel Management, which manages the Federal Government's Civil Service. Prior to Mr. Berry's appointment, he was the Director of the National Fish and Wildlife Foundation and the Director of the Smithsonian Zoological Park. He also served as Assistant Secretary for Policy, Management, and Budget of the Department of Interior during the Clinton administration.

We welcome you, sir, and I recognize you for 5 minutes for an opening statement.

STATEMENT OF JOHN BERRY, DIRECTOR, OFFICE OF PERSONNEL MANAGEMENT

Mr. BERRY. Thank you, Mr. Chairman, Ms. Norton, and Mr. Chaffetz. I appreciate the opportunity to be with you today to discuss many of the initiatives that the President put into motion last week and to go into those in greater detail with you.

The President issued a memorandum directing agency heads to take specific actions to improve Federal recruitment and hiring processes by November 1st of this year. These actions include eliminating requirements that applicants answer long essay-style questions as part of their initial application for a Federal job. This requirement has discouraged many applicants qualified to work for the Federal Government over the years, and I believe their competencies, as the President determined, as well, can be assessed in better and less burdensome ways.

The President's memorandum allows applicants to use a simple resume and a cover letter as their application for Federal employment. Alternatively, agencies may allow applicants to complete a very simple, plainly written application form or a packet. No matter what approach, agencies must use valid and reliable tools to assess applicant qualifications.

The President is also directing agencies to use category rating method in selecting candidates rather than the traditional rule of

three. This means selection will not be limited to just three candidates, alone. Instead, under category rating applicants are placed into one or two or more quality categories and, of the candidates in the highest quality category, can be considered for selection, and veterans' preference. And all of the veterans' preference rules under the law still apply.

Finally, the President's memorandum directs agencies to ensure that supervisors and managers are more involved in the hiring process, which has not been the case, including work force planning, recruitment, and interviewing. You cannot delegate an interview to an HR manager. The hiring manager is the one who has the experience with what the job requirements are. They need to do that interview and make those determinations.

Finally, we have been working with OMB for months to be ready to roll this memorandum out. To that effect, we issued a guidance memo to agencies last week. OPM is deploying mobile assistance teams to allow immediate response to agencies that request them. Many of the larger agencies are already rolling in this regard. We are going to be setting up Web sites where we can share best practices so that smaller agencies that might be running a little behind can stay in the game by following best practices throughout the Government, and we will be assisting in that regard.

I would like to highlight, if I could, one of the most important issues for the President, and my highest priority. In fact, it was the first issue I began to tackle after sworn into this position, and that was increasing our veterans' employment throughout the Federal Government, especially in the civilian side of the house. I believe the unemployment rates that our men and women returning from the middle east right now are the highest in history. They are over 28 percent. They are unacceptable to me, and they are unacceptable to this President. We are fully committed to reversing and lowering those numbers and to increasing the number of veterans hired throughout the civilian side of the Federal Government.

To that end, last November the President issued Executive Order No. 13518. That order reinforced OPM's partnership with the Departments of Defense, Labor, Veterans affairs, and Homeland Security, along with all the rest of the Government, in promoting the employment of veterans throughout our Government.

We have made good progress in the first 6 months of that. OPM has issued our strategic plan in that regard that will guide us through 2012. That is available on our Web site. It focuses on dismantling barriers to veterans' employment by reinvigorating leadership commitment to the employment of veterans, providing employment counseling to veterans and opportunities to develop their skills, creating a marketing campaign to promote veterans' hiring throughout the Government, and establishing a one-stop information gateway for employment information plus resources for veterans staffed by veterans.

The other two things we are working on I am happy to report, Mr. Chairman, the council that the President's Executive order has met twice. We now have standing in place in 26 Federal departments full-time veterans' hiring officials; that is, not collateral duty, as it has been in the past. So we have committed true resources on this. We are building a network so that we can share

and match skills of our veterans who are returning with actual jobs in the Federal sector.

I am also pleased to report I just returned from New York, where I was very honored to meet with the HR directors for over 200 Fortune 500 companies in the private sector. I asked them to consider allowing us to extend these opportunities for our veterans not only in terms of the Federal Government but into the private sector, as well, and to see if we could develop a system to share resumes that would be legal and appropriate.

I have to tell you I was extremely pleased by the response, and they are working with us in that regard, and we are going to be setting up a model program with both the Veterans Affairs and the Department of Labor. I have to tell you, Assistant Secretary for Veteran Affairs at Labor, Ray Jefferson, is just one of the best in Government and he is a delight to work with.

So I am very pleased. I think we are making great progress on this, and in the year ahead I think you are going to see those unemployment numbers come down because of it.

Finally, I will wrap up because I know I am at the end, sir. We are working on overhauling USAJOBS. The next up, the President directed me to report back in 90 days on two last very critical things that are linked into this: how do we bring students effectively into our Government and do that responsibly and effectively, and then, finally, increasing the diversity within our Government, making sure that we have open access for all communities throughout our country. We are working hard on all of those regards, Mr. Chairman.

I am very pleased to answer any questions that you or the committee might have.

[The prepared statement of Mr. Berry follows:]



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

**STATEMENT OF
HON. JOHN BERRY
DIRECTOR**

U.S. OFFICE OF PERSONNEL MANAGEMENT

before the

**SUBCOMMITTEE ON FEDERAL WORKFORCE, POSTAL SERVICE,
AND THE DISTRICT OF COLUMBIA
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES**

on

JOBS, JOBS, JOBS: TRANSFORMING FEDERAL HIRING

MAY 19, 2010

Chairman Lynch, Ranking Member Chaffetz, and Members of the Subcommittee:

Thank you for the opportunity to testify today regarding the Office of Personnel Management's (OPM) efforts to transform Federal hiring. OPM has been working with the Office of Management and Budget (OMB) and Federal agencies for almost two years to reform the Government's recruitment and hiring systems. We are excited about what we have already accomplished and our plans for the future.

I. Veterans Employment Initiative

Before I describe our overall approach to Federal hiring reform, I would like to begin with a word about the President's Veterans' Employment Initiative. OPM believes that improving the recruitment and employment of veterans is an integral part of making the entire Federal hiring process as effective as possible.

The Administration's hiring reform effort fully incorporates the goals of the President's Veterans Employment Initiative, which was outlined in Executive Order (E.O.) 13518 last November. That E.O. reinforced OPM's partnership with the Departments of Defense, Labor, Veterans Affairs, and Homeland Security in promoting the employment of veterans in the Federal Government. At present, for example, OPM is working with the Department of Veterans Affairs' Vocational Rehabilitation and Employment Program, to increase the Government's effectiveness in recruiting and providing career counseling to veterans seeking Federal employment.

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The E.O. established an Interagency Council on Veterans Employment, co-chaired by the Secretaries of Labor and Veterans Affairs. I serve as Vice-Chair of the Council, which held its first meeting last December to begin strategizing on the implementation of the goals laid out under the President's order.

At the end of January, OPM issued the *Governmentwide Veterans' Recruitment and Employment Strategic Plan for FY 2010-2012*. The Strategic Plan focuses on dismantling barriers to veterans' employment by reinvigorating leadership commitment to the employment of veterans; providing employment counseling to veterans and opportunities to develop their skills; creating a marketing campaign to promote veterans' hiring; and, establishing a one-stop information gateway for employment information plus resources for veterans, human resources professionals, and Federal hiring officials.

In December 2009, OPM established a Veterans Employment Program Office to provide Governmentwide leadership in carrying out the Veterans Employment Initiative. The work of this office includes supporting the veterans' employment advocates in each of the 24 Federal agencies identified in the E.O. and educating Federal hiring managers on the use of the various hiring authorities that can be used to employ veterans. We are confident that these measures will enable the Federal Government to benefit fully from the skills and experience our veterans have to offer, thereby helping us reach our goal of recruiting, retaining, and honoring a world-class workforce to serve the American people.

II. Hiring "Wolf Packs"

Under my leadership, OPM launched two "wolf packs" to evaluate the Government's current recruitment and hiring processes and develop proposals for reform. The "wolf packs" conducted an extensive review of relevant literature, held focus groups, and sought the views of stakeholders and other interested groups. This process culminated in the adoption of comprehensive proposals for reforms. We have been implementing some of these proposals over the past several months, and others are addressed in the President's just-released memorandum for agency heads on "Improving the Federal Recruitment and Hiring Process" as well as an accompanying guidance memorandum from me.

III. Presidential Memorandum on Improving the Federal Recruitment and Hiring Process

The President's memorandum of May 11, 2010, directs agency heads to take specific additional actions by November 1 of this year. Agencies must eliminate any requirement that applicants answer essay-style questions as part of their initial application for a Federal job. We believe the requirement for detailed essays describing an applicant's job-related knowledge, skills, and abilities, may have discouraged many qualified applicants. We believe competencies can be assessed in other, less burdensome and more effective ways.

Second, under the President's memorandum, applicants must be allowed to use a resume and cover letter as their application. Alternatively, an agency may allow applicants to complete a

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simple, plainly written application. No matter the approach, agencies must use valid and reliable tools to assess applicant qualifications.

The President is also directing agencies to use the “category rating” method in selecting candidates rather than the “rule of three.” What this means is that selection will not be limited to the top three candidates, and agencies need not assign each applicant a numerical rating and rank them in score order. Under category rating, applicants are placed into one of two or more quality categories. Any of the candidates in the highest quality category can be considered for selection. Veterans’ preference still applies.

Finally, the President’s memorandum directs agencies to ensure that supervisors and managers are more involved in the entire hiring process, including workforce planning, recruitment, and interviewing, and that they are held accountable for the quality of their hires and for supporting the successful transition of new hires into the Federal service.

We have been working with OMB for months on planning for the issuance of the President’s memorandum. In fact, within hours of the President signing his memorandum to agencies, I issued my own guidance memorandum, which outlines what OPM is doing to provide support for hiring reform implementation at the agency level. We have a full implementation plan that was launched the day after the President signed his memorandum. We are deploying Mobile Assistance Teams (MATs) to support agencies in implementing the hiring reform initiative. These teams will be composed of individuals from OPM and other agencies with expertise in recruiting, staffing, and other relevant areas of human resources management. We are also developing a goal-focused, data-driven system that will help hold agencies accountable for improving the quality and speed of their hiring process, hiring reform targets, and the satisfaction of merit system principles and veterans’ preference requirements. We have created a web page dedicated to hiring reform implementation. It will have the latest news and information about hiring reform, along with guidance and training materials to help agencies meet the requirements in the President’s memorandum. We will be offering “bite-size” training sessions as well as more in-depth seminars for human resources professionals and line managers. These are just a few of the many ways in which we are prepared to support agencies in implementing the President’s directive.

A. End-to-End Hiring Roadmap

About 18 months ago, OPM released an *End-to-End Hiring Roadmap*, a tool we designed in partnership with the Chief Human Capital Officers Council to help Federal agencies streamline their hiring processes. The Roadmap focuses on the applicant’s experience in the Federal hiring process. The goal is to make sure applicants understand the hiring process, receive timely and clear communications to manage their expectations, and, once hired, they are assimilated quickly into their respective new organizations in order to become as effective as possible in their current position. The Roadmap describes how to integrate and streamline the five components of Federal hiring – workforce planning, recruitment, hiring process, security and suitability, and orientation. The Hiring Roadmap is designed to forge a more effective relationship between hiring managers and human resources professionals enabling agencies to attract, hire and retain top talent.

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The Roadmap gives agencies comprehensive, step-by-step implementation instructions that provide for an 80-day hiring timeline, beginning with the manager's request for the recruitment action and ending on the new employee's first day on the job. We have outlined the entire hiring process in the Roadmap, showing the interrelatedness of the five components, as well as timelines and standards for accomplishing each step of the process, successful practices, templates for simplified job announcements, and scripts for communicating with applicants. OPM is ensuring agencies implement the Roadmap through meaningful metrics that measure applicants' and managers' satisfaction with the hiring process. We believe the End-to-End Hiring Roadmap is helping agencies accomplish two essential goals – namely, to give applicants a better job hunting experience and to accelerate the hiring process.

The Roadmap is also helpful in identifying and addressing systemic obstacles to effective recruitment and retention at an early stage. When we are able to do this, we are likely to be more successful in resolving problems like extreme shortages in particular occupations. In such special circumstances, OPM works with the affected agencies to determine their needs. An example of this collaboration is the pilot project we implemented with the Federal Acquisition Institute. This project included streamlining the job opportunity announcement for entry-level contract specialists, reducing the announcement from more than 20 pages to around six pages, and outlining the duties and qualifications in plainer language. This project included a streamlined on-line assessment, a web page specifically designed for the acquisition community, and a centralized hiring strategy to share resumes among agencies.

B. June 2009 OPM-OMB Memorandum to Agencies

In June 2009, OPM and OMB outlined a collaborative approach to engaging Federal agencies in an assessment of the current state of hiring, which included establishing a baseline from which to set targets for improvement, and identifying barriers to progress. As of December 15, 2009, agencies were directed to shorten their hiring timeline by mapping their hiring process to OPM's End-to-End Hiring Roadmap 80-day model. This also included simplifying job announcements for their top ten occupations by using plain language, reducing the announcement to no more than five pages, identifying barriers to efficient hiring, and notifying applicants at a minimum of four points in the application process.

We were able to see significant, measurable progress by December 15. Eighty-four percent of the agencies met the five-page limit for their job announcements. Barriers were identified and corrective action plans were submitted by the agencies. The most common barrier was determined to be the time managers took to conduct interviews and make selections. Seventy-three percent of the major agencies met the applicant notification requirements by the December 15 target date.

C. Student Pathways

As part of our broader hiring reform effort, OPM is currently reviewing student pathways into the Federal Government. This includes a review of current programs such as the Student

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Temporary Employment Program (STEP), the Student Career Experience Program (SCEP), and the Presidential Management Fellows Program (PMF). Our goal is to establish clear paths for students who wish to work with the Federal Government, whether on a temporary or career basis.

Consistent with the President's May 11, 2010, memorandum, OPM also plans to evaluate the Federal Career Intern Program (FCIP) and provide the President with recommendations on that program.

D. Shared Registers

OPM has established 14 new shared registers that cover a number of common occupations across the Federal Government, such as financial management, contracting, human resources, information technology, office support, and security. To create these registers, OPM used a streamlined job opportunity announcement and "category rating". We offered online, un-proctored assessments for the clerical occupations. The un-proctored assessments were pilot tests of commercially available clerical ability tests. Applicants liked taking the tests online, and the scores were similar to those achieved by applicants who had taken the test using paper and pencil in a supervised environment. OPM is maintaining these registers, including by referring high-quality candidates, responding to applicant inquiries, and removing unavailable candidates.

There are over 100,000 excellent applicants on these registers, and we know the applicants are excited about the opportunity to join the Federal workforce. This is a great opportunity for agencies to address some of their current staffing challenges. Agencies may request referrals from these registers at no cost. Once they identify their hiring needs, we will filter the 100,000-plus certified applicants for the location and grade they are seeking, determine who meets minimum qualifications, apply veterans' preference, and determine who is available for selection. This process takes us only two to three business days.

Use of these shared registers means that agencies will not have to develop or issue an announcement nor wait for applicants to apply. Agencies will no longer have to look at the applications, rate or assess the applicants, apply veterans' preference, and/or issue certificates. We estimate that these shared registers should save agencies about three weeks in the hiring process.

E. Enhancements to USAJOBS

OPM has made a number of upgrades to the USAJOBS site to make it more efficient and user-friendly. We made changes to the website based on usability studies, as well as extensive feedback from applicants through customer satisfaction surveys, help-desk tickets, and focus groups. These users often found the site confusing and challenging to navigate, and some had even abandoned their job search.

The refreshed USAJOBS enhances the user experience by:

- Updating the look and feel

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- Introducing social media and increased personalization
- Making it easier to move about the site
- Enhancing the job search tool so applicants find the right job for them
- Streamlining employment information to ensure guidance is readily available, and
- Providing targeted resources for certain groups (students, executives, veterans, and individuals with disabilities)

Later this year we plan to introduce two additional tools for agencies as part of the ongoing enhancement of USAJOBS. USAJOBSAssess will enable potential applicants to take cross-cutting competency-based assessments, which will help them choose a compatible occupation and agency to work for within the Federal Government. This will be done through advanced on-line assessments and job-matching based on the individual's competencies, education, experience, and interests. OPM is currently developing and procuring state-of-the-art job-related assessments for ten of our more commonly filled Governmentwide occupations. USAJOBSRecruit will provide tools, education, and collaboration within the Federal recruiting community in a virtual environment housed on the USAJOBS website.

F. Legislative Proposal

Finally, while there is much that we have accomplished and can still accomplish without legislation, we believe completing the reform process will require certain statutory changes. Some of these changes will simply involve bringing the staffing provisions of the law into the 21st century. We are working within the Administration on a proposal and look forward to collaborating with the subcommittee to bring this into fruition.

Thank you again, Mr. Chairman, for the opportunity to discuss this important work with you and the subcommittee. I would be happy to respond to any questions that you may have.

Mr. LYNCH. Thank you, Mr. Berry. We appreciate that.

Here is what I am concerned about. I appreciate the work that you are doing on veterans' hiring. I think that is a noble and a correct initiative for this country to take. These folks put on the uniform, our men and women. They look like the American population, as well. And there is the added discipline and experience, patriotism that they have demonstrated. I am concerned that the non-competitive processes that have evolved would actually diminish the number of veterans that are hired.

We have right now probably a quarter of a million men and women in uniform in Iraq and Afghanistan right now.

Mr. BERRY. Yes.

Mr. LYNCH. As you said, the unemployment rate of these folks coming back is astronomical. That should not be.

I have seen, from this position as chairman, attempts by some agencies to completely circumvent the veterans' hiring process, and not just with a few people, but to obtain basically a waiver from hiring veterans. That concerns me greatly.

It seems, when I look across Government, some agencies do very well. If you talk about Department of Defense, obviously, they do a great job. I have seen great hiring at the Post Office, the U.S. Postal Service, very aggressive in trying to bring veterans into the work force. Treasury, not as well. So it is a real hit or miss. We have seen Department of Homeland Security, they have adopted a system that goes completely around the veterans hiring preference, and you would think Homeland Security would be something that our veterans coming out of the service might have an actual strength in. That is mind-boggling, to say the least.

So, while I understand we need to fix this system, and I think you have done great work here getting rid of that essay, that sort of anachronism to an earlier time, although I think in some positions strong writing skills are very, very important, but I don't think it should be the threshold inquiry.

How do I know next month, if we adopted this today, how do I know that next month my veterans are still being hired? How do I know that by opening the door to some young people coming out of college and who are extremely well trained and capable, we are not closing the door to some of my veterans, because that just cannot happen?

Mr. BERRY. Mr. Chairman, my personal commitment to you and, I believe I can convey, as well, of the President, is that there is no intention to do whatsoever anything that would restrict or reduce our commitment to hiring veterans. In fact, we want to increase the number of veterans we are hiring across the board. So we are watching these numbers very carefully on a month-to-month basis.

I believe in leading by example. OPM is one of those civilian agencies that we do a good job of hiring veterans. We range between 25 and 30 percent of our hires, our new hires, are veterans. Now, across the Federal Government that ranges. I don't want to imply that applies everywhere.

One of the reasons we pursued the President's Executive order last November was some agencies, as you mentioned, Mr. Chairman, are as low as 5 percent. Some, like DOD, are at 50 percent. Obviously, they are doing a fantastic job. The VA does a fantastic

job. Homeland Security, sir, actually does a pretty good job. They are in that 15 to 25 percent category.

What we are looking at the council that the Executive order has created that is chaired by Secretary Selecky and Secretary Shinseki, and I am the vice chair of that council, sir, is the first year, since we are just getting this up and running in the agencies, the guidance we have given all of the agencies is: do better than you did before. Hire more veterans than you have done before. Whatever you are doing now, do better. So that is this year's directive and goal.

But at our next council meeting, which is going to be in early summer, what is on the agenda to discuss, Mr. Chairman, is actually setting hard-target goals that we can look at to hold people accountable in the next fiscal year, where we are giving them adequate warning to prepare.

What we are looking at as an approach that is being discussed is, if you are in the 5 to 10 percent hiring, then you have to do more. We are going to put a higher burden on your shoulders to catch up. Obviously, if you are at DOD and you are already at 50 percent, it is kind of hard. They are not going to be able to have that same percentage increase.

So we are asking those agencies at the top to hold the line, while we bring the ones at the bottom up. And so next year we are going to have pretty good hard goals—and the next council meeting is going to be discussing this—to set those specific priorities, Mr. Chairman, so we can hold it accountable.

But I can tell you this, back to your first question: we are watching these numbers on a month-to-month basis, and if they go down we will immediately react. We are not going to let our veterans suffer under any program that this administration puts in place.

I am concerned by some of the issues that you raised and that are in existence. We are going to be working with those agencies to correct them. But the bottom line is we want those numbers to all get better.

Mr. LYNCH. That is very reassuring to hear.

In closing, I would just say, having spent a lot of time with men and women in uniform, you have some very, very, very highly trained and very capable people. These are our very best in every aspect of it.

I yield 5 minutes to the ranking member, Mr. Chaffetz of Utah.

Mr. CHAFFETZ. Thank you. And thank you, again, Director Berry, for being here.

My understanding is we have roughly 2.8 million civilian Federal employees that we—go ahead.

Mr. BERRY. Right now the number I have, Mr. Chaffetz, is two million.

Mr. CHAFFETZ. OK.

Mr. BERRY. I am not sure where you are getting the 0.8, the 800,000 from. We are happy to work with your staff on that, but the civilian work force is, my understand, 2 million.

Mr. CHAFFETZ. OK; 2 million.

Mr. BERRY. OK.

Mr. CHAFFETZ. And my understanding is that non-Postal civilian work force has increased roughly about 105,000 since the President

took office in January. Again, I know I am throwing some numbers at you right off. If that is not it, help clarify that for us.

Mr. BERRY. Gotcha.

Mr. CHAFFETZ. I want to get the number accurate. In the short range and the long range, how many Federal workers are we looking to grow and expand? I mean, we have had this massive health care bill. We have a lot of other pieces of legislation. We are spending at unprecedented levels. From your vantage point, how many people are we going to be hiring in the Federal Government, new employees, net increases, in the short and long range?

Mr. BERRY. Mr. Chaffetz, the majority of those hired that you talked about, the increases that have been made, my understanding sort of fall into three categories. One is veterans' hospitals, where we have been putting in place more nurses and more doctors to handle some of the more severe cases that are returning from the Middle East. That is 1 percentage category. I will get you these exact numbers in response for the record.

Mr. CHAFFETZ. OK.

Mr. BERRY. The second two major categories are the financial regulation that Treasury has had to put into place to restore stability to our financial markets has required us to do some additional hiring in the regulatory arena in the financial industry.

The third category, the third major category, is Department of Homeland Security.

Clearly, over 80 percent, 80 to 90 percent of the increase that you discuss is in those three categories in terms of an increase.

Mr. CHAFFETZ. OK. And that is looking back. But looking forward—

Mr. BERRY. Looking forward, the one thing I think the Office of Management and Budget and we are looking at, this President is not looking to significantly grow the size of Government. But one of the things that we need to be aware of—

Mr. CHAFFETZ. I disagree with you on that point, but continue.

Mr. BERRY. I respectfully would argue that point with you.

One of the things we need to be aware of and what has happened over the past 10 years is there has been a significant increase in the number of contractors by the Federal Government. What the Office of Management and Budget has directed agencies to do now is to go through and define what are essential functions that need to be done by Government employees—

Mr. CHAFFETZ. I appreciate all that. I have to get through some other questions here.

Mr. BERRY. OK.

Mr. CHAFFETZ. Do you have a net number that you are looking toward? You have to have some sort of plans. I mean, you got the President to sign off on an expansion plan, and I appreciate the goals. Some of the testimony on the second panel says at any given time there are 40,000 open jobs on USAJOBS.gov, or whatever the Web site address is. How many are you planning for?

Mr. BERRY. Well, Mr. Chaffetz, you have to understand—

Mr. CHAFFETZ. We are not going to have a net decrease in the number of Federal employees?

Mr. BERRY. First, there is no plan for a major increase or run-up of the Federal Government. Let me just assure you of that.

Forty thousand is low. Let me tell you, our average spin rate for jobs, out of 2 million people, there is an average, between retirements and people moving into other sectors, it is between 200,000 and 300,000 people a year that we are hiring on a regular basis, so we are regularly recruiting. But that isn't additional jobs; those are filling existing jobs.

Mr. CHAFFETZ. Undoubtedly. That is why I am trying to figure out, because if you go to page 4 of what the President put out, which I believe is section 2, paragraph F, it says, "Develop a plan to increase the capacity of USAJOBS to provide applicants, hiring managers, and human resource professionals with information to improve recruitment and hiring process." That sounds like a laudable goal. What I am trying to get at is: it seems that priority one with USAJOBS is to streamline, make it work, make it efficient. But what the President put forward here is to increase the capacity. It is not working now.

Mr. BERRY. If I could, Mr. Chaffetz, explain that?

Mr. CHAFFETZ. Yes.

Mr. BERRY. It is not to increase the capacity to grow the size of Government. What we do right now is, there are many jobs that are not advertised on USAJOBS. We call them the excepted service categories. Those are only advertised within Government agencies. People don't know about them, and Americans aren't allowed to compete for them, and veterans don't know about them and are allowed to compete for them.

And so what the President is concerned about is he wants to bring all of those jobs which are——

Mr. CHAFFETZ. How many fall into that category?

Mr. BERRY [continuing]. Advertised quietly onto USAJOBS so all American citizens and veterans would know what is out there and they could apply and compete for them.

Mr. CHAFFETZ. Give me a sense of the scope.

Mr. BERRY. It is 2 million, sir. So the——

Mr. CHAFFETZ. No. The ones that are not advertised that probably should be advertised.

Mr. BERRY. I will have to get you that number.

In other words, there is no plan and OPM is not driving to increase USAJOBS to do any massive hiring at this point in time; it is to handle the existing systems that we have in place.

Mr. CHAFFETZ. I am not trying to lay blame at your feet that Government is growing at an exceptionally large rate, but most every metric you could look at, that is the reality that you are going to have to deal with. And I am very sympathetic that you are going to have to hire literally hundreds of thousands of people over the course of time. I am just trying to get a size of that scope.

Help me understand how many people. Do we have a metric that says how many people are applying per job that is available? I mean, are you dealing with seven applicants for every available job? I mean, I have no idea what the scope of that is.

Mr. BERRY. We can get that for you.

It really ranges on the position, Mr. Chaffetz, in that some are obviously very popular.

Mr. CHAFFETZ. Sure.

Mr. BERRY. There are some jobs that are so popular we might get as many as 10,000 applications.

Mr. CHAFFETZ. What job is that?

Mr. BERRY. So there are many positions that do draw, because we are also advertising across the entire country.

Mr. CHAFFETZ. I am sure it is not your job.

Mr. BERRY. So when you advertise across the country, just the level of interest, we are regularly having to screen through thousands of applications per application. So it is a rare job where we are only looking at seven resumes, for example.

Mr. CHAFFETZ. I guess part of what I would like to get through, and, again, it is hard in 5 minutes of questioning, is USAJOBS is a critical feature for the functionality in a Government that operates from coast to coast and beyond. How that Web site works, the resources that you need, I think the scope, it is a nuance but it is important to me to develop a plan to increase the capacity is not just about the capacity. I guess the point I am trying to make is: the efficiency, the effectiveness, the streamlining of it, I support all of those goals, but I would like at some point to have some sort of metric to understand how hard that system is being pushed, because for a lot of people, it is just not working.

It sounds like there are a whole lot of jobs out there that the Government is hiring that are not even on there yet.

Mr. BERRY. Right.

Mr. CHAFFETZ. So if you can help me along the way in understanding that, certainly streamlining this from 160 days to 80 days to hopefully something that is like 30 days would be in everybody's interest.

I appreciate the time and yield back. Thank you.

Mr. LYNCH. Thank you.

Mr. BERRY. Mr. Chairman, if I could?

Mr. LYNCH. You could.

Mr. BERRY. Just to respond briefly. Mr. Chaffetz, I would be very welcome for both your staff and the chairman's staff to come down. We are trying to overhaul and we want USAJOBS to be efficient to meet the standard of the private sector. The reason the President picked 80 days in the memorandum, not only was it half of sort of what we were doing now, we did survey, when I was with those Fortune 200 companies, Fortune 500 companies, 80 days is the average standard for Fortune 500 companies. Obviously, there are positions you can move quicker on, but on average, because some complicated jobs take longer—

Mr. CHAFFETZ. Hey, if you can cut it in half, more power to you.

Mr. BERRY. Gotcha. But we welcome you to come and help us and look at what we are planning to do with USAJOBS. We are very open and transparent about that.

Mr. CHAFFETZ. Thank you.

Mr. LYNCH. Thank you.

Just to sort of put an exclamation point on what the ranking member is saying, the last set of numbers that we have, I think it was 2007. In 2007, in the competitive hiring area, where actually veterans get to have their preference counted, of all the people we hired in 2007, 56 percent were in the competitive area where veterans could apply their preference, but 44 percent of the jobs, 44 per-

cent of the hiring was black box. It was outside the open hiring, outside the USAJOBS, outside the purview of the American public, outside the purview of Congress. Outside, 44 percent of hiring.

So what we would like to do is get more in the competitive piece, and I think your opening remarks are right on, spot on. But we would like to see more transparency. That would also reduce our anxiety about going around the veterans' preference.

That is all I have.

The Chair recognizes the gentlelady from Washington, DC, Ms. Eleanor Holmes Norton, for 5 minutes.

Ms. NORTON. Thank you, Mr. Chairman. You opened a line of questions that most concerns me. Actually, I was shocked to find how many employees are hired outside of competitive service. I always brag about how Federal service is competitive, and I don't think I am going to brag that way any more until I see greater signs of that.

The ranking member talked about you are going to be hiring thousands and thousands. You bet your bottom dollar, because your work force disproportionately consists of Baby Boomers who came into the Federal Government at the time when Government, I suppose starting with Jack Kennedy, when these idealistic young people came into the Government and spent their entire service here. Yes, it is time for them to go because they are reaching retirement age.

Mr. Chairman, the figures you named I found startling. It is as if the Federal service believes it could get a little bit pregnant, but you can't. Either you are competitive or you are not competitive. When you have such a huge proportion of jobs, I can't even understand how we got that many. My line of questioning goes to that, because I am interested not only in what it does to veterans, but frankly what it does to everybody else.

The so-called Federal career intern program, what percentage of Federal employees are hired in that program?

Mr. BERRY. Let me see if I can get you the exact number, Ms. Norton, if I could.

Ms. NORTON. I would like that number.

Mr. BERRY. We will get you that number for the record.

Ms. NORTON. Do all agencies have the authority to hire under the Federal career intern program?

Mr. BERRY. Yes. That is a delegated authority that goes directly to the agency, not through the Office of Personnel Management.

Ms. NORTON. So it has been delegated by you to all the agencies?

Mr. BERRY. Through the law.

Ms. NORTON. How then can you account for the fact that some agencies look like that is how they do hiring, like the Department of Homeland Security, and others look like they still believe they are in the competitive service?

Mr. BERRY. I am a little bit at a disadvantage, Ms. Norton, because the Federal career intern program is one of the ones that we are now looking at in-depth, both at our agency. It is the subject of a lawsuit right now, of which I am a plaintiff in the suit. And the President has directed me to fully investigate this program and report back to him within 90 days on my recommendations and thoughts and substance of this program.

Ms. NORTON. Mr. Berry, give me a legitimate reason. Just give me a hypothetical why an agency would use the Federal career intern program. What would the agency say, if it were asked, which apparently it has not been?

Mr. BERRY. It would be used to bring in students or young people into the Government into—

Ms. NORTON. So how long a tenure?

Mr. BERRY [continuing]. Into an experimental category.

Ms. NORTON. How long a tenure do these career interns, that is an oxymoron, career and intern. You know, an intern by definition, I thought, was supposed to be a short-term employee. What is the average term of employment of these career intern employees?

