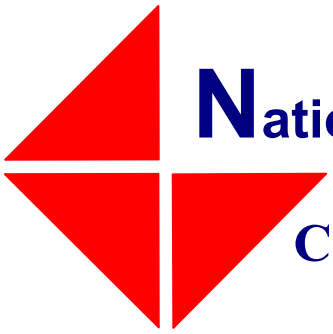
Evaluation of Personnel Delegations: Year Five Report

National Institutes of Health



National Academy of Public Administration

Center for Human Resources Management

December 2001

Contract 263-96-D-2004

About the Academy

The National Academy of Pubic Administration is an independent, nonprofit organization chartered by Congress to improve governance at all levels – local, regional, state, national, and international. The Academy's membership of 500 fellows includes current and former members of Congress, cabinet-level appointees, senior federal executives, state and local practitioners, business people, nonprofit leaders, and scholars with distinguished records in public management. Since its establishment in 1967, the Academy has assisted hundreds of federal agencies, congressional committees, state and local governments, civic organizations, and institutions overseas through problem solving, research, analysis, information sharing, developing strategies for change, and connecting people and ideas.

Most reports and papers issued by Academy panels respond to specific requests and needs of public agencies. Projects also address government-wide and broader societal topics identified by the Academy. In addition to government institutions, businesses, foundations, and nonprofit organizations support the Academy.

About the Center for Human Resources Management

The Academy's Center for Human Resources Management helps public sector organizations deal with a rapidly changing human resources field by performing research, benchmarking successful organizations, identifying best practices, analyzing operational processes and procedures, facilitating focus groups, and conducting educational and informational seminars and workshops. The Center uses innovative approaches such as groupware (a real-time collaborative brainstorming and decision-support computer tool) and has developed its own groupware laboratory for agencies that wish to develop rapid consensus on difficult and complex issues. In addition, the Center has developed a website (www.hrm.napawash.org) with information on the Center and its services, plus an electronic forum for sharing ideas and developing collaborative efforts.

Much of the Center's activities focus on a Consortium – 58 federal agencies, one state, two cities, and the World Bank – that pools its resources to address the pressing issues of modern human resources management. Members set annual priorities and provide collegial direction for Consortium activities, which have application throughout the public sector.

The Center also provides consultative services to individual public organizations on specific short- and long-term issues, including development of customized human resources systems.

Evaluation of Personnel Delegations:
Year Five Report
National Institutes of Health

Contract 263-96-D-2004

Advisory Panel Members

Ralph Bledsoe, *Panel Chair*
Rosslyn S. Kleeman
Thomas S. McFee

Officers of the Academy

Mortimer Downey, *Chair of the Board*
Robert J. O'Neill, Jr., *President*
Philip J. Rutledge, *Secretary*
Sylvester Murray, *Treasurer*

Project Staff

Myra Howze Shiplett, *Center Director*
Raymond J. Sumser, *Project Director*
Sally Marshall, *Sr. Consultant*
Gary Saturen, *Consultant*
Jane Chan, *Research Analyst*
Catherine Garcia, *Administrative Assistant*

TABLE OF CONTENTS

EXECUTIVE SUMMARY

It has been five years since the Secretary of the Department of Health and Human Services agreed to delegate to the Director of NIH all the Secretary's personnel authorities, except those reserved to her by law and regulation. The agreement designated NIH as a pilot project and gave to the director the authority to use the delegations and to redelegate them to develop human resource management policies, processes and systems that would best meet mission needs in recruiting and retaining the highest quality workforce. It specified that NIH would engage the services of an expert organization to assist in the implementation of the agreement by designing and conducting evaluations and providing program development support. NIH executed a five-year contract with the Center for Human Resources Management of the National Academy of Public Administration for those purposes.

This is the fifth and final year of the evaluation contract. The contract directed the Academy to address three major requirements: Development of formal performance targets, identification and collection of baseline data to measure the effects of the new authorities on human resources management effectiveness and conduct of interim evaluations in the first, second and fourth years and comprehensive evaluations at the end of the third and fifth years. The purpose of those evaluations was to provide NIH with an external, objective assessment of the impact of the delegations on personnel services delivery systems and processes and the capability of NIH managers to carry out their HRM performance targets. The Academy's project team in Year One met the first two requirements and completed the first interim evaluation. The team also completed the other required evaluations in Years Two, Three and Four.

The body of this report addresses in detail the effects of the delegations on the accomplishment of two goals:

- Advance superior biomedical and behavioral science research and
- Effectively and efficiently manage the resources provided to the NIH by the American public

It does this through a series of objectives, indicators and targets designed in Year One to focus on the human resource management and human resource support processes that are some of the enablers to accomplishing the two goals. Those objectives, indicators and targets were tracked in Years One, Three and now Five.

This summary does not focus on the detail of the individual evaluation elements. Instead it has as its purpose identifying what the Academy team views as major findings and presenting associated recommendations for consideration.

FINDING ONE: The delegations to the NIH Director and their redelegation to the senior executives of the Institutes and Centers of NIH are empowering them to become more responsible and accountable for the human capital of their respective institutes and centers.

FINDING TWO: The redelegations have not in general reached the managers – division director and branch and equivalent levels – whose competencies, tools and leadership have the broadest direct impact on the hiring, development, utilization and nurturing of the people who do the NIH mission work. Delegations, particularly those that are related to the hiring process, are high on the list of delegations that managers want but do not have.

FINDING THREE: Some of the HR system elements so critical to supporting manager actions have become more flexible and easy-to-use during the life of this pilot redelegation project, particularly because of the increased control by the offices of the directors of the ICs closer to the programs, the innovative policies and processes developed for Title 42 implementation, and the integration of CAREER HERE AND CRIMS. Nevertheless, the complexity and time-consuming processes of the civil service system continue to confound manager and supervisor customers.

FINDING FOUR: The three strategies NIH has advocated remain crucial to moving the reinvention of NIH human resource management forward: empowerment of managers through redelegation of the NIH Director's personnel authorities to directors and managers, process simplification that leads to a more flexible and easy-to-use personnel system, and process automation that improves the speed of processing actions to completion.

The surveys of managers and supervisors in Years One, Three and Four have provided a good deal of information related to the benefits already gained and those still to be realized. The following recommendations suggest steps NIH can take to capitalize on what has been learned in the five years and what can be done in the future to further accomplishment of the three human resource management strategies outlined in Finding Four above.

RECOMMENDATION ONE: The NIH Director should continue the already defined direction described in Finding Four and champion the continued empowerment of managers by IC Directors through increase redelegations to at least division and branch head levels.

RECOMMENDATON TWO: NIH should take advantage of opportunities presented by any proposed consolidations and the implementation of PeopleSoft to do more personnel business process reengineering with the aim of developing simpler, more automated and more timely processes.

RECOMMENDATION THREE: All ICs should do regular formal surveys of customer satisfaction and develop (a) action plans for implementing needed internal changes to the processes identified through the survey and controlled by the IC and (b) proposed changes to problems that must be resolved outside the IC by policy, regulation and legislative change.

RECOMMENDATON FOUR: **Working with OHRM, ICs should develop programs to regularly measure the time it takes to process actions associated with the various HR program elements in order to continue to reduce processing times.**

Culture change such as that associated with this pilot delegation project takes five to ten years to implement successfully. There has been progress in the first five years. It is time now to refuel, take stock and take action to complete the goals.

CHAPTER ONE

PROJECT BACKGROUND AND METHODOLOGY

GENERAL BACKGROUND. This report is the fifth and final report of the fixed-price contract executed in late 1996 between the National Institutes of Health (NIH) and the National Academy of Public Administration titled, Simplify Personnel Management and Personnel Administration Policies and Procedures. NIH asked the Academy through the contract to assist in the implementation of an October 1995 performance agreement between the Secretary of Health and Human Services (HHS) and the Director of NIH.

The 1995 agreement designated NIH as a pilot project to simplify personnel management and personnel administration policies. It delegated to the Director all the Secretary's personnel management authorities except those specifically reserved subject to laws and regulations. The agreement gave NIH the authority to use the delegations to develop human resource management policies, processes and systems that would best meet its needs in recruiting and retaining the highest quality workforce. It specified that NIH would engage the services of an expert organization to assist in the implementation of the agreement, to design and conduct evaluations and to provide program development support.

The performance agreement further provided that NIH would evaluate the linkage of the use of the delegated authorities relating to two of its then strategic goals:

- Advance superior biomedical and behavioral science research, and

- Effectively and efficiently manage the resources provided to the NIH by the American public

These two goals are not included literally in the current NIH strategic plans nor have they been included for several years. Yet, they remain as over-arching goals for effective human resource management at NIH and have been continued as benchmarks for evaluating the success of the delegation pilot. Under the terms of the contract, NIH asked the Academy to provide its assessment of the impact of the delegations using interim evaluations in years one, two and four and comprehensive evaluations in years three and five.

Year One. In 1997, the first year of the assessment, the Academy focused its activities on development, administration and analysis of a comprehensive managerial survey and sampling interviews to be repeated in years three and five. A baseline for subsequent assessments was developed. Performance indicators and targets were produced for use in further evaluation of these aspects of the personnel systems and processes: flexibility and ease of use, customer focus, effective recruitment, delegations and empowerment, process efficiency, diversity, and contributions to mission.

Year Two, the focus shifted in 1998 to identification of improvement initiatives that would support the two strategic goals. Each of five NIH Centers and Institutes (ICs) began a voluntary

pilot program to design and develop organization-unique improvement plans, related to issues of importance to manager customers in each of the five organizations. The participating ICs were: Office of the Director (OD), National Institute of Allergy and Infectious Diseases (NIAID), National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK), Center for Scientific Review (CSR), and the Center for Information Technology (CIT). The five, working with the Academy and identifying issues through manager and human resource (HR) staff focus groups and interviews, separately cataloged the data needed to describe and prioritize the most pressing human resources management (HRM) issues, unique to each of the five. By the end of the year, the pilot ICs developed and implemented individual IC improvement plans covering specific objectives and timetables for meeting those objectives.

Through the focus groups and interviews of Year Two, the five ICs constituting the pilot recognized that certain issues were similar across all five and could benefit from a cross-IC strategy to foster improvements. Working with the Director of the NIH Office of Human Resources Management (OHRM), the five agreed on the importance of beginning the following crosscutting projects:

- Development and implementation of an integrated personnel office automation system. This project contemplated integrating CAREER HERE, an automated job vacancy announcement and application system -- advertise on line, apply on line and look at candidates on line, and CRIMS -- a corporate recruitment and information management system. The two were originally designed and demonstrated separately by NIAID and CIT, respectively. The Director of the NIH Office of Human Resources (OHRM) agreed to seek full central funding of additional development costs.

- Establishment of an Employee Relations (ER) Service Center. The objective of this project was to create an active, fully staffed center of excellence to provide in-depth, timely and expert case management services, including ER training to those ICs that elected to participate. Based on the need for more expert attention to reducing the incidence of disciplinary cases and more training and coaching to help supervisors develop additional skills and knowledge in dealing with employee relations matters, the five ICs identified the following needs to be addressed by the Center: (1) develop curriculum and materials for supervisor training, (2) create a comprehensive source list of materials, tools, and consultants, (3) serve as a prototype for a Center of Excellence/Service Center, (4) develop an automated case tracking system, develop a web site of information and samples, (5) develop an ongoing vehicle for marketing best practices, (6) develop prevention strategies to reduce instances of ER problems and (7) provide an orientation for managers/supervisors that addresses the most commonly occurring ER issues. The Director of OHRM agreed conceptually and asked his OHRM staff to flesh out the concept more and to staff it with the ICs. He also agreed to fund initial development efforts. ICs would need to fund continuing operations once they had agreed to the full concept.

Year Three. In 1999, the Academy conducted a comprehensive external objective assessment of the impact of the HRM delegations on personnel services, delivery systems and processes and the capability of NIH managers to carry out their HRM performance objectives in terms of their

linkage with NIH strategic objectives as well as against benchmarks and comparison norms. Relying largely on the managerial survey, validating interviews, pilot improvements and demographic analyses, the Academy concluded that "NIH is making positive progress in achieving the specified targets and indicators of the two strategic goals of the October 1995 agreement . . . Indications are that work toward the targets is both showing positive results and identifying the areas needing improvement." Manager survey responses showed significant positive gains in improving the HR processes.

During Year Three work also continued on the pilots and the crosscutting initiatives. Each pilot IC refined its improvement plan and completed the first full year of the improvement initiatives. Self-evaluations completed during Year three were positive but ranged from very modest achievements in the smaller ICs to major, complex change in the largest.

A substantial number of the NIH ICs adopted CAREER HERE, designed and developed by NIAID, in 1999. The process of integrating that front-end system with CRIMs continued but with some staffing and funding difficulties. The staff working on the effort was ultimately consolidated in CIT with a target of completing integration in 2000.

With respect to the employee relation's service center, OHRM continued work to develop it. OHRM and the five pilot ICs agreed on the final menu of services that should be provided. Staff members of the NIH OHRM developed a full concept proposal and the OHRM director presented it to management of the ICs.

Year Four. In the Year Three report the Academy panel had made a series of recommendations for Year Four. They included (1) a full review of IC redelegations of authority to lower manager and supervisor levels, (2) a review of manager needs in human resources management undertaken by each IC to identify any additional ways to make the personnel system as operated in each IC as flexible and easy-to-use as possible, (3) continuation of the work on the cross-cutting initiatives with the target of having them operational and fully available to all ICS by June 2000, (4) a review of the Senior Executive service (SES) program at NIH to identify any issues that were producing the negative manager perception of the system and a plan to resolve those issues, and (5) an acceleration of the work of a recruitment task force organized and overseen by the OHRM Director to help NIH improve its acquisition and development of new and diverse talent for the NIH workforce.

NIH continued to focus on the three broad strategies for reinventing the management of NIH's human capital: empowerment of managers through redelegation of the NIH Director's authorities to IC directors and managers, process simplification that leads to a more flexible and easy-to-use personnel system, and process automation that improves the speed of processing actions to completion.

