

AFRL

THE AIR FORCE RESEARCH LABORATORY
LEAD | DISCOVER | DEVELOP | DELIVER



AIR FORCE PERSONNEL DEMONSTRATION PROJECT 2011 (15th) CYCLE RESULTS



Lab Demo Project Office
Air Force Research Laboratory



Purpose



- **Informational Briefing**
 - To review the results of the 2011 Contribution-based Compensation System (CCS) cycle.



Major Historical Events



- **1997 First year of Demo; first CCS cycle**
 - Short cycle (seven months)
- **1998 Brooks BRAC**
- **1998 AFRL reorganization to single lab**
 - Reduced from 21 pay pools to 11
 - Added AFRL Headquarters and AFOSR S&Es to Demo
- **1999 High-grade control relief received in Nov 1999**
- **2000 New AFRL Commander and new AFRL Exec Director**
- **2002 Hanscom union employees (SN & VS) return to Title 5**
- **2003 New AFRL Exec Director**
- **2004, 2006, & 2007 New AFRL Commander**
- **2008 Added 711th HPW pay pool and MSRC to HQ pay pool**
- **2010 New AFRL Commander, expansion beyond S&Es, Hanscom, Mesa, & Brooks BRAC**
- **2011 New AFRL Commander; Created Maui Police SPL**



Outline



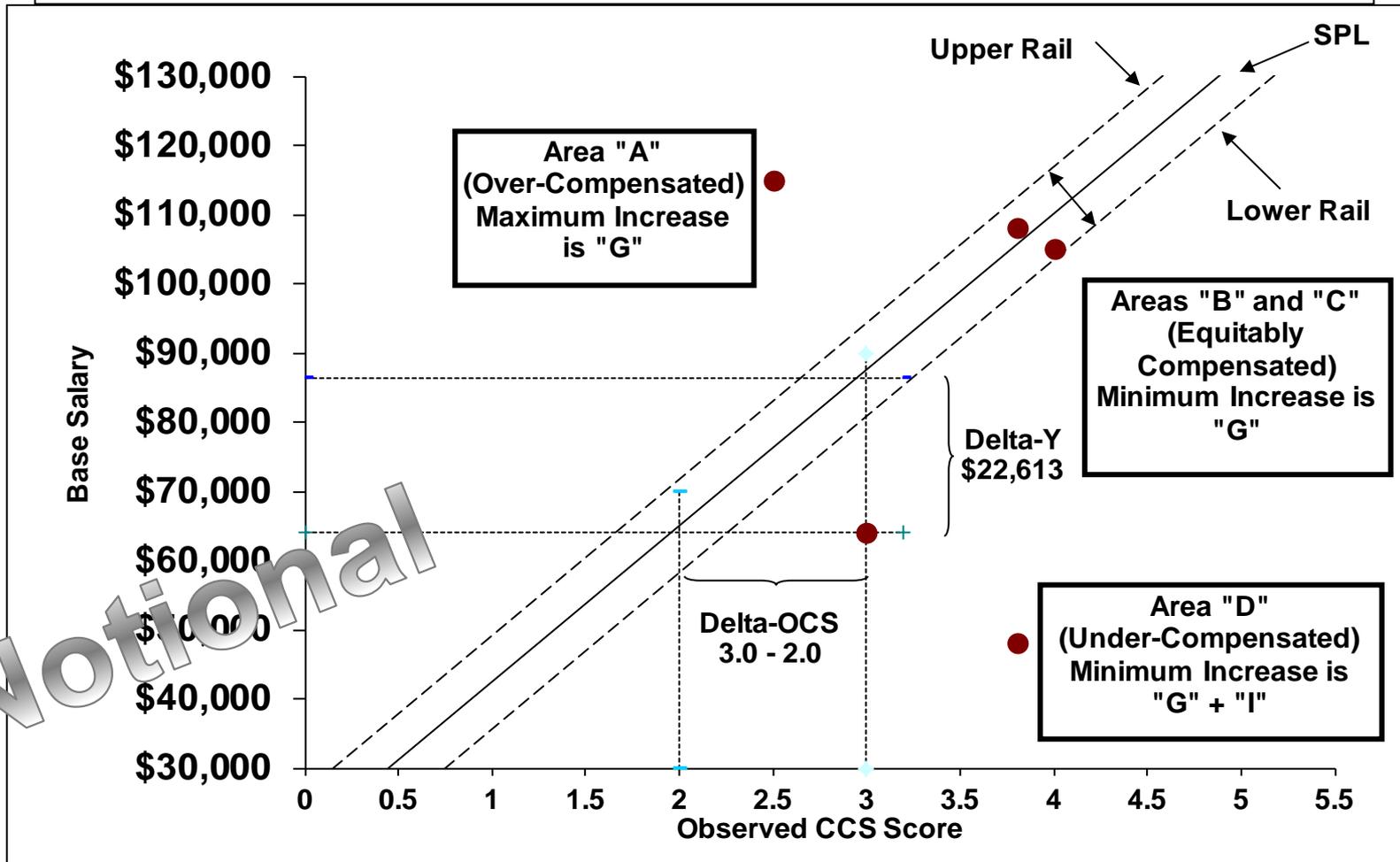
- **CCS Terminology**
- **CCS Objectives**
- **CCS Results**
 - **Demographics**
 - **Assessment Results**
 - **Compensation Adjustment**
 - **Broadband Movements**
- **Summary and Conclusions**



CCS Terminology



"G" = General Cost of Labor Increase (Set by Congress)
"I" = Incentive Increase (Set by AFRL Corporate Board)





