

Department of Defense

Civilian Human Resources
Strategic Plan

Annex C



FY 2003 Annual Report

Office of the Under Secretary of Defense
(Personnel and Readiness)

FOREWARD

This report summarizes the Department's achievement in meeting DoD Civilian Human Resources (HR) Strategic Plan objectives for fiscal year (FY) 2003. Progress is based on the completion of specific performance measures that are aligned with these strategic objectives. DoD completed 43 of the 44 FY 2003 measures (including three carryover items from FY 2002), with a 98 percent completion rate.

ACCOMPLISHMENTS

FY 2003 accomplishments are depicted as they correspond to each of the seven goals identified in the DoD Civilian HR Strategic Plan:

GOAL 1: Promote focused, well-funded recruiting to hire the best talent available.

This goal includes the strategy to hire the best talent available by marketing DoD as a premier employer in the Federal government. One of the main objectives in this process is the development of a program to determine the marketing needs of DoD. Nine performance indicators validate this goal and nine are complete as of the end of FY 2003.

1. Conduct a study of all aspects of recruiting interns.

At a time when the Department must compete with other agencies and the private sector for critical skills it is dealing with skill imbalances in many areas caused by a decade of downsizing and restructuring. The Department is embracing a strategy of developing a “world-class intern program” to attract and retain recent college graduates. At the request of DoD, the RAND Corporation researched and issued a report highlighting a number of premier intern programs in the private sector and other Federal agencies. The report provided an evaluation of the strengths and weaknesses of existing DoD intern programs, along with recommendations for expanded use of intern programs in DoD and development of a future program evaluation capability. The report serves as a valuable source document for future strategic plan initiatives.

2. Review recruiting programs to determine marketing needs.

The Department continues to pursue initiatives for marketing DoD as an “employer of choice.” In order for the government to become the “employer of choice” in the talent war, it must become the recruiter of first approach. Public opinion surveys indicate that students do not always consider government employment upon graduation, even though graduates surveyed still believe that working for the government is part of a public service career.

A number of diverse recruiting efforts are underway that will facilitate the Department becoming an “employer of choice.” Marketing efforts included advertising in diversity magazines such as Job Choices Diversity Edition 2004; participating in numerous diversity conferences/events (e.g., Hispanic Association for Colleges and Universities Conference, IMAGE, Federal Asian Pacific American Council Conference, World Congress & Exposition for Disabilities, American Indian

Science and Engineering Society Conference, National Disability Employment Awareness Program, Mexican American Engineers and Scientists Conference, Career Expo for People with Disabilities); developed partnership with Gallaudet University to hire students with disabilities into a Human Resources Student Career Experience Program; developed Civilians Working for National Defense video; initiated Recruitment on Campus Program; created new marketing materials including a civilian employment information tri-fold, DoD Recruiters Contact Information brochure and promotional items; partnered with other DoD agencies at special events such as the National Career Services Conference and the National Association of Colleges and Employers Conference; established toll-free 1-888-DOD4USA telephone number for immediate assistance from a career advisor; installed TTY phone line for the hearing impaired; and created an innovative employment information website.

Support for a corporate approach to marketing and recruiting has gained momentum across DoD. This corporate approach is breaking new ground in terms of facilitating cooperative recruiting efforts among DoD Components, achieving economies of scale, and a professional corporate branding. Marketing achievements now include campus visits by Senior Executives and Flag Officers, personal counseling to citizens seeking employment advice and assistance, and new communication tools described below. The Department continues to pursue contemporary methods for this purpose.

3. Establish requirements for marketing program.

Civilian Personnel Management Service (CPMS), with contractor support, established a marketing strategy aimed toward college students and graduates, along with the general population, to meet a DoD need to hire new employees around the country and the world. Immediate marketing targets (i.e., diversity, disability, college students, etc.) were identified and appropriate communication tools (e.g., a dedicated website) needed to target these audiences and deliver the DoD recruitment message were deployed. The initial products identified were: a Recruitment on Campus (ROC) tri-fold handout/self-mailer; a recruit centric website; a portfolio and brochure to address the overall program requirements; and a comprehensive information sheet providing contact information for all DoD Components. The portfolio serves as an advertising binder for a variety of corporate and Component handout materials. The materials included in this portfolio are tailored to the audience. Depending on the audience, it might include a welcome letter, an informational compact disk (CD), and website and contact information. The Department now has available to the Components a business card size marketing CD for recruiting. The CD is designed to capture the attention of the audience by depicting the DoD as “an employer of choice” through an audio and visual presentation of real people working in real jobs accomplishing DoD’s mission.

