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Government

Before

Subcommittee on Oversight of Government Management,
the Federal Workforce and the District of Columbia
U.S. Senate

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Thank you Mr. Chairman, Senator Akaka and members of the subcommittee, for inviting me to discuss “Enhancing Employee Performance” in the federal government and your legislative proposals, The Federal Workforce Performance Appraisal and Management Improvement Act and the Federal Supervisor Training Act, both of which call for positive steps toward performance-oriented leadership and management.

I would like to compliment Senator Voinovich and Senator Akaka for your constructive bipartisan effort to provide the incentives, resources, tools and the management and accountability framework for federal workers to reach their potential to produce important results for the people they serve.

As you know, the Council for Excellence in Government is a non-profit, non-partisan organization that focuses on improving the performance of government at all levels, building public-private partnerships and engaging the public to improve government results and accountability. We at the Council share your vision of a collaborative, high performing federal workforce. As you well know, in the coming decade, the shape and composition of the federal workforce will change dramatically as 60 percent of federal employees and 90 percent of the Senior Executives become eligible to retire. We have referred to this as the “perfect storm” while OPM Director Linda Springer, calls it a “retirement tsunami.”

Whatever the metaphor, this presents a significant challenge to create a leadership pipeline by recruiting and developing future managers and a new generation of public servants. This unprecedented workforce transition also provides a unique opportunity to recruit and develop leaders who will be public entrepreneurs, motivational managers and accountable stewards of the public interest.

To address these pressing issues, the Council, in partnership with the Washington Post, has reached out to engage a variety of perspectives in a series of discussions entitled “Taking the Leap: Innovation and Results through a New Public Service.” These included two historic sessions with AFGE President, John Gage, OMB Deputy Director, Clay Johnson, NTEU President, Colleen Kelley and Comptroller General, David Walker, together in public as one panel for the first time, sharing their visions for public service and discussing specific strategies to achieve one consistent vision for the future. When we met, each of them described a vision of what the federal workforce and workplace should be in 10 years, beyond current legislation or budget cycles, current litigation, or anything on the table now. What we heard reflected a strong commitment to the value of public service in order to achieve public priorities and a great deal of agreement on what that would look like.

John Gage talked about “a rebirth of the service culture in the federal government—more collaboration, more choice and less of an adversarial relationship between employees and management.”

Clay Johnson said he would like to see “a culture where getting better is just what we do—getting better personally, growing professionally, programs getting better.” Civilian employees would get a lot more respect and appreciation; the public would be able to

identify tangible returns from their tax dollars and what federal employees are doing for them. He also noted that federal managers are not as good as they need to be.

Colleen Kelley described a workforce that is valued, respected, recognized as having expertise and answers to how to serve taxpayers better—employees who would be provided the resources to be successful in their missions. They would be able to do a better job, smarter, and at better cost and efficiency. Public servants would also be recognized when things change for the better.

David Walker talked about a “rebirth of public service, where we are hiring the best and brightest to government as the employer of choice to work in high performing agencies to meet the challenges we face in education, healthcare, energy, the environment, and a whole range of other areas.” He envisioned more mobility in and out of government and more stability at the top.

The consensus on the future vision falls apart when these leaders get into the details of how to get there. Lack of trust and lack of ownership of promising solutions are roadblocks to meaningful reform. John Gage expressed deep cynicism about “cronyism and patronage” in performance appraisals. Colleen Kelley called for a two-way conversation between management and employees. Clay Johnson seemed to agree that lack of trust is a problem when he said, “the tone is wrong, the tone is bad.” “But the key,” he said, “is to focus on improving the performance of agencies and employees.” David Walker added that “the current GS system is not market-based; it is not skills, knowledge and performance-oriented and it does not result in equal pay for work of equal value over time.” At a subsequent session, Linda Springer talked about performance in the context of the challenge to recruit, engage and manage a new wave of employees who want more flexible work

arrangements, greater mobility, and different kinds of training. Such new patterns of work will certainly require clarity about performance goals and expectations, as well as regular communication about progress and areas for improvement.

Chairman Voinovich also joined us at a later session where he noted that when it comes to our nation's business, "people make the difference" and announced that he would influence legislation to ensure that every federal employee receives a written appraisal of performance against goals that are aligned with agency goals and developed with employee input; that the appraisals are used to make decisions about training, promotions, terminations, new assignments and rewards. Pay increases and promotions would no longer be required for employees who are not rated as successful. OPM would offer technical assistance and managers would be trained to clarify expectations, assess performance and provide constructive feedback to employees. That legislation is the Federal Workforce Performance Appraisal and Management Improvement Act we are discussing today.

It is a constructive step towards creating the performance culture that federal workers want and the public expects. According to the 2004 Federal Human Capital Survey of federal employees, the five most positive aspects of government service are the mission, the benefits (family leave and paid vacation time), information networks, teamwork and the quality of the work. The five most negative aspects represent the "to do" list: base personnel decision on merit, recognize differences in performance in a meaningful way, deal with poor performers, provide opportunities for employees to get better jobs, and improve certain benefits (child care, telecommuting, flexible spending accounts, long-term care and work/life programs). The survey also includes a comparison between employees in government and the private sector. The most significant differences (more than 10 percentage points)

comprise several items to add to the “to do” list for government: the biggest difference was in the level of satisfaction with training, followed by the level of satisfaction with information received from management, and “how good a job my supervisor is doing.” One of the Council’s partners, the Gallup Organization, has an enormous database of employee survey spanning many years in the private sector and government. Analysis of more than 4.8 million responses has led to the insight that employee engagement is the most significant determinant of performance and productivity. At a minimum, to be productive, employees need to know what is expected of them, have the information and tools to do a good job, and have the opportunity to use their strength to do what they do well everyday. At the top of the engagement scale are employees who also have opportunities to learn and grow and whose supervisors communicate with them regularly about how they are doing, who recognize good work and provide opportunities for them to develop and improve their performance.

These findings, which are consistent with the government-wide Human Capital Survey, hone in on specific conditions that can be changed to attract and retain talented people and to raise the level of performance by individuals, teams and whole organizations.

Senator Akaka’s bill, the Federal Supervisor Training Act, addresses training of managers by requiring management effectiveness standards and mandatory training for all supervisors. As you know, the investment in leadership development and training in the private sector is far greater than in government – nearly twice as much in the financial sector, followed by services, transportation, health care, then government and at the bottom – wholesale and retail trade. The return on this investment by business is better performance and increased productivity. Not only is the level of investment important, but training should

also be engaging, actionable, realistic and tailored to provide feedback, coaching and opportunities for improvement.

Both legislative proposals we are discussing today represent constructive incremental steps toward the high-performing, mission-based and accountable public service that we all want. What is missing in this conversation is the level of trust between political appointees and civil servants, and unfortunately, also between the American people and the government. Trust cannot be legislated, but it can be developed on the basis of shared goals, honest communications and willingness to try new approaches, measure results, build on success, address and learn from failure – all in the interest of doing the important work of government well.

We at the Council would like to see movement, such as the incremental steps proposed in this both legislative proposals and also a broader, collaborative strategy that addresses not only performance and pay but also the career patterns and preferences of current federal employees and the “best and brightest” who we want to recruit to federal service in the future.

Thank you, Mr. Chairman, for your leadership and for the opportunity to participate in this important discussion. We at the Council for Excellence in Government are ready to help in any way we can to build the high performing federal workforce that the future of all Americans depends on.