

February 17, 2010

## **PLAN FOR COLLOQUIA REGARDING THE INDEPENDENT REVIEW OF THE DEFENSE CIVILIAN INTELLIGENCE PERSONNEL SYSTEM**

### **I. BACKGROUND**

Since 2006, the Under Secretary of Defense for Intelligence (USD(I)) has been working to develop and implement the Defense Civilian Intelligence Personnel System (DCIPS), a unique pay-for-performance system that was designed with the goal of providing a common human resources management system for all Defense intelligence positions. Although most Defense intelligence organizations have adopted all or parts of DCIPS, the FY 2010 National Defense Authorization Act (NDAA) suspended certain DCIPS pay-setting authorities for all Defense intelligence components, except the National Geospatial-Intelligence Agency (NGA), until December 31, 2010. The NDAA also required the Secretary of Defense, the Director of National Intelligence, and the Director of the U.S. Office of Personnel Management to designate an external entity to conduct an independent review of DCIPS and provide a report, with recommendations, to the Secretary of Defense and Congress on areas for improvement or change, focusing on:

- DCIPS's impact on career progression;
- Its appropriateness in light of workforce complexities;
- Its protections for diversity in promotion and retention; and
- The adequacy of training, policy guidance, and other preparations for transition to DCIPS.

The National Academy of Public Administration (the Academy) was selected to conduct the independent review of DCIPS. The Academy is required to complete its review and develop a report with Panel findings, conclusions, and recommendations for the Secretary of Defense and Congress by June 1, 2010. To respond to the requirements of the NDAA, the Academy developed and incorporated into its Work Plan for review three key research questions, shown in Table 1 below.

**Table 1. Study Research Questions**

1. **Design:** To what extent does DCIPS design align with sound design principles of performance management and pay-for-performance based systems, as well as take into account the complexities of the affected workforce?
2. **Implementation:** To what extent does the DCIPS implementation plan reflect sound change management strategies and principles?
3. **Impact:** Based on the current design and implementation approach, what identifiable issues or concerns will impact career progression and diversity?



## **II. OBJECTIVES OF THE COLLOQUIA**

The Academy's study Work Plan describes several data collection methods to address the three research questions. Primary research techniques include: (1) an on-line dialogue to gather the opinions and perspectives of the entire workforce affected by DCIPS, (2) focus groups with personnel affected by DCIPS, and (3) interviews with stakeholders and other knowledgeable individuals. Focus groups, combined with the on-line dialogue, will likely yield some important perceptions about the design and implementation of DCIPS from the perspectives of the different workforces that will be affected by the system. Interviews will provide an opportunity to gather the perspectives of stakeholders and other individuals outside of the DCIPS environment.

However, the colloquia will provide a unique forum in which senior subject matter experts with a broader perspective will come together to discuss their collective views on DCIPS and share their knowledge, expertise, and actual experiences with designing and implementing similar pay-for-performance systems. The format and content of the colloquia are designed to generate a high degree of synergy among the participants, so as to provide the opportunity to generate data of a quality and depth that is not possible using other data collection techniques.

The expected outcome of the colloquia is quantitative and qualitative data that, in combination with data gained from other sources, will provide an additional expert perspective for the assessment of the study issues. Additionally, the colloquia will seek to draw out from these participants a set of design concepts and change management strategies based on their experienced successes and failures that will augment the existing assessment criteria, inform the Academy's research, and help shape the findings, conclusions, and recommendations of the Academy Panel report.

## **III. COLLOQUIA PARTICIPANTS**

Participants will be executive level officials of the federal government, academia, or private industry who have experience or subject-matter knowledge in the relevant areas, including performance management, compensation, and pay-for-performance systems. As many as 15 participants will be invited to each colloquium to increase the prospect that the desired number of participants will be able to attend. However, each session will be limited to approximately 10-12 executives to achieve a manageable size, while still providing a useful variety of perspectives and experiences.

## **IV. COLLOQUIA FORMAT AND APPROACH**

The colloquia will require advanced preparation by the participants to ensure that they develop a basic understanding of DCIPS prior to attending the sessions. For this purpose, colloquia participants will be provided with reading materials in advance of the scheduled sessions. The materials will be selected to provide a common understanding of the study requirements and



Work Plan, DCIPS features, general issues, and the approach and tools being used to implement the system.

A total of four hours will be dedicated to each colloquium, which will be divided into two segments: (1) Assessing DCIPS Design, Implementation, and Impact and (2) Sharing Lessons Learned. (See Attachment A.) To ensure full and productive engagement of all participants, members of the study team will guide and record the results of the discussion. This will include posing a series of planned questions (Attachment B) and then further developing points made to create additional dialogue. The objective is to ensure that the dialogue yields lessons learned from experience in designing, implementing, and managing pay-for-performance systems.

### **Segment 1: Assessing DCIPS Design and Implementation**

This segment will focus on eliciting responses to questions that will directly support the three overarching research questions that serve as the basis for the Academy's study. Specific questions will address the design, implementation, and potential impact of DCIPS and will seek to elicit data that support the application of the criteria in the Assessment Framework that has been incorporated into the study Work Plan. To the extent possible, the colloquia questions will take into account those used in the on-line dialogue and the focus groups, as a way to ensure consistency in data collection and facilitate analysis.

The expected product of this segment will be qualitative data that will be used to inform the Panel's findings, conclusions, and recommendations for improving the design and implementation of DCIPS, as well as assessing its potential impact on career progression and diversity.

