



Strategic Use of Human Capital

Our human capital management (HCM) efforts have been focused on establishing a systematic and comprehensive process for improving the Department of Energy with the principle goal of meeting our mission objectives for American citizens. These efforts have resulted in an integrated approach that ensures human capital programs and policies are linked to the Department's missions, strategies and goals, while providing for continuous improvement in efficiency and effectiveness while reducing costs.

Within the Department, senior managers of the individual program and staff offices are responsible for successfully accomplishing their organization's missions. They are also responsible for creating a challenging and productive workplace environment and ensuring that they plan for a secure workforce that is capable of meeting current and future challenges. The Department's HCM efforts provide these senior managers with the flexibilities and tools necessary to ensure that their workforce can successfully meet the challenges of the future.

The Department's strategic HCM objectives are being accomplished through the use of varying approaches, including the strategic alignment of our organizations, the effective use of competitive sourcing, and the maximum utilization of efficient automated processes (e-government). Additionally, the HCM strategic goals are designed to ensure the current and continuing availability of a diverse and motivated workforce that represents America with the right skills needed to accomplish the Department's mission. At DOE, HCM programs and systems developed to attain these strategic goals are designed to be efficient, technically sound, and merit-based.

The successes achieved are the clear result of the focus by the Department's leadership at all levels and the integration of HCM activities into the Department's decision making processes. I would like to take this opportunity to again thank all who have been involved in helping the Department achieve and maintain its "green" score in the area of human capital management. Our efforts are beginning to yield lasting results — we want to be known as an Agency that values its workforce and is positioned to effectively accomplish our vital current and future missions.



Claudia Cross
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Highlights of What We've Accomplished

- *Developed and Implemented a Comprehensive Human Capital Plan.* DOE developed and has begun implementing a comprehensive human capital plan that addresses DOE's organizational structure, workforce size, skill gaps, performance systems and diversity. In addition, DOE's Human Capital Management activities are coordinated through the Department's Human Capital Coalition. This group of senior Departmental managers representing DOE's program offices, human capital directors, training managers and diversity managers has taken the lead in the development and implementation of strategies designed to enhance the effectiveness and efficiency of the Department's human capital management programs.
- *Improved Organizational Structures.* DOE restructured three of its largest components to improve accountability, efficiency and performance. Since 2001, DOE has:
 - reduced its workforce by 7.7 percent (14,688 to 13,458);
 - cut the number of SES employees by 5 percent (432 to 410); and
 - reduced non-SES senior staff (GS-14/15s) by over 9 percent (4,585 to 4,158).

Reductions have taken place while general employee satisfaction at DOE has improved based upon scores in the Federal Human Capital Surveys conducted in this same period.

- *Reduced Skills Gaps in Mission Critical Areas.* DOE's principal business areas include contract management and project management. To close skills gaps in these areas, DOE instituted rigorous certification programs for project managers and acquisition managers. Ninety-seven percent of acquisition managers are certified. All project managers are on track to be certified by 2006.
- *Strengthened the Department's Performance Management Systems.* DOE's performance management and award systems have been strengthened by clearly linking performance with mission, holding employees accountable for results, and effectively distinguishing between various levels of performance.
- *Established Comprehensive Succession Planning Program.* DOE views the expected increase in retirements as an opportunity to reshape our workforce. To prepare, DOE has determined the kind of staff that will be needed to achieve our varied missions and has developed plans to recruit, retain, retrain and/or outsource to build the required skill mix. DOE has also instituted rigorous programs to identify and develop DOE's future leaders.
- *Reduced Under-Representation.* The number of women in the SES rose from 18 percent in

2001 to 20.2 percent in 2005, despite a reduction in the number of SES during this time. In addition, to increase representation among Hispanics, DOE launched a "Recruit America" campaign which has targeted thousands of potential Hispanic employees as a part of a comprehensive Hispanic Employment Program Plan. These programs have resulted in an increase in Hispanic employment from 5.76% in 2001 to 6.58% in September 2005. Also, the number of minorities at the GS 14 and 15 levels rose from 16% in 2001 to 18.9% in September 2005, despite a 7.7% reduction in the DOE workforce.



FY 2006 Goals

- *Complete the Transition of All DOE Employees to Multi-Level Performance Management System.* Currently, 38.5 percent of employees are on a pass-fail system. All employees will be on a multi-level system by the beginning of the next performance review cycle (October 1, 2005).
- *Obtain OPM Certification of DOE's SES Performance Management Program.* DOE recently received provisional certification for 2004 and 2005. DOE is working to obtain full certification by the beginning of FY 2006.
- Achieve a measurable reduction in the skills gaps of DOE's critical occupations. Previously, DOE identified critical skills gaps in DOE's principal business areas and the Department's program offices have now instituted strategies to close these critical gaps.
- *Assure That All Major Capital Asset Acquisition Projects Are Led By A Certified Project Manager.*
- *Continue to Improve The Representation of Women, Hispanics and Persons with Disabilities.* DOE will continue to implement strategies to recruit and retain women, Hispanics and persons with disabilities.

- All major capital asset acquisition projects are led by a certified project manager.