Working with the Academy project team, the OHRM Director asked each IC Director to review the current delegations of personnel authority and to consider redelegation of any authorities that had not yet been redelegated. An assessment of the degree of additional redelegation is part of a special review in this Year Five Report. A similar assessment of any additional improvements in personnel office support and support systems is also part of this report.

Integration of CAREER HERE and CRIMS was accomplished successfully on September 30, 2000 on the eve of Year Five of the contract. The integrated version retained the title CAREER HERE. 100% of the ICs are now using the front end of the system (the initial CAREER HERE) while the backend, the CRIMS portion, is less well supported (75 – 80% of the ICs). Subsequent to the NIH integration effort, HHS purchased and is implementing People Soft as its department-wide personnel-payroll system. That system will ultimately include replacement of CAREER HERE.

There are outstanding questions about how much of the functionality of the integrated CAREER HERE will be carried over to the People Soft system. There is also a question about whether the seemingly conservative approach to initial implementation of the functional capabilities of the system will create additional delay in full implementation of all the needed capabilities of an integrated PeopleSoft system.

The employee relations service center concept was not, and may never be, fully implemented. While the ICs generally endorsed the utility of the concept developed by OHRM, they decided it did not have sufficient value to fund. As a consequence, OHRM reduced the menu of services to be offered and created and implemented as part of its program a virtual online, employee relations information center that is a reference tool for ICs that identifies available training and assistance. It contains sample disciplinary letters, resource links, updates on changes in employee relations, and available training and consulting resources. The Workforce Performance and Measurement Division of the NIH OHRM manages it. That Division also has a staff of employee relations' consultants with responsibility for supporting designated ICs. They are available for face-to-face assistance to those ICs. While the Academy did not make any formal assessment of the operation of the virtual information center, it did get positive reactions from several IC and OHRM users.

Some Influences on the Delegation Process. During the five years of the contract, several events have occurred that have led to changes in the context of the contract requirements. The other Operating Divisions (OPDIVs) of HHS have now had for several years the same Title 5 U. S. Code personnel authorities, originally delegated for piloting by the NIH Director in 1995. Thus the uniqueness of the original Title 5 delegations no longer exists.

More recent delegations of personnel authorities to NIH under Titles 38 and 42 of the U. S. Code remain more unique to NIH's science community. Those delegations have made it possible for NIH, unlike its sister OPDIVs, to shift emphasis in filling high-level science positions away from the more complicated and inflexible hiring and compensation processes of Title 5 to the simpler and more flexible processes available through these two other authorities. And that shift has resulted in turn in some diminishment of enthusiasm in the NIH Institutes and Centers for aggressive use of the Title V delegations.

Finally, the change in political administrations in January 2001 has created an unsettling environment in the HR community as the administration is moving to more consolidation of support services, including human resources (HR), more emphasis on centralization of support service elements, and less emphasis on broad delegation of personnel management authorities.

Some authorities, such as those for approval of appointments to Senior Executive Positions have already been withdrawn to HHS headquarters. Indications are that this has further diminished enthusiasm In the NIH Centers and Institutes for pushing the levels of other delegations down further to empower lower levels of supervision.

METHODOLOGY. To accomplish the objectives of Year Five, the Academy prepared an action plan in collaboration with NIH OHRM. The steps in that plan are quite similar to the plans for Year One and Year Three, particularly the latter:

- Working with NIH and a contractor, Stellar Communications, re-administer in the spring of 2001, the NIH wide survey of managers and supervisors, previously administered in 1997 and 1999. Analyze the results and develop a comparison between the 1997, 1999 and 2001 results.

- Conduct a series of management interviews to validate the survey analysis, using the list of executives, managers and HR Officers interviewed in both 1997 and 1999 with additions to cover attrition, absences and changes of assignment.

- Compare the status of redelegations below IC Directors from 1997 through eight months of 2001.

- Compare selected demographics of the NIH workforce for 1997, 1999 and 2001 with particular emphasis on the diversity of the workforce.

- Work with the OD, NIAID, NIDDK, CSR and CIT volunteers as they develop round two of the HRM improvement plans and work toward potential replication of the process in other ICs.

- Conduct an evaluation of the status of the crosscutting initiatives: Employee Relations Service Center and the continued work on the integration of CAREER HERE and CRIMS.

- Develop a final Year Five assessment report reflecting developments across the five-year period.

In Chapter Two the Academy project team assesses progress related to the specific performance targets developed with and adopted by NIH in Year One. Chapter Three contains summary findings of the redelegation pilot and project team recommendations for further NIH action.

CHAPTER TWO

PROGRESS AGAINST PERFORMANCE TARGETS

In this chapter the Academy project team assesses progress against the performance standards and objectives that support the focus of the two strategic goals identified in the 1995 performance agreement between the then HHS Secretary, Donna Shalala, and the then NIH Director, Harold Varmus. Those two goals are not repeated here but are repeated appropriately later in the text of this chapter.

The specific performance targets and the indicators developed by the Academy in Year One of the contract and which measure the achievement of the two objectives are used heavily in the analysis. They are supplemented by interview and other data related to the targets. A comparison of progress across the three surveys is contained in Appendix A. A more detailed comparison of specific responses to each question, compared by each of the three years can be found in Appendix B.

As in Year Three, the project team assessed changes in the status of IC redelegations of the personnel authorities given to the Director by the Secretary in 1995. The assessment not only highlights the changes since 1997 but also includes the team's overall assessment of the success of delegation progress over the five years of the evaluation. A detailed report of the status of redelegations for each of the thirteen authorities can be found in Appendix C.

Reviewing the evaluation approach. As indicated in the Year Three report, the two specific NIH goals initially outlined when the performance agreement was signed in 1995 have been reshaped and subsumed by NIH to meet the requirements of the Government Performance and Results Act (GPRA). The current NIH structure of mission, long-term goals, resources, programs and program strategies is the response to those GPRA requirements and to other factors related to the management of the NIH programs. The following quotes showing the current structure of the NIH mission and goals are extracts from the NIH GPRA documents combining the FY 2000 Annual Performance Report, the FY 2001 Final Annual Performance Plan, and the FY 2000 Annual Performance Plan:

"The NIH mission is to uncover new knowledge about the prevention, detection, diagnosis, and treatment of disease and disability. NIH works toward this mission by conducting research in its own laboratories, supporting the research of non-federal scientists in universities, medical centers, hospitals, and research institutions throughout the country and abroad; helping to train research investigators; and fostering communication of medical information."

"The NIH invests the public's resources and support for medical science in three basic and interrelated ways. First and foremost, the NIH conducts and supports medical research. Second, it contributes to the development and training of the pool of scientific talent. And, third, it participates in the support, construction, and maintenance of the laboratory facilities necessary for conducting cutting-edge research."

The NIH's long-term goals encompass each of the following domains of agency activity:

- *Increase understanding of normal and abnormal biological functions and behavior.*
- *Improve prevention, diagnosis, and treatment of diseases and disabilities.*
- *Promote development of an appropriate talent base of well-qualified, highly trained and diverse investigators capable of yielding the scientific discoveries of the future.*
- *Secure facilities for research that are modern, efficient, and safe.*

While the mission and goals continue to undergo some change as the NIH gains more experience in planning for and meeting the GPRA requirements, the spirit of the two goals outlined in the 1995 agreement continue as critical aspects of each of these domains. NIH supervisors and managers continue to be responsible for (1) advancing superior biomedical and behavioral science research, and (2) effective and efficient stewardship of the human resources provided to them.

NIH's Office of Management is charged with providing leadership and direction to all aspects of NIH-wide administration and management activities, including overseeing the personnel management function for which the NIH OHRM has policy responsibility. One of the Agency Management and Administrative Support performance targets for FY 2001 is to complete distribution of the final year management satisfaction survey and interviews, and to collect and analyze data for the final report due in FY 2002 (This Academy project team report).

Progress Against the Targets Developed for this Project. In the following section of the report, the Academy project team reports on the progress in Year Five measured against the two goals and the defined objectives, indicators and targets related to each of those two goals. This is the structure that was established in Year One of the contract and carried forward and assessed in Years One and Three and now Year Five.

GOAL: Advance superior biomedical and behavioral science research.

Objective: Conduct cutting edge research. Implicit in this objective is the ability of NIH to recruit outstanding scientists.

> **Indicator:** Line managers believe personnel systems are more flexible and easier to use.
>
> > **TARGET: At least 10% of managers and supervisors respond that personnel systems are more flexible and easy to use. (**The percentage target for an increase in manager satisfaction in these areas was defined in the FY 2000 Annual NIH Performance Plan and Report.)

Manager and supervisor responses to the numerous questions related to this target vary considerably. Those responding to the 1999 survey indicated increasingly positive reactions to the questions concerning the ease of use and flexibility of the individual elements of the personnel system. As shown in Table 1, those responses to the questions in the 2001 survey continue to mirror that generally positive increase in manager reaction to the flexibility and ease

of use of individual system elements but with some change in the response pattern for the different elements. In 1999, managers responded favorably to 18 of the 19 elements on flexibility and ease of use. In 2001, 16 of those 18 remained positive: 12 of the 16 had additional positive increases while 4 showed no change from 1999. Two of the 18 positively seen elements, use of part-time employment opportunities and performance appraisal, showed small decreases in manager satisfaction. The 19th, the specific element concerning the flexibility and ease of use in filling SES positions, continued to elicit negative responses.

Table 1 **Manager Responses in 2001: Have Personnel Systems Become More Flexible and Easy to Use**

Flexibility /Ease of Use Elements	% Agree or Strongly Agree	% Change from 1997	% Change from 1999
Establishing flexible hour schedules	68	+13	+3
Training request processing	67	+26	+14
Incentive (cash and honorary) awards	66	+32	0
Implementing alternative work schedules	64	+21	+5
Performance appraisal	60	- 4	-8
Making flexible workplace arrangements	54	+26	+10
Recruitment from outside NIH	52	+121	+18
Benefits processing (health, savings, insurance)	45	+2	0
Internal promotions and reassignment	44	+52	+7
Achieving workforce diversity and affirmative action goals	38	+31	+15
Recruitment and/or retention bonuses	33	+106	+38
Establishing salary levels for senior (doctoral level) science positions	33	+ 94	+38
Retirement orientation/processing	31	+ 29	0
Classifying positions	30	+ 25	+11
Use of part-time employment opportunities	27	+ 13	- 7
Grievances and appeals	17	+ 70	+ 6
Discipline and adverse actions	14	+ 55	+17
Instituting job sharing	12	+ 9	0
Filling SES positions	5	-16	-16

Notably, the three personnel system elements in Table 1 related most directly to the flexibility and ease of hiring for scientific positions increased more positively over the five-year period than did the responses to any of the 19 elements. They are: recruitment from outside NIH, recruitment and/or retention bonuses, and establishing salary levels for senior (doctoral level) science positions.

In 2001, 47 percent of the managers surveyed said they agreed or strongly agreed when asked the specific question, Have the delegations made the overall personnel system faster and easier to use? While the total positive responses to the flexibility and ease of use of the overall personnel system leave something to be desired, that is an increase of 38 percent over the percent agreeing or strongly agreeing in 1997 and a 17 percent increase over 1999.

When asked in 2001 if the overall personnel system is flexible and easy to use only 23 percent of the mangers agreed/strongly agreed. While that's a 50 percent improvement over 1997 and disagree/strongly disagree responses have gone down by 25 percent at the same time, the system overall continues to be seen as inflexible and difficult to use.

All 31 managers interviewed in 2001 by the Academy team said the delegations and their implementation had resulted in increased flexibility and ease of use of the personnel system in carrying out their human resources management responsibilities. For maximum flexibility, the interviewees suggested that further delegations to NIH from HHS headquarters were desirable. On the other hand, they indicated mixed support for further redelegation to lower levels in the ICs of NIH because of several concerns: a need for consistent applications across the IC and/or a reluctance of lower level managers to assume the responsibility and workload involved in such functions as position classification. A few managers also expressed concern with what they perceive to be a lack of NIH-wide policy or criteria for use of some of the authorities and the absence of NIH-wide evaluation to ensure consistency in their application. Both those latter concerns merit further NIH consideration in the future.

The delegations of authority made in 1995 included primarily delegation of authorities related to Title 5 of the U. S. Code. Subsequent to the agreement between the Secretary of HHS and the Director of NIH and outside the agreement on the pilot, additional authorities related to Titles 38 and 42 USC were delegated to NIH. Both those authorities provide NIH with ability to make more liberal use of pay for its key medical and science positions. Title 42 provides authority to use excepted appointments and much broader pay ranges for NIH's key science positions. Creative policies developed by the NIH Office of Human Resources Management and redelegation of those new authorities to the Institutes and Centers are credited with improving the hiring speed and quality of key selections across the institutes and centers of NIH. That effort to create more flexible and easy to use policies may well be the reason that manager responses to the questions on flexibility and ease of use of specific individual system elements are as positive as they are.

> **TARGET: One or more major components of the personnel system per year is singled out to be made more responsive to manager needs and to be made easier to use.**

The successful integration of CAREER HERE and CRIMS at the beginning of FY 2001 was accomplished with high expectations for simplifying and for speeding up the process of internal and external hiring from position classification to developing a list of candidates to notification of candidates of the selection to record-keeping. While that integration was successful, the need at the time remained to improve some of the system capabilities and to stimulate use of the complete system by the remaining ICs.

Before that could happen, HHS made the decision early in 2001 to implement in phases the functionality of the PeopleSoft integrated personnel and payroll system by 2003 as part of a broader implementation of other administrative support services. This has not only left NIH with concerns about the retention of the functionality of its just-integrated system in the new

PeopleSoft system but also some diminished interest in fixing or marketing a system that will be shortly "overtaken by events."

Indicator: Customers believe that the personnel systems and support staff are customer focused.

