

U.S. NUCLEAR REGULATORY COMMISSION MANAGEMENT DIRECTIVE (MD)

MD 10.38	POSITION MANAGEMENT	DT-10-12
<i>Volume 10,</i>	Personnel Management	
<i>Part 2:</i>	Position Evaluation and Management, Pay Administration, and Leave	
<i>Approved By:</i>	R. William Borchardt Executive Director for Operations	
<i>Date Approved:</i>	July 19, 2010	
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<i>Issuing Office:</i>	Office of Human Resources	
<i>Contact Name:</i>	Leonard Carsley 301-492-2220	

EXECUTIVE SUMMARY

Management Directive (MD) 10.38 replaces Manual Chapter (MC) 4131, "Position Management and Employment Ceilings." Directive and Handbook 10.38 contain the policies and procedures for the agency's position management. Specific budgetary matters related to employment ceilings are addressed in MD 4.2, "Administrative Control of Funds." The provisions of this MD cover all NRC positions and personnel, including consultants. They do not cover NRC contractor personnel.

TABLE OF CONTENTS

I. POLICY	2
II. OBJECTIVES	2
III. ORGANIZATIONAL RESPONSIBILITIES AND DELEGATIONS OF AUTHORITY	2
A. Chairman.....	2
B. Executive Director for Operations (EDO)	2
C. Inspector General (IG).....	2
D. Chief Financial Officer (CFO)	3
E. Director, Office of Human Resources (HR).....	3
F. Office Directors and Regional Administrators	3
G. Managers and Supervisors	3
IV. APPLICABILITY	4
V. DIRECTIVE HANDBOOK	4
VI. REFERENCES	4

I. POLICY

It is the policy of the U.S. Nuclear Regulatory Commission (NRC) to ensure the effective and efficient use of human resources.

II. OBJECTIVES

- To observe limitations and controls established by the President, the Congress, and the Office of Management and Budget (OMB) which apply to the numbers and levels of full-time equivalent (FTE) work years authorized to the NRC.
- To pursue a position management program that achieves proper balance among mission needs, efficiency of operations, and effective use of employees.
- To ensure that each NRC organizational component is staffed with an appropriate number and grade levels of employees essential for the effective accomplishment of its mission.
- To ensure that the NRC's position management program is compatible with and supports the agency's affirmative employment programs and diversity management initiatives.
- To ensure that a decision to substitute the use of contractors for FTE is based on considerations of effectiveness and economy in administering Federal programs and the determinations as to whether the organization can achieve its mission based on current ceiling levels. Contracts will not be used as a means to avoid compliance with NRC FTE ceilings.

III. ORGANIZATIONAL RESPONSIBILITIES AND DELEGATIONS OF AUTHORITY

A. Chairman

Ensures compliance with the policies and provisions of applicable OMB Circulars.

B. Executive Director for Operations (EDO)

1. Directs and coordinates the NRC policy of position management.
2. Assures that appropriate consideration is given to the NRC position management program throughout the process of NRC's program planning, budgeting, financial management, and performance management.
3. Grants exceptions from the provisions of this directive that are consistent with law.

C. Inspector General (IG)

1. Directs and coordinates the policy of position management for the Office of the Inspector General.
2. Assures that appropriate consideration is given to program planning, budgeting, financial management, and performance management.

D. Chief Financial Officer (CFO)

1. Allocates the FTE ceiling for each NRC office and region in accordance with the ceiling authorization approved by OMB.
2. Approves changes in FTE ceiling authorizations resulting from programmatic shifts or Congressional action.
3. Directs and supervises the preparation of the staffing estimate for the NRC.
4. Ensures compliance with FTE approved by OMB.
5. Issues and revises financial allotments and plans for NRC human resources compensation and benefits consistent with congressionally authorized staffing levels.
6. Provides assistance to NRC offices and regions to ensure that their staffing budget requirements are determined through the use of such tools as work measurement, productivity analysis, and workload forecasts.
7. Monitors the execution of approved budgets, including assigned FTE, to assure budget proposals and assumptions regarding workload, efficiency, proposed legislation/supplemental appropriations, and interagency reimbursable arrangements are appropriately reflected.

E. Director, Office of Human Resources (HR)

1. Directs the administration of policy development and operational activities affecting the NRC's current fiscal year FTE authorizations.
2. Monitors, reports, and evaluates the effectiveness of office and regional FTE use.
3. Conducts and/or administers special reviews to identify possible improvements in the NRC's position management program.
4. Coordinates with NRC offices and regions in defining their current fiscal year FTE requirements in human resources functional areas, including position mixes and position descriptions.

F. Office Directors and Regional Administrators

1. Ensure that FTE allocations are used efficiently and effectively.
2. Provide an annual staffing plan electronically to HR.
3. Take necessary actions to fill approved staffing plan positions to fully use their FTE ceiling.
4. Ensure that existing organizational structures meet effective position management, affirmative employment and diversity management.

G. Managers and Supervisors

1. Effectively manage the work and people assigned to their organizations.
2. Initiate actions to fill vacant and newly authorized positions in a timely manner.

