

# Written Statement of Max Stier President and CEO Partnership for Public Service

Prepared for

# The House Committee on Oversight and Government Reform Subcommittee on Government Operations

Hearing Entitled, "The Best and Worst Places to Work in the Federal Government"

April 27, 2016

Chairman Meadows, Ranking Member Connolly, members of the Oversight and Government Reform Subcommittee on Government Operations, thank you for the opportunity to appear before you today to discuss the 2015 *Best Places to Work in the Federal Government*® rankings data and best practices for improving federal employee engagement.

I am Max Stier, President and CEO of the Partnership for Public Service. The Partnership is a nonpartisan, nonprofit organization that works to revitalize our federal government by inspiring a new generation to serve and transforming the way government works. We pursue this goal by helping federal agencies inspire and hire mission-critical talent, develop strong leaders, modernize critical management systems supporting the federal workforce, build networks of support for good government, and, most importantly for the Subcommittee's purposes today, engage employees in achieving their organization's mission.

## Employee Engagement is Critical to Effective Government

One trait that nearly all top-performing organizations have in common is a highly-engaged workforce. Employee engagement refers to the connection an employee feels to their organization, its mission, and its customers, and his or her willingness to give discretionary effort, or "go the extra mile." In an environment of constrained budgets and increased mission demands, the willingness of employees to put in the effort needed to get the job done is crucial to successful mission outcomes for agencies. In its July 2015 report, *Federal Workforce: Additional Analysis and Sharing of Promising Practices Could Improve Employee Engagement and Performance*, GAO noted that "a growing body of research on both private-and public-sector organizations has found that increased levels of engagement...can lead to better organizational performance."<sup>1</sup> The Merit Systems Protection Board found that high levels of employee engagement correlated with better mission achievement and program outcomes, reduced intent to leave, fewer days of sick leave used, reduced equal employment opportunity (EEO) complaints, and lower rates of work-related injury or illness.<sup>2</sup>

The Obama administration, recognizing the value of a more engaged workforce, has committed to strengthening employee engagement. The President's Management Agenda's Cross-Agency Priority (CAP) Goal around "People and Culture" includes creating "a culture of excellence and engagement to enable higher performance" as one of its key objectives, and sets measurable goals for the federal government to achieve in improving engagement.<sup>3</sup> Under the CAP goal, agencies are required to review and analyze engagement data to determine areas of strength and weakness, gather input from employees, implement strategies to improve engagement, and continuously review progress to adjust and inform future actions.<sup>4</sup>

These efforts are a good start and have delivered promising results, but improving engagement will require a sustained commitment both from the current administration and the next. Congress, and this Subcommittee especially, plays a crucial role in providing continuity across administrations for maintaining a focus on engagement. The Subcommittee deserves credit for its commitment to an engaged,

<sup>&</sup>lt;sup>1</sup> United States of America. U.S. Government Accountability Office. *Additional Analysis and Sharing of Promising Practices Could Improve Employee Engagement and Performance*. Washington, D.C.: GAO, 2015.

<sup>&</sup>lt;sup>2</sup> United States of America. Merit Systems Protection Board. *The Power of Federal Employee Engagement*. By John M. Ford and Laura Shugrue. Washington, D.C.: MSPB, 2008.

<sup>&</sup>lt;sup>3</sup> United States of America. Executive Office of the President and Budget and Office of Personnel Management. *Memorandum for Heads of Executive Departments and Agencies: Strengthening Employee Engagement and Organizational Performance*. Shaun Donovan, Beth Cobert, Katherine Archuleta, and Meg McLaughlin. Washington, D.C.: EOP and OPM, December 23, 2014.

<sup>&</sup>lt;sup>4</sup> Ibid.

efficient, effective, and accountable federal workforce. I know that Chairman Meadows and Ranking Member Connolly have visited several federal agencies to understand better how federal employees view their organizations and the important work those organizations do. We have been extremely pleased to witness your real and continuing commitment to our federal workforce and commend you for your efforts. I hope that you both will continue to visit federal agencies and interact directly with federal employees are doing extraordinary work in service to the American people; we should all work together to celebrate excellence in the federal workforce, and find a way for others to replicate it.

