

Chapter Four

The Labyrinth of the Hiring Process

In previous chapters, we have examined the context within which managers operate—the culture of their organizations, their backgrounds and training, and their own definitions of their roles. We have also looked at the backgrounds and role definitions of the personnel staff with whom they work. In the next five chapters, we turn to how managers deal with specific challenges and how the context we have discussed affects their responses. While our main focus will be on personnel issues, it is important to remember that the formal systems governing management in the public sector do not operate in isolation; personnel, budgeting, and even procurement systems are linked in a variety of ways, so few issues are wholly civil service issues. The two we begin with, hiring in this chapter, and firing in Chapter Five, are largely personnel problems, but even here, as we shall see, budget considerations intervene. In the later chapters, we explore issues where these linkages are more direct: setting pay, use of contractors, and cutback management.

The System Managers Love to Hate

As we saw in Chapter Three, the formal civil service is hardly well-loved by managers. They see it, accurately, as having been designed to limit their discretion. Managers resent the fact that they so obviously are not trusted, and they find that working within such constraining rules means that everything they attempt requires more of their energy and time than it should.

It may be argued that this formal system is, in reality, only a

minor constraint, because aggressive, astute managers find ways around it. They learn how to manipulate the system to get what they want. The manipulation may entail significant transaction costs, but in the end, effective managers will achieve most of their goals, despite the formal constraints. This chapter explores the question of how constraining the civil service system actually is and how managers cope with those constraints, examining the part of the system most frustrating for managers, the hiring process.

One might expect that most managers in the government have, over time, learned how the hiring process works and have discovered ways, formal or informal, to work within or end run the system. In fact, as I talked to managers in the four organizations in this study, I found that the picture is more complex. Rather than seeing common patterns of coping in all four organizations, I found that organizational context makes a difference; managers in the four agencies defined their roles in the hiring process differently. As a result, they had disparate perceptions of how constraining the system was, and they developed very different coping strategies.

I begin with an introduction to the complexities of the hiring process in the federal government, to give the reader a sense of the formal constraints within which managers have to work. I then turn to a discussion of the differing roles that managers and personnel offices play in the hiring process in the individual agencies, and finally, I show how these differences have led to very distinct managerial strategies.

The Formal Hiring System

The formal system for hiring federal employees is quite complex. An individual can be hired in a wide variety of ways. This complexity can be a source of confusion both for managers and for job applicants (U.S. Merit Systems Protection Board, 1994), but it can also be an asset to creative, aggressive managers seeking to manipulate the system. The various hiring procedures (technically referred

to as *hiring authorities*) differ in their degree of centralization, in their criteria for selection, and in whether they are designed to hire individuals or whole groups of new employees. Let us look at each dimension in turn.

At the most centralized end of the hiring continuum are the tests administered nationwide by the Office of Personnel Management (OPM) for entry-level professional positions, known as Administrative Careers with America (ACWA).¹ Applicants apply directly to OPM, which tests them and sends a list of the top candidates to the agency doing the hiring. (For a more detailed description of both ACWA and other entry-level hiring methods, see U.S. Merit Systems Protection Board, 1994).

External hiring at more senior levels (such as GS-11 and GS-12) of these same occupations is generally also controlled by OPM, which announces openings in an agency and reviews the qualifications of applicants.² The review in this case is based not on a formal written test but on the background of the applicant (known in the personnel field as T&E, for training and experience) as reflected in his or her SF (standard form) 171. When OPM advertises a specific opening and rates candidates on the basis of qualifications for that position, the process is referred to as *case examining* (that is, it is done on a case-by-case basis).

When the process of examining is controlled by OPM, the agencies and individual line managers play a smaller role. Even if they successfully recruit a candidate, for example, they may have trouble actually hiring that candidate if he or she does not turn up at the top of the list generated by OPM.

On the other hand, for some positions, OPM has given authority to agencies to manage the process themselves. Increased decentralization of the hiring process is one of the legacies of the Civil Service Reform Act of 1978 (Ban and Marzotto, 1984). Particularly for those occupations that are unique to a specific agency, individual agencies are delegated authority to advertise positions and to conduct an unassembled exam, that is, to review

applicants' qualifications and to rate and rank the applicants without going through OPM. In such cases, the responsibility—and workload—of the agency personnel office increases dramatically, and there is greater potential for line managers to play an active role in the process.

Hiring methods also differ in terms of the selection criteria that are applied. For the ACWA, people are ranked on the basis of their scores on a written test. In case examining, a person's education and experience are assessed. At the time of this study, the latter process still made use of the SF-171, which was employed throughout the federal government. In either case, candidates are compared and placed on a ranked list. The *rule of three* is applied, meaning that managers can choose only from among the top three names on the list. Veterans preference also applies, giving veterans extra points and thus placing them higher on the list.

But there are a few methods that permit the hiring of a person if he or she meets some minimum qualification, without any requirement to compare that individual with others. These methods are designed to be simple and fast. First, in occupations where there is a shortage of applicants or in geographical areas where the government is having trouble recruiting, agencies can receive what is known as *direct hire authority*. Direct hire means that candidates who meet the qualifications for the job can be hired on the spot, without any competition. This approach is predicated on the assumption that there are more openings than applicants, so that all qualified applicants can be hired.

In the past, direct hire authority was frequently tied to job fairs; at such fairs, agencies could make offers on the spot or even for some period of time after the fair. But during the time of the study, at least partly in response to criticism from the U.S. General Accounting Office (1990a), OPM tightened up the procedures for job fairs. Agencies were no longer allowed to hire on the spot; rather, they had to conduct an unassembled exam (that is, to rate the candidates identified at the job fair) and to apply veterans pref-

erence.³ This change greatly increased the workload of agency personnel offices participating in job fairs and wiped out the primary advantage of such fairs, the ability to hire people quickly.

Another route for hiring that does not require comparison among candidates is the Outstanding Scholars Program, which allows agencies to hire without any additional examination a qualified entry-level applicant who has a 3.5 grade point average from college or who is in the top 10 percent of his or her graduating class. This program was mandated by the courts as an affirmative-action vehicle, to make it easier to hire minority candidates.

