

April 2002

ACQUISITION WORKFORCE

Department of Defense's Plans to Address Workforce Size and Structure Challenges



Report Documentation Page

Report Date 00APR2002	Report Type N/A	Dates Covered (from... to) -
Title and Subtitle ACQUISITION WORKFORCE: Department of Defenses Plans to Address Workforce Size and Structure Challenges	Contract Number	
	Grant Number	
	Program Element Number	
Author(s)	Project Number	
	Task Number	
	Work Unit Number	
Performing Organization Name(s) and Address(es) U.S. General Accounting Office 441 G Street NW, Room LM Washington, D.C. 20548	Performing Organization Report Number GAO-02-0630	
Sponsoring/Monitoring Agency Name(s) and Address(es)	Sponsor/Monitor's Acronym(s)	
	Sponsor/Monitor's Report Number(s)	
Distribution/Availability Statement Approved for public release, distribution unlimited		
Supplementary Notes		
Abstract In the past decade, the Department of Defense (DOD) has downsized its acquisition workforce by half. ¹ It now faces what it considers to be serious imbalances in the skills and experience of its remaining workforce and the potential loss of highly specialized knowledge if many of its acquisition specialists retire. In view of this concern, DOD created the Acquisition 2005 Task Force to study its civilian acquisition workforce and develop a strategy to replenish personnel losses. The Task Force made a series of recommendations to DOD in October 2000. ² On March 1, 2002, in response to the mandate in the National Defense Authorization Act for Fiscal Year 2002, DOD reported on its plans to implement these recommendations. ³ The same mandate required us to assess, within 60 days of the date DOD submitted its report, the status of DODs reported plans to reshape the workforce and to specifically examine the reported status of its efforts to implement the task forces recommendations. Because of the time frames involved, we did not evaluate the effectiveness of DODs reported efforts.		
Subject Terms		
Report Classification unclassified	Classification of this page unclassified	

Classification of Abstract unclassified	Limitation of Abstract SAR
Number of Pages 20	



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United States General Accounting Office
Washington, DC 20548

April 30, 2002

The Honorable Carl Levin
Chairman
The Honorable John Warner
Ranking Minority Member
Committee on Armed Services
United States Senate

The Honorable Bob Stump
Chairman
The Honorable Ike Skelton
Ranking Minority Member
Committee on Armed Services
House of Representatives

In the past decade, the Department of Defense (DOD) has downsized its acquisition workforce by half.¹ It now faces what it considers to be serious imbalances in the skills and experience of its remaining workforce and the potential loss of highly specialized knowledge if many of its acquisition specialists retire. In view of this concern, DOD created the Acquisition 2005 Task Force to study its civilian acquisition workforce and develop a strategy to replenish personnel losses. The Task Force made a series of recommendations to DOD in October 2000.² On March 1, 2002, in response to the mandate in the National Defense Authorization Act for Fiscal Year 2002, DOD reported on its plans to implement these recommendations.³ The same mandate required us to assess, within 60 days of the date DOD submitted its report, the status of DOD's reported plans to reshape the workforce and to specifically examine the reported status of its efforts to implement the task force's recommendations. Because of the time frames involved, we did not evaluate the effectiveness of DOD's reported efforts.

¹ DOD refers to its acquisition workforce as its acquisition, technology, and logistics workforce.

² *Acquisition 2005 Task Force, Shaping the Civilian Acquisition Workforce of the Future* (Department of Defense, October 2000).

³ *Report to the Committees on Armed Services of the Senate and House of Representatives: Implementation of the Acquisition Workforce 2005 Task Force Recommendations* (Department of Defense, March 2002).

Results in Brief

As required by the National Defense Authorization Act for Fiscal Year 2002, DOD's report summarizes its actions and plans to implement the task force's recommendations. Moreover, the report shows that DOD has made progress laying a foundation for reshaping its acquisition workforce. For example, DOD is working to remove barriers to its strategic planning initiative; continuing with an effort to test various human capital innovations; and has begun making significant changes to its acquisition workforce-training program. We did not assess the effectiveness of these initiatives, but they do target key Task Force concerns. Additionally, DOD recognizes the need as well as the substantial challenges involved in implementing a strategic approach to shaping the acquisition workforce. Consequently, DOD views implementation of these initiatives as long-term efforts with specific outcomes taking years to achieve.

Regarding DOD's efforts to implement the Task Force's specific recommendations, DOD's report generally provides information about actions taken to implement them and their status. However, for many initiatives, DOD did not clearly describe the actions it has taken or when they occurred, or identify all planned actions and schedules for completing the initiatives.

