THE PANDEMIC AND ASSOCIATED WORKFORCE ISSUES HAVE PUT A SPOTLIGHT ON THE NEED TO RETHINK HR’S ROLE IN IMPROVING GOVERNMENT PERFORMANCE.
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The world of work is changing. The COVID-19 pandemic accelerated the pace of change—crises always do—but the changes in the private sector started over two decades ago. Organizational change was triggered initially in the 1980s by the expansion of global competition. The 1990 recession heightened the importance of reducing costs, becoming more responsive and improving performance. New technology of course played a central role. The decade that followed saw the start of an ongoing revolution in the organization and management of work.

That revolution is reflected in the mushrooming interest in creating high performance organizations, the hundreds of books on that theme, the many websites and groups recognizing great places to work, and the many consulting firms promoting the importance of talent management. That’s true in the business world as well as in healthcare, but only a few public employers have gotten on that bandwagon.

Increasingly, reports of a company’s success include references to the role played by the senior HR executive and their staff. This is a new role that was best described in a 2015 article by three leading business consultants, “People Before Strategy: A New Role for the CHRO.” In their words:

“Just as the CFO helps the CEO lead the business by raising and allocating financial resources, the CHRO should help the CEO by building and assigning talent, especially key people, and working to unleash the organization’s energy.”

Public employers were experiencing skill shortages and recruiting problems before the pandemic. It is too early to know what impact the crisis and economic shutdown will have on government revenues but as New York State Governor Andrew Cuomo stated when interviewed recently, “We have no money.” One think tank estimates the hit to budgets could be worse than the Great Recession. Pay freezes and hiring freezes have occurred. Layoffs of unessential workers have started. At the same time, the stress and health problems experienced by front line workers are taking a toll. The crisis is not over; both the public’s need for government services and the staffing considerations over the next few years are unknown.

Management texts commonly recommend looking two or three years into the future to anticipate product/service trends, and to plan the resources—financial, technology, and people—needed to remain...
successful. Today, planning beyond a few months or even a few weeks seems impractical.

It has been common practice in planning to decide what new projects to fund and where to invest capital. Often missing from that process is exploration of the people questions: Will we have employees with the right skills, training, and temperament to achieve the targets? Will our people have the flexibility to adapt to changing circumstances? Traditionally, the people issues were secondary or even forgotten in the planning but over the past decade or so that has begun to change.

Business competitive pressures increase the frequency and the urgency of those conversations. Plus, businesses are led by men and women who through their careers have focused on “winning”—beating the competition. Every employee understands and generally buys into the importance of achieving business goals. That contributes to a so-called performance culture. Everyone is on the same page.

Government tends to be different. A recent report from the National Academy of Public Administration decried the all too common “culture of compliance ... where meeting the requirements of the rules has become more important than delivering value to taxpayers.” Adhering to civil service rules is a barrier to change. Elected officials focus on public policy issues; they rarely have much experience managing large employee groups or leading change initiatives. Public employers are not accustomed to change.

But now the COVID-19 crisis has triggered a broad recognition that winning against the virus is critically important. Leaders are very aware that committing to workers in mission-critical jobs will have a direct impact on the country’s future. Working remotely alters how supervisors and their people interact and communicate. It’s a time when traditional civil service rules are often overridden.

In business, the 1991 recession prompted companies to eliminate layers of management and flatten their organizations. That broadened the span of control and opened the door to redefining the world of work. Companies began the shift away from the old top-down control style of management to more of a coaching, self-managed approach. Empowerment became a buzzword. The past two decades have seen dramatic change in the work environment and recognition that investing in workers pays off.

Government is similarly dependent on its people. In times of crises public employees have proven repeatedly they are capable of impressive accomplishments. Every government agency would benefit from the practices supporting high performance.

This should be—can be—a time when public employers can build support for change. There are success stories. The most prominent is the state of Tennessee, led by Governor Bill Haslam and his HR Commissioner, Rebecca Hunter. It’s a model other public employers could adopt.

The crisis and associated workforce issues have raised the prominence and the recognized value of HR executives. No other function has the expertise to address the breadth of people management issues. HR offices will continue to administer talent management systems but as in the private sector, they increasingly should assume the lead role in raising performance levels; to borrow a phrase, “to unleash the organization’s energy.” It’s time for HR leaders to take their seat at the executive table. Change is imperative for agencies to recover quickly from the COVID-19 crisis.
While the focus here is on redefining and expanding HR’s role, it’s important to keep in mind that this was prompted by the need to improve government performance. The focus is on changes in the policies and practices encompassed in HR’s domain that impact individual and team performance.