Similar in their effect are *special appointing authorities*, which are designed to increase the hiring of such groups as disabled veterans, the mentally retarded, the physically handicapped, and students at predominantly black colleges. There are over a dozen such special appointing authorities. Among the less well-known are programs that allow agencies to hire noncompetitively people leaving the Peace Corps or leaving staff positions in Congress or the federal judiciary.

Hiring methods that do not require ranking a group of candidates have several advantages. Speed is one. Another is the ease with which managers can recruit individuals and then bring them on board. However, these methods raise questions about how well the principle of open competition is being honored and about the potential for abuse, for hiring friends or political cronies.

Finally, while most hiring is of individuals to fill specific slots, there are a number of programs designed to bring people into entry-level positions as a group. The method of selection may be traditional (that is, a test or unassembled examination), but recruitment—by either OPM or agencies—is done broadly, and when the group is hired, they may be trained formally as a *class*. One of the best-known of such programs, the Presidential Management Internship (PMI) program is managed centrally by OPM, which interviews candidates and selects the finalists. The short-listed candidates then interview with specific agencies, which make

the final selection. These are fast-track trainee positions designed for people who have just completed master's degrees; they typically include rotation through several positions, as well as seminars that bring together the "PMIs" from all participating agencies. Several agencies have designed similar programs for their own use; the agency hires a whole class of candidates at one time, trains them as a class, and often rotates them through several positions to give them broad exposure to the work of the agency. I will discuss some of these programs in more depth below.

Who's on First? Recruiting and Hiring

These bare-bones descriptions give little sense of how each hiring mechanism works in practice. The key issue here is: what are the respective roles of the line manager and the agency personnel staff in the hiring process? One thing that is clear from my research is that, in the absence of formal, systemwide guidance specifying who does what, each agency has developed its own approaches to the tasks of recruiting and hiring. And there is some indication in prior research that this unclear division of labor is causing problems. We saw in Chapter Three that personnelists rate their own performance more highly than do the line managers in their agencies. Nowhere do these perceptions differ more than in the area of recruiting and hiring. Seventy-eight percent of personnelists interviewed by the Merit Systems Protection Board rate the service they provide in these areas as good or excellent; only 36 percent of their clients, the line managers, agree (U.S. Merit Systems Protection Board, 1993, p. 15). At least some of this dramatic difference may be a result of confusion about the appropriate roles of managers and personnelists in the recruiting and hiring process.

Who is responsible for going out and finding good candidates? Many of the formal mechanisms, particularly those that require centralized testing by OPM, are essentially passive: OPM posts openings in its own offices and in employment offices—either locally or

nationally, depending on the openings. Or OPM periodically offers a formal test, such as ACWA. This approach, in contrast to direct hiring, assumes that there are so many people who want to work for the government that aggressive recruiting is unnecessary. But many observers see this approach as dangerously outdated. They point to the declining number of people entering the labor market, to the increased competition for employees with technical training, and to the growing pay gap between the public and the private sectors. All these factors are making it harder for the federal government to attract the people it needs (Levine and Kleeman, 1986; U.S. Office of Personnel Management, 1988; National Commission on the Public Service, 1990). Even though, at the time of the study, some agencies were laying off employees, others were experiencing difficulty in finding good entry-level staff.

Another factor led to agencies becoming directly involved in recruiting. Prior to 1980, OPM administered a single examination, the Professional and Administrative Career Examination (PACE) for entry-level hiring into more than one hundred professional and administrative positions. That examination was dropped in the closing days of the Carter administration in response to a lawsuit charging that the exam discriminated against minorities. But the new ACWA tests were not introduced until 1990. As a result, for close to a decade, agencies were permitted to use a special hiring authority, Schedule B, for entry-level hiring (Ban and Ingraham, 1988). Under Schedule B, agencies were able to do their own recruiting and to rate and rank candidates using unassembled exams that worked much like the delegated examining process described above.⁴ Thus, at the same time as agencies received broad delegated examining authorities for technical jobs, they also were able to use a similar process for entry-level positions. In short, for the first time, they were responsible for finding their own job candidates. Even though this authority has since been taken away, it gave agencies and line managers years of experience with a decentralized, flexible approach to hiring.

Agencies, then, were faced with two questions: whether to recruit candidates aggressively and how to assign responsibility for that task. An examination of the four organizations in this study shows that agencies answer these questions very differently, and that the answers depend on a number of factors. The organizational culture and management style of the agencies, as well as the culture of their personnel offices, play an important role. But the answers to these questions are also driven by resources; in organizations that are cutting back, aggressive recruiting is not a high priority.

Further, organizational responses are determined in part by the external labor market. If an adequate supply of job candidates is finding its way to the agency's doors without active recruiting, then, not surprisingly, there is little demand to increase recruiting. Active recruiting is therefore likely to focus on those specific occupations or geographical areas where the agency is having trouble filling positions.

Conflicting Perceptions of Recruiting Activity

Agencies may make a formal decision to assign primary recruiting responsibility to the personnel office, to line managers, or to both, or a division of labor may emerge gradually over time. Both line managers and personnel offices may be either active or passive in relation to recruiting. This produces four possibilities or models, as shown in Figure 4.1. In model 1, both managers and personnelists play a passive role. If no one actively recruits, then either the agency is not hiring or it is making do with those applicants who either see the formal job announcements or take a standard test, such as ACWA. Model 2 is to assign the task of recruiting to personnel specialists. Managers then hire from the lists of candidates the personnel office has generated. Model 3 is for the managers to take the lead in recruiting. The role of the personnel office in this case is to process the papers or to help in finding ways to actually bring on board the people identified by the managers. Model 4 is

Figure 4.1. Agency Division of Labor in Recruitment.

		Personnel Office Role	
		Passive	Active
Line Managers' Role	Passive	<p><i>Model 1</i> Personnel passive Managers passive (FCS)</p>	<p><i>Model 2</i> Personnel active Managers passive (APHIS)</p>
	Active	<p><i>Model 3</i> Personnel passive Managers active (EPA)</p>	<p><i>Model 4</i> Personnel active Managers active (Navy?)</p>

for both managers and personnelists to play active roles in recruiting, either in partnership or, if they have not coordinated their efforts, possibly falling over each others' feet.