Mr. BERRY. As the program is established, they are allowed for 2 years under the internship, and if they pass their performance evaluations and are in good standing they can then be converted into the Civil Service after that 2 years.

Ms. NORTON. Oh, my goodness. And you mean this program has been going on without a watchdog at the OPM seeking to make sure that it does not become a detour after 2 years around the competitive process? There is nobody that has been in charge of looking at this program? You don't have anybody in your office whose job it was to watch this program?

Mr. BERRY. It has been in existence since 2000, Ms. Norton.

Ms. NORTON. That is a long time, Mr. Berry.

Mr. BERRY. Yes, ma'am.

Ms. NORTON. That is why, when I asked for the figures, obviously I mean for you to submit those figures within 2 weeks to the chairman of this subcommittee, so we can have some idea of what we are talking about. I have no idea what the universe. I mean, what kinds of jobs?

I am concerned because, for example, I am on the Homeland Security Committee, and my understanding is that is one of the agencies that has used this program more than others. I wonder if they are reciting security.

You know who the Homeland Security Committee is? Let's get down. It is really the same agencies they were before. It is really the Coast Guard and the Border Patrol, and they are really doing 99.9 percent of the same civilian mission and function they were doing all along. And I just need to know why some agencies, it looks like it is not a lot of agencies, would be hiring in this way, others would not be. I just have no fix on how one agency would be so much out in front of others. Anything you can tell me about them I would most appreciate.

My time is up.

Mr. LYNCH. I could just perhaps illuminate a little bit. The career internship program in 2003 had about 400 participants back in 2003. Today it has almost 28,000. So we have seen it just in the past years—

Ms. NORTON. So that is more than half of your 44,000 non-career employees then?

Mr. LYNCH. Well, it is a different timeframe, though, because I am going from 2003 to today. That is how many are in it. It might be a multi-year internship, so I really can't measure, but I do know

that the total participation rate went from 400 to 28,000. That just sends some red flags to me.

Another one of our Members who has been very energetic and very much engaged in the plight of Federal workers and also has offered his own legislation regarding the way student internships are handled is Mr. Connolly of Virginia, and I now recognize him for 5 minutes.

Mr. CONNOLLY. Thank you, Mr. Chairman. Might I have the indulgence to go through my opening statement?

Mr. LYNCH. Absolutely.

Mr. CONNOLLY. I am sorry I am late.

Mr. LYNCH. I understand you are in a competing committee, so you are now recognized for 5 minutes for an opening statement.

Mr. CONNOLLY. I thank the Chair.

I welcome John Berry and thank him again for his leadership.

The Federal Government faces a daunting challenge to recruit and retain public service employees. With 48 percent of the Federal work force eligible for retirement some time over the next 10 years or so, with projections of 350,000 Federal employees retiring as early as 2016, we must expand our capacity to recruit and retain highly skilled Federal employees to fill crucial positions in Federal agencies.

President Obama and Director Berry have taken aggressive action to reduce delays associated with Federal hiring by eliminating anachronistic applicant essay requirements and pressing agencies to expedite hiring. Chairman Towns and Chairman Lynch have provided visionary leadership on this committee by advancing the Federal Retirement Reform Act, the Telework Improvements Act, the Paid Parental Leave Act under the Domestic Partnership Benefits and Obligations Act, all of which I believe will help in facilitating that goal.

Building on these achievements, I introduced the Federal Internship Improvement Act, H.R. 3264, with our colleague, Congressman Bilbray of California. As the chairman just mentioned, this legislation is a logical complement to our committee's comprehensive effort to improve Federal recruitment and retention. I greatly appreciate the collaboration of the Partnership for Public Service, the National Treasury Employees Union, the National Association of Schools and Public Affairs and Administration in developing and promoting this legislation.

In light of the President's Executive order directing OPM to study the Federal career internship program, I intend, when we mark up this bill, to introduce an amendment in the nature of a substitute to strike the non-competitive hire portion of our intern bill. This will ensure our effort focuses on strengthening student internship programs consistent with OPM hiring reforms.

Most Federal agencies have intern programs that lag far behind the private sector in conversion of qualified interns to full-time employees. In 2007, for example, only 3,939 of 59,510 student interns became full-time Federal employees, a dismal 6.6 percent conversion rate. By comparison, in the private sector employers converted 50.5 percent of their interns to full-time positions in 2007.

Congressman Bilbray and I worked with the Partnership of Public Service and other public service oriented organizations to de-

velop the Federal Internship Improvement Act to strengthen these programs. This bill requires Federal agencies to report on best practices such as whether they conduct exit interviews and implement effective intern mentorship programs, whether they rotate people around the agencies so they get the full panoply of the mission.

To improve recruitment of interns into full-time positions, we must have a better understanding of best practices that could be implemented across all Federal agencies with some uniformity, which is desperately lacking right now in the Federal workplace.

This committee has made great progress, Mr. Chairman, in ensuring that the Federal Government can recruit and retain employees in the national capital region's highly competitive labor market. I applaud you and Chairman Towns for your leadership on these issues and ask that we mark up the Federal Internship Improvement Act at the earliest possible date.

I thank the Chair for my time.

[The prepared statement of Hon. Gerald E. Connolly follows:]

Opening Statement of Congressman Gerald E. Connolly

“Jobs, Jobs, Jobs: Transforming Federal Hiring”

Subcommittee on Federal Workforce, Postal Service and District of Columbia

May 19, 2010

The federal government faces a daunting challenge to recruit and retain public service employees. With 48% of the federal workforce eligible for retirement over the next five years, and projections of 350,000 federal employees retiring by 2016, we must expand our capacity to recruit and retain highly skilled federal employees to fill crucial positions in federal agencies. President Obama and OPM Director Berry have taken aggressive action to reduce delays associated with federal hiring by eliminating anachronistic applicant essay requirements and by pressing agencies to expedite hiring. Chairman Towns and Chairman Lynch have provided visionary leadership on this committee, by advancing the Federal Retirement Reform Act, the Telework Improvements Act, the Paid Parental Leave Act, and the Domestic Partnership Benefits and Obligations Act.

Building on these achievements, I introduced the Federal Internship Improvement Act, H.R. 3264, with Congressman Bilbray. This legislation is a logical complement to our Committee’s comprehensive effort to improve federal recruitment and retention. I greatly appreciate the collaboration of the Partnership for Public Service, National Treasury Employees Union, and National Association of Schools of Public Affairs and Administration in developing and promoting the this legislation.

In light of President Obama’s Executive Order directing OPM to study the Federal Career Internship Program (FCIP), I intend to introduce an amendment in the nature of a substitute during mark up that strikes the non-competitive hire portion of our intern bill. This will ensure our effort focuses on strengthening student intern programs, consistent with OPM’s hiring reforms.

Most federal agencies have intern programs that lag far behind the private sector in conversion of qualified interns to full time employees. In 2007, only 3,939 of 59,510 interns became full time federal employees, a dismal 6.6% conversion rate. By comparison, private sector employers converted 50.5% of interns to full time positions in 2007. Congressman Bilbray and I worked with the Partnership for Public Service and other public service oriented organizations to develop the Federal Internship Improvement Act to strengthen our programs. This bill requires federal agencies to report on best practices, such as whether they conduct exit interviews and implement effective intern mentor programs. To improve recruitment of interns into full time positions we must have a better understanding of best practices that could be implemented across all federal agencies.

This Committee has made great progress ensuring that the federal government can recruit and retain employees in the National Capital Region’s highly competitive labor market. I applaud Chairman Towns and Chairman Lynch for their leadership on these issues, and I ask that we mark up the Federal Internship Improvement Act at the earliest possible date.

Mr. CONNOLLY. If I may now ask just three questions of Director Berry.

Director Berry, why do you think Federal internship programs have such a low conversion rate compared to the private sector?

Mr. BERRY. Well, Mr. Connolly, first let me thank you and Mr. Bilbray and all the members of the committee for your concern and attention on this issue. We welcome the energy that you have brought to this.

One of the things I am very pleased to cite in the President's memorandum is not only has he asked me to review the Federal career internship program, but to propose a framework for providing effective pathways into the Federal Government for college students and recent college graduates.

So we very much look forward to working with you and the members of the committee on both sides of the aisle over the next 90 days to see if we can help craft proposals that will allow people to have clean pathways to enter the Federal Government that will be understandable to students. Right now what we face is a very confusing panoply of options that more often than not they just walk away from.

The conversion rate is very poor. We are looking forward to increasing that substantially.

Obviously, if after we have made this training commitment we have provided, the people have performed well, that is a great pool to draw on for Federal service. So we need to look at all of those options and do what we can to improve those numbers.

There are so many reasons to tell you why they are low now, but I think your legislation proposes a lot of great suggestions that we need to incorporate, and we will look forward to working with you and hopefully expanding this as we develop our report back to the President in August.

Mr. CONNOLLY. Thank you.

Just one more question if I may, Mr. Berry. Are there private sector best practices you think we could benefit from in that review? And are you going to be looking at those best practices as part of the overall comprehensive look at these student internship programs?

Mr. BERRY. Absolutely. Congressman, last fall Dean Elwood from the Harvard Kennedy School convened for us a wonderful sort of thought conference, and we are looking at actually reconvening that now because it was so helpful. Actually, much of what you see in the hiring reform not only came out of the legislative ideas from this committee, but from that great exchange of ideas. What that was was we brought together leaders from the private sector, leaders from the nonprofit world, leaders from our labor communities who came together and really helped us wrestle with a number of these topics.

One of the things they expressed was concern that we need to do a better job of both having clean, clear pathways for students to join the Federal work force, and to convert if they are doing great work.

At the same time, we need to make sure that we are honoring our merit principles, that we are honoring our veterans' preference. So whatever we do, we have to design with those two hallmarks

in mind, but I think we can do it and I look forward to working with you on developing a proposal that we can all get behind and be very proud of.

Mr. CONNOLLY. Thank you.

Mr. Chairman, I have several letters of support for this legislation, and with your consent and that of the committee I would ask that they be entered into the record.

Mr. LYNCH. OK. The Chair asks unanimous consent that the gentleman's letters of interest be entered into the record.

Hearing no objection, so ordered.

[The information referred to follow:]



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September 2, 2009

The Honorable Gerry Connolly
327 Cannon House Office Building
Washington, DC 20515-4611

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Dear Representative Connolly:

On behalf of the Partnership for Public Service, I would like to commend you for introducing the *Federal Internship Improvement Act*, an important piece of legislation which will enable federal agencies to build new pipelines into the federal workforce by making the most out of their interns - a valuable source of future talent.

As you are well aware, federal agencies are facing significant hiring challenges. The Partnership recently surveyed agencies and found they will need to fill more than 200,000 mission-critical positions within the next three fiscal years. Student internship programs provide an excellent mechanism for assessing and bringing top talent into federal public service.

Unfortunately, the federal government does a poor job of converting highly capable interns into permanent hires. In our report, "Leaving Talent on the Table", we found that in 2007, federal agencies employed 59,510 interns through two of its largest paid internship programs, yet only 3,939 - 6.6 percent - of those student interns were hired into permanent jobs. In comparison, private sector employers in 2007 converted 50.5 percent of their interns to full-time, permanent positions according to a survey by the National Association of Colleges and Employers. The federal government can and must do a better job using student employment programs as a means of finding and assessing potential new hires.

The *Federal Internship Improvement Act* will confront this very issue by requiring agencies to collect data and provide an annual report to OPM and ultimately Congress on a number of important items, including how agencies recruit interns, the number of interns hired and ultimately converted to permanent positions, and the quality of the internship experience as identified through exit interviews. We are also pleased to see that agencies will be required to designate an internship coordinator and publicly post available internship positions with a clear point of contact to help attract the best candidates. The legislation also requires OPM to create a central database with the names of individuals who are completing their internships and are seeking federal employment, and gives agencies the authority to make noncompetitive appointments leading to conversion to term, career, or career-conditional employment. The central database and appointment authority will enable agencies to gain access to a talented pool of potential candidates.

As the bill moves forward, we strongly encourage you to reexamine the definition of "internship program" at Section (2) (f) (1). This definition may be considered overly broad by those who may be concerned with extending the noncompetitive appointment provisions in Section (2) (d) to too large a group or who are concerned that the reporting requirements of Section (2) (e) would encompass more individuals than is reasonable. One way to address that concern would be to tighten the definition of "internship program" to something similar to the following:

Internship Program.—The term “internship program” means a formally structured program for students in which the work assigned to the student is related to his or her academic or career goals and for which there is a written agreement between the student, their school, and the agency as to the nature of the work assignments; the procedures to be used to evaluate the work; the schedule for both work assignments and class attendance; and the requirements for continuation in and successful completion of the internship.

We also recommend inserting the words “number and” before “percentage of individuals” in Section (2) (e) (C) in order to provide Congress with more data about the appointment and conversion of interns.

Again, I would like to thank you for your leadership on this important issue. The *Federal Internship Improvement Act* will hold agencies accountable and challenge them to create meaningful internship programs. We look forward to working with you and your staff to build support for the legislation.

Very best wishes.

Sincerely,



Max Stier
President and CEO



the voice of career federal executives since 1980

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April 9, 2010

The Honorable Gerry Connolly
House Committee on Oversight & Government Reform
327 Cannon House Office Building
Washington, DC 20515

Re: H.R. 3264 – The Federal Internship Improvement Act

Dear Representative Connolly:

The Senior Executives Association (SEA) represents the interests of career federal executives in the Senior Executive Service (SES), and those in Senior Level (SL), Scientific and Professional (ST), and equivalent positions. We write today to express our support for H.R. 3264, the Federal Internship Improvement Act.

Federal internship programs are a vital tool for hiring and training future generations of federal professionals. Federal agencies are faced with challenges to the recruitment and retention of talented, new employees to fill mission-critical positions. H.R. 3264 addresses these challenges by encouraging agencies to create a more effective framework for monitoring and implementing internship programs.

SEA strongly encourages the use of federal internship programs to bring qualified talent into the federal workforce. We particularly support H.R. 3264's data collection requirement. The legislation requires each agency that utilizes internship programs to compile the results of several measurements into an annual report that is sent to OPM and stored in a centralized database. We believe that having such metrics will be valuable for the program's expansion and will encourage agencies to use interns effectively.


We also support the creation of an internship coordinator position for each participating agency. This component will provide agencies with an individual responsible for communicating with, developing, and tapping into a knowledgeable pool of job candidates. The option of noncompetitively hiring these candidates is essential to filling vacancies quickly and maintaining the continuity of an agency's operations.

We understand there has been consideration during the legislative process to limit the definition of "internship" as set forth in Section 2(f)(1). With regard to this issue, we encourage that a broad definition be included in H.R. 3264 to ensure effective data collection and oversight over all federal internship programs.

We look forward to working with you to ensure that this legislation creates a fair and transparent system for hiring and training future federal employees.

Sincerely,


CAROL A. BONOSARO
President


WILLIAM L. BRANSFORD
General Counsel



May 18, 2010

The Honorable Gerry Connolly
327 Cannon House Office Building
Washington, D.C. 20515

Dear Representative Connolly:

On behalf of the over 200,000 managers, supervisors and executives in the federal government whose interests are represented by the Federal Managers Association (FMA), I am writing to offer our endorsement of H.R. 3264, the Federal Internship Improvement Act. H.R. 3264 will enhance the federal government's ability to recruit, train and hire a highly talented cadre of workers equipped with the skills necessary to lead the federal workforce of the future, and we are committed to working with you to encourage the House of Representatives to approve this legislation in an expedient manner.

Providing internship opportunities to facilitate the hiring of full-time federal employees is a critical step we must take to prepare for the wave of retirement looming on the horizon. It is imperative lawmakers equip federal agencies with the tools to attract individuals possessing the talents required to achieve critical missions in this evolving work environment, and H.R. 3264 contains the components and structure to advance this objective.

Appointment of an internship coordinator within each federal agency, along with annual reporting requirements assessing each internship's efficacy, exhibit the Federal Internship Improvement Act's commitment to ensuring internship programs are transparent and configured in a manner that benefits both the agencies and enrolled individuals. FMA also commends H.R. 3264 for including language creating a centralized database of internship participants which will enable agencies to access and fully utilize the talents of those who have completed or are near completion of the program.

The federal government is in desperate need of engineers, information technology specialists, and a number of other highly skilled professionals. We at FMA sincerely appreciate your efforts to provide an avenue for talented individuals to enter the civil service. We support your introduction of H.R. 3264, and look forward to working with you to advance this legislation.

Sincerely,

A handwritten signature in cursive script, appearing to read 'P. Niehaus'.

Patricia J. Niehaus
National President

Mr. CONNOLLY. I thank the Chair for his indulgence and that of my colleagues.

Mr. LYNCH. Our pleasure.

Let me just back up a little bit. Director, you have taken some hostile fire here. I do want to just point out for the record that nobody has done anything on this for about 16 years. That is Democratic and Republican administrations.

Look, you are here. The President has asked you to come here. He has put through a plan to fix something that has been broken for a long time, and you deserve credit on that end. I just want to get that out front. It is good that you are here. It is good that the President has launched this initiative. It is a delicate balancing act, like you have laid out here. We have to do all these things, but make sure that the veterans are OK, we get some young people into the process, and, above all, we get good employees, motivated employees here to work in the Federal Government.

We have all those things we are concerned about, but I do want to again amplify the fact that you are here, you have a plan, and you are going to try to get this thing done, and no one else had an appetite to do this until you showed up, so I give you great credit for that, and I give the President great credit for that, too.

Now, one of the concerns I have with the Federal career internship program is that, first of all, it has just exploded in its utilization. Again, it went from 400 people back in 2003 to almost 28,000 today, and so I am concerned that some agencies are using it as a way to circumvent the competitive hiring practice. That is out there.

The other thing is just the human side of this. We have some very, very talented career Federal employees that work at various agencies, and the impact on them when all of the sudden a new administrator comes in, a new secretary perhaps, Cabinet secretary, and all of the sudden they start hiring interns through a non-competitive, closed process, and these new people parachute in at a higher rate of pay and a higher responsibility than the person who has been very competently doing that job for a long time. That is devastating to our morale of Federal employees. I am very concerned about that, as well.

Is there a way to address that where we provide the flexibility? I can see it. In Treasury we had all those problems with derivatives and collateral debt obligations, collateralized debt obligations. This is relatively new. Some of the folks coming out of our business schools and engineering schools, quite frankly—this is financial engineering—are keenly on the cutting edge, so we need to get some of those folks in to do that job of policing these things at the SEC and elsewhere. Yet, you have career employees in there that are very competent. And, as we mentioned before, the veterans' preference should be acknowledged and recognized, as well.

Is there a way that you can see where we can give the agencies some flexibility but preserve, in major part, all of those other insurances that we have?

Mr. BERRY. Mr. Chairman, just today, just this morning I chaired the Chief Human Capital Officers Council Meeting, which is the CHICOs, if you will, from each of the Federal agencies, and we discussed this issue in full, as we obviously pursued the President's

memorandum. We have set up a working group on this very topic that will help me and our employees at OPM as we wrestle with this issue to balance all of these sensitive moving parts.

We want to protect the merit principles. We must protect veterans' preference. We do need to provide an avenue for students to join our Government and refresh our work force on a periodic basis. We need to have controls in place to make sure all of these sort of work together, not at cross purposes.

One of the things we will be doing over the next 90 days with that work group and with the help of this committee and many others is trying to craft a proposal that we believe will keep us on the balance beam and allow us to have something that will honor veterans' preference, will honor the merit principles, but also give flexibility to the agencies on student entry. That is the challenge before us.

I don't have a proposal to lay in front of you today.

Mr. LYNCH. Mr. Director, let me just interrupt you, because my time is very short.

The idea of getting away from the top three where three applicants would be sent over and then folks would have to choose from one of the three, now we are talking about going to a category selection process, and there could be as many as 20 or more applicants that are sent over for review. Do you see it as something that will help you in terms of balancing all those interests, or do you see it more as introducing a new complexity into the formula?

Mr. BERRY. Actually, Mr. Chairman, I think it is going to help on two fronts. One, it is going to help us on veterans' hiring, because right now under the rule of three you could have a situation where three candidates score higher than the veterans who, even with the extra points that might be added, wouldn't have made it into that top three and therefore they can't be considered for the position.

Under going to a category rating, whether you have a well-qualified or a best-qualified pool, the veterans will be in that pool and they will float to the top. So the agencies will have to hire from that veteran pool out of those categories first before they can reach down into the larger pool.

Now, in reality I believe it is going to open opportunity for our veterans, and that is how we hope this unfolds. We will be watching that closely. But where I also think it is going to make a huge difference in time and efficiency, what Mr. Chaffetz was talking about, is right now, under the rule of three, if, let's say we are hiring an accountant and we put those 10,000 applicants through the Federal meat grinder and we come out with a group of well-qualified people that are super that is maybe 30 people, and we only advance three to the hiring manager, and they make the selection, everybody else in that pool has to start over.

That, in every private sector company, would be considered nuts. Why would you make someone who has already been through this, been determined to be best qualified, start over if the person literally across the hall from you is hiring an accountant? Why not make that pool of people available to everybody in your agency who is hiring accountants and say, look, we have 30 good accountants here. Interview and hire.

If we do that, we are going to speed up. We will alleviate the frustration of people who are now just being dropped and have to start this meat grinder over. We are also going to provide more opportunity to veterans, because now, by opening that pool and saying anybody hiring accountants in our agency, they have to hire of those veterans at the top of that list first. So that is going to be more job opportunities for our veterans.

What I would like to do and what I propose it would take legislation for this committee to consider, right now, under the law, within an agency we can share those pool of applicants, so accountants within the Department of Defense could be passed around. If HHS is hiring accountants, why wouldn't we take advantage of that? The law prevents us from doing that right now. It would take a change in the law to consider that, and it would be something I would like to explore with the committee.

Mr. LYNCH. Interesting idea. I have exhausted my time. Thank you for your answer.

I now recognize the gentleman from Utah, Mr. Chaffetz, for 5 minutes.

Mr. CHAFFETZ. Thank you, Mr. Chairman.

I want to look at section four of what the President issued. It has to do with reporting. It says the OPM basically is going to create a new, I take it it is new. Is it new, or is there an existing one that I am just not aware of? Shall develop a public human resources Web site. I take it that is in addition to USAJOBS? Can you help clarify what you envision with this new Web site? It says it is going to be public, so is that something that everybody can look at, or how is it going to work?

Mr. BERRY. This is a public human resources Web site. My understanding, Mr. Chaffetz, is that this will be a data base of best practices that will be available amongst CHICOs, essentially, that we will be creating. As we talked about, as larger agencies will be running faster and moving ahead, we will be able to share those best practices so the smaller agencies with smaller budgets can benefit from that.

Mr. CHAFFETZ. I like your optimism, if you think the large agencies are going to move faster than the smaller. There is a great book out there called, It Is Not the Big that Eat the Small; It is the Fast that Eat the Slow.

Mr. BERRY. That is a good point. But it is an attempt to essentially create that crossroad where we can share best practices and keep that information up to date.

Mr. CHAFFETZ. Is there no such sharing mechanism at this point?

Mr. BERRY. At this point in time we don't have an easy crossroads to do that. This will be doing that. We have been building through the CHICO Council a CHICO Web site that allows us to share those best practices now. That is essentially the origins of how we hope this will grow and develop, and we hope it to get deeper and richer.

Mr. CHAFFETZ. Now, it says public human resources Web site. Is that open to the public? Is that something that we are going to be able to look at?

Mr. BERRY. I am not sure. Right now the other thing, there are sort of two elements here that may be at play in this paragraph,

if I could get back to you in detail. One of it is we will be developing a dashboard that the public will be able to track how we are doing on hiring and moving toward that 80-day goal.

So some aspects of this will be available to the public. Some aspects of it will be an internal information sharing network. I don't mean to imply that all of it will be available to the public. Both of those need to nest within this Executive order, and we will be designing it such that it meets that legal standard.

Mr. CHAFFETZ. Give me a sense of the timing. When do you think this will be up to speed?

Mr. BERRY. The President directs us to have pretty quick turn-around on these things. Most of them are in a 90-day timeframe, so we are going to be working very hard to meet that objective of doing that.

Mr. CHAFFETZ. So you would expect that this Web site is up and functional—

Mr. BERRY. That would be our hope and my objective. Now, I have to tell you we have just begun.

Mr. CHAFFETZ. Hey, if you want to put the noose around your neck, go right ahead there.

Mr. BERRY. We are going to try.

Mr. CHAFFETZ. All right.

Mr. BERRY. Let's do that. We are going to try.

Mr. CHAFFETZ. And help me with going back to the USAJOBS Web site and the improvements there. Give me a sense of the time line. That is such a critical component. It is how the public interfaces. You have an unbelievable number of hits on this.

Mr. BERRY. Absolutely.

Mr. CHAFFETZ. Give me a sense of what sort of resources. Do you have enough resources in place? I mean, how many people are working on this and what is the time line of that USAJOBS Web site?

Mr. BERRY. Right now we are working very hard. There have been major changes that we have been able to implement, even already put in place some of them as we began last January.

Mr. CHAFFETZ. OK.

Mr. BERRY. And so a total redesign went up in January of our USAJOBS site. So far user feedback has been good. Obviously, we have a long way to go and it will continue to get better, but we are streamlining. It is designed to be reflective of the users' needs, not necessarily the agencies as much. We are trying to make it as simple and as user friendly as we possibly can.

The next major thing, and we have launched the capacity, is to make it available to handle resumes. That is now up and running, as well.

The third major element of this we will be working on are assessment tools. One of the things I believe that is going to be very helpful, the private sector has been using assessments based on resumes that they have spent hundreds of millions of dollars developing that the Federal Government hasn't been able to utilize because we don't use resumes.

Well, now that we have gotten onto the resume railroad train track, if you will, we will now be able to make available and avail ourselves of those private sector assessment tools. So what our peo-

ple and staff, working in concert with CHICOs across the Government, will be doing is trying to figure out what can we just take off the shelf and use, what can we take and modify and use, and—

Mr. CHAFFETZ. My time is running short here. Help me with the sense of the timing. What should we expect on USAJOBS?

Mr. BERRY. Well, like I say, some have already taken place. The resumes is up and running today. The assessment tools will be working to stand up within 90 days.

Mr. CHAFFETZ. By the end of the year what would you expect?

Mr. BERRY. Clearly, by the end of the year we will have refreshed assessment tools by December, by the end of the calendar year for you, sir.

Mr. CHAFFETZ. OK.

Thanks, Mr. Chairman. I yield back.

Mr. LYNCH. Thank you.

The Chair now yields 5 minutes to the gentleman from Virginia, Mr. Connolly.

Mr. CONNOLLY. I thank the Chair.

I know that there has been some discussion about the growth in the number of Federal employees, but I thought I would just share for the record, Mr. Chairman, some interesting numbers.

In 1992 there were 3.083 million Federal employees. By 2000, at the end of the Clinton administration, there were 2,702,000, a reduction of 381,000. In the Bush years, Federal employment grew by 54,000. And in the Obama administration, most of the growth has been in the realm, as you might expect, of the census, many of them temporary jobs, obviously. I would point out that even if you included all of the growth including the census numbers in the Obama administration, added to where we were in 2008 when he got elected, the total number of Federal employees is still less than the total number of Federal employees in 1992 when President George H.W. Bush was President.

I don't know that we are on an orgy of huge expansion in the Federal workplace. In fact, my concern is: will we have the skill sets, will we have the replacement employees to address the demographic imperative of the Baby Boomers who are getting ready to retire in enormous numbers?

I wonder, Director Berry, if you could address that challenge.

Mr. BERRY. Mr. Connolly, I think that is why so many of these tools that we are discussing today, whether it be student entry, many of you have discussed retirement and bringing in or having our retirees stay engaged in the work force longer. There are a lot of different angles of attack of responding to the increased retirement wave we are facing, and we are looking at all of those to maintain the skill sets.

The objective, one of the things we have to be about is changing the public dynamic about how public servants are perceived, because we won't be able to recruit and retain the best and the brightest if we denigrate public service. So one of the most important things both parties can do is to help elevate the importance of our civil servants, whether they be protecting the homeland in Homeland Security, whether they be taking care of our veterans in veterans' hospitals, or keeping our food safe, or fighting environ-

mental catastrophes, our Federal employees are on the front lines. We need to recruit good ones so that they can continue to serve the public. We are about that, Mr. Connolly.

Mr. CONNOLLY. One of the things I certainly support and applaud, you and the President have taken measures to try to streamline hiring so that we cut down on the amount of time it takes to actually get into the position advertised, holding in abeyance the process. It is my understanding that in some cases it has taken as long as 200 days from advertising a position to actually getting that person in place; is that correct?

Mr. BERRY. Absolutely, sir. I tell you, hats off to Secretary Donovan at HUD. They served as a guinea pig. They had one of the highest rates of the length of hiring. Working with them intensely over the past year, they have gone from that 200 category down to below the 80-day category. So it can be done. It takes leadership. It takes attention. It takes focus. But it can be done.

The President, in stepping up with this memorandum, has said that he wants it done for the Government. We are going to drive this hard, sir.

Mr. CONNOLLY. Can you think of any private sector entity that takes 200 days from advertising a job to filling it?

Mr. BERRY. Well, there would be counterparts. I mean, you have to understand certain complex positions, it might take multiple advertisements to recruit and get the right pool of applicants for a highly skilled, specialized job. University presidents, for example, oftentimes average over a year to recruit, retain, and hire.

Mr. CONNOLLY. Yes.

Mr. BERRY. To advertise and select.

So yes, there are counterparts, but it is the standard, the average, is what we are going for. The private sector average is 80 days. That is what we are going to seek to me.

Mr. CONNOLLY. Good. Now, on the other side of the coin, that is to be applauded because it is necessary to meet lots of goals we have to set for ourselves as Federal workplace. On the other hand, I know you would agree there are legitimate concerns on the part of many of our Federal employees who are concerned that, with the best of intentions, in the collapsing of that timeframe protections get lost. Competition isn't as transparent or as even prevalent as we say we are committed to having. Favoritism or nepotism can sometimes substitute for quality competition.

How would you address that, and what safeguards are we putting in place to make sure that those fears are not materialized?

Mr. BERRY. Well, Mr. Connolly, first—

Mr. CONNOLLY. I'm sorry, Mr. Chairman. I didn't see the red light. I would ask unanimous consent that the Director be allowed to answer the question, and I am sorry I went over my time.

Mr. LYNCH. That is fine. Please.

Mr. BERRY. Thank you, Mr. Chairman.

Mr. Connolly, my solemn oath which I took when I took this job was to uphold the merit principles, and I can guarantee you that I will do everything in my power to ensure that we meet those.

One of the most important things I think I have done that will give you greater confidence that we will be able to oversee this and to keep track of this as we go is I reorganized the Office of Person-

nel Management and broke out our merit system audit and compliance unit to be a stand-alone entity with its own assistant director level leadership, with its teams around the country that can be monitoring this in the agencies, and we will be working with our agency partners, our CHICOs, our labor partners to ensure that if there are problems we can apply investment immediately, we will be able to get to the bottom of them, and we will sort them out and ensure that both merit system and veterans' preference is protected.

Mr. LYNCH. Thank you.

In my opinion, Director, you have suffered enough, but I might not have unanimity up here.

Mr. Connolly, Mr. Chaffetz, do you have any further questions?

[No response.]

Mr. LYNCH. All set.

I want to thank you for your testimony. I want to thank you for your great work. We will have to monitor this, obviously. Mr. Chaffetz had some numbers about pure employment numbers, and then we also wanted to have a month-by-month tally on how we are doing with veterans hiring, even with this new model in place. Those are our principal concerns.

Mr. BERRY. Mr. Chaffetz, in apology to you, the confusion between our two numbers, the 2.8 and the 2, the 0.8 is the Postal Service workers. I usually don't account for them in my number. That is where you are getting the 2.8. That would reflect all Postal Service workers, as well. I don't consider them in the U.S. Civil Service system, which is why we had that disagreement at the beginning. My apology for that.

