Insights on the Federal Government's Human Capital Crisis: Reflections of Generation X

Winning The War for Talent

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PARTNERSHIP FOR PUBLIC SERVICE
A non-partisan organization dedicated to revitalizing the federal civil service.

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Executive Summary
Section I

I.1 Problem and Background

The federal government is facing a human capital crisis of critical proportions as a large part of its workforce prepares to retire in the next few years, and as the recruitment and retention of young talent becomes increasingly difficult. The focus of our work is to address the problem of recruiting and retaining the best and the brightest of Generation X, by providing insights into what such talent feels about their jobs and what can be improved.

I.2 Methodology

To obtain ethnographic insights into the minds of young, capable Americans who have work experience in either the federal government or large corporations, we interviewed 25 alumni of the MPP program at Harvard University's Kennedy School of Government and 20 current students at Harvard Business School who have substantial work experience in Fortune 500 firms. Our findings are based on extensive one-on-one interviews conducted largely in person.

I.3 Findings

Many young professionals who work with the government do so because they care deeply about public service and the impact they can create. However, many of these individuals are not happy in their jobs. In both of our samples bureaucracies exist, and talent resents the impediments that it creates. Yet there are several measures that the private sector is able to take which result in a higher level of happiness in their employees, and which could translate into a higher level of retention and recruitment in the federal government. Our major findings include five key areas:

- Roles and Responsibilities
- Management
- Evaluation
- Career Progression
- Reaching Out

I.3.1 Roles and Responsibilities

We found that professionals in government have a high degree of access and influence in decision-making that they value. However they do not have immediate authority and ownership.

Thus the broad role they play is more that of support to a senior decision makers as opposed to having the authority to address an issue or a problem and having ownership of the solution.

I.3.2 Management

The quality of management and leadership at the workplace is very important to helping people to excel, and we found substantial evidence of poor management practices, poor immediate supervisors and sub-optimal decision-making in the federal government. The causes of this include management deadwood that results from poor promotion criteria and a lack of opportunities for leadership and managerial experience. The situation is worsened by the lack of effective mentoring, the absence of any upward communication and feedback, and the presence of political appointees in senior managerial positions.

I.3.3 Evaluation

Energetic, ambitious and capable talent seeks an environment of growth and values a culture of performance. The government in most cases fails to provide this to its employees. Government as well as corporate talent feels that there is some peer deadwood and free riding that is tolerated in large bureaucracies. Corporations, however, are often good at identifying high and low performers, and communicating their level and the consequences of staying in those levels—in other words, a well-communicated fast track program. We found very little evidence of the presence of such measures in the government. As a result, peer deadwood exists, and in many cases such individuals are promoted to middle manager positions in the due course of time.

Further, government agencies do a bad job of evaluating professionals on their work, and providing them with useful feedback. Government professionals feel that they are not evaluated properly, that their annual goals are more transactional and less developmental, and that they are not rewarded or recognized for their efforts. We also found evidence of less collegiality and collaboration in some of the agencies, thus giving rise to a negative office environment.

I.3.4 Career Progression

Professionals in the government are frustrated by the lack of clear career progression, increases in their compensation levels, and quite importantly, a change in their responsibilities and challenges.

I.3.5 Reaching Out

In addition to these issues, government agencies also do not reach out to talent. There is no recruitment strategy, the processes are not smooth and talent friendly, and there is little effort in building a presence on college campuses. This results in low levels of awareness in talent, and the proliferation of negative perceptions about the government as an employer.

I.4 Recommendations

The heart of this Policy Analysis Exercise is in the findings—where the innovation and value of our work comes from the detailed, ethnographic insights gleaned from examples, quotes, illustrations, and real life stories that we heard through in-depth one-on-one interviews. However, our findings revealed a wealth of insights into the types of changes necessary to enable the federal government to better recruit and retain Generation X. We are not experts in civil service reform, nor do we pretend to be. For this reason, our recommendations are not detailed roadmaps describing the pathways to reform. Instead, they represent our best judgment on the nature of reform required. While we recognize both the long history and the political complexities inherent in civil service reform, we feel we would be remiss in not offering the following set of recommendations, which flow directly from the five categories of findings:

I.4.1 Roles and Responsibilities

▶ Highlight and Market the Impact, Meaning, and Consequences of Work in Government Talent Retention Initiatives
▶ Long Term Strategy: Subdivide Large Organizations into Smaller Teams to Decentralize Decision Making Control Points and Devolve Authority

I.4.2 Management

▶ Routinely Provide Opportunities for Supervisory Experience in Grades Below GS-15
▶ Promote Only Those to Management Positions Who Have Demonstrated the Appropriate Leadership and Interpersonal Skills
▶ Institute Formal Mentoring Mechanisms

I.4.3 Evaluation

▶ Enforce a Multi-tiered Performance Appraisal
▶ Empower Agencies to Institute On the Spot Rewards and Recognition

I.4.4 Career Progression

▶ Launch PMI-Style Rotation Policy for all Staff

I.4.5 Reaching Out

▶ Institute an Aggressive Marketing Campaign Designed to Showcase the Strengths of Federal Government Employment
▶ Create a Government Presence on Undergraduate Campuses
▶ Long Term Strategy: Formulate a Comprehensive Government Recruitment Plan

Problem and Background
Section II

II.1 Introduction to the Problem

Generation X is the cadre of individuals born between 1961 and 1981. So-called "Gen Xers," today's 20 and 30 year-olds have been described as living in the present, liking to experiment, and looking for immediate results; selfish, cynical, and depending a lot on their parents; questioning authority and feeling like they carry the burden of the previous generations. Also known as the "MTV Generation," Generation X is perhaps most frequently derided as politically apathetic.

> Generation X does not trust much in government, and does not vote in high numbers: a 30-year study of freshman attitudes at UCLA shows the percentage of students who say that they 'want to keep up to date with political affairs' has dropped from more than 50 percent in the late 1960s and early 1970s to less than 30 percent today.[i]

All this has translated to lower levels of participation in government employment. According to a Hart-Teeter survey for a project of the Ford Foundation and the Council for Excellence in Government, young Americans prefer employment in the private sector to government employment by a 3 to 1 margin, or 66 percent to 23 percent.

II.2 Recruitment and Retention

II.2.1 Recruitment

Recruiting Generation X is proving to be a difficult prospect for government. According to a survey by George Washington University, less than one in ten Phi Beta Kappa college graduates rated the federal government as their first choice employer.[ii] Even if they wanted a job with the federal government, six in ten of these graduates said they wouldn't know how to get a job in the federal government, and nine in ten said that the process would be long and burdensome.[iii]

But what of young Americans whose values are aligned with public service? A study by the Brookings Institution showed that the percentage of students from the top graduate schools of public policy and public administration that go on to work for federal, state, and local governments has fallen from 76 percent in 1974 to 55 percent in 1988 to 49 percent today.[iv]

Indeed, at both Harvard's John F. Kennedy School of Government and Syracuse University's Maxwell School, the percentage of master's degree graduates that work in government has dropped by 50 percent over the last two decades.[v] According to Dean Joseph S. Nye of Harvard's Kennedy, "In 1980 three-quarters of the young Americans graduating from Harvard's John F. Kennedy School of Government went to work for government. Today, only a third do. The numbers are similar at other schools of public affairs."[vi] The same is true for students in other graduate schools disciplines. The National Association for Law Placement reports that the percentage of law school graduates entering government has been declining for the last 25 years, from 20 percent to 13 percent in 1998.[vii]

II.2.2 Retention

Retention of the best and the brightest of Generation X is equally daunting. The Presidential Management Intern (PMI) Program was created by the Carter administration in 1977 with the following purpose:

> To attract to the Federal service outstanding individuals from a wide variety of academic disciplines who have an interest in, and commitment to, a career in the analysis and management of public policies and programs. By drawing graduate students from diverse social and cultural backgrounds, the PMI Program provides a continuing source of trained men and women to meet the future challenges of public service.

The PMI was created to not only recruit these outstanding individuals each year, but to create a bridge for a career in civil service government employ. However, the percentage of PMIs who choose to stay in government is just 50 percent.

Coupling this evidence with the information that a large number of federal employees in the US are likely to leave in the next 5 years, the result is that there could be a serious quality and quantity shortage in the human capital working with the federal government. However, the government has traditionally not viewed its employees as an asset—treating them as a resource or often as a liability. This has reflected in the way government has tried to reach out to potential employees and also in measures taken to retain current employees. If this is continued, a human capital crisis that would have serious impact on the effectiveness of the government is unavoidable.

The next two years, as predicted by many, represent a window of opportunity for the government. The private sector has been hit hard by recession: jobs are scarce, rewards have decreased, and job security has become a key issue. This is a great opportunity for the government to recruit a large portion of its workforce and then work towards retaining them so that a human capital crisis can be averted for the next twenty years and more.

II.3 The Opportunity

Despite the lackluster interest in federal employment, an increasing number of young Americans are expressing an interest in contributing to their society and community. A 1997 survey by Hart-Teeter showed a thirst for public service among young Americans that was not recognized in young Americans' own perceptions of their generation. However, after September 11, Hart-Teeter found that "While 80% say that their interest in federal employment either remained the same (75%) or declined (5%) after the attacks, just 18% say that their interest has increased."[viii]

Like our client, the Partnership for Public Service, we believe that these "realities present the government with substantial challenges but also unprecedented opportunities to engage a new generation seeking meaningful opportunities for public service."[ix] In particular, we believe that young Americans are interested in government service, but that institutional, organizational, and other barriers provide obstacles to young American's interest in and ability to enter government service.

We hypothesize that there is an intrinsic value proposition inherent in government service that is not being highlighted and leveraged appropriately. The barriers to young Americans include unchallenging and uninteresting roles and responsibilities, in addition to structural issues such as relatively lower compensation, inadequate performance evaluation, and slow career progression. We believe that it is possible to solve some of these issues without trying to fundamentally change the way government works, and that there is also some scope of developing creative solutions to enable mobility of talent between the private and the public sector.

Methodology
Section III

III.1 Introduction—Mapping the Territory

We began by gaining an understanding of the problem in some detail through exploratory sessions with our advisors and our client. To keep up to date on the subject, we have attended the Executive Sessions on the Federal Government's Human Capital Crisis convened by Dean Joseph Nye of Harvard University's Kennedy School of Government.

III.2 Literature Review

The qualitative data we gained from our interviews was grounded by a literature review of many polls that have been conducted to assess the attitudes and opinions of government and private sector employees. This has given us a context to our findings, and also served as a caution against acute sampling errors. We have also reviewed some work that has been done in other fields (e.g. on socially relevant issues such as those presented in "One Nation After All" by Alan Wolfe) to understand how to connect insights from in-depth interviews with existing hard evidence. Next, we have read and understood some of the work that has already been done in understanding the human capital crisis. Our review work also includes attending executive sessions and interacting with policy makers and academicians who are working in the area. Finally, we studied existing focus group results and survey data before we began to formulate our interview discussion guide.

