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# Roadmap to Reform: HR Challenges and Opportunities in the Obama Administration

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“One of the things I think I can bring to the presidency is to make government and public service cool again. There's such a hunger among young people for some outlet for their idealism.” \*

\*Senator Barack Obama, Interview in *Time* Magazine, November 29, 2007



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# President Obama's Inaugural Address (excerpt)

## January 20, 2009

“The question we ask today is not whether our government is too big or too small, but whether it works....

Where the answer is yes, we intend to move forward. Where the answer is no, programs will end. Those of us who manage the public's dollars will be held to account — to spend wisely, reform bad habits, and do our business in the light of day — because only then can we restore the vital trust between a people and their government.”



# HR Challenges for the Obama Administration

- **1.9 million civilian career employees (and growing)**
- **Approximately 2.3 million active and reserve military**
- **Global operating environment & highly diverse missions**
- **Over 300 million “customers” (American public)**
- **Expenditures exceeding revenues for the last 7 years**
- **Massive operating deficits**
- **Government operates in a “fish bowl”**
- **Huge demands upon government and its workforce**



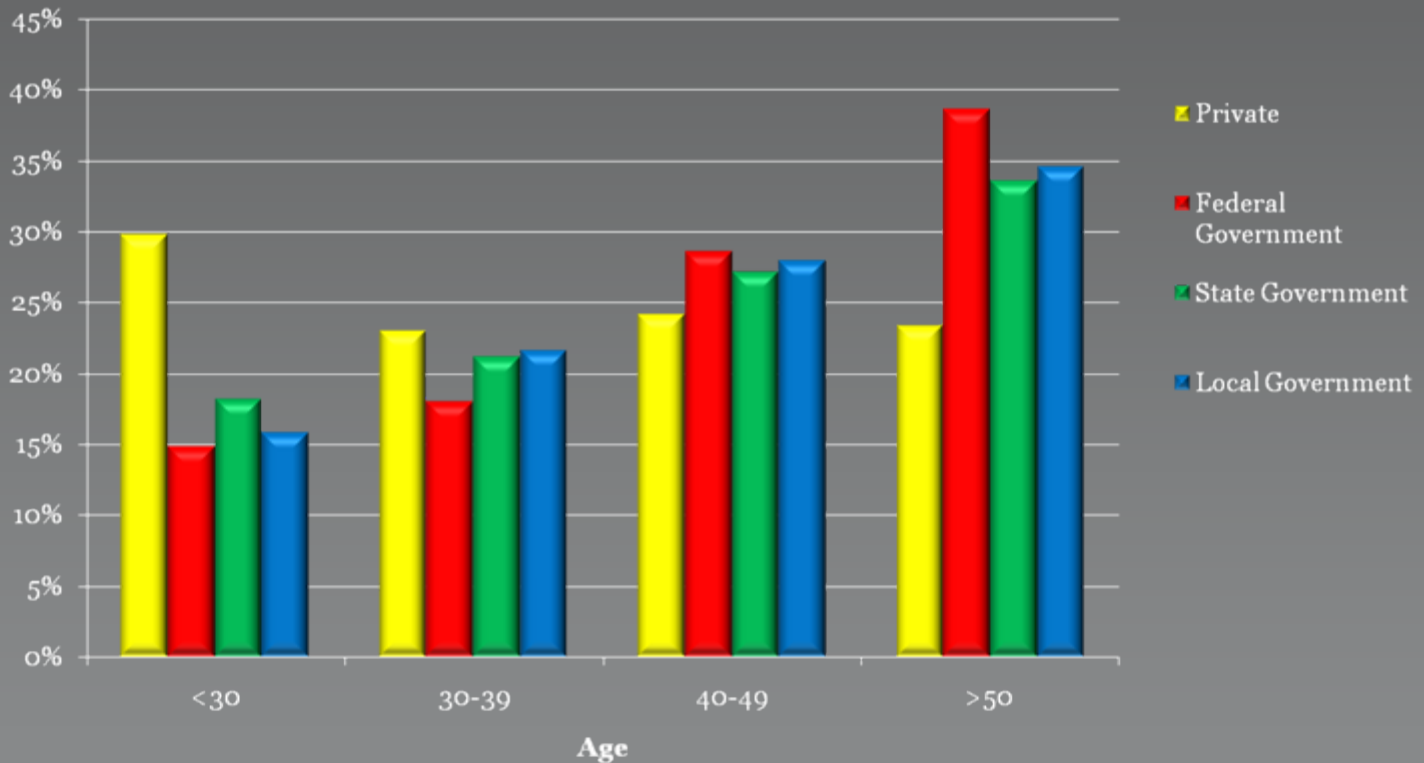
# HR Challenges for the Obama Administration