TARGET: Every IC uses customer surveys or conducts other activities to determine customer satisfaction and develop action plans to improve deficiencies

Managers who responded to this item in the 2001 survey were only slightly more positive than in 1999 and the 1999 data was very slightly better than in 1997. 28% of managers agree/strongly agree that the system is customer focused. By contrast, the portion of NIH managers who disagree or strongly disagree that the personnel system is customer focused is slightly smaller each year but still remains quite high at 47%. When asked directly, managers clearly say there is little impact of the delegations on manager perceptions related to the customer focus of the total personnel system. Because of the varying sizes of ICs and the small number of managers in each who responded, it is not possible with the data available to analyze the situation at IC level with confidence.

Yet, there are signs as shown in Table 1 that there is greater positive appreciation of system flexibility and ease of use of nearly all of the individual elements of the personnel system, certainly indicating increased customer satisfaction. Responses to the related questions in the management interviews also indicate there is improvement.

As reported earlier, the five ICs that volunteered to participate in the pilot development, implementation, and assessment of HR improvement plans began the effort with enthusiasm. But they discontinued development, use and evaluation of the improvement plans after one complete annual cycle. Many of the ICs still conduct activities to determine customer satisfaction and do take actions to improve but the use of formal customer satisfaction surveys and action plans to improve is still the exception, not the rule.

To avoid over-surveying the manager population, ICs use several aids for problem identification and resolution: direct feedback from customers, the macro results of the NIH-wide survey of managers and supervisors and the macro results of the HHS Human Resource Management Index (HRMI). Neither is fully adequate for identifying the detail of IC-specific issues and in turn providing data on which to base improvement actions.

This area clearly needs continuing attention. For those issues under the control of ICs, more formal and regular approaches to identification of problems and successes, like annual customer surveys to identify issues and improvement plans to resolve them are needed. No significant change in the perception of manager customers is possible without it. Some ICs are surveying but more need to do the same.

Any future NIH actions to consolidate servicing personnel offices or functions of those offices will need to be very sensitive to this issue. There is a high likelihood that customers will be very cynical towards consolidation efforts and particularly cynical about the level and quality of customer service.

Indicator: Line managers believe they are more empowered and entrepreneurial.

TARGET: Each IC works proactively with managers to develop a program for delegating the authorities that managers are most anxious to have and are prepared to accept, e.g., cash awards

TARGET: In future surveys, at least xx% of managers and supervisors agree that delegations have made the personnel system faster and easier to use (less than 35% in 1997.)

TARGET: IC personnel offices proactively involve managers in the development of personnel policies

As stated earlier, 47 percent of managers and supervisors responding to the 2001 survey said the delegations have made the personnel system faster and easier to use, a 38 percent improvement over the results in 1997. 17 percent said they disagreed/strongly disagreed in 2001, a 32 percent reduction from 1997.

Table 2 Delegations Managers/ Supervisors Say They Have

Delegations	% Agree or Strongly Agree 2001	% Change from 1997	% Change from 1999
Hire employees	58	+26	+12
Make cash awards	55	+31	+06
Promote employees	51	+19	+19
Approve details	32	+7	+10
Take adverse actions	28	+17	+17
Reassign employees	28	+12	+8
Establish flexiplace arrangements	26	+53	+18
Set salaries above step one of a grade for new employees	19	+58	+36
Classify jobs	19	+36	+27
Restore annual leave	19	+27	+27
Approve recruitment and retention bonuses and allowances	17	+42	+31
Approve IPA agreements	15	+15	+15
Approve PCA contracts	9	0	0
Approve the use of search firms	7	+17	0

Several other areas of the 2001 NIH-wide manager survey are related to these three targets. As stated earlier, 28 percent of managers agreed or strongly agreed that the overall personnel system

is customer-focused. That is a 17 percent improvement over the 1999 survey results and 47 percent better than the 1997 results. But the base data is so small that the project team looked more deeply into this one item to understand if the positive trend is reflected more clearly. The fact that the number of managers who disagreed or strongly disagreed went from 61 percent in 1997 to 47 percent in 2001, a 23 percent positive shift, seems to reinforce that even the harshest manager critics are beginning, albeit slowly, to appreciate the efforts NIH has been making to improve customer response. As in most federal agencies, the manager-customer views with great skepticism the overall federal personnel system within which NIH operates.

Table 2 shows delegations managers say they have. Table 3 shows delegations supervisors and managers say are valuable in carrying out their responsibilities or would be valuable if made.

In related survey questions, 62 percent of the managers who have any of the delegations agree/strongly agree that the delegations of authority from NIH to HHS have had a favorable impact on human resource management results that contribute to mission accomplishment. That's a 7 percent increase over the responses to that question in 1999 and overall a quite positive support of the redelegating. Only 9 percent of those surveyed disagreed/strongly disagreed. The question was not asked in 1997.

Table 3 **Delegations Managers/ Supervisors Say Are Valuable in Carrying Out Their Responsibilities or Would Be Valuable If Made**

Delegations	% Agree or Strongly Agree 2001	% Agree or Strongly Agree 1999	% Agree or Strongly Agree 1997	% Change from 1999	% Change from 1997
Make cash awards	93	93	91	0	+2
Promote employees	92	91	93	+1	-1
Hire employees	89	90	91	-1	-2
Take adverse actions	78	79	79	-1	-1
Reassign employees	78	79	80	-1	-2
Set salaries above step one of a grade for new Employees	75	73	74	+1	+1
Approve recruitment and retention bonuses and Allowances	71	66	62	+8	+15
Establish flexiplace arrangements	71	69	70	+3	+1
Approve details	66	71	71	-7	-7
Classify jobs	62	63	58	+7	-3
Restore annual leave	49	48	49	+2	0
Approve IPA agreements	42	38	42	+8	0
Approve the use of search firms	34	35	31	-3	+6
Approve PCA contracts	29	28	28	+4	+4

97 percent of the managers interviewed (30 of 31) expressed the notion that managers must be provided the authorities needed to accomplish the mission, to include human resources authority for decisions affecting the people for whom they are responsible. While none offered statistical

information, virtually all the interviewees observed that there has been overall improvement in response time for human resources actions. They attributed this improvement to the fact that IC HR staffs by virtue of having more delegations of Titles V, 38 and 42 authorities at the IC level are now in a better position to offer optional courses of action to a client. Another example cited by the managers interviewed is the reduced time needed to make an employment offer to a prospective candidate since decisions, such as payment of recruitment bonuses and adjusting pay above Step 1 of the pay scale, can now be made within the IC.

Indicator: NIH recruits outstanding candidates

Target: NIH is able to hire one of its top five choices to fill senior level positions

The manager responses to the questions:on the 2001 survey with respect to the quality of applicants are displayed in Table 4. The numbers are quite disturbingly low. Yet, they suggest very small improvements in manager perceptions of quality of applicants since 1997. With the possible exception of two categories, non-medical scientists and engineers with doctorates and administrative staff, the responses here show no real change in applicant quality.

~~Table 4~~ Manager Responses to: Has the Quality of Applicants Improved?

Delegations	% Agree or Strongly Agree	% Change from 1997	% Change from 1999
Other scientists/engineers with doctorate	23	+9	-4
Administrative staff	22	+38	+16
Office support/clerical staff	16	+7	0
Medical Doctors	13	+18	-7
Lab technicians and other scientists with non-doctoral degree	12	-8	-20
Other	9	+29	+13
Nurses	6	+20	+33
Wage grade employees	5	+25	-38

On the other hand, the managers interviewed felt decidedly to the contrary with respect to the quality issue at least as it applies to the ability to hire one of the top five choices for senior level science positions. 87 percent of them said that NIH's ability to hire top candidates for senior scientific positions has improved within the last two years. Interviewees universally credited development of the policy and process and the delegation of the authority for expanded use of Title 42 hiring authority to the NIH OHRM. They said those actions led to an increase in the speed with which offers could be made and the higher salaries available for high quality candidates with that authority.

The use of the Title 42 authority has improved the ability to hire high quality scientists. Nevertheless, the quality data should be very concerning to NIH. Further exploration of this issue is clearly needed.

GOAL: Effectively and efficiently manage the resources provided to NIH by the American People.

Objective: Maximize the efficiency of administrative operations.

Indicator: The speed of processing personnel actions has improved.

TARGET: Survey results show the number of days needed to process personnel actions has been reduced by xx% (NIH assigned no specific numerical target.).

~~Table 5~~ Time Required to Process Actions to Completion

Type of Personnel Actions	Manager Respondents' Estimate of Time Required for Activity 2001	% Change from 1997	% Change from 1999
Fill administrative vacancies	91% filled in 6 months or less	0	-2
Fill vacancies for lab technicians and other Scientists with non-doctoral degrees	89% filled in 6 months or less	-1	-3
Fill Nursing vacancies	87% filled in 6 months or less	-1	+4
Fill Vacancies for other scientists and Engineers With doctorate degrees	77% filled in 6 months or less	+10	+5
Fill medical doctor vacancies	64% filled in 6 months or less	0	-2
Grant cash awards	86% filled in 30 days or less	+18	+5
Approve Reassignments	74% filled in 30 days or less	+12	+3
Classify a position	60% filled in 30 days or less	+22	+13
Approve promotions	60% filled in 30 days or less	+22	+20
Fill office support/clerical vacancies	22% filled in 30 days or less	-24	-15
Get information about benefits	82% filled in 1 to 7 days	+7	+1
Approve training requests	79% filled in 1 to 7 days	+16	+10

In response to one of the survey questions concerning the overall assessment of the personnel system, 35 percent of managers and supervisors said that personnel action are processed quickly. Statistically that's about the same response as in 1999 (33%).

In response to questions concerning specific individual action categories, managers and supervisors said there was little change in the time to process actions in 2001. Survey results for

all these categories are displayed in Table 5. For the normally less complicated action categories (approve training requests and get information about benefits) survey respondents said most requests are handled in 1 to 7 days. They also said most cash awards, reassignments, position classifications, and promotions are processed in 30 days or less.

Not surprisingly, the process of filling job vacancies is the area seen as being the most time consuming. Managers and supervisors say that most vacancies requiring external recruitment take up to six months to complete. 70 percent of the managers interviewed said there was improvement in the timeliness of processing personnel actions. Some of them qualified their statements by saying it still takes too long.

Yet, 32 percent of the interviewees noted that the SES process remains a slow and labor-intensive process. Recent withdrawal of approval authority from NIH to HHS headquarters will increase processing times for SES appointments and increase frustration with the process.

More streamlining of personnel action processing is needed. PeopleSoft implementation should help with that issue but real business processing reengineering is needed first. Some of that can be done by the ICs who can reduce any IC add-ons to their processing. Legislative change to reduce the effects of the "rule of three" and make it possible to use more flexible rating and ranking tools like quality category groupings can also make the hiring action processes more efficient and less time-consuming. OMB and Congress are both talking about these legislative changes. The NIH voice should be heard, too.

> **Indicator:** Simplification of the personnel system contributes to NIH being able to reduce overhead costs
>
> **TARGET: The personnel staff is reduced by 33%**

The NIH Office of Human Resources Management had met this target and reduced the so-called HR NIH control positions by 33% at the time the Year Three evaluation was completed. Reduction in control positions was the primary focus of this target. Positions in the ICS have continued to grow slightly in number as the serviced NIH population grew in number. The NIH Associate Director for Administration and Management indicated in Year Three that NIH was not controlling the size of the IC personnel staffs by ratio of personnel positions to serviced positions and would not consider doing so unless the total administrative overhead in an IC exceeded 5% of budget.

> **TARGET: Decrease the ratio of personnel staff to the general workforce from x to y.**

Here again, NIH has had no plans to reduce the ratio of the personnel support staff in the ICs to the serviced population unless the overhead in a specific IC exceeds 5 percent. In September 2001, the ratio of IC personnel staff (those in GS-200 personnel positions) to the serviced workforce (civilian and commissioned corps employees) was 1:49.

> **TARGET: Reduce the cost of personnel transactions by 33%.**

As stated in the Year Three Report, the reduction of 33 percent of the control positions in NIH OHRM resulted in a cost reduction of approximately $2,000,000 by 1999. The integration of CAREER HERE and CRIMS has been the only additional major HR initiative with potential to reduce the cost of personnel transactions. And the cost aspects of that integration have not been evaluated and will not be evaluated as People Soft supplants the system. This is an issue that should be considered if some form of consolidation proceeds further.

Objective 2: Encourage hiring and promoting of women, minorities, and individuals with disabilities

Indicator: HR systems and processes support NIH's diversity goals

TARGET: **Employment in occupations at NIH reflects the diversity in the potential pool of applicants**

TARGET: There is an increase in outreach activities, e.g., presenting papers, participating in conferences and sitting on panels, at universities and other organizations with diverse populations as well as an increase in efforts to bring diverse individuals and groups into similar activities conducted by NIH

Managers and supervisors responded to several questions related to these two targets in the 2001 cross-NIH survey of managers and supervisors. 54 percent of the respondents agreed or strongly agreed that the personnel system supports NIH's diversity initiatives and affirmative action programs goals. That's 6 percent higher than in 1999 and a 10 percent increase over the 1997 numbers.

38 percent of the managers and supervisors in 2001 agreed/strongly agreed that the personnel systems and processes associated with achieving workforce diversity and affirmative action programs goals have become more flexible and easier to use. In total that is not a very positive response rate but is a 13 percent increase from 1999 and a 31% increase over the 1997 responses.

When asked about other work related issues dealing with the management of their organizations, managers and supervisors responding to the survey had positive views in this area. 80 percent of them said that NIH supports achieving a diverse workforce, 86 percent said they had attended diversity training or briefings on diversity at NIH, and 54 percent said they were held accountable for the diversity achievements of their organizations.

