



Defense Civilian Personnel Advisory Service

MISSION CRITICAL OCCUPATIONS

MCO & High Risk MCO Determination & Revalidation
Feb 2020

TABLE OF CONTENTS

1.0	PURPOSE AND BACKGROUND	2
2.0	REFERENCES	3
3.0	COVERAGE.....	3
4.0	MCO PROCESS (DCPAS)	3
5.0	MCO PROCESS (FC & COMPONENTS).....	4
6.0	POINTS OF CONTACT	7
	APPENDIX A: FAQs.....	8
	APPENDIX B: DEFINITIONS.....	9
	APPENDIX C: ACRONYMS.....	10

1.0 PURPOSE AND BACKGROUND

In February 2011, Government Accountability Office (GAO) designated addressing agencies' mission-critical skills gaps as high-risk. In Sept 2011, in response to GAO, Office of Personnel Management (OPM) and the Chief Human Capital Officer Council (CHCOC) established a working group to address skills gaps (competency and staffing) in Mission Critical Occupations (MCOs). The Working Group identified skills gaps in six areas across the federal government.

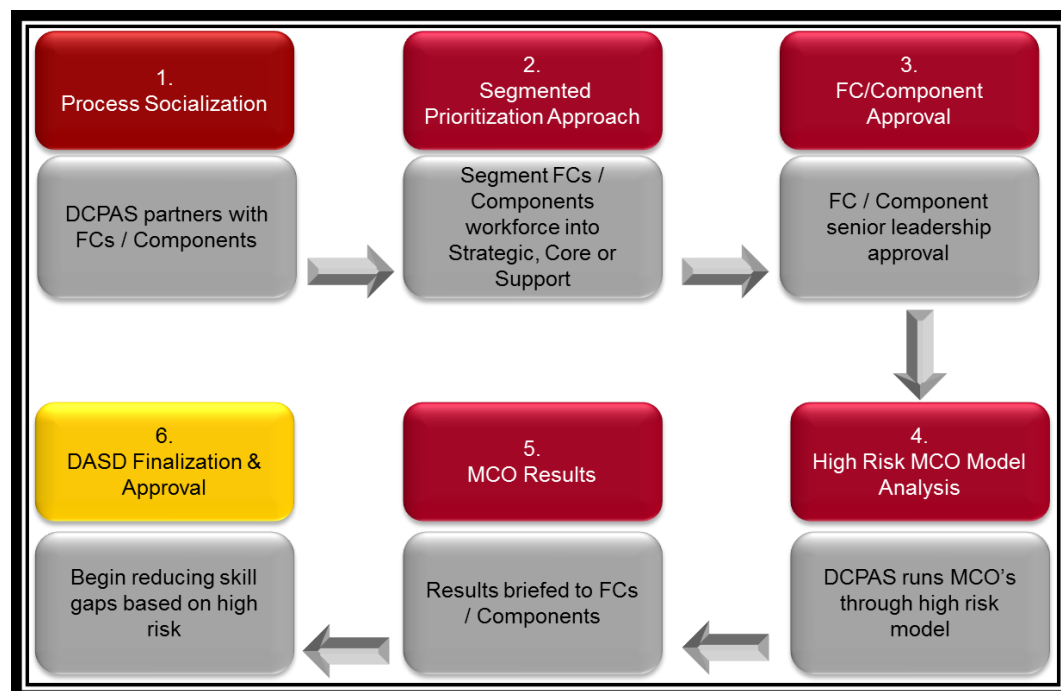
In 2014 the working group became known as the Federal Agency Skills Team (FAST). On April 15, 2016 the Acting Director of OPM released a memo on Closing Skills Gaps: Strategy, Reporting and Monitoring. This memo outlined, along with the government wide MCOs, agencies are required to identify medium/high-risk MCOs and address closing the skills gaps.