#### The Partnership is Committed to an Engaged Federal Workforce

An engaged federal workforce guided by effective career and political leaders is an essential part of the Partnership's mission, but leaders can only drive increased employee engagement when they have the data and tools necessary to take action. Providing these tools is the purpose that underlies the *Best Places to Work in the Federal Government* rankings (BPTW).

The *Best Places to Work* rankings, based on data from the Office of Personnel Management's (OPM) *Federal Employee Viewpoint Survey* (FEVS), provide managers and leaders with a way to measure and improve employee satisfaction and commitment and are an important tool for ensuring that employee satisfaction is a top priority. The rankings provide a means by which to hold agency leaders accountable for the health of their organizations, serve as an early warning sign for agencies in trouble, and offer a roadmap for improvement.

The 2015 rankings reflect the views of more than 433,300 federal employees from 391 agencies and subcomponents. The Partnership ranks participating federal agencies according to overall employee satisfaction and commitment and in ten workplace categories including leadership, innovation, work-life balance and strategic management. Agencies are also ranked using data from demographic and occupational groupings. Employee responses to the FEVS, along with responses from employees of agencies which do not participate in the FEVS but choose to take part in the *Best Places to Work* rankings, are used to calculate an index score measuring overall employee satisfaction and commitment and scores for the ten workplace categories. The index score is based on employee responses to three survey questions to calculate overall satisfaction and commitment and intent to remain.<sup>5</sup>

Since the first rankings in 2003, the Partnership has continued to expand and innovate *Best Places*. For the 2015 rankings, the Partnership has added groupings of agencies by mission area, allowing for comparisons of organizations with similar missions in areas such as public health, law enforcement, national security, energy and environment, financial regulation, and oversight. This year's rankings also feature, for the first time, satisfaction and commitment data for five mission-critical occupations across government: auditors, contract/acquisition specialists, economists, human resources specialists, and information technology/cybersecurity specialists. The Chief Human Capital Officer Council (CHCOC) and OPM have focused on these occupations because shortages or a loss of staff in these job categories could interfere with the ability of agencies to accomplish their missions effectively. Satisfaction and commitment data for these occupations offer agency leaders and Congress additional insight on how to manage and retain this critical talent.

#### The Federal Employee Viewpoint Survey Statute Needs to be Modernized

<sup>&</sup>lt;sup>5</sup> The three questions used to calculate the index score are: "I recommend my organization as a good place to work." (Q. 40), "Considering everything, how satisfied are you with your job?" (Q. 69), and "Considering everything, how satisfied are you with your organization?" (Q.71)

The FEVS is an invaluable source of information for federal managers and leaders, Members of Congress, the general public, and key good government stakeholders. The FEVS, and the *Best Places to Work in the Federal Government* rankings, which make use of these data, have prompted career and political leaders to assign a higher priority to employee engagement. The experience of the last 13 years demonstrates that the survey is not just about satisfied employees, but improving government effectiveness.

Both the survey and the focus on employee engagement more broadly are bipartisan initiatives that have spanned administrations of both parties. The Bush administration implemented the FEVS successfully for several years, and the current administration has improved the administration of the FEVS and how it is used to drive change. OPM's efforts to make the survey a more useful government-wide management tool through resources such as UnlockTalent.gov have made the FEVS more central to the federal government's management strategies than ever before. The decision to administer the survey annually through OPM saves money as the most efficient way to measure progress over time, discern trends, and gather data that is comparable across agencies.