Mr. LYNCH. Thank you, sir. You have a good day.

I have a markup in the committee down the hall here, Financial Services, so I am going to ask the next set of witnesses to come forward. I am going to bid you good day and I am going to ask, if I have to run down the hall, Mr. Connolly if he could Chair.

Welcome to you all. We have a great panel here of individuals and experts who I think will be of great value to the committee in its work.

I want to assure you that I have read all of your testimony last night, so, while I am down there voting in the other committee, I won't miss anything.

It is the custom of this committee to have all witnesses sworn who are to offer testimony before it, so I will ask you all to rise and raise your right hands.

[Witnesses sworn.]

Mr. LYNCH. Let the record show that the witnesses have answered in the affirmative. I will turn the gavel over to Mr. Connolly and be right back.

Thank you.

Mr. CONNOLLY [presiding]. Thank you, Mr. Chairman.

Let me briefly introduce our panelists.

Mr. David Holway serves as the national president of the National Association of Government Employees, the largest State employee union in Massachusetts. In 1995 he became the lead negotiator for the union, successfully negotiating contracts with the Commonwealth of Massachusetts that guaranteed annual across-

the-board pay increases while protecting and expanding the interests and benefits for over 22,000 members.

Welcome. I hail originally from Massachusetts. Probably can't tell that from my accent.

Jacqueline Simon is the public policy director of the American Federation of Government Employees. The American Federation watches over the rights of some 600,000 Federal and D.C. government employees. An economist by training, Ms. Simon has worked to protect the interests of Federal employees at AFG for over 20 years.

Ms. Maureen Gilman is the director of legislation for the National Treasury Employees Union. Representing 150,000 Federal employees and retirees, Ms. Gilman focuses extensively on Civil Service, budget, tax, and appropriations issues. Prior to joining the National Treasury Employees Union, she served as chief of staff to Congressman Sam Gaidenson of Connecticut.

Mr. Tim Embree works as a Legislative Associate for the Iraq and Afghanistan Veterans of America. He joined the U.S. Marine Corps Reserves in 1999 and served two combat tours in Iraq before being honorably discharged in 2007. Tim has extensive professional experience working in local government administration in the midwest.

Mr. Stephen Crosby is the founding Dean of the John W. McCormack Graduate School of Policy Studies at the University of Massachusetts in Boston—makes you wonder who is chairing this committee—and has nearly 40 years of experience in policymaking, entrepreneurship, and nonprofit leadership. Mr. Crosby served as Secretary of the Administration of Finance to both Governors Paul Cellucci and Jane Swift from 2000 to 2002. In this role he supervised 22 agencies with 3,000 employees.

And finally, not least, Tim McManus, who joined the Partnership for Public Service as vice president of education and outreach in June 2006. Prior he served as director of marketing for the Corporation for National Community Service, the Federal agency that administers Senior Corps, Americorps, and Learn and Serve America. In that capacity, Mr. McManus was responsible for the national marketing, recruitment, and outreach strategies designed to engage Americans of all ages and backgrounds in service.

Welcome all of you. We have your prepared statement, and I would ask that you summarize your statement in a statement no longer than 5 minutes.

We will go in reverse order of introduction. Mr. Mcmanus, why don't you begin?

STATEMENTS OF TIM McMANUS, VICE PRESIDENT FOR EDUCATION AND OUTREACH, PARTNERSHIP FOR PUBLIC SERVICE; STEPHEN CROSBY, DEAN, JOHN W. McCORMACK GRADUATE SCHOOL OF POLICY STUDIES, UNIVERSITY OF MASSACHUSETTS; TIM EMBREE, LEGISLATIVE ASSOCIATE, IRAQ AND AFGHANISTAN VETERANS OF AMERICA; MAUREEN GILMAN, LEGISLATIVE AND POLITICAL DIRECTOR, NATIONAL TREASURY EMPLOYEES UNION; JACQUELINE SIMON, PUBLIC POLICY DIRECTOR, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO; AND DAVID HOLWAY, NATIONAL PRESIDENT, NATIONAL ASSOCIATION OF GOVERNMENT EMPLOYEES (SEIU/NAGE)

STATEMENT OF TIM McMANUS

Mr. McMANUS. Thank you, Mr. Chairman. Thank you, Mr. Connolly.

With more than 550,000 Federal employees planning to retire over the next 4 years, today's hearing and this discussion is incredibly important and timely. This conversation really, in my estimation, is not about how big Government is, but how good Government is. How good Government is depends upon the people that we are actually able to get into Government.

I would like to focus my comments today on three key areas for transformation that will help us actually attract the best talent that we can: fixing the hiring process, developing strategic talent pipelines, and making data-driven decisions.

First, I would like to commend the administration, Director Berry, and OPM for making hiring reform and veterans' employment in the Federal Government a priority.

Our research indicates that the biggest obstacle to bringing in talent at all levels is the hiring process. More than 50 percent of college students say that the No. 1 barrier to entry to the Federal Government is the hiring process, and more than 60 percent of workers 60 and older believe that the hiring process is a deterrent to entering Federal service.

Last week's announcement of hiring reforms is a significant step toward reducing and eliminating some of those barriers; however, the real test is yet to come. That is getting it done.

The elimination of essay-style questions, clearly written job descriptions and notices, and timely notifications of applicants are, again, good first steps, but they are only first steps.

Further, we support the use of category ranking, allowing agencies to consider a larger pool of qualified applicants. We, like Director Berry, believe that will, in fact, lead to more veterans being hired and more veterans being considered.

Last night the full Senate passed S. 736, the Federal Hiring Process Improvement Act. This bill addresses many of the same reforms put forth by the administration and OPM. The Partnership encourages this subcommittee to champion that legislation through the House and to codify those reforms.

Second, we believe that it is not enough to simply have hiring reform and to improve USAJOBS, alone. We need to improve existing pipelines of talent and build new pathways into Federal service.

Representative Connolly, your legislation is a first step in doing that. As you stated earlier, less than 7 percent of Federal interns are converted into full-time employment. If you look at the authority that actually provides conversion authority, the student career employment program, only 26.7 percent are converted. Again, compared to the private sector, over 50 percent of those interns are converted. We still have a lot to do.

The legislation that you have introduced, the Federal Internship Improvement Act, we believe will help agencies better understand where their interns come from, how they are utilized, the quality of their experiences, and the barriers to their conversion. Equally important, the establishment of a data base of interns across Government will provide agencies with a ready-made pool of qualified talent.

A provision that is currently in the bill that you have introduced allowing for non-competitive conversions if interns successfully complete their experience we believe needs to remain intact, with a focus, as your legislation does, on making internships more accessible to students with clear points of contact within Federal agencies and a requirement for public posting of those internships, which currently is not the case, and coupled with the ultimate assessment tool, direct observation of the interns, their work, and their work habits mean that conversion makes sense.

We have already heard a significant amount about the Federal career internship program. I would like to just make a couple of points on that program right now.

Given the expanded use by agencies that Chairman Lynch referred to and the fact that 15 percent of those hired through FCIP are veterans, compared to 8.3 percent of the civilian work force, clearly there is some value that agencies see in this program and clearly it is producing results. Rescinding the Executive order without having an alternative would be unwise. Instead, the Partnership supports the process put forth in the President's memo for OPM to review and recommend a path forward that takes into full consideration veterans' preference and the competitive hiring process.

We also encourage the passage of Roosevelt Scholars Act, creating a civilian ROTC program offering graduate level scholarships in mission critical fields in exchange for Federal service.

Finally, whether it is the collection of data on the use of FCIP, conversion rates of interns, or time to hire, Government needs to base decisions on facts, not anecdotes. The old adage what gets measured matters we believe is, in fact, the case here, and what matters is ensuring that we have the right talent for the right jobs.

Thank you very much. I look forward to your questions.

[The prepared statement of Mr. McManus follows:]



PARTNERSHIP FOR PUBLIC SERVICE

**Written Testimony of Timothy McManus
Vice President for Education and Outreach
Partnership for Public Service**

Prepared for

**The House Committee on Oversight
and Government Reform
Subcommittee on the Federal Workforce, Postal Service
and the District of Columbia**

**Hearing Entitled,
“Jobs, Jobs, Jobs: Transforming Federal Hiring”**

May 19, 2010

Chairman Lynch, Representative Chaffetz, Members of the Subcommittee, thank you very much for the opportunity to appear before you today. I am Tim McManus, Vice President for Education and Outreach at the Partnership for Public Service, a nonpartisan, nonprofit organization dedicated to revitalizing the federal civil service. We appreciate your invitation to discuss hiring in the federal government. A skilled and dedicated workforce is absolutely essential to fulfilling the many missions of the federal government on behalf of our nation, and we are honored to share with you our perspective on the challenges of transforming hiring in the federal government.

The Partnership has two principal areas of focus. First, we work to inspire new talent to join federal service. Second, we work with government leaders to help transform government so that the best and brightest will enter, stay and succeed in meeting the challenges of our nation. That includes all aspects of how we manage people, from attracting them to government, leading them, supporting their development and managing performance; in short, all the essential ingredients for forming and keeping a winning team. Given those objectives, we are highly encouraged by this Subcommittee's interest in fixing one of the most serious barriers the federal government faces in employing the right people with the right skills, and that is the federal hiring process.

In this testimony, I will share the Partnership's views on the most significant challenges in attracting new talent, discuss some promising developments and legislative proposals that merit consideration, and provide recommendations for agencies and Congress moving forward.

The Timing is Right

The Partnership is very pleased to see that the Administration and the Office of Personnel Management (OPM) have made hiring reform a key priority. Last week, President Obama issued a presidential memo to executive departments and agencies that set forth a clear agenda for reforming the federal hiring process. OPM promptly followed up the next day and issued guidance to federal agencies for implementing the President's agenda. This is a promising start, and the Administration should be commended for its efforts to date.

This renewed commitment to addressing the challenges surrounding the federal hiring process couldn't come at a better time. A record number of experienced federal workers will soon retire, resign or otherwise leave the government and will need to be replaced. At the same time, the federal government's hiring needs are also growing in response to the stimulus legislation, new or expanded programs, and the goal of having federal employees assume some functions currently done by contract employees. We project that more than 550,000 new hires will be needed over the next four years (FY 2010 through FY 2013) due to replacement hiring, in-sourcing and the addition of new jobs.

Potential applicants are out there, but the challenge is to attract and hire the *right* people with the *right* skills that government so desperately needs. The government must also retain and develop talented individuals already in the federal workforce. Aggressive and immediate action is needed to strengthen the federal civil service, match new skills to current challenges and build a government that the public deserves and the times demand.

Good News and Bad News

The good news is that there is a high level of interest in government service among all age groups, from young people graduating from college to more seasoned professionals looking for encore careers. In our January 2009 report, *Great Expectations: What Students Want in an Employer and How Federal Agencies Can Deliver It*,¹ we reported that government/public service was the most popular industry choice out of 46 options among the undergraduates surveyed. We also conducted a survey of older workers (age 50 and over) and found that 53 percent of those surveyed were at least somewhat interested in working for the federal government, with 26 percent highly interested.²

The bad news, and challenge for federal agencies, is that lack of information about job opportunities and a well-earned negative view of the federal hiring process are significant barriers to recruiting top talent.

Lack of information is a barrier to recruitment

Our nation's military spends millions of dollars on highly-targeted marketing campaigns to recruit new uniformed military personnel, but our country has not made the same kinds of investments in attracting the best and brightest to the federal civil service. As a result, job seekers of all ages lack knowledge about federal internship and job opportunities. A Partnership study of college students found that only 13 percent of students said they felt extremely or very knowledgeable about federal jobs. Further, fewer than two in ten faculty and advisors – those who help influence student decisions – felt they were knowledgeable about federal jobs and the process of finding and applying for those opportunities.³ In addition, only 11 percent of older Americans indicated in a separate study they were knowledgeable about employment opportunities in the federal government.⁴

The Partnership and OPM have been working together to try and fill this void through the *Call to Serve* program, an effort to connect federal agencies to the tremendous source of new talent graduating from our nation's colleges and universities. The network currently includes more than 75 federal agencies and more than 710 colleges and universities from

¹ *Great Expectations: What Students Want in an Employer and How Federal Agencies Can Deliver It*, Partnership for Public Service, January 2009.

² *A Golden Opportunity: Recruiting Baby Boomers Into Government*, Partnership for Public Service, 2007.

³ *Back to School: Rethinking Federal Recruiting on College Campuses*, Partnership for Public Service, 2006.

⁴ *A Golden Opportunity: Recruiting Baby Boomers Into Government*, Partnership for Public Service, 2007.

all 50 states who are doing more to educate young people about internship and job opportunities in the federal government.

Through our work we've found that job seekers need more guidance on how to search for a federal internship or job. They desire information that is tailored to their specific major or area of interest. On the whole, job seekers want to make a difference and do interesting and meaningful work, so agencies need to dispel myths about federal service, emphasize opportunities to serve the greater good and put a face on government, which is often perceived as overly bureaucratic. Agencies will also be more successful if they highlight government workplace flexibilities that contribute to work/life balance, one of the most important job attributes that employees are seeking. Technology certainly may aid recruitment efforts, but there is no substitute for personal connections – family, friends and faculty, among others – when it comes to generating interest. Agencies will also be more successful if they build and maintain relationships over time with faculty, advisors and career services professionals on campuses.

The Partnership is actively engaged in a set of activities to better inform students about federal opportunities. We have created the *Federal Service Student Ambassadors* program, in which a corps of passionate student advocates actively promote government service on campus following their completion of a federal summer internship. We have also created a website (www.makingthedifference.org) dedicated to educating students on finding and applying for federal internships and jobs, are sending speakers through our *Annenberg Speakers Bureau* to campuses across the country to educate and inspire young people to serve in the federal government, and are helping a small group of federal agencies identify, attract and recruit entry-level talent in select mission-critical fields including information technology, acquisition and human resources, through our *FedRecruit* program.

We are also investing in educating experienced workers about opportunities to serve in the federal government or pursue “encore” careers through our *FedExperience* pilot program, designed to help meet government's critical hiring needs with the talents of experienced, older workers. Through the course of our work, we have discovered that most agencies rely solely on USAJOBS as their primary way to recruit talent, which produces a volume of applicants but not necessarily the “best qualified” and “best fit” for a job since USAJOBS is only one of many ways that agencies can market job openings to available talent pools. There are also often stereotypes about older workers that influence an agency's openness to seek the right talent regardless of age or prior federal experience.

Broken Hiring Process

Mr. Chairman and members of the Subcommittee, we can all agree that the federal hiring process is the biggest obstacle to bringing much-needed new talent into the federal workforce. As previously stated, the President's memorandum on hiring reform is an important step forward.

Long a source of frustration for agencies and applicants alike, the federal hiring process is not designed with applicants in mind and it discourages talent from all sources from pursuing federal service. A Partnership review of hiring at selected agencies revealed that the process for hiring a single employee can include more than 110 steps. When releasing OPM's hiring reform guidance, Director Berry stated that "on average it takes 5 months;" however some federal job applicants wait a year, or longer, before receiving a job offer. And some potential workers do not wait at all because the job announcement itself discourages them from applying in the first place. Sometimes running 10, 20 or even more pages in print form, federal job announcements are frequently confusing and filled with jargon indecipherable to the average person. Federal agencies often require applicants to submit college transcripts in short job application timeframes and to customize resumes to meet specific agency requirements. Also, agencies generally do a poor job of keeping applicants informed of the status of their applications – a basic courtesy that should be afforded to all job seekers. The end result is a difficult, lengthy and complex process that discourages many highly skilled candidates from pursuing federal service – and worse, only 47% of respondents to the 2008 Federal Human Capital Survey said that their agency is hiring quality talent.

The Partnership reached out last year to the career placement offices in the colleges and universities who are part of our *Call to Serve* network with a survey about changes in student interest in federal jobs and internships. Out of 258 respondents, 41 of them volunteered written comments on the problems with the application and hiring processes, USAJOBS, and the length of time it takes to respond to job applications. In our experience, for such a high number of respondents to volunteer written comments is a clear signal as to the depth and breadth of applicant discontent with federal hiring.

Recent Promising Developments

Recognizing that there are major problems and weaknesses of long standing plaguing the federal hiring system, the U.S. Office of Personnel Management (OPM) identified hiring reform as one its top priorities almost a year ago and undertook an extended interagency effort to identify and implement improvements to the federal hiring process. This effort, which had the active support of the U.S. Office of Management and Budget, resulted in the release of a Presidential Memorandum dated May 11, 2010, *Improving the Federal Recruitment and Hiring Process*. This directive from the President to department and agency heads and follow-up guidance from OPM issued the following day are very promising developments.

Hopefully, the recent developments to improve the federal hiring system as well as related efforts, such as Executive Order 13518, *Employment of Veterans in the Federal Government*, dated November 9, 2009, will be sustained and supported over an extended period of time in order to achieve the desired end results. Among the major changes called for by the administration and supported by the Partnership for Public Service are the following:

- Creating a more applicant friendly approach to hiring which includes elimination of any requirement that applicants provide – at the initial application stage – essay-style responses to questions about their various knowledge, skills and abilities (KSA’s).
- Ensuring that federal job announcements are clearly written, that application procedures are easy to understand and that applicants are given timely information regarding the status of their application once it is submitted.
- Requiring that any agency still using a “rule of 3” approach which only allows hiring managers to consider a maximum of three candidates (out of potentially hundreds or more who may apply) instead use a “category rating” approach which allows consideration of a larger number of qualified applicants.
- Involving federal managers and supervisors with responsibility for hiring more directly (if they are not already) in the hiring process and making them more accountable for the end results (i.e., recruiting and hiring highly qualified employees with due regard for diversity and veterans).
- Establishing metrics and targets to improve the quality and speed of hiring.
- Providing relevant training for hiring managers to help them fulfill their responsibilities.
- Providing both oversight and assistance from OPM, which includes the sharing and replication of best practices for improving the hiring process.

Federal Career Intern Program

The President’s May 11th Memorandum also directs the Office of Personnel Management to evaluate the Federal Career Intern Program (FCIP) established by Executive Order 13162 in order to provide recommendations concerning the future of that program. We recognize that there are some differences of opinion regarding the operation of that program and we would like to offer our views in the context of the role and value of the FCIP as one tool in the federal hiring toolkit.

The FCIP was established in July 2000. Although it incorporated the term “intern” in its title, the FCIP is not an intern program in the way many people think of internships. For example, the FCIP is not a hiring mechanism for filling temporary jobs with students who will be returning to school at the end of their internships. Rather, the clearly stated purpose of the FCIP is to “provide for the recruitment and selection of exceptional employees for careers in the public sector.” Federal agencies may and typically do hire these “career interns” directly into entry-level positions in mission-critical occupations for the hiring department or agency with the expectation that they will become part of the permanent workforce.

The hiring authority for the FCIP is via Schedule B of the excepted service as outlined in the Code of Federal Regulations for title 5 U.S.C. An appointment under the FCIP is for two years and, at the discretion of the employing agency, competitive civil service status may be granted to a career intern who satisfactorily serves for two years and meets all other requirements prescribed by OPM. Another significant feature of the FCIP is a requirement that an individual hired under the FCIP “shall participate in a formal program of training and job assignments to develop competencies that the OPM identifies as core to the Program, and the employing agency identifies as appropriate to the agency’s mission and needs.”

There are four other aspects of the FCIP that are important to note:

1. The Executive Order and OPM make it clear that veteran preference and equal employment opportunity requirements do apply to the use of FCIP. In her recent testimony before the Senate Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, OPM Associate Director Nancy Kichak noted that approximately 15 percent of those hired under FCIP appointments are veterans. This is in spite of the fact that veterans constitute only 8.3 percent of the civilian labor force.
2. The merit system principles do apply to the FCIP. It does not allow federal agencies to make appointments non-competitively. Selections must still be made based on the relative qualifications of the applicants and selection may not be based on non-meritorious factors.
3. There is no public notice requirement for career intern appointments and this is not inconsistent with the merit system principles. This means that a federal agency may target their recruitment by limiting the areas from which they will solicit applications. For example, an agency may elect to accept applications only from individuals at selected colleges and universities, veteran’s centers or other talent pools if they determine that there is a sufficient supply of well-qualified and diverse candidates available at those locations. This is not dissimilar to the long-established and well-accepted practice under agency competitive merit-promotion programs wherein an agency may limit consideration to current government employees only (a widely used limitation on the area of consideration – at some grade levels more than half of all jobs posted on USAJOBS are restricted to current government employees or others who already have competitive service status). Federal agencies may further limit consideration to only employees of a particular agency or to only government employees in a certain geographic area.
4. As with any hiring authority, and as we have seen in the application of agency merit promotion plans, it is possible for a federal hiring manager to commit a prohibited personnel practice. If such a violation occurs, it should be dealt with as such and corrective action taken. Such a violation, however, is not alone reason to invalidate the hiring authority or the promotion plan.

So what has been the result in terms of the use of the FCIP by federal agencies? Starting with a modest 411 hires in the first year the authority was available (FY 2001), the number of appointments each year has been greater than the year before. In FY 2009, for example, there were 26,709 hires made under the FCIP. (To place this in context, in FY 2009 there a total of 142,687 new hires made into full-time, permanent, non-seasonal positions in the executive branch.) And since the general view among agencies using the FCIP is that it is a hiring authority intended to help them select "exceptional employees" for career positions, the vast majority of hires are converted to competitive civil service after their two-year FCIP appointment expires.

Are federal agencies complying with the requirement under the FCIP that they provide "a formal program of training and job assignments" to develop identified competencies? There does not currently exist a central source of information or data on the training provided to FCIP hires during their first two years. However, a 2005 report by the U.S. Merit Systems Protection Board, "*Building a High-Quality Workforce: the Federal Career Intern Program*" found that 62 percent of FCIP hires had received five weeks or more of formal training, and only 10 percent reported receiving 40 hours or less. It would appear that some agencies do a very good job of providing the required training, others meet the minimum requirement of a formal training program, and at least a few agencies are likely not meeting the intent of this provision of Executive Order 13162. However, without better reporting requirements and more complete data, we cannot know the true state of the training and development opportunities provided to FCIP hires during the first two years.

Why has the use of the FCIP hiring authority continued to grow? We believe the growth is related to a very simple reason overall – it works well as a hiring authority for those agencies that use it. We think two features of the FCIP are particularly attractive to agencies in this regard. The first is the ability to make better use of scarce recruitment and assessment resources by doing targeted recruitment in lieu of a general public notice. Second, the two year period of the excepted appointment provides, in essence, a two-year probationary period during which an agency is able to confirm that the individual hired is or is not a good match for the job and worthy (or not) of conversion to a competitive civil service appointment. If the agency determines that continued employment of an individual is not in the best interest of the public served by the federal government, the FCIP appointment simply expires. There is no right to continued employment.

Since the President has directed OPM to evaluate the FCIP, there is a possibility the Executive Order may be rescinded or the FCIP hiring authority otherwise modified. If that should be that case, Congress and/or the Administration may wish to consider establishing an alternative hiring authority that preserves those aspects of the FCIP that have been most productive in meeting the intent of the Executive Order. That intent was to provide a vehicle that enhances the ability of government to attract and hire highly qualified individuals well matched to the requirements of the job and to provide for their training and development over a two-year period to ensure the presence of a highly capable and motivated workforce going forward.

Should there be a replacement for the FCIP, it should avoid use of the word “intern” to avoid confusion. Beyond that admittedly cosmetic change, however, any replacement should also allow an agency to define the area of competition but require the area to be large enough to ensure that it yields a reasonable number of highly qualified candidates from among which the selecting official may choose. Such a requirement currently exists in regulation (title 5, CFR 335.103(b)(2)) for agency merit promotion programs. In addition, any replacement for the FCIP should also provide for a two-year trial period that would serve, in essence, as the last stage of the assessment process. Continuation in federal employment at the end of the two-year period should require an affirmative declaration by the employing agency that the employee meets established standards of conduct and performance. Absent such an affirmative declaration, the employee’s appointment would expire. Finally, veteran preference and the merit system principles should continue to apply.

Veterans Employment Initiatives

As noted, the Partnership fully supports current efforts to ensure that veterans are afforded their legal entitlement to preferential consideration for federal job opportunities for which they qualify. However, we are also aware that the real test of whether the intent of the law is being met is not whether a specific process or procedure is being followed but rather, at the end of the day, whether veterans are being hired. By this measure, most federal agencies have established a good track record. As noted in OPM’s “*Government-wide Veterans’ Recruitment and Employment Strategic Plan for FY 2010 – FY 2012*,” the total number of new hires who are veterans increased from 52,452 in FY 2007 to 65,631 in FY 2008. The report also notes that “In comparison to the private sector, the federal government hires three times the percentage of veterans, seven times the percentage of disabled veterans, and ten times the percentage of severely injured veterans.”

To maintain and build upon this commendable record of providing employment opportunities to veterans, we find that the aforementioned Executive Order 13518 and the Strategic Plan for FY 2010 – FY 2012, are appropriately focused on proactive steps that the federal government can take to enhance the employment of veterans, including engaging in active recruitment efforts, establishing coordinators within each agency, training of managers and human resources professionals, training and transition assistance for veterans seeking employment, and tracking and publicly reporting on the results in terms of veterans hired. We think such efforts will ultimately prove much more effective than seeking to keep or to place additional procedural requirements on the hiring process itself.

For example, a major issue in the debate over whether to allow agencies the option to use “category rating” of applicants rather than the “rule of three,” was whether allowing the use of the more flexible “category rating” option would cause fewer veterans to be hired. Once it was demonstrated that, in fact, a greater percentage of veterans were actually being hired in organizations that were allowed to use “category rating” on a trial basis, Congress amended the law in 2002 to allow all agencies to make use of this more flexible approach to hiring. The point is that a streamlined, flexible hiring process can and should

be entirely compatible with the merit system principles and the goals associated with workforce diversity and veterans' employment.

Legislative Proposals that Merit Consideration

Codifying Hiring Reform

We believe the reform initiatives are a strong first step to improving the federal hiring process; however, we would also recommend that Congress pass legislation to codify these reforms in law. The Partnership supports S. 736, the *Federal Hiring Process Improvement Act*, which was introduced last year by Senators Akaka and Voinovich. This bipartisan legislation was reported by the Senate Committee on Homeland Security and Governmental Affairs on May 12th,⁵ and addresses many of the same issues that have been outlined in President Obama's memo on hiring reform -- making the federal hiring process more applicant-friendly, measuring hiring effectiveness and training agency human resources professionals. We strongly encourage this Subcommittee to champion such common sense hiring reform legislation in the House.

Creating a Civilian ROTC

The Partnership recently surveyed federal agencies and asked them to project their hiring needs through FY 2012. According to our study, agencies predict they will need to fill more than 273,000 mission-critical positions and will need to attract individuals with backgrounds in engineering, public health, information technology, acquisition, human resources and foreign languages, among others.⁶ The private sector is also looking to recruit this mission-critical talent and federal agencies will need to compete for the same limited talent pool. One of the challenges the government faces is that individuals, especially those with higher degrees needed for mission-critical jobs, are graduating with staggering levels of debt that often price them out of public service. In order to compete with the private sector, we recommend that Congress invest in a civilian counterpart to the highly successful military ROTC program, through which the military currently recruits nearly 40 percent of its officers.

The Partnership strongly supports, H.R. 3510, the *Roosevelt Scholars Act*, which was introduced last year by Representatives David Price and Mike Castle. The bill would essentially create a civilian ROTC program offering graduate-level scholarships in exchange for a federal service commitment. Scholarships would be given to those individuals pursuing mission-critical fields where agencies have the greatest need for talent. While working toward their degrees, students would be expected to complete an internship in a federal agency and return to their campus and serve as an ambassador to their peers and career services professionals, educating them about federal internships and jobs and providing tips for how to search and apply for them. A small foundation would be created to administer the program and charged with marketing other federal

⁵ Senate Report 111-184.

⁶ *Where the Jobs Are 2009: Mission-Critical Jobs for America*, Partnership for Public Service, September 2009.

scholarship programs, helping to place students in internships and jobs and working with agencies to expedite the often lengthy security clearance process.

Capitalizing on Student Internships

Student internship programs are a highly valuable way for agencies to identify potential sources of future talent in that they allow agencies to assess the potential employee's fit for the position and observe the candidate's actual work and work habits on the job. Unfortunately, internship programs are underutilized across the federal government. A recent Partnership report, *Leaving Talent on the Table*⁷ found that federal agencies lag behind their private sector counterparts in converting interns into full time hires. In 2007 federal agencies employed 59,510 interns through two of its largest paid internship programs, yet only 3,939 – 6.6 percent – of those student interns were hired into permanent jobs. Even among the students in 2007 who were employed under the Student Career Experience Program (SCEP) and who could have easily been converted to permanent employment, just a little more than 1 out of 4 (26.7 percent) were actually converted. In comparison, private sector employers in 2007 converted 50.5 percent of their interns to full-time, permanent positions according to a survey by the National Association of Colleges and Employers. Surely the federal government can, and must, do better.

We are pleased to see that Representative Connolly has introduced H.R. 3264, the *Federal Internship Improvement Act*, which will help agencies better understand where their interns come from, how they are utilized, the quality of the internship experience, and the barriers agencies face in converting their interns to full-time employees. The legislation requires agencies to collect data and provide an annual report to OPM and ultimately Congress on a number of important items, including how agencies recruit interns, the type of work in which interns are engaged and the quality of the internship experience as identified through exit interviews. Agencies are required to designate an internship coordinator and publicly post available internship positions with a clear point of contact to help attract the best candidates. The legislation also requires OPM to create a central database with the names of individuals who are completing their internships and are seeking federal employment. The central database will enable agencies to gain access to a talented pool of potential candidates. An additional section in the bill as introduced allows agencies to noncompetitively appoint interns to a full-time position if they meet relevant requirements. We think this provision is key in that it will allow agencies to capitalize on their high-performing interns. We urge the Subcommittee to retain this language as the bill moves through the legislative process.

⁷ *Leaving Talent on the Table: The Need to Capitalize on High-Performing Student Interns*, Partnership for Public Service, April 2009.

Summary of Recommendations

The Partnership is pleased to offer the following recommendations to the Subcommittee as you pursue your legislative and oversight agenda regarding federal recruitment and hiring:

1. **Congress should carefully monitor the results of the administration's current efforts at hiring reform and provide support for those efforts that are most promising, including funding for needed training and system development.**

The directives contained in the Presidential memorandum of May 11, 2010, *Improving the Federal Recruitment and Hiring Process*, and the subsequent actions taken by the Office of Personnel Management (see <http://www.opm.gov/hiringreform/>) are a good start of a government-wide effort to improve the federal hiring system. Of course, ultimately the success or failure of these hiring reform efforts will hinge largely on the ability of OPM and individual agencies to implement the reforms. Congress should carefully monitor the results of these efforts to 1) ensure they are achieving the desired end results and are consistent with the statutory merit system principles, and 2) identify those that would benefit from additional resources or legislative action.

2. **Congress should pass S. 736, the *Federal Hiring Process Improvement Act*, to codify hiring reform efforts.**
3. **Congress should actively solicit suggestions from agencies for modifications to the existing laws governing human resources management in the executive branch and consider statutory changes that are supported by a solid demonstration of their ability to further improve merit-based federal recruitment and hiring reform.**
4. **Congress should build new pipelines of mission-critical talent into government by passing the H.R. 3510, the *Roosevelt Scholars Act*, a proposal to fund education in key fields in exchange for a federal service commitment.**
5. **Congress should pass the H.R. 3264, the *Federal Internship Improvement Act*, and require agencies to collect metrics on where interns come from, how they are utilized, the quality of the intern experience, and steps agencies are taking to convert qualified interns into permanent positions.**
6. **Changes to the Federal Career Intern Program, whether statutory or by Executive Order, should be made based on facts and not anecdotes.**

The use of the FCIP hiring authority has increased significantly every year since it was established and those reasons should be carefully examined. Those federal agencies that are making significant use of the FCIP should be given an opportunity to explain why and how the authority enhances their ability to recruit and hire highly

qualified candidates. The FCIP appears to be serving a legitimate need and it has been demonstrated that it can be used in a manner consistent with the merit system principles and veteran preference. Simply rescinding the Executive Order without having better alternatives available would be unwise.

