

Corporate Information Management



Civilian Human Resources Management

Functional Steering Committee Briefing - Phase II

Goals, Objectives, and Strategies

12 March 1991

INTRODUCTION

The information presented in this report outlines the future for Civilian Human Resources Management (CHRM) and the means to achieve it. The methodology used is similar to that used in developing any strategic business plan. Starting with a vision which articulates the perspective of the function in the future, vision elements, goals, objectives, and strategies are subsequently identified and refined.

The vision elements represent the major characteristics of the function as it will exist ten years down the line. Once these are developed, the goals or statements of conditions which are needed to achieve a specific vision element are documented. Since these are broad in nature and lay only a basic foundation, objectives are defined to provide distinct measures for how to accomplish individual goals.

The last part in this step of the strategic plan is to identify the strategies and action items to facilitate meeting the vision, goals, and objectives. In other words, a path or direction that will lead the function into the future must be framed. Since there are generally a number of different ways to achieve a desired outcome, alternatives as appropriate are described. From these, the optimal strategy is selected and rationalized. The following serves to present this material in a clear and concise format.

VISION

The future functional vision for CHRM as viewed by senior Human Resources professionals and functional managers throughout the Department is defined by the following:

Civilian Human Resources Management is characterized by responsiveness to the accomplishment of DoD's mission through flexible, simplified, and cost-effective programs that are consistent with merit principles, based on sound business practices, and support customer expectations. The individual worth of employees is recognized in a workplace free of discrimination and sensitive to the needs of a diverse work force.

To achieve this vision, changes are needed in the way business is done in the Civilian Personnel and Equal Employment Opportunity functions. Some of these changes will evolve, others will be driven by forces external to the Department, and still others by internal forces. The most critical aspect is, that regardless of how the change comes about, the change is managed and managed effectively. This will necessitate a stronger role for the functional proponent at OSD which is further defined in the vision elements, goals, objectives, and strategies.

**VISION ELEMENTS
GOALS, OBJECTIVES, AND STRATEGIES**

VISION ELEMENT # 1. Service: The CHRM function contributes to the effective use of all human resources in support of DoD's mission. The CHRM structure is streamlined based on sound business practices and economic considerations. Maximum support to customers is provided through delivery of quality products and services. Validated measures of business performance provide a framework for evaluating the effectiveness and efficiency of CHRM business methods.

GOAL # 1. An organizational structure exists which effectively and efficiently supports the missions of the Department and its Components.

OBJECTIVES

1. By the beginning of FY-95, civilian personnel functions are streamlined and organizations restructured to support the CHRM concept.
2. By FY 92, OSD will consolidate all Equal Opportunity training at the Defense Equal Opportunity Management Institute (DEOMI).
3. By FY 92, all DoD administrative grievances, complaints investigations, reviews, and appeals will be consolidated into a single office with decisions remaining at the Component level.
4. By FY 91, the EEO function will be positioned for maximum effectiveness and impact below the policy level.

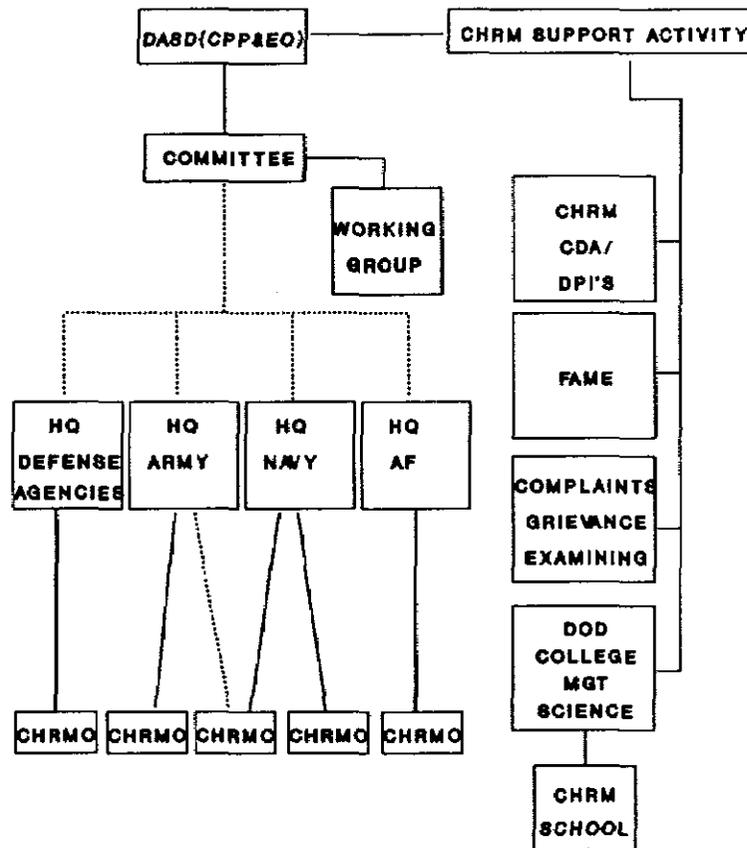
GOAL # 2. CHRM activities provide quality products and services to all customer groups as evidenced by the results of functional and management evaluations (FAME).