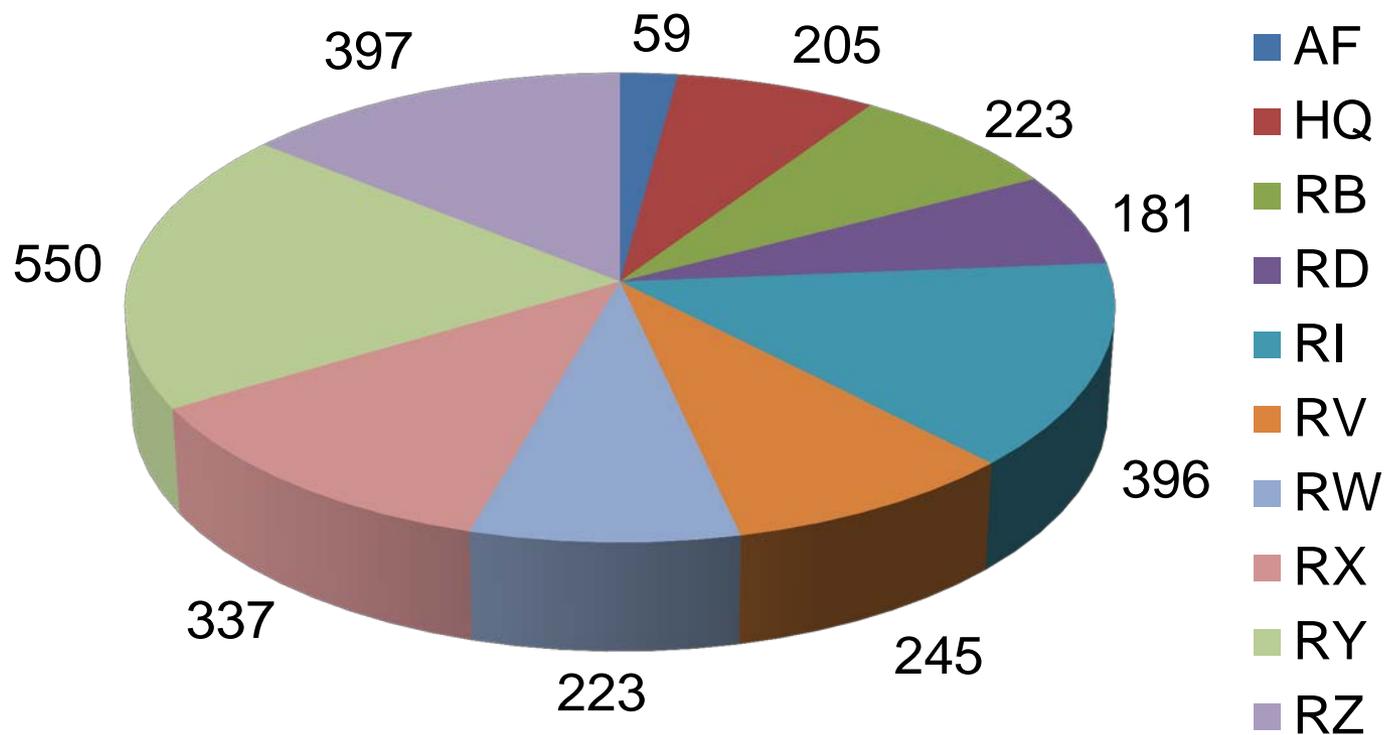
CCS Objectives



- **Primary Objective: Provide equitable compensation for all demo employees based upon their contribution to the organization's mission**
- **While at the same time:**
 - **Providing for increased feedback**
 - **Providing incentives for increased contribution**
 - **Encouraging appropriate attrition and accession**
 - **Maintaining fiscal discipline**
 - **Providing increased flexibility to supervisors in managing their workforce**



2011 Employee Distribution by Pay Pool – Includes Expansion

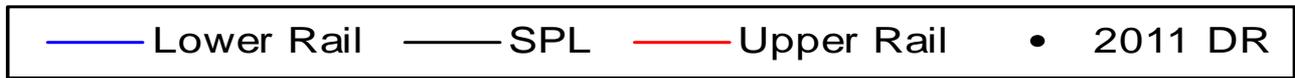
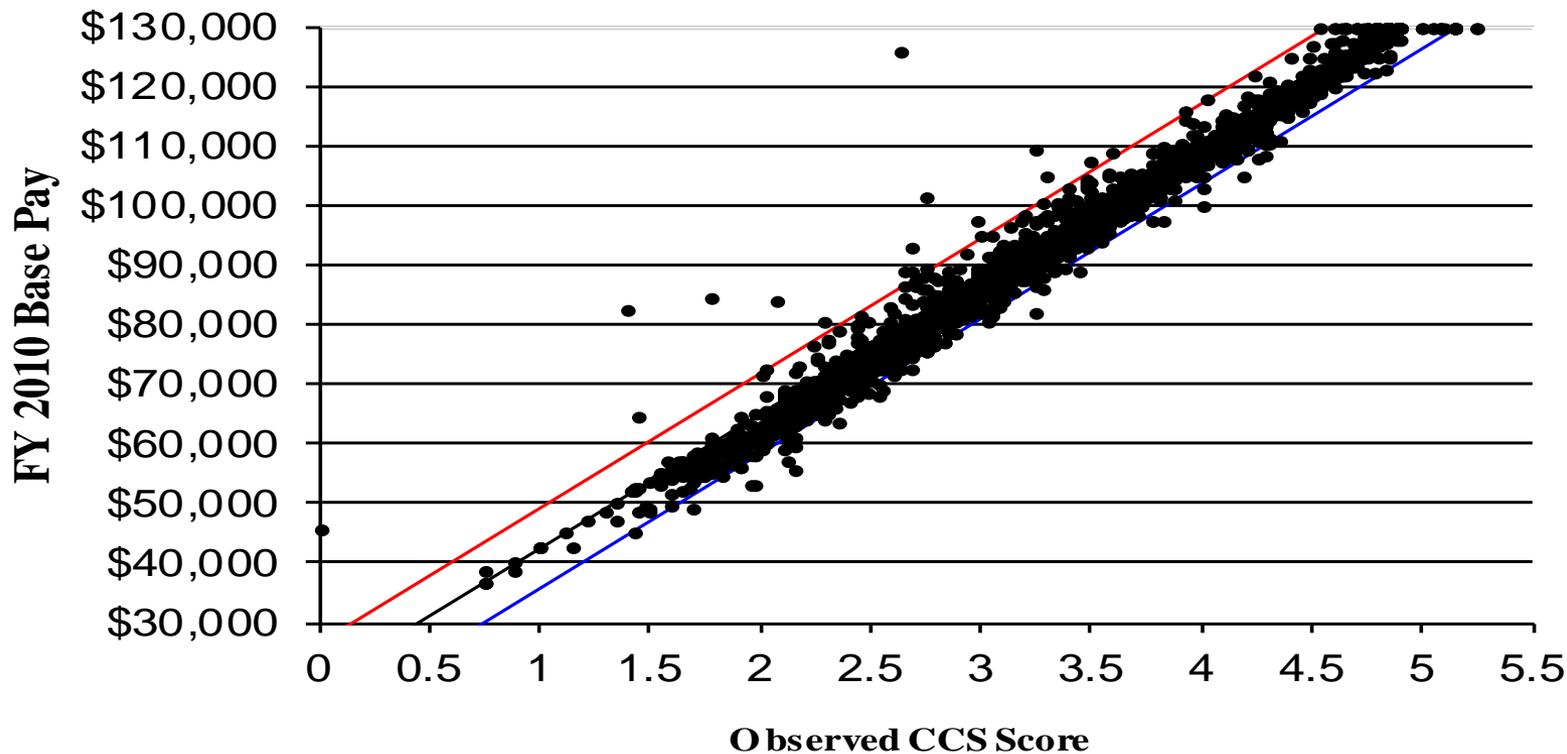