### **Segment 2: Sharing Lessons Learned**

This segment will be designed to encourage participants to engage with each other and discuss their experiences with designing, implementing, and managing pay-for-performance systems. The goal of this segment is to identify design principles and change management strategies based on the practical experiences of the participants. These principles and strategies will be used to supplement the criteria contained in the Assessment Framework that is part of the study Work Plan. Allotting time for participants to share their positive and negative experiences is intended to provide practical experiences that will be helpful to the Panel and to the implementers of DCIPS. Key to the success of this segment is participants' willingness to discuss not only their successes but also their failures with pay-for-performance systems.

The expected product of this segment of the session will be qualitative and quantitative data that can be used to support the assessment of DCIPS design and implementation, refine the Assessment Framework, and inform the Panel's findings, conclusions, and recommendations.

## **V. COLLOQUIA LOGISTICS**



**Location:** The colloquia will be conducted at the National Academy’s offices at 900 7th Street, N.W., Suite 600, Washington, D.C.

**Dates:** The target dates for the colloquia are March 10th and 11th, 2010, with one session scheduled on each day.

**Duration of Sessions:** Each session will be scheduled for four hours – 10:00 am to 2:00 pm. A working lunch period is scheduled from 12:00 – 12:30 pm.

## VI. TIMELINE

As noted above, the goal is to conduct one of the colloquia on March 10 and the other on March 11, 2010. The timeline for completing key actions is as follows:

Activity	Target Date
Identify facilitator	February 16, 2010
Distribute preliminary invitations to potential participants	February 23, 2010
Finalize list of participants	February 28, 2010
Distribute final invitation	March 1, 2010
Finalize colloquia agenda	March 1, 2010
Distribute “read ahead” materials	March 1, 2010
Finalize colloquia questions and slides	March 3, 2010
Finalize logistics	March 4, 2010
Conduct sessions	March 10 -11, 2010
Prepare notes	March 15, 2010

## ATTACHMENT A DRAFT COLLOQUIA PROTOCOL OVERVIEW

Time	Activity	Product
<b>Segment 1</b>		
<b>10:00 am</b>	Panel Chair kickoff	
<b>10:05</b>	Welcome to NAPA	
<b>10:10</b>	Personal introductions	
<b>10:15</b>	Introductory slides on DCIPS	
<b>10:30</b>	Assessing DCIPS design, implementation, and potential impact	<ul style="list-style-type: none"> <li>• individuals' answers to the questions</li> <li>• detailed notes on group discussion of critical challenges</li> <li>• ideas about areas for improvement or change</li> </ul>
<b>11:45</b>	Assessing the potential impact of DCIPS	<ul style="list-style-type: none"> <li>• thoughts about: (1) how DCIPS may impact career progression and (2) whether DCIPS may lead to disparate impact on minorities, veterans, women and other diverse groups</li> </ul>
<b>12:00 pm</b>	lunch	
<b>Segment 2</b>		
<b>12:30</b>		<p>Narratives on actions to address challenges in:</p> <ol style="list-style-type: none"> <li>1. Designing a pay-for-performance system</li> <li>2. Creating a change management strategy</li> <li>3. Avoiding adverse impact</li> <li>4. Change management</li> </ol> <p>Additional details gained through participants' review of each others' narratives and group discussion</p>
<b>1:55</b>	Closing	



## ATTACHMENT B

### COLLOQUIA QUESTIONS

#### Segment 1: Assessing DCIPS Design, Implementation, and Impact

1. Based on the materials you reviewed, what is your understanding of the goals of DCIPS? What is it designed to do?
2. What are the most positive features of DCIPS? The most negative?
3. What should be done to improve the overall design of DCIPS?
4. How would you assess the overall change management strategy being used to implement DCIPS?
5. What should be done to properly monitor the impact of DCIPS on career progression and diversity? What key indicators should be tracked?
6. Do you think the pay bands used in DCIPS will offset the loss of potential promotions that were available under the General Schedule system?

#### Segment 2: Sharing Lessons Learned

1. What are the critical success factors in implementing a pay-for-performance system?
2. What causes a performance management system to fail?
3. Please rank the importance of the following design features for a pay-for-performance system, with 1 being the lowest, and 10 being the highest in importance.
  - a. Transparency of system features
  - b. Clear alignment with merit systems principles
  - c. Requirement for ongoing communication
  - d. Clear, understandable pay bands
  - e. Simplified classification system
  - f. A solid performance management system that effectively differentiates levels of performance
  - g. Responsiveness to market conditions
  - h. The ability to customize features down through organizational layers
  - i. Linkage to mission accomplishment
4. If you were implementing a pay-for-performance system, what key change management elements would be included?
5. Please rate the following implementation dimensions in terms of their importance.



- a. Leadership commitment
- b. Open communications
- c. Training
- d. Stakeholder involvement
- e. Adequate implementation planning execution
- f. Evaluation plan
- g. Specific measures to track the impact of the system on career progression and diversity

- **Extremely Important (5)** = critical to DCIPS success
- **Important (4)** = key to DCIPS success; failure to address this aspect will severely challenge DCIPS implementation
- **Marginally Important (3)** = this will enhance the transformation to DCIPS
- **Somewhat Unimportant (2)** = this is a "nice to have," but not critical to DCIPS implementation
- **Not important at all (1)** = is not required at all for successful implementation of DCIPS

6. What are the most important actions agency leaders need to take to ensure a successful transition to pay-for-performance?