



Public Service Hearing: Critical Skills and Benefits

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Commission:

- The Honorable Mark Gearan, Vice Chair for National and Public Service
- The Honorable Debra Wada, Vice Chair for Military Service
- Mr. Edward Allard, Commissioner
- Mr. Steve Barney, Commissioner
- The Honorable Dr. Janine Davidson, Commissioner
- The Honorable Avril Haines, Commissioner
- Ms. Jeanette James, Commissioner
- Mr. Alan Khazei, Commissioner
- Mr. Tom Kilgannon, Commissioner
- Ms. Shawn Skelly, Commissioner

Panelists:

- Terry Gerton, President and CEO, National Academy of Public Administration (NAPA)
- Eddie Hartwig, Deputy Administrator, U.S. Digital Service (USDS)
- Travis Hoadley, Senior Advisor, Office of Chief Human Capital Officer, Department of Homeland Security (DHS)
- Jessica Klement, Staff Vice President, Advocacy, National Active and Retired Federal Employees Association (NARFE)
- Dr. Elizabeth Kolmstetter, Director of Talent Strategy and Engagement, National Aeronautics and Space Administration (NASA)



OPENING STATEMENTS

The Honorable Mark Gearan

Good afternoon, and welcome to the 10th hearing of the National Commission on Military, National, and Public Service. Thank you all very much for attending and listening to our Facebook and especially, certainly to our panelists that here before us today.

My name is Mark Gearan. I'm Vice Chair of the commission with Debra Wada, and today I will be chairing this afternoon's hearing. Tomorrow, the commissioners get an upgrade and Vice Chair Wada chairs it, so sorry for this panel. But we warmly welcome you here, certainly, and thank you most sincerely for the testimony that you presented and for the conversation that we will have.

Today, the commission meets to discuss the critical needs and the benefits in this sector. We have amassed a very distinguished panel to help us think through these issues; addressing the special workforce challenges in high-demand fields, such as cybersecurity, healthcare, IT, STEM, and related fields, as well as the competitiveness of employee benefits and explore options to attract and retain civil servants with critical skills. This morning, we had a productive conversation exploring the critical hiring processes. In this session, we'll focus on how to attract and retain public service employees, especially, as I said, those with critically needed skills.

At this commission, we view public service as civilian employment in federal, state, tribal, and local government in a field in which the nation and the public have critical needs. Certainly within the last week we had Public Service Recognition Week, and our hearings today, appropriately convened here at the Partnership for Public Service, it is appropriate on behalf of my fellow commissioners to acknowledge and recognize the hard work and the dedication and commitment of government employees who serve their fellow Americans and communities in our nation. Civil servants across the country work tirelessly and admirably to deliver government services each day; many certainly within public view and in the public side, but most behind the



scenes. And so, on behalf of my fellow commissioners, we thank them and honor them for their service.

Over 2 million people serve in federal civilian jobs, 5 million serving in the state government and 14 million in local and tribal governments. One thing that's very clear from our year of listening and travel and learning is that the government needs to recruit talented and committed and highly motivated individuals with high demand skills, and today's federal structure, federal workforce structure is failing to do so. It's been observed to us that federal employees are effectively discouraged from taking a few years to work at a private sector organization, both by the current workforce benefit structure and the difficulty of reentering federal employment if they took some time in that way. While most employees now work for several employers over the arc of their career, federal government retirement benefits are optimized, for better or worse, for longer careers and not shorter periods of service. Access challenges have been an especially profound impact on federal agencies that has also been observed to us, in order to fill positions that require high demand expertise. Private sector organizations can act with greater alacrity to offer pay benefits, career progression, and work environments that attract the most talented individuals. And people have observed to us that in contrast with the federal government's personnel system with policies and benefit packages that some would see as antiquated has failed to keep pace not only with the private sector, but with changes in our society and with a cohort of younger Americans. So, for example, the lack of paid parental leave for executive branch federal employees reflects, pretty much, an outdated assumption of a middle-class adult population dominated by single-earner couples.

However, in spite of all these drawbacks, it has been observed to us public service, as Max Stier well said at the close of the last session, provides Americans with an opportunity to work on some of the most pressing and important issues facing our nation. So the goal of today's hearing and our conversation with you this afternoon is to hear from you as experts of how we can increase competitiveness, of federal agencies for workers with critical skills; secondly, how we can reskill existing federal employees to better meet critical needs; to increase competitiveness of federal employee benefits; and, finally, how we might establish a new,



modernized civil service personnel system for federal agencies. So, our hope is that our panelists will be able to shed some light on these topics in their oral statements and in the questions before you posed by my fellow commissioners.

So let me formally welcome our distinguished panel, here: Terry Gerton, President and CEO of the National Academy of Public Administration; Eddie Hartwig, Deputy Administrator of the U.S. Digital Service, welcome; Travis Hoadley, Senior Advisor of the Office of Chief Human Capital Officer, in the Department of Homeland Security; Jessica Klement, Staff Vice President, Advocacy for the National Active and Retired Federal Employees Association; and finally Dr. Elizabeth Kolmstetter, Director of Talent Strategy and Engagement for NASA, the National Aeronautics and Space Administration. Thank you all very much for joining us today.

With that, let me go through some brief housekeeping details. We remind all of us to silence any electronic devices now, and then our commission proceedings are pretty straight forward for all of you, I'm sure. We have all received your written testimony, as I said, and have reviewed it. And that will be entered into the public record. So, what we ask of you today is to summarize the highlights of your testimony in the allotted 5 minutes. Before you, we have a very high-tech time system, here. When the light turns yellow, you have approximately 1-minute remaining, and when it turns red, your time has expired. After all the testimony is completed, we expect we'll be able to move to questions from the commissioners for two rounds. Each commissioner will also be allotted 5 minutes to ask a question and to receive a response in that time. Upon completion of the commissioner questions then, we will provide an opportunity for members of the public, as is our tradition, who are in attendance to offer comments either on the specific topics addressed here today or on any topic of overarching concerns and mandate to the commission. The comments, the public comments, will be limited to 2 minutes.

So, with that as a preface, we are now ready to begin our panelists' testimony, and we're fortunate to have Terry Gerton, the president and CEO of the National Academy of Public Administration. Thank you, Ms. Gerton.



Ms. Terry Gerton

Vice Chair Gearan, Vice Chair Wada, Commissioners, I appreciate the opportunity to speak before the commission today. I've served as the president and CEO of the National Academy of Public Administration since January of 2017. I previously served for nearly 4 years as the Deputy Assistant Secretary for policy at the Veterans Employment and Training Services, the U.S. Department of Labor, and for 8 years as a member of the Career Executive Service in the Department of Defense. I served as an officer in the United States Army for 20 years before retiring in 2003. Through all of that time, I have been a customer of the federal civil service system and have personally experienced its strengths and weaknesses. In your letter of invitation, you expressed interest in discussing strategies to ensure public service at all levels has the tools to hire and retain individuals with skills critical to government's future success. I'm pleased to present my views on these important issues and to identify lessons learned from the academy studies and its thought leaders.

Established in 1967 and chartered by Congress, the Academy is an independent, nonprofit, and nonpartisan organization dedicated to helping leaders meet today's most critical and complex government challenges. Our assessments consistently demonstrate that the current federal personnel system is complex, multifaceted, and rule bound, but we have in the past asserted that the system can be made to work. But over the past two years, we have published two reports offering a radically different view of the path towards a successful government personnel system. We believe that the future of work, including work in government agencies, is being driven by increased application of technology across all types of jobs and industries. As such, the government's HR system must change dramatically and soon to a talent-management model as described by our No Time to Wait panel in its 2018 report.

The federal government used to have its own talent development system. It would hire new employees for positions at the bottom of the general services grade structure, and then over a career of 20 years or more, gradually train and promote them up the ladder until a limited number reached the most senior ranks. That system has been turned upside down as a quick look



at recent federal employment numbers show. As the federal government personnel structure has gotten more top heavy, many federal departments and agencies have sought permissions and authorities outside the traditional Title V system to meet their mission needs. At the same time, the government's entry-level and developmental positions have largely been outsourced, making government contractors, in a sports sense, the farm teams for the federal workforce. This has had the practical effect of removing the lower rungs from the traditional government career ladder. It's no surprise then that the federal government has difficulty recruiting a new generation of public servants. It has neither the positions to offer them, nor the means by which to manage them.

Title V grounded in a world before the age of computers and the internet is a very poor fit for the digital age. Today's world of work is very different. We must develop a system for managing our most critical asset, our people that recognizes the demands of the 21st century and takes advantage of its tools and technologies. The Academy's recommendation, clearly articulated in our No Time to Wait 2 paper, is that Title V should be overhauled to move from the current system of detailed job specifications to a talent-management model in which what matters most is not where government employees sit, but what they know and how they contribute to the government's mission. With the very nature of work changing so quickly that we can't even imagine or describe tomorrow's jobs, we must have a system where competencies are built in the person who contributes to a line of work and are not solely based in the duties of a specific position.

Without a far sharper focus on nurturing the talent it needs, the government simply will not be able to deliver on the mission with which the people entrust it. Government needs a talent-management approach that moves at the speed of technology and that drives its work forward in ways that adapt to the future of work. I believe the approach the Academy outlined can meet that need, and that this talent-management strategy could extend beyond the federal government to all those in the state and local governments, as well as in private and nonprofit organizations who share in government's work. It would put mission first within a government structure that encourages enterprise-level collaboration and government-wide learning, while fully supporting



merit-system principles in its selection, career advancement, and performance management processes.

The situation is urgent, and we truly have no time to wait. I look forward to your questions.

The Honorable Mark Gearan

Thank you very much, Ms. Gerton.

Mr. Hartwig, you're recognized for 5 minutes.

Mr. Eddie Hartwig

Thank you. Thank you to the commission for inviting me to speak about the United States Digital Service, for your interest in what we have accomplished to date, and for your willingness to hear the point of view of our small but impactful team. USDS was founded in response to a shortage of design product management and engineering experience within the government that led to the near failure of the Affordable Care Act, 2013. Following the healthcare.gov recovery, the president founded USDS to mitigate and potentially avoid the future failure of the many other government services that millions and millions of people rely on. The driving force behind our mission is a team of technical recruiters and talent managers who attract and retain great talent from both the private and public sectors who serve a tour of duty in the government as short as 3 months and as long as 4 years. Our talent team is also responsible for working with subject matter experts within our ranks to adapt USDS's core competencies over time, ensuring that we meet the government's evolving critical needs.

But why would technologists join government? That is the question. The government does not pay salaries commensurate with much of the technology sector. It has restrictions around prior drug use that run contrary to the state laws in which many technologists live. It rarely offers modern equipment or software tools. There are certainly no tech-sector perks;



messages and oil changes are out of the question. I've asked. In fact, it's difficult to pay relocation or even bonuses to my staff. My employees are limited to a 4-year maximum term of service, which we are fine with, but in that time, they cannot actually build, invest a government pension. What government does have is the most important mission in our country. And as it turns out, for us that mission is enough. So, our strategy is to travel the country in person and convince senior technologists that delivering on promises to our veterans, to immigrants, and other at-risk groups is more important than building the next great pizza, or whatever, delivery app. In short, the way that we recruit our talent is to lead with the mission first, to focus on the diversity of our team, and to invest the time needed to hiring empowered, great people.

The first contact that someone has with the United States Digital Service is usually in the form of a story about our work; work that we've already accomplished, told by a friend, seen at a conference, read in the press, or linked to on social media. From there, it is in the hands of our talent team to guide each and every candidate, first to apply, then through a series of gaited interviews run by subject matter experts, and on to a fit and resiliency interview. Each touch point as an opportunity for USDS to learn about the technical and interpersonal skills of the candidate by using honest, real-world examples of our work. This is important, because we are also communicating to the candidate about the work that we do. We are looking for a fit on both sides. The process is rigorous, but we strive to reduce the burden on applicants at every step. For example, you can apply to the United States Digital Service on our website in under 2 minutes. You do not need a cover letter. You do not need a 10-page government resume. You do not need a college degree. You are assigned a guide from that first point of contact who remains in regular contact; who files as much paperwork on your behalf as possible, and we strive to complete that initial process of qualification within a period of under two weeks, expending more than 30 hours of effort on each and every individual candidate that we recruit.

We're building a diverse team that is empowered to step up, to speak up, and to build products that work for the entire American public. A crucial aspect of our approach, then, is that we represent the people we serve. As we build, a diverse team is the best way that we know of to



combat bias in process and ensure that we leave no one out of the solutions that we are building. To be successful, we have established metrics and collected data to get a baseline when it comes to diversity. We take direct actions, like speaking and recruiting at conferences with more diverse audiences, and, likewise, we refuse to participate in events or on panels that lack diversity or intersectionality. We hold fast to a Rooney Rule, for those of you who know what that is, when we take on leadership interviews. We implement simple steps, like doing interviews by phone to reduce bias and also to reduce the cost of travel required to do in-person interviews here in D.C. We pay based on well-defined competencies rather than on seniority, and our published values recognize the value of every person speaking up and telling the truth, even when it is uncomfortable. To be held accountable, we have put together a biannual reporting process about our diversity, and we publish it on our website so that the public can judge for itself whether or not we are meeting our diversity goals.

I'm happy to say that the strategy of focusing on mission and diversity works. USDS has successfully recruited and on-boarded 380, as of this week, designers, product managers, engineers, contract specialists, and talent professionals in under 5 years. Nearly 50 percent of our team self-identifies as female, and women make up more than 60 percent of our leadership team. In addition, while only 27 percent of our staff self-identifies as a minority, it is good to know this fact so that we can take direct steps to address it. In particular, this is apparent in our field, in the engineering field, which was very difficult for us. But we are continuing and working to improve that number. As a result of dedicated efforts like these to improve diversity, the products we build work well, work for everyone, and are transparent. They have the capacity to be improved over time, so that any mistakes or biases that we inadvertently build into our products can be identified and mitigated by future generations of technologists that will follow us.

I recognize, I think it's important to say, that USDS benefits from many advantages that other agencies lack. We have specific hiring authority just for us. We have a unique budget situation, which is true. We have the autonomy to hire and empower a team comprised of almost solely GS-15 individuals. We have strong executive support on all levels and multiple agencies. That being said, while this may lead you to believe that what we have accomplished is not



relevant outside of our particular circumstances, I do not believe that USDS is an anomaly. Our most effective tools, such as active recruiting, focusing on candidate experience, asking subject matter experts to assess candidates' technical qualifications, and making interviews a two-way conversation about the work are available to every hiring manager in government today. Given half of all designated examining certificates and two-thirds of all 22-10 or IT certificates above the GS-12 level result in absolutely no candidate being selected, I would go so far as to say we are wasting our time and our effort by not focusing more on the candidate experience and robust quality reviews early in the process, which is why we began an effort earlier this year to try and better understand how to possibly improve the competitive hiring process at large.