Background

Having the right people with the right skills to successfully manage acquisitions is critical for DOD. The Department spends about \$100 billion annually to research, develop, and acquire weapon systems and tens of billions of dollars more for services and information technology. Moreover, this investment is expected to grow substantially. At the same time, DOD, like other agencies, is facing growing public demands for better and more economical delivery of products and services. In addition, the ongoing technological revolution requires a workforce with new knowledge, skills, and abilities.

Between 1989 and 1999, DOD downsized its civilian acquisition workforce by almost 50 percent to about 124,000 personnel as of September 30, 1999. These reductions resulted from many DOD actions including the implementation of acquisition reforms, base realignments and closures, and congressional direction. DOD estimates that as many as half of the remaining acquisition personnel could now be eligible to retire by 2005.⁴

⁴ DOD's estimate of personnel eligible to retire includes early retirement programs and individuals eligible for retirement with reduced annuities based on March 2001 data from the Defense Manpower Data Center.

DOD believed that these actual and projected reductions could be exacerbated by increased competition for technical talent due to a full-employment economy and a shrinking labor pool. As a result of the years of personnel reductions and the increasing competition for replacement talent, DOD concluded that its acquisition workforce was on the verge of a crisis—a retirement-driven talent drain.

In responding to this concern, the Under Secretary of Defense for Acquisition, Technology and Logistics (USD/AT&L) created the Acquisition 2005 Taskforce in April 2000 to examine how the acquisition workforce could be reshaped. The Task Force consisted of representatives from the military services, defense agencies, and offices of the secretary of defense supported by contractor teams to help collect information and it sought input from the acquisition community as well as outside experts. The Task Force identified new initiatives as well as existing DOD programs that were considered innovative approaches to recruiting, developing, and retaining its future acquisition workforce. Specifically, the Task Force recommended 31 new initiatives, 8 ongoing initiatives that it believed should continue to be fully supported, and 7 innovative programs that it identified as best practices to be implemented throughout DOD's acquisition organizations.

Challenges Involved in Reshaping a Workforce

Reshaping a workforce is challenging for any agency. As we have previously reported,⁵ because mission requirements, client demands, technologies, and other environmental influences change rapidly, a performance-based agency must continually monitor its talent needs. It must be alert to the changing characteristics of the labor market. It must identify the best strategies for filling its talent needs through recruiting and hiring and follow up with the appropriate investments to develop and retain the best possible workforce. This includes continuously developing talent through education, training, and opportunities for growth. In addition, agencies must match the right people to the right jobs and, in the face of finite resources, be prepared to employ matrix management principles, maintaining the flexibility to redeploy their human capital and realigning structures and work processes to maximize economy, efficiency and effectiveness.

⁵ U.S. General Accounting Office. *Human Capital: A Self-Assessment Checklist for Agency Leaders*. GAO/OCG-00-14G. Washington, D.C.: September 2000.

A key to overcoming these challenges is to develop and sustain commitment to a strategic, results-oriented approach to human capital planning—one that incorporates financial management, information technology management, and results-oriented goal-setting and performance measurement. Within high-performing organizations, this begins by establishing a clear set of organizational intents—mission, vision, core values, goals and objectives and strategies—and then integrating human capital strategies to support these strategic and programmatic goals. Taking a strategic approach to human capital planning can be challenging in itself. First, it requires a shift in how the human resource function is perceived, from strictly a support function to one integral to an agency’s mission. Second, agencies may also find that they need some of the basic tools and information to develop strategic plans, such as accurate and complete information on workforce characteristics and strategic planning expertise.⁶

DOD Is Making Progress in Addressing Acquisition Workforce Size and Structure Concerns

DOD’s report to the armed services committees shows progress in its efforts to revitalize the workforce. Specifically, as discussed below, DOD is working to remove barriers to its strategic planning initiatives; continuing with an effort to test various human capital innovations; and beginning to make significant changes to its acquisition workforce-training program. We did not assess the effectiveness of DOD’s initiatives, but they do target some of the root problems hampering the acquisition workforce, and they recognize the substantial challenges involved in adopting a strategic approach to reshaping the workforce.

