

Public Service in the 21st Century: An Examination of the State of the Federal Workforce

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It is no exaggeration to say that the federal workforce is at a crossroads. Government—especially the federal government—faces unprecedented challenges, from running the economic stimulus and bank bailout programs to maintaining the vast array of ongoing programs. Public expectations are high and cynicism runs deep.

If we want government to work—in fact, if we as a nation are going to rise to the manifest challenges of the 21st century—we need a public service equipped for the job. That, I believe, requires resolving the following seven issues.

1. The federal personnel system is a non-system.
2. Public problems require human capital solutions.
3. We need to reform entry into the system for new government employees.
4. Federal service would benefit from enhanced lateral entry for experienced workers.
5. Managing government's new tools requires new skills.
6. We need stronger leadership development.
7. The Office of Personnel Management must play a larger role in developing the federal government's human capital.

1. The Federal Personnel System Is a Non-System

Using the term “the federal personnel system” is a stretch. The prime instinct of most federal agencies is that, if they can find a way to break out of the existing system, they’ll do so. The IRS and FAA led the way in crafting agency-based systems. The Department of Homeland Security and the Department of Defense likewise have sought to carve their own schemes out of the federal system. If these efforts are ultimately successful, the federal civil service system will cover only a minority of federal employees.

These efforts are an inescapable sign of the fundamental dissatisfaction that surrounds the current system. Top officials complain about the system’s inflexibility and the difficulty of putting the right people into the right jobs. Employees complain about the difficulty of negotiating the system’s arcane rules and procedures. Prospective employees sometimes simply throw up their hands in frustration.

What should we do about a system almost no one likes but which is rooted deeply in law and 120 years of political tradition? The first step is to remember why we created the civil service to begin with and why we made it into a system. Nineteenth century reformers argued that we needed a government that could give its citizens the government they wanted, that hiring and promotion of government employees ought to be based on what they knew instead of who they knew, and that the pursuit of the public interest ought to trump narrow political interests. Nothing has changed in the intervening decades. In fact, if anything, these values have become even more important.

But the civil service has become overgrown with rules and inflexibilities that, like barnacles on an ocean liner, keep it from sailing smoothly and swiftly to its objective. It is a sad commentary on the system that having individual agencies bail out of the system is preferable to fixing it.

The civil service system is more than just a transactional mechanisms for hiring, firing, and promoting employees. It is a mechanism for defining public value and bringing it into the government workforce. We need to revisit the values we want to develop and promote—and ensure that our personnel system does just that.

Any look at the public service for the 21st century has to begin by rediscovering the lasting values we want the system to represent and promote.

2. Public Problems Require Human Capital Solutions

In tackling these challenges, the federal workforce faces a stark paradox: Citizens and elected officials expect—rightly—that federal employees will produce high-quality results in exchange for the hard-earned tax dollars they spend. However, most federal employees do not control the programs they are charged with managing. They typically

have only loose leverage over the policy tools they are given—contracts, grants, tax expenditures, loan programs, among others.

This paradox lies at the core of many ongoing public problems. The Government Accountability Office has identified 30 “high-risk” areas: programs especially prone to waste and abuse. The management of the workforce—and the creation of human capital—plays an important role in 18 of the 30 areas, GAO concludes. Moreover, it is impossible to solve *any* of them without a high-quality workforce. In making government work well, human capital is government’s most important asset. That, of course, is the key to all effective organizations everywhere.

Government problems are, at their core, people problems. Only skilled people can fix them.

3. We Need to Reform Entry into the System for New Employees

The point has been made in a host of different ways: Entering federal service takes potential employees down a long and winding road. Many prospective employees simply give up before they get to the end of the road. Others are hired away by other organizations who can move more swiftly. Yet others simply decide not to bet their future on such a complex process and never try, because they believe the process is too intricate to master.

The key point is inescapable.

We must lower the procedural barriers to recruiting the best workers into federal service. Making the federal government an attractive place to work requires, as a first step, making it easier for superior candidates to enter federal service.

4. Federal Service Would Benefit from Enhanced Lateral Entry

The government’s recruitment problem extends to experienced professionals. If we know anything about today’s most talented younger workers, it is that they are looking for challenges, they want to make a difference—but they do not expect to work anywhere for an entire career. The career-driven orientation of the civil service system, therefore, risks falling out of step with the very people it most needs to recruit.

A key symptom of this trend is the difficulty that the Presidential Management Fellows Program has in retaining the individuals it works so hard to recruit. Just one in six individuals nominated by their universities is actually hired through the PMF process, and many of them leave after a few years of service. More broadly, three out of ten of federal new hires between the ages of 20 and 24 soon quit federal service. One of eight people aged 25-29 leave the workforce.

