

[BBS file "RIH01B98.WP"; RESTRUCTURING INFORMATION HANDBOOK, MODULE 1 ("RESTRUCTURING PLANNING AND ALTERNATIVES"), Unit B ("GUIDANCE"), dated December 1998, in WordPerfect 5.1 format. Use 10 or 12 point courier print font. Restructuring Information Handbook Module 1 is developed by OPM's Workforce Restructuring Office to provide information on alternatives to involuntary separations and downgradings resulting from downsizing or similar actions. This is the complete December 1998 version of Module 1.]

U.S. OFFICE OF PERSONNEL MANAGEMENT

WORKFORCE RESTRUCTURING OFFICE

RESTRUCTURING INFORMATION HANDBOOK

MODULE 1, RESTRUCTURING PLANNING AND ALTERNATIVES (December 1998 version)

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MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION 1. INTRODUCTION

1. When an agency learns that it must realign itself or take a large cut in staff in order to meet its delayering and budgetary program requirements, panic usually sets in, rumors fly, and morale sinks. This is the time that the agency's top staff must quickly work to resolve what seems like insurmountable problems. This Handbook covers the human resources role in planning for restructuring actions. This Handbook will assist both agencies and employees in recognizing alternatives that may minimize or even eliminate involuntary separations or downgradings resulting from restructuring situations.

2. This is the December 1998 version of Restructuring Information Handbook Module 1.

3. Other available Restructuring Information Handbook Modules include:

- o Module 2, "Human Resource Responsibilities in Restructuring," Unit B ("Guidance")
- o Module 3, "Reduction in Force," Units A ("Required Procedures") and Unit B ("Guidance")
- o Module 4, "Transfer of Function," Units A ("Required Procedures") and Unit B ("Guidance")
- o Module 6, "Reemployment Priority List," Units A ("Required Procedures") and Unit B ("Guidance")
- o Module 7, "Career Transition Assistance Plan," Unit A ("Required Procedures")
- o Module 8, "Interagency Career Transition Assistance Plan," Unit A ("Required Procedures")

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION 2. TOOLS AND STRATEGIES FOR RESTRUCTURING-DEVELOPING THE PLAN

1. TOP LEADERSHIP COMMITMENT. The agency's leadership must be totally committed to the agency's restructuring plan. (Note that the term "Restructuring" includes any organizational decisions that result because of reasons that are defined in similar terminology such as reshaping, downsizing, realigning, reorganizing, streamlining, etc.). The agency's highest managers must not only support the changes, but must believe in these decisions.

2. PREPARING AN AGENCY FOR RESTRUCTURING-ADDITIONAL ASSISTANCE. Agencies can often develop better restructuring plans by using additional resources such as:

(a) The consulting services offices of OPM (see Module 1, Unit B, Section 12 for a description of restructuring services available from OPM, or call (415)-281-7094 for further information);

(b) Other agencies that have carried out restructuring or downsizing (including other components in the same agency); and

(c) Consultants in the private or public sector.

3. "STRATEGIC" PLANNING AND ALIGNMENT. When possible, the agency should use a "Strategic Planning and Alignment" approach to develop its restructuring plan. This means that the agency should link its restructuring plan to its goals and objectives for the next 1 through 5 years and, in some situations (such as when planning for a complete replacement of automated systems) for longer time periods.

As used in Module 1, "Strategic Planning" is the first major step in organizational change, in which the agency identifies its organizational goals.

"Strategic Alignment" is the complimentary second step, in which the agency considers what actions are required to implement the Strategic Plan.

Through feedback, Strategic Alignment ideally affirms that the agency may reach the organizational goals set in its Strategic Plan. Otherwise, Strategic Alignment identifies problems that negatively impact on implementation of the agency's Strategic Plan, and may require that the agency revise its Strategic Plan (i.e., Strategic Alignment targets that part or even all of the agency's Strategic Plan may be unworkable).

The agency develops its Strategic Plan based upon:

- (a) Organizational goals developed upon available fiscal information (including resources available to the agency through the annual appropriations process, through reimbursable services performed by the agency, through fees or penalties, through the sale of the agency's commodities, and other similar fiscal resources);
- (b) Organizational goals resulting from decisions made by higher-level executive branch managers;
- (c) Organizational goals resulting from legislative action;
- (d) Organizational goals resulting from judicial or other appellate action; and
- (e) Organizational goals resulting from decisions made by the agency's own managers.

4. EFFECTIVE STRATEGIC PLANNING. Effective Strategic Planning is essential to effective organizational management. In contrast, restructuring decisions driven only by an immediate short-term "numbers-cutting" approach can compromise the longer-term ability of the agency to effectively carry out its mission. One immediate result of this type of "shotgun" approach to reducing or relocating personnel is often an unmotivated workforce that soon lacks the skills and knowledge needed to meet the overall goals and objectives of the organization.

5. STRATEGIC PLANNING AND NEEDS ANALYSIS. "Needs Analysis" is also a key component of Strategic Planning, especially if the agency finds that it must reduce its staff. Once the agency has established its broad organizational goals, the agency must immediately begin Strategic Planning for the future, with special emphasis on defining the agency's more specific organizational goals over the next 1 to 5 years.

(a) Strategic Planning in this phase of the planning process requires the agency to complete a Needs Analysis review of those programs that will have a reduction of personnel. In some situations, the agency must reduce its gross number of employees, while in other instances the agency must replace employees in certain skills categories with other employees with different skills. Regardless of the situation, the agency uses the same identification process to complete its Needs Analysis review.

Through a Needs Analysis review, the agency identifies:

(1) What positions (i.e., types, numbers, and locations) are excess because of the agency's reduced or revised mission;

(2) What positions (i.e., types, numbers, and locations) are still needed to perform the agency's continuing mission;

(3) What options are available to avoid involuntary separations; and

(4) What is the status of the agency's human resources organization to support this organizational change (including a status review of the agency's personnel records that would be used to conduct a reduction in force or other form of reorganization).

(b) Through a Needs Analysis review of the organization, the agency's managers begin working with human resources staff to identify, in part, which positions will be surplus, which positions will be continuing, and what options are available to avoid (or minimize) involuntary separations.

o The Needs Analysis review includes agency decisions based upon the need for specific occupations and/or for specific skills. The Needs Analysis review may also include decisions concerning where the remaining work will be performed, or even if the work will be performed at all (e.g., the agency may decide that the work will be carried out by a different Federal agency or by a private vendor on a reimbursable basis).