The reporting requirements of the Department are to report activities and milestones on agency-specific medium/high risk MCOs on a quarterly basis to the CHCOC Executive Steering Committee (ESC); and report annually on government wide MCOs and on agency-specific MCOs through Time-To-Hire (T2H) charts and MCO resource charts.

Based on new guidance from 5 Code of Federal Regulations (CFR) Part 250, the Department has reassessed how MCOs align to the National Defense Business Operations (NDBOP), how to coordinate data driven reviews (HRStat), and how designated MCOs are further identified as High Risk.

This guide provides direction on the new process to segment the workforce (aligning the MCOs to the NDBOP through the Human Capital Operating Plan (HCOP)), and how the Department identifies High Risk MCOs. The purpose of this document is to assist Functional Communities (FCs) and Components with identification of High Risk occupational series through which skills gaps could potentially cause mission failure. The Department has a responsibility to close the skills gaps on High Risk MCOs.

Figure 1: The Departments 2020 Model (4 Year Model)



2.0 REFERENCES

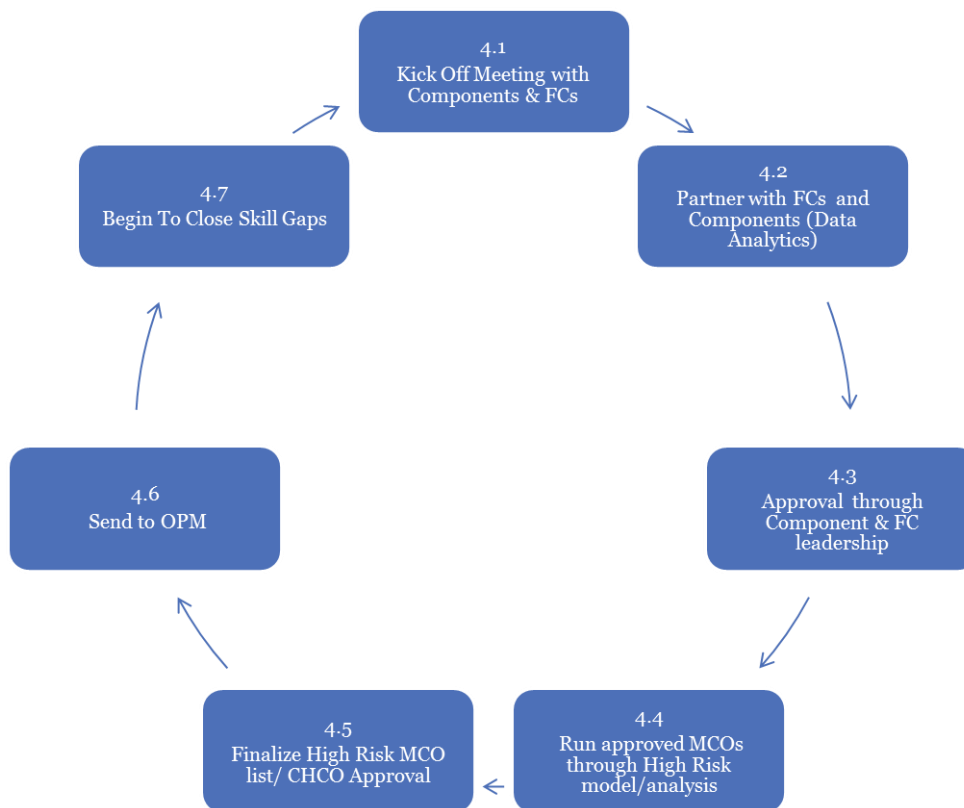
- A. Cobert, B. F. (2016, April). Closing Skills Gaps: Strategy, Reporting and Monitoring. <https://www.chcoc.gov/content/closing-skills-gaps-strategy-reporting-and-monitoring>
- B. United State, Government Accountability Office. OPM and Federal Agencies Need to Strengthen Efforts to Identify and Close Mission-Critical Skills Gaps. Government Printing Office, 2015. <https://www.gao.gov/assets/670/668202.pdf>
- C. Human Capital Institute. Strategic Workforce Planning, pg. 57

3.0 COVERAGE

This Standard Operating Procedure (SOP) covers Defense Civilian Personnel Advisory Services (DCPAS), the Components and FCs.

