



# Agency Joins Other Defens Adopting new Civilian Pers

By Dick Cole, Chief, DCMA Public Affairs

**D**uring a time when national security demands a competitive and highly responsive workforce, the National Security Personnel System — NSPS — shapes a new human resource management system for Defense Department employees.

The Department of Defense began work on NSPS in 2003 and has implemented it in phases. The implementation of spiral 2.0 brought another 14,725 non-bargaining unit employees under NSPS, including 1,426 Defense Contract Management Agency employees, Mar. 16, 2008. Spiral 2.0 included 12 defense organizations, including DCMA, bringing the number of DoD employees covered by the new system to more than 184,000.

NSPS provides a new way of evaluating pay for civil service members. Under the new system, pay is no longer longevity-based but, rather, based entirely and strictly upon job performance. Under the new system, everything about the current civil service

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structure changes from the former general schedule structure to career groups, pay bands and pay schedules. “Our conversion to NSPS was nearly flawless due to the outstanding support from our NSPS staff, working group and [civilian personnel operations center] counterparts,” said Ron Crandall, DCMA’s NSPS program manager. Of the 1,426 persons transitioned to NSPS on March 16, Crandall said there were problems with only one occupied civilian position and with three vacant positions. “That’s an error rate of less than 3 percent,” he added.

Employees automatically converted to NSPS based on their permanent positions of record under the GS system. During the conversion, DCMA’s personnel experienced no loss

in pay. Many DCMA employees’ salaries increased because they were eligible for a one-time, prorated, within-grade increase for the time since their last equivalent pay increase. The assignment of employees to career groups, pay schedules and pay bands depended upon their occupations.

With positive performance and strong manager-employee communications at the forefront of all operations, the NSPS workforce is building a Defense Department of cohesion, collaboration and confidence. Organizational leaders play a vital role in this significant transformation by cascading organizational goals and objectives down to the employee level; helping employees understand job expectations;

# The Organizations in Personnel System



providing constructive feedback for improved performance; and appropriately recognizing employee performance during appraisals.

“This simple, flexible and streamlined classification system provides the flexibility to move employees across positions more freely to meet DCMA’s mission requirements and organizational goals,” said Crandall. “The preparation of detailed position descriptions isn’t necessary under NSPS. Managers and supervisors can focus their attention on leading motivated teams of workers that openly communicate about performance, seek out areas for improvement and steadily work to achieve positive results,” he continued.

NSPS compensation helps DoD organizations attract and retain results-driven employees who contribute to mission accomplishment. NSPS pay bands cover wide salary ranges with minimum and maximum rates set upon national labor market factors and conditions. The open pay ranges allow managers the flexibility to pay employees at more competitive levels. Compensation and rewards link directly to performance, providing greater opportunities

to reward employees for outstanding work.

Managers also now have the flexibility to set pay in a more flexible manner. They can move employees within a band, with the option to increase pay up to 5 percent. Upon promotion to a higher pay band, managers can set pay at a minimum of 6 percent up to as much as 20 percent.

NSPS performance management requires leaders to align pay and performance with mission accomplishment. Managers and supervisors are responsible for developing employee performance plans, which outline job objectives and contributing factors associated with positive performance.

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## What you Should Know

- The design of the performance management system emphasizes employee results that contribute to the accomplishment of DoD's mission. A major feature is the use of job objectives that focus on results.
- By relating job objectives to the mission, employees have a positive link to how their performance contributes to overall organization results. Generally, employees feel more engaged and individual performance is enhanced.
- The National Security Personnel System applies to non-bargaining unit personnel (people not eligible for union membership).

Approximately 85 percent of DCMA's workforce continues to operate under the GS system. "So, for them, there will still be individual performance plans, contributions to mission accomplishment and no change



(Photo courtesy of iStockphoto.com)

to the 5-3-1 performance evaluation system that DCMA has put in place over the past couple of years," Crandall said. "The NSPS employees have transitioned to a similar system using a full five-level rating scale that provides the best workers with the highest raises."

Mary Lacey, the NSPS program executive, said 5 percent of the 110,000 employees participating in NSPS in 2007 received 10 percent raises for superior job performance. At the other end of the scale, only 0.2 percent received no raise because their work was unacceptable.

NSPS is still a work in progress. Lacey meets regularly with senior leaders whose employees are in the new system. "Since day one, we've been listening hard. Feedback has led to enhancements, and we will continue to do what is needed to make NSPS fair, effective and better," she said.

According to Crandall, the majority of DCMA's employees entering NSPS, approximately 80 percent, are in pay band 2. Pay band 2 generally encompasses grades GS-9 to non-supervisory GS-13s. Inclusion to a specific pay band is dependent upon pay rates and present position descriptions — not GS grades.

Most challenging for DCMA was determining in which pay band the supervisory GS-14s should convert to — pay band 2 or pay band 3. "We convened a group of DCMA personnel off-site for several days of careful study of position descriptions and responsibilities to determine whether these key supervisors belonged in pay band 2 or pay band 3," said Crandall. "The group did an outstanding and difficult job of studying all of those [position descriptions] and determining the most appropriate band to place those employees." Roughly half of the agency's GS-14s are in pay band 2, and the other half are in pay band 3.

"There were some GS-14s in DCMA who converted to pay band 3 because they were subject-matter experts or project/program directors," said Crandall. Typically, these individuals had responsibilities for program development or oversight of major Office of the Secretary of Defense-level or service-level programs. "Their scope of work and responsibility was far more 'big picture' and less 'action officer type duties,'" said Crandall.

Lacey said an additional 32,000 Defense employees may transfer into NSPS late this year. 

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