(c) From the human resources perspective, a comprehensive Needs Analysis review should identify:

(1) The categories of employees who are now surplus--this identification usually includes the types of positions, the grades of the positions, and the location(s) of the positions;

(2) What occupations the agency needs in the future, including any applicable distinctions between 1-year short-term needs, 1 through 5-year mid-term needs, and long-term needs covering more than 5 years;

(3) The education and training requirements of the remaining staff--again, these requirements should be distinguished among the short-term, mid-term, and long-term;

- (4) A cost/savings analysis based upon the salary and other fiscal issues (e.g., travel, training, etc.) related to both the surplus and the continuing positions;
- (5) The time frames for completion of the restructuring;
- (6) Alternate strategies to avoid a reduction in force (see Section 1-B-5 for additional options on avoiding involuntary separations);
- (7) The status of personnel records in the agency to support restructuring actions (i.e., how many staff years are required to develop retention records that would be used in a reduction in force or transfer of function situation?);
- (8) The status of performance appraisals (i.e., are performance ratings due to be issued in the near future, are final performance ratings of record properly in file with the agency, has the agency adopted a plan to freeze ratings prior to a reduction in force, etc.);
- (9) What agency staff and facilities are available to assist in conducting a reduction in force or actions relating to the relocation of employees;
- (10) What agency staff and facilities are available to assist in assisting displaced employees in finding other Federal or nonFederal positions;
- (11) What functions or tasks will be reduced or terminated, (including situations when the agency is conducting a closure of an organization or a location);
- (12) How will the agency be organized and what are the agency's goals after the restructuring is complete;
- (13) What are the agency's communication strategies for employees being separated by reduction in force, as well as for remaining employees, the agency's customers, and the general public (see paragraphs 1-B-3-2 through 4 for additional information on communications strategies in restructuring situations);
- (14) How to effectively empower lower-level employees and organizations while reducing managers' span of control;

(15) How does the agency want to proceed with its restructuring plan (i.e., aggressively or passively); and

(16) Other relevant issues facing the agency.

6. THE HUMAN RESOURCES ROLE IN STRATEGIC ALIGNMENT. The human resources organization plays an even greater role in Strategic Alignment than in Strategic Planning. After the agency has used Strategic Planning to establish its broad organizational goals, the human resources organization through Strategic Planning builds upon the Needs Analysis review to determine whether staffing adjustments are necessary to implement the agency's Strategic Plan.

In some situations, the agency's staff may implement the Plan without any personnel-related changes. However, depending on the scope of organizational changes resulting from the agency's Strategic Plan, the human resources organization may find that the Strategic Plan requires significant staffing adjustments. For example, this may simply involve limited retraining of the agency's present staff. In some extreme situations, effective implementation of the Strategic Plan may require a gross reduction of the agency's employees in the workforce without replacement. In other situations, the Strategic Plan may even require the agency to replace current employees who have obsolete skills with other employees who have different skills that are essential to the Plan.

Even with automation, people make the agency's programs work; the ultimate goal of the human resources organization is, through involvement in Strategic Planning and Strategic Alignment, to improve organizational and individual performance.

(a) The first step with Strategic Alignment is for the human resources organization to expand upon the Needs Analysis review portion of the agency's Strategic Plan and work with management to refine the numbers, and the types, of positions needed to implement the Plan.

(b) The second step with Strategic Alignment is to help management compare this more specific information concerning positions needed in the new organization under the Strategic Plan with data covering the agency's current workforce to determine if the current workforce is adequate to implement the Plan, or if staffing changes are required (e.g., hiring of special skills, retraining of present employees, reduction of present personnel, etc.).

Consistent with the 1 through 5 year timeframe covered by the agency's basic Strategic Plan, the human resource organization will then identify what steps are necessary to develop and maintain an effective workforce to achieve these organizational goals. This is the purpose of Strategic Alignment planning (i.e., to match the human resource requirements of the Plan with both the realities of the agency's present actual workforce, and the workforce needed by the agency under the Plan). Effective Strategic Alignment should consider workforce planning issues such as:

(1) The number and/or percentage of employees who will be eligible for optional or voluntary early retirement over the next 5 years;

(2) Whether the agency has a retention problem with certain types of positions because of higher salary in other agencies or the nonfederal employment markets;

(3) Whether the agency has a recruiting problem with certain types of positions, again usually because of higher salary in other agencies or the nonfederal employment markets; and

(4) What additional options might be available to improve the effectiveness of the workforce (e.g., developmental assignments, new internal trainee programs, regular training for all employees in certain organizations, etc.).

(c) The third step with Strategic Alignment is for the human resource organization to offer appropriate options to implement the agency's Strategic Plan. The available staffing options vary, consistent with the findings in the second step. If the human resource organization finds that current employees may be bridged into the new organization established by the Plan, available options include:

(1) Maximizing employees' present job skills; and

(2) Developing packages to retrain current agency employees for more complex, or different skills, that are priorities under the Plan.

(d) If the human resource organization finds that the agency must prepare for downsizing of the current workforce (i.e., either a simple overall reduction of employees, or only a reduction of employees in obsolete positions), the third step with Strategic Alignment should include options to minimize the need for involuntary separations, such as:

- (1) Use of hiring freezes and/or internal placements to fill all vacancies;
- (2) Use of the Voluntary Early Retirement Authority option;
- (3) Use of the Voluntary Separation Incentive Payment option (i.e., buyouts), when available;
- (4) Use of furloughs;
- (5) Use of temporary/term employees rather than permanent employees when the agency's budgetary or workload situation is uncertain in the foreseeable future; and,
- (6) Using employees on details from other organizations rather than additional hiring permanent staff.

o Section 1-B-5 covers additional options to minimize the negative results of a reorganization upon employees.

7. SHAPING THE NEW ORGANIZATION. After reviewing the agency's broad Strategic Plan with the human resource requirements identified through the Strategic Alignment process, the human resource organization should be included in the agency's operational decisions to implement the Plan. A Plan will usually result in organization changes that include some (but probably not all) of the following options:

- (a) Delegating program authority to lower-level organizations;
- (b) Establishing a reasonable supervisory span of control; this may involve eliminating or reducing intervening levels of supervisors or managers;
- (c) Correctly describing and classifying positions (see 1-B-2-8 below for additional information on position management);
- (d) Distinguishing supervisory duties from production tasks (including the question of whether the new organization needs the same number of working team leader positions);

(e) Redistributing duties and responsibilities among positions or organizations, but maintaining the same skill level;

(f) Consolidating positions and/or functions that require special skills or training;

(g) Evaluating the impact of technology-based organizational changes upon the agency's workforce;

(h) Assessing customer needs; and

(i) Evaluating the perception of the plan as seen by individuals or organizations outside the agency (e.g., the general public, the media, members of Congress, the agency's "customers," etc.).