On February 8, 2016, OPM issued draft regulations to reduce the number of questions asked in the FEVS. While we appreciate OPM's desire to ensure that the survey remains a valid source of data, we have serious concerns that the reduction in questions from the current 45 to just 11 puts at risk the usefulness of the survey as a tool for improving the management, satisfaction, and commitment of the federal workforce.<sup>6</sup>

It is not unreasonable to shorten the survey by removing questions; unfortunately, the questions proposed by OPM for removal are some of the most critical to the survey. These questions include those used to calculate the *Best Places to Work* index score, satisfaction with leaders, views on performance management, along with other questions that provide important context to agencies' understanding of the state of their workforces. The Partnership would like to see OPM keep in regulation questions used to measure the *Best Places* index score and others used to gauge employee views of leadership effectiveness, performance management, and other topics. The Partnership has submitted these comments to OPM as part of the rulemaking process.

The changes now under consideration would have a significant, and, we believe, detrimental, impact on the extent to which concerned parties both inside and outside of government could conduct comprehensive analyses of FEVS data. Further, these changes would have an adverse impact on agencies' use of the survey to understand the state of employee morale as it relates to key drivers of employee engagement such as effective leadership, alignment between employee skills and agency mission, and pay, as well as other important subcategories of engagement. Bearing this in mind, the Partnership urges this Subcommittee to conduct careful and thorough oversight to ensure that OPM's proposed changes do not jeopardize the ability of agencies and external stakeholders to manage and support the federal workforce.

To reinforce and institutionalize the current survey process, we recommend Congress advance legislation to modernize and strengthen the current survey statute. This legislation should codify current practice by mandating that OPM is required to conduct the survey on an annual basis. The statute should also be amended to make explicit that the purpose of the survey is to measure employee engagement as well as satisfaction and commitment. In addition, the legislation should include a requirement for OPM to make

<sup>&</sup>lt;sup>6</sup> Office of Personnel Management. "Proposed Rule: Personnel Management in Agencies". *Federal Register 81*, no. 25 (February 8, 2016): 2016-02112.

results of the survey available to agencies and interested parties within three months so that leaders and managers have more time to act on their data before the next year's survey is in the field. The FEVS could also have greater value if it were conducted as a yearly census so that every federal employee can make his or her voice heard, and by having OPM report survey results by occupation to the extent feasible. These changes would enhance the usefulness of the survey as an oversight and accountability tool for Congress and offer more value to agency leaders and managers who are using the survey to improve satisfaction and commitment within their organizations.

#### The State of Employee Engagement

Overall, 2015 was a good year for employee engagement across government. The 2015 *Best Places to Work in the Federal Government* data show a slight increase in employee satisfaction and commitment, a welcome change after four years of declining scores. Across government, federal employee job satisfaction and commitment also increased 1.2 points from 2014 to 58.1 out of 100. Even more promising is the fact that 70.4 percent of federal organizations saw their scores go up. By comparison, only 43.1 percent of federal organizations improved their score in 2014.<sup>7</sup>

The Partnership also measures employee views in ten workplace categories, such as training and development and performance-based rewards and advancement. Impressively, the scores for each of these ten workplace categories increased in 2015, with the category of "Training and Development" seeing the largest increase (1.8 points). The category of "Effective Leadership", which the Partnership has found time and again to be the single biggest driver of employee satisfaction and commitment, saw a small improvement over 2014, increasing 1.2 points to 51.6 out of 100. Notably, the "Effective Leadership" subcategory of "Senior Leaders", which is particularly important to overall employee perceptions of leadership, rose by 1.4 points, but only to a total of 43.8. Government as a whole has historically performed poorly in this category. Another important driver of employee satisfaction, "Employee-Skills Mission Match", which measures the extent to which employees feel that their skills and talents are used effectively, and is a category in which agencies typically perform well, rose by 0.8 points to 75.2 out of 100. Unfortunately, the government continued to struggle in the category of "Performance-Based Rewards and Advancement", which measures the extent to which employees feel they are rewarded and promoted in a fair and timely manner for their performance and innovative contributions to the workplace. This category ranked last among all workplace categories with a score of just 42.4 out of 100.8

