



Highlights of [GAO-10-134](#), a report to the Committee on Armed Services, U.S. Senate

Why GAO Did This Study

Since 2001, GAO has designated strategic human capital management as a high-risk area because of the federal government's long-standing lack of a consistent approach to such management. In 2007, the Under Secretary of Defense for Intelligence (USD(I)) began developing a human capital system—called the Defense Civilian Intelligence Personnel System (DCIPS)—to manage Department of Defense (DOD) civilian intelligence personnel. In response to a congressional request, GAO examined the extent to which DOD has (1) incorporated internal safeguards into DCIPS and monitored the implementation of these safeguards and (2) developed mechanisms to identify employee perceptions about DCIPS. GAO analyzed guidance, interviewed appropriate officials, and conducted discussion groups with employees at select DOD components. At the end of GAO's review, legislation was enacted that impacts, among other things, how DCIPS employees will be paid.

What GAO Recommends

GAO recommends that DOD issue guidance to involve employees in system design and implementation and guidance for the analysis of final performance ratings using demographic data; finalize and execute its evaluation plan to assess the system, including the safeguards; and implement mechanisms that comprehensively identify employee perceptions. DOD concurred with all four recommendations.

View [GAO-10-134](#) or [key components](#). For more information, contact Brenda S. Farrell at (202) 512-3604 or farrellb@gao.gov.

DOD CIVILIAN PERSONNEL

Intelligence Personnel System Incorporates Safeguards, but Opportunities Exist for Improvement

What GAO Found

While early in its implementation of DCIPS, DOD has taken some positive steps to incorporate 10 internal safeguards to help ensure the fair, effective, and credible implementation of the system; however, opportunities exist to immediately improve the implementation of two of these safeguards, and continued monitoring of all is needed. For example, one safeguard requires employees to be trained on the system's operations, and GAO noted that DOD had provided extensive training to employees on DCIPS to include several Web-based and classroom courses. For another safeguard—which requires ongoing performance feedback—GAO noted that DOD's guidance requires feedback between employees and supervisors at the midpoint and at the close of the performance rating cycle. However, GAO determined that in the case of two safeguards—involving employees and fully implementing the merit principles—DOD could immediately improve its implementation. First, while DOD has leveraged mechanisms like town hall meetings and “brown bags” to involve employees in DCIPS, its guidance does not identify a formalized process for the continuous involvement of employees in the system implementation—which could ultimately undermine its credibility. Second, while DOD has stated that it will conduct an analysis of final ratings utilizing demographic data, DOD does not have a written policy outlining how this will be accomplished, and therefore may be unable to fully determine whether potential barriers to fair and equitable ratings exist. Without steps to improve implementation of this safeguard, employees may lack confidence in the system. Finally, GAO previously reported—for systems like DCIPS—that continued monitoring of such systems' safeguards is needed to help ensure agency actions are effective. In October 2009, DOD provided GAO with a draft DCIPS evaluation plan that would be executed after the first payout in January 2010. Without finalizing and executing the plan, DOD will not know if it has achieved desired outcomes from the system.

DOD has used several mechanisms to provide employees with information; however, these mechanisms do not comprehensively identify and address employee perceptions of DCIPS. For example, USD(I), among other things, maintains a Web-site that contains frequently asked questions submitted by employees and responses by USD(I). Absent, however, are mechanisms to systematically identify employee perceptions. The nongeneralizable results of the discussion groups GAO conducted with employees and supervisors yielded mixed views. For example, participants generally expressed positive views about the concept of pay for performance. But participants at most of the Intelligence Components noted that DCIPS was being implemented too quickly or many questions went unanswered. Although DOD officials have drafted surveys that will allow them to more comprehensively collect employee perceptions about DCIPS, these surveys lack questions that would provide insight about employee perceptions of certain safeguards and overall acceptance of DCIPS. Without including such questions and expeditiously implementing its surveys, DOD will not have clear insight into employee perceptions.