III.3 Interviews

To tackle the focus of our work—the federal government's human capital crisis as it relates to Generation X—we sought out a previously unexplored avenue of research: ethnographic insights from the minds of young talent. To this end, we designed a series of one-on-one interviews as our key source of such insights. We conducted one-on-one interviews with 25 alumni who are 2 to 6 years removed from graduation from the Master of Public Policy program of Harvard's Kennedy School of Government (KSG) and are currently working with the federal government. These interviews usually ran from 60 to 90 minutes, and all but one were done in person. In this study, we have referred our KSG alumni interviewees as *Government Talent*. We simultaneously

interviewed 20 current students who are in the MBA program at Harvard Business School (HBS) and who worked in Fortune 500 companies for at least two years prior to coming to school. Again, all but one interview were done in person. We have referred to this group as *Corporate Talent.* To steer both sets of interviews, we used the Interview Discussion Guide in Exhibit VI.1 of the Appendices.

III.3.1 Additions to the Interview Guide

Beyond the questions identified in the Interview Discussion Guide, we asked corporate talent more questions about feedback, mentoring and evaluation processes in their organizations, as well as what they liked most about their jobs. We also asked most of the corporate talent about their perceptions of the agencies in federal government as employers, and whether they ever considered the government as an employer. Most of these interviews were open ended, and at the end of the exercise provided significant insights supported by illustrations, quotes, examples and arguments.

III.3.2 Insights

We have used the input gained from government talent as the basis for our insights on what is happening within various agencies vis-à-vis talent. The insights from the corporate talent have helped us understand how other large and bureaucratic organizations recruit and retain their talent, and—as they are also part of the same generation and talent pool—what their perceptions of the federal government are.

III.4 Sample Selection

For the government talent, we sorted through the names registered on the KSG alumni database as well as those listed separately by Career Services as past and current Presidential Management Interns (PMIs). We contacted 37 alumni: nine were unreachable, one declined to be interviewed, and 26 responded affirmatively. Two of those responding in the affirmative were no longer career civil servants and were thus disqualified. One interviewee referred us to a KSG alumnus and colleague at his agency. The selection was thus completely random from our actions. However, the government talent sample selection was affected by the fact that these were KSG alumni who chose to list their contact information on either the KSG alumni database or the past and current PMI listing, as well as the fact that they were willing to talk with us.

For the corporate talent, we emailed 60 students who had worked in large private sector companies across industries, while ensuring that we did not email too many people from the same company. In total, we received some 30 affirmative responses. We interviewed the first 20 who responded affirmatively, and who had actually worked at Fortune 500 companies.

III.4.1 The Sample Spread

Our government talent sample is drawn from across the federal government. We have talked to talent from thirteen separate U.S. government agencies and departments. Twelve of the government talent interviewees were female, and 13 were male. We thus had a fair amount of diversity across both agencies and gender. However, with just a few Latinos and Asians and no African Americans, there was little racial diversity in our sample.

In a similar vein, our corporate talent sample represents former employees from 18 of the Fortune 500 firms. These companies employ many more than 10,000 employees. We intentionally disregarded employees from consulting firms and investment banks in an effort to avoid an "apples to oranges comparison" and to provide an appropriately large and bureaucratic control group to the U.S. government. Though ten of the corporate talent interviewees were female and ten were male, again, there was little racial and ethnic diversity.

The pool of U.S. government agencies and Fortune 500 firms represented by our sample are listed in the table below:

Harvard Kennedy School of Government Alumni		Harvard Business School Students	
The Departments of: ➢ Labor ➢ Treasury ➢ Justice ➢ Defense ➢ Education ➢ Health and Human Services ➢ Office of Management and Budget ➢ Federal Bureau of Investigation	➢ Office of the Comptroller of the Currency ➢ U.S. Agency for International Development ➢ Environment Protection Agency ➢ General Accounting Office ➢ Federal Mediation and Conciliation council	➢ AT & T ➢ Avon ➢ Bristol-Myers Squibb ➢ Coca Cola ➢ Colgate Palmolive ➢ Continental Airlines ➢ Dell ➢ Enron ➢ Ford	➢ General Electric ➢ General Mills ➢ Intel ➢ Nestle ➢ Pacific Bell ➢ Pfizer ➢ Procter and Gamble ➢ Quaker Oats ➢ Xerox

III.4.2 Compromises

III.4.2.1 Compromise 1: Educational Difference

We had initially hoped to interview alumni of Harvard Business School who were 2-6 years removed from graduation and are currently working in Fortune 500 America. Due to privacy constraints on HBS alumni imposed by the HBS administration, we were forced to confine our study to current HBS students and former employees of Fortune 500 corporations.

III.4.2.2 Compromise 2: Harvard

We realize that both students and alumni of Harvard are not representative of the talent pool available to the federal government. We chose to restrict our talent samples to Harvard University alumni and current students for two reasons. First, our work is focused on "the best and brightest" of Generation X. We used Harvard as a surrogate for such talent, and in so doing, we explicitly assume that the students and alumni of the University fall within the high potential, high capability talent that is our focus. Second, for reasons related to access and convenience—to ensure that we were able to obtain time and input from 25 professionals working with the government as well as Fortune 500 employees—we again chose the alumni and students of Harvard University.

III.4.2.3 Compromise 3: Size

Because of constraints on access and our time, we could not obtain a statistically significant sample in either of the talent pools. Thus our study does not claim to be statistically significant, yet we feel that it is broad enough to be representative.

III.4.3 Sample Biases

III.4.3.1 Sample Bias 1: Government Talent with Masters Degrees

Because the government talent, unlike the corporate talent in our samples, have reported experiences in employment after completion of a graduation degree, it is likely that the roles and responsibilities of the government talent would be comparatively better. Thus, there is a sample bias in favor of the government, and so it does not dilute our finding that corporate talent have better roles and career progression opportunities.

III.4.3.2 Sample Bias 2: Selection Bias

The government talent who agreed to talk to us were registered on the database and agreed to give their inputs. Thus they are likely to be more "people friendly" and slightly more sensitive to people issues; yet we do not expect this to affect our findings significantly. It is also likely that the government talent who agreed to talk to us were either frustrated by their work and wanted to talk, or conversely very happy with their work and eager to express it. However, both of these extremes should neutralize each other, and because of the high response rate (25 out of 37), it does not seem likely, unless most of the government talent interviewees are either frustrated or very happy.

In all likelihood, the corporate talent that responded was either intrigued by the subject or had strong feelings about government. Additionally, as is very common for any top-tier business school student, much of the corporate talent was being supported by their companies while at HBS. We do not expect any of these biases in selection to affect the findings substantially.

III.5 Output

III.5.1 Quotes and Examples

It is important to note that the innovation and value out of our work is from the examples, quotes, illustrations, and real life stories that we heard. To that extent, our *Findings* section is the heart of our work. To add richness to our findings, we have highlighted quotes from our interviews extensively. In most cases, these quotes are slightly abridged from the original versions to add clarity and to ensure confidentiality. For the full reference, we have enclosed the transcripts of our interviews (sanitized to ensure confidentiality of our sample) as Exhibits VI.2 and VI.3 of the Appendices.

We have used the logos of Harvard University's John F. Kennedy School of Government and of the Harvard Business School throughout the *Findings* to denote the source of factoids and outputs from the corporate and government talent, respectively.

Harvard Kennedy School
of Government

Harvard Business School

III.5.2 Factoids

Though the broad purpose of the study was to obtain detailed insights, we also tabulated the interviews around some standard themes. We have used these tabulations to come up with "factoids," in the vein of "18 out of 20 corporate talent feel like...."

III.5.3 Caveat to Output

An important caveat to our interview findings is that the individual experiences portrayed are more representative of the division and the group they worked in rather than the agency or the corporation as a whole. However, where possible, we tried to draw the interviewees into a larger discussion of the organization outside their agency as well.

Findings
Section IV

IV.1 Introduction to Findings

As noted in the previous section, Methodology, the innovation and value of our work is in its detailed, ethnographic insights gleaned from in-depth one-on-one interviews. To draw out the significance of our interviews with 25 Kennedy School alumni working in the federal government (hereafter government talent) and 20 Harvard Business School students with Fortune 500 experience (hereafter corporate talent), the heart of this report is contained within our findings, detailed in this section. We have organized our findings into five broad categories, including roles and responsibilities, management, evaluation, career progression, and reaching out.

These five categories highlight the essential distinctions between government and corporate talent. However, beyond these differences, there are important similarities as well. Before delving into the five dimensions of findings, it is important to note the following. First, bureaucracy exists in both worlds. Indeed, this is why our corporate talent was chosen from a pool of HBS students with experience in Fortune 500 America—representing the largest organizations in the U.S. private sector. Second, this bureaucracy frustrates young talent across the board—from the public to the private sector. Third, there is a perceived tradeoff between impact and compensation. Government talent seems to have consciously recognized this tradeoff and revealed a preference in favor of impact, while corporate talent either does not consciously evaluate such a tradeoff or seems to have revealed a preference in favor of compensation.

Recognizing such similarities, we turn now to the five broad categories of findings:

- ▶ Roles and Responsibilities
- ▶ Management
- ▶ Evaluation
- ▶ Career Progression
- ▶ Reaching Out

Roles and Responsibilities
Findings IV.2

IV.2.1 Introduction to Roles and Responsibilities

Our first and perhaps most important group of findings concerns the comparison of roles and responsibilities between our two groups of Generation X talent. As noted in Section III, *Methodology*, our corporate talent interviews were conducted with current HBS students whose work experience was based on jobs fresh out of undergraduate colleges. Given that our government talent interviewees were Kennedy School alumni with graduate degrees, we expected to find a bias in favor of the government interviews with respect to roles and responsibilities. After all, wouldn't a Kennedy School alumni working at the State Department have a superior role with much greater responsibility than a college graduate working at General Mills?

Instead, we found that government and corporate talent have similar levels of tasks and responsibilities, but differing levels of access to senior officials, differing perceptions of the consequences of work, and different roles. In this section, we will detail our findings around roles and responsibilities.

IV.2.2 Tasks and Responsibilities are Similar

The lone similarity between government and corporate talent relate to tasks and responsibilities. Though similar in their own right, it is important to differentiate between these two concepts with a working definition. By *tasks*, we refer to the set of activities an individual performs in a given position. For example, though the substantive work of government talent differs greatly from corporate talent, the tasks—checking emails, writing memos and reports, attending meetings, and making phone calls—are often similar. By *responsibilities*, we refer to the scope of work contained within a position. An employee in the Department of Labor may be responsible for an $80 million dollar program, whereas an employee at Continental Airlines may be responsible for $800 million in marketing revenues.

