



Integrity ★ Service ★ Excellence

STRL Update

13 May 2016

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AT&L Criteria to be an STRL



- Organization must meet the definition of a research and development lab as defined in Part II Definitions of DoDI 3201.4
- S&E workforce is principally involved in performing exploratory development or research work or a combination of both
- A significant portion of the lab's staff should be S&Es performing exploratory development or research work
- Research and development efforts are preferably in a least two well defined specialty areas
- Programmatic effort should be significantly Tech-Base (i.e. Budget Activities 1-7)
- Significant portion of R&D activities should be conducted in-house
- At least one segment of the mission effort should be unique to the facility or Service
- Professional recruitment activity includes at least one critical hard-to-hire occupation



How DoD is Applying It



Navy Warfare Centers and Systems Centers perform the full spectrum weapons and warfare systems research, development, test and evaluation, analysis, acquisition support, in service engineering, logistics and integration. NRL conducts basic and applied research and advanced technology development.



Army Research, Development and Engineering Centers conduct basic and applied research, exploratory and advanced development and lifecycle engineering processes. ARL conducts basic and applied research and advanced technology development.



AFRL conducts basic and applied research and advanced technology development.



STRs

as defined by NDAA FY10 & FY15



- (1) The Aviation and Missile Research Development and Engineering Center
- (2) The Army Research Laboratory
- (3) The Medical Research and Materiel Command
- (4) The Engineer Research and Development Command
- (5) The Communications-Electronics Command
- (6) The Soldier and Biological Chemical Command*
- (7) The Naval Sea Systems Command Centers
- (8) The Naval Research Laboratory
- (9) The Office of Naval Research
- (10) The Air Force Research Laboratory
- (11) The Tank and Automotive Research Development and Engineering Center
- (12) The Armament Research Development and Engineering Center
- (13) The Naval Air Warfare Center, Weapons Division
- (14) The Naval Air Warfare Center, Aircraft Division
- (15) The Space and Naval Warfare Systems Center, Pacific
- (16) The Space and Naval Warfare Systems Center, Atlantic
- (17) The laboratories within the Army Research Development and Engineering Command
- (18) The Army Research Institute for the Behavioral and Social Sciences
- (19) The Space and Missile Defense Command Technical Center

*No longer an Army command





Lab Demo Overview



- Lab Demo is an experiment that involves implementing and testing initiatives across the STRLs
 - Direct hire
 - Simplified delegated job classification
 - Broadbanding
 - Contribution-based compensation
 - Performance-based pay
 - Voluntary Emeritus Corps
 - Expanded Developmental Opportunities Program
 - Lab Commander award authority
 - Delegated Recruitment, Relocation, Retention Incentive Authority
 - Extended probationary period
 - Paysetting authority delegated to management
 - Relocation bonus for students
 - Accelerated compensation for interns
 - Supervisory differential
 - Critical skills training
 - Education-based pay adjustment



Pertinent Legislation



- FY95 NDAA
 - DoD Science and Technology Reinvention Laboratories (STRs) authorized to establish demonstration projects
 - “...shall be similar in nature to the China Lake demonstration project.”
- FY01 NDAA
 - Transferred control and approval authority of STRL demo projects from OPM to OSD
 - “...the Secretary shall exercise the authorities granted to the Office of Personnel Management under such section 4703.”
- FY04 NDAA
 - STRs excluded from National Security Personnel System (NSPS)
- FY08 NDAA
 - Provided for full implementation of demo authorities, made all authorities available to all labs and required annual Congressional report
- FY09 NDAA
 - Provided direct hire authority for candidates with advanced degrees to STRs
 - 3% of S&T workforce



Pertinent Legislation



- FY10 NDAA
 - Added new STRLs, repealed NSPS and required Congressional approval to convert a STRL to a personnel system other than Lab Demo
- FY11 NDAA
 - Increased direct hire allocations for candidates with advanced degrees
 - 5% of S&T workforce
- FY12 NDAA
 - Removed sunset clause for advanced degree direct hire authority
- FY14 NDAA
 - Provided direct hire authority for bachelor degree and veteran technician candidates
 - 3% of S&T workforce
 - Provided authority to create above 15 positions (SES/ST hybrid)
 - 1% of S&T workforce
 - Provided for exclusion from personnel limitations
 - An STRL director “shall manage the workforce strength, structure, positions, and compensation... without regard to any limitation on appointments, positions, or funding...consistent with the budget...”