This is not as simple or straightforward as installing a new IT system or beginning to collect performance metric data. Installing a new salary system would be more straightforward and far less challenging.

Raising performance levels requires a number of related changes that in combination will change the way worker’s work both individually and as members of teams or groups.

But it’s very unlikely that real, continuing improvement will be possible in organizations operating within a traditional civil service framework.

One of the earliest breaks from a traditional system was the initiative in 1980 undertaken by a Navy research lab referred to as China Lake. The plan was to merge two labs and when the federal HR managers discussed it with the Naval Commanding Officer, they told him it would take two years to reclassify all the jobs. He made it clear that was unacceptable and that HR had to find a way to get the work done faster. All of this was possible because Congress had recently passed the Civil Service Reform Act of 1978 that authorized demonstration projects to test new ideas.

HR came back with a new, then untested idea. That was when the concept of broad salary bands, with pay for performance, was introduced to minimize the time to classify jobs. Since then, federal agencies have created a number of demo HR projects, most of which involve salary management.

The key was the Naval commander who championed the change. The story is he called his direct reports into a room and told them, “If you have any questions now is the time to ask but when you leave this room you will be supportive of what we plan to do.” The new pay system was a solid success that continues today. It’s been promoted as the program model to replace the General Schedule salary system.

In Tennessee, when William Haslam became Governor in 2011, he and his Cabinet knew that almost 40 percent of the workforce would be eligible to retire within five years and that the existing civil service law would be an impediment to building “a top-notch workforce for the future.” Significantly Rebecca Hunter was hired as Commissioner of Human Resources and a member of the cabinet to lead in addressing all workforce concerns.

Haslam asked each cabinet member to do a top to bottom review of their agency, asking “If government should be providing an agency service, is it being provided effectively and efficiently?” He also sent the deputy governor and Hunter on an employee listening tour to learn how employees thought what the state needed to do to recruit and retain the best employees. The Governor’s senior team began meeting on a bi-weekly basis during the summer of 2011 to discuss needed changes.

Workforce problems are building at all levels of government. However, it would be a rare HR department that would have the support to tackle these problems successfully as an HR initiative. The first, or at least an early step in planning broad-based reform, is to convince leaders to champion change necessary to realize improved performance. Leaders should periodically voice support for planned changes.
It's certain: the pandemic has changed the public’s need for services and it will be months before agencies can expect to return to anything close to “normal.” It’s also certain that the changes in demand for public services have highlighted important organizational and workforce differences from agency to agency. It’s now all too clear—some jobs and agencies are a higher priority than others. That’s new. If the pandemic continues as expected beyond 2020, staffing shortages are likely to become increasingly severe.

Government’s staffing problems pre-date the COVID 19 crisis. The demographics, the aging government workforce, scarce critical skills, and the reported declining interest among new graduates in careers are coming together to create potentially serious staffing problems.

Workforce planning is certainly not new, but the pandemic has raised the stakes. Previously, tracking employee age and service was enough to know when vacancies could be expected. Now the demand for certain job families, primarily public health specialists, has mushroomed. There was already a severe shortage of registered nurses. Previously, planning focused on projected retirements and identifying replacements; now employees can also be lost to burnout, stress-related mental health issues and coronavirus medical problems. Now, specialized expertise and critical skills also have to be considered.

It may not be apparent until the end of the pandemic is in view but Millennials and Gen Z workers have not exhibited the same interest in stable careers with a single employer. The possibility that they may resign unexpectedly needs to be considered in the planning. An option is outsourcing and using gig workers.

Although frequently not recognized by state agencies, the supply and demand for specialized talent varies considerably in traveling across states and regions. That’s reflected in nursing salaries, for example. It was behind the project that led to the Federal Employee Pay Comparability Act of 1990 and locality pay. Now COVID-19 hot spots can start and become serious very quickly and require almost immediate local attention. When demand exceeds supply, it drives up salaries for those with needed skills. The shortages have been more pronounced in rural areas. Rigid salary schedules are no longer viable.

An added issue is the real possibility that state and local government will not be fully reimbursed for unexpected pandemic expenditures and depleted budgets will not support the normal staffing complement. Where that’s true, leaders will need to develop staffing priorities. This may be the time to base recalls on specialized or essential skills rather than seniority.