8. POSITION MANAGEMENT. Any reorganization can be very disruptive to an organization in terms of its overall capability to meet customer needs. This is especially true if the reorganization will result in fewer employees in the agency, the relocation of employees to different local commuting areas, or the downgrading of employees. A key requirement in an agency's Strategic Plan (and the subsequent implementation issues considered by human resource organization in the process of developing Strategic Alignment options) is an accurate review of the agency's position management policies.

(a) "Position Management" is the process of designing and/or redesigning positions to combine logical and consistent duties and responsibilities into an orderly, efficient and productive organization to accomplish its mission. Position management planning is essential to the future effectiveness of agencies implementing reshaping/restructuring plans.

(b) Proper position management assists management in establishing:

(1) Organizational goals for the short-term, mid-term and long-term (these may be the same, similar, or different);

(2) The most productive organization;

(3) The most efficient organization;

(4) Streamlined work flow patterns; and

(5) Positions that are designed, as best possible relative to a situation, to provide employees with work that is rewarding, stimulating and challenging.

o Other benefits of effective position management include an optimum ratio (relative to the organization) of (1) supervisors/managers to other employees, and (2) support positions of all types (e.g., personnel, fiscal, automated systems, legal, etc.) to other positions (e.g., professional, administrative, and technical).

(c) Agencies should structure positions to reflect appropriate entrance levels, and patterns of career progression that later allow employees to move to other positions, including positions with additional skills and/or higher-grades. In designing (or redesigning positions), the agency's principal position management goal should be to ensure a continuing available pool of qualified personnel at all skill levels.

Sound position management is also critical to the Strategic Alignment process covered in paragraph 1-B-6 above. For example, position management helps the agency identify where it should consider additional training for its current staff in order to meet the agency's future staffing requirements.

o Position management plans should be reviewed on a regular basis to assure that the position and organizational structures meet the agency's mission requirements and needs of its customers, as identified in the agency's Strategic Plan.

o Managers and supervisors at all levels should be informed about what is expected and must be actively involved in the efforts to implement the plans. They should call upon specialized staff as necessary to advise on job analysis, job redesign, organization, career patterns, staffing and training implications, and coordination of efforts. Job classifiers, contractors, and others can be called upon to assist in this process, as needed.

9. OTHER FACTORS WHEN PLANNING FOR RESTRUCTURING. In preparing for restructuring, the agency's Strategic Plan should include provisions for:

(a) Coordination with unions and officially recognized employee-based professional organizations, when appropriate;

- (b) Study of local labor markets, when appropriate;
- (c) Issues related to communication with all employees (see paragraphs 1-B-3-2 through -4 for additional information on communications issues);
- (d) Issues in evaluating the progress of the restructuring (including tracking work in a terminated function);
- (e) Schedule input from the agency's "customers" or "clients"; and,
- (f) Transition of agency projects and programs to a reduced (or reorganized) staff while maintaining continuity of effective operations.

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION
3. TOOLS AND STRATEGIES FOR RESTRUCTURING-IMPLEMENTING THE PLAN

1. BEGINNING THE NEXT STEP. After the agency has established final organizational goals and developed its final comprehensive Strategic Plan, the agency must then prepare to implement the Plan.

2. PLANNING FOR EFFECTIVE COMMUNICATION. The agency needs to plan an effective communications strategy, both for the central office and for field offices. Top management, as well as unions, personnel, and communications staff need to be involved in developing and monitoring this strategy. Articles on various topics which will help employees in their job search, for example, are useful.

o On-line bulletin boards, LAN sites, and/or website material should be made available to all employees who may be affected in a reshaping of the agency's workforce. Remember that some equipment is much more user friendly than others (e.g., touch-screen technology).

3. EXAMPLES OF EFFECTIVE COMMUNICATION. Here are several examples of effective communications actions in a restructuring situation:

(a) Explain the Strategic Plan to employees and union representatives;

(b) Solicit support for the Plan by ensuring that employees' questions are answered, and concerns are addressed;

(c) Share as much information as you have available--if the agency has no additional information, share that fact as well;

(d) Send clear, consistent messages about the restructuring;

(e) If possible, ask for input from employees, customers, unions, and local employees' association representatives--each group should understand the goals of the agency's restructuring plan and, ideally, support the plan; at a minimum, each should feel that they are part of the strategic planning process and that their ideas are valuable;

(f) Assure the agency's customers and its employees that the quality of the agency's products and services provided will improve (or at least be maintained).

4. COMMUNICATION ISSUES. Communication issues become prominent during any major organizational change. Case studies consistently document the importance of keeping all of the staff (including supervisors, managers, and other employees) informed of current developments in the agency's reorganization and reshaping efforts. For example, agencies frequently keep employees informed through informational letters, news articles, and town hall meetings.

o Without a plan to provide all employees with accurate information on the restructuring situation, employees tend to rely on unofficial information, which usually includes speculation and rumors concerning the purpose of the reshaping plan.

o Some options to keep employees informed include scheduled newsletters (e.g., daily, weekly, bi-weekly) that are shared not only with all of the employees being involuntarily separated or transferred, but also with their first-line supervisors and co-workers. For another option, the agency may establish a hot-line to answer employees' inquiries resulting from the reorganization. Finally, since effective communication requires a two-way street, in some situations the agency may benefit from establishing a suggestion box approach for issues relating to implementation of the reshaping plan.

5. LABOR MANAGEMENT COOPERATION. If possible, the agency should obtain union support for the restructuring plan. The establishment of labor management councils and partnerships presents an excellent opportunity to help facilitate restructuring, by active union-management involvement.

6. TECHNOLOGICAL SUPPORT. Automated support systems can help implement restructuring plans. For example, automated support systems can be especially helpful in job information and referral activities associated with outplacement, assisting employees in making decisions about retirement or career transition, and developing workforce planning models.

