U.S. Department of Transportation

STRATEGIC HUMAN CAPITAL PLAN
2007-2011

September 2007

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Part 1. Introduction, and DOT Vision, Values, Mission, and Goals

Section 1-1. Introduction

Composition and History of the Department
The U.S. Department of Transportation (DOT) was created in 1967 to coordinate a number of existing, separate transportation-related agencies, some of which had existed since the 1700s. These organizations have striking and significant differences in their missions, stakeholders, customers, and history, and have continued to operate with considerable autonomy in most administrative program areas, including the management of human resources.

Operating Administrations (OAs) have been added and removed over the years, and the size of the workforce has fluctuated with these and other changes. Today DOT has about 53,000 full-time permanent employees in the Office of the Secretary, the Surface Transportation Board, the Office of the Inspector General and 10 OAs:

Federal Aviation Administration (FAA)
Federal Highway Administration (FHWA)
Federal Motor Carrier Safety Administration (FMCSA)
Federal Railroad Administration (FRA)
Federal Transit Administration (FTA)
Maritime Administration (MARAD)
National Highway Traffic Safety Administration (NHTSA)
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Research and Innovative Technology Administration (RITA)
Saint Lawrence Seaway Development Corporation (SLSDC)

"ONE DOT"
In the 1990s, DOT began emphasizing cooperative efforts and increased communication under the "ONE DOT" theme we often use today. The Office of Management and Budget's (OMB) decision to track a Cabinet Department's progress under the President's Management Agenda (PMA) as a single entity has unquestionably provided additional incentive and focus for cooperative approaches in the area of human resource management.

Human Capital Planning in DOT
In September 2002, DOT issued its first Human Capital (HC) Plan which revised and expanded its previous Human Resources Strategic Action Plan to incorporate the standards of the PMA. An ambitious range of initiatives were established both at the Departmental and Operating Administration (OA) levels to ensure that planning and management of human talent became more strategic, disciplined, and measurable.

Employees across the Department worked together to further define and accomplish these initiatives and, as a result, DOT was rewarded with a PMA status score of "green" in July 2004, which it has retained. In September 2004, DOT issued a new Strategic Human Capital Plan with new objectives and milestones to further increase measurable support for Department programs. In its 2005 audit of the Department's human resource offices, the Office of Personnel Management (OPM) found considerable evidence that every Operating Administration was utilizing Department-level programs and initiatives as well as developing tailored approaches. In its more recent assessment of DOT's first Accountability Report under the new self-accountability system, OPM was once more complimentary about the range and specificity of DOT's human capital improvement and oversight activities.

In its 2004 plan, DOT attributed its human capital achievements to the three key ingredients of **focus, integration, and teamwork**, and all three of these remain critical today. By "focus," we mean that we choose those activities with the highest likelihood of adding measurable value to the Department's key programs, and track their actual performance against expectations. "Integration" refers to a multi-dimensional design principle that fashions activities to accomplish objectives for more than one standard within the human capital framework and across PMA initiatives as well. For example, efforts to close skill gaps, manage and preserve knowledge assets, and ensure succession pipelines all depend, in part, on learning strategies, and DOT has designed learning and development programs to accomplish all of these goals.

"Teamwork" is a critical guiding principle in governance, planning, and execution of human capital work. In governance and planning, it has been critical to maintaining leadership awareness and participation at every level, which in turn ensures that human capital activities keep their alignment to program priorities, and are reflected in planning and budgeting documents. As the Department's Chief Human Capital Officer, the Assistant Secretary for Administration exemplifies teamwork by working closely with the Department's Chief Financial Officer/ Assistant Secretary for Budget and Programs to ensure that human capital initiatives are prioritized in the budgetary process and receive necessary funding.

Partnering with other offices within DOT and with employee groups also helps us ensure that we support priorities important to them and consider their views in the specific approaches we choose. As crucial as these internal partnerships are, DOT also depends on partnerships with external stakeholders, such as the Partnership for Public Service, OPM, and numerous organizations that represent specific talent demographics, such as veterans, people with disabilities, and Hispanics.

In execution, sharing both authority and responsibility across a number of stakeholders leverages the best of what each organization and individual can contribute for the good of all. At a very practical level, partnership

arrangements also allow HC planners to spread workload and avoid or lessen some costs, while distributing those that remain in the way that best suits the timeframe and nature of the activity.

Updating the Strategic Focus for Human Capital Planning

DOT recently issued its Strategic Plan for 2006 – 2011 (**www.dot.gov/stratplan2011/**).   This Strategic Human Capital Plan explicitly ties itself to the vision, values, mission, and strategic objectives in the updated DOT Strategic Plan, excerpted below. The Secretary and her direct reports continue to refine the specific strategies and performance targets goals, and as they do so, the priorities and specific activities defined in this plan will change as well.

Section 1-2. DOT Vision, Values, Mission, and Goals

(This section is an extract from the 2006-2011 DOT Strategic Plan.)

"New Ideas for a Nation on the Move"

As President George W. Bush has clearly recognized, safe, efficient transportation systems are essential to America's continued economic vitality, our ability to compete in a global economy, and most importantly, to the quality of life of all Americans. The United States' economy out-paced the economies of other major industrialized nations in 2005. During the latest quarter, the economy grew at an impressive 4.8 percent and no sector of the economy experienced more robust growth than the transportation sector. But that sustained growth requires some serious rethinking about the way that we build, finance, manage, and maintain the transportation systems that move our people and our economy. In celebrating the 50th Anniversary of the Interstate Highway System, we recognize that the transportation networks that have served our Nation very well in the past must rise to even greater challenges in the future.

Today, our vital transportation infrastructure is showing signs of aging. We are experiencing increasing congestion on our highways, railways, airports and seaports. We are robbing our economy of productivity and our citizens of quality time with their families. In some cases, this is the result of systems and structures that are more suited to a bygone era than to the 21st century. Our mission can still be described by the words of President Dwight D. Eisenhower 50 years ago. He said that building the system would be "a journey, not a destination." Now that journey is more complex. It takes us around the globe moving people and goods 24/7, and linking us to distant places in real time through the Internet. It is clearly time for *"New Ideas for a Nation on the Move."*

This Strategic Plan describes the Department of Transportation's new ideas through goals, strategies and the results we will achieve to improve the United States transportation sector. We have set policy goals in five strategic areas: Safety, Reduced Congestion, Global Connectivity,

Environmental Stewardship, and Security, Preparedness and Response. We describe our goals for making DOT a more effective Federal agency in our chapter on Organizational Excellence.

DOT Values

Professionalism
As accountable public servants, we exemplify the highest standards of excellence, integrity, and respect in the work environment.

Teamwork
We support each other, respect differences in people and ideas and work together in ONE DOT fashion.

Customer Focus
We strive to understand and meet the needs of our customers through service, innovation and creativity. We are dedicated to delivering results that matter to the American people.

THE DOT Mission
"The national objectives of general welfare, economic growth and stability, and the security of the United States require the development of transportation policies and programs that contribute to providing fast, safe, efficient, and convenient transportation at the lowest cost consistent with those and other national objectives, including the efficient use and conservation of the resources of the United States."

Overview of DOT's Strategic and Organizational Goals

Strategic Goals

Safety: Enhance public health and safety by working toward the elimination of transportation-related deaths and injuries.

Reduced Congestion: Reduce congestion and other impediments to using the Nation's transportation system.

Global Connectivity: Facilitate an international transportation system that promotes economic growth and development.

Environmental Stewardship: Promote transportation solutions that enhance communities and protect the natural and built environment.

Security, Preparedness and Response: Balance transportation security requirements with the safety, mobility and economic needs of the Nation and be prepared to respond to emergencies that affect the viability of the transportation sector.

Organizational Goal

Organizational Excellence: Advance the Department's ability to manage for results and achieve the goals of the President's Management Agenda.

Human capital is explicit and prevalent in the 2006 - 2011 DOT Strategic Plan. As stated in the DOT Strategic Plan: "To make DOT the most desirable place to work in the Federal Government and the internationally recognized focal point for transportation core competencies, we must face and address a number of challenges in the years ahead. Most critically, we must attract the best, the brightest and the most diverse workforce and inspire a new generation of innovators in transportation. Each of us has the responsibility to help DOT become the employer of choice not only within the transportation sector but also within the Federal Government."

Human capital and workforce diversity strategies outlined in the DOT Strategic Plan include the following:

▸ Sustain a work environment free from discrimination by identifying and enforcing equal employment and diversity performance standards at the management level and enforcing disciplinary measure towards any employee that violates equal employment opportunity laws.

▸ Conduct workforce planning to identify both mission and workforce trends, assess mission-critical core competencies, and implement plans to close gaps through vigorous learning and knowledge management approaches, targeted recruitment, and succession planning.

▸ Improve the quality, timeliness and availability of workforce information and implement the workforce development plan established under the Department's Management Directive 715 Program that will result in a workforce of highly qualified individuals from diverse race/national origin/gender groups and individuals with disabilities.

▸ Identify and utilize opportunities for career development, conduct and analyze employee satisfaction surveys, and target specific strategies to address these issues.

▸ Sustain a learning environment that drives continuous improvement in performance through knowledge management, training, performance evaluation, coaching and mentoring.

▸ Increase awareness and use of Alternative Dispute Resolution (ADR) to resolve conflicts by providing training on the benefits of such programs, creating incentives for the use of ADR by impacted parties, and requiring its use, where possible and appropriate.

Part 2. Review of Human Capital Accomplishments and Status

When DOT published its 2004 Human Capital Plan, it was a report of accomplishments in the face of challenge, because human capital achievements had competed for resources and leadership attention with the daunting tasks of creating and staffing the framework of the Transportation Security Administration (TSA), and then transitioning TSA and the Coast Guard to the newly created Department of Homeland Security. The period between that plan and this one has also been one of challenges.

Disaster Response—DOT is among the agencies with significant disaster response roles, with a responsibility for moving people and goods. The Department responded ably to the tragic flooding from Gulf Coast hurricanes in 2005. It oversaw the formation of an emergency bus fleet that rivaled Greyhound's commercial fleet, and coordinated the Nation's largest domestic airlift. Human resources organizations had a role in tracking both employees affected by the floods and those deployed in an assistance role, in addition to traditional guidance on such matters as leave and pay. As the Department reviews and upgrades its Continuity of Operations Plan (COOP) and other plans for disaster response, its human resources leadership also plays a role in the preparation of plans and guidance and in the planning and evaluation of readiness exercises. DOT's Chief Human Capital Officer has made her organization within DOT a pilot to test teleworking and communications during emergencies.

Systems Migrations—Also in 2005, DOT experienced an agency-wide OPM review at the same time it was beginning the massive and complex migration of its HR and payroll data from legacy systems to the Department of Interior's integrated Federal Personnel and Payroll System (FPPS). While moving DOT's own employee records to FPPS, the HR Systems staff also supported the migration of TSA and Coast Guard records from DOT's legacy system to the National Finance Center, the Shared Service Center for the Department of Homeland Security. Every program that depends on personnel data has had to adjust to the differences in what is available. DOT was also required to shut down many separate individual systems used to track and deliver training in favor of an integrated Electronic Learning Management System (eLMS).

Resource Constraints—As the Nation rebuilds shattered Gulf Coast communities and fights a global war on terror, DOT, like other domestic agencies whose funds are deemed discretionary, has experienced flat appropriations. Drawing on these resources have been the unbudgeted expenses for the massive disaster relief efforts and system migrations already described, as well as other more predictable costs, such as the annual general salary increases. The withdrawal of TSA and Coast Guard from the DOT working capital accounts raised the overhead expenses for the remaining DOT entities and both the Aviation and Highway Trust funds saw

declining balances. This scarcity of funds and staff has forced DOT to pace and prioritize its human capital activities even more closely than in the past.

Despite these challenges, DOT has made significant progress in building and institutionalizing its infrastructure for the strategic management of talent. The accomplishments listed and described below are only the highlights since September 2004.

Section 2-1. Strategic Alignment

In September 2006, DOT reissued its Strategic Plan for 2006-2011, New Ideas for a Nation on the Move. Through Department-wide efforts and specific input from HR leadership, there is unprecedented emphasis on human capital articulated in the 2006-2011 DOT Strategic Plan. For example, one human capital strategy in support of the Safety strategic goal is to "Provide and collaborate in safety training for transportation professionals, continuously updating the training to reflect advances in the state-of-the-art and state-of-the-practice and to meet changing training needs." Another human capital example is cited in the Global Connectivity strategic goal: "Invest in the capabilities of the Department's international program staff by recruiting a multilingual transportation workforce and developing core competencies in subjects related to international transportation." In the Environmental Stewardship strategic goal, a human capital strategy is to "Invest in the capabilities of the DOT workforce by hiring individuals with education and experience related to the nexus of transportation, energy and the environment such as urban and regional planning, economic development, environmental sciences and environmental law. In addition, the "Organizational Excellence" goal is targeted to "advance the Department's ability to manage for results and achieve the goals of the President's Management Agenda."

Workforce Planning
Workforce planning at DOT is a systemic process. DOT acquired access to the Workforce Analysis Support System (WASS) and Civilian Forecasting System (CIVFORS) and trained OAs on their use to answer sophisticated questions about the workforce or specific demographics within it, and to forecast future trends and needs that improved the linkage between the corporate recruitment program and workforce planning. The workforce planning process at DOT relies on empirically-based and systematic identification and assessment of trends and projections regarding losses, gains, and risk areas, as well as a menu of options for addressing employee turnover at each OA. This data helps drive decisions and policies in areas such as quality of work life programs, retention incentives, training/development plans, recruiting strategies, and outsourcing.

The Departmental and OAs' workforce plans demonstrate how workforce planning is aligned with DOT's mission and goals. The plans include mission-

critical success factors, staffing data (e.g. supply/demand); gap analysis (e.g. at-risk occupations); strategies to resolve gaps (e.g. budget formation and coordination and communication planning); and competitive sourcing information.

In addition, DOT initiated a pilot to examine mission critical occupations that cross OA lines. The pilot is intended to provide a repeatable, data rich workforce analysis and planning model that can be used for other mission critical occupations in the future. DOT's 2007 Workforce Plan update and this 2007-2011 Strategic Human Capital Plan are available on the Departmental Office of HR Management's website (**http://dothr.ost.dot.gov**).

> *OA Spotlights.*
> **FAA** *updated its workforce plan for Air Traffic Controllers, so its facilities are staffed based on trends and traffic. This ensures the right number of controllers working in the right place at the right time. FAA also increased the number of air traffic controller classes at the FAA academy, increasing the use of simulation tools, and began moving controllers to facilities with the size or complexity most commensurate with their experience.*

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> **FRA** *conducts formal workforce planning in its largest mission critical occupation (MCO), Railroad Safety Inspector, as well as several other key occupations. This ongoing effort enables FRA to identify, attract, develop, and retain the necessary combination of skills needed to continue meeting and surpassing performance targets. FRA is completing gap analysis reports and improvement plans for closing any identified gaps during FY07 and FY08. To complement these workforce planning efforts, FRA uses Voluntary Separation Incentive Payments (VSIP) and Voluntary Early Retirement Authority (VERA) to facilitate position restructuring efforts through September 30, 2007. FRA is contracting to ensure support for formal workforce planning through 2011.*

Organizational Restructuring

Using competitive sourcing as an effective workforce planning tool, FAA held the largest Federal competition to date, the Automated Flight Service Station A-76 competition, with explicit modernization and restructuring goals. Since the award in February 2005, the successful bidder, Lockheed Martin, is partnering with FAA to upgrade technology and close and consolidate offices. Financial management functions were consolidated in Oklahoma City, which is now one of OMB's four financial management Centers of Excellence, serving DOT and other customers. DOT migrated all OAs to Interior's FPPS under the HR Line of Business (LOB) initiative. The Department laid the groundwork for further process and organizational improvements in HR by initiating electronic Official Personnel Files (eOPF) and discontinuing storage

and maintenance of paper copies. OST restructured to upgrade skills and accommodate a significant budget deficit.

> ### *OA Spotlights.*
> *In 2005, the Research and Special Programs Administration (RSPA) was abolished by the Norman Y. Mineta Research and Special Programs Improvement Act This major reorganization placed some of RSPA's emergency and security functions in the Office of the Secretary and created two new Operating Administrations: **RITA** and **PHMSA.** The Bureau of Transportation Statistics was made a part of RITA. The goal of the reorganization was to allow each administration to benefit from a single focus: RITA on innovation and PHMSA on safety.*
>
> ***MARAD** has announced an impending reorganization to modernize the agency while improving support of its traditional missions. A message about the reorganization from the MARAD Administrator may be found at this site:* **www.marad.dot.gov/Reorganization%2007/reorg_template% 20w-change.html**

HR as a Strategic Partner
HR is valued as a strategic partner across the Department. HR supported DOT's response to Katrina and Rita disasters with tracking of employees involved in emergency response; initiated HR competency assessments and improvement plans; conducted many instances of training for HR staffs; used new self-accountability system as both a source of information about skills shortfalls and a developmental opportunity for participating staff; and required OAs to set targets for measurable improvement in their HR Balanced Scorecard scores, particularly in areas rated by customers. For the first time, HR achieved an average score of 80 on service partnership.

Section 2-2. Leadership and Knowledge Management

Leadership and Succession Management
DOT developed a competency model for DOT leaders at three defined levels and conducted three rounds of competency assessments. The competency that showed the greatest need for improvement in most OAs was conflict management, and the HR community worked with DOT's Office of Civil Rights (DOCR) and DOT's Center for Alternative Dispute Resolution (CADR) as well as external partners to increase both the amount of training given and the emphasis on skills improvement in this area. Scores in most OAs showed significant improvement upon retesting. FHWA selected the financial management competency, based both on its baseline scores, and on the strategic direction of the OA. It surpassed its improvement goal. FAA selected four competencies from its own leadership competency profile.

