



Gen Z Internal Mobility and Retention Strategies for Federal Agencies

Empowering younger employees
and backing decisions with data

A shifting federal workplace

Today's federal workforce is shifting dramatically—with younger baby boomers [turning 65 this year, an onslaught of retirements is hitting the workforce](#), and federal agencies are looking for ways to fill roles that have been filled for decades.

According to the [OPM](#), the federal workforce is made up of 29% of baby boomers (aged 59-77), so when over a quarter of employees will be looking at retirement over the next decade, TA teams are looking for younger talent.

Enter Gen Z—a generation with wildly different expectations for workforces than the generation they are replacing.

So this leaves federal TA teams with questions to answer—not only how are you attracting younger talent but also how are you retaining them with internal mobility strategies. (Hint: this starts with technology).

According to one [Deloitte report](#) on Gen Z in the workforce, they found:

3.3x

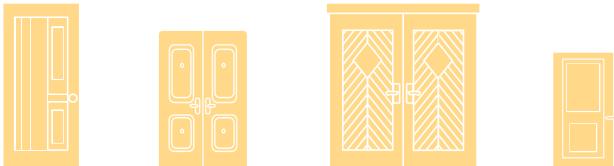
"Gen Zers who feel cared for at work are 3.3x more likely to look forward to coming to work and are less likely to have plans to leave their job."

2.5x

"Gen Zers who believe they are learning the skills they'll need for the future in their current jobs are 2.5x more likely to agree that staying at their current organization is the best way for them to advance their career."

7/10

"More than seven in ten bosses said that they are excited about the ways that the workplace will change as Gen Z makes up an increasingly greater portion of it."





What is internal mobility?

Recent years have forced recruiters and employees to adapt and change—adjusting to the Great Resignation, the Great Regret, recession fears, news of lay-offs, hiring halts, and even hiring surges for others.

As companies are being forced to reimagine today's candidate pools and what tomorrow's workforce may look like, one idea rises to the top.

Internal mobility is the process of moving people within an organization—either to different lateral roles or promotions.

But why does it matter?

According to Nathan Mondragon, Chief IO Psychologist at HireVue, "Internal mobility is more than a fad as it is coming across today. Well-designed internal mobility programs have direct positive impacts on retention as it provides a skills map and career blueprints for employees and leaders."

Well-designed internal mobility programs help you build the workplace today that will sustain the inevitable changes and challenges that come tomorrow.

From job seeker → employee journey

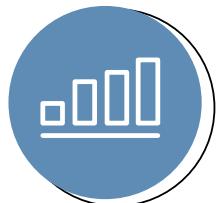
When considering your internal mobility strategy, think through the lifecycle of a candidate—from applying to assessing all the way to their role as an employee.



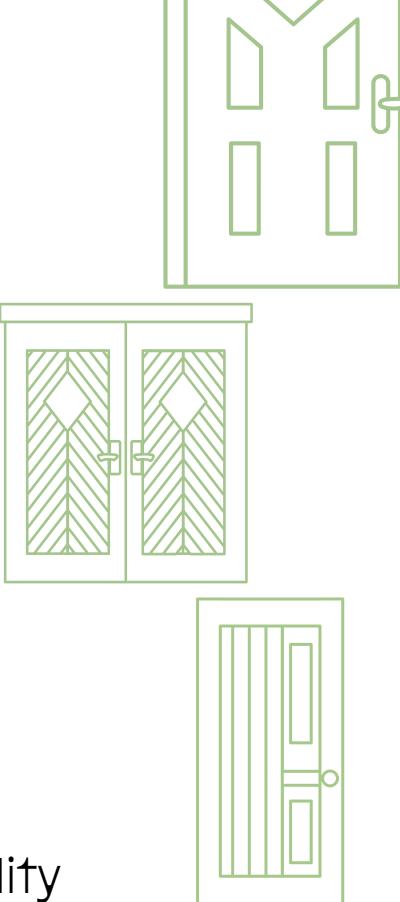
1. Place candidates in the right roles



2. Assess skills and competencies



3. Establish a strategy for internal mobility



1. Place candidates in the right roles

Starting your candidate journey off on the right foot is imperative—and that means matching the right candidates to the right jobs. HireVue [Find My Fit](#) helps job seekers discover roles that match their skills, interests, and personality—expanding their reach beyond what they typically search. With proven success in increasing diversity and finding hidden talent, this pre-hire assessment ensures your organization connects with the best candidates for every position.