CCS Results



2011 Overall DR Plot

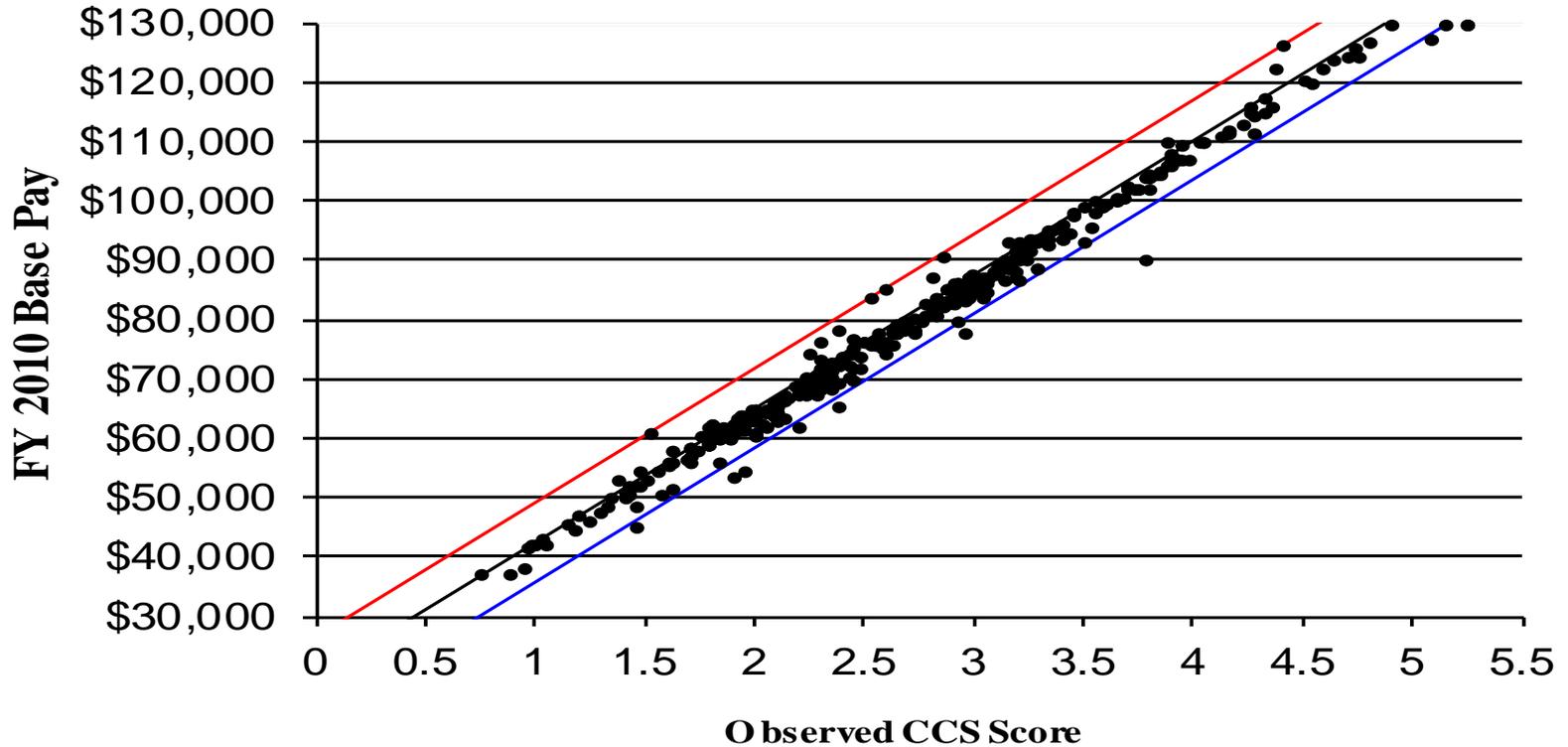




CCS Results



2011 Overall DO Plot

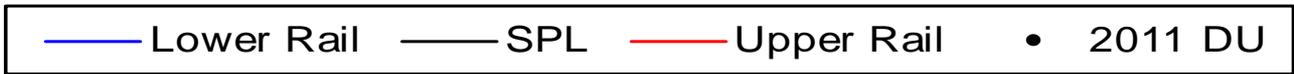
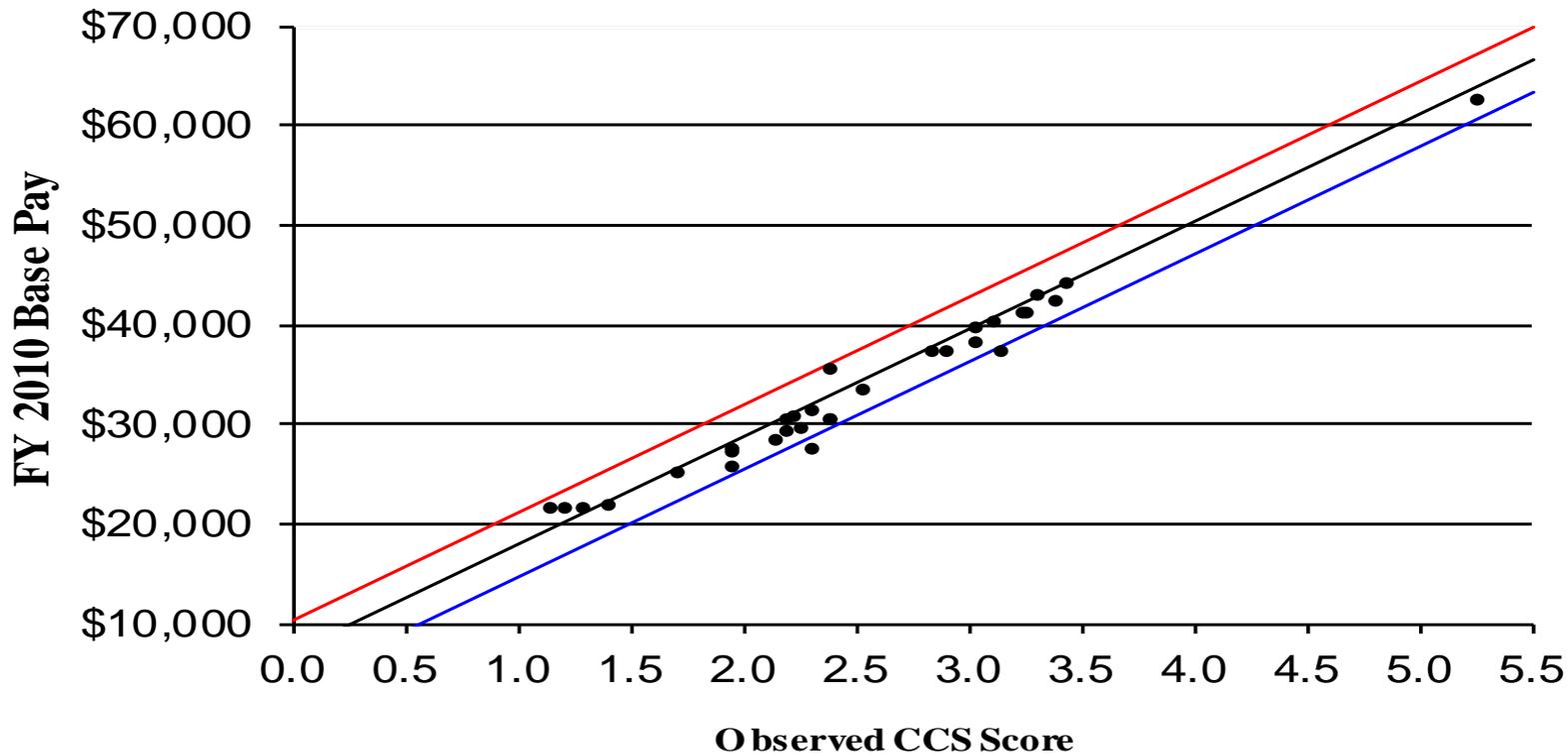