DOT hosted OPM-conducted training on succession management for all OAs and subsequent training from the Corporate Leadership Council. The Department also updated its succession planning model and implementation plan to incorporate OPM guidance; monitored a FAA succession planning pilot and shared lessons learned with other OAs; led OAs through a process to identify at-risk high leverage positions and design bench strength strategies; strengthened Senior Executive System (SES) pay for performance system and received full certification; issued new policy on supervisory and management probation with input from leader focus groups; and instituted mandatory training for leaders in performance management. The Secretary declared leadership improvement a priority, and the FTA Administrator answered the call for a "champion" by conducting a leadership forum.

> ### OA Spotlights.
> *As a new organization with constrained budgets, **RITA** had significant leadership gaps caused by the sheer number of vacant leadership positions. Recognizing that the right leadership talent would be crucial to all future success, the Acting Administrator made filling these positions a priority. Between January and July, 2007, RITA brought the total of new SES leaders to eight.*

Knowledge Management/Learning Culture

DOT was among the first agencies to acquire an electronic learning management system, which has been used for both training delivery and competency assessment. The system is populated with courses that are available to any employee with internet access on a 24/7 basis. The Department began data collection and system upgrade for eLMS to accomplish the first annual report on all employee training to OPM and also began planning for expansion of system functionality to support employee learning. DOT issued guidance to all OAs on training evaluation; benchmarked best evaluation practices; initiated requirement for higher level evaluation of all training used to close critical competency gaps; and hosted a session highlighting knowledge management techniques used in four OAs.

> ### OA Spotlights.
> *The agency's enterprise architecture is being leveraged across all **FRA** lines of business to set standards, processes, and resources for the total lifecycle management of data, as well as improving the ability to exchange data and information between systems at FRA, DOT, and the railroad industry. The Knowledge Management Program's objectives include establishment of a collaborative on-line environment with enhanced document management, information retrieval, archiving, calendaring, and web site creation/management capabilities. The agency's first Knowledge Management Plan will be completed by September 30, 2007.*
>
> ***FHWA's*** *web-based communities of practice are featured on the home page of its web site (**http://knowledge.fhwa.dot.gov**), which*

invites readers to "Join a group of your peers throughout the highway community to discuss, collaborate, and exchange ideas and practices on a wide range of interesting and timely topics on one of the FHWA Knowledge Communities."

Section 2-3. Performance Culture

DOT completed migration of all OAs to performance systems that make distinctions in levels of performance and issued new policies on performance management, recognition and awards, supervisory probation, and employee probation. Additionally, DOT performed on-site reviews of all OAs' award and recognition programs for effectiveness and compliance and conducted assessments of all OAs against OPM's PAAT criteria, in which two OAs, including the first performance pilot site, achieved passing scores. DOT established a second performance pilot site; populated its "Supervisors' Toolkit" web site with guidance on performance management topics; began compliance monitoring to ensure that performance evaluations are timely completed for all employees; and instituted mandatory training for leaders on performance management subject matter, including development and communication of standards and expectations, and delivery of performance feedback.

> ### OA Spotlights.
> **FAA** *has taken full advantage of personnel reforms approved by Congress in the mid-1990s, primarily by expanding its Core Compensation program that links employee pay to performance and ties it directly to the Flight Plan. The National Air Traffic Control Association (NATCA) air traffic controller contract implemented last year brought the percentage of FAA employees covered by Core Comp to over 80%. Another NATCA bargaining unit – the Architects and Engineers – may also come into Core Comp early this summer, and over the next 18 months FAA will work to move the remaining bargaining units into the program to cement a pay-for-performance culture across the agency.*
>
> *Both* **FHWA** *and* **FMCSA** *have achieved passing scores on OPM's PAAT performance system assessment tool.*
>
> ### DOT Spotlight.
> *As part of the SES performance management system, Heads of Operating Administrations work with the Office of the Assistant Secretary for Budget and Programs to complete an annual organizational assessment. Organizational assessments, which affect senior executives' pay increases and bonuses, evaluate the organization's measurable results against established criteria, such as the PMA, DOT's Strategic Plan, and agency goals. The assessments encompass organizational performance data that is reported annually*

> *to OMB on the Performance Accountability Report, the Program Assessment Rating Tool, and the Government Performance and Results Act report.*

Section 2-4. Talent

During the last few years, DOT has significantly refined its approaches to competency mapping, assessment, and improvement. DOT acquired a Competency Assessment and Management Tool (CAMT) to perform web-based assessments. We performed/facilitated competency assessments for DOT leaders, Information Technology, HR, Acquisition, Engineers, and several OA specific occupations, including Financial Management Specialists in FHWA and Rail Safety Inspectors in the Federal Railroad Administration FRA. We conducted training for OA staff in competency measurement and management.

DOT uses career patterns and smart marketing to recruit and retain diverse groups. Diversity - including, but not limited to, skills, education, background, experience - is vital to DOT's success and key to helping the Department achieve its strategic goals. At DOT, diversity is framed around three critical success factors that drive our recruitment and retention initiatives: 1) engaging our leadership/leadership commitment, 2) partnering with stakeholders, and 3) monitoring our workforce through data analysis.

For example, leadership commitment and accountability are important components in breaking down barriers and creating a culture where all employees can reach their full potential. Consequently, the Secretary's Diversity Advisory Council (DAC) was established to advise the Secretary of Transportation on diversity management initiatives throughout the Department. One of the DAC's tasks is to connect Senior Executive leadership to embrace diversity as a core aspect of DOT's mission. The DAC members consist of SES level officials appointed by the head of their modes; including employee and union representatives.

Recruitment

DOT refined data collection to improve feedback about successful recruitment outreach strategies and partnered with external stakeholders to develop new sources of diverse, high quality talent. The Department also held two forums to encourage and facilitate hiring of persons with disabilities; marketed workforce flexibilities, like telework and alternative work schedules, and improved vacancy announcements to appeal to selected career patterns; and became the first agency to integrate external hiring system with OPM's Recruitment One-Stop. All external applicants get automatic system generated notices when their applications are received and their eligibility is determined, and are given a link to check the status of their applications at any time. DOT met OPM standards for timeliness of offers at GS-15 and

below and significantly improved timeliness of SES hires, from over 100 days to 70 days; implemented and grew a succession program to bring in diverse talent for mission critical occupations using the Career Intern authority; and reviewed survey data on manager and applicant satisfaction with hiring. The only OA to receive enough feedback for action planning was FAA, and it implemented improvement plans informed by the data. The Department facilitated training on category ranking and closely reviewed results for those that adopted the flexibility. As a result of improper actions discovered through the accountability process, one OA lost its ability to issue un-reviewed certificates. We also partnered with the Department of Defense and external organizations to provide temporary and permanent employment opportunities for wounded veterans.

> *OA Spotlight.*
> ***FAA*** *is actively recruiting entry-level controllers from the general public including universities, military transition centers, state and local employment services and government recruitment centers. It has used technology to expand its recruitment reach and has promoted the agency on MySpace, FaceBook, and CraigsList, as well as newspaper and radio ads. A joint effort between the FAA and the Department of Veterans Affairs enables veterans with disabilities to take advantage of on-the-job training opportunities through FAA's new Veterans' Employment Program. This initiative allows veterans with disabilities to train for air traffic control and airway transportation systems specialist positions.*

Retention

DOT strengthened disaster preparedness and communication with employees about expectations; re-issued the Telework Policy to emphasize role in disaster response; and conducted telework drills. The Department also held a Secretary-sponsored forum for agency leaders on telework and put training for employees and managers on the agency eLMS system. We made two-way communication techniques, such as focus groups and listening sessions, a mandatory component of analysis and planning connected with employee survey results and instituted exit surveys to determine reasons for employee attrition.

> *OA Spotlight.*
> *The* ***FAA's*** *Center for Early Dispute Resolution (CEDR) was established in September 2005. In its first year the Center handled 180 early dispute resolution cases and 210 employees completed 14 two-day Constructive Conflict Management classes. Logistical support is in place to expand this pilot program to other locations.* ***FAA*** *launched the new MyFAA Employee site on February 26, 2007 to improve internal communications. The new site is based on an employee-powered study in early 2006 as well as many sugges*tions *employees sent to the web management team over the last three years.*

Section 2-5. Accountability

In 2005, DOT hosted and participated in OPM review teams in DOT operating HR offices. The strong follow-up response on required and recommended actions allowed the review to be closed out, although one OA is still being monitored for performance system compliance. In 2006 DOT instituted a new self-accountability system, producing a policy, multi-year action plan, and cadre of trained reviewers, with OPM assistance.

The Secretary is committed to the human capital objectives of the President's Management Agenda and communicated to the Department's executives that human capital results are being monitored. Every leader in the Department, from Presidential appointees to the lowest graded supervisor, has a performance plan that outlines accountability for managing human capital and resources, as well as achieving business results.

DOT can cite results from accountability activities. The performance program manager began getting printouts that showed which employees in a particular system had and had not been appraised at the end of each performance year. OAs are required to give written explanations for all unrated employees, and ratings have increased. OST went a step farther at the end of its last cycle; it froze performance award payouts for any office where all employees had not been rated. Compliance greatly increased. DOT accountability staff established review for all competitive selection actions in a personnel office where irregular actions were found on review. The Acting Administrator of that Operating Administration asked for and received regular briefings on the compliance improvements of the activity. Accountability reviews provide an additional source of information about HR competencies, and team members have attested participating in reviews provides valuable learning and re-enforcement for program competencies.

DOT strengthened improvement responses to the HR Balanced Scorecard Instrument, which resulted in improved scores in most OAs; instituted mandatory Federal Human Capital Survey (FHCS) response planning; and prepared to administer the first DOT Annual Employee Survey in September 2007. DOT instituted new data monitoring approaches and conducted on-site reviews and issued its first annual accountability report, which received highly favorable OPM response.

PART 3. Changes in DOT Workforce Characteristics and Identified Needs.

Section 3-1. Workforce Characteristics

At the end of FY 2006, the DOT workforce had the following characteristics:

Workforce Size

The size of the DOT workforce has been trending downward over the last 10 years, due to a combination of strategic downsizing, the transfer of TSA and the Coast Guard to the Department of Homeland Security, and financial constraints that limit hiring from the outside. Future workforce modeling (using steady-state assumptions) projects a further decline of 8% of the total workforce by 2011.

▸ **Average age**: 46.7. The DOT workforce is on average older and has longer service (average 18.3 years) than most of the other PMA-scored agencies, whose average length of service in FY 2004 was 14.7 years.

▸ **Age distribution**: The distribution of DOT employees continues to skew towards the older end of the age spectrum. The proportion of employees older than 55 has consistently increased, and the proportion of employees younger than 40 has consistently decreased, from 1999 to 2006.

▸ **Average GS grade**: 12.6. The average grade at DOT continues to be higher than the Federal average (10.0). However, DOT has a high percentage of engineering and technical positions for which the full performance level is GS-12.

▸ **Retirement eligibility**: The combined age and length of service averages continue to make DOT vulnerable to loss of talent through retirement now. At the end of FY 2006, fully 17.1% of the workforce was eligible to retire. Across the Department, within the Mission Critical Occupations (MCOs), 36.1% of SES and 24.7% of Program Managers are currently eligible to retire. Within various OAs, other mission critical groups, including engineers and Air Traffic Controllers, are particularly vulnerable to near-term attrition due to retirement.

▸ **Turnover**: Terminations (all causes) outpaced new hires by a ratio of almost 3:1. This trend has continued and accelerated slightly over the last 3 years. The highest cause of terminations was retirement (64%), a trend that is projected to continue.

Mission Critical Occupations

At the end of FY 2006, the MCO population totaled 40,984 and represented 78.0% of DOT's total population, essentially stable compared to DOT's population in FY 2005. As in FY 04 and FY 05, the largest MCO groups are the Transportation Safety, Transportation Specialist, and Engineering job families.

DOT and the OAs have focused their attention on employees in the following categories designated as Mission Critical across the government:

- **Leaders**

  Total Population: Executives, managers and supervisors. The number of leadership positions as a proportion of the total DOT population remained essentially stable from FY 2005 to FY 2006. The demographic profile of leadership did not shift significantly. Despite retirements, these positions continue to be filled mostly by white men from the existing pipeline majority of white men.

  Retirement and Turnover: Among DOT's most senior Leaders (e.g., SES and equivalent), 36.1% are currently eligible to retire. Among supervisors and managers, generally at the GS-13-15 grade level, 18.5% are eligible to retire today.

  Competencies: The results of the Leadership Reassessment show DOT's continued success in closing gaps in its leadership competencies, and provide evidence that the strategies enacted by the Department throughout the past year have been effective in closing the competency gaps identified in FY 2006: conflict management (all OAs) and financial management (FHWA). FAA has determined a similar set of leadership competency improvement goals. Going forward, DOT has identified "performance management" as a competency for targeted improvement.

- **Information Technology** (IT) professionals

  Total Population: The force strength remained essentially stable from FY 2005 (2,039) to FY 2006 (2,003). The average age of this group is 47.1, up from 46.7 at FY 2005.

  Competencies: In conjunction with the Corporate Information Officer Council, DOT deployed the IT Workforce Capability Assessment to evaluate competency and skill "as-is" supply data for the four IT significant job families. While gaps exist across all IT job families, most are in the medium or small range, with only one classified as a large gap (i.e., Capital Planning and Investment). Further analyses indicated that DOT IT workers age 35 and younger have slightly larger average competency gaps and more large-sized gaps than do IT workers age 36 and older. Certain competency areas in which younger employees' proficiency is notably less than older employees

include Human Resource Management, Capital Planning and Investment Assessment, Financial Management, and Project Management. By comparison, Computer Forensics and Encryption are competencies in which older employees' proficiency is notably less than younger employees, and/or where older employees have more large-sized gaps.

The Department has created ways to address gaps in the specialized IT job activities. This includes performance measures that are aligned with DOT's 2004-2009 Information Resource Management (IRM) Plan strategy: *"Assuring assimilation of a qualified IT workforce to improve IT product and service delivery, through the development, recruitment and retention of highly qualified project managers, solution architects, and security specialists, and other personnel as identified."*

- **Human Capital** (HC) professionals

Total Population: The force strength of Human Capital professionals increased slightly (6.6%) to 560 over the 12-month period. The average age of this MCO group is 47.6 (no comparison data available for FY 2005)

Competencies: Organizationally DOT elected to focus its efforts on the competencies of *Interpersonal Skills* and *Teamwork*. In the FAA, all gaps in Interpersonal Skills and Teamwork at the 'Advanced/Expert' proficiency level were narrowed or closed. In addition, FAA closed all targeted competency gaps (*Customer Service, Compensation, and Labor Relations)* and now report surpluses in each of the three targeted competency areas at the 'Advanced/Expert' proficiency level. These core competencies were chosen by FAA human resource executives because they were critical to improving FAA HR's ability to achieve agency results and would better position the organization to meet difficult FAA human capital challenges. Moving forward, FAA HR continues to promote efforts to improve incumbent performance and increase organizational capability in other key competency areas that are integral to FAA's organizational success. DOT will continue to focus its efforts on closing the remaining gaps in *Interpersonal Skills* and *Teamwork*. Moving forward, DOT will focus on the Legal, Government, and Jurisprudence technical competencies.

- **Acquisition and Contracting** professionals

Total Population At the end of 2006, the population of acquisition and contracting professionals was 378, with an average age of 47.4 years. This population is projected to increase significantly over the next 4 years.

Competencies During FY 2007, DOT Contracting employees participated in the government-wide Contracting Workforce Competencies Survey sponsored by the Federal Acquisition Institute (FAI). The results of the survey will be used to ensure that the government provides appropriate development opportunities to the contracting workforce.

- **Engineers**
  Population: DOT employs people in 19 of the job categories identified by the Office of Personnel Management in its Position Classification Standards. The total population of engineers has decreased from 5674 in FY 2004 to 5412 in FY 2006. The average age is 47.2, a slight increase over FY 2006.
  Competencies: DOT is focusing its attention and resources on identifying competencies and assessing and closing gaps for the four most populous engineering job categories: General, Civil, Mechanical, and Electronics engineers. Although FAA and FHWA contain 88% of all the engineers in the Workforce Analysis Pilot, the positions are found in all the Operating Administrations. During FY 2006, DOT undertook a workforce analysis of its mission critical engineering positions. Results were not available for this report.

Representation

The proportion of white employees has not changed significantly in DOT over several years. White men hold 60.1% of all DOT positions, and 60.0% of all manager/supervisor positions. In January 2007, the DOT Department of Civil Rights reported, "DOT continues to be challenged in several areas. Overall, participation rates in the DOT workforce continue to be low for Hispanics, person with targeted disabilities, White women and Asian/Pacific Islander women. Persons with targeted disabilities, Hispanic, and White, American Indian, Black, and Asian/PI women are not well represented in upper grade levels in comparison to the rest of the DOT workforce."[1]

▸ **Race/National Origin**: All minority groups represented 22.2% of the DOT workforce, compared to 31.4% in the Federal workforce overall, a proportion that has not increased significantly since FY 2004.

▸ **Gender**: Women represent 26.6% of the population, compared to 45.0% in the Federal workforce overall. This figure has remained stable since FY 2004.

▸ **People with Disabilities**: represent 5.1% of the population; people with targeted disabilities represent .45% of the DOT population. These figures have not changed significantly since FY 2004.

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[1] DOT DOCR Annual Report, January 2007, p.5

▸ **Veterans** represent 27.6% of the employee population, relatively stable over the previous 12 month period[2].

Section 3-2. Anticipated Workforce Planning Challenges

The Department has built a robust quantitative and qualitative picture of its present workforce and future requirements, which will enable it to respond to workforce challenges from a position of strength. The current workforce characteristics and projections of the DOT workforce through 2011 (using a steady-state model) present the following challenges:

▸ **Funding**. As the traditional sources of Department funding decline, budget and time limitations will be significant factors in the implementation of workforce management strategies. The Department will continue to prioritize funding and budgeting requirements to meet agency and human capital goals.