4.0 MCO PROCESS (DCPAS)

Figure 2: DCPAS Process



- 4.1 Kick off meeting – Every four years, DCPAS will have a High Risk/MCO kick off meeting with both FCs and Components.
- 4.2 Partnership – DCPAS will partner with FCs and Components, as needed, to assist with any requirements needed (i.e. data analytics requests, etc.)

- 4.3 FC & Component leadership approval – All MCOs must be approved through FC. Component leadership must approve component MCO lists which will be used in the MCO high risk determination process.
- 4.4 High Risk Model – DCPAS will run all approved MCOs through a high risk model. These MCOs will be placed in order of priority, based on results.
- 4.5 Finalize High Risk MCO list – The final list will be communicated to both FCs and the Components senior leadership before final approval by the Chief Human Capital Officer (CHCO).
- 4.6 Send to OPM – The Department will communicate the updated High Risk MCO list to OPM biennially.
- 4.7 Begin to close skills gaps – The Department will begin working closely with FCs and Components to start closing the skills gaps on high risk MCOs.

This process includes:

- Coordinating skills gaps closure activities;
- Identifying root causes;
- Developing and submitting short term and long term closure gap strategies;
- Developing and submitting an action plan, targets, and outcome-oriented metrics;
- Implementing both government wide and agency-specific closure gap strategies; and
- Monitoring progress on metrics through HRStat Quarterly Reviews.

5.0 MCO PROCESS (FC & COMPONENTS)

The first step is for FCs, and Components to identify their MCOs. The Department does not provide guidance in this area, because missions and their impacts can vary between both FC and Components. Components and FCs should use their own established methods for determination and/or revalidation of MCOs, based on civilian requirements for current and future missions.

Once the FCs and Components have identified their MCOs, DCPAS will run a High Risk model, which will further define mission criticality of MCOs based on specific high risk factors.

The Departments High Risk model* currently includes the following factors

- Staffing Gaps
- Strength (heading in the right direction)
- Losses
- Retention
- 3Rs (Retention, Recruitment, Relocation) incentive usage, and School Loan Repayment
- Special Hiring Authority usage
- Ratio of Application per positions

*The Departments High Risk Model is subject to change as we continue to develop.

The following steps are for using the MCO worksheet. This worksheet is essential to DCPAS’s ability to further identify MCOs as High Risk MCOs.

- 5.1 Choose FC or Component.
- 5.2 Enter Name, Phone Number, and Email address of POC for MCOs within FC or component.
- 5.3 Categorize occupational series’ into appropriate workforce segments (Strategic, Core, or Support).
 - 5.3.1.1 Strategic: Occupations or competencies that set direction or have direct impact on the performance or delivery of mission specific functions or services. These occupations set direction or directly influence performance of the Departments strategic priorities (as defined in the most current NDBOP).
 - 5.3.1.2 Core: Occupations or competencies that execute agency mission functions or services to ensure operational performance. These occupations may indirectly link to the NDBOP.
 - 5.3.1.3 Support: Occupations or competencies necessary to maintaining internal processes underlying strategic and core agency-specific functions.
 - 5.3.1.4 Note: A support occupation or competency can be an MCO with approval of FC, DCPAS, and CHCO approval.

Figure 3: Process to categorize occupational series’ into appropriate workforce segments (Strategic, Core, or Support).