The managers interviewed were asked for their views on improving diversity through personnel delegations. By contrast with the managers and supervisor responses to related questions on the survey 77 percent of the interviewees said there was a lack of significant improvement in underrepresented minority hiring. As in 1999, the interviewees had a widely expressed opinion that there was no correlation between the human resource delegations and improved representation. A number of the interviewees offered explanations for the "real" problem they felt restricted further diversity gains:

- underrepresented minorities with the required scientific and medical credentials are difficult to locate,

- where there are highly qualified minorities identified as among the top in their scientific or medical fields, they are so highly sought after by private industry and academia that the federal government simply cannot match the level of salary and benefits they are offered, even with the flexibilities under Title 5 or Title 42,

- the nature of the scientific community is to seek the best-qualified individual, regardless of ethnicity, gender, etc. and there is a lack of interest in making a hiring decision just for the sake of improving diversity,

- the search methodology in filling senior scientific positions often involves consideration of those known throughout the scientific community, and personally by members of the search committee, resulting in nominations of those who travel and publish in the same "circles" as the search committee and making nominations of minorities less likely, and

- there is room for improvement at NIH in terms of providing a total support environment for minorities who are hired, going well beyond the recruitment process to include mentoring arrangements and organized support activities.

The project team analyzed workforce demographic data on diversity to search for any possible connection with the delegations of authority but did not attempt an in-depth analysis of the data. The team reviewed data that included a review of the FY 2000 Affirmative Action Plan Accomplishments and FY 2001 Plan Update, dated March 2001 and a data run of the 2001 workforce by PATCO occupation and grade. The review revealed little change in the diversity of NIH as a whole. The permanent workforce rose to 13,553 in 2000. Women represented 62% of the force and represented 66% of the new hires and 72.2% of the promotions. Minorities represented 32.6% of the total force and represented 37.9% of the accessions and 37.6% of the promotions. African Americans represented 22.7% of the workforce, 22.3% of the new hires and 27.4% of the promotions while Hispanics represented 2.6% of the workforce, 3.6% of the accessions and 2.7% of the promotions.

As in 1999, it was apparent from the survey, the interview responses and the demographic data that the delegations and redelegations provide more opportunities for accomplishing the two targets above but they do not themselves lead to increased diversity. They are simply additional tools that introduce more flexibility in managerial actions. Real change, particularly at higher grades needs to come from both external and internal sources. Progress internally will come (1) from continued stimulation of innovative recruiting, training and outreach approaches, (2) a receptive and supportive environment for minorities and women, (3) HR and EEO staff support to the supervisors, managers and executives responsible for effective use of the delegations and system flexibilities and (4) aggressive action by those supervisors, managers and executives to lead the way. External actions to increase the minority interest in science careers and in higher science education remain crucial to enhancing the size of candidate pools and concomitant

recruiting success. The latter is influenced significantly by the emphasis that NIH places on efforts to increase diversity at the higher-grade levels.

Status of Delegations and Redelegations. In Year Five of the evaluation, just as in Years One and Three, the staff of the NIH OHRM, working with the ICs and the Academy project team, developed a detailed analysis of the delegations and redelegations of personnel authority. Appendix B, Title 5 Detailed Summary of Civil Service Personnel Redelegations to ICs, itemizes the changes in redelegations form Project Year One through Project Year Five. Table 6 summarizes those redelegations by IC across the five years and identifies the number of ICs that could consider additional redelegations.

~~Table 6~~ IC Redelegation Potential

Authority	ICs That Have Redelegated Below IC Director (# of 26 ICs) 1997	ICs That Have Redelegated Below IC Director (# of 26 ICs) 1999	ICs That Have Redelegated Below IC Director (# of 27 ICs) 2001	ICs That Could Redelegate Further (# of 27 ICs) 2001
Position Classification	0	2	2	25
Renewal of Retention Allowances	6	7	7	20
Approve IPA Agreements	6	7	8	19
Set Salaries above Step One for New Employees	6	7	8	19
Recruitment and Relocation Bonuses, and Retention Allowances for Scientists	6	7	9	18
Approve Search Firm Use	8	10	12	15
Approve PCA Contracts	8	9	13	14
Review Cases for Adverse Action	2	4	15	12
Detail Employees	13	14	16	11
Restore Annual Leave	14	15	20	7
Approve Flexiplace Arrangements	16	18	21	6
Cash Awards up to GS-15	11	25	26	1

With a few important exceptions, the ICs have made steady but very measured progress in redelegating the authorities provided to NIH in 1995 by the Secretary. The agreement presented a significant opportunity to give IC supervisors, managers, and executives more control over the management of their human resources and to strengthen the competencies needed to be more effective in doing that. But, there is significant variation between ICs in terms of the redelegations they have made. While movement has been slow, there has been progress – progress that should be encouraged to continue beyond the five-year evaluation. The reluctance

of managers to take on responsibilities that may seem to be "personnel work" and the reluctance of their HR professionals and executive officers to trust them should in time with experience be replaced by a willingness to delegate further. But, if NIH wants to really empower managers and supervisors, it must delegate the authorities more broadly, define performance expectations more clearly, hold managers accountable for effective use of their authorities and mount a regular review program that identifies shortcomings in use of the authorities and provides non-punitive assistance in improving the operational use of the delegations.

There are significant IC differences with respect to the kind and level of redelegation. In a few there have been substantial delegations below the executive officer and personnel officer levels empowering supervisors and managers to become more involved in managing their human resources, to make mistakes, to learn and to grow. In most the redelegations are much more limited and constitute continuation of the "control" approach to management although to some lesser degree than before the initial delegations from the Secretary. NIH should be watchful that any new consolidation initiatives not only continue to encourage further redelegation to managers and supervisors but also encourage further complementary transition of the IC personnel office staffs to less focus on administrative process control and more focus on partnership with, and consultant to, the managers and supervisors they support.

The Academy project team believes several positive observations can be made about the data in Table 6 that it believes will be useful to NIH. The authority to approve cash awards up to GS-15 continues to head the list of the personnel authorities most often redelegated below the IC Director level. ICs also continue to redelegate increasingly the authorities to approve flexiplace arrangements, restore annual leave and detail employees. And, the authority to review cases for adverse action has been delegated in 15 of the 27 ICs. There has been nearly a four-fold increase in the delegation of that authority since 1999.

With the exception of the cash awards and adverse action authorities, managers do not consider the authorities mentioned in the previous paragraph to be the most valuable of the authorities available for redelegation. As shown in Table 7, managers understandably feel that the authority to award, to promote, to hire, to take adverse actions, to reassign, to set salaries above step one for new employees, to approve recruitment and retention bonuses and to establish flexiplace arrangements are the most valuable authorities. Most of these authorities are still controlled at a high level in the ICs.

Efforts to redelegate further can be energized more if there is a will to really empower managers. IC Directors can build on early successes with the delegations and gradually extend the most valuable at least to the division director level. The redelegations can be continued but only if ICs believe there is value in empowering lower level management and believe it is important enough to have the will and to take some risks to do it.

~~Table 7~~ Customer Preference for Re-delegation (2001)

Delegation Authorities	1999 Manager/ Supervisors Say Valuable (%)	2001 Manager/ Supervisors Say Valuable (%)	2001 Managers/ Supervisors Say They Have (%)	2001 Potential Additional Delegation (%)
Make cash awards	94	93	55	38
Promote employees	91	91	51	40
Hire employees	90	89	58	31
Take adverse actions	79	78	28	50
Reassign employees	79	78	28	50
Set salaries above step one of a grade for new employees	73	75	19	56
Approve recruitment and retention bonuses and allowances	66	71	17	54
Establish flexiplace arrangements	69	71	26	45
Approve details	71	66	32	34
Classify jobs	63	62	19	43
Restore annual leave	48	49	19	30
Approve IPA agreements	38	42	15	27
Approve the use of search firms	35	34	7	27
Approve PCA contracts	28	29	9	20

CHAPTER THREE

SUMMARY FINDINGS AND RECOMMENDATIONS

This report completes the five-year contract to assist in the implementation of the 1995 agreement between the Secretary of HHS and the Director of NIH to simplify personnel management and administration policies and practices at NIH. The agreement delegated all personnel management authorities except those reserved to the Secretary, subject to laws and regulations. NIH contracted with the Center for Human Resources Management of the National Academy of Public Administration (the Academy) to:

- identify and collect baseline data to measure the effect of the new authorities on human resource management effectiveness,
- provide NIH with an external, objective assessment of the impact of the delegations using interim evaluations in years one, two and four and comprehensive evaluations in years three and five, and
- develop formal performance targets.

The Year One report established the evaluation baseline for the evaluations that were conducted in Year Three and now Year Five. The interim evaluations in Years Two and Four were devoted primarily to working with OHRM and five ICs on the pilots for developing and implementing improvement plans. Years Two and Four also included consulting on the crosscutting initiatives aimed at improving personnel information system effectiveness, and employee relations support to managers and personnel offices.

NIH and the Academy initially agreed upon the basis for the study, relying heavily on the two strategic goals and seven performance indicators included in the performance agreement between the Secretary and the Director of NIH. In this chapter, the Academy project team will provide its assessment across five years of its findings related to the results of the delegation pilot.

General assessments. Chapter Two of this report is devoted to detailed assessment against the two goals, the seven performance indicators and the associated targets developed in year one and tracked through the five years. In this chapter the Academy project team focuses more on summary findings related to the outcomes of this five-year delegation pilot that may serve as lessons learned. The team also includes a series of recommendations that can be useful in guiding future actions related to delegations. Throughout, the Academy project team tries to reflect how the findings and recommendations move NIH forward on the three strategies it has advocated for reinventing the management of NIH's human capital: empowerment of managers through redelegation of the NIH Director's authorities to IC directors and managers, process simplification that leads to a more flexible and easy to use personnel system, and process automation that improves the speed of processing actions to completion.

FINDING ONE: The delegations to NIH and their redelegation to the senior executives of the Institutes and Centers of NIH are empowering them to become more responsible and accountable for the management of the human capital of their respective institutes. This is

contributing to insuring that the special attributes and values of IC programs are reflected in the life cycle functions of hiring, training, developing, utilizing and sustaining the high level people so important to program accomplishment at IC level. It is also an important factor in giving those closer to the action more control over, and correspondingly more direct responsibility for the outcomes.

FINDING TWO: The redelegations have not in general reached the managers – division director, branch head and equivalent levels – whose competencies, tools and leadership have the broadest impact on the hiring, development, utilization and nurturing of the people who do the NIH mission work. The NIH strategy to empower managers has not been fully achieved. Several issues have led to a general lack of redelegation to the people who most directly influence the management of NIH's human capital: some lack of interest by managers at that target level in receiving delegations mistakenly perceived as personnel office work, lack of trust in the lower level managers and supervisors, insufficient emphasis at both the NIH and IC director levels to champion broader redelegation to improve management of the people and development of the manager cadre.

FINDING THREE: Some of the HR system elements so critical to supporting manager actions have become more flexible and easy-to-use during the life of this pilot redelegation project, particularly because of the increased control by the offices of the directors of the IC closer to the programs , the innovative policies and processes developed for Title 42 implementation, and the integration of Career Here and CRIMS. Nevertheless, the complexity and time-consuming processes of the civil service system continue to confound manager and supervisor customers. Only 23 percent of managers and supervisors surveyed in 2001 said the overall personnel system was faster and easier to use, up from 15 percent in 1997. 47 percent of them, up from 34 percent in 1997, qualified that some by saying the delegations are leading to improvement. Even larger percentages believe individual system elements, like awards and training and others shown in Table 1, are significantly more flexible and easier to use. But the bottom line is that the complexity and speed of the HR system is still seen as an impediment to effective human resource management. Whether or not NIH consolidates aspects of its HR program, more attention to the flexibility and use of individual system elements should be very high on the list of future initiatives.

FINDING FOUR: The three strategies NIH has advocated remain crucial to moving the reinvention of NIH human resource management forward: empowerment of managers through redelegation of the NIH Director's personnel authorities to directors and managers, process simplification that leads to a more flexible and easy-to-use personnel system, and process automation that improves the speed of processing actions to completion. The three-pronged strategy for improving management of NIH's human capital is a constructive combination of three critical elements: (1) a manager with authority, competence and responsibility for the critical management processes, (2) simple, flexible and easy-to-use support processes, and (3) automation to enable quick execution of the manager decisions.

APPENDIX A

Comparison of Agree/Strongly Agree Results for each Question of the 1997, 1999 and 2001 Surveys of NIH Managers and Supervisors

QUANTITATIVE RESEARCH CONDUCTED ON BEHALF OF THE NATIONAL INSTITUTES OF HEALTH

Results of Research Conducted to Ascertain Personnel Delegations for Supervisors and Managers at the National Institutes of Health

Charts

Prepared for:
Stellar Communications
on behalf of
The National Institutes of Health
Prepared by: WB&A Market Research
Date: March 26, 2001
Job Number: 00-240

WB&A Market Research
2191 Defense Highway, Suite 401 Crofton, MD
21114 (410) 721-0500

APPENDIX B

Comparison of Total Results for Each Question of the 1997, 1999 and 2001 Surveys of NIH Managers and Supervisors

QUANTITATIVE RESEARCH CONDUCTED ON BEHALF OF THE NATIONAL INSTITUTES OF HEALTH

Results of Research Conducted to Ascertain Personnel Delegations for Supervisors and Managers at the National Institutes of Health

Charts

Prepared for:
Stellar Communications
on behalf of
The National Institutes of Health
Prepared by: WB&A Market Research
Date: April 3, 2001
Job Number: 00-240

WB&A Market Research
2151 Defense Highway, Suite 401 Crofton, MD 21114 (410) 721-0508

APPENDIX C

Detailed Summary of Title 5 U.S. Code Civil Service Personnel Redelegations to ICs

TITLE 5

GENERAL SUMMARY OF CIVIL SERVICE PERSONNEL REDELEGATIONS TO ICs (1997,1999, 2001)

DELEGATIONS OF AUTHORITY	AUTHORITIES DELEGATED?					
	1997		1999		2001	
	# of ICs = 26		# of ICs = 26		# of ICs = 27	
	YES	NO	YES	NO	YES	NO
A. 3Rs (scientists)	6	20	7	19	9	18
B. 3Rs (non-scientists)	5	21	7	19	8	19
C. Renewal of Retention Allowances	6	20	7	19	7	20
D. Cash Awards	11	15	25	1	26	0
E. Classification	0	26	2	24	2	25
F. Appts. Above the Minimum	6	18	7	19	8	19
G. Details	13	13	14	12	16	11
H. IPA Agreements	6	20	7	19	8	18
I. Restoration of Annual Leave	14	12	15	11	20	7
J. PCA Contracts	8	18	9	17	13	14
K. Use of Search Firms	8	18	10	16	12	15
L. Flexiplace	16	10	18	8	21	6
M. Adverse Actions	2	24	4	22	15	12