- **Board of Directors = 535 Members of Congress with vastly different viewpoints and experiences.**
- **Approximately 3,500 political appointees – 1,137 require Senate confirmation.**
- **Close to 600,000 career jobs to fill in next four years**
- **Very high level of interest in working for the government – millions applying for jobs**
- **“Recovery Act” - huge financial stimulus & unprecedented demands for transparency and accountability**
- **HR workforce may not have needed capacity or competency**



# The Public Sector Workforce is Greying

## Age Distribution Government and Private Sector



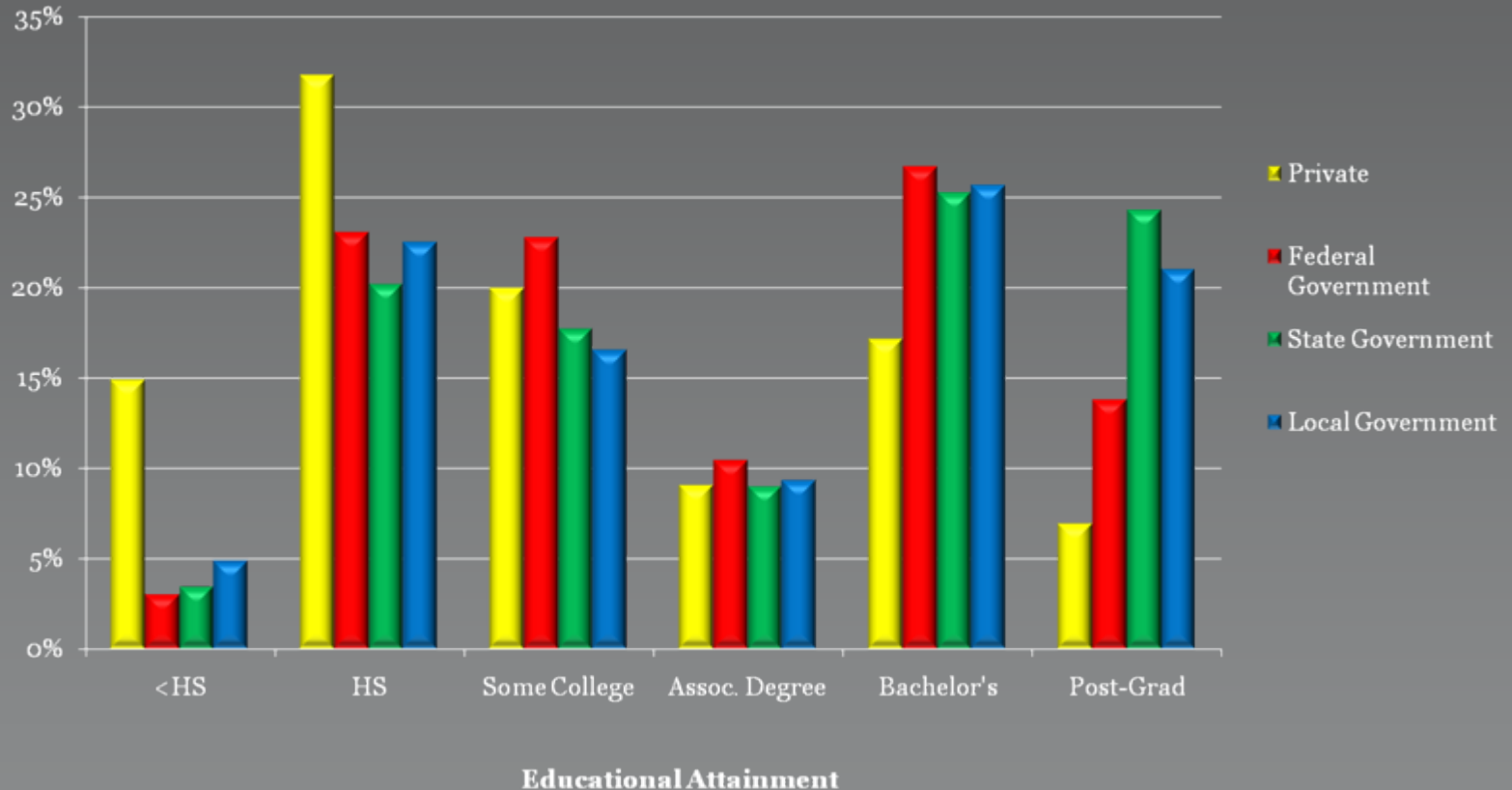
Source: Bureau of Census, Current Population Survey (CPS), Annual Demographic File, March 2005



