

# SME-QA Hiring Pilot Final Report

Promoting Merit through Fair and Open Competition

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## Executive Summary

The civil service was created to guarantee merit as the basis of hiring and to give all citizens an equal opportunity to compete for Federal employment.

Often, applicants appear qualified based on inflated self-assessments of overly generalized and sometimes insufficient competencies. Using this approach, agencies struggle to distinguish those who are truly qualified for a posted position, and many hiring managers go to great lengths to avoid the competitive process.

In January 2019, the U.S. Digital Service (USDS) and Office of Personnel Management (OPM) partnered to test Subject Matter Expert Qualification Assessments (SME-QA), a process where SMEs work with human resources (HR) specialists to create qualification criteria based on the SMEs' determination of what is required to be successful in the job from day one. These SMEs then use these criteria to conduct resume review and phone interview assessments. The USDS/OPM Hiring Pilot Team hypothesized that if SMEs completed these assessments before human resources (HR) specialists considered an applicant qualified and eligible for veterans' preference, hiring managers would receive higher quality certificates and make more selections.

The SME-QA pilots have shown that agencies can drastically improve hiring outcomes using current delegated examining rules and regulations. However, given the time commitment and lack of technology to automate what are currently highly manual tasks, the pilots presented challenges to both HR specialists and SMEs. Nonetheless, interviews with all participants during and after the pilots have demonstrated that they are glad to have participated and feel the SME-QA process was worthwhile.

“ *We were so used to a year [instead of two months]. When we told some people we hired this many people...they said ‘How many years did it take?’*  
– Hiring Manager at DOI

## Pilot Principles and Process

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The team created these guidelines to inform the process:

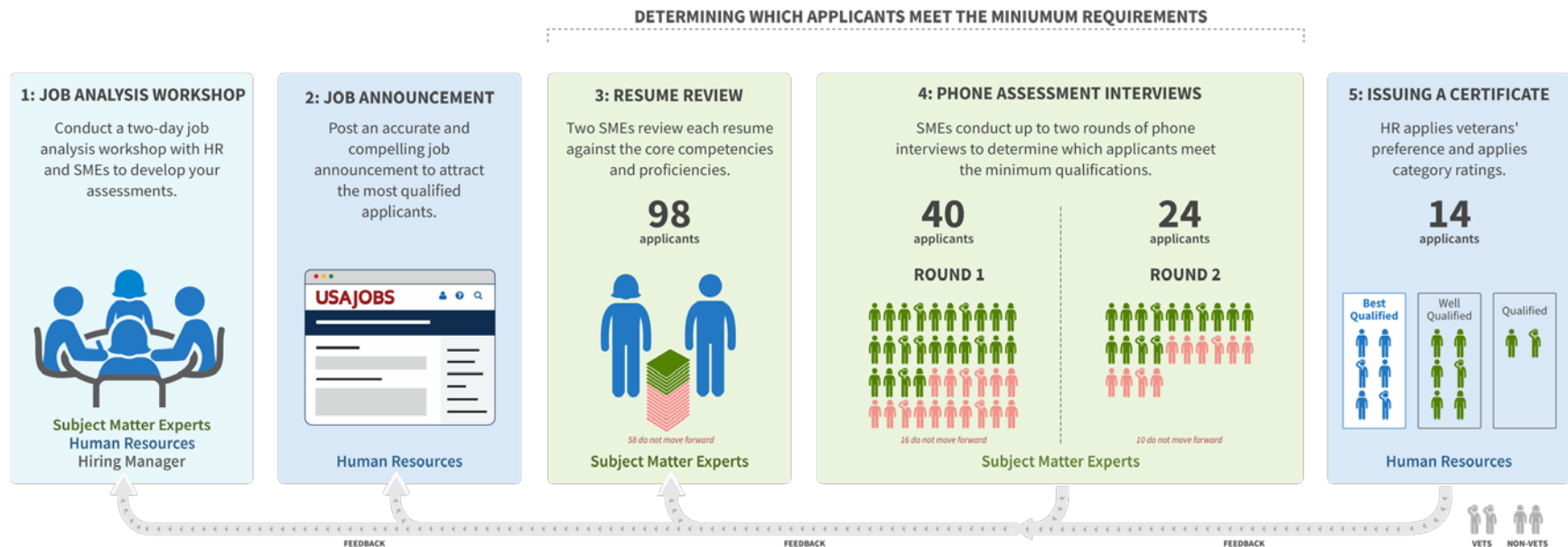
- **Create significantly shorter job announcements** on USAJOBS that accurately represent the position and are not copied directly from the position description.
- **Replace the self-reported, and often over-inflated, occupational questionnaire** with SME-assessed resume review and structured phone interviews.
- **Limit the number of pages of work experience that would be reviewed on resumes** to level the playing field for private sector applicants and reduce burden on SMEs conducting reviews.
- **Applicants who pass SME resume review earn entry to the interview assessment process.** These interview assessments, rather than resume review, determine whether the applicant meets minimum qualifications. After assessments are completed, all veterans' preference and category rating rules apply.
- **Reduce burden on participating SMEs** by allowing minimal justification documentation when reviewing resumes, permitting a single SME to conduct each structured phone interview, and only requiring a second interview for applicants who pass the first interview.
- **Empower SMEs to make qualification determinations on technical competencies.** HR specialists review the justifications from SMEs to make sure the decisions are retraceable and that the SMEs have documented the specific competencies that the applicant doesn't meet. HR specialists defer to the SMEs' judgment for these decisions.