▸ **Managing. Turnover:** With improved reporting at the aggregate level, the magnitude of retirement-based turnover will require the Department to address several related issues:

    o **"Strategic Shrinkage":** Without near-term prospects of larger budgets, the modes need to address how and where to replace people with technology, or remove or recast outmoded jobs or unnecessary work, to avoid serious gaps in the talent pipeline for all positions, and particularly in the MCOs, that will create vulnerabilities over time.

    o **Knowledge Management:** There is urgency to identifying senior staff with critical expertise, and communicating and transferring that knowledge to junior staff well in advance of the experts' retirement.

    o **Retention:** In FY06, the Department introduced its first department-wide exit survey. Consistent administration of the survey and robust data analysis will offer insights into how to deploy not only Career Patterns, but also management skill, to retain employees.

    o **Age:** In anticipation of ongoing retirements, DOT continues to actively recruit younger employees and mid-career professionals. DOT will need to match its hiring strategies to the age and skill distribution of terminating employees to ensure that an immediate pipeline of "ready now" employees exists for imminent job openings in MCOs.

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[2] *Representation of veterans for FY 2004 is not available*

▸ **Expanding Diversity:** The Department has developed more robust outreach capability and communications plans that clearly highlight DOT's mission. Even in an environment of limited hiring, many OAs added diverse candidates through internship programs, such as the Department's Career Residency Program and FHWA's Professional Development Program and focused emphasis on a broader candidate pool.

○ **External Recruiting:** The "next step" will be to continue and expand the emphasis on outreach, and continue to utilize Student and career internship programs to increase the diversity of new hires, so that cumulative efforts will yield significant positive changes in the diversity dimensions of the DOT staff.

○ **Internal Recruiting:** At the same time that the Department expands the effectiveness of its external sourcing and outreach, there may be an opportunity for recruiting across Federal departments. For instance, other agencies that are downsizing or redirecting engineering staff may be sources of talented people eager to apply their professional skills to the DOT mission.

▸ **Managing Competencies:** The Department must continue its current program of monitoring the skill and competency levels of employees in mission critical positions and must refine and add capability for new competencies as the DOT mission priorities, delivery strategy, funding, and technology dictate over time.

▸ **Tracking Results:** In alignment with the requirements of the Human Capital Assessment and Accountability Framework (HCAAF), the Department has already accomplished the first component of the process of integrating human capital management with increased self-accountability: Develop Strategic Human Capital Goals and Objectives Aligned with Agency Strategic Plan[3]. This Strategic Plan outlines goals and objectives to build the employees' capacity to meet the DOT's strategic objectives (Safety, Reduced Congestion, etc.) via building professional skills, anticipating requirements for force strength and competencies; and providing an environment that attracts and retains highly engaged employees.

The Department now requires quarterly updates from each OA on its measurement objectives, metrics, and methods for collecting data, as well as timeframes and responsibilities for reporting on objective accomplishment. These measures and timeframes will be codified in the updated DOT Human Capital Management Accountability Report (December 2007), and will enable DOT to show how results on the

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[3] *OPM presentation: "Human Capital Accountability Systems", autumn 2005*

human capital goals have been achieved in accordance with each critical success factor of the relevant HCAAF systems, as presented in this Human Capital Plan document.

▸ **Integrating results**: DOT now has the opportunity, if afforded the resources, to cross-reference data from employee surveys and exit surveys with demographic data to develop clear insights into how to insure that DOT is, for all its employees, the 'Employer of Choice" in the Federal government.

PART 4. Strategic Overview of Human Capital Goals and Strategies

As the human capital initiative has matured and become institutionalized, priorities are identified in several ways:

o **DOT's senior leadership** sets Department-wide priorities based on an analysis of information from past activities and an assessment of program needs. For instance, Secretary Peters has charged all DOT organizations to improve their leadership culture and performance, their use of telework and other flexible arrangements, and their willingness and ability to address and resolve poor performance. She and her direct reports chose these goals after a close review of DOT's results on the 2006 FHCS. In considering which targets of opportunity to choose, they also considered larger agency priorities and needs. For instance, improvements in leadership and performance management promise meaningful leverage in support of all DOT strategic goals and performance targets, while the increased use of flexible schedules and telework directly supports the strategic goal of congestion reduction, and serves as a valuable tool to attract and retain talent during challenging demographic times. Because these are leadership priorities, the Secretary charged Administrators to step forward as champions and leaders of agency efforts.

Furthermore, human capital outcomes are integrated into the DOT leadership's performance plans. Senior executives' performance standards are not only aligned with the Department's Strategic Plan and the agency's mission, but mandatory leadership goals are included in SES performance plans to evaluate accountability and human capital priorities, including diversity.

o **Human Resource leaders** examine the data available to them to determine which activities are likely to have the broadest positive impacts on organizational performance. All of the outcomes of previous human capital efforts, including workforce planning and accountability activities feed into this analysis. For instance, HR directors and staff have identified a growing difficulty in making timely and effective replacements for key positions, and as a result have identified improved succession management and continuing improvement within the delegated examining unit (DEU) that manages external hiring as priorities. Additionally, leaders and program managers have resolved to pursue improvements in eLMS that support the delivery and reporting of employee learning activities, as well as providing a platform for competency assessment.

o **OPM**, as initiative owner for the human capital initiative, sets a number of Government-wide standards against which all agencies are scored. For instance, the human capital scorecard for the President's

Management Agenda (PMA) contains specific benchmarks in each of five standards: strategic alignment; leadership and knowledge management; performance culture; talent; and accountability. While DOT received a green PMA status score in 2004, the benchmarks are periodically updated and agencies report quarterly on their current efforts and results. Initiatives that originate elsewhere also frequently become part of the human capital agenda to the extent they encompass workforce improvement goals and strategies. Examples of human capital requirements that did not originate either within DOT or with OPM include: workforce improvement initiatives in the IT and acquisition occupations which originated in statutes and were initially staffed by **the Chief Information Officer (CIO) and Acquisition Councils**, respectively; requirements concerning the consolidation and characteristics of automated HR and training systems, which began as items on the **electronic-Government (e-Gov) PMA scorecard**; and initiatives to improve HR competencies, and to improve management and applicant satisfaction with hiring processes and outcomes, which originated with the **Chief Human Capital Officers' (CHCO) Council**.

The goals and strategies DOT has set to guide human capital performance over the next few years have originated in all of these ways and are listed below under the appropriate human capital standards. With OPM as a valuable partner, DOT's senior leadership and human resource leaders will continue to be heavily involved in the development, implementation, and monitoring of our human capital initiatives. Departmental HR leadership, in particular, including the HR Council comprised of the personnel directors from the OAs, played a major role in developing this Human Capital Plan. The HR Council, through their monthly meetings, will be responsible for leading and monitoring the execution of this Strategic Human Capital Plan and will be instrumental in communicating the strategic human capital direction, goals, strategies, and responsibilities outlined in this plan to employees, managers, and other stakeholders.

Section 4-1. Strategic Alignment

Our Vision for the Future: Follow-up on human capital commitments made in the context of strategic planning, and ensure that human capital planners are at the table as future strategic plan updates are written.

Workforce Planning

Goal 1: Ensure that all organizations apply robust methodology to obtain meaningful workforce information about key occupations and construct effective plans that support organizational objectives.

Strategy 1: Complete the cross-functional engineering pilot to obtain a repeatable, high value methodology that allows more focused analysis of workforce characteristics and risks, within or across organizations, and encourages more thorough consideration of solution options where there are actual or potential gaps. Plan application of the methodology to DOT's other mission-critical occupations.

Strategy 2: Conduct annual updates of the enterprise workforce plan, which rolls up data and analyses from individual Operating Administrations to assess the Department's overall position and progress and shape future priorities. Require OAs to address recruitment priorities and strategies in each plan and, beginning in FY08, measure and report the alignment and effectiveness of the prior year's recruitment activities. OA inputs will be correlated with: results against prioritized sourcing and development goals to provide a robust population in Mission Critical Occupations; updated information about DOT performance against established strategic goals and priorities; input from senior leaders and other stakeholders; and emerging or redefined external requirements from statute or from oversight agencies, such as OPM and the Office of Management and Budget (OMB), to refresh the Operational Human Capital Plan as needed.

Strategy 3: Benchmark the best internal and external reporting practices for providing workforce information to senior leaders. Determine costs and any system barriers to obtaining the chosen reports; develop interim and long term plans for improving information to decision makers.

Strategy 4: Improve integration between workforce planning and overall competency management by enhancing the competency management functionality of eLMS.

Strategy 5: Improve integration between workforce planning and recruiting/termination management by: ensuring that OST and OA staffing groups understand and prioritize activities to meet OA projections and requirements for employees in mission critical occupations; collecting and evaluating data from exit surveys to predict and manage controllable reasons for voluntary terminations.

HR as Strategic Partner

Goal 2. Improve quality, timeliness, and service partnership of DOT HR offices.

Strategy 1: Identify HR skills gaps, using both competency assessment tools and accountability review results to diagnose.

Strategy 2: Close HR skills gaps, considering a range of options, including learning activities, program consolidation and/or restructuring, and revised hiring approaches.

Strategy 3: Leverage use of the HR Balanced Scorecard instrument. Measure and report OA progress towards improvement goals.

Strategy 4: Improve coordination and integration of Department financial and human capital planning, for example, budget and headcount forecasting; identification of workforce shaping and competitive sourcing activities; and measures of workforce productivity and effectiveness.

Section 4-2. Leadership and Knowledge Management

Our Vision for the Future: Monitor the leadership initiatives we have already implemented, including mandatory competencies, evaluation criteria for assessing leadership competencies, training for supervisors, and succession planning. DOT will also institutionalize training and knowledge management programs and will continue to utilize the training support and measurement capabilities of eLMS.

Leadership and Succession Management

Goal 3. Reduce and eliminate leadership competency gaps.

Strategy 1: Continue administration of leadership competency assessments and follow-up improvement plans. Improve both participation rate in assessments and OA analysis of resulting data.

Strategy 2: Monitor employees' responses to FHCS and DOT survey items relating to their perception of, and confidence in, leadership and include these data in the assessment of activities to upgrade leadership competencies.

Goal 4: Promote leaders' ability to manage telework, flexible schedules, and other non-traditional work arrangements that can make DOT an employer of choice while improving customer service and reducing highway congestion.

Strategy 1: Provide training to DOT leaders on the value of telework and on relevant management strategies.

Strategy 2: Use management forums and other outreach techniques to emphasize senior leaders' support for flexible work arrangements.

Strategy 3: Ensure that replacement strategies are developed and refreshed for high leverage positions.

Knowledge Management/Learning Culture

Goal 5: Promote collaboration and planning between leaders and employees to use learning as a strategic tool.

Strategy 1: Provide guidance for leaders and employees about Individual Development Plans and other learning and development planning tools.

Strategy 2: Upgrade functionality of the DOT eLMS as a learning tool through both system and administrative improvements.

Goal 6: Improve management of training as a strategic workforce tool through improved data collection.

Strategy 1: Ensure that all employee training is entered into eLMS. Upgrade system functionality to produce reports. Issue first mandatory report to OPM.

Strategy 2: Analyze data from initial training report and establish plans for improving data quality and generating useful reports for leaders that can serve as the basis for decisions about learning investment. Provide training inputs for EEOC's required MD-715 report.

Strategy 3: Refine methodologies and introduce measures of training effectiveness up to Kirkpatrick Level 3.

Section 4-3. Performance Culture

Our Vision for the Future: Include policies that will use probationary periods for new supervisors and new employees as strategic opportunity to set the stage for optimum performance. Web-based tools to support supervisory performance will be enhanced and publicized. Effective conflict resolution and labor management relations programs will ensure that performance is not compromised by unproductive disputes.

Goal 7: Ensure that all OAs have effective performance management systems and practices that support program performance and employee engagement.

Strategy 1: Require all OA programs to develop and implement improvement plans based on OPM's PAAT criteria until they have achieved a passing score. OAs share best practices with one another to support mutual improvement.

Strategy 2: Ensure that all performance rating officials have been trained to design effective performance standards, communicate about performance,

and evaluate performance. When all training has been completed, evaluate lessons learned and best practices.

Strategy 3: Using FHCS survey results, develop and implement plans to overcome supervisory reluctance to address poor performance.

Section 4-4. Talent

Our Vision for the Future: Attain greater involvement of leaders in the design and implementation of recruitment strategies, including strategies to increase diversity. Improve data collected about candidate pools and specific recruitment sources, including information about race, sex, ethnicity, and disability status. Ensure additional, systemic use of data from workforce planning efforts, and broaden use of personnel flexibilities to attract and retain talent. Institutionalize development programs that support succession strategies.

Goal 8: Identify and close current and potential competency gaps in mission-critical occupations.

Strategy 1: Continue and refine competency mapping, assessment, and improvement work in MCOs, HR, IT, and other designated occupations.

Strategy 2: Improve integration between workforce planning and overall competency management by enhancing the competency management functionality of eLMS.

Goal 9: Identify, confirm, and put processes in place to reduce programmatic and systemic barriers to hiring and retention of groups with low participation, such as people with targeted disabilities, Hispanics, and women.

Strategy 1: Emphasize diversity needs when prioritizing recruitment outreach options. Partner closely with internal and external stakeholders to interpret data and devise and implement improvement strategies.

Strategy 2: Continue active outreach and partnering with organizations that promote access to and represent interests of groups with low participation.

Strategy 3: Highlight mentoring, outreach, and any other programs that have led to favorable results.

Strategy 4: Analyze employee feedback, especially data from the FHCS and other employee surveys, for differences by race, gender, level and other significant demographic group identifiers, concentrating especially on items relating to perceptions of career opportunity, timely and useful feedback, and

full utilization of skills. Utilize analysis to develop targeted actions and input for Goal 9 overall and for managers'/supervisors' performance goals.

Recruitment

Goal 10: Improve timeliness and effectiveness of outreach and hiring processes.

Strategy 1: Continue monitoring and reporting time-to-hire for both executive and non-executive employees. Analyze and publicize factors that delay hiring decisions and set improvement goals.

Strategy 2: In FAA, continue improvements implemented in response to applicant and management survey results.

Strategy 3: In the rest of DOT, work with hiring offices and executive agent to improve quality and responsiveness of DEU.

Strategy 4: Do additional fact-finding with offices that report candidate quality issues and devise strategies for improvement.

Retention

Goal 11: Improve use of workplace flexibilities, such as telework and flexible schedules as tools both to recruit and retain talent, to support DOT's Reduced Congestion strategic goal as described in the DOT 2006 – 2011 Strategic Plan, and to bolster emergency preparedness.

Strategy 1: Improve communication to applicants and current employees about possible flexible arrangements.

Strategy 2: Increase employee training and accountability for leaders to measurably increase utilization of available workforce flexibilities.

Strategy 3: Encourage telework "drills" and leverage lessons learned to improve effectiveness of remote performance and communication.

Goal 12: Increase employee engagement.

Strategy 1: Continue administering census surveys to OAs with fewer than 1,500 employees so all can obtain and analyze employee responses, with an emphasis on those with the highest correlation to engagement. Continue to require that each OA report on the analysis of its data, including 2-way communications with employees, and on its plans for improvement.

Strategy 2: Highlight best practices, including communication practices, of OAs with high employee engagement profiles.

Goal 13: Decrease DOT's vulnerability to retirements

Strategy 1: Broaden recruiting efforts at career entry levels using programs such as the Department's Career Residency Program.

Strategy 2: Monitor retention of entry-level employees over the first 3 years of employment and identify methods/issues to increase retention.

Strategy 3: Actively manage transfer of knowledge from retiring employees

Section 4-5. Accountability

Our Vision for the Future: Institutionalize the human capital links we have already forged, continue the participation and oversight of Department leaders, broaden understanding of and participation in human capital efforts at all levels, improve the data that monitors and guides our progress and results, and ensure that accountability mechanisms are utilized as intended. The linkage between our Human Resource Management Accountability Program and our Strategic Human Capital Plan - and the evaluation of our accountability plan - drives DOT's results-oriented culture of continuous improvement.

Goal 14: Update and implement DOT's approved accountability plan in accordance with this strategic plan, the outcomes from prior activities, and direction from the DOT leaders and OPM.

Goal 15: Strengthen metrics for all programs

Findings and results in the 2006 accountability report were critical to addressing human capital improvement actions, key in helping DOT make informed human capital decisions, and vital in developing this Strategic Human Capital Plan. The Operational Plan described in Part 5 of this Human Capital Plan is an evolving plan that will undergo periodic updates and changes. Based on new leadership priorities, new opportunities, new external requirements, and new data from our annual Human Capital Management Report, DOT will adjust, enhance, and improve our human capital strategies, goals, and objectives.

Part 5. Operational Plan with Milestones

Section 5-1. Initiatives and Milestones by HC Standard

Strategic Alignment - Workforce Planning			
Goal/Milestone/Initiative	**Target Date**	**Who Is Responsible**	**Comments/ Resources**
Produce updated DOT workforce plan based on OA workforce plan submissions.	September 2007 March 2008 March 2009	OST M-11	Dates depend on timely appropriations so that DOT can commit contract funds. HC Planning Council responsible for OA workforce plans. OAs will get personalized feedback about both the quality of their submissions, and the extent to which they have executed prior plans.
Establish template and plan for in-depth workforce planning in specific occupations.			
Evaluate workforce planning pilot for engineers	March 2008	HC Planning Council; OST M-11 oversight	May occur sooner, depending on funding. HC Planning Council serves as resource.