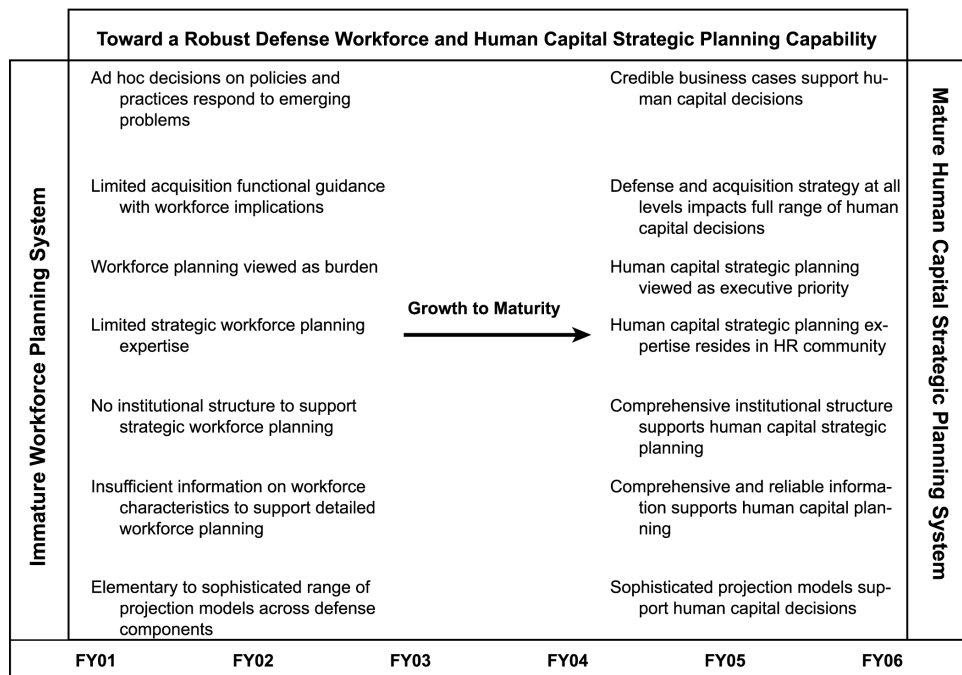
Strategic Planning

The task force’s first recommendation was to develop and implement human capital strategic planning for the acquisition workforce. DOD recognizes that human capital strategic planning is fundamental to effective overall management. DOD has worked to identify and address problems that have been hampering this effort, which include a lack of accurate, accessible, and current workforce data; mature models to forecast future workforce requirements; a link between DOD’s planning and budgeting processes; and specific planning guidance.

⁶ U.S. General Accounting Office. *Exposure Draft: A Model of Strategic Human Capital Management*. GAO-02-373SP. Washington, D.C.: March 2002.

As shown in figure 1, DOD recognizes that it will take a considerable amount of time just to lay a good foundation for strategic planning. Part of this long-term effort will involve making a cultural shift—from viewing human capital as a support function to a mission function—as well as developing better data on the work and models to project needs and potential shortfalls.

Figure 1: DOD’s Framework for Developing a Mature Human Capital Strategic Planning System



Source: DOD.

DOD reports that it is establishing a workforce data management strategy to improve the collection and storage of personnel data. The intent is to identify new data requirements and information needs for strategic planning. DOD is also working to develop more sophisticated modeling

tools. Such tools are intended to help DOD components⁷ to identify gaps between future workforce requirements and the expected workforce inventory—a critical part of the process needed for addressing acquisition workforce size and structure issues such as recruiting, training, and career development. DOD also has taken steps to link its planning effort to its budget process. For example, DOD’s report states that it is developing a new budget exhibit that will identify workforce requirements during the budget process and improve DOD’s ability to fund those requirements. Such actions are intended to enable DOD to identify and obtain the necessary funding to implement programs needed to close the gaps.

Though DOD is taking good steps toward developing a strategic plan, it may well find that additional effort is needed to provide planners with effective tools. For example, DOD reports that it has provided more planning guidance, such as the updated Defense Planning Guidance and Quadrennial Defense Review, to help planners identify future workforce requirements during its second strategic planning cycle. However, DOD recognizes that this guidance may not be specific and articulate enough at the operational business unit level to help planners to identify future acquisition workforce requirements.

Acquisition Workforce Personnel Demonstration Project

DOD’s report states that the Acquisition Workforce Personnel Demonstration Project is an ongoing initiative that addresses various acquisition workforce size and structure issues. The demonstration project started in February 1999 to experiment with various concepts in workforce management, such as those pertaining to recruiting, hiring, and retention. For example, the demonstration project is testing simplified job announcements by combining information such as the job description, availability, and workforce characteristic requirements into a single document. In another example, the demonstration project is also testing broadbanding⁸ concepts that are intended to allow managers to set pay

⁷ DOD components refer to the military services (e.g., Air Force, Army, and Navy) and the civilian defense agencies. Strategic plans were prepared by the Air Force, Army, and Navy and three defense agencies: the Defense Contract Audit Agency (DCAA), Defense Contract Management Agency (DCMA), and the Defense Logistics Agency (DLA). According to a DOD official, these three defense agencies account for 92% of the defense agency acquisition workforce.