It’s not likely to be popular, but this is the time to reorganize, focusing on jobs that are essential. In the business world, the 1991 recession opened the door to new staffing configurations. By eliminating layers of management, companies broadened the span of control and with more employees to oversee, supervisors were no longer able to maintain close control. It contributed to employee empowerment and culture change. Budget shortfalls may make that necessary.

In early 2019 the National Association of State Chief Administrators reported the results of a survey, “Job One: Reimagine Today’s State Government Workforce” which stated, “government is falling too far behind in preparing for the workforce of the future. To close the gap—and attract the best talent—states must start making bold moves today.” That starts with workforce planning.

Planning the Workforce for the Future
It’s no secret that the government has been losing the war for talent for years, particularly with our younger generations. According to a 2017 Harvard Institute of Politics youth poll, interest in public sector careers has been declining even as more young Americans believe that politics is relevant to their lives. As our public systems face unprecedented strain under the COVID-19 pandemic, the situation is likely to get worse.

The problem is compounded by aging workforces and talent shortages in a number of government core job families—public health professionals, teachers, police, prison guards, social workers, etc. Writers have used the word “dire” in discussing the situation. There are also shortages in a growing list of fields where the government has to compete with the private sector for talent. In early 2019, there were 7.6 million jobs advertised and only 6.5 million active job seekers.

The problems are solvable. It starts with replacing or modifying antiquated practices for recruiting, hiring, onboarding, career management and training. Better, proven HR practices are well documented.

HR should also reorient its recruiting to reflect the career interests of young workers. According to an ADP Research Institute® report, The Evolution of Work: The Changing Nature of the Global Workforce, 81 percent of employees feel positively about work that impacts society and 78 percent like the idea of defining their own work schedule. Recruiting messages should promote the inherent importance of government work, as well as the social impact and purpose of meeting public needs. Job descriptions can put a reader to sleep. There is virtually no discussion of the need for creativity, opportunity for problem-solving, and the satisfaction of helping people or communities. Laws and regulations aside, the government needs to do better at selling government jobs.

Government jobs would be more attractive to young workers if agencies invested in the supervisory skills associated with coaching, recognizing and rewarding performance, and allowing them to take advantage of training and development opportunities. The initial work experience of new hires often triggers early turnover. Meeting with recent hires to discuss their work experience would provide valuable insight to needed changes, and signaling a desire to invest in their growth could result in higher retention levels.

Pay is a core problem but anecdotal evidence suggests that pay levels are less important than the sense that pay is fair. More important than salary level is the rigidity of government salary schedules. The federal General Schedule white collar salary system is based on a hierarchy of jobs defined in the 1920s—a century before today’s knowledge jobs could have been conceived. And basing salary increases on seniority is contrary to every argument relevant to good performance. Union pay systems are even worse.

It is unfortunate that many jurisdictions are effectively locked into a benefits package that is valued more by older workers than by younger applicants. Government’s rigid benefits structure reflects the philosophy that was dominant decades ago, while millennials and Gen Z are attracted to jobs offering flexibility.

The pandemic could make this problem worse. Working at home creates new challenges for providing new hires with needed training and feedback and for employees to develop good work habits or build solid relationships with co-workers. It also creates an opportunity to reflect on how technology and new work expectations have shifted the management problem to meet the world we’re already living in.

This chapter benefited from an exchange with Octavia Abell, the CEO of Govern For America, a nonprofit working to build next generation government leaders.
Working from home has been an ongoing experiment. Both managers and their people have had to learn how to work at a distance. Many employees of course will want to continue working remotely.

If there is one certainty that emerges from the pandemic, it’s that in the future, working remotely will be far more prevalent and forever change the supervisor/subordinate relationship at each level of management. Close, over-the-shoulder supervision is no longer possible, especially when layoffs have redefined and increased individual workloads.

But working remotely may also facilitate culture change. In research prior to the pandemic, McKinsey & Company found that the failure rate for transformation efforts in government is 80 percent, that is higher than in the private sector. In both sectors they found people management practices are a decisive factor.

Transitioning to a performance culture is both profoundly important and normally very difficult. The importance of compliance—following the rules—is deeply embedded in the shared government mindset. It influences supervisor-subordinate interactions, impedes efforts to improve performance, and has been a barrier to competing for and retaining essential talent. Culture governs the thinking and behavior of managers and employees. To quote Peter Drucker, “Culture eats strategy for breakfast.” Culture is impervious to management dictates.

