

The Multisector Workforce: How Can We Manage It Better?

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Over the last 15 years federal government managers have relied on a much broader and more diverse set of personnel for carrying out agency missions, with private sector contractors assuming a much greater role than in the past.

Traditionally agencies have relied on federal civil servants for performing basic agency functions and providing services to the general public. However, today, agencies such as the Department of Education, the Environmental Protection Agency and the Department of Energy among many others rely to a huge extent on contractor support for carrying out agency objectives. With regard to the acquisition community in particular, the Congressionally established Acquisition Advisory Panel (AAP) in its January 2007 Report raised concerns about the capacity of a relatively flat federal acquisition workforce of roughly 60,000 employees to handle successfully the burgeoning workload and increasing complexity of the acquisition system. Bringing on board contractor staff to assist civil servants in carrying out acquisition responsibilities has been one way to attempt to fill this gap. The report cites a number of other factors that have also contributed to the increased use of contractors as service providers, including the following:

- Limitations on the number of authorized government positions,
- The lack of availability of desired expertise among federal workers,
- The desire for operational flexibility, and
- The need for a surge capacity.

The National Academy of Public Administration has identified this “mixture of several distinct types of personnel working to carry out the agency’s programs” as a “multisector workforce.” And not just contractors fit this bill. Uniformed personnel also can participate as well as volunteers or concessionaires who carry out significant support for agencies such as the Park Service.

A key question is what are the implications of this shift to a multisector workforce for how federal agencies accomplish their missions.

Should alarms be sounding about contractors usurping federal responsibilities? Or should agencies be breathing a sigh of relief, happy that they can make use of these additional resources to get their jobs done, particularly in light of an environment where it seems more and more difficult to acquire federal workers with the right competencies and in a timely manner? Moreover, regardless of whether or not this new reality is welcomed, a basic question that remains is how best to manage under these new multisector workforce conditions, for even the nature of the interaction between private sector firms and the government has shifted. What was once an “arms-length relationship” has become one in which civil servant and contractor staff often sit side by side in the same office, virtually indistinguishable in terms of their roles and responsibilities. Yet as the National Academy notes, these groups are frequently working “under substantially different governing laws; different systems for compensation, appointment, discipline, and termination: and different ethical standards.”

This increased use of contractors according to the AAP “has blurred the lines between: (1) functions that are considered governmental and functions that are considered commercial; and (2) personal and non-personal services.” Personal services contracts, where contractor personnel appear in effect to be government employees, must be authorized by statute and have traditionally been provided on only a very limited basis. Yet today, many agency “support on demand” type contracts seem to operate in just this manner, with government officials both supervising and controlling the actions of individual contractor employees.

A more robust human capital planning process is needed to address multisector workforce issues.

Even though this new type of workforce has become a fact of life for many agencies, strategic workforce planning frequently continues to focus on the goals and needs of civil service staff, without looking to integrate those of the contracting workforce. This failure to assess and take into account the role and contributions of contractors may occur even though these contractors may be more numerous than civil servants. One federal activity, for example, had a civil service staff of roughly five people complemented by over 100 contractor employees. With this kind of disparity, clearly it makes sense to take a full set of capabilities into account to assess future needs. One way to address this issue is for contractors to be required to develop their own human capital plan for a project that could be then be melded with that of the federal agency. This integrated plan could then be used to help the government make better decisions regarding outsourcing, maintaining internal competencies and contract management. This type of approach allows greater clarity with regard to the contractor’s role as well as to what decision-making responsibilities remain within the government. Such advance and comprehensive planning also allows performance expectations to be made for the whole workforce.

Agencies must have a clear understanding of their own core competencies that should not be contracted out. Moreover, both government and contractor staff should be fully aware of any potential conflicts of interest that could develop as a result of this multisector workforce with the agency taking actions to mitigate or avoid them. In addition, contractor staff in particular need to be fully aware of the ethical strictures that govern civil service operations so when they are working with agency civil service staff, there is a clear understanding of the “do’s” and “don’ts” of that collaboration.

Recommendations

Senior agency leadership can take a number of actions to ensure that they are getting the best possible results from their multisector workforce:

- Ensure a robust human capital strategic planning process is in place that gives a full picture of all the resources likely to be needed and available to accomplish agency missions.
- Investigate the possibility of obtaining personal services authority that would round out the multisector workforce by meeting critical short-term needs. These types of contracts are routinely used for overseas operations.
- Ensure that a sound hiring process is in place with a full spectrum of hiring tools available including the use of term appointments so that the agency is not forced to resort to contractors because they cannot meet their needs for civil servants in a timely manner.
- Have managers consider different types of supervisory approaches to oversee more effectively staffs that may include civil servants, contractors, and uniformed personnel.

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