



CALIFORNIA'S TALENT GAP

RECRUITING AND HIRING A NEW
GENERATION OF FEDERAL EMPLOYEES



PARTNERSHIP FOR PUBLIC SERVICE

The Partnership for Public Service is a nonpartisan, nonprofit organization that works to revitalize the federal government by inspiring a new generation to serve and by transforming the way government works. The Partnership teams up with federal agencies and other stakeholders to make our government more effective and efficient. We pursue this goal by:

- Providing assistance to federal agencies to improve their management and operations, and to strengthen their leadership capacity.
- Conducting outreach to college campuses and job seekers to promote public service.
- Identifying and celebrating government's successes so they can be replicated across government.
- Advocating for needed legislative and regulatory reforms to strengthen the civil service.
- Generating research on, and effective responses to, the workforce challenges facing our federal government.
- Enhancing public understanding of the valuable work civil servants perform.



INTRODUCTION

California has the largest population of civilian federal workers outside of the Washington, D.C., region, with more than 150,000 civil servants working at federal agencies that have important and diverse missions.

From the 2018 response of Federal Emergency Management Agency personnel to the deadliest and most destructive wildfire season in California's history to the nurses and physicians of the Veterans Health Administration caring for its nearly 2 million veterans, the federal government has a significant footprint and role to play in the Golden State.^{1,2}

But agencies in California are having difficulty attracting a new generation to federal service. In California, 6% of the government's employees are under the age of 30, similar to the federal workforce nationwide. This is due to a number of factors, including the lack of knowledge about federal job opportunities, noncompetitive salaries, a slow and complex hiring process, and robust competition from other sectors.

This issue brief provides an overview of federal entry-level talent needs in California, discusses recruiting and hiring challenges and offers strategies agencies can use to get quality talent in the door.

1 National Interagency Coordination Center, "Wildland Fire Summary and Statistics Annual Report 2018," March 2019. Retrieved from: <https://bit.ly/2PlnIn5>

2 California Department of Veterans Affairs, "Veteran Demographics." Retrieved from: <https://bit.ly/2mc7Dbv>

STATE OF TALENT IN CALIFORNIA

California offers a vast array of federal job opportunities for entry-level talent, including in the fields of engineering, IT management, health care, contracting and general administrative positions such as program analysts.

For example, engineers are not only a critical occupation for NASA to help design and build rockets for exploring deep space, but they are needed at the U.S. Patent and Trademark Office to review and analyze new inventions. And almost every agency had talent needs for administrative support positions.

As of August 2019, California had more than 1,500 full-time, permanent federal positions listed on USAJOBS, the government's career website. Nearly 50% of these positions were at the General Schedule 5, 7 and 9 levels, which are typically entry-level jobs, compared to the roughly 60% of entry-level positions that are on USAJOBS nationwide.³

Like the federal workforce as a whole, California's federal workforce is aging. By 2028, nearly 50% of the federal employees in the state will be eligible to retire, according to the Office of Personnel Management, which is on par with the federal workforce nationwide. And like agencies across the country, federal leaders in California must begin revitalizing the workforce with a new generation of educated and skilled employees who can bring innovative ideas and fresh perspectives to serve the nation.

To accomplish this goal, agencies must overcome a number of recruiting and hiring challenges. These include compensating for the high cost of living in California, overcoming stiff competition from the private and other public sectors, shortening the lengthy federal hiring process and finding better ways to market open positions to students and recent graduates.