Experts argue working remotely relies on trust, metrics and communications. The metrics and the communications are “manageable” but trust is interpersonal and has to be established over time. If trust was lacking before the pandemic, this deficiency will be amplified—and be a barrier to change. Where there is a lack of trust, it cannot be ignored. Acknowledging the reality is the first step. Trust can be rebuilt.

Tennessee’s experience confirms culture change is possible. Haslam’s leadership was a key; he set it in motion. Involving managers and employees in identifying and defining problems generated broad agreement on needed changes, got everyone to understand why change was needed and helped them focus on issues related to their immediate work area. Tennessee’s HR Commissioner Rebecca Hunter is convinced switching to goal-based management, supported with rewards tied to achieving goals, was the mechanism responsible for the state’s new performance culture. It’s important to keep in mind the state invested three years in preparing managers for their redefined role.

A Korn Ferry global study identified that “driving culture change” ranks in the top three global leadership priorities. If businesses were operating with the government’s “culture of compliance” they would surely fail. Government performance will continue to be a problem until cultural concerns are addressed. Government leaders should follow the lead of their business counterparts and make it a priority.
For reasons that are not obvious, public employers at all levels have not invested as heavily as larger companies in developing effective executives and managers. After the federal Senior Executive Service was created in 1979, there were states that introduced similar programs but over time support for those initiatives waned and today the subject seems to have minimal attention.

That’s very different than in the business world. At the better business schools, executive education is far more important and generates considerably more revenue than undergraduate or graduate degree programs. It would be useful to compare the investment in training and development for executives and managers by government agencies with the programs in leading corporations.

Recently, the IBM Center for the Business of Government released a new research report, “Measuring the Quality of Management in Federal Agencies.” As with any ongoing investment, it’s important to assess the return measured, in this case in improved management. It’s striking that after four decades, this is one of the only studies to consider the quality of government management.

A quote in the early pages of the report is important:

“One interviewee commented, ‘Often the reason that programs fail is because of bad management rather than because of bad policy. It is hard to get people to pay attention to management.’ The creation of a measure or set of measures would help bring focus not only to the management function and to those who participate in that function but to the question of how to achieve management excellence.”

The ultimate payoff of an initiative to measure management quality would come in the form of improved program outcomes.

For the government, since what would be officer-level decisions in business are typically made by elected officials or political appointees, the focus shifts to the preparation and effectiveness of managers.

The IBM report discusses several research studies. One, “The World Management Survey,” has been ongoing for almost two decades. It’s led by Stanford professor, Nick Bloom. The 18 questions focus on four areas: operations management, performance monitoring, target setting, and talent management. Answers are compared with others in a database of thousands of employers in 35 countries. It provides a useful overview of practices associated with effective management. It’s a highly credible way to assess an organization’s management and plan for
manager development.

An important but generally ignored issue is that government is similar to a business conglomerate, with agencies as different as prison management, tax offices and highway maintenance. It’s a false assumption to believe managers and supervisors in each agency require the same skills. That issue has not been explored in research but would be relevant to training and career management.

Now, working remotely with intermittent contact makes it important for managers and their people to agree on work plans, timing and expected results. Traditional managerial control is no longer possible. Large numbers of employees are now working more autonomously. Managers need to learn how to manage a team virtually, and at the same time assure team members they are valued. Bureaucratic rules have to be shelved. The business practice is to have regular meetings, often monthly, where the discussion focuses on performance metrics and emerging problems. When the pandemic is over, everyone—managers and employees—could resist reverting to old working relationships.

The reality of working remotely is consistent with SMART goal setting. Tennessee based its reform on goal-based management. It’s proven to improve performance but it redefines the supervisor-subordinate relationship. Making the transition successfully requires new skills and more emphasis on technology.

Concomitant with the new approach to supervision is a trend to expect managers to emphasize coaching and advising to help employees improve performance. For many, it’s a radical change in their approach to management.

The next year or two will be an important transition period for executives and managers. Those seen as effective when top down control was the norm will find it difficult to adapt to new expectations. To call attention to ineffective management practices, companies often conduct 360 degree or multi-rater surveys asking employees to assess their managers’ effectiveness.

In business, it’s effectively universal for executives and managers to have salary increases as well as incentive bonus awards linked to performance against goals by what is best described as a formula. As performance increases or decreases, the monetary rewards follow. The model could work in government.