Do we see clear patterns, with agencies falling consistently into one of these cells? This question proved to be somewhat harder to answer than I had expected. On reviewing all the discussions about the hiring process that had taken place with both managers and personnelists, I found that the two groups have, in some cases, almost diametrically opposite views of who is doing what. I call this a *mirror-image phenomenon*, and it comes through most clearly at the two Department of Agriculture sites. Specifically, at FCS, most managers say that they are actively recruiting, but the personnelists are mixed in their views of the managers, with a majority saying that managers are not actively involved in recruiting. Conversely, personnelists feel that they are taking an active role, but managers strongly disagree and feel that the personnelists are not doing enough. At APHIS, the same mirror-image pattern holds true for the managers; a majority see themselves as actively involved, but

personnelists do not see it that way. However, both groups are in agreement that the personnel office (or a specialized unit) does play an active role in recruiting.

At EPA, in contrast, virtually no one sees managers as passive; everyone recognizes that managers are actively recruiting. But there is disagreement over the personnelists' role: they see themselves as actively recruiting, but the managers see them differently. There is so little hiring going on at Navy that there are few mentions of active recruiting and it is hard to classify the agency. But the mirror-image phenomenon is not evident there; both groups tend to mention active involvement in the process—currently almost entirely internal recruiting—by both managers and personnelists.

Model 1: Passive Recruiting

It is clear from my interviews that in several agencies, there has never been a formal assignment of responsibility for recruiting. What has sometimes emerged is a system where each side has unclear and conflicting expectations of the other, where each side points at the other and says, "Why aren't they doing what they should?" This is particularly true at FCS, which, from the vantage point of this outside observer, falls more closely into cell one in Figure 4.1 than any of the other agencies. Neither group is consistently taking the lead in recruiting, and neither is particularly aggressive in its recruiting efforts. This is not to say that there is no recruiting going on at FCS, but that, compared to other agencies, FCS is not particularly active or innovative in its approaches.

That situation does not necessarily call for criticism. FCS is a small agency that has shrunk significantly over the past decade, taking its cuts through attrition rather than layoffs. Consequently, hiring has been at a very low level for a long time—often below replacement. In such an environment, an attempt to develop major recruitment programs within the personnel office is unrealistic. Most managers, for their part, have had little motivation to

expand their own recruitment efforts. FCS managers most often spoke about taking an active role in trying to recruit secretaries, who are in very short supply at all agencies. Particularly at headquarters, managers explained this specifically in terms of the market: "In recruiting for the clerical and administrative types, the walk-in candidates usually are of such poor quality that you often waste your time if you don't go out and start looking yourself. We make fun of a manager here who goes to K-Mart and hires clerk-typists because that was his only solution. So, well, . . . some of them worked out."

Further, managers at FCS were not terribly knowledgeable about the intricacies of the hiring system. For example, one of the participants in a group interview for midlevel managers told me: "I found out this morning that we had something new, the ACWA, or something. That's the first time I heard of it. What I know about it I read in the *Washington Post*, not from our personnel people."

It turned out that most of his colleagues were no better informed. These are not, on the whole, savvy managers who have learned how to manipulate the system. Some of them do know about the Outstanding Scholars Program and have made use of it. And FCS has taken advantage of the hiring authority that allows noncompetitive hiring of ex-Peace Corps volunteers (as is quite evident by the Peace Corps posters and artifacts decorating a number of offices). But overall, FCS managers are not aggressive about recruiting. A staffing specialist told me that she could usually get a line manager to go along on college visits, but that "just in very rare situations do they recruit on their own." The long hiring freezes have had the expected effect on such college visits. As a manager in the personnel office explained, "We still try to get out and make contacts with colleges, but it's hard when you can't hire."

However, those managers who expect to have significant numbers of openings are using more active approaches. One person told me about recruiting at public policy schools, going to conferences and job fairs, and networking with colleagues at universities. But

the same person explained that one of the main reasons there were not more such efforts was the problem discussed in Chapter Two—the worker-manager. As this person put it, “It takes time, and we do a better job when we’re not quite as heavily loaded up with our program work.” Managers who are stretched thin doing the work of the program often do not have the time or energy to build networks, even if they can come up with the travel money to go to the conferences. Successive waves of attrition only make the problem worse, because as organizations become more short-staffed, pressures on managers to take on more program work become even greater.

To summarize: The contradictory perceptions of who is actually recruiting at FCS are understandable. Recruiting is spotty, both because so little hiring is going on and because the agency has not given clear signals to managers (who are often worker-managers) that this is part of their job. A rather passive approach to recruiting has probably not been dysfunctional for FCS over the past decade, but if any parts of the organization have to grow rapidly in the future, the lack of agreement on whose job it is to recruit could cause serious problems.

Model 2: Active Recruiting by the Personnel Office

As the previous discussion mentions, there is some confusion within APHIS about who actually does recruiting as well as about who should be doing it. Nonetheless, from the vantage point of an outside observer, APHIS falls, albeit with some exceptions, into the cell in Figure 4.1 that shows an active role for the personnel office and a more passive role for managers. However, there is an interesting wrinkle: a special unit that is not a part of the personnel office, Recruitment and Development (R&D), has a major responsibility for both external recruitment and employee development. My guess is that in the past APHIS actually fell into cell one (both parties passive), because people told me stories of how recruiting had been “falling between the cracks” and how a recognition of this

problem led to the formation of the R&D unit during the large-scale reorganization discussed in Chapter One. The unit was given the mission of increasing the agency's external visibility and improving the quality of new hires.

R&D has been quite successful in creating a range of innovative recruiting and training programs. Two of the most notable programs involve group hiring, one for secretaries and the other for entry-level veterinarians. The first, labeled Operation Jump Start, was designed because of the critical shortage of secretaries and the poor quality of many new secretaries in the agency. The program aggressively recruits potential secretaries, hires them as temporaries, and puts them, as a group, through a seven-week formal training program in everything from office procedures to interpersonal skills. They are then placed on a thirty-day detail in an office that has a vacancy. At the end of this time, if the supervisor and trainee are both satisfied, the individual is converted to a permanent position. The program received almost unanimous raves from managers. Their only complaints were that there were not enough graduates to go around, or that people were so good that they were eventually lost to other agencies that could offer higher grade levels. But this is clearly an example of a group hiring program where both aggressive recruiting and the ability to train new hires as a group have led to an improvement in quality in an occupation where competent employees are in very short supply.