- 7. Efforts to enhance employment opportunities for veterans should be focused more on meeting reasonable goals for actual hires (based in part on an analysis of the jobs to be filled and the percentage of veterans who possess those skills) and less on procedural requirements.**

Veteran preference laws and regulations provide entitlement to preferential consideration for qualified veterans but they do not convey entitlement to federal employment for any individual veteran. Cumbersome procedural requirements that provide consideration but not jobs serve little useful purpose. It would be more productive to the end objective of the Veterans Employment Initiative to establish hiring goals and to give federal agencies flexibilities in how they can best meet those goals.

- 8. We encourage Congress to ask for the collection of metrics to assess how agencies are using various human resources tools and flexibilities.**

Data will allow agencies and Congress to identify which flexibilities are most effective at attracting and retaining particular demographic groups, whether using flexibilities are resulting in good hires for government and how flexibilities can be used more effectively and are worthy further expansion and/or congressional support. A periodic third-party exit survey of departing employees would also do much to shed light on the factors that contribute to employee engagement, including the tools and practices that might have been more successful in attracting and keeping needed talent.

- 9. Congress should provide resources for federal agencies so that they are able to make the best possible use of the flexibilities that are available.**

Without adequate funding, agencies will be severely constrained in their use of human resources tools to recruit, hire, retain and develop the right talent for government. Congress may wish to consider reserving funds specifically for investments in (a) federal workforce recruitment, retention and development, and (b) training and developing the federal human resources workforce. Investing in talent is an investment that will more than pay for itself over time.

Conclusion

The Partnership believes that the way to better government is through people. No federal agency can succeed if it does not have enough of the right people with the right skills to get the job done. While we have long argued that more investment in the capacity of the federal workforce is desperately needed, recent economic and other national challenges

add a new sense of urgency to your efforts to help our government improve its recruitment and hiring.

We applaud the Subcommittee for holding this hearing and we look forward to working with you on these important issues.

Thank you. I'm happy to answer your questions.

Mr. CONNOLLY. Thank you, Mr. McManus.
Mr. Crosby.

STATEMENT OF STEPHEN CROSBY

Mr. CROSBY. Thank you, Mr. Chairman. As you intimated, the namesake of my college, former Speaker John McCormack held the seat of the storied South Boston Congressional seat now held by the chairman of this committee, but I am here strictly on the merits.

Over the course of the last 50 years, there has been an evolving realization that Government needs highly educated and trained workers to respond to the increasingly complex challenges facing this country. As a consequence, schools of public policy, public service, and public administration, such as mine, have developed for the express purpose of providing education and training for the design, evaluation, and implementation of public policy.

The graduates of our programs are intentionally and thoroughly trained to improve the management and quality of public service. We are confident that it is in the public interest to pass legislation which assures that the graduates of these schools have a clear path to employment in the Federal Government and have at least a level playing field for accessing Governmental positions.

As you in the Congress know better than I, the next couple of decades will see a huge cohort of experienced public officials, Federal public officials, reaching retirement age, thus creating a tremendous demand for people in public service. Graduate schools like mine are committed to preparing students to meet this great demand, but the present system of hiring impedes this cohort of job candidates, as you know so well, from readily accessing the Federal system. The supply and demand for graduate students exists, but the pipeline is broken.

The current hiring process is a confusing, poorly advertised, drawn-out process that fails to match or proactively recruit future talent. USAJOBS.gov's automated process places a premium on qualifications such as professional work experience, especially internal candidates, and veterans' preference, neither of which many, if not most, students possess.

Because our candidates are relatively new and relatively inexperienced in terms of literal Federal service, despite the fact that they have extensive training in the tools of public service, they have a difficult time competing for these positions.

As a former Secretary of Administration in Finance, working for the Governor of Massachusetts, I never thought that I would call for more legislative oversight of the custodial functions of the executive branch, but it is clear to me that in this case such oversight is appropriate and that this legislation will give the executive branch the tools to improve its hiring practices.

I support S. 736, the Federal Hiring Process Improvement Act, and strongly encourage the introduction of a similar bill in the House because the bill represents several elements that lay the groundwork for establishing a working Federal hiring pipeline. The bill requires agencies to develop plans to identify hiring needs, the kind of strategic questions that were being asked of Mr. Berry earlier on, and recruitment strategies, shorten the hiring process, and

make it more applicant friendly. It would also attempt to maintain an inventory of Federal job applicants and measure the effectiveness of hiring reform efforts.

I also approve your legislation, H.R. 3264, the Federal Internship Reform Bill, as it will attempt to open up the Federal hiring process to continued use of internships, which are highly competitive programs that can and should attract the best and the brightest from our graduate programs.

Specifically, I find the following provisions in H.R. 3264 to be attractive: data collection. Each agency that uses intern programs is required to collect and track data into an annual report that is sent to OPM, the kind of data that the members of the committee have been asking for and have been unable to get. We believe measuring and using such metrics will permit agencies to use interns effectively and assist Congress in its important oversight responsibilities.

Accountability. Each agency is required to create an internship coordinator. This creates accountability for the ultimate implementation of the intent of the legislation.

Definitions. The definitions of what we mean by intern and internships in order that abuses do not follow must be clear. They should connect directly to student status and should be restricted to those students who are currently registered in a regularly accredited university or college and be within 2 years of graduating from such college.

I think I can safely speak for the almost 300 other deans and directors of graduate public schools across the country, as well as for the deans and leaders of other graduate programs such as engineering, business, public health, and others that the pathways to Federal service need to be clear in order to attract the right people for the right positions.

The Executive Memorandum from the President that has been much discussed here today is, indeed, a step in the right direction. I believe that legislation such as that I am speaking on today is required and is an important safeguard for sustaining the ongoing reform efforts.

Ultimately, this is not just about Federal jobs and the need to hire more students. Federal hiring reform is about ensuring the efficiency and effectiveness of the Federal Government in coming decades and our ability to tackle the tough public problems we face. At a time of diminishing resources juxtaposed with ever more complicated public policy challenges, these modest steps in improved Government performance are steps we simply must not fail to take.

[The prepared statement of Mr. Crosby follows:]

**STATEMENT BY
STEPHEN P. CROSBY
DEAN
JOHN W. MCCORMACK GRADUATE SCHOOL OF
POLICY STUDIES
AT THE UNIVERSITY OF MASSACHUSETTS
BOSTON**

**THE SUBCOMMITTEE ON THE FEDERAL
WORKFORCE, THE POSTAL SERVICE AND THE
DISTRICT OF COLUMBIA
COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM
UNITED STATES HOUSE OF REPRESENTATIVES**

**Hearing on “Jobs, Jobs, Jobs:
Transforming Federal Hiring”**

MAY 19, 2010

My name is Stephen P. Crosby, and I serve as Dean of the John W. McCormack Graduate School of Policy Studies at the University of Massachusetts Boston. It is my pleasure to appear before you and to speak on behalf of House Resolution 3264 and Senate Bill 736, and particularly on the importance to the country of improving federal hiring practices for students and recent graduates.

Over the course of the last 50 years, there has been an evolving realization that government needs highly educated and trained workers to respond to the increasingly complex challenges facing this country. As a consequence, schools of public policy, public service, and public administration education—schools of public affairs broadly speaking—such as mine have developed for the express purpose of providing education and training for the design, evaluation and implementation of public policy. The graduates of our programs are intentionally and thoroughly trained to improve the quality of public service. I am convinced that it is in the public interest to pass legislation which assures that the graduates of these schools have a clear path to employment in the federal government and have at least a level playing field for accessing governmental positions.

As you in the Congress know better than I, the next couple of decades will see a huge cohort of experienced federal public officials reaching retirement age, thus creating a tremendous demand for people in public service. Graduate schools like mine are committed to preparing students to meet this great demand, but the present system of hiring impedes this cohort of job candidates from readily accessing the federal system. Because our candidates are relatively “new” and relatively “inexperienced” in terms of literal federal service, despite the fact that they have extensive training in the tools of public service, they have a difficult time competing for these positions. The legislation for which I speak today will hold the executive branch (the Office of Personnel Management) accountable to Congress for how it hires, and requires the entire federal hiring system to be more transparent to all. As former Secretary of Administration and Finance working for the Governor of Massachusetts, I never thought that I would call for more legislative oversight of the custodial functions of the executive branch. But it is clear to me that in this case, such oversight is appropriate, and that this legislation will give the executive branch the tools to improve its hiring practices.

The supply and demand for graduate students exists, but the pipeline is broken. The current hiring process is a confusing, poorly advertised, drawn-out process that fails to match or proactively recruit future talent. The usajobs.gov automated process places a premium on qualifications such as professional work experience (especially internal candidates) and other preference, none of which many students possess.

I support Senate Bill 736, “The Federal Hiring Process Improvement Act” and strongly encourage the introduction of a companion bill in the House, because the bill presents

several elements that lay the groundwork for establishing a working hiring pipeline. The bill requires agencies to develop plans to identify hiring needs and recruitment strategies, shorten the hiring process and make it more applicant-friendly. It would also attempt to maintain an inventory of federal job applicants and measure the effectiveness of hiring reform efforts.

I also support H.R. 3264, “The Federal Internship Reform” bill, as it will attempt open up the federal hiring process to continued positive use of internships, which are indeed highly competitive programs that can and should attract the best and the brightest from our graduate programs. The private sector will convert something like 50% of their interns to full-time employment. However the Federal Government converts less than 10% of interns. This is a missed recruiting and staffing opportunity that our country cannot afford with the myriad challenges before us.

H.R. 3264 offers us the opportunity to accomplish this by encouraging agencies to create a more effective framework for monitoring and implementing internship programs. Specifically I find the following provisions in the bill to be attractive:

- Data collection: each agency that utilizes internship programs is required to collect and track data into an annual report that is sent to OPM. We believe measuring and using such metrics will permit agencies to use interns effectively and will assist Congress in its oversight responsibilities.
- Accountability: each participating agency is required to create an internship coordinator position. This will provide agencies with professional staff responsible for recruiting, developing, and tapping into intern candidates.
- Definitions: the definitions of ‘intern’ and ‘internship’ must be clear. They should connect directly to student status and should be restricted to those students who are currently registered in a regularly accredited university/school and/or be within two years of graduating from said school.

The Presidential Management Fellowship is a powerful model for getting great young people to serve in the federal government. However, it is small in scale with only a few hundred participating each year. This is why having smart, competitive, and developmental internships as part of federal recruiting is vital. Both government AND students need a special vehicle, the federal internship, that ensures a moderate but vital flow of recent graduates into the federal workforce.

I think I can safely speak for the almost 300 other Deans and Directors at graduate public affairs schools across the country as well as different graduate degrees than ours,

such as engineering, business, public health and others, that the pathways to federal public service need to be clear in order to attract the right people for the right positions.

I would like to briefly address the intended federal hiring reforms contained in the May 11 [2010] Executive Memorandum issued by President Obama on the subject of "Improving the Federal Recruitment and Hiring Process." It is a promising step in the right direction, but I believe the accountability framework established for federal hiring in the Congressional legislation is an important safeguard on the sustainability of reform and the long term health of federal hiring.

The U.S. Government is no different than other organizations in that it needs to continually replenish its employee pool especially with those who have the latest learning, ample motivation and lots of enthusiasm to contribute. Unless we unclog the current malfunctioning hiring system, and provide clear, dedicated pathways for capable new graduates into the civil service, we will be choking off a critical source of supply of desperately needed, highly skilled workers for Federal service.

Ultimately, this is not just about federal jobs and the need to hire more students. Federal hiring reform is about ensuring the efficiency and effectiveness of the federal government in coming decades, and our ability to tackle the tough public problems we face. It is not an understatement to say the future of our government, and our country, is at stake.

Mr. CONNOLLY. Thank you, Mr. Crosby.
Mr. Embree.

STATEMENT OF TIM EMBREE

Mr. EMBREE. Mr. Chairman, ranking member, and members of this committee, on behalf of Iraq and Afghanistan Veterans of America's 180,000 members and supporters, thank you for inviting IAVA to testify today.

My name is Tim Embree, and I am from St. Louis, MO, and I served two tours in Iraq in the U.S. Marine Corps Reserve. Iraq and Afghanistan era veterans are facing staggering unemployment rates. Many veterans want to remain in public service, but are faced with a Federal Government that shockingly does not understand the value and skills veterans bring to the work force. Transforming the Federal hiring process is crucial to encourage the hiring of more veterans throughout the Federal Government and to demonstrating to a new generation of veterans that America has their backs.

IAVA welcomes the opportunity to discuss this issue at length with you today. America's newest veterans face serious employment challenges. The difficult process of returning to civilian life is further complicated by the most severe economic recession in decades.

Compounding the difficulty, Iraq and Afghanistan veterans leaving the active duty military often find civilian employers do not understand the value of their skills and military experience. Civilian employers have a lot to learn, and IAVA is leading the fight to promote the skills of our country's veterans to bring to the work force with the Department of Labor and different private organizations. Veterans coming home from war should be able to expect strong hiring support from their Federal Government.

The Federal Government hires nearly three times as many veterans as the civilian business community, but this compares and is disingenuous. Being three times better than poor is nothing to brag about.

The Federal Government claims that veterans make up nearly 25 percent of their work force; however, when we remove the Department of Defense, Veteran Affairs, and Homeland Security from the total, the number of veterans employed by the Federal Government plummets to an average of less than 10 percent per department.

The experiences of previous generations of veterans suggests that today's veterans may struggle to find jobs within our Government for years to come. Unless Congress acts now by improving the Federal hiring process, many qualified vets will continue to be left out of public service.

I want to introduce you to an IAVA member, Tyler from Kansas. Tyler served in the Army in counter-intelligence. He has a bachelor's degree in social work with a minor in psychology. Tyler applied for a position in the FBA as an investigative operations analyst. He qualified under superior academic achievement for both the GS-5 and 7 pay grade, and his cumulative score was over 107, which included his 10 points for a 70 percent service-connected disability rating. With Tyler's military experience, college degree, and veterans' preference, most people would think he stood a pretty

good chance to get the job. Tyler was notified within three business days that he did not get the job.

Tyler was interested in learning more, and he was informed that the hiring office decided to hire internally and did not consider any of the external applicants.

Tyler is now pursuing two graduate degrees concurrently, but I have to ask: how many highly qualified veterans who want to continue working in public service are being passed over each day?

IAVA applauds the initial steps being taken by the Office of Personnel Management and the Department of Labor. Their Government-wide veterans recruitment and employment strategic plan lays out an ambitious set of goals. But the Federal Government cannot do it alone. The business and VSO community must also be involved to create the anti-stigma campaign described in their strategic plan. All employers must learn that veterans offer more than just punctuality, a positive attitude, and a professional appearance.

Many veterans possess highly desired management skills such as personnel management and budgeting. They may not be up on the newest management buzz words, but their skills have been tested under the most challenging of circumstances. The Federal Government invests over \$6 billion a year in military training, yet they don't take advantage of their own investment. No reasonable CEO would ever cede that investment without a fight, but the Federal Government does this every day.

Finally, IAVA was troubled to learn the Troubled Asset Relief Program [TARP], which authorized up to \$770 billion to bail out banks, exempted these very banks who are receiving Federal bailouts from any veteran hiring requirements. Protections were included for minorities, women, and disabled individuals, but not for our veterans. IAVA believes that TARP and all future stimulus programs must include veterans' hiring preferences.

Thank you for your time today. I look forward to answering any questions you may have.

[The prepared statement of Mr. Embree follows:]



IRAQ *and* AFGHANISTAN VETERANS *of* AMERICA

U.S. HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
SUBCOMMITTEE ON THE FEDERAL WORKFORCE, POSTAL SERVICE, AND THE DISTRICT OF COLUMBIA
"TRANSFORMING FEDERAL HIRING"

MAY 19, 2010

TESTIMONY OF TIM EMBREE
IAVA LEGISLATIVE ASSOCIATE

Mr. Chairman, Ranking Member, and members of the committee, on behalf of Iraq and Afghanistan Veterans of America's one hundred and eighty thousand members and supporters, thank you for inviting IAVA to testify today. My name is Tim Embree. I am from St. Louis, MO and I served two tours in Iraq with the United States Marine Corps Reserves.

Iraq and Afghanistan-era veterans are facing staggering unemployment rates. Many veterans want to remain in public service, but are faced with a federal government that shockingly does not understand the value and skills veterans bring to the work force. "Transforming the Federal Hiring" process is crucial to encourage the hiring of more veterans throughout the federal government—and to demonstrating to a new generation of veterans that America has their backs. IAVA welcomes the opportunity to discuss this issue at length with you.

Executive Summary

America's newest veterans face serious employment challenges. The difficult process of returning to civilian life is further complicated by the most severe economic recession in decades. Compounding the difficulty, Iraq and Afghanistan veterans leaving the active-duty military often find civilian employers who do not understand the value of their skills and military experience. Civilian employers have a lot to learn, and IAVA is leading the fight by working with the Department of Labor and different private organizations to promote our country's veterans. Veterans coming home from war should be able to expect strong hiring support from the federal government. The federal government hires nearly 3 times as many veterans as the civilian business community but this comparison is disingenuous: being 3 times better than poor is nothing to brag about. The federal government claims that veterans make up nearly 25% of their workforce. However, when we remove the Departments of Defense, Veteran Affairs and Homeland Security from the total, the number of veterans employed by the federal government plummets to an average of less than 10% per department. The experiences of previous generations of veterans suggest that today's veterans may struggle to find jobs within our government for years to come. Unless congress acts now by now improving the federal hiring process many qualified veterans will continue to be left out of public service.

IAVA recommends the following to employ more veterans in the federal government:

- Provide congressional oversight and collaborate with the executive branch to successfully implement the new Veterans Employment Initiative for the federal government.



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May 19, 2010

- Notify the VSO community one week prior to each meeting of the Interagency Council on Veteran Employment and allow formal recommendations to be submitted to the council by the VSO community.
- The US Office of Personnel Management must work closely with the business and VSO community to create the anti-stigma campaign described in the Government-wide Veterans' Recruitment and Employment Strategic Plan to properly define the skills that veterans bring to the workforce.
- Fully restore funding to the ESGR, which provides critical USERRA protections for deploying Guard and Reservists. ESGR is slated to be cut 17% in FY 2011.
- Hold the federal government to the same standards of USERRA compliance as private sector employers.
- Reinstate Department of Labor VETS budget by \$7.3 million for FY 2011 to improve job placement programs.
- Mandate public reporting of all VETS-100 forms, which report the number of veterans hired by Federal contractors.
- Call for an investigation into programs such as Direct Hire Authority, Federal Career Intern Program (FCIP), Student Career Experience (SCEP), Presidential Management Fellows, and Outstanding Scholar Programs to determine whether these programs are being used to avoid the hiring of veterans in the federal government.

Current Status of Veterans Employment

*"I have had to move my family 2-3 times in search for employment...
I have had LOTS of difficulty finding employment" – IAVA Vet*

In the April 2010, the unemployment rate of Iraq and Afghanistan-era veterans was 13.1%. Unemployment rates among new veterans have risen significantly in the last 2 years. According to the Bureau of Labor Statistics, in 2009 the average unemployment rate for Iraq and Afghanistan-era veterans was 10.2 percent. Unemployment rates from 2007 and 2008 were 6.1 percent and 7.3 percent respectively. The unemployment rates of Reserve and National Guardsmen, who often leave behind civilian jobs when they deploy, have **more than quadrupled** since 2007. They now rival that of veterans recently discharged from the military – 10.6 percent vs. 13.8 percent.

Disturbingly, the situation appears to be deteriorating rapidly. According to the Bureau of Labor Statistics, in March 2010 the unemployment rate of Iraq and Afghanistan-era veterans was **14.7 percent**.¹



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Unemployment Rates of Iraq and Afghanistan-Era Veterans

"All the jobs I found that would hire vets were security jobs that pay \$8 bucks an hour" –IAVA Vet

Finding a job for a returning veteran is hard, but finding quality employment is even harder. Sixty-one percent of employers do not believe they have "a complete understanding of the qualifications ex-service members offer"⁸ and recently separated servicemembers with college degrees earn on average almost \$10,000 less per year than their nonveteran counterparts.⁹ This wage gap could continue for decades; Vietnam veterans earned significantly less than their civilian peers till they were in their fifties.

IAVA is also concerned about the duration of new veterans' unemployment. In 2009, 75,000 Iraq and Afghanistan-era veterans suffered from long-term unemployment—15 weeks or more. This represents more than 45 percent of all unemployed new veterans in 2009.

*"First interview question was 'Are you going to be hired and then have to leave again?'"
– IAVA vet*

Employers are growing increasingly wary of hiring or reemploying National Guardsmen and Reservists because of their unprecedented mobilization rates. Tens of thousands of reservists returning from combat are not being promptly reemployed, or when they are reemployed, they are not receiving the pay, pensions, health care coverage, and other benefits they are entitled to. More than 40 percent of Guardsmen and Reservists lose income when they are mobilized.¹⁰ Self-employed reservists are suffering 55 percent earnings losses when they are activated.

Federal Hiring: Veterans Preference

"I searched usajobs.gov, submitted applications but never heard from them. I guess there is a magic way to write your job description." –IAVA Vet

The Federal Government hires three times as many veterans as the private sector⁷ and has the unique opportunity in combating veterans' unemployment. Last November, President Obama issued an executive order outlining the Veterans Employment Initiative.¹¹ This order required enhanced recruitment and promotion of employment opportunities for veterans within the federal government and established a Council on Veterans Employment. The federal government has also stood up a website, www.fedshirevets.gov, and released a strategic plan to implement this goal of increasing the number of veterans working in the Federal government.

IAVA is encouraged to see the speed and thoroughness of this Council in addressing these employment issues. We believe that their website is well-organized and helpful to job seeking veterans. However, it still lacks a clear explanation of what the 5 or 10 point veteran preference actually means in terms of the federal hiring process. The job bank is also lacking—it's just a link to usajobs.gov.



Testimony of Tim Embree
May 19, 2010

Disturbing, however, are the programs that have been created over the years which, in practice, assist hiring managers in avoiding hiring our nations veterans. Programs such as Direct Hire Authority, Federal Career Intern Program (FCIP), Student Career Experience (SCEP), Presidential Management Fellows, and Outstanding Scholar Programs facilitate the federal hiring process, but inadvertently allow federal agencies to dodge employing veterans.

IAVA applauds the initial steps being taken by the Office of Personnel Management and the Department of Labor. Their Government-wide Veterans' Recruitment and Employment Strategic Plan lays out an ambitious set of goals. But the federal government cannot do it alone. The business and VSO community must also be involved to create the anti-stigma campaign described in their strategic plan. All employers must learn that veterans offer more than punctuality, a positive attitude and a professional appearance. Many veterans possess highly desired management skills such as personnel management and budgeting. They may not be up on the newest management buzzwords, but their skills have been tested under the most challenging of circumstances. The federal government invests over \$6 billion dollars a year in military training, yet they don't take advantage of their own investment. No reasonable CEO would ever cede that investment without a fight, but the federal government does this everyday.

Federal Contracting

"I ended up getting a job with a company that is contracted out by the government and is unionized." – IAVA Vet

The federal government is the world's largest buyer of goods and services, with purchases totaling over \$425 billion each year.^{vii} The federal government can leverage this purchasing power to require potential contractors to increase veterans hiring, significantly increasing overall employment of veterans. Current federal law mandates federal contracts over \$100,000 "take affirmative action to employ" veterans.^{viii} These contractors are required to publish job openings with the state job banks and to report annually the number of veterans they have retained by submitting a VETS-100 form to the Department of Labor. These contractors are also prohibited from discriminating against veterans.

Unfortunately, the data collected from VETS-100 forms is aggregated and only partially published in the DOL VETS annual report. IAVA believes that these forms should be publically reported, allowing interested parties to review whether contractors are actually following these contracting requirements. Public disclosure of these forms will create healthy competition between contractors over which contractor hired more veterans—and the American taxpayer deserves transparency. Imagine Boeing and Lockheed Martin including these statistics in their bids for the next big defense contract.

Failure to comply with established contracting requirements can lead to the suspension or disbarment of that contractor from receiving future contracts. IAVA believes violations of USERRA protections should also be included as grounds for suspension or disbarment.

Finally, IAVA was troubled to learn the Troubled Asset Relief Program (TARP), authorizing up to \$770 billion to bailout banks, exempted banks receiving federal bailouts from veterans hiring requirements. Protections were included for minorities, women and disabled individuals—but not for veterans. IAVA believes that TARP and all future stimulus programs must include veterans hiring preferences.



Testimony of Tim Embree
May 19, 2010

USERRA

Although National Guardsmen and Reservists are legally protected under the Uniformed Services Employment and Reemployment Rights Act (USERRA), many troops still experience employment discrimination because of their military service.

This is a major problem in the private sector. Even worse however, there are federal and state employees who violate USERRA. Astonishingly, National Guardsmen and Reservists, serving in domestic disaster response situations, are not eligible for USERRA protections *at all*. IAVA recommends holding federal and state governments to the same standards of USERRA compliance as private-sector employers; extending USERRA protections to National Guardsmen, Reservists, and to servicemembers working in domestic response operations such as the current oil spill clean-up, hurricane or wildfire missions.

The Employer Support of the Guard and Reserve (ESGR) is bright spot worth noting. It is a great resource for educating employers and veterans on USERRA rights and for resolving USERRA issues quickly and informally. ESGR should be included in the Government-wide Veteran's Recruitment and Employment Strategic Plan for FY2010-FY2012. It's also at risk of being weakened significantly. Currently, the President's budget request for FY 2011 plans to slash the ESGR budget by nearly 17%, effectively crippling this great asset. These cuts could not have come at a worse time. The number of USERRA violations are rising and of the tens of thousands of the reserve component troops, who have suffered discrimination, approximately three-quarters of them do not seek assistance.³²

A common reason veterans do not seek help with USERRA is the lack of familiarity with USERRA protections and obligations. Twenty-eight percent of reservists report not receiving information on USERRA and reemployment rights during activation or deactivation.³³ We must prioritize outreach to Guardsmen and Reservists, teaching them their USERRA rights.

There is much to be done to increase federal hiring of veterans and IAVA looks forward to working with this committee and the interagency Council on Veterans Employment to positively transform the federal hiring process to encourage veterans employment. Hiring veterans is a good thing for the 2.1 million men and women returning from Iraq and Afghanistan. But hiring veterans is also good for the government, good for the economy, and good for America. We led on the battlefields, and we are ready to lead again, if you give us the chance.

Thank you.

¹ Bureau of Labor Statistics, "Employment Situation Summary: March 2010," April 2, 2010, Table A-5: <http://www.bls.gov/news.release/empsit.nr0.htm>.

² Military.com, "Military.com Study Reveals Profound Disconnect between Employers and Transitioning Military Personnel," November 5, 2007: <http://www.military.com/aboutus/twocolumn/0,15929,PRarticle110507,00.html>.

³³ Abt. Associates, Inc. "Employment Histories Report, Final Compilation Report," March 24, 2008: http://www1.va.gov/vetdata/docs/Employment_History_080324.pdf.



^{iv} "41 percent of drilling unit members reported income loss [when mobilized for a contingency operation]." GAO-03-573T, "Military Personnel: Preliminary Observations Related to Income, Benefits, and Employer Support for Reservists During Mobilization." March 19, 2003: <http://www.gao.gov/new.items/d03549t.pdf>.

^v Office of Personal Management, "The Governmentwide Veterans' Recruitment and Employment Strategic Plan for FY 2010-FY2012," page 2, http://www.fedshirevets.gov/pdf/Vets_Initiative_Strategic_Plan.pdf

^{vi} Executive Order, President Obama, November 9th, 2009, <http://www.whitehouse.gov/the-press-office/executive-order-veterans-employment-initiative>

^{vii} <http://www.sba.gov/contractingopportunities/index.html>

^{viii} 38 U.S.C. 4212

Mr. CONNOLLY. Thank you, and I thank you for your testimony. Boy, I agree with what you just said. It is one of several problems with TARP.

Ms. Gilman.

STATEMENT OF MAUREEN GILMAN

Ms. GILMAN. Congressman Connolly, I am pleased to be here today on behalf of NTEU to discuss Federal hiring processes.

Since the time of President Theodore Roosevelt, the Federal Civil Service has operated under a merit-based hiring system that has resulted in one of the most talented, non-partisan, diverse, and corruption-free work forces in the world. NTEU believes that improvements to hiring processes can and must be made within the parameters of well-established merit principles that have made our civil service system so successful.

Like others, NTEU has been frustrated with the slow pace of hiring, and we commend the administration for taking action to streamline recruitment and selection processes.

In his May 11th memorandum, the President directed agencies to implement numerous changes to Federal hiring processes. One change is the elimination of long essays known as knowledge, skills, and abilities [KSAs], in the initial application in favor of cover letters and resumes. NTEU supports this change, but would caution that the key component of merit-based hiring is having valid and objective assessments of a candidate's ability to do the job, and we are anxious to do more about new assessment tools that are proposed to replace KSAs.

The administration's recent directives also call for the use of category hiring instead of a procedure known as the rule of three. Under the rule of three, applicants are assessed and ranked based on numerical scores. Points are added for veterans' preference, and the selecting official can hire from among the top three names on the list. In 2002, Congress granted agencies the option of also using category rating, which allows selecting officials to choose from a larger group of candidates.

Many hiring officials have continued to use the rule of three, which is a merit-based, objective, and transparent selection process, and we question the need to take away agencies' flexibility to choose between these hiring options by prohibiting the use of the rule of three.

Overall, NTEU believes that reforms to the competitive hiring process will accomplish little if agencies are permitted to continue to avoid competitive hiring by misusing accepted service hiring authority primarily through the use of the Federal career intern program [FCIP]. The administration's May 11th memo directed OPM to conduct a 90-day review of FCIP. NTEU supports this, and we believe an objective review will result in a recommendation to end the program.

The FCIP was originally billed as a limited use special hiring authority designed to provide 2-year training and development internships. Instead, it has become the hiring method of choice for many agencies. In its first year, about 400 employees were hired under FCIP. In 2009, there were a staggering 26,709 FCIP hires.

Since 2003, U.S. Customs and Border Protection has used FCIP as its exclusive method for hiring all incoming Customs and Border Protection officers.

A 2005 Merit Systems Protection Board report found that agencies using FCIP hiring “relied on limited tools to recruit applicants to the program, used weak pre-hire assessment tools, and failed to use the internship as a trial period to correct weak assessment tools. Others did not provide training and development activities to career interns, as required.”

The report also highlighted that there is no requirement that vacancies be publicly announced, resulting in veterans’ preference eligible candidates not learning about and applying for positions. I believe, unfortunately, that FCIP hiring authority has been used by some precisely because it allows veterans’ preference to be circumvented without detection.

Just last month the EPA Inspector General found that one of its regional offices engaged in prohibited personnel practices when using FCIP hiring authority. The IG’s report included an email from the hiring official stating they needed to hire under FCIP because they did not “want to risk losing the candidates we want to hire who may get blocked by veterans via USAJOBS.”

The FCIP allows agencies to hire without appropriate notice and without appropriate deference to veterans’ preference. It is not an internship program under any commonly accepted definition, and should be ended.

In terms of real internships, NTEU believes that the current Federal intern programs, the student career experience program, and the Presidential management fellows program should be the building blocks for attracting students to the Government. We have no problemmaking exceptions to the normal hiring practices to draw these talented individuals to public service under these limited programs.

Thank you again for this opportunity to present NTEU’s views. I would be happy to answer any questions.

