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The Watchdog That's Off and Running

By Nicholas Thompson

Sunday, August 3, 2003; Page B04

It's no secret that the federal government has a terrible time recruiting young people. To Generations X and Y, Uncle Sam is an old fuddy-duddy who doesn't publicize, doesn't pay and doesn't promote. That's too bad, because this is a particularly bad time for America's youth to be disengaged from what's arguably the most important organization on earth. Within five years, half the current federal workforce will be eligible for retirement. Someone's going to have to fill those jobs, and the country should hope that Uncle Sam can bring in top talent. Because, as we learned on Sept. 11, 2001 -- which might have been prevented if there'd been more imagination at the FBI, the CIA or the INS -- bureaucrats matter.

Unfortunately, the stereotypes are true: Most agencies of the federal government are truly inept at recruiting, hiring and nurturing talented people. But there is one shining exception. Earlier this year, I worked on an investigative project on what the government needs to do to address its personnel and hiring woes. One surprising answer kept coming back with remarkable frequency from experts: The whole government, they said, should emulate the GAO.

That's right, the General Accounting Office. If you think of this as the place staffed by rows upon rows of guys in shirtsleeves wearing green eyeshades, think again. The GAO may possess the least inspiring name in the federal government. It may be housed in possibly the ugliest building in the city: a drab concrete slab originally designed for document storage. It may look and sound like the kind of place that would leach all aspiration out of ambitious young people. But the truth is that GAO is the federal government's happening agency, attracting young recruits with a new, updated message and offering opportunities to match the private sector's. For young management wannabes, it's the government version of top management consulting firm McKinsey.

"Bottom line, GAO offers the rest of the federal government a model of how to recruit right," says Max Stier, president of the Partnership for Public Service, a nonprofit organization that leads efforts to solve the civil service's people problem.

Technically, GAO's mandate is to serve as the investigative, auditing and evaluation arm of Congress; the uncharitable interpretation is that its job is running errands for the legislators on Capitol Hill. But the folks at GAO don't see it that way. A lot of them think of themselves as something of a cross between Upton Sinclair and Lara Croft -- rooting out waste and fraud while having a heck of a good time doing it. It's where people scour government programs such as Medicare and farm loans for waste and inefficiency, bust soldiers who use Pentagon credit cards to pay for lap dances, and even sue the likes of Vice President Dick Cheney over the records from his energy commission.

This derring-do-gooder image seems to have swept onto college campuses, where the most talented students used to wrestle each other in line at the consulting-company booths while frowning at government recruiters. "[GAO] is really creating a buzz," says Phyllis Brust, director of career services at the University of Chicago's Harris School of Public Policy. She said GAO has successfully recruited more people on her campus than any other private or public organization for three of the past four years.

"They do the best job by far," agrees Alexandra Bennett, the assistant career director at Syracuse's Maxwell School of Citizenship and Public Affairs, who says she talks to representatives from GAO 25 to 30 times a year. In comparison, her contacts with representatives from the Department of Housing and Urban Development (HUD), for instance, have only recently increased to "maybe two or three times" a year.

Last year, there were about 20 applicants for every entry-level analyst opening at GAO, a significantly better number than that for the many other federal agencies that simply post their job openings online and wait for applications to come in. Many other government organizations don't even recruit on campus, having lost any recruiting skills they might have had over nearly a decade of hiring freezes and a couple of decades' worth of presidents bragging more about the government jobs they've cut than the great government jobs people could get. So given Uncle Sam's dismal image as a potential employer, how does GAO do it?

Part of its success is admittedly due to a structural advantage. The agency's head, the comptroller general, serves a 15-year term. This means that the interns who come in with him have the potential to be his trusted advisers by the time he checks out. Most Cabinet heads, by contrast, are on the job two -- maybe four -- years; their low-level recruits stand little chance of becoming valued top-level assistants. Furthermore, in 1980, Congress exempted GAO from much of the government's civil service legislation, allowing it to offer bonuses to top performers and to hire without regard to many of the legal hindrances built into the several-thousand-page federal civil service code.