APHIS has a similar success story in its program for hiring entry-level veterinarians, another position where quality had been a problem. In the past, when there was an opening for a veterinarian in a local office, the position was advertised locally, attracting more often than not a local vet who might be reasonably competent but who typically was unwilling to accept reassignment later on. The Public Veterinary Practice Careers (PVPC) program made several changes in the hiring process. Recruitment became national, producing a large pool from which to select. Candidates were chosen after an extensive screening process, one of whose criteria was a

willingness to accept job mobility. And new hires were brought in and trained as a class.

Most managers see this combination of aggressive recruiting and formal training as having led to improved quality. Further, because PVPC recruits are required to sign a mobility agreement and because the training gives them a broad, agencywide perspective, there is hope that they will be on a fast track and will provide the future leadership of the agency. Further, hiring in groups has made it much easier to take affirmative-action goals into account; the incoming PVPC recruits are more diverse than those hired individually in the past. In short, this program, too, seems to be working. In fact, a number of federal agencies now recruit and train "classes" of new employees.

The role of R&D in recruitment is widely recognized; hence the widespread agreement among managers and personnelists that both the personnel office (that is, the Field Servicing Office and its small D.C. satellite office) and R&D played an active role in recruiting. Where there was more disagreement was over the role of managers in the process. This disagreement reflects two issues: first, the fact that the role of managers is in flux, and second, that the role of a manager varies according to position.

Many managers say they do little active recruiting, but they acknowledge that expectations are changing. For example, one midlevel manager told me, "The agency encourages us to [become active in recruiting]—there's a whole new push in the agency in recruitment." But he said that, in fact, he had done very little.

R&D lays emphasis not just on recruitment for current vacancies but on the development of a long-term marketing perspective that includes building relationships with individuals and organizations that might become sources for future hires. One element of this strategy was a program that trained one hundred managers nationwide as recruiters. The group received a full week of training in recruiting techniques, emphasizing recruitment on campus and

through professional organizations. Most of the managers trained in this program have remained active, which has reinforced the view in the agency that managers should be playing a central role in recruitment.

Nonetheless, some managers still do not see this as an important part of their role. Their attitude is not surprising, given what this study has found about the way they define that role (see Chapter Two). We have seen that APHIS managers gave moderate emphasis to the human relations part of their job but put much less stress on the external, entrepreneurial aspects. Yet the latter contain the skills the managers need to go out and sell the agency to future employees. Some personnelists expressed frustration that managers were not picking up this role. For example, one person told me that she had encouraged the area veterinarians in charge, who head local offices, to play a more active role in recruiting, but that "a lot of them just have no intention of getting involved." Further, a number of APHIS managers would agree with the personnel specialist who told me, "My sense is that no matter what we do, the whole system is a mystery to managers." APHIS managers were, in fact, more likely than those at other agencies to say that they did not understand the system and to express lack of confidence in their ability to make a good selection.

Nevertheless, some managers are very actively engaged in recruiting. They are developing their own networks and finding people through a variety of sources, including colleges and professional associations. One explanation is that these people are recruiting for higher-level technical or managerial positions. While they may leave entry-level recruiting to R&D, they often say that neither R&D nor FSO knows how to recruit for technical occupations. Thus, there are mixed reactions, reflective of the role confusion in recruiting; while some managers accept the responsibility for higher-level recruiting willingly, many others gripe that this is not their job and that someone else (either R&D or FSO) should be doing it.

Personnelists, on the other hand, say that managers really should be doing this for themselves. As a personnelist at FSO told me, the overall picture is mixed: "Some programs are good about doing their own recruiting, and others don't. They should. They're the experts. Since we're centrally located, we don't know where to go in their areas. . . . A lot of managers need help in how to recruit."

At FCS, we saw that the role stress experienced by worker-managers affected their ability to recruit. This issue did not come out at APHIS. There, the pattern was somewhat more reflective of the pseudo-supervisor problem: the tendency of top managers to keep control of the hiring process, control which got in the way and slowed down the process. Several people criticized the propensity of top management to micromanage hiring. One supervisor in a group interview described the obstacles his unit is facing in trying to bring on someone from another agency: "We can't get it through the director of HRD [human resources development], because he has to have control over it. And the deputy administrator has to okay it. We have a GM-14 chief that has the authority to make that selection, and he can't do it, because they're not permitted to do it. . . . If you're going to give [someone] authority to run a staff, then why can't you give them authority to hire the people they want to do the work for the staff?"

To summarize: At APHIS, there is aggressive recruiting for some positions by the personnel office (FSO) and by the recruitment and development unit, but considerable variation in the level of activity of line managers, some of whom still do not see recruitment as part of their job.

Model 3: Aggressive Recruiting by Line Managers

Not surprisingly, the picture at EPA is different. As we saw earlier, both managers and personnelists agree that EPA managers play a very active role in recruiting but have some disagreement about personnel's role in the process. Why are EPA managers so active?

There are several possible explanations. One is rooted in the culture of the agency, discussed in Chapter One, and in the typical management style at EPA, discussed in Chapter Two. EPA managers have a deep commitment to the environmental mission of the agency. They are also subject to intense pressure, both from externally imposed deadlines and from the aggressive, entrepreneurial values of the adhocracy culture. Together, these forces lead them to push the recruitment system rather than wait passively for the personnel office to find staff for them. The personnel specialists recognize the pressure on line managers. As one explained, "We have so many vacancies to fill, and they are so under the gun that they are required to be more proactive than [Department of Agriculture] managers."

Further, EPA managers are likely to see human resources issues as important aspects of their job. This was particularly true in the regional office, as we saw in Chapter Two. But we also explored in that chapter the issue of the worker-manager and saw that, at EPA, second- and third-level managers were more likely to mention the human resources aspects of their positions. Recruitment patterns reflect this tendency: it is often the higher-level managers who are most active in working their networks to find candidates.

This pattern of active management recruiting is also a function of the kinds of jobs EPA is recruiting for. The group hiring programs at APHIS, discussed above, are designed to bring in fairly large numbers of entry-level staff. While EPA sometimes hires substantial numbers of staff at one time, it is more often hiring individuals with scientific, technical, or legal backgrounds. These are not easy people to find, and there is a general feeling among managers that personnel either does not know how to find them or does not have the time and energy to devote to active recruiting. In some cases, managers are just as happy to do it themselves, but others gripe about the lack of support from personnel. As one senior-level person put it: "Finding people is up to each office individually, and it takes a great deal of time. I would like them to be

going out and recruiting and screening candidates, but it would require them to understand our programs.”