Employee responses to specific questions of the FEVS offer useful context for these scores. Partnership analysis of the OPM data found in response to the statement that "Pay raises depend on how well employees perform their jobs" only 19.2 percent of employees responded positively. In response to the statement "In my work unit, steps are taken to deal with a poor performer who cannot or will not improve," barely more than a quarter of federal employees, 25.8 percent, responded positively. Also troubling is the fact that fewer than half (45.5 percent) of employees believe senior leaders "maintain high standards of honesty and integrity." On the other end of the scale, 94.8 percent of employees indicated they are willing "to put in the extra effort to get a job done" and 88.1 percent believe the work they do is important. These data reinforce the commitment of federal employees to their agency's mission, but also their dissatisfaction with senior leaders and performance management practices.

 <sup>&</sup>lt;sup>7</sup> "Best Places to Work in the Federal Government." Partnership for Public Service. December 14, 2015. Accessed April 25, 2016. http://bestplacestowork.org/BPTW/index.php.
<sup>8</sup> Ibid.

Despite a positive year overall, the government still lags far behind the private sector. According to data from survey research firm Sirota, which surveyed 1.5 million employees from 115 organizations around the world and across a broad range of industries, private sector employee satisfaction and commitment were 76.1 out of 100 in 2015 compared to just 58.1 for the government. The federal government scores well below the private sector on all survey questions that we compared to the private sector by an average of 13 points. Particular trouble spots appear to be in the areas of resources and performance management. For example, only 59 percent of government employees say they receive constructive feedback compared with 74 percent of workers in the private sector, a 15-point difference, and only 44.4 percent of federal employees feel recognized for high-quality work, compared to 67 percent of employees in the private sector. As long as this gap exists, it will serve as an impediment to the government in competing with the private sector for talent.<sup>9</sup>

#### **Best Practices for Improving Federal Employee Engagement**

That the majority of federal organizations have seen their engagement scores increase over the past year bodes well for the chances of further progress this year. As we speak, this year's survey is going into the field. For the results of the 2016 FEVS to be truly meaningful, they should capture the views of as many federal employees as possible. Last year's response rates showed a wide variation among agencies, from 88.3 percent at the U.S. International Trade Commission to 28.2 percent at the Department of the Air Force. The government-wide response rate was 49.7 percent. Agency leaders should now be developing and implementing strategies to maximize their organization's responses to the survey through agencywide marketing campaigns, comprehensive and integrated action plans, and constant messaging at all levels and through multiple channels about the importance the agency places on the survey and how responses will be used to address employee concerns. Other methods of promoting survey participation include voicemails for every employee or all-staff emails from the agency head communicating the value of the FEVS; creating a recognizable agency brand around the survey; removing barriers to employees taking the survey; and promoting participation throughout the survey period. The most important method by which leaders can drive survey participation, however, is by using the survey to improve agency management; if employees see that agency leaders are listening to their feedback, they know that their views matter and will be encouraged to take the survey.

For employees to believe that leadership is using the data in a meaningful way to improve the agency, results must be communicated clearly, unambiguously, and promptly. Agencies struggling with low engagement and trust must openly address problems identified by the rankings and avoid becoming defensive or qualifying results. Overall, communication and acting on results is still an area where government as a whole can improve. According to the Partnership's analysis of 2015 FEVS data, only 34.6 percent of employees, barely a third, agreed that the results of the survey would be used to make the agency a better place to work, a troubling number suggesting that employees do not believe their collective voice can improve the workplace.

In December 2013, the Partnership for Public Service published, *Ten Years of the Best Places to Work in the Federal Government Rankings: How Six Federal Agencies Improved Employee Satisfaction and Commitment*.<sup>10</sup> The report outlined several strategies used by agencies which had experienced sustained success in increasing or maintaining employee engagement. By utilizing these tested and proven

<sup>9</sup> Ibid.