An essential element in marketing product development was the input received from the DoD Recruitment Working Group. The working group includes representatives from the Components who were instrumental in developing a unique marketing tool or “branding” for the Department. This approach marks the first unified effort of its kind in DoD. The products developed out of this cooperative effort are in use today for ROC visits.

4. Implement authorities for demonstrations in science and technology laboratories (STRL).

The Department put into operation eight separate and distinct science and technology reinvention laboratory (STRL) demonstration projects covering approximately 25,000 employees between March 1997 and May 2002. While the initiatives used in the operation of the demonstration projects enhanced flexibility and were helpful, they resulted in costly fragmentation of DoD’s civilian HR management authorities. In the final analysis, the demonstration projects highlight the need for a corporate system of human resources management that provides high performing DoD employees with competitive pay and a challenging workplace.

In March 2002, the Under Secretary of Defense (Personnel and Readiness) directed the establishment of the DoD Human Resources Best Practices Task Force to address the need for a corporate approach. The task force consisted of representatives from the DoD and Component civilian HR and functional communities including representatives from the laboratory and acquisition communities. The group’s charter was to compile the most promising human resources practices in demonstration and alternative personnel systems throughout Government.

The *Best Practices* system design was reviewed, revised, and approved during the first week of December 2002 by senior HR and functional executives. This endeavor culminated in the publication of a Federal Register Notice on April 2, 2003. The Federal Register proposed the revision (by amendment) of existing personnel demonstration projects to comply with best practices as identified by the task force and revised and approved by senior leadership.

5. Establish a Defense Applicant Assistance Office (DAAO).

The Department launched the Defense Applicant Assistance Office (DAAO) in January 2003 to serve as a catalyst to educate job seekers about finding and applying for DoD jobs, along with enumerating the many benefits of public sector employment. The DAAO established a dedicated staff to personally attend to the needs of the public and continue to develop and expand the program created to market employment in DoD. Applicants interested in working to support national defense can communicate with the DAAO by calling a toll-free number (1-888-DoD-

4USA)/TTY number (703-696-5436) or accessing the dedicated website at www.Go-Defense.com

6. Conduct a comprehensive review of DoD Police Officer staffing levels for special rates evaluation.

In anticipation of DoD police officer recruitment and retention issues, the Department completed a comprehensive review of related pay schedules and forwarded a special salary schedule request to the Office of Personnel Management (OPM) in January 2003. OPM approved and implemented the special rates in April 2003. The Military Departments continue to identify specific locations that are experiencing staffing difficulties in this career field, especially those suffering due to the call-up of military reserve forces. The Department continues to review and evaluate residual Component special rate requests.

7. Implement field-testing of RESUMIX automated applicant qualifications software compatibility with the DoD Priority Placement Program (PPP).

The DoD Civilian Assistance and Re-Employment (CARE) Division, in conjunction with the Department of the Army, began conducting a test using RESUMIX functionality (automated staffing tool) to determine qualifications of PPP registrants. The test compares RESUMIX qualification determinations with PPP automated matching results to assess RESUMIX effectiveness for PPP purposes. The test will also assess the usefulness and accuracy of option codes as a basis for a consolidated DoD-wide “grammar” versus RESUMIX skills identification. The metrics used to evaluate the process include:

- Affect on Referral/Consideration of Registrants (at the six-month mark begin data collection to measure the number and effect for referral/non-referral of RESUMIX qualification decisions versus PPP system results);
- Timeline Difference in Processing (determine the time difference from the point a match is made to placement of an employee in the position by using the RESUMIX search process versus the PPP process);
- Timeliness (measure the increase or decrease in time relevant to the use of Automated Stopper and Referral System skills registration process against the use of the RESUMIX resume);
- Skills “Grammar” Determination Basis (determine feasibility of using PPP option codes as the basis for establishing a DoD grammar for matching and referral rather than the current RESUMIX skills basis); and

- Test Qualifications Decisions using RESUMIX (using the PPP concept of “well-qualified” to determine validity of RESUMIX skills referrals versus PPP matches/referrals).