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# Public Sector Needs a Well Educated Workforce

## Education Government and Private Sector

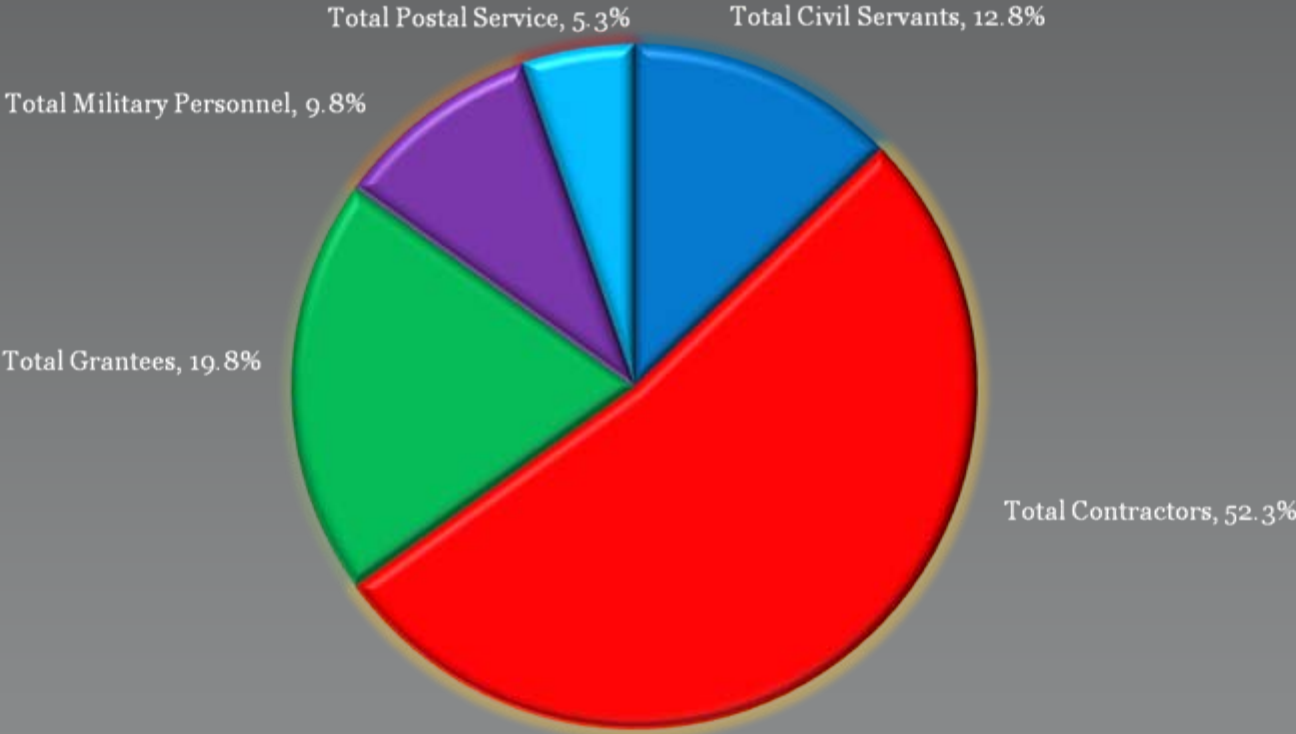


Source: Bureau of Census, Current Population Survey (CPS), Annual Demographic File, March 2005