OBJECTIVES

1. By FY-93, the philosophy of continuous process improvement will be fully integrated into CHRM operations.
2. By the beginning of FY-95, a top-down functional and management evaluation (FAME) system has been implemented that is tied to strategic planning and focuses on delivery of quality of customer service.

STRATEGY

In order to provide the level and quality of service envisioned, changes in organizational structures will be required. Reduction in Defense resources, brought about by global and economic trends and impacts, will necessitate downsizing. Consolidation of some CHRM activities is not only inevitable but desirable in terms of quality, timeliness, and consistency of customer support. In addition, Congress has mandated a twenty percent reduction in management headquarters staffs over the next five years. Further, advances in technology, when employed wisely, will allow consolidation of specific functions without a corresponding loss in service. The proposed organizational structure is depicted in the following chart.



This structure provides for the establishment of a joint policy committee to be chaired by the DASD (CPP&EO) which is supported by ad hoc working groups composed of representatives from the DoD Components and working under the direction of the committee chair. A Civilian Human Resources Management Support Activity would also

be established to develop regulations and administer selected programs and functions. The Military Services and Defense Agencies would have smaller headquarters level CHRM staffs and continue to own activity-level CHRM offices. However, some geographical consolidation or regionalization within or between Components is expected due to common regulatory and information systems.

The philosophy underlying the vision is a move towards delegating additional budgeting and CHRM authorities to the lowest practical management level. A dichotomy would be created by centralizing at the Departmental level the entire administrative structure which supports effective and efficient Component mission accomplishment. The ability to obtain timely delivery of services would be called into question by consolidation based solely on financial considerations. On the other hand, no one denies that structural changes are needed. The Components have already recognized this fact and undertaken a number of initiatives along these lines.

Establishing a joint policy making committee which results in a unified DoD CHRM regulatory structure will facilitate the mandated downsizing of management headquarters staffs and subordinate commands by reducing workload. Component-owned operating offices will remain sensitive to customer needs while consolidation of selected functions takes advantage of economies of scale.

In addition, with the revision to 29 CFR 1614, consolidation of complaints in the near term would serve to maximize benefits in the EEO functional area. Development of training modules at DEOMI would lay the foundation for implementation of the new program.

VISION ELEMENT # 2. Planning: The process of strategic planning is functionally integrated into CHRM. OSD coordinates this process which is part of the planning, programming, budgeting and execution system. A plan exists which facilitates rapid response to change and management of civilian human resources within the total force. The CHRM support community enjoys a major role in the planning efforts of related functions.

Strategic planning is defined as a continuing effort which articulates a corporate philosophy and establishes major planning objectives for the future direction of the function throughout DoD. The strategic plan represents a broad cross section of Component views and seeks to establish a system more responsive to mission, budget, and labor market conditions. Under this vision, strategic planning encompasses operational, tactical, contingency, and mobilization planning.

GOAL # 1. A fully integrated DoD-wide strategic planning process is implemented throughout the CHRM community.

OBJECTIVES

1. By the beginning of FY-93, the first CHRM strategic plan has been developed by a joint OSD, Military Service, and Defense Agency effort as a follow-on to the CIM functional business plan and has been distributed for supplementation and implementation.
2. By the end of FY-93, the annual cycle of evaluating, updating, and publishing strategic plans has begun.

STRATEGY

The DASD (CPP&EO) should lead and coordinate a collaborative effort in the development of a core strategic plan for CHRM. This effort will use the CIM functional business plan as a baseline for development. The Components should allocate sufficient resources to support the initial CHRM planning and evaluation process at all levels.

