Investing in people... Our MOST valuable asset!
OSD’s HOT HR Topics

- Civilian workforce overview
- “New Beginnings” overview and implementation
- The Department’s new Performance Management and Appraisal Program
- The Department’s new Reduction-in-Force policy
- Implementing Fiscal Year 2017 NDAA Personnel Authorities
- USA Staffing and USA Hire upgrades
- The DoD FM Workforce
Civilian Workforce Overview

Total Civilian Employees: 919,703

- App Fund (748,155)
- NAF (120,236)
- Foreign Nat. (51,312)

App Fund: Appropriated Fund - Direct U.S. Hires
NAF: Non-Appropriated Fund hires – employees of self-funding organizations
Foreign Nat. – Foreign national hires at forward bases. Crucial enabler of Department’s forward presence.

App Fund Employees By Component
- Army 254,906
- Navy 206,710
- Air Force 175,061
- DoD Agencies 111,478

Over 750 Civilian Occupations

App Fund: 48% Prior Military Service *
- 20% Retirees
- 28% Other Veterans

Located in 22 Different Countries

*Excludes National Guard Employees

As of April 2017
DoD must focus on cultural and attitudinal changes regarding performance management, vice the structural features of the system
- It’s about clear guidance and continuous feedback; not about the “365th day”

Supervisors perform a critical role in hiring and performance management
- Emphasis on supervisor selection, training, development, and preparation is key

Hiring reform initiatives to date are yielding positive results
- Enhancements to hiring processes are needed to better meet needs of applicants and employees

The need for additional financial incentives is negligible
- Current incentives support positive recruiting, retention, and performance; but some additional incentives may be warranted
99 initiatives, 87 approved to pursue covering Legislation, Policy, Resource Portals, Information Technology Enhancements, Performance Management, and More...

Several Action officers from each Division of DCPAS coordinated with Component representatives, Union Representatives, and General Counsel to implement 56 initiatives with 31 initiatives nearing implementation.

Ten Bi-Annual Congressional Reports outlining implementation progress have been submitted since 2012 and will continue through implementation and evaluation.

As of May 2017, 275,000 employees have transitioned into Defense Performance Management and Appraisal Program (DPMAP), 160,000 of which are bargaining unit employees. DPMAP implementation will be complete in 2018 covering roughly 634,000 employees.
Hiring and Workforce Incentive Highlights

- Adopt the Office of Personnel Management’s (OPMs) Pathways Program
- Delegate Direct-Hire Authority (DHA) to DoD
- Study the impact of a Veteran-centric workforce
- Continue migration to OPM’s USA Staffing assessment process
- Pursue enhancements to USA Jobs and USA Staffing
- Improve military and civilian hiring manager training initiatives
- Develop guidance, training and certification for HR functional community
- Improve supervisory training on HR tools
- Increase Voluntary Separation Incentive Pay (VSIP) from 25K to 40K
Foster cultural, attitudinal changes in performance management, while emphasizing a strategic link between organizational goals/employee performance

Develop and implement an automated appraisal tool

Develop a DoD-wide standard rating cycle of April 1 through March 31 and a standard minimum rating period of 90 days

Require a minimum of three documented performance reviews, with emphasis on continual feedback

Encourage continuous recognition and rewards, both monetary and non-monetary

Utilize a 3-level rating pattern (Outstanding, Fully Successful, Unacceptable)
Centralizes information for DoD employees on:
- Performance management
- Staffing and hiring flexibilities
- Training and development
- Awards

Information Highlights:
- FAQs
- Performance management tips sheets and guides
- Hiring Manager’s Toolkit
- Performance management training

www.cpms.osd.mil/Subpage/NewBeginnings/NBHome
DoD New RIF Procedures – Overview

- DoD has re-prioritized the “order of retention” as implemented by Office of Personnel Management (OPM) in government-wide regulations, by placing performance as the primary retention factor.

- Employees shall be ranked on a retention register based on periods of assessed performance (less than 12 months or 12 months or more), and further based on the following retention factors:
  - rating of record;
  - tenure group;
  - average score;
  - veterans’ preference; and
  - DoD service computation date-RIF (DoD SCD-RIF)

- The new procedures do not apply to RIFs of DoD employees covered by alternative personnel systems (e.g., Acquisition Demo, Defense Civilian Intelligence Personnel System), provided such systems have procedures that comport with the NDAA.
Section 1104, Public-Private Talent Exchange. Amends chapter 81 of title 10 by adding a new section that allows for the temporary assignments of private industry employees to DoD and vice-versa. Next steps – continue developing policy.