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# Multi-Sector Workforce Considerations



Source: Paul Light, "The New True Size of Government," 2006



# So ... What's It All Mean?

- Demands on Government increasing along with demands for accountability and results!
- Public sector will feel effect of demographic shifts first
- Still competition for right talent (not just warm bodies)
- Applicant interest will shift as economy improves
- Government must find better ways to attract, hire, develop, engage and retain top talent



# What Can the Obama Administration Do to Respond?



# ROADMAP *to* REFORM

*A Management Framework for the Next Administration*



# Why is Public Sector Management Important?



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# Overview: *Roadmap to Reform*

Foster performance through:

- ★ The Right Talent
- ★ An Engaged Workforce
- ★ Strong Leadership
- ★ Public Support



# The Right Talent

- ★ Fix the federal hiring process
- ★ Make the federal pay system more performance- and market-sensitive
- ★ Effectively manage the multi-sector workforce



# An Engaged Workforce

- ★ Measure engagement and commit to improvements
- ★ Implement strategic human capital planning
- ★ Develop credible performance management systems




# Strong Leadership

- ★ Prioritize competencies for political and career leaders
- ★ Invest in training for current and future leaders
- ★ Establish long-term leadership




# What Would You Say to President Obama?




**ELEVATING**  
*Our* **FEDERAL**  
**WORKFORCE**

*Chief Human Capital Officers Offer Advice to President Obama*

2008 SURVEY OF FEDERAL HUMAN CAPITAL OFFICERS

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 Grant Thornton



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# Why Focus on the People Issues in Government?

“People matter – the right person in the right job affects how the government operates.”\*

\*Chief Human Capital Officer for a Cabinet Department



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# Summary Advice to President Obama

- ★ Make people issues a presidential priority
- ★ Create 21<sup>st</sup> century systems to support a 21<sup>st</sup> century workforce
- ★ Improve our federal workforce by investing in the human resources workforce
- ★ Don't automatically hit the reset button on previous workforce reform efforts



# **So - What Are the Announced Priorities for the Obama Administration's Office of Personnel Management?**



# OPM Director John Berry Has Pledged To:

- ★ Fix the federal hiring system
- ★ Improve work-life balance
- ★ Improve opportunities for veterans
- ★ Increase workforce diversity
- ★ Limit increases in health-care costs
- ★ Reform the federal pay system



**So You've Hired Great Employees --  
How Do You Engage and Retain Them?**

**By Being One of the.....**



# The Best Places to Work IN THE FEDERAL GOVERNMENT



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INSTITUTE for the STUDY of  
PUBLIC POLICY IMPLEMENTATION  
SCHOOL of PUBLIC AFFAIRS

# The Best Places to Work

## IN THE FEDERAL GOVERNMENT

### What It Is

- **Rating and ranking of 228 departments/agencies, subcomponents**
- **Based on data from governmentwide employee survey**
- **Overall satisfaction score -- composite of 3 job satisfaction questions**
- **Ten “Best in Class” categories**
- **Latest Rankings Released May 20, 2009**



# The Best Places to Work

IN THE FEDERAL GOVERNMENT

## Overall Index of Employee Satisfaction & Engagement Government Wide

Considering everything, how satisfied are you with your job?	67.5
Considering everything, how satisfied are you with your organization?	56.2
I would recommend my organization as a good place to work	63.5
<b>Total Index Score</b>	<b>61.8</b>



# The Best Places to Work

## IN THE FEDERAL GOVERNMENT 2009

The *Best Places to Work* rankings — the most comprehensive and authoritative rating of employee satisfaction and commitment in the federal government — are produced by the Partnership for Public Service and American University's Institute for the Study of Public Policy Implementation (ISPPi).