[Spectrum](#) has incorporated Find My Fit, which they branded Fit Finder, to assess skills and interests as criteria for hiring. As a result they've seen:

- 93% of surveyed users agree their results will help inform their job search at the company
- 90% of people say jobs they wouldn't see were recommended
- 10% withdraw rate vs 24% before Fit Finder

In addition, Fit Finder does not ask for race or gender, and yet, the team has seen improved gender diversity in traditionally male-dominated roles. Now, 11% of their field technical applicant pool is female compared to 6% before Fit Finder.

Beyond Find My Fit, HireVue on-demand interviewing and self-scheduling offers candidates (and recruiters) the convenience of flexibility. Not to mention, structured interviews ensure all your candidates are evaluated on the same criteria.





2. Assess skills and competencies

Once you have the right candidates applying for roles, you can take it one step further and start assessing the skills and competencies that best predict success. HireVue offers an assessment for every job at any level, so you can ensure you're discovering the potential of your candidates. By giving candidates an opportunity to showcase what they're capable of doing, you can start filling roles with people who will succeed today and during tomorrow's challenges.



3. Establish a strategy for internal mobility

Agencies must take a proactive approach to engaging their workforce, including promoting other job opportunities and alternate career paths in order to maximize retention—as opposed to a latent approach.

Remember: Gen Z employees are eager to learn the skills that will come in handy in the future in their current roles—and if they can learn them, [they're 2.5x more likely to stay](#) at your agency.

But internal mobility, whether promotions or lateral moves, should be more formalized—an issue most federal agencies face. Just sending candidates to a random landing page or USAJOBS is not the way to show you value your employees as people. And when [Gen Z highly values empathy](#) in a workforce, ensuring your hiring processes offer a positive candidate experience goes a long way in retention.

The answer? Leveraging technology allows teams to effectively make internal mobility decisions easily at scale and speed—all while backing their decision with data.

Internal mobility best practices

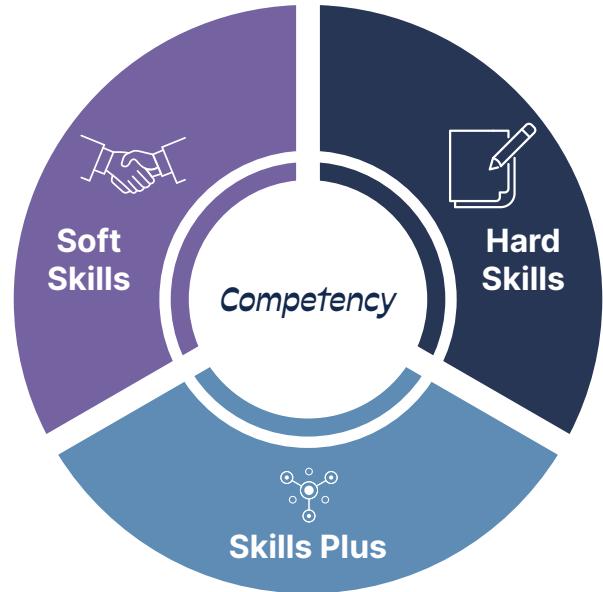
[According to staffing company Randstad](#), 72% of companies are finding it increasingly important to incorporate internal candidate pools into their hiring processes. Establishing internal mobility programs that are consistently used and trusted is the key to retaining more employees—and making your company a better place to work.

Part of implementing an effective internal mobility strategy is ensuring you follow it, so there is an actual incentive for your current employees to look to you when looking for new opportunities. Below are 5 tips to keep in mind when establishing a program:



1 First and foremost, retention starts with hiring the right people for the right roles. Make sure you hire someone who is a good fit based upon more than what's on a resume. By leveraging structured interviews and assessments to measure key skills, teams can make smart hiring decisions backed by data and ensure all your candidates are evaluated the same.

Measuring hard and soft skills is crucial for success, but there is also something we call the "Skills Plus" or the interests and motivations of a candidate. For example, a candidate may have all the skills but little interest or motivation to actually do the job—that candidate is probably not the right fit. And for those early career candidates, a lot of their jobs don't require skills, so hiring technology measures factors like aptitude—instead of the skills that will be more crucial later in their careers.