TITLE 5: DETAILED SUMMARY OF CIVIL SERVICE PERSONNEL REDELEGATIONS TO ICS

Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
A.3Rs (scientists)	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating							
1997	6	20	16	2	2	(4) EO's and above (2) SciDir (1) Lab/Br/Chfs (Relocation Bonus ONLY)	(1) FmlTrg/InfmlTrg/PJ (1) InfmlTrg/RofC/PJ (1) InfmlTrg/PJ (1) RofC/PJ (2) PJ	(2)PO/PO&Staff (1)Sr.PerStaff&OHRM		6		(PARAPHRASED) – Comments vary and pertain to prior certification, monitoring, or providing guidance and/or assistance
1999	7	19	15	4		(1) Dep Dirs/Assc Dirs/Office Dirs rept Dir, NIH (4) SD (1) EO (1) Dep Dir/SD/with PO review (1) Div/OfficeDirs and above	(1)lmlTrg/InfmlTrg/RofC/PJ (1) InfmlTrg/RofC/PJ (1) InfmlTrg/PJ (2) InfmlTrg (2) PJ	(4)HR Staff (1)NIH&HR Staff	1	6	Positive	(PARAPHRASED) – Comments vary and pertain to prior certification, monitoring, or providing guidance and/or assistance or forwarding to OHRM for post-audit
2001	9	18	16	1	1	(1) Division Dirs (1) SD &CD (1) Dep Dir & Div Dirs (1) Dep Dir & EO (1) Dir, HROff & Info Tech (2) SD (1) Dep Dir, SD w/HR review (1) Dep Dirs, Assoc Dirs, Off dirs rept/Dir, NIH	(2) InfmlTrg/PJ (5) InfmlTrg (2) PJ	(6) HR staff (1) Intramural AO	2	7	Positive	PARAPHRASED) – Comments vary and pertain to prior certification, monitoring, or providing guidance and/or assistance or forwarding to OHRM for post-audit Once IC rescinded this authority – (NCI)

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
B.3Rs (nonscientists)	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
1997	5	21	16	3	2		(1) FmlTrg/InfmlTrg/PJ (1) InfmlTrg/RofC/PJ (1) InfmlTrg/PJ (1) RofC/PJ (2) PJ	(2) PO/PO&Staff (1) Sr. PerStaff & OHRM		5		(PARAPHRASED) - Comments vary and pertain to prior certification, monitoring, or providing guidance and/or assistance
1999	7	19	15	4		(1) Dep Dirs/Assc Dirs/Office Dirs rept Dir, NIH (1) DivDirs (2) SD (1) EO (1) DepDir/SD/with PO review (1) DivDir/OfficeDirs and above	(1) FmlTrg/InfmlTrg/RofC/PJ (1) InfmlTrg/PJ (2) InfmlTrg (3) PJ	(3) HR Staff (1) NIH & HR Staff	1	6		(PARAPHRASED) - Comments vary and pertain to monitoring, providing guidance and/or assistance, or forwarding to OHRM for post-audit
2001	8	19	17	1	1	(1) Division Dirs (1) SD & CD (1) Dep Dir & EO (1) Dir, HROff & Info Tech (2) SD (1) Dep Dir & SD w/HR review (1) Dep Dirs, Assoc Dirs, Off Dirs rpt/Dir, NIH	(1) InfmlTrg/PJ (1) InfmlTrg/PJ (4) InfmlTrg (2) PJ	(5) HR Staff (1) Intramural AO	1	7	Positive	(PARAPHRASED) - Comments vary and pertain to monitoring, providing guidance and/or assistance, or forwarding to OHRM for post-audit One IC rescinded this authority (NCI)

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
C.Renewal of Retention allowances	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
1997	6	20	16	2	2	(4) EO's and above (2) SciDir (1) Lab/Br/Chfs (Relocation Bonuses ONLY)	(1) FmlTrg/InfmlTrg/PJ (1)InfmlTrg/RofC/PJ (1)InfmlTrg/PJ (1)RofC/PJ (2) PJ	(2) PO/PO&Staff (1) Sr. PerStaff & OHRM		6		(PARAPHRASED) - Comments vary and pertain to prior certification,monitoring, or providing guidance and/or assistance
1999	7	19	16	3		(1) Dep Dirs/Assc Dirs/Office Dirs rept Dir, NIH (1) DivDirs/OfficeDirs and above (3) SD (1) EO (1) Dep Dir/SD/with PO review	(1) FmlTrg/InfmlTrg/RofC/PJ (1) InfmlTrg/RofC/PJ (2) InfmlTrg (3) PJ	(3) HR Staff (1) NIH & HR Staff	1	6		(PARAPHRASED) - Comments vary and pertain to monitoring, providing guidance and/or assistance, or forwarding to OHRM for post-audit
2001	7	20	16	3	1	(1) SD & CD (1) Dep Dir & EO (1) Dir, HROff & Info Tech (2) SD (1) Dep Dir, SD w/HR review (1) Dep Dirs, Assoc Dirs, Off Dirs rpt/Dir, NIH	(1) InfmlTrg/PJ (4) InfmlTrg (2)PJ	(4) HR Staff (1) Intramural AO	1	6		(PARAPHRASED) - Comments vary and pertain to monitoring, providing guidance and/or assistance, or forwarding to OHRM for post-audit One IC rescinded this authority - (NCI)

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
D.Cash awards	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
1997	11	15	2	7	6	(9) EO's and above (1) Sci Dir (2) Lab/Br/Chfs	(1) FmlTrg/InfmlTrg/PJ (1)InfmlTrg/RofC/PJ (3)InfmlTrg/PJ (1)InfmlTrg (1)PJ/POReview (4)PJ	(1) EO/PO/EEOMgr (1) PO&Staff (4)PO Staff	1	10	No problems	(PARAPHRASED) - Comments vary and pertain to prior certification; restrictions on amounts and levels of authority; or monitoring or providing guidance and/or assistance
1999	25	1	1			(1) Dep Dirs/Assc Dirs/Office Dirs rept Dir, NIH (5) Div Dirs (3) SD (1) Office Chiefs and above - restricted (1) Dept Head (1) EO (2) Div/Office/BrChfs (1) SD/AsscDirs/EO (1) 2nd level sup (2)Lab/Br/Chfs/DivDir/SD (1) DivChf (1) BrChf and above (1) DepDir/PrgDir/OfficeHead (1) EO/DIREP&IRP (1) DivDir/OfficeDir (1) SD/AsscDirs (1) DepDir/DivDir/OfficeChfs	(1) FmlTrg/InfmlTrg/PJ (1) InfmlTrg/RofC/PJ (3) InfmlTrg/PJ (2) FmlTrg/PJ (1) FmlTrg (6) InfmlTrg (11) PJ	(10) HR Staff (1) HR & Admin Stf (1) EO & HR Staff (1) Contractor (1) IC Awards Coordinator	10	15	Positive	(PARAPHRASED) - Comments vary and pertain to restrictions on types of awards, amounts and levels of authority; or monitoring or providing guidance and/or assistance.

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
D.Cash awards	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
2001	27					(1) Dep Dirs, Assoc Dirs, Off Dirs/rptDir, NIH (1) ADRS, Dep Dir, Div Dirs, Dep Div Dirs, OD Assoc Dirs, BrChfs, DepBrChrs, SecChfs (3) Div Dirs (1) 1st level supvs (2) EO (1) Div Dirs & above; Lab/Br Chfs & above (1) Dep Dir, Div Dirs, Off Dirs (1) Dep Dir & EO (1) SD & CD (1) Div Dirs, Off/Br Chfs (4) Div Dirs & Off Dirs (1) Assoc Dirs & SD (1) Div Dirs & OD Off Hds (1) IRP Lab Chfs; EP & OD Br. Chfs (2) 2nd level supvs (1) SD (1) SD; Div Dirs; Lab/Br Chfs (1) Assoc Dir of Admin; SD; Dep Dir EP (1) Dep Dir, Ctr Dirs, Assoc Dirs, EO (1) Dept Hds	(1) FmlTrg (8) InfmlTrg/PJ (6) InfmlTrg (12) PJ	(7) HR Staff (1) EO and HR Manager (1) written guidance (3) HR & Admin officials (1) Contractor (1) EO & PO	12	15		(PARAPHRASED) - Comments vary and pertain to restrictions on types of awards, amounts and levels of authority; or monitoring or providing guidance and/or assistance NOTE: Delegations of authority pertaining to dollar amounts vary from IC to IC

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
E.Classification	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
1997	11 *(2) *0	15 *(26) *26	12	1	2 *(2)	(1) Div Dirs (2) EO (1) EO, Chfs of ITMSB & ORM & AMB & DICBR (1) EO & Division Directors (1) Dir, Info Tech (1) ADMO, SD, EP Dir (1) Dep Dir, Ctr Dir, Assoc Dirs, & EO (1) ADA, DD/EP, SD (1) SD (1) CC Dept Heads	(1)FmlTrg/InfmlTrg/RofC/PJ (1) FmlTrg/InfmlTrg (1) FmlTrg/RofC/PJ (1) FmlTrg (1) InfmlTrg/PJ (1)RofC/PJ (1) PJ	(1) OPM/NIH (2)OPM (1)OutsideConslt&PO (1) PO (1) PM/PArKTrgCtr/DWD (1) NIH (1) Dir/PO (1) Principal AOs	0	11		*2 Personnel Offices in process of redelegating beyond Personnel Office staff Note: Per telephone conversation with POs - 26 have retained authority; 2 have redelegated to program officials; 2 are in process of redelegating
1999	2	24	24			(1) Dep Dirs/Assc Dirs/Office Dirs rept Dir, NIH (1) ARC	(1)FmlTrg/InfmlTrg/RofC/PJ (1)RofC/PJ	(1) Contractor (1) NIH & HR Staff		2		(1) One IC reports minor usage by program officials (1) One IC has redelegated to Administrative Resource Center (26) All ICs have retained authority in the Personnel Office although to have expanded it to program or other administrative personnel
2001	2	25	25			(1) ARC staff (1) Dep Dirs, Assoc Dirs, Off Dirs rpt/Dir, NIH	(1) FmlTrg (1)FmlTrg/InfmlTrg/ROC/PJ	(1) OPM, Dept of Agriculture, NCI (1) Contractor	24	2		(1) one personnel office, while redelegating to program officials, retains authority to override classification decisions made by program officials *All IC HR Staff are exercising classification authority, which is no change since 1997.

Approve Authority	1.Did you re is this authority beyond the level?		1.b.If NO, which option applies?				2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
F. Appts. above the minimum	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating							
1997	14 *(6)	12 *(18)	11	0	1	(6) EOs and above (1) Lab/Br/Chfs (1) ARC (8) POs	(4) FmlTrg/PJ (1) FmlTrg/InfmlTrg/PJ (1) InfmlTrg/RofC/PJ (2)InfmlTrg/PJ (5) PJ	(1) PO&Staff (2) PO&Staff (1) PO (1) PO&Staff&OHRM	1	13	OHRM Audit no problems	(PARAPHRASED) - Comments vary and pertain to prior certification;inefficient to redelegate due to small IC size; restrictions, providing guidance and/or assistance * NOTE: Per conversation with POs - 18 have retained authority; 6 have redelegated
1999	7	19	17	2		(1) Dep Dirs/Assc Dirs/Office Dirs rept Dir, NIH (1) DepDir/SDorDiv/Office BrChfs (1) DivDir (1) SD (1) DeptHeads (1) DivDirs/EO (1) EO (1) ARC	(1) FmlTrg/RofC/PJ (1) InfmlTrg/PJ (4) InfmlTrg (2) PJ	(5) HR Staff (1) NIH & HR Staff	1	6	Positive	One IC limited by occupational grade level
2001	8	19	19			(2) Division Dirs (1)) CC Dept Heads (1) Dep Dir, SD, Div & Off Brch Chfs (1) Dep Dir, Div Dirs, Off Dirs (1) ARC Managers & Staff (1) Dep Dirs, Assoc.Dirs, Off Dirs rpt/Dir, NIH (1) SD	(1)FmlTrg/InfmlTrg/PJ (1) InfrmTrg/PJ (5) InfrmTrg (1) PJ (1) FmlTrg/PJ	(5) HR Staff (1) Gov't agencies (1) NIH & NCI (1) Intramural AO	3	5	Positive	(1) ATMs written & rviewed by HR staff (1) IC has a technical review process in place and is still assessing the outcome

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
G.Details	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
1997	13	13	8	4	1	(11) EOs and above (3) SD (1) deposed (1) Lab/Br/Chfs (2) Supv (1) CC Dept Heads	(2) FmlTrg/InfmlTrg/Pj (2) Infmrl Trg/PJ (1)InfrmlTrg (1)RofC/PJ (1)RofC (6)PJ	(1) PO&Staff (2) PO&Staff (1) PO (1) PO&Staff&OHRM (1) NIHDWD	0	13		(PARAPHRASED) - Comments vary and pertain to prior certification or monitoring or providing guidance and/or assistance
1999	14	12	11	1		(1) Dep Dirs/Assc Dirs/Office Dirs rept Dir, NIH (1) DepDir/SDorDiv/Office BrChfs (1) DivDir (1) DivDir/OffDir (2) SD (1) DeptHeads (1) EO and above (1) Lab/BrChfs and above (1) DivDir/PrgDir/EO (1) Office/DivDirectors (1) EO/DivDirs (1) EO&Suprs.	(2) InfmlTrg/RofC/PJ (1) InfmlTrg/PJ (4) InfmlTrg (7) PJ	(5) HR Staff (1) NIH & HR Staff		14		One IC restricts in accordance with time period of detail

Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
G.Details	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating							
2001	16	11	9	2		(1) Div Dirs (1) SD & CD (1) Dep Dir & Div Dirs (1) Dep Dir & EO (1) EO & 1st line sups (1) SD (1) Dir/Info Tech (2) EO (1) Lab Chfs - DIR (1) ADRS, Dep Dir, Div Dirs, Dep Div Dirs,supvs (1) Div/Off Dirs, & limited to supvs (1) Dep Dirs, Assoc. Dirs, Off Dirs rpt/Dir, NIH (1) Dept Hds (1) Dep Dir, SD; Div Dirs, Off/Br Chfs (1) Div Dirs/Off Dirs	(1)FmlTrgInfmlTrg (4) InfrmTrg/PJ (6) InfmlTrg (5) PJ	(10) HR Staff (1) Intramural AO	2	14	Positive	(PARAPHRASED) - Comments vary and pertain to prior certification or monitoring or providing guidance and/or assistance Authority for length and area of details varies occasionally by IC

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
H.IPA Agreements	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
1997	6	20	16	3	1		(1) FmlTrg/InfmlTrg/PJ (1) InfmlTrg/RofC/PJ (1) InfmlTrg/PJ (1) RofC/PJ (2) PJ	(1) PO&Staff (1) PO (1) PO&Staff&OHRM	1	5	No problems	(PARAPHRASED) - Comments vary and pertain to: prior certification; inefficient to redelegate because org is small; restrictions; providing guidance and/or assistance
1999	7	19	18	1		(1) Dep Dirs/Assc Dirs/Office Dirs rept Dir, NIH (1) DivDir/OffDir/ARC (1) DepDir/SD (1) DirHR/Inf.Tech (1) Dep/AsscDir (1) SD (1) EO	(1) FmlTrg/InfmlTrg/RofC/PJ (1) InfmlTrg/RofC/PJ (2) InfmlTrg (3) PJ	(1) HR Staff (1) NIH/HR Staff (1) HR & AdminStaff	1	6	Positive	(1) One IC rescinded authority due to reorganization
2001	8	19	17	1	1	(1) Division Dirs (1) Dep Dir & EO (1) Dir, Info Tech (1) Dep Dir & EO (1)Div/Off Dirs & above; ARC Managers (1) Dep Dirs, Assoc Dirs, Off Dirs rpt/Dir, NIH (1) SD (1) Dep Dir & Assoc Dirs	(1)InfmlTrg/ROC/PJ (1)FmlTrg/InfmlTrg/PJ (2) InfmlTrg/PJ (2) PJ (2) InfmlTrg	(6) HR Staff	1	7	Positive	(1) only one IPA since 1996

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
I.Restoration of Annual Leave	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
1997	14	12	7	4	1	(11) EOs and above (3) SD (1) DEO (1) Lab/Br/Chfs	(1) FmlTrg/InfmlTrg/PJ (1) InfmlTrg/PJ (2) RofC/PJ (1)PJ/Written Procedures (8) PJ	(1) PO&Staff' (1) POStaff (1) MngtAnlystBr	0	14		(PARAPHRASED) - Comments vary and pertain to: prior certification; inefficient to redelegate because org is small; restrictions; providing guidance and/or assistance
1999	15	11	9	2		(1) DepDirs/Assc Dirs/Office Dirs rept Dir, NIH (1) DepDirs/AsscDirs/CtrDirs/EO (1) DirHR&Inf.Tech (1) DivDir and above (1) DivDir/SD (1) Div/Off/BrChfs with PO review (1) DeptHeads (1) SD and above (2) SD (1) EO and above (4) EO	(1) InfmlTrg/RofC/PJ (1) InfmlTrg/PJ (5) InfmlTrg (8) PJ	(6) HR Staff (1) Admin Staff		15		(1) One IC rescinded authority due to reorganization

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
I.Restoration of Annual Leave	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
2001	20	7	7			(1) Div Dirs (4) EO (1) EO, Chfs of ITMSB & ORM & AMB & DICBR (1) EO & Division Directors (1) Dir, Info Tech (1) ADMO, SD, EP Dir (1) Dep Dir, Ctr Dir, Assoc Dirs, & EO (1) ADA, DD/EP, SD (3) SD (1) CC Dept Heads (1) Div, Off/Br Chfs (1) Dep Dir, Div Dirs, Dep Div Dirs, Br Chfs (1) Div Dirs & Off Dirs & Deps (1) Dep Dirs, Assoc Dirs, Off Dirs rpt/Dir, NIH (1) Div Dirs & Sci Dirs	(10) PJ (2) InfmlTrg/PJ (6) InfmlTrg (1) PJ with ARC advice (1)InfrmlTrg/ROC/PJ	(7) HR Staff (1) Admin Staff (1) Intramural AO	3	17		

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
J.PCA contracts	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
1997	8	18	14	2	2		(1)FmlTrg/InfmlTrg/ (1) InfmlTrg/PJ (1) PJ	(1) PO&Staff (1) PO&Staff&OHRM	0	8		(PARAPHRASED) - Comments vary and pertain to: prior certification; inefficient to redelegate because org is small; restrictions; not applicable at this time; providing guidance and/or assistance
1999	9	17	15	2		(1) DepDirs/Assc Dirs/Office Dirs rept Dir, NIH (2) DepDir (1) DepDir/SD with PO review (1) DepOffDir/DivDir and above (1) Div/Dir/SD (1) SD and above (2) SD	(1) InfmlTrg/RofC/PJ (1) InfmlTrg/PJ (2) InfmlTrg (5) PJ	(4) HR Staff	1	8	Positive	(PARAPHRASED) - Comments vary and pertain to: prior certification; inefficient to redelegate because org is small; restrictions; not applicable at this time; providing guidance and/or assistance
2001	13	14	13	1		(1) SD & CD (1) Div Dirs (2) EO (3) SD (2) Dep Dir (1) Dep Dir & SD (1) Div Dirs, Off Dirs, Ctr Dirs (1) Dep Dirs, Assoc Dirs, Off Dirs rpt/Dir, NIH (1) Div Dirs & Sci Dirs	(1) FmlTrgInfmlTrg/PJ (2) InfmlTrg/PJ (5) InfmlTrg (6) PJ	(7) HR Staff (1) Intramural AO	1	12	Positive	(PARAPHRASED) - Comments vary and pertain to: prior certification; inefficient to redelegate because org is small; restrictions; not applicable at this time; providing guidance and/or assistance

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
K.Use of Search Firms	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
1997	8	18	12	5	1	(6) EOs and above (4) SD (1) DSD (1) PO	(1) FmlTrg/InfmlTrg/PJ (1) InfmlTrg/RofC/PJ (6) PJ	(1) PO&Staff (1) PO&Staff&OHRM	0	8		(PARAPHRASED) - Comments vary and pertain to: prior certification; inefficient to redelegate because org is small; restrictions; providing guidance and/or assistance
1999	10	16	14	2		(1) Dep Dirs/Assc Dirs/Office Dirs rept Dir, NIH (1) DepDir/SD (1) SD & AsscDirERP (1) DivDir/OffDir and above (1) SD (2) EO (1) PO (1) Dep Dir	(1) InfmlTrg/RofC/PJ (1) InfmlTrg/PJ (2) InfmlTrg (5) PJ	(4) HR Staff	1	8	Positive	
2001	12	15	15			(1) Division Dirs (3) EO (2) SD (1) Dir, Info Tech (1) Dep Dir & SD (1) Div Dirs, Off Dirs, and above (1) Dep Dirs, Assoc Dirs, Off Dirs rpt/Dir, NIH (1) Div Dirs & Sci Dir (1) Dir for ERP & SD	(1) FmlTrg (2) InfmlTrg/ROC/PJ (1) InfmlTrg/PJ (3) InfmlTrg (5)PJ	(2) HR Staff (1) NCI (1) Admin Offcr (1) NIH & NCI	1	11	Positive	(1) have not used search firms

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
L.Flexiplace	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
1997	16	10	6	3	1	(15) EOs and above (3) SD (1) DSD	(1)FmlTrg/InfmlTrg/PJ (2) InfmlTrg/PJ (2) RofC/PJ (1) InfmlTrg (10) PJ	(15) Eos and above (3) SD (1)DSD	0	16		(PARAPHRASED) - Comments vary and pertain to: prior certification; inefficient to redelegate because org is small; little use; restrictions; providing guidance and/or assistance
1999	18	8	5	2	1	(1) Dep Dirs/Assc Dirs/Office Dirs rept Dir, NIH (1) DivDir (1)DepDir/SD (1) DeptHeads (1) AsscDir for Admin (1) SD (1) SD/EO (2) EOs and above (4) EOs (1) Lab/BrChfs and above/ARC	(1)FmlTrg/InfmlTrg/PJ (4) InfmlTrg/PJ (2) FmlTrg (4) InfmlTrg (7) PJ	(4) HR Staff (1) Admin Staff (1) Contractor (1) HR & Mgt Analyst (1) NIH, DWD (1) HR & ER Staff (1) EO & HR Staff	2	16	Positive	

To Approve Authority	1.Did you redelegate this authority beyond the IC Director level?		1.b.If NO, which option applies?			1.a.If YES, to what level?	2. How did you ensure that the official(s) receiving the authority had sufficient knowledge and expertise to exercise the authority appropriately?	2.a. If formal or informal training was used, who conducted the training?	3. Have you conducted an evaluation of how the redelegation is being exercised?		3.a.If YES, what were the results?	4. Additional Comments
L.Flexiplace	YES	NO	No plans to redelegate	Plan to redelegate	In process of redelegating				YES	NO		
2001	21	6	6			(2) Division Dirs (6) EO (3) Div Dirs & Off Dirs (1) Dir, Info Tech (1) Dep Dir, Ctr Dirs, Assoc Dirs, & EO (1) CC Dept Heads (1) ADA (1) Dep Dir & SD (1) Dep Dir, Div Dirs (1) Lab/Brch Chfs & above (1) Dep Dirs, Assoc Dirs, Off Dirs rpt/Dir, NIH (1) Div Dirs & Sci Dirs (1) SD & EO	(1)FmlTrg/InfmlTrg/PJ (2)FmlTrg (3)InfmlTrg/PJ (11) PJ (4) InfmlTrg	(5) HR Staff (1) PO/MGT Anlyst (1) NIH/HRDD (1) AO (1) ODEP (1) Principal AOs	8	13	Positive	Detail

DETAILED SUMMARY (2)

	1. Have you applied for the authority to review cases for adverse action at the IC leavel?		1.a If you HAVE applied, have you received the authority from OHRM to review the cases?		1.b If you have NOT applied for the authority, which option applies?	2. If you received the authority to review cases of adverse action, have you conducted an evaluation of how the redelegation is being exercised?	2. a If YES, what were the results?	3. Additional Comments
	YES	NO	YES	NO	No plans to apply Plan to apply In process of applying			
Adverse Actions 1997	2	24	1	1	No plans to apply 19 Plan to apply 5 In process of apply 0	YES_____ NO_____		(2) No plans to apply for redelegation due to small number of actions
1999	4	22	4		No plans to apply 22 Plan to apply In process of applying	YES____2_____ NO___2_____	Per OHRM audit, generally in compliance	
2001	15	12	15		No plans to apply 8 Plan to apply 3 In process of applying 1	YES____2_____ NO____13____	Positive	Detailed

PROPOSED NEW PAY AND APPOINTMENT AUTHORITIES FOR ICS

ICs are delegated the authority to appoint, pay, and reward employees covered by Title 5 and Title 42 [209(f), 209(g), and Special Experts], and the SES and SBRS where specifically cited, when the annualized total of all civilian compensation, and Federal annuity when applicable, is ≤ EX-I, and increases in total compensation are ≤ $30,000. Use of these authorities continues to be subject to OIR/OER programmatic requirements, e.g., CTC for tenure, 5/8 year rule, etc.. These new authorities may be redelegated when total compensation ≤EX-IV. (Total annual compensation = base salary, performance increases, cash awards, and use of 3Rs, 2Rs, PCA, or PSP.) Specifically:

AUTHORITIES	CURRENT	PROPOSED
• Pay ≥ EX-IV ≤ EX-I [excluding SES (base salary)]	DIR, NIH	
• Recruitment & Relocation Bonuses, and all Retention Allowances (including for members of the SES and SBRS) provided the amount can be reviewed and approved by an IC official who is at a higher level than the official who made the initial decision, i.e., requesting/recommending official	VARIES	
• PSP including exceptional qualifications	DIR,NIH/DDIR/ADCR	➔ IC DIRS
• Title 42 (g), (f), (Special Expert) total comp. >EX-IV & ≤EX-I	DIR, NIH/DDIR/DDER	
• Higher "increases" (i.e., NTE $30,000 rather than $20,000)	DIR,NIH	
• Cash awards ≤ $5,000 for members of the SES & SBRS	VARIES	

PAY AND APPOINTMENT AUTHORITIES RETAINED BY DIR, NIH

AUTHORITIES	CURRENT	PROPOSED
TITLE 42 (g), (f), (Special Expert) appointments or pay increases where annualized compensation is > EX-I	DIR, NIH/DDIR/DDER	DIR, NIH
SES (base salary)	DIR, NIH	DIR, NIH
Annual comparability increases for positions covered by Title 42	DIR, NIH	DIR, NIH
SBRS appointments & (initial base salary ≤ EX-II; merit increases)	DIR, NIH	DIR, NIH
SBRS (initial base salary >EX-II)	SECRETARY, HHS	SECRETARY, HHS

01/03/00

ICs are delegated the authority to appoint, pay, and reward employees covered by Title 5 and Title 42 [209(f), 209(g), and Special Experts], and the SES and SBRS where specifically cited, when the annualized total payments are ≤ EX-I, and increases in total payments are ≤ $30,000. Use of these authorities continues to be subject to OIR/OER programmatic requirements, e.g., CTC for tenure, 5/8 year rule, etc.. These new authorities may be redelegated when total payments are ≤EX-IV. (Total payments = annual rate of base salary, 3Rs, 2Rs, PCA, PSP and federal annuity plus performance increases and cash awards.) Specifically:

DELEGATED AUTHORITIES	PREVIOUS	NEW
Payments ≥ EX-IV ≤ EX-I [excluding SES (base salary)]:	DIR, NIH	
• Recruitment & Relocation Bonuses, and all Retention Allowances (including for members of the SES and SBRS) provided the amount can be reviewed and approved by an IC official who is at a higher level than the official who made the initial decision, i.e., requesting/recommending official	VARIES	DEP DIR, NIH IC DIRS
• PSP (including exceptional qualifications). Once Director, NIH approves PSP and total payments >EX-I, IC Directors may approve PSP changes of ≤ $30,000 when total payments do not exceed $225, 000	DIR,NIH/DDIR/ADCR	
• Title 42 (g), (f), (Special Expert) total payments >EX-IV & ≤EX-I	DIR, NIH/DDIR/DDER	
• Title 42 (f), (g), Special Expert & SBRS annual performance increases of 3% or less of base salary when total payments >EX-I have previously been approved by the Director, NIH and do not exceed $225,000 (For SBRS, total compensation cannot exceed EX-I)		
• Increases NTE $30,000 (includes SBRS merit increases)	DIR,NIH	
• Cash awards ≤ $5,000 for members of the SES & SBRS	VARIES	

AUTHORITIES RETAINED BY SECRETARY, HHS/ DIR, NIH	PREVIOUS	NEW
• All appointments and pay increases except as noted above, when total payments are > EX-I	DIR, NIH/DDIR/DDER	DIR, NIH
• SES/ST/SL (salary)	DIR, NIH	DIR, NIH
• Annual comparability increases for positions covered by Title 42	DIR, NIH	DIR, NIH
• SBRS appointments & initial base salary ≤ EX-II	DIR, NIH	DIR, NIH
• SBRS initial base salary >EX-II for federal employees whose current payments ≥EX-II	SECRETARY, HHS	DIR, NIH
• SBRS initial base salary > EX-II for outside hires, and federal employees whose current payments are < EX-II	SECRETARY, HHS	SECRETARY, HHS
• Total Increases > $30,000	DIR, NIH	DIR, NIH

Approved /s/ Stephen C. Benowitz
Director of Human Resources
05/08/00
Date

PAY AND APPOINTMENT AUTHORITIES

ICs are delegated the authority to appoint, pay, and reward employees covered by Title 5 and Title 42 [209(f), 209(g), and Special Experts], and the SES and SBRS where specifically cited, when the annualized total payments are ≤ EX-l and increases in total payments are ≤ $30,000. Use of these authorities continues to be subject to OIR/OER programmatic requirements, e.g., CTC for tenure, 5/8 year rule, etc. These new authorities may be redelegated when total payments are ≤EX-IV. (Total payments = annual rate of base salary, 3Rs, 2Rs, PCA, PSP and federal annuity plus performance increases and cash awards.) Specifically:

DELEGATED AUTHORITIES	PREVIOUS	NEW
Payments ≥ EX-IV ≤ EX-I [excluding SES (base salary)]:	DIR, NIH	
• Recruitment & Relocation Bonuses, and all Retention Allowances (including for members of the SES and SBRS) provided the amount can be reviewed and approved by an IC official who is at a higher level than the official who made the initial decision, i.e., requesting/recommending official	VARIES	DEP DIR, NIH IC DIRS
• PSP (including exceptional qualifications). Once Director, NIH approves PSP and total payments >EX-I, IC Directors may approve PSP changes of ≤ $30,000 when total payments do not exceed $225, 000	DIR,NIH/DDIR/ADCR	
• Title 42 (g), (f), (Special Expert) total payments >EX-IV & ≤EX-I	DIR, NIH/DDIR/DDER	
• Title 42 (f), (g), Special Expert & SBRS annual performance increases of 3% or less of base salary when total payments >EX-I have previously been approved by the Director, NIH and do not exceed $225,000 (For SBRS, total compensation cannot exceed EX-I)		
• Increases NTE $30,000 (includes SBRS merit increases)	DIR, NIH	
• Cash awards ≤ $5,000 for members of the SES/SSS/ST/SL & SBRS	VARIES	
• Cash awards ≤ $5,000 for Title 42 employees [209(f), 209(g), and Special Experts] whose salary ≥ES-I	IC DIRS	

AUTHORITIES RETAINED BY SECRETARY, HHS/ DIR, NIH	PREVIOUS	NEW
• All appointments and pay increases except as noted above, when total payments are > EX-I	DIR, NIH/DDIR/DDER	DIR, NIH
• SES/ST/SL (salary)	DIR, NIH	DIR, NIH
• Annual comparability increases for positions covered by Title 42	DIR, NIH	DIR, NIH
• SBRS appointments & initial base salary ≤ EX-II	DIR, NIH	DIR, NIH
• SBRS initial base salary >EX-II for federal employees whose current payments ≥EX-II	SECRETARY, HHS	DIR, NIH
• SBRS initial base salary > EX-II for outside hires, and federal employees whose current payments are < EX-II	SECRETARY, HHS	SECRETARY, HHS
• Total Increases > $30,000	DIR, NIH	DIR, NIH

Approved /s/ Steve Benowitz 5/19/00 Director of Human Resources Date

PAY AND APPOINTMENT AUTHORITIES

ICs are delegated the authority to appoint, pay, and reward employees covered by Title 5 and Title 42 [209(f), 209(g), and Special Experts], and the SES and SBRS where specifically cited, when the annualized total payments are ≤ EX-I, and increases in total payments are ≤ $30,000. Use of these authorities continues to be subject to OIR/OER programmatic requirements, e.g., CTC for tenure, 5/8 year rule, etc. These new authorities may be redelegated when total payments are ≤EX-IV. (Total payments = annual rate of base salary, 3Rs, 2Rs, PCA, PSP and federal annuity plus performance increases and cash awards.) Specifically:

DELEGATED AUTHORITIES	PREVIOUS	NEW
Payments ≥ EX-IV ≤ EX-I [excluding SES (base salary)]:	DIR, NIH	
• Recruitment & Relocation Bonuses, and all Retention Allowances (including for members of the SES and SBRS) provided the amount can be reviewed and approved by an IC official who is at a higher level than the official who made the initial decision, i.e., requesting/recommending official	VARIES	DEP DIR, NIH IC DIRS
• PSP (including exceptional qualifications). Once Director, NIH approves PSP and total payments >EX-I, IC Directors may approve PSP changes of ≤ $30,000 when total payments do not exceed $225, 000	DIR,NIH/DDIR/ADCR	
• Title 42 (g), (f), (Special Expert) total payments >EX-IV & ≤EX-I	DIR, NIH/DDIR/DDER	
• Title 42 (f), (g), Special Expert & SBRS annual performance increases of 3% or less of base salary when total payments >EX-I have previously been approved by the Director, NIH and do not exceed $225,000 (For SBRS, total compensation cannot exceed EX-I)		
• Increases NTE $30,000 (includes SBRS merit increases)	DIR, NIH	
• Cash awards ≤ $5,000 for members of the SES/SSS/ST/SL & SBRS	VARIES	
• Cash awards ≤ $5,000 for Title 42 employees [209(f), 209(g), and Special Experts] whose salary ≥ES-I	IC DIRS	

AUTHORITIES RETAINED BY SECRETARY, HHS/ DIR, NIH	PREVIOUS	NEW
• All appointments and pay increases except as noted above, when total payments are > EX-I	DIR, NIH/DDIR/DDER	DIR, NIH
• SES/ST/SL (salary)	DIR, NIH	DIR, NIH
• Annual comparability increases for positions covered by Title 42	DIR, NIH	DIR, NIH
• SBRS appointments & initial base salary ≤ EX-II	DIR, NIH	DIR, NIH
• SBRS initial base salary >EX-II for federal employees whose current payments ≥EX-II	SECRETARY, HHS	DIR, NIH
• SBRS initial base salary > EX-II for outside hires, and federal employees whose current payments are < EX-II	SECRETARY, HHS	SECRETARY, HHS
• Total Increases > $30,000	DIR, NIH	DIR, NIH

Approved /s/ Steve Benowitz 5/19/00 Director of Human Resources Date

NIH PAY AND APPOINTMENT AUTHORITIES FOR SCIENTIFIC POSITIONS

NOTE: Actions affecting SES and SES-equivalent positions in other pay systems may be subject to OS approval. Contact OHRM before making decisions affecting these positions.

Approval Authorities delegated to IC Directors for scientific positions [may be redelegated when total compensation is ≤ EX-IV ($125,700)]:

Total Compensation:

Initial appointment, conversion, or promotion when total compensation is ≤ ES-6 ($133,700) and cumulative discretionary increases within the preceding 52 weeks are ≤ $30,000 [Applies to internal and external candidates under Title 5, Title 5 with Title 38 pay, Title 42 209(f) & (g)]

Reassignments or renewals with no change in total compensation when total compensation > ES-6 was previously approved by ICs or Director, NIH [Title 5, Title 5 with Title 38 pay, Title 42 209(f) & (g)]

When total compensation was previously approved by ICs or Director, NIH, ICs must adjust discretionary pay so that the rate of total compensation does not exceed $200,000 [Title 5, Title 5 with Title 38 pay, Title 42 209(f) & (g)]

Discretionary Increases:

Cumulative discretionary increases ≤ $30,000 within the preceding 52-week period as follows, provided total compensation remains ≤ ES-6. In addition to the following, discretionary increases include all SES Rank Awards, SES performance bonuses, and PCA

Cash Awards [Title 5, SES/SL/ST, SBRS, Title 42 209(f) & (g)]

- ***≤ $10,000***

3Rs [Title 5, SES, SBRS]

- ***Up to 25% of base pay, must be approved by higher level IC official than the requesting/recommending official***

Performance Bonuses [Title 42 209(f) & (g), SBRS]

- ***≤ 10% base salary***

2Rs [Title 42 209(f) & (g)]

- ***Up to 25% of base pay***

PSP [Title 38]

- ***PSP changes ≤ $30,000 when total compensation is ≤ ES-6***

Base Salary Increases Based on Performance [Title 42 209(f) & (g), SBRS]

- ***Increases ≤ $30,000 when the new total compensation is ≤ ES-6 (for SBRS, at least one year must have elapsed since initial SBRS appt)***
- ***One single-level SES adjustment thru ES-4 within any 12-month period***

Approval Authorities retained by the Director, NIH:

Initial appointment or conversion, & any discretionary increase, when total compensation is > ES-6 & base salary ≤ $200,000 [Title 5, Title 5 with Title 38 pay, Title 42 209(f) & (g)]

SES, ST/SL: initial appointments & salary; multi-level SES pay adjustments, & adjustments to ES-5 & 6; ST/SL pay adjustments

SBRS appointments and initial salary ≤ EX-II; or initial salary > EX-II for federal employees whose current compensation is ≥ EX-II

Discretionary increases when cumulative increases within the preceding 52 weeks are > $30,000, provided base salary is ≤ $200,000

Performance Bonuses: > 10% NTE 20% of base salary [Title 42 209(f) & (g), SBRS]

Approval Authorities retained by the Secretary:

Initial appointments & cumulative discretionary increases when base salary is > $200,000 [Title 42 209(f) & (g)]

Initial SBRS base salary > EX-II: for outside hires, & for federal employees whose current compensation is < EX-II

Approved ***/s/ Stephen C. Benowitz*** ***04/26/01***
Director of Human Resources Date

APPENDIX D

Management Interview Summary

Summary of Management Interviews

Year 5 Evaluation of Personnel Delegations

Background

As part of the development of the fifth year report under its contract with the National Institutes of Health (NIH), by joint agreement 31 interviews were conducted with senior NIH officials on the impact of human resource delegations of authority. These interviews supplemented information obtained from NIH managers via an NIH-wide manager survey conducted during the early Spring of 2001.

The interviews conducted are summarized in Table 1 below. Four additional management officials were contacted but were unavailable for interviews.

Position of Interviewee	Number
Institute or Center Director/Deputy Director	4
I/C Executive Officer or Equivalent	9
Other Institute/Center Manager	2
Institute/Center HRM Officer	10
NIH Headquarters Officials	5
HHS Director of Human Resources	1
Total	31

Table 1: Categories of Officials Interviewed

Interview Questionnaire

The questions used for the conduct of the interviews are identical to those previously used in interviews conducted at the end of the first and third years. Summary responses to each question are addressed below. Selection of the specific questions was intended to elicit information on management perceptions of how the delegations are effecting human resources management within NIH, the results being achieved through use of these delegations, and the ease and flexibility provided to managers in accomplishing their human resources management responsibilities. The discussions with participants focused on NIH's strategic goals of (1) advancing superior biomedical and behavioral science research, and (2) effectively and efficiently managing resources provided to NIH by the American public.

Summary of responses to interview questions

1. How do you view the flexibility and ease of use of the personnel system?

All of those interviewed responded that the result of the delegations was increased flexibility for managers in NIH's institutes and centers (ICs) vis-à-vis their human resources responsibilities. The Health and Human Services Deputy Assistant Secretary for Human Resources pointed out

during her interview that subsequent to the 1995 delegations to NIH, HHS had gone on to provide similar delegations to its other operating components.

Interviewees at NIH generally expressed a preference for maximum flexibility at the IC level, suggesting even further delegations or redelegations of functions or decisions that remain at the NIH headquarters. On the other hand, when asked about redelegation of these authorities to lower level managers within the ICs, a number of directors and executive officers expressed some reservation. The most prominent reasons noted for not redelegating some of the authorities to lower levels is a need for consistent application across the IC and/or a reluctance on the part of lower level managers to assume the responsibility and workload involved. This latter reason has resulted, for example, in almost all of NIH's ICs deciding to make no further redelegation of classification authority. A few of those interviewed also expressed concern with what they perceive to be a lack of NIH-wide policy or criteria for use of some of these authorities, and the absence of NIH-wide evaluation to ensure consistency in their application.