“ *It could be game changing. Hiring scientists, any specialized skill...I would absolutely recommend my office use it.*

– Subject Matter Expert at HHS

## Five-Step SME-QA Process

Through the spring of 2019, the team tested the SME-QA process with two pilots at the Department of Health and Human Services (HHS) and the Department of the Interior (DOI), both focused on improving the quality of applicants who appear on certificates. In addition, while time to hire was not a focus of these pilots, time to hire will be critical as the SME-QA process scales up. To measure the success of the pilots, the team gathered baseline data to compare with data from each agency pilot.



## Metrics: Selections

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The most important metric the team tracked was the number of selections hiring managers made from the certificates, indicating the quality of the certificates.

Because the SME-QA process gradually eliminates applicants whom SMEs do not find qualified, hiring managers received a shorter list of qualified applicants. In both pilots, fewer applicants were deemed qualified but more applicants were selected. DOI initially sought to fill seven vacancies and immediately made eight selections upon receiving their certificates. HHS initially planned to fill 10 vacancies and immediately filled five upon receiving their certificates, with more to come.

### HHS Selection Data:

- Baseline Qualification Rate: 51%
- Pilot Qualification Rate: 22%
- Baseline Selection: 3 selected, 124 qualified
- Pilot Selection: 7 selected, 36 qualified

### DOI Selection Data:

- Baseline Qualification Rate: 95%\*
- Pilot Qualification Rate: 11%
- Baseline Selection: 0 selected, 73 qualified\*
- Selections: 13 selected, 25 qualified

*\*The DOI baseline data is from the one competitive hiring action for GS-13 2210s at DOI in the year proceeding the pilot.*

The team also hypothesized that if presented with a list of truly qualified applicants, hiring managers would make selections faster than they would during a typical delegated examination hiring process. Baseline data shows that, on average, hiring managers across government take 37 days to make a selection after receiving certificates, representing the longest phase of the hiring process.<sup>1</sup> In the SME-QA process, hiring managers made their first selections between 11 and 16 days after receiving the certificates.

“ We got the results that you all promised. We have a list of 36 people who can do the job.  
– Hiring Manager at HHS

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<sup>1</sup> OPM President's Hiring Reform Initiative SWAT Team Results

## Metric: Applicant Funnel

The team evaluated how applicants moved between assessment phases throughout a hiring action, referred to as the applicant funnel.

The SME-QA process advanced applicants who met the required qualifications through each phase while considering only whether each applicant met the required proficiency levels. This progressive process allowed SMEs to remove applicants at the end of each round because the two interviews measured different levels of knowledge with the required competencies.

“ I like that the SME knows their position and what they want. They know better than I do. There are many times I’m going through qualifications and I’m not sure the applicant has what they want.