2 Measuring someone's ability to grow, and adapt, and change as the organization changes is largely important as it relates to internal mobility. Not just can they do the job they are applying to today, but can they grow and lead and adapt to succeed in the jobs that are required tomorrow, 5, or 10 years from now. This approach helps organizations and agencies fill today's roles while also solving the succession planning problem as we see the mass retirement trend of baby boomers from the workforce.

3 Ensure you have a place for your internal candidates to be made aware of and apply for internal roles. An internal job board is a great place to start. While it's still critical for your external candidate experience to be positive, the same goes for your internal candidates as well. According to Gartner research, "51% of candidates are aware of available internal job openings, which are often communicated informally."

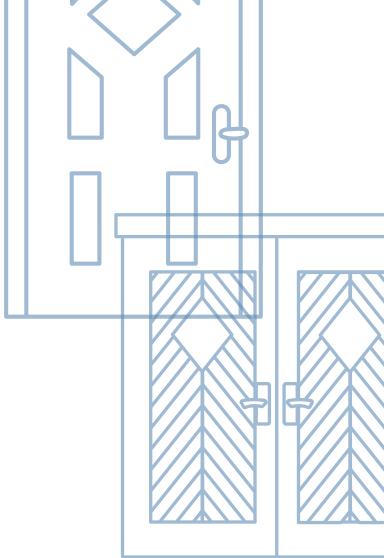
4 Set a time frame for reviewing internal applicants. According to Paddle, "One global consumer goods company made it mandatory for recruiters to respond to all internal applicants within 48 hours. As a result, organization's rate of internal hires went from 10% to 30% within a year."



5 Part of establishing an inclusive workplace is ensuring all your employees feel empowered to at least put their name in the hat. For many, the simple belief that a coworker is most likely going to get the job, in the end, prevents them from even applying. According to the Harvard Business Review, “Of candidates who focused their search on external jobs, 32% said they did so because it was easier to achieve career growth elsewhere.” Part of creating a workforce that promotes diversity, inclusivity, and belonging is creating a space where employees feel empowered in every aspect of their jobs—including advancement.

Backing internal mobility with science

Someone might be a top performer in their current role but how do you know if they're going to succeed or have the right skills for that next role? Part of implementing an internal mobility program should include implementing a way to assess internal candidates as well. Part of establishing an effective internal mobility program is ensuring it's a fair one. All your candidates should not only have a fair shot but be evaluated the same. And in the current climate of consistent change, hiring teams are being challenged to build teams today that will last through tomorrow.



Mondragon adds that internal mobility programs should, at their core, evaluate skills needed for success and, done at scale, can help build your workforce of tomorrow.

"[Executing well-designed internal mobility programs] at scale starts with capturing and evaluating skills during the hiring process and then building upon that data from employees' work experiences. Knowing the full spectrum of skills for each candidate or employee gives leaders the insight to know who is the best fit for any roles or future roles to ultimately drive change and performance. It's a way of future-proofing a company's talent pool."

HireVue offers a first-of-its-kind solution that measures an agile mindset. With over 6 Million Assessments, our IO Psychologists identified the critical competencies that align with agile leadership and success. The [Agile Mindset Assessment](#) deploys a talent evaluation solution in a modern candidate experience that quickly assesses and measures 4 types of change:

People agility:

These candidates know themselves well and learn from their experiences. They also treat others respectfully and remain calm under pressure.

Results agility:

These people are often goal-oriented and are willing to do what's necessary to achieve results, especially in new situations. They constantly inspire others and move quickly up the ladder to leadership positions.

It's more important than ever to be prepared and find talent who can navigate complex situations, explore novel solutions, and help teams through challenging situations. Using HireVue's assessments to measure an agile mindset gives organizations a robust understanding of a candidate's and internal talent's ability to adapt to change—helping you build tomorrow's workforce today.

Mental agility:

Workers who display mental agility often enjoy tackling complex situations. They think before they act, make fresh connections, and are usually good at explaining their point of view.

Change agility:

Those adaptable to change are a rare commodity in the workforce. They don't mind deviating from everyday routines and usually have a passion for experimentation.

The future of federal skills assessment

As HireVue looks to the future of skills-based hiring, we know there is potential in the future establishment of skills-based clusters—by evaluating human potential based on capabilities.