8. Implement the automated Reemployment Priority List (RPL) within DoD.

The RPL, an OPM mandated referral and placement program for displaced employees and those recovering from compensable injuries, was previously administered manually by DoD field activities at the local level. The process was automated to improve RPL administration, management, and oversight. Field-testing of the system and its operating procedures were completed at selected DoD installations in San Antonio, Texas. The RPL worldwide operating capability was implemented in September 2003.

9. Serve on the OPM staffing barriers study team.

The Department continues to stay attuned and influence government-wide initiatives by serving on various study groups, including the current OPM Staffing Barriers Focus Groups. The OPM Staffing Barriers Focus Groups comprised of various Federal agencies (e.g., Labor, Treasury, NASA, Justice, and DoD), met twice during calendar year 2003 to discuss: (1) Career Transition Assistance Plan, (2) Interagency Career Transition Assistance Plan, and (3) Reemployment Priority List. At the last meeting in November 2003, this focus group developed, debated, and presented recommendations on these three government-wide programs. OPM plans to reconvene the focus group in FY 2004.

GOAL 2: Provide a Human Resources System that ensures the readiness of tomorrow’s integrated force structure.

This goal includes the strategy to develop a responsible and flexible personnel system that permits management to maintain a mission-ready workforce. One of the main objectives in this process is the identification of policies that are troublesome or add no value. Thirteen performance indicators validate this goal and 12 are complete as of the end of FY 2003.

1. Draft and submit legislative proposal language for Unified Legislation and Budgeting FY04.

The National Security Personnel System (NSPS) legislation, introduced in April 2003, proposed the transformation of the Department from an industrial age organization into one postured for the information age of the 21st century. Anticipated benefits of NSPS include alignment of the HR system with mission objectives, agility to respond to new business and strategic needs, and simplification of administrative processes.

At the time of this report, Congress has voted to include this legislation as part of the National Defense Authorization Act (NDAA) for FY 2004.

2. Identify policies that are cumbersome or add little or no value to the product.

DoD continues to scrutinize its HR business methods. Notwithstanding the bold proposals in the NSPS legislative initiative, CPMS carefully reviewed existing policies to identify those that are burdensome or add no value. This review yielded further authority delegations and policy revisions. It also stimulated legislative initiatives in areas that included pay administration, recruitment and relocation bonuses, retention allowances, supervisory differentials, leave, awards, and separation incentives. As an example: decision authority for payment of monetary awards of \$25,000 or less and force shaping early retirements and buyouts were delegated to the Military Departments and Defense agencies.

3. Implement expanded Voluntary Separation Incentive Pay authority for workforce restructuring.

The Deputy Under Secretary of Defense for Civilian Personnel Policy (DUSD(CPP)) issued implementing guidance on August 30, 2002, authorizing "Special Workforce Restructuring Buyout Authority-Fiscal Year 2003." The NDAA for Fiscal Year (FY) 2002, Public Law 107-107, Title XI, Subtitle D, Section 1133, allowed the Department to continue offering special workforce restructuring buyouts during FY 2002 and FY 2003. The law limited the use, however, to not more than 2,000 employees in FY 2002 and 6,000 employees in FY 2003. Over 4,000 shaping buyouts were executed during FY 2003.

4. Evaluate demonstration projects and policies.

The Department worked throughout the year to identify the most promising personnel management features within the laboratory and acquisition communities and across the Federal government. This effort involved action officers and executives representing the major DoD organizations and occupational groups. The April 2, 2003, Federal Register notice proposed *Best Practices* in the laboratories as a forerunner to the pending NSPS legislation. Personnel demonstration project *Best Practices* will enable all Defense Components that currently have demonstration project or alternative personnel system authority to provide increased management flexibilities as envisioned in the President's Goals.