Section 1105, Temporary and Term Appointments in the Competitive Service. Allows for noncompetitive temporary and term appointments up to 18 months for critical hiring needs. Next steps – continue developing policy.

Section 1109, Limitation on Number of DoD SES Positions. Total number of SES positions may not exceed 1,260 by December 2022 (currently 1,418); not more than 200 of such positions can be occupied by HQE’s. Next steps – continue working with DoD Components on implementation thereof.

Section 1110, DHA for Financial Management Experts in the DoD Workforce. DHA for candidates with finance, accounting, management, or actuarial science degree or equivalent experience; includes limitation on number of appointments. Next steps – working to obtain signed policy.

Section 1111, Repeal of Certain Basis for Appointment of a Retired Member of the Armed Forces to a DoD Position within 180 Days of Retirement. Repeals authority to grant waivers to 180-day requirement on the basis of a state of national emergency. Next steps – working to obtain signed policy.
Section 1124, Pilot Program on Enhanced Pay Authority for Certain Research and Technology Positions. Authority to fix the rate of pay for a position at a rate NTE 150% of the rate of basic pay for Level I of the ES.

Section 1125, Temporary DHA for Domestic Defense Industrial Base Facilities, the MRTFB, and the Office of the DOTE. During FY17-18, Secretary of Defense may use DHA to appoint qualified candidates at any industrial base facility or MRTFB; and during FY17-21, may appoint qualified candidates with advanced degrees to DOTE scientific and engineering positions. Next steps – publish policy.

Section 1131, Elimination of Two-Year Eligibility Limitation for Noncompetitive Appointment of Spouses of Members of the Armed Forces. Eliminates 2-year time limitation on a relocating spouse’s eligibility for noncompetitive appointment. Next steps – Notified Components to enable immediate implementation; awaiting OPM guidance regarding retroactivity.

Section 1132, Temporary Personnel Flexibilities for Domestic Defense Industrial Base Facilities and MRTFB. During FY17-18, enables employees on competitive time-limited appointments at facilities to compete for permanent appointments in the competitive service. Next steps – drafting implementing guidance; personnel action codes received from OPM.

Section 1134, Advance Payments for Employees Relocating Within the US and its Territories. Authorizes advance payment of basic pay, covering up to 4 pay periods, to an employee assigned to a position outside of their commuting area. Next steps – In discussions with DFAS on required payment mechanism; OPM has authority to regulate but has not taken action.
Section 1139, Direct Hiring for FWS Employees. DHA for severe shortages or critical hiring needs.

Section 1643, Cyber Mission Force Matters. Interim authorities to hire and retain cyber personnel, including advance-in-hire and DHA. Next steps – Policy for advance in-hire and DHA drafted.

Section 1106, DHA for Post-Secondary Students and Recent Graduates. DHA for professional and administrative occupations; includes limitation on number of appointments. Implemented.

1107, Temporary Increase in Maximum Amount of VSIP Authorized for Civilian Employees of DoD. Authorizes VSIP up to $40K through September 2018. Next steps – complete.
In July 2015, the then-DASD(CPP) approved the use of DoD’s validated competencies as the primary source of competency data in USA Staffing Upgrade

- Components are responsible for adding Component-unique “Item” statements for determining best qualified applicants from the applicant pool.
- These items are linked to DoD-validated competencies and are the basis for assessment questionnaires.

**COMPETENCIES** are observable, measurable patterns of knowledge, abilities, skills or other characteristics that individuals need to perform work roles or occupational functions successfully [DoDI 1400.25, Vol 250, Nov 2008]

**TASKS** are examples of work performed on the job. They are used in the job analysis to support the chosen competency.

**ITEMS** are measures used to determine to what extent an applicant possesses the chosen competency. They are used in the assessment questionnaire to distinguish the best qualified from the qualified.
A Competency Network is defined as: “a collection of competencies and associated job analysis and assessment data (i.e., tasks, rating items, and screen-out items) for a particular position or group of positions”

Competencies vs KSAs

- While some people use the terms interchangeably, competencies are generally written at a broader level of specificity than KSAs.
- KSAs are generally narrower in scope than competencies.
- Competencies can be considered higher level aggregates of KSAs.
- Competencies have gained in popularity over time as they:
  - Tend to allow for greater flexibility in work roles;
  - Serve as a manageable taxonomy;
  - Provide a consistent message to employees across the HR lifecycle; and
  - Serve as the basis for unifying HR functions.