⁸ According to DOD’s Acquisition Workforce Personnel Demonstration Project, broadbanding is a replacement of the current General Schedule or “GS” system and General Manager or “GM” system with a system consisting of broad “bands” of career paths.

and facilitate pay progression. Broadbanding would allow managers to recruit candidates at differing pay rates and to assign employees within broad job descriptions consistent with the needs of the organization and the skills and abilities of the employee.

However, participation in this project is fairly limited. As of September 2001, 5,300 acquisition personnel across DOD are participating in the demonstration project out of a maximum 95,000 personnel allowed by statute.⁹

Restructured Training Program

DOD reports that it is aggressively transforming its acquisition training approach to reshape the acquisition workforce and address human capital resource challenges. Specifically, DOD's Defense Acquisition University (DAU) plans to change its course content and training methods to provide more relevant training to an expected influx of new acquisition personnel hired to replace retiring workers. For example, DAU is working with teams in each career field to revise course content to reflect recent acquisition reforms and eliminate duplicate material. Also, DAU is increasing the number of web-based courses available and opening additional training centers near large acquisition workforce populations to meet the training needs and to reduce the cost of providing this training. In addition, in conjunction with USD/AT&L officials, DAU is establishing partnerships with colleges and professional organizations to reciprocate certification course credits for DOD's employees as well as for employees from other agencies and the potential employees from the private sector. DAU has recently experienced budget cuts and while DAU officials did not anticipate that the cuts would significantly affect these ongoing initiatives, student throughput may be reduced.

DOD's Report Generally Complies with Congressional Requirements

The National Defense Authorization Act for Fiscal Year 2002 required DOD to summarize its actions and plans to implement the task force's recommendations. For each of the Task Force's recommendations, DOD was to specifically include a summary of actions taken and specific milestones and dates for completion. DOD was also to provide reasons for not implementing recommendations, any planned alternate initiatives to the recommendations, and any additional planned initiatives. DOD's report

⁹ 10 U.S.C. section 1701 note.

generally provides this information—not just for the 31 recommendations but also for two additional DOD initiatives.¹⁰

The report provides detailed information about some of DOD’s actions, such as human capital strategic planning and the demonstration project, as described in more detail in appendix I. However, information on other actions was unclear or incomplete. Specifically:

DOD’s report does not clearly present the overall status of the 31 new recommendations. DOD’s report states that 14 recommendations are “in implementation”, 14 recommendations have been “merged” into follow-on strategies, and 3 recommendations will not be pursued. Although our review did show that DOD did not plan to pursue these 3 recommendations, we concluded, as shown in appendix I, that actions addressing 24 recommendations are in the process of being implemented, and 4 are actually completed.¹¹

DOD’s report does not consistently provide enough information about actions taken on some recommendations. For example, the report cites two actions as addressing the recommendation to “Provide More Career-Broadening Opportunities”: “DCMA– Professional Enhance Program” and “DISA–Executive Development Leadership Program.” The report provided no information about the objectives or scope of these programs and as a result, it is unclear how these programs relate to providing career-broadening opportunities.

The report did not address at all the best practices identified by the Task Force and does not always identify when actions for ongoing initiatives are to be accomplished or reasons for not implementing them. For example, the report identified actions taken for the ongoing initiative to establish career development plans but provided no schedule for when these plans are to be completed. In another example, the report stated that DOD is not pursuing the development of legislation for a phased retirement program that was identified as an ongoing initiative by the Task

¹⁰ DOD added initiatives to (1) improve workforce data management and (2) establish a Student Education, Employment, and Development Program.

¹¹ Those completed recommendations were: Maximize Use of Existing Authorities to Make Pay More Competitive; Develop a Functional Manager’s Recruiting, Hiring, and Retention Handbook; Assess the Effect of FERS on the DOD Workforce; and Component Assessment of High-Grade Requirements.

Force. The report offered no explanation for DOD's not pursuing the legislation.

DOD's report also does not consistently provide the dates for actions taken or scheduled milestones for completing implementation of the recommendations. For example, the report provides milestones and schedules for each of the overarching strategies, but these milestones and schedules are difficult to correlate with the individual Task Force recommendations that were grouped into the strategies. Further, the report does not identify the future milestones required for completing implementation of the recommendations it is pursuing, as required by the congressional mandate.