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION
4. TOOLS AND STRATEGIES FOR DOWNSIZING-ADDITIONAL CONSIDERATIONS

1. CRITICAL MANAGEMENT CONSIDERATIONS. When a reduction in force is anticipated, an agency can take various steps to lessen the likelihood of adverse effect, prepare employees for it, and forestall administrative problems. Some actions may accomplish substantial savings and avoid the necessity for a reduction in force or reduce the number of employees to be affected. There are several critical management issues that must be considered to determine the best approach for downsizing or restructuring the workforce. These include:

(a) SCOPE. What is the size of the cutback? Is it budget driven, program related, or required in order to meet mandated employment reductions? The size and type of the cutback affects the tools that you use and the amount of time that you have to work with.

(b) TIMING. The time you have available to effect the cutbacks will dictate your strategies. The more time you have, the better, and the less likely you will need drastic measures like reduction in force. Start as soon as possible. It is important to identify where your cuts need to be made and concentrate your tools and strategies on that population.

(c) TARGETING. Across the board cuts are less effective than targeted cuts, and can leave the agency without the staff to perform critical mission related functions. Identify which functions will cease, which ones will be consolidated, and which ones will remain. Once the functions to be eliminated or consolidated are identified, then management can identify and target the positions to be cut.

(d) FLEXIBILITY. Be flexible on the types of strategies you can use to effect the downsizing or restructuring. There are multiple strategies available. Remember that reduction in force is a last resort. Ensure that your strategies are compatible with the corporate mission and goals.

(e) MULTIPLE STRATEGIES. There are many tools and strategies available to effect your downsizing and restructuring. By using a combination of buyouts, early retirements, and attrition, the Federal government downsized 350,000 employees in the 5-year period beginning in January 1993, a 16% overall reduction in the workforce with only 10% of the cuts resulting from involuntary separations. As part of these targeted reductions, there was a 15% reduction in executives (from 8,200 to 6,985).

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION 5. POSSIBLE ACTIONS TO MINIMIZE THE NEED FOR A RIF

1. USE INPLACEMENT PROGRAMS. Agencies can implement a strong inplacement program, whereby vacancies are frozen and surplus employees are given priority consideration for them, before they can be filled through other means. This can reduce outside hiring and create vacancies for surplus employees.

2. FREEZE HIRING AND PROMOTIONS. This can be effective in reducing personnel costs. Hiring can be limited more easily than promotions. A 1 for 2, or a 1 for 3, limit on replacement hiring is often more effective than a total freeze. Promotion freezes are more difficult to administer. When effecting freezes, management should consider:

(a) Will the agency freeze all promotions, or only freeze promotions for certain positions, or only freeze promotions at a certain grade level?

(b) Will the agency authorize all career ladder promotions, or only promotions based upon an accretion of duties?

(c) How will a change in the agency's promotion policy affect the morale of the workforce?

(d) Will the agency implement a "safety valve" policy permitting exceptions to the general freezing of personnel actions?

3. VOLUNTARY REDUCTION OF HOURS. This option gives employees an opportunity to reduce the number of hours they work, or convert to a part time work schedule, and saves personnel dollars.

o You may find that employees are willing to do this in order to meet family or educational needs. One way to use this approach is to survey your employees to determine the level of interest, i.e., what grade levels, how many hours, etc. so that you can project cost savings.

4. SEPARATE TEMPORARY EMPLOYEES AND REEMPLOYED ANNUITANTS. By releasing them, you can save payroll dollars.

5. DETAIL EMPLOYEES ON A REIMBURSABLE BASIS TO OTHER AGENCIES. This works well where agencies have a need for a specific skill of an employee. When agencies are also downsizing or restructuring, this may not be a viable option.

6. ENCOURAGE EMPLOYEES TO TAKE LEAVE WITHOUT PAY. This is similar to asking employees to take a voluntary reduction in hours. Employees may be willing to take a day of leave without pay per pay period, for example, thereby reducing personnel costs.

7. FURLOUGH EMPLOYEES FOR SHORT PERIODS OF TIME. You can temporarily reduce personnel costs by placing your employees on furloughs of less than 30 days. This can also be done on a discontinuous basis, e.g., one day each week, for up to a total of 22 calendar days. (Furloughs of more than 30 days are more complicated, and require using reduction in force procedures.) If you decide to do this, plan carefully, discuss with your employees, managers, and supervisors, and union officials. Any furlough plan should be equitably applied, with considerations for the financial impact it will have on employees. Employees have to be notified 30 days in advance and can appeal improper actions to the Merit Systems Protection Board.

o Restructuring Information Handbook Module 5 (FURLOUGH) covers both long and short furloughs.

8. REASSIGN CAREER EMPLOYEES FROM SURPLUS TO CONTINUING POSITIONS. The agency has the general right to reassign an employee to another position at the same grade. The only requirement is that there is a management need for the employee in the position to which the employee is reassigned.

Unless the agency has implemented a policy limiting the agency's right to reassign employees, the reassignment may be to a position in the same or in a different classification series, in the same or in a different competitive level, or in the same or in a different local commuting area. Also, the agency has the right to reassign an employee without regard to the employee's relative reduction in force retention standing (i.e., in carrying out a reassignment, the agency is not required to consider the employee's veterans' preference status, length of service, or performance ratings). An employee has the right to compete under OPM's reduction in force regulations only if the agency does not reassign the employee to another position at the same grade, and the employee is subsequently faced with involuntary separation or downgrading resulting from a reason such as reorganization.

The agency may use adverse action procedures to involuntarily separate for cause an employee who refuses to accept a reassignment to a position in the employee's present local commuting area. In lieu of the reassignment, the employee may resign or retire, but the employee does not qualify for benefits such as severance pay or priority for employment in other continuing Federal positions.

The agency may also use adverse action procedures to involuntarily separate an employee who refuses to accept a reassignment to a position in a different local commuting area. However, the separation is not for cause and the employee qualifies for most of the benefits available to employees separated by reduction in force. (Note that the employee who declines a reassignment to a position in a different local commuting area does not qualify for reemployment priority through the agency's Reemployment Priority List that is applicable to employees separated by reduction in force.)

- o Paragraph 3-A-5-2 of Module 3 ("REDUCTION IN FORCE") covers the agency's general authority to reassign employees to other positions.

9. VOLUNTARY CHANGE TO LOWER GRADE. Agencies may offer an employee a voluntary change to lower grade without the use of reduction in force procedures. However, an employee has the right to compete under the reduction in force regulations before the agency may involuntarily separate or downgrade the employee for a reason such as reorganization, lack of work, shortage of funds, or insufficient personnel ceiling.

- o Part 5 CFR Part 536 covers saved grade and pay, which the agency may offer to employees who accept a voluntary change to lower grade under certain conditions.