CCS Results



2011 Overall DU Plot

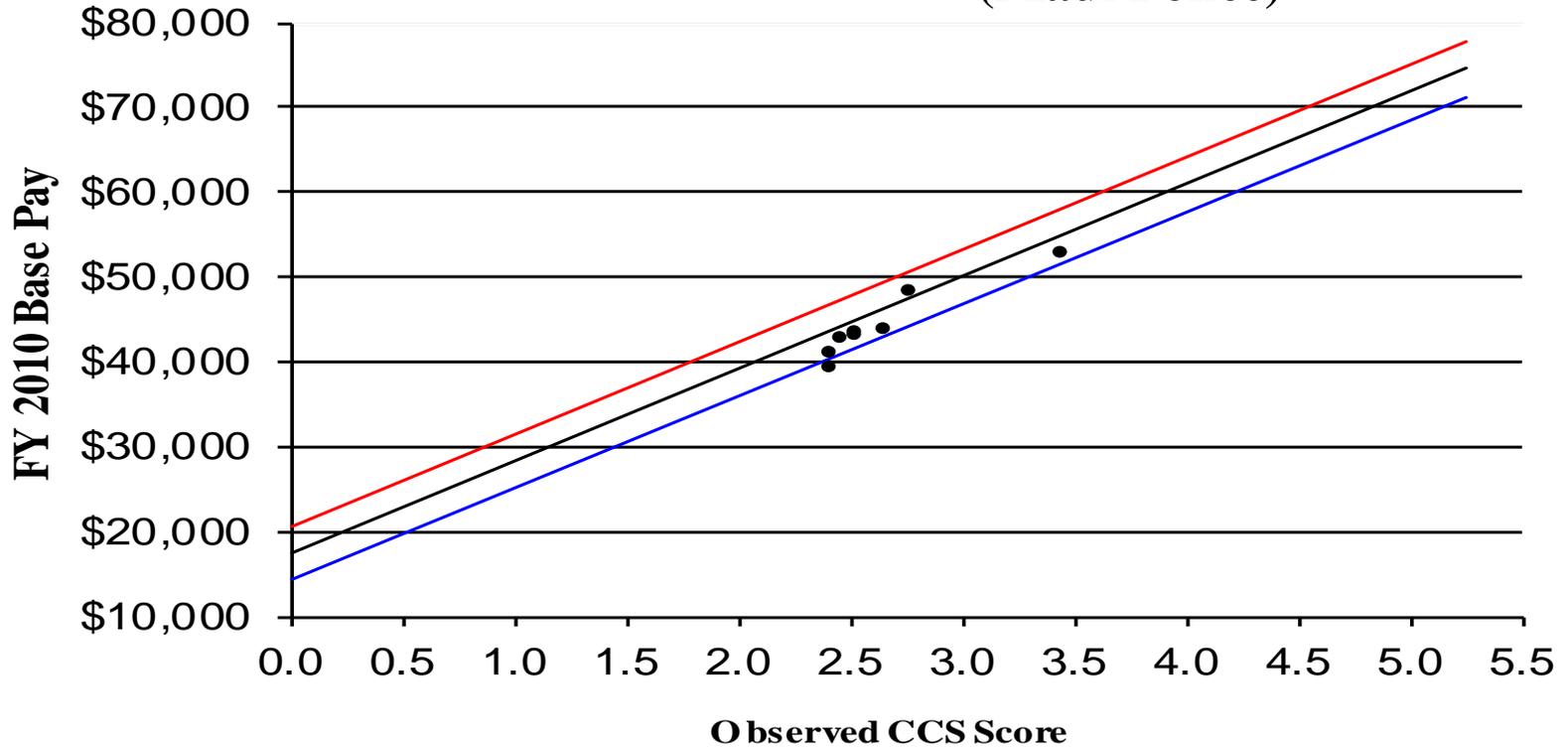




CCS Results



2011 Overall DM Plot (Maui Police)



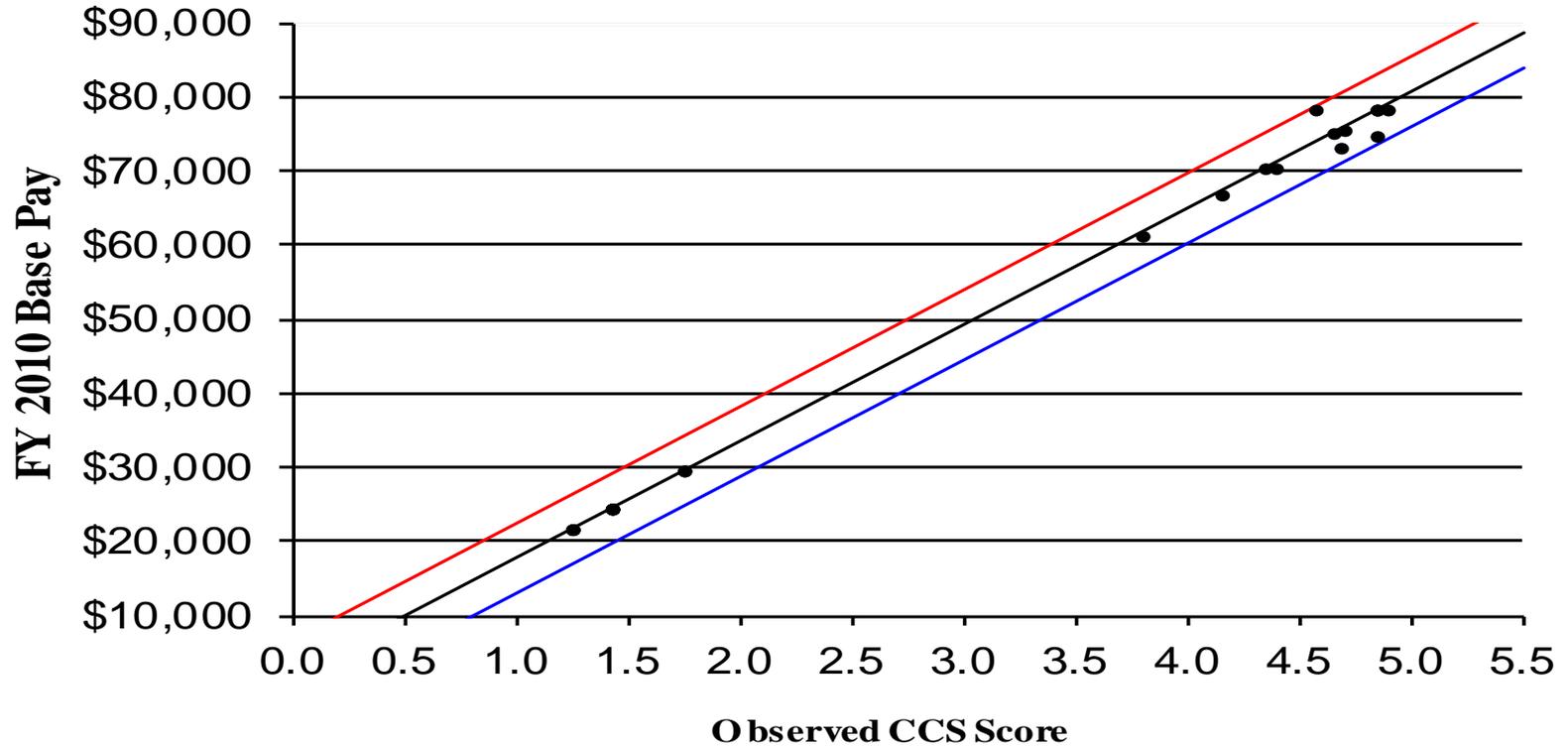
— Lower Rail — SPL — Upper Rail • 2011 DM