5. Identify desirable aspects of demonstration projects.

In January 2003, OPM published its 2002 Summative Evaluation of the Department's science and technology reinvention laboratory (STRL) demonstration projects. Additionally, in July 2003, the acquisition demonstration project program office submitted its draft *Interim Evaluation Report* to OPM for review and approval. These evaluations paralleled the departmental effort to assess best practices in demonstration and alternative personnel systems Government-wide. Based on these assessments, systemic changes to existing DoD demonstrations are planned to implement *Best Practices* in the areas of pay banding, classification, hiring and appointment, pay-for-performance, sabbatical authority, volunteer service, and reduction-in-force procedures. *Best Practices* will simplify personnel processes and practices, attract candidates for employment, improve managers' ability to hire and select candidates, and compensate current employees based on their performance.

5. Develop "close-out" procedure for existing demonstration projects as appropriate.

The initial *Best Practices* Federal Register Notice, published on April 2, 2003, contains procedures for converting employees in existing demonstration projects into *Best Practices*. On or after the date of publication of the final Federal Register Notice of amendment, existing personnel demonstration projects may be amended to comply with *Best Practices*. Implementation strategies are ongoing. Upon full implementation, the changes in this amendment will supersede all previously published Federal Register notices that established or modified demonstration projects at one or more DoD science and technology reinvention laboratories.

7. Delegate authority to approve cash awards of up to \$25,000 from the USD(P&R) to Service Secretaries.

USD(P&R) delegated decision authority concerning monetary awards of up to \$25,000 to the Military Departments and the Defense agencies. This exemplifies an ongoing effort to streamline HR processes that facilitate managerial decisions to support achievement of mission goals.

8. Revise Civilian Personnel Manual (CPM) chapters for Defense Intelligence Service (DIS) consistent with Best Practices results.

Best Practice methodologies were incorporated into the revised Defense Intelligence Service CPM chapters for use throughout the Department's Intelligence community. The Department continues to pursue initiatives that transform civilian personnel policies into flexible business-like processes. These revisions are being incorporated into final intelligence community policies.

9. Report on the assessment of the existing Civilian Personnel Demonstration Authorities.

The House Report 107-772, NDAA for FY 2003, directed the Secretary of Defense to review the human resources strategic plan and the existing civilian personnel demonstration authorities and recommend any legislative changes necessary to effectively and efficiently manage the civilian employees of the DoD. The Department furnished the report entitled, "The Department of Defense Assessment of the Existing Civilian Personnel Demonstration Authorities," to Members of Congress on August 18, 2003. The report contained the following information:

- Discussion of the personnel demonstration projects, including demographic information, intervention/initiatives, and preliminary findings.
- Discussion of DoD's review of the most promising practices tested in the personnel demonstration projects and other alternative personnel systems.
- Explanation of a corporate strategy for embedding the most promising practices into DoD personnel demonstration projects.
- Identification of recommendations to facilitate the management of an effective DoD civilian workforce.

Overall, the report concludes that the Department's tested innovations and experimentations have demonstrated that a more agile and collaborative system of human resources management can provide greater opportunity for employees and more flexibility for managers. The Department recommended that the next step be to fold these innovative pieces into a more joint, agile, and expanded plan of civilian human resources management. The current fragmentation of the civilian human resources program is costly in terms of strategic focus, corporate awareness of personnel challenges, competitive recruitment, timely retention, departmental mobility, automation requirements, administrative support, and manpower management. These findings were fundamental to the concomitant effort to develop and implement the NSPS.

10. Conduct pilot programs to improve EEO complaints process.

Section 1111 of the Floyd D. Spence NDAA for FY 2001 provided guidance to implement DoD pilot programs to re-engineer the EEO complaint process to improve timeliness and efficiency. These pilot programs are not subject to procedural requirements of section 1614 of Title 29 of the Code of Federal Regulations or other regulations, directives, or regulatory restrictions prescribed by the Equal Employment Opportunity Commission (EEOC). The NDAA authorized two Military Departments and one civilian department within DoD to develop three-year pilot programs.

The pilot programs are geared to the development of innovative and efficient means to streamline the administrative process and reduce the time for processing complaints. The NDAA requires the pilots to: reduce processing time and eliminate redundancy; reinforce chain-of-command accountability; and promote early resolutions. Civilian employee participation is voluntary and complainants retain their right to appeal to EEOC and to file suit. Implementation of the pilot programs is pending final Departmental approval.