– HR Specialist at DOI



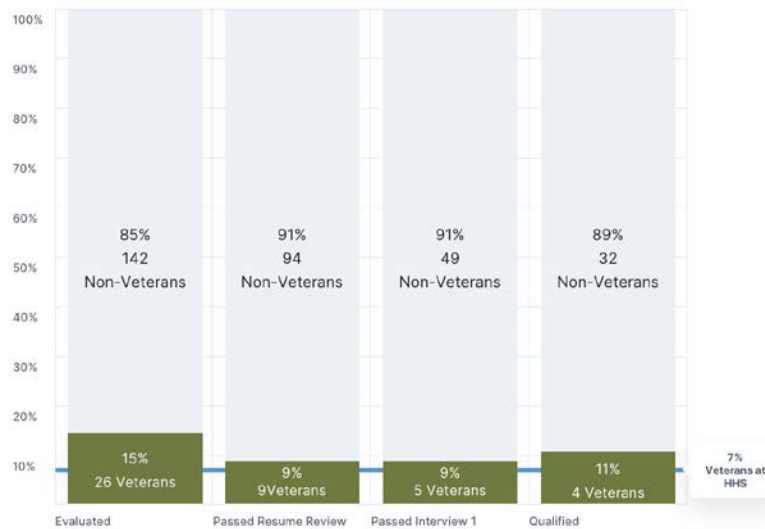
## Metric: Veterans' Performance

In the SME-QA process, all applicants pass qualifying assessments before HR specialists review their claims to veterans' preference. In both pilots, although these assessments found many veterans unqualified, several veterans passed the assessments and were found qualified. These qualified veterans are more likely to be selected than in other hiring actions because only qualified veterans are included on the certificate.

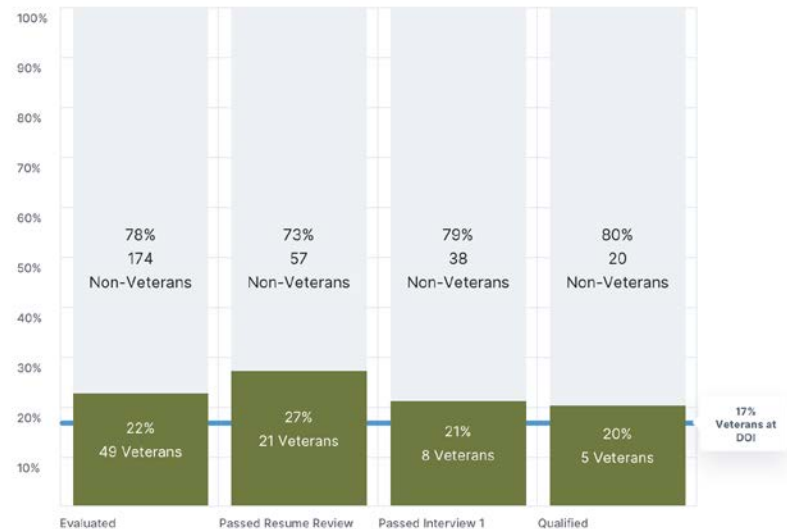
“*The veterans we are picking up are very qualified and we can't wait to get them on. This process is the best way to get a qualified veteran.*