<sup>&</sup>lt;sup>10</sup> Ten Years of Best Places to Work Rankings: How Six Federal Agencies Improved. Publication. Washington, D.C.: Partnership for Public Service, 2013.

strategies, we believe all agency leaders and managers can achieve real change in employee satisfaction, commitment, and performance. Each of the strategies is described in more detail below.

## 1. Leadership Matters Most

Employees at every level play a role in creating an engaged workforce, but, ultimately, it is up to leaders to make engagement a priority and encourage others across the organization to do the same. The FEVS and Best Places to Work in the Federal Government rankings can be used to guide decision-making and identify areas to target for improvement. Former Secretary of Transportation Ray LaHood provided an example of "owning the change" during his tenure. Secretary LaHood held executives accountable for addressing morale and engagement in their annual performance plans, and regularly gauged progress. Executives and managers were responsible for taking steps to improve engagement by, for example, conducting listening sessions and brown-bags with staff and creating action plans for increasing morale. The strategy proved to be incredibly successful - the Department's Best Places index score rose from 52.2 during Secretary LaHood's first year to 60.9 at the time of his departure. And Transportation's score has since continued to increase; the Department posted an index score of 63.1 in 2015. This practice is also highly replicable across government, and we encourage the Subcommittee to consider legislation mandating that leaders, both political and career, have performance plans and are held accountable as part of those plans for taking steps to address employee morale and engagement. Further, Congress, and this Subcommittee especially, can contribute to a culture of accountability by asking agency leaders about the state of their workforce, how morale is contributing to agency performance, the steps they are taking to improve employee satisfaction and commitment, and the metrics being used to measure their success.

# 2. Build Connections through Communication

After leadership, communication is perhaps the most important way by which an agency can engage employees. According to the Partnership's analysis of the 2015 FEVS, 69.3 percent of employees across government believe they have the information needed to do their job well. The comparable figure in the private sector is 77 percent, a gap of 7.7 points. The numbers are worse on the FEVS question, "How satisfied are you with the information you receive from management on what's going on in your organization?" Just 44.5 percent of federal employees responded positively to this question while 53 percent of private sector workers did so. Effective organizations in both the public and private sectors build real internal communications capability and put it to use. Having these systems in place is important because employees may perceive poor communication as an intentional lack of transparency on the part of the agency. With the proliferation of social media and new modes of communication, agencies can and should be active in responding to employee feedback and concerns. Brief pulse surveys, town hall meetings, brown-bag sessions with senior leaders, video conferences, and websites offering employees the opportunity to submit ideas are all potential avenues of communication with employees. In some agencies, leaders have promoted communication and transparency by opening senior-level meetings to all employees on a limited basis, so that staff can witness and better understand the conversations occurring at the highest levels of the organization. However, effective communication practices are ultimately a decision by leaders to be open and transparent with employees about challenges and opportunities that confront the organization. As the FEVS and private sector data show, government still has ground to make up.

A few notable examples of effective communication practices are found in the Food Safety and Inspection Service (FSIS) in the Department of Agriculture and the Department of Education's Office of Postsecondary Education (OPE). FSIS, which has a large and diverse field staff, uses employee engagement conference calls to talk about specific topics raised by employees and give them an opportunity to ask questions of senior leaders about what is going on in the agency. OPE uses targeted pulse surveys to supplement the FEVS and capture more detailed information about employee views on specific issues. In one case, the pulse survey gave the agency a means to evaluate employee attitudes towards a recent office relocation, and whether leaders did enough to communicate with and support employees. It is worth stating that OPE was also the most improved subcomponent within the Department, increasing an impressive 14.4 points in 2015. (In full disclosure, the Partnership is working with the Bill and Melinda Gates Foundation on a long-term engagement to help create a more innovative, collaborative and results-oriented U.S Department of Education by providing training and technical assistance to help the U.S. Department of Education improve its employee engagement and organizational effectiveness.)