[The prepared statement of Ms. Gilman follows:]



Testimony

of

National Treasury Employees Union (NTEU)

Before the

**Subcommittee on Federal Workforce, Postal Service
and the District of Columbia**

**House Committee on Oversight
And Government Reform**

“Jobs, Jobs, Jobs: Transforming Federal Hiring”

May 19, 2010

Chairman Lynch, Representative Chaffetz and members of the subcommittee, I am pleased to be here today to talk about the pressing challenges facing our government in its effort to obtain additional talented individuals to join our federal workforce for the 21st century. As president of the National Treasury Employees Union (NTEU), representing more than 150,000 federal employees in over 31 different agencies and departments throughout the government, I am pleased to add NTEU's perspective to this important subject.

Like many, NTEU has been frustrated with the slow process involved in hiring additional public servants and promoting those talented frontline individuals who want to advance in their careers. If the expected retirement tsunami really occurs, and if the Administration continues advancing its laudable plans to bring back inherently governmental jobs that were outsourced during the last administration, we must address hiring processes and advancement opportunities for employees.

The federal government operates a competitive, merit-based hiring system which has resulted in one of the most talented, non-partisan and diverse workforces in the world. According to the Merit Systems Protection Board (MSPB):

“The key purpose of the system is to identify, attract, and hire the candidates who can best meet the needs of the organization and support the public’s interests. Not only is this good public policy, but making good selections can also lead to higher productivity, increased employee morale, improved teamwork, and reduced turnover—all of which contribute to organizational performance.” *(Reforming Federal Hiring: Beyond Faster and Cheaper, executive summary, I, issued 2006)*

Achieving the goal of an improved hiring process, therefore, needs to be done strategically and with full acceptance of competitive hiring and merit system principles, as well as veterans’ preference.

Administration’s Hiring Initiatives

On May 11,th the administration unveiled its initiative to streamline recruitment and hiring in the federal government. The President issued a memorandum to federal agencies that directs agency heads to take a series of actions by November 1. These include the elimination of lengthy knowledge, skills, and abilities essays (KSAs) in an applicant’s initial application for a federal position in favor of letters and résumés or “simple, plain language applications,” and assessments using “valid, reliable tools.” The memo also directs federal agencies to use the “category rating” approach in selecting among applicants instead of the traditional “Rule of 3.” Category rating has been optional since 2002.

Under the President’s initiative, OPM is tasked with a range of implementing actions in the next 90 days. These include reviewing and evaluating the Federal Career Intern Program (FCIP) and providing recommendations on its future, as well as providing effective pathways into the federal government for college students and recent college graduates.

OPM is also responsible for a government wide performance review, including a timeline, benchmarks and indicators of performance as well as ways to hold agencies accountable. OPM must provide guidance or propose regulations for better job announcements by agencies, evaluate the use of shared registers, and develop a plan to increase capacity for the USAJobs site, among others things. We understand that OPM will also make data publicly available on hiring reform and its implementation, and federal agencies will be required to review and report on hiring data.

NTEU is reviewing the new initiative to determine its impact on merit based hiring. While NTEU supports competition, merit principles and veterans preference, we do share the frustration of many who argue it takes too long to get a federal job. To its credit, OPM has already taken some steps to make hiring easier. OPM has revamped its website, which is a good thing. USAJobs.gov was not very user friendly and used terms that could not be easily understood or were not defined. It also had the habit of kicking the user out in mid search. It appears to be better now, and that is a positive step forward. NTEU supports prompt and efficient federal hiring practices, but we also want to ensure that merit remains the linchpin of the hiring process. We will be monitoring the changes advanced in the White House memorandum, particularly category hiring and the creation of new assessment tools, to make sure there is no abuse by agencies.

The keys to hiring are valid and objective assessments of a candidate's ability to do the job. Simply eliminating KSAs, without having a valid assessment tool, will not get us where we all want to go. NTEU does not object to the use of resumes in the initial screening process, but the accompanying assessments, such as nondiscriminatory testing or others must be truly valid. NTEU is anxious to see what OPM proposes in terms of assessments for applicants.

Competitive hiring in the Federal Government used to be governed by the "rule of three", where applicants were assessed and ranked based on a numerical score. A "certificate of eligibles" was assembled, points were added for veteran's preference and the selecting official could hire a candidate from among the top three names on the list. In the Homeland Security Act of 2002, federal agencies were granted the ability to use "category rating" instead of the rule of three. While category rating allows selecting officials to choose from a larger group of candidates, instead of a list of three names in the order of their scores, since it is now optional, we question the need for totally eliminating the Rule of 3. The Rule of 3 provides a merit based, objective and transparent selection process.

In addition to merit-based hiring and open competition, NTEU wants to ensure the preservation of veterans' preference in hiring, which we fully support. Just last week in its May 12 testimony before the House Appropriations Subcommittee on Labor, Health and Human Services and Education and Related Agencies, the American Legion, said,

"Veterans Preference is being unlawfully ignored by numerous agencies. Whereas figures indicate a decline in claims by veterans of the current conflicts compared to Gulf War I, the reality is that employment opportunities are not being properly publicized. Federal agencies, as well as federal government contractors and subcontractors, are required by law to notify the Office of Personnel Management (OPM) of job opportunities, but more

often than not these job opportunities are never made available to the public.” (*Testimony of Joseph Sharpe, Jr., May 12, 2010*)

NTEU takes these charges very seriously. New approaches to hiring, while often well-intentioned need to be scrutinized in terms of their impact on our nation’s veterans.

Federal Career Intern Program (FCIP)

Mr. Chairman, reforms to the competitive hiring process will accomplish little if agencies are permitted to continue to avoid competitive hiring by misusing excepted service hiring authority, particularly the Federal Career Intern Program (FCIP). A perfect example of hiring gone awry is the Federal Career Intern Program (FCIP). While the administration’s hiring proposals require a 90 day review and evaluation of FCIP, we wish it had gone further. NTEU is disappointed to see FCIP listed on the newly designed OPM website for students because I believe it was mischaracterized as an actual student intern program. It is not an intern program, and NTEU supports the repeal of FCIP for the following reasons.

FCIP was proposed and implemented on an interim basis in 2000, and became a permanent hiring authority under final OPM regulations in 2005. It was originally billed as a limited-use special hiring authority designed to provide formally-structured two-year training and development “internships.” Instead, the FCIP has become the hiring method of choice for many agencies because agencies can use it for almost any position, with no limit on the number of “interns” they may hire, and no requirement that competitive recruitment and selection procedures be followed.

Since 2003, U.S. Customs and Border Protection has used FCIP as its exclusive method for hiring all incoming Customs and Border Protection Officers (CBPOs). It has since expanded its use of the FCIP to hire all incoming Border Patrol Officers and Agriculture Specialists. On January 22, 2009, CBP announced plans to hire 11,000 new employees, mostly under FCIP. The Federal Deposit Insurance Corporation began using FCIP in 2005 to hire Financial Institution Specialists. In 2006, the Internal Revenue Service began using FCIP to hire key enforcement employees, including Revenue Agents. SSA hires claims representatives, the Missile Defense Agency hires engineers and accountants, and GSA fills property and contracting specialist positions using the FCIP.

According to OPM, in Fiscal Year 2009, there were 26,709 new hires under FCIP. (*OPM testimony, VA Economic Opportunities Subcommittee, April 15, 2009*) Of those, only 10.8 % were preference eligible veterans, far below the 25% veterans’ representation in the total federal workforce. Two years ago the Merit Systems Protection Board (MSPB) reported that FCIP has become the third most commonly used hiring authority in the government. (*June 2008 report*) In its first year, about 400 employees were hired under FCIP. That grew to over 7,000 in 2004. In FY 2005, nearly 10,000 new hires entered the Government through FCIP and more than half of new hires in professional and administrative jobs who entered at the GS-05 and GS-07 level were FCIP candidates. And now we are at 26,709 positions.

Despite its widespread use, the MSBP has identified problems with this so-called “intern” program, including misuse of the program’s flexibilities, by federal agencies. According to MSPB, (*September 2005 report*) “...our study found that agencies relied on limited tools to recruit applicants to the program, used weak pre-hire assessment tools and failed to use the internship as a trial period to correct weak assessment tools. Others did not provide training and development activities to career interns as required.” MSPB also criticized OPM for not exercising any real oversight of the program.

MSPB cited several specific areas in which the FCIP is detrimental to both employees and the general public. For example, it highlighted that there is no requirement that vacancies be publicly announced, resulting in recruitment so narrowly targeted—often limited to college campuses—that information about FCIP vacancies is hard to find. This loophole can prevent veterans’ preference-eligible candidates from learning about and applying for positions.

A recent Environmental Protection Agency Inspector General’s report issued just last month – on April 26 -- found that one of its regional offices engaged in a prohibited personnel practice by giving several candidates for vacancies improper advantages during the hiring process under the Federal Career Intern Program. **The report made clear that the FCIP hiring authority was used because it allowed veterans’ preference to be circumvented without detection. The IG report quoted from an EPA hiring official’s email stating they needed to hire under FCIP because they did not, “...want to risk losing the candidates we want to hire (3 in Water and 1 in Lab) who may get blocked by veterans via USAJOBS ...”**(*Hotline Report No. 10-P-0112*)

Mr. Chairman, this EPA case is a textbook example of what is wrong with FCIP.

Because of the rampant abuse that NTEU saw with respect to this so-called internship program, in January, 2007, NTEU filed a federal court suit against OPM challenging the legality of the FCIP regulations. Our case is based on the regulations’ design and the implementations by the agencies. In July of last year, we won an important ruling that will allow our direct challenge on FCIP to go forward and we are awaiting a decision on the final outcome.

In addition, we participated in another case brought by a disabled veteran who alleges that the Social Security Administration’s use of the FCIP obstructed his opportunity (as well as that of other veterans) to compete for jobs, in violation of veterans’ preference rights. In this case, the agency advertised FCIP positions only by a posting on a state university’s career services web site, which was accessible only to students and alumni. This posting made it impossible for the disabled veteran to learn of, or apply for, these vacancies.

Mr. Chairman, the FCIP turns the whole concept of an “internship” program on its head. Agencies like CBP and FDIC, use FCIP authority to hire nearly all frontline employees as “interns.” This is not a program like the current Student Career Experience Program, that serves as a learning experience for students in college or graduate school. Rather, the FCIP is a hiring authority that allows agencies to hire without appropriate internal or external notice and without the same veterans’ preference that would exist under a competitive appointment. It also

circumvents the competitive examination process, which has been a pillar of fairness in the federal workforce.

It is easy to see how FCIP is *not* an internship program. NTEU believes that it is crucial that FCIP be recognized for what it is, and be terminated without delay. NTEU is pleased that the Office of Personnel Management (OPM) has been directed to evaluate use of the FCIP and make recommendations about that program to the President within 90 days. We believe an objective review will result in a recommendation to end the program.

Real Intern Programs

In terms of student and recent graduate intern programs, there are several proposals pending in Congress to create new internship programs in government. Most of the proposals allow conversions to federal service outside of the normal competitive process. NTEU supports limited initiatives, including targeted internships and scholarships to recruit employees who have special fields of expertise that are in demand in the government. For example, students or recent graduates may be fluent in critical languages, or they may have expertise in sciences or other fields for which there is a shortage of qualified candidates for government positions.

It is NTEU's position that the current federal intern programs should be the building blocks for attracting talent to the government. The Student Career Experience Program allows the appointment of students to positions that are related to their academic field of study. The Presidential Management Fellows program allows agencies to recruit outstanding graduate, law and doctoral-level students who serve for two years and can become valued members of an agency's workforce. We have no problem making exceptions to the normal hiring process to draw these talented individuals to public service under these limited programs. But, in general, we support competitive hiring in public service for all.

NTEU has worked with Rep. Gerry Connolly on his intern bill, H.R.3264, and believe his decision to build upon the existing Student Career Experience Program (SCEP) is a good one. This approach is a reasonable step toward meaningful internships that give managers and supervisors an opportunity to see a student's potential and evaluate his or her performance in a real work arena. We'd like to commend Rep. Connolly for working with us and other employee groups on this.

Frontline Employees: Retention and Promotion

While the focus for the 21st century has been on improving the *hiring* processes, there is not a great deal of attention given to *retaining and promoting* the hundreds of thousands of dedicated, talented employees currently in the workforce. Federal employees want what most other employees want, a challenging and interesting job, with the possibility of growth.

NTEU would urge that in the context of hiring needs, the potential of growth for current employees not be forgotten. We need to do a better job of providing current frontline employees with the training and mentoring necessary to advance in their careers. These are the employees,

after all, who see the daily challenges and accomplishments of the agency's responsibilities, and they often have invaluable insights on what works, and what doesn't work. Career advancement of talented employees is a win/win endeavor for the employee and for the effectiveness of a federal agency.

In addition to training and mentoring for career advancement, agencies need to use the many flexibilities they have to retain valuable employees. There are a host of provisions on the books that allow the federal government to reward high performers, including recruitment and retention bonuses, quality step increases and paid time off awards. These options are often not used, yet they are effective ways to keep quality employees. Agencies should be urged to use flexibilities whenever possible. That could make the difference between an employee who is considering retirement or working additional years.

Conclusion

Mr. Chairman, in summary, I would like to reiterate NTEU's support for: 1) Elimination of the Federal Career Intern Program; 2) A return to competitive hiring in the federal government; 3) Meaningful reforms in federal hiring; 4) A limited intern program for college students and recent graduates; and, 5) Retention and promotion opportunities for frontline employees.

Mr. CONNOLLY. Thank you.
Ms. Simon.

STATEMENT OF JACQUELINE SIMON

Ms. SIMON. Congressman Connolly, thank you for the opportunity to testify today. I would like to focus my statement today on the abuse of the Federal Career Intern Program [FCIP]. I am going to focus on FCIP because, although AFGE generally supports the President's reform for the competitive service, we do not believe that these reforms will have much impact unless the non-competitive or accepted service, FCIP, is drastically curtailed.

The FCIP is the Government's most widely used and problematic special hiring authority. It is essentially a direct hiring program that bypasses open competition and veterans' preference and circumvents career ladder promotion opportunities for the incumbent work force. FCIP gives agencies enormous discretionary authority to hire employees without using competitive hiring processes or the public notice ordinarily required by law.

AFGE strongly objects to the continued use of the FCIP because it has nearly superseded the competitive service and because it has become a preferred vehicle for favoritism.

The original purpose of FCIP was supposedly "to attract exceptional men and women to the Federal work force who have diverse professional experiences, academic training, and competencies" and to prepare them for careers in analyzing and implementing public programs.

Based on reports from our members, however, agencies have strayed from this purpose by using it as a closed hiring system that does not reach many qualified members of the American public or current Federal employees. AFGE does not believe that the Federal Government can succeed if its primary hiring process evades open competition, the merit system principles, or simple standards of fairness in hiring.

In the meantime, Federal agencies where we represent the employees, such as the Border Patrol, other components of DHS, and Social Security have used FCIP as the almost exclusive hiring authority for thousands of newly hired employees. A 2007 GAO report showed that DHS used FCIP more than any other recruitment tool for new permanent hires. Based on these numbers, it seems clear that FCIP hiring has extended well beyond the limited number of professional, scientific, and administrative positions that it was initially envisioned to serve.

Agencies looking for an easy way out of the responsibility to honor veterans' preference and open competition have subverted the purpose of FCIP. It now represents an unrestricted use of a hiring authority that is extremely subjective and that grants managers a degree of discretion that shouldn't exist in Federal hiring. Further, managers have almost total control over newly hired employees because of the absence of procedural due process protections such as adverse action appeal rights, and a probationary period that is double the length for employees hired under the competitive processes.

Combined with FCIP's lack of transparency, the above problems have turned FCIP into a step backward from the basic Civil Service

protections first introduced by the Pendleton Act in 1881. AFGE has urged the Obama administration to eliminate the FCIP, limit it to a small number of positions, or revise the program significantly in order to strike a more appropriate balance between the need for hiring flexibility and the imperative to uphold the principles of transparency and fairness.

AFGE is extremely sensitive to agencies' pleas with regard to expedited hiring, especially in the context of in-sourcing jobs that were inappropriately out-sourced in the last decade. With the recognition that each FTE in-sourced saves the Federal Government around \$40,000 per year, that is DOD's estimate, the financial motivation to in-source is substantial. It has become routine for agencies to complain that the competitive hiring process is too cumbersome or time consuming and use this as an excuse either to resist or delay in-sourcing or to revert to non-competitive hiring like the FCIP.

AFGE does support the administration's efforts to modernize and expedite the competitive hiring process, and we are hopeful that with proper training and resources managers of agencies throughout the Federal Government will make use of these new procedures.

We urge the committee to enact legislation that would restrict the use and abuse of all direct hiring authorities in general, and the Federal Career Internship program in particular.

Numerical limits, at a minimum, and other restrictions on FCIP should be accompanied by hiring reforms and increased resources available to agency human resources offices to expedite both in-sourcing and the hiring of the next generation of Federal employees.

Thank you.

[The prepared statement of Ms. Simon follows:]



AFGE Congressional Testimony

Statement by

Jacqueline Simon, Public Policy Director

Before

**The Subcommittee on Federal Workforce, Postal Service,
and the District of Columbia
House Committee on Oversight and Government Reform**

Regarding

Jobs, Jobs, Jobs: Transforming Federal Hiring

May 19, 2010

American Federation of Government Employees, AFL-CIO
80 F Street, NW, Washington, D.C. 20001 ★ (202) 737-8700 ★ www.afge.org



Mr. Chairman and Subcommittee Members:

My name is Jacqueline Simon. I am the Public Policy Director of the American Federation of Government Employees, AFL-CIO, which represents 600,000 federal workers in 65 agencies across the country.

Thank you for the opportunity to testify today on the matter of federal hiring reform. Reforming the federal hiring process has become an important issue because the baby boom generation is preparing to retire, and because the Obama administration is trying to restore in-house capacities in jobs that were improperly contracted out during the era of privatization. In their haste to simplify and accelerate the federal hiring process, however, some have proposed new policies that would undermine the Merit System Principles of free and open competition for federal jobs and weaken veterans' preference. AFGE supports modernization, simplification, and reduction in the time it takes to hire and train a federal employee for a new job, recognizing that meeting these goals requires significant investment in human resources staff, not just administrative changes. In addition, AFGE will support only those measures that uphold the requirements of open competition and veterans' preference.

Although much emphasis is placed upon external candidates for federal jobs, the retention of current employees should also be a priority. Current employees often make the best candidates for federal job openings. The federal government's policies should encourage the employees in whom it has already invested to look for career development possibilities within the government rather than outside it.

The Obama Administration's Hiring Reform Efforts

Since June 2009, the Obama Administration has pursued several valuable strategies to expedite federal hiring. The first is to require every agency to establish SWAT teams to "map" current hiring processes in order to identify bottlenecks and

problems. The SWAT teams are also charged with rewriting job announcements in plain English. The second is to have similar agencies work together to share "best practices" in pursuing all of the reform policies that emerge from the administration's efforts. The third item involves additional training for hiring managers, and the last item involves establishing a mechanism to notify applicants of their status in the hiring process at four different points: when an application is received, when it has been assessed for basic qualifications, when it has been referred to a "selecting official" (or not), and when a final decision has been made.

As you know, Mr. Chairman, last week President Obama issued his Presidential memorandum on hiring reform. AFGE is pleased to see this important matter receive such high-level attention. With regard to the specifics of the memorandum, we believe that efforts to engage operational managers more in the hiring process will undoubtedly lead to better and faster hiring decisions. In addition, it makes sense to eliminate mandatory KSAs for the initial application for a federal job. AFGE is reviewing the decision about moving to category rating instead of "rule of three." While OPM has assured us that category rating is a better tool for ensuring veterans preference than the rule of three, we will monitor this to ensure that there are no unintended consequences.

We are disappointed, however, that the President has not used the memorandum to restrict the use of the Federal Career Intern Program (FCIP). Numerous agencies have been using the FCIP almost exclusively for new hires, evading competitive procedures and veterans' preference in the process. While the Obama Administration has committed to evaluate the use of the FCIP, there is already ample evidence that the FCIP is on the verge of replacing the competitive service, as we will discuss later in this statement. If the hiring reforms the administration has presented are to have any relevance, the FCIP must be either repealed or vastly scaled back. We strongly urge the Obama Administration to scrap FCIP promptly so that its reformed competitive hiring with veterans preference can become the standard for the federal government.

Veterans' Employment Initiative

AFGE strongly supports the Veterans Employment Initiative established last November by President Obama. This is an excellent plan which will require agencies to develop operational plans for promoting employment opportunities for veterans, to establish veterans' employment offices to handle the responsibility, and to provide mandatory training to agency human resources personnel and hiring managers concerning veterans' employment. But of course, the easiest and quickest solution for supporting veterans' preference is to eliminate or drastically scale back the FCIP, which is a great impediment to veterans' preference in hiring.

Background

AFGE applauds the Obama Administration's decision to reverse the policy of the Bush Administration with regard to contracting out, especially for work that is inherently governmental, or closely related to inherently governmental. The urgent need to insource government work that was improperly contracted out has made hiring a top priority in many federal agencies. Coupled with the imminent retirement of thousands of federal employees from the baby boom generation, it is imperative that federal agencies have the resources and tools they need to fill many federal positions that will open up in the coming years.

Hiring the next generation of federal employees is a serious undertaking. Those charged with the task have both a legal and social responsibility to conduct federal hiring in the most open, fair, and competitive way possible, and the plain fact is that openness, fairness, and competition take time. Federal agencies have a legal and moral responsibility to honor veterans' preference. Internal candidates who were selected into career ladder positions must be given the opportunities they have been promised. Background checks, and in some cases, security clearances, have to be conducted. Information regarding education and prior employment must be verified. Working for a federal agency is not the same as working at a private firm, and it takes time to make sure an applicant meets

the standards and requirements our society expects the federal government to uphold.

The problems with federal hiring are similar to those with federal procurement and have similar causes. The important lesson is that speed should not be the most important goal. The downsizing of the early 1990's eliminated tens of thousands of federal positions that had been assigned to enforce acquisition laws and regulations. Once those positions were gone and federal agencies had few employees left who were able to oversee the contracting process or force compliance, the speed and efficiency of what was left of the acquisition workforce soared. No more red tape – contractors could be hired in a flash, and no time-consuming competitions or scrutiny could slow anybody down.

The Bush Administration set the stage for a similar debacle in federal hiring through its Lines of Business Initiative that centralized and privatized almost all federal human resources functions. All federal agencies were required to outsource their human resources functions to “centers of excellence” selected and certified by the Office of Personnel Management (OPM). Even those that were nominally located within federal agencies were mostly contracted out. The rationale was that “back office functions” like human resources were not core to any agency's mission, and should be handled by third parties that excelled at the function. The result, however, has been a system that makes it very difficult to hold a true open competition for a job.

Federal Career Intern Program (FCIP)

The Federal Career Intern Program (FCIP) is the federal government's most ubiquitous and problematic special hiring authority. The FCIP is essentially a direct hiring program that bypasses open competition and veterans' preferences, and circumvents career ladder promotions opportunities for the incumbent workforce. The program was established by Executive Order 13162 on July 6, 2000 as an excepted service hiring authority under the oversight of the Office of Personnel Management (OPM). As an

excepted service hiring authority, the FCIP gives agencies enormous discretionary authority to hire employees without using the competitive hiring process or the public notice processes ordinarily required by Chapter 33 of Title V of the United States Code. AFGE strongly objects to the federal government's continued use of the FCIP because agencies have embraced it to such a degree that it has nearly superseded the competitive service, and because it has become a preferred vehicle for favoritism.

The ostensible purpose of the FCIP was, originally, "to attract exceptional men and women to the Federal workforce who have diverse professional experiences, academic training, and competencies, and to prepare them for careers in analyzing and implementing public programs." Based on reports from our members, however, agencies have strayed from this purpose by using the FCIP as a closed hiring system that does not reach many qualified members of the American public or current federal employees. AFGE does not believe that the federal government can succeed if its primary hiring process evades the open competition requirements set forth in the Merit Systems Principles or that operates outside the bounds of simple fairness in hiring.

It was for this reason that when the FCIP was initially established, our union immediately expressed the concern that the FCIP would obliterate the rule of competitive hiring. At that time, OPM responded to this concern by asserting that the FCIP was only part of a series of improvements that OPM intended to make to the Federal hiring process. Ten years later, with much damage already done, we continue to receive the same message from OPM.

In the meantime, federal agencies such as the United States Border Patrol, the Department of Homeland Security's Citizenship and Immigration Services and the Social Security Administration have used the FCIP as the almost exclusive hiring authority for thousands of newly hired employees. Indeed, according to a 2007 report prepared by the Government Accountability Office (GAO), in both 2005 and 2006 the Department of Homeland Security used the FCIP more than any other recruitment tool when compared to the number of new permanent hires. Based on these numbers, it

seems clear that FCIP hiring has extended well beyond the limited number of professional, scientific and administrative positions that it was initially intended to cover.

Moreover, the ever-increasing rise in FCIP hires flies in the face of advice issued by the Merit System Protection Board (MSPB) that cautioned federal agencies, “against practices – such as using the FCIP as the sole or primary means of filling a particular type of job, combined with heavy reliance on recruiting methods that restrict the pool of applicants – that have the cumulative effect of limiting citizens’ access to job opportunities.” The MSPB summarized by advising that, “[e]xceptions to fair and open competition that are legitimate and reasonable on a selective basis are problematic if they become standard practice.”

AFGE believes that federal agencies looking for an easy way out of the responsibility to honor veterans’ preference and open competition have subverted the purpose of the FCIP. The FCIP now represents the unrestricted use of a hiring authority that is extremely subjective, and grants managers a degree of discretion that should not exist in the federal government. Further, managers have total control over new employees hired under FCIP, because they have no procedural due process protections, such as adverse action appeal rights, and suffer a probationary period that is double the length of new employees hired under competitive processes. The United States Court of Appeals for the Federal Circuit lent persuasive support to this criticism just last year when it invalidated OPM’s regulation governing the pass-over of veterans’ preference eligible individuals for positions in the excepted service. *Gingery v. Department of Defense*, 550 F.3d 1347, 1353-54 (Fed. Cir. 2008). The *Gingery* Court found that the Defense Contract Audit Agency’s use of OPM’s regulation to pass over Mr. Gingery for positions in the FCIP violated his statutory veterans’ preference rights.

Combined with the FCIP’s lack of transparency, the above problems have turned the FCIP into a step backward from the basic civil service protections first introduced by the Pendleton Act in 1883. AFGE has urged the Obama Administration to take immediate action to eliminate the FCIP, limit it to a small number of positions, or revise the

program significantly in order to strike a more appropriate balance between the need for hiring flexibility and the imperative to uphold the principles of transparency and fairness in federal hiring. At an absolute minimum, AFGE has urged a strict limit on the number of appointments available in any given fiscal year, and we ask this committee to enact such a limit. A limit on the number of available FCIP appointments would preserve merit-based hiring by ensuring that Federal agencies and departments would not succumb to the temptation to evade their responsibilities under the Merit System and the law relating to veterans' preference.

AFGE is extremely sensitive to agencies' pleas with regard to expedited hiring, especially in the context of insourcing jobs that were inappropriately outsourced in the last decade. With the recognition that each Full Time Equivalent position (FTE) insourced saves the federal government approximately \$40,000 per year, according to Department of Defense estimates, the financial motivation to insource is substantial. It has become routine for agencies to complain that the competitive hiring process is cumbersome and time-consuming, and use this as an excuse either to resist or delay insourcing, or to revert to non-competitive hiring processes such as the FCIP. AFGE does support the Administration's efforts to modernize and expedite the competitive hiring process, and we are hopeful that with the proper training and resources, managers at agencies throughout the federal government will make use of the more user-friendly procedures to uphold the merit system and veterans' preference and hire competitively.

Pay Gap

Another source of difficulty in federal hiring is the persistent gap between federal and non-federal pay. Politicized pay for performance schemes and below market salaries have hurt both recruitment and retention. For the General Schedule (GS) and the Federal Wage System (FWS), successive administrations have refused to follow the law with regard to market comparability even during periods when the budget was in surplus and the economy was at full employment. And in the past three years, the size of the measured pay gap between federal and non-federal

salaries has actually grown according to the Federal Salary Council and the President's Pay Agent. The reason for its growth is in part because full comparability raises have not been implemented, and also because the Salary Council has adopted a more detailed and accurate measure of the gap, one that includes far more actual job matches between the private and federal sectors. The new measurement includes jobs at various supervisory levels, and far more professional and technical jobs. Thus it has provided a truer, richer and more relevant picture of how much federal salaries lag behind those in the private sector.

Unfortunately, President Obama's FY 2011 Budget proposed to eliminate the Bureau of Labor Statistics (BLS) data survey that has been used to measure the pay gap. Instead, he has proposed that the BLS perform econometric procedures on data from another survey in order to approximate the pay gap measurements that had resulted from the actual federal job match survey. We urge you to reject the President's budget proposal regarding this important pay data. Federal pay is an important component of the government's ability to recruit and retain the workforce it needs to carry out its responsibilities. The BLS has a statutory obligation to provide data on the pay gap and measures of federal vs. non-federal pay comparability, and we believe that the President's budget proposal would greatly undermine the quality of those measures. The pay gap cannot be ignored in any discussion over the obstacles to federal hiring, and all should understand that closing the gap requires the ability to gauge its size accurately and reliably.

Advertising for Recruitment

AFGE has long argued that civilian agencies should begin to emulate the armed forces in terms of advertising for recruitment. The commercials for the Army, Navy, and Marines are compelling, professionally produced and placed on the air at times when they are likely to have the greatest impact, greatly enhancing the military's ability to recruit. In contrast, federal agencies have generally been limited to using relatively inexpensive media and placing their on-air advertisements at

inauspicious times, with predictable results for civilian hiring. However, we have recently seen excellent commercials during prime time for professional health care jobs in the Department of Veterans Affairs. We urge other agencies to follow the VA's example.

The 2009 Federal Hiring Process Improvement Act (S.736)

In March 2009, Senators Daniel Akaka (D-Hawaii) and George Voinovich (R-Ohio) introduced the Federal Hiring Process Improvement Act, a bill designed to streamline the federal hiring process. The bill's highlights include elimination of the "knowledge, skills, and abilities" essays in federal job applications, the requirement that job announcements be written in "plain" language, and the development of a centralized database of applicants that could be accessed by many agencies. It would encourage agencies to accept resumes and cover letters as initial applications for federal jobs, and would require agencies to include in their strategic workforce plans short- and long-term plans for general hiring, and the hiring of "qualified candidates from diverse backgrounds."

One potentially harmful aspect of the bill is its repeated reference to "targeted applicant pools." Although the bill includes language promising that the "targeting" it requires will not supersede public notice requirements, it is difficult to believe that the targeting process described will not have that very effect. For example, if the bill's provisions are followed and agencies "target applicant pools...before posting job announcements," and "clearly and prominently display job announcements in strategic locations convenient to" the targeted applicants, and "seek to develop relationships with targeted applicant pools to develop regular pipelines for high quality applicants" how will it be possible to uphold the principle of free and open competition? How will an applicant fare who is not a member of the targeted applicant pool? How will a potential applicant who is at a geographic or social remove from the targeted pool find out about the position? How will incumbent federal employees who are planning, training, and otherwise preparing themselves for transfer or promotion into new positions be viewed relative to candidates from the "targeted pool?"

Targeting an applicant pool may be efficient and might even be considered "simple," but it is not fair to those not in the targeted pool. Why, for example, should graduates of a good program at one university be given any advantage over graduates of a good program at another university? In addition, the bill makes submission of materials such as transcripts, proof of veterans status, and professional certifications optional "unless necessary to complete the application process" which seems contradictory. They are either necessary or not, and we believe that they should be considered necessary. In recent years, there have been too many federal managers who have won their positions by using falsified documents and fake credentials, and we believe that the requirements regarding proof of educational and professional attainment should be strengthened rather than weakened.

S. 736 is a well-intentioned effort to ease and expedite federal hiring. However, its provisions regarding "targeted applicant pools" are dangerous with regard to the principles of open competition and veterans' preference. The "plain language," the resume and cover letter to replace "knowledge, skills, and abilities" essays, and the centralized database of candidates are all excellent ideas that AFGE supports. But even these positive actions will not be sufficient to expedite hiring if agencies are not provided with adequate funding for human resources staff to utilize these new tools.