The Department of Defense faces dynamic political, economic, and demographic challenges throughout this decade. To cope successfully with these challenges, CHRM programs must be improved to a level commensurate with the difficulties faced. OSD leadership in this effort will provide the Department a sense of direction, resulting in a corporate civilian human resources management philosophy and approach.

VISION ELEMENT # 3. Policies and Practices: Deregulation, delegation, simplification, and flexibility form the foundation of CHRM policies and business practices. At the Departmental level, policies and programs reflect joint Component participation in the development of goals and objectives. Managers and supervisors have direct responsibility and accountability for managing the effectiveness of civilian human resources. In this deregulated environment, the CHRM specialist provides value-added advice and service to managers.

GOAL # 1. DoD policy and guidance reflect the full flexibility embodied in law and regulation and facilitates Service and Agency mission accomplishment.

OBJECTIVE

By the end of FY-92, civilian personnel and equal employment opportunity regulatory guidance will be developed by a joint OSD and Component committee, will result in a single issuance, and will be applicable throughout the Department.

GOAL # 2. To meet the needs of its Components, DoD uses a unified approach in dealing with oversight agencies to develop legislation and amend regulatory issuances.

OBJECTIVE

By the completion of FY-92, the DASD (CPP&EO) will have in place a program for identifying and analyzing major CHRM issues and concerns across the Department.

GOAL # 3. Managers' ability to control human resources is enhanced by having CHRM authorities delegated commensurate with levels of responsibility.

OBJECTIVE

By the beginning of FY-95, all CHRM authorities delegated to DoD will be re-delegated to the lowest practicable management level.

GOAL # 4. Managers are advised and supported in accomplishment of their mission by a professional CHRM staff that plays a major role in organizational management. In fulfilling this role, the CHRM professional is a fully participating advisor in the client's organizational planning, policy, and decision-making actions.

OBJECTIVE

At the end of FY-96, CHRM specialists will be functioning as management advisors and fully integrated into the organizational management processes at all levels of the Department.

STRATEGY

Many of the policies and practices of the CHRM function are dictated by statute and external regulation. The long-term strategy should be to obtain legislative and regulatory changes which enable the CHRM community to be more responsive to client needs.

The DASD (CPP&EO), in close association with DoD Components, should aggressively pursue legislation which would provide a broader, more flexible framework for managing the Department's human resources with emphasis on simplification, delegation of authority, and increased effectiveness of CHRM business practices. Ideally, this would mean the creation of a new civil service title to establish a unique human resources management system for DoD appropriated fund employees. However, on a practical level, changes in Title 5 or expansion of Title 10 coverage may be more expedient. These approaches are fully discussed under Vision Element 5, Civilian Work Force.

Legislative change, particularly of the magnitude proposed, is not the only alternative. The Department can continue to propose revisions to specific provisions of Title 5 if the legislative climate is such that massive revision is not deemed feasible. In addition, regardless of legislative initiatives, there are things that the Department can and should accomplish internally which will result in streamlining of CHRM policies and business practices. Therefore, it is recommended that the following be implemented:

The DASD (CPP&EO) should issue policy and regulation covering all common Civilian Personnel and Equal Employment Opportunity areas with emphasis on simplification and flexibility. These issuances would cover only those that are required by statute, CFR, or FPM and would be jointly developed as discussed in Vision Element 1, Service. This should form the basis for operating the majority of Component programs. The Components should publish supplementation only when required by unique circumstances with no additional supplementation at the intermediate command level. A precedent exists for this in the Civilian Intelligence Personnel Management System (CIPMS). However, Components and their intermediate commands would issue policy and guidance on resource matters (e.g., managing the civilian work force within funds and approved programs). Operating CHRM offices would develop and issue their own implementing instructions based primarily on DoD-wide program guidance.

The DASD (CPP&EO) should serve as the focal point and lead office in efforts to persuade external oversight agencies (e.g., OPM, EEOC, DoL) to simplify regulations and delegate additional authorities to the Department. To maximize flexibility, these authorities should be further re-delegated to the lowest practicable management level, through the chain of command.

Other major actions for internal Departmental implementation include:

- Develop implementing plans to simplify, standardize, or consolidate CHRM processes and procedures where practical.
- Facilitate the effective use of delegated authorities by removing internal hindrances.
- Move to enhance the professionalism of CHRM specialists and to increase the level of advisory service to management on the use of delegated authorities.