What we learned by researching the competitive hiring process and running a series of pilot projects within agencies is that the competitive process is inherently flawed. USA Jobs doesn't reach the wider audience of interested candidates. Job descriptions are unrecognizable to many new recruits and are often not a true depiction of the actual work that's being hired for. Overall, the process of searching USA Jobs, self-certifying your skills, copying and pasting requirements from the job description into lengthy resumes is skewed toward people with experience in the process of applying for the job itself, rather than experience and the job's required skillsets. If we could offer only one piece of advice, it would be that focusing on strong, quality controls, preferably with subject matter experts reviewing resumes and conducting interviews earlier in the process is more important than relief for guarding veteran and other preferences. An accurate, technical assessment before an applicant is considered qualified and thus preference is applied is far more important than who gets preference overall. I know this represents an initial investment of time. But if we are ultimately to succeed, we must refine and improve the competitive hiring process to a level where we can compete with the private sector for top talent without resorting to the exceptions, like the direct hiring authority.

I know I've run over my time. I'll summarize by saying, if you'll hear me out for another minute that the investment itself is worth it. I put in my statement today, which you can read afterwards, that we have invested more than 200,000 hours, labor hours, in hiring these 380



people. The outcome of their work is worth far more than that, simply in the brash terms of labor hours earned, we have made the government approximately 1700 labor years more efficient in the last 5 years, which is an investment of about 22 years of labor on my part to produce 422 years' worth of bonus labor on the government's part. I think it's also important, and I apologize for running over, to point out that that labor; that human labor that's poignant towards higher value work has real meaning. To put it in the terms of the work that we do, it is equated to helping agencies sign twenty million people up for healthcare, sometimes for the first time; ensuring that millions of veterans understand and access the benefits that they are entitled to; making sure that our healthcare system and our nation's safety net remains up and online at all times and more.

Thank you so much for your time, and I appreciate your patience.

The Honorable Mark Gearan

Thank you so much.

Mr. Hoadley, You're recognized for 5 minutes.

Mr. Travis Hoadley

Vice Chair Gearan, Vice Chair Wada, and Members of the Commission, thank you for the opportunity to discuss strategies for recruiting and retaining public service employees with critical skills. My name is Travis Hoadley, and I serve as a senior advisor at the Department of Homeland Security, where I support human capital innovation efforts for the Chief Human Capital Officer. For several years, my focus has been the design and launch of a new cybersecurity-focused personnel system. I'm responsible for researching past federal human capital reforms and developing novel, transformative ways to compete for and support cybersecurity experts. Increasingly, DHS faces intense competition for mission-critical talent. In staffing to ensure a secure and resilient cyberspace, we must contend with a global shortage of cybersecurity expertise. DHS recognizes the depth of this challenge, and we believe that we must



proceed with ingenuity. Doing so requires revisiting the structures the federal government has used to manage people for decades, acknowledging and understanding 21st century trends affecting the world at work, and untangling bureaucratic complexities to create modern human capital solutions.

The department has taken this systematic approach in designing and preparing to launch our new cybersecurity talent management system, or CTMS. If we are to recruit and maintain world-class talent in high-demand fields, like cybersecurity, we need to recognize a variety of truths including jobs are becoming increasingly nonstandard and complex. Employee expectations no longer always map to the 30-year federal career, and highly competitive labor markets exist, in which the federal government is only one employer. In the context of these truths, we must rethink what public service should now entail. The vast majority of federal employees are managing using statutes, regulations, and methodologies that are showing their age. While they may have revolutionized public administration at the time of their creation in the middle of the 20th century, they are proving a poor match for ever-changing fields like cybersecurity. A key example of this is the General Schedule, or the GS. The GS was created by the classification act of 1949 during the Truman administration, a time when the federal workforce was primarily composed of clerical jobs and the maximum salary for a GS-15 was \$11,000.00 per year. The GS is linked to an era of scientific management, which was developed for manual jobs consisting of predictable, stable parts. But cybersecurity work, and the work in other high-demand fields, is knowledge work requiring complex problem solving and the unpredictable application of knowledge. It is no longer effective to predefine positions in terms of duties to hope the right candidates apply, trust individuals to self-rate their expertise, pay standardized rates that apply regardless of the type of work, and assume employee expertise will improve with the passage of time. We now live in an age of data-driven decision making, and our management of critical civil service talent should reflect this.

So, some strategic principles to consider; the first, be bold. One-off fixes to not address serious, systemic competitiveness challenges. Simply eliminating one hiring process step, adding a paygrade, or creating a new benefit will not render the conventional civil service effective.



Focus on mission. The substance of mission work should dictate the solutions designed for employees. One size fit all, whole of government approaches may no longer be appropriate. We should focus on economies and scale based on mission similarity. People and skills first; critical skills come and go with people, not positions. We should focus on isolating impactful skills and using those skills to assess candidate potential and employee effectiveness. User experience matters. Civil service employment processes can be re-envisioned to balance fairness and consistency with user experience. This includes expanding the use of plain language, reducing certain unproductive reliance on automated systems, and examining human capital processes with the time and effort of users in mind. Model proven methods, significant advances in the world of work can facilitate the federal government's movement away from mechanical policies. Research and industrial and organizational psychology has produced new techniques for measuring individuals' skills. Similarly, the field of compensation has undergone significant professionalization and produced a concept of total rewards. And then finally, and maybe most importantly, foster human capital innovators. Successful design and operation of a new federal personnel system capable of recruiting and retaining critical skills is a human capital transformation effort. It requires specialized knowledge across a variety of disciplines. The interagency community should consider how we might create centers of excellence for such work and train a new corps of human capital innovators.

In designing CTMS, DHS has focused on a variety of practices to transform the way we support talent with critical cybersecurity skills. Details of the department's final approaches will be released later this year, following the publication of required rule making. In the interim, it's instructive to consider shifting to high-value, 21st century practices, such as the following: strategically recruiting from a variety of sources on an ongoing basis; leveraging digital tools and targeting desired candidate groups; developing and deploying up-to-date fields; specific hiring assessment tools to test the demonstration of skills and to do so with candidate experience in mind; increasing the focus on an individual's skills and setting pay and using a compensation toolset designed with the intended labor market in mind; accommodating dynamic careers, which may include multiple moves between government and the private sector, as well as short-term government projects; and lastly, analyzing employee contributions and skill increases to inform



career and compensation changes. Throughout the nation's history, the federal civil service has advanced to meet seemingly overwhelming challenges. The federal government now competes in a global marketplace for talent. We must think critically and innovate, so that we may transform civil service opportunities to match 21st century realities and to continue to deliver results for the American people.

Thank you again for the opportunity to testify.

The Honorable Mark Gearan

Thank you, Mr. Hoadley

Ms. Klement.

Ms. Jessica Klement

Thank you. Thank you for the opportunity to testify on behalf of NARFE, its 200,000 members, and the interest of the more than 5 million federal employees who have dedicated their careers to public service. As you noted, this hearing comes on the heels of Public Service Recognition Week, a time set aside to honor and thank those whose work to keep our nation running often goes unnoticed. Such a time is necessary, because unfortunately the American people and even some of our elected leaders are unaware of the crucial work federal employees do. The American people's trust in the government recently hit its lowest point in more than two decades. We are only a few months removed from the historic 35-day government shutdown, and examples of its impact are nearly endless. None of us should be surprised that our government has a recruitment problem. But the diminishing public perception of federal service is not the only challenge. Strategic human capital management is consistently on GAO's high-risk list, as mission critical skills gaps impede the government from cost-effectively serving the public. The demographics of the federal workforce and trends in retirement threaten to aggravate this problem. Nearly 1/3 of employees are under the age of 55, while only 8 percent are younger than 30. With more than 30 percent of federal employees eligible to retire in the next 5 years, the lack



of younger employees is troubling. At time when the value our nation places on public service seems to be at an all-time low, our need for a major influx of talent appears to be at an all-time high.

I want to turn to the role benefits play in attracting individuals to federal service. Benefits are a key part of the federal compensation package, which must be competitive with large companies vying for the same candidates. Private sector jobs pay 32 percent more than similar federal jobs per the Federal Salary Counsel. Strong federal retirement and health benefits help bridge that gap, and surveys show federal employees and retirees' value these benefits greatly. But the federal government lagged behind the private sector in providing paid parental leave, which is proven to aid recruitment and retention of younger workers. Every one of the 20 largest U.S. private sector employers offer some form of paid parental leave. Yet our federal government, the nation's largest employer, offers nothing to its civilians. Some benefit changes, such as paid parental leave, are necessary to attract the talent the federal government needs in the coming years.

As the commission considers changes, I urge it to abide by the following principles: first, maintain overall compensation at an equivalent or greater value. Benefit changes should not be a guise for overall compensation cuts. Doing so will only make it more difficult to recruit public servants necessary to meet mission critical skills gaps. Second, apply changes only to prospective future hires. Current employees and retirees earned their benefits in exchange for their work and changing them now fails to honor commitments made to millions of employees and retirees. Third, preserve retirement security for public servants. There is a growing recognition that a retirement crisis exists in our country. In fact, the typical working American has no retirement savings. My written testimony provides grim statistics highlighting that a retirement crisis could not be more apparent. Changes to federal retirement benefits ought not to exacerbate the nation's larger retirement crisis, and this commission should not recommend policies that undermine retirement security for our nation's public servants.



The commission staff memorandum includes two policy proposals related to federal benefits, which I discuss in my written testimony. At this time, I would like to suggest additional recommendations. First, federal employees need better education about their benefits. Improving communication could enhance understanding, and in turn, a better appreciation of those benefits could increase retention. Likewise, agencies could do a better job of communicating benefits to prospective applicants to help with recruitment efforts. Next, it would be helpful to gain data on what benefits are offered by individual agencies and to what extent they are utilized, which benefits are valued most, and what additional benefits employees would find valuable. Having this information could help tailor any changes to federal benefits. Finally, federal agencies may be able to offer better work-life balance and mission focused work than private sector companies to attract individuals to the mission of the federal government. We need to do a better job promoting public service, and agencies should be provided funds to promote their missions.

Benefit changes are necessary to attract the kind of talent the government needs. However, we caution that even an unparalleled benefits package will not drive individuals to serve if we as a nation do not place a value in public service. Why would a recent college graduate even consider entering public service when at any given moment he or she can turn on the television call him or her nothing more than a lazy, overpaid bureaucrat; or knowing that he or she could go weeks without a paycheck, while the government remained shut down over partisan bickering? Until we change the narrative surrounding federal service and show our commitment to our public servants, we will struggle to attract top talent.

Thank you again for this opportunity to discuss NARFE's views.

The Honorable Mark Gearan

Thank you, Ms. Klement.

Dr. Kolmstetter, you have 5 minutes.



Dr. Elizabeth Kolmstetter

Good afternoon. Thank you, Commissioners, for your important work on this most critical topic for our public agencies and our workforce. My name is Elizabeth Kolmstetter, and I am the director of Talent Strategy and Engagement at NASA. As a public servant with over 25 years of service, including 15 years as a Senior Executive Service across 8 agencies, including NASA, the FBI, the intelligence community, TSA, and USAID, I can personally attest to the fact that this topic is very, very important and extremely urgent. So, I really appreciate the time this afternoon to talk about some of the things that we really do need.

At NASA, we've recently completed a groundbreaking work on the future of work and looking at what we need and what are some of the significant barriers to being able to attract, retain, and motivate the workforce, a vibrant and productive workforce that we need now and into the future. We bucketed this into three categories: we need the emphasis on agility and talent; we need to acquire and deploy the top talent we have; and we need to align compensation and performance. I'll take a few minutes to explain each of these three areas and a few examples of how we are facing, at NASA, these very challenges.

Right now, NASA is stuck in a rigid position pay system my colleagues have described, where work is defined by job classification standards often outdated and not updated. My own profession, industrial and organizational psychology still has standards called personnel psychologists that were last updated in 1968. Okay? That's an example that hits close to home. And compensation is based on the position grade and longevity, really, so that is not really forward-leaning for what we need. And what we need is a talent-based system, which focuses on people and their competencies and capabilities, which is much more fitting for knowledge-based work, which is performed in matrix teams with a need to quickly mobilize that talent to the task when and where it's needed. This creates agility in our organizations. We need to be able to provide rotations and exchanges with the private sector. We need to have scientific sabbaticals for our workforce, like private sector. We don't have that today. A talent-based system incentivizes and rewards innovation, continuous learning, mobility, and it expects flexibility and



resilience, which we need in today's world. And together, those result in higher employee engagement, which is very, very important to all of our organizations.

The second is acquiring and deploying that top talent. We've got to have tailored and expedited hiring programs for the most sought-after scientists, engineers, and business professionals who have to work with all these technical fields and expertise, and we need to use those market-relevant offers, for sure. An example from one of our managers at our Ames Research Center in Silicon Valley is this. He said to us in our study, "Google has a database of every software engineer in the bay area, and the recruiters reach out personally. And they go to these talented individuals who are the best in their field, and they woo them to come to Google. Proactively saying, 'Come and work for google. Here is an offer.'" NASA is stuck in this inflexible and slow hiring system forced to ask applicants, "Well, please go to USA Jobs and fill out this long federal resume and answer a bunch of multiple choice questions about your expertise and training," so they hope the manager will see them on a cert list, which then they can interview and, maybe, ultimately be selected. Applicants in the Silicon Valley, or at least the ones we want to hire, are not going to do this. They don't have to.

Another good example we face is an example from a manager at our Johnson Space Center in Houston, Texas, who was recently a judge at a competition at Texas A&M's Innovation Incubator, and one of the teams that was presenting their cutting-edge levitation technology; which I don't even understand, but it's really cool and cutting edge; had a student intern working on this who was one of the prize winners. But that student didn't show up. You know why? SpaceX was in town the week before, met him, saw his potential, offered him a spot, and within 24 hours had hired him, finalized the offer, made a relocation package, and this gentleman who they had said would have love to been hired was driving from Texas to California to start at Elon Musk's The Boring Company. That's what we're up against. That's what talent acquisition is in today's world. We cannot compete with this; and this is the manager saying, "The top talent we want who are winning innovation challenges, presenting at professional conferences, working on grants with academia, and participating in diverse internship and fellowship programs are not scrolling through USA Jobs." Our applicant data at



NASA shows this. In FY18 alone, about 61 percent of our engineering vacancies, 87 percent of our scientific vacancies, and 86 percent of our mathematics vacancies had fewer than 3 qualified, not highly qualified; qualified applicants. We're not getting them through USA Jobs passively hoping they're getting into our pipeline.