10. MODIFY OR WAIVE QUALIFICATION REQUIREMENTS. At its discretion, the agency may waive minimum qualification requirements if the agency determines that the employee has the capacity, adaptability, and special skills needed to perform the duties of the positions.

- o There is no authority to waive minimum positive education requirements under authority of OPM's reduction in force regulations, or under other authority (such as OPM's operating manuals on qualification standards).

o Paragraph 3-A-25-9 of Restructuring Information Handbook Module 3 (REDUCTION IN FORCE) covers modification of qualifications requirements in offering positions in lieu of separation or other reduction in force actions.

11. TRAIN EMPLOYEES FOR OTHER POSITIONS IN THE AGENCY. Train employees for reassignment to agency positions for which a shortage exists.

o For additional information, Section 1-B-10 covers "TRAINING AND RETRAINING EMPLOYEES."

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION 6. POSSIBLE ACTIONS TO INCREASE THE ATTRITION RATE

1. TRAIN EMPLOYEES FOR POSITIONS IN OTHER AGENCIES. Section 5 U.S.C. 4103(b) allows an agency to train any of its surplus employees for the purpose of placing them in other agencies. The statute requires that the head of the present agency determines the training would be in the best interests of the Government. (In 1994, Public Law 103-226 removed a statutory provision that made eligibility for this type of training contingent upon the employee's eligibility for severance pay.)

o In selecting an employee for training, the agency head must consider the extent to which the employee's current skills, knowledge and abilities may be utilized in the new position; the employee's capability to learn skills and acquire knowledge and abilities needed in the new position; and the benefits to the Government which would result from such training. (For additional information, see Section 1-B-10 on Training and Retraining.)

2. REQUEST AUTHORITY FROM OPM TO OFFER EXPANDED VOLUNTARY EARLY RETIREMENT. An agency may request OPM to approve voluntary early retirement when components will undergo a major reduction in force, reorganization, or transfer of function.

o In achieving a 16% reduction of personnel in the 5-year period beginning in January 1993 (i.e., an actual reduction of 350,000 employees), nearly 90,000 employees retired under the voluntary early retirement option. At the same time, nearly 180,000 employees retired under regular optional retirements.

o Paragraph 1-B-8-5 covers the use of Voluntary Separation Incentive Payments (i.e., "Buyouts"), which encourage voluntary early retirements.

OUTPLACEMENT PROGRAMS. An aggressive outplacement program may include:

- (a) Career counseling;
- (b) Application referrals;
- (c) Job search counseling;
- (d) Granting administrative leave to interview for other jobs;

(e) Use of the "CERTIFICATION OF EXPECTED SEPARATION" to provide employees with eligibility for early registration on the agency's Reemployment Priority List.

o Section 3-A-32 in Restructuring Information Handbook Module 3 (REDUCTION IN FORCE) covers the "CERTIFICATION OF EXPECTED SEPARATION."

o Restructuring Information Handbook Module 6 covers the "REEMPLOYMENT PRIORITY LIST."

(f) OPM requires agencies to undertake positive placement efforts for displaced employees through the "CAREER TRANSITION ASSISTANCE PLAN," which is authorized in Subpart 5 CFR 330-F of OPM's regulations.

o Restructuring Information Handbook Module 7 covers the "CAREER TRANSITION ASSISTANCE PLAN."

(g) Employees who are actually separated as the result of reduction in force or a relocation situation are eligible for reemployment priority in other Federal agencies through the "INTERAGENCY CAREER TRANSITION ASSISTANCE PLAN," which is authorized in Subpart 5 CFR 330-G of OPM's regulations.

o Restructuring Information Handbook Module 8 covers the "INTERAGENCY CAREER TRANSITION ASSISTANCE PLAN."

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION 7. PLACING SURPLUS PERSONNEL IN OTHER POSITIONS

1. MOVING PEOPLE TO OTHER POSITIONS. Agencies should consider moving people to other positions on a temporary, or even a permanent basis, if an organization has excess personnel because of restructuring. In some situations, agencies can move employees from surplus positions into other continuing positions within the agency. Paragraphs 1-B-7-2 through 1-B-7-7 below cover several alternatives that can benefit both the agency and its surplus employees.

2. DIRECTED REASSIGNMENTS. Agencies should consider reassigning surplus employees from an organization facing a personnel reduction into vacant continuing positions located in organizations not affected by the cutbacks. At agency discretion, the agency may reassign employees to positions at the same grade located in the same, or a different, commuting area.

- o Reassignments are not subject to reduction in force procedures as long as employees are not involuntarily reduced in grade. Unless the agency elects to implement a policy that requires it to consider employees' relative retention standing in carrying out reassignment, there is no requirement in OPM's regulations that directed reassignments must be made on the basis of the four reduction in force retention factors (i.e., tenure, veterans' preference, length of service, and performance ratings).

- o An agency may reassign an employee to any position for which the employee is qualified, or for which the agency modifies qualifications standards.

- o An employee who declines directed reassignment to a position in a different local commuting area is eligible for most of the benefits potentially available to an employee who is separated by reduction in force (e.g., severance pay, discontinued service retirement, unemployment compensation, retraining, and employment priority for positions in both the employee's present agency, and for positions in other federal agencies.)

- o Additional information on modifying qualifications standards is found in Section 3-A-25-9 of Restructuring Information Handbook Module 3 (REDUCTION IN FORCE).

o Additional information on Reassignment is found in Section 3-A-5-2 of Restructuring Information Handbook Module 3 (REDUCTION IN FORCE).

3. VOLUNTARY RELOCATION OF SURPLUS EMPLOYEES. Some employees may be willing to voluntarily relocate to positions outside the local commuting area. Considerations include the cost of travel and relocation expenses, possible disparity in grade level between headquarters and field offices, and possible orientation or retraining costs required by the new position.

4. DETAILS. Agencies should consider whether employees in surplus positions can be detailed from the surplus positions to other positions. This provides the employee with additional work experience, and allows the agency additional time to place the surplus employee into another continuing position. Another possible option is to consider whether employees in surplus positions can be detailed on a reimbursable basis to other organizations in the same agency, or even to a different agency.

o Competitive procedures apply where the agency wishes to continue a detail of an employee to a higher-graded position for more than 120 days.