3 Partnership calculations are based on full-time, permanent federal positions listed on USAJOBS as of August 2019.

A LOOK AT THE CALIFORNIA FEDERAL WORKFORCE



150,000

CIVIL SERVANTS WORK AT FEDERAL AGENCIES IN CALIFORNIA (OUT OF 2 MILLION TOTAL CIVIL SERVANTS)

2nd

HIGHEST CONCENTRATION OF FEDERAL EMPLOYEES AFTER THE WASHINGTON, D.C., REGION

 = 10,000 EMPLOYEES

HIRING

1,500

FULL-TIME, PERMANENT FEDERAL POSITIONS LISTED ON USAJOBS*



50%

ENTRY-LEVEL JOBS*

*As of August 2019

RETIRING

50%

FEDERAL EMPLOYEES IN CALIFORNIA ELIGIBLE TO RETIRE BY 2028



COST OF LIVING

FEDERAL WORKERS IN **THE BAY AREA** EARN

47% LESS

THAN THOSE WORKING IN NON-FEDERAL JOBS



FEDERAL WORKERS IN **THE LOS ANGELES REGION** EARN

41% LESS

THAN THOSE WORKING IN NON-FEDERAL JOBS

Note: All data are for non-seasonal, full-time permanent employees.

RECRUITING AND HIRING CHALLENGES IN CALIFORNIA

Cost of living and competition from other employers

Federal agencies often struggle to provide employees with adequate compensation in areas with a high cost of living. OPM has sought to deal with this problem by creating locality pay areas that enable federal workers to earn higher salaries in high cost-of-living areas. But an OPM and Bureau of Labor Statistics analysis found that even with locality pay adjustments, federal workers earn on average 31% less than their counterparts in non-federal occupations.⁴

The pay disparity is even greater in some parts of California. Federal workers in the Bay Area earn 47% less than those working in non-federal jobs, while those in the Los Angeles region earn 41% less. This disparity directly impacts the ability of agencies to recruit, hire and retain quality talent.⁵

“Cost of living is a huge issue, especially when we are recruiting students in San Francisco,” said Andrew Jenson, director of the Army Civilian Personal Advisory Center who supports hiring for the Army Corps of Engineers in California. “It is hard to live in San Francisco on a GS-7 (entry-level) salary. Some people are commuting over two hours or living with six other people just to afford rent.”

Officials at every agency we interviewed cited cost of living as one of the biggest barriers to recruiting, hiring and retaining quality talent in California.

The situation is made even more difficult because of competition from the private sector as well as from state and local governments. These entities often offer higher salaries and have faster, more efficient hiring processes.

Agency officials said the lack of resources for recruitment and relocation incentives also limits the ability of hiring managers to bring entry-level employees on board. And with California’s unemployment rate at 4.1% as of July 2019, federal agencies have found themselves competing for a small pool of qualified candidates.⁶

“The stronger the economy, the harder it is to hire,” said Jenson. “We are competing with firms and we have a hard time matching compensation packages, so it has been difficult to find the right candidates. The pool is so small for some positions that we are fighting over scarce resources.”

4 Office of Personnel Management’s Federal Salary Council, “Level of Comparability Payments for January 2020 and Other Matters Pertaining to the Locality Pay Program,” May 2, 2019. Retrieved from: <https://bit.ly/2ZcFyhZ>

5 Partnership calculations are based on OPM’s Federal Salary Council formulas for pay disparity. Using the 2018 locality payment rates for San Jose-San Francisco-Oakland, CA and Los Angeles-Long Beach, CA. Retrieved from: <https://bit.ly/2kqpVVS> and <https://bit.ly/2k0Ern6>

6 Bureau of Labor Statistics, “Economy at a Glance: California.” Retrieved from: <https://bit.ly/2JDLLx1>

Marketing and outreach

Agencies have an opportunity to engage in branding and marketing before and while a position is posted on USAJOBS, but often lack a budget or the wherewithal to promote themselves to prospective applicants, including college students and recent graduates. As a result, many individuals with the skills needed by agencies do not know about the opportunities that exist, and do not apply.

This problem is compounded by the fact that the public often associates federal jobs with employment in the nation’s capital even though about 150,000 employees work in California, the largest contingent outside the Washington, D.C., region.

NASA, for example, has two premier research centers in California, the Ames Research Center and the Armstrong Flight Research Center. According to hiring managers at both facilities, the general public and college students know about NASA, but often are unaware of the agency’s presence in the state.