In addition to addressing specific recommendations, DOD also concluded that it needed to group the recommendations into broader strategies, or functional areas, so that it would have a framework for coordinating component efforts and targeting future initiatives. The areas include (1) career development, (2) certification, (3) hiring, and (4) marketing, recruiting, and retention. DOD has established metrics to measure the impact of actions being taken to address acquisition workforce challenges. DOD also has designated its office of acquisition education, training and career development to collect data on the actions taken and assess progress in addressing the challenges identified by the Task Force and the USD/AT&L goal to revitalize the quality and morale of its workforce.

Agency Comments and Our Evaluation

We received comments via email from DOD. DOD generally agreed with our findings and provided technical comments and an update on the status of DOD's establishing and collecting metrics on the initiatives. We incorporated these comments where appropriate.

Scope and Methodology

To assess the extent that DOD's report to the committees addressed the Acquisition 2005 Task Force's concerns about the size and structure of the workforce, we reviewed the Task Force's report "Shaping the Civilian Acquisition Workforce of the Future." We interviewed officials from offices of the under secretaries of defense for acquisition, technology and logistics, and personnel and readiness; headquarters offices of the military services; and other officials representing the defense agencies. We interviewed these officials to (1) obtain their views about acquisition workforce size and structure issues identified by the Task Force, and (2) determine the processes that the services and agencies used to identify actions being taken within their organizations to address those issues. In

addition, we obtained relevant documents and interviewed DOD and contractor officials involved in DOD's strategic planning efforts and DOD's Acquisition Workforce Personnel Demonstration Project. Finally, we reviewed the DOD report to determine whether it addressed the Task Force's concerns and contained information consistent with that we obtained during discussions with DOD and contractor officials.

To assess the extent that DOD's report summarizes DOD's actions and plans to implement the Task Force's recommendations, we reviewed the DOD report to ascertain whether the report clearly (1) summarized DOD's actions taken to address the Task Force recommendations, (2) identified milestones to be achieved and the schedule for achieving them, and (3) described how DOD would manage, oversee, and evaluate its efforts to address the Task Force's concerns. We also compared the report's information with information that we obtained during discussions with DOD and contractor officials responsible for the acquisition workforce strategic planning effort and the Acquisition Workforce Personnel Demonstration Project.

We did not independently identify or verify all actions that DOD reported it has taken to address the Task Force recommendations. We conducted our review between December 2001 and April 2002 in accordance with generally accepted government auditing standards.

We are sending copies of this report to other interested congressional committees and the secretary of defense; the director, Office of Management and Budget; and the director, Office of Personnel Management. We will also make copies available to others upon request. The report will also be available on GAO's home page at <http://www.gao.gov>.

Please contact me at (202) 512-4125 or Hilary C. Sullivan at (214) 777-5652 if you have any questions. Major contributors to this report were Frederick G. Day, Michael L. Gorin, Rosa M. Johnson, and Suzanne Sterling.

A handwritten signature in black ink that reads "David E. Cooper". The signature is written in a cursive style with a large, prominent initial "D".

David E. Cooper
Director
Acquisition and Sourcing Management

Appendix I: DOD Actions and Milestones for Reshaping the Civilian Acquisition Workforce

Task Force recommendations	DOD reported actions taken or future milestones ^a	DOD reported date that action accomplished or scheduled ^a	GAO assessment of current Status
New initiatives			
1. Develop and Implement Comprehensive, Needs-based Human Resource Performance Plans	First drafts or cycle of strategic plans submitted from DOD Components. ^b	August 2001	In implementation
	Office of the Under Secretary of Defense (AT&L) memorandum initiated second cycle of Human Capital Strategic Plans.	January 2002	
	Detailed workforce guidance provided to DOD Components.	March 2002	
	Second drafts of strategic plans are scheduled for completion.	May 2002	
2. Maximize the Use of Existing Hiring Authorities	The DOD Components are continually involved in improving the hiring process through expanded use of existing authorities and reengineered processes.	Not provided	In implementation Grouped into follow-on strategy "Hiring"
	A web-based Acquisition Manager's Recruiting, Hiring, and Retention Handbook was developed and is widely available as a quick reference tool (see #14).	3QFY01	
3. Maximize Use of Existing Authorities to Make Pay More Competitive	The Office of the Deputy Assistant Secretary of Defense, Civilian Personnel Policy issued pay-setting guidance through an updated manual ^c and interim policy memoranda.	Not provided	Completed
	Compensation flexibilities and opportunities available to managers are also included in published Functional Manager's Recruiting, Hiring, and Retention Handbook (see #14).	3QFY01	
4. Expand Public and Private Sector Recruiting Efforts and Make it Easier to Apply for DOD Acquisition Positions	The DOD Components are restructuring job announcements and marketing positions more broadly.	Not provided	In implementation Grouped into follow-on strategy "Marketing, Recruiting, & Retention"
	OUSD (AT&L) is contracting with a commercial firm to benchmark marketing and recruiting programs that will be used to structure a DOD program to attract and hire top quality people into AT&L workforce.	2QFY02	
	A pilot program will focus on a specific career field/portion of the workforce and expand the successes into other areas of the workforce. The effort will produce an assessment report and target a pilot program.	FY03	
5. Maximize Use of the Student Educational Employment Program (SEEP) to Recruit from Colleges and Other Sources	The military services are already using these programs and expanding to new locations.	Not provided	In implementation
	Many defense agencies also use student employment programs to recruit and hire college students.	Not provided	
	The DOD Components have budgeted for increased use of SEEP.	FY02	
6. Provide Timely Certification Training	OUSD (AT&L) established new oversight mechanism to help ensure more timely training.	February 2001	In implementation
	Increase distance learning (DL)/web-based learning opportunities.	Continuous	
	Expand course equivalencies.	Continuous	
	Functional advisors chartered to advise DAU on training management.	FY02	
	Full implementation of online registration capability.	FY02	
	All the Directors of the Acquisition Career Management (DACM's) are actively involved in training resources and training quota management as a primary function of their offices.	Not provided	

