

National Security Personnel System

Effective Management Tool for the Mission-centered Workforce

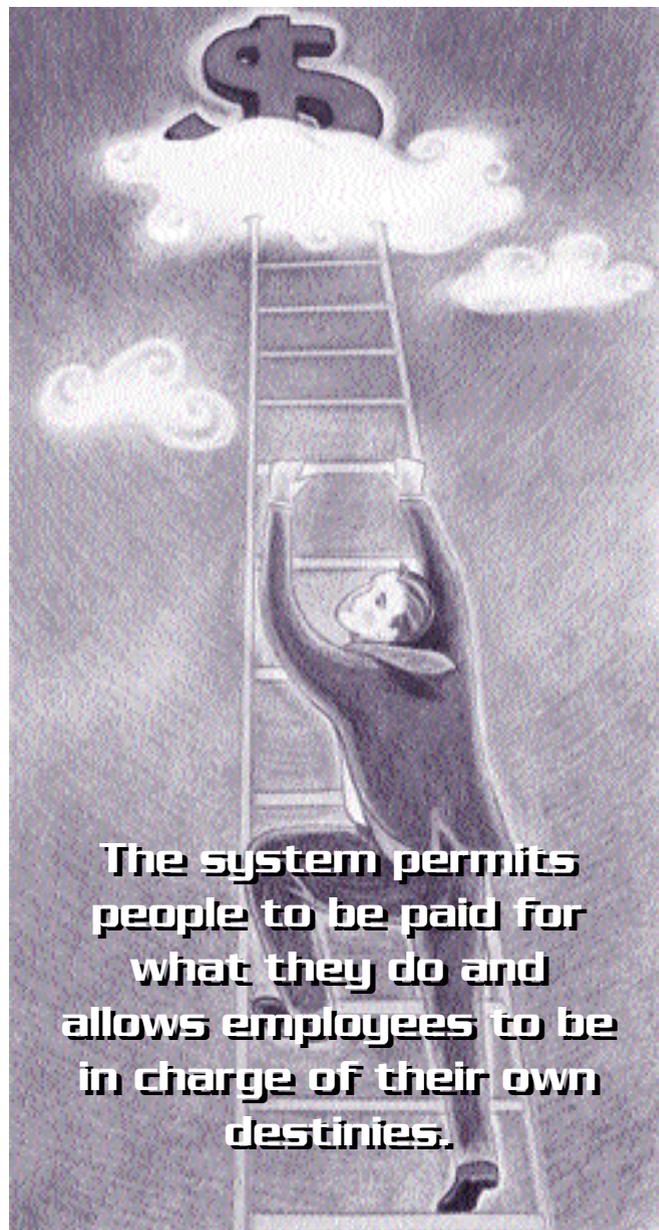
Marcia E. Richard

It is obvious from “Developing a Capable, Agile Civilian Workforce: Human Capital Strategic Planning and Management in Action” (*Defense AT&L*, May-June 2007) that senior leadership is optimistic about the progress being made in shaping and reshaping the future federal workforce and that the National Security Personnel System (NSPS) is a management tool they will be relying upon heavily to assist them in accomplishing their human capital strategic planning missions. As an acquisition professional about to begin my own conversion to NSPS, learning as much as possible about the system has become a career imperative. This article shares my findings and observations on the new personnel system with the DoD acquisition community.

The NSPS Requirements Document was approved by Gordon R. England, NSPS senior executive, on Sept. 24, 2004. The NSPS is enacted by Section 1101 of the National Defense Authorization Act for Fiscal Year 2004, Public Law 108-136 (Nov. 24, 2003), and is contained in various subsections of Section 9902 of Title 5, United States Code. According to the document, NSPS “allows the Department of Defense to establish a more flexible civilian management system that is consistent with the human capital management strategy. The system allows the Department of Defense (DoD) to be a more competitive and progressive employer at a time when the country’s national security demands a highly responsive system of civilian personnel management.”

An Outcome-focused System

Mary Lacey, program executive officer for NSPS, thinks that there are several benefits to NSPS. She points out two: It is outcome-focused, aligning people with work outcomes; and it forces the conversation between the supervisor and employee. “The system permits people to be paid for what they do and allows employees to be in charge of their own destinies,” she says. Also, because the Department has changed so much over the years and is continuing to change at a very fast pace, the ability to reclassify positions and create new occupational series, as required, provides the flexibility needed to support our



agile and evolving workforce. Under NSPS, employees are required to establish measurable goals with timelines. “Part of the power is the shared understanding of those

Richard is currently on the staff of the Assistant Secretary of the Army (Acquisition, Logistics and Technology) in the strategy and performance planning division.

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goals between supervisor and employee," says Lacey. "No secrets. Everyone knows up front what is expected of him or her, and it is all tied back to the mission of the organization." Lacey emphasizes the importance of properly understanding how to use the management tools provided under the system; and, she believes that once learned, the required expertise will come with time and practice. She understands that change can be difficult but states that senior leaders and managers own the system and must ensure that it is supported with champions throughout their organizations to help effectively institutionalize the change.

Transition Easier from AcqDemo

Meg Hogan-Roy is the human resources director at the Defense Acquisition University. She explains that as of March 2007, 230 DAU employees had received NSPS training and approximately 170 were converted to NSPS as of February 2007. One of her biggest challenges, she says, was to ensure that training was accomplished within a reasonable window. She further elaborated on the specifics of the training, which was personalized for DAU: It lasted 2½ days with a half-day dedicated to employees writing smart objectives with their supervisors. DAU had been participating in the DoD Civilian Acquisition Workforce Personnel Demonstration Project (AcqDemo) for the past four years, and Hogan believes that the transition to NSPS will be easier because of the similarities of the two systems: pay-for-performance and pay-banding, for example.