That concludes my statement. I will be happy to respond to any questions.

Mr. CONNOLLY. Thank you. I know we are going to return to that question. Thank you, Ms. Simon.

Mr. Holway.

STATEMENT OF DAVID HOLWAY

Mr. HOLWAY. Congressman Connolly, I thank the committee for the opportunity to testify today.

The Federal Government is in dire need of hiring reform. The current hiring process used by Federal agencies is cumbersome, confusing, and slow. Vacancies often take 6 months or more to fill. Those who do attempt to apply for Federal positions are often baffled by unique requirements or apply and never hear back from agencies again.

To call the Federal hiring process frustrating would be an understatement. The outcome of this process is predictable. Federal agencies often fail to attract the best possible candidates. This failure ultimately affects agency productivity and minimizes the value Federal agencies provide to the American people.

I believe our country is at a crossroads where hiring reform has never been so critical. An improved Federal hiring system can help alleviate two major crises. The first is the economic downturn. The members of this subcommittee know well what this economic slump has done to our country's work force. Unemployment is hovering around 10 percent. Even though some seem to think we may be turning the corner in this recession, many American workers have not begun to feel real improvement.

I do not need to tell you that times are tough out there. You see it in your districts every day. We need jobs. People want to work.

You can help put Americans back to work through your efforts on this subcommittee by highlighting Federal hiring reform. USAJOBS.gov, an online clearinghouse for Federal jobs, had 40,000 vacancies listed last week. These are good-paying, budgeted jobs, but the time is short and between posting vacancies and filling them tens of thousands of Americans will be put back to work.

The second crisis we face is not as visible but it is just as real and has been discussed today. Baby Boomers are reaching their retirement years. Federal Government demographics indicate that agencies will begin to experience a tidal wave of retirements. Quality applicants simply will not wait 6 months. People deserve a streamlined hiring process that is respectful to applicants.

NAGE is encouraged to see the White House and OPM take interest in this critical issue. Last week President Obama issued an Executive Memo to Federal agencies instructing them to make much-needed reforms to their hiring processes. It is clear that the administration has an appreciation for the fact that the workers are what make Federal agencies perform effectively.

The Federal Government simply cannot function without a knowledgeable, motivated, and skilled work force. Finding the right people with the right skills in a reasonable period of time is critical to recruiting and maintaining that work force.

I want to talk about how the cumbersome Federal hiring process impacts the agencies where we have members. The VA health care providers, Federal police, and emergency service workers are the

people I want to talk about. Failing to fill critical vacancies in these areas can be a matter of life and death.

The VA estimates it will need to hire over 40,000 health care workers within the next few years. VA hospitals need a hiring process that does not delay the delivery of care to veterans. A shortage of nurses often leads to unsafe patient-to-staff ratios, which has shown to adversely impact patient outcomes. Our veterans deserve better.

DOD projects that more than half of the police officers guarding our military facilities will need to be replaced within the next few years. We need to be able to replace these Federal police officers in a timely fashion or we risk experiencing a lapse in security at these installations. The possibility of such a mistake is unacceptable.

Regarding the White House's emphasis on hiring reform, we believe President Obama and OPM Director Berry are moving in the right direction, but, as they say, the devil is in the details. Their plan is good, but it will not be a success unless all the agencies are committed and diligent about implementing this plan directly. It is also critical that reforms do not undermine the merit systems principles or weaken veterans' preference.

Regarding some of the specifics, we applaud the elimination of lengthy knowledge, skills, and abilities essays. We view favorably the abolishment of the arbitrary rule of three. We applaud the requirement to tell applicants where they stand at four points during the application process. We approve of bringing operational managers and supervisors into the hiring process early and more fully. And we are pleased that the administration is taking steps to review the Federal career internship program and potentially reduce the Government's reliance on it.

Thank you.

[The prepared statement of Mr. Holway follows:]



TESTIMONY BY

DAVID J. HOLWAY

**NATIONAL PRESIDENT
OF THE
NATIONAL ASSOCIATION OF GOVERNMENT EMPLOYEES
(SEIU/NAGE)**

BEFORE

**THE HOUSE SUBCOMMITTEE ON THE FEDERAL
WORKFORCE, POSTAL SERVICE, AND THE DISTRICT
OF COLUMBIA**

REGARDING

JOBS, JOBS, JOBS: TRANSFORMING FEDERAL HIRING

MAY 19, 2010

Mr. Chairman and Members of the Subcommittee:

On behalf of the National Association of Government Employees (SEIU/NAGE), and the more than 100,000 workers we represent, including more than 50,000 employees of the federal government, I would like to thank you for the opportunity to testify before the Subcommittee about transforming the federal hiring process.

The federal government is in dire need of hiring reform. The current process that is used by federal agencies is too cumbersome, too confusing, and takes too long for the process to be completed. The unfortunate result is that federal agencies often fail to attract the best possible candidates for the available positions. This ultimately hurts agency productivity and the value federal government agencies provide to the American people.

At no point in decades has hiring reform been so critical. Our country is currently faced with two major crises that an improved federal hiring system can help alleviate. The first is the economic crisis our country, and nations throughout the world, are facing. Due to the economic downturn, unemployment stands at 9.9 percent. Although some of the early indicators suggest we may be turning the corner on the biggest recession this country has seen since the Great Depression, American workers have not really begun to see the jobs landscape improve all that much. Times are still tough out there. We need jobs.

But an improved federal hiring system can help put Americans back to work. The federal government currently has tens of thousands of vacancies that are unfilled. At any one time, USAJobs.com has 40,000 vacancies listed. These

are good-paying jobs that are already on the books and have already been appropriated for. They are just sitting there waiting to be filled. If we can shorten the time it takes for a vacancy in the federal government to be filled, we can put tens of thousands of Americans to work, at a time when this country needs it the most. This is very low-hanging fruit.

The second crisis we are facing is not as visible, but just as real. The federal government is going to experience a tidal wave of retirement in the coming years. Baby boomers are becoming eligible for retirement, and the federal government will be hit harder than other sectors of the workforce. The federal government needs to be prepared to expeditiously replace the workers that it is going to lose. We simply cannot allow for it to take six months or more to fill critical vacancies. The federal government will not be able to function this way. Federal hiring reform needs to happen in a matter of months, not years.

SEIU/NAGE is very pleased to see the White House and the Office of Personnel Management (OPM) take interest in this critical issue. Just last week, President Obama issued an executive memo to federal agencies instructing them to make some much-needed reforms to their hiring processes. It is clear that the Administration has an appreciation for the fact that the workers are what makes federal agencies perform. The federal government simply cannot function effectively without a knowledgeable, motivated workforce. Finding the right people, with the right skills, in a reasonable period of time, is critical to recruiting and maintaining that workforce.

The Need is Great

Hiring reform is necessary now. The Baby Boom Generation is reaching or already at retirement age. The Merit Systems Protection Board (MSPB) called the impending wave of retirement a "crisis" in its 2008 report on hiring. The retirement wave is in addition to a natural rate of turnover that occurs at federal agencies. It is a very serious concern for which the federal government must prepare.

Among the more than 50,000 federal employees represented by SEIU/NAGE many are employed in the nursing, police, and emergency service fields. Having enough workers on call in those critical professions can literally be a matter of life and death.

The Department of Veterans Affairs estimates it will need to hire over 40,000 health care workers within the next couple years. Delays in hiring could render the VA ill-prepared to provide quality care to veterans. A shortage of nurses can cause unsafe patient-to-staff ratios at our VA hospitals, and high patient-to-staff ratios have proven in numerous studies to adversely impact patient outcomes. We need to be able to hire expeditiously at the VA.

The Department of Defense projects that more than half of the police officers guarding our military facilities will need to be replaced within the next two years. We need to be able to replace these federal police officers in a timely fashion, or we risk experiencing a lapse in security at our Defense installations. We must be able to hire expeditiously to replace federal police officers.

The Obama Administration's Efforts on Hiring Reform

SEIU/NAGE believes that President Obama and OPM Director John Berry are moving in the right direction with hiring reform, but we will wait until their initiative has been implemented before we will form our full opinion on the effort. The outline of their plan is good, but it will take follow-through by the agencies to be a success. We hope very much that the Administration's hiring reform will accomplish some of the program's key goals, and we stand ready to help the Administration make their plan work.

The American people deserve an effective hiring system. Today, hiring federal workers takes too long. It takes an average of about five months to fill a federal vacancy. That is way too long a period of time. The hiring process is also very difficult to navigate. The federal hiring process is foreign to most applicants that have not held a previous position in the federal government. Many well qualified applicants give up before finding a suitable job. This limits the pool of applicants to only the most determined. SEIU/NAGE shares the goal of implementing reforms that will enhance the federal workforce and the services they provide the American people.

Resume-Based Hiring

SEIU/NAGE applauds Director Berry's move toward a resume-based hiring system. The lengthy "knowledge, skills, and abilities (KSAs)" essays will be a thing of the past, and in our opinion, they will not be missed. KSA are used by very few employers outside of the federal government. They have been a

nothing more than barrier toward getting the best candidates for federal positions. A resume-based application, which is far more appropriate for hiring in this day and age, will suit the federal government far better.

Category Hiring

The White House proposal to abolish the “rule of three” could also streamline the hiring process. Being arbitrarily forced to narrow the choices to just three candidates both delays the process and excludes many highly qualified candidates from consideration. Opening consideration to a larger number of “well qualified” applicants will allow better hires to be made more quickly. However, managers will have to be properly trained to ensure that the reformed process is fair and open.

Bringing in Managers

Bringing operational managers and supervisors into the hiring process earlier and more fully is common sense change that will potentially improve the hiring system substantially. It is often difficult for Human Resource officers to fully understand the details of work performed in the field. Bringing in people who are more involved with and responsible for the services an agency provides will almost definitely lead to better and faster hiring decisions.

As I mentioned, managers will need to be well trained in changes to the hiring process. SEIU/NAGE will be monitoring training programs as reforms are implemented. We also hope that details of the training will be a part of the

reports President Obama has ordered agencies to produce by November 1 of this year. It is easy to see how a lack of proper manager training could result in a less fair and open hiring process. Legislation may be necessary to ensure that such training takes place.

Insourcing

Over the past decade, too many federal jobs have been outsourced to the private sector. Creating an easier and faster hiring process will promote insourcing. Agencies will often use the difficulty and length of the competitive hiring process to delay insourcing. Reforming the hiring process will render such excuses invalid. Bringing formerly outsourced jobs back under the public sector will save money. The Defense Department has estimated it will save an average of \$44,000 for every federal position that is insourced. This is an important consideration in light of the federal deficit our nation has experienced in recent years.

Federal Career Intern Program (FCIP)

With all of the problems and delays in the current hiring process it is no surprise that many agencies use the Federal Career Internship Program (FCIP) to fill vacancies. A 2008 report from the MSPB found that the FCIP had become the preferred method of hiring entry level employees. The direct hiring authority granted by FCIP allows managers to bypass the current process and place pre-selected candidates quickly and with little oversight. SEIU/NAGE believes this

program is too often used to bypass competitive selection and veterans preferences. We are pleased that the Administration has taken steps to examine FCIP more closely. We hope that the reforms we are discussing today will help move toward limiting the government's reliance on the FCIP.

Conclusion

SEIU/NAGE welcomes a faster, more open, and friendlier federal hiring process. I greatly appreciate the Subcommittee's decision to hold this hearing. I thank the Subcommittee for the opportunity to provide this testimony.

Mr. CONNOLLY. Thank you, Mr. Holway. I feel like I am back home. Thank you very much.

Mr. HOLWAY. I'm sure you understood some of what I said.

Mr. CONNOLLY. I want to thank you all for your testimony. I see our chairman has returned.

Just a word of caution. Votes are about to be called, and I think we have four votes, so we are going to have to probably at some point interrupt, and I would urge everyone to be concise in their answers so we can try to get in as much as we can.

Before I return the gavel to Mr. Lynch, let me just ask Mr. McManus, Mr. Crosby, and Ms. Gilman, we have worked with you and your respective organizations on the Internship Improvement Act, which is not about FCIP. I want to give you an opportunity briefly just to expand on why you support that act.

Mr. MCMANUS. Again, I think from the Partnership for Public Service's standpoint, as I mentioned before, first, it gives data to Federal agencies on what is working and what is not working. How are they converting interns? How are they using interns? Are the internship experiences worthwhile both for the intern and for the agency, itself?

Second, I think the establishment of the data base that collects the intern candidates across Government does, in fact, provide what I term to be a ready-made pool of candidates for long-term Federal service.

And then, finally, it really is imperative, in our estimation, that some conversion authority remain in there. Again, with an internship there is no better way to assess a candidate for an internship or a long-term position than to actually see them do the job and to observe in action both their work and their work habits.

Mr. CROSBY. I agree with all that. The only thing that I would add is the clarification of understanding what internship programs are. In this case we are talking about for students. Were the language clear, as this legislation is proposing, we wouldn't have the kinds of controversies that we have with FCIP now.

Ms. GILMAN. And that is something that NTEU was initially concerned about, the definition of intern, especially based on the abuses of the Federal Career Intern Program. As long as we are dealing with students or recent graduates, we have no problem with limited programs that don't use competitive hiring to attract students to the Federal Government, and we have had a good time working with you and your staff on your legislation to ensure that is what that would do.

Thank you.

Mr. LYNCH [presiding]. Thank you.

I apologize for having to run out.

I do want to just offer a special welcome to President Holway, who has been a long-time friend and head of NAGE back in Massachusetts, and also Dean Crosby, who also serves our University of Massachusetts.

I appreciate all of the witnesses' input, but I have two local witnesses here today.

Let me just ask, I know that, Ms. Gilman, in your testimony you raised concerns about the tendency to circumvent the competitive hiring process, and especially the impact that might have on veter-

ans' hiring. I wonder if you could just amplify a little bit? I share that concern, just looking at the whole framework, and I am sure you were here for Director Berry's testimony. But you see it day to day, and my fear is just conjecture, I guess, at my level, but could you just expound on that a little bit?

Ms. GILMAN. Yes. We have seen it in many of the agencies where we represent employees. I believe Ms. Simon also mentioned it at DHS, in particular. They are hiring almost all incoming employees through this intern program.

Some of the people that we represent at DHS, Customs and Border Protection officers, Border Patrol agents, they are not interns. They go through Federal law enforcement training, 6 months of training in some instances. They carry guns. They are not interns and they are not hired with anybody thinking that it is a temporary position. They are not students. They are not recent graduates.

NTEU has actually been involved in three different legal challenges to the FCIP, including two on behalf of veterans that were passed over in using the FCIP process, and we do think that agencies are using it at least partially to avoid veterans' preference.

I think that there was some mention of looking at this program at the facts around this program, not just anecdotes, and I think that the facts are there. The explosion in the use of it, the fact that we have been very successful in the preliminary stages of our lawsuits on the fact that it is not following merit principles and applying veterans' preference, and the number of agencies that are turning to it.

I believe part of the reason is because there are problems with the competitive hiring system that needs reform. But let us reform that. Let's not go to this other system and use it to completely circumvent competitive hiring and discriminate against veterans' preference in the process.

Mr. LYNCH. Thank you.

That is a call for votes. Fortunately, however, the first vote is the naming of a post office. Just for the record, it is the Michael C. Rothburg Post Office in Sharon, MA, and I am going to go on the record right here saying that I fully support the naming of that post office in honor of Michael C. Rothburg. The bill is offered by Representative Barney Frank, my friend, so I will leave it at that. That will save us about 40 minutes by me not leaving and coming back, so I think we can proceed.

I will accept that privilege for myself, and I am going to yield 5 minutes to Mr. Connolly, who is going to probably have to make this vote.

Thank you.

Mr. CONNOLLY. I can't miss the naming of a post office in Sharon, Mr. Chairman. Thank you very much.

Mr. McManus, maybe I can start with you. We have heard testimony here, and certainly we have heard it elsewhere, that whatever the good intentions with the creation of FCIP, it has been abused. It has been used to circumvent the system. It has been used for non-competitive hiring. It has been used for favoritism. It has even been used for nepotism. I was at a Federal agency the other day where I heard legion complaints about that practice by

a palace guard surrounding the Secretariat, both in the previous administration and still there now.

Fair criticism? And what should we do about it?

Mr. MCMANUS. Again, our stance is that we really need to take a deep look at it and see what works with it and what doesn't work with it.

Ultimately, Representative Connolly, you are my Representative here in the House.

Mr. CONNOLLY. And you are a wonderful person.

Mr. MCMANUS. I take Metro in every day along the Orange Line and I get to see how many people don't have at least two people in their car during HOV. Our solution to that isn't to shut down HOV during rush hour, which would prohibit good, quality workers from getting to work and strand people outside of the box. Our solution to that is enforcement where there are violations.

I think certainly one of the things that we have to take a better look at is: have we been enforcing where violation has actually taken place? Is that the response to FCIP? Or is it simply to say this isn't working, people are violating, and therefore we make it available to no one, even those who are using it, applying veterans' preference as it is supposed to be applied, and again using it in good faith.

Mr. CONNOLLY. Mr. Embree, that segues nicely into your testimony. You testified that if you took away Homeland Security, the Defense Department, and Veterans Affairs and you looked at the remainder of the Federal work force, fewer than 10 percent of the employees of that remainder are, in fact, veterans, which would suggest, you suggested, that some circumvention of veterans' preference is going on.

How would you correct that, and what do you think we ought to do about it?

Mr. EMBREE. Thank you very much, sir. Actually, the numbers don't lie. The fact of the matter is it is a larger problem than just people abusing the FCIP. What it is is there is a lack of translation. A lot of times when you hear folks talk about hiring a veteran they say the veteran will be on time, they will be dressed well, they will be respectful, and they won't do drugs.

As a veteran, I find that insulting because, yes, I will be on time, I won't do drugs, I will dress well, but I also have management skills. I learned how to work within a budget when I lead Marines. And any platoon sergeant, squad leader, company commander, they have more management experience than the average small business owner. These folks manage not just their 5-day work week; they manage 7 days a week for these folks, not just the individuals, their whole families, be it their housing, their pay, their food.

So what the problem comes down to is a lot of these hiring folks throughout Federal Government don't understand that. They see veterans' preference as an extra weight to put on their shoulders during the hiring process. They don't see the assets that these veterans bring to the table. I think that is a major problem. A major problem, it is just a major level of ignorance across the board.

As veterans, that is partly our responsibility, too. We need to learn the buzz words. We need to learn how our skills translate over. But at the same time, the Federal Government, the amount

of money that is wasted by not reinvesting in our veterans and bringing them back into the fold of public service is just mind-numbing. So it needs to fall on Federal Government as well as the veteran community, as well as the business community.

So right now the strategic plan out there is a good start. We feel the VSO community, not just IAVA but all of the VSO community, must be a part of this process to make sure we are telling folks these management skills and these business skills that veterans do bring to the table.

Mr. CONNOLLY. Thank you. My time is almost up, Mr. Chairman, but if I had a little bit more time I would probably ask Mr. Holway whether there are best practices in State and local governments and in the private sector that you think the Federal Government could benefit from in terms of the quality of hiring and the process of hiring.

Mr. HOLWAY. I think the real question here is the enforcement. The President has outlined a program, and the problem actually is the middle managers, the career middle managers who won't implement the program as we see it. So as long as Director Berry puts in place a program to make sure the people follow the lead of the President and OPM, I think we will be way ahead of it.

As far as veterans' hiring is concerned, in Massachusetts, we have a veterans' preference, so if there is a Civil Service exam, the veterans go to the top of the list. Disabled veterans actually go above them. And they are not given the point system that was talked about earlier.

I really think the president and the Director are on to something here. What we want to do is give them as many tools as possible to fill these jobs in an expeditious manner with the best possible applicants to fill the jobs so we can deliver services to the American people.

Mr. LYNCH. OK. Thank you.

President Holway, just following up on that, you were saying earlier on, because you have been in office for a number of years, you have seen what has transpired.

Mr. HOLWAY. Incumbency is a wonderful thing, Mr. Chairman.

Mr. LYNCH. What is that?

Mr. HOLWAY. Incumbency is a wonderful thing.

Mr. LYNCH. It is. It is. The longer I am here, the more I appreciate seniority.

Mr. HOLWAY. If I remember correctly, the first time you ran you said, give a young man a chance. And now you are saying, experience counts.

Mr. LYNCH. That is right. That is right.

You have been able to see, at least over the past 16 years, where we have had these problems and they have not been addressed. No one has really attempted to tackle this thing, and now here is President Obama and Director Berry. I give them great credit.

What do you see as the key? I mean, you mentioned enforcement. I know in Massachusetts you have veterans' preference but you also have veterans' agents in every single town that inform the veterans about what their rights and opportunities might be, and then in government you also have veterans' agents there at the agencies that are protecting those preferences. Is that something that you

are seeing nationally, or is it something we are going to have to pay greater attention to?

Mr. HOLWAY. I think what Director Berry said earlier was that each of the agencies are going to have somebody that is charged with overseeing veterans being placed in these positions. In Massachusetts at all the job centers there is a veteran who is assigned to helping veterans find those jobs, be they public or private. But I think that the administration is on to something here, to give somebody the responsibility to just do that.

Mr. LYNCH. All right.

Mr. HOLWAY. To make sure the veterans have a shot at these jobs and that those numbers that were spoken about earlier of 8 or 10 percent do, in fact, climb up to approach where the Department of Defense is and the VA is.

Mr. LYNCH. All right.

Ms. Simon, thank you for your testimony here today. Tell me a little bit about how the Federal Career Internship Program [FCIP], is implemented at DHS. How does that work?

Ms. SIMON. Well, in preparing for today's hearing, I found on the U.S. Marshal Service Web page a job announcement for deputy U.S. Marshal positions, and it says here, "The U.S. Marshal Service is currently limited to hiring individuals under the following programs," and it is two career programs, FCIP and the centralized student career experience program. In other words, the agency was hiring exclusively under essentially FCIP.

I think it is very difficult. Obviously, the people we represent right now are already hired into the Federal Government, but a lot of them are veterans. We don't know exactly the number of our membership that are veterans, but we estimate something close to 40 percent, and even more than that in certain agencies. Obviously, DOD, DVA, and DHS.

Mr. LYNCH. Is that residual? I mean, obviously since September 11, 2001, we consolidated a bunch of agencies.

Ms. SIMON. Yes.

Mr. LYNCH. We actually started doing more robust security, so there was hiring at the borders, hiring at the airports. So is the percentage of veterans in place, is that residual and we have departed from that now?

Ms. SIMON. I don't even know the answer.

Mr. LYNCH. OK.

Ms. SIMON. It is an estimate of our current membership. But it is just that what I wanted to say was that FCIP inhibits career development opportunities for those veterans, as well, either lateral moves or opportunities for promotion, in the same way that veterans who are outside the Government are having a hard time getting in because of limited advertisement of jobs through FCIP. People who are already Federal employees who have been preparing to make a move upward or sideways or wherever are inhibited because these jobs are reserved for FCIP, and our members aren't given the opportunity to compete or have their veterans' status count for anything in their effort to improve their situation.

We hear it throughout DHS. We hear it in the Social Security Administration. And I think it was Director Berry who cited data

saying that a lot of people who are veterans have been hired under FCIP, and we hear that from our Border Patrol Council.

But that is in some ways beside the point. The fact that it is perfectly legal to evade veterans' preference within the FCIP is the problem. We want to make it impossible to evade veterans' preference except in very extraordinary circumstances.

There is nothing illegal necessary, or maybe there will prove to be something illegal about exercise of the authorities under the FCIP, but there are clearly shortcomings when they are capable of using it to avoid the application of veterans' preference.

Mr. LYNCH. Yes.

I could understand, as you say, there are examples of particular individuals, and especially if they deal with policy, that have very exacting requirements. I could see that an individual agency might say this particular position or these positions, this hand full of positions need to be filled with such exact requirements that it may require them to go outside the competitive practice. But what we are seeing is thousands, tens of thousands of people brought in through a process that is completely ignoring the veterans' preference that we have put in place. It is ignoring the law.

Ms. SIMON. It is ignoring veterans' preference, but I think just logically we have a hard time understanding, if your requirements are such that you need someone who is truly extraordinary, the truly extraordinary people are going to survive the competitive process. In fact, they are the ones who will excel in the competitive process.

Mr. LYNCH. They are. Yes.

Ms. SIMON. So FCIP is, we think, a way of really avoiding the merit system principles and veterans' preference, not necessarily to hire the most excellent candidates, but just to do things quickly and simply and not take the time to do what is required of a public entity like the Federal Government and make sure that you have open competition, open advertisement so that everyone in the American public has an equal chance of competing for these jobs. That is how you really get the best Federal worker.

Mr. LYNCH. Very good.

Mr. Embree, I have spent a fair time myself with our men and women in uniform in Iraq and Afghanistan, and they are probably the most wired group in terms of being on the Internet. I get the e-mails all the time. We have instantaneous connection with our troops in the field. So this would seem to be a perfect opportunity.

I have an opportunity to sit with members of our armed forces overseas, and oftentimes when they are 6 months away or 4 months away from redeploying back to the States they are questioning me about what opportunities there are back home. They are worried about getting back in their home lives, getting back to work.

This would seem like a perfect opportunity for us to create that connection for them while they are still in Afghanistan, while they are still in Iraq, anticipating coming home or even if they go back to Fort Drum or Fort Dix or wherever they go back to when they are deployed home. We make use of that time with reconnecting them into jobs and job opportunities. Is that being optimized right now, that opportunity to make sure that our men and women in

uniform know they have a job to come back to and know that this country embraces them and wants to make sure that they get the consideration, the respect that they have earned by their service?

Mr. EMBREE. Well, sir, thank you for the question. First off I want to begin explaining I took my boots off over 2 years ago, so I can't say exactly what is happening with the guys in the field still humping a pack, carrying a rifle. But when I was still there finishing my second deployment, no. The short answer is no. You don't feel like you are supported when you are coming back. At least you didn't back in 2007.

Now, maybe it is getting better. I think the first steps have begun. I think Department of Labor, Vets, Assistant Secretary Jefferson is on the right path. He is talking to the VSO community. He is talking to different businesses. He is talking to just the individual Marines, Soldiers, Sailors, and Airmen about the different skills they bring and how to translate them over.

That is one thing that IAVA has been asking for is a study to find out, one, what kind of training translates. So if I am a Navy Corpsman on the green side and I am doing field trauma work, tracheotomies, putting in IVs, you name it, sucking chest wounds, and I get to the civilian side, after all that experience I barely qualify to drive an ambulance. So what we are asking for is a study to identify the kind of skill level and the kind of schooling and education that the military gives you and how to translate it over to the civilian side.

What we want, though, is we want that to better the training for our fighting force as well as make the transition easier, so when they are coming from the military side to the civilian side, the civilian side can automatically look and say, oh, that makes sense, you were this MOS so you must have had these courses, so they automatically know that, oh, if you are a platoon sergeant I know for a fact that you managed 80 people and you managed a budget of a couple million dollars a quarter and you managed these kind of time lines, so I know for a fact I can put you as a manager over 20 people very comfortably and you would meet all the time lines, you would meet all the goals.

So that is one step that needs to happen. We have talked to a few offices. Folks are having that discussion.

We feel Secretary Jefferson and others and OPM are going toward the right direction right now, but it also goes to the TAPS program. Now, what TAPS is is the Transition Assistance Program, and this is what the Marines and Sailors and Soldiers and Airmen you are talking about, they are about to leave sector and they are thinking, OK, what am I going to do now? I am short. I have only got about 7 months left in. I want to go be a police officer. I want to go work in the Post Office. Or I don't know what I want to do and maybe I want to stay in public service.

Well, this is the program that is supposed to teach them how to write their resume, how to translate their skills so when they are having an interview they know how to sell themselves. It teaches them how to present themselves to a hiring agent.

Unfortunately, the program is just woefully out of date. I believe it has been 17 years since it has been updated.

Now, DOL is talking about ways to update it, but right now it is still death by PowerPoint, and it is not even something that you have to do. It is not mandatory. The Marine Corps has just recently made it mandatory, but still, mandatory bad information doesn't make it good information; it just makes you have to sit through it.

So there are a lot of good starts. We feel that, unfortunately, once a lot of these discussions have begun and then the VSO community starts pointing out some of the flaws and some of the first ideas, that people sometimes get their feelings hurt, I guess, and they don't want to take the constructive criticism, and I think that sometimes slows down the process, but we need to.

And I think the way to solve that is to keep the VSO community involved in every step of the way. I believe that the committee right now, the inter-agency committee to implement the strategic plan that OMB has rolled out is phenomenal, and that is a great start. We would like the VSO community to have some input. Just before each meeting give us an idea of what kind of things the inter-agency council is going to discuss so we can send you guys some well-researched information.

IAVA has their own research department. We put out reports every year. We put out a legislative agenda. We end note these things with hundreds and hundreds of sources to help these staffs.

Mr. LYNCH. Let me just interrupt. I know they are going to do the second vote, and I will have to go for the second, third, and fourth votes because they are substantive. But it seems to me, just in interacting with those young men and women who are about to come back, the military is rightly focused on their responsibility in Afghanistan and in Iraq, and when folks are deploying out it is a step-down process, and so I think the intensity of following those folks when they are re-deploying back home is less than when they are part of the operation, the military operation in those countries.

I am just wondering, it seems to be a one-way street. In other words, I have men and women on the ground in Iraq and Afghanistan who are trying to tie back into the United States, into jobs, and they are doing it as individuals. There doesn't seem to be any concerted effort to get them placed back here. And there doesn't seem to be any effort on our part to reach over there and close that loop and to make sure that those folks know about the opportunities, and so there is a dialog, a two-way street of information going back and forth and reassurances for them and their families of what opportunities might be there when they finish their tour of duty.

So I guess what I am asking, would it be helpful, in terms of these individual agents that Mr. Holway described that Director Berry is going to put in place at these agencies, if there would be a two-way street, a five-directional discourse so that we let people know over there what is available so that they feel like they are wanted, that they are welcomed and embraced and that they are a priority in terms of our Federal hiring practices.

Mr. EMBREE. Well, sir, I don't want to speak outside of my lane too far, so I would like to just say that IAVA would love to work with your staff to put together some sort of plan for that or proposal for that, just because I think there needs to be a lot of input

from DOD as well as other Government agencies, so I don't want to speak—

Mr. LYNCH. Sure. I understand.

Mr. EMBREE. I am not an expert on that.

Mr. LYNCH. And I am not talking about allowing private recruitment of military in theater, because they have enough to do, Department of Defense, with just focusing on one job while they are there. I am talking about in that step-down process where I know that in many cases units will have their personal belongings sent home 90 days ahead of time, and so now they are really in a decompress mode where they are stepping down into civilian life.

I think if you can utilize that time period, just to have people get in touch with them and let them know what is going on, that might offer a better result.

Dean Crosby, let's talk about the student opportunities here for a minute. I am certain that we can benefit by having greater flexibility. I think part of the problem that we are seeing, look, people wouldn't be circumventing this system if it was working, so that is a problem and we have to create some flexibility here.

Could you talk about what you see as being some of the obstacles of opening up opportunities for very well-educated, well-trained young people coming out of our colleges and graduate schools in terms of connecting with the demand that we have for their services in the Federal Government?

Mr. CROSBY. Well, I think the obstacles have been pretty clearly discussed here, the nature of the systems, as is so often the case, you put protections in place and over time they become calcified and no longer work, but nobody has been looking at these systems.

The FCIP, I don't know anything about this FCIP program in any formal way, but just from what I have heard today it is clear that the hiring system is trying to find a way around a calcified, non-functional, 160- to 200-day process, and no manager anywhere can survive in that kind of an environment. Probably a lot of it is not to get around veterans or whatever benefits, per se; it is just to try to get around this horrible system. That is the same with the issues of students who are trying to access the system.

