

OP/New
Comp
System

Talking Points for Briefing on New ODB Initiatives

Implementation Strategy

I. Introduction

A. The Office of Personnel has proposed three major initiatives in the personnel management arena:

1. Decentralizing the distribution of grade points to the Directorate-level.
2. Decentralizing position classification responsibility.
3. Simplification of the Factor Evaluation System.

II. Redistribution of Grade Points

A. How It Works Now

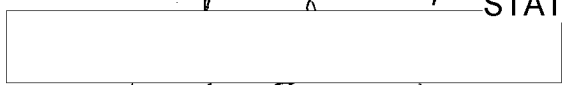
1. Points generated through the budget process. Comptroller determines what increase in Agency average grade is required to cover new positions, upcoming programs etc. Increase is approved by OMB.
2. Office of Personnel is tasked with distributing these points as required:
 - a. Through the old survey process
 - b. Ad hoc requests for upgrades from the Directorates.
 - c. To establish new positions above the average grade.

B. Problems with the Current System

1. Points are distributed on a first-come, first-served basis.
2. Directorate and Office management have little or no say in point distribution.
3. As offices often come directly to OP for points, Directorate priorities are not always represented.

Briefing key

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C. How It Will Work

1. Points generated in the same manner as they are now..
2. Comptroller notifies the Executive Committee of the number of points available at the beginning of the fiscal year. The Executive Director will hold back 10 - 15% of the points for emergency and unforeseen requirements.
3. There are a number of options for determining the appropriate distribution of points to the Directorates:
 - a. Based upon requirements submitted by Directorates;
 - b. Based upon percentage of Agency positions; or
 - c. Based upon previous point usage.

(See Attachment A for description and advantages/disadvantages of each option.)

UNDER OPTION C

4. Directorate polls Offices for individual point requirements. This exercise will be part of the existing budget process. Based upon projections of reorganizations, ad hoc upgrade requests, etc., Offices submit their requirements to the Directorate. Directorate prioritizes Office submissions and forwards to ExDir for review and final determination of distribution.

OPTIONS B OR C

4. Once distribution scenario is approved by the EXDIR, Directorates are notified of their point bank.

ALL OPTIONS

5. Directorates will have option to:
 - a. Further distribute points to the Office-level; or,
 - b. Maintain the balance at the Directorate-level, distributing them on an as-requested basis.
6. ODB will maintain a record of point usage by directorate and office. A "bank" statement will be provided on a monthly basis to the Directorate and Office personnel shops giving them points used and gained, points remaining and effect on office and Directorate average grade of actions taken to date.
7. Points generated by establishing new positions below the Agency average grade will be available for use by the Office receiving the new positions. Conversely, points spent by establishing positions above the Agency average grade will be deducted from that office's point bank.

9. Directorates must be aware that the large increases in points that we have seen over the years are most likely a thing of the past. They have largely resulted from the increases in average grade generated by the PMCD survey process and the banding of the Commo and secretarial occupations which provided the Comptroller with justification for a substantial increase in Agency average grade for the next fiscal year. The Agency point bank was also boosted by the acquisition of some 200 GSA positions for the SPO program. As we received the positions at average grade, but put them on the books well below average grade, a large number of additional points was generated. This is unlikely to occur again. Managers may very well be forced to live with limited increases or, possibly, no increase in their point bank. As has always been the case, positions can continue to be upgraded by taking a corresponding downgrade elsewhere.

Possible Distribution Scenarios

A. Based upon requirements submitted by Directorates.

In a manner similar to the SIS position request exercise, ExDir will review requirements submitted against points available and determine an appropriate percentage breakdown.

ADVANTAGES:

1. Distribution would reflect projected requirements, not past activity.
2. ODB would compile the requests and reconcile with points available.

DISADVANTAGES:

1. Some Directorates may overstate their requirements in order to get additional points.

B. By Percentage of Agency Positions:

DIRECTORATE	% OF AGENCY POSITIONS *	DIRECTORATE BANK	LESS RESERVE	POINT BANK
DDA				
DDO				
DDS&T				
DDI				
DCI				

* Assuming a reserve of 10%. This reserve will be held at the ExDir level and can be used as priorities demand.

Total Points Available:
 Points Held in Reserve:
 Total Points for Use :

Possible Distribution Scenarios (Con't):

B. By Percentage of Agency Positions (Con't):

ADVANTAGES:

1. Straightforward method that reflects the relative size of the Directorates.
2. Easily understood and calculated.

DISADVANTAGES:

1. Is not an accurate reflection of relative activity among the Directorates - size of Directorate does not always accurately reflect the requirement for points in a given year.
2. Does not reflect differences in Directorate average grade.

C. Based upon previous point usage.

ODB prepares a monthly report on points used by office and Directorate. A thorough review could be conducted of these reports to see which offices and Directorates historically require the greatest number of points.

ADVANTAGES:

1. Would be reflective of actual point usage and Directorate requirements, not simply of relative size.
2. ODB could provide the analysis, taking workload off of Directorate and component personnel officers.

