DoD to Combat Effects of Civilian Downsizing

Unprecedented Opportunity to Reshape the DoD Civilian Workforce

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WASHINGTON, May 22, 2000 – After more than a decade of downsizing, DoD has an older civilian workforce with a higher average grade, and this worries DoD officials.

Diane Disney, Deputy Assistant Secretary of Defense for Civilian Personnel Policy, said in a recent interview the Department must address worker age and grades to ensure DoD has the right number of people and right mix of skills for the future.

She said the average age of DoD's workforce has increased from about 42 to 46 since the end of fiscal 1989, "and we expect it to rise over the next couple of years to 47." DoD civilians also have a higher average General Schedule grade now – up from 8.5 in 1990 to 9.3 today. On the blue-collar side, the wage board average grade rose from 8.2 to 8.7.

"The oldest baby boomer turns 55 in 2001," she said. "That means we will begin to see more and more civilians departing starting next year than we've ever seen before." Compounding the turbulence, DoD now has about 76 percent fewer people in their 20s than it did a decade ago.

"At one level, we expect more turnover of people in their 20s than in any other group because that's a decade of exploration," she said. "That's when people try things and move on and try other things." But DoD also has 50 percent fewer people in their 30s than it did a decade ago.

***Garamone** is on the staff of American Forces Press Service. This information is in the public domain at **www.defenselink.mil/news** on the Web.*

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"There is no corollary between skills and age, but at the same time, it is essential that we have age diversity," Disney said. DoD will always have turnover, and there must be an adequate supply of appropriately trained people in the pipeline, she remarked. Since the downsizing began, DoD has eliminated roughly 420,000 civilian positions. The Department must cut another 70,000 between now and the end of fiscal 2005. That's about 10 percent of the current total.

"Downsizing has resulted in a workforce very different from the workforce we faced at the end of fiscal 1989," Disney said. "Coupled with the technological changes that have occurred and the increasingly complex mission of the Department, this downsizing poses some real challenges."

In the acquisition workforce, for example, about half of the people who are now employed won't be around in five years, Disney said. "That provides an unprecedented opportunity to reshape that workforce," she said. "But it requires that we begin now to analyze the knowledge, skills, and abilities that we're going to need at that point."

DoD is finding there are differences in the Department's occupational mix. "We are an increasingly professional workforce," Disney said. "We have eliminated

66 percent of the clerical jobs we had and 47 percent of the blue collar jobs. So our workforce has a greater share of people who are professional, technical, and administrative than it did in the past."

DoD needs workers with increased technological skills, improved service orientation, the ability to adapt to change, and the capacity to do a broader range of things, Disney said.

But these skills are exactly what private industry is looking for also. "We're facing a particularly difficult challenge, ironically because the country is doing so well," Disney said. "With less than a 4-percent unemployment rate, it almost seems as if anybody who can fog a mirror can get a job. So we cannot continue to operate under the assumptions we had in the past."

Among those assumptions is the idea that the federal government offers stable, lifetime employment. "Ten-and-a half years of downsizing can raise doubts about that," she said.

Another assumption is that DoD cannot compete financially with the private sector. "The growth of the high-technology fields has meant that private industry has dramatically raised the compensation packages it offers to people," Disney said. "As part of the federal government, we don't have the same latitude, but we do have some options such as recruitment bonuses and retention allowances."

DoD and the Services are ensuring that managers know these options exist. "They've not been widely used, but in some occupations they are clearly going to have to be," she said.

For years, supervisors have complained that hiring is too slow. "A private sector employer can meet you now and in five minutes give you an offer," Disney said. "The federal government can meet you now, and then you fill out its forms."

DoD is looking to simplify hiring by examining regulations and working with the Office of Personnel Management to suggest legislative changes, she said.

Finally, DoD is looking to better manage the workforce and ensure it has the right mix of skills at every location to meet its readiness needs. "We have been fortunate that Congress has helped us with buyout authority and retirement authority," Disney said. "These have helped us ensure workforce stability during some very difficult times. "However, we now need to look at the next generation of transition authorities," she continued.

Currently, the use of voluntary separation incentives and voluntary early retirements are tied to reductions-in-force, so the Department has to sacrifice a position to offer a buyout.

Buyouts have helped DoD meet milestones in downsizing to the right number of people, but not necessarily the right mix of occupations, she said.

"We need to be able to offer a buyout where appropriate, but still fill a position," Disney said. "We are working with other agencies and members of Congress to see if we can negotiate that kind of change. We need this change as soon as we can get it."

DoD Awards Grants to Historically Black and Other Minority Colleges and Universities

Deputy Director of Defense Research and Engineering Delores Etter announced today [May 25, 2000] the award of grants totaling $5.388 million to 31 historically black and other minority colleges and universities. These grants represent the final phase of the fiscal 2000 Department of Defense (DoD) Infrastructure Support Program. The grants will enhance programs and capabilities at these institutions in scientific disciplines critical to the national security of the DoD. Since 1992, the program has provided more than $111 million to minority institutions for program enhancements in science, engineering, and mathematics. The program goals include increased participation of minority institutions in defense research and an increase in the number of minority graduates in the fields of science, engineering, and mathematics.

The grants were competitively selected from over 130 proposals submitted to the Army Research Office (ARO) and the Air Force Office of Scientific Research (AFOSR) in response to a Broad Agency Announcement issued in September 1999. The ARO and AFOSR will award equipment grants ranging from $35,000 to $200,000 for one year. Research grants ranging from $270,000 to $572,000 will be awarded by AFOSR.

These 31 awards include 26 instrumentation grants and five research grants. Among the awardees are 13 historically black, 13 Hispanic, and five other minority colleges and universities. These include 17 awards by the AFOSR and 14 by ARO.

Awards will be made only after written agreements are reached between the Department and the institutions.

Details of the awards can be found at **http://www.defenselink.mil/news/fact_sheets/hbcuFY00awardslist1.html**

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