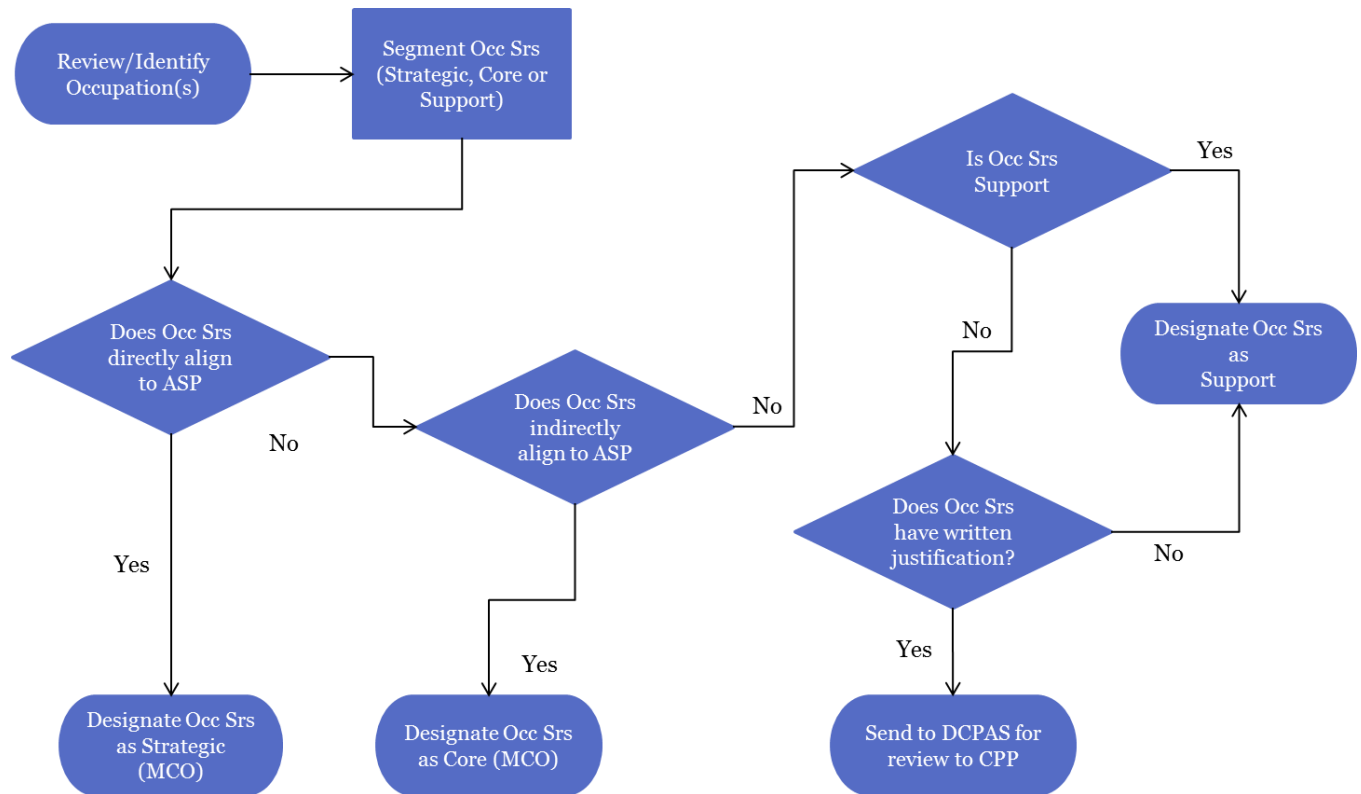


Figure 4: Workforce Segmentation Designation Percentages

80/20 Rule: If 80% of the occupational series meets segment definition then assign occupational series to applicable definition.

Percentages recommended are based on industry standards for Workforce Segmentation

Strategic	Core	Support
5% to 10% of Workforce	15% to 25% of Workforce	60% to 75% of Workforce

**** Total number of designated MCOs should not exceed 10% except in certain situations (i.e. FC is specifically listed in NDBOP or in an Agency Strategic Objective).**

- 5.4 Identify occupational series which align directly or indirectly to the NDBOP (Strategic and Core Only).
- 5.5 Is occupational series a current MCO?
- 5.6 Is the occupational series going to be designated as an MCO for new FY?
- 5.7 Provide any comments which will assist DCPAS with clearer understanding of occupational series workforce segmentation, or alignment to NDBOP.