IV.2.3 Access to Senior Organization Officials is Higher in Government

In general, government talent felt that they had an incredible amount of responsibility, influence, and access at a very early age, and listed this as one of the principal attractions of their

> **15 out of 24 government talent interviewees felt that they had good access to senior level officials.**

organization to Generation X. When asked, "What makes your organization attractive to the young graduates?" one government talent interviewee discussed her access to senior officials. Another talked about "face time" and being able to "hob knob"

with senior officials. And when asked, "What makes up for the compensation differential between your job in the government and the private sector?" this last government employee again discussed her place in high level meetings and being part of the decision making process.

It is important to note that there was heterogeneity in our sample. Not all of the government talent we interviewed reported the same levels of access to senior officials, and even those who reported high levels of access in one period (i.e. during one administration), found far less access in others (i.e. during the next administration). Recognizing the possibility for some degree of hyperbole, the nature of the positions of many of our government talent interviewees and the wide array of such responses increase the likelihood that such access is not unusual. On the corporate talent side, we didn't find any evidence to refute the notion that government employees had greater access to senior officials, and hence greater influence, than the private sector employees.

> *"Such influence at an early age. It's not unusual to meet with the Secretary of Director of your agency." KSG#13*
>
> *"…You have face time and get to hob knob with senior officials at high levels." KSG#18*
>
> *"I get to go to a lot of high level meetings and be a part of the decision making process. There aren't a lot of private sector companies where junior people can go to meetings with the second in command of the organization." KSG#18*

IV.2.4 The Consequences of Work in Government are More Far-Reaching

An often-noted difference between the work done by government talent and that done by corporate talent is the far-reaching consequences or social implications of their work. Many described their work as unique, with no one anywhere performing work on similar issues. Among government talent, this was one of the most often cited reasons for choosing the federal government as an employer.

> **21 out of 25 government talent interviewees felt that their work was meaningful and or with far-reaching consequences or social significance.**

While a striking percentage of the government talent interviewees found their work to be very meaningful, a number qualified this assertion. They felt that their work was meaningful in a larger sense, but that the day-to-day work sometimes kept them from seeing the meaning or

consequence of their work. Yet some drew comparisons between their work in the federal government and that in the private sector. Several corporate talent interviewees were cognizant of the implications of their work and did not find tremendous meaning.

"Right now in my life, my work is as meaningful as I could possibly imagine…What I do is utterly unique and can't be done anywhere else. You can't make an argument for national security, defense, or law enforcement outside of government. Only a handful of people get to do what I do. If I were an associate in a law firm, I would just be reinventing the wheel." KSG#7

"Everything else seems like small potatoes. You can go to the private sector and figure out how to put potato chips in a bag. The Federal Government is the big picture." KSG#13

"These are very real issues that affect people. For example, Columbia is embroiled in a violent civil war, where trade leaders are assassinated at a rate of about 100 per year. The Minister of Labor asked the U.S. for help and signed a memo of understanding, and now the U.S. funds a program of bringing trade leaders (about 75 per year) to the US. I did all the groundwork for the project—traveling to Columbia to talk with all the trade unions, NGOs, the UN Human Rights Council, and others. It is very rewarding." KSG#3

"At college, business recruiters would offer you your own product line, where you can manage everything from conception to marketing. But so what? If I got to my deathbed and asked what did I do with my life—and all I did was sell a lot of Clorox, so what?" KSG#14

While such comparisons may be unfair from the perspective of government talent with no previous experience in the private sector, it raises an important implication. If government talent values work that is consequential, far-reaching, and that has social significance, then this is likely to be a point of leverage in recruiting and retaining Generation X talent.

"I felt like I was not adding value to the world. There was a lot of mindless number crunching and no sense of fulfillment—just pursuing Wall Street numbers." HBS#18

"I'm passionate about marketing, but it's not necessarily meaningful. If I wanted meaning in my life, I did community service." HBS#2

"I would spend a lot of time thinking about little things, like the color of the product packaging. On average, I would sell 100 units in a given period. If I wasn't there, the company might sell 96 units. If I did a great job, I'd sell 104 units. It wasn't that exciting." HBS#3

IV.2.5 Differences in Roles: Support to Senior Decision Maker Vs. Authority

As noted earlier, we initially hypothesized that we would find a bias in favor of government talent with respect to roles and responsibilities, given the nature of our samples. After all, wouldn't a Kennedy School alumni working at the State Department have a superior role with much greater responsibility than a college graduate working at General Mills?

But rather than government talent having superior roles with much greater responsibility than our private sector interviewees, we found that the government talent interviewees had significant *influence* in their support roles to senior decision makers in their organization, while the private sector interviewees had almost complete *authority and ownership* over smaller-scale decisions in

their division of the overall organization. The distinction is profound, and points to a fundamental difference in roles. One federal government employee summarized this idea in terms of being responsible for and providing information versus running a programs and having your own budget. The response of corporate talent to the question posed to the government talent above—*"What makes your organization attractive to the young graduates?"*— revealed a belief of running one's own business.

Government talent also reported tremendous frustration at the extent to which superiors must submit their work for

> *25 out of 25 government talent interviewees felt that they played a support role to a senior decision maker, with 14 of 25 describing their role using language of "coordination."*

> *corporate talent interviewees mentioned responsibility as a key job element that they liked. Just 8 of 20 described their role using language of coordination.*

review, vetted by bosses, or otherwise "cleared." This was true for Program Analysts at the State Department to lawyers at the Department of Justice. Individuals lamented the time they saw as wasted on seeking approvals for memos and other writing.
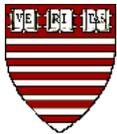
> *"There is a difference between being responsible for information and running a program, between providing information and having your own budget." KSG#1*
>
> *"Everything must be vetted through my supervisors to get that final signature. I give my analysis and pass it up." KSG#18*
>
> *"My job is facilitating in nature. You're trying to move people and you can only move them an inch…The best tasks are the new, fun things: when I can control my own budget, and I can do the programmatic things that I want. But that I get to do this from time to time is an only an anomaly in my agency because of my boss."" KSG#2*
>
> *"The decisions are made by the Secretary or at the political level. I'm often carrying out decisions others make: e.g. 'Write a memo that says __.'" KSG#4*

And so we found that the most profound difference in roles and responsibilities between government and corporate talent was along the dimensions of influence in a support role versus immediate authority and ownership.

> *"The people in my company's program for undergraduates feel as though they're running their own business. You're given a profit and loss (P&L) statement, or a budget for your product— your own business—and you're given you the 'belief' that you're running your own business.'" HBS#3*
>
> *"I had ownership of my brand, so it was like there were small businesses backed by a big company." HBS#2*
>
> *"I really liked my title--Director of Financial Planning—and the authority that came with it. I was on a power trip." HBS#18*

Management
Findings IV.3

IV.3.1 Introduction to Management

Management plays a vital role in helping talent adapt to and excel in their roles and responsibilities. We found that most talent perceives that management in government agencies is largely ineffective. We found several examples of poor management practices and many doubts over management's capability to manage and lead. These issues are rooted in the existence of management deadwood, poor promotion criteria, and the presence of political appointees. Poor mentoring and very little upward communication only worsen the situation.

IV.3.2 Good Management is Critical to Retention in Large Bureaucracies

Good management is critical, not only to the success of organizations, but also to how people feel in their jobs, how they perform and why they stay. Most governmental agencies are large and bureaucratic, and so are most of the Fortune 500 companies.

> **25 out of 25 government talents** talked about problems stemming from bureaucracy in their agency.
>
> **corporate talents** mentioned bureaucratic tendencies in their organizations, and that they didn't like them.

However, one way that effective employees continue to excel in bureaucracies, and bypass bureaucratic processes is by working with, leveraging and learning from their managers. Immediate supervisors also impact the day-to-day work environment and development of people, and the general quality of management determines how much impact people can create with their work.

IV.3.3 Government Talent is Independent but Alone

We found that there is a high level of independence and autonomy among the government talent.

> **17 out of 25 government talents** have a high degree of autonomy and independence in their work

They seem to enjoy it. However, it also means that they are sometimes left alone and that they receive little guidance and feedback. Much of the government talent we interviewed said that they had a large degree of autonomy, "almost to a fault."

One even wondered, "Am I invisible?"
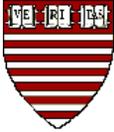
> *"My boss has given me complete autonomy to do and go to whatever meetings that I need in order to get my work done...My boss has more important issues, because of that, I go to him once a month or every other month to ask him how he's doing, and to ask for advice or contacts." KSG#1*

IV.3.4 Good Supervisors, Happy Talent

We found three cases of excellent supervisors and management in the government talent. In all of these cases, the talent was very happy with their work and responsibilities. They are also in agencies that have low turnover, due in no small part to the quality of management.
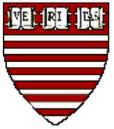
> **The Success Stories...**
> *"My supervisor is the highest ranking career official in the Bureau... This boss gives me work directly, and we interact on a daily basis. He advises on official matters and he is not a micromanager. He gives me stuff to do, I do it, we make changes, and move on. We always see how to improve what I have done, and he is always open to talk, open about answers." KSG#3*
>
> *"My supervisor gives me autonomy and trusts me. My boss has an open door, and gives immediate feedback." KSG#5*
>
> *"We have an excellent relationship. Our unit is incredibly supporting...so there's an incredible amount of loyalty in my office. This enables people to excel. There are an exceptionally good group of leaders in his office", "my work is as meaningful as I could possibly imagine!" KSG#7*

IV.3.5 Such Cases are far and Few Between

A large quantity of government talent is frustrated by the quality of management in their organizations. They feel that it increases the bureaucratic burdens, reduces their own potential to serve, and is in general a huge negative drag. Our corporate talent sample resonates with the idea that a good manager makes a huge difference in the work life.

By way of contrast, the vast majority of our corporate talent interviewees felt that their quality of management was high.

> *25 out of 25 government talent interviewees do not feel that their agencies have good and capable managers.*

> *corporate talents felt that their companies had good and capable managers.*

> *17 out of 20 corporate talents felt that people were treated well and taken care of in their organizations. In the three cases where people said that their organizations did not treat people well, the turnover rates were 2-4 times higher than the others.*

Good management often results in good talent treatment, as an integral part of effective management is dealing with people. Talent tends to be retained where it is treated well.

Some examples of good managers in the corporate world show that management excellence can drive the organizational culture and individual productivity.