Source: “USA Staffing Upgrade Competency Network Quick Reference Guide,” April 2017
### Federal Applicant Tracking System (s)

Software application that enables the electronic handling of recruitment needs. Organizations use job applicant assessments to enhance their ability to select persons who will be successful on the job.

#### Competency Network

Collection of competencies and associated job analysis and assessment data (i.e., tasks, rating items, and screen-out items) for a particular position or group of positions.

#### Competency

Observable, measurable patterns of knowledge, abilities, skills or other characteristics that individuals need to perform work roles or occupational functions successfully [DoDI 1400.25, Vol 250, June 2016]

#### Task

Demonstrated behaviors required to perform work roles.

#### Enterprise-Wide Job Item or Custom Job Item

Objective measures used to determine to what extent an applicant possesses the chosen competency(ies).

#### Selection Assessment – Performance Prediction

An instrument or series of questions for collecting information, and almost always involve asking a given subject to respond to a set of oral or written questions.
**DoD FM Workforce**

**Current Status**

- **Total DoD FM Military Workforce**: 21.7% (11,599)
- **Total DoD FM Civilian Workforce**: 78.3% (41,947)

**Financial Management / Acquisition Workforce**

- **Total FM Workforce**: 53,546
- **FM/ACQ Workforce**: 8,700
- **FM Workforce**: 44,846

**Source**: DMDC JAN 2017

**Key Points**

- Educated Workforce: 59% of civilian workforce and 42% of military have Bachelor’s degree or higher
- Aging Workforce:
  - The average age of the DoD FM civilian is 46.8
  - 47% of civilians are over the age of 49
  - 15% of the workforce is eligible to retire now and one-third of the workforce is eligible to retire in five years or less
  - 37% of FM Senior Executives (SEs) are eligible to retire now

**Issues/Initiatives**

- USA Staffing Upgrade transitions to competency based civilian hiring
- FM Direct Hire Authority for civilians
- FM & Acquisition Exchange Program with Industry
- FM Certification Program
Workforce Staffing Update

• **USA Staffing Upgrade**
  - USA Staffing is OPM’s hiring software system used by Federal agencies to facilitate the hiring process and match qualified applicants to job openings
  - DoD is transitioning to the USA Staffing upgrade, which is expected to be completed by early 2018
    - Competencies will be used in the hiring process in lieu of knowledge, skills, and abilities (KSAs)
    - DoD’s enterprise-wide FM competencies (validated in 2016) are the source of competency data in the USA Staffing upgrade for the FM workforce

• **Job Tasks**
  - Job tasks are used to describe work performed on the job
  - Job tasks are activities an employee performs on a regular basis to carry out the functions required

• **Job Items**
  - A Job item is a single activity derived from a job task and is used to determine to what extent an applicant possesses the chosen competency(ies)
  - Job items are used as the source for creating the self-assessment questionnaire, are linked to competencies and provide ability to distinguish the best qualified candidate

• **Status**
  - OUSD(C) created a job item library for all FM occupational series and shared the library with the Components; provided training
  - Ensures that the DoD enterprise-wide FM competencies are used consistently in the hiring process
SEC. 1110. Direct Hire Authority for Financial Management Experts in the Department of Defense Workforce

• Provides the DoD-wide FM workforce direct hire authority, without regard to the provisions of Subchapter I of Chapter 33 of Title 5 U.S. Code

• Up to 10% of the total number of FM workforce positions of an Agency or Military Department that are filled as of the close of the fiscal year last ending before the start of the calendar year

• Positions Specified
  – Financial management
  – Accounting
  – Auditing
  – Actuarial
  – Cost estimation
  – Operational research
  – Business and business administrations

• DoD-wide policy implementation guidance is in final coordination
FM /AQ Exchange Program with Industry

• **Current status**
  
  – Completed implementation guide
  – Completed coordination with DoD Office of Inspector General and Legislative Affairs
  – Finalizing informal coordination with Deputy Chief Management Officer
  – Will begin formal coordination in May 2017
    • Deputy Chief Management Officer
    • DoD Office of Inspector General
    • Office Management and Budget