My third group is the aligned total compensation performance. NASA has got to reward and pay people on the basis of their performance and impact, not longevity, and market value for skills and competencies they possess. One example from our Kennedy Space Center that shared recently, "We stopped going after engineers with 5 to 10 years of experience, those who we really need because they're highly sought after with skills in designing and building hardware in the commercial industry, we can't come close to those salaries. We are lucky that are brand, our NASA brand is still holding on, because that's how we're retaining the talent we have today." But I know our brand strength won't last much longer. Companies like SpaceX and Blue Origin are building brands that surpass our ability to attract and retain, especially because we pay, "store-brand salaries," is what the manager called it. For comparison, our aerospace engineers, with 5 years of experience at NASA, make about 94,000. The industry pays about 136,000. We're not competitive.

In summary, it is really critical to recognize that talent management is a system of systems. It's got to be gears that work in lockstep. It's not fixed the hiring or fix the pay; they all have to be fixed and work together to attract and retain the talent that we need in order to motivate this workforce and keep it for our very, very important missions. In closing, it is a privilege to work in the public sector. I think the mission and purpose of serving our country and the American people is unparalleled elsewhere. But as compelling as that calling is, even for NASA and many of our agencies, we don't have a competitive and modern workforce system that ensures both quality and speed, and we're just not going to attract and keep and motivate the very best talent in our agencies that our country deserves. Thank you very much.



The Honorable Mark Gearan

Terrific. Well, thank you all very much. That's a great start to our conversation here, and we thank you very much for that. We now turn to our commissioner questions and conversations, and they will be allotted 5 minutes. We've been a little liberal in our allocation of time, but if our real chair were here, he would reinforce it. I'll be prepared to channel my inner Joe Heck, here.

So perhaps we could start with this frame. Ms. Gerton, you said your report was called No Time to Wait and, Mr. Hoadley, you said be bold and, Dr. Kolmstetter, you said it's extremely urgent. So, we got all that. You said it very, very well. But what would you observe to us, your submitted testimony describes to some of this, but some of the challenges in identifying, in hiring individuals with critical skills that you have. And perhaps, Mr. Hartwig and Dr. Kolmstetter, because you have a different frame, and notwithstanding the different structure that the U.S. Digital Service has, but what are some of those barriers of identifying those skills?

Could you start with that, Doctor?

Dr. Elizabeth Kolmstetter.

Oh, sure, happy to. I think they touched upon it, and one of it is some of the, in many cases, the people are not on the job market. They're already gainfully employed and doing well, and we can't go after them, recruit them, and hire them and offer them an offer. So, we, like I said, our incumbents are ambassadors that work for NASA or have had affiliations with NASA are always at professional conferences. They're at these innovation challenges. They're meeting top talent, but they have to direct them to go to USA Jobs, and go through a very long and, in many cases, not motivating process. In our field, the data shows that if you can't have an applicant go through 20 minutes, and then they're doing gamification and making it fun now and a great experience for them, they're not going to stay in your application for a job. So, it just really is that we need to be proactive and not passive and be more immediate. I think that is the big thing; so directly being able to hire some portion, whatever, you know, kind of flexible tools



we need, but the fact that we have no portion available to do that. We also lost a lot of ground when we couldn't go to the campuses and recruit directly. We truly did. Campuses no longer invite us to come to their recruiting events, because the government can't offer like the private sector right there and then, or at least make a conditional offer. We've lost a lot of ground with the community and academics and higher education graduate programs. So, I think those are some of the pipeline that we used to have that we don't have anymore.

For term employments, I also want to mention I know USDS uses the 4-year, but as you rightly pointed out, and the end of 4 years, they have to be terminated from that job. In our case, in an agency, our funds may be continued, our international space station has been continued well beyond the lifespan expected, and if we had had term employments, we would have had to terminate them even if the funding from Congress said keep going. That's just sort of arbitrary; a 4-year, a 6-year, and we have a flexible 6-year, but they have to end. So, I think that's a problem for us, to be able to be flexible in those.

The Honorable Mark Gearan

Mr. Hartwig?

Mr. Eddie Hartwig

I absolutely agree. Active recruiting is a key piece of this. I'll just add one example to that, which is we did an analysis of what an application looked like for a software engineer in the private sector at a major company versus USA Jobs. The former was a paragraph long, stated the mission, and had an easy apply button. The USA Jobs was seven pages long, and the description of what the job was, was three quarters of the way down the page. I would add three more quick things, and I will be briefer in my future comments.

Seniority being defined as years of service does not make sense in areas of critical skills. To ask for someone to have 10 years of experience in a field that was invented 7 years ago is ridiculous. I will give you an example that a 17-year-old young man won the Hack the Air Force



contest. He was the highest grossing bug bounty and security researcher of the entire event. He then applied for a job with us, and we struggled mightily to pay him at a GS-15 level. This was because he had just turned 18 the day before. The reality of it is, he is the most talented security researcher I have met in my entire career, and in 3 months he did more to harden this government's security than anybody I have ever known, and he was the best deal the government could make. And yet, we fought for months over how to hire someone. The same thing with educational responsibility. As my former director of engineering did not complete college, and yet he was a senior staff SRE or Cyber Liability Engineer at Google before coming.

Time to hire is a problem. I can vet somebody for quality in under 2 weeks from the application, but when I hand it over to the HR process, it takes 80 days. If SpaceX can take that person from me in a day they will, and they have no compunctions about that. I lose about one-third of all the people that I offer a job to. I lose that person because of that time period and that is devastating for me because that is after I have spent the 30 hours recruiting and bringing that person on, which means it's a massive loss of time.

And finally, and I will try not to drum on about this too long, we need to reconcile the fact that a quarter of the people in this country live in a place where marijuana, recreational marijuana, is legal. This is especially true in technical fields, because the states that have these technical jobs or technical capabilities and jobs: California, Washington State, Colorado, Massachusetts, right here in D.C., they have legalized marijuana, they have legalized marijuana. It is a massive barrier; 33 percent. I actually put a process in place early on in our hiring where we ask about this up front, so that we don't waste the time on these people. It is actually a problem that restricts good people who want to work for the government from joining. I'm not talking about whether or not they can use marijuana while they work for the government; I'm just asking you to forgive prior, legal use in an effort to get them on board. Right now, I have to tell people thank you for your desire to serve. You are exceptionally qualified. Please stop using drugs, wait 11 months, 29 days, reapply, and we will go through this process all over again.



The Honorable Mark Gearan

Point taken. Thank you.

Commissioner Wada.

The Honorable Debra Wada

I just want to continue on this thought process, because for unique skillsets like cyber technology, technologists, I think most people can understand that there are certain needs and the ability to construct a process by which we can be more agile and sort of flexible in hiring these people. But I want to get to the part and pull out how we can then try to do that in other areas of the government that may be not as understandable to the American public. Because in the end, let's be honest, we are not going to be paying the Boring Company salary, because these are taxpayer dollars, right? And what we're driving here is for the average young American to understand the importance of the mission, and how they can make a huge impact. With the 17-year-old, if you asked the average American today, they probably don't know anything about this 17-year-old and what he has done for our country. So how do we get to, Ms. Klement's point, how do we get to having the American public: one, understand the importance of what we do in government; two, being able to structure a program that is government wide that would provide flexibilities, understanding the fact that we live still in the government with, still, restrictions?

And I open it up to anybody who has thoughts.

Mr. Eddie Hartwig

I'm happy to. I think there are a few things that we can do. One, while not everyone in my team took a pay cut to be here, I would argue that everybody on my team could be paid more if they left. Despite that, we've actually increased the time of service for people from 11 months to almost 18 months. We're seeing a great desire for people to serve, and then that is all driven



by mission. This is what I'm getting at when I talk about USA Jobs. We start a conversation with people by saying that there is a system out their call Medicare, right? That 57 million people rely on for their everyday health that pays 2 billion dollars a day into our economy that relies on 50 to 60-year-old technologies, called Cobalt, and assembly language. And it could fail at any moment in time were it not for great technologists like you that step up and serve their country. People like, I will speak for myself, in the sense that I paid money to do this job. I actually lost money when I came here, and I did it with a smile on my face, right? And I set a timer as to when I had to leave, as many of us do. The mission works. There are structural things that we can do to make it easier for people to join, but the mission is the most important thing. And that's what we have.

Ms. Jessica Klement

I think your point was how do we educate people about that mission, right?

The Honorable Debra Wada

Right.

Ms. Jessica Klement

And my written testimony provides statistics about how civics is not taught in high school anymore, and this commission has made that a focus, which we really appreciate. This is something I've actually heard from members of Congress too, from both parties, who recognize that there is a lack of civics education in this country, particularly for high schoolers. So why would we expect someone to join the ranks of the federal government when they graduate college when we have spent no time talking to them about what the federal government does, who it is, why they should serve this mission? So, I think, yes, we can fix the processes, and that's great that you did this. It'd be wonderful if, you know, 2 million other people wanted to come take a pay cut to work for the federal government, but the reality is that they're not. We



need to talk about the mission. And I was asked, you know, what NARFE members can do, and I think talking about federal service with pride and distinction is really important, you know? As federal employees, federal retirees, they need to do that, but it can't just start and stop with these 5 million current and retired federal employees. We need to educate the students in this country about the types of jobs government can offer, even if it takes them 11 months to get there.

Ms. Terry Gerton

If I could follow up, we're in the field of public administration. Those are people who are getting graduate degrees in public administration, because they are compelled to do this anyway. So, we sort of cross the education barrier there, but we still have a huge hiring challenge. And one of the things I want to encourage you to think of is the point I made in my statement that our contractors really are the entry point for recent college graduates these days. It's very difficult for even a graduate student to think that they're going to come into a GS-12 or 13 position. We don't have those entry positions anymore. So, we have to focus on improving the connection and the advancement opportunities between entry points, which are now in the contractor space, because we have intermediated the government's service delivery through contractors now or nonprofits. Think about those as our entry-level position; their hiring is much faster. And then think about ways to encourage people to go up the ladder until they get to a point of potential entry into government service.

Dr. Elizabeth Kolmstetter

I'd like to just highlight one other aspect, because it came out very much. We have to lean into a future of work. We can't keep relying on what has worked in the past, and most of our things are, well, if it's not broken don't fix it. This is work. We are the best place to work. It's working. But we're leaning into a future that's very different, and one of the big ones is careers. And what employees are looking for are experiences, not a job and not even a ladder. They're looking for experiences that could be diagonal or down or over or sideways. We have to have



porous borders with private sector, with academia, with nonprofits, with the local state and people want to come and go and come back. And that is not how our system is. With so many federal employees who leave, it's almost like, "Don't let the door hit you on the way back. You're a traitor. You've left us." And we can't reinstate them. We can't even acknowledge they've grown their competencies, gotten another degree, and bring them back at a higher level. They're reinstated at the previous pay, which is archaic as well. So, I think it's also about careers and listening. If all generations are looking for something different, jobs are changing, and the world of work is changing. And we have to have the ability to recognize and bring that in and then allow it to go but stay in touch through what we have now, technology. We can stay in touch with people through emails and through wonderful websites and ways to say, "Hey, now we have another opportunity. Come back and bring your new skills and do this." And that we have to really do through technology and even just our systems and processes. It's very different.

The Honorable Mark Gearan

Thank you.

Commissioner Allard.

Mr. Edward Allard

Thank you, Mr. Chairman.

We've talked a lot about high-paid positions in the private sector, and, believe me, I can identify with that. It's tough when you can go in and hire somebody in one day and, you know, let them bring their dog and everything; babysitters, everything, massages, everything. We've talked about ways of doing it being mission driven, but if we aren't getting that message across through civics and other places, then what do you recommend? How do we get that message out? I mean, NASA has a tremendous program. Back when I was a young engineer in the Marine Corps, I worked on a NASA project, and I was privileged to do that. I thought, "God, this is



really something. I'm going to help get a rocket up in the air." And I was watching you as you were watching the countdown to see if you saw something blow up.

That's a very broad question, but I want to get a little bit beyond just mission, because we've got to figure out a way to make that connection between a youth base that knows nothing about public service, because we've knocked some things out. Then how do we make that bridge? Do we send tweets out to everybody, I mean, what is the way? How are you reaching them if you can't get on the campus now, which I find disturbing, and with a message that NASA has, for example. You know, we talk about going to Mars. We talk about a woman on the moon. If those messages aren't getting through, then what can we possibly do to get a message that reaches the youth, which is our next generation. And we've got to do that. We've got, you know, SES'ers that are going out the door; 40 - 50 percent. We've got GS-15s leaving, and we have a huge gap in between. And that's been ongoing for years; decades. So how are we going to fill that gap? What are your recommendations, other than just mission? And mission is important, believe me.

Ms. Jessica Klement

I'm happy to take this, because, you know, we addressed this previously. The military is able to market itself, right? You see military advertisements all the time. When's the last time you saw a commercial for a federal agency? You know, they don't have the funds to do this, and I think that's part of the problem. That those funds could certainly be appropriated, but, Vice Chair Wada, to your previous point, these are taxpayer dollars, right? And there have been agencies that, say, advertise on a NASCAR that raked over the coals in the press for it, right? So, finding that balance is important, but I think we need to allow -- we can't rely on the employees to tell the stories. We can't rely on civics, so where do we go? Agencies promoting their selves on social media, I think, is an answer, but it's not the answer, right? We need to allow, we need to give agencies the funds to promote what they do, the accomplishments they've had, and tell people why they should work there.



Mr. Edward Allard

Thank you.

Ms. Terry Gerton

I think one of the other options for us is using state and local government that are closer to our students and closer to our populations. One of the things we find especially at the schools of public administration is that those who are proximate to a state capital or active in a local government have a much better connectivity. They're able to bring current government officials on to campus to talk about what those government agencies do. Students are able to feel a much closer connection to the state and local government and the impact on their families and their communities. And they're also able to hire much more quickly than the federal government can. So if we can think about using state and local governments to help be the attraction for students at all levels and all different kinds of career spaces into government, and then think again of a way to facilitate movement from state and local government into federal, thinking about not all of our federal agencies are inside the beltway; they're out across the country; connecting those agencies better with state and local government and developing intentional strategies to reach potential government employees where they are.

Mr. Edward Allard

Thank you very much.

I yield back, Mr. Chairman.

The Honorable Mark Gearan

Commissioner Barney.



Mr. Steve Barney

Thank you, Mr. Chairman.

Thank you to our terrific panel for being part of this discussion. This is a really exciting topic as we think about the importance of public service and this tremendous desire that people have to be involved in public service; to be part of the mission. I'm struck by one young federal employee that we met while we were out just outside of Denver, whose job involved processing payment on travel claims and things like that, which, sometimes, we think that those type of jobs in federal government are not that big a deal. But her rationale of why this was so important to her is she was processing travel claims for people who were doing fire jumping to put out wildfires in the West. Her attachment and her association with that mission was so critically important to us, and I think that every one of us who had a chance to meet with her were really struck by that. So, thank you so much for that emphasis on the importance of the mission.