3. Evaluate the impact of changes in functions and ensure prompt action to recommend reclassification of positions based on changing work requirements.
4. Review and/or revise position descriptions to ensure that grade levels are not improperly inflated to levels that do not promote efficiency.
5. Review vacancies and determine whether positions should be restructured and filled at lower levels.
6. Assign work to employees in accordance with the duties and responsibilities described in the position description.
7. Ensure that the grade controlling duties in a position description are performed at least 25 percent of the time.

IV. APPLICABILITY

This policy and guidance in the directive and handbook apply to all NRC positions. This policy covers all personnel, including consultants. It does not cover NRC contractor personnel.

V. DIRECTIVE HANDBOOK

Directive Handbook 10.38 contains the policies and procedures for the agency's position management.

VI. REFERENCES

Inspector General Act of 1978, as amended (5 U.S.C. App. 3).

Nuclear Regulatory Commission Management Directives

- 4.2, "Administrative Control of Funds."
- 10.1, "Appointments, General Employment Issues, Details, and Position Changes."
- 10.15, "Merit Staffing Program."
- 10.37, "Position Evaluation and Benchmarks."

Office of Management and Budget Circular A-11, "Preparation, Submission and Execution of the Budget" (revised annually).

U.S. NUCLEAR REGULATORY COMMISSION DIRECTIVE HANDBOOK (DH)

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TABLE OF CONTENTS

I. GENERAL.....	2
II. POSITION MANAGEMENT DEFINED	2
III. POSITION MANAGEMENT BASICS	3
IV. POSITION MANAGEMENT PLANNING	4
V. DEFINITIONS	4

EXHIBIT

Exhibit 1	Position Management Troubleshooting Guide	6
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I. GENERAL

- A.** The purpose of this handbook is to provide supervisors, human resource specialists, and administrative staffs with a practical approach to position management.
- B.** Position management is the structuring of positions, functions, and organizations in a manner that optimizes efficiency, economy, productivity, and organizational effectiveness. The need to adhere to an economical and effective position structure is critical to the proper and responsible use of limited financial and human resources.
- C.** Managers and supervisors play the most important role in the position management process and should use position management as the vehicle for ensuring effectiveness and the efficient distribution of staff resources and for identifying, preventing, and eliminating unnecessary organizational fragmentation. Sound position management seeks to prevent or avoid excessive layering, improper design of jobs, narrow span of control, and eliminate unnecessary positions.
- D.** Developing an effective position management program in the NRC is a critical step in accomplishing the NRC's mission and goals. Managers are responsible for enhancing the quality of program performance on a timely basis, increasing productivity, controlling costs, and assuring that programs are managed with integrity and in compliance with applicable law.

II. POSITION MANAGEMENT DEFINED

- A.** Position management is the one Federal human resource management function that is not addressed by a Governmentwide rule or regulation. Position management is the continuous and systematic process used to determine:
 - 1. how many positions are needed,
 - 2. how jobs should be designed, and
 - 3. types of organizational structures needed to accomplish the functional assignments (the mission) of the unit.
- B.** The position management process is carried out so that the mission of the unit is accomplished in the most economical, efficient, and effective way possible by all levels of the NRC, from the first-line supervisor to the Chairman.
 - 1. Economy. Getting the mission accomplished with the minimum possible outlay of dollars.
 - 2. Efficiency. Accomplishing the mission economically in the timeliest manner with the least wasted effort possible.
 - 3. Effectiveness. Getting the work done using the appropriate tools and personnel in a positive work environment that supports the best balance of economy and efficiency.

III. POSITION MANAGEMENT BASICS

- A.** Position management is often referred to as a “micro approach” because it addresses the daily operations of a unit. The process is literally concerned with managing positions. The supervisor is required to strike a balance between numbers of competing factors that influence the design of each position.
1. Among the obvious factors are:
 - (a) full-time equivalent (FTE) limitations – units must compete for people and resources,
 - (b) shifting mission of the supervisor’s work unit, and
 - (c) priority requirements.
 2. Additional factors include:
 - (a) innovations in work methods,
 - (b) ratio of supervisors to staff,
 - (c) use of deputies,
 - (d) career opportunities,
 - (e) morale impact of decisions,
 - (f) training requirements, and
 - (g) work environment.
- B.** Designing a position or restructuring a unit is a balancing act in which trade-offs are made. For example, while it may be economical to reduce grade levels, having the lowest possible salary costs may mean that the supervisor cannot attract and retain a capable workforce.
- C.** Good position management is the careful design of a position structure which blends the skills and assignments of employees with the goal of successfully carrying out the organization’s mission or program. Sound position management reflects a logical balance between employees needed to carry out the major functions of the organization and those needed to provide adequate support; between professional employees and technicians; between fully trained employees and trainees; and between supervisors and their staff.
- D.** Good position management also requires consideration of grade levels for the positions involved. Grades should be commensurate with the work performed to accomplish the organization’s mission and should not exceed those grades needed to perform the work of the unit. A carefully designed position structure will result in reasonable and supportable grade levels.
- E.** Because supervisors and managers play major roles in the management and classification of employee positions, they are responsible for assuring a sound position

structure in the organization they lead. The NRC position evaluation (Classification) system allows considerable freedom and flexibility for managers to establish an organizational structure that is not only efficient, but also cost conscious.