Choose new MCO targets for intensive workforce analysis and planning; set milestones	March 2008	HC Planning Council; OST M-11 oversight	HC Planning Council serves as resource.
Benchmark internal and external reporting practices for providing workforce information to decision makers. Develop additional milestones for reporting formats and systems	March 2008	OST M-11	
Develop plan with high level milestone dates and identified leaders to analyze remaining cross-cutting MCOs	March 2008	HC Planning Council; OST M-11 oversight	HC Planning Council serves as resource.
Upgrade eLMS to improve its functionality as a competency management tool. (Also addressed in Talent.)	November 2008* November 2009* in Accountability Report	OST M-11	Subject to availability of funds. HC Planning Council serves as resource.
All cross-cutting MCOs have specific milestone plans for analysis and action planning	November 2008	OST M-11	
All OAs have milestone plans for their most significant OA-specific MCOs	December 2008	HC Planning Council; OST M-11 oversight	HC Planning Council serves as resource.
Milestone plans in place for all MCOs	June 2009	HC Planning Council; OST M-11 oversight	HC Planning Council serves as resource.

Strategic Alignment - Human Capital Planning			
Goal/Milestone/Initiative	**Target Date**	**Who Is Responsible**	**Comments/ Resources**
Review new DOT Strategic Plan along with OPM revised green standards and results of accountability activities and stakeholder input. Incorporate new priorities and performance targets into a draft multi-year Strategic Human Capital Plan.	June 2007	HR Council with OST M-10 leadership; OST M-11 oversight	HR Leaders, including HR Council, serve as needed resources.
Issue final strategic HC Plan and Operational Plan.	September 2007	OST M-10	HR Leaders, including HR Council, serve as needed resources.
Review and update the Operational HC Plan in light of data and findings in the 2007 and 2008 Accountability Reports.	March 2008 March 2009	HR Council with OST M-10 leadership; OST M-11 oversight	Resources needed include HR Leaders and HR Management Accountability Program staff
Review and update HC priorities and plans upon change in DOT leadership.	TBD	HR Council with OST M-10 leadership; OST M-11 oversight	HR Leaders, including HR Council, serve as needed resources.

Strategic Alignment - HR as a Strategic Partner			
Goal/Milestone/Initiative	**Target Date**	**Who Is Responsible**	**Comments/ Resources**
Identify and close HR skills gaps.			
Reassess HR competencies.	June 2007	OAs with OST M-11 guidance and oversight	The results of the annual accountability review and report may lead to revisions in the report required by OPM in September. While the data may suggest some common targets, it is likely that OA profiles will vary significantly.
Report results of HR assessments in the context of additional findings from accountability activities and projections about emerging HR needs. Prioritize gaps and provide improvement plan, considering options made available by eOPF.	December 2007* in Accountability Report	OST M-13	
Administer HR Balanced Scorecard Instrument to customers, HR managers, and HR employees to identify progress and targets for improvement.	CY 2008 Schedule to be determined	OST M-13	OAs will communicate results to stakeholders and set targets for improvement.

Leadership and Knowledge Management - Leadership			
Goal/Milestone/Initiative	**Target Date**	**Who Is Responsible**	**Comments/ Resources**
Eliminate leadership competency gaps.			
Reassess leadership competencies.	June 2007	OAs with OST M-11 guidance and oversight	
Report and interpret results and set schedule and participation targets for future assessments.	December 2007* in Accountability Report	OST M-11	Headquarters move affected assessment participation, in part because of unanticipated IT problems. Other data about leadership shortfalls will be used to supplement data from assessment in target setting.
Promote leaders' ability to manage telework, flexible schedules, and other non-traditional work arrangements that can make DOT an employer of choice while improving customer service and reducing highway congestion.			
Brief Acting Deputy Secretary about telework participation numbers.	May 2007	OST M-13	
Acting Deputy Secretary hosts agency-wide Telework Forum for managers.	June 2007	OST M-13	Executives and managers participation needed.

Place telework training for managers in eLMS system.	June 2007	OST M-11 and OST M-13	
With leadership input, devise and publicize additional strategies to increase telework participation.	September 2007	HR Council with leadership from OST M-10; OST M-13 oversight	
Ensure that replacement strategies are developed and refreshed for high leverage positions.			
Assess results of bench strength initiatives in OAs and update succession plan.	June 2007	HC Planning Council; OST M-11 guidance and oversight	
Report on results and new targets	December 2007* and December 2008* in Accountability Report	OST M-11	

Leadership and Knowledge Management - Knowledge Management/Learning Culture

Goal/Milestone/Initiative	Target Date	Who Is Responsible	Comments/ Resources
Promote collaboration and planning between leaders and employees to use learning as a strategic tool			
Issue guidance for leaders and employees about Individual Development Plans and other learning and development planning tools	TBD	OST M-11	Issuance of guidance may be delayed until FY08 resources become available.
Upgrade functionality of the DOT eLMS as a learning tool through both system and administrative improvements.	November 2008 November 2009	OST M-11	Resource needed is FY08 funding
Improve management of training as a strategic workforce tool through improved data collection.			
Ensure that all employee training is entered into eLMS. Upgrade system functionality to produce reports. Issue first mandatory annual report to OPM.	December 2007	OST M-11	Reports will be submitted annually.
Analyze data from initial training report and initiate planning for improved data quality and a set of reports for leaders that can serve as the basis for decisions about learning investment.	March 2008	OST M-11	

Performance Culture			
(Note: Diversity is addressed under Talent)			
Goal/Milestone/Initiative	**Target Date**	**Who Is Responsible**	**Comments/ Resources**
Ensure that all OAs have effective performance management systems and practices that support program performance and employee engagement.			The Performance Taskforce, led by OST M-13 on which all OAs are represented, continues to be a forum for policy development and sharing of best practices.
OAs develop and implement improvement plans based on OPM's PAAT criteria.	June 2007	OAs with OST M-13 guidance and oversight	
All performance rating officials have been trained to design effective performance standards, communicate about performance, and evaluate performance.	September 2007	OAs with OST M-13 guidance and oversight	
Evaluate and publicize lessons learned and best practices from training.	TBD	OST M-13	
Develop and implement plans to overcome supervisory reluctance to address poor performance.	December 2007	OST M-13	
Secretarial policy statement, guidance for managers, and coaching skills training for ER specialists are provided to ensure that poor performance is addressed and resolved.	December 2007	OST M-13	
OAs submit new PAAT documentation for scoring	TBD	OAs with OST M-13 guidance and oversight	

Talent - Recruitment			
Goal/Milestone/Initiative	**Target Date**	**Who Is Responsible**	**Comments/ Resources**
Identify and close current and potential competency gaps in mission-critical occupations.		OAs with OST M-11 guidance and oversight	
Continue and refine competency mapping, assessment, and improvement work in MCOs, HR, IT, and other designated occupations.	All of these assessment and improvement efforts are on cycles designated by OMB and OPM; see *Commitments by Quarter*, which follows these charts.	OAs with OST M-11 guidance and oversight	
Improve integration between workforce planning and overall competency management by enhancing the competency management functionality of eLMS.	November 2008. November 2009	OST M-11	Future upgrades will be subject to availability of resources.
Eliminate barriers to hiring and retention of groups with low participation, such as people with targeted disabilities, Hispanics, and women.			
Emphasize diversity needs when prioritizing recruitment outreach options. Partner closely with internal and external stakeholders to interpret data and devise and implement improvement strategies.	New outreach calendar developed annually	OST M-11. The Office of Civil Rights and the Secretary's Diversity Advisory Council take active roles in interpreting data and recommending strategies	The Corporate Recruitment Workgroup maintains criteria by which it judges and prioritizes outreach opportunities. Diversity is included in those criteria.

Continue active outreach and partnering with organizations that promote access to and represent interests of groups with low participation.	Continuous	OST M-10 in partnership with the OST Office of Civil Rights	May require administrative and travel funds to conduct outreach.
Highlight mentoring, outreach, and any other programs that have led to favorable results.	Specific forums and dates TBD	OST M-10 in partnership with the OST Office of Civil Rights	
Improve timeliness and effectiveness of outreach and hiring processes.			
Continue monitoring and reporting time-to-hire for both executive and non-executive employees. Analyze and publicize factors that delay hiring decisions and set improvement goals.	Quarterly	OAs with OST M-10 leadership	
In FAA, continue improvements implemented in response to applicant and management survey results.	New targets September 2007	FAA with OST M-10	
In the rest of DOT, work with hiring offices and executive agent to improve quality and responsiveness of DEU.	Convene stakeholders September 2007	FHWA and OST M-10 with stakeholder support	FHWA is the Executive Agent for the DOT DEU
Do additional fact-finding with offices that report candidate quality issues and devise strategies for improvement.	TBD	OST M-10	

Talent - Retention			
Goal/Milestone/Initiative	**Target Date**	**Who Is Responsible**	**Comments/ Resources**
Improve use of workplace flexibilities, such as telework and flexible schedules as tools both to recruit and retain talent and to bolster emergency preparedness.			Specific milestone plans are in development, with input from DOT senior leadership.
Improve communication to applicants and current employees about possible flexible arrangements.	TBD	OST M-10	
Improve training and accountability for leaders to remove barriers.	Continuous	OST M-11 and OST M-13	Training has been made available in the eLMS system.
Encourage telework "drills" and leverage lessons learned to improve effectiveness of remote performance and communication.	TBD	OST M-13	
Increase employee engagement.			
Continue administering census surveys to OAs with fewer than 1,500 employees so all can obtain and analyze employee responses, with an emphasis on questions with the highest correlation to engagement. Continue to require that each OA report on the analysis of its data, including 2-way communications with employees, and on its plans for improvement.	Annual	OST M-13	Require adequate funds to administer surveys.
Highlight practices, specifically including communication practices, of OAs with high employee engagement profiles.	Annual	OST M-13	

Accountability			
Goal/Milestone/Initiative	**Target Date**	**Who Is Responsible**	**Comments/ Resources**
Update and implement DOT's approved accountability plan in accordance with this strategic plan, the outcomes from prior activities, and direction from DOT leaders and OPM.			A new Accountability program manager has been selected and will report in September 2007.
Issue Accountability Reports and update plans	Annual, or as needed with major leadership changes	OST M-13	
Conduct on-site reviews	TBD	OAs and OST M-13	Require travel funds.
Strengthen metrics for all programs			Program managers attended training on new required metrics in June 2007. This guidance will be incorporated into plans and procedures.

Section 5-2. Human Capital Commitments by Quarter

Tables for Hiring and Notification Timeliness are submitted quarterly. Listed below are additional commitments.

* reported in Accountability Report

Q3 2007

Perform/facilitate competency assessments for leaders, acquisition employees, HR specialists, and engineers. Submit HR and leadership results. Submit FRA and FHWA MCO results.

Report results on improving the hiring process (FAA).

Provide FHCS Action Plan.

Show succession bench strength results and update plan.

Provide IT gap analysis and improvement plan.

Attend OPM metrics training, evaluate and disseminate guidance.

Submit draft strategic HC Plan and workforce plan updates. All OAs required to address recruitment strategies in their submissions.

All OAs complete submissions of performance program improvement plans.

Q4 2007 (September 15, unless otherwise noted.)

Complete backfile conversion for eOPF application and establish procedures for employee access.

Issue final version of workforce plan update, HC Strategic Plan, and Operational Plan.

Issue additional strategies to support increased participation in telework with senior level input.

Activities to be specified for acquisition workforce September 1 progress report for IT including MCO Resource Table and narrative.

Submit hiring timeline report using new 70% target for hiring and notification timeliness.

Convene DEU stakeholders to devise support strategy.

Provide evidence of operating and hiring in a career patterns environment.

Competency gap targets and staffing projections for agency-specific MCOs and HRM, with resource tables and competency profile tables.

Report hiring process improvement strategy.

Submit strategy for accomplishing the required annual employee survey.

OAs complete required performance management training.

Q1 2008 (December 15, unless otherwise noted)

Complete milestone planning for FY08 accountability activities.

Leadership competency results.* Address schedule for future assessments and set participation targets.

Succession bench strength results.*

HRM competency and staffing projection results.* Consider options created by eOPF when evaluating possible future strategies.

IT competency and staffing projection results.*

DOT-specific MCO competency and staffing projection results.*

Management satisfaction survey results.*

Secretarial policy statement, guidance for managers, and coaching skills training for ER specialists are provided to ensure that poor performance is addressed and resolved.

Scheduled eLMS upgrade completed; first annual report of training activity is transmitted to OPM.

Q2 2008 (March 15, unless otherwise noted)

Submit second PAAT for expanded performance pilot.

Update workforce plan (subject to availability of appropriations.) OAs are required to measure and report the effectiveness of their recruitment alignment and results.

Benchmark internal and external best practices for providing workforce information to decision makers. Develop additional milestones for reporting formats and systems.

Develop high level plan with milestone dates and identified leaders to analyze remaining cross-cutting MCOs.

Review and update the Operational HC Plan in light of data and findings in the 2007 Accountability Report.

Review results from OA exit surveys and highlight promising practices.

Analyze CY07 employee survey results.

Q3 2008 (June 15, unless otherwise noted)

Submit bench strength results.

Confirm that 70% of employees are covered by appraisal programs that meet PAAT requirements.

Submit results report for closing competency gaps and meeting staffing projections in IT and acquisition occupations.

Submit results for significantly reducing vacancies in MCOs using MCO resource tables.

Q4 2008 (September 15, unless otherwise noted)

Update competency gap targets and staffing projections for HR, IT, acquisition, and agency-specific MCOs, using resource and competency profile tables. Submit new gap analysis and improvement plan for any new MCOs/competencies.

If needed, update hiring process improvement strategy.

Develop FY-09-11 OA recruitment plans.

Q1 2009 (December 15, unless otherwise noted)

Upgrade eLMS to improve its functionality as a support for workforce planning and competency management (November). Submit annual report of training activity.

All cross-cutting MCOs have milestone plans for analysis and action planning (November).

All OAs have milestone plans for their most significant OA-specific MCOs.

Leadership competency results.*

Succession bench strength results.*

HRM competency and staffing projection results.*

IT competency and staffing projection results.*

DOT-specific MCO competency and staffing projection results.*

Acquisition competency and staffing projection results.*

All cross-cutting MCOs have competency mapping, assessment and improvement plans.

Q3 2009 (June 15, unless otherwise noted)

Milestone plans in place for all MCOs.

Review HC Plan, including succession plans with new agency leadership and revise if necessary.

DEPARTMENT OF TRANSPORTATION LEADERSHIP SUCCESSION PLANNING MODEL

June 2006
Revised

DOT Leadership Succession Planning Model

Table of Contents

I. INTRODUCTION

Background

In 2003, the Department of Transportation (DOT) consolidated the succession planning practices underway throughout the Department into a single DOT Model. This Model was developed by a Succession Planning Work Group formed and led by representatives of multiple Operating Administrations (OAs). The Model was designed to promote sharing and assistance across organizational lines; link closely to the Department's Human Capital Plan; and promote strategies and tools for use by all OAs.

Goals for Succession Planning in DOT

The objective of the DOT Model is to insure a continuously refreshed pipeline of internal and external talent for leadership positions at all levels, by:

- Insuring the development of talent in every Operating Administration;
- Measuring the talent pipeline against a consistent set of management and leadership competencies; and
- Providing the Operating Administrations with the flexibility to tailor the DOT Model to their unique requirements, within uniform standards.

Summary of Changes

Based on DOT's ongoing workforce analyses and strategic human capital planning, this revised Model adds guidance in the following critical areas:
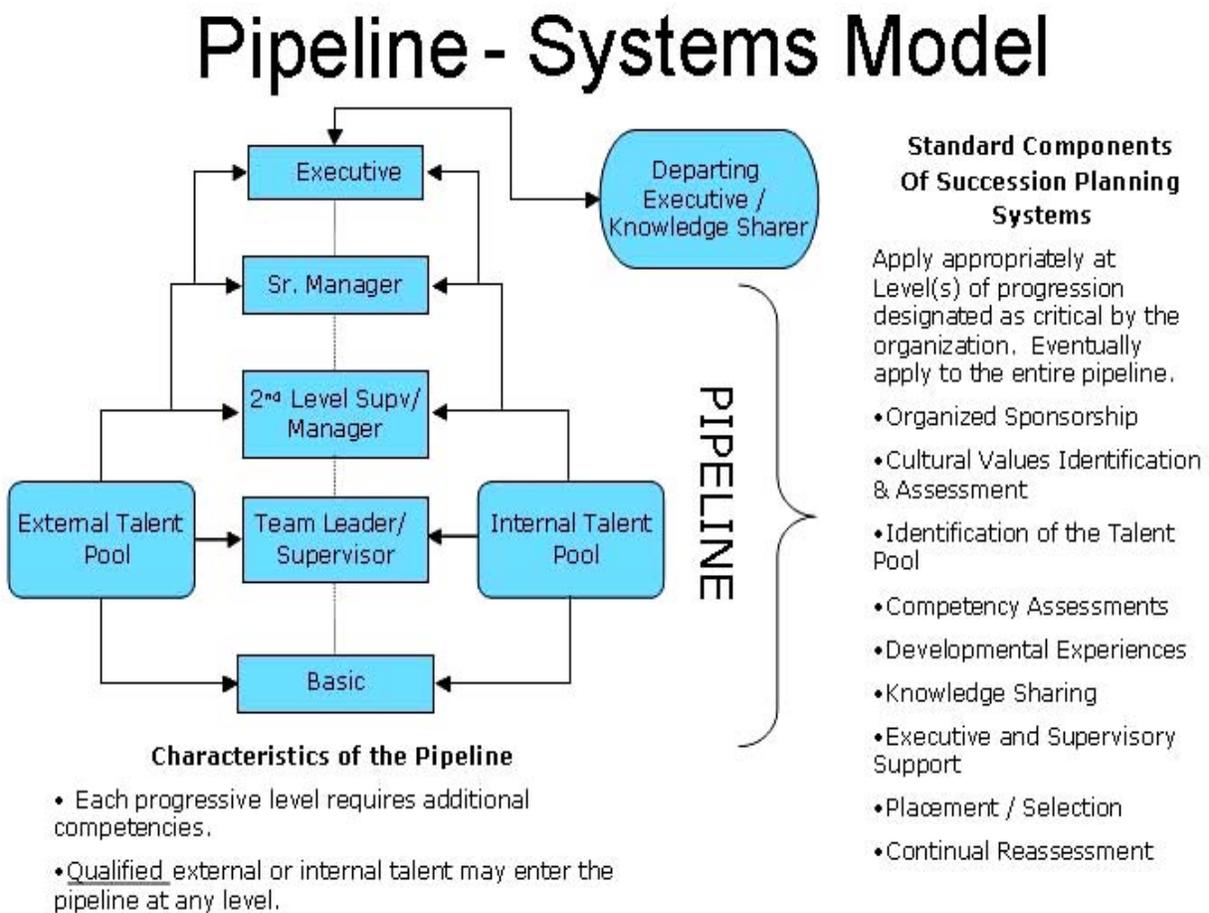
- It emphasizes the importance of linking all aspects of succession management to DOT and OA strategic objectives and performance goals.