I'd like to talk a little bit about competitive examination of the 21st century. It's there. And, Mr. Hartwig, we've learned that the U.S. Digital Service has been involved in working with federal agencies to improve the way that competitive examining is used to qualify, assess, and to hire individuals with critical skills. Are there some particular things that the USDS has learned through this process, and how can federal agencies in the 21st century make the competitive examining process work in high-demand fields?

Mr. Eddie Hartwig

Sure. Thank you. We have in fact engaged. We tried to take some of the lessons that we have learned from recruiting these critical skills in our own world and sort of see how much we can apply in the competitive process. I agree with many of the panelists that the direct hire authority is not the ideal way to go, if we're going to solve the ultimate problem. So, we did what we would call a discovery sprint. So, we spent two intense weeks doing research with the Office of Personnel Management. We learned about the flexibilities within the current existing system,



and we are now applying them in a series of pilots within agencies; so 4-month processes basically built around the idea of rewriting job descriptions, training a pool of subject matter experts within each of these agencies we're working with to do resume review and interview, to do a quality review process early on before the application. I should say that this is currently starting off with GS-12 and higher employees, but it's not necessarily applicable. It's just a question of scale at that point.

What we've learned, I think, is what you've heard, which is that the current competitive process doesn't reach the people that are not already aware of and engaged in the current competitive process. So, I think that 80 percent of all jobs that are applied for on USA Jobs are people that are currently employed by the government, essentially. And so, it's just a recycling, and I think that's a product of the system itself. What we have learned is that so much work goes into the trash bin, into the dustbin, when nobody gets picked up from the cert list. And so we focused on: A, expending a little bit more time early on in the process, to have subject matter experts first take over the process of resume review and judge because we saw a lot of dentists that were getting qualified as software engineers because they have great Excel skills. It's what we refer to as the dentist rule, like, honestly. So we are trying to weed that initially and then take the people that have the on-paper skills and then take them to the next level of an interview with some sort of engineer being interviewed by an engineer; a designer being interviewed by a designer; a product manager being interviewed by a product manager; or a paralegal being interviewed by a lawyer, right? So that the people that know what those skills are, are vetting for quality. By doing that, what we are assuming and what we believe is going to be true, we are in the middle of this process, is that you will get a cert list with 10 qualified people or 20 qualified people instead of a 100 qualified people. We did this at the Bureau of Veterans Affairs with one of our former employees who's now the CTO there. They were looking for six people to fill a position. They actively recruited for it, but they got 150 people that went through the USA Jobs process that were qualified. That required them to read 1,500 pages of resumes before they could dutifully pick 6 employees off the list, knowing that the majority, over a 1,000 of those pages were not people that had ever done a product-managing job in their life.



So, putting that process forward and then allowing preference to take place, so that if you have only ten people in the final queue, you're going to get, statistically, one, maybe two veterans in that process. Then you hire more than one person off of that same cert list and you get a good mix of people, where we're honoring the service of the people from the military that deserve that veteran's preference but we're also making sure that we hire veterans who have the skills necessary to do the job. We're not honoring anybody by hiring an unqualified person to do the work just because they served in the military. So that process is going through these 4-month pilots. We will run it, hopefully, for the next year, so we will learn from what worked and what didn't, and we will reapply it to the next pilot and so on and so forth. And we hope to have that published in the OPM rules and regulations by the end of the year, so that others can use it or at least learn from the process that we ran.

Mr. Steve Barney

Great. Thank you so much.

The Honorable Mark Gearan

Commissioner James.

Ms. Jeanette James

Thank you, Mr. Chairman, and thank you to the panel for sharing your time and expertise with us this afternoon.

I appreciate and I'm interested in some of your suggestions. So, for example, Ms. Gerton, you talked about the lack of lower level GS positions, so that now it's contractors that are doing those jobs, and then perhaps there needs to be a way for off-ramping from a contractor into a federal position. And I heard you talk about temporary positions and the advantage of temporary positions and the need to get rid of some of the rules and regulations regarding them. So, recognizing that the current federal workforce is not a young workforce; it's an older workforce.



They've been working in this system for a long time. And thinking about testimony that we've heard previously that may suggest that some of the current workforce wouldn't appreciate some of these more innovative ideas, or perhaps concerns about the stability and security of the federal workforce if we started adding the movements up and down and across and around; so what I'd appreciate is your thoughts on how do you de-conflict that? How do you take, understanding that for the future federal workforce you may need this flexibility, which I don't want to call it loosey-goosey, but if you know the current federal workforce, it's a little loosey-goosey when you start thinking about things that you're suggesting. So how do you de-conflict the innovations that need to take place to be able to encourage and attract a younger federal workforce with those that are in the federal workforce, who may be very uncomfortable? I'd appreciate your thoughts on that. I'll go across; whoever would like to answer.

Ms. Terry Gerton

Since I'm at the right side of the table, I'll go first. I think the answer is something that's very easy to say and hard to do, and that is strategic workforce planning. We should have a requirement that every cabinet agency, and that agency's secretary, has to submit their agency's strategic workforce planning. That would require them to assess the future work of the agencies, so that as we deal with new types of work and new processes and new customer engagement opportunities, they could specify what that work is. They would have to look at their current workforce and match that workforce up against the future work to identify gaps and overlaps. They would have to have a training strategy and a recruitment strategy to address those gaps. So, you might have senior folks in that workforce who are willing to be retrained, reskilled to help fill some of those gaps. You may then have targeted recruitment opportunities for which you could request specific permission or exercise the flexibilities that you have.

But you may also find a part of that senior workforce that is unwilling or unable to make that move, and then we have to have a strategy that we are universally and institutionally uncomfortable with, which is how do we release people who are no longer going to fit with the



federal workforce? Do we have early retirements? Do we have buy-outs? Do we have RIFs? Do we have VRE seps? What is that solution? But until you document and strategically plan for that future, you will not know exactly who needs to move, where the holes are, what things you need to fill. Once that is done, you have to be absolutely transparent with your workforce; the vision of the future, how they're going to move to that, who's going to move, who's not going to move, what their choices are. It's really, as I said, easy to say, hard to do, but without it, we have no strategy.

Ms. Jeanette James

Mr. Hartwig?

Mr. Eddie Hartwig

I'll actually defer my time down the table for this discussion.

Mr. Travis Hoadley

The issue that you described is actually what keeps me up every night, and I think a way to sort of encapsulate it is it's an issue of cultural change, right? So, it's how do we move from a tenure-based employment system, the model that current employees were used to that they bought into that appealed to them, to something that might look different? And I think it's important that we think about how more than one employment model can coexist. And so, I think it's important to optimize toward choice for current employees, not forcing them to buy into a different employment model that might not match their expectations by figuring out a way that those two workforces can maybe coexist. I think we already do that. That we think about the way that contractor workforces are integrated in some agencies. It's about re-envisioning what federal employment means and finding a way for those different populations to contribute to the mission side by side.



Ms. Jessica Klement

Mr. Hoadley stole my answer and said it far more articulately than I would.

Dr. Elizabeth Kolmstetter

I totally agree with the description, and any good talent management starts with a good workforce plan. And we are also trying to get more work requirements driven and not, “Here’s all our people. Let’s find work or make work for them, because they’re here for 30 plus years.” We have 4 or 5 percent turnover at NASA. Our people come and stay, and one of the great things about being very high engaged and really mission oriented, but one of the downsides is we don’t have the refresh of skills on a regular recurring basis. So, we do need to have really good strategic workforce planning, but a lot of the work that we need to do, we can’t even envision yet. We don’t know what those skills or the interdisciplinary connection of skills, which is not envisioned in position classification, we don’t even know that. So, from here to where? And so, it is very hard, and then you have the majority of your workforce in place that you need to put to work, because RIF, V-seps at \$25,000.00. Look at private sector. When they’re timed to refresh, they give a nice severance package, and people go and find, hopefully, another occupation, another thing. Some of our agencies have nice outplacement services. I’ve been at agencies that have mandated everyone on 5 years, until we can reshape the workforce and the skills. There’s a lot of ways that agencies have tried these things, but it does come down to workforce planning and having a talent strategy to meet what work requirements you have and what Congress is appropriating us to do. And then we’re going to have to have limits of terms or appointment ability to get the work done as it’s funded and as it’s requested of our agencies. And that’s going to be the big, hard one that is a big culture change.

Ms. Jeanette James

Thank you.



Thank you, Mr. Chairman.

The Honorable Mark Gearan

Commissioner Haines.

The Honorable Avril Haines

Thank you. Thanks very much. I have to say I've been looking forward to this panel. These are critical issues from my perspective. I have too many questions, so I'm going to try to do just as many as I can in my 5 minutes.

The first one trying to focus in on, understanding that we need to revamp the entire system and also recognizing, frankly, the extraordinary value that I see in the U.S. Digital Service and to go in the context of my own time; there's another piece to the problem that I've seen, which I'm sure all of you are more familiar with than I am even, is in relation to folks who have developed talent within the U.S. government or sometimes they come in mid-career and then they spend many years in the U.S. government developing that talent. And they get attracted to the private sector; they leave, and we want the opportunity to pull them back in over time because there may be an emergency or something along those lines that make it valuable. But there might be other reasons to do so in the context of developing workforce. And one of the ideas that I've heard sort of being batted around that I'm curious your reaction to but also if you have other thoughts on this space, how do we address this issue, is in the context of really sort of developing almost a reserve corps in this context and thinking about it through a whole series of different lenses in terms of how you can set up a benefit structure that would make sense. So one thought that I've heard that I find attractive and interesting is this idea that if you are in the sort of mid to high-senior level, you're leaving before your retirement age, you're going to forfeit, essentially, your retirement benefits; and is there a way to set up a structure, and would this make sense, whereby an individual would get a portion of their retirement benefits, in effect, if they agreed to the idea that they can be pulled back at any time that the government needs them in a



talent scenario? And that being one option, but I'd love to hear, frankly, other thoughts that people have in this space.

Mr. Eddie Hartwig

I'm happy to talk about this, since we've put in place some of these things. While I can employ people for 4 years, the average tenure is only about 18 months. The job's hard. So what we do with critical skills, especially in places like data engineering, security engineering, things that, you know, we struggle to maintain talent in, we'll offer people an IC role, like an intermittent consultant role, where they can bill the government for hours, where they won't lose their security clearance and other things. This has been a good way to keep reserve talent available. This is also from my former life. I used to be a Foreign Service Officer. The state department has an excellent program of while actually employed, where retired Foreign Service Officers can be brought back for up to, I think, 3 months a year. The incentives behind this are really interesting too. I will just say from my own experience, my mother joined public service late in her career and finished just to get the health insurance benefits. I do think that the government has some great features: health insurance, TSP. And so, incentivizing those things in a program like that, I prefer an opt-in rather than a call-up program. But allowing people to keep their clearances valid after they leave the government and we've invested time in them and if you work a certain number of years as either an on-demand employee for a short period of time, like allowing people to keep their access to their health insurance and other things are really strong motivators to keep people actively engaged with the government. I think that you have a workforce that is getting older and retiring. I think you have a workforce that is leaving, and I think you have the increased reliance on direct hiring authority creates a number of employees that are leaving despite the fact that they were willing to stay or at least have had a taste of public service, gives you different categories of people that if you could extend their status, maintain their clearances and their activity in the system, then entice them with at least the potential for ongoing benefits, you could actually develop a corps of people based on the skills and the training that you've already put into the workforce that you have.



The Honorable Avril Haines

Mr. Hoadley, I'd be interested in your views on this.

Mr. Travis Hoadley

Sure. I would add, thinking about this, it comes into three buckets for me. So, it takes a different level of human capital agility to have a workforce that you're maybe calling up or that is available if some emergency strikes. We think about this a lot in the cybersecurity space at DHS, because when the next sort of crisis emerges, you want to be able to access that talent as soon as possible. Some of the barriers that I'm not sure we've quite gotten through yet are there's sort of ethics concerns, right? So a lot of the talent that we're looking at, you know, they might be working at the companies that are involved in some of the issues and technologies that they'd be working on, on the government side; our current ethics structures aren't really set up for that rapid movement back and forth between the private sector and the federal government. Similarly, security is an issue too. So, in the minds of security professionals that lapse of one day outside of government service becomes something that requires a reexamination. And so, I don't know that we've solved that yet, but we have to look at security ethics and more agile human capital all at once, probably, to fix this issue.

The Honorable Avril Haines

All right, I've apparently exhausted my time.

The Honorable Mark Gearan

Commissioner Haines, you were not here in the morning. We did have a bit of an exception. Do you want to take your second round right now?



The Honorable Avril Haines

Can I take one more?

The Honorable Debra Wada

You can take your second round now.

The Honorable Avril Haines

But we're going to have a second round?

The Honorable Mark Gearan

We will. Yes.

The Honorable Avril Haines

I'll do it in my second round.

Mr. Tom Kilgannon

Thank you all for being here. This is fascinating. Each of you to one degree or another, talking about wanting to attract people with these critical skills into government and losing them to the domestic private sector; I'm curious. There are other entities out there who demand these types of skills: foreign governments, foreign competitors, maybe even organized crime. Are you aware of or do you have concerns that we may be losing these talented people to those bad actors or to those actors who might use them against American companies, American government?



Mr. Travis Hoadley

I mean, I would say that I don't think we have those concerns. I think that's a sort of related point that I would make is that there's a lot of government work. We talk about mission a lot in our opening statements. There's a lot of government work that it's possible now to do in the private sector that wasn't necessarily the case before. So, if you think 50 years ago, having an intelligence skillset, there wasn't that much opportunity for you in the private sector to leverage those skills. I think we have to recognize that intelligence exists in the private sector now, and it's the same for a lot of these critical skill areas. So, I don't know that we're concerned about foreign actors or governments, but we do recognize that we're not competing just against other federal agencies at this point.

Mr. Eddie Hartwig

I would have just said, or I will say, I suppose, I'm not as concerned about that. I may be speaking from me before career again in the state department. I do think that lacking mid-level hiring and low compensation -- when I joined the state department, I was a lawyer. I had full law school then, and I was offered a salary of approximately \$38,000 to live in Washington D.C. It was not great, right? But yet, I was given a top-secret clearance and access to blank visa foils overseas. To me, it always seemed strange that I had to file a voucher for a taxi ride, and yet, I was trusted with state secrets. I think that it does happen in that context. I mean, there's an example, the diplomatic security people keep a list of times that we have lost employees to foreign agents and foreign actors. It is almost always about money. And so, I think that if I can just wrap it back around to compensation. It is our goal as a digital service to pay people the absolute maximum we can, because they are all worth every penny. And if we pay people what they are worth, we reduce those un-incentives.

Mr. Tom Kilgannon

Thanks.



And, Dr. Kolmstetter, I wanted to go back to something you said earlier about not being invited to college campuses. Are you not invited? Are you not permitted? Talk about that a little bit more.