11. Review current automated systems and how they may be improved.

Personnel and Readiness staff members presented Human Capital initiatives during the DoD enterprise-wide Business Management Modernization Program (BMMP) review and architecture development effort. This effort provided civilian HR data model elements and best practices for consideration as part of the Business Enterprise Architecture (BEA). As the BEA effort matures, the current civilian HR automated system will provide a successful platform for future deliberation and system integration. System requirements, functional descriptions, and the Integration Definition (IDEF) modeling for the Defense Civilian Personnel Data System (DCPDS) were sent to the BMMP management team for use in building the IDEF model for the associated BEA. The BEA, completed in April 2003, was developed consistent with DCPDS. As the DoD civilian human resources solution, DCPDS is included in the BEA systems inventory and the BMMP Transition Plan objectives and targets are consistent with civilian human resources strategic planning.

12. Enhance access to the Defense Civilian Personnel Data System (DCPDS) by upgrading to vendor's web-enabled Commercial Off-the-Shelf (COTS) product.

The Department successfully replaced the existing mainframe-based HR system with an open architecture information system supported by a multi-tiered database structure in September 2002. The DCPDS, originally based on the Oracle Federal HR COTS product, version 10.7 Smart Client (client-server) was upgraded to the latest release of the application software, version 11i in August 2003. Version 11i is the web-based version of the product. This new version enhances functionality and access by web-enabling the Department's information and transactional processes. (DCPDS, the enterprise HR system, maintains records and processes transactions on over 800,000 employee records.)

The DCPDS Oracle 11i software upgrade accomplishes the following: maintains DCPDS currency with the COTS product; ensures continued maintenance support from the software vendor (after July 2003, Oracle will no longer use the 10.7 version); and leverages technology and functionality enhancements and improvements delivered in the new version.

GOAL 3: Promote and sustain civilian workforce that is as richly diverse as America itself.

As a part of the FY 2003 strategy, the Department continued efforts to focus recruitment on minority candidates. The strategy includes promoting and sustaining a diverse effective workforce that is as richly diverse as America itself. The following FY 2003 initiatives focused on outreach programs and new recruitment initiatives of minorities and people with disabilities. Four performance indicators support this goal and four are complete as of the end of FY 2003.

1. Publish memorandum to DoD HR community identifying and encouraging participation in Hispanic recruiting fairs.

To meet this objective, the Department initiated actions to increase the participation of Hispanic senior military members and DoD civilian employees during college recruiting fairs and scheduled Hispanic Associations Colleges and Universities (HACU) for college campus recruiting visits. The Department enhanced its partnership and cooperation with Hispanic organizations to promote the employment of qualified individuals.

2. Meet FY 2003 goals for employment of persons with disabilities.

As the Department has downsized and restructured, managers continue to select employees with disabilities at the average rate of five percent of all new hires. A target of 100,000 new employees with disabilities was established for all Federal agencies, with the Department's goal set at 32,000 new hires by FY 2005. The Department divided the five-year goal into five annual targets.

The FY 2003 target was 6,682 and the Department continued to exceed its accession goal for hiring persons with disabilities. By the third quarter of FY 2003, the Department exceeded its overall cumulative goal for hiring (15,576) by 1,259 new hiring actions.

3. Incorporate Hispanics Association of Colleges and Universities (HACU) and Historically Black Colleges and Universities (HBCU) for Recruitment on Campus (ROC) visits.

The DAAO has incorporated these diversity areas into its ROC visits and conference schedule. Conferences included in the schedule are the annual National Image, Inc. Training Conference, a Hispanic organization with a mission to positively impact the employment of Hispanic Americans and the White House Initiative conference held at a HBCU. The DAAO continues to work with these organizations to showcase DoD

careers. Letters to career services personnel identifying potential DoD career opportunities were sent to all colleges in the DAAO college database, which included HACUs and HBCUs.

4. Incorporate targeted recruiting for persons with disabilities in Recruitment on Campus program.

The DAAO targets colleges and universities having a significant pool of students with disabilities for inclusion in the ROC program and other applicant assistance efforts. One of the responsibilities of the DAAO is to form cooperative partnerships with colleges and universities through marketing and recruitment activities. The DAAO communicated with over 250 college and university placement officers informing them of the DAAO charter and calling for cooperative partnerships with DoD in marketing and recruitment activities, with an emphasis on students with disabilities. As DoD strives to increase its hiring of new employees with disabilities, managers and supervisors are asked to increase their focus on training, mentoring, and career development of persons with disabilities throughout the total workforce. The success of this effort will be measured on the basis of partnerships established, applications received, and new employees hired.