– Hiring Manager at the National Park Service

Health and Human Services



Department of Interior



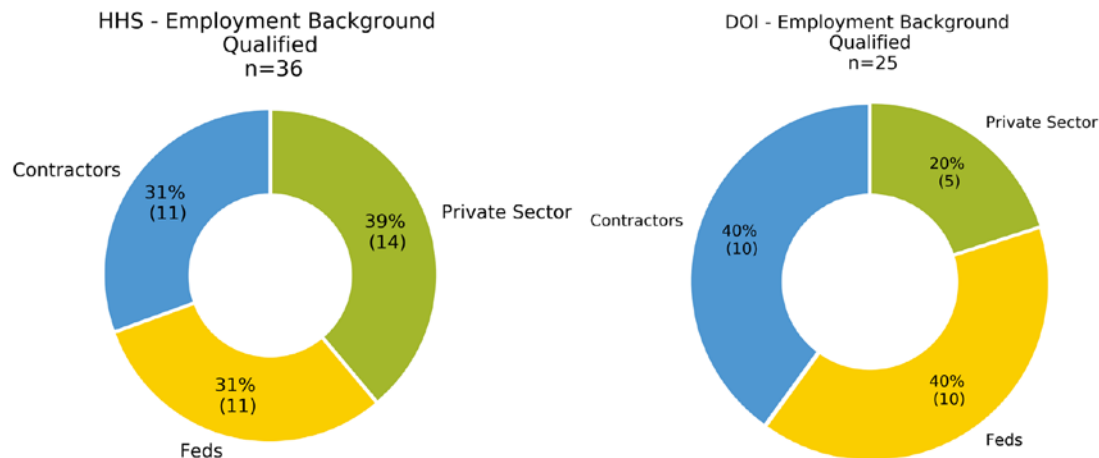


## Metric: Private vs Public Sector Applicants

In support of fair and open competition, the team worked to put private sector applicants on equal footing with applicants who are familiar with the strategies for successfully navigating the Federal application process. USA Staffing does not currently track whether applicants come from the private or public sector, limiting the availability of baseline data. The team did, however, review every resume received for both pilot hiring actions to learn whether SMEs found private sector applicants qualified throughout the applicant funnel.

At both agencies, private sector applicants applied and made it through the SME-QA process. At DOI, Federal employees and contractors fared better than private sector applicants. At HHS, there was no notable difference between the two groups.

### Employment Background of All Qualified Applicants

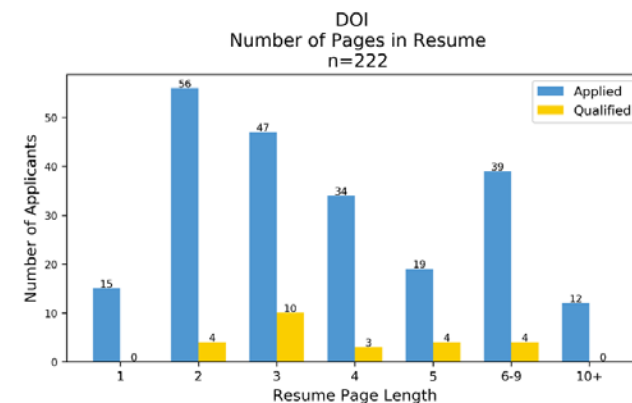
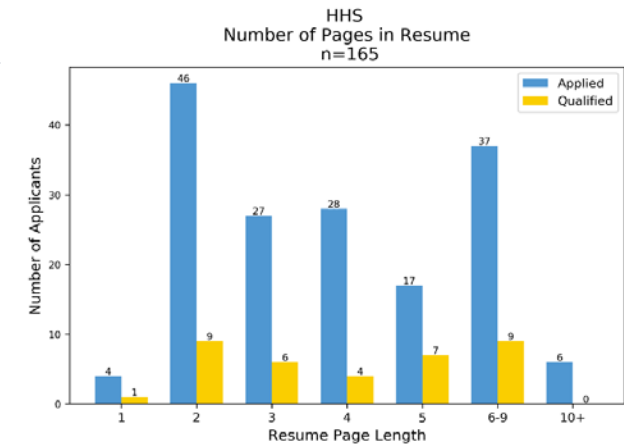


## Metric: Resume Length

As another metric to gauge the success of private sector applicants in fair and open competition with Federal employees and contractors, the team recognized differences in resume length between the two types of applicants. To redress the balance between the typical private sector guidance of very concise resumes and the Government practice of long, comprehensive resumes, both agencies clearly documented in the job announcements that SMEs would review a limited number of pages of work history on a submitted resume (two pages at HHS, and three at DOI).

To measure this process change, the team sought to learn whether this limitation would either hurt applicants with Federal-style resumes, or reinforce bias against private sector resumes from agency SMEs who are accustomed to longer documentation of work history. By tracking the length of resumes throughout the applicant funnel, the team found that resume review length did not significantly benefit or harm applicants. However, applicants with either one page resumes or resumes longer than 10 pages fared worse on average than those with resumes between two and nine pages in length.