- It includes monitoring to determine whether the candidates actually referred on certificates reflect the sourcing strategies the organization has chosen in its planning process.

- It increases the overall emphasis on retention to:
  - Increase the degree of planned knowledge transfer
  - Identify and counteract potential barriers to retention
  - Slow the relatively higher levels of attrition among minorities and people with disabilities

- It places greater emphasis on identifying both internal and external sources for candidates at all levels whenever that is feasible.

- It enhances DOT's capacity to monitor the cumulative impact of succession decisions at the GS-15 and Senior Executive Service/Federal Aviation Administration (SES/FAA) Executive Levels, in order to better manage accountability for results.

In addition, DOT has benchmarked its Succession Planning Model against the *2005 OPM Guide*

to Succession Planning, and has confirmed that the DOT Model is consistent with the approach required by the Human Capital Assessment and Accountability Framework (HCAAF) OPM has established.

A Pipeline-Systems Model

The DOT Model creates a potential progression of employee development across the Department, depicted graphically in the figure below. Employees may move from positions with initial levels of supervisory responsibility forward to executive levels. The Model also allows for the introduction of new talent at any stage of the pipeline, and takes into account the strategic requirement for recruiting from multiple internal sources as well as external sources. While OAs may focus their initial succession planning implementation at the level of leadership that is most critical to achieving their missions, eventually succession planning should address all levels within the leadership pipeline.

Pipeline - Systems Model

Standard Components Of Succession Planning Systems

Apply appropriately at Level(s) of progression designated as critical by the organization. Eventually apply to the entire pipeline.

- Organized Sponsorship
- Cultural Values Identification & Assessment
- Identification of the Talent Pool
- Competency Assessments
- Developmental Experiences
- Knowledge Sharing
- Executive and Supervisory Support
- Placement / Selection
- Continual Reassessment

Characteristics of the Pipeline

- Each progressive level requires additional competencies.
- Qualified external or internal talent may enter the pipeline at any level.

Levels of Progression within the Leadership Pipeline

The Succession Planning System Model addresses five primary levels. The levels are intended to reflect a typical leadership progression. Specific organizational terminology and pipelines may vary. Each progressive level requires greater proficiency in, or a different application of, competencies acquired at the previous level. The descriptions below help explain progression.

- **Basic or Pre-Supervisory**: Positions at this level typically have no supervisory functions.

- **Team Leader/First Level Supervisor**: This is usually an entry-level supervisory position or a team leader position with some, but not all, supervisory responsibilities.

- **Second Level Supervisor/ Manager**: These positions typically have one or more first level supervisors or team leaders reporting to them. The incumbents usually manage a substantial work unit within an organization.

- **Senior Manager**: These positions frequently have several second level supervisors or managers reporting to them, and the incumbents are usually responsible for a major sub-element of an organization.

- **Executive**: These are the most senior positions in an organization. For succession planning purposes in DOT, they are the career SES and the FAA Executives.

II. ROLES and RESPONSIBILITIES

The success of a succession planning system requires active management of positions and talent throughout an organization. Therefore, success also requires that people in a variety of roles throughout the agency remain active and involved as stakeholders in succession planning.

The Secretary and His/Her Staff: The Secretary has broad and specific delegated authority to oversee agency personnel and other resources.

- **The Chief Human Capital Officer (CHCO)** is the official designated by the Chief Human Capital Officers Act of 2002 with primary responsibility for overseeing, directing and executing all authorities related to human resources that are otherwise vested in the Secretary by statute. This includes overseeing the management and effectiveness of DOT's succession management activities.

- **The Executive Resources Review Committee (ERRC)** is chaired by the Deputy Secretary as the Secretary's designee, and reviews all policies and actions related to the SES.

Administrators and Departmental Officers

- **Executive Leadership**: Executives at the top levels of DOT and each OA shape and maintain organizational culture and values through the decisions they make, the ways that they communicate with their organizations, and the actions they take. Executives send clear messages about their sponsorship of succession planning when they:

  - Set goals and assign accountability for the management and development of their organization's talent pool
  - Endorse developmental activities for employees in the talent pool
  - Give visible support to the Succession Planning System and related programs
  - Provide resources to assure the program's continued growth and development
  - Mentor on an informal basiș
  - Require and practice the appropriate sharing and leveraging of knowledge, etc.
  - Monitor management/ supervisory accountability for support of the program. Supervisory and managerial accountability can be encouraged through systems and measures such as the performance management system or application of quality performance management criteria.

  Executive leaders can also ensure that there is appropriate discussion and clarity about the organization's expectations of its leaders, promoting the practice that "*leaders nurture leaders.*"

- **Leaders and Supervisors at all Levels:** Filling the leadership pipeline depends on

those in positions of leadership taking accountability for developing potential successors for their own positions and similar positions within DOT. Direct supervisors at all levels:

- Participate in and provide for developmental experiences
- Manage work assignments to allow full participation in long-term experiences, such as rotations
- Mentor on an informal basis
- Support the advancement of subordinate(s) through positive and constructive feedback
- Practice accountability for developing potential successors

Human Capital Professionals

- The **Departmental Office of Human Resource Management** (DOHRM) serves in an advisory capacity to the Secretary, the CHCO, the ERRC, and the OAs to set policies, provide access to updated information about tools and trends, and provide technical assistance.
- The **Human Resources Offices**, at the Office of the Secretary of Transportation (OST) and in the OAs, are DOT's advocates for succession planning. Human Capital Professionals:

  - Manage the programs and systems that track key positions and develop and place key talent.
  - Offer expert advice and best practice examples to leaders of the organizations they serve.
  - Insure that succession management is integrated with other related program areas, such as workforce planning, learning and development, coaching and mentoring, and recruitment.
  - Insure that selection decisions in succession planning are made with an emphasis on the DOT leadership competencies.
  - Insure that succession plans are designed and maintained with input from a diverse group of stakeholders, including for example:
    - Someone in a position to serve as an effective champion
    - Human Resources professional(s)
    - A representative who can speak authoritatively on issues of civil rights and diversity
    - Representatives from management and program areas
    - Various levels of supervisors and managers
    - Labor union and/or other employee representatives
    - Customers and/or stakeholders (*ad hoc,* through focus groups, on boards, etc.)

The primary characteristic of all representatives should be openness *to the possible need for change.*

Individual Employees

Employees share responsibility with their supervisors and sponsors for understanding and taking advantage of feedback and development opportunities. Participants in formal development programs should understand that while they have the advantage of special development opportunities, they are not guaranteed a position as a result of participation. Employees may develop their abilities in their current positions, as well as maximize their visibility for advancement and leadership, by:

- Seeking and acting on feedback
- Asking and learning about development opportunities available in their OAs
- Initiating self-development including informal opportunities like mentoring, and rotation and task force assignments
- Nominating themselves for programs and discussing future development when shaping their Individual Development Plans (IDPs)

III. STEPS IN THE SUCCESSION PLANNING PROCESS

The Succession Planning process enables DOT to identify, manage and integrate key-leverage positions and key talent in a series of steps that form an ongoing "circuit" of developing resources, matching supply to demand, and evaluating results.
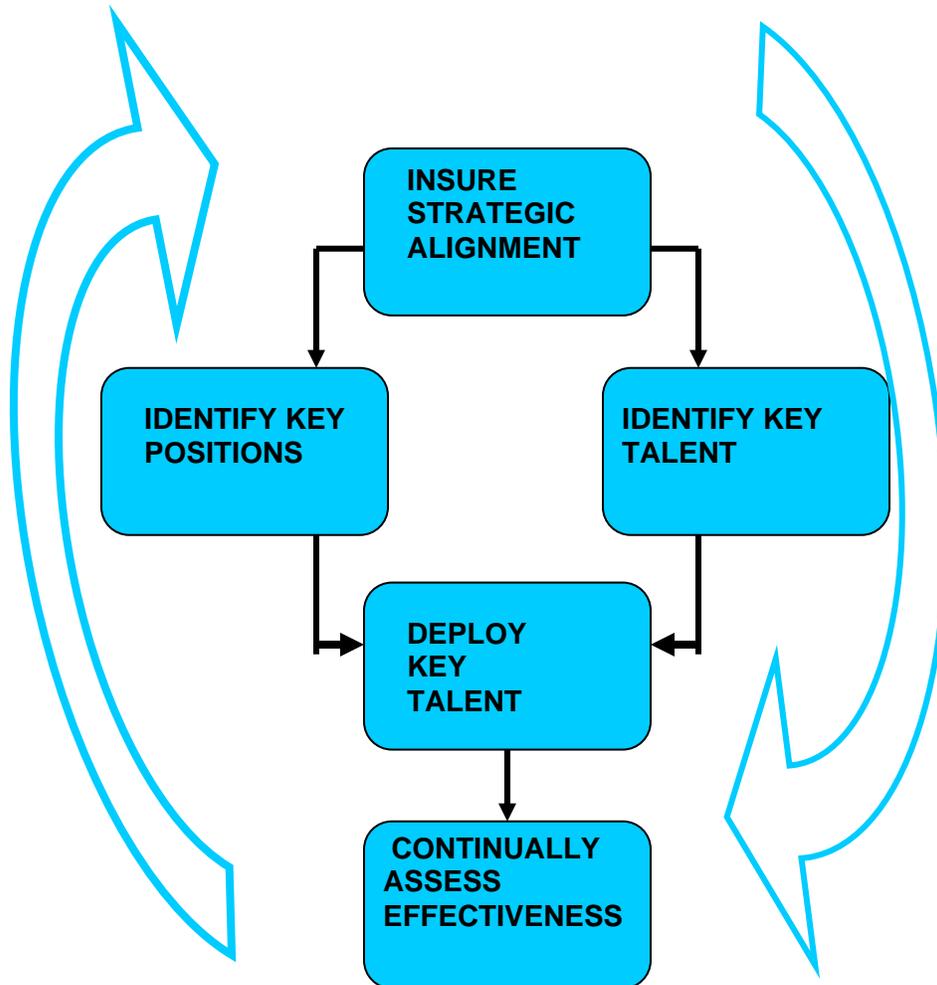
INSURE STRATEGIC ALIGNMENT

A clear understanding of the organization's mission, goals and values forms the basis for strategic alignment. The DOT mission and goals have been translated into leadership competencies that provide a roadmap of the skills and behaviors leaders require to achieve agency mission. Clear sponsorship of succession planning by senior leaders insures that program needs and performance objectives will continually drive succession management decisions. In addition, the consideration an OA gives the following **environmental factors** will

indicate the extent to which it has made the connection between mission success and effective succession planning:

- Incentives for employees to enter and remain in the leadership pipeline
- Adequate provision of leadership learning and development opportunities.
- Integration with, and participation in, related Departmental human capital initiatives, that are relevant to building a cadre of qualified potential leaders

Together, the Key Positions and Key Talent comprise the "demand" and "supply" elements of the succession planning equation.

IDENTIFY KEY POSITIONS

An organization's "key leverage" positions provide the focal point for succession planning. These are the positions that hold the critical assets and authority for key decision making in the agency. "Identify Key Positions" also includes the identification of the critical path of experiences and skills that lead to positions of increasing responsibility. DOT has defined all its SES and FAA Executive positions, as well as some GS-15 and equivalent positions, as "key leverage."

IDENTIFY KEY TALENT

How the organization determines where talent is available and how it will be identified is an important reflection on its values and culture. A series of selection decisions results in a "pipeline" of key talent. These selection decisions include:

Competency Assessment – These are methodologies to determine what it takes to do the job and to assess available talent. They include assessments and periodic reassessments of:
- Managerial/supervisory potential
- Core competencies at each level in the leadership pipeline
- Observable behaviors that support existence of competencies
- Specialized competencies for the organization

DOT deploys self-assessment tools to evaluate the skill levels of candidates against the leadership competencies.

Development Programs and Processes – A formal development plan should address focus areas for each member of the talent pool, and may include:
- Classroom or online learning to expand knowledge base and to address focus areas
- Significant experiential development opportunities provided on the job
- Shadowing successful managers
- Rotations or similar experiences
- Reassessment of strengths and focus areas following developmental and/or training/educational opportunities

The plan is essential; it confers priority on these experiences.

Knowledge Sharing – Experienced, successful leaders transmit essential knowledge to the talent pool. These are examples of methods for transmitting knowledge:

- Formal Mentoring
- Coaching
- Legacy Systems
- Technology Based Knowledge Management Systems

The Department has programs in place that address all of these methods.

DEPLOY KEY TALENT

Recruitment Strategies – The organization will assess whether talent can best be identified from the internal pipeline, external sources or both and what proportions of each work best for particular positions. The recruitment strategy acknowledges that formal programs may be one source of talent, but not necessarily the only source.

Selection and Placement – The selection and placement process should be characterized by:
- Quality ranking factors for all supervisory and managerial positions that include identified leadership competencies
- Leadership and operational experience criteria which are clearly defined and uniformly applied
- The potential to create an environment of results in which every employee is empowered to work to his/her potential
- Offering the widest possible opportunity to a diverse candidate pool

The selection process should identify areas for development for inclusion in the selectee's IDP.

CONTINUALLY ASSESS EFFECTIVENESS

The HCAAF outlines the ultimate success of succession strategies: "The agency has taken action to ensure continuity of leadership through succession planning and executive development programs that result in a diverse pool of qualified internal, other Government, and non-Government sources."

DOT identifies three primary measures of success for the approach to leadership succession planning portrayed by this Model:

- DOT has qualified *internal* applicants for all vacancies that occur in the leadership pipeline. External applicants who are highly qualified may be selected for positions, but an internal talent pool of qualified candidates exists to ensure against potential leadership gaps.
- Leaders who are developed and selected through the succession planning processes are demonstrably capable and effective, as evidenced by their performance, employee feedback, and other available sources of data.
- Succession planning is an integral part of the OAs' and the Department's ongoing, continual workforce planning processes.

IV. CHECKLIST FOR SUCCESS

A successful program includes milestones that enable managers and stakeholders to enhance processes and evaluate results at every step of the succession plan. The following list provides examples of touchstones for evaluating an organization's succession plan.

INSURE STRATEGIC ALIGNMENT – the organization has a consistent method to track or insure that:

- ❐ Senior executives provide clear and visible support for succession planning, including, for example, utilizing succession plans to seek candidates for key positions and tracking "talent pipeline development" as a metric of organizational success
- ❐ Continual assessment of leadership competencies guides recruitment and selection decisions, targets effective learning strategies, and promotes better program performance against strategic priorities through more effective leadership

IDENTIFY KEY POSITIONS – the organization has a consistent method to track or insure that:

- ❐ The highest leverage positions are clearly identified
- ❐ The key competencies/experiences required for key positions are clearly communicated
- ❐ Employees can see the career path to key positions in *a leadership pipeline* at multiple levels of the organization

IDENTIFY KEY TALENT – the organization has a consistent method to track or insure that:

- ❐ Employees in the leadership pipeline are assessed against mission critical competencies
- ❐ Employees in the leadership pipeline have, and are acting on, plans to close any competency gaps
- ❐ Leaders may enter the pipeline at any level if they have acquired qualifying competencies

DEPLOY KEY TALENT – the organization has a consistent method to track or insure that:

- ❐ Leadership talent comes from a planned blend of internal and external sources
- ❐ Leadership competencies are the decisive factor in selecting new supervisors, managers and executives
- ❐ Development includes experiential learning (e.g., rotations, targeted reassignments, action learning, coaching and mentoring) in addition to classroom and online training
- ❐ Selection processes are inclusive and offer opportunity to candidates from diverse backgrounds
- ❐ The organization has assessed its vulnerability to incumbent loss in the highest leverage positions, and acted to minimize loss

ASSESS EFFECTIVENESS – the organization has a consistent method to track or insure that:

❒ Development programs increase employees' ability to perform in their current positions

❒ Development programs produce qualified candidates for key positions and "one-deep" leadership positions

❒ Development and selection processes produce leaders who can perform well in their new positions

❒ Current and potential leaders are motivated to remain and grow in their careers within DOT

V. CONCLUSION

The Department of Transportation plays a critical role in insuring the welfare and growth of our nation, as described in the Department's mission:

> *The national objectives of general welfare, economic growth and stability, and the security of the United States require the development of transportation policies and programs that contribute to providing fast, safe, efficient, and convenient transportation at the lowest cost consistent with those and other national objectives, including the efficient use and conservation of the resources of the United States[1]*

Insuring that DOT has *a cadre of current leaders*, and *a pipeline of future leaders*, prepared and able to inspire and lead the DOT workforce toward the attainment of its mission is a key challenge. The DOT Leadership Succession Planning Model enables the collaboration and involvement of the agency's human capital professionals and department leaders to meet this challenge.