2. What are your views on personnel delegations?

Again, participants almost unanimously (30 of 31) expressed the notion that managers must be provided the authorities needed to accomplish the mission, to include human resources authority for decisions affecting their staff. A large number of interviewees noted that the NIH culture, as reflected by the separate appropriations for most of its ICs, is one where operational control and accountability is vested largely at the IC level. It therefore follows, they argue, that administrative authorities should also be vested at this level.

Participants pointed out several positive impacts of having the personnel delegations at the IC level. One such impact is the overall improvement in response time for human resources actions. Although none of the participants was able to offer statistical information on improved timeliness, virtually all participants expressed this observation. At least two of the ICs reported that internal survey results indicate substantial increases in the quality of service provided by their personnel offices. They attributed this improvement to the HR staff now having optional courses of action to offer to a client, increasing the need and opportunity for the staff to exercise judgment and recommend the most appropriate course of action. Another cited example is the reduced time required to make an employment offer to a prospective candidate, since decisions such as payment of recruitment bonuses, or adjusting pay above Step 1 of the pay scale can now be made within the IC.

In terms of the most helpful delegations, participants most often cited recruitment bonuses, the authority to set salary above the first step, and approval authority for cash awards. On the other hand, very limited use has been made of search firms, leave restoration, flexiplace, and particularly retention allowances.

3. What is your opinion regarding NIH's ability to hire top candidates for senior jobs? (NOTE: Ability to hire one out of the top five)

Twenty seven (87 percent) of the 31 interviewees responded that NIH's ability to hire top candidates for senior scientific positions has improved. The improvement is universally credited, however, to the expanded use of Title 42 hiring authority within approximately the last two years. Almost every interviewee was able to cite one or more specific examples of relatively recent success stories using Title 42 hiring authority either because of the speed with which offers could be made, or as a result of the higher salaries available with this authority.

The expanded use of Title 42 hiring authority, which is excepted from the competitive provisions of Title 5, was not part of the original delegated authorities included within the scope of this study. However, the expanded use of Title 42 was cited in earlier reports as a means being considered by NIH to improve timeliness and the competitiveness of offers. During the last two years, the NIH Human Resources Director's staff issued a new interpretation of the excepted hiring authority for scientific positions provided to NIH under Title 42. This has led to its increased use throughout NIH, and to the improvements in hiring cited by most of the participants in these interviews.

Ten of the 31 (32 percent) participants noted that the use of SES appointments under Title 5 to fill senior positions remains a slow and labor-intensive process. Interviewees also noted with concern that the HHS Secretary has recently withdrawn final SES approval authority from NIH. As a result of the extended process and the requirement to obtain HHS approval, several of the IC Directors, Executive Officers or HRM Officers reported that they have all but dropped attempts to hire senior staff under the competitive SES process, turning almost exclusively to Title 42 excepted procedures. The HHS Director of Human Resources expressed a Departmental level concern with the substantially increased use of Title 42 hiring authority by NIH in terms of both the interpretation being used by NIH to justify coverage of all the positions for which this authority is being used, and with the absence of a competitive process used to fill so many of NIH's senior positions. As a result, during the period in which these interviews were accomplished, there was an HHS/NIH review of the use of Title 42 authority at NIH. During the conduct of the later interviews, participants reported that restrictions on use of the Title 42 hiring authority for "purely scientific positions" have been lifted. However, they noted that case-by-case reviews continue for proposed Title 42 hires involving positions with extensive managerial and/or administrative responsibilities.

4. Is NIH recruiting and retaining quality scientific staff?

As reported under Question 3, those interviewed were largely in agreement that the results of recruitment for scientific staff have improved considerably as a result of the delegations, and specifically through use of the excepted Title 42 hiring and pay-setting authority. Participants did comment that, depending upon the specific scientific functional area, the private sector and academic community are often able to offer substantially higher salaries and benefits than the Federal government, even with recruitment bonuses and higher basic pay rates under Title 42. Some of the ICs have therefore become very creative in structuring offers to make employment

at NIH more attractive and as a means of remaining competitive. In some cases this has involved pairing offers to scientists with offers of employment for spouses, and providing assistance in obtaining educational opportunities for candidates' families.

Retention of quality scientific staff was not reported as an issue -- only four of the participants reported concerns about retention of scientists. Because NIH is unique in terms of its worldwide leadership role in many scientific areas of study, and because it offers the kinds of work situations that are sought by senior staff toward the end of their careers, most participants commented that scientists tend to remain for long periods of time once having accepted employment. For these reasons, participants reported very limited use of retention allowances, which was one of the 1995 delegations.

Retention issues at NIH identified by those interviewed largely pertain to employees in the information technology field, and to clerical staff.

5. What are your views on improving diversity through personnel delegations?

In stark contrast to participants' praise for the delegations and their impact upon human resources management at NIH was the feedback from those interviewed when discussing diversity. Twenty-four of the 31 interviewees (77 percent) indicated lack of significant improvement in underrepresented minority hiring. Even where those interviewed were able to cite some diversity gains, the widely expressed opinion was that there was no correlation between such accomplishments and the human resources delegations. Feedback from the NIH EEO headquarters staff indicates that NIH has made considerable progress in employment opportunities for women and for Asian minorities. The same cannot be said, however, for African Americans, Hispanics and Native Americans. Depending upon the interviewee, a number of explanations were offered for the "real" problem that prevented further diversity gains:

a) Underrepresented minorities with the required scientific and medical credentials are difficult to locate. This view was expressed by most of those who participated in the interviews. When asked about their outreach efforts, many of the ICs provided examples of targeted minority recruiting which they regularly employ. On the other hand, at least a half dozen of those interviewed expressed an opinion that outreach efforts are not sufficient to locate and attract minorities.

b) Where there are highly qualified minorities identified as among the top in their scientific or medical fields, they are so highly sought after by private industry and academia that the Federal government simply cannot match the level of salary and benefits they are offered, even with the flexibilities under Title 5 or Title 42.

c) A third comment was offered largely during interviews with human resources officials. They pointed out that the nature of the scientific community is to seek the best-qualified individual, regardless of ethnicity, gender, etc., and that there is a lack of interest in making a hiring decision just for the sake of improving diversity. It was pointed out that the search methodology

in filling senior scientific positions often involves consideration of those known throughout the scientific community, and personally by members of the search committee. Often this results in nominations of those who travel and publish in the same "circles" as the search community, which tends to make nominations of minorities less likely.

d) Finally, a few of those interviewed suggested that there is considerable room for improvement at NIH in terms of providing a total support environment for minorities who are hired, going well beyond the recruitment process, to include mentoring arrangements and organized support activities.

It should be noted that NIH could point to improvements in minority representation in its intern and hiring programs that focus on entry-level as opposed to senior positions. Examples noted by the NIH headquarters EEO staff include the results of recent NIH Presidential Management Intern hires, the University Initiative and the NIH Scholarship Program.

6. Is the personnel system able to meet customer needs?

Twenty-one of the 31 interviewees (67 percent) expressed a positive response to this question. The major issues raised by those who did not respond positively were diversity and timeliness of personnel actions. Diversity issues have already been discussed above. The timeliness issue is largely a continuation of the issue raised in our interim reports on the NIH SES hiring process. Ten of the 31 interviewees specifically volunteered complaints about the time it takes to fill SES positions within NIH. The primary complaint about this process is the number of levels of reviews, and the "over use" of peer group processes. One executive officer described this as "democratization run amok." Another senior manager pointed out that "we've done this to ourselves." Several interviewees expressed great concern with the fact that as a result of the slowness of the SES hiring process, NIH now largely avoids the merit process by using the non-competitive Title 42 hiring authority to fill the vast majority of its senior jobs. These officials expressed concern with the potential of allegations that NIH avoids open competition for its top positions.

7. What are your views on the speed of processing personnel actions?

As noted in the discussion of the preceding question, about two-thirds of those interviewed (22 of 31, or 70 percent) believe that there has been improvement in the timeliness of processing personnel actions. Some acknowledged the improvement but said actions still take too long. A few (primarily HR officials) said that processing speed had never been an issue. Again, the illustrations offered by those who said there had been either no improvement, or not much improvement, were usually descriptions of the SES hiring process under Title 5.

A few concerns were raised about the upcoming change to PeopleSoft's human resources database and processing system, as part of an HHS-wide decision. These concerns came principally from interviews with HR officials. The issue raised by these participants is that they understand the PeopleSoft product to be a "position-driven" system, that is, it associates

employees with characteristics of the classified position for which they are hired. These HR officials went on to describe the current NIH automated system as being "people" driven and less focused on the discipline of traditional classification. Their expressed concern is that the new system will be less flexible and will enforce greater rigidity than previous NIH systems. They see the PeopleSoft product as an example of Departmental level centralized controls, which are generally considered threatening to the NIH culture by most of those who were interviewed as part of this study. (See further discussion of this issue below.)

8. What are your views on 24 personnel offices at NIH?

This final question, probably more than any of the others, seemed to arouse a strong, negative reaction, relating to the perceived change in management philosophy under the new Administration. From time to time there have been issues raised with the fact that NIH seems to continually be adding new institutes and centers, and that along with each new IC (sooner or later) there comes a full administrative staff, including a personnel office. The concern is whether there is a need for the appearance of inefficiency represented by over 20 personnel offices for the 16,000 plus employees of NIH. Any suggestion of inefficiency or attack on this structure strikes heavily at the heart of the NIH culture.

As pointed out by those interviewed, most new institutes and centers at NIH result from an Administration or legislative initiative to focus on a particular illness (e.g., cancer) or category of related illnesses. These initiatives are usually accompanied by high visibility and public support. Administratively speaking, most of the new institutes and centers are then provided their own initiating legislation, and an appropriation. As a result, a popular notion (as suggested by participants in these interviews) is that NIH as an agency is in actuality a "holding company" for many autonomous institutes and centers, each having its own mission and funding.

The positive side of this culture (as pointed out by interviewees) is that each IC hires a staff strongly focused on curing or eliminating/reducing the effects of some illness, disease or condition, and is evident in the high degree of commitment and dedication of the staff. But, as noted by senior NIH management officials, this same positive impact results in a somewhat narrow view of the mission and the organization. It promotes a belief that resources and administrative costs needed to accomplish the mission should be a secondary consideration, since there is so much bipartisan and public support for the objective, and since the world's "top" scientists and physicians are sought and hired to champion the cause.

With this background, it is no surprise that the highest value held by those interviewed (relative to HR support for the ICs) is the need for a personnel office which thoroughly understands the mission, the qualifications needed of the staff hired to accomplish the mission, and for a personnel office which will reflect the priorities of the individual IC and its director. Many (22 of the 31 participants) reflected that there could be a compromise in which either the smallest IC's would be cross-serviced by a larger IC's personnel office, or a scenario under which expertise in some highly technical aspects of HR could be centralized and provide common support to all of the ICs. In no case, however, did any participant express agreement with the notion of only two or three, or a limited number of personnel offices for all of NIH. In all of the

varieties of "solutions" proposed by those interviewed, the common thread was retention of a personnel officer and staff at the IC level to have the "intimate" knowledge of the program, and to respond to the priorities of the IC director. In fact, nine of the participants, while recognizing that there is a tradeoff between cost efficiency and the NIH cultural values described above, state that they'd "fight" to retain the status quo in the human resources structure.

One senior NIH manager offered a view of the "bigger picture" on this issue. This manager noted that overhead at NIH as a whole represents a plus or minus 5 percent of the budget, which is not viewed as excessive. Further, he pointed out that despite the ever-increasing NIH budget, the cost of administration remains relatively constant, and that some are becoming concerned that as a result, administrative management at NIH could actually deteriorate over time.

This is clearly an emotionally charged issue for NIH and its ICs. A number of those interviewed indicated that the greatest current need is for a permanent NIH Director who, having credibility with the new HHS Secretary, can advocate for the uniqueness of NIH and its needs.

Summary

Despite differences on individual questions in the interview, or examples cited, the results of these management interviews are a set of fairly consistent themes worth summarizing.

1. The history and culture of NIH is one of decentralized authority and accountability. Having received these human resources delegations in 1995, the ICs strongly oppose any retrenchment, despite the fact that in a number of cases they have been extremely conservative about redelegating the authorities more than one level below the IC director.

2. In terms of filling senior scientific positions, the ICs have largely given up on the SES process because they find it too slow and too constrained (in terms primarily of salary) to result in hiring of the top people in their respective scientific fields. The use of the non-competitive Title 42 hiring authority has largely become viewed as the primary way to approach hiring, often supplemented by additional recruiting incentives to get total compensation within what is viewed to be a competitive range. While those interviewed largely point to success using Title 42 hiring authority, some top managers at NIH and HHS are looking beyond short-term individual hires, and are concerned about public reaction to the recurring use of a noncompetitive process to fill most of the agency's senior positions.

3. Most of the participants commented that present hiring practices are not improving diversity at NIH. Several were quick to point out that greater targeted recruiting for underrepresented minorities is needed to resolve this problem. At the same time, a number of interviewees pointed out that efforts directed at diversity for its own sake run counter to the values of NIH's scientific community, which are focused only on those recognized as the best in their field, regardless of diversity impact.

4. There is great concern among the NIH managers who were interviewed about what is viewed as a conflict between the new NIH Secretary's perceived goals for centralized authority and

efficiency and the NIH tradition of decentralized authority and accountability. A number of those interviewed expressed significant concern about the long-term impact on mission accomplishment should the new goals be fully implemented.

5. One of the most positive impacts arising from the 1995 delegations reported by those interviewed is that the door has been opened to experimentation with new business paradigms. Illustrative of these are the series of initiatives undertaken by the National Cancer Institute to provide greater customer service. Some of NCI's efforts have included the creation of generalist administrative centers focused and individually tailored to organizational components, physical locations, and/or specific functions with unique needs (e.g., information technology) within NCI. These initiatives have included competency-based incentives for staff to expand their skills, locally developed training to prepare administrative/management staff for unique NCI issues and concerns, and recurring customer feedback as a measure of success. These NCI initiatives are noted here not only for their creativity, but as a possibility for a new paradigm that might respond to the "middle ground" or compromise recommended by most of those interviewed in response to the question on NIH's administrative structure.