

[Editor's Note: This article was first published on LinkedIn.]

Those who know me and/or read my blog know that I tend to go off on rants from time to time. I don't really want to upset anybody, but sometimes things upset me; the blog is a vehicle to communicate with others about the situation. With whom am I communicating? I don't ever really know that for sure, but I do know that I have a small following who thinks that my blog articles are of some interest.

Like me, they are interested in the arcana of government contracting and the myriad of issues that a government contractor must deal with on a daily basis. Proposals and pricing of goods/services. Cost accounting and compliance with Federal Acquisition Regulations and Cost Accounting Standards. Accurate billing. Program management and supply chain management. Changes and Requests for Equitable Adjustment. Budget management. Calculation of indirect rates. Terminations. Claims. Fun and interesting stuff—if only to a few people, like me.

Who could get upset about any of that stuff?

Hold on, because what follows is a rather long rant.

Recently I came across a Department of Justice press release that announced a legal settlement with a government contractor. The amount of the settlement--\$19 million—indicated that the contractor had a fairly serious situation to resolve. No, I'm not going to identify that contractor here. That's not the point of this article.

The point of this article is about making good hiring decisions.

Interested in how the contractor got to where it had a \$19 million legal settlement (after receiving credit for making the initial disclosure and cooperating with investigating authorities, and after incurring no doubt quite a bit of unallowable legal costs along the way), I spent some time looking at the company's website. In particular, I looked at the open positions to see if the

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company's \$19 million "lesson" had sparked the recognition of the need to hire some top-notch government contracting compliance folks to prevent a future recurrence of the same issue(s) that led to the settlement.

I was disappointed at what I found. In particular, what I found indicated that—based solely on the position descriptions—the company was unlikely to ever fill an open position with the right candidate. To say the position descriptions were vague would be to pay them a compliment.

It occurred to me that if you can't describe what you are looking for in a prospective hire, you are unlikely to find the right candidate. At a minimum, you will waste a lot of time reviewing resumes of candidates who don't meet your needs.

If you wonder why you get so many resumes that seem unrelated to the position you are trying to fill—or why you can't seem to fill the position despite months of effort—perhaps it's because you didn't properly describe your requirements. If you can't clearly define your requirements you are going to have challenges along the way.

We know this to be true in other areas, such as software development. The first thing one needs to get started is a detailed set of requirements. Generally, you don't have a project until you have a set of requirements. (As one software development company states, the first milestone in software development is gathering requirements, and the second milestone is to validate those requirements.) Moreover, one of the bigger gripes in software development (or any project management discipline, really) is *changing requirements*. If you change the requirements, you are bound to get cost and schedule impacts. Changing requirements are the bane of effective project management, though I would assert that the ability to handle changing requirements is the mark of an effective project management team.

Let's apply that viewpoint to talent acquisition, using as an example an actual job opportunity posted on that same company's website. Let me show you what I saw on the company's "career" website and let me share my thoughts about what I saw.

Among the positions the company is looking to fill, one is called a Project Finance Analyst. This is a common position in government contractors; typically, it is a business management person who handles the financial aspects of the project, allowing the Project Manager to focus on

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technical and customer management. In this case, the successful candidate will “*will work under close supervision to support the management of numerous tasks and provide overall management of project financials.*”

” Clearly, then, the company is looking for an individual contributor.

I'll ignore the key responsibilities of the position, because they are essentially the customary responsibilities that one would expect to see. I'm going to focus on the position's qualifications, both “required” and “preferred.” Quoting verbatim, here is what the position description states:

Required Qualifications

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Requires a Bachelor's Degree in area of specialty or equivalent and at least 8+ years of experience in the field or in a related area

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5 or more years of experience in a government contracting environment. Working knowledge of indirect rate structures, a plus

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Demonstrated proficiency in Microsoft Office, especially Excel

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Work independently and in collaborative teams, and to adjust schedule to address workload demands and meet deadlines

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Attention to detail and the ability to manage multiple duties simultaneously while meeting deadlines

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Excellent organizational, analytical, and problem-solving skills

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Strong interpersonal, verbal and written communication skills

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Must be proactive and eager to tackle new challenges

Candidates that do not meet the required qualifications will not be considered.