Since the pilots began, OPM has updated the Delegated Examining Operations Handbook<sup>2</sup> with new guidance that allows agencies to limit the number of work history pages reviewed during the qualifications process.



“ [Three-page resume review] was probably my most favorite thing in the process. I loved it...I’m going to use it for my other hiring.

- Subject Matter Expert at National Park Service

<sup>2</sup> [https://www.opm.gov/policy-data-oversight/hiring-information/competitive-hiring/deo\\_handbook.pdf](https://www.opm.gov/policy-data-oversight/hiring-information/competitive-hiring/deo_handbook.pdf)

## Metric: Time-to-Hire

The initial pilots focused on improving the quality of certificates rather than reducing the time it takes an agency to hire applicants. However, to gather baseline information to inform future hiring actions that employ the SME-QA process, the team tracked time-to-hire data for the initial pilots.

HHS was the first to pilot the SME-QA process, and took 3.5 months from posting the job announcement to creating the certificates. Learning quickly from HHS, the team iterated on the SME-QA process during the DOI pilot by concurrently scheduling and conducting the first and second interviews and simplifying assessment ratings to remove the less decisive “borderline” scores. These rapid iterations helped DOI complete the same hiring phases as HHS in only 2.5 months.

USDS played the role of project manager, which kept the SME-QA process moving and reduced the time to hire. As project managers, the USDS team enforced the structure and completion of the job analysis workshop, which created both a shared understanding of the SME-QA process among all participants and also built the necessary momentum to post the job announcement one week later.

“When people got a cert in the past, they had to hunker down for a long ugly slog. This cert came in and was ready to go. Literally [we] can choose today.”  
– Hiring Manager at HHS



## Cost Benefit Analysis

We averaged the time required of both HR specialists and SMEs from both pilot agencies that participated in the SME-QA process, which helped the team calculate the average cost for each selection made from a certificate.

If the pilot agencies that used the SME-QA process made six selections from certificate, the cost per hire would become equal to the industry average, and any selections over six would reduce the cost per hire considerably. If DOI and HHS ended up making offers to all qualified applicants, their cost per hire would have dropped to between \$700 and \$1,000.

Role	FTE	Hours per FTE
SME	8	57.5
HR	2	115

*Assumes 150-200 applicants*

Total hires	Cost per hire
5	\$6,692
10	\$3,346
15	\$2,231
20	\$1,673
25	\$1,338
30	\$1,115

Society for Human Resource Management *	\$4,129
Benchmark for Federal Agencies (External Hires)	\$10,561

*\* U.S. average, 2016*

## Major Challenges and Recommendations

The team recommends these improvements to scale the SME-QA process:

- **Automate Processes:** Well-designed SME assessment tools can virtually eliminate human error while significantly reducing burden on both groups. The team will design, develop, and test new features for integration with USA Staffing.
- **Introduce Project Management:** HR specialists juggle a demanding workload exclusive of the SME-QA process, making it taxing to serve as project manager for even a single SME-QA hiring action. A dedicated project manager per hiring action would maintain a reasonable timeline and hold all participants to the standards that define the SME-QA process, allowing HR to focus on ensuring that SMEs follow all process guidelines. A project manager also would advocate for the applicant experience throughout the hiring action, gauge burden on SMEs, and guide HR specialists through their roles in the SME-QA process.
- **Enable Agencies to Use the SME-QA Process:** The pilots at HHS and DOI relied on MOUs with OPM, but agencies feel they need written authorization from OPM to proceed with the practices used in the SME-QA process. OPM is currently finalizing official guidance that CHCOs can use to immediately employ this assessment strategy. In addition, USDS documented all phases of the SME-QA process throughout the first two pilots on a website that guides agencies on how to replicate it. The team is also developing training courses to further assist agencies.
- **Centralize Hiring Across Agencies:** For agencies without sufficient vacancies or SMEs to employ the SME-QA process, multiple offices or agencies can partner to hire for the same role with shared recruitment, assessments, and certificates. With more SMEs, the SME-QA process could withstand more applicants and a longer application period, and the resulting shared certificates would ensure adequate vacancies to place nearly all qualified applicants. Just as USA Hire results are valid for a full year, any applicant who passes a centralized hiring assessment process should remain available for selection by any agency for a full year.