This comment goes to the heart of the conflicts over the role of the personnel office in recruiting and hiring. As we saw in Chapter Three, one source of tension between managers and personnelists was that the latter did not always understand the work of the organizations they were servicing. In fact, many personnelists agree that they are not qualified to take the lead in recruiting, particularly for technical positions, and feel that it is quite legitimate for line managers to take on this role. I asked a personnel specialist whether managers identified most of the candidates themselves. He replied: “Yes. Personnel is the last place managers look for people, but why not? They know what skills they need. What do we have to add? . . . OPM feels unless you put [job candidates] through a lottery, and that’s what it is, it’s going to be tainted. At least 90 percent [of job candidates] are found by the managers.”

Some EPA personnel specialists said that they would like to play a more active role in recruiting, and that they had done so in the past—visiting colleges, for example. But several would agree with the person who said, “We’ve been so busy this year that we couldn’t afford to do this.”

In fact, most of the conflict between personnel and line managers at EPA is not over recruiting but over the next step in the process: the screening of applicants to determine whether they meet the qualifications for the jobs. Many managers argued strenuously that personnel staff did not have the skill to evaluate candidates for technical jobs. For example, here is the complaint of one first-line supervisor:

[There are] people at various levels at OPM and then in our office going through [SF-171s] who don’t really understand my responsibilities and my job, and I wouldn’t expect them to. I mean, how could they understand everybody’s job in EPA? And yet they’re making a decision on who’s qualified. . . . Three or four years ago, I

wanted to hire a program analyst, and the cert [the list of candidates from which the manager can select] comes back, and at the top of the cert is a guy whose job title on his 171 is "loss prevention specialist." Here I am, I want a budget analyst. What is the guy? He's a store detective, out from some department store in the Midwest. The guy's probably capable and intelligent, but he had no experience related to what I was doing, and he should not have been on the top of that list. You end up with results that make no sense.

Yet one could say that personnelists are damned if they do and damned if they don't. Some managers criticize them for doing a bad job of screening applicants, and others for not screening at all. Apparently in response to some of this criticism, personnel is sometimes giving managers more choice than they want. Another supervisor in the same group interview told a very different story from the one just quoted: "My certs came in. Personnel did not rank the candidates; they just kind of shipped over all the 171s, and because I had advertised 5, 7, [and] 9 to 11 [grade levels], I had four different sets of certs. I must have had at least sixty-five applications. . . . I was not happy with [this list] because they were not screened. If there was anything in their 171 about doing administrative work, it was in the cert. But I did get a large amount of candidates to select from."

To summarize: EPA fits the model of active managers well; however, stresses and conflicts arise over the proper role of the personnel office in the hiring process.

Model 4: Active Recruiting by Both Line Managers and Personnel

It is tempting to say that the Navy fits into the fourth quadrant of Figure 4.1, if only for the sake of symmetry. However, the evidence is thin because so little active recruiting has been done during the recent years of contraction. Much of the discussion therefore

centers on past practice. Managers at Navy sound more like those at EPA than like Department of Agriculture managers when they talk about recruiting and hiring. They stress that, particularly when hiring engineers and other technical staff, they need to take an active, aggressive role in the process. An SES member described how he operated: "I have never in all my years had a problem in getting staff, because I go out and I beat the bushes in schools, I knock on doors of firms, I do anything I can to steal, impress, whatever is illegal—like the Brits did to us before the War of 1812. . . . I never use CCPO [Consolidated Civilian Personnel Office]. The biggest mistake you could make . . . is to let them do your recruiting for you if you are looking for engineers."

Here, too, much of the discussion of active recruiting came from second- and third-level managers, not from first-line supervisors. This pattern clearly arises from the phenomenon of the worker-manager and sometimes from that of the pseudo-supervisor. But it is also a reflection of current budget constraints. Because of hiring freezes, and because of the Navy's Manage to Payroll (MTP) system, discussed in Chapter Six, authority to approve hiring is held at a high level (at least third level, and often fourth). As a result, most of the gripes from Navy managers were about budgetary controls, not about the civil service system.

Further, during a time of cutbacks and hiring freezes, it does not make much sense to maintain extensive recruitment programs. In the past, the Navy, like APHIS, had developed its own group hiring programs and internships in a number of fields. For example, a number of interviewees praised the Engineer in Training (EIT) program, which has had a very successful track record for a number of years in bringing in talented individuals, training them, and placing them within the organization. There was also a Contract Intern program and a logistics internship. But most of these programs have shrunk in the current hard times. As one person told me, "The EIT program is still up and running, but it's staggering. It's only for those that you have in the program now. Nobody

in the program now is going to be dropped from it. But no new people are coming in."

In short, the Navy gives us tantalizing glimpses of what the situation might look like if both managers and personnelists were actively involved in recruiting. On the one hand, such an approach can be very successful if the two groups coordinate their efforts. On the other hand, there is also a risk that they will be pulling in different directions or falling over each other. There was a slight hint of such a problem when personnelists talked about the lack of commitment on the part of line managers to affirmative action in recruitment and hiring. Several people told me about a meeting with top NAVSEA managers at which affirmative action was discussed. As one described it: "They said they did not know what the goals are. I was just floored. Where have they been? Were they asleep? I think they just haven't put much attention on it, but it's going to shift. I think it's going to be put into their performance plans. SECNAV [the secretary of the Navy] said, 'You will do this.'"

Aside from demonstrating the top-down management approach in the Navy, the comment makes clear how hard it is—especially in a very large organization—to get everyone to pull in the same direction when managers are out doing their own recruiting. This independent activity also causes problems for the monitoring and record-keeping that CCPO is charged with: "Yes, [managers are going out and recruiting on their own]. A lot more than we are probably aware of. We were trying to get a handle on that in the meeting last week. There's a lot we don't know about, so it's hard to keep EEO [equal employment opportunity] statistics."

To summarize: If we had been looking at the Navy in a period of growth rather than contraction, we might have obtained a fuller picture of what the fourth model, with both managers and the personnel office taking an active role in recruiting, would look like in practice. Even in the current conditions of cutback

management, we can get some sense of both the strengths and strains of such an approach.