The federal government invests great energy, effort, and money to train the best and the brightest to work somewhere else. The federal workforce needs to create strategies to make it easier to hire skilled individuals into higher-level positions. In particular, the Presidential Management Fellows Program ought to be revamped to create a category of “superfellows,” hired from outside the government into the GS 11-13 levels, to help the government rapidly acquire the high levels of skill that 21st century government will require. With broad experience outside government, these new federal employees will be even better equipped for the kind of leadership that the government requires.

Moreover, the government would benefit enormously from the proposed Roosevelt Scholars program, which would create a ROTC-like program to provide financial support to leading students with high-priority skills, in exchange for their commitment to spend a fixed number of years in federal service. Such programs have proven invaluable in recruiting talented leaders for the armed services. They could work just as well for recruiting the mission-critical skills the federal government needs.

The federal government should aggressively build new programs to recruit the smart and motivated younger workers it will need: through a “superfellows” program to hire seasoned employees into the GS 11-13 levels; and through the Roosevelt Scholars program to provide ROTC-like support for individuals training in mission-critical skills.

5. Managing Government’s New Tools Require New Skills

Indeed, as I argue in my book, *The Next Government of the United States: Why Our Institutions Fail Us and How to Fix Them* (W.W. Norton, 2009), no organization, government or otherwise, can encompass or control any problem that matters. This paradox doesn’t prevent government employees from becoming lightning rods when trouble brews, but because their leverage over tough problems is often only indirect, fixing those troubles proves an enormous challenge.

That’s especially the case for the two mega-programs that the federal government is now administering: the \$800 billion stimulus package and the bank bailout programs. Getting the money moving, making sure it flows to the right places, and tracking its results will require the highest level of skill and the very best of leadership. It’s a central problem for the public service. Moreover, the skills at the core of the stimulus and bailout, especially the redefinition of transparency, are likely to endure long after these programs have ended. They represent long-term challenges for government and the federal workforce.

Here’s the challenge. We look to federal employees to solve big problems and to ensure that important programs work well. But these employees do not themselves manage most programs directly. They do what they do through leverage over complex partnerships that stretch across the federal, state, and local governments; across the public, private, and nonprofit sectors; and across international borders. Ensuring success requires management skills that go considerably beyond management capacities that emerged from the era of traditional hierarchy. Accountability requires new skills, especially in

honing new approaches to transparency. This is a cutting-edge challenge. It will require the best that public employees can bring to their jobs. Success in public programs—especially in the critical stimulus and bailout programs, will depend on how well public employees master these skills.

Government's most important programs require new management techniques, especially in enhancing transparency. These techniques, in turn, require a smart, new public service for the 21st century.

6. We Need Stronger Leadership Development

As the federal government finally began to save New Orleans from drowning in the tough days after Katrina struck, we learned an important lesson. All of the federal agencies and their leaders who were involved in the effort tried their very best. The ones who made the biggest difference came from organizations that took leadership development most seriously.

That was especially the case for the Coast Guard. From Admiral Thad Allen to his front-line officers, the Coast Guard proved nimble and effective in tackling the enormous—and enormously varied—elements of the crisis. The key, Admiral Allen said later, was simple: “we give our field commanders a mission, an area of responsibility, and their own resources and assets, such as cutters and aircraft, and then we leave it up to them.” The Coast Guard succeeded because it made all of its officers into leaders, and it developed a conscious strategy for developing its best leaders into the organization’s leaders.

In most of the rest of the federal government, however, leadership development is haphazard, if it exists at all. The nation’s leading private companies teach an important lesson, in contrast: human capital is the foundation of success, and the development of leaders can’t be left to chance.

The federal government must develop a coherent strategy of leadership development to ensure that citizens get the government they expect and deserve.

7. The Office of Personnel Management Must Play a Larger Role in Developing the Federal Government’s Human Capital

If the federal government is to be successful in the 21st century, it must attack and solve these problems. But that, in turn, requires the Office of Personnel Management to develop a stronger strategic capacity. OPM must be the central nervous system of the government’s people network, with a wide-ranging view of the capacities the government needs and how best to put them into place.

In other nations, ranging from New Zealand to Denmark, the government has put strategic thinking about its people systems at the core of its work. The United States, however, has slipped from the world’s leaders in strategic thinking about the capacity of

government's workers. It is little wonder that government performance too often suffers, for the government does not spend much time thinking strategically about how to ensure effective results. Moreover, the once robust OPM data collection efforts have been allowed to atrophy.

With new policy challenges multiplying—managing the stimulus package, the bank bailout, government contracting, food safety, and a host of other puzzles—government needs to think seriously about what people skills it needs to ensure these programs work well. That strategic thinking ought to come from OPM.

The Office of Personnel Management ought to take a far more aggressive role in strategic planning for the nation's workforce, especially in how best to identify and develop the management capacities needed to ensure success in the nation's most important government programs.

Conclusion

The new century has dealt the nation a collection of huge, sometimes surprising challenges. It is no exaggeration to say that our success as a nation—and the ability of our government to lead—will depend on the ability of our government's employees to produce the results we expect. Success is within our grasp, if we take the steps required to build an effective public service for the 21st century.