

# EXECUTIVE SUMMARY

## **In Our Nation's Defense: Taking the Right Steps to Redesign the Department of Defense (DOD) Civilian Human Resource System**

February 2005

The National Defense Authorization Act for fiscal year 2004 granted DOD the authority to redesign its human resource management system. Since passage of what has been referred to as the NATIONAL SECURITY PERSONNEL SYSTEM (NSPS), representatives from DOD and the Office of Personnel Management have been devising a plan to significantly change major personnel and labor relations systems at the Department in ways not envisioned nor intended by Congress. Under the banner of promoting "management flexibility," neither the interests of DOD workers nor input from their democratically-elected representatives have been fairly considered. And, a valid mechanism to ensure accountability and cost effectiveness when such flexibilities are exercised is non-existent. Some of the key changes DOD plans to make are as follows.

**Staffing** – Similar to those serving in the military, non-uniformed civilian employees will be reassigned (on a temporary or permanent basis) to any location around the globe to address changing mission requirements. Various occupations (job series) throughout DOD will be consolidated or merged to expand the duties and responsibilities that each employee will be required to perform. "Right-sizing" of employee work units is expected to increase.

**Pay** – Salaries of employees will be set according to an undisclosed pay-for-performance system that will assess the "market value" of the work. The prospect of periodic monetary increases will be linked to: a.) an evaluation by management of how well one's duties were performed, and b.) special acts that managers believe warrant remuneration. Only those getting high ratings will be allowed to progress within their assigned occupational bands and receive pay increases.

**Hiring** – The hiring process will be streamlined in some undetermined fashion. In addition, authority to set pay for new hires (at rates greater than employees already performing the same type of work) will be used to attract talented individuals to DOD.

**Worker Rights** – Provisions of law that have been in place for over 25 years will be set aside to maximize management flexibility. No independent third party review of most decisions will be permitted, collective bargaining agreements will become null and void, and the legal role of elected employee representatives will effectively be eliminated (as well as the accompanying system of checks and balances that serves to ensure that the government is being run in an effective manner). Legal standards for discipline and removal actions will be relaxed to make it easier for management to sustain such cases. Undisclosed procedures will be devised to address employees viewed as poor performers.

The attached report, submitted by DOD worker representatives, provides an overview of the key human resource areas targeted for drastic modification or elimination. For

more information, contact the United Department of Defense Workers Coalition at [www.uniteddodworkerscoalition.org](http://www.uniteddodworkerscoalition.org).

---