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[1] Section 101 of Title 49, United States Code

VI. SUPPORTING PROGRAMS AND RESOURCES.

This section catalogues some of the many resources available to support the OAs in enhancing their succession planning systems. Resources include programs and policies developed in DOT, and references and guides available from the Office of Personnel Management (OPM).
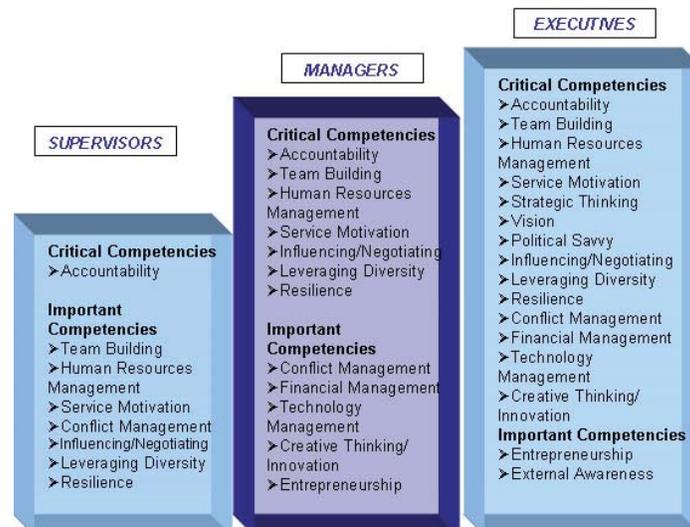
DOT PROGRAMS

DOT Leadership Competencies

DOT has initiated a Department-wide assessment of leadership competencies at every level of supervisory responsibility.

Like the Succession Planning Model, DOT's Leadership Competency framework is designed as a "pipeline." While some competencies are considered basic to every level of leadership responsibility, others become more salient as leaders advance towards SES/FAA Executive positions. The leadership competencies are based on the OPM Leadership Competency Framework. The competency table included with the Model acknowledges that in some instances generic leadership competencies must be supplemented by competencies appropriate for specific positions. However, its focus is on leadership positions, not technical experts.

The Competency Pipeline assumes multiple sources of competency development including developmental assignments and rotations, mentoring, experiential learning, and classroom learning.

Leadership Competency Framework

The FAA has developed and uses a slightly different, but complementary, set of Leadership Competencies.

Executive Development Programs
DOT/OST sponsors ongoing development opportunities for executives, including the SES Forums and the Executive Pipeline Program.

Executive Coaching
DOT sponsors a Department-wide individual coaching program that allows selected newly assigned executives the opportunity to work one-on-one with an external executive coach to ensure success. The executive and the coach determine specific individual objectives for coaching and ways to measure results. The program builds on DOT's leadership competencies to develop future leaders and provides support for executives and managers as they transition into new assignments, adapt to reorganizations, and/or are refocused to existing lines of business.

Executive Retention Trend Analysis
The DOT Workforce Plan periodically updates retirement eligibility statistics. Data include projections for career executives, and GS-15s and GS-14s in Mission Critical Occupations. These trends support the need for succession planning and indicate where OAs can anticipate gaps.

Mentoring Program
DOT's "Leaders for Tomorrow" mentoring program is a mid-level program that provides workforce development for emerging leaders. The program objectives include skills and management development training, the creation of a career plan and networking opportunities. This program facilitates knowledge management across the OAs through one-on-one relationships with executives and senior level officials, hands-on experiences, and classroom training over a 10-month period. This program is aimed at fulfilling workforce development gaps and building a pipeline to fill vacancies in management and other critical positions with a minimum level of cost and time investment.

Entry-level Hiring Initiatives
DOT uses entry-level hiring programs as an integral part of its strategy to continually refresh the pipeline of prepared talent for mid- and senior-level positions. Most OAs make use of appointing authorities that allow students to work and gain experience while completing their educations. In addition, there are formal recruitment and development programs that target graduates. The Federal Aviation Administration and the Federal Highway Administration each run entry-level recruitment and development programs for their own unique positions. DOT has also established a corporate Transportation Career Residency Program that recruits students from targeted schools for mission critical occupations and provides two years of structured learning experiences. DOT's careers Web site—**Careers.DOT.gov**—provides descriptions of opportunities for students and links to OA-specific recruitment pages.

Supervisory Leadership Program
DOT has a corporate standard of excellence for leadership recruitment, selection, evaluation, recognition and retention, which supports succession planning by helping to build a pipeline of qualified leaders. Recruitment is linked to the Department's Leadership Competency Framework by applying a consistent standard when selecting future leaders; all new supervisors' leadership competency needs are assessed; an IDP is developed; and each new supervisor is given 40

hours of formal development during the probationary period. Assessments are repeated and the IDPs are regularly updated. At the basic or pre-supervisory level, a course entitled "So You Want to Be a Leader" is conducted for employees who may be inclined to enter the leadership pipeline.

ONE DOT Rotational Assignment Program (RAP)

The ONE DOT Rotational Assignment Program (RAP) is a learning experience geared toward broadening employee experiences in transportation systems and offers both managers and employees at all levels an opportunity to meet inter-modal short-term, organizational and individual developmental needs. The goals of the ONE DOT RAP are to address ONE DOT corporate needs by offering employees developmental experiences that match future workforce needs and to enhance employee career development. The ONE DOT RAP supports succession planning by exposing participants to programs, leadership environments, and cultural factors throughout DOT, increasing the interchangeability of the talent pool across DOT organizations.

RELATED DOT POLICIES

The policies that are reprinted here are important additional guides to maintaining a healthy succession management program. The first is Departmental Personnel Manual (DPM) Letter 300-26, Recruiting, Selecting, Developing, and Appraising Supervisors. The second is the section of DPM Chapter 315 providing DOT policy on probation for new supervisors and managers.

DEPARTMENTAL PERSONNEL MANUAL SYSTEM

DPM LETTER NO.   300- 26

DATE: October 17, 2002

SUBJECT: Recruiting, Selecting, Developing, and Appraising Supervisors

U.S. DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

DEPARTMENTAL PERSONNEL MANUAL SYSTEM

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DPM LETTER NO. 300- 26   **DATE: October 17, 2002**

SUBJECT: Recruiting, Selecting, Developing, and Appraising Supervisors

In accordance with the provisions of 5 U.S.C. addressing employment, training and performance appraisal, the Secretary has established a revised policy (attached). It establishes new procedures and initiatives for (1) recruiting and selecting supervisory positions (2) developing supervisors, (3) appraising performance of probationary and experienced supervisors.

Questions about this policy should be directed to the Departmental Office of Human Resource Management, M-10.

//signed//

_____
Mari Barr Santangelo
Director, Departmental Office of Human Resource Management

Filing Instructions: File with Chapter 300 Letters
Distribution: Heads of Operating Administrations; Human Resource Council Members;
                         Learning and Development Council Members
OPI: OST/M-10/Randy Bergquist/202-366-6016

**RECRUITING, SELECTING, DEVELOPING,
AND
APPRAISING SUPERVISORS**

I. PURPOSE and SCOPE:

This letter establishes a comprehensive system that provides a corporate perspective on how all Operating Administrations (OAs) recruit, select, develop, and appraise supervisors. The U.S. Office of Personnel Management's (OPM) policy framework that governs the identification, selection, development, and performance evaluation of supervisors provides Federal agencies significant flexibility to design systems tailored to their organizational needs. This letter is intended to provide consistency in creating a culture for growing high-performing leaders. Regulations that define the policy framework for these areas are described in Title 5, Code of Federal Regulations Parts 300, 410 and 430 and 5 U.S.C. section 3321 (a) (2).   These provisions apply to all supervisors including uniformed supervisors of civilian employees. Note: In the U.S. Coast Guard, where these processes may be assignment driven, this policy guidance must be reflected in the internal policies, practices and procedures governing recruiting, selecting, developing and appraising supervisors.

II. DEFINITIONS

The definition of supervisor, as indicated in 5 U.S.C. Section 7103(a) (10) means, "an individual employed by an agency having authority in the interest of the agency to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, to adjust their grievances, or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature but requires the consistent exercise of independent judgment…"

III. RECRUITING AND SELECTING SUPERVISORS

When considering candidates for all supervisory positions all OAs must use the following Quality Ranking Factor (QRF) as a mandatory factor in agency vacancy announcements:

> *Ability to lead a diverse workforce including: creating a culture that fosters high standards of ethics; developing strategies to maximize employee potential; developing performance plans and monitoring performance; resolving conflicts; fostering workforce diversity on the staff; and recognizing staff contributions.*

In addition, OAs may also use other QRFs that clearly address agency specific supervisory or leadership competencies. These competencies must be evident in the criteria used to evaluate candidates against the QRF.

When assessing supervisory competencies for selection purposes, high performing organizations have used the following methods/tools successfully:

☑ Supervisory Assessment Questionnaires
☑ Assessment Centers
☑ Supervisory Aptitude Tests
☑ Structured Interview Questions for Selecting Supervisory Personnel

IV. SUPERVISORY PROBATIONARY PERIOD

Candidates selected into supervisory positions may be required to complete a probationary period. However, employees who have completed the required probation in a prior supervisory or managerial position in the Federal Government are exempt from the required probationary period. Satisfactory completion of a probationary period is a prerequisite for continuation in the position. If at anytime during the employee's probationary period, the supervisor becomes aware of deficiencies, the supervisor must notify the probationary employee of the deficiency and clarify the expectations.

V. DEVELOPING SUPERVISORS

Once an employee is appointed to a new supervisory position (e.g., employee has never held a supervisory position in the Federal Government), the organization must:

☑ Conduct a needs assessment that addresses the OPM/DOT leadership competencies,
☑ Assist him/her with an Individual Development Plan (IDP) that is based on the needs assessment,
☑ Include 40 hours of formal development during the one-year probationary period, and
☑ Notify the OA training office when the employee completes an assigned supervisory learning activity.

As long as the employee encumbers a supervisory position, the organization must:

☑ Conduct a needs assessment that addresses specific leadership competencies needing development,
☑ Maintain an IDP that is based on a needs assessment, and
☑ Notify the OA training office when the employee completes an assigned learning activity.

When a non-DOT supervisor is selected into a DOT supervisory position, the organization must:

☑ Conduct a needs assessment that addresses specific leadership competencies needing development,
☑ Maintain an IDP that is based on a needs assessment, and
☑ Notify the OA training office when the employee completes an assigned learning activity.

OAs are strongly encouraged to assess needs and develop IDPs for all current supervisors. Supplemental continuous learning activities may include:

- ☑ *Courses in human resource management (e.g., employee relations; labor-management relations; diversity management, recruitment; staffing and classification; performance management; employee development)*

- ☑ *Mentoring/coaching*

- ☑ *Rotational assignments to other program offices*

- ☑ *Combination of classroom theory, experiential learning, and computer based instruction that addresses specific leadership competencies requiring development.*

VI. APPRAISING SUPERVISORS

DOT's Performance Management Taskforce shall establish and all OAs must implement mandatory accountability standards and measures that apply to all levels of management and supervision. This shall include a requirement that is consistent with the prescribed regulations 5 CFR part 430, Subpart C and DPM Letter No. 920-24 dated June 10, 2002. This Taskforce will also revise
Departmental Personnel Manual 315-40, subchapter 9 to eliminate barriers to addressing poor performing probationary supervisors. Two such barriers include:

- An organization's budget may not allow for the poor performing probationary supervisor to return to a regular position, and

Performance during the probationary period usually is not addressed until the end of the period

Departmental Personnel Manual
Chapter 315 - Probationary Periods

The following is the section of DPM Chapter 315 that deals with probation for new supervisors and managers. The full text may be found at
http://dothr.ost.dot.gov/HRPolicy/DPM_315_Probationary_Periods.pdf

G. Policy

It is the policy of DOT to provide new supervisors and managers with (1) a reasonable opportunity to prove themselves as quality leaders; and (2) training, positive feedback, and

mentoring during their first year so that they develop and apply effective supervisory or managerial skills, through the following requirements:

1. Upon initial permanent appointment in the competitive service to a supervisory position, an employee is required to complete a probationary period.

2. Upon initial permanent appointment in the competitive service to a managerial position, an employee is required to complete a separate probationary period except as provided in Section H.

3. When an assignment to a supervisory or managerial position is expected to exceed 120 days, the employee is required to serve a probationary period. Nothing in this Section restricts the termination of a temporary assignment at any time.

4. OAs may vary the length of the probationary period for certain types of occupations, but in no case should the probationary period be less than one year. The probationary period begins on the effective date of the official personnel action assigning the employee to the position.

5. Within thirty (30) calendar days of appointment, the supervisor shall inform the newly appointed supervisor or manager of his/her probationary status; describe his/her duties and responsibilities; and provide him/her with a written performance plan.

6. All probationary supervisors and managers shall receive formal, quarterly feedback from their supervisors. To the extent possible, feedback should be given in face-to-face meetings. OAs shall establish internal controls to ensure that probationary supervisors and managers receive feedback every three months.

7. Within 90-days of appointment, a needs assessment will be completed on the probationary supervisor or manager that addresses the DOT's leadership competencies.

8. An Individual Development Plan (IDP) will be developed based on the needs assessment. The IDP should document training or learning opportunities that will meet the mandatory 40 hours of formal development specified in DPM Letter No. 300-26. For newly appointed supervisors, training in conflict resolution and performance management is strongly recommended.

9. Every effort should be made to ensure that the mandatory 40 hours of formal development is completed within the first six months of the probationary period.

10. Supervisors, with assistance from their Human Resource Office, are expected to provide assistance to probationary supervisors and managers to improve performance deficiencies.

11. Action may not be taken to reassign a probationary supervisor or manager to a non-

supervisory or non-managerial position earlier than 90 calendar days following appointment. This requirement does not preclude action based on misconduct.

12. An OA may exclude newly appointed managers from serving a probationary period, provided such exclusions are based on a written policy which has the following requirements:

   a. Exclusions are made only on an individual basis;

   b. The reasons for an exclusion are documented and contain evidence (including successful completion of a supervisory probationary period) of the individual's demonstrated success as a supervisor in exercising the knowledge, skills, abilities and other characteristics including an aptitude for the human relations aspect necessary to perform those duties; and

   c. Official(s) authorized to approve such exclusions are identified.

13. Operating Administrations are strongly encouraged to adopt the following processes:

   a. Assign a mentor to the probationary supervisor or manager for the duration of the probationary period. A "mentor" is one who has supervisory or managerial experience in the OA to which the new employee is assigned, has a demonstrated ability to effectively supervise employees or perform managerial duties, is savvy concerning how to navigate the organization's culture, and can provide advice from personal experience, leaving the decision to act up to the mentee. To be effective the mentor must also be someone who is accessible to the mentee, is skilled in establishing a positive rapport, and is committed to helping the newly appointed supervisor or manager succeed in his or her position. The mentor is not involved in any facet of the employee's performance evaluation; rather, he or she serves as a resource to the newly appointed manager or supervisor. This approach provides an environment in which the new employee is free to share ideas or concerns that he or she might otherwise be hesitant to share with a first level supervisor.

   b. Use multi-source feedback to provide formal, quarterly performance feedback and to determine the developmental needs of the probationary supervisor or manager. Generally, multi-source feedback is received by supervisors from subordinate employees, customers, and peer supervisors who have observed the employee's supervisory or managerial performance. This feedback is used to identify strengths and weaknesses with an emphasis on what can be done to improve supervisory and managerial skills. Multi-source feedback shall not be used for evaluative purposes unless the OA has formally developed such a program that is applicable to non-probationary supervisors and managers.

   c. Establish a plan for assigning a probationer to a non-supervisory or non-managerial position if he/she fails to satisfactorily complete the probationary period prior to the employee's appointment.

OPM GUIDANCE

THE OPM GUIDE to SUCCESSION PLANNING

The OPM Guide to Succession Planning presents five "phases" of activity that an organization may follow to develop an effective succession plan. The phases are depicted graphically as a star.[2]
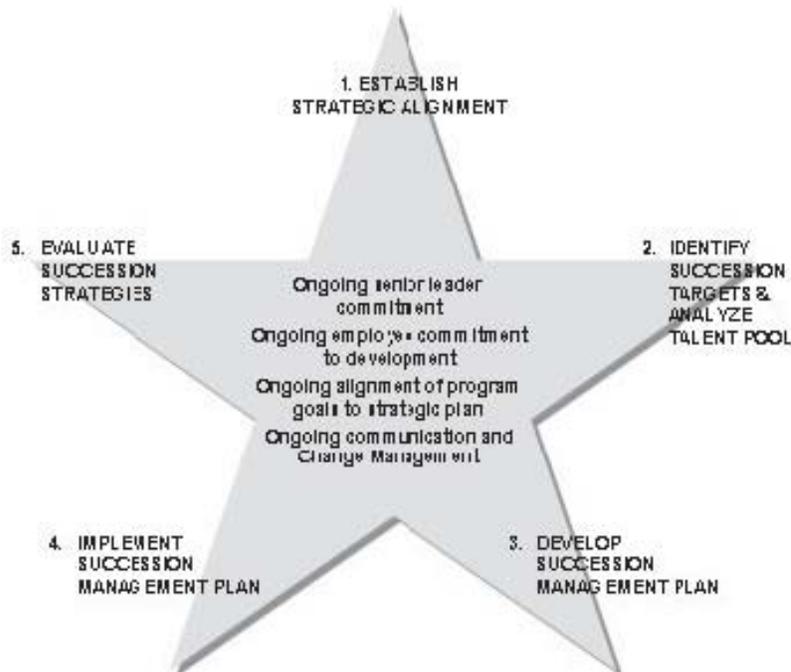
A full description of these phases is available in the OPM Succession Planning Guide, December 2005, available from OPM.