#### 3. Partner with Employee Organizations

In many agencies, employee organizations such as unions serve as an important voice of the employee and can amplify the relationship between employees and leaders in either a positive or negative way. A positive relationship between agency leadership and the union builds trust and respect, which can pay off when it is time to negotiate a collective bargaining agreement or address workplace issues. For example, involving unions at an early stage can make bargaining around new initiatives easier because employee feedback was incorporated from the outset. Under former Under Secretary of Commerce for Intellectual Property David Kappos and former Commissioner for Patents Margaret Focarino, the Patent and Trademark Office (USPTO) collaborated closely with the Patent Office Professional Association to reengineer the patent examination system, create new performance requirements for examiners and increase employee training and leadership opportunities. It was a relationship built on trust and shared values. As Commissioner Focarino noted, "We started talking principles and what the union and management wanted. The basic principles were pretty much the same."<sup>11</sup> Partly as a result of this collaboration, USPTO rose from the 105th ranked subcomponent in 2009 to the highest ranked subcomponent in 2013.

## 4. Go for Quick Wins

Short-term activities that directly address employee feedback are a powerful way for agency leaders to demonstrate that they are listening to employees and are committed to addressing their needs and concerns. These "quick wins" can be no or low-cost but still deliver high impact across the organization. In fact, a "quick win" can be as simple as saying "thank you." These activities are most effective when they are genuine, and when they are raised and driven by employees. Examples of such practices include celebrating the oath of office by having it administered to new employees by a senior agency leader, conducting "stay" interviews to determine how to keep high-performers satisfied and engaged, and encouraging senior leaders to make themselves available to employees by walking the halls or holding open office hours. A great example of a "quick win" comes from the Nuclear Regulatory Commission (NRC). When survey results found that employees were not fully aware of the range of family and health benefits currently available, the agency developed written materials and held seminars to educate them. The initiatives showed that leadership had heard the concerns of employees and was taking action.<sup>12</sup>

But agency leadership should keep an eye on the long view as well. By focusing too much on annual survey data, leaders can lose sight of the broader cultural factors that may be impacting engagement levels and fail to take actions that will be truly impactful and longer-lasting. Agencies should view the FEVS results not as the final goal, but as a periodic check-in on progress towards bigger and more long-

<sup>&</sup>lt;sup>11</sup> Ibid. 6

<sup>12</sup> Ibid. 25

term goals. The short-term mentality and its consequences are evident within agencies that place great focus on the survey but do little in the way of substantial follow-through.

# 5. Invest in Employees

Investing in training is one of the best ways by which agencies can demonstrate that they value employees. Leadership development, technical training, and mentorship opportunities all offer ways for employees to grow, improve their skills, and become more deeply invested in the work of the agency. Investments in training also benefit the organization by making employees better in performing their work. Training can also take the form of rotational assignments within the organization or outside of it. The U.S. Mint, for example, developed a program of cross-training workers on different machines, which gave the Mint more flexibility in shifting employees between production lines and gave employees a greater breadth of expertise.<sup>13</sup> And USPTO offered patent examiners new training opportunities to improve their interview techniques and help them identify issues earlier in the review process.<sup>14</sup> However, in difficult budget times, training is typically one of the first items to be cut. Congress should take care that agencies have the resources they need to provide high-quality training to staff.

## **Recommendations**

# 1. Modernize the Federal Employee Viewpoint Survey Statute

The Federal Employee Viewpoint Survey, which serves as the basis for the *Best Places to Work in the Federal Government* rankings, is crucial to assessing employee satisfaction and commitment, addressing low morale, and highlighting bright spots and best practices like those identified above. However, more can and should be done to ensure that the survey instrument remains up-to-date and of real value to agency leaders and managers, Congress, and key stakeholders. An important first step would be to codify OPM's current role as the survey administrator and make explicit in statute that the survey is conducted on an annual basis. Congress should also mandate that the data be turned around within three months, require that the survey is performed as a government-wide census, and have OPM report survey results by occupation to the extent feasible. Given OPM's recent proposed changes to the FEVS regulation, congressional action to protect and strengthen the FEVS has never been more critical. I have attached a draft legislative proposal as an appendix to this testimony.