5. ORGANIZATIONAL FLATTENING. Another reassignment option assists the agency in restructuring the way it performs work while minimizing harm to individual employees. Under the agency's general authority to reassign, the agency may reassign employees from supervisory to nonsupervisory positions at the same grade.

o This option can be an effective method in reducing the layers of supervision and flattening the organization. However, the position classifier may have to review the nonsupervisory position in order to ensure that it can properly remain at the same grade level as the employee's former supervisory position. If the nonsupervisory position is at a lower grade than the supervisory position, the agency must conduct a reduction in force before an employee is involuntarily separated or downgraded.

o To achieve the goal of organizational flattening, the agency should also consider the option of using more team leaders and fewer first-level supervisors.

6. VOLUNTARY CHANGES TO LOWER GRADE. Some surplus employees may be willing to accept a voluntary change to lower grade. The agency has the option to offer saved grade and/or saved pay to eligible employees who might be reduced in grade as the result of a reorganization or reclassification decision announced by the agency in writing. Acceptance of the lower-graded position must be voluntary on the part of the employee. The agency must conduct a reduction in force before an employee is involuntarily separated or downgraded.

o OPM's regulations covering grade and pay retention are found in 5 CFR Part 536.

7. DISCONTINUED SERVICE RETIREMENT. Employees whose jobs are abolished and who face involuntary separation can qualify for an immediate annuity if they meet early retirement eligibility

(i.e., 25 years of service at any age or 20 years of service and at least age 50). Availability of discontinued service retirement gives agencies a valuable tool to lessen the impact of an involuntary separation of a long-service employee. Agencies now have greater flexibility to offer discontinued service retirement to certain employees occupying the same or identical position descriptions.

o Additional information on Discontinued Service Retirement is found in Chapter 44 of the CSRS/FERS Handbook (formerly FPM Supplement 830-1).

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION 8. VOLUNTARY EARLY RETIREMENT AND BUYOUTS

1. VOLUNTARY EARLY RETIREMENT AUTHORITY-PURPOSE. The purpose of Voluntary Early Retirement Authority (VERA) is to assist an agency in completing a major personnel or workload change with minimal disruption to the workforce. Senior employees who retire under a VERA create vacancies that can be filled by employees who might otherwise be involuntarily separated because of restructuring.

2. VOLUNTARY EARLY RETIREMENT AUTHORITY-OPM APPROVAL. OPM must approve an agency's request for VERA. OPM offers voluntary early retirement authority to all agencies faced with severe downsizing or major restructuring. Agency headquarters can now request voluntary early retirement authority through September 30, 1999, that the agency can then implement on as broad or narrow a basis as the agency chooses.

o For additional information on the voluntary early retirement option, refer to interim regulations OPM published in the Federal Register on June 15, 1998, at 63 FR 32595.

3. VOLUNTARY EARLY RETIREMENT AUTHORITY-EMPLOYEE ELIGIBILITY. In order to qualify for VERA, an employee at the time of retirement must be age 50 with 20 years of creditable service, or have 25 years of creditable service at any age.

o At least 5 years of the employee's service must be creditable civilian service.

4. VOLUNTARY EARLY RETIREMENT AUTHORITY-AGE REDUCTION IN BENEFITS FOR CERTAIN EMPLOYEES. The annuity of an employee who is covered only by the Civil Service Retirement System (CSRS) is reduced by 2% per year (prorated to 1/6 of one percent per month) for each year the employee is under age 55.

o The annuity of an employee who is covered only by the Federal Employees Retirement System (FERS) is not subject to a reduction for early retirement under age 55.

o The annuity of an employee who has credited for prior CSRS service and is covered by FERS at the time of retirement is partially reduced for early retirement under age 55: the portion attributed to CSRS service is computed using CSRS rules, including the 2% percent reduction for retirement under age 55, and the part attributable under FERS service is computed under FERS rules with no age reduction.

o Another FERS option is the MRA + 10, which allows employees who retire early under FERS as early as age 55 with 10 years of service, but with a 5% reduction per year (prorated to 5/12th of one percent per month) for each year under the employee is under age 62.

5. VOLUNTARY SEPARATION INCENTIVE PAYMENTS (BUYOUTS). Beginning with the Public Law 102-484 (the National Defense Authorization Act of 1993), Department of Defense employees in downsizing situations have the potential opportunity to receive a Voluntary Separation Incentive Payments (i.e., "Buyouts") of up to \$25,000. This payment is made to Defense employees who resigned, retired under a voluntary early retirement authority, or retired optionally. This option is presently available to Defense through September 30, 2001.

o Public Law 103-226 (The Federal Workforce Restructuring Act of 1994) offered many non-Defense agencies the option of offering buyouts through March 30, 1994. Later Section 663 of Public Law 104-208, authorized buyouts for non-Defense agencies through December 30, 1996. Several non-Defense agencies have received their own authority to offer buyouts to employees impacted in restructuring situations.

o In achieving a 16% reduction of personnel in the 5-year period beginning in January 1993 (i.e., an actual reduction of 350,000 employees), nearly 160,000 buyouts were paid during the same period (110,000 in the Department of Defense and 50,000 to employees in non-Defense agencies).

o Paragraph 1-B-6-1 covers Voluntary Early Retirement, which are more attractive to surplus employees who receive buyouts.

6. EMPLOYEE BENEFITS COUNSELING. Employees who may retire early, or who may be reached for involuntary actions such as separation, downgrading, or relocation, need current, accurate and personal information regarding their benefits, such as estimated annuities, survivor benefits, health and life insurance entitlement, severance pay, and unemployment compensation. Agencies should ensure that employees' counseling is handled in a confidential manner by a trained benefits counselor.

o For potential retirees, the agency can offer general preretirement workshops to all employees who are eligible for either voluntary early or optional retirement.

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION 9. OUTPLACEMENT AND CAREER TRANSITION SERVICES

1. OUTPLACEMENT AND CAREER TRANSITION ASSISTANCE IN AGENCIES-GENERAL. On September 12, 1995, the President issued a memorandum entitled "Career Transition Assistance for Federal Employees," that directs Federal Executive agencies to establish career transition assistance programs to help surplus and displaced workers find other jobs as the Federal Government undergoes downsizing and restructuring. As set forth in the memorandum, such programs are to be developed in partnership with labor and management, in accordance with guidance and regulations provided by the Office of Personnel Management (OPM).