“I think, in general, the federal government isn’t something students are thinking about as a job opportunity,” said Linda Jensen, human resources development specialist at NASA’s Ames Research Center. “People just don’t know we are here in California.”

Brian Bennett, a human resources specialist at NASA’s Armstrong Flight Research Center, said NASA has a strong national brand, but added that “people often get lost in the cool things coming out of Silicon Valley in California.”

Some agencies also have had a hard time differentiating their distinct missions from their departments, affecting their brand and the types of candidates applying for jobs.

For example, the Defense Contract Management Agency, which is a subcomponent within the Department of Defense, finds that eligible candidates often are deterred from applying to the agency because of a general misconception of its culture and workforce.

“When you say DOD, everyone thinks you have to put on a uniform to work for the federal government,” said Russell Murphy, the talent acquisition manager at DCMA. In reality, the DOD and its subcomponents have the largest civilian workforce within the federal government.

Similarly, officials at non-law enforcement agencies within the Department of Homeland Security mentioned that their agencies are often confused with other DHS agencies that have law enforcement roles. When posting job announcements on USAJOBS, agencies are required to include information about the entire department before elaborating on their own mission. One official said that “the broad scope branding” from the department doesn’t always fit the agency’s needs, creating confusion and making recruitment more difficult.

Time to hire

Agencies are hampered by the slow and archaic federal hiring process. According to OPM, the federal government's average time to hire nationally in 2017 was 106 days, up from the 87-day average in 2012.⁷ In 2018, the average time for the private sector to hire a candidate after an initial interview was 33 days.⁸

Students and recent graduates looking for entry-level positions before and after graduation are often unwilling to wait for a response if they receive other offers. A study conducted by a staffing and search firm found that 70% of candidates lose interest in job opportunities if they do not hear back from an organization within a week of an interview.⁹ With the unemployment rates low nationally and in California, agencies do not have time to spare when recruiting and hiring for mission-critical positions.

In the federal government, internal human resource processes contribute to longer hiring times. For example, officials at several agencies said that when a position becomes vacant in California, hiring managers often are required to get approval from headquarters to fill that job, taking away precious time needed to bring quality

7 "Statement of Mark Reinhold Associate Director Employee Services U.S. Office of Personnel Management." Hearing on "Examining Federal Managers' Role in Hiring," Senate Committee on Homeland Security and Governmental Affairs Subcommittee on Regulatory Affairs and Federal Management, 2018. Retrieved from: <https://bit.ly/2Okx2Zg>

8 Gartner, Inc., "Redefining the Role of the Hiring Manager in the Digital Era," June 2019. Retrieved from: <https://bit.ly/31QwHV4>

9 Addison Group, "How Hiring Managers Can Navigate A Candidate's Market," December 2018. Retrieved from: <https://bit.ly/33IYit0>

talent on board. One federal official said waiting for that approval can add at least a month to the hiring process.

Once agencies get approval to fill a job, they often do not have the budgets or authority to offer recruitment incentives, which can be akin to signing bonuses in the private sector. They also lack the ability to offer relocation incentives or student loan repayment programs. In addition, the majority of agencies do not have direct hiring authorities that would enable them to make on-the-spot job offers to qualified candidates for entry-level positions.

We also found that agencies in California do not make good use of federal internships, such as those offered through the Pathways Internship Program, to build talent pipelines.¹⁰

Many agency officials said hiring managers are discouraged from using the Pathways Internship Program because the interns take up a full-time employee slot. One official said his agency's headquarters controls the allocation of the Pathways positions, and typically keeps the majority of those slots at headquarters instead of allocating them to the field.

10 The Pathways Programs are designed to provide students and recent graduates with clear paths to internships and full-time employment, as well as meaningful training, mentoring and career-development opportunities. Comprised of the Internship Program, Recent Graduates Program and Presidential Management Fellows Program, the Pathways Programs assist agencies in attracting talent, educating and engaging employees, and filling key competency gaps.