Pertinent Legislation



- FY15 NDAA
 - Added two additional STRLs
 - Provided direct hire authority for STEM students
 - 3% of S&T workforce
- FY16 NDAA
 - Increased direct hire allocations for candidates with bachelor degrees and veteran technicians
 - 6% of S&T workforce
 - Increased SSTM allocations
 - 2% of S&T workforce
 - Provided conversion authority for students hired under FY15 NDAA direct hire authority
 - Authorized a pilot for dynamic shaping of the STRL workforce
 - Flexible term appointments
 - Reemployed annuitants
 - VERA/VSIP



Lab Demo Overview



- Continued and consistent Congressional policy focus
 - Enhancement of STRL mission
 - Decentralization of personnel management decision-making
- Lab Quality Enhancement Program Personnel Subpanel
 - Focus is on utilizing the Lab Demo authority to enhance recruitment, development, motivation, retention, and quality of the workforce to improve the effectiveness of the laboratories
 - Under the auspices of the Assistant Secretary of Defense – Research and Engineering , Director, Defense Laboratory Office
 - AFRL chairs
 - STRLs participate in LQEP Personnel Subpanel
 - Participants include
 - » Lab Demo Managers
 - » ASD (R&E) representative
 - » Defense Civilian Personnel Advisory Services (DCPAS) representative
 - » Service representatives



Lab Demo Overview



- Original demo authorities had support of Secretary of Defense
 - SecDef fully supported Reinvention Laboratories and delegated waiver authority to Secretaries of Military Departments
 - SecDef issued memo to ensure timely approvals
 - Waivers automatically approved 30 days after Staff Principal/General Counsel notice
 - Denials required SecDef or DepSecDef approval
 - Later rescinded but expectation was for approval within 30 days
 - That was 20 years ago – No one realizes the flexibility we once had
- Renewed and streamlined approval processes would be beneficial to ensure implementation of existing legislative authorities, proper use of existing authorities and creation of new authorities



Summary



- Lab Demo is an STRL success story
 - Lab Demo has enabled STRL managers to focus on mission
 - Lab Demo authority delegates the authority necessary to make timely personnel decisions to STRL management
 - Supervisors have authority to manage and classify positions
 - Lab Demo has enabled the STRLS to attract and retain the best and the brightest
 - Contribution and performance based pay systems have enabled management to focus employee efforts on mission contribution
 - Overall contribution/performance has increased
 - Deserving employees are rewarded for high contribution/performance
 - High contributors stay and low contributors either improve or leave
 - Lab Demo created simplified personnel processes

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THE SECRETARY OF DEFENSE

WASHINGTON, DC 20301-1000

23 MAY 1995

**MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
 CHAIRMAN OF THE JOINT CHIEFS OF STAFF
 UNDER SECRETARIES OF DEFENSE
 DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
 ASSISTANT SECRETARIES OF DEFENSE
 GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
 INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
 DIRECTOR, OPERATIONAL TEST AND EVALUATION
 ASSISTANTS TO THE SECRETARY OF DEFENSE
 DIRECTOR, ADMINISTRATION AND MANAGEMENT
 DIRECTORS OF DEFENSE AGENCIES**

SUBJECT: Waiver Authority for Reinvention Laboratories and Centers

To encourage further the innovative work being done in reinvention laboratories throughout the Department, I hereby delegate to the Secretaries of the Military Departments and Directors of the Defense Agencies the authority to waive any requirement contained in a Department of Defense Directive, Instruction, or Publication for Service or Agency approved reinvention laboratories and centers. I strongly encourage Service Secretaries and Directors of Defense Agencies to redelegate this authority to their reinvention laboratories and centers. Moreover, I also would like Service Secretaries and Directors of Defense Agencies, whenever possible, to similarly delegate the authority to waive Service policies and regulations to their reinvention laboratories. It is important to remove as many impediments as possible that stand in the way of reinvention laboratory success.

