

The Defense Civilian Intelligence Personnel System (DCIPS)

Defense Intelligence Civilian Personnel System

- 9/11 put pressure on Intel Community to develop closer working relationships and collaboration
- One conclusion: a common HR framework needed
- Legislation created DNI with authority to set HR systems for entire intel community
- New HR system National Intelligence Civilian Compensation Program (NICCP) leads to DCIPS

Defense Intelligence Civilian Personnel System

- Performance-based compensation systems and pay banding were in vogue— DoD and DHS demos
- USDI adopted existing NGA framework for pay-for-performance and pay banding for DCIPS
- DoD and DHS demos run into trouble. Congress shuts them down
- “Strategic pause” in DCIPS. Had to develop interim system, “mock pay pool”
- Unwinding of pay bands and pay-for-performance
- Situation very ‘fluid’

NAPA Study Findings

HR Professionals Views

Positive

Positive impact on performance management

Managers engaged in substantive performance discussions with subordinates

Multiple levels of review created a more consistent and fair performance evaluation

Technicians can get salary increases without management responsibilities

Negative

Questions about DCIPS design and implementation choices.

Some questioned the wisdom of a performance-based compensation system in the federal government.

NAPA Study Findings

Senior Leaders Views

Positive

Transparency - consistent guidance and bases for classifying jobs, establishing performance measures, and performance evaluations

Performance management system emphasized sound evaluation metrics and a consistent approach to evaluations and rewards

A link among evaluations, pay, and mission outcomes;

Flexibility in setting pay for new hires through pay banding.

Negative

The time that supervisors, particularly those in front-line positions, needed to execute their performance management responsibilities

Disincentives to become a supervisor

Employees' negative reaction to DCIPS

Concern that administrative pay bands receive lower average performance ratings than those in higher bands

NAPA Study Findings

Online Dialogue Participants

- A belief that DCIPS reduced promotion opportunities and career progression
- Concern that DCIPS inhibited collaboration among employees
- A perception that morale was suffering
- The amount of time spent on performance management was seen as excessive

NAPA Study Findings

Open Forum Participants

Positive

It is the right thing to do and is intended to drive performance

Transparency and consistency help reduce job classification disparities and provide a similar basis for assessing performance

Negative

Implementation is having a major negative impact on front-line supervisors

Belief that ratings were forced into a normalized bell curve distribution

Too focused on individual achievement when organizations relied on cooperation and collaboration to accomplish mission

NAPA Study Team Member Observations

Positives

- Rigor applied to setting metrics
- Forcing supervisors to have performance discussions with staff
- Demanding levels of review drive better outcome

Negatives

- Quantifying individual performance difficult
- Individual metrics interfere with collaboration and teamwork
- Paperwork can overwhelm everyone

Irony : pay-for-performance is difficult, if not impossible, to successfully implement in the Federal government. However, without any actual \$\$ at risk, what is the incentive to create, implement and sustain a good performance metrics system?

NAPA Study Findings – Part II

“...the Panel recommends that OUSD(I) make it a priority to develop an approach for recognizing and rewarding team, group, and organizational performance and incorporate it into the performance management policy”



Why Pay Banding?

- Not all employees are equal; some contribute much more than others
- The GS step increase system rewards longevity, not performance
- Funds are limited. Need to make the best use of the available money; across-the-board salary increases do not represent the best use of funds
- Enhances recruiting of “millenials” who are used to instant feedback and recognition and would not be content with a tenure based system

Why Pay Banding?

- Reinforces the performance management system by putting some amount of potential pay increase or bonuses at risk
- Pay increases as an effective motivator is a deeply entrenched value in the United States;
- Performance-based compensation is virtually universal for white-collar workers outside the public sector, and is effective in driving organizational performance
- OPM concluded that most performance-based, broadband pay systems demonstration projects have produced improvements to agency results-oriented performance culture and the ability to recruit and retain a high-quality workforce

Why Not Pay Banding?

- Performance measurement in federal work is too imprecise, there is little evidence that these systems are worth the costs
- Federal work is multidimensional, done in teams, and subject to multiple supervisors and multiple objectives. Linking pay to individual performance undermine teamwork, cooperation, and even relationships among teams within an organization
- Giving managers additional flexibility to set pay can aggravate existing biases in the system
- GS pay system can accomplish all of the goals of performance-based compensation without the disruption
- Most such plans share two attributes: They absorb vast amounts of management time and resources, and make everybody unhappy