Government agencies will never be managed like a business but by focusing on the effectiveness of executives and managers there is every reason to expect improved performance. Tennessee’s Governor Haslam and several of his key executives had solid business backgrounds. It paid off with successful reform and better results. The state’s HR office played a central role.
To state the obvious, public employers at all levels have had a staffing problem. It was driven by numbers—demographics, an aging workforce, and the career plans of those entering the labor force. The expanding private sector economy and job growth after the 2009 recession contributed to the problem.

It was also driven by the public’s view of government and government careers. A shared problem is that government salaries have fallen steadily behind competitive, market levels. More generous employee benefits are important to older workers but that’s not what prompts applications from millennials and Gen Z job seekers.

Now millions of workers—a disproportionate percentage of them women—have been laid off. Unemployment rates are expected to remain high for months. Many, at some point, will be forced to look for a job with a new employer. The pandemic has also triggered an increase in the importance of public service. Through 2020 and beyond, public employers are likely to see an increase in job applications.

Those applications could present a dilemma. Vacancies can be filled but there is a possibility that after the economy rebounds agencies could see high turnover. Turnover is costly. The time spent recruiting, onboarding and training is a sunk cost. The government work experience, pace, culture and career prospects will be different and possibly not satisfying to those who lost corporate jobs.

An answer that should help with both future recruiting and clarify the expectations of applicants coming from jobs in other sectors is the development of an Employee Value Proposition statement. HR consultants describe EVP statements somewhat differently but the common thread is the goal of attracting applicants who are looking for what an employer offers. As the website HR Technologist explains:

Defined loosely, Employee Value Proposition (EVP) refers to a combination of benefits and rewards that an organization offers to its employees in return for their work and skills. However, a strong EVP also includes intangible components such as culture, opportunities for personal and professional development, and more.

For public employers, an EVP could subtly downplay cash compensation and benefits but emphasize the satisfaction of public service. A high percentage of young job seekers want to use their skills to serve the public good and that should be highlighted.

The caveat is that an EVP statement should accurately portray the experience of current employees. A well written EVP can also serve to reinforce their commitment.

Another caveat is that each agency should draft an EVP that describes that agency’s specific purpose and values. A statement for a public health agency, for example, would not be the same as one for a prison system.

The drafting of an EVP logically starts with feedback from employees. Why do they enjoy their work? What would they want to change? Those conversations can also be used to identify ways to improve their work experience.

As one writer argued, “Job seekers chose their employer.” Public agencies need to attract people who will be committed to the mission.
People are the only true source of competitive advantage.” That is from a business book published three decades ago. Other resources—money, technology and raw materials—can trigger a short term advantage but are available to all organizations with a decent business strategy. That’s true for the government as well when budgets allow. New technology is frequently in the headlines but the associated performance gains thus far in both the private and public sectors have been disappointing.

People, however, are fully capable of performing at significantly higher levels when they areemotionally engaged and committed to their employer’s success. That’s been confirmed in studies going back more than two decades.

Unfortunately, while engagement has been the subject of hundreds of books and articles, it’s a construct—a theory or idea like weather or personality. Experts agree on the basic idea but they do not agree on the factors that affect engagement. That means the many consulting firms conducting engagement studies operationalize it differently, asking somewhat different questions and focusing on different issues.

Gallup’s research goes back more than two decades. They describe an engaged employee as one who is “involved in, enthusiastic about and committed to their work and workplace.” That means they want their employer and work group to succeed. It’s a key to sustaining a high performance workplace.

It’s important because multiple research studies confirm engagement levels are linked to performance. That makes it different from job satisfaction or happiness at work; neither is consistently related to performance. Poor performers can be highly satisfied and may never leave.

Gallup’s studies show highly engaged employees are more productive, have lower absenteeism, fewer errors, fewer accidents, etc. The difference between a highly engaged workforce and one where employees are not engaged, or to use Gallup’s phrase “actively disengaged,” translates into lower costs and higher productivity. When engagement levels are extremely low—the US Postal Service scores regularly at the 1st percentile compared with other Gallup clients—it’s a sure sign of low morale and serious performance problems.

Gallup reports that the issues addressed in their Q12™ survey—nine or 10 of the questions focus on supervisor behaviors—explain 70 percent of the variance in performance. Other experts emphasize training opportunities, communications, leadership, flexible work schedules, transparency, and honesty—the list of factors is long.