The authority delegated in this memorandum shall not be used to waive any legislative regulation or issuance, or any provision required by law. With respect to requirements relating to civilian employee working conditions, this authority shall be exercised in accordance with the Charters of the National Partnership Council and the Defense Partnership Council.

Copies of approved waivers will be forwarded within two days to the offices of the OSD Staff Principal, General Counsel, and Deputy Director of the Defense Performance Review with an explanation of the reason for the waiver, the anticipated monetary or other benefits, unit/activity affected, duration of waiver or specified period of review (not to exceed two years),

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a legal review by the senior legal officer of the command or agency in which the laboratory resides, and a statement that the stipulations in paragraph two of this memorandum have been satisfied.

Approved waivers will go into effect automatically 30 days after the OSD Staff Principal and the Office of the DoD General Counsel have received notice, unless specifically denied by the Secretary of Defense or Deputy Secretary of Defense.

My memorandum of March 28, 1994, Subject: Waiver Authority, remains in effect for all non-reinvention laboratory waivers.

William J. Perry



THE SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

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MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES

SUBJECT: Revised Waiver Policy for Reinvention Laboratories

The Department of Defense (DoD) remains committed to the goals and principles of the National Partnership for Reinventing Government (NPR). NPR activities, coupled with the defense reform initiatives, provide an excellent avenue to make significant strides in reforming the "business" of the Department while making more efficient use of the resources provided by the Congress and the American taxpayers.

I challenge the Department's reinvention laboratories to undertake additional innovative initiatives in support of the defense reform goals. Reinvention laboratories may request deviations from existing DoD policies and procedures through their component NPR office or point of contact. Over the past 4 years, reinvention laboratories have experimented with numerous exceptions to established policy and procedures. Policy proponents throughout the Department are strongly encouraged to review the results of reinvention laboratory and waiver experiments, pursue wider application of successful processes and waivers, and implement permanent changes, where appropriate.

Effective immediately, authority to approve requests from reinvention laboratories to waive DoD issuances is delegated to the cognizant Deputy Assistant Secretary of Defense, or equivalent, level. Since DoD directives are policy level regulations, the authority to waive these documents should remain at the Deputy Assistant Secretary of Defense, or equivalent, level. Approval to waive other DoD issuances, such as instructions and publications, may be further delegated as appropriate. All waiver approvals, however, require the concurrence of the Office of the General Counsel.

Consistent with President Clinton's memorandum of April 21, 1998 addressing the "Streamlining the Granting of Waivers," I direct that waiver requests be acted upon favorably,



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where feasible and desirable, and in an expeditious manner. Specifically, within the OSD, I expect that, where determined to be appropriate, waiver requests shall be acted upon within 30 days of receipt in OSD. However, waivers will become effective only upon written approval.

In keeping with the spirit of the President's memorandum, the authority to disapprove a waiver request is delegated to the cognizant Principal Staff Assistant, or equivalent senior level OSD official, who reports directly to the Deputy Secretary of Defense or me. This authority may not be redelegated. Except where disapprovals are based on a legal or legislative restriction, reinvention laboratories may elect to appeal disapprovals to the Deputy Secretary of Defense or me.

The authority contained in this memorandum may not be used to waive any provision required by statute; any practice, policy, procedure, or regulation required by law; any government-wide regulation; or any regulation issued by another Executive Branch agency that is binding on the Department of Defense. With respect to requirements relating to civilian employee working conditions, waiver authority shall be exercised consistent with any bargaining obligations and with labor-management partnership principles, including those set forth in the charter of the Defense Partnership Council.

This memorandum supercedes previous DoD waiver policy for reinvention laboratories contained in the following memoranda: "Revised DoD Waiver Policy," signed by the Under Secretary of Defense (Comptroller) on April 2, 1997; "Improved Waiver Authority Process," signed by the Deputy Secretary of Defense on February 12, 1996; "Waiver Authority for Reinvention Laboratories and Centers," signed by the Secretary of Defense on May 23, 1995; and "Waiver Authority," signed by the Secretary of Defense on March 28, 1994. The Under Secretary of Defense (Comptroller) is directed to issue procedures to implement this policy.

A handwritten signature in black ink, appearing to read "Bill Clinton". The signature is stylized and cursive, with a large initial "B" and "C".