- 1. Individual attributes:** Core personal traits such as innate abilities, personality, and personal drivers like motivation and interests, which are broadly applicable across roles
- 2. Behavioral competencies:** These include work-related behaviors, such as adaptability, problem-solving, and communication, which help individuals navigate different work environments.
- 3. Job-specific knowledge, expertise, & technical skills:** These are specialized skills and knowledge, including work experience, technical expertise, and specific job skills required for success in particular roles.

“Together, these factors will form the foundation for talent discovery, selection, and internal mobility in organizations, including federal agencies. We look forward to the day when the HireVue taxonomy will rely on AI modeling that facilitates skill clusters to make more informed and strategic talent decisions,” said Mondragon.



Capabilities

<i>Individual Attributes</i>	<i>Behavioral Competencies</i>	<i>Job Specific</i>
Core Attributes Innate Abilities Personality	Work Orientation Adaptability Composure	Job Specific Knowledge Job Specific Skills Work Simulations Coding Proficiency
Drivers Motivation Preferences Interests	Work with Information Planning & Prioritization Problem Solving	Work Experience Work Expertise Work History Career Stability

Foundation for talent discovery, selection, and internal mobility

Science-backed tools evaluate agility and retain top talent for an uncertain future.

You can dramatically increase your agency's overall agility and adaptability by evaluating agile mindsets during the hiring process. By going beyond resumes, you truly understand a candidate's ability to be agile across critical areas. Using this same philosophy for your internal candidates will help ensure you're truly hiring or promoting the right people.

Assessing your internal talent on their ability to drive change and innovate while also retaining talent gives teams the confidence they need to align internal talent with open roles.

Empowering your employees so they feel they not only have a chance at internal roles but that you have the (data-backed) confidence in them to make a positive impact goes a long way in terms of retention. Internal mobility makes employees feel valued—and makes them want to stay.

In the end, you'll be able to prioritize the right candidates—who may not be the ones you originally thought should be prioritized.



Retaining young talent when skills are lacking

According to a [McKinsey Global Survey of global executives](#), “87% say they either are experiencing gaps now or expect them within a few years.” And for federal agencies, providing opportunities for young talent to improve upon skills is critically important if there’s going to be a valiant effort to retain them.

According to [Federal News Network](#), “Skills gaps in the federal workforce are contributing to persistent challenges for agencies and their programs.... more than half of GAO’s list of vulnerable federal programs and broad government challenges—stem from issues of mission-critical skills gaps.”

So how do federal TA teams engage current employees in hopes to retain them, knowing many of them could leave?

Top Tip: Establish a respected and consistent internal mobility program that focuses on skills above all else. According to [Workday](#), there is a clear disconnect between how candidates view the reality of opportunities at their current company versus how companies view them.

Either internal candidates aren’t seeing success stories for internal mobility or don’t know about an established program—so, likewise, agencies may need to audit their practices.

86%
of employers try to fill jobs with internal candidates

>50%
of employees don’t look at roles for advancement at their current company.

90%
of large companies feel their employees have enough opportunities to job-hop within their organization

Burnout + low engagement

In 2024, federal agencies are feeling the effects of burnout. In a [Gallup study](#), “26% of federal employees say they ‘very often’ or ‘always’ feel burned out at work.” High burnout correlates to low engagement, and low engagement not only affects turnover rate but the agency’s bottom line.

According to the [study](#), “High attrition rate can also lead to higher labor costs. Gallup estimates that in an agency of 10,000 employees, with an average salary of \$50,000, low engagement contributes to \$66 million in annual costs.” Internal mobility and retention are intrinsically linked and the stats prove it. According to [LinkedIn Learning](#):

- “Employees at companies with internal mobility stay almost 2x longer”
- “51% of L&D pros say that internal mobility is more of a priority now than before COVID-19”

Your young employees expect more defined internal mobility strategies—something more strategic than a simple search on USAJOBS or sending them to an arbitrary jobs landing page. Offering your employees a well-defined and successful internal mobility process shows you trust them and want to give them a fair opportunity to move within an organization.