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7. Provide More Career Broadening Opportunities	Services have well-established career broadening programs.	Not provided	In implementation
	Army/OUSD(AT&L) Rotational Program will be established.	4QFY02	
	Defense Contract Management Agency (DCMA) Professional Enhance Program.	FY02	
	The Defense Information Systems Agency (DISA) – Executive Development Leadership Program.	2QFY02	
8. Increase Use of Employee Incentive Program	Handbook published (see #14) to encourage use of existing authorities for employee incentive programs.	3QFY01	In implementation
9. Ensure a Work-Friendly Environment	DOD Tele-work policy published that requires DOD Components to offer tele-work to 25 percent of the eligible civilian workforce the first year of implementation and to increase that by 25 percent in each of the subsequent 3 years.	1QFY02	In implementation
	DOD also encourages use of other flexibilities such as leave sharing, sick leave to care for family members, and job sharing.	Not provided	
	DOD's Components provide health and wellness programs, employee assistance and family advocacy programs, alternative dispute resolution, and other programs designed to increase the morale and productivity of the civilian workforce.	Not provided	
	Expand distance learning opportunities.	Continuous	
	Conduct workforce survey to determine workforce enhancements.	FY03	
10. Promote DOD's Challenging Work and Rewarding Opportunities	OUSD (AT&L) has contracted with a leading firm to benchmark and evaluate recruiting programs and develop marketing, recruiting, and hiring strategies to attract and hire top quality people.	2QFY02	In implementation Grouped into follow-on strategy "Marketing, Recruiting, & Retention"
	A pilot program is planned that will focus on a specific career field or portion of the workforce and expand into other areas of the workforce.	FY03	
11. Develop Acquisition Workforce Recruiting Programs	The DOD Components have a number of ongoing outreach programs, especially to colleges and universities.	Not provided	In implementation Grouped into follow-on strategy "Marketing, Recruiting, & Retention"
	OUSD (AT&L) has contracted to benchmark and develop marketing, recruiting, and hiring strategies (see action under #10).	2QFY02	
	OUSD (AT&L) is developing an initiative to partner AT&L functional communities with colleges and universities in order to facilitate more long-term relationships.	Not provided	
12. Establish a Scholarship Program for the Acquisition Community	Reason not to implement The DOD Components consider intern programs more cost effective than scholarship program.		Not pursued