(a) OPM issued interim regulations on December 29, 1995, at 60 FR 67281, which were developed in cooperation with representatives from the Interagency Advisory Group of Personnel Directors and employee unions. These regulations provided the framework for implementing the President's directive, the purpose of which is to maximize employment opportunities for displaced workers, both within and outside the Federal Government. These regulations also suspended the operation of the "Interagency Placement Program" (IPP), the program formerly used to assist displaced workers under subpart 5 CFR 330-C of OPM's regulations.

o In place of the IPP, OPM established the "Agency Career Transition Assistance Plans" (CTAP) for Local Surplus and Displaced Employees (which is authorized by subpart 5 CFR 330-F of OPM's regulations), and the "Interagency Career Transition Assistance Plan" (ICTAP) for Displaced Employees (which is authorized by subpart 5 CFR 330-G) of OPM's regulations).

o Restructuring Information Handbook Module 7 covers the "CAREER TRANSITION ASSISTANCE PLAN."

o Restructuring Information Handbook Module 8 covers the "INTERAGENCY CAREER TRANSITION ASSISTANCE PLAN."

o These programs were originally implemented in 1995, as a provisional replacement for the IPP with a sunset date of September, 1999.

o Since 1996, almost 44,000 displaced Federal employees facing RIF separations have been given career transition assistance and selection priority for other jobs. In addition, over 18,000 surplus and displaced Federal employees have been rehired into other positions either within their agency or in positions in other agencies. These results far exceed the track record of the old IPP.

(b) The programs set up under these regulations incorporate a new concept of career transition assistance for displaced workers.

o Instead of having OPM attempt to place surplus workers in new jobs from a centralized inventory (the traditional governmentwide approach used to assist displaced federal employees under the old IPP), the new career transition program empowers individual workers to find, apply and exercise priority for specific vacancies in which they themselves are interested. It seeks to motivate and reinforce an employee's self-interest in finding work opportunities by giving displaced workers the resources and hiring priority necessary to support their transition to other employment.

(c) Career transition assistance consists of four components:

(1) Programs to provide career transition services to the agency's surplus and displaced employees;

(2) Policies for retraining displaced employees for new career opportunities;

(3) Policies that require the selection of a well-qualified surplus or displaced internal agency employee who applies for a vacant position in the commuting area, before selecting any other candidate from either within or outside the agency; and

(4) Policies that require the selection of a well-qualified displaced employee from another agency who applies for a vacant position in the commuting area before selecting any other candidate from outside the agency.

(d) Federal agencies are required to implement Career Transition Assistance Plans to provide career transition services to their surplus and displaced employees, and give special selection priority to these workers. These regulations set minimum standards for the plans, which can be supplemented at the agency's discretion.

(e) At the time of the issuance of the President's directive the Department of Defense (DOD) already operated an effective program, the Priority Placement Program, which provides selection priority to surplus and displaced employees within the Department. This continuing program is not subject to the special selection requirement affecting employees under the Career Transition Assistance Plan. The Department of Defense is subject to the other elements of these regulations and its employees are eligible for the benefits provided by these programs.

(f) As part of their career transition program, agencies are encouraged to establish career transition centers in order to assist in placing employees who might otherwise be reached for reduction in force. Agencies can establish a career transition center staffed by its own employees or outside consultants.

2. RESPONSIBILITIES OF OUTPLACEMENT STAFF. The responsibilities of an outplacement staff include:

(a) Sponsoring job fairs to provide employers an opportunity to provide information to prospective employees about their company, to discuss job openings, and to interview job candidates.

(b) Leading the establishment of job clubs to share employment opportunities, train job club leaders, and facilitate weekly job club meetings.

(c) Networking with local public and private sector employers, as well as with local associations such as the Chamber of Commerce, that can assist with career transition, placement, and retirement programs.

(d) Maintaining liaison with state employment offices which can assist in referrals for employment, and explain employees' entitlement to unemployment compensation.

(e) Assisting employees in resume preparation, interviewing techniques, and tips for successful job hunting.

(f) Providing, through automated information systems, demographic information on occupational listings and job openings, cost of living data, economic forecasts, etc.

(g) Coordinating workday training and workshops on topics such as "Resume Preparation," "Financial Awareness," "Career Transition," and "Retirement Counseling".

3. OUTPLACEMENT AND CAREER TRANSITION INFORMATION AVAILABLE FROM OPM-GENERAL.
The U.S. Office of Personnel Management has set up several Internet websites to assist surplus and displaced Federal employees in finding other employment:

(a) OPM's USAJOBS Internet site (<http://www.usajobs.opm.gov>) provides information on Federal employment and complete vacancy listings which are updated daily.

(b) A joint website operated by the U.S. Department of Labor in partnership with the U.S. Office of Personnel Management, entitled "Planning Your Future - A Federal Employee's Survival Guide" (<http://safetynet.doleta.gov>), provides a wide range of critical information to Federal employees who are affected by downsizing and are attempting to make successful career transitions, especially to occupations in the private sector.

(c) Additional downsizing information is available on OPM's Internet website (<http://www.opm.gov>).

o Additional information on these sites and other career transition resources is available from OPM's Workforce Restructuring Office at (202) 606- 0960; (202) 606-2329, FAX.

4. OUTPLACEMENT AND CAREER TRANSITION INFORMATION AVAILABLE FROM OPM-Workforce Restructuring Office. The Workforce Restructuring Office has produced Career Transition: A Briefing and Resource Guide on CD-ROM. This CD is designed to provide agencies and displaced employees with up to date information on the CTAP and ICTAP programs, separation benefits, job search assistance, website resources, and special help available from OPM including USA Careers. To receive ordering information please call (202) 606-0960.

o The Workforce Restructuring Office also produces "The Employee's Guide to Career Transition Assistance," which is available on OPM's websites, as well as directly from OPM at (202) 606-0960.

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION 10. TRAINING AND RETRAINING EMPLOYEES

1. DIFFERENCES BETWEEN TRAINING AND RETRAINING. Retraining programs are designed to prepare individuals for different careers, or to perform differently. The term "training" as we know it, is generally designed to help us perform our current jobs better. OPM defines retraining as (1) training and other development administered to an individual to close skills gaps resulting from obsolescence; and (2) training and development designed to equip an individual with knowledge and skills leading to another occupation. Retraining focuses on the basic competencies needed in a new or redesigned job and rarely addresses advanced level technical skills.

2. PURPOSES OF RETRAINING. Retraining assists agencies in redirecting their human resources to address skill imbalances or projected skill shortages resulting from internal and external factors. Agencies can use retraining programs to expand the knowledge and skills of workers through multiskilling and cross-training; and to help stabilize the work environment and build morale, particularly when used as an alternative to downsizing.