Hogan acknowledges that there has been much controversy over the meaning of the "Valued Performer" level—an employee who meets all the criteria of his/her stated goals and receives a performance rating of "3." She feels there will be an adjustment period because many employees will have a difficult time accepting a rating of 3 as good; however, she believes that with time and open discussion on the significance of the performance levels during training, the negative perception of the number will eventually go away. She also feels that NSPS has some improved features that were not a part of AcqDemo, the most significant being that employees start by writing their objectives for the year, not just their expected output. In Hogan's opinion, "The re-emphasis on communication and relationship building will be the true key to the success of NSPS."

Jeff Birch, DAU's Director of Small Business, Learning Center of Excellence is a DoD employee who has participated in both the General Schedule (GS) and AcqDemo systems, and is now participating in NSPS. Birch states, "Without a doubt, I prefer a pay-for-performance system over the old GS system, and I think any employee who is a high performer will agree." He, too, thinks that having been in AcqDemo has made transitioning to NSPS easier, and the NSPS training provided to DAU employees was excellent.

However, Birch did stress that upfront work is required (learning new forms, formats, and systems, etc.), but he considers it “necessary growing pains for implementing change.”

NSPS Forces Communication

Elliott B. Branch is executive director for contracts, Naval Sea Systems Command (NAVSEA). NAVSEA employees converted from GS to NSPS during the implementation of Spiral 1.1 in May 2006. “NSPS is beneficial because it has more flexibility for hiring, promoting, and building career paths than the old GS system,” he says. He believes that NSPS, a pay-for-performance system, forces communication that was not previously required, but—ideally—should always have existed: “NSPS turned the implicit to the explicit, which is a good thing. When employees understand how they contribute and where they fit in the big picture, performance improves.” Under NSPS, employee performance is directly linked to the supervisor’s performance as one of the supervisor’s goals. This too, according to Branch, should always have been the case, since successful employees make their supervisors successful.

There has been some mention of including senior executives in NSPS, and Branch believes that because SESers in the Department are already in a pay-for-performance system, the conversion should not have a substantial impact one way or the other. “NSPS is a good management tool, and it is allowing employees to be adequately compensated for their performance in support of the mission,” he believes, “However, we must not lose sight of the fact that ultimately it’s not only about the civilian workforce in the Navy, it is also about the people we send to sea.”

Acceptance Not Yet Universal

While leadership is championing NSPS and many members of the workforce feel it will be a more equitable pay system, a significant portion of the workforce remains wary—as is to be expected when any major change is introduced. As noted, employees transitioning from Acq-Demo to NSPS appear to be experiencing a much smoother transition than those who are entering NSPS from the GS system because of the similarities between NSPS and AcqDemo.

One of the NAVSEA engineers who converted from the GS system to NSPS during the spiral 1.1 conversion says that during implementation, NSPS training instructors described the system to NAVSEA employees as a tool to reward top-performing workers, yet to date, “the system’s ability to recognize and acknowledge exemplary employees is extremely nebulous at best.” He believes that training has been inadequate under NSPS, resulting in inadequately prepared workers for the mid-year trial run (otherwise known as Mock Payout) conducted in June

2006, where supervisors rated the employees on their mid-year performance and notified them of their ratings (1-5) and subsequent shares (0-6). At no time during the training, he says, was the share value defined and adequately discussed. He says that many of his colleagues share his assessment of the first NAVSEA NSPS rating cycle—“nothing more than a writing contest.” He feels it is unfortunate that NAVSEA conducted the final closeout appraisals for spiral 1.1 before offering classes to train employees on how to develop and prepare satisfactory self-evaluations for NSPS.

Nancy Maturo, NAVSEA NSPS Project Manager, responds to the engineer’s concerns by saying that shares were not assigned during the mock (which took place in August 2006, not June), only a rating. She also emphasizes that training, town halls, and constant feedback were provided to employees throughout the process. In fact, as a result of the evaluations received during the mock, workshops on how to write effective self-assessments were offered prior to the end of the year rating cycle.

An Army civilian employee stationed at Fort Belvoir, Va., and currently in the GS system recently received the NSPS training. She has not yet converted to NSPS and isn’t looking forward to the conversion. Her opinion is that unfair distribution of funds (pay increases, awards) are more likely under pay-for-performance systems than under the GS system because under NSPS, supervisors have more latitude and authority over how money is distributed than the annual automatic pay raises that were distributed across the board without risk of favoritism.

Effective Management Tool—If Properly Implemented

Leadership believes that NSPS is an effective management tool that will assist managers in hiring, promoting, and properly compensating employees for the work they perform in support of DoD’s mission-centered civilian workforce.

For NSPS to work, however, three things are imperative. First, employees and supervisors must have that upfront vital conversation in which they agree on exactly what is expected of the employee and on the support the supervisor is expected to provide each employee in helping him/her to meet stated goals. Second, proper and timely training is imperative. And third, leadership must be mindful of the fact that change is always difficult. Any new system will be regarded with suspicion before it is embraced. If the workforce is to buy in, their fears and concerns must be promptly, honestly, and convincingly addressed.

The author welcomes comments and questions and can be reached at marcia.richard@hqda.army.mil.