THE HUMAN CAPITAL PRACTITIONERS' GUIDE

This OPM guide devotes a section to the standards and critical success factors for succession planning, available at: **http://www.opm.gov/hcaaf_resource_center/4-3.asp**

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[2] OPM Succession Planning Guide, December 2005

U.S. Department of Transportation
Accountability Plan for FY 2006-2008

PURPOSE

This is a multi-year plan, which allows DOT organizations to prepare for the resource demands of the depicted activities. The plan will be updated at least annually, and may be modified at any time in response to new information or changed circumstances. While there is a separate plan which specifically addresses strategic alignment, alignment with mission goals is also an explicit consideration in the overall planning of both subject matter and approach for every human capital driver.

SCOPE

•Only activities that cut across DOT organizational lines are described in this document. While Operating Administrations (OAs) participate in these activities, it is also DOT policy that each organization must separately plan and document its own unique accountability activities.

•DOT recognizes that the Federal Aviation Administration (FAA), the Office of the Inspector General (OIG), and the Surface Transportation Board (STB) have statutory authority to decline participation in on-site reviews and other accountability activities conducted by outside parties.

•In every fiscal year there will be some documented review of all five human capital systems. Those systems are strategic alignment, leadership and knowledge management, performance culture, talent, and accountability. Reviews will take different forms, as depicted in the plan and will assess an aspect of strategic alignment, effectiveness, efficiency, and/or compliance for the targeted system.

MEASURES

DOT will use a wide range of measures, choosing the ones most suitable to the activity under review. At a minimum, these will include surveys, focus groups, data and narrative reports, review by OPM or other external parties, and independent on-site reviews conducted by internal teams. These measures will be subject to continuous review and improvement.

ON-SITE REVIEWS

•At least one on site review will be held each fiscal year. Subjects of review described in this plan have been chosen giving heavy weight to findings documented in OPM's 2005 audit of DOT human resource offices, and to other indicators, such as survey results.

•Reviews will be planned and led by the OST program manager with responsibility for the function, and will be composed of representatives from OST and OAs, with OPM

participation. Teams will be composed to ensure that no employee reviews his or her own Administration, thereby preserving the necessary independence.

•A written report of findings, requirements, and recommendations will be prepared for each OA following each on-site review.

A multi-year plan for each of the five human capital systems follows.

STRATEGIC ALIGNMENT -- Background for the plan

Human Capital Planning
A systematic approach to human capital planning is the necessary foundation for the strategic alignment and effectiveness of human capital efforts.

Short Range Planning
As each fiscal year ends, each OA collects and analyzes workforce data for the prior year and makes HC plans, including formal recruitment plans, that respond to DOT and OA strategic objectives, performance measures, and long-range HC plans. These plans must take into account performance goals and other factors including:
- Workforce composition, including competencies
- Emerging trends
- Stakeholder input (managers, employees, industry officials, state partners, etc.)
- External direction/reports (from Congress, GAO, OMB, OPM, IG, etc.) and
- Projected resources

When current or emerging talent gaps are identified, OAs consider a range of human capital and other options, such as organizational restructuring, structured learning and development approaches, process reengineering, including applications of automation, competitive sourcing, and increased use of available recruitment and retention flexibilities as they map out human capital plans and strategies.

Long-Range Planning
The cycle for long range human capital planning is tied to the Department's strategic planning cycle, and involves many contributors. Human Capital is an explicit part of the DOT Strategic Plan through the Organizational Excellence objective, which is aligned to the PMA http://www.dot.gov/stratplan2008/strategic_plan.htm. Additionally, each OA has representatives that participate in Department-level strategic planning for other objectives, and sets internal goals and objectives as well. DOT human capital planners review this updated mission information in conjunction with their analysis of trends revealed in annual workforce plan updates, the evaluation of strategies already in place, and direction from OPM. The result is the selection of long-term human capital goals, with milestone dates and specific assignment of responsibilities. These long-range plans are posted on the DOT web site. DOT has posted plans in 2002 and 2004, and expects to post an updated plan in 2006 upon completion of the DOT Strategic Plan update.

HR Balanced Scorecard
In 1998, the DOT HR Community implemented a Balanced Scorecard based on the Kaplan and Norton model. The DOT process surveys HR customers, HR employees, and HR managers about the delivery and importance of HR services, and the infrastructure that supports service delivery. Each Operating Administration receives a number of reports showing its performance and how it compares to others. It then develops a plan to improve and communicates the plan to customers. OAs that have scored well share best practices with others.

HCAAF System: Strategic Alignment

System Standard: Agency human capital management strategies are aligned with mission, goals, and organizational objectives and integrated into its strategic plans, performance plans, and budgets.

Human Capital Goal: To maintain a human capital forecasting, planning, and customer service infrastructure that ensures alignment of HR information, policy, and services with DOT strategic objectives and performance goals.

Critical Success Factor: Workforce Planning

Objective: To ensure that workforce analysis and plans are based on sound and complete information, and linked to DOT and OA strategic plans and performance measures.

Purpose What result DOT intends to achieve	Measure What DOT looks at to determine if objective is met	Data Collection Strategy/Tool used	Frequency/ Timeframe	Responsibility
STRATEGIC ALIGNMENT				
-To ensure workforce and strategic planning cycles and procedures result in HC plans that align with agency strategic objectives and performance measures.	-Evaluate workforce plans for linkage to organizational goals. -Incorporate HC objectives into DOT strategic plan	**-**100 percent review of formal submitted plans -PAR process, Organizational Excellence Objective	-Annual	-OA Mgrs/HC Planners -OST Oversight
EFFECTIVENESS				
-To ensure that workforce planning prioritizes mission critical occupations and competencies with the greatest impact on performance. -	-Verify that OA plans identify trends and needs for mission critical occupations and competencies.	-100 percent review of formal submitted Workforce Plans. -.	Annual	-OA HR -OST-HR Oversight
EFFICIENCY				
-To ensure the OA workforce planning cycle for the OAs relies on the updated information from the Performance Planning cycle.	Verify that OA workforce planning reflects updates from the Performance Planning cycle. .	-Performance Planning Updates -OA Workforce Plans	Annual	-OA HR -OST-HR Oversight

HCAAF System: Strategic Alignment (cont.)
Critical Success Factor: Human Resources as Strategic Partner

Objective: To ensure that human resources staff serve as effective and valued consultants to line managers and involve line managers in HR decision making and activities.

Purpose (What result DOT intends to achieve)	Measure (What DOT looks at to determine if objective is met)	Data Collection (Strategy/Tool used)	Frequency/ Timeframe	Responsibility
EFFECTIVENESS				
To ensure that OA customers view HR staff as valued partners who work with them to achieve results.	-OA scores on Service Partnership questions in Balanced Scorecard customer surveys -OA improvement plans based on Balanced scorecard results address customer concerns and result in improved scores.	-Balanced Scorecard Instrument includes on-line surveys administered to HR office customers, employees and leaders. Upon receiving scores, each OA meets with program manager and makes an improvement plan. -FY06 OAs implement plans based on FY05 results -FY07 New survey, analysis & trending -FY08 OAs implement plans based on FY07 results	Every 2 years	-OA HR Administration and oversight by OST-HR
To ensure that HR staff has necessary competencies to partner with program managers and executives in planning and problem solving.	-HR Competencies are adequate to the staff roles assigned	-Competency assessments FY06 -Improvement/results reports FY07		

LEADERSHIP AND KNOWLEDGE MANAGEMENT—Background for the Plan

This material provides context for the activities described in the plan.

DOT's policy **Recruiting, Selecting, Developing, and Appraising Supervisors** was issued in 2002. http://dothr.ost.dot.gov/HRPolicy/Number/L300-26.pdf This policy established a mandatory ranking factor to be used in the recruitment and selection of supervisors, mandated an individual development plan for each incumbent of a supervisory/management job, required at least 40 hours of training during the supervisory probation year, and provided other requirements and best practice recommendations to improve the selection and development of supervisors.

DOT policies on performance management, established separately for executive and non-executive positions, have established and refined mandatory performance elements for all leadership positions. Additionally, DOT's SES Performance System received provisional certification in 2004 and 2005, and will be submitted for full certification in 2006. DOT policy on supervisory probation set timeframes for the required initial 40 hours of training and for explicit performance feedback for the new supervisor on at least a quarterly basis, and highlights other best practices, such as mentoring and 360 feedback.

DOT issued a succession management model in 2003 http://dothr.ost.dot.gov/HR_Programs/Workforce_Planning/DOT_Succession_Planning_Model_-_complete_doc.doc, and is updating it in 2006. The model guides organizations in identifying critical positions and the readiness factors for those positions, and establishes the concept of a position pipeline that must be maintained to ensure adequate bench strength. It also directs organizations to identify external recruitment sources for critical positions, and to evaluate retention factors.

DOT supports the added emphasis on the accountability of leaders by providing resources to assist them. The Supervisors' Toolkit http://dothr.ost.dot.gov/toolkit/toolkit.html is a web site with information on a range of topics relevant to supervisors.

Finally, DOT has established a pipeline of developmental programs to supplement the eLMS and OA-specific programs for building leadership competencies. The pipeline begins with a pre-leader program (So You Want To Be a Leader) designed to help participants gauge their own aptitude and desire for leadership roles, continues with a mentoring program (Leaders for Tomorrow), a GS-15 executive pipeline program of training events, and an executive coaching program.

HCAAF System: Leadership and Knowledge Management

System Standard: Agency leaders and managers effectively manage people, ensure continuity of leadership, and sustain a learning environment that drives continuous improvement in performance, and provide a means to share critical knowledge across the organization. Knowledge management must be supported by an appropriate investment in training and technology

Human Capital Goal: DOT's succession strategies ensure both continuity and competence in critical positions, and development approaches promote knowledge sharing and continuous learning.

Critical Success Factor: Leadership Succession Management

Objectives:
- To identify, assess, and improve leadership competencies.
- To establish objectives and strategies which ensure a continuous pipeline of prepared leadership within the organization.

Purpose What result DOT intends to achieve	Measure What DOT looks at to determine if objective is met	Data Collection Strategy/Tool used	Frequency/ Timeframe	Responsibility
**STRATEGIC ALIGNMENT**			
Ensure that succession strategies provide a pipeline of prepared talent to ensure adequate bench strength for mission critical occupations.	- Review analysis of FAA pilot and other available OA strategies -Review and update DOT Succession Plan -Provide benchmarks and measures for all OAs	-FAA pilot status and results reports and strategy descriptions from other OAs -FY06 baseline documentation for other OAs -DOT 2003 model, OPM model -Provide benchmarks and measures for all OAs	-Annual report in conjunction with workforce planning .-FY07	-OA HR -Oversight by OST-HR
Ensure that individual SES performance appraisal results show a relationship to organizational performance .	Review SES performance assessments and bonus recommendations.	-OST 100 percent review, FY06. -DOT SES Certification	 Annual or bi-annual, depending on level of certification	-OA HR -OST HR Executive Resources

HCAAF System: Leadership and Knowledge Management
Critical Success Factor: Leadership Succession Management (cont.)

EFFECTIVENESS				
Measure employee confidence in DOT leaders	Employee index of responses. .	-Federal Human Capital Survey (FHCS) and/or Annual DOT Survey -DOT Focus Groups and listening sessions .	-Annually	-OAs conduct focus groups to interpret own FHCS results. -OST HR oversees survey admin. and analysis.
To ensure critical leadership competencies are identified and assessed for effective recruitment and development leading to gap closure .	-Results of competency assessment -Performance of new hires in leader jobs	-Leadership competency survey instrument administered in eLMS system. -Performance assessments of new leaders	Future Leadership competency assessments done as needed on annual basis (potentially in conjunction with the performance appraisal process)	-OA HR & leaders -OST HR oversight
EFFICIENCY				
.To ensure timeliness of job offers to SES candidates.	-OPM 30-day model - -DOT improvement plan and results	-06 Track DOT improvement plan for SES hiring -07/08 Re-baseline, establish new improvement targets.	Quarterly assessment and reporting	-OA HR/OA leaders -OST Executive Resources Staff (oversight)
COMPLIANCE				
To determine that decisions, policies, processes, and practices comply with merit system principles, and related laws, rules, and regulations governing Leadership Succession Management	-Annual ethics training is attended by all designated officials -New leaders complete required training. -Discipline reviewed/posted under No Fear requirements	-Attendance is taken and monitored at ethics training -Mandatory training tracked in automated system. -Surveys and focus groups show understanding of ethics and merit system principles. -Discipline for officials guilty of discrimination or reprisal reported under No Fear Act	Training for new leaders within probationary year All other listed activities annual	-OGC (Ethics Training) -OA HR Offices in partnership with OA managers -OST HR Office (oversight)

HCAAF System: Leadership and Knowledge Management
Critical Success Factor: Leadership Succession Management (cont.)

COMPLIANCE				
To ensure DOT meets the statutory obligation to inform their workforces about the rights and remedies available to them under the Whistleblower Protection Act (WPA) and related civil service laws. Also See 5 U.S.C., 2301 (b) (4) for compliance requirements relative to the Accountability system.	-Evaluate ongoing adherence to OSC's 2302(c) Certification Program.*	-Completed OSC 2302 (c) Certification Program	-11/25/03 Received Certification* -11/2006 Apply for re-certification	-OST HR Program Manager

*Under the 2302(c) Certification Program, OSC certified DOT's compliance with 5 U.S.C. §2302(c) when the agency met the following five requirements:

 1. Placing informational posters at agency facilities;
 2. Providing information about PPPs and the WPA to new employees as part of the orientation process;
 3. Providing information to current employees about PPP's and the WPA;
 4. Training supervisors on PPPs and the WPA; and
 5. Creation of a computer link from the agency's web site to OSC's web site.

HCAAF System: Leadership and Knowledge Management
Critical Success Factor: Continuous Learning

Purpose (What results DOT intends to achieve)	Measure (What DOT looks at to determine if objective is met)	Data Collection (Strategy/Tool used)	Frequency/ Timeframe	Responsibility
STRATEGIC ALIGNMENT				
Verify that approved training supports mission goals.	-Training evaluation includes at least Level 3 approaches. -Evaluations used in future training decisions.	Incorporate in on-site review, FY08	-06 Post evaluation guidance, best practices -07 Develop evaluation standards and aids. -08 on-site review of OA training administration.	-06/07 L&D Council/OST -08 review Audit teams drawn from OAs under leadership of OST Program Mgr*.
EFFECTIVENESS				
Measure employees' belief that they have knowledge necessary for job, and knowledge is shared in workforce	-Employee index of responses	- FHCS/DOT Survey -Employee/leader focus groups -FY08 on-site review*	-Annually	-OA Leadership and HR -OST HR oversight -Audit Teams
EFFICIENCY				
Ensure that on-line training options support accessible, cost-effective learning	Employee use monitored and reported	-Addressed in annual evaluation of training program. -Training programs to be subject of on-site program review FY08.	-Annual review of employee use, effectiveness performed as part of program evaluation. -FY08	-OA Leaders with HR -OST HR oversight -OA/OST Audit Teams under Program Manager direction.

RESULTS ORIENTED PERFORMANCE CULTURE--Background for the Plan

The material below provides needed context for the activities described in the Plan.

In 2002, DOT formed a Performance Taskforce, composed of at least one representative from every Operating Administration, and led by the Department's Performance Culture Program Manager. The Taskforce identifies, researches, and resolves policy and program issues and serves as a forum for speakers and group debate and a clearinghouse for relevant literature and best practices.

In 2003 the Taskforce rewrote DOT policies on Performance Management (http://dothr.ost.dot.gov/HRPolicy/Departmental_Performance_Mgmt_Policy_12-18-03_rev_3-5-04.pdf) and Awards and Recognition (http://dothr.ost.dot.gov/HRPolicy/c451_12-18-03.pdf). The Performance Management Policy was further updated in 2004.

The recently revised DOT policy on probation gives additional direction about the timing of mandatory training for supervisors, and frequency of performance feedback, as well as highlighting recommended practices. This policy was developed with the assistance of focus groups composed of DOT supervisors.
http://dothr.ost.dot.gov/HRPolicy/DPM_315_Probationary_Periods.pdf

All Operating Administrations have completed self-assessments of their performance management programs and submitted them to OPM for scoring and feedback. All have received direction for planning the mandatory supervisory training cited in the plan. While OPM's PAAT tool requires that 50 per cent of employees and supervisors have received training on the performance system, the required DOT training covers principles and practices related to two-way communication between supervisors and employees, drafting performance expectations, making performance distinctions, and dealing with poor performance.

Finally, all Operating Administrations were required to develop and implement action plans based on results from the 2004 Federal Human Capital Survey. Activities related to improvement of performance management were included in these plans.

HCAAF System: Result-Oriented Performance Culture

System Standard: The agency has a diverse, results-oriented, high-performing workforce and a performance appraisal system that differentiates between high and low levels of performance and links individual/team/unit performance to organizational goals and desired results effectively.

Human Capital Goal: To build and maintain performance management programs and practices that link individual and group performance to agency mission, goals, and outcomes; hold employees accountable for results; differentiate between various levels of performance; and provide consequences based on performance

Critical Success Factor: Performance Appraisal

Objectives:
- To assess how well DOT's performance management programs meet the criteria established by OPM in its Performance Appraisal Assessment Tool
- To ensure that corrective strategies are developed and implemented resulting in OPM certification of DOT's performance appraisal system.
- To hold managers and supervisors accountable for the rigorous appraisal of their employees, including, but not limited to: (1) preparing employee performance plans that are aligned with mission, goals and objectives and results-oriented; (2) providing timely performance feedback; (3) making performance distinctions; and (4) effectively dealing with poor performance.