DISADVANTAGES:

1. Past may not be reflective of future requirements.
2. Analysis will require interpretation as unusual circumstances will create anomalies in the numbers (eg. the acquisition of the SPO positions at average grade by OS resulted in a positive gain of over 400 points.)

RESPONSIBILITIES

1. Executive Director:
 - A. Will establish criteria for distribution of grade points.
 - B. Will Allocate points to the Directorates according to established criteria.
 - C. Will have authority to assure that the Directorates keep within their authorized point bank.
 - D. Maintain a reserve of grade points (10-15% of total bank) for critical, unforeseen requirements.
2. Directorate Management:
 - A. Request and compile annual requests for points from components for submission to the EXDIR. (Option A)
 - B. Prioritize requests for points and justify them to the EXDIR. (Option A)
 - C. Distribute allocated points to the offices, either in lump sum or as requested. By distributing points as needed or requested, Directorate has greater flexibility to adjust to changing priorities during the course of the year. A lump sum distribution would place greater responsibility at the office level to judiciously utilize points.
 - D. Monitor Directorate average grade and point usage.
3. Office-level Management:
 - A. Identify actual and projected requirements for points.
 - B. Prioritize and justify requests to the Directorate.
 - C. Distribute points to appropriate groups and divisions as needed or requested.
 - D. Monitor Office average grade and point usage.
4. PCS/ODB:
 - A. Monitor point usage and provide monthly "bank" statement to EXDIR, Directorates and Offices.
 - B. Provide guidance to Directorate and Office manager and personnel officers on the most effective use of points and to raise warning flags when unusual trends develop.
 - C. Initiate training program for managers and component personnel officers on points and how they are used.
 - D. Conduct effectiveness studies of the system for the ExDir.

III. Decentralization of Position Classification

A. Step 1: Reduce the number of occupational titles, currently 380, by combining like functions and grouping into a manageable number whose occupational definitions are comprehensible to managers and definable by classification.

ODB will work with each Directorate to identify appropriate occupational groupings. Groupings can be as narrow or as broad as the Directorate requires within reasonable classification restraints. Occupations will be retitled according to their occupational group.

B. Step 2: Prioritize occupations to be decentralized. Once the five test occupations are finalized and given to the components to use (according to the following procedure), OP/PCSD will work with Directorates to identify and prioritize their remaining occupations. Occupations will be decentralized in a phased manner. No generic position descriptions will be utilized until coordination process is finalized. Directorate will identify a focal point or working group for each occupation. If the Directorate identifies one focal point, that person be a substantive expert on a given occupation and should have the clout to give preliminary approval to the drafts. Any working group should include a component personnel officer.

C. Step 3: Develop benchmarks. PCSD prepares generic position descriptions using the proposed Agency classification system for a minimum of three levels; full performance, expert, and manager. Directorates may wish to have generic descriptions prepared on levels above and below journeyman level as a mechanism for establishing career development tracks. Draft position descriptions are then forwarded to the Directorate representative for review and comment. This process continues until both PCSD and the Directorate agree on all information contained in the descriptions. The Directorate will establish the appropriate chain of command for internal approval of the generic position descriptions.

Once a broad generic position description has been developed for a Directorate-wide occupation, PCSD will work with individual offices to include office-specific requirements and qualifications. Once occupational groupings with large populations have been covered, PCSD will tackle the smaller and unique occupations.

D. Step 4: Decentralize occupation. The initial effect of decentralization is that PCSD will cease classifying positions at and below the journeyman grade level or positions for which a generic position description exists. There will be no immediate change to the Table of Organization (TO). PCSD will continue to input the following changes at the request of the component, but with no substantive review:

-- Change in position location

-- Change in position grade when certified to meet an established benchmark

- Change in organizational structure
- Change in a position's occupation title
- Addition/deletion of title suffixes
- Change type of position (clerical, technical, professional) consistent with grade and title changes.

Changes must either be point neutral or utilize existing points from the Directorate/component "bank." Or, just as with a survey, the average grade will be allowed to increase within the constraints of the points available.

E. Step 5: System controls. In order to assure that the principle of "equal work for equal pay" is still enforced, PCSD will have an oversight role, conducting spot checks of positions above the journeyman grade level or organizations under one or more of the following circumstances:

- a. At the request of an Office or Directorate when 1) a position does not fit neatly into a generic position description or 2) as a result of a sudden increase in attrition or management problem.
- b. When an unusual trend develops in an Office or Directorate such as a sudden increase in average grade, an increase of expert positions to greater than 10% of the workforce, an increase in the supervisor to worker ratio, or a preponderance of clerical downgrades.
- c. As part of an organization development (OD) study of an Office or division.
- d. As a result of the filing of a grievance.

Any recommendations that result from these surveys will be advisory only, with the final determination to be made by the Office management.

Step 6: ODB's New Role. The Office of Personnel's Organizational Development Branch will have four primary functions:

- a. Development of occupational benchmarks.
- b. Working with Directorates to establish new occupations or change existing ones.
- c. Spot audits to ensure system equity among various Office/Directorate lines.
- d. Organization Development studies - designing organizational structures, recommending better use of position resources, etc.