The key is having supervisors focus on becoming more effective. The specific policies or behaviors are less important. Having organizational leaders designate improved engagement as a priority is also important. If pay for performance is an established practice, improved engagement scores should be considered as a goal for managers. Haslam’s success when he was Governor of Tennessee illustrates the point.

Engagement is not an annual event. Managers should pay attention to morale throughout the year; one or more HR specialists should be designated to work with less effective managers to help them address their supervisory skills. Focus groups to discuss issues affecting engagement would also be useful. The potential payoff in improved results warrants the investment.
HR metrics have been collected for over four decades. One list includes more than 50 metrics related to HR issues. IPMA surveys show roughly 75 percent of public employers collect HR metrics. Here, another Peter Drucker quote is relevant: “What gets measured gets managed.” But he apparently did not know how the government operates. University of North Carolina’s Dave Ammons has found that performance data are commonly reported but too often the information is not used in decision making to improve results.

Working remotely now gives new emphasis to the use of metrics. The data are essential to leaders and managers who need to follow progress. Dashboards or scorecards are important as a tool to make data readily available but unless there is a shared commitment to improve performance, the data are wasted. Measurement alone accomplishes nothing.

In well managed companies it’s common to hold regular meetings where improvement is discussed and plans developed to raise performance levels. Executives and managers often meet regularly with top management to discuss progress. That’s routine. It’s consistent with a continuous improvement philosophy. It’s at the heart of performance management and the basis for goal-based management.

HR can play an important role at two levels. One is proactively working with leaders and line managers to improve the use of metrics. The practice in the U.S. Postal Service highlights a common mistake. A central office controls the data collection and use of performance data. The unit has developed long lists of metrics, with performance linked to salary increases for managers and supervisors. But they made basic mistakes—holding managers accountable for metrics beyond their control, the number of metrics is too long to sustain focus, the metrics fail to take into account local considerations, and the managers are not involved in defining performance goals. It’s been a contentious and counterproductive issue for years.

As the number of metrics increases, each naturally becomes less and less important and reduces manager and employee focus on each metric. New York City was at one time reported to produce a report “the size of a phone book” showing the metrics it used. It’s important to keep in mind an old maxim that goals should be limited to five or six.

HR can add value as a mediator or adviser in the use of metrics. It would be useful to form working groups to discuss progress and practices that need to improve. An HR specialist should participate in the groups.

The second role is a more proactive use of metrics or data science to improve workforce management as well as confirm the effectiveness of HR practices. A great example is Gallup’s research showing engaged employees perform at higher levels. Their analyses show a solid linkage between engagement scores on their Q12™ survey results and several metrics (e.g., absenteeism, accidents, etc.) tied to effective workforce management. Their data also compare client scores with other employers. Working with managers to raise engagement scores is a proven strategy to improve organization performance.

Metrics look back at what happened while analytics can help in developing future strategies. For example, statistical analyses of employee characteristics can help to predict which applicants will be successful. Bad hiring decisions are costly. Analytics can also help to understand the characteristics associated with the promotion of individuals successful at each level of management. One of the earliest analytics applications was triggered by the demand for pay equity in the 1980s.

One of the most potentially valuable uses of data is in comparisons across agencies and with employers in the private sector. Although the pandemic overrides metrics from the past, one comparative metric from the recent past stands out—the time it takes to fill vacancies. A 2018 private sector study found the private sector average was 33 days; for the federal government the average was 106 days. That’s an obvious problem.

Keep in mind that HR metrics not used to improve performance is a costly use of resources. The goal should be to use the data to document contribution to achieving organizational goals.

Dave Ulrich suggests HR offices should always answer the “so that...” query when they consider new metrics or analytics. His point is the purpose or goal should be enhancing HR’s impact on the organization. In his words, “Analytics without impact is like writing a story or essay without a target audience.”

From HR Metrics to Analytics

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The role of the HR function has been undergoing redefinition in the private sector for two decades. One of the most recent discussions was in a December 2019 report from the World Economic Forum: “HR4.0 – Shaping People Strategies in the Fourth Industrial Revolution.” That title captured HR’s focus in the private sector prior to the COVID-19 crisis: 1) companies were focused on people management strategies and 2) HR’s new goal is to support the revolution in the organization and management of work.