### FIND AN AGENCY

search

[Complete List of Agencies and Subcomponents](#)

★ Create a Custom Report

📄 Compare up to 3 Specific Agencies

### Overall Index Scores

### Most Improved Agencies and Subcomponents

### BEST IN CLASS SCORES

Employee Skills/Mission Match

Strategic Management

Teamwork

Effective Leadership

Empowerment

Fairness

Leaders

Supervisors



## Welcome to the 2009 Best Places to Work Rankings

The *Best Places to Work* rankings are the most comprehensive and authoritative rating and analysis of employee satisfaction and commitment in the federal government. The 2009 rankings are the fourth edition of this ongoing series, following the 2003, 2005 and 2007 versions.

EMPLOYEE SATISFACTION INCREASED from 2007 to 2009  
 in **71 PERCENT** of federal organizations  
 Only 42 percent of organizations increased scores from 2005 to 2007

- Large Agencies
- Small Agencies
- Agency Subcomponents

### 2009 Overall Index Scores

Rank	Agency	2009	2007	% Change
1	Nuclear Regulatory Commission	80.7	76.2	5.90 ↗
2	Government Accountability Office	76.6	72.1	6.20 ↗
3	National Aeronautics and Space Administration	71.7	69.7	2.80 ↗
4	Intelligence Community	70.9	70.9	0.00 ↔
5	Department of State	69.1	67.9	1.80 ↗
6	Environmental Protection Agency	68.2	65.5	4.20 ↗
7	Department of Justice	68.0	69.0	-1.40 ↘
8	General Services Administration	67.5	65.7	2.70 ↗
9	Social Security Administration	67.0	66.5	0.80 ↗
10	Department of Commerce	66.5	62.5	4.70 ↗

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Overall Index Scores

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BEST IN CLASS SCORES

Employee Skills/Mission Match

Strategic Management

Teamwork

Effective Leadership

Empowerment

Fairness

Leaders

Supervisors

Performance Based Rewards and Advancement

Training and Development

Support for Diversity

Family Friendly Culture

Pay and Benefits

Work/Life Balance

# Office of the Inspector General (OPM)

**Mission:** To provide objective oversight and appraisal of OPM's responsibilities and their implementation to assure the integrity, efficiency and effectiveness of OPM's services.