It is particularly difficult, in the case of our graduate students and the graduate programs that are represented by me today, because these people don't have any kind of seniority or any kind of experience in the Federal system. We hope that they will have veteran's status and we are hoping. The GI bill is a terrific asset at this point, and collaborating with veterans' organizations to get them into these programs, take their experience, take their leadership skills, couple it with our formal education skills, now you have really got an applicant.

But the rest of our students who are not veterans have this very specialized set of skills that doesn't give them any status in the hiring system. None of the metrics or few of the metrics reward the kinds of special skills the graduates of our programs have, so they are left to fall behind in a system which is precluding people who are specifically trained to deal with the exigencies of public administration and public policy.

So the kinds of opportunities these specialized channels for students, such as in H.R. 3264 that I know you understand well, not

numbers that are going to change the whole order of magnitude of the employment system, but to give a special channel, a special pathway for people with these special skills, that is what we are looking for and I think that in the long run can have a tremendously positive impact on public service without in any significant way stepping on other legitimate rights and interests.

Mr. LYNCH. Mr. McManus, the same question. But in light of the President's initiative here, are there components there that would clear the way for some of the obstructions that have existed previously and some that Dean Crosby has articulated?

Mr. MCMANUS. Yes. I think certainly all of the issues that Dean Crosby articulated are spot on in terms of helping to clear the pathway.

Much like the discussion earlier about veterans not actually understanding how to translate their skills, I think the same is actually true on a college university campus, as well. Unfortunately, Government doesn't value education as much as it does in-the-seat experience. That has to, in fact, change, and that is a cultural change as much as a procedural or process change.

We have to do more to make students aware of the opportunities that exist, much like I think we have to do. The Partnership would welcome the opportunity to work with you, Mr. Chairman, and also Mr. Embree to figure out how we can effectively educate vets about opportunities and how they can compete, as well.

I think those two audiences are facing some very similar issues in this.

Mr. LYNCH. Well, I apologize. I am going to have to go back and vote again. I am going to leave. There are obviously dualing committee hearings at the same time, so I am going to leave the record open for 5 legislative days for my colleagues to submit any questions they might have for you and any other testimony to be submitted. I want to thank you for your willingness to come forward and help the committee with its work. I really do appreciate it. It makes a better process.

I think as we move forward with the House version of our hiring bill, I think we will be well served by your testimony and the whole process will be better informed by your input, so I appreciate your testimony and I thank you and I wish you have a good day.

Thank you. This committee hearing is now adjourned.

[Whereupon, at 4:23 p.m., the subcommittee was adjourned.]

[Additional information submitted for the hearing record follows:]

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT



**Employment of Veterans
in the Federal Executive Branch
Fiscal Year 2008**



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**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Message from Director Berry

Enclosed is the Office of Personnel Management's Report on Employment of Veterans in the Federal Executive Branch for FY 2008.

The report shows that government continues to be a leader in employing veterans, but there is much room for improvement, especially for non-defense/national security agencies.

I believe strongly that we must do more to honor those who serve America in our Armed Forces and keep their skills, their drive, and their dedication to service in the Federal family. That is why OPM, in conjunction with the White House and the Departments of Defense, Labor, Veterans Affairs, and Homeland Security, is launching a major government-wide veterans hiring initiative.

Our initiative, launching during Veterans Day week, is unprecedented in its scope. Launched by the President through an Executive Order, it will be co-chaired by Secretary of Labor Solis and Secretary of Veterans Affairs Shinseki and feature the direct participation of senior appointed officials from all Cabinet agencies, and senior officials of non-Cabinet agencies.

I will serve as vice-chair of the initiative and promote it aggressively, both to agencies and to veterans and transitioning service members. It will also feature advertising aimed at both of these groups, a new web 2.0 Internet site, and tools to help match potential veteran applicants with the jobs that are best suited to them.

I look forward to keeping you updated about this exciting initiative.

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

INTRODUCTION

THE EMPLOYMENT OF VETERANS IN THE FEDERAL EXECUTIVE BRANCH is produced by the Office of Personnel Management (OPM) to provide a convenient reference on the employment of veterans in the Executive Branch. The report has been redesigned in an easy-to-use format suitable for a variety of audiences. The report concentrates on Chief Financial Officer (CFO) Act agencies as they account for approximately 97.8% of all Federal employees and 99% of all veterans employed in the Federal Executive Branch.

The source of Federal employment data used in this FY 2008 report is from OPM's Central Personnel Data File as of September 30, 2008.

This report does not include data for the:

White House Office, Office of the Vice President, Central Intelligence Agency, National Geospatial-Intelligence Agency, National Security Agency, Defense Intelligence Agency, Board of Governors of the Federal Reserve, United States Postal Service, Postal Regulatory Commission, Tennessee Valley Authority, Department of Agriculture Extension Service, Army and Air Force National Guard technicians, Department of Defense non-appropriated funds, and non-citizen employees in foreign countries. Full-time permanent (FTP) employment numbers do not include full-time seasonal employees.

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

**Veterans in the Federal Workforce
Versus the Civilian Labor Force**

	FY 2007		FY 2008	
	Federal Workforce	Civilian Workforce	Federal Workforce	Civilian Workforce
All Veterans	25.5%	8.3%	25.5%	8.3%
Disabled Veterans	5.7%	0.8%	6.0%	0.8%
30% or More Disabled Veterans	3.1%	0.3%	3.4%	0.3%

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 1

Employment in the Federal Workforce

Total On-Board Employees

Category	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Total Employees	1,810,852	1,813,166	1,803,055	1,811,459	1,886,720
Total Veterans	453,725	456,254	457,965	462,744	481,223
% of All Employees	25.1%	25.2%	25.4%	25.5%	25.5%
Veterans with Preference	411,627	410,083	410,434	414,010	431,015
% of All Employees	22.7%	22.6%	22.8%	22.9%	22.8%
% of All Veterans	90.7%	89.9%	89.6%	89.5%	89.4%
Disabled Veterans	87,390	92,642	97,828	103,180	112,946
% of All Employees	4.8%	5.1%	5.4%	5.7%	6.0%
% of All Veterans	19.3%	20.3%	21.4%	22.3%	23.5%
30% + Disabled Veterans	42,010	46,727	51,389	56,077	64,046
% of All Employees	2.3%	2.6%	2.9%	3.1%	3.4%
% of All Veterans	9.3%	10.2%	11.2%	12.1%	13.3%

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 1 A

**Employment in the Federal Workforce
Total On-Board Employees**

All Veterans

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	1,811,459	462,744	25.5	1,866,720	481,223	25.5
CFO Act Agencies						
Agriculture	104,126	11,314	10.9	104,837	10,835	10.3
Commerce	41,218	4,723	11.5	42,661	4,749	11.1
Defense	613,845	247,664	40.3	635,460	257,933	40.6
Air Force	132,306	65,523	49.5	131,146	65,184	49.7
Army	212,591	89,904	42.3	226,723	96,596	42.6
Navy	173,212	65,667	37.9	180,017	68,910	38.3
Defense Activities	95,736	26,570	27.8	97,574	27,243	27.9
Education	4,346	351	8.1	4,335	351	8.1
Energy	14,945	2,985	20.0	15,448	3,036	19.7
HHS	73,632	5,148	7.0	75,655	4,789	6.3
Homeland Security	164,613	41,224	25.0	176,627	43,481	24.6
HUD	9,589	1,319	13.8	9,781	1,322	13.5
Interior	72,465	11,352	15.7	73,891	11,186	15.1
Justice	106,411	19,478	18.3	108,340	19,700	18.2
Labor	15,417	2,672	17.3	15,373	2,685	17.5
State	10,731	1,672	15.6	11,385	1,803	15.8
Transportation	54,119	16,129	29.8	55,388	16,287	29.4
Treasury	102,787	9,991	9.7	105,541	10,149	9.6
Veterans Affairs	254,033	67,597	26.6	278,926	73,623	26.4
AID	2,428	149	6.1	2,550	169	6.6
EPA	18,092	1,353	7.5	18,247	1,359	7.4
GSA	11,996	2,480	20.7	11,958	2,401	20.1
NASA	18,461	2,047	11.1	18,562	1,973	10.6
NSF	1,382	79	5.7	1,410	79	5.6
NRC	3,750	639	17.0	4,080	697	17.1
OPM	5,775	1,278	22.1	5,855	1,291	22.0
SSA	62,407	6,011	9.6	63,990	6,131	9.6
SBA	4,497	613	13.6	4,829	655	13.6
Total CFO Act Agencies	1,771,065	458,268	25.9	1,845,130	476,684	25.8

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

**Table 1 B
Employment in the Federal Workforce
Total On-Board Employees
Veterans with Preference**

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	1,811,459	414,010	22.9	1,886,720	430,015	22.8
CFO Act Agencies						
Agriculture	104,126	11,022	10.6	104,837	10,835	10.3
Commerce	41,218	4,436	10.8	42,661	4,749	11.1
Defense	613,845	222,193	36.2	635,460	231,166	36.4
Air Force	132,306	58,915	44.5	131,146	58,558	44.7
Army	212,591	80,597	37.9	226,723	86,634	38.2
Navy	173,212	58,975	34.0	180,017	61,801	34.3
Defense Activities	95,736	23,706	24.8	97,574	24,173	24.8
Education	4,346	322	7.4	4,335	327	7.5
Energy	14,945	2,727	18.2	15,448	2,751	17.8
HHS	73,632	4,765	6.5	75,655	4,784	6.3
Homeland Security	164,613	35,132	21.3	176,627	37,192	21.1
HUD	9,589	1,295	13.5	9,781	1,299	13.3
Interior	72,465	10,702	14.8	73,891	10,483	14.2
Justice	106,411	15,915	15.0	108,340	16,210	15.0
Labor	15,417	2,571	16.7	15,373	2,581	16.8
State	10,731	1,512	14.1	11,386	1,622	14.2
Transportation	54,119	14,686	27.1	55,388	14,828	26.8
Treasury	102,787	9,693	9.4	105,541	9,837	9.3
Veterans Affairs	254,033	59,086	23.3	278,926	63,917	22.9
AID	2,428	143	5.9	2,550	161	6.3
EPA	18,092	1,278	7.1	18,247	1,280	7.0
GSA	11,996	2,337	19.5	11,958	2,263	18.9
NASA	18,461	1,890	10.2	18,562	1,812	9.8
NSF	1,382	64	4.6	1,410	63	4.5
NRC	3,750	564	15.0	4,080	611	15.0
OPM	5,775	1,185	20.5	5,855	1,186	20.3
SSA	62,407	5,700	9.1	63,990	5,805	9.1
SBA	4,497	606	13.5	4,829	644	13.3
Total CFO Act Agencies	1,771,065	409,824	23.1	1,845,130	426,406	23.1

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 1 C

**Employment in the Federal Workforce
Total On-Board Employees**

Disabled Veterans

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	1,811,459	103,180	5.7	1,886,720	112,946	6.0
CFO Act Agencies						
Agriculture	104,126	1,990	1.9	104,837	1,988	1.9
Commerce	41,218	716	1.7	42,661	772	1.8
Defense	613,845	59,137	9.6	635,460	64,626	10.2
Air Force	132,306	15,612	11.8	131,146	15,827	12.1
Army	212,591	24,552	11.5	226,723	27,765	12.2
Navy	173,212	12,653	7.3	180,017	14,194	7.9
Defense Activities	95,736	6,320	6.6	97,574	6,840	7.0
Education	4,346	88	2.0	4,335	91	2.1
Energy	14,945	550	3.7	15,448	596	3.9
HHS	73,632	987	1.3	75,655	1,059	1.4
Homeland Security	164,613	6,336	3.8	176,627	6,883	3.9
HUD	9,589	347	3.6	9,781	390	4.0
Interior	72,465	2,162	3.0	73,891	2,266	3.1
Justice	106,411	2,559	2.4	108,340	2,700	2.5
Labor	15,417	808	5.2	15,373	852	5.5
State	10,731	343	3.2	11,386	381	3.3
Transportation	54,119	2,520	4.7	55,388	2,732	4.9
Treasury	102,787	1,936	1.9	105,541	2,204	2.1
Veterans Affairs	254,033	18,709	7.4	278,926	21,096	7.6
AID	2,428	29	1.2	2,550	36	1.4
EPA	18,092	272	1.5	18,247	297	1.6
GSA	11,996	523	4.4	11,958	519	4.3
NASA	18,461	341	1.8	18,562	351	1.9
NSF	1,382	18	1.3	1,410	19	1.3
NRC	3,750	67	1.8	4,080	83	2.0
OPM	5,775	345	6.0	5,855	356	6.1
SSA	62,407	1,540	2.5	63,990	1,720	2.7
SBA	4,497	100	2.2	4,829	114	2.4
Total CFO Act Agencies	1,771,065	102,423	5.8	1,845,130	112,131	6.1

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 1 D

**Employment in the Federal Workforce
Total On-Board Employees**

30% or More Disabled Veterans

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	1,811,459	56,077	3.1	1,886,720	64,046	3.4
CFO Act Agencies						
Agriculture	104,126	888	0.9	104,837	923	0.9
Commerce	41,218	302	0.7	42,661	348	0.8
Defense	613,845	33,678	5.5	635,460	38,501	6.1
Air Force	132,306	8,693	6.6	131,146	9,110	6.9
Army	212,591	14,507	6.8	226,723	17,172	7.6
Navy	173,212	6,905	4.0	180,017	8,176	4.5
Defense Activities	95,736	3,573	3.7	97,574	4,043	4.1
Education	4,346	49	1.1	4,335	47	1.1
Energy	14,945	246	1.6	15,448	290	1.9
HHS	73,632	484	0.7	75,655	537	0.7
Homeland Security	164,613	2,993	1.8	176,627	3,317	1.9
HUD	9,589	188	2.0	9,781	212	2.2
Interior	72,465	958	1.3	73,891	1,047	1.4
Justice	106,411	1,020	1.0	108,340	1,115	1.0
Labor	15,417	411	2.7	15,373	455	3.0
State	10,731	168	1.6	11,386	197	1.7
Transportation	54,119	1,008	1.9	55,388	1,144	2.1
Treasury	102,787	917	0.9	105,541	1,085	1.0
Veterans Affairs	254,033	10,864	4.3	278,926	12,647	4.5
AID	2,428	16	0.7	2,550	22	0.9
EPA	18,092	120	0.7	18,247	143	0.8
GSA	11,996	249	2.1	11,958	257	2.1
NASA	18,461	163	0.9	18,562	176	0.9
NSF	1,382	8	0.6	1,410	10	0.7
NRC	3,750	22	0.6	4,080	30	0.7
OPM	5,775	186	3.2	5,855	204	3.5
SSA	62,407	758	1.2	63,990	895	1.4
SBA	4,497	40	0.9	4,829	52	1.1
Total CFO Act Agencies	1,771,065	55,736	3.1	1,845,130	63,654	3.4

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 2

Employment in the Federal Workforce

Total Full Time Permanent (FTP) Employment

Category	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Total FTP Employees	1,562,690	1,569,650	1,565,159	1,574,604	1,629,909
Total Veterans	422,204	425,379	426,802	431,197	447,273
% of All Employees	27.0%	27.1%	27.3%	27.4%	27.4%
Veterans with Preference	384,461	383,742	383,499	386,666	400,117
% of All Employees	24.6%	24.4%	24.5%	24.6%	24.5%
% of All Veterans	91.1%	90.2%	89.9%	89.7%	89.5%
Disabled Veterans	81,031	85,814	90,470	95,548	104,435
% of All Employees	5.2%	5.5%	5.8%	6.1%	6.4%
% of All Veterans	19.2%	20.2%	21.2%	22.2%	23.3%
30% + Disabled Vets	38,390	42,715	46,953	51,408	58,701
% of All Employees	2.5%	2.7%	3.0%	3.3%	3.6%
% of All Veterans	9.1%	10.0%	11.0%	11.9%	13.1%
% of All Disabled Vets	47.4%	49.8%	51.9%	53.8%	56.2%

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 2A

**Employment in the Federal Workforce
Total Full Time Permanent (FTP) Employment**

All Veterans

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	1,574,604	431,197	27.4	1,629,909	447,273	27.4
CFO Act Agencies						
Agriculture	78,993	9,688	12.3	78,369	9,333	11.9
Commerce	32,177	3,699	11.5	32,924	3,684	11.2
Defense	555,338	232,891	41.9	570,023	241,358	42.3
Air Force	125,642	62,834	50.0	122,986	62,064	50.5
Army	192,871	82,812	42.9	202,512	88,314	43.6
Navy	166,714	63,828	38.3	172,392	66,843	38.8
Defense Activities	70,111	23,417	33.4	72,133	24,137	33.5
Education	3,789	340	9.0	3,825	344	9.0
Energy	14,286	2,941	20.6	14,803	2,995	20.2
HHS	52,842	4,677	8.9	53,325	4,465	8.4
Homeland Security	134,850	37,310	27.7	147,533	39,561	26.8
HUD	9,237	1,315	14.2	9,445	1,316	13.9
Interior	51,953	9,137	17.6	51,828	8,894	17.2
Justice	102,716	19,308	18.8	104,282	19,482	18.7
Labor	14,406	2,528	17.5	14,322	2,539	17.7
State	8,009	1,220	15.2	8,428	1,338	15.9
Transportation	52,530	15,777	30.0	53,549	15,813	29.5
Treasury	94,603	9,464	10.0	93,961	9,280	9.9
Veterans Affairs	215,336	63,107	29.3	236,761	68,986	29.1
AID	1,787	124	6.9	1,865	143	7.7
EPA	16,206	1,321	8.2	16,221	1,305	8.0
GSA	11,738	2,468	21.0	11,742	2,393	20.4
NASA	16,892	1,847	10.9	16,923	1,783	10.5
NSF	1,102	72	6.5	1,148	77	6.7
NRC	3,409	608	17.8	3,704	658	17.8
OPM	4,422	886	20.0	4,400	857	19.5
SSA	60,022	5,874	9.8	61,486	6,012	9.8
SBA	2,184	359	16.4	2,260	368	16.3
Total CFO Act Agencies	1,538,827	426,961	27.7	1,593,127	442,984	27.8

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 2B

**Employment in the Federal Workforce
Total Full Time Permanent (FTP) Employment**

Veterans with Preference

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	1,574,604	386,666	24.6	1,629,909	400,117	24.5
CFO Act Agencies						
Agriculture	78,993	9,442	12.0	78,369	9,065	11.6
Commerce	32,177	3,441	10.7	32,924	3,422	10.4
Defense	555,338	209,495	37.7	570,023	216,713	38.0
Air Force	125,642	56,558	45.0	122,986	55,782	45.4
Army	192,871	74,367	38.6	202,512	79,230	39.1
Navy	166,714	57,531	34.5	172,392	60,147	34.9
Defense Activities	70,111	21,039	30.0	72,133	21,554	29.9
Education	3,789	313	8.3	3,825	321	8.4
Energy	14,286	2,699	18.9	14,803	2,725	18.4
HHS	52,842	4,432	8.4	53,325	4,460	8.4
Homeland Security	134,850	31,770	23.6	147,533	33,758	22.9
HUD	9,237	1,291	14.0	9,445	1,293	13.7
Interior	51,953	8,625	16.6	51,828	8,334	16.1
Justice	102,716	15,760	15.3	104,282	16,006	15.3
Labor	14,406	2,436	16.9	14,322	2,444	17.1
State	8,009	1,084	13.5	8,428	1,185	14.1
Transportation	52,530	14,376	27.4	53,549	14,399	26.9
Treasury	94,603	9,187	9.7	93,961	8,985	9.6
Veterans Affairs	215,336	55,568	25.8	236,761	60,244	25.4
AID	1,787	122	6.8	1,865	137	7.3
EPA	16,206	1,250	7.7	16,221	1,233	7.6
GSA	11,738	2,328	19.8	11,742	2,256	19.2
NASA	16,892	1,728	10.2	16,923	1,654	9.8
NSF	1,102	60	5.4	1,148	63	5.5
NRC	3,409	534	15.7	3,704	575	15.5
OPM	4,422	822	18.6	4,400	787	17.9
SSA	60,022	5,569	9.3	61,486	5,690	9.3
SBA	2,184	354	16.2	2,260	359	15.9
Total CFO Act Agencies	1,538,827	382,686	24.9	1,593,127	396,108	24.9

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008
Table 2C**

**Employment in the Federal Workforce
Full Time Permanent (FTP) Employment**

Disabled Veterans

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	1,574,604	95,548	6.1	1,629,909	104,435	6.4
CFO Act Agencies						
Agriculture	78,993	1,794	2.3	78,369	1,821	2.3
Commerce	32,177	568	1.8	32,924	601	1.8
Defense	555,338	54,209	9.8	570,023	59,049	10.4
Air Force	125,642	14,638	11.7	122,986	14,736	12.0
Army	192,871	21,997	11.4	202,512	24,751	12.2
Navy	166,714	12,194	7.3	172,392	13,626	7.9
Defense Activities	70,111	5,380	7.7	72,133	5,936	8.2
Education	3,789	85	2.2	3,825	90	2.4
Energy	14,286	547	3.8	14,803	589	4.0
HHS	52,842	956	1.8	53,325	1,027	1.9
Homeland Security	134,850	5,980	4.4	147,533	6,531	4.4
HUD	9,237	345	3.7	9,445	389	4.1
Interior	51,953	1,753	3.4	51,828	1,829	3.5
Justice	102,716	2,535	2.5	104,282	2,672	2.6
Labor	14,406	751	5.2	14,322	788	5.5
State	8,009	313	3.9	8,428	354	4.2
Transportation	52,530	2,425	4.6	53,549	2,609	4.9
Treasury	94,603	1,837	1.9	93,961	1,995	2.1
Veterans Affairs	215,336	17,766	8.3	236,761	20,111	8.5
AID	1,787	25	1.4	1,865	31	1.7
EPA	16,206	263	1.6	16,221	280	1.7
GSA	11,738	522	4.4	11,742	517	4.4
NASA	16,892	271	1.6	16,923	285	1.7
NSF	1,102	17	1.5	1,148	19	1.7
NRC	3,409	64	1.9	3,704	80	2.2
OPM	4,422	235	5.3	4,400	231	5.3
SSA	60,022	1,494	2.5	61,486	1,678	2.7
SBA	2,184	78	3.6	2,260	87	3.8
Total CFO Act Agencies	1,538,827	94,833	6.2	1,593,127	103,663	6.5

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 2D

**Employment in the Federal Workforce
Full Time Permanent (FTP) Employment**

30% More Disabled Veterans

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	1,574,604	51,408	3.3	1,629,909	58,701	3.6
CFO Act Agencies						
Agriculture	78,993	811	1.0	78,369	854	1.1
Commerce	32,177	240	0.7	32,924	273	0.8
Defense	555,338	30,408	5.5	570,023	34,717	6.1
Air Force	125,642	7,965	6.3	122,986	8,285	6.7
Army	192,871	12,837	6.7	202,512	15,146	7.5
Navy	166,714	6,596	4.0	172,392	7,781	4.5
Defense Activities	70,111	3,010	4.3	72,133	3,505	4.9
Education	3,789	46	1.2	3,825	46	1.2
Energy	14,286	246	1.7	14,803	286	1.9
HHS	52,842	467	0.9	53,325	522	1.0
Homeland Security	134,850	2,816	2.1	147,533	3,141	2.1
HUD	9,237	187	2.0	9,445	212	2.2
Interior	51,953	773	1.5	51,828	845	1.6
Justice	102,716	1,006	1.0	104,282	1,098	1.1
Labor	14,406	383	2.7	14,322	418	2.9
State	8,009	151	1.9	8,428	184	2.2
Transportation	52,530	956	1.8	53,549	1,077	2.0
Treasury	94,603	868	0.9	93,961	988	1.1
Veterans Affairs	215,336	10,309	4.8	236,761	12,044	5.1
AID	1,787	16	0.9	1,865	20	1.1
EPA	16,206	117	0.7	16,221	135	0.8
GSA	11,738	248	2.1	11,742	255	2.2
NASA	16,892	126	0.7	16,923	144	0.9
NSF	1,102	8	0.7	1,148	10	0.9
NRC	3,409	20	0.6	3,704	28	0.8
OPM	4,422	121	2.7	4,400	124	2.8
SSA	60,022	731	1.2	61,486	870	1.4
SBA	2,184	33	1.5	2,260	42	1.9
Total CFO Act Agencies	1,538,827	51,087	3.3	1,593,127	58,333	3.7

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 3

Veteran New Hires - Total New Hires

Category	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Federal New Hires	226,676	224,889	227,012	228,889	289,184
Veteran New Hires	43,262	48,257	50,108	52,452	65,631
% of All Federal New Hires	19.1%	21.5%	22.1%	22.9%	22.7%
Veterans with Preference	34,803	38,765	42,599	45,919	57,953
% of All Employees	15.3%	17.2%	18.8%	20.1%	20.0%
% of All Veterans	80.4%	80.3%	85.0%	87.5%	88.3%
Disabled Veteran Hires	9,031	11,252	12,115	12,934	16,744
% of All Federal New Hires	4.0%	5.0%	5.3%	5.7%	5.8%
% of All Veteran New Hires	20.9%	23.3%	24.2%	24.7%	25.5%
30% + Disabled Veteran Hires	5,339	6,882	7,344	7,958	10,870
% of All Federal New Hires	2.4%	3.1%	3.2%	3.5%	3.8%
% of All Veterans New Hires	12.3%	14.3%	14.7%	15.2%	16.6%
% of All Disabled Vet New Hires	59.1%	61.2%	60.6%	61.5%	64.9%

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

**Table 3A
Veteran New Hires - Total New Hires**

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	228,889	52,452	22.9	289,184	65,631	22.7
CFO Act Agencies						
Agriculture	19,083	1,086	5.7	21,839	1,113	5.1
Commerce	5,129	521	10.2	6,807	652	9.6
Defense	68,115	26,214	38.5	92,647	34,918	37.7
Air Force	13,101	6,269	47.9	16,481	6,904	41.9
Army	25,217	10,679	42.3	38,154	15,417	40.4
Navy	15,647	6,538	41.8	21,335	9,123	42.8
Defense Activities	14,150	2,728	19.3	16,677	3,474	20.8
Education	463	30	6.5	488	32	6.6
Energy	1,080	201	18.6	1,530	295	19.3
HHS	7,249	398	5.5	9,349	434	4.6
Homeland Security	24,563	5,595	22.8	30,461	6,481	21.3
HUD	527	47	8.9	870	100	11.5
Interior	15,996	1,813	11.3	18,570	2,026	10.9
Justice	7,195	1,385	19.2	8,666	1,379	15.9
Labor	1,465	263	18.0	1,391	282	20.3
State	2,186	229	10.5	2,288	276	12.1
Transportation	3,934	1,451	36.9	4,738	1,430	30.2
Treasury	16,158	967	6.0	17,550	1,257	7.2
Veterans Affairs	40,915	10,628	26.0	52,746	12,980	24.6
AID	173	9	5.2	271	15	5.5
EPA	1,182	70	5.9	1,457	102	7.0
GSA	705	126	17.9	678	82	12.1
NASA	899	114	12.7	992	92	9.3
NSF	200	9	4.5	196	7	3.6
NRC	600	81	13.5	699	106	15.2
OPM	884	254	28.7	637	183	28.7
SSA	5,125	533	10.4	7,563	784	10.4
SBA	840	97	11.5	1,282	135	10.5
Total CFO Act Agencies	224,666	52,121	23.2	283,715	65,161	23.0

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

**Table 3B
Veteran New Hires - Total New Hires
Veterans with Preference**

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	228,889	45,919	20.1	289,184	57,953	20.0
CFO Act Agencies						
Agriculture	19,083	1,043	5.5	21,839	1,062	4.9
Commerce	5,129	490	9.6	6,807	622	9.1
Defense	68,115	23,201	34.1	92,647	31,003	33.5
Air Force	13,101	5,630	43.0	16,481	6,096	37.0
Army	25,217	9,514	37.7	38,154	13,786	36.1
Navy	15,647	5,744	36.7	21,335	8,073	37.8
Defense Activities	14,150	2,313	16.3	16,677	3,048	18.3
Education	463	23	5.0	488	32	6.6
Energy	1,080	166	15.4	1,530	253	16.5
HHS	7,249	370	5.1	9,349	428	4.6
Homeland Security	24,563	4,779	19.5	30,461	5,652	18.6
HUD	527	43	8.2	870	97	11.1
Interior	15,996	1,683	10.5	18,570	1,893	10.2
Justice	7,195	1,256	17.5	8,666	1,301	15.0
Labor	1,465	237	16.2	1,391	259	18.6
State	2,186	200	9.1	2,288	238	10.4
Transportation	3,934	1,355	34.4	4,738	1,353	28.6
Treasury	16,158	940	5.8	17,550	1,220	7.0
Veterans Affairs	40,915	8,634	21.1	52,746	10,734	20.4
AID	173	9	5.2	271	14	5.2
EPA	1,182	62	5.2	1,457	92	6.3
GSA	705	108	15.3	678	71	10.5
NASA	899	91	10.1	992	77	7.8
NSF	200	7	3.5	196	6	3.1
NRC	600	71	11.8	699	92	13.2
OPM	884	237	26.8	637	163	25.6
SSA	5,125	500	9.8	7,563	736	9.7
SBA	840	96	11.4	1,282	130	10.1
Total CFO Act Agencies	224,666	45,601	20.3	283,715	57,528	20.3

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 3C

Veteran New Hires - Total New Hires

Disabled Veterans

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	228,889	12,934	5.7	289,184	16,744	5.8
CFO Act Agencies						
Agriculture	19,083	195	1.0	21,839	211	1.0
Commerce	5,129	82	1.6	6,807	118	1.7
Defense	68,115	6,747	9.9	92,647	9,194	9.9
Air Force	13,101	1,449	11.1	16,481	1,544	9.4
Army	25,217	3,032	12.0	38,154	4,479	11.7
Navy	15,647	1,494	9.5	21,335	2,215	10.4
Defense Activities	14,150	772	5.5	16,677	956	5.7
Education	463	10	2.2	488	11	2.3
Energy	1,080	42	3.9	1,530	73	4.8
HHS	7,249	111	1.5	9,349	117	1.3
Homeland Security	24,563	672	2.7	30,461	865	2.8
HUD	527	16	3.0	870	45	5.2
Interior	15,996	418	2.6	18,570	488	2.6
Justice	7,195	236	3.3	8,666	226	2.6
Labor	1,465	100	6.8	1,391	109	7.8
State	2,186	58	2.7	2,288	63	2.8
Transportation	3,934	326	8.3	4,738	335	7.1
Treasury	16,158	270	1.7	17,550	440	2.5
Veterans Affairs	40,915	3,065	7.5	52,746	3,759	7.1
AID	173	6	3.5	271	4	1.5
EPA	1,182	19	1.6	1,457	41	2.8
GSA	705	35	5.0	678	24	3.5
NASA	899	31	3.4	992	22	2.2
NSF	200	3	1.5	196	3	1.5
NRC	600	9	1.5	699	16	2.3
OPM	884	108	12.2	637	72	11.3
SSA	5,125	253	4.9	7,563	342	4.5
SBA	840	13	1.5	1,282	22	1.7
Total CFO Act Agencies	224,666	12,825	5.7	283,715	16,600	5.9