CCS Results



2010 Overall DX Plot



— Lower Rail — SPL — Upper Rail • 2010 DX



CCS Results



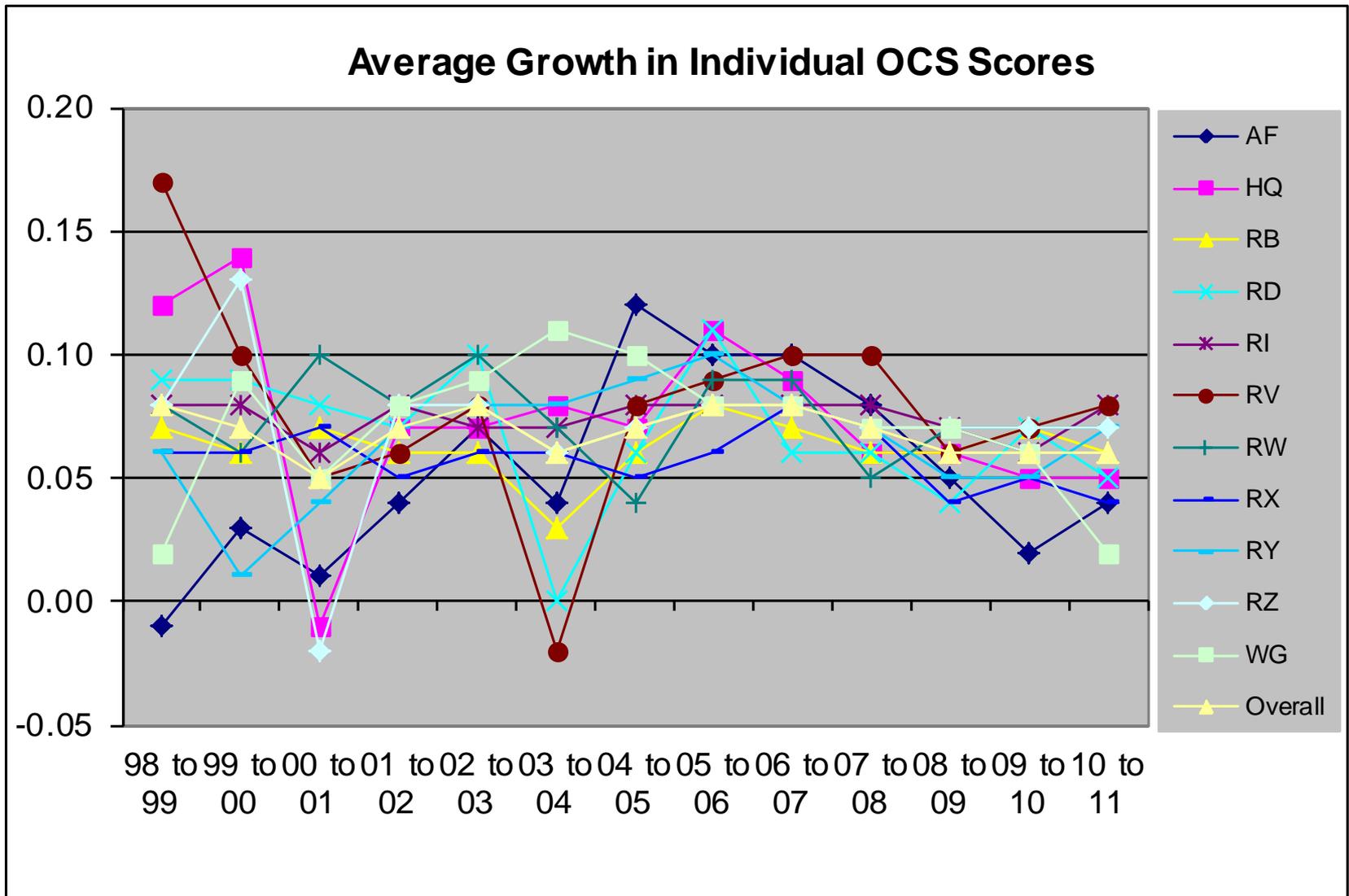
2011 Lab Demo Summary by Pay Plan

	DR	DO	DU	DX	DM	Total
1) Number of People	2897	384	31	14	8	3334
2) Broadband Distribution (# and % in Bands I/II/III/IV)	198 / 986 / 1109 / 604 6.8% / 34.0% / 38.3% / 20.8%	75 / 226 / 64 / 19 19.5% / 58.9% / 16.7% / 4.9%	9 / 11 / 10 / 1 29.0% / 35.5% / 32.3% / 3.2%	0 / 0 / 0 / 14 0.0% / 0.0% / 0.0% / 100%	0 / 6 / 2 / 0 0.0% / 75.0% / 25.0% / 0.0%	282 / 1229 / 1185 / 638 8.5% / 36.9% / 35.5% / 19.1%
3) Band Dist, after Moves (# and % in Bands I/II/III/IV)	152 / 977 / 1121 / 647 5.2% / 33.7% / 38.7% / 22.3%	72 / 225 / 65 / 22 18.8% / 58.6% / 16.9% / 5.7%	9 / 11 / 10 / 1 29.0% / 35.5% / 32.3% / 3.2%	0 / 0 / 0 / 14 0.0% / 0.0% / 0.0% / 100%	0 / 6 / 2 / 0 0.0% / 75.0% / 25.0% / 0.0%	233 / 1219 / 1198 / 684 7.0% / 36.6% / 35.9% / 20.5%
4) Average Basic Pay	\$96,434	\$78,994	\$33,521	\$74,242	\$44,699	\$93,623
5) Overall Average OCS Score	3.44	2.69	2.50	4.59	2.63	3.35
6) Average OCS Scores by Band (I/II/III/IV)	1.84 / 2.74 / 3.73 / 4.59	1.63 / 2.59 / 3.69 / 4.67	1.70 / 2.32 / 3.16 / 5.25	. / . / . / 4.59	. / 2.48 / 3.09 / .	1.78 / 2.70 / 3.73 / 4.59
7) Average Delta OCS	0.06	0.07	0.05	0.00	0.13	0.06
8) Std Dev of Delta OCS	0.12	0.10	0.14	0.07	0.13	0.12
9) Average OCS Growth	0.06	0.07	0.09	0.02	0.08	0.06
10) Zone Dist, before Payouts # and % in Zone (A/B/C/D)	20 / 303 / 2537 / 37 0.7% / 10.5% / 87.6% / 1.3%	0 / 26 / 348 / 10 0.0% / 6.8% / 90.6% / 2.6%	0 / 5 / 24 / 2 0.0% / 16.1% / 77.4% / 6.5%	0 / 1 / 13 / 0 0.0% / 7.1% / 92.9% / 0.0%	0 / 1 / 6 / 1 0.0% / 12.5% / 75.0% / 12.5%	20 / 336 / 2928 / 50 0.6% / 10.1% / 87.8% / 1.5%
11) Zone Dist, after Payouts # and % in Zone (A/B/C/D)	20 / 313 / 2562 / 2 0.7% / 10.8% / 88.4% / 0.1%	0 / 28 / 354 / 2 0.0% / 7.3% / 92.2% / 0.5%	0 / 5 / 26 / 0 0.0% / 16.1% / 83.9% / 0.0%	0 / 1 / 13 / 0 0.0% / 7.1% / 92.9% / 0.0%	0 / 8 / 0 / 0 0.0% / 100% / 0.0% / 0.0%	20 / 355 / 2955 / 4 0.6% / 10.6% / 88.6% / 0.1%
12) Average Factor Score vs OCS Score Correlation	0.986	0.992	0.971	0.971	0.965	0.988
13) Average Dollar Raise	\$1,532	\$1,723	\$863	\$284	\$1,538	\$1,543
14) Average % Raise	1.8%	2.3%	2.7%	0.4%	3.6%	1.9%
15) Maximum Dollar Raise	\$13,024	\$13,757	\$4,323	\$1,283	\$3,853	\$13,757
16) Maximum % Raise	23.5%	17.0%	15.7%	2.1%	9.7%	23.5%
17) # and Average Amount of CCS / BB4 Bonuses	105 / \$2,246	5 / \$6,246				110 / \$2,428
18) Average Residual DeltaY per Person	\$121	\$122	\$18	\$1	\$0	\$119
19) # with "I" Raise > DeltaY	11	3	0	0	0	14