STRATEGIES TO RECRUIT AND HIRE YOUNG TALENT

Agencies in California looking to infuse their workforce with young talent can draw on several recruiting and hiring insights and strategies that emerged from our interviews with federal hiring managers in California and throughout the country.

Target local schools

Agencies seeking to recruit for entry-level positions should actively engage California's higher education system, the largest and most diverse in the nation.¹¹ This system includes three public segments, the University of California, the California State University and the California Community Colleges. Together, they represent 75% of students enrolled in higher education in California.

While agencies may be limited by budget constraints, targeting recruitment to local colleges and universities may ease some of the challenges hiring managers face with regard to the high cost of living. Agency officials said hiring managers tend to have success targeting students

and recent graduates within California because they have a better understanding of the cost of living and often can initially live at home or with friends.

Officials at NASA's Ames Research Center, for example, said they have an easier time recruiting students for the Pathways Internship Program from California and converting internships into full-time positions.

"When we do recruitment efforts out-of-state, it doesn't translate to an actual hire," said Joy Murphy, deputy director for the Office of Human Capital at Ames. "There's so much shock coming to the Bay area in terms of cost of living or salaries that people from out-of-state either do not stay or don't take the job to begin with."

By targeting students and recent graduates that have a tie to California, NASA was able to convert 65% of Pathways students to full-time positions in fiscal 2019.

While agencies can use targeted outreach practices to mitigate some of the recruiting and hiring challenges caused by California's cost-of-living barrier, Congress should explore new ways to support agencies in high-cost areas. For example, Congress could increase or suspend

11 Public Policy Institute of California, "California's Higher Education System," September 2017. Retrieved from: <https://bit.ly/2ZdBM8e>

the cap on recruitment bonuses, student loan repayment or other incentives.

Agencies should also be collecting data to determine which incentives and authorities yield more quality candidates, enabling them to make the business case to Congress for the tools and resources most effective in recruiting a new generation of employees.

Partner and build relationships

It is difficult for agencies to target students and recent graduates if hiring managers and recruiters only attend seasonal career fairs or do not have a broader strategy. Agencies should build relationships with career centers, key faculty and student and affinity groups at local colleges and universities.

Career centers can be the best advocate for federal agencies, according to Russell Murphy, who works with hiring managers throughout the country at DCMA.

Murphy said one of his agency's most effective recruiting tools is hosting informational sessions in coordination with college and university career centers. At these sessions, Murphy said, hiring managers, subject matter experts and alumni talk with students about what it's like to work at the agency, share stories about their careers and offer information about the hiring process to those who are interested.

In California, Murphy said his agency targets state schools that are smaller, more diverse and less well-known than some of the state's major universities. Murphy said these schools tend to have more first-generation students, veterans and students with disabilities, enabling his agency to target quality candidates who may be qualified for expedited hiring processes.

Agency hiring managers also should build relationships and create a presence on campuses so they can foster and sustain long-term relationships. Even if they are not currently recruiting, agencies should cultivate these talent networks so they can tap them when they need to fill positions.

Use employees as recruiters

Agencies should engage their employees and use them to help market open positions. Employees have their own networks and can help spread information about job opportunities.

Zerlina Wong, supervisory program analyst at the General Services Administration's Region 9 Public Building Service in San Francisco, said she relies on her colleagues to help spread the word about job openings. The agency creates marketing materials, including digital flyers that list all open positions, and sends the information to the employees in the region so that they can share it with their alma maters and professional and social networks.

"Everyone is a recruiter," Wong said, "and we make sure that our employees know that. At our regional town halls, we always say: 'You all are our biggest recruiters.'"

In addition, GSA's regional office ensures that those who receive the materials have a contact to reach out to if they have any questions about the open positions. Wong typically lists her name and contact information on the flyers, so candidates can reach her with any questions.