> *"He let me do what I wanted. He still needed proof, but once I proved myself, I was given free reign to run my team, to present to superiors, he would 'promote' his people with praise when they weren't there. He recognized that he needed to manage me, not the work I was doing, which is why he was successful." – HBS#2*
>
> *"Senior management set examples by working hard, and delegating responsibilities; still being impatient and result oriented." – HBS#2*
>
> *" They gave us freedom and autonomy, yet created a result oriented and impact driven culture" – HBS#5*
>
> *"People did not leave because they were dealt with great respect. Everybody had a very high respect for the individual." – HBS#17*
>
> *"I had a very good relationship with my supervisor. He was very receptive to sharing ideas, mentored me on my career after business school. He exposed her to other executives I wouldn't have known." – HBS#6*

Organizationally, there is poor management across government agencies. We heard stories of the negative impact of managers from almost all of the government talent. Such stories were nearly absent from the interviews with corporate talent. In fact, a large number of the corporate talent mentioned that it was their boss or manager or supervisor who had helped them become successful and navigate the bureaucracy of their organizations. This poor management is reflected in poor management practices, poor direct supervisors and poor decision-making.

IV.3.5.1 Poor Management Practices

Poor accountability and training combined with management deadwood seriously impacts the quality of management in these organizations, as the following illustrations highlight:

> *"Communication with the managers is frustrating; expectations are not clear and explicit, they either email everything or nothing!" – KSG#8*
>
> *"There is no work balancing, one unit is overworked and the other is under worked. I proposed a change that was rejected. There is no internal focus, and no commitment to make employees happy. Supervisory people are not concerned with culture of the place as long as the work product required keeps coming out. Dissent is taken for granted. There is general knowledge of dissatisfaction, yet nobody takes any action."- KSG#9*
>
> *"…There's no culture of all managers needing to be good with people."- KSG#14*
>
> *"…A certain percentage of newer people are becoming impatient with management and are leaving. It has a lot to do with a mismatch of expectations. The higher ups have a lower expectation of what you can do, so new hires hit a wall with no work—that's not stimulating."- KSG#15*
>
> *"The office is full of bad managers. They are super nice, but horrible managers and bad supervisors."- KSG#6*
>
> *"Senior people think of people as objects and budgets to be balanced…"- KSG#24*

IV.3.5.2 Poor Direct Supervisors

Poor management has impacted some talent directly in the way of the ineffective supervisors described below:

> *"I don't really go to him for advice. He's had a problematic relationship with everyone in the office because he micromanaged others and others don't feel like he respects them."- KSG#6*
>
> *"My boss has grown under the tutelage of someone who was very cold, not warm and fuzzy. He hasn't seen what a good manager could be. I am told by my colleagues that I have too high expectations of what a manager could be. My boss is too afraid to be creative, and accepts mediocrity."- KSG#17*
>
> *"I came on board ready 'to do this, let's get it done' but my manager was trying to figure out how to do it. I was ready to hit the ground running, but they didn't want that. So my rotation experience was thwarted."- KSG#22*
>
> *"Some people in another division leave because of the personality of the manager; in fact, 100% of those leaving that division are leaving because of this—a narrow focus on issues and micromanagement."- KSG#18*
>
> *"My boss micromanages a lot. He checks in almost hourly; for example, he'll say 'I sent you an email two hours ago—what's happened with that?' He is not good at delegating... I don't like the constant oversight and second guessing what I am doing."- KSG#19*
>
> *"Some colleagues left because of frustration with their particular managers."- KSG#25*

IV.3.5.3 Systemic Management Faults and Poor Decision-Making

For many others the problem is more systemic. They feel that the system tolerates poor management practices and weak managers, and that leaders contribute to the already questionable decision making ethic in the government. A large number of government talent work with the government because they care about public service, and genuinely want to impact and change things. Poor decision-making frustrates and demoralizes them as it dilutes the impact of their work.

> *"Implementation of policy is not according to the priority- if people are denied the opportunity to make a difference, they'll surely be frustrated!"- KSG#11*
>
> *"Many of my reports are disregarded; after the new administration came in, new personnel have come in, and have made some stupid decisions."- KSG#9*
>
> *"Management does not manage strategically."- KSG#12*
>
> *"Post 9/11, I had some innovative proposals to help communities, but they were quashed. The higher levels of management went into ether and became very cautious."- KSG#16*
>
> *"They don't delegate enough, they should give the benefit of doubt to the staff; power is undivided, and so there is a lot of frustration on decision making."- KSG#8*
>
> *"We write or do something because so and so wants to do it, not because there's been a dialog over whether it's the right thing to do. There's a lot of kowtowing and not questioning, because you think that if that's what someone wants, that's what we'll do."- KSG#24*

IV.3.6 The Causes

The principal cause for the poor quality of management and leadership is management deadwood and incapability. This deadwood and incapability arise from a lack of managerial experience opportunities and poor promotion criteria.

IV.3.6.1 There is a lot of Management Deadwood

One of the major reasons cited for the lack of good management is that managers are not capable of good management. Our government sample strongly felt that there is a lot of management deadwood in most of the agencies. Managers are less capable than they should be, and moreover, they do not lead effectively. Because of a lack of accountability, they do not take their managerial responsibilities seriously. This deadwood is very frustrating to the talent, as they feel neither motivated nor rewarded.

> *Only 10 out of 25 government talent interviewees think that they have effective managers.*

> *corporate talent interviewees said that they had effective managers.*

> *"My supervisor is almost a free rider. Any seniority-based system with job security takes away the incentive to work the extra mile, to do it well, to stay late…Senior people are checked out. They don't want to join a group, they come, surf the web and go back. They don't encourage respect for young people. It doesn't count if you take initiative. There is no accountability, People are allowed to work from home, and they simply don't work! People's outputs are status reports—there is no reflection of the work done—it's easy to create smoke and mirrors."- KSG#12*

IV.3.6.2 Lack of Experience

One key reason for managers' incapability is that they do not have the right experiences to become effective. Very few ever get a chance to exercise any managerial skills.

> *"The human capital crisis may create a new cadre of managers without managerial practice—a void; because they don't have managerial experience under their belt."-KSG#17*
>
> *"My supervisor has no supervisory skills. This is probably ubiquitous. He's a good person with a big heart, but this doesn't translate to being a good supervisor"- KSG#2*
>
> *"But young people feel stifled early on and feel stuck doing the same thing because they are not trusted to exercise their ability. The federal government does not promote management and leadership!"- KSG#7*
>
> *"I am attuned to management; I try to mention management issues whenever possible. There's no "M" in my career as a PMI. I have no experience as a manager—I don't get any practice to manage" - KSG#17*
>
> *"…But he hasn't transitioned fully into the manager position—he holds onto his old accounts, and he went straight from college to graduate school to his current position without other work experience—but he has proven himself and worked on some hot issues as an analyst. He still holds on to those issues, and steals the limelight. I often feel like it's my issue and that I should be the one to go to the meetings"- KSG#18*

IV.3.6.3 Managers are not Promoted Based on Their Leadership Potential

Another reason for poor management is that managers are not promoted on the basis of their management abilities. The corporate talent is generally measured on their results, their ability to

develop individuals and their development goals to move on to the next level. The government talent is not measured by or encouraged to develop those skills, nor do these skills influence their evaluation.

"A leadership crisis is looming."- KSG#17

"My manager is absentee, just sort of absentee—not a bad guy, he's actually from the outside—a lawyer…He was recruited here but has become a part of the culture because it is so pervasive—government malaise, no one is watching you, you do whatever you're interested in, and top management does it too; they do what they need to for next big promotion." KSG#22

"It's like an abusive relationship with a spouse! People are rewarded based on foreign policy prowess, not people skills. For example, imagine a group of engineers, where they were being promoted because they were good engineers, not good with people. When I was new, my boss skipped over me in briefing meetings because he assumed I had nothing to contribute, but he never asked me."- KSG#2

"Managers are frequently drawn from staff levels. You are a very good analyst does not mean that you will be a very good manager. Then, managers meddle in the technical work with different assumptions- without knowing fully about the issue" – KSG#8

There are several managerial insights that can be drawn from the evaluation and goal setting methods in the private sector that prepare talent to face management challenges.

"I am evaluated in the 'what counts' factors that include my technical achievements as well as how well am I working with others." – HBS#1

"The company created a 3 by 3 matrix on performance relative to goals and company values. Top 1/9 were rolled up the organization, and were usually promoted."- HBS#10

" We were evaluated on 4 criteria- critical thinking, communication skills, leadership, and execution."- HBS#7

"We were reviewed on two counts- how we did and what was our leadership potential."-HBS#9

IV.3.7 Political Appointees, Political Change

The problem of poor management is further aggravated by the presence of political appointees who change often with short-lived tenure. The key positions in many agencies are occupied by political appointees. This implies that career progression for lower levels is limited, and more importantly, that every change in administration brings organizational discontinuity. Few political appointees have the right managerial skills, and even fewer reach out to the organization they join. Even those who do so run the risk of creating friction within the existing layers of management if others feel bypassed. Political appointees are a big cause of disappointment in the government talent. They feel that decisions will be made more on the basis of politics rather than on the merit of the issue. Further, as many government talent work on short-term requests from their management, the focus of their work and agenda could substantially change when an

administration changes. We found some frustration for the capability levels and impact on work due to the political appointees. Upper level discontinuity impacts performance and morale in the corporate talent, but the extent of the changes are usually far greater in the government talent.
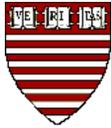
> *"Political managers have very poor working style…Channels of power are all with the political appointees; 40% of them are good, 10% are excellent, the others are a big problem."- KSG#8*
>
> *"Some of the politicals don't want parts of the organizations to talk to each other."- KSG#18*
>
> *"Some people in my agency leave for transition issues of administration change,"- KSG#10*
>
> *"A change in the administration would make me leave."- KSG#11*
>
> *"Priorities change with the administration. He (boss) only cares about healthcare and makes bad decisions and makes us do work that will never be implemented. His instincts are just wrong. It's hard to do things when you don't agree with the policies." – KSG#22*
>
> *"The change in administration has been a hard experience. The Bush administration got a slow start and there was a leadership vacuum, so the political appointees just got together and are slow, though this may be typical of any administration. It's discouraging form a civil servant's perspective…If the changes continue to be so painful, I might leave."- KSG#20*

IV.3.8 The Vents are Choked

Talent survives in bureaucracies despite poor management by utilizing the resources and processes of mentoring and upward feedback. Mentoring provides talent with a vent to their frustrations and also helps to build perspective. It also gives them an opportunity to interact with a diverse array of managers and to learn from them. The process of upward feedback is crucial to keep communication channels open with the supervisors. It also keeps the supervisors sensitive to the needs of subordinates. Through these feedback loops, poor management practices can be checked and improved upon. Unfortunately, we found that neither of these exist in most of the government agencies.

IV.3.8.1 There is Very Little Mentoring

One way that corporate talent keeps up with their ambitions and charts their growth path in large bureaucracies is by interacting with senior executives. Most corporations initiate a formal mentoring process as well as encourage informal mentoring. In a large system, informal networks play a big role, and mentoring is an easy way to start one such network and to reduce the transaction costs of entering the organization.