3. CURRENT LAWS AFFECTING RETRAINING. Several valuable programs are available for retraining employees, as covered in 1-B-10-3-(a) through (e) below:

(a) The Economic Dislocation and Worker Adjustment Assistance Act assists workers who have been laid off and are unlikely to return to their previous occupation.

o Administered by the Department of Labor, this program allows a wide range of services to help individuals such as skills assessments, job development, counseling, and job search assistance.

(b) Section 5 CFR 410.301(c), which is derived from Chapter 41 of title 5 U.S.C., permits agencies to retrain employees for other occupations based on organizational needs and when vacancies exist. If new jobs offer more promotion potential to employees, the employees must also compete to enter retraining programs. These competitive processes must be consistent with merit principles and EEO considerations.

(c) The Federal Workforce Restructuring Act of 1994 (Public Law 103-226) amended Chapter 41, section 4101(4) of title 5, U.S.C. to define "training" as the process of providing for and making available to an employee, and placing or enrolling the employee in, a planned, prepared, and coordinated program, course, curriculum, subject, system, or routine of instruction or education, in scientific, professional, technical, mechanical, trade, clerical, fiscal, administrative, or other fields which will improve individual and organizational performance and assist in achieving the agency's mission and performance goals.

(d) The Act also amended section 5 U.S.C. 4103(b) by allowing agencies to train any employee of the agency to prepare that employee for placement in another agency, if the head of the agency determines that such training would be in the best interests of the Government. The amendment relaxed the requirement that the employee be faced with separation before he or she could be trained for placement in another agency.

(e) In January 1995, the U. S. Office of Personnel Management issued final regulations that authorize an agency to issue a Certification of Expected Separation to an employee who the agency expects will be separated within 6 months by a reduction in force. The CES notice allows employees to register early for outplacement and retraining services provided both through both the agency, and through programs under the Job Training Partnership Program administered by the Department of Labor.

4. ELEMENTS OF A SUCCESSFUL RETRAINING PROGRAM. A good agency retraining program should have the following elements:

- (a) Top management support;
- (b) Program goals linked to the strategic goals of the organization;
- (c) Good communication and information sharing;
- (d) Retrained employees are assured of placement;
- (e) Management ensures that employees who enter retraining programs have the basic skills required for entry;
- (f) Employee selection for the programs is designed so retrainees have the greatest opportunity for success;

- (g) A retraining team should be formed for large organizations;
- (h) Needs assessment is conducted to determine what competencies are needed for new occupations;
- (i) A retraining curriculum is developed;
- (j) Managers and Human Resource professionals of the new organization help develop and deliver components of the program;
- (k) The program incorporates counseling to help employees cope with the psychological consequences of changing or losing jobs;
- (l) The program includes technical, interpersonal, and analytical skills training as well as activities that help individuals adjust to other work cultures or environments; and,
- (m) The program includes classroom and structured on-the-job training.

5. DEPARTMENT OF LABOR AND STATE EMPLOYMENT SERVICE ACTIVITIES. The State Employment Offices offer many services for employees facing the possibility of job loss. For those facing unemployment, the local state employment office serves not only to make referrals but is usually the office where employees get unemployment compensation. If planned in advance, many such offices will provide personnel who will come on-site to register employees and explain their rights and benefits. Employment counselors may also be available to be on-site for lunch time presentations to job clubs. Early contact with the state employment office is often beneficial to allow the local office to prepare for registration of displaced employees.

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION 11. OPM REIMBURSABLE RESTRUCTURING SERVICES

Restructuring can be expensive in so many ways. The cost of not doing it right can be both financially and emotionally devastating to an organization. Avoid the pitfalls of restructuring by tapping into the wealth of experience and expertise of OPM's consulting staff. The following are examples of the range of restructuring services OPM can provide. For additional information and pricing on these or other restructuring services, contact OPM's Restructuring Services Program at OPM's San Francisco Service Center, at 415-281-7094. You may also e-mail restructuring@opm.gov or call your local OPM Service Center.

1. Agency-Specific Restructuring Planning - OPM can act as an organizational consultant for client agencies. We will propose appropriate solutions and systems for your specific restructuring goals. Solutions include organizational structure redesign, design and development of human resource systems to support restructuring goals, change management, and competency identification, assessment and development.

2. Reduction in Force (RIF) Planning and Implementation - The reduction in force process is very technical, and compliance is critical. OPM can provide on-site technical consultation to agency executives, partnerships and HR staff. We also can manage some or all of the process, from planning through execution, with automated systems, database and records management, briefings, assignment right determinations, benefits options, outplacement and more.

3. Career Transition Assistance - OPM has a number of tools and services to assist agencies in transitioning their employees to another job or career field in the agency or to employment outside of the organization.

(a) USACareers- "USACareers" is an automated program which is designed for self-assessment, career planning, career transitioning, workforce re-engineering and job searching. This program allows employees to assess their strengths and weaknesses in their current or desired occupation. Based upon this assessment, employees can manage their career by creating a Career Development Plan. A module on career exploration allows employees to research careers in the public sector job market.

o This program also connects with OPM's database of more than 4000 Federal, state, local, and private sector job opportunities to provide employees with ready access to current job openings. USACareers is available through the Internet on a subscription basis.

o To see a free demonstration of USACareers, visit the web site at <http://www.usacareers.opm.gov>.

(b) Results Based Career Transition - OPM will work with agencies to tap the energies of in-house employees to help with successful transitions. We have helped several agencies outplace employees and move them into new careers, new education, or retirement - whatever they want. We set up programs of peer counseling - just one way to make sure transitioning employees get what they want during this difficult time. We have also conducted career and outplacement job fairs. We will set up the event, market it, create skills summaries, and more.

(c) Succession Planning - As a result of restructuring or downsizing, many agencies face a critical shortage of technical expertise and skilled managers to replace key personnel as positions vacate. This shortage is due to several factors: loss of talent through the downsizing/restructuring process (either directly or indirectly); lack of recruitment in recent years which normally brings new people into the pipeline; the increasing average age of the workforce which results in a bulge of retirement eligibles in the near future; and organizational flattening which translates into a smaller selection pool for promotion into middle and upper management positions.

o OPM can provide succession planning services which include the development of a succession plan unique to the needs and goals of your organization; identification of key positions, assessment of critical competencies; selection tools; and training and development plans.

o OPM has the expertise to help your agency prepare for the challenges of the 21st century.

MODULE 1 (RESTRUCTURING PLANNING AND ALTERNATIVES), UNIT B (GUIDANCE). SECTION
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