Figure 5 – Filling Out the Designated Worksheet

5.1 Choose Functional Community or Component

5.2 Enter Name, Phone # and email of POC for worksheet

5.5 Is Occ Srs a current MCO?

5.6 Is Occ Srs an FY19 MCO?

5.7 Clarification Occ Srs (if applicable)

Note: Occupations with <10 permanent employees are not shown

Component or Functional Community: Human Resources

Worksheet Completed By:

Name

Phone

Email

Occupational Series	Official OPM Title	Permanent Population as of January 1, 2018					Identify category (Mark one box only)			Linkage to NDBOP (Mark all That Apply)				Previously Identified as MCO in 2014 (Pre-Populated)	MCO Now (Yes/No)	Comments/Justification
		Army	Navy	Air Force	4th Estate	Total	Strategic	Core	Support	Strategic Goal	Agency Strategic Objective	Priority Goal	Performance Measure			
0201	HUMAN RESOURCES MANAGEMENT	6,132	2,489	3,379	1,670	13,670	X			Goal 1	SO 1.5	PG 1.5.2		Y	Yes	
0203	HUMAN RESOURCE ASSISTANCE	3,923	2,004	838	131	6,896			X							
0360	EQUAL EMPLOYMENT OPPORTUNITY	408	260	138	181	987			X							
0299	HUMAN RESOURCES MANAGEMENT STUDENT TRAINEE	15	7	20	9	51			X							
0360	EQUAL OPPORTUNITY COMPLIANCE	31	3	-	2	36			X							
0361	EQUAL OPPORTUNITY ASSISTANCE	10	13	5	8	36			X							

5.3 Identify the workforce segmentation based on definitions

Identify Occ srs that align to NDBOP (strategic and core only)

6.0 POINTS OF CONTACT

The POC information should be provided in the following format:

- FAST Team, Planning & Accountability Line of Business (LOB) 1. 571-372-2253, 2. 571-372-2254
- Director, Planning & Accountability LOB 1. 571-372-2031

APPENDIX A: FAQs

Q: How does this MCO Determination Process Differ from the last DoD MCO revalidation process in 2014?

A: In 2014, the FCs determined which occupations were mission critical. This is still the case; however, Components will also provide occupations which are mission critical that will be solely used in the DoD High Risk MCO model to assist in determining the Department's **High Risk** MCOs. Component's lists will be distributed to the FCs. The definitions of the MCO Segments (Strategic, Core, and Support) have been revised to ensure MCOs are either directly or indirectly aligned to the NDBOP.

Q: How are MCOs determined?

A: FCs use the DOD MCO Determination Process to designate DOD occupations as MCOs. FCs review each occupation and designate them as strategic, core, or support functions using a segmented prioritization approach defined in the MCO Determination Process. If an occupation is designated as Strategic, it is automatically an MCO. If the occupation is designated as Core, the occupation may be designated an MCO. If an occupation is designated as Support it is not an MCO, unless justification is provided, and approved by the CHCO. These same procedures are used for the Components.

Q: How is a high risk MCO determined?

A: Once all MCOs have been designated through the FC and Component MCO determination process, the Planning and Accountability Directorate (P&A) will conduct a quantitative analysis of high risk indicators (e.g., staffing gaps, competency gaps, resignations, retirement rate, etc.) using DOD's high-risk model. MCOs with risk ratings that indicate risk of mission failure due to human capital deficiencies will be designated High-Risk MCOs.

Q: What role do the components play in determining MCOs?

A: The components will provide a list of MCOs that are linked directly or indirectly to the Department NDBOP goals and priorities. The component weight is a quantitative factor in the DoD High Risk Determination Model.

Q: How will an MCO be prioritized?