Looking across all four organizations, one can conclude that there is no single right or wrong way to divide up the responsibilities for recruiting and hiring. In fact, the divisions of labor that have evolved reflect differences in the organizations' cultures, in the styles and role definitions of line managers and personnelists, and also in market conditions—that is, the supply of and demand for specific kinds of employees. But each approach leads to a very different way of relating to the formal civil service system. It is to this issue that we turn next.

What Happens When the Formal System Gets in the Way?

I began this chapter with an implied question: is the civil service a major hindrance to managers, or have they learned how to manipulate the formal system—either working creatively within it or finding ways to circumvent it—so that it is only a minor annoyance? Our examination of the ways managers and personnel offices define their roles in the hiring process allows a nuanced answer to this question. In brief, what we find is that the formal personnel system is more suited to an environment where the personnel office plays an active role and managers are relatively passive. When managers choose to play an active role, that choice almost inevitably creates conflict with the formal system and pressures for managers to use informal means to manipulate the system.

This difference emerged very clearly in my interviews. When I talked to both managers and personnelists at the Department of Agriculture, there was much discussion about creative, aggressive use of all the formal mechanisms the system provided, but there was virtually no mention of informal strategies for beating the system.

What does the formal approach look like? As we saw, it entails aggressive use of the full range of available hiring methods, includ-

ing requesting all possible delegations from OPM and using them aggressively, and learning about and using all the special appointing authorities discussed above. Examples include the long-standing use by FCS of the authority permitting noncompetitive hiring of Peace Corps alumni (a mechanism occasionally used also by EPA) and noncompetitive hiring for positions classed as bilingual/bicultural. An example at APHIS is the development of a co-op program for summer interns from the "1890 colleges" (land-grant colleges serving mostly black students) and other colleges whose students are predominantly from minority groups.

Pushing the formal system to its limits requires a knowledgeable, imaginative, and aggressive personnel staff. While managers may learn about formal mechanisms and may push or prompt personnel, in places like APHIS, the pushing tends to be in the opposite direction; what you are likely to hear are stories from personnelists about how they are trying to sell their managers on such programs as co-ops.

But when the personnel office uses the formal system aggressively and when managers are relatively satisfied with what the formal system gives them and do not accept the idea that active recruiting is part of their job, they do not feel a need to learn the ins and outs of the system in order to find ways around it. Virtually the only discussion of such informal approaches that I heard at the two Department of Agriculture sites touched on ways to avoid use of the universally unpopular ACWA exams. ACWA is disliked by managers because it is seen as too time-consuming and because the candidates referred by OPM are often no longer interested or not suitable (U.S. Merit Systems Protection Board, 1994).

EPA managers, in contrast, have clearly defined their roles as including active involvement in recruiting and hiring, but they constantly collide with a system that is not designed to make it easy to bring in the people they recruit. There is, therefore, necessarily a higher level of conflict with the formal system. Further, as we saw in Chapter One, EPA has a culture somewhat less rulebound than

that of other agencies and more tolerant of people who challenge the formal rules. As a result, at EPA one sees moderately high levels of creative manipulation of the system—much of it legal, some of it borderline, and some of it clearly over the line but widely sanctioned (people had no compunctions about discussing it in front of their peers).

The Navy falls between EPA and the Department of Agriculture in this respect. Both because its culture is less freewheeling than EPA's and because it was doing little hiring from outside, there were fewer mentions of informal ways to manipulate the system. But Navy managers were clearly more familiar and more comfortable with such strategies than were Department of Agriculture managers.

What kinds of strategies do EPA and Navy managers use to work within or get around the formal civil service system? They fall into two broad categories: first are a variety of ways to make sure you can hire the person you have recruited; second are ways to get around the slowness of the system.

One of the points at which managers come into direct conflict with the formal system is when they have actively recruited and then come to their personnel office and say, "Now how do I actually get this person hired?" In many cases, the formal system makes this very difficult. If the manager wants to hire the person for an entry-level job, the first response is, "Does the person have a 3.5 grade point average so he or she will qualify as an Outstanding Scholar?" If not, the odds of hiring the person via the ACWA exam are often slim. Individuals who have taken ACWA are ranked by grade, and, when an agency wishes to hire off the ACWA list, OPM sends a cert with the top three candidates remaining on the list, so it is difficult to reach qualified candidates who are lower on the list. In some cases, the agency can send a "name request," that is, tell OPM, "If this person is reachable (that is, meets the qualifications), I want him or her on the list." But that is technically difficult if agencies use the Automated Applicant Referral System to request names from the ACWA

list. Therefore, strategy one is to change the grade level of the job so that hiring can be done with mechanisms other than ACWA. If employees are hired at the full-performance level (grades GS-9 or 11) rather than at the entry level (grades 5 or 7), examining authority may have been delegated to the agency. Even if the occupation is one for which OPM still examines, a manager will be able to name request. Of course, there is no guarantee that the person will score high enough to be reached, even with a name request, but the odds may be higher than with ACWA. Technically, this is not getting around the system, since both changing the grade level and name requesting are legal, but the fact that name requesting is not always possible with ACWA has the unintended consequence of encouraging astute managers to hire at higher grade levels, with obvious cost implications.

Managers also change grade levels for other reasons, such as trying to get around a veteran who is blocking a list. Veterans preference requires managers to take a veteran at the top of a list or produce a very solid justification for not doing so. Many managers, even some who are veterans themselves, expressed very negative feelings about this constraint. They see it as making the hiring of women and minorities more difficult and as compelling them to hire people who are not necessarily the best qualified. The issue becomes particularly acute when the list includes a *compensable veteran*—typically, a disabled veteran or certain relatives of a disabled or deceased veteran—who has an extra ten points added to his (or occasionally her) score and thus “floats” to the top of the list even though the actual score may have been barely passing.

Thus, strategies for getting around veterans preference are fairly common. As one manager told me, “I’m having a real battle with hiring entry-level management analysts because they’re blocked by veterans all over the place, and we’re trying to jury-rig ways around.” Some managers will postpone hiring, in the hope that someone else will be forced to take the veteran first. Others will change the grade level of the position, but this can be detrimental

to the applicant, as the manager cited above explained: "There's one guy we hired with a master's as a management analyst . . . we advertised as a 9 and it was blocked, and we advertised as a 7 and it was blocked, and he finally took a 5 to come in, and it's taken him years to catch up."