> *Just 2 out of 25 government talent feels that older employees mentor effectively.*
>
> *corporate talent had mentors and received guidance.*

> *"Mentoring was pretty good. My official mentor was an executive, so I was able to bounce ideas off her about my rotation sequencing. My mentor was able to open doors for me."- HBS#6*
>
> *"My mentor was 3 levels senior to me and managed the equivalent of a $15 billion; he was assigned to me in the training program. I worked very closely with my mentor, and developed other mentors as well. There was plenty of informal support available and I had flexibility in choosing my mentors."- HBS#11*
>
> *"We were assigned a formal mentor and a buddy. They were very useful for the first year. My boss also worked as a mentor- and gave me the space to do things."- HBS#16*
>
> *"We were assigned mentors from the E level (highest level) in the leadership program, and ever since I've worked with them for my development. I've developed strong relations with my mentors; they really look after me."- HBS#20 (who will return to this firm after 5 years and three internships there)*

Some government agencies mentor formally and do it well; however, in most cases there is no formal mentoring system. Given that the age distributions in most agencies are bimodal around young people with less than 4 years of experience and older people with more than 10 years of experience, mentoring by older, experienced colleagues could be an immensely useful tool for young talent.

> *"I don't think they (old employees) do (mentor). People don't generally mentor others."- KSG#14*
>
> *"No mentoring. They don't even give you info they have to further yourself or to help you make your policy better."- KSG#22*
>
> *"Some mentoring. However, there is no formal mechanism. The management expects it to happen it by itself."- KSG#8*

IV.3.8.2 There is Almost no Upward Communication

When things are not going well, it is vitally important that they be communicated to management. Upward communication is an effective tool to manage expectations, raise concerns, and give feedback. Many large corporations from which we developed insights have 360-degree feedback processes for their management cadre. Thus the corporate talent we talked to provide feedback to their supervisors. They also maintain close communication links and good working relationships with their supervisors, and most good supervisors even encourage dissent.

However, in the government, we found that the explicit means to communicate upwards are very limited. Even when feedback manages to make its way to the upper levels, there are no incentives or process mechanisms in place to encourage the supervisors to follow up on it.

> *"I felt like I had to put myself at risk, and he's still not really fired—we're still paying his salary. It was a horrible mixture of incompetence, sexual harassment, racial discrimination, and him lying to his boss. Everyone was afraid to speak up. It was really ugly, he threatened to retaliate, saying you better not say." –KSG#13*
>
> *"Management is unproductive and passive many times. They don't absorb or even acknowledge any feedback on things to change. Formal evaluation system is not two ways; in some places, 'upward feedback is forbidden!"- KSG# 8*

Evaluation
Findings IV.4

IV.4.1 Introduction to Evaluation

One of the key retention mechanisms employed by the private sector is effective evaluation. Talent seeks a culture of performance. For a culture of performance to prevail, it is important that goals and targets are set appropriately, that evaluations are done rigorously and fairly, that feedback is provided regularly, and that talent knows where they stand and what they need to do to develop and grow further. Thus many corporations with successful retention parameters have clear ways of differentiating among talent, and have different tracks and consequences for each category. Whenever such a culture weakens, free riders and deadwood tend to accumulate at various stages in the organization. If the evaluation measures are poor, some of this deadwood is even promoted. Some findings in the last section indicated the negative impact of poor managers, who were probably promoted because of the weakness of such a system.

Energetic, capable and ambitious talent needs a culture that values performance. We found that in general, the government agencies do a very poor job of evaluating and rewarding talent.

IV.4.2 Peer Deadwood—More People are on the Cart Than Pulling it

We found that in most of the agencies, talent was frustrated by the presence of people who do not pull their weight among their peers. This frustration was heightened because the bulk of the work finds its way to the people who work more, and there are no negative consequences for those who shirk work.

> *"25% of the people do 75% of the job; it is frustrating as work finds its way to those who work hard; I don't like dealing with these 75% who don't do any work. To get a job in the government, it takes the will of God, to get fired, it takes an act of Congress!"-KSG#10*
>
> *"Some people sit here and sleep at their desk…Some stay because they don't have the skills to go elsewhere and stay for not highly skill-based work…They are uninspiring individuals. Many of my colleagues are not creative, responsible, or energetic."- KSG#4*
>
> *"People who weren't constructive weren't fired—It's tough to get people to work harder and differently."-KSG#6*
>
> *"Some people get overwhelmed because others shirk work"- KSG#20*
>
> *"Find a way to fire people not performing well…it's almost impossible to fire people. People at some agencies work 6-7 hours a day but can't be fired."- KSG#23*

Further, there are concerns that there are almost no consequences of not working hard, and some of the individuals who do not are even promoted to higher ranks.

> *"It's difficult to sanction people if they're not productive. I hardly know one person to have gotten demoted. If you do the minimum and float along, you keep your money, but not if you perform at a specified level. Some GS-15 don't do as much as GS-9s (who do three times the work). It's based almost entirely on seniority. You need some blend of merit." –KSG#14*
>
> *"The seniority system is terrible. People who are paid a lot more and don't do 'crap'. We are not paid according to our skills and accomplishments. We need to put in place disincentives to being lazy and idle."- KSG#6*

Some successful companies have clear ways of identifying the types of performers and have clear consequences for poor performance.

> *"There are three types of people- 1) high energy, high ambition- they move up 2) low ambition, low energy, high on experience and expertise- they don't move, but are supportive and good resources, 3) low energy, low expertise- they don't survive."- HBS#10*
>
> *"People are measured on the vitality curve- top 15% are 'A' players, and bottom 15% are 'C' players. Anyone who is on the 'C' curve for two years is asked to leave." –HBS#7*
>
> *"People were not fired, but given less lucrative assignments. They self selected themselves out of the organization." – HBS#19*

This is by no means universal even in the corporate world, as noted by the number of corporate talent who talked of peer deadwood. However, in the private sector, these people are almost never promoted.

> *15 out of 25 government talent feels that some of their colleagues are not capable enough.*

> *corporate talent felt that some of their colleagues did not pull their weight.*

As a result, there is very little deadwood in the

> *None of the 25 government talent feel that their agencies have a fast track in responsibilities for high performers.*

> *corporate talent had fast tracks outlined and communicated for the best talent in their company.*

higher and middle management ranks as opposed to the government agencies, where even the deadwood is promoted to senior and middle management given poor promotion criteria including time in rank.   Further, corporate talent does a good job of distinguishing between the high and the low performers, and creates and communicates separate consequences for them; to do so they usually have robust performance evaluation systems.

IV.4.3 Performance Evaluations are not Taken Seriously

Government agencies have done a good job of initiating evaluation processes. But the execution of these processes, the rigor with which they are done, and their consequences are non-existent.

> *Almost all government talent has an evaluation process. Almost everybody is dissatisfied with the content and seriousness of the review process. Nobody feels that the evaluation really impacts anything.*

IV.4.3.1 Some Good News

Only a few supervisors do a good job of goal setting and performance evaluation. We have listed a few cases where at least the process is done well.

> **The Success Stories**
>
> *"I get annual performance reports. I write out a job description for the year and discuss it with the boss including both goals and projects. It has broad categories of items and specific projects. He then looks back on at end of year and says this is what I've been doing and this is beyond what I'm supposed to do. The boss makes suggestions for changes." – KSG#1*
>
> *"Annual evaluations are done with immediate supervisor and director—we all meet for feedback, and I respond with agreement or disagreement. They identify weaknesses, and I try to resolve them for next time—its very conscientious. Non-program evaluation is not in the annual appraisals, though teamwork and developing people are."- KSG#15*

However, these are exceptions rather than the rule. The evaluation problem has two facets: poor goal setting and bad execution.

IV.4.3.2 Flawed Goal Setting

Goal setting is often done poorly, if at all, and there are no clearly defined development targets. This increases the deficit in management talent, as employees are not developed on those metrics.

> *"No leadership—it's the number one thing. There's just no leadership. I don't know where I'm going, I've created my own job, yet there's no direction, no goals."- KSG#22*
>
> *"There is an annual review with job elements against which I am evaluated (job responsibilities). Recruiting, community service, team work, the work I did on restructuring the department is not included in that."- KSG#2*

In the private sector, development goals are usually outlined in advance with the consultation of the talent, and usually include development of new capabilities.

> *14 out of 20 corporate talent felt their goals included meaningful development targets.*

IV.4.3.3 Evaluations are Done Poorly

> *17 out of 20 corporate talent felt that performance evaluation*
>
> *rigorously, seriously, and fairly.*

In the private sector, most organizations have fine-tuned their ways of evaluating performance in the last few decades. The incentive to do so has been high, and performance metrics have been relatively easy to define. However, the problem in the government agencies is not that of designing a good process—the problem is to do it well, and fairly. The contrast between the too sectors is stark. There is a lot to learn from the way evaluations are done in some firms in the private sector. The key, as we found is in the execution.

> *"I sat with my manager every year to agree on goals, professional progress and review performance. The company created a 3 by 3 matrix on performance relative to goals and company values…Input was gathered from everybody we worked with. 10% of the work force was eliminated based on performance…it was done fairly and taken very seriously. Management devoted significant time to this. We had a very result based and meritocratic culture."- HBS#10*
>
> *"I got a project evaluation every 2 months (mid project and end project), and an annual performance evaluation. We were evaluated on 4 criteria- critical thinking, communication skills, leadership, and execution. Feedback was gathered from 5-6 people across levels. It was done very seriously and consistently."- HBS#7*
>
> *"I developed a performance plan with my manager on different components around personal growth, learning, business results. Out of cycle reviews happened for high performers- on the initiative of the managers. People on the fast track were given rewards. There were few surprises when feedback came. I knew exactly what to do to do well."- HBS#5*

Evaluations in many government agencies are often done poorly and hence defeat the purpose. They fail to differentiate between those who do well and those who don't. This is in clear contrast with the private sector.

> *"Evaluations are a joke! Managers are too afraid (because of grievance, EEO complaints) to give lower evaluations to anybody. Everybody has an entitlement to a good evaluation." – KSG#12*
>
> *"I write my own evaluation and my boss signs off. It's not taken seriously." – KSG#17*
>
> *"Performance evaluations are a joke. A few years ago, they switched from a 5 point system to pass/fail, so even when you're not progressing, you get a good evaluation."- KSG#5*
>
> *"I have a job/position description with goals, plans, but very little variance between that and how I am rated because of union politics. Everyone gets the same rating so promotions are based on who the supervisor wants."-KSG#3*

Poor evaluation is complemented by a poor system of rewards and recognition and feedback; again the execution rather than the process is a disappointment.

IV.4.4 Rewards and Recognition

It was evident to us that most government agencies fail to identify and deal with free riders. Many do not have the right reward and recognition systems to treat the best performers. The private

> *15 out of 20 corporate talent like their organization's small recognitions for superior effort.*

sector uses small rewards and incentives very effectively to guide performance in the desired direction and to ensure individual development.

