



NASA Phased Retirement Lessons Learned March 28, 2018

Phased retirement is a tool designed to assist Federal agencies with succession planning, maintaining essential skills and competencies, and facilitating mentoring and knowledge transfer. This document provides National Aeronautics and Space Administration (NASA) Phased Retirement Program lessons learned in implementing, administering, and managing phased retirement.

Contents

Document History Log.....	1
Section 1: Program and Policy Development.....	2
1.1 Approach.....	2
1.2 Agency-wide Policy and Guidance.....	2
1.3 Systems and Process Integration.....	4
1.4 Center Flexibility.....	4
Section 2: Eligibility.....	5
Section 3: Requirements.....	6
Section 4: Mentoring.....	7
Section 5: Time Tracking and Schedules.....	8
Section 6: Statistics and Numbers.....	9
Section 7: Overall Status.....	10
Appendix A – Acronyms and Abbreviations.....	11

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Section 1: Program and Policy Development

1.1 Approach

NASA approached the development of this new program using a Core Team and a Full Team. Each team had specific roles, including:

- The Core Team drafted proposals and materials. The Core Team also worked required system and process interfaces at the Agency level. The Core Team consisted of policy staff, a representative from the NASA Shared Services Center (NSSC), national Labor representatives, and a Center representative. The team addressed Human Resources (HR) Retirement and Personnel Action Processing (PAP) processes as well as integration in the time and attendance system to record and monitor phased retirement.
- The Full Team reviewed draft proposals from the Core Team, kept respective Center communities informed, and brought feedback to the Core Team. The Full Team also coordinated local decisions, Labor engagement, and implementation. The Full Team consisted of Center HR Points of Contact (POCs) and Center Labor representatives.

NASA has multiple Centers, each with different workforce needs and requirements. Those different workforce needs result in varied solutions to traditional employment and knowledge retention. The key to ensuring the NASA policies addressed as many areas of need as possible was to encourage participation in the Full Team by all Centers and Labor representatives. Including Center and Labor POCs in program and policy development ensured all voices were heard and no major concerns raised.

1.2 Agency-wide Policy and Guidance

The Agency developed the minimum process and policy requirements for all of NASA, but each NASA Center has the option of adding to the requirements to better suit the Center's needs. Prior to implementing phased retirement, policies and procedures were developed, including a solid set of available materials and guides.

- Policy Elements:
 - Policy considerations included:
 - Setting time limits on phased retirement service.
 - Setting position limits (e.g., number and/or type).
 - Setting limits on the delegated approving authority, with a suggestion of one level above the first-line supervisor.
 - Policy elements that assisted in reaching program goals included:
 - Emphasis on phased retirement being a workforce management tool rather than an employee benefit.
 - Approvers are required to assure there is a business need for the work proposed and the knowledge to be transferred.

NASA Phased Retirement Lessons Learned

- Approvers are required to assure that the position is appropriate for half-time employment.
- Labor Union Participation:
 - Ensure labor unions are involved.
 - Understand that when labor unions are involved in the development of policies, implementation will be expedited.
- Guidance Documentation and Materials:

The Agency-wide policy and other guidance documents are structured to ensure compliance with Federal regulations and promote the program goals: succession planning, maintaining essential skills and competencies, and facilitating mentoring and knowledge transfer. The following other materials assisted in reaching program goals:

 - NASA Phased Retirement Web page.
 - NASA Phased Retirement Employee Guide.
 - NASA Phased Retirement Supervisor Guide.
 - NASA Phased Retirement Human Resources (HR) Office Guide.
 - Communication templates.