One manager even told me about trying to cut a "two for one deal," essentially agreeing to take the veteran (thus opening up the list for everyone else trying to hire) only on condition that he could hire a second person as well.

In addition to changing the grade level of positions and finding other routes around veterans preference, managers take a number of very direct actions to make sure that the person they want turns up on the lists they receive. One of the most common at the time of this study was coaching the individual on how to fill out his or her SF-171. Certain "tricks of the trade" could be relied on to convince the personnel specialist reviewing the form (not usually a technical expert) that the applicant was, indeed, qualified. One of the first concrete accomplishments of the National Performance Review's deregulation efforts was the abolition of the SF-171, but it is not yet clear what agencies will use in its place and whether coaching will still be needed to make sure applicants put the right buzzwords on their résumés.

Helping people fill out a form or prepare a résumé is both legal and commonplace. More in the gray area of legality is the practice of tailoring the job description to the specific qualifications of the candidate. As we saw in the quote at the beginning of the Introduction, this device is far from unknown.

Further, as we have seen, the system permits managers, in most cases, to name request, that is, to make clear to the personnel office or to OPM, who is the preferred candidate. More controversial is the practice of sending back a list (that is, not hiring) if the person the manager wants does not appear on it. When this stratagem was raised at a group interview with EPA first-line supervisors, a heated debate ensued.

First Speaker: I'll be very honest, since I know this is confidential. When I get certs that have been advertised, if I don't see my person's name on it, my first reaction is to cancel the cert and I'll try it again.

Second Speaker: I just throw out to you, though, what if on that cert there happened to be a person who was better qualified than the person who you thought of? Why do you just throw it out?

First Speaker: Because my experience has been that that's not the case. Yes, it may be, but nine-tenths of the time I get a list of people back, and I talk to them, and they have no business being on that cert. . . . I don't bother any more, because it's a waste of my time.

As this discussion makes clear, there is significant disagreement among managers, at EPA and elsewhere, about the legitimacy of ignoring the requirement for real competition. The debate centers on the question of whether it is fair to conduct a "wired" search—that is, a sham search undertaken when a candidate has already been preselected.

The second major front on which managers have developed coping strategies is in the area of procedural delays. This was a source of constant frustration at all agencies, but particularly at EPA. Estimates of how long it took to hire someone from outside government ranged from four months to eight, with the mean about six. This is considerably longer than the average time OPM found in a recent study for appointments of candidates from outside the government from a civil service certificate (a list of candidates provided by OPM or the agency personnel office) (U.S. Office of Personnel Management, 1992b). OPM reports an average time of almost three months (86.5 days) for such appointments across all the agencies surveyed, but 97.7 days in Department of Defense agencies. One reason managers may perceive the process taking longer is that they include in their estimates the time needed for

internal agency approvals from higher-level line managers or from budget offices. In fact, when resources are tight, obtaining budget approval may be a much higher hurdle than going through the formal civil service hiring process.

Whatever the reason for hiring delays, they mean that a position remains unfilled for months, thus increasing the workload on everyone else in the unit. The effort required to bring on outstanding individuals is particularly great because they have to be convinced to wait around for months. Even the most aggressive managers have not always succeeded in getting around this roadblock, and they gripe about the good candidates they lose because of it. Of course, not all delays are caused by the civil service or by slow processing in the personnel office.

Managers deal with the long delays in the hiring system in several ways. First, as one personnel specialist put it, "they make a beeline to direct hire" or to use any other ways they can find to speed up the process. For example, many interviewees mentioned bringing in recruits through job fairs. For some time, OPM was giving agencies direct-hire authority so that they could make an on-the-spot offer to anyone who came to a job fair and met the qualifications for a position. This authority was fairly generous: the agency often had a ninety-day window after the fair in which it could hire a suitable candidate. Naturally, managers who wanted to hire a particular individual would tell him or her to wait until there was a job fair, at which point the hire could be made, sometimes without the individual's actually attending the fair. The changes in the job fair process described earlier in this chapter have, from the manager's perspective, eliminated most of its timeliness.

In general, managers will look not just for direct hire opportunities but for the path of least resistance in hiring. For example, in the Navy, one manager told me that since it had become harder to hire nonengineers (in part because of ACWA), positions were now designed for engineers. Other managers try to "game" the system by

figuring out which method is fastest at any time—promoting from within, moving people laterally (either inside the agency or from another agency), or hiring from outside. Several interviewees told me about limiting a search to internal candidates to speed up the process, and one described bringing someone in laterally from another agency, which took about a month.

A different set of strategies focused on ways to bring people on immediately while waiting to find a way to hire them. One that was mentioned by several sources was to hire people as secretaries; once they had met the time-in-grade requirement of ninety days, they were eligible to compete for professional positions. Another strategy is to bring the person on as a temporary while waiting for a permanent position to open. The individual, meanwhile, gains useful experience that will help him or her qualify for the permanent position. But while it is perfectly legal to bring people in as secretaries, hiring them as temps in the hope of then being able to hire them permanently is considered an improper use of the temporary authority, and furthermore, it does not always work. I heard of instances where the manager was unable to convert the individual to permanent status and lost that employee.

Finally, a couple of interviewees at EPA told me about a strategy that is even further over the line: getting a contractor to employ someone while he or she is waiting to be hired by the agency, so that the person can begin work immediately in the guise of contractor staff. Managers recognize that this is an abuse of the system, but they feel driven to it in order to get the job done. In fact, one person told me that his organization was under investigation by the inspector general's office because of abuses of contracting procedures.

To summarize: At agencies where managers take an active role in recruiting, the rigidities of the system virtually force them either to learn how to stretch the system to its fullest limits or to find ways around it, some within the letter (if not the spirit) of the law, a few clearly illegal, and some in a gray area in the middle.