VISION ELEMENT # 4. Information Management: Information is recognized and managed as a strategic CHRM resource. A common information system provides horizontal and vertical availability of standardized data across the Department which enables users to determine and measure the effectiveness and efficiency of programs and

operations. Every information-dependent aspect of DoD's CHRM effort is fully supported, facilitated, and enhanced by the management of information.

GOAL # 1. The DoD-wide CHRM information system supports planning, policy formulation, evaluation, and conversion to a paperless work environment.

OBJECTIVES

1. By the end of FY-2000, use of the CHRM information system is fully integrated in decision making processes at all levels of DoD.
2. By the end of FY-2000, the Executive Agent has automated electronic storage, retrieval, and data transfer which have resulted in more timely customer support and the virtual elimination of paper processes.
3. By the end of FY-91, the automation requirements to support Equal Employment Opportunity and Managing Diversity have been established through the Executive Agent.

GOAL # 2. The CHRM function maximizes return on investment for systems design and development while improving customer service, support, and satisfaction.

OBJECTIVES

1. By FY-93, the CHRM information system has evolved to full functional ownership with the Executive Agent reporting to the DASD (CPP&EO).
2. By FY-95, the CHRM function has the capability to exploit information resources on an ongoing basis.
3. By FY-93, non-centrally developed automation applications are being identified, monitored, and facilitated through the Executive Agent.

STRATEGY

The CHRM functional business plan and information systems strategy are a result of the CIM process. To ensure accomplishment, DoD's long term strategy should be to use information technology effectively and efficiently, comparing favorably with that used by the best private sector enterprises. A coherent and strong information management program will dramatically strengthen CHRM management within the Department. CHRM functional management will be responsible for the funding, costs, and achievement of benefits for the information systems on which it depends. New system

development must take advantage of leading edge technology emphasizing an open systems environment throughout the Department and with major external interfaces.

VISION ELEMENT # 5. Civilian Work Force: Employees are valued and treated as assets to mission accomplishment. The cost of attracting, retaining, training, and developing the work force is deemed an investment and is funded accordingly. Compensation and rewards are competitive, fair, and focused on employees' contributions to mission accomplishment. The Department's work force mirrors the diversity in the labor force, and an environment exists where individuals are respected and free from discrimination. The need for leadership and technical expertise is anticipated and met through planned training, education, and career development programs. The labor-management relationship is characterized by cooperation. A public service career with DoD is a well regarded profession, resulting in highly qualified, well-trained, motivated, and productive employees.

GOAL # 1. To attract, develop, and retain a quality work force, the Department will implement innovative programs which lead to a supportive work environment.

OBJECTIVES

1. By the beginning of FY-95, productive methods of marketing DoD to attract highly qualified candidates have been created and implemented.
2. By the end of FY-96, through the use of a total compensation package, the ability to attract and retain quality employees has continued to improve. Evidence of this success is demonstrated by reduced time to fill and lower loss rates in the succeeding five year period.
3. By FY-94, a DoD-wide program has been implemented which enables valid measurement of employee and organizational performance.
4. Beginning in FY-95, effective and innovative incentive awards systems that preserve maximum flexibility to managers in policy setting and administration have been developed and implemented.
5. By FY-97, the quality of work life has been improved to enhance the attractiveness of employment with the DoD.
6. Starting in FY-92, the Department has begun a coordinated effort to provide comprehensive, cost effective, and timely training and development programs to meet an increasing need for leadership and technical expertise.

7. By the beginning of FY-95, work force adjustments required by mission, budget, or structural changes are accomplished with minimal disruption.

GOAL # 2. Management of Diversity, which focuses on the proactive management of a diverse work force and which envisions an environment where all individuals have the opportunity to reach their full potential, will evolve from the programs that traditionally encompass Equal Employment Opportunity and Affirmative Employment.

OBJECTIVES

1. From FY-91 through FY-2000, DoD will develop and implement programs that achieve a work force that embodies the total concept of diversity.
2. By FY-92, DoD will begin implementation of the Management of Diversity Program.
3. By FY 2000, Managing Diversity will be an integral part of CHRM at all levels.

STRATEGY

Statutory Changes:

Many of the innovative approaches needed to attract, retain, train, and develop the work force are inhibited or prohibited by current statute and external regulation. The overall strategy should be to obtain legislative and regulatory changes which will enable the management of human resources consistent with the best of industry models. This approach is also needed to fully realize Vision Element 3, Policies and Practices.