Some corporate talent interviewees have small rewards like an on the spot $100 award, or discretionary perks that employees are given for going the extra mile. It is not the value of the award, but the sheer token motivates them. The existence of the award, the criteria used and the manner in which it is given all count.

> *"Incentives are only theoretical. Annual bonuses are very small, and everybody gets them. Managers are afraid not to give bonuses...Performance evaluation doesn't fulfill the function of career progression. Raises are given for time in grade." – KSG#4*
>
> *"I received a Secretarial Award last year and I still haven't received the certificate! Show your employees you care."- KSG#18*
>
> *"Incentive programs are not well implemented; some manager give them to everyone."- KSG#10*
>
> *"One reward I earned wasn't even announced. It just showed up in my mailbox without any recognition."- KSG#2*

IV.4.5 Feedback—"I like it when I get personal feedback"

We feel that even though structural mechanisms are in place, management does not take pains to evaluate performance. Talent does not often get feedback from their supervisors. In huge bureaucracies, feedback is an effective tool to maintain an individual sense of purpose. In many

corporations, managers identify other people in the organization who can provide some feedback about individual talent, and then they accumulate that feedback. A significant amount of management time, in many cases, is spent on feedback. We did not meet a single talent who did not want feedback.

> *"I don't get a good sense of my progress. I don't get enough feedback."- KSG#10*
>
> *"I have not been complimented or given feedback once. When I asked, my boss said, 'I don't have a problem with your work.'…I would stay in this job if someone said, 'We think you're great,' and 'We'd like you to stay…Here's your future and we think it's bright.'" - KSG#2*

IV.4.6 Office Culture—"We seldom talk to each other"

The culture of poor management and below par feedback and evaluation norms has increased negative sentiments towards the work environment. We also found that talent is frustrated about their work culture, the roots of which begin from some of the practices that we have discussed. This work culture results in less collaboration and less people orientation. Given the bimodal age distribution in the workforce, such friction can be very counterproductive.

> *"We seldom talk to each other! There is very little teamwork… The culture in not conducive to teamwork. There is almost no redundancy, little overlap and little scope for brainstorming, We don't do lunches together and are holed up in our offices."- KSG#10*
>
> *"It doesn't help if you don't care about people and the culture doesn't reinforce caring about people."- KSG#14*
>
> *"Probably about 15% of old staff is willing to work with us. Some of them are knowledgeable; some are lazy and not knowledgeable. They don't think about the larger picture, so its like two different worlds when communicating with them. E.g. this week had a call with contractors to discuss their needs. One guy assigned to case had info but didn't share it—supposed to be on the call but wasn't or might have been and didn't tell me. It happens every day. There is a lot of complaining about management from old and new people. They don't invest in anybody. People just sort of give up. Those who stay there are locked into their pension. We 3 PMIs are close together, and all three are planning exit strategies."- KSG#22*
>
> *"Colleagues are very aggressive and territorial. One person removed something from my schedule because I might have gone into that person's area. This makes it unpleasant, and we often fight amongst ourselves."- KSG#2*
>
> *"Management has other things to worry about than thinking about people."- KSG#8*

There are some exceptions to this and some talent mentioned that what they like most about their jobs is the people they work with.

> *"My colleagues are collegial; we hang out after lunch. They all are very smart and willing to help out. For example, when a colleague's mother died, we all took pieces of his work and did them for him. We work together a lot."- KSG#18*

These are again exceptions rather than the norm. Management practices should be geared towards encouraging collegial behavior and a positive work environment.

Progression
Findings IV.5

IV.5.1 Introduction to Progression

21 out of 25 joined the government because they wanted to create an impact, pursue their policy interest or serve the public.

corporate talent mentioned high responsibility or good learning potential as one of the key aspects they liked about their jobs. 16 out of 20 mentioned both.

High capability, high potential talent—the focus for our work—is also often ambitious. They look for an increase in responsibilities and want continuous learning and skill development and a rise in compensation commensurate with it. As one of our corporate talent interviewees put it, "Changing roles, upward mobility, and learning! That's what made me stay! (HBS#3)." Government talent is no exception.

> *"People with graduate degrees are ambitious; my agency doesn't do justice to that." –KSG#9*
>
> *"I would leave' if the days felt boring, if I wasn't growing professionally, and if I wasn't making a difference anymore." - KSG#7*
>
> *"Some of my colleagues left for PhDs, some because of frustration with the bureaucracy and no promotion—their supervisor just didn't pay any attention."- KSG#20*

In fact, the happiest government talent we met—who said "There would be no human capital crisis if everybody gets the work I do (KSG#11)"—was also one who was in his fourth job after three promotions across organizations. However, we found that government agencies fail to provide a constant growth path in responsibilities or learning or money. Very few in Generation X plan to continue working forever for the government in the career

10 out of 25 government talent is actively planning to leave their current jobs.

18 out of 20 corporate talents cited 'learning' as one of the aspects

civil service. The rest will leave when they hit the ubiquitous career plateau.

.

IV.5.2 Career Progression—"I want to serve, but I also want to improve my capacity to serve"

People spend an enormous time in some career levels. They do change grades at a fast pace for the initial grades, but changes in grades are not perceived as career progression. Grades have become the equivalents of compensation bands. As far as career within the organization is concerned, it takes a long while to move to the next level. Talent values progression.

> *"I want to be a young hotshot! I can only do that in the private sector."- HBS#12*
>
> *"I am used to a fast career progression." – HBS#13*
>
> *"People want to run their own shows."- HBS#3*

We only met one professional who was satisfied with the way his agency deals with the career track. This indicates that it is possible to do so, given the right will and aspiration.

> *21 out of 25 government talent is frustrated with the way their agencies handle career progression.*

> **The Success Story**
>
> *"My agency does a fairly decent job. If you're liked and do a decent job, the managers will see that you get promoted. They're good in that respect."- KSG#15*

We generally found a widespread dissatisfaction on issues related to the career track.

> *"People either retire or die, so only then one can become a manager."- KSG#14*
>
> *"When I was eligible for promotion, I needed 4 levels of supervisors to create a new job. They did, but then a hiring freeze was imposed and I didn't get it. I'm a pretty ambitious kind of guy. I want to serve, but I also want to improve my capacity to serve." –KSG#16*
>
> *"I want to do more with managing people and don't want to be a 30-year civil servant."-KSG#2*
>
> *"There's no structure here. Nobody moves up because no one retires, so people are stuck." – KSG#3*
>
> *"They want me, but the HR executive's reason for holding me back was 'time in grade.' They need a GS-13, but I am a GS-12. So they will be forced to hire some deadwood person who fits the HR requirement over the candidate they prefer. Even if you have the skills, it's tough to move up because of time in grade criteria. It's not easy to be pulled into higher positions. Advancement doesn't occur at a rate in line with your ambitions." – KSG#4*
>
> *"Only one position opens in 10 years, and so people are around forever: You hear a lot of 'When we tried that in the Carter administration…'"- KSG#5*
>
> *"…It's not promoting on a fast track. I think that's shameful. Why be a martyr? The longer you stay, the fewer the options. If you're 45 and want to leave, it's hard. That's not true at 35." – KSG#7*

There are several corporations that are flat in structure and hence provide limited potential for change in career roles. However, even in those firms, the responsibilities constantly change and increase as the talents develop further.

IV.5.3 No change in challenges and responsibilities

16 out of 20 corporate talent had their responsibilities substantially increased during their first few years (this is usually without a graduate degree).

One of the indications that talent is developing and is becoming more important for the organization is that they are given more responsibility. A few of those we interviewed progressed a lot and assumed a great deal of responsibility for individuals 4 to 5 years out of college.

" I started as supervising manager in a call center, then worked as a business analyst for credit and collection, then worked as a financial planning analyst, and then became the director of financial planning for this multi billion dollar business."- HBS#18 (4.5 years with company)

" In the first two years, I worked as part of the training group that taught quality control, then as an evaluation engineer for product development team in the refrigerator business, then as a manufacturing engineer, responsible for new equipment in the refrigerator plant, then as an in charge of material handling for a new assembly line. I then became a supervisor of 56 people on a refrigerator assembly line, then worked as a quality engineer in dishwasher plant for all 3 assembly lines, then as a process engineer in refrigerator plant in England, a leader of the 6 sigma initiative for the purchasing department in England and then as a team leader of group of black belts working to improve plant capacity and implementing internet based system for purchasing supplies for the plant. In my last job, I was a program manager for product design in the washers and dryers team and was responsible for product redesign for washing machine with the target of achieving low customer complaints."- HBS#10 (5.5 years with company)

" I worked in manufacturing operations, product development, marketing in South America, then in product design engineering. When I left, I, with my boss managed the product marketing of $ 8 billion product lines. I was highly leveraged, doing both strategic and operations work for both current and future models."- HBS#11 (5 years with company)

" I started in Japan as Executive assistant to VP, then moved to Business Development to look after the merger and acquisition related issues of 14 different companies, and hen moved to he Chairman's office to manage investor relations."- HBS#17 (5.5 years with company)

"I started in the leadership program and did 4-6 month rotations in different areas in finance and accounting. The leadership program has mentorship, classes, training and tests in addition to the rotations. There are five levels of managers- A, B, C, D and E. E is the executive level. It typically takes 5 years to move on to the next stage. Anybody who graduates from the leadership program is promoted to B level on graduation. Then I worked in the Solutions division on outsourcing of large network deals. I was promoted to C level in one year and then worked to provide outlook and budget for the 2 billion dollar division. In this job, I rolled up the entire division's budget, and was responsible for a monthly update and outlook release. Then I moved to investor relations. The company is sponsoring my education, and I will return at the D level. In addition, I have worked with the company for three summer internships. I am the poster child for big company retention."- HBS#20

In the government talent pool, only one individual mentioned that he gets responsibility according to his performance (KSG#10). Otherwise, there is stagnation and an increasing disappointment.

> *21 out of 25 government talent had no change in their few years.*

> *"There is not enough work to do. My work is boring, and it is bureaucratic. There is no real impact. I am not doing what I am capable of. I have a feeling for being overeducated for this. I am actively looking to move out!"- KSG#9*
>
> *"I've gone from GS-9 to GS-12, but my responsibilities haven't changed."- KSG#18*
>
> *"I have done what I came to do, and now it is time to move on." –KSG#1*
>
> *"There is no outlet of my entrepreneurial side."- KSG#12*
>
> *"I don't like to routine that has set in after doing this job for a while."- KSG#14*
>
> *"People move for more education. They are frustrated at being so low—a "peon" in the hierarchy."- KSG#2*
>
> *"My responsibilities have pretty much remained the same in the last three years. My ideas sometimes do not reach fruition, or even circulation."- KSG# 8*
>
> *"The tasks haven't changed in the last few years, even between GS-9s and GS-15s—the same work but widely different salaries."- KSG#19*

IV.5.4 Stagnating learning and skill development

In their jobs, talent places a high premium on learning and exposure. Talent fears becoming stagnant and redundant. We found some frustration at the fact that talent is not learning anything new. Skill building is important to maintain market value as well as to continue to develop personally. There is a fear of becoming obsolete and less marketable.