GOAL 4: Invest in human capital to improve effectiveness of the workforce.

Through the development and implementation of the 2002 - 2008 DoD Civilian HR Strategic Plan, the Department embraced this human capital assessment and accountability framework to guide the Department toward achieving its objectives and has instituted a performance management system that will efficiently fund and effectively measures our human capital investment. The strategy for this goal is to evaluate HR programs and systems and sufficiently fund HR initiatives. Three performance indicators validate this goal and three were completed during FY 2003.

1. Publish resource strategy to Component human resources leadership that integrates HR initiatives with the DoD Program Objective Memorandum (POM) cycle.

The integration of civilian human resources initiatives with the DoD Program Objective Memorandum (POM) cycle was scheduled for completion in FY 2003. The Under Secretary of Defense (Comptroller) changed the POM cycle guidance through Management Initiative Decision (MID) 913, which now requires a two-year program and budget cycle (vice previous one-year). MID 913 proposes to use the off year to focus on program performance and execution. The Department has published a new planning and decision-making strategy that fully integrates HR Strategic Plan outcomes and funding. This integration will facilitate the new multi-year Department program, planning, budgeting, and execution process as well as the legislative planning, development, and programming process. In January 2004, the Department

will convene the first HR strategic planning meeting using the new strategy. It will consider HR Strategic Plan initiatives for the FY 2006 - 2011 program, FY 2005 budget execution implications for the HR Strategic Plan, as well legislative initiatives for FY 2006 and 2007.

2. Develop measures of human resources success.

Standard performance measures and data collection methods are critical for measuring the effectiveness and efficiency of the Department's products and service delivery. Performance measures are also needed to support HR resource requirements for future strategic planning and program assessment. During FY 2003, the Department developed HR performance measures linked to the OPM Human Capital Standards for Success, the OMB Scorecard, and the DoD Civilian HR Strategic Plan. These measures are benchmarked to those of the Fortune 500 companies and include Time to Fill, Employee Satisfaction with DoD Employment, Diversity in Management Positions, Skill Gaps, New Hire Turnover Rates, and HR Cost Ratios.

3. Publish guidance on the Defense Human Resources Planning Board operating rules to integrate program decisions and Defense Planning Guidance.

The Department chartered the Defense Human Resources Board to address specific issues that require senior leader intervention and attention regarding military and civilian human resources issues. Board recommendations will enable HR programs to better support the President's Management Agenda for the strategic management of human capital, expedite decisions, and result in action plans. The first board meeting was held in July 2003.

GOAL 5: Provide management systems and tools that support total force planning and informed decision-making.

The Department identified four performance indicators to validate this goal and four are complete as of the end of FY 2003

1. Obtain and analyze data users' needs for workforce planning analytical tools.

CPMS tested and continues to evaluate sophisticated workforce modeling systems capable of providing Component and Department-wide projections based on five years of employment history for its civilian workforce. The Civilian Forecasting (CIVFORS)/Workforce Analysis Support System (WASS) is undergoing substantial data updates and the OPM equivalent system (Enterprise HR Integration) is experiencing some security issues. Assessment is ongoing.

2. Serve on DoD enterprise-wide Business Management Modernization Program (BMMP) team.

Personnel and Readiness staff members presented Human Capital initiatives during the DoD enterprise-wide BMMP review and architecture development effort. This effort provided civilian HR data model elements and best practices for consideration as part of the Business Enterprise Architecture (BEA). In response to a call for BEA initiatives, CPMS proposed a payroll pilot for integrating HR functionality with a payroll module. That proposal was not adopted.

3. Provide civilian human resources data model elements and best practices for the Business Enterprise Architecture (BEA).