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*I don't know how to do this and I don't think I can recreate it, the sense of urgency and milestone attainment. USDS rocked this. The moment we started to languish there was a positive upbeat message to bring us back. This will be a hard one to recreate.*

– Hiring Manager at HHS

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*This process really works. We want to do this again but we need to wait until we have something formal from OPM.*

– HR Executive at HHS

## **Additional Issues for the Future**

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To make the SME-QA process successful in the future, the team would like to address issues with volume and agreement on core competencies.

## **Applicant Volume**

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When employing the SME-QA process, receiving more than 100 to 200 applications greatly overwhelms a group of eight to 10 SMEs conducting assessments. To limit the applicant volume, the job announcements for both pilot actions were advertised to close at midnight the day the announcements reached 100 applicants. At both agencies, this meant the announcements were open for just two days. Because applicant volume is high on USAJOBS, agencies were not compelled to recruit for their roles outside of sharing the job announcement internally. Without resolving the applicant volume challenge, the SME-QA process favors the fastest applicants and those who receive advance notice over the most qualified. Agencies could consider assigning additional SMEs to conduct more assessments or reducing the first interview to 30 minutes to withstand greater volume.

To ease SME burden with a larger applicant cohort, the team assessed the recent trend of using artificial intelligence and applicant tests. The team spoke with Amazon and Google, two companies that have tried training computer algorithms to assess applicant resumes. Both companies have abandoned the practice, citing issues with algorithms reinforcing existing bias and negative correlation. The team researched tests available, but determined that burdening highly sought applicants with lengthy tests would ultimately result in fewer applications from top talent. Many high-tech companies have left reviewing resumes as a human task, and the team believes the Federal Government should follow their lead for very competitive positions.

## Agreement on Core Competencies

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To make SME efforts worthwhile, agencies who wanted to participate in the first pilots were required to dedicate five participating SMEs and look to fill at least five vacancies, which meant multiple offices joined together for both hiring actions. Even though agency stakeholders initially identified a single generalist position description with common competencies, SMEs participating in the job analysis workshop were adamant that to find the appropriate applicants for the available vacancies, additional role-specific competencies were required. Listing multiple roles within a single job announcement added significant complexity throughout the overall SME-QA process.

To address these issues, USDS recommends that SMEs and hiring managers attend the job analysis workshop to develop shared core competencies for a single role with at least five vacancies. Any additional competencies specific to a particular sub-role that SMEs identify should be set aside for a separate recruiting and hiring action. To ensure at least five vacancies for the same role, agencies should coordinate their hiring plans with other offices to determine whether they can share a single hiring action among a larger group of SMEs.

Any time agencies or intra-agency offices share SMEs as a means of filling multiple vacancies together, the SMEs may ultimately determine during job analysis that they require the core competencies in the job announcement in addition to two or three slightly different competencies that correlate with unique sub-roles. Such agencies can proceed by listing the additional competencies for each sub-role in the job announcement, asking SMEs to assess these competencies throughout the process, and issuing separate certificates for the sub-roles. Both agencies used these methods. Agencies or offices that introduce these additional roles should be aware that doing so adds burden and complexity to the SME-QA process.

“ *Yes, it was all worth it!...We don't hire folks every week or every month, sometimes only once in a year. Once in a while, it's not too much to ask.*  
– Subject Matter Expert at National Park Service

## Conclusion

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Based on extensive research and testing, the USDS/OPM Hiring Pilot Team has found that agencies do not know they can assess applicants in interviews before considering them qualified. The team believes that this new, proven method for determining qualification using passing score assessments shows that delegated examining can bring desperately needed

qualified applicants to Federal service while adhering to competitive hiring requirements such as veterans' preference. Because the initial pilots have achieved the intended results, USDS recommends scaling the SME-QA process across Government both to further improve it and to help agencies get the talent they need to achieve their critical missions.