IV. POSITION MANAGEMENT PLANNING

- A.** Managers and supervisors must consider the mission and organizational structure. The mission is the basis for all organizational and position decisions. In managing positions and structural problems, managers must make informed decisions about organizing the work. They must first recognize the problems that affect unit productivity. Examples of these considerations may include:
1. high employee turnover,
 2. recruiting problems,
 3. frequent disciplinary problems,
 4. high number of substandard products,
 5. unmanageable backlog, and
 6. work environment.
- B.** Once a supervisor has recognized the problem he or she can take action to solve it. "Position Management Troubleshooting Guide" (see the Exhibit to this Handbook) is designed to address many common position management problems.

V. DEFINITIONS

Classification

The NRC process of evaluating the duties and responsibilities of each position resulting in substantially equal pay being given for substantially equal work, with variations in pay rates based on differences in the difficulty and responsibility of work performed.

Flat organizations

Organizations with few or no levels of intervening management between staff and managers. Workers are more directly involved in the decisionmaking process and can therefore exercise greater independence and react more quickly.

Fragmentation

Position management problem where the organization/position is split into too many segments, restricting the employee's potential contribution and causing considerable frustration. This can lead to high rates of absenteeism and turnover – as well as to low overall group productivity.

FTE

Full-time equivalent.

Job dilution

Position management problem where high-level duties are spread too thinly among several positions at the journeyman level. Positions are not used fully, increasing the number of senior positions and, therefore, increasing human resources costs.

Layering

Position management problem where there are too many levels in the line of supervision. Communication bottlenecks occur and decisions/actions are slow because each supervisor in the line must evaluate every idea. Controversy on some important issues does not reach the supervisor's attention.

Leader work

Positions that lead other employees in accomplishing the work of a unit.

Missing career ladders (also called dead-end positions)

Positions that have no promotion potential or no opportunity for additional development or movement to a higher graded job within the organization.

Supervisory ratio

Quantitative measurement used to calculate the ratio of supervisory positions to non-supervisory positions. This may be calculated for a work group, a division, an office, or the entire agency.

Unit

A segment of an organization. In the NRC it might be a team, section, branch, division or an office. "Unit" is used throughout this MD and directive handbook to generically refer to a part of an organization.

EXHIBIT

Exhibit 1 Position Management Troubleshooting Guide

Symptom		Problem and Suggested Solutions	
<p>Many Supervisors</p> <p>Employee job development limited</p> <p>Miscommunication or no communication between supervisors and employees</p> <p>Individual positions overspecialized</p>	<i>and</i>	<p>Organization split into many small segments</p>	<p>Problem: Fragmentation</p> <p>Solutions: Consolidate functions so related tasks/processes are placed in the same organization under one supervisor, team leader, or other line authority. Ensure breadth on knowledge/tasks in individual positions to allow challenge, development of individuals.</p>
<p>Difficulty in getting decisions made</p> <p>Management often unaware of how, why lower-level decisions made</p> <p>Controversial issues sometimes do not reach upper-level supervisors</p> <p>Lower-level supervisors, employees overly restricted</p>	<i>and</i>	<p>Too many layers in the line of supervision</p>	<p>Problem: Layering</p> <p>Solution: Reduce number and layers of supervision, increase span of control; increase authority that individual positions have to do their work; ensure clear line of supervision and communication.</p>
<p>Low employee morale</p> <p>Inefficiency</p> <p>High costs</p>	<i>and</i>	<p>High-level duties spread thinly among several positions</p>	<p>Problem: Job dilution</p> <p>Solution: Increase percentages of grade-controlling work in position; establish technician and support jobs to take care of lower-level work.</p>
<p>High operating and salary costs</p> <p>Many layers in management chain</p> <p>Low employee morale</p>	<i>and</i>	<p>Positions do not contribute substantially to the mission of the unit</p>	<p>Problem: Unnecessary positions</p> <p>Solution: Eliminate positions that duplicate effort, including supervisors, assistant shadow administrative staff. Determine what work is actually needed and design jobs around that work.</p>

Symptom		Problem and Suggested Solutions	
Dead-end positions Low employee morale Recruitment problems Job dilution	<i>and</i>	No clear path or progression to higher levels within an organization	Problem: Missing career ladders Solution: Establish bridge positions, including technicians, support staff at interim levels; create development programs, internships, etc., to move employees into higher-graded positions.
More than one position with same responsibility Confusion regarding accountability	<i>and</i>	Workload/program changes not followed by position, organization changes	Problem: Workforce/Position Description inconsistency Solution: Review organization/unit functions and design positions; review and update all position descriptions; follow with communication, accountability.
Little employee initiative Eroding responsibility for quality Excessive overhead expense	<i>and</i>	More supervision than is actually needed to get the job done	Problem: Narrow supervisor to employee ratio Solution: Increase span of control, introduce team concept, peer reviews, etc.