In developing Agency-wide policies and guidance, we encountered the following challenges:

- The development of a comprehensive policy as well as documentation and other resources proved challenging since this was a new tool and since there was great interest across NASA in utilizing the tool. Identifying potential questions/concerns regarding a policy that has not been launched can be problematic, so NASA began evaluating the Office of Personnel Management (OPM) guidelines before the final regulations were distributed. The NASA teams used utilized early OPM guidelines as well as the final regulations to develop NASA policies, procedures, documentation, Web page, and templates. As with the development of any new policy, it was critical to identify and answer as many potential questions/concerns as possible so the NASA community would have the information and tools needed to make decisions.
- A few small, administrative, procedural, or communication details arose during implementation of phased retirement, including:
 - A new Position Description (PD) was needed to effect the action. This new PD includes the new major duty of mentoring and includes “mentoring” as a critical element of the phased retiree’s performance plan.
 - An overview of entire process was needed so participants have better expectations from local application through OPM adjudication.

1.3 Systems and Process Integration

For successful implementation of phased retirement, electronic systems and other related processes were considered and evaluated.

- NASA ensured the following systems and processes integration prior to launching phased retirement:
 - Time and attendance.
 - Workforce planning.
 - PDs.
 - Performance management.
- NASA provided guidance to Human Capital Offices on the proper coding of personnel actions as found in the Guide to Processing Personnel Actions and in NSCG-3296-0001, NASA Shared Services Center (NSSC) Request for Personnel Action (RPA) Submission Guide. When processing the Nature of Action Code (NOAC) 615, NASA has not encountered any issues with converting the employee from full time to part time.
- NASA worked with the time and attendance tracking system developers to ensure that any employee entering more than 40 hours of phased retirement work in a pay period would be required to provide a justification for the excess hours.

1.4 Center Flexibility

NASA's program allows for some flexibility at the Centers to implement the program in a way that works for their Center culture and needs. Some examples of Center flexibilities include:

- Delegations of Authorities.
- Internal approvals and requirements.
- Implementation approach.
- Methods for meeting mentoring/knowledge transfer requirements.

Section 2: Eligibility

Several criteria are required for an employee to be eligible to become a phased retiree, including:

- Employee must be eligible for immediate voluntary retirement.
- Employee must have been employed on a full-time basis for the preceding 3 years.

In addition to eligibility criteria, NASA encourages any interested employee to determine the effects of phased retirement on that employee's pay and benefits while in phased retirement as well as at full retirement. The Phased Retirement Employee Guide provides the employee with guidance on what to consider while making this decision.

If an employee's application to participate or to return to work is denied, the employee can request a reconsideration of the denial. The reconsideration must be at least one level higher than the person who denied the initial request.

Section 3: Requirements

The following requirements were identified:

- Employees are required to collaborate with supervisors to submit an application for phased retirement, proposing both work and mentoring plans.
- If either the work or mentoring portion of the plan is to be performed in a different organization, another management approval is required.
- Employees who are approved for phased retirement are required to sign a NASA Agreement outlining details of the phased retirement. The NASA Agreement ensures the employee is fully informed of the requirements, and the Agency obligation ends when planned. The agreement covers the following topics: commitment to fully retire, period of phased retirement service, work approved, mentoring requirement, work schedule, and compensation and benefits.
- No fixed or minimum durations have been identified; only the 2-year limit and potential for an additional year.
- In the NASA Agreement, an approved end date is identified, and the employee consents to the Agency separating the employee from service at that end date.

Section 4: Mentoring

To ensure the mentoring aspect of phased retirement is occurring in accordance with requirements, tracking is critical. NASA utilizes a method for recording mentoring time similar to what is used for telework. For NASA, mentoring hours are best tracked in the time and attendance system. Managers and supervisors can access mentoring hours reports to ensure compliance.

Section 5: Time Tracking and Schedules

Tracking of mentoring hours is critical and is accomplished in the time and attendance system, similar to telework tracking. Telework is permitted and is integral in one case. To ensure there are no issues with the Not to Exceed (NTE) date, NASA was able to have an NTE date field added to the Federal Personnel/Payroll System (FPPS) for phased retirement. FPPS has tracking capabilities for all NTE dates.

While work and mentoring time requirements were addressed prior to launching phased retirement and in the documentation, one challenge encountered has been with ensuring employees and supervisors fully understand the regulatory limitations and restrictions. In accordance with OPM and NASA policy, phased retirees may only work 40 hours per pay period, with 20 percent of that time allocated to mentoring activities. Since failure to comply with this regulation could result in OPM placing restrictions/requirements on the phased retirees and/or the Agency, enforcement is critical.