Dr. Elizabeth Kolmstetter

No, so thank you. I'd like to clarify. Of course, NASA is welcome on campuses and we're often there and we have our wonderful incumbents and alumni who go and give a lot of talks and want to continue to do outreach for STEM and all of our wonderful occupations and partnerships. However, when it comes to the recruiting events and career fairs and job fairs and the table where SpaceX or Google and the line is long and our table is next to it and we have people who come and say, "Well, what jobs can I apply to, and how do I get it," they're not coming to our table like that. And so, it's starting to be not worth the taxpayers' money to have an onsite recruiting effort, because we can't do onsite hiring or at least even doing a review and saying, "Yes, you have these skills. Here are the kinds of things, and we would give you a conditional offer," or something like that. So, it is actually on our part not as fruitful for us to be able to because we can't compete, and we can't get the recruits in. We do have wonderful internship programs where we do get pipeline, but on recruitment on campus at career fairs or job fairs is not providing a pipeline. We're not competitive, and it's not worth our time to go there. And it's not just NASA. I mean, this is in my other agencies.

Mr. Tom Kilgannon

Is there any easy fix that this commission could recommend to correct that situation?

Dr. Elizabeth Kolmstetter

Well I know that I think Department of Defense has gotten some more relief on being able to do direct student hiring outside of pathways and go back to if you find some of these wonderful talents that you're describing, like we're saying innovation challenge winners and the



top notch at any institution, and they meet it, we should be able to give some kind of conditional offer and then get through the whole, of course, background or clearance. But at least tell them, “We really are interested, and here’s what we are.” We have people saying, “I’m willing to wait for NASA, but not that long.” You know? “I’m willing to take a cut in pay, because mission; I love the purpose, and I want to do this. But I can’t wait 11 months or 9 months for you to make me that offer when I have 3 in hand.” So, I think that really is the piece that if we can say that we need a certain pipeline in that segment, we’ve got to be more competitive with in time. That’s where I’m going, so thank you for the clarifying. Because we’re, of course, NASA is, I’m just saying, it’s not worthwhile when they’re looking for jobs right there. The expectation is that there are jobs to be had right at those job fairs, not go to USA Jobs and fill out 11 pages and hope that you’re getting on a cert list. That’s it. Thank you, sir.

Mr. Eddie Hartwig

I know that we’re over time, but may I just add 15 seconds to that?

The Honorable Mark Gearan

Just 15 seconds.

Mr. Eddie Hartwig

We’ve talked about recruiting, and we’ve talked about hiring. But we haven’t talked about conversion. It’s like being in the checkout aisle at the grocery store. You got to get the kids to buy the candy. And so, one of the things about our recruiting strategy is not to get them fully on-boarded in one day, but it’s to get them to apply; to give them interfacial and start a conversation so that we can continue the conversation with them and keep them engaged. So, we do go to places, because we can get somebody in the booth to apply to the job without much stress, and then we can then have that opportunity. Conversion is actually something we don’t talk about enough, because once we can get people talking, we can talk more about that mission.



The Honorable Mark Gearan

Very good point. Thank you.

Mr. Khazei.

Mr. Alan Khazei

Thank you all for the tremendous -- thank you for your public service. Thank you for your passion. So, as we've traveled the country, we've met government employees: local, state, and federal level, who are incredibly dedicated, work incredibly hard, and don't feel valued. So, we've heard that message. I know from my own experience every high-performing organization, whether it's the private sector, the social sector, the government, it's all about their people. Full stop, that's it. So, what I'm struggling with right now, and I'm convinced. I mean, we have a system that was designed 75 years ago. The last time Congress looked at this was over 40 years ago. USA Jobs is a nightmare. We've heard it over and over again. So, what I'm struggling with is, okay, if you were us, how do we cut through the clutter? How do we get Congress to actually pay attention to this? So, what is the number one thing you would do; each of you, one thing, if you were us? Because we can recommend. We can take all your great ideas. We had another panel this morning full of great ideas. What would you do if you were us, top thing to actually get people down the street to hear your clarion call? Because it's clearly a huge need if we're going to have a strong federal workforce in the 21st century.

Who wants to go first?

Ms. Jessica Klement

I mean, I feel like, as the lobbyist at the table, I should take this question. But it's a really good one, and one that I was trying to come up with an articulate answer while you were asking it. And I think we are in really different political legislative times right now, right? Every day,



we're like, well this hasn't happened before. This is a very different environment. I worked on the hill at the beginning of my career, and the place that I worked at doesn't look anything like the hill that we have today. And this is a Congress, this is an administration that reacts to crisis, right? A crisis happens, we immediately pass legislation. You look at what happened at the VA. And then we fix it, right? We fix it later, because we know it was broken when we passed it. But Congress needed to show that they took action on an issue that was topical. We have a crisis here. We have a crisis recruiting top talent to the federal government. You could point to the OPM data breach, right? But no one has improved the OPM systems to the point where that data breach is guaranteed not to happen again. The problem that we have here and the problems that we've all been articulating, I think, really need to be sold to Congress as a crisis. Because you will be up against members who do not see a value in public service despite the fact that they are all public servants. They will not see that value. They will not want to invest in our federal government or throw more taxpayer dollars at this crisis that we have. I think, as commissioners, it's really incumbent on you and myself and NARFE and the other organizations, we do this all the time. We can debate the size and scope of government all day long, but at the end of the day, I think we all agree we want government to run efficiently. And I think when you frame it that way as a crisis of efficiency and effective use and efficient of taxpayer dollars that's going to be the way to get their attention.

Mr. Alan Khazei

Thank you.

Travis, you have something about that.

Mr. Travis Hoadley

Sure. I would say that we need to sort of think about what does a new team or what does a new center of excellence, as I said in my remarks, look like to create the solutions to these problems. And I think we need to avoid the trap that some historical innovation efforts have,



which is to try to fix this for all of government at once. So, the complexity of the whole civil service system is maybe too much to tackle when we're talking some of these sort of mission priorities. And so, I think we need to look at smaller pieces, economies of scale, and the way that we could have some smart people who are dedicated to this cause of improving civil service. Fix pieces of the civil service one at a time.

Mr. Alan Khazei

Terry, your organization's put out great plans; great reports. So, what's the number one thing you'd encourage us to do?

Ms. Terry Gerton

I was going to say crisis, but that's already been taken. I think I would offer the academy has put forward the idea of a talent management system, and to the civilian ears that sounds like radical change. But I'm here to tell you it's not that radical, and it's what the military already does. The military trains people, promotes people, assigns people, and manages skillsets. Commissioner Wada, I see you may disagree with me, but the concept is that you're training people and you're managing their talent and you're growing their capabilities. And you understand how to do that, so that you grow people who are adaptable, who may not know the exact next job they're going to, but you've provided the training and the preparation and the leadership skills so that they can adapt in whatever situation that you throw them into to. You would obviously have to make some modifications from the military system to a civilian system, but there is a concept out there that could be modified. So, you don't have to start from scratch. You have a construct that could be adaptable to a civilian talent management system. So, providing an insight into the crisis, in fact, we really do have; not only the changing nature of work, but the demographics should force us to make that decision. We find places where we can pilot this, and then we have a model that we might be able to adapt.



Mr. Alan Khazei

Thank you. Looks like I'm out of time.

The Honorable Mark Gearan

Commissioner Skelly.

Ms. Shawn Skelly

Thank you. The title of this hearing is Critical Skills and Benefits, and we've been talking about people who are precious to the organizations being represented here, and by extension, the federal government and the difficulties and the challenges that government has in accessing these people. And we've been talking for almost 2 years now from when we first got together, and a little later, we were actually sworn in and good to go. And it often comes up. So, what's a critical skill? Who says it is? Why does that matter? I'd like to get your thoughts as to defining people that are the ones that most require us to have those special rules to get after them and get them in. As a homeowner, a plumber can often be a critical skill to me. As a commuter, it's a certified Nissan mechanic. So, are there governmental-wide definitions, or is it something that's, you know, is it to the agency? Is it to the subpart of the agency to decide for them it's a critical skill? How does that matter, because I know they're fleeting? I think, Mr. Hartwig, you talked about, you know, "I'm trying to hire people for things that weren't there." You know, you can't have a skill that wasn't invented 10 years ago or have that experience math work out for you. I'd like to start with you, Doctor, and then Mr. Hoadley and Mr. Hartwig about the definitional aspects of that and how that applies.

Dr. Elizabeth Kolmstetter

That's another wonderful question and a hard one too and in many ways. So OPM does do an annual review and issues government-wide mission critical skills, and each agency also



reports to OPM on an annual basis our mission critical occupations, MCOs that are really skills, if you will, but we call them occupations. So, we are reviewing that. We do it in terms of our workforce planning and looking at what we're going to need and what skills we're going to need, so we do have a process to do that. But I will say, it's getting faster and harder to do that and to say this is something, because even on an annual basis, things are changing. I mean, from the intelligence community to the Department of Homeland, the threats, the cyber, the IT, the technology is advancing so rapidly. So, I'm not sure that that model is even as sustainable anymore.

And one of the points that I'm going to kind of say is I actually, because I've lived in so many of these agencies, I am a proponent of one system. I don't think we should set up one system for STEM occupations or skills and another system for Non and another system for enduring work or mission support work. It's inefficient. It's ineffective, and it lowers morale. And so, what we want at NASA is one system for our workforce that's mission driven and absolutely skill and competency based. That may not be a one size fits all for other agencies, because we don't provide a direct daily service to the American people. We have a different type of mission. And so, I think you have to look at the differences and then the similarities. But the critical skills, and that's why I find it hard when OPM does their government-wide because they look, usually, at quantity. And agencies that are small are never going to hit the numbers, but if we don't have three of the best aerospace engineers who have certain propulsion, anti-gravitational, we are not going to be successful. But we're never going to have the numbers that the Department of Defense has to say, "This is a mission critical occupation. We can't hire these." So, we've been using the labor market now to show supply and demand, and there's not enough supply to meet the demand of the jobs. So that's helping us to show mission critical skills but also shortage and what we're going to need and how are we going to compete for those.

So, I'm really kind of evolving the definition, and again, back to what you're trying to do is what is, like, a modern personnel system? Please don't recommend, "Well, do this for STEM," because myself, with my background I could be in an HR-201 job, or I could be in a 180 industrial personnel psychologist job. What is science? What is technician? What is engineering?



I have facilities' engineers, but I have rocket engineers. You know? They're all engineers, but they're different types of mission application. So, it becomes part of this whole how do you define it? Who's doing it? And then HR is stuck trying to figure out workarounds or definitions. So, it is very complicated, but the process right now is that we look at that agency wide and annually to determine for what is defined as a critical skill.

Ms. Shawn Skelly

Thank you.

Mr. Hoadley?

Mr. Travis Hoadley

Sure, and I would say we're sort of evolving in our approach to this, in that we've done the traditional methods that are related to the Office of Personnel Management's processes. But, you know, the mission is moving at such a pace that it really requires subject matter expert input; the people who are managing this mission on a daily basis providing information to human capital practitioners, so you can document the skills that are critical and keep pace with that change. And so, it means a sort of quicker way of doing human capital, but it is possible. And it does require that tight relationship between people who manage the mission, who have their sort of hands on the keyboard, and human capital practitioners.

Ms. Shawn Skelly

Thank you.

Mr. Vice Chair, I'd like to buy a vowel and get into my second-round time, if I could?



The Honorable Mark Gearan

Why don't we flip the clock, and we're good.

Mr. Eddie Hartwig

Thanks. I'll do my best not to use all your time.

Ms. Shawn Skelly

Go ahead. It's our time.

Mr. Eddie Hartwig

What I would say is from our approach, we're a little bit unique, obviously. We start with a mission at the agency that we work with. We boil back from that. So, we say what is that mission? What are the core competencies that are needed to achieve that mission? And then we hire for those core competencies, and then we put the subject matter experts on our team in charge of adapting those corps competencies over time. I'm going through an engagement right now where we are revamping our entire hiring process, because what we need in engineering has evolved from what was essentially site reliability or dev-ops engineering early on to a far more application engineering sort of stance. Same with design; we moved from design research towards more human-centered and UX design. But I don't do it. We actually have an iterative, adaptive system of developing what the skills are that we need. Boiled down as succinctly as I can say, great people know who they want to work with. If you give them a great mission, they will not only use their skills to achieve that mission, but they will use their skills to hire other great people that will help further that mission. So not setting what the skill is or what the critical need is in a moment in time and then trying to rewrite it every 10 years, but having active participation from subject matter experts and evolving what critical skills are over time that are driven towards the mission of that agency has been a big part of our success.



Ms. Shawn Skelly

Ms. Gerton, can you contrast that or try to ducktail into that as you made the earlier point about adaptation of the military system? Having been a 17 year old who was identified by the Navy; reached down, plucked me out, put me in, and spit me out over 25 years later, what I hear here is, I wouldn't say it's in conflict, but it really is a challenge to make those two mesh.

Ms. Terry Gerton

One of the things we suggest in the longer term of toward to what a talent management structure is that you would create lines of work, so basic competency groups, and you would have a panel of the professional experts. So, think the CXOs, right? So, if you're going to do financial management, for example, you would have the panel of chief financial officers who said, "These are the skills that we need today; these skills and competencies." And that group is always challenged to refresh those. So today it might be financial services delivered through a particular application. Three years from now, maybe we're back to abacus; I don't know. But, you know, so they're constantly refreshing the critical skills, which then informs the recruitment effort, and every agency can start to look at, "Who do I have that has those skills? If I don't have them, do I have a training program?" And you can start to refresh that way, so that you can identify critical skills and emerging skills through panels of professional experts related to those lines of work. So, if you're thinking about moving to a talent management model, who sets the standard? We would suggest that we could kind of create those panels of professional experts.

Ms. Shawn Skelly

That's really helpful. Thank you.

Thank you, Mr. Vice Chair for your flexibility.



The Honorable Mark Gearan

Thank you. Let's continue another round of questions here, and perhaps we could go to you, Mr. Hoadley and Dr. Kolmstetter. As human capital leaders within federal agencies, and so much has come up about the benefits that exist in the private sector versus the public sector. I would be interested in your reflections on the kinds of things that you think we're losing out to in terms of the benefits packages when you're recruiting highly skilled and technical in a system. What are some of the things that present themselves as barriers that are offered in the private sector but not in government agencies?

Mr. Travis Hoadley

Sure. I would offer that we tend to think about this in the cybersecurity space in comparison to Silicon Valley and the sort of tech world. At least, this is where our leader's kind of look for comparators, and there are certain benefits that that space is offering that are never going to be part of the federal package. So, we're not going to have stock options any time soon or food carts or things like that. I think that the major barrier is not a barrier related to the menu of benefits we have, but it's a communication problem. So, it's very difficult for job applicants to immediately understand, unless they're familiar with the federal employment space, what our benefits package is. So, the language we use, the labels, words like, "defined benefit," don't necessarily resonate with the applicants that we're seeking. I think that that communication gap can be bridged, but it's not something that we've mastered yet.