Preferred Qualifications

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Understanding of various contract types, e.g., cost plus fixed fee, award fee, fixed price contracts, and Government Wide Agency Contracts

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Knowledge of Microsoft Excel including advanced formulas and their use in financial tracking, analysis, and reporting environments

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Knowledge of monitoring compliance with general contract terms and conditions for government contracts and supporting multiple clients in a fast-paced environment Experience with financial modeling, including revenue projections

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Experience with project or program management, including Federal Acquisition Regulation (FAR) and Joint Travel Regulation (JTR) requirements

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Experience with accounting standards, such as General Accepted Accounting Principles (GAAP) and Sarbanes-Oxley (SOX)

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Experience with financial management support in a government contracting environment

Let's start with the required qualifications.

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Bachelor's degree "in an area of specialty" or no Bachelor's degree and "at least 8+ years of experience in the field or in a related area"

I'm not a Talent Acquisition expert, but I really have very little idea as to what that even means. What, exactly, is "an area of specialty"? Does a degree in art history count? What about basket-weaving? Each of those is an area of specialty. If the company meant a degree in a field related to the job responsibilities, then why didn't it say so? Remember, candidates that don't meet the required qualifications will not be considered. If, for example, a candidate was not considered based on having a degree in art history versus a degree in finance, then that would seem to be grounds for some type of complaint about the fairness of the hiring process.

Also you don't really even need a degree, so long as you have "at least 8+ years" (*sic*) of experience "in the field" or in "a related area." What field? "Field," as in farming? Or perhaps you are a veteran who has been deployed overseas "in the field." Do those count? And what "area" is related to the field? Agriculture in general? Animal husbandry? Viniculture?

Oh, you mean a field *related to finance*. Is that what you meant? *Then why didn't you say so?* Remember, you are going to be discarding candidates that don't meet the required

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qualifications, so you had better be clear regarding exactly what those requirements are. Because you didn't specify "the field or a related area," you should expect to see a lot of candidates with widely disparate backgrounds.

Diversity is good! But diversity without purpose doesn't help anybody, especially if most of the candidates with "diverse" backgrounds will not make the list of finalists for the position. In this case, let's call it "accidental diversity." It's probably not a good thing, since it wastes the time of both the applicants and those vetting applications.

Diversity without purpose wastes times and keep you from finding the right candidate you are looking for.

(And do I even have to mention that if you fail to consider a candidate who does not have a Bachelor's degree but who does have more than eight years of experience in a related area, then you aren't following your own rules?)

But let's move on.

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5 or more years of experience in a government contracting environment. Working knowledge of indirect rate structures, a plus

Okay, this seems clear. "5 or more years of experience in a government contracting environment." But what *kind* of experience is required? I know some members of the janitorial staff who have more than 5 years of experience working in a government contracting environment. Do they meet the required qualifications? If not, why not? Since the company failed to specify the type of experience that candidates are required to possess, it should expect a wide range of applicants, very few of whom the company is really looking for. (See: "accidental diversity.")

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Let's also discuss that last bit. "Working knowledge of indirect rate structures, a plus." Why is that even listed here? How can "a plus" be part of the required qualifications? Aren't required qualifications a pass/fail thing? If a candidate does not have working knowledge of indirect rate structures, has that candidate still met all the required qualifications? If the candidate does possess that working knowledge, is that a preferred candidate?

In other words, why is that particular statement found here and not under "preferred qualifications?"

And I've got to tell you, that sentence fragment is the poster child for vagueness. I *do* have a working knowledge of indirect rate structures, and I don't know what in the world the company is actually looking for. It's not clear whether "working knowledge of indirect rate structures" means knowledge of how to design a structure, or understanding the FAR and CAS rules of cost pooling and cost allocation, or perhaps merely how to take rates that one is given and apply them to program budgets. (Again: "accidental diversity.")

As before, "working knowledge" is vague and the company probably means "experience with." Similarly, the company's requirement that a candidate must have "demonstrated proficiency in Microsoft Office, especially Excel," is also poorly written, in my view. How, exactly, will candidates demonstrate their proficiency? Will there be a test? Should they bring a recently completed Excel workbook with them to the interview? What is the difference between "can use Excel" and "proficient in Excel"?

Honestly, to me "working knowledge" means somebody can use the basic functionality. It's probably the next step up from entry level. In a Project Financial Analyst, you probably want a bit more than that, but whatever.

If the required qualifications are imposed to weed out unqualified candidates, the company should have a plan for executing the weeding. Putting in vague or poorly worded qualifications makes me think that the real weeding process will take place using qualifications other than those listed.

And it would be those unwritten qualifications that could lead to potential legal problems for that company, should somebody look at the pool of applicants versus those interviewed, and see

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that decisions were made based on unwritten qualifications.