The DASD (CPP&EO), in close association with DoD Components, should aggressively pursue legislation which would provide a broader, more flexible framework for managing the Department's human resources with emphasis on simplification, delegation of authority, and increased effectiveness of CHRM business practices.

Ideally, this would mean the creation of a new civil service title to establish a unique human resources management system for DoD appropriated fund employees. The legislation would contain no more than the bare minimum necessary to define the employee-employer relationship and include only the most basic entitlements and obligations. Statutory controls on compensation, performance management, appointment, and promotion would be eliminated to the maximum extent possible. Creation of a new title of the U.S.C., applicable only to DoD employees, represents the ideal. It has the distinct advantage of allowing construction of a civilian human resources management system tailor-made to the needs of the Department. While this

approach would require a greater investment of time and effort, it is expected to produce the CHRM system most likely to lead to full realization of the vision.

Expansion of Title 10 coverage to all appropriated fund employees has the advantage of using an existing framework of personnel rules which embodies many of the flexibilities sought. In addition, it has already been implemented as the statutory basis for DoD intelligence employees. Adoption of this existing system, while providing broader flexibility, would still leave the Department with more statutory controls on the personnel system than are desirable. This approach would also require a great investment of time and effort, but may prove more workable than pursuit of a new title.

On a practical level, the Department may have to settle for changes in Title 5, which covers the majority of employees. Revision of Title 5 U.S.C. is potentially less controversial since it represents change to an existing system. The disadvantages to this approach are that any changes made would apply to all Federal agencies covered by Title 5 and result in a "patchwork" system which would reflect compromises brought about by the competing views of other Executive Branch Departments.

The Department, through the DASD (CPP&EO) should seek the support of the administrative oversight agencies to achieve appropriate legislative action to gain flexibilities needed. Recommended actions are:

- Eliminate or revise statutory performance management systems.
- Establish a cafeteria style approach to benefits plans.
- Implement a broad-based classification system, e.g., grade banding and series consolidation.
- Establish a more flexible compensation system with such features as pay banding.
- Authorize payment for degrees.
- A "G.I. Bill" approach to provide a cash sum for formal education after a specified period of Federal civilian service.
- Establish a "Professional & Administrative Corps" for members of the civilian work force occupying positions which are "officer equivalent". The corps would have features similar to the officer corps such as rank-in-person, command positions, mobility, use of exchanges, and medical care.
- Expand Morale, Welfare, and Recreation programs for civilian employees.

- Eliminate multiple avenues of redress through a more unified dispute resolution system.
- Permanently eliminate the 180-day waiting period for retired military.
- Greater flexibility in the use of incentive or performance awards for groups and individuals.

External Regulatory Changes:

It is difficult at best to maintain Congressional focus on a civil service reform legislative package. Historically, major changes are won only once a decade. In the interim, there is much that can be done to achieve greater flexibilities in the existing system through changes in the umbrella of regulations created by external oversight agencies. Some management flexibilities are allowed by sections of the U.S. Code but are retained by various oversight agencies, such as OPM, DOL, EEOC, FLRA, etc. The Department, acting through the DASD (CPP&EO), should take action to obtain more flexibility through delegation and deregulation of authorities to support innovative CHRM programs. Actions to be taken include:

- Obtain direct hire authority for all occupations and grade levels.
- Simplify application forms and methods for submission.
- Simplify qualification requirements.
- Remove time-in-grade restrictions.
- Revise FECA rules to allow agencies to more effectively manage costs.

Internal Changes:

In the near term, the Department and its Components should make maximum use of flexibilities which currently exist under external regulatory controls and various titles of the U.S. Code. Among the actions which may be taken to maximize effective attraction, retention, training, and development efforts are:

- Implement programs to increase representation of women and minorities at the GS/GM-13 through SES levels, e.g., temporary developmental assignments.
- Expand the use of alternative assessment procedures for rating applicants.
- Expand the use of alternative work scheduling and flexible work place.

- Delegate classification authority to the lowest practical line management level.
- Provide centers to accommodate needs for family member care during work hours.
- Implement DOD-wide career programs.
- Expand the use of computer-based training and self-study courses that can be taken at the work site.
- Implement a proactive outplacement program.

One mechanism to accomplish these actions would be to establish working level groups at the OSD level to develop and refine the proposed changes. Such groups would be comprised of representatives from the Components jointly working to achieve the desired objectives through a unified DoD approach.