Dr. Elizabeth Kolmstetter

So, I think that there are a lot of great benefits in the government, and health insurance certainly, and certainly for any preexisting conditions, which don't matter; you can get your health insurance is a huge plus and a big attraction. One of the things that private sector companies have been doing for years is something called cafeteria-style or menu-based benefits. That there's a cost that's considered total compensation for your benefit package, and since we



know we have a lot of dual partners or spouses in the government, for example, they already have life insurance through their spouse or partner, so they could choose to use their benefit points for something else; like maybe life insurance or pet insurance if that ever happened or something else. So that's one of the things that I think is a more timely and modern approach to showing that you have a total package to the public servants that we can say, "You are valued and you can use these in different ways that suit you at the time you need." And I want to just drumbeat on the parental leave. We lose people at a certain point when they want to start a family, men and women, but they cannot stay in the federal sector with the salary and with no paid leave. They leave us. They say they don't want to, and we don't want them to go but they leave to get some paid leave. It's too costly to start a family, adoption or childbirth. They won't stay, and I think that's a huge detriment. And been on that advocacy for a long time, but I think that you can't be an employer choice in this era without providing that. It sends a really important message. So, I think that would be attractive.

And then, yeah, I think, again, just the flexibility in choosing your benefits is something that the workforce of all generations, because you need different things at different life stages. So, having that would be a plus.

Ms. Jessica Klement

Could I add a note to that?

The Honorable Mark Gearan

Yes.

Ms. Jessica Klement

Thank you. I hesitate to contradict a fellow panelist, but I just want to caution against not cautioning about the cafeteria plans. Because if you're talking to a 23-year-old who does not know what defined benefit means but there is a value in a defined benefit pension and you're



offering them, you know, low cost. You know, they already have health insurance choice in the federal government. It is like a crucial tenant of the FEHB is the choice it provides to you. So that 23-year-old can choose a cheaper health insurance plan or one with a high deductible. But we're going to give you this pension or your pet insurance; a 23-year-old, for the most part, isn't going to be thinking that far down the line, even maybe if he or she does understand what a defined benefit pension is. I don't want to be in the business of saving people from themselves, but we have a retirement crisis in this country. And offering up a solution to attract people that could exacerbate that crisis I don't think is a road that we should be going down. I'm sure there's a middle ground somewhere between offering a cafeteria plan and then encouraging people to save for retirement, but I would caution against any action that could dissuade younger individuals from saving for their retirement.

The Honorable Mark Gearan

Point taken.

Ms. Jessica Klement

Thanks.

The Honorable Mark Gearan

Vice Chair Wada.

The Honorable Debra Wada

Thank you.

Ms. Gerton, civil service has this demo. You had mentioned, Mr. Hartwig, about going into other federal agencies to identify how you can help them. So, if the commission was to recommend sort of a demonstration authority for agencies to try to do something bigger, I guess,



than spread digital service even more across agencies, what should that demonstration authority look like and are there things that we should be concerned about when we give demonstration authority? The third part is, because I've seen it, when we give demonstration authority, they'll ask for years, decades. And how do we sort of take the real best practices, like digital service, and actually implement them across the government once we come up with the plan?

Ms. Terry Gerton

So, you've got a great question there, and we think that that is one of the key functions of whatever you would call a central personnel entity. The cycle of test, learn, share, adapt has got to be one that we are constantly on. Agencies should be much more aggressive. We should encourage agencies to be much more aggressive in attempting demonstration projects, but we've also got to make it easier for them to do that. And we have to relieve the burden of the continuing authorization as opposed to declaring it finished. One way to do that is in the definition of it is to describe, particularly, the parameters and how you're going to test and evaluate it in a quantitative way, then OPM has got to be responsible for evaluating that and sharing that and allowing, as broadly as possible, the application of that new flexibility without the requirement for every agency to retest in their unique capabilities. So, there's some statutory relief that would have to be identified in the process; making the process simpler, designing evaluation projects that can be effectively evaluated, and then maximizing the application of that as rapidly as possible.

The Honorable Debra Wada

Mr. Hartwig, can you identify, since your kind of doing this little demo in several of the agencies, have you identified barriers already, whether legislative, policy, or cultural through agencies that you've found?



Mr. Eddie Hartwig

So, can you explain to me a little bit? I don't know of a demonstration authority. Are you talking about the hiring piece?

The Honorable Debra Wada

Yes. So, it's normally the pilot authority, like you take what you're doing in digital service and say how can we apply it, given the different constructs of agencies in different agencies?

Mr. Eddie Hartwig

So, I'm not sure that I'm the most qualified to say this, but what I will add I think that may be relevant is the 2210 direct hire authority that OPM just released goes a long way in meeting the short-term gap of what skills are needed. In my field, the technical work that needs to be done in the government is not technical different. It's the change management work that is very, very hard. It's the risk aversion and those kinds of things. That being said, you need sort of technical expertise in there that can work with contractors.

What can we do to expand our authority? We're actually focusing on the competitive service first, because it's, I think, the prevalence of direct hire authority is, well, again, a short-term solution. We need to reform the system of how we hire and inspire and continue to employ people over time. And I think that that has to do with a much more fundamental change. I don't know the demonstration authority is anything other than these skills are necessary versus, like, it's an awareness building tool. But to be honest, I don't know. I've never seen something scale well in government, as much as I want it to. My best practices don't scale well. Everybody is different. Everybody has different liabilities and authorities they either rely on or hide behind, whether they be technical people or human capital people. I think that if you prove the need for a certain skill using an authority like ours, and I'm on my second now demonstration authority, I



suppose, I think then you need to go right to the fundamental root cause of why people aren't joining in the first place and fix the competitive service. I don't know that there's a way to scale direct hire that works well over time.

The Honorable Debra Wada

Thank you.

The Honorable Mark Gearan

Commissioner Allen.

Mr. Edward Allard

Thank you, Mr. Chairman.

I've been around Washington for a long time, since '64, and I thought I knew a little bit. But one of the best things we did as a commission is to go out and talk to the people, and we went across the nation doing ten different major sites; large cities, small cities, large metropolitan areas. And it occurred to me that I learned so much from that. My question to each one of you is as you are going out and recruiting for special skills and you ask for the benefits that are necessary that they want, what are you hearing that we haven't heard today that you want to be sure we are aware of?

And by the way, while you're thinking, Mr. Hartwig, I think you had what I would call personalized recruiting. That is a tremendous asset, and I wish you all the luck in the world in that capacity. But I think we need more of that just one opinion. So, what are you hearing out there from the field; you or your staff?



Mr. Eddie Hartwig

I guess I can begin, because I do go out there. I benefit from that fact. I benefit from a number of things that are not related to hiring authorities. One is that the scope of my work is very narrow. Like, we were working on public facing critical services from a user center perspective, which allows me to target my audience very clearly. When I go to that audience, what I bring with me is examples of work that is already complete. And because they are public services, they are things that people can play with online or in other ways immediately. So, we can bring them the message of what we've done, and we have social proof available. I do think that the communication problem that we deal with has a lot to do with how far behind we are in technology. We would not need to reach people on Twitter if we reached them via the internet at large, or if when they came to our website, it didn't look like it was built in the 1980s.

And so, what I would say is that what we hear from people is that the mission is great, but the strict requirements of the government make it not worth the trouble. There are people out there making it easier and easier and easier to hire, and we continue to make it harder and harder and harder to hire. And if I could enforce one general notion, it's probably not the most useful tactically, it's that in an effort to make the system fair for everyone, we are excluding a lot of people. And those are the exact people that we need.

Mr. Edward Allen

Thank you very much.

Mr. Travis Hoadley

I think I would add to that, and it's sort of a related point, that I'm not sure that we're hearing about specific benefits that people desire. They just desire federal employment and to be able to contribute to the missions that they're hearing about. And we've created too many barriers for most people to make it through that process. So, I think it was mentioned earlier. We



kind of optimized the hiring process for people who are familiar with the hiring process, not toward people who are most passionate about that mission space or who have the right skills. They just want to do the work more so than specific pieces of a benefits menu that they see missing.

Mr. Edward Allen

I'm impressed by the aspect of the skills, knowledge, ability, self-assessment; I'm an excellent in everything. But if you tell the truth, you're penalized.

Mr. Travis Hoadley

Right.

Mr. Edward Allen

Thank you.

Yes, ma'am?

Dr. Elizabeth Kolmstetter

I would add that I think that we have to change some of the paradigm too that work, again, the definition of work and roles has to change from you come in as a 20 to 30 years civil servant for a permanent position. We have the biggest generation, the baby boomers, retiring now from all sectors. We have people when we're out who say, "I want to just come and give back to my country. I'd love to come and do a project for NASA. I've been at this, that, and the other. How can I help? I volunteer. I'm already on my retirement." We can't take them in. It takes a lot. Why can't we think broadly about it's not necessarily you have to be on a signed contract to be an employee or to contribute back? I think a lot of our agencies would love to have a volunteer corps, a public service corps, and give back if they're financially able to do it. But



I'm just saying, I think there is a segment that is coming to that point who are able to do something. And we can't find a way for them to contribute, even virtually, on a project that we're collaborating on.

The other one is technology. So, we have to balance. One of our things that came out in our Future of Work is the sharing and the security of technology. We are so hyper on cybersecurity, because the threats are real, the hacks, all of these vulnerabilities. At the same time, people do their work through technology. We have tools our people can't collaborate on, because they haven't been blessed through the technology gurus that say this is a safe way to collaborate. Our people can't get our work done if they're not collaborating. To come into work and say you can't get on these tools because they're not safe, but they go home and they're on those tools. They're on LinkedIn, they're on Facebook. They're on these sharing what they're doing. They're pulsing their network talking about the problems they're trying to work on. And I'm not talking about security stuff. I'm talking about just general problem solving is not bound by the nine to five or the eight to five or the eight to eight work world or coming into a physical building anymore. And so, this whole blurring of lines is something we really have to tackle, because this generation, for sure, picks up and texts and does everything multi-tasking through technology. And I think we're struggling in organizations to tell them where those tools are and what they can and can't use, and they're like, "What are you talking about, I can't use Slack?" And this thing -- and I don't even know what these things are. But that's how they're doing it. Are they not using Slack to collaborate? And, you know, their network is broader than who's on the NASA payroll, which it should be. This is great.

Mr. Edward Allen

Excellent. Thank you very much, Doctor. My time is up.

The Honorable Mark Gearan

Commissioner Barney.



Mr. Steve Barney

Thank you, Mr. Chairman.

Dr. Kolmstetter, I was astonished, as the father of two data scientists, when I saw in your testimony that as far as the federal government's concern, their job doesn't exist.

Dr. Elizabeth Kolmstetter

Yes, let's go to that one.

Mr. Steve Barney

Can we go to that for a little bit? And I'd like to hear a little bit more, but if I could ask you think about this, as well as some of the other panelists, we continue to hear that in the private sector there's so much more flexibility in their hiring, and many in the private sector value the so-called soft skills. There's certain technical things that they want, but these soft skills, which I have to say for the benefit of one of our colleagues she refers to as essential skills, as being critically important. The idea being you get the folks who have the right kind of essential skillset combined with the technical capability you need, and then it doesn't matter what you call the position, because you can bring them in and make them part of the organization. Is there a place in our federal government system to have that level of flexibility and adaptability that says, "We don't need no stinkin' occupational standard definition," to more bring in the people that we know can add value? Can you help us?

Dr. Elizabeth Kolmstetter

Well, yes. I know that red light's going to go on before we can really do justice to that wonderful question.



Mr. Steve Barney

I know. I burned up all the time, I know.

Dr. Elizabeth Kolmstetter

But it does get to really that knowledge is an experience and the technical is one thing, and we'll check that box. But it is the fit and those other core essentials. We've done some studies, and it is about a growth mindset that continuous learning that curiosity. We've got to have that. Teamwork is big. When we're out and we're giving talks, we talk about learn to work with others and collaborate with other people who are different than you, who have different perspectives, who are coming from a different place, because that's going to make it richer when you come in to do our projects. So, we talk about teamwork. We talk about adaptability and resilience. I mean, we don't know what we don't know, and we have to be able to adjust quickly. Those are core, and there are ways to assess that before we hire somebody. Because if they come in and they want a structured, rigid, predictable kind of rule-following job that's not this job. There's some other jobs that are very much about standard operating procedures, and you must follow those, right? And so, looking at your work and going to what we were talking about earlier; your workforce plan, what skills and knowledges you need, and building that into your talent program. And absolutely its core, because having a bad fit is not a healthy thing to do. So, I think, absolutely, there isn't, but the data scientist is a big one, because OPM still doesn't have a classification. We're forcing it into math or statistics or computer science, and it's not a fit. And they gave me a list of 21 things that we have to do to justify what it's going to take to even classify that. And so, nobody has time for that. Look in the newspaper. Data science has been a field. And we were talking about somebody's children are in data. So, anyway, that's where we got to get off of task-oriented into more capability competencies in the skills. Which is why USDS can do it, and then they're paying people 15 level not in the classification standards that we're upheld to.



Mr. Steve Barney

Sure.

Mr. Eddie Hartwig

I have so much to say. Let me start very clearly by saying there's also no federal position description for designer that even though that is one of the core principles that the government should be best at, which is listening to the public before it builds products and creates services. The government does not have a position for listening to the public, what we would call human-centered design. Putting that out there.

Also, I would love to recruit your children. Can I get -- [USDS.gov/apply](https://www.usds.gov/apply)? I'm not going to be shy about that.

What I would say is USDS, and I'm wasting all my time, what USDS does is we use a single, general position description for every single person, which means that I use the same position description to hire a talent recruiter as I do to hire a software engineer. That's a digital service expert. It's a little wonky. The real mix of this is that underneath that are the core competencies that we hire for. Those competencies show the entire breadth of that, including EQ skills, fit and resiliency, the ability to communicate effectively with people that are not technical, for example. You might encounter some of those in government. What we do is we hire for those core competencies and also the technical competencies, but we allow people to be fungible. People apply on my website to be an engineer, and we say, "Hey, you've got more product management experience and engineering experience." So, we move them into the products. We don't say, "Sorry, you applied to be an engineer. You're not an engineer." We say, "You're a talented person. We're going to move you where you have the best chance of getting on this team, and then we're going to test your technical skills to make sure that you have the core competencies that will get the job done." And then when we're done with that, if you have a perfect score across the board, but you have poor fit in interpersonal skills, we will not hire you.



It is the core of what we do; it is our ability to work with others. We take people, and we put them on self-assembling teams of five. We give them an impossible mission, and we expect them to succeed. We have a policy where the bigger the problem we're trying to solve, the smaller the team we deploy is. Small teams like that are great at cutting through bureaucracy, but they don't work if they don't work well together.