A: MCOs will be weighted a higher priority in the High Risk model, when both a Component and Functional Community identify the same occupational series as being an MCO.

Q: I cannot decide whether an occupation is strategic or core?

A: When in doubt, apply the 80/20 rule. If the MCO Segment definition applies to 80% of an occupation then assign the occupation to the MCO Segment.

Q: How many mission critical occupations can my functional community (FC) and component have?

A: The rule of thumb is no more than 5%-10% of the all occupations are Strategic, 15%-25% are core, and 60% to 75% are support. Total number of designated MCOs should not exceed 10% except in certain situations (**i.e. FC is specifically listed in NDBOP or in an Agency Strategic Objective**).

Q: Can an occupation be determined an MCO if it does not align with the Department's goals and strategies outlined in the NDBOP?

A: Yes. However, a justification must be submitted and the request must be approved by the CHCO. Justification requests must clearly state why the occupation should be considered as mission critical and what are the possible repercussions if the occupation is not designated as mission critical. Requests should also state how the occupation is linked to the NDBOP/HCOP. Requests must not exceed one page.

Q: How often will the MCO revalidation process occur?

A: The MCO revalidation process will commence every four years (even years) at a minimum. However, if the Department's priorities and goals are modified the revalidation process will occur as needed.

Q: Are there still Workforce Priority Occupations (WPOs)?

A: Yes, the WPO determination process has been incorporated into the MCO determination process. As such, WPOs will simply be called MCOs.

APPENDIX B: DEFINITIONS

Segment (Core) - Occupations or competencies that execute agency mission functions or services to ensure operational performance. These occupations may indirectly link to the NDBOP

Segment (Strategic) – Occupations or competencies that set direction or have direct impact on the performance or delivery of mission specific functions or services. These occupations set direction or directly influence performance of DOD strategic priorities (as defined in the most current NDBOP)

Segment (Support) – Occupations or competencies that are necessary to maintaining internal processes underlying strategic and core agency-specific functions.

Mission Critical (Agency) - A strategic program or goal with an agency-specific impact that is at risk of failure related to human capital deficiencies.

Mission Critical (Government-Wide) - A strategic program or goal with government-wide impact (across multiple* CHCO Act agencies) that is at risk of failure related to human capital deficiencies. *Multiple is defined as at least 50% of CHCO agencies having a combined total of 95% or more of the employees in that occupation.

Mission Critical Occupation - An occupation having the potential to put a strategic program or goal at risk of failure related to human capital deficiencies.

Skills Gaps - A variance between the current and projected workforce size and skills needed to ensure an agency has a cadre of talent available to meet its mission and make progress towards achieving its goals and objectives now and into the future.

High Risk MCOs – Strategic and Core functions that are most at risk for staffing or skills gaps based on recruitment, retention, competency, and environmental indicators. Quantitative analysis of these indicators is conducted to determine MCO high risk status.

Chief Human Capital Officer - The agency's senior leader whose primary duty is to: (1) Advise and assist the head of the agency and other agency officials in carrying out the agency's responsibilities for selecting, developing, training, and managing a high-quality productive workforce in accordance with merit system principles; and (2) Implement the rules and regulations of the President, the Office of Personnel Management (OPM), and the laws governing the civil service within the agency.

Components - applies to the Office of the Secretary of Defense, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (referred to collectively in this issuance as the "DoD Components").

APPENDIX C: ACRONYMS

NDBOP – National Defense Business Operations Plan

CHCO – Chief Human Capital Officer

CHCOC – Chief Human Capital Officer Council

DCPAS – Defense Civilian Personnel Advisory Services

ESC – Executive Steering Committee

FAST – Federal Agencies Skills Teams

FC – Functional Community

HCOP – Human Capital Operating Plan

HR – Human Resources

LOB – Line of Business

MCO – Mission Critical Occupation

OPM – Office of Personnel Management

SOP – Standard Operating Procedure