Conclusions

Proposals to reform the hiring process address many of the problems discussed here. The National Performance Review report *Reinventing Human Resource Management* (1993d) defines the “greatest failing of the hiring system” as “lack of managerial involvement in the front-end recruitment and evaluation of candidates for employment—in other words, lack of accountability” (p. 11). From the National Academy of Public Administration report of 1983 to the National Performance Review of 1993, reformers have emphasized the need for maximum delegation of hiring authority to the agencies. In fact, the National Performance Review proposes abolishing central registers and standard application forms and letting agencies establish their own recruitment and examining programs for any position, under broad guidance from OPM. While most of these proposals will require congressional action, OPM, as we have seen, has already moved to abolish mandatory use of the SF-171, the lengthy standard application form used for years throughout the federal government.

What light can the analysis in this chapter shed on the appropriateness or likely success of such reforms? First, the current system is clearly interpreted and used differently from one organization to another. The issue here does not center on individual differences among managers—it is not that some are brighter, more aggressive, or cleverer in finding ways around the rules. Rather, managerial roles and methods vary according to organization, in large part because of differences in organizational culture. Reforms that reflect agency differences rather than forcing all agencies to use the same procedures make sense.

Second, the civil service system is a significant constraint on managers, but the managers who chafe under it the most are clearly those who try to play an active role—in this case, in recruiting and hiring. Even if they succeed in finding ways through or around the system, the transaction costs can be substantial. Further, from the

managers' perspective, the system often succeeds in limiting their discretion and in creating barriers to the hiring of people they have actively recruited. The more aggressive managers are probably the most effective at pushing the system, but they are also those who will make most use of increased flexibility in a reformed, decentralized system. To assume that all managers are chafing at the bit, eager to take on more responsibility in recruiting and hiring, is unrealistic. If active involvement by line managers is necessary for the success of decentralized systems, then agencies will need not only to train managers in the technical aspects of the process but to redefine the role of managers within the organization. This may involve looking at the problems created by worker-managers and pseudo-supervisors, who have either no time or no clear authority to take on the tasks of actively recruiting and screening candidates.

Further, handing off to the agencies all responsibility for recruiting and testing will increase dramatically the workload of agency personnel offices. In the current budget situation, agencies are unlikely to get more personnel staff to handle the increase (in fact, they are likely to lose personnel staff), so the result could be an overburdened staff and greater delays in-processing time. This could be a particularly serious problem at small agencies. The NPR suggests that OPM could continue to provide examining services on a voluntary basis. In fact, the workload issues may mean that many agencies would continue to use OPM services for some time to come.

Reforms that give more discretion to managers also raise the specter of increased abuse. This is not a simple issue. It raises two questions: how effective have the rigid constraints of the current system been in limiting abuse, and how likely is it that abuse would increase if these constraints were eased? In deciding what we should consider abuse, it is useful to apply Shafritz's (1982) distinction between "base fudging" and "noble fudging." Base fudging is classic abuse—the modern-day version of the spoils system, which includes hiring political cronies, personal friends, or

relatives. Noble fudging is bending (or even breaking) the rules to cut through red tape and get the work of the organization done—a laudable end even if the means may be somewhat questionable. It is similar to what some scholars have called “bureaucratic entrepreneurship” (Brower and Abolafia, 1994). What the research showed was a fair amount of “noble fudging,” particularly in agencies with managers who took an aggressive role in the hiring process. I have said elsewhere that “one of the basic rules of bureaucratic politics is that the more rigid the system, the more imaginative the ways people will find to ‘beat’ the system” (Ban, 1991b, p. 19). Reforms that provided increased flexibility in the process and greater discretion to managers would reduce the need to game the system and cut the incidence of noble fudging.

But base fudging, which is clearly abuse, is harder to detect, and personal interviews are unlikely to give an accurate estimate of its incidence. Needless to say, no one confessed to engaging in such behavior themselves, although a few people spoke of others in their agency who had hired political cronies or personal friends. But an analysis of survey data collected by the Merit Systems Protection Board (Ban and Redd, 1990) does give one pause. It found dramatic differences among agencies in the extent to which the merit system was abused through such practices as political hiring, the hiring of friends, and race and sex discrimination. While, overall, the percentage of personnelists who reported having seen hiring based on political party affiliation was fairly low—only 7 percent—this figure masked remarkable interagency variation, from a high of 47 percent in the Department of Education to a low of only 1 percent in the Department of the Army (Ban and Redd, 1990, p. 59). In short, the current system, for all its rigidity, has only a spotty record of preventing abuse. In agencies that are highly politicized, or where the culture is tolerant of cronyism, abuse is still far from rare. Once again, the formal system gets used, or misused, differently from agency to agency.

Would loosening the system lead to widespread abuse? The cur-

rent system has sent mixed messages to managers, but the predominant message has been that any direct involvement by managers, particularly in screening candidates, is seen as potential abuse and is discouraged. This has produced a disconnect: managers are encouraged to recruit actively but are then sometimes unable to hire the people they have recruited. To increase managers' involvement, not just in recruiting but in screening or ranking candidates, would represent a major change. In fact, the U.S. Merit Systems Protection Board (1992b), in a study comparing the U.S. and Canadian public personnel systems, advocated just that. Would managers take advantage of an expanded role to abuse the system? On the one hand, most managers do not want to hire people who are unqualified to do the work. Indeed, the National Performance Review emphasis on holding managers responsible for results makes that even less desirable. But as the NPR (1993d) makes clear, managers will also have to "become even more accountable for adherence to merit principles and for preventing prohibited personnel practices as increased flexibility leads to correspondingly increased performance expectations" (pp. 13-14). The greatest danger for managers is that there may be an increased perception of abuse. For example, an individual passed over for a job may try to hold the manager personally responsible and to charge bias on any one of a number of criteria. The possibility of personal accountability should strongly encourage managers not only to play fair but also to follow agency procedures carefully and to document bases for selection decisions. In short, while there may be a slight increase in real or perceived abuse, a wholesale return to the spoils system is hardly likely.

The question, then, from a policy perspective is: what level of abuse of the system will be tolerated as managers are given more discretion for the purpose of increasing efficiency? The literature on corruption maintains that the optimal level of corruption is not zero, because the costs of eliminating all corruption would be unacceptably high (Klitgaard, 1988). The costs of the current rigid hiring system are so great that providing managers with greater

156 How Do Public Managers Manage?

discretion by loosening the constraints of the civil service system is probably worth the risk. However, as we shall see in the following chapters, the civil service system is not the only constraint on managers, and reform of the system will not be the panacea that solves all managers' problems.