And so those EQ skills; one-third of our entire interview process but fifty percent of the weight in that process falls specifically on interpersonal skills and the ability to get along as a team. And I cannot express enough how much we should be pushing for that in government, because, again, even in my world, this is not a technical game. This is a game of interpersonal relationships.

Mr. Steve Barney

Sure. Thank you, sir.

The Honorable Mark Gearan

Thank you.

Commissioner James.

Ms. Jeanette James

Thank you.

I'm curious about one comment that I heard recently. The commission was out at a university, and I had the opportunity to speak with some of the students. These are graduate students that were getting ready to graduate. I spoke with one young woman who was expressing frustration with the hiring practices of the U.S. government or the federal workforce. And one of the things that she talked about was that she had a certain skillset that she was trying to market,



and she was interested in working for the federal government. But when she tried to fit her skillset into the job descriptions on USA Jobs, and she found one that she thought would fit with where she wanted to spend the next part of her life. But what she noticed was that part of the job description or part of the requirements is it required a particular degree of a particular name; a Masters of pick your degree. That's not what she was getting. She was graduating with a different degree. It had a different name. But from her perspective, she was being locked out because apparently the flexibility, perhaps, among what the academic world is awarding as degrees did not fit.

So, I'm curious, from your perspective; I'm seeing head nods. So, I feel like I'm hitting on something here. But from your perspective, how often are you running into that, or how often are potential candidates running into that disconnect between what their degree and their skillsets are and what the federal workforce description is?

Dr. Elizabeth Kolmstetter

Okay, well as the personnel psychologist here, and that is not a name for my field, I know, because the industrial organizational psychologists don't know how to find jobs on USA Jobs. I mean, it's old terminology that's used in old standards of jobs that's defined in predictable, static work language, and it doesn't keep up with the new degrees. And I'm big on multi-disciplinary or even envision mixtures or different names. We don't have one name of anything. So, one thing we haven't touched upon is this whole movement to artificial intelligence and natural language processing machine learning. And what the private sector is doing is they are not using just one terminology. They are able to look at candidates, and I think it's more like what you're doing, and take lots of those terms. And the computer, the technology can figure out, "Oh, this might be something you're looking at or would be good at," and it pushes opportunities to candidates, who might just. And then they look at them like you did and said, "Well, this isn't maybe a great fit here, but here's three other things the person can do." And it's not so defined, but we're not in that system. We are position based, and we are not talent based. And that is a big shift to talent based, where we can go to different skills, different degrees, or no degrees and look



at what that person's bringing as a bundle of a whole person's experiences and capabilities to some work that we have to do or a role that we have.

So, yes, you're spot on, and it's hard. And that's why I think a lot of people get turned off by USA Jobs. They spend hours trying to figure out what something's even called, and they search on their degree term and it's not coming up and then they're asking. So, we probably need some kind of a maybe a glossary for some of the terms, but I would go to technology to do that. I think that's the solution to help navigate and if USA Jobs could put that at the front end or people could put that in and then it would push to them how these are actually what those kind of skills or technical qualifications would be a match for. And I don't know if it's going there or not, but that's private sector.

Ms. Jeanette James

You want to answer on this?

Mr. Travis Hoadley

Sure. I would add that, you know, we hear this as a problem every day, and it takes on a unique kind of flavor in the cybersecurity space, where the field of cybersecurity is not professionalized to the degree that some other fields are. So, it's not accounting, right? We have people coming out of even master's degree programs with cybersecurity policy degrees that don't necessarily align to the work that we have at the department, but they also certainly don't align to the categories that we hire people in, right? They don't have an electrical engineering degree. They don't have a computer science engineering degree with specific hours of specific types of math that OPM designated 25 years ago as required. So, we really have to break outside of that model where we look to professional degrees for some of these critical skills, because they're not the best measure.



Ms. Jeanette James

Thank you, Mr. Chairman.

The Honorable Mark Gearan

Commissioner Haines.

The Honorable Avril Haines

Thank you. I want to say my strategy worked, because other commissioners asked some of the questions that I had. So, I'm going to put out three of them and see how far we can get. One of them is, Mr. Hartwig, you noted that you recognize that USDS enjoys unique benefits that many other government agencies lack in your testimony, and one question is just would you actually recommend that there be a version of USDS in a series of governments and agencies, and what would be the challenges with that? So that's one question.

The second one is, Mr. Hoadley, DHS, I think in 2014, established this sort of cyber talent management system. Can you just provide to us kind of lessons learned from that, and the degree to which that's been useful?

And then the third one is I was so happy to see in the context of the U.S. Digital Service discussion in your testimony, frankly, this discussion about the diversity piece. And it is one of the challenges that I think many of us, we see the value and the need for more flexible hiring, for excepted options, for ways of structuring us in a sensible way to get to the talent that we need given the global marketplace, as others have mentioned. But there is this potential tradeoff that you're ending up in, where if you're not, you know, providing a consistent system by which you're posting jobs; by which you have broad options for people to see what's available, right? There's this question of whether you're losing some of the fairness piece in the process for, you know, trying to get to the talent that you're most interested in. And I'll just, to sort of sharpen



that a bit more, say as follows. I think I can see how your approach deals with some of the gender bias potentials for example, right? But one of the concerns in the context of thinking about talent management and focusing in on talent in the context of your job recruitment approach is, one, that if you're doing personalized recruitment and you're working in that way, you may end up tapping into networks and you may not get to the networks who typically don't think about or are necessarily propensed for public service, which we may want to get to as a country in order to ensure that we have the broadest diversity in the context of serving the government.

And, secondly, we've had folks come up to us at times in the context of conversations about skillsets say, "But isn't that just another form of elitism?" In other words, yes, you are going to need to get to some skillsets that are quite clear and necessary, and they may not arrive in the context of the U.S. government, but don't you also want to bring in people who don't have skills and develop those skills within the U.S. government? And thinking about it from that perspective, should there be a different approach to these things? So, any comments on that last one, too?

Mr. Travis Hoadley

I'll start at sort of the beginning of the question about the authority of the department received in 2014. So, Congress gave the Secretary very broad authority to sort of re-envision human capital for the cybersecurity space, and that included an exception from some of the things that we've been talking about today, like classification; if a position needs classification. I will say that we are still in the process of building what that replacement system will look like, because it's extremely hard. It's extremely hard to break out of the mental models that we're all familiar with that are associated with civil service employment and to create a new, fair way to do some of this work; whether it's describe what a job might be, screen applicants against that jobs, test people for specific skills, re-envision what recruitment looks like, it's very difficult to build that merit-based system that looks like the 21st century and looks more like what private sector companies are doing today. So, we're working to do that, and we hope that later this year



we'll have more to share about the lessons learned that we have. But it's a very challenging thing to do.

Mr. Eddie Hartwig

I've got, like, 30 seconds to answer to big questions. If I get quoted today, it's going to be for this. I think fairness is overrated. I think the fairness of the system that we have designed is fair in the sense that everybody can get to it and find it technically, but let's talk about self-certification. A lot of psychology tells us that men overestimate their abilities, and therefore, I really am an expert at everything, right? But women tend not to. And therefore, they underestimate their abilities. The fairness of the current system leads to wildly unfair results. I have needs. The government's safety net is falling apart, not because of politics and not because of bureaucracy, but because of technology. And we need to meet those needs, or we're going to literally enter a recession, because Medicare is that big. We are going to lose our social security system, because it is 60 years old and comprised of one hundred million lines of code that no one can read and understand. I need to fix these things. I feel personal responsibility sometimes to fix these things, as ridiculous as that sounds, and to do that I need really, talented people. And I'm going to go find those people, and I'm going to recruit those people. And when I do that, I need to make sure that the system that they build is inclusive of everyone in this country. So, if that means that I spend my time Lesbians Who Tech, and Grace Hopper, and Afro Tech, that's exactly what I'm going to do.

So that being said, we do try to cast a wider net, also. So, we have a targeted approach, obviously. I just explained it. But we also have a broader approach which is we engage in civic, tech, and technology press, so that we can get a general understanding of what we do out there. And so, what I would say is that about half of our recruitment comes from people who are inside our network. So, referrals from inside, they have a conversion rate that's seven times better than others. But also, we, especially by the way when it comes to diversity, but also we try to cast a general net with technology press so that we get about 17 percent of our applications that are cold applications via having heard something on the news or a podcast or normally, like, you



know, Ars Technica or hacker news. I'm much more interested in Ars Technica than I am in the Washington Post. But everything we do is in some way targeted, because everything that we are doing is filling a specific niche. And to do that, I don't have the time to look at people's self-certification. What I need is I need to have a subject matter expert, to your question, look at a resume and say, "Hey, I'm an IO psychologist. I know that a personnel psychologist is complete BS, but I know that because I'm a human being and I'm good at deciphering the differences between these things." And therefore, by having that person involved early on in the process, we're able to weed out those oddities and focus on the quality of the candidate. What we're just trying to do is get that initial vet, get them in, and then let their skills shine or not during the interview process, which is a very fair and structured thing.

So, we have asked for, in terms of fairness, and I apologize for the time. But what we have asked for in terms of fairness is to certify the process itself; to say, "We're going to do X, Y, and Z, and we're going to do it consistently. We're going to do it fairly. And we're going to apply the same principles to everyone within this box," but you've got to trust that what goes in the box, like, whatever comes out of the box is of quality. That's how I can hire a 17 or an 18-year-old. I can't hire a 17-year-old. I can hire an 18-year-old, who's an 18-year-old in one day, right? But if you can trust and certify that, then you can look at the output metrics over time and judge whether or not we're failing, and we can adjust to do that. Hence publishing our diversity statistics, for example. But we need the ability to target our recruitment, especially in critical skills, if we're going to succeed not just at competing with the private sector, but in the basic functions of what we are supposed to do as a government.

The Honorable Mark Gearan

That's great. Very thoughtful, thank you.



Mr. Tom Kilgannon

We were talking about recruiting for these specialty skills from the existing talent pool, but part of this at a deeper level, I guess, it's an equation of supply and demand. And so, I put this question to any panelist who'd like to tackle it. Is our education system, our high schools and our colleges and universities, are they doing enough? Are they doing the right things to turn out the talented individuals that you need with the knowledge, the education, the skillsets that you need to recruit from? And if not, what recommendations might the commission make to help that along?

Dr. Elizabeth Kolmstetter

I mean, yes, based on our internship programs, we can say if we're talking about early careers. It's converting them into an employee that is the challenge. So, we see a lot of talent that we may not be able to reach. I would say that when we do give these talks, we were right on the question earlier, we're really emphasizing teamwork, the interpersonal skills, some of the things that maybe they're not getting emphasized as much as their academic, GPA, or learn this technical field. And we want them to not come to us where we have to train them how to get along and how to be professional in the workplace. We want them to already have some of that, and their problem solving is collaborative. And then through the technology and bringing those to bear with our mission, because that's what they're bringing that's new to many of us who didn't grow up native to the technology and how to use data to drive decision making. So, I think that they're bringing new things that we haven't yet even experienced as an organization, which we have to find a way to empower them and bring that to light quickly. But we also need them to work, be able to hit as an employee, I think, very importantly, so we emphasize that. And we try to give them those experiences as an intern; even if, you know, if they come to another agency that they've understood how to work in a federal government and what it means to be a civil servant and what your commitments are and things like that. So, I think some of those soft but



necessary, like the essential skills, is something that we do try to tell skills, academic institutions to focus on as well as the academic.

Mr. Tom Kilgannon

Other panelists?

Mr. Travis Hoadley

Sure. I would offer as a former humanities major that the professional skills, as we like to call them at DHS, are very important. And so, to the extent that we can emphasize critical thinking, problem solving, communication, we need to make it clear to academia that those remain important just as much as specialization in a particular profession. And then when it comes to technical skills in a specific mission area, we probably need to do a better job as agencies in terms of articulating what we're looking for. We're not doing a great job today describing what cybersecurity means at DHS, what cybersecurity means at NASA, *et cetera*, so that they can make sure that their curriculum is aligned to the mission outcomes we have.

Mr. Tom Kilgannon

May I?

The Honorable Mark Gearan

Go ahead. No, no, please.

Mr. Tom Kilgannon

Well, I've got a big question after that, so why don't we.



The Honorable Mark Gearan

I think you were running low on time, so that's okay.

Mr. Tom Kilgannon

Fair enough.

The Honorable Mark Gearan

I'm the Chairman here. Don't take my job.

Mr. Tom Kilgannon

Well this is a big question, and it goes to something, Mr. Hartwig, you just said. You need to hire people to solve these very important problems that may be at crisis level. And not really looking for an answer today, but maybe if you have something to offer to this question which will soon be posed and an ability to work with our staff after this hearing. Have you thought about and could you help us after this hearing, any of you, not so much how to recruit people with these skills that are needed, but in a crisis situation, how to conscript people with these skills? If you have input on that and are willing to help us, just raise your hand and we'll follow up with you.

Mr. Eddie Hartwig

I certainly have thoughts about conscription. But sure, I'm happy to talk about it after this.

Mr. Tom Kilgannon

Great. Thank you.



And, Doctor, please?

Dr. Elizabeth Kolmstetter

Yes, sure. Happy to. There's some examples

Mr. Tom Kilgannon

Thank you, Mr. Chairman.

The Honorable Mark Gearan

Commissioner Khazei.

Mr. Alan Khazei

I just want to build off of what my fellow Commissioner Kilgannon's first question about universities. Mr. Hartwig, you mentioned that you had student loans. When you first got your first job, you got paid \$38,000.00. The Department of Education, the general accountability office recently released a review of the public service loan forgiveness program, finding that 99 percent of the people were denied. I want to find out more about why, but to what extent, and this, I guess, is for first Mr. Hartwig and then for Ms. Klement, to what extent are student loans a barrier to getting talented young people with critical skills or important skills to join federal government service? And what can we do about that, or what other benefits could be provide? Should we keep the loan forgiveness program in place? Should we make it easier to get accepted for it? Thoughts on that; I guess we'll start with you since you brought it up, and then Ms. Klement.



Mr. Eddie Hartwig

I'll say that when I, just to be quite frank, when I joined the federal workforce, I think I had \$180,000.00 or more dollars in student debt, and the state department offered me a student loan forgiveness program of up to \$2,500.00 a year, which didn't pay for, if you combined that with my wife's student loans, 1 months' worth of payments that we were making. So, you should have programs, and I'm not sure which program you're referring to, but if it's the one where you do 10 years of civil service, right? And then you had to serve from 2008, not 2006, and all this stuff. The average tenure for a technical employee, actually, the longest tenure, average tenure for a technical employee in Silicon Valley is at Apple right now. A report just came out, and it's 4 years. It's not an incentive at a 10-year rate. I think if you had a progressive scale that matched something, say, like equity in the private sector, in the technology sector that said, "Hey, if you work here for a year, we'll pay off one percent of your student loans. If you work here for 2 years, we'll pay off another 2 percent of your student loans," and you had increasingly payoff plans that would incentivize people to stay longer, like which is exactly what the private sector does in my industry, I think something like that would be far more attractive because it would allow people choice but it would also allow people incentives to stay.