Ongoing communications with phased retirees, their supervisors, and Center HR Offices include the following important requirements:

- Ensuring each phased retiree is working 40 hours per pay period, meeting the mentoring obligation as agreed to in the application, and accurately recording both on each timecard.
- Ensuring the phased retiree's supervisor is monitoring the employee's work and mentoring hours as well as the accurate recording on the phased retiree's timecard.
- Ensuring the Agency is monitoring the phased retiree's work and mentoring hours.
- Ensuring the Agency is monitoring the supervisor's review of the phased retiree's work and mentoring hours as well as the timecard.

Section 6: Statistics and Numbers

The following are some of the basic statistics and numbers related to NASA's Phased Retirement implementation:

1. How long did it take to implement Phased Retirement?

NASA began working on the Agency's policies and guidelines before the finalized OPM guidelines were established. From the time OPM released the guidance to the time the first NASA employee submitted an application, it was about 9 months. (That employee's application was submitted the day after NASA launched Phased Retirement.)

2. How many employees have elected Phased Retirement?

So far, NASA has had 65 participants. Of these:

- 44 participants are currently in Phased Retirement.
- 20 participants have entered full retirement after a period of Phased Retirement.
- 1 participant has returned to a full-time status after a period of Phased Retirement.

3. How many people who elected Phased Retirement have elected to return to work versus proceed with retirement?

NASA has had one employee "elect" to go back to full employment. For a NASA employee to go back to full employment, a vacancy would have to be open.

4. Have you had an employee quit Phased Retirement before the 6 months were up?

We have had several employees elect to go into full retirement prior to their Phased Retirement NTE date.

Section 7: Overall Status

Phased retirement is working well for the Agency and employees. Some overall positive reactions noted:

- Participants have been highly satisfied.
- Management requests to consider phased retirement in lieu of full retirement were appreciated by employees.
- Supervisors and management love the program, and several senior leaders promote its use.
- Staff have been supportive. Expected resentments did not materialize.
- Union has been supportive.
- OPM has a special team that handles Phased Retirement, and we have not encountered any issues corresponding with OPM or with employees receiving half their annuity.

Focus group discussions identified the following elements that are working well:

- Retaining critical skills.
- Forcing a transfer of knowledge.
- Meeting phased retiree goals and needs.
- Providing alternative off-ramp transition.
- Supporting workforce planning goals.

There are also ongoing challenges that are being addressed by the Agency and Centers. Some overall lessons learned that have been noted include:

- While the Unions have been supportive, their primary concern has been with supervisory participation in Phased Retirement being inappropriate for part-time employment.
- Unions were initially resistant to the time limits.

Focus group discussions identified the following elements that are challenges:

- Transitioning from full time to part time:
 - Meetings scheduled on days when phased retiree is not working.
 - Work time available is just over 1/3, not 1/2.
 - Performance reviews are frustrating, and expectations are too high.
- Transferring knowledge.

Appendix A – Acronyms and Abbreviations

Acronyms that are used in this guide are identified upon first use in this document. Thereafter, the acronym is used. In cases where the first or only instance of the use of an acronym is in a table or graphic, it may not be spelled out on first reference. Since many acronyms and abbreviations have multiple meanings, the following list includes those used in this guide and the applicable meaning:

ACRONYM/ ABBREVIATION	MEANING
FPPS	Federal Personnel/Payroll System
HR	Human Resources
NASA	National Aeronautics and Space Administration
NOAC	Nature of Action Code
NSSC	NASA Shared Services Center
NTE	Not to Exceed
OPM	Office of Personnel Management
PAP	Personnel Action Processing
PD	Position Description
POC	Point of Contact
RPA	Request for Personnel Action

If you have any questions concerning this document, please contact:

NSSC Customer Contact Center

1-877-677-2123 (1-877-NSSC123) or nssc-contactcenter@nasa.gov