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 3D

Veteran New Hires - Total New Hires

30% or More Disabled Veterans

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	228,889	7,958	3.5	289,184	10,870	3.8
CFO Act Agencies						
Agriculture	19,083	89	0.5	21,839	114	0.5
Commerce	5,129	33	0.6	6,807	63	0.9
Defense	68,115	4,462	6.6	92,647	6,380	6.9
Air Force	13,101	968	7.4	16,481	1,087	6.6
Army	25,217	2,008	8.0	38,154	3,164	8.3
Navy	15,647	963	6.2	21,335	1,486	7.0
Defense Activities	14,150	523	3.7	16,677	643	3.9
Education	463	7	1.5	488	6	1.2
Energy	1,080	21	1.9	1,530	35	2.3
HHS	7,249	58	0.8	9,349	65	0.7
Homeland Security	24,563	333	1.4	30,461	447	1.5
HUD	527	13	2.5	870	20	2.3
Interior	15,996	214	1.3	18,570	252	1.4
Justice	7,195	103	1.4	8,666	121	1.4
Labor	1,465	57	3.9	1,391	69	5.0
State	2,186	33	1.5	2,288	39	1.7
Transportation	3,934	157	4.0	4,738	170	3.6
Treasury	16,158	133	0.8	17,550	235	1.3
Veterans Affairs	40,915	1,904	4.7	52,746	2,423	4.6
AID	173	3	1.7	271	3	1.1
EPA	1,182	9	0.8	1,457	24	1.6
GSA	705	24	3.4	678	13	1.9
NASA	899	17	1.9	992	12	1.2
NSF	200	1	0.5	196	3	1.5
NRC	600	5	0.8	699	7	1.0
OPM	884	57	6.4	637	49	7.7
SSA	5,125	162	3.2	7,563	222	2.9
SBA	840	7	0.8	1,282	11	0.9
Total CFO Act Agencies	224,666	7,902	3.5	283,715	10,783	3.8

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 4

Veteran New Hires

Total Full Time Permanent New Hires

Category	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Federal New Hires	76,065	84,609	88,226	95,956	133,325
Veteran New Hires	25,548	31,024	33,200	35,585	46,551
% of All Federal Employees Hired	33.6%	36.7%	37.6%	37.1%	34.9%
Veterans with Preference	20,258	24,532	27,924	31,169	41,002
% of All Employees	26.6%	29.0%	31.7%	32.5%	30.8%
% of All Veterans	79.3%	79.1%	84.1%	87.6%	88.1%
Disabled Veteran New Hires	5,123	6,719	7,561	8,401	11,531
% of All Federal Employees Hired	6.7	7.9	8.6	8.8	8.6
% of All Veterans Hired	20.1	21.7	22.8	23.6	24.8
30%+ Disabled Veteran Hires	2,834	3,871	4,359	4,952	7,278
% of All Federal Employees Hired	3.7	4.6	4.9	5.2	5.5
% of All Veterans Hired	11.1	12.5	13.1	13.9	15.6
% of All Disabled Vets Hired	55.3	57.6	57.7	58.9	63.1

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

**Table 4A
Veteran New Hires
Total Full Time Permanent New Hires**

All Veterans

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	95,956	35,585	37.1	133,325	46,551	34.9
CFO Act Agencies						
Agriculture	2,629	433	16.5	3,367	503	14.9
Commerce	2,366	270	11.4	2,714	293	10.8
Defense	35,127	18,851	53.7	50,454	25,707	51.0
Air Force	6,769	4,533	67.0	7,721	4,864	63.0
Army	12,518	7,014	56.0	20,421	10,431	51.1
Navy	11,116	5,547	49.9	15,540	7,936	51.1
Defense Activities	4,724	1,757	37.2	6,772	2,476	36.6
Education	216	26	12.0	232	28	12.1
Energy	781	182	23.3	1,192	279	23.4
HHS	3,315	325	9.8	4,218	356	8.4
Homeland Security	11,205	3,283	29.3	16,020	4,308	26.9
HUD	283	46	16.3	578	98	17.0
Interior	1,799	403	22.4	2,353	547	23.2
Justice	5,119	1,301	25.4	6,086	1,272	20.9
Labor	937	196	20.9	892	226	25.3
State	699	109	15.6	680	124	18.2
Transportation	2,765	1,250	45.2	2,726	1,084	39.8
Treasury	2,415	385	15.9	3,429	527	15.4
Veterans Affairs	19,068	7,382	38.7	27,324	9,714	35.6
AID	63	8	12.7	88	8	9.1
EPA	422	47	11.1	622	66	10.6
GSA	554	120	21.7	544	80	14.7
NASA	335	32	9.6	439	36	8.2
NSF	42	8	19.0	56	6	10.7
NRC	435	66	15.2	507	93	18.3
OPM	463	140	30.2	271	63	23.2
SSA	2,681	448	16.7	5,493	718	13.1
SBA	85	13	15.3	139	24	17.3
Total CFO Act Agencies	93,804	35,324	37.7	130,424	46,160	35.4

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 4B

**Veteran New Hires
Total Full Time Permanent New Hires**

Veterans with Preference

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	95,956	31,169	32.5	133,325	41,002	30.8
CFO Act Agencies						
Agriculture	2,629	409	15.6	3,367	476	14.1
Commerce	2,366	252	10.7	2,714	282	10.4
Defense	35,127	16,522	47.0	50,454	22,596	44.8
Air Force	6,769	4,045	59.8	7,721	4,259	55.2
Army	12,518	6,146	49.1	20,421	9,161	44.9
Navy	11,116	4,867	43.8	15,540	7,016	45.1
Defense Activities	4,724	1,464	31.0	6,772	2,160	31.9
Education	216	19	8.8	232	28	12.1
Energy	781	155	19.8	1,192	242	20.3
HHS	3,315	308	9.3	4,218	350	8.3
Homeland Security	11,205	2,931	26.2	16,020	3,851	24.0
HUD	283	43	15.2	578	95	16.4
Interior	1,799	363	20.2	2,353	506	21.5
Justice	5,119	1,179	23.0	6,086	1,200	19.7
Labor	937	173	18.5	892	208	23.3
State	699	91	13.0	680	100	14.7
Transportation	2,765	1,173	42.4	2,726	1,028	37.7
Treasury	2,415	374	15.5	3,429	504	14.7
Veterans Affairs	19,068	6,123	32.1	27,324	8,182	29.9
AID	63	8	12.7	88	8	9.1
EPA	422	44	10.4	622	61	9.8
GSA	554	105	19.0	544	70	12.9
NASA	335	23	6.9	439	29	6.6
NSF	42	6	14.3	56	5	8.9
NRC	435	56	12.9	507	81	16.0
OPM	463	128	27.6	271	53	19.6
SSA	2,681	421	15.7	5,493	673	12.3
SBA	85	13	15.3	139	21	15.1
Total CFO Act Agencies	93,804	30,919	33.0	130,424	40,649	31.2

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 4C

**Veteran New Hires
Total Full Time Permanent New Hires**

Disabled Veterans

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	95,956	8,401	8.8	133,325	11,531	8.6
CFO Act Agencies						
Agriculture	2,629	110	4.2	3,367	149	4.4
Commerce	2,366	50	2.1	2,714	51	1.9
Defense	35,127	3,946	11.2	50,454	5,827	11.5
Air Force	6,769	770	11.4	7,721	866	11.2
Army	12,518	1,580	12.6	20,421	2,516	12.3
Navy	11,116	1,175	10.6	15,540	1,817	11.7
Defense Activities	4,724	421	8.9	6,772	628	9.3
Education	216	8	3.7	232	10	4.3
Energy	781	41	5.2	1,192	70	5.9
HHS	3,315	101	3.0	4,218	100	2.4
Homeland Security	11,205	522	4.7	16,020	723	4.5
HUD	283	16	5.7	578	45	7.8
Interior	1,799	120	6.7	2,353	169	7.2
Justice	5,119	230	4.5	6,086	218	3.6
Labor	937	67	7.2	892	77	8.6
State	699	35	5.0	680	36	5.3
Transportation	2,765	276	10.0	2,726	271	9.9
Treasury	2,415	147	6.1	3,429	224	6.5
Veterans Affairs	19,068	2,298	12.1	27,324	3,008	11.0
AID	63	5	7.9	88	4	4.5
EPA	422	13	3.1	622	23	3.7
GSA	554	34	6.1	544	24	4.4
NASA	335	6	1.8	439	5	1.1
NSF	42	2	4.8	56	3	5.4
NRC	435	8	1.8	507	16	3.2
OPM	463	54	11.7	271	24	8.9
SSA	2,681	220	8.2	5,493	313	5.7
SBA	85	4	4.7	139	12	8.6
Total CFO Act Agencies	93,804	8,313	8.9%	130,424	11,402	8.7

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

Table 4D

**Veteran New Hires
Total Full Time Permanent New Hires
30% or More Disabled Veterans**

	FY 2007			FY 2008		
	Total Employees	Total Veterans	%	Total Employees	Total Veterans	%
Total Executive Branch Agencies	95,956	4,952	5.2	133,325	7,278	5.5
CFO Act Agencies						
Agriculture	2,629	57	2.2	3,367	89	2.6
Commerce	2,366	18	0.8	2,714	29	1.1
Defense	35,127	2,424	6.9	50,454	3,848	7.6
Air Force	6,769	426	6.3	7,721	547	7.1
Army	12,518	999	8.0	20,421	1,714	8.4
Navy	11,116	731	6.6	15,540	1,186	7.6
Defense Activities	4,724	268	5.7	6,772	401	5.9
Education	216	5	2.3	232	5	2.2
Energy	781	21	2.7	1,192	33	2.8
HHS	3,315	50	1.5	4,218	54	1.3
Homeland Security	11,205	258	2.3	16,020	375	2.3
HUD	283	13	4.6	578	20	3.5
Interior	1,799	69	3.8	2,353	98	4.2
Justice	5,119	99	1.9	6,086	116	1.9
Labor	937	39	4.2	892	49	5.5
State	699	19	2.7	680	23	3.4
Transportation	2,765	130	4.7	2,726	135	5.0
Treasury	2,415	74	3.1	3,429	130	3.8
Veterans Affairs	19,068	1,420	7.4	27,324	1,932	7.1
AID	63	2	3.2	88	3	3.4
EPA	422	6	1.4	622	13	2.1
GSA	554	23	4.2	544	13	2.4
NASA	335	5	1.5	439	3	0.7
NSF	42	1	2.4	56	3	5.4
NRC	435	4	0.9	507	7	1.4
OPM	463	26	5.6	271	17	6.3
SSA	2,681	144	5.4	5,493	201	3.7
SBA	85	2	2.4	139	7	5.0
Total CFO Act Agencies	93,804	4,909	5.2	130,424	7,203	5.5

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

**Table 5
Total Hires by
Veteran Appointing Authorities**

CFO Act	VRA	VEOA	30%
Total Executive Branch Agencies	6,360	18,898	1,381
Agriculture	48	96	3
Commerce	9	58	2
Defense	4,221	12,153	1,141
Air Force	301	2,753	367
Army	2,017	4,614	576
Navy	1,677	3,761	81
Defense Activities	226	1,025	117
Education	0	6	1
Energy	5	75	1
HHS	2	39	8
Homeland Security	158	426	17
HUD	4	11	0
Interior	54	125	13
Justice	57	69	0
Labor	13	41	6
State	5	10	2
Transportation	3	2	1
Treasury	17	16	10
Veterans Affairs	1,480	5,652	169
AID	0	0	0
EPA	5	21	3
GSA	2	42	0
NASA	2	1	1
NSF	0	1	0
NRC	0	0	0
OPM	4	6	1
SSA	255	2	1
SBA	0	2	0
Total CFO Act Agencies	6,344	18,854	1,380

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

**Table 6
Disabled Veteran New Hires under
Veteran Appointing Authorities**

Veteran Category	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
30 Percent or More Disabled	828	1,043	1,252	1,265	1,068	1,331
VRA (no conversions)	1,057	1,141	1,591	1,708	1,736	2,113
VEOA	1,149	1,322	1,806	1,929	2,236	3,600
Subtotal	3,034	3,506	4,649	4,902	5,040	7,044
All Other Appointments	5,909	5,525	6,603	7,213	7,894	9,700
Total Disabled Veteran Hires	8,943	9,031	11,252	12,115	12,934	16,744

**Table 7
Veterans Employment by Grade Distribution**

Category	Blue Collar	GSR 01-04	GSR 05-08	GSR 09-12	GSR 13-15	Senior Pay	Other White Collar
Federal Civilian Workforce	9.5%	4.1%	18.9%	26.8%	17.7%	1.4%	21.6%
Veterans	18.6%	2.4%	17.8%	25.6%	11.6%	0.6%	23.4%
Disabled Veterans	15.6%	3.1%	21.5%	28.6%	9.4%	0.3%	21.4%

GSR: General Schedule & Related Pay Plans

**Table 8
Veteran Employment Distribution
By Occupational Category**

Category	Total Veterans	Non Disabled	Disabled	30% > Disabled
Professional	12.9%	13.7%	10.2%	9.9%
Administrative	39.2%	37.8%	43.8%	45.4%
Technical	17.2%	16.9%	18.4%	18.9%
Clerical	6.3%	5.8%	8.0%	8.8%
Other White-Collar	5.9%	6.5%	4.0%	3.2%
Blue-Collar	18.6%	19.5%	15.6%	13.7%

**Employment of Veterans in the Federal Executive Branch
Fiscal Year 2008**

List of Agency and Department Abbreviations Used in this report

Agriculture, USDA	Agriculture, Department of
Commerce, DOC	Commerce, Department of
Defense, DOD	Defense, Department of
Education, ED	Education, Department of
Energy, DOE	Energy, Department of
HHS,	Health and Human Services, Department of
Homeland Security, DHS	Homeland Security, Department of
HUD	Housing and Urban Development, Department of
Interior, DOI	Interior, Department of
Justice, DOJ	Justice, Department of
Labor, DOL	Labor, Department of
State, DOS	State, Department of
Transportation, DOT	Transportation, Department of
Treasury, TREAS	Treasury, Department of
Veterans Affairs, VA	Veterans Affairs, Department of
AID	Agency for International Development
EPA	Environmental Protection Agency
GSA	General Services Administration
NASA	National Aeronautics and Space Administration
NSF	National Science Foundation
NRC	Nuclear Regulatory Commission
OPM	Office of Personnel Management
SSA	Social Security Administration
SBA	Small Business Administration

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT



**The Governmentwide Veterans'
Recruitment and Employment
Strategic Plan for
FY 2010-FY 2012**

**AMERICA'S
VETERAN**
Valued • Experienced • Trained



Foreword

This is America's first strategic plan to increase the hiring of Veterans throughout the Federal civil service. It is a major component of President Obama's Veterans Employment Initiative.

President Obama has been clear: "America's commitments to its Veterans are bonds that are sacrosanct—a sacred trust we are honor bound to uphold." And we will. One way we honor that trust is by making Federal civilian employment opportunities available when our servicemen and women lay their uniforms down.

It is not only a matter of honor. We all benefit from retaining the dedication, leadership, skills and abilities Veterans have honed in the fast-paced, dynamic environments of our Army, Marines, Navy, Air Force, and Coast Guard.

And, in the words of George Washington:

The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional as to how they perceive the Veterans of earlier wars were treated and appreciated by their country.

Veterans' Preference in hiring dates back to the Civil War era. Since then, Congress has enacted laws to prevent Veterans seeking Federal employment from being penalized for their time in military service. Veterans' Preference recognizes the economic loss often suffered by citizens who have served, restores Veterans to a favorable competitive position for Government employment, and acknowledges the larger obligation we owe to disabled Veterans.

It's not enough simply to say, however, "We'll add five or ten points to your score, thank you for applying."

We must aggressively dismantle barriers to entry and success for Veterans and transitioning service members pursuing careers in the Federal civil service. By implementing and building on this Strategic Plan, we will create a Federal culture that welcomes Veterans and values their service, skills, and dedication.

John Berry
Director

Introduction

The Federal Executive Branch (hereafter referred to as the Federal Government) is the Nation's leading employer of Veterans. Nearly a half million (481,223) Veterans are employed today in agencies across the country and around the world. Veterans comprise more than one out of every four Federal workers. FY 2008 hiring data for agencies identified in the President's Executive Order on Veterans Employment, which represent 97.8% of all Federal workers, show these agencies employ 476,684 Veterans. Other agencies reported approximately 4,539 of their employees are Veterans. Additionally, the total Veteran new hires in the Federal Government have increased from 52,452 in FY 2007 to 65,631 in FY 2008. In comparison to the private sector, the Federal Government hires three times the percentage of Veterans, seven times the percentage of disabled Veterans, and ten times the percentage of severely injured Veterans.

We are proud of our accomplishments relating to Veterans' employment, but we can and must do more. Not only is hiring Veterans the right thing to do, it also makes good business sense. The Government invests significant resources in the training and development of military service personnel. Acting aggressively to retain transitioning military service personnel within the Federal Government helps maximize our return on this investment and can fill high-demand positions in Federal agencies.

However, as we look closely at our Veteran employment numbers, we realize there are pockets of excellence within the Government that must be explored and shared so all agencies benefit from the talents and dedication Veterans bring to the Federal workforce. For instance, nearly 80% of Veterans are employed in three Departments – Defense, Veterans Affairs, and Homeland Security. These Departments make up approximately 58% of the workforce. Some will argue that these agencies have occupations that are more conducive to the skills sets of transitioning military service members and Veterans. There is some truth to that assertion, but at the heart of the issue is the need for a better overall approach to recruiting, on-boarding, and providing career counseling to Veterans.

The Government-wide Veterans' Recruitment and Employment Strategic Plan for FY 2010 - FY 2012 was born out of the sincere belief that by leveraging the practices of successful agencies, like those mentioned, we, as a Government, will be more effective in our Veteran recruitment and employment efforts.

To develop this Strategic Plan, the Office of Personnel Management (OPM) convened interagency representatives from across Government for a two-day strategic planning session on July 7-8, 2009, at its Eastern Management Development Center in Shepherdstown, West Virginia. Senior leaders from the Departments of Defense, Labor, Veterans Affairs, Commerce, Homeland Security, Treasury, and Transportation,

as well as OPM, attended the session. During the session, we identified five key barriers to increasing the number of Veterans employed in the Federal Government:

- Lack of clear leadership regarding the value and importance of hiring Veterans;
- Infrastructure that does not support advocacy of Veterans' employment within Federal agencies;
- Insufficient understanding of Veterans' Preference and utilization of special hiring authorities by our HR professionals and hiring officials;
- Inadequate understanding of Veterans' Preference and the Federal hiring process by our Veterans and transitioning service members; and
- Absence of systems to match Veterans' skills and education to positions within the Federal Government.

This Strategic Plan aggressively breaks through these barriers using a number of strategies centered on four comprehensive areas. These areas of focus were outlined in the Executive Order for the *Employment of Veterans in the Federal Government*: 1) Leadership Commitment; 2) Skills Development and Employment; 3) Marketing Veterans' Employment; and 4) an Information Gateway.

- Leadership Commitment – establishes a governance structure and infrastructure dedicated solely to the employment of Veterans in the Federal Government;
- Skills Development and Employment – focuses on providing employment counseling and aligning the talents and aspirations of Veterans and transitioning service members with civil service career opportunities;
- Marketing Veterans' Employment – creates a marketing campaign targeted to Veterans and transitioning service members on the benefits of continuing their careers with the Federal civil service as well as targeted to hiring officials on how Veterans can meet skills demands in their organizations; and
- Information Gateway – creates a single-source website for disseminating accurate and consistent Veteran employment information and resources for Veterans, human resources (HR) professionals, and hiring officials.

An initiative of this magnitude is a great challenge. It requires a strategic approach and a shared vision. But, most important, it requires our commitment to make it happen.

Our Vision

The Federal Government will become America's Model Employer of Veterans

The Vision Statement embodies our key guiding principles:

- We have top leadership support and accountability for the recruitment, employment, development and retention of Veterans in the Federal Government;
- We are committed to Veterans by administering Veterans' Preference and acknowledging the sacrifices of both Veterans and their families;
- We ensure there are no barriers to Veterans' employment;
- We value Veterans for their commitment to public service, skills, and dedication;
- We recognize that military spouses and Veterans' families also possess skills and the public service motivation needed in the Federal workplace;
- We make a special effort to employ those Veterans who have the most difficulty in transitioning to employment, such as homeless and disabled Veterans; and
- We identify and promote excellence throughout Government in the recruitment, on-boarding, development, and retention of Veterans.

Our Mission

**Increase the Employment of Veterans in
the Federal Government**

Strategic Goals

The strategies in this plan are designed to help agencies take a comprehensive and collaborative approach to Veterans' employment in the Federal Government. By leveraging the capacity and resources of the Departments of Defense, Labor, Veterans Affairs and Homeland Security, and OPM, each Federal Executive Branch agency¹ will be better positioned to increase the number of Veterans coming into its workforce and to utilize their talents to achieve its mission.

Leadership Commitment

Strategic Goal: Ensure Federal leaders advocate the value and importance of hiring Veterans in the Federal Government

Our Federal leaders boldly advocate for Veterans' employment, understanding the sacrifices our Veterans have made in protecting our country and preserving our tenets of freedom. They deem the skills, leadership and discipline that Veterans bring to our ever evolving and dynamic workplaces as essential to meeting mission objectives.

Strategies:

1. **Create a governance structure within the Federal Government to provide leadership and accountability for Veterans' employment by:**
 - a. Issuing an Executive order establishing the Veterans Employment Initiative
 - b. Establishing an interagency Council on Veterans Employment co-chaired by the Secretaries of Labor and Veterans Affairs, with the Director of the Office of Personnel Management serving as Vice-Chair, and comprised of the heads of certain specified agencies and any others the President may designate
 - c. Establishing a Steering Committee, which shall consist of the Secretaries of Defense, Labor, Veterans Affairs, and Homeland Security, the Director of OPM, and any other Council member designated by the Co-Chairs
 - d. Providing an annual report to the President on the progress of the Veterans' Employment Initiative
 - e. Establishing a Veterans Employment Program Office within OPM designed to provide Government-wide leadership and support policy direction

¹ Agencies listed in section 901(b) of title 31, United States Code (CFO Act)

- f. Developing and implementing Government-wide Veterans' Recruitment and Employment Strategic Plan
- g. Continuing OPM's oversight of Federal hiring programs to ensure adherence to Veterans' Preference law, and
- h. Reporting Veterans' employment results in the Annual Human Capital Management Reports of agencies

2. Create advocates for Veterans' employment within each Federal agency by:

- a. Establishing Veterans Employment Program Offices, or designating an agency officer or employee with full-time responsibility for promoting Veterans' recruitment, employment, training and development, and retention in their agencies and working with agencies having Veterans' employment services and resources. Agencies should consider using available special hiring authorities, including those specifically designed to hire Veterans, when staffing these offices
- b. Developing and implementing agency-specific Veterans' Employment Operational Plans that are aligned with this Strategic Plan and the agency's Strategic Human Capital Plan

INDICATORS OF PROGRESS

- Executive Order 13518 signed November 9, 2009
- Co-Chairs convene Council on Veterans Employment, outlining the Government-wide Veterans' Recruitment and Employment Strategic Plan
- OPM, in consultation with the Council, releases the Government-wide Veterans' Recruitment and Employment Strategic Plan in January 2010.
- By March 2010, all agencies have established Veterans Employment Program Offices.
- By April 2010, all agencies have submitted their Veterans' Employment Operational Plans

Skills Development and Employment

Strategic Goal: Align Veterans' and transitioning service members' skills and career aspirations to Federal employment opportunities

The Federal Government is the most diverse and progressive employer in the country. It employs every possible occupation and career field imaginable. In addition, there are a number of high-demand occupations (those where a strong recruitment need exists over the next several years) that must be filled so Federal agencies successfully meet their mission objectives. The key is aligning Veterans and transitioning service members with these employment opportunities. Through skills developed during service and from additional training and education received through the GI Bill, Vocational Rehabilitation, and Veterans Employment and Training Services, Veterans and transitioning service members are excellent candidates to fill high-demand occupations in Federal agencies.

1. Match Veterans' skills with Federal career opportunities by:

- a. Developing an interactive program to translate military skills to Federal civilian occupations and produce a document for Veterans and transitioning service members outlining potential Federal careers based on their military experience
- b. Developing a transitioning service member, Veteran, and spouse resume bank/skills inventory so hiring officials are able to easily search and identify Veterans with skills to meet staffing needs

2. Improve Veterans' and transitioning service members' success in obtaining and maintaining a Federal career by:

- a. Maximizing career counseling opportunities for Veterans, transitioning service members, and their spouses through social network platforms available on OPM and other Government websites as well as through other counseling resources within the Departments of Labor and Veterans Affairs and agency dedicated Veteran Employment Program Offices
- b. Training and educating Veterans and transitioning service members to meet the staffing needs of agency high-demand and other occupations
- c. Aligning the Veterans Employment Initiative with other Federal initiatives targeted to those Veterans who have the most difficulty in transitioning to employment, such as women, homeless, and disabled Veterans
- d. Aligning Veterans recruitment efforts, including outreach to homeless and disabled Veterans and their families, with hiring initiatives

- e. Providing Federal workforce staffing projections to Veterans' employment counselors and others providing employment assistance to Veterans
- f. Developing and implementing programs to maximize the retention of Veterans within the Federal agencies, particularly in agency high-demand and other occupations
- g. Developing a network of mentors at Federal agencies who will support the transition of Veterans into their agencies

3. Maximize the transition assistance experience for all service members and spouses by:

- a. Instituting policy to reinforce leadership commitment and support of service members' transition process
- b. Instituting policy that encourages every eligible service member to take the opportunity to enroll in any or all of the four components of the Transition Assistance Program (TAP)
 - 1) Pre-separation Counseling
 - 2) DOL Employment Workshops
 - 3) VA Benefits Briefings
 - 4) Disabled Transition Assistance Program (DTAP)
- c. Enhancing Federal employment information within DOL Employment Workshops to include Veterans' and military spouses' employment information
- d. Expanding membership of the TAP Steering Committee to include OPM

INDICATORS OF PROGRESS

- Interactive military skills matching program is deployed
- Agencies use resume bank as a source for Veteran, transitioning service member, and military spouse candidates
- Other Federal Veteran initiatives are identified and intergrated into operational planning
- Veterans' and transitioning service members' skills and training are aligned with selected high-demand occupations
- Veterans receive career counseling through the social network platforms on the Veterans' Employment Website and through agency Veteran Employment Program Offices
- DOD and DHS issue revised TAP policies

- All DOL Employment Workshops include updated Federal employment information
- The Government experiences an increase in the number of qualified Veteran applicants

Marketing Veterans Employment

Strategic Goal: Ensure Federal agencies view Veterans' skills and dedication as essential in meeting mission objectives

Each year the Federal Government spends millions of dollars training our military service members to meet numerous challenges, including those in hostile environments. Over the years, these servicemen and women have developed key leadership and technological skills and have developed a strong sense of public service. It is critical we aggressively market the Federal civil service as a place Veterans and transitioning service members can continue serving America while realizing their career aspirations. At the same time, we must also ensure hiring officials are keenly aware of Veterans' skills and attributes and view them as essential in meeting mission objectives.

Strategies:

1. Promote Veterans and their employment in the Federal Government by:

- a. Creating a Government-wide marketing campaign highlighting Veterans' and transitioning service members' skills, leadership, and dedication and how those attributes will support Federal agencies in meeting mission objectives
- b. Linking the Government-wide marketing campaign to agency-specific recruitment efforts and operational planning

2. Promote the Federal Government to Veterans, transitioning service members, and their spouses as the "Employer of Choice" by:

- a. Integrating the Government-wide marketing efforts with Transition Assistance Programs and other targeted marketing efforts underway at the Departments of Defense, Labor, and Veterans Affairs
- b. Including a link to OPM's Veterans Employment website on all job opportunity announcements

INDICATOR OF PROGRESS

- Veterans Employment Initiative marketing campaign launched November 12, 2009
- By April 2010, agencies are using the marketing materials as part of their Veteran outreach efforts
- Veterans and transitioning service members indicate the Veterans Employment Initiative encouraged them to pursue Federal employment

- The Federal Government experiences an increase in the number of Veterans applying and inquiring about jobs
- Federal hiring officials indicate they are highly satisfied with the qualifications of Veteran applicants
- All job opportunity announcements include a link to OPM's Veterans Employment website

Information Gateway

Strategic Goal: Ensure Veterans, transitioning service members and their families, HR professionals, and hiring managers receive accurate and consistent information regarding Veterans' employment

Veterans' Preference is a critical, as well as a legal, component of our Federal employment system and we must ensure those entrusted with its protection are aware of their responsibilities. Additionally, the Congress has enacted numerous special hiring authorities to facilitate hiring Veterans in the Federal Government. We must also ensure hiring officials and Veterans are aware of these authorities and how they can expedite bringing Veterans onboard in their agencies.

Strategies:

1. Provide accurate and consistent information to Veterans, transitioning service members, military spouses, HR professionals, and hiring managers by:

- a. Redesigning OPM's Veterans' Employment Website to serve as the single-source for Veterans' employment information
- b. Establishing a gateway to Government-wide Veterans' employment information, training and talent development resources, and transition assistance, reintegration, and support services

2. Ensure HR professionals and HR hiring officials are well-versed on Veterans' Preference, special hiring authorities, and reasonable accommodations for Veterans, transitioning service members and their families by:

- a. Designing and providing agencies training for HR professionals and hiring officials on Veterans' employment, including the strategic use of special hiring authorities, employment of military spouses, and reasonable accommodations for disabled Veterans
- b. Leveraging current learning technology to ensure maximum distribution of training on Veterans employment

INDICATORS OF PROGRESS

- OPM's Veterans' Employment Website launched on January 21, 2010.
- Agencies link to the OPM Veterans' Employment Website, ensuring consistent and accurate information across Government.

- Veterans, transitioning service members, military spouses, HR professionals, and hiring officials indicate that information on the OPM Veterans' Employment Website is useful through online feedback
- Agency HR professionals and hiring officials receive annual training on Veterans employment
- Agencies increase the use of special hiring authorities to appoint Veterans to Federal positions

Plan Implementation

All Federal agencies will have responsibility for implementing the Strategic Plan. OPM and the Departments of Defense, Labor, Veterans Affairs, and Homeland Security will champion specific strategies as well as work together to implement others. In addition, other Federal agencies will be involved in achieving specific objectives where they have core competence or direct influence over the outcome. The Council on Veterans Employment will seek to align the strategies and operational efforts of this plan with other Federal initiatives regarding Veterans' employment.

A detailed Government-wide Veterans' Recruitment and Employment Operational Plan will further delineate the discreet actions, planned completion dates, and performance measures/indicators to assess success. After the Operational Plan is released each agency covered under the Executive order will be responsible for developing its own agency-specific operational plan. Agency-specific operational plans will align with the Government-wide Strategic Plan and the agency's Strategic Human Capital Plan. Yearly operational plans will be developed until strategies are achieved and our goals are obtained.

Starting FY 2011, OPM will provide a report to the President of the United States on the progress of the Veterans Employment Initiative. Additionally, each agency will include its results relating to this initiative in the Annual Human Capital Management Report submitted to OPM by December 15 of each year.

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Questions for the American Federation of Government Employees, AFL-CIO (AFGE) for the Record from the May 19, 2010 hearing on Federal Hiring.

Question: What do you believe will be the short and long-term consequences of misuse of the Federal Career Internship Program (FCIP)?

Answer: In the short term, there will be thousands of federal employees forced to endure a probationary period that is twice the length of that of employees hired under competitive procedures. During that time, they can be fired for any reason or no reason. There will be thousands, perhaps millions of Americans, who will have been deprived of an opportunity to compete for a federal job for which they were qualified. Many of those denied such opportunities will have been veterans. Many will have been federal employees who have been working toward a promotion or a lateral move. These are perhaps the most insidious aspects of FCIP: the direct hiring also means targeted advertisements rather than broad-based announcements, restricted "competition" for jobs, and lost opportunities for candidates who might be better than those selected through FCIP processes.

In the long term, FCIP's misuse undermines the Merit System, and thus we believe that all its elements are threatened by this misuse. When the principle of open competition is routinely breached, it ceases to be an inviolable principle, a requirement, or eventually, anything more than a quaint relic. We also believe that widespread abuse of FCIP may eventually lead to politicization of hiring, as there are few safeguards to prevent it when competitive procedures are evaded. Also, although OPM insists that FCIP does not violate veterans' preference, it can be used to avoid advertising to veterans, and otherwise making job opportunities known to veterans. Thus, we believe, at a minimum that FCIP violates veterans' preference and opportunities for veterans to find employment in the federal government.