Assessment Results – DR Only

Mean OCS Growth





Assessment Results

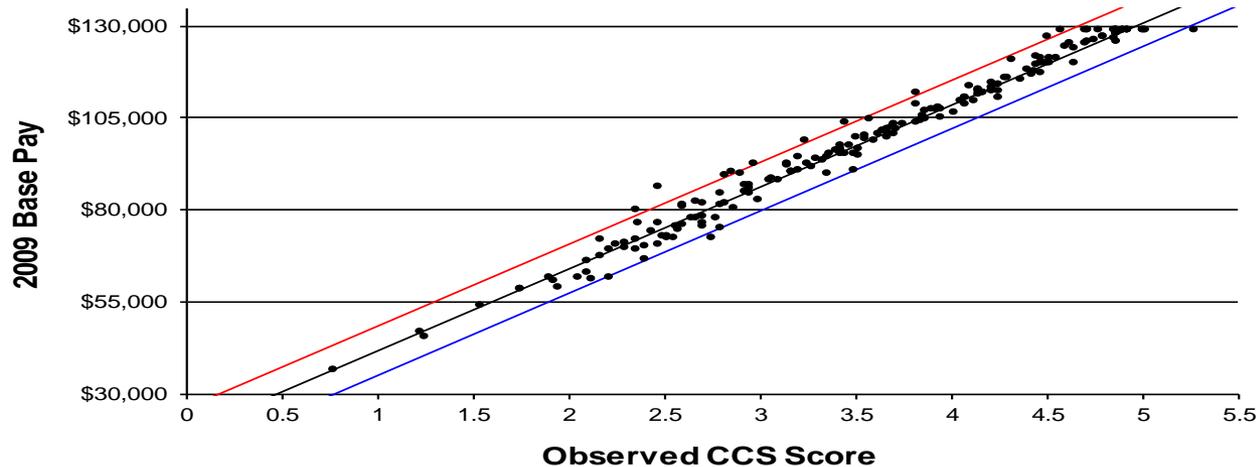
Loss Rates by Rail Zone



Loss Rates by Zone

Zone	Cycle													
	97 to 98	98 to 99	99 to 00	00 to 01	01 to 02	02 to 03	03 to 04	04 to 05	05 to 06	06 to 07	07 to 08	08 to 09	09 to 10	10 to 11
A	23%	23%	37%	55%	40%	69%	33%	36%	46%	25%	35%	40%	36%	29%
B	8%	10%	22%	17%	21%	8%	8%	14%	9%	14%	9%	9%	11%	20%
C	7%	6%	8%	6%	10%	4%	4%	4%	4%	4%	5%	4%	4%	7%
D	4%	6%	4%	3%	7%	3%	4%	3%	5%	7%	6%	6%	13%	15%
Total	7%	7%	9%	6%	11%	5%	5%	5%	5%	5%	5%	5%	5%	9%

2010 to 2011 Losses - DR Only



Increase due to BRACs (includes all pay plans)

Attrition rate among the employees placed in the AAZ has always been much higher than in any other rail area.



2010 and 2011 Cycle Total Base Salary Adjustments



- Management has a lot of pay adjustment flexibility, and they use it. Significant raises are given to the most under-compensated every year. Raises are withheld from the over-compensated.

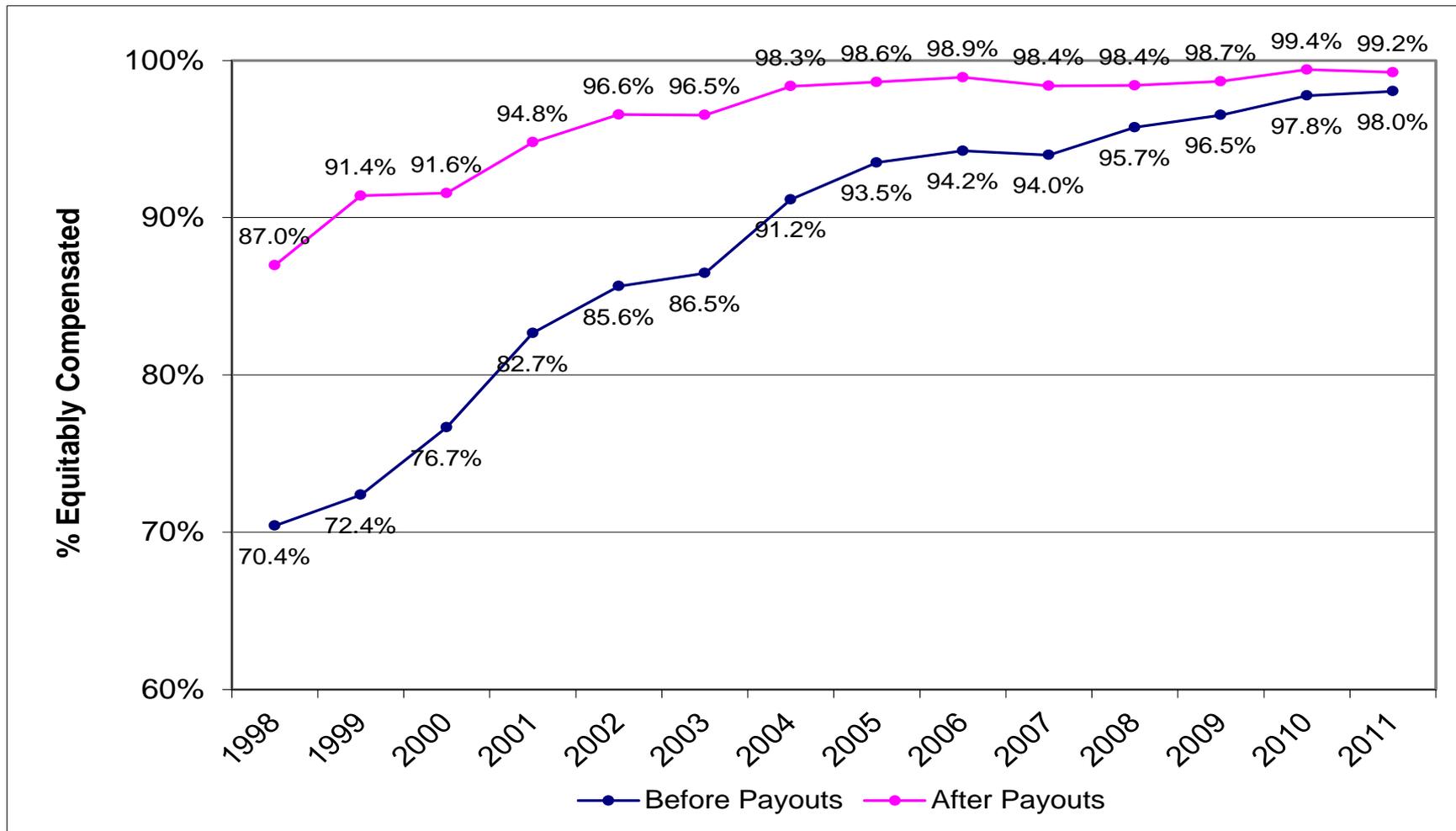
	<u>2010</u>	<u>2011</u>
Max % Increase	25.4%	23.5%
Average % Increase	2.0%	1.9%
Max \$ Increase	\$11,421	\$13,757
Average \$ Increase	\$1,645	\$1,543