Mr. Alan Khazei

Ms. Klement?

Ms. Jessica Klement

In anticipation of this question, I gathered a few statistics that I thought were shocking. Among the class of 2018, 29 percent of college students took out student loans. So, 30 percent graduated in 2018 without student loans, the average debt being just shy of \$30,000.00. Our country as a whole has over 1.56 trillion dollars in student loan debt, spread out among 45 million borrowers. The average monthly payment is just shy of \$400.00. To say the cost of higher education in our country has sky-rocketed would be an understatement. And if you are



someone with \$180,000.00 worth of student debt and a federal agency is offering you \$38,000.00, or let's even say, you know, \$80,000.00, is that going to be your first choice of an employer? Probably not.

To your point about the 99 percent that are denied, a lot of it was process based. The process being too complicated, too cumbersome, too confusing that the application itself was wrong. It wasn't that they didn't qualify. It's that they didn't answer the questions right to prove that they qualified for them. I think that was one of the problems in there. So, the process is broken, right? Absolutely the student government needs a student loan repayment program. This is becoming more and more common in the private sector to attract those with high student debt, and the federal government is limited to how it can compete with salaries, right? So, to offer a program like this makes up for the fact that the federal government has a limit on how much it can pay its employees. But we need to make sure the program works. We need to make sure people can apply to the program, and then once they do, once we fix this so 99 percent of applicants are not denied, we need to market this as a benefit. It shouldn't be once you are hired; you are informed of this benefit. It should be part of the compensation package. That is just a given.

I was working on the hill when this was rolled out in my congressional office, and it undoubtedly played a role in retention. With my fellow colleagues, I love the idea of a progressive scale. You get \$2,500.00 a year your first year, but you get double that your second. I think that's a great way to incentivize federal service.

Mr. Alan Khazei

Great.

One quick question, Mr. Hartwig, you've demonstrated, laudably, creative hiring practices. You have special authorities with the U.S. Digital Services. Commissioner Haines had asked, do you think other departments should have like a version of what you guys do, other federal agencies?



Mr. Eddie Hartwig

I mean, I think a lot do, right? Direct hiring authority, like, ours is not so different from direct hiring authority other than the limit is shorter. I think it's great as a short-term gap. I think I mentioned this earlier. I don't think it's a long-term solution unless we restructure the needs of the federal government away from a 20-year career and towards 5-year stints of duty and make government a civic service that everyone should do as part of their lifetime, which I'm not against, letting people in and out of the government fluidly at different levels. I think it's a fascinating concept that would require a great deal of bureaucracy to be dismantled and then rebuilt. But, sure, it can be done. I will tell you, to Ms. Haines' question, we do have four separates, we actually have five digital services. There's the U.S. Digital Service in the executive office. There is a VA DHS, HHS, and DOD Digital Service. Having said, we centralized the hiring pipeline for not only simplicity purposes, but also so that we can distribute talent to where it's needed most effectively. And then we actually have a very fluid system of moving talent around. So, when a skillset is no longer needed in one agency or is needed at another, or if we need to respond quickly to an emergency like the OPM breach, we can and do. So, then we provide a service to the entire government. I do think that there needs to be some centralized function like ours in order to respond up and until the point where we feel that the government has been technically stabilized.

Mr. Alan Khazei

Thank you very much.

The Honorable Mark Gearan

Commissioner Skelly, I know you thought about earlier.



Ms. Shawn Skelly

But the light was still green when we finished, so I think I've got some in the bank.

The Honorable Mark Gearan

Time's up. No, go ahead.

Ms. Shawn Skelly

Thank you. And I'm looking at the clock. I will get us in.

Mr. Hartwig mentioned a few principles in parts of his earlier testimony about government generally being risk adverse. Yes, we all know it. If you've been there, you know it; you felt it, you lived it. You also mentioned the aspect of when trying to get things done, trust, and those that you've empowered to do something. The federal personnel systems, and, Mr. Hoadley, in your testimony up there about the history of it, why it came to be, how we got there, why it probably no longer probably is a good fit; so to change it, you got to pitch it to people who accept it, both for people who use it in a large organization and pitch it to the people who get affected by it, Ms. Klement, and to get Congress to approve it. There are reasons why it came into being and some which had to do with abuse and, you know, decades if not a century ago. And there's also a risk, even if you get it approved, there's risk that implementation that the culture's not really good for. You know, things. I worked in a role that was all about risk for a decade. And it was going fast, break things. I trust you to bring me back the results, and I'll accept the breakage.

Mr. Hoadley, with the things that you're trying to do with the cyber management within DHS, a very large and very broad, diverse organization; how do you get by it and get trust to accept the risk involved?



Mr. Travis Hoadley

Sure. I think part of what helps is the stakes are so high. So, to continue to do business the way that we're doing business now, it's just not acceptable, because we're not able to gain or keep the talent that's critical for accomplishing the mission. I think though, you know, we talked about change management and culture change earlier; it's a huge culture change. And I think it requires sort of artful communication about what matters, both to employees, prospective employees, and then stakeholders. So, we need to speak in language that people understand about some of these technical human capital things, so that people can buy into what the outcomes will be, understand the risks, and make that judgement. So, we try really hard to. I say a lot on the team, "Can we talk about this like a human," right? So, can we talk to employees as if they're human beings? Can we talk to Congress, to leaders in the department in a way that they can understand what the different issues are that we're weighing and the solution that we're proposing for them?

Ms. Shawn Skelly

Thank you. And, yes, Ms. Klement, I want to go right to you, because I could see how employees would not only see risk, but threat.

Ms. Jessica Klement

So, in my previous job, I did this job at the Federal Managers Association, and while I was there, their DOD managers were rolled into the National Security Personnel System and rolled back out. So I did a lot of work on that system in my previous job, and when the Department of Defense was selling this new personnel system to Congress, "We need this," the talking point from the Secretary at the time was, "Twenty percent of DOD employees are underperforming, and I need this system to fire them. I can't fire them under the current system that we have." Well, no kidding employees felt threatened, right? You have the Secretary of Defense telling Congress that 20 percent of the department's employees are underperforming and



need to be fired. The managers have all the authorities they need to fire employees. I think we need to get to the heart of why they don't, not whether or not they have those authorities. They do under the confines of Title 73 and 45; one of those.

So, it's all in how you approach it, right? It's all in how you sell it. And I can tell you that was absolutely the wrong approach. It put every employee on the defensive. There was not buy-in from military leaders who oversaw civilians who had no idea how to assess performance because they've never had to and, quite frankly, the anecdotal evidence that I heard, didn't want to. It became a writing contest. It became who knew how to sell their skills better than the person sitting next to them, and who could articulate them better. That buy-in from the top, the narrative from the top, I think, is crucial in selling a new personnel system.

Ms. Shawn Skelly

Thank you.

Thank you, Mr. Vice Chair.

The Honorable Mark Gearan

Thank you all very much. Let me just conclude with a quick lightning round, because some of you have talked about the urgency of the moment.

Give us the title of the chapter in this section of our report to build on Commissioner Khazei's question about how we break through. If you would, assist us. Give us a punchy breakthrough.

You said, "No Time to Wait," is the title of your report, right?

Ms. Terry Gerton

"No Time to Wait," was the title of the last one.



The Honorable Mark Gearan

Of the last one.

So, give us a version of that.

Ms. Terry Gerton

I would say we're out of time.

The Honorable Mark Gearan

We're out of time?

Mr. Eddie Hartwig

Okay, give me a second. Let me pass it down the line.

Mr. Travis Hoadley

I would say, "New Human Capital for a New Age."

Ms. Jessica Klement

I'm trying to recall the conversation we had with some of the commissioners, and if there was one takeaway what would it be. And ours was placing a value on public service. And off the top of my head, I can't come up with something quippy to capture that, but that's really where we're going. Because none of these things matter if we as a nation do not place a value in public service. So, something along those lines that I'm sure I will come up with, you know, at two o'clock in the morning as I'm awoken from a deep sleep.



Dr. Elizabeth Kolmstetter

The federal government is sitting on the wrong architecture for the American people in this country to serve them in the way that they deserved to be served. Period. Now is the time; we're out of time. I'm with Terry.

Mr. Eddie Hartwig

I think I'll defer to our first core value, which is that the heart of everything we do is hiring and empowering people.

PUBLIC COMMENT

The Honorable Mark Gearan

Okay. Well, we are literally out of time for this hearing, but we do so with our gratitude for your submitted testimony and all the thought and care that went into its preparation and for the great conversation today. So, to each and every one of you, thank you so much for being a part of this, and thank you, as it's been observed, for your commitment to the public good in so many varied and important ways.

So, we will now dismiss the panel as we prepare to turn over to our public section of today's proceedings. The commission is committed to -- and you get to leave now -- to transparency and openness with the public. In keeping with these principles, the commission intends to provide the public with an opportunity to deliver public comments during our hearings. As a reminder, in order to have the greatest opportunity for as many participants as possible, if you would like to offer a comment, please come up to the front. There's a microphone right in the center of the aisle. We ask that you limit your remarks to a 2-minute period per speaker. And the lights will indicate that. When the light goes yellow, you have 30 seconds remaining.



So, we have numbers that I'll call forth: 79, 77, and 78 that I call forth to provide any important testimony to us; public comment: 79, 77, and 78.

Ticket Number #79

Hi, I'm Peter Jesella, a Vietnam-era veteran. I joined the Air Force medical field rather than being drafted back in 1972. Yes, '72. This morning I commented on my disappointment that the interim report had no reference to the idea of moving initial registration to the 17th birthday for an on and off 1 year of conversation on the commissions second mandate. This commission's second mandate, I quote, "increasing participation in military, national, and public service as a means to strengthen our nation." This 1979 bill also proposed that at the 18th birthday basic feedback of yes, no, or maybe to a serious consideration of voluntary or contractor service would be required. Each year, much realistic data would be gathered about the next voting age/generation's views on the ethos of our nation's wellbeing. May be allowed for consideration up to age 23's birthday. I hope the commission can get input from experts on this requirement.

Another critical consideration of the second mandate is changing the name of the selective service to better reflect this new mission. After 9/11, President Bush challenged Americans to perform 2 years of service in Executive Order 13254. It called for an inventory of federal service opportunities and regulatory barriers to community and other service activities. He also had a staff create the USA Freedom Corps. Dated December 16th, 2002, a White House letter from H. Christopher Bartolucci stated to me on behalf of consulting the President Alberto Gonzalez regarding the selective service system and participatory citizenship system. This is in reference to my suggested name. This was a one-percent reply from the hundred letters I sent to the staff at the White House referencing the above info on Executive Order 13254 and the USA Freedom Corps network, the old idea of moving registration to the 17th birthday and my name for requesting the selective service system, its primary mission and so its title. In the early 1980s I penned many letters to the Reagan administration about this 1979 bill, and Congress and Lia



Panetta's 1984 bill proposal for a National Service Commission, like this commission here, which died upon arrival in Congress with no support from the Reagan administration or democratic leadership in the Congress.

Thank you.

The Honorable Mark Gearan

Thank you, sir.

Ticket Number #77

Good afternoon. My name is Bill Galvin. I'm the counseling coordinator at the Center on Conscience and War, which supports conscientious objectors. And by the way, today, May 15th, is International Conscientious Objector's Day. So happy Conscientious Objector's Day, everyone.

Illinois has a law on the books that says if you've been classified as a conscientious objector, you cannot be a police officer. Now we're not talking about people who have violated the law, here. We're talking about people who registered, went through the process, got recognized, and then performed alternative service in the case of the draft. Or people who were in the military maybe served in Afghanistan or Iraq, and at some point, came to the realization what they were doing was wrong. Maybe they had religious conversion and they now say, because of my values, I can't do this anymore. And they get an honorable discharge in the military. If they live in Illinois, they can never be a police officer.

Now, to be honest, I don't know too many conscientious objectors who want to be police officers, but the whole concept of laws that say conscientious objectors can't do certain things really does rob the nation or that area of, you know, important and good, critical skills. Some conscientious objectors very carefully delineate the difference between what they do in the military and war and what police officers do to enforce the law. And they view one as a moral



thing and something they could potentially do, whereas being in the military is something that they can't do. And so, laws like this will prevent these folks from potentially having those jobs.

I have heard from a number of commanding officers that the conscientious objectors that they're dealing with were actually one of their best people in their unit before they had this change of heart, because the first word in conscientious objector is conscientious. These are conscientious people. They take things seriously, and they want to do their best. And we are harmed as a nation if we don't fully allow these folks to serve.

The Honorable Mark Gearan

Thank you, sir.

Ticket Number #78

Hi. My name is Li Yun. I thought that I had the first ticket, I'd certainly be allowed to speak. I testified this morning and before; last round. And I still think why are we still here to try to hear some basic -- I have a lot of trust for you to do, but still no resolution? So, you've got to find somebody to do this other than all those who are sitting there doing this conduct should be fired. So, as I said in my recent testimony before. I submitted it. There's one, a very simple one; avadavat that I followed at the time to support a no-fear legislative bill. But in there, you're limited to one page. So, I tried to make it very simple inside of one page for one modification. And in there, I described several, formal complaints, each with numerous complaint issues. They are all turned in, filed. There's some protective classes, for instance: the race, color, national origin, of which misconduct has been complained. And of course, when we say improper processing or complaint procedures, proceedings, and various violations of rules and laws and constitutional rights with all kind of adverse actions: consorted discharge, denial of sick leave, annual leave, suspension, and tampering, falsification of employment contract, any sick leave, providing of false data, or no data for research, forced record testimony, avadavat, denial of



hearings, and most complaint issues are just manipulated and dismissed. And I have went a decade now of litigation as I mentioned this before. I got to the Supreme Court twice, which of course cost a fortune. But at the time, the employer promised reinstatement, but no such thing happened. And there's not even the reimbursement of legal fees. Instead, they declined all my human rights, constitutional rights, and then litigation rights.

The Honorable Mark Gearan

Well, we thank you for that, and if you'd like to submit any further testimony, we will read it.

Ticket Number #78

Right. I understand. All my time is up. Mine is always last minute to first second, stop. But anyhow, I would ask you to really read this carefully, word by word. Because behind every word is a serious story. Our society is in serious trouble. The system is rigged. The election is rigged. There's no such thing; capitalism with liberty, freedom, and democracy. So, it's rigged. We must do something. America is sick; very, very sick. We need your help, since you're the commissioners. So please do something about it. Thank you.

The Honorable Mark Gearan

Thank you very much. Thank you for that.

Other members of the audience are also welcomed to submit any written comments to our staff at www.inspire2serve.gov. I thank again our panelists. Through their help, we'll be able to fully meet our vision of every American inspired and eager to serve.

With no further business before the commission, we'll bring this hearing to an end. Thank you.

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