81.3

#2 out of 216

## Scores and Rankings

2009

Previous Years

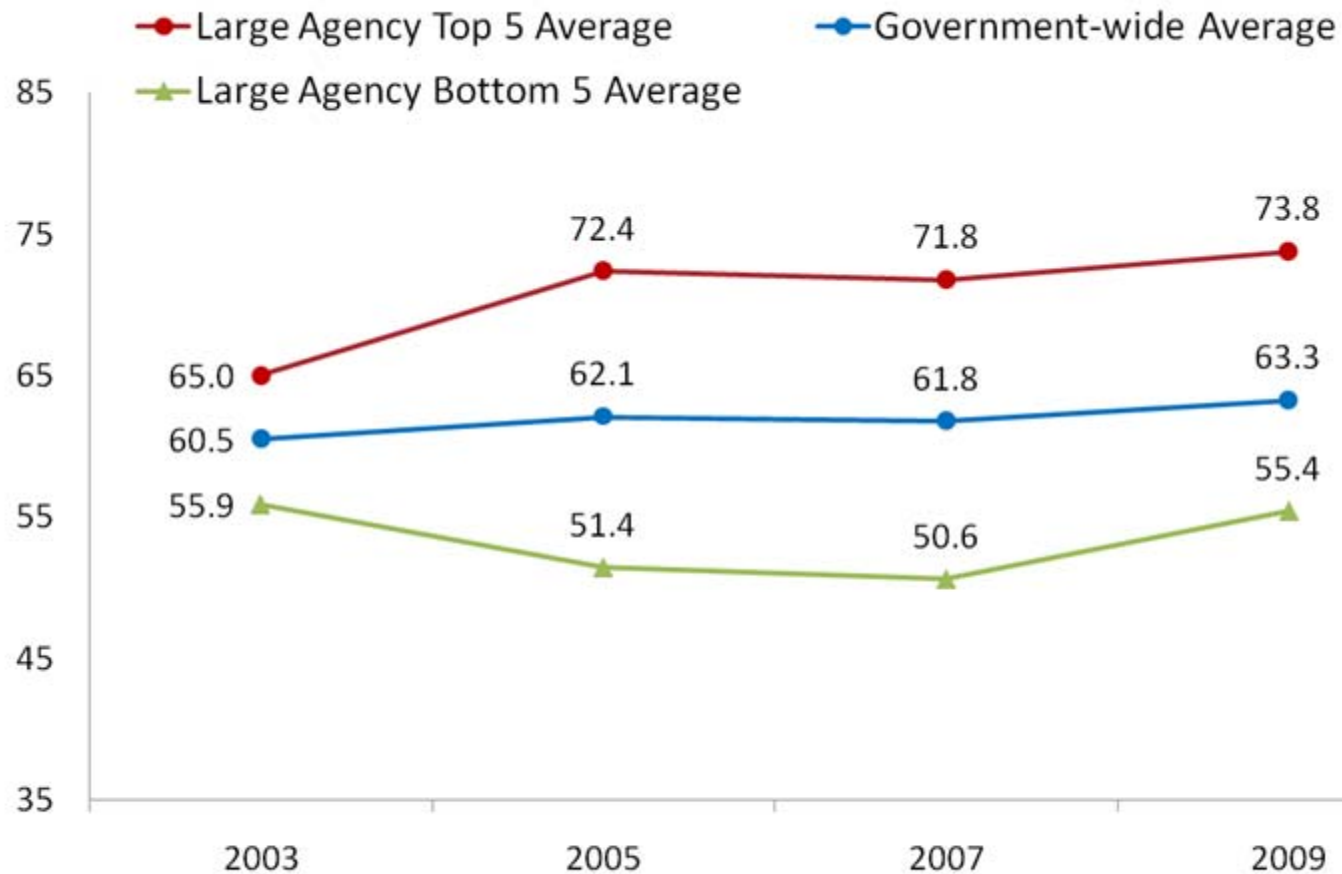
Best in Class Scores	Score	Rank (out of varied totals)
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Employee Skills/Mission Match	84.9	7
Strategic Management	67.5	14
Teamwork	76.7	31
Effective Leadership	64.1	10
Effective Leadership - Empowerment	59.4	19
Effective Leadership - Fairness	55.5	13
Effective Leadership - Leaders	65.5	7
Effective Leadership - Supervisors	71.7	23
Performance Based Rewards and Advancement	48.1	107
Training and Development	76.9	4
Support for Diversity	72.9	12
Pay and Benefits	81.4	4
Family Friendly Culture and Benefits	66.9	2
Work/Life Balance	63.9	116

Scores by Demographic	Score	Rank (out of varied totals)
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Female	75.7	10
Male	87.6	1
40 and over	85.2	2
Under 40	76.5	27
Asian	⊖	⊖
Black or African-American	⊖	⊖

# Best Places to Work Index Trends



# Why Does It Matter?



# The Best Places to Work

IN THE FEDERAL GOVERNMENT

*“We have found evidence that a heightened connection, or engagement, between federal employees and their organization...is related to better organizational outcomes.... By fully engaging their employees as recommended, agencies can improve their operations despite a highly competitive labor market.”*

-- *“The Power of Federal Employee Engagement”*  
U.S. Merit Systems Protection Board, September 2008



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# The Bottom Line?

**This is an exciting time for public sector HR!**

- ✓ **Working in government becoming “cool again”**
- ✓ **Increased understanding of the importance of getting the “people part” right**
- ✓ **Growing public support for effective government**
- ✓ **Opportunity to work on issues that matter**
- ✓ **HR Community is “front and center”**





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