> *12 out of 14 government talent feels that their learning curve has flattened.[x]*

> *"My skills have become government specific. I need to be able to export my skills." –KSG#2*
>
> *"I was incredibly frustrated at the 2-3 years stage, I was not learning new skills. I am not learning new things. There seems to be no professional growth. My current work is very transactional; I want to build skills to move into the private sector. I am looking for another position with another agency"- KSG#8*

IV.5.5 Money matters, and talent is leaving because of it

That the government pays less is a known fact. This is largely true particularly in the starting grades and onwards from year five. However, it was striking to meet several people who were

> *Only 7 out of 25 government talent was satisfied with what they were making. 4 would actually leave because of what they are being paid.*

very happy at what they were doing, but would have to move out of their jobs because of

monetary considerations.
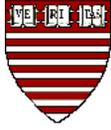
> *"It's real tough. PMIs make $33,000—this is a sacrifice, a real hit in the 1st year."- KSG#3*
>
> *"I am completely out earned by the private sector…It is tough to manage a middle class lifestyle. Salary is a huge issue, I am thinking of leaving because of that. I will make a good 60% premium over what I currently make." -KSG#12*
>
> *"How important is money? Very important. If you could control for student loans, marriage, mortgage, car payment, it wouldn't be an issue. But with these, it becomes a big, big issue." – KSG#15*
>
> *"I would leave because I need to make more money. Financials, financials, financials! Haven't started paying KSG loans, and have two kids, can't wait that long, don't know what I'm working toward here…"- KSG#22*
>
> *"I don't even approach my earnings potential at the moment."–KSG#7*

In the grade system, talent, even if they move at a fast pace through the grades, hit a ceiling around GS-13 or 14.

> *"It took me 3 years to reach GS-13, and it takes about 17 years to move from GS-14 to GS-15 here."-KSG#12*
>
> *"On the GS-scale, you can only get so high, then you have to leave and come back." – KSG#17*
>
> *"The handout for GS-12, mentions that this is a position with no promotion potential. There is no career track for me."- KSG#22*
>
> *"The merit system is screwed up. Some people are stuck at GS-13 for 15 years; they are held back because there is no room to move up; hence the lack of ambition and mediocrity." –KSG#3*
>
> *"Career track doesn't exist. I can't get promoted again; I am a GS-13, and would need a new job to get promoted again." –K 2*

Reaching Out
Findings IV.6

IV.6.1 Introduction to Reaching Out

Our previous findings have focused primarily on issues of retention: what is it about the roles and responsibilities, management, evaluation, and career progression that might affect the decision of Generation X employees to leave or stay in a given position? For the fifth and final category of our findings, we turn to the issue of reaching out to new recruits. While many observers of the civil service have explored recruiting, we feel that the nature of the comments we received in our interviews dictate that we share our findings as well. We have organized our findings on reaching out to new recruits along three dimensions, and we will explore each of these areas in turn:

▶ Little Awareness of Government Job Opportunities
▶ Negative Perception of Government
▶ Lack of an Overall Government Recruitment Strategy

IV.6.2 Little Awareness of Government Job Opportunities

As noted in Section II, *Problem and Background*, even if they wanted a job with the federal government, six in ten Phi Beta Kappa college graduates said they wouldn't know how to get a

> *Only a handful of government talent interviewees held an internship with the federal government as an undergraduate.*

> *corporate talent interviewees recognized a federal government recruitment effort as an undergraduate.*

job in the federal government. This sentiment was echoed in both our government and private sector interviews. One government employee pondered why there are no advertisements for civil servants.

One of the primary tools employed by the private sector in their effort to generate awareness of opportunities they provide that might otherwise be overlooked by Generation X is undergraduate recruiting. This tool has proved extremely successful in alerting the best and the brightest students to opportunities at an early and influential age—when young Americans are exploring career options and evaluating their choices for their first "real" job after college.

> *"You see ads for the military and Lockheed Martin that inspire patriotism. Where are the ads for the civil servants?"* KSG#17
>
> *"We need to make it easier to come work here. You basically have to be a PMI or know someone to get in."* KSG#2
>
> *"It is impossible to join the agency by the usual recruiting process! You have to know someone here."* KSG#12
>
> *"We need to act more like the private sector and recruit in October, not April."* KSG#18

Private sector firms aggressively recruit not just for college graduates, but college interns as well. One interviewee noted that the reason he chose his employer was because of his experience with a college co-op. Many of our private sector interviewees cited aggressive undergraduate recruiting as a principal factor they chose their first jobs after college. For example, one interviewee said that this was the reason she chose to move all the way to Minneapolis to work for General Mills.

> *"I worked for this company for two years during my college in their co-op program."* HBS#10
>
> *"It would have been cool to work for the CDC or NIH, but what would an engineer do with the government?"* HBS#1
>
> *"I don't know what happens in the government. I never got a chance to talk to anybody about it because there was no presence on my undergraduate campus."* HBS#7

Undergraduate recruiting influences young Americans to consider job choices they might never have entertained. Whether or not Gen Xers actually choose to work for Quaker Oats after college, if they have been exposed to the organization through recruiting as an undergraduate, they will almost certainly be more likely to consider the organization as a prospective employer later in life, most importantly, after graduate school. Without an effective, consistent undergraduate presence on campuses across the United States, the federal government will fail to generate awareness of the rich offerings it has available to college interns, college graduates, and graduate students.

IV.6.3 Negative Perception of Government

> *Just 6 out of 20 corporate talent interviewees would*
>
> *government if they had been aware of the opportunity.*

For those young Americans who are aware of employment opportunities in the federal government, there are serious perception issues among at least some, both private sector and government alike. When asked for her thoughts on what the government should change to better attract and retain talent, one government talent interviewee responded that there are too many negative views of Washington. Another described issues with colleagues' work ethic, lending to stereotypes of lazy government

workers that fuel negative perceptions and become mentally ingrained.

> *"There are serious work ethic issues, and it is very demoralizing to those of us who work hard. The perception has become: 'if you can, do; if you can't do, teach; if you cant do anything, go to the government.'" KSG#12*
>
> *"PMIs who didn't choose the program view government as calcified and rigid. It's viewed as a job for life. And there is a stereotype of the petty minded bureaucrat." KSG#19*
>
> *"We need to get back to a culture of pride in government, and make the phrase 'good enough for government' a standard of excellence. Politicians campaigning against the government bureaucracy are very bad for perceptions." KSG#20*
>
> *"All we hear is politicians slamming government—and people become lazy because of this. We need a voice back, talking about all the services from government." KSG#1*

Perhaps not surprisingly, the negative view of federal government employment was particularly pervasive among our private sector interviewees. One former private sector employee said he would not consider the federal government because of public distrust in government. As noted, this attitude is not surprising because those who would choose private sector employment in the first place likely did so based on perceptions of government employment and because they do not place a value on public service through government employment. However, some corporate talent did identify initiatives that had improved their perception of government, such as TV shows, that show that there is promise for improving perceptions through marketing.

> ## The Bad:
> *"When you think of government, you think of old people—Uncle Sam, Senators—that's the image. You don't think of young people or the best and the brightest." HBS#8*
>
> *"There is still some public distrust of government. I like to be part of a winning team." HBS#13*
>
> *"The best caliber people do not go to government." HBS#4*
>
> *"There will be no scope of entrepreneurship if I work for the government." HBS#14*
>
> *"My perception is that there is a lot of bureaucracy in government. I've seen so many inefficiencies in dealing with government agencies like the Postal Service, DMV, and property office; how can any other part be efficient?" HBS#16*
>
> ## The Good:
> *"The TV show 'The West Wing' has improved my impression of the government." HBS#10*
>
> *"There is a sense of pride and prestige in working for the government and a sense of contributing to the society, which is great." HBS#18*

Yet while not a simple matter, addressing negative perceptions and stereotypes of government work should not be casually dismissed. For as long as these perceptions are allowed to fester, the federal government will face a serious disadvantage in the war for young talent.

IV.6.4 Lack of an Overall Government Recruitment Strategy

Finally, moving past general issues of awareness and perception, our interviewees noted the lack of an overall effective federal government recruiting strategy. This is in sharp contrast to the experience of those in the private sector, who cite aggressive recruiting strategies with high degrees of flexibility.

> *"When we faced a talent problem, the company started giving relocation expenses, sign on bonuses and stock options to new recruits." HBS#10*
>
> *"I would have looked at EPA, even with 30% less pay. If EPA would have approached me, I would have looked at it." HBS#16*
>
> *"If the Department of Education came to me and said to meet this person and that, and talked about available opportunities and explained the challenges and said that it would be a good thing for business schools applications and paid 90% of what I was getting in the private sector—sure! I would certainly consider it!" HBS#11*

While the solution to more effective recruiting by the government is not likely to come in the form of bonuses or stock options—nor necessarily should it—the essential point remains: the government lacks a clearly coordinated strategy to recruit the best and the brightest of Generation X. Government talent report as commonplace ad hoc recruiting, with program staff rather than trained HR professionals performing essential recruiting functions. Some government talent have chosen to participate in recruiting functions—volunteering to interview applicants for summer internships—and have found the process to be personally rewarding.

> *"Government waits for the applicants to come to us. You basically have to be a PMI or know someone to get in. If you don't put the right word in your resume, it gets tossed." KSG#18*
>
> *"The PMI is the sole recruiting tool; it's a good program, but limited for recruiting." KSG#2*
>
> *"The beauty of the PMI is that it liberates you from the inflexibility of the government hiring process." KSG#3*
>
> *"Recruiting functions are not strong- they are staffed with economists- HR professionals should run them" KSG#10*
>
> *"We need to make it easier to hire people—there are so many steps along the way with and ridiculous rules, so people get frustrated. In the private sector you go to interviews and if they like you they make you an offer—but in government there is a whole set of rules that keep you from doing the same thing." KSG#23*
>
> *"One of the big problems is that we're not set up for that much turnover. When I worked in city government, our office had an ongoing recruiting program because we never knew when someone would leave and we wanted to be ready. Our office wanted to compete with investment banks and consulting firms, so we wanted to be out in front…" KSG#24*

Recommendations
Section V

V.1 Introduction to Recommendations

The heart of this Policy Analysis Exercise is in the *Findings*—where the innovation and value of our work comes from the detailed, ethnographic insights gleaned from examples, quotes, illustrations, and real life stories that we heard through in-depth one-on-one interviews. However, our findings revealed a wealth of insights into the types of changes necessary to enable the federal government to better recruit and retain Generation X. We are not experts in civil service reform, nor do we pretend to be. For this reason, our recommendations are not detailed roadmaps describing the pathways to reform. Instead, they represent our best judgment on the nature of reform required. While we recognize both the long history and the political complexities inherent in civil service reform, we feel we would be remiss in not offering the following set of recommendations, which flow directly from the five categories of findings:

- ▶ Roles and Responsibilities
- ▶ Management
- ▶ Evaluation
- ▶ Career Progression
- ▶ Reaching Out

Within each category, we have made two broad sets of recommendations: those that represent near to medium term solutions, and those that require a long-term strategy of change.