According to [SHRM](#), of 32 million people at large companies, there is a:

- 76% chance they’ll still be at the company one year after being hired
- 38% chance they’ll be there after 5 years



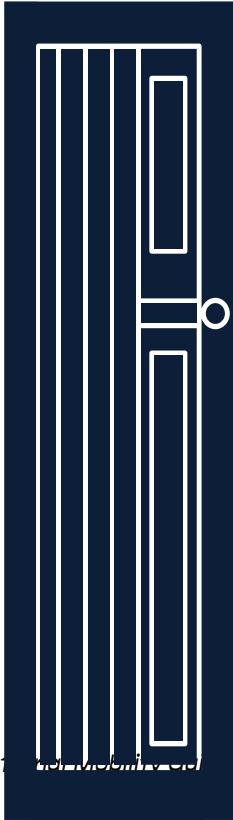
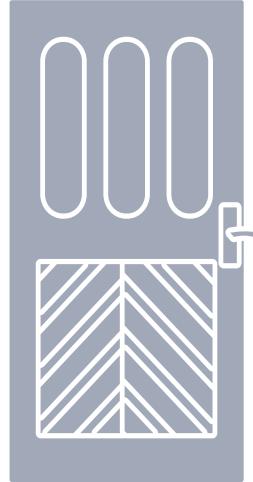
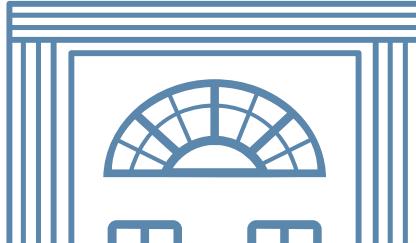
In a three year period...

If an employee is promoted within 3 years, there is a 70% chance they will stay with the company, and for those who make a lateral move during that time frame, there is a 62% chance they will stay. Of those who stayed in the same position, only 45% stayed with the company.

70%

62%

45%



Internal mobility and DEI

It goes without saying...

Your agency's promotions and internal mobility should be inclusive and diverse, and if they're not, you need to re-examine your hiring.

If you want your internal candidate pool to feel they have a fair shot at open roles, they need to see past successes of those similar to them. And if your external hiring isn't fair at the beginning, you can't expect your internal mobility to be fair later or reflective of DEI goals.

Incorporating technology into your hiring is no longer nice-to-have—it's a necessity. Hiring teams have a responsibility to their candidates to ensure each of them is evaluated equally.

HireVue structured interviewing offers job-related competencies, structured interview questions, templates, and evaluation guides that help build effective interviews fast while live and OnDemand interviewing allows teams to scale and offer

flexibility to both candidates and recruiters. For many, interviewing during typical 9-5 hours isn't always feasible or possible. Allow your candidates to put their best foot forward—which may be after work, school, or once their kids are asleep. HireVue solutions also allow teams to meet candidates where they are—on their phones. And with mobile-friendly scheduling automation, candidates have access to easy scheduling, invites, and reminders to keep them engaged in the process, making hiring faster, easier, and more effective.

HireVue Assessment solutions allow teams to easily reach out to every applicant and invite them to complete an assessment in a convenient, mobile-friendly experience. Interview, game-based, and technical assessments help hiring teams make faster and fairer hiring decisions—decisions supported by science instead of resumes, GPAs, or unconscious bias.



Empower your employees

We spend so much of our lives working, and your company should be a positive influence on your employees—empowering them in their day-to-day operations.

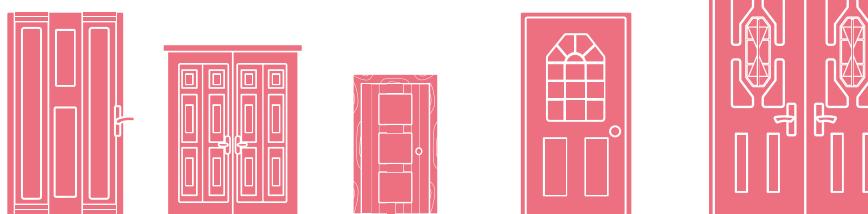
According to [ASQ](#), “employee empowerment is defined as the ways in which organizations provide their employees with a certain degree of autonomy and control in their day-to-day activities.”

