

Supply & Demand

December 2015

Agenda

- Trends
- Background
- Team
- Problem
- Potential Solutions
- Brainstorming

Trends

- The hiring world has changed drastically since 9-11
- Commercial demand for “our” **skill set** (not just people) continues to heat up – and they are focused on attracting “our” talent
- IC salary differential now non-existent or at best neutral
- Personnel leaving the government are now skipping IC industry partners and going directly to commercial
 - Hiring by industry remains difficult
- Negative sentiment towards NSA remains a concern – particularly among millennials

Background

- Both Industry and Government are suffering from a lack of quality resources
- The problem can only be solved by working together
- In October of 2015, an industry team was formed under the suggestion of the SAE to brainstorm ideas and make recommendations to both Government and Industry

Team

- Large (3)
 - Chris Goodrich – Mantech
 - Rick Lurie – NG
 - Bob Majoros – Raytheon
- Medium (3)
 - Jerry Schepers – Praxis
 - John Skordas – Novetta
 - Chuck Taylor – PROTEUS (Woman-owned)
- Small (3)
 - Delali Dzirasa – Fearless (MicroSmall – 8(a), HubZone)
 - Mike Hantke – Tensley (Veteran owned, growing small)
 - Dean Johnson – Entegra (mature small)
- AFCEA representative
 - Susan Lepera (President) [Alternate: Jen Havermann (EVP)]
- Strategic Positioning Consultant
 - Jeff Antkowiak - ADG

Problem

- Retirement
- Retention
- Recruiting

- Not much can be done about retirement
 - But we may be able to leverage retired resources
- Main recruitment and retention problem seems to be software engineers followed by computer and electrical engineers

Problem Areas

- Retention/Recruiting
 - Lack of passion for the mission
 - Many see a “new mission” in the commercial space
 - IC is seen as the “enemy” by some
 - Work Environment
 - Inability to perform work unclass
 - Inability to clear people – economically
 - Security requirements have changed and increased – we need to either adjust or manage through it
 - Perceived lack of stability
 - Compensation is no longer as competitive or a significant incentive to work in the IC
 - Training & Development of workforce

Potential Solutions

- Some of the potential solutions require a paradigm shift or at least a rethinking of how we do business
 - Need to shift from *“No it can’t be done”* to *“Yes it can if we work together to figure out a way”*
 - *The Government and contractor workforce must be thought of as “one workforce”*

Lack of Passion for Mission

Issues

- Working at/with NSA is no longer perceived to be “cool”
- NSA doesn’t touch the average individual in a personal way
- Image Problem – Snowden / Media Leaks
 - Oliver Stone “SNOWDEN” movie, “Citizenfour”, etc
- General public doesn’t “see” the impact of our mission
- Contractors can’t share experiences or affiliations with NSA
- We need to help shape and control the message

Potential Solutions

- “Position” Agency (and community) to attract new engineering talent
 - Must be patriotic AND cool
 - Touch people in a personal way
 - Help “solve the world’s cyber problem”
- Need to position where the target audience is (Blogs, Reddit, etc) and universities
 - Counter the “popular” opinion
- Leverage State of MD to promote the agency and the mission
 - Possibly including tax breaks/credits
 - Get corporations to “sponsor/support”
- Identify select programs and success stories that provide the public with insight into what the Agency really does
 - Without compromising sources/methods
- Release more NSA challenges to engage talent into working on our hard problems

Industry Actions:

- Help Agency define a more open and ongoing way to quantify our impact the general public
- Invest in “approved” commercials and print advertising
- Work on the messaging (Note: we have already produced a draft campaign including website, radio/TV, uTube, etc.)
- Lobby State of MD to advertise with a contemporary and relevant spokesperson (e.g., Emily Wickersham (NCIS), Rick Rowe)
- Larger companies can lobby congressional staff and delegates to publically support NSA
- Encourage Schools, Students, and Organizations to participate in the NSA Day or Cyber

Work Environment

Issues

- Current workspaces, particularly in SCIFs & inside the gate, are undesirable and often not conducive to innovation
- Potential recruits and current staff do not want to deal with:
 - Cramped spaces
 - Parking issues
 - Lack of cell phones/access
 - Difficulty in leaving campus
 - Stress of the clearance process

Potential Solutions

- Move more work outside the gate
 - Relax the 50 mile radius/place of performance
- Promote or mandate more unclass work
 - Shift from *“Can we do unclass?”* to *“Why does this need to be classified?”*
 - Potential cost savings & value for recruiting
 - Embrace low-side to high-side integration
- Agency space accommodations:
 - More cell phone lockers
 - Establish “Cyber Center” for cell, internet, etc.
 - Consider new F6 facility as the model
 - Consider unclass work spaces inside the gate
- Mini-shuttles in parking lots
- Long-term: build more parking garages
- Long-term: when remodeling, modernize

Industry Actions:

- Recommend potential, separable work products on projects to develop in an unclassified space
- Recommend alternative work locations for new and existing contracts/TTOs (class & unclass)
- Continue to invest in unclass and class space outside the gate
- Ensure adequate firewalls and procedures are in place to securely separate class and unclass work
- Change perception of work environment

Inability to Perform Unclass Work

(i.e., requiring most work to be performed in classified spaces)

Issues

- Unnecessary over-classification of many software development activities
- Preference to develop in a classified environment even when not required
- Many artificial barriers (e.g., restrictive ‘places of performances’, SCIFs, no/limited access to cell phones/social media, software development websites) cause many younger SWEs to not consider working in the IC

Potential Solutions

- Encourage and enable more work to be performed in an unclass environment
 - More time to clear those individuals while still working/solving Agency problems
 - Track Government and Industry progress
- Relax *place of performance* restrictions so both the Government and Industry may recruit and execute from out of state
- Permit entry level positions on programs
- Embrace “*low-side to high-side software integration*” vs. “*develop only high-side*”.
- Issue individual TTOs that can be performed in other than TS/SCI SCIF spaces

Industry Actions:

- Work with CO/CORs (and mission leadership) to contractually permit the ability to hire unclassified people and to identify work that can be performed unclassified
- Build safe, secure transfer mechanisms to embed within a tailored software development process to securely conduct round-trip software development work within the unclassified environment

Inability To Economically Clear Resources

Issues

- Not enough cleared personnel in government and industry to staff all requirements
- CORs are subjective in their decision to open the CPRL for potential personnel
- More people are leaving our industry each year than we are clearing (per Q group)

Potential Solutions

- Direct that 10-20% of CPRL used to clear personnel
 - STEM candidates, Percentage from Colleges/Universities
 - More interns in both Government and Industry
- Both Government and Industry recruit from out of state
 - Focus on Tech Triangles such as North Carolina, Austin Texas, Silicon Valley ,and Denver
 - Relax place of performance rules
- Allow more unclassified work (inside and outside the gate) giving us access to more talent
- Allow industry to pay for background checks
- More Polygraphers and Adjudicators
 - Consider outsourcing to an FFRDC
- Embrace the use of CCAs (vs FS poly) – particularly for entry level positions or less mission focused positions
- Have entry level positions on all programs
- Have the State of Maryland champion a nation wide recruiting effort that could include a tax credit
- Prioritize clearances – by LCAT need

Industry Actions:

- Determine regions and Universities to target recruitment efforts
- Identify and recommend existing work that can be done unclassified
- Engage State of Maryland, Secretary of Commerce for support (meeting already set with Mike Gill)
- More thoroughly vet those we hire and put forth for clearances
- Help prioritize clearances
- Engage with the Agency to hire those that the Agency cannot (ex-mil, surplus yearly applicants, etc.)

Security Requirements

Issues

- Fear, uncertainty, instability, and inconsistency characterize the process
 - Cleared workers being “escorted out” at preceived record pace induces fear of working in the IC
 - Additional criteria leads to uncertainty
 - Inconsistent poly criteria causes loss of cleared military personnel with essential mission experience when they transition to private sector
- The “time to clear” candidates is a significant factor in staffing
 - Candidates tire of the process and accept outside positions
 - Uncleared candidates clear faster than candidates with TS or S
 - Limited opportunities to clear new candidates
 - Minimal communication or insight from Q group to aid planning
 - eCPRL will create stumbling blocks in the short term

Potential Solutions

- Reevaluate current polygraph criteria and adapt to the younger workforce
 - How do we balance the risk of a reduced/depleted workforce against the risk of an insider threat?
 - Should cleared employee’s history in position of trust be out weighed by inconclusive results against recent criteria?
- Implement predictable timelines
 - Re-poly immediately vs. in weeks or months
- Communicate status, standing, and expected schedule to allow planning
- Prioritize candidates with current TS clearance
- Develop Pre-screening process for use by industry to improve likelihood of successful adjudication
- Expand polygrapher workforce to reduce backlog and improve time to clear
 - Hire retired polygraphers,
 - Possibly let a contract to produce an ADET training course
- FSP exemption for transitioning military OR conduct FSP exam and adjudication prior to transition w/o threat of discharge
 - Some may stay in military as a result
 - Eligibility status is known when hired by industry
- Consider outsourcing poly process to an FFRDC or like institution

Industry Actions:

- Disseminate communication from Q group and use it to better plan hires
- Collaborate and implement a better pre-screening process

Perceived Lack of Stability (restating the obvious)

Issues

- Government Shutdown
- Budget pressures and continuous CRs
- Incremental contract funding
- Stricter security processes perceived as a risk to job security
 - NAIPE : discussion of “continuous evaluations” for most sensitive jobs does not help

Potential Solutions

- Extend contracts sooner (and for longer periods) – don’t wait until “11th hour” if we know it will be extended
 - Side note: this will also reduce costs
- Re-evaluate the value of requiring a polygraph every 6 months for certain positions

Industry Actions:

- Work with employee base to ensure they understand the cause of these issues and to calm the workforce
- Carry workforce as along as possible during down times
- Impress upon congress the pitfalls of Sequestration and shutdowns

Compensation

No Longer Competitive or an Incentive

Issues

- Critical skillsets (CNO Developers, Software developers, etc.) are in high demand and difficult to hire and retain
- Salary/Compensation variance and lack of progression cause employees to leave Government employment and join industry or worse commercial
- Compensation (LCAT rates) inequity between contracts cause employees to jump from contract to contract → productivity hit
- Rate compression has led to reduced investment in bench resources by industry
- Recent Contract awards have hours for more junior workers – this is good but does not reflect the current state of the cleared workforce
- Escalation rates on contracts do not reflect current expectation of salary increases
- Industry has become “desperate” for resources and the engineers know and exploit this – ultimately driving up costs

Potential Solutions

- Govt: Utilize Special Scale Pay Rates to maximum extent possible
- Govt: Consider ramping up special programs (e.g., 20/20)
- Govt: Advertise/Position Government’s total compensation
- Establish Cost Realism as a significant value within the PEC coupled with significant deterrents for cost overruns/lack of staffing
 - Possible outsource of IGCE
- Increase escalation on contracts as appropriate or standardize escalation rate per year - dynamically
- Do not request rate reductions after award or as a normal part of the extension process
 - In many cases the rates are already too low
- Move away from LPTA to true best value
 - Incentivize cost savings and innovation instead
- Use ICE more consistently
 - Forward looking and consistent within a mission domain
- Enable more unclassified (or secret/TS) work
- When work is moved from one contract to another (with same people) don’t enforce a rate reduction (or allow a rate increase)
- Allow EWW
- Increase number of “true” completion based contracts
- Consider funding relocation expenses – with “stay” clause

Industry Actions:

- Investigate industry-wide ability to relocate in order to increase retention
- Identify LCAT inequities in a constructive manner with suggested solutions
- Provide Government with Place of Performance and innovative options to reduce cost
- Fee sharing to augment compensation, help retention, etc.
- Identify areas of unclass work
- Stop racing to the bottom – notify the Government of any contracts that are likely to elicit lower than realistic bids
- Start/re-start intern programs
- Is there a role for Industry to help Government improve bonus pools, special salary rates, etc.?

Gaining Experience: Training and Development

Issues

- Industry generally can't hire inexperienced people onto most contracts
 - Reinforces the “poach from Govt” syndrome
- Industry required to hire people with certain experience (e.g., 10 years TAO experience) diluting an already small “fishbowl”
 - Even then, some have a 1-year sit-out, leading to more people leaving the Community entirely
- General lack of development opportunities for “on-contract” people
- General lack of progression (advancement/promotion) to next LCAT or other more senior job title without leaving the contract
- Generally no contractor access to training

Potential Solutions

- Ensure contracts have clearly stated advancement paths
- Allow industry to pay for Govt-arranged training in certain areas of extreme need
- Remove the 1-year “sit-out” clause
 - Keep the experienced folks in the community
- Allow more fast-track advancement LCATs as people demonstrate increased ability on contract
- Allow lower LCAT employees to start, giving them 6 months to grow into higher LCATs
 - Use the so-called LCAT 0 (zero) regularly

Industry Actions:

- Partner with Government and State to run more joint college internship programs modeled on the very successful National Security Scholars Program (NSSP)
 - Industry pays; Government clears; target high-end SWDev, CNO, VR with TAO jobs
- Co-development post-College Development/Internships for Industry employees
 - We hire them and Government inserts them into “on the job” dev programs at lower rates, but ones that can increase quickly over 2-3 years
- Develop an IDS-like/LAS-like Research Institute for CNO
- Industry to push IRAD and CRADAs that align with need

Other Ideas

- Retirement/Retention
 - Establish an out placement service to introduce those leaving the agency (civilian and military) to industry
 - Possibly using AFCEA
 - At least they don't leave the community
 - NSA could model a transition program much like the military or the CIA's Horizon program
- Incentivize the COs and CMs to use interns on programs

Key Recommendations

- Must positively position Agency through marketing efforts that combat negative perception and entice new talent to enter the community
 - “brag” a little
- Actively identify work to be performed at lower classification levels (Unclass, Secret, and TS SCI non-FS poly) inside and outside the gate
- Encourage alternate work locations
- Address the current “conservative” clearance process
- Open the CPRLs
- Enforce a consistent, forward-looking ICE and best value procurement process
- Look to address current salary disparity between contracts through dynamic escalation rates or other means
 - Hard to accurately predict the environment over a 5+ year contract

Summary

- Can't get 'em
 - Passion for The Mission
 - Inability to do UNCLASS Work
 - Security Requirements
 - Compensation
 - Training and Development
- Can't Clear 'em
 - Security Requirements
 - Inability to Clear
- Can't Keep 'em
 - Work Environment
 - Compensation
 - Stability
 - Security Requirements

THANK YOU