V.2 Roles and Responsibilities

Our findings on roles and responsibilities showed us that tasks and responsibilities were similar, that access to senior officials was higher in government, that the of work of government talent was more meaningful, but there was a fundamental difference in roles, whereby the of government talent was that of support to a senior decision maker, while corporate talent held more authority and ownership. For this reason, we have two recommendations regarding roles and responsibilities.

V.2.1 Highlight and Market the Impact, Meaning, and Consequences of Work in Government Talent Retention Initiatives

Government talent reported that they found tremendous meaning in the spirit, if not always the day-to-day, of their work. Many of the government talent reported this as a key factor that made up for the compensation differential between the public and private sectors. This is a tremendous point of leverage for government human resource divisions as they seek ways to better retain the talent of their organization. Government should find ways to connect the work of employees back to the overall mission, and to reinforce the mission of public organizations in the minds of employees. This can occur in many ways, including prominent and frequent displays of mission statements in the workplace, but also in resonating the mission in messages targeted for audiences outside the organization, such as advertising and recruiting. Such messages have an indirect effect on retention insofar as they reinforce the positive aspects of the organization to current employees as they persuade individuals outside the organization to apply.

V.2.2 Long Term Strategy: Subdivide Large Organizations into Smaller Teams to Decentralize Decision Making Control Points and Devolve Authority

Generation X seeks employment opportunities where they can be creative, entrepreneurial and have an equity stake in their job. But we learned that government talent primarily plays a support role to senior decision makers, and are rarely able to exercise authority and ownership over their work. Government must find a way to provide young talent with the ability "to run their own show," or at least the perception of such authority. In our corporate talent interviews, we learned that large bureaucracies are able to do so by dividing large organizations into smaller divisions with smaller organizations. With authority devolved to such a level, young talent is satisfied, and there is less risk to the larger organization in providing entry-level employees more authority.

V.3 Management

Government talent was frustrated by a lack of quality management. Many believed that their organization played host to a substantial degree of management deadwood. Yet there is a dearth of experiences available to those who become managers. And managers are not promoted based on leadership potential. Finally, significant mentoring and upward feedback mechanisms were found to be lacking. Government must invest in management through several steps.

V.3.1 Routinely Provide Opportunities for Supervisory Experience in Grades Below GS-15

Good managers are made, not born. Both government and corporate interviewees praised the training opportunities available to them, including those for management. But again and again we heard that the most effective training was done on the job. There is no training class that can

serve as an adequate substitute for managing one's own team. The federal government cannot expect to promote an individual with no previous supervisory experience to the GS-15 level without a severely negative impact on his or her subordinates and the entire organization as a result. The government should, in concert with Recommendation V.2.2 above, ensure that management experiences are available to young talent. By dividing large organizations into smaller components, opportunities for management experience should present themselves, even if only in the form of supervising administrative assistants.

V.3.2 Promote Only Those to Management Positions Who Have Demonstrated the Appropriate Leadership and Interpersonal Skills

The government must begin to distinguish between an organization's high performers who are capable of good management from those who are not. Many of our government talent interviewees reported poor managers who were promoted based on policy expertise. Evaluations should take leadership and interpersonal skills into consideration before granting a promotion to manage subordinates. For example, evaluations should consider whether an individual has demonstrated the ability to develop his or her peers; is the individual skilled in teamwork such as facilitation; does he or she demonstrate successful interpersonal communication such as empathy? Individuals should be given opportunities to develop managerial expertise through low risk supervisory experience (as recommended in V.3.1 above) as well as through mandatory, effective training (for civil servants as well as political appointees). But social promotion of managers cannot and should not be tolerated.

V.3.3 Institute Formal Mentoring Mechanisms

Given the bimodal age distribution of federal government agencies, there is a significant opportunity for mentoring that must not be squandered. Successful private sector firms have instituted formal and informal mentoring programs that help increase retention. A formal mentoring process need not assign an entry-level employee to a mentor with whom he or she has no connection. Instead, it can be created by simply asking senior level employees to volunteer as mentors, and by requiring entry-level employees to choose a mentor or counselor with whom he or she will regularly meet for guidance in a social setting. In addition, mentoring can be included as a component of annual evaluations for both senior and entry-level employees.

V.4 Evaluation

Sadly, government talent has described civil service evaluations as a "joke." Employees are either given identical ratings or are able to write their own evaluation. Evaluations are central to creating a culture of performance. Yet the civil service statutes must also protect against the tyranny of political change, nepotism, and patronage.

V.4.1 Enforce a Multi-tiered Performance Appraisal

Government talent reported the use of a pass/fail performance evaluation. Numbered evaluations should be reinstated wherever absent, and multi-tiered rankings should be meaningful and accurate. Employees must learn about weaknesses in order to grow and develop, and top performers need to be recognized in order to create a culture of merit and excellence. In addition, subordinates should have an opportunity to evaluate their superiors through a formal process of upward feedback. To deal with poor performers, agencies must have flexibility for early buy-outs.

V.4.2 Empower Agencies to Institute On the Spot Rewards and Recognition

Government and corporate talent pointed to the importance of being recognized and valued in their work. Expensive monetary rewards in government are both infeasible and unnecessary; yet many small, more immediate rewards—such as gift certificates for $100 and agency T-shirts—can make an incredible difference in working environment. Agencies should allocate a small sum in the organization's budget to be used for this purpose.

V.5 Career Progression

Generation X repeatedly refers to a desire for flexibility in their careers. The 30-year civil service career in federal government is unlikely to come to pass for Generation X employees. Gen Xers want changing challenges and responsibilities to afford continuous learning and skill development. Compensation is also important, but only to an extent.

V.5.1 Launch PMI-Style Rotation Policy for all Staff

Generation X talent across sectors seeks variety in their work. Some of the most satisfied talent in our government and corporate talent pools cited rotations as the basis of their contentment. Rotations to analogous agencies, details to Capitol Hill, and field experience should be viewed as investments in human capital, and designed as tools to retain talent. Though organizations will lose talent in the short term, they will reap the rewards of an energized workforce that is uninterested in leaving for new opportunities in the long run. Additionally, recognizing constraints of classified and confidential information as well as patronage, government talent should be able to move between sectors without penalty.

V.6 Reaching Out

The most essential tool for attracting talented employees to any employer is a multi-pronged recruiting strategy.

V.6.1 Institute an Aggressive Marketing Campaign Designed to Showcase the Strengths of Federal Government Employment

As one of our government talent interviewees mused, we are deluged with advertisements for the military and private sector employment. But where are the ads for civil servants? Government cannot hope to lure the best and the brightest of Generation X without advertising to generate awareness of opportunities and to clear negative stereotypes. The federal government must institute an aggressive marketing campaign that highlights the strengths of working for the government: the tremendous impact, meaning, and consequences of work in government; the incredible access to the most senior levels of officials in the United States government; the hard work and contributions of civil servants; and finally, the exciting opportunities available.

V.6.2 Create a Government Presence on Undergraduate Campuses

Another tool that has become indispensable in the recruiting arsenals of the private sector is an undergraduate presence on college campuses. Though the government does recruit at some graduate schools, undergraduate recruiting is idle. In the 1980s, management consulting firms began to tap this previously unexploited resource to their great advantage, and have benefited from a surge in perception as the undergraduate employer of choice for many college students as a result. The federal government should visit college campuses early in the fall. If not all campuses can be visited, then targeted schools in each region of the country should be designated to serve as recruiting hubs, where students from nearby schools can visit to hear recruiting presentations and to obtain literature and brochures of federal opportunities in general or specific agencies. Such visits need not be done by each individual agency, but can be conducted by representatives from the Office of Personnel Management (OPM) instead.

V.6.3 Long Term Strategy: Formulate a Comprehensive Government Recruitment Plan

Once established, it is essential for the many forms of recruiting to be well coordinated. Television and print advertisements, brochures, literatures, and school visits must represent government employment in a consistent and appealing way. OPM should work with each agency to develop annual recruiting goals and to develop the messages to be circulated for available employment opportunities. This multi-year plan should include strategies for shortening the time from first contact to final offer and for strengthening human resource recruiting staff.

Appendices
Section VI

Exhibit VI.1 Interview Discussion Guide

Introduction

- What are your job responsibilities? How long have you been in this position?
- What is the age profile at your position level? What are the basic demographics of your organization?

The Attractions

- What kinds of tasks do you perform on a daily basis? How have they changed in the last few years?
- Let's get specific. What did you do on your job yesterday? What were the best parts? What were the worst parts?
- What attracted you to the government as an employer?
- How meaningful do you find your work?
- Are you happy in your current job? How has this changed in the last few years?
- How would you characterize your relationship with your supervisor? Were your previous supervisors better or worse, and why?
- To what extent do older employees mentor you?
- What are your fellow employees like? Do they help you?
- How independently are you able to work? Give an example of a time when you were frustrated due to a lack of autonomy.

Areas for Improvement

- What don't you like about your job? How has that changed over the years?
- Why, and when, if at all, would you leave your current position? What might make you stay?
- What would make you leave the government?
- What makes up for the compensation differential between your job in the government and the private sector? How important is that differential to you?

Your Organization

- What makes your organization attractive to the young graduates?
- Why do your colleagues leave?
- How does your organization structure career progression? What training opportunities are you afforded?
- What do you think of the way your organization handles people? How are retention rates maintained?
- How has your organization changed in the last few years in its policies about recruiting and retaining young people?

Possible Solutions

- Why do young Americans stay in federal government employment?
- How can we attract more talent to it?
- What do you think are the big problems with retaining people in government service?
- What should the government change immediately and in the short- to medium-term to attract and retain talent?
- What is your organization doing to benefit from the recent slump in the talent market?
- How should the government position itself in the talent market?
- What would have caused you to choose to work for the government?
- What in your view should the government do to attract the best talent?
- What will make you or your peers choose to work for the government?

Exhibit VI.2 Government and Corporate Talent Organizations

Endnotes

Section VII

i "Finding The Civil Service's Hidden Sex Appeal: Why the brightest young people shy away from government," Nicholas Thompson, The Washington Monthly, November 2000
ii Ibid.
iii Ibid.
iv Ibid.
v Ibid.
vi "Put Some Polish on Government Service," Joseph S. Nye Jr., The Washington Post, August 21, 2001
vii Ibid.
viii Hart-Teeter, "The Unanswered Call to Public Service: American's Attitudes before and After September 11th"
ix Partnership for Public Service, http://www.ourpublicservice.org
x We talked about learning growth to only 14 professionals.