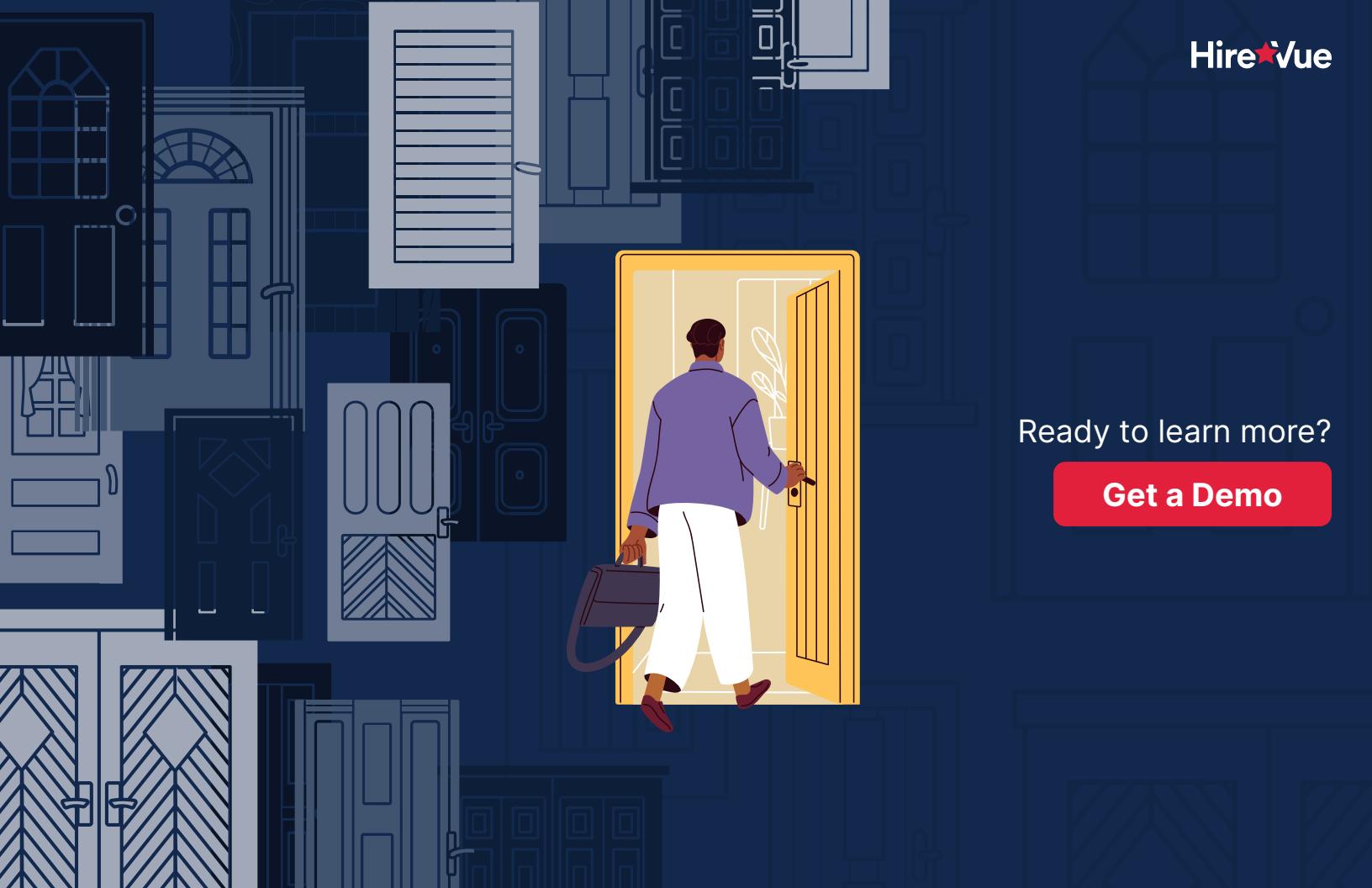
Empowered employees are more productive. They [“work harder, find their work more engaging, and are more satisfied with their jobs overall.”](#) And according to [SHRM](#), “Employees also stay longer at organizations perceived to be places where workers have influence. After three years at one of those employers, there’s a 47 percent chance of retention, while employees at companies viewed as less empowering only have a 35 percent chance of still being there after three years, according to LinkedIn.”

Not sure where to start? Or how to ensure your company’s culture is empowering? Start with a pulse survey and ask your employees for their anonymous feedback on your processes, what it’s like working at your company, and recommendations to make it better.

If you want to create a workplace that retains employees, rewards those who truly deserve it, and is a positive place to work, your hiring and internal mobility processes need to be fair.

Back your decisions with science and start preparing for a better hiring tomorrow.



A stylized illustration of a person from behind, wearing a purple shirt and white pants, walking through a yellow doorway. The person is carrying a dark briefcase. The background is a dark blue gradient, filled with various types of doors and windows, some with intricate patterns like chevrons and circles.

Ready to learn more?

Get a Demo