# 2. Hold Political and Career Leaders Accountable in Performance Plans for Employee Engagement

The Partnership's *Best Places to Work in the Federal Government* rankings have consistently found that effective leadership is the most important driver of employee satisfaction and commitment. Though government as a whole performs poorly in this area, agencies like the Department of Transportation, the U.S. Patent and Trademark Office, and the Nuclear Regulatory Commission have seen significant improvements in employee satisfaction by holding leaders accountable in their annual performance plans for taking steps to address employee morale. The responsibility for building a high-performing and engaged workforce exists at all levels of the agency, but ultimately leaders and managers, both political and career, must own and drive engagement efforts. Evaluating leaders on their organization's performance, as measured by the FEVS and *Best Places* rankings, will ensure they are invested in improvement.

In implementing this recommendation, we recommend that Congress require political leaders undergo an annual performance appraisal process like that of their career counterparts and that those performance

<sup>13</sup> Ibid. 18

<sup>&</sup>lt;sup>14</sup> Ibid. 6

plans hold them accountable for taking steps to address employee morale and engagement. Political appointees play an undeniably important role in their agency's efforts to meet mission and business priorities, of which employee engagement is an inseparable component, and should be similarly held accountable for their performance and contributions to the goals of the organization.

#### 3. Create a Culture of Recognition

I noted above that the area in which employees hold perhaps the most negative views is the manner in which their organizations manage performance. Managing performance is not just about holding poor performers and those involved in misconduct accountable, but rewarding and encouraging high-performers and fostering a culture of recognition. Agencies can do more within current authorities to improve the state of performance management. These include creating a culture of recognition through some of the "quick wins" outlined above, the use of monetary and non-monetary awards, and increasing support for training (e.g., by protecting training funds).

#### 4. Improve Manager Performance

Congress can undertake reforms now to improve how agencies manage their workforces. One notable and potentially high-impact legislative reform would be to change the assumption regarding the probationary period so that it is viewed as a continuation of the hiring and assessment process, as it was originally intended to be. Too often, employees pass through their probationary period with no action on the part of their supervisor to determine whether they are an effective fit with the agency and the job. We believe that supervisors and managers should be required to make an affirmative decision that an employee has completed the probationary period successfully and deserves a permanent position in the agency. Congress should make these reforms in conjunction with improvements to government-wide manager training programs which shift the focus of training from the purely technical to the interpersonal skills that make a great manager. These skills include managing performance, dealing with whistleblower and harassment complaints, mentoring and motivating employees, communicating goals and priorities, and fostering a fair and productive work environment.

Further, Congress should look at ways to ensure that agencies are recruiting and promoting only the most effective managers. Not all employees belong in or want to take on supervisory and managerial roles, yet many supervisors in government are selected for technical expertise rather than leadership skills because it is the only way they can be promoted. The result is a supervisor poorly suited to the task of managing performance or building teams, suboptimal organizational performance, and low morale. But employees who may not be right for supervisory roles can still possess expertise essential to the agency's mission. To address this, Congress should mandate that agencies develop separate promotional tracks for technical experts and ensure that individuals selected for management roles have both the technical and leadership competencies necessary for success. Significant improvements in these areas are the surest paths to a more healthy and engaged workforce.

## 5. Share best practices in engagement

The examples I have presented here demonstrate the many success stories of agencies which have improved the engagement and morale of their workforces in innovative ways. More importantly, all of these practices are replicable and deserve to be shared more widely at the enterprise level so that leaders and managers across government can benefit from the practices of their peers. Through its broad jurisdiction, this Subcommittee should continue to encourage sharing of best practices and asking agency leaders what they are doing to bring great ideas into their agency or, alternatively, to export those ideas to

other organizations. The Subcommittee is uniquely suited to this role, and I hope hearings like this will remain part of your oversight efforts.