• **Next Steps**
  
  – Socialize with non-traditional defense contractors
  – Submit interim final rule to OMB for publication in Federal Register
  – Monitor status of regulatory freeze on Federal Register
  – Pending Federal Register timeline, targeting first participants early FY18
• OUSD(C) is exploring the viability of a DoD-wide FM rotational development program within the Department

• The goal of the program

  – To develop a flexible, talented pool of employees who have depth of knowledge in their disciplines and or breadth of experience across the DoD

• Next Steps

  – Implement pilot program by the end of this FY, with full implementation in FY18
FM Workforce Initiatives

• DoD enterprise-wide FM Individual Development Plan
  – Full version available for use by fall 2017

• FM Information Sharing Forum
  – Purpose: FM CFCM focus group to provide insight and potential solutions to
    FM workforce succession planning challenges

• FM/HR Summit
  – 2\textsuperscript{nd} Summit planned for October 2017
    - Focus group will debrief proposed solutions at Summit
Questions?
### Work Schedule

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<tr>
<th></th>
<th>Fulltime</th>
<th>Part-Time</th>
<th>Intermittent</th>
<th>Seasonal</th>
<th>Other</th>
<th>Total</th>
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<tr>
<td>Workforce</td>
<td>721,682</td>
<td>6,567 1%</td>
<td>6,099 1%</td>
<td>10,068 1%</td>
<td>4,127 1%</td>
<td>748,543 100%</td>
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### Prior Military Service

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<td>Prior Military</td>
<td>334,710</td>
<td>48%</td>
<td>272,904</td>
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<td>Not Prior Military</td>
<td>355,691</td>
<td>52%</td>
<td>181,703</td>
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<td>NG (Not Included in % Calculations)</td>
<td>58,144</td>
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<td>47,336</td>
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<td>Sum:</td>
<td>748,545</td>
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<td>501,943</td>
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### Workforce Initiatives

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<tr>
<td>MCO</td>
<td>221,106</td>
<td>30%</td>
<td>137,317</td>
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<td>CYBER</td>
<td>40,247</td>
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<td>STEM</td>
<td>254,310</td>
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<td>DAWA</td>
<td>144,881</td>
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<td>100,013</td>
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### Supervisor Data

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<td>Army</td>
<td>36,853</td>
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<td>Navy</td>
<td>29,099</td>
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<td>22,380</td>
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<td>Air Force</td>
<td>28,212</td>
<td>26%</td>
<td>21,684</td>
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<td>4th Estate</td>
<td>13,995</td>
<td>13%</td>
<td>8,802</td>
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<td>Sum:</td>
<td>108,159</td>
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### Education (Self Reported) -- With Less than Bachelors

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<td>With Less than Bachelors</td>
<td>405,309</td>
<td>54%</td>
<td>281,330</td>
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<td>With Bachelors Degrees</td>
<td>205,030</td>
<td>27%</td>
<td>134,266</td>
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<td>With Masters Degrees</td>
<td>120,154</td>
<td>16%</td>
<td>74,348</td>
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<td>With Doctorate Degrees</td>
<td>15,323</td>
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<td>10,148</td>
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<tr>
<td>Not Reported</td>
<td>2,729 0%</td>
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<td>1,851 68%</td>
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<td>Sum:</td>
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### Geographic Location

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<td>CONUS Non-Wash, DC</td>
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<td>CONUS Wash, DC</td>
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<td>Foreign Country</td>
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<td>Unspecified</td>
<td>1,993</td>
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<td>Sum:</td>
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DoD Civilian Workforce Age Profile

Current Age Profile (FY17Q2)

Number of Employees

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Years of Service (FY17Q2)

Number of Employees

| Years of Service | 0 | 2 | 4 | 6 | 8 | 10 | 12 | 14 | 16 | 18 | 20 | 22 | 24 | 26 | 28 | 30 | 32 | 34 | 36 | 38 | 40 | 42 | 44 |
|------------------|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|
| Number of Employees | 60000 | 50000 | 40000 | 30000 | 20000 | 10000 | 0 | 2 | 4 | 6 | 8 | 10 | 12 | 14 | 16 | 18 | 20 | 22 | 24 | 26 | 28 | 30 | 32 | 34 | 36 | 38 | 40 | 42 | 44 |