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Task Force recommendations	DOD reported actions taken or future milestones^a	DOD reported date that action accomplished or scheduled^a	GAO assessment of current Status
13. Establish a Central DOD Acquisition Career Management Website	The DOD Director of Acquisition Career Management (DACM) maintains a public domain website to invite interest in DOD OUSD (AT&L) workforce policies, programs, and job opportunities.	1998	In implementation Grouped into follow-on strategy "Marketing, Recruiting, & Retention"
	The DOD DACM is currently revising the CRS to include moving to a totally web-based systems and expanding the types of job announcements.	Not provided	
	DOD anticipates results from the Marketing and Recruiting follow-on strategy will provide guidance on how to best market DOD OUSD (AT&L) vacancies to the private sector.	Not provided	
	Based on both of these efforts, DOD will either expand the web-based Central Referral System (CRS) to include the remaining segments or pursue a combined solution that also addresses the private sector.	Not provided	
14. Develop a Functional Manager's Recruiting, Hiring, and Retention Handbook	The handbook was published and is available through the OUSD (AT&L) website.	3QFY01	Completed
15. Reengineer the Hiring Process	The DOD Components embrace continuous improvement, have metrics to measure the time required to fill vacancies, and are actively engaged in reengineering, such as the Army's Staffing Processes Reengineering and Innovations Group, the Air Force's PALACE Compass Reengineering and Development Division, and the Navy's Human Resource (HR) Re-engineering Functional Assessment.	Not provided	In implementation Grouped into follow-on strategy "Hiring"
16. Assess Competition on a Location-by-Location Basis	OUSD (AT&L) is planning to conduct a job competitiveness survey with the private sector. It will develop an action plan to address the problem areas identified in the survey. The plan may include requests to the Office of Personnel Management (OPM) for special salary rate considerations.	Not provided	In implementation Grouped into follow-on strategy "Marketing, Recruiting, & Retention"
17. Develop a Mechanism for Acquisition Certification of Private Sector Accessions	DOD has researched Computer Adaptive Testing technology to determine if there is a valid methodology by which personnel can become certified by test(s).	Not provided	In implementation Grouped into follow-on strategy "Certification"
	OUSD (AT&L) is working with the career field Functional Advisor Executive Secretaries to establish partnerships with private sector entities that grant professional certifications and will compare competencies. This may lead to equivalency agreements.	2QFY02	
	DAU is also moving forward with DL/web-based training and the formation of partnerships with professional associations and universities, which can be leveraged to address this issue.	Not provided	

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Task Force recommendations	DOD reported actions taken or future milestones^a	DOD reported date that action accomplished or scheduled^a	GAO assessment of current Status
18. Rehire Federal Annuitants Without Financial Offset	OPM delegated to federal agencies the authority to rehire Federal retirees without financial offset. However, this authority remains in effect only for the period of national emergency and pertains only to temporary requirements directly related to or affected by the attacks of September 11, 2001.	Not provided	In implementation Grouped into follow-on strategy "Hiring"
	Further action will be required for DOD to obtain authority to rehire Federal retirees without financial offset permanently.	Not provided	
19. Establish Career Paths to Achieve Multifunctional Acquisition Professionals	OSD runs the Defense Leadership and Management Program (DLAMP), which provides multi-functional career opportunities for highly qualified future leaders throughout DOD.	Not provided	In implementation Grouped into follow-on strategy "Career Development"
	Career broadening programs within the DOD Components also all have multi-functional attributes to them (see #7).	Army program, 4QFY02	
20. Increase Civilian Leadership Development Opportunities	The Services have studies, programs, projects, or processes underway to provide recommendations for the development and training of their future leaders.	Army studies, June 2000 and 2001	In implementation Grouped into follow-on strategy "Career Development"
	The Services also conduct head to head military/civilian competition for leadership positions.	Not provided	
	The Services have leadership training opportunities.	Not provided	
21. Assess the Effect of FERS on the DOD Workforce	RAND published report, through contract with OUSD (P&R), identifying the effect of the Federal Employee Retirement System (FERS) on the recruitment and retention of federal employees compared to the Civil Service Retirement System (CSRS).	2001	Completed
22. Component Assessment of High-Grade Requirements	A memorandum from OUSD (P&R) discontinued high-grade controls so no action required by the DOD Components.	November 2000	Completed
23. Improve Management of Personnel Lapse Rates	The DOD Components have constructed models that capture metrics on lapse rates. The DOD Components are using metrics to reduce the time to hire employees and, in turn, reduce the lapse rates.	Not provided	In implementation Grouped into follow-on strategy "Hiring"
24. Conduct Entrance and Exit Surveys	The Army and Air Force already have their own survey programs, so OSD opted to postpone any decisions on how to proceed until the services had ample time to test their own programs.	Not provided	In implementation Grouped into follow-on strategy "Marketing, Recruiting, & Retention"
	OSD will then determine the best course of action and develop additional surveys as needed.	1QFY03	
25. Establish a Program to Share Best Practices within the Acquisition Workforce	OUSD (AT&L) Knowledge System Communities of Practice will include a program for sharing best practices in the following areas: Program Management, Contract Finance, and Acquisition Logistics.	FY02	In implementation

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Reshaping the Civilian Acquisition Workforce**