As the BEA effort matures, the current civilian HR automated system will provide a successful platform for future consideration and system integration. System requirements, functional descriptions, and the Integration Definition (IDEF) modeling for DCPDS were sent to the BMMP management team for use in building the IDEF model for the associated Business Enterprise Architecture (BEA). The BEA, completed in April 2003, was developed consistent with DCPDS since DCPDS is recognized as the civilian human resources solution for implementation of the “To Be” architecture, and included in the BEA systems inventory. Because of this effort, the BMMP Transition Plan includes objectives and targets consistent with civilian human resources strategic planning.

4. Extend DoD Authority to make lump-sum severance payments.

As part of the restructuring program, the option for displaced employees to receive severance pay in lump sum in lieu of bi-weekly payments was extended. The Lump-Sum Severance Pay Payment option authority was set to expire September 30, 2003; the NDAA for FY 2003 extended this authority through September 30, 2006. The Department strongly supports assisting displaced employees with personal financial options, including the option of receiving severance pay in lump sum or bi-weekly payments, and is convinced that such efforts support appropriate restructuring actions. The DUSD(CPP) distributed the authority for the extension to the DoD Components by memorandum dated June 20, 2003.

GOAL 6: Focus the HR Community on the needs of its customers.

The DoD HR Strategic Plan describes performance indicators that attune products, policies and programs to customer needs, which includes delegation of authority, as appropriate. Five performance indicators validate this goal and five are complete or closed as of the end of FY 2003.

1. Develop and implement a customer feedback program.

A survey designed by professional researchers (i.e., psychometricians, statisticians, etc.) was used to compare and measure discrete characteristics of categories, functions, activities, and services. The sampling frame and representative samples included the categories served, products and services provided, feedback mechanisms available, and levels of satisfaction report. A Civilian Status of Forces Survey is currently being conducted. USD(P&R) will administer the survey three times a year to assess DoD civilian employee feedback, which includes customer satisfaction levels.

2. Analyze the OPM workforce survey.

The OPM Government Wide Survey, administered to over 80,000 DoD employees, began in June 2002. The survey elicited employee views on how well the Department manages the workforce. In September 2002, DoD contracted with RAND Corporation to perform the analysis of the survey results. In July 2003, OPM released part of the raw data from the survey. The data OPM released omitted some key demographic data RAND needed for analysis. In August 2003, USD(P&R) sent a letter to OPM requesting additional demographic information for this purpose. Alternative assessment methodologies are being considered. In the future, it is anticipated that the USD(P&R) survey process referenced above will be used and refined to more clearly reflect pertinent DoD workforce information.

3. Develop draft “Civilian Personnel Management Guide for Management Officials During Contingencies and Emergencies.”

DoD’s involvement in contingencies and emergencies has increased and changed significantly in recent years. The Department’s role in support of humanitarian missions and disaster relief has grown. These changes require a much greater commitment of both military personnel and civilian employees. The ultimate success of DoD’s mission accomplishment in contingencies and emergencies rests with local management officials, from base commanders through senior- and mid-level managers to first line supervisors.

A draft detailed guide outlining, for management, the roles and responsibilities necessary to support the DoD civilian employee during contingencies and emergencies was developed and coordinated with the Components in the first quarter of FY 2003.

4. Publish “Civilian Personnel Management Guide for Management Officials During Contingencies and Emergencies.”

DoD's involvement in contingencies and emergencies has grown in recent years. The increase in the number and severity of acts of terrorism has required a much greater commitment of both military personnel and civilian employees. The ultimate success of DoD's mission accomplishment in contingencies and emergencies rests with local management officials. The "Civilian Personnel Management Guide for Management Officials During Contingencies and Emergencies" was published and disseminated in March 2003. This guide is designed to assist officials in exercising their authorities, fulfilling their responsibilities, and carrying out their management functions during contingencies and emergencies. It addresses a number of human resources management areas to which special provisions apply during such situations, citing pertinent references, and providing summaries or the special provisions.

5. Develop plan to establish the Department of Defense HR Training Consortium.

The human capital crisis coupled with emerging HR competency requirements will strain the Department's ability to shape its future. Professional HR training is a critical tool to smooth the progress of transformation in DoD to a more agile workforce, along with a more results and outcome-oriented organization. For this purpose, the Department developed a plan to launch a DoD Training Consortium to rebuild and reshape HR capital. The DoD HR Training Consortium is a strategy to enable DoD to achieve its mission and strategic goals by ensuring the highest level of achievement in supporting all DoD employees. Component collaboration will ensure a corporate approach to HR professional development and facilitate succession planning within and across the DoD employment spectrum. The plan is currently under Departmental review.