Purpose What result DOT intends to achieve	Measure What DOT looks at to determine if objective is met	Data Collection Strategy/Tool used	Frequency/ Timeframe	Responsibility
STRATEGIC ALIGNMENT				
To determine the extent to which DOT performance programs meet the OPM required criteria as defined in the Performance Appraisal Assessment Tool (PAAT).	-Internal and OPM analysis, results and recommended actions from OA submitted PAATs.	-PAAT for DOT beta site and for remaining OAs. (PAAT includes all DOT performance management programs, employee performance plans, and HRIS) -Follow up reviews on specific issues raised by OPM 2005 audit.	-Beta Site PAAT baseline review in 3/06. All other DOT PAAT results have been provided to OPM for review. -Beta Site to be certified green by December, 2006. -All other OAs to be certified green in FY-07.	-Program Manager for Performance Management at Operational Level in each OA - Departmental Program Manager for Performance Culture & Departmental HR Policy Office

HCAAF System: Result-Oriented Performance Culture
Critical Success Factor: Performance Appraisal (cont.)

EFFECTIVENESS				
To determine the extent to which employees perceive that their OA has a strong performance management culture.	-Employee index of responses	-FHCS/ DOT Survey. -Focus Groups -Federal Motor Carrier Safety Administration (FMCSA) special FHCS Analysis	-Annual -2006 (DOT FHCS Follow-Up Focus Groups) -2006	-Operational Level: OA Program Leaders -OST HR Oversight
To ensure that managers and supervisors understand their role and responsibility in managing employee performance.	-Managers assessment of their understanding of their role after training delivery	-OAs will use a level 3-evaluation tool after training is administered.	Training requirement levied in FY06. All training to be accomplished by end of FY07. Future schedule TBD	-Operational Level: OA Program Managers -OST HR Office (oversight)

HCAAF System: Result-Oriented Performance Culture
Critical Success Factor: Performance Appraisal (cont.)

EFFICIENCY				
To ensure the completion and timeliness of the mid-year progress review and annual performance evaluation.	-Percent of DOT employees receiving mid-year assessments and annual performance reviews on time	-HR records and documentation. -Employee and supervisor appraisals -Reports showing performance ratings (FPPS)	-Ongoing--Both mid-year and annual review	-OA HR Offices in partnership with OA managers -OST HR Office (oversight)
COMPLIANCE				
As required by 5 U.S.C. 1103(c), DOT managers and HR officials are held accountable for efficient and effective human capital management.	-PAAT scores and feedback -DOT SES Certification review -OA compliance with DOT policy requiring human capital management factors in the performance plans of all leaders.	-Adequacy of performance management controls is being addressed in OA improvement plans in connection with PAAT scoring. -Assessment of Executive performance system in conjunction with application for certification/recertification -Follow up reviews on specific issues raised in OPM 2005 audit -Printouts showing ratings entered. (First runs May 2006.)	- FMCSA scores 06 Baseline scores for other OAs 06. Final scores for other OAs 07. -Annual or bi-annual, depending on level of certification. -Ad hoc -Ongoing	OPM and OST HR -OPM and Executive Resources group, OST -OST Program Manager -OST Program Manager

HCAAF System: Results-Oriented Performance Culture
Critical Success Factor: Awards and Recognition
Objective: To ensure that all DOT awards and recognition policies and practices motivate excellent performance and serve as a tool for retaining good performers.

Purpose (What result DOT intends to achieve)	Measure (What DOT looks at to determine if objective is met)	Data Collection (Strategy/Tool used)	Frequency/ Timeframe	Responsibility
STRATEGIC ALIGNMENT				
To verify that awards are used strategically to advance program goals	-Evaluate award reasons -Confirm awards in budget - Verify strategic alignment of award strategy - Assess effectiveness of communication about awards	Included in on-site program review, FY06. Additional data collection TBD	Included in on-site program review, FY06.	Audit teams drawn from OAs under leadership of OST Program Mgr (with OPM).
EFFECTIVENESS				
To measure employee confidence that agency awards accurately reflect levels of performance	-Employee index of responses - Exit surveys - grievances Awards distribution	- Federal Human Capital Survey (FHCS) and/or Annual DOT Survey -Focus groups of employees and leaders -FY06 Review* - grievance data - exit survey results	-Annually	OA Leadership and HR OST HR oversight Audit Teams as described above.
To determine the extent to which SES appraisals and awards are appropriately linked to achievement of organizational results.	-Percent receiving and relative amounts of SES performance bonuses bear a credible relationship to documented organizational and individual performance.	-Employee performance rating and awards records in automated/manual system -Information on organizational performance provided through GAO reviews, PART reviews, etc.	-Annual	-Executive Resources Group in OST HR

HCAAF System: Results-Oriented Performance Culture
Critical Success Factor: Awards and Recognition (cont.)

EFFICIENCY				
To verify that awards and recognition strategy uses both monetary and non-monetary approaches and range of dollar amounts	-DOT/OAs uses a range of methods for awards and recognition -Time between action and award is appropriate -Level of awards is appropriate and consistent for value	-Review of OA awards and recognition policies - Included in on-site program review, FY06. Additional data collection TBD	During 06 review, and as revised thereafter.	OA Leaders\HR OST HR oversight Audit Teams as described above.

TALENT—Background for the Plan

Automated external recruitment systems.
As an early PMA initiative, a cross-OA work group evaluated available automated staffing systems and selected QuickHire (now called Hiring Manager.) The FAA chose to retain its own automated systems, and the IG chose not to receive service from one of the components it audits. The Federal Highway Administration, which already used QuickHire, agreed to act as Executive Agent for DOT. Early in FY 06, DOT became the first Department to migrate to the web-based system that is completely integrated with Recruitment OneStop (ROS) and continues to work with Monster.com to iron out service and reporting problems with this version. As a result of painstaking collaboration with DOT's Office of Civil Rights, the system sends vacancy announcements to an extensive and current list of diverse candidate sources. Both the Hiring Manager and FAA systems are meeting OPM's recommended hiring timeframe.

Corporate Recruitment cooperative efforts.
As another early PMA initiative, OST convened a workgroup with representatives from all Operating Administrations to improve the volume and cost-effectiveness of recruitment outreach through cooperative efforts. A One-DOT recruitment web site and the brand, "Careers in Motion" were created as well as recruitment literature in both English and Spanish. The web site is at http://careers.dot.gov/. The group prioritizes and selects job fairs and other recruitment venues, and takes turns staffing and funding events, so that many more are now staffed than when OAs competed with one another, and attended only the ones they could individually fund. Another recent accomplishment of the Corporate Recruitment program has been the establishment of a Career Resident program which uses career intern hiring authority to recruit graduates of Masters degree programs for mission critical occupations. While both FAA and FHWA have their own professional intern programs, the Career Resident program is available to them as a supplement, and serves smaller OAs as a particularly valuable recruitment vehicle. The program piloted in FY 05. On the basis of the successful pilot, both the number of students recruited and the number of positions committed doubled in FY 06.

Competency Management.
•DOT published a Workforce Planning Guide in 1999 http://dothr.ost.dot.gov/HR_Programs/Workforce_Planning/guide.pdf. Among other things, it guides OAs in identifying mission critical occupations and the critical skills associated with them, as well as any gaps between the skill level needed and supplied. Additional information about identifying and closing competency gaps is in the DOT Training and Evaluation Guide at http://dothr.ost.dot.gov/HR_Programs/Learning___Development/Training_Evaluation_Best_Pract/trainingEVALGUIDE.pdf

•DOT recognizes that insufficient numbers in a function can also constitute a gap, and recently entered an agreement with OPM to use the WASS/CivFors forecasting instrument as an aid in projecting demographic trends.

•DOT contracted with Booz Allen Hamilton to provide a leadership competency assessment model. The methodology can be used for other competencies as well.

•DOT purchased an e-LMS system which can be configured to do competency assessments, and used that system in FY 06 to assess leadership competencies.

•Individual OAs are engaged in competency assessments for critical positions and competencies specific to their own workforces. Additionally, most OAs are engaged in assessments for the IT workforce and the four engineering series involved in a cross-cutting workforce planning pilot study, and all are involved in assessments for the HR workforce.

•DOT organizations have made use of workforce restructuring, in some cases aided by VERA and VSIP authorities, to align positions to the needs identified in workforce analysis and competency assessment. Some have also used knowledge management techniques, process re-engineering, and competitive sourcing, in addition to more traditional development strategies.

Retention/Engagement efforts.
•In addition to data from the Federal Human Capital Surveys, DOT's two largest OAs, FAA and FHWA, have data from pre-existing employee attitude surveys. For the 2004 FHCS, DOT received permission to have the survey administered on a census basis for the smaller administrations, so that each would receive individualized results. Then each OA was directed by the Deputy Secretary to analyze its results and develop tailored improvement and communication plans. OAs used a range of approaches, including focus groups, Town Hall meetings, and interactive web strategies to probe employee attitudes on key issues affecting engagement culture. As new survey results come in each year, it will become apparent which strategies correlate most closely with improved results. In the process, OAs have improved the frequency and quality of their conversations with employees.

•Secretary Mineta has a Diversity Advisory Council to monitor trends related to diversity and make recommendations for improving the inclusiveness and engagement of DOT culture. One Council initiative is the requirement, effective June 2006, that OAs use exit surveys or interviews to determine reasons when employees leave the organization. Another is a series of leadership forums on alternative dispute resolution.

•DOT maintains a Disability Resource Center to ensure that all employees who require an accommodation are provided with one that is effective. In addition to analysis and procurement to meet these needs, the DRC performs outreach training and conducts regular liaison with stakeholder groups such as DOT ADA and DeafDOT.

•DOT has long been a leader in the use of flexible work schedules, and is making steady gains in telework participation. In a number of organizations, over 50 percent of those eligible to telework do so. The Telework Order is currently being revised to emphasize the importance of telework capability for emergency planning.

HCAAF System: Talent

System Standard: DOT has closed skills, knowledge, and competency gaps/deficiencies in mission-critical occupations, and has made meaningful progress toward closing skills, knowledge, and competency gaps/deficiencies in all DOT occupations,

Human Capital Goal: To enhance corporate recruitment initiatives and utilize hiring authorities to ensure broader outreach to potential candidates, shorten hiring time and reduce critical competency gaps.

Critical Success Factor: Recruitment

Objective: To identify, attract, select and deploy a diverse workforce with competencies needed for organizational success.

Purpose What result DOT intends to achieve	Measure What DOT looks at to determine if objective is met	Data Collection Strategy/Tool Used	Frequency/ Timeframe	Responsibility
STRATEGIC ALIGNMENT				
To ensure OAs plan and execute recruitment strategies that support organizational goals.	-Review OA recruitment plans, activities and results for linkage to organizational goals and leadership priorities, including closing competency gaps.	-OA Workforce Plans, Recruitment Plans and activities, -Mgt Competency findings, -OA recruitment execution reporting tool -DOT Corporate Recruitment Program	-Annual -FY06-Evaluate link between recruitment activities and workforce planning/ competency requirements -FY07-Issue new Recruitment Program direction including planning/reporting/ evaluation procedures -FY08-Assess if new recruitment program procedures result in improved alignment to organizational goals	-OA HR -OA Workforce Planners -OST HR Oversight

EFFECTIVENESS				
To ensure OAs actively identify and manage critical competencies and that highly qualified candidates are recruited, selected and retained, and their skills kept current.	-Review Competency Reports for Leadership, Information Technology (IT) employees, and agency MCOs (Mission Critical Occupations)	-Quarterly Reports.	-FY06 Quarterly and ongoing	-OA HR -OST HR Oversight
	- Ensure HR Assessments, Target Gap Report, Improvement Plan, and Results Report are completed	-Quarterly Reports	-Beginning 6/06 and Continuing	
	- Complete Engineering competency gap and project status	-Engineering cross-functional Pilot	-FY06 to FY07	
	-Review MCO competency reports as required by PMA		-FY07 Ongoing	
To determine the extent to which employees perceive that they and coworkers have necessary skills.	- Employee index of responses	-FHCS/DOT Survey -DOT Focus Groups	-Annual	-OA HR -OST HR Oversight
EFFICIENCY				
To determine job offers are timely	-Job offers conform to 45 day target for GS levels and agreed target for SES	-Quarterly Time-to-Hire Reports. (Includes number and type of Hiring Flexibilities used)	-Quarterly and ongoing	-Selecting Officials -OA HR -OST HR Oversight and Reporting.
	-As progress is made, targets will be re-baselined	-SES Hiring Timeline	-9/06 and continuing	

To determine specific satisfiers and dissatisfiers (Retention)	-Index of Responses	-Exit Surveys and Interviews -Employee Survey	-As employees leave -Annual	-OA HR -OA Leaders -OST Administers Survey
COMPLIANCE				
To ensure that hiring processes, selections, and recordkeeping are compliant with the merit system principles, law, regulations, and policies. (See 5 U.S.C. , 2301 (b) (1), and 5 U.S.C. 2301 (b) (2))	-DEU review conducted in accordance with OPM guidance -Planned on-site review of personnel action processing and OPF maintenance -HROA Audit Follow-Up ("Require that OAs follow the instructions in the OPM's Guide in Processing Personnel Actions and Guide to Personnel Recordkeeping to correctly maintain Ops and their contents. 5 CFR 293.304")	-Delegated Examining Reviews. -Identify Standard Metrics and approach -On-site review -Follow-up and correct issues -OPM HROA Audit	-Annual (2 reviews per quarter) -FY06 -FY07 -FY08	-OST Staffing Program Manager - Audit teams of OA and OST employees led by OST Program Manager.

•**Formal Human Capital Planning.** DOT has implemented (and published) two long-term human capital plans, in 2002 and 2004, and both had milestones and accountable entities identified for each initiative. A new long-range plan is scheduled for development in 2006, in connection with the current strategic plan update.

•**Cascading Leadership Accountability.** Secretary Mineta holds his direct reports accountable for success in PMA initiatives, and receives regular briefings on progress. His Chief of Staff and Deputy are also closely involved, and he has created the senior position of Deputy Assistant Secretary for Management and Budget, filled by a non-career executive, to coordinate and oversee PMA progress and reporting. Each OA has a designated responsible official for PMA as well, and monthly briefings are held for these officials. Within Human Capital, the Administrative Management Council receives quarterly briefings with opportunities for input, and the Human Resources Council, composed of HR Directors, takes an active role in planning, execution, and reporting.

•DOT has also mandated that every leader, from political appointees to the lowest graded supervisor, have a performance plan with elements describing responsibility for human capital, business results, and diversity. These elements are being strengthened to be more explicit about the responsibility to communicate performance expectations, rate performance, and deal with poor performance.

•**Strategic Plan Alignment.** DOT's strategic plan aligns explicitly with the PMA, in that the Organizational Excellence objective mirrors the PMA initiatives. As a result, each initiative is tied to annual performance reporting in addition to other PMA reporting.

HR Balanced Scorecard. DOT has conducted an HR Balanced Scorecard Assessment based on the Kaplan and Norton approach since 1998. The scorecard gathers perspectives of customers, and HR employees and managers in evaluating each HR organization's performance. The BSI survey measures and provides robust reporting in the following HR performance areas: Scores have shown overall improvement over the life of the initiative, with particular improvements in Service Partnership.

- Timeliness
- Quality
- Service/Partnerships
- Quality Work Environment
- Executive Leadership

- Excellence in HR Programs
- Effective Use of Information Technology
- Quality Workforce
- Mission Goals
- Financial Perspective.

HCAAF System: Accountability
System Standard: DOT's human capital management decisions are guided by a data-driven, results-oriented planning and accountability system. Results of the accountability system must inform the development of the human capital goals and objectives, in conjunction with DOT's strategic planning and performance budgets. Effective application of the accountability system contributes to DOT's practice of effective human capital management in accordance with the merit system principles and in compliance with Federal laws, rules, and regulations.

Human Capital Goals: To promote continuous improvement of DOT HC programs by assessing, measuring, documenting, and reporting the human capital management activities, processes, and results that support them; report findings to agency decisions makers and OPM.

Critical Success Factor: N/A –Accountability is an integrated system that is woven into all programs and actions.

Objectives:
- To establish a formal, documented agency accountability system that meets OPM requirements.
- To measure and assess all human capital management systems for mission alignment, effectiveness, efficiency, and compliance with merit system principles and civil service laws, rules, and regulations.

Purpose What result DOT intends to achieve	Measure What DOT looks at to determine if objective is met	Data Collection Strategy/Tool Used	Frequency/ Timeframe	Responsibility
EFFECTIVENESS				
To determine the extent to which DOT employees believe they work in a high performing and equitable workplace.	-Employee index of responses -Analysis and results of (mandatory) exit interviews or surveys	-FHCS/DOT survey -Employee and manager focus groups and listening sessions -Exit surveys/ interviews	-Annual -At least annual -As employees leave employment..	-OA HR -OA Leaders -OA Civil Rights Staff -OST administers surveys .

COMPLIANCE				
To ensure that the agency describes and communicates its accountability policy, key responsibilities, outcomes, measures, and milestones.	-Fulfillment of HCAAF Accountability System requirements	-DOT online self-assessment of system -OPM Assessment and Certification of Accountability System -CHCO Review and Input	-FY06 -FY06 -FY07	-OST Acct. Program Manager -OA Leaders
To determine that programs and processes are efficient, effective, and compliant and support the agency's mission as reflected in its Human Capital Plan.	-Review of measures included in DOT's Accountability Plan -OPM closes 2005 HROA Required Action for Accountability System ("In accordance with Civil Service Rule X , the agency must establish and maintain a system of accountability that meets OPM requirements." 5USC 1103 (c)) -OA must demonstrate internal control systems to prevent and identify errors.	-DOT Accountability Plan -OPM Certification of DOT Accountability System -DOT Accountability Audit Report -Periodic on-site reviews -Information on organizational performance provided through GAO reviews, PART reviews, etc.	-Annual or as called for in the Acct Plan -FY06 -FY06 and Ongoing	-OA HR - Oversight by OST Acct Program Mgr and HR Director