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26. Convert Term Appointments to Permanent Appointments Non-Competitively	Legislation is under consideration.	FY03	In implementation
27. Establish a DOD/Industry Two-way Exchange Program	OUSD(AT&L) hosted a forum with the private industry representatives designed to flush out industry concerns.	Not provided	In implementation
	Using information from the forum, OUSD(AT&L) chaired a working group with representation from the services and DOD agencies to develop a draft program directive and draft instruction. A legislative proposal is being staffed to enable this program.	Not provided	Grouped into follow-on strategy "Career Development"
28. Encourage Job Mobility, Both Local and Geographic	The DOD Components encourage mobility through rotational assignments, long term planning, payment of Permanent Change of Station (PCS) expenses, and civilian spouse placement programs.	Not provided	In implementation
	Legislation is under development to facilitate greater job mobility.	FY03	
29. Assess DOD Acquisition Personnel Management Authorities	A process is in place to assess DOD acquisition personnel management authorities.	Annually	In implementation
	OUSD(P&R) is developing a strategic personnel management plan that addresses the need for additional personnel management flexibilities.	Annually	
	The DOD Components are also preparing annual human resource performance plans that will identify areas of need within personnel policy and practices.	Annually	
	DOD is expecting to conduct a thorough review of personnel systems in order to prepare for transition to alternative personnel system.	Not provided	
30. Allow Employees to Buy Down the Early Retirement Penalty	Legislation pending to increase personnel management flexibilities.	FY03	Not pursued
	Reason not to implement.		
31. Maximize Use of Return Home Visit Authority for Temporary Duty (TDY) Employees and Permit Spouse Travel as an Alternative	Analysis showed that many employees would not find it in their best interest to use this authority. DOD also determined that employees wishing to gain extra retirement income can do so through annuities available in the marketplace.		Not pursued
	Reason not to implement. Since DOD Components already encourage return home visits, roundtrip travel for spouse is more costly. DOD will not pursue legislatively authority.		

**Appendix I: DOD Actions and Milestones for
Reshaping the Civilian Acquisition Workforce**

Task Force recommendations	DOD reported actions taken or future milestones^a	DOD reported date that action accomplished or scheduled^a	GAO assessment of current Status
Ongoing initiatives			
1. Automate the hiring process	Much of the hiring processes within DOD have already been automated. Are currently reviewing their individual hiring processes to streamline and find additional automation opportunities where appropriate.	Not provided Not provided	
2. The Acquisition Workforce Personnel Demonstration Project	As of September 30, 2001, approximately 5,300 employees across DOD were participating in the project to improve the quality and morale of the AT&L workforce as well as the management of it.	September 30, 2001	
3. Establish career development plans for all acquisition career fields	The Principal Deputy Under Secretary of Defense (AT&L) chartered SES-level experts to serve as Functional Advisors (Fas) for each AT&L career field to act as subject matter experts on the qualifications and career development requirements for their assigned career fields.	February 2001	
4. Establish special pay rates for information technology specialists	OPM established higher pay rates for new and currently employed computer specialists, computer engineers, and computer scientists at grades GS-5, 7, 9, 11, and 12.	January 2001	
5. Increase bonus ceilings	The Managerial Flexibility Act of 2001 provided authority to pay larger recruitment and relocation bonuses based on the length of an agreed-upon period.	2001	
6. Permit initial conversion of 401K plans and allow immediate contributions to Government's Thrift Savings Plan	Authority was granted.	FY 2001	
7. Expand voluntary early retirement (VERA)/voluntary separation incentive program (VSIP) authority	The FY 2002 National Defense Authorization Act includes VERA and VSIP authority for workplace restructuring in FY 2002 and FY 2003. The Administration has introduced legislation to make authority permanently available throughout the federal workforce.	FY 2002 Not provided	
8. Develop a phased retirement program	DOD is not pursuing legislation allowing this program.		
Best practices			
1. Army Acquisition Corps Career Development	Not provided.	Not provided	
2. Navy Acquisition Intern Program	Not provided.	Not provided	
3. Air Force Materiel Command Human Resource Strategic Management Planning	Not provided.	Not provided	

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Task Force recommendations	DOD reported actions taken or future milestones^a	DOD reported date that action accomplished or scheduled^a	GAO assessment of current Status
4. Defense Logistics Agency (DLA) Mid-level Development Program	Not provided.	Not provided	
5. Defense Leadership and Management Program	Not provided.	Not provided	
6. Secretary of Defense Corporate Fellows Program	Not provided.	Not provided	
7. Automated Referral System and Resume Database	Not provided.	Not provided	

^a We did not independently verify or assess actions or dates reported by DOD.

^b The taskforce received the first draft of strategic plans from the Defense Logistics Agency (DLA), Defense Contract Audit Agency (DCAA), Defense Contract Management Agency (DCMA), and the Department of the Air Force, Department of the Army, and Department of the Navy.

^c The Department of Defense Civilian Personnel Manual (DOD 1400.25-M).

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