Funding Levels		
	<u>2010</u>	<u>2011</u>
“G”	0.0%	0.0%
“I”	2.0%	1.9%



Compensation Adjustment Results

Percent Equitably Compensated

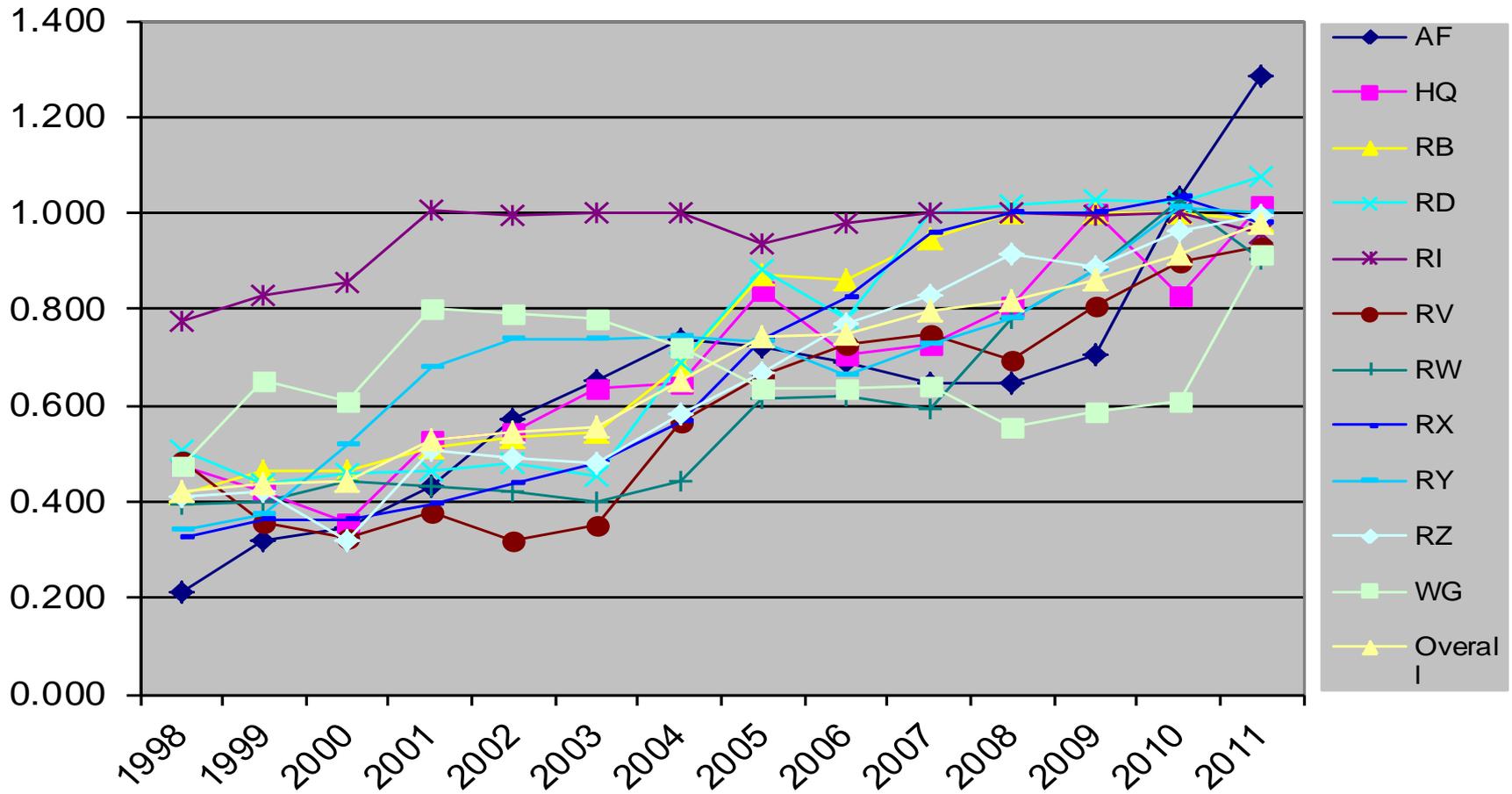




Compensation Adjustment Results



Trends in Alpha --- Reporting Alpha, All Payplans





2011 CCS Results



- **Broadband Movements**
 - **154 Upward broadband movements in 2011**
 - 46 (43 DR, 3 DO) to band IV, 59 (55 DR, 4 DO) to band III, and 49 (46 DR, 3 DO) to band II
 - **No Downward broadband movement in 2011**
 - 1 Recommended but not approved
 - **129 Upward broadband movements in 2010**
 - 36 (35 DR, 1 DO) to band IV, 46 (37 DR, 9 DO) to band III, and 47 (all DR) to band II
 - **No Downward broadband movement in 2010**
 - 2 Recommended but not approved



2011 CCS Results



1997 – 2011 Upward Band Movements

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2010
Band I - II	3	1	8	6	18	15	14	18	57	47	66	45	50	47	49
Band II - III	35	76	239	198	139	131	119	108	91	98	95	64	43	46	59
Band III - IV	42	37	45	55	44	54	57	37	55	58	58	43	23	36	46
Totals	80	114	292	259	201	200	190	163	203	203	219	152	116	129	154