## Conclusion

Chairman Meadows, Ranking Member Connolly, members of the Subcommittee, thank you for holding this important hearing and for the opportunity to share the Partnership's views on the state of employee engagement in the federal workforce. I very much look forward to working with you on this and other issues. I am happy to answer any questions you may have.

# Appendix I

## P.L. 108-136 National Defense Authorization Act for Fiscal Year 2004

# SEC. 1128. EMPLOYEE SURVEYS.

(a) IN GENERAL.—<u>Each agency The Office of Personnel Management</u> shall conduct an annual <u>federal</u> <u>employee viewpoint</u> survey of <u>its-federal</u> employees (including survey questions <u>unique to the agency and</u> <u>questions</u> prescribed under subsections (b) <u>and (c)</u> to assess—

(1) leadership and management practices that contribute to agency performance<u>and employee</u> engagement; and

(2) employee satisfaction with-

(A) agency political and career leadersleadership policies and practices;

(B) work environment;

(C) rewards and recognition for professional accomplishment and personal contributions to achieving organizational mission;

(D) opportunity for professional development and growth; and

(E) opportunity to contribute to achieving organizational mission.

(b) REGULATIONS.—\_The Office of Personnel Management shall issue regulations <u>necessary to</u> <u>implement this section, including regulations prescribing</u> survey questions <u>that shall be included in each</u> <u>survey conducted and their format\_that should appear on all agency surveys under subsection (a)</u> in order to allow <u>interested parties to conduct</u> a comparison across agencies.

(c) AGENCY-SPECIFIC SURVEY QUESTIONS. – In consultation with the Office of Personnel Management, the head of a federal agency may add questions specific to that agency to the survey under subsection (a).

(d) OCCUPATIONAL DATA.— To the extent feasible, the Office of Personnel Management shall collect and report on the results of each agency survey described in subsection (a) by occupation.

(e) AVAILABILITY OF RESULTS.—The <u>Office of Personnel Management shall take steps to make the</u> results of the <u>survey conducted of employees of each</u> agency <del>surveys</del> under subsection (a) <del>shall be made</del> available to <u>the agencies</u>, <u>interested parties and</u> the public <u>within three months.</u>- <u>Each agency shall post</u> <u>its survey results and posted</u> on the <u>agency</u> website of the <u>agency involved</u>, unless the head of such agency determines that doing so would jeopardize or negatively impact national security.

(f) AGENCY DEFINED.—For purposes of this section, the term "agency" means an Executive agency (as defined by section 105 of title 5, United States Code).





Max Stier President and CEO Partnership for Public Service

Max Stier is President and CEO of the Partnership for Public Service, a nonprofit, nonpartisan organization dedicated to revitalizing our federal government by inspiring a new generation to serve and by transforming the way government works. Under Mr. Stier's leadership, the Partnership has been widely praised as a first-class nonprofit organization and thought leader on federal government management issues.

He has worked previously in all three branches of the federal government. In 1982, he served on the personal staff of Congressman Jim Leach. Mr. Stier clerked for Chief Judge James Oakes of the United States Court of Appeals for the Second Circuit in 1992 and clerked for Justice David Souter of the U.S. Supreme Court in 1994. Between these two positions, Mr. Stier served as Special Litigation Counsel to Assistant Attorney General Anne Bingaman at the U.S. Department of Justice.

In 1995, Mr. Stier joined the law firm of Williams & Connolly, where he practiced primarily in the area of white collar defense.

Mr. Stier comes most recently from the U.S. Department of Housing and Urban Development, having served as the Deputy General Counsel for Litigation.

A graduate of Yale College and Stanford Law School, Mr. Stier is a member of both the National Academy of Public Administration and the Administrative Conference of the United States. He also serves on the Advisory Board of the Brookings Management and Leadership Initiative, National Advisory Board for Public Service at Harvard College, and Deloitte's GovLab Board of Governors.