Okay, done with the “required qualifications” and moving to the “preferred qualifications.” Presumably, the preferred qualifications are the means of deciding the list of final candidates, once they have been screened against the “required qualifications.”

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Understanding of various contract types, e.g., cost plus fixed fee, award fee, fixed price contracts, and Government Wide Agency Contracts

This is another example of vagueness. What does “understanding” mean in this context? As in, “took a class” or “read a book” or “spent 15 minutes reading FAR Part 16 (‘Types of Contracts’)”? Does the company mean “experience working with various contract types,” and, if so, how many years of experience is preferred? Knowledge and experience are two different things. If you have both, that’s great. But don’t confuse one for the other.

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Knowledge of Microsoft Excel including advanced formulas and their use in financial tracking, analysis, and reporting environments

Check. That would be an important skill to have for a Project Finance Analyst. But what, exactly, constitute knowledge of “advanced formulas” in Excel? Ability to set data filters? Ability to use Pivot tables or VLOOKUP? Ability to click the Autosum button? And who decides when a candidate possesses sufficient Excel skills? The hiring manager? How will the knowledge be tested? Will the results of the test be applied fairly to each candidate?

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Knowledge of monitoring compliance with general contract terms and conditions for government contracts and supporting multiple clients in a fast-paced environment Experience with financial modeling, including revenue projections

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This is the requirement that got me started on this rant. It sounds so good, and still lacks any meaning. How can you determine the right candidate based on this requirement?

Let's unpack this a bit.

"Knowledge of monitoring compliance." Note, no actual experience with monitoring compliance is required. *Just knowledge*. Theoretical knowledge of some unspecified amount. It's a preferred job qualification. And remember, just "monitoring" compliance. No actual, you know, *action* is required. Just monitor compliance; and if you see anything noncompliant going on, continue to monitor until directed otherwise.

And what should you know how to monitor? "*Compliance with general contract terms and conditions for government contracts.*" You know what? Most government contracts (with perhaps the exception of construction contracts) *don't actually have* any "general" terms and conditions. There are only terms and conditions of the contract. In an Indefinite Delivery/Indefinite Quantity (ID/IQ) type contract, there are overarching contract terms and conditions, and individual Task or Delivery Order terms and conditions, but there are no "general" terms and conditions. It's a meaningless thing, written by a person who doesn't understand what they are hiring for. Yet, it's a preferred qualification, presumably intended to help identify finalists for the position.

Talk about "accidental diversity!"

I could continue this rant, poking at the preferred "experience with" qualifications that include such disparate subjects as the Federal Acquisition Regulations, the Joint Travel Regulations, Generally Accepted Accounting Principles/Procedures, the Sarbanes-Oxley Act, and "financial management support in a government contracting environment."

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(That latter may be the most important qualification of them all, even though it's listed last. *It's probably what the company is actually looking for.*

I would have listed it under "required qualifications," not "preferred qualifications.")

I could continue to poke at "experience" because there is no amount of experience that is specified. One day of experience is, apparently, equal to five years of experience. And this is how you get "accidental diversity" with respect to experience, as well.

Certainly, some candidates—especially candidates with experience in CPA firms—are going to have a lot of what the company is looking for. But if the company wants somebody with *everything* it is looking for, then it should expect to pay top dollar. And the candidate with all that expertise is not going to want to be "closely" supervised; that person is going to expect to work independently and perhaps to supervise others.

Which brings me to: "Who wrote this?" Was it the HR function or Talent Acquisition function? Did they take a standard boilerplate set of qualifications and just post it to the website? That would make some sense to me, given what I saw.

But what if the Hiring Manager wrote all that gobbledygook? How scary would that be? Because it would tell us that the Hiring Manager doesn't actually know enough about the job to write a meaningful set of required job qualifications. How is that person going to exert effective supervision over this position that (let's remember) "will work under close supervision."

At a bare minimum, I would expect that the Hiring Manager reviewed and approved the job opening. That's really not any better, is it?

In my view this is as poorly worded a job opportunity as I have seen in a long time. The requirements are vague, poorly worded, and will tend to generate a lot of applicants who will not be what the company is really looking for (or what it really needs). I expect the company will generate quite a bit of "accidental diversity" that is going to waste a lot of time and impede the efficient hiring of the right candidate.

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Let's just say that, based on this one job description, I am not surprised the company just paid \$19 million to the government in a legal settlement.