"Most of the questions we receive are around eligibility. We get a lot of recent graduates applying and, in many cases, they just don't know how to navigate USAJOBS or are applying for the wrong position," Wong said. "I try to give them a sense of what to expect from the process and when they may hear back from us."

Candidates coming out of college may not be as familiar with the federal hiring process. And while agencies may not have full control over the process, hiring managers should ensure they are making the process as transparent as possible by creating a means for candidates to obtain more information and have their questions answered.

Review internal hiring processes

Significant changes to the federal hiring process are not likely to happen without legislative reforms, but there are steps agencies can take within the current environment to make the process less cumbersome for applicants.

For example, Region 9's Public Building Service team was having a hard time keeping candidates engaged throughout the hiring process because the agency was taking too long to get back to them.

Wong said the agency uses hiring panels with multiple hiring managers who all need to fill similar positions and found it has helped streamline the hiring process. Instead of each hiring manager conducting separate interviews, Wong coordinates with the hiring managers looking to hire for a specific job series. After Wong receives the list of qualified candidates, she has the hiring managers list the candidates they are interested in, and then conducts panel interviews with candidates and the managers.

"It's kind of like speed dating," Wong said. "We have been able to hire a lot more candidates more quickly because hiring managers don't have to sit in every single interview, just the ones that they have chosen and think would be a good fit."

Since the agency started using panel interviews in Region 9, hiring managers can make tentative offers to candidates within three weeks to a month after the job announcement closes. Wong said the panel interviews also have helped change the mindset of hiring managers.

"A lot of the managers are getting into that mindset that this isn't just for me, it's for GSA's Region 9 as a whole," said Wong. "We're one big team, one big family. So, when we're sitting on the panels we're seeing if this is going to be a good fit for the entire organization, not just one division or office."

To attract and recruit quality talent, agencies must find ways to expedite the hiring process. A first step that hiring managers and their teams can take is reevaluating internal hiring processes and identifying ways to cut the time it takes to bring candidates on board.

KEY RECOMMENDATIONS

For agency hiring managers:

- Actively engage California's higher education system to target students and recent graduates who already have ties to the state and are likely to have a better grasp of the cost of living challenges.
- Build relationships with career centers, key faculty and student and affinity groups at local colleges and universities. They can be advocates for agencies, even when hiring managers are not able to actively recruit.
- Involve employees in the recruiting process by leveraging their networks to help spread information about job opportunities and market open positions.
- Create a point of contact or a method for candidates to ask questions and obtain more information about the federal hiring process so they don't feel like they are stuck in a black box.
- Identify internal processes that can be scaled back or expedited to make the overall hiring process less cumbersome for applicants.
- Make the business case to Congress for more effective recruiting and hiring tools by collecting metrics to evaluate which approaches work best.

For Congress:

- Identify ways to provide agencies with more effective tools for recruitment and hiring in high-cost areas.

CONCLUSION

The federal workforce in California plays a huge role in supporting and serving the residents of the state and the nation. As home to the largest population of federal employees outside of the Washington, D.C., region, hiring managers in California must ensure they are building a quality workforce that can support their agency missions to better serve the public.

Agencies looking to improve their recruiting and hiring efforts and attract a new generation to federal service can apply the strategies and insights highlighted in this issue brief, including developing relationships with local colleges and universities, and revising internal hiring processes to more quickly hire qualified individuals. These actions will build sustainable talent pipelines and help shape California's federal workforce for the future.

METHODOLOGY

To gather information about California's federal talent needs, recruiting and hiring challenges, and to identify best practices, the Partnership for Public Service convened federal hiring officials for interviews and discussions at the San Francisco and the Greater Los Angeles Federal Executive Boards. We also conducted interviews with 20 officials from 12 agencies representing nearly 20% of California's federal workforce. In addition, we analyzed data from OPM's FedScope database and USAJOBS website.



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