This is not an uncontroversial issue -- money spent to attract new workers means less money for pay raises, bonuses and cost of living adjustments for longtime workers. And civil service and its protections attract people to government service too. But I think the tradeoff is well worth it. People who come in because they want challenge and opportunities seem more likely to succeed than people who come, and stay, simply because they'll get a raise each year no matter what they do. Our government needs hires with an attitude like Jonathan Meyer, a new employee who joined GAO right after college. He says he always wanted to work for the government, but was attracted to GAO because it doesn't have to follow the lockstep system that mandates that government pay raises and promotions be tied almost exclusively to experience. "You get promoted faster if you do good work here," he says.

Such exemption from civil service rules -- some of which the new Department for Homeland Security shares and which other agencies, such as the Department of Defense, are battling to get -- has also allowed GAO to accelerate its hiring process, limiting the endless series of steps that slow down government hiring to a rate many applicants find intolerable. A June GAO report cites one human

resources director of a different major federal agency as saying that processing applications took so long that only one in 20 of the selected candidates were still interested when the agency finally notified them. In contrast, in this fiscal year, more than 75 percent of those selected have taken the jobs GAO offered them.

But GAO's advantage isn't just due to its freedom from stifling and archaic rules. More importantly, the organization in the drab gray building at 441 G St. NW has a leadership team that seems acutely concerned about bringing in top talent -- and holding on to it. Formerly in charge of personnel policies at Arthur Andersen, Comptroller General David Walker comes from a world where recruiting really matters, and he quickly made it one of his top priorities upon assuming his post in 1998. "When you talk about transforming how government does business, you are talking about people strategy more than anything else," he told me.

The agency gets the recruiting details right. If you click on the link that says "careers at GAO" on the organization's Web page, you find questions such as "Why work at GAO?" with links to answers headlined "Our work takes us everywhere" and "When we talk, others listen." By contrast, if you go to the jobs link on the home page of HUD, for example, you find a couple of tepid paragraphs on working for HUD and a link to another Web site called "USA Jobs," preceded by a weird disclaimer that warns against clicking to any external Web page.

GAO's promotional materials appeal to young people's idealism and patriotism. Its main brochure declares that by joining the agency, young people will work to "ensure the accountability of the federal government for the benefit of the American people." The Web site runs a video in which techno music accompanies clips of Dan Rather, Peter Jennings and Tom Brokaw reporting on GAO, various senators extolling it and a diverse array of sharp-looking GAO employees testifying before Congress. It even throws in a GAO-related clip from the TV show "The West Wing" and ends with Walker saying he wants his organization to be a "world-class professional services organization that just happens to be in the government." Such recruiting videos are extremely rare in the federal government, with the exception of the armed services. PPS's Stier calls GAO's a "standout example of how government work can be presented as exciting and important."

Another major factor in GAO's recruiting success is that, unlike most government agencies, it frequently pays back student loans. This means it can effectively increase initial salaries for important recruits, limiting the government's financial disadvantage vis-a-vis the private sector. In 2002, the federal government helped 609 employees pay back their student loans; 84 percent of them worked at either GAO or the State Department, which has also made strong recruiting effort under Colin Powell.

GAO makes sure that every new employee is assigned to at least three different projects in the first two years. This kind of variety and challenge is a particular enticement to Generation X. Polls show that people in their twenties identify "opportunity to develop skills" and "opportunity for promotion" as the top two things they look for in a job, far ahead of benefits or job security, two advantages that have traditionally drawn people into the civil service.

Not everybody, to be sure, is completely on board with GAO's new policies and proposals. Many longstanding employees throughout the federal government, as well as the major federal employee unions, view some of GAO's changes as threatening and counterproductive. Some GAO employees have criticized legislation Walker is seeking that would give GAO even more flexibility over pay. Most controversially, it would allow GAO to refuse any annual pay increases to employees who receive poor ratings from their superiors. But such moves, as Walker points out, would help make the organization more competitive with the private sector.

Nor has the agency fully escaped its roots in the 1950s, when its employees did indeed wear green eyeshades (some of which are now on display in a small museum at headquarters). It still puts out plenty of truly turgid material. One recent 3,200-word report I analyzed used the phrase "human capital" more frequently than the words "of" or "a."

Still, that's not the worst mantra to have in a government where promoting people only in lockstep with their experience seems to be the chief goal of most personnel offices. By bringing good people in at the ground floor, GAO is creating a positive feedback loop of exactly the sort that the federal government needs. Good people come in and do a good job, which makes the place more efficient and exciting, which leads to more good people coming in. That's a great lesson for other federal agencies to absorb as they stumble into what is becoming a very serious federal people problem.

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