2011 Upward Band Movements by Pay Plan

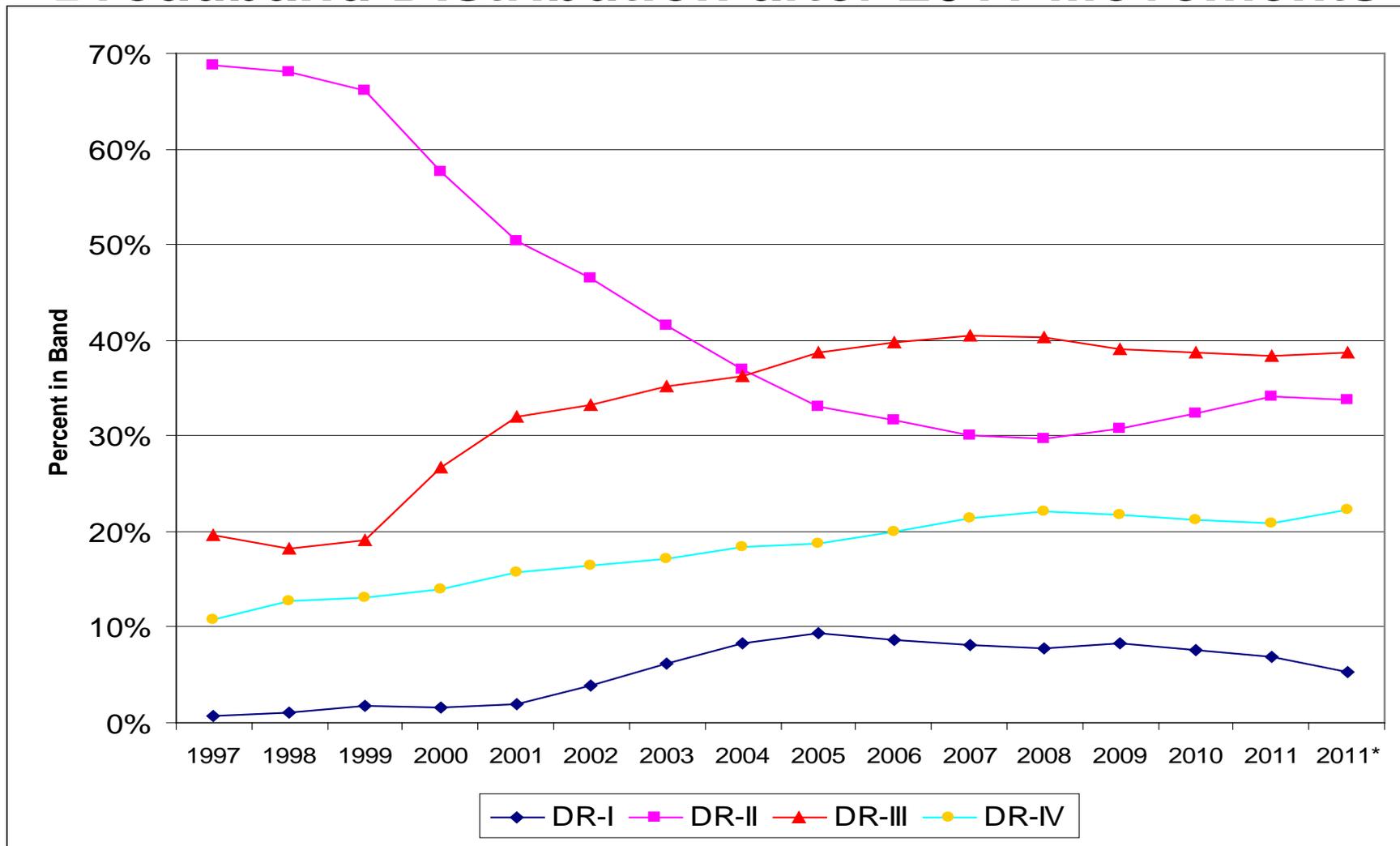
		DR	DO	DU	DX	DM	Total
Band I	# Mandatory / # Moved	16 / 16	3 / 2	0 / 0	0 / 0	0 / 0	19 / 18
	# Recommended / # Moved	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0
	# Eligible / # Moved	115 / 30	28 / 1	4 / 0	0 / 0	0 / 0	147 / 31
	Total Band I Movements	131 / 46	31 / 3	4 / 0	0 / 0	0 / 0	166 / 49
Band II	# Mandatory / # Moved	53 / 53	4 / 4	0 / 0	0 / 0	0 / 0	57 / 57
	# Recommended / # Moved	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0
	# Eligible / # Moved	424 / 2	90 / 0	1 / 0	0 / 0	0 / 0	515 / 2
	Total Band II Movements	477 / 55	94 / 4	1 / 0	0 / 0	0 / 0	572 / 59
Band III	# Mandatory / # Moved	43 / 43	3 / 3	0 / 0	0 / 0	0 / 0	46 / 46
	# Recommended / # Moved	1 / 0	0 / 0	0 / 0	0 / 0	0 / 0	1 / 0
	# Eligible / # Moved	474 / 0	25 / 0	0 / 0	0 / 0	0 / 0	499 / 0
	Total Band III Movements	518 / 43	28 / 3	0 / 0	0 / 0	0 / 0	546 / 46
Total	# Mandatory / # Moved	112 / 112	10 / 9	0 / 0	0 / 0	0 / 0	122 / 121
	# Recommended / # Moved	1 / 0	0 / 0	0 / 0	0 / 0	0 / 0	1 / 0
	# Eligible / # Moved	1013 / 32	143 / 1	5 / 0	0 / 0	0 / 0	1161 / 33
	Total Band Movements	1126 / 144	153 / 10	5 / 0	0 / 0	0 / 0	1284 / 154



2011 CCS Results – DR Only



Broadband Distribution after 2011 Movements



2011* - after 2011 movements



2011 CCS Results – DR Only



High-Grade Percent (after Broadband Movements)

Pay Pool	BAND I		BAND II		BAND III		BAND IV		High Grades	
	#	%	#	%	#	%	#	%	#	%
AF	5	7.8%	2	3.1%	14	21.9%	43	67.2%	57	89.1%
RD	8	4.0%	47	23.3%	81	40.1%	66	32.7%	147	72.8%
HQ	2	1.6%	34	27.0%	58	46.0%	32	25.4%	90	71.4%
RY	21	4.1%	153	29.7%	207	40.1%	135	26.2%	342	66.3%
RX	6	1.9%	115	35.5%	123	38.0%	80	24.7%	203	62.7%
RZ	14	4.4%	108	33.6%	133	41.4%	66	20.6%	199	62.0%
RV	16	6.8%	79	33.5%	90	38.1%	51	21.6%	141	59.7%
RW	11	5.1%	76	35.3%	92	42.8%	36	16.7%	128	59.5%
RB	12	5.1%	96	40.5%	90	38.0%	39	16.5%	129	54.4%
RI	23	6.5%	142	40.0%	136	38.3%	54	15.2%	190	53.5%
711 HPW	34	11.3%	125	41.5%	97	32.2%	45	15.0%	142	47.2%
AFRL	152	5.2%	977	33.7%	1121	38.7%	647	22.3%	1768	61.0%

Sort High
↓
Low

↑
Band III and IV Combined



2011 CCS Results Observations



- “I” funding was decreased to 1.9%
- “G” was again 0.0%
- Average Alpha increased to 1.0
 - Alpha increased for most pay pools
 - Four pay pools had Alpha ≥ 1.0
- Overall average DR OCS remained at 3.44
 - Third consecutive year
- Overall average OCS for other pay plans increased slightly to 3.35, from 3.34 in 2010



2011 CCS Results Observations



- **Band movements increased**
 - **154 of 1284 Eligible, Recommended & Mandatory**
 - 2010 = 129 out of 1209
- **High-grade band movements increased**
 - **98 of 995 DRs; 7 of 122 DOs; 0 of 1 DU**
 - **59 of 572 Eligible, Recommended & Mandatory → IIIs**
 - **46 of 546 Eligible, Recommended & Mandatory → IVs**
 - **2010 = 46 of 539 → IIIs; 36 of 510 → IVs**
- **49 out of 166 band Is moved**
 - 2010 = 47 out of 160



2011 CCS Results Observations



- **39 employees (38 DRs and 1 DO) had pay capped due to Executive Level IV pay limit**
 - 15 were not capped Band IV employees
- **110 of 146 capped DR-IVs and DO-IVs received a bonus**
 - 33 of those were discretionary bonuses
 - 28 positive, 5 negative
 - Maximum bonus was \$9,109
 - Average bonus was \$2,428 (slight increase)