GOAL 7: Promote Quality of Work Life as an integral part of daily operations.

The DoD HR Strategic Plan describes performance indicators that promote maximum use of policy and programs that improve the working environment (e.g., flexible work schedules, teleworking, job sharing, child care and elder care), and participation in efforts to facilitate a quality work environment (e.g., safety, health, and facilities). Five performance indicators validate this goal and five are complete as of the end of FY 2003.

1. Review telework policies as a transformational tool.

The telework policy mandates increased participation so that by the end of FY 2004, 100 percent of employees deemed eligible to participate are offered the opportunity to do so. A thorough review of DoD Component telework policies and procedures identified policies with features that could be used by all Components to meet this goal effectively. Seventeen Component policies were assessed; and each Component who submitted a policy received a copy of the review by memorandum dated July 9, 2003. The conclusions and recommendations of this review serve as a model for the

entire Department. A managed approach to the DoD telework policy will pay strategic dividends as the Department develops and redesigns the facility requirements, recruits the workforce of the 21st Century, accommodates a more diverse workforce, and uses such policies to increase the flexibility and agility of that workforce.

2. Extend Federal Employee Health Benefits Program eligibility.

The authority for the government to pay its share of the Federal Employees Health Benefit premium (for up to 18 months) after an employee has been involuntarily separated was implemented by memorandum dated June 1, 1993, and scheduled to expire September 30, 2003. Section 1103 of NDAA (Public Law 107-314) extends the authority to October 1, 2006, or to February 1, 2007, if a specific reduction in force notice was issued before October 1, 2006. The DUSD(CPP) signed a memorandum on April 21, 2003, extending coverage to employees who are involuntary separated.

3. Evaluate recommendations of the Quality Occupational Environment Working Group (QOEWG) and implement when feasible.

The objective of the QOEWG is to initiate model programs and establish uniform procedures in the civilian HR arena. The composition of the QOEWG includes Component representatives from HR, Safety and Occupational Health whose purpose is two-fold:

- Provide a DoD Corporate-level forum where issues affecting the Federal Employees' Compensation Act (FECA) can be raised; and
- Identify where information on best practices and suggestions for improvement can be shared across the DoD Components and functional areas of responsibility.

The QOEWG unanimously agreed to support an initiative to mandate Department-wide use of the Defense Injury and Unemployment Compensation System (DIUCS) and use of the Electronic Data Interchange (EDI) when filing FECA claims. The universal use of DIUCS provides management throughout DoD with a consistent, reliable, and standard method to evaluate costs and target improvement areas in the DoD Injury Compensation Program. EDI improves service to injured workers by expediting the handling of compensation claims and significantly reduces program errors.

5. Seek to establish a Defense-wide standard for exposure to asbestos.

Until now, the Federal government only had an asbestos exposure standard for white-collar employees. No such standard existed for blue-collar employees. As a result, exposure claims are being pursued in varied circumstances since many of these exposure circumstances do not reach the white-collar standard. To address the lack of an objective standard to determine Federal Wage System employee entitlement to environmental differential pay for exposure to asbestos, the Department proposed language to amend section 5343(d) of title 5, United States Code. Section 1122 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136) adopted the proposed language, amending Section 5343(c)(4) and requiring application of standards issued by the Occupational Safety and Health Administration for all determinations related to differential pay for asbestos exposure issued after November, 24, 2003, the date the law was signed.

CONCLUSION

The Department's Human Resource Strategic Plan continues to strengthen its alignment with the President's Management Agenda and with OMB and OPM goals. The DoD HR Strategic Plan goals and objectives are the foundation necessary for the Department to improve human resources management and administration and to measure success. This year's initiatives blended activity- and outcome-oriented results affecting a diverse array of HR functions and were designed for a transformational evolution of the Department's work and its workforce.

Over the next four years, the Department will continue to refine its HR strategic planning and fundamental HR decisions based on world events, technology, public-private partnerships, and on the definition and composition of the government workforce.