The pandemic now makes it imperative to manage the government’s people assets more effectively. It also triggered new roles for HR specialists: working with managers to strengthen relationships with remote workers; keeping those still on the job healthy; maintaining morale; and, where layoffs have been necessary, taking the lead in identifying the individuals agencies can afford to lose. Experience makes it clear certain jobs and their incumbents are far more important; that triggers a need to reconsider traditional civil service thinking.

When the end of the crisis is in sight, organizations and HR leaders will be expected to lead in identifying who returns, who needs reskilling, and those organizations and reporting relationships that need to be reconfigured. Strategies for recruiting and retaining essential talent should also be addressed.

The International Public Management Association for Human Resources is on board with the need for change. Its HR20/20 report highlights a key point: “It’s been clear for some time that the Human Resources function can no longer afford to be purely transactional. Yet many public sector HR departments lack the support, exposure and resources to make the transition from transactional to transformational.”

A key is recognizing that HR specialists have two quite different roles. The most visible is the ongoing, day-to-day responsibility for maintaining personnel records and administering HR activities. The second, and in most organizations’ newer roles, involves advising executives and managers on personnel concerns and on “improving the people capabilities.” It’s the second that is central to elevating the function and improving performance. The roles involve different skill sets, behaviors, and goals.

That was first recognized in two Harvard Business Review articles (“It’s Time to Split HR” and “People Before Strategy: A New Role for the CHRO”). The first argued for splitting HR into two units. The second, authored by three leading business consultants, focused on redefining the CHRO role to form a core decision making body composed of the CEO, CFO, and CHRO. They argued the CHRO should help the CEO “by building and assigning talent, especially
key people, and working to unleash the organization’s energy.” HR’s administrative work would be reorganized as a shared services unit. That was essentially the strategy adopted by Rebecca Hunter and Tennessee.

The idea of splitting the function has been proposed for the government. The Trump Administration proposed merging the administrative functions of the Office of Personnel Management with the General Services Administration. OPM’s policymaking would shift to OMB. The idea was dropped when the Democrats in Congress and federal unions opposed the change. In 2018, a similar proposal was discussed at the United Nations but no further action was taken. Both proposals were somewhat vague on how the change would enhance HR’s value.

In the second of the articles, the authors discuss three activities seen as important to redefining HR’s role: predicting outcomes, diagnosing problems, and prescribing actions on the people side that will add value to the business. The activities are largely missing in public HR management.

A 1984 book, *The 100 Best Companies to Work for in America*, triggered an explosion of interest in cities and in industry sectors to identify the best places to work. Today, many websites recognize the best places to work. A common thread is the commitment to working relationships characterized by trust, pride, and collaboration. Research confirms those factors are important to an organization’s success. Government groups should consider creating a website to highlight agencies that are leading the transition.

HR offices have problems to address in the post-pandemic years. Heavy retirements are inevitable; recruiting practices for young workers need to be reconsidered; government salaries have fallen behind private sector levels, especially for knowledge jobs; the culture issue cannot be ignored—there is work to be done. Perhaps most important, agencies need to reconsider the underlying people management philosophy—managing employees not as costs but as assets—and commit to policies and practices known to contribute to a positive work environment.

Human resource/human capital executives will need to convince elected officials the investment will pay off in improved agency performance. HR executives also have to convince line managers the new thinking will help them improve results and that HR has the skills to be helpful. In Tennessee, Hunter adopted the idea that managers and employees are HR’s customers and their satisfaction is an important metric. This is organizational change with all the problems discussed in textbooks and will require a multi-year commitment.

The old TV show “Superman” opened with the dramatic statement “This looks like a job for Superman!” and that is no doubt applicable here. But the transformation can be accomplished. The most prominent recent success story is the state of Tennessee.

The two super HR leaders who led the initiative, HR Commissioner Rebecca Hunter and the state’s first Chief Learning Officer, Trish ‘Doc’ Holiday, have been important resources in developing this ebook. Both have won awards for what they accomplished. This is about rethinking HR’s role for the future.
Howard Risher is a consultant focusing on pay and performance. In 1990, he managed the project that led to the passage of the Federal Employees Pay Comparability Act and the transition to locality pay. Howard has worked with a variety of federal and state agencies, the United Nations and OECD. He earned his bachelor’s degree from Penn State and an MBA and Ph.D. in business from the Wharton School, University of Pennsylvania. He is the co-author of It’s Time for High-Performance Government: Winning Strategies to Engage and Energize the Public Sector Workforce (2016), with Bill Wilder.
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