



U.S. DEPARTMENT OF
TRANSPORTATION

HUMAN CAPITAL REPORT

REVISED HUMAN CAPITAL PLAN
& DOSSIER OF ACCOMPLISHMENTS

SEPTEMBER 2004

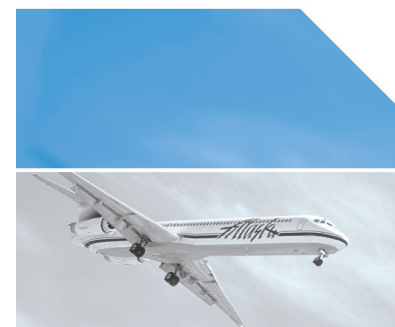


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U.S. DEPARTMENT OF TRANSPORTATION

PART I REVISED HUMAN CAPITAL PLAN



Section I. INTRODUCTION

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, with different missions, stakeholders, customers, and histories, have continued to operate with considerable autonomy in several areas. In the 1990s, DOT began emphasizing cooperative efforts and increased communication under the “ONE DOT” theme we often use today. There is no question that the President’s Management Agenda (PMA), which tracks a Department’s progress as a single entity, has greatly expanded this spirit of cooperation.

In September 2002 DOT issued its first Human Capital 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 levels to ensure that planning and management of human talent is more strategic, disciplined, and measurable. Employees across the Department worked together to accomplish these initiatives and, as a result, DOT was rewarded with a status score of “green” in July 2004. DOT was able to achieve these accomplishments through the three key ingredients of focus, integration, and teamwork as documented in Part II of this Human Capital Report. DOT has recognized that these achievements serve as a solid foundation to continue building upon as future initiatives are developed.

Operating Administrations (OAs) have been added and removed over the years, and the size of the workforce has fluctuated accordingly. Today DOT has about 58,000 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)
Research and Special Programs Administration (RSPA)
Saint Lawrence Seaway Development Corporation (SLSDC)
Bureau of Transportation Statistics (BTS)

In September 2003, DOT reissued its Strategic Plan for 2003 – 2008. The following chart is a summary of DOT’s vision, mission, values, and strategic objectives.

Vision

"Safer, Simpler, Smarter Transportation Solutions"

Mission

To develop and administer policies and programs that contribute to providing fast, safe, efficient, and convenient transportation at the lowest cost consistent with the national objectives of general welfare, economic growth and stability, the security of the United States and the efficient use and conservation of the resources of the United States.

Values

Professionalism

As accountable public servants, we exemplify the highest standards of excellence, integrity, courtesy 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.

Strategic Objectives

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

Mobility: *Advance accessible, efficient, intermodal transportation for the movement of people and goods.*

Global Connectivity: *Facilitate a more efficient domestic and global transportation system that enables economic growth and development.*

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

Security: *Balance homeland and national security transportation requirements with the mobility needs of the Nation for personal travel and commerce.*

Organizational Excellence Goal:

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

The initiatives of the President's Management Agenda were explicitly incorporated into this Strategic Plan, including an unprecedented emphasis on human capital within each objective. For example, below is an excerpt from the Mobility Strategic Objective:

Milestone: In fiscal year 2004, establish a strong DOT leadership role for transportation workforce development, training and education as a convener for the transportation industry.

Milestone: In fiscal year 2004, establish partnerships throughout the transportation industry and the education community for transportation workforce development.

Milestone: In fiscal year 2005, in cooperation with the transportation industry and the education community, assist in coordinating efforts to assure that young people are attracted to transportation jobs of the future.

Section II. DOT's HUMAN CAPITAL VISION FOR THE FUTURE

As described in the 2002 Human Capital Plan, DOT's human capital vision is "To strategically utilize human capital in full support of DOT's goals and mission, while empowering individual workers to realize their full potential." The discussion that follows summarizes some of the ways DOT has already met those goals and proposes further improvements.

Strategic Alignment and Accountability Standards

These standards have provided us the structural foundation needed to ensure that human capital programs and decisions support mission accomplishment. As required under Strategic Alignment, DOT's human capital strategies are linked to the Strategic Plan, as well as performance plans and budgets. Furthermore, we have strong, cascading leadership participation to keep this alignment in place. As required under Accountability, we have built tracking, feedback, and evaluation methodologies into every initiative and program, and we are using that information to make decisions.

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. DOT will institutionalize the 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, including implementation of annual employee surveys, and ensure that accountability mechanisms are utilized as intended.

Workforce Planning and Deployment Standard

To ensure that employees are able to realize their full potential in the accomplishment DOT's mission, this standard requires periodic analyses of our workforce and the match between its current competencies and the demands of existing and emerging mission requirements. The gaps and opportunities revealed in

this analysis form the basis of human capital planning, and help us support workers, for instance with appropriate learning programs. DOT has a proven workforce planning model and automated tools to do this.

This standard also requires the review of organizational structures with the goal of adjusting them as needed, utilizing personnel flexibilities along the way, to ensure they are citizen-centered, delayed, and mission-focused. Properly structured organizations are one key to empowered, satisfied workers. DOT has undergone specific restructuring efforts, both large and small, and has others that are planned or underway. For example, the current restructuring of the Air Traffic Organization in FAA is a huge undertaking that has attracted national attention. Smaller efforts, such as MARAD's restructuring of its fleet operations, are none-the-less critical in their demands and their impacts on the missions and people involved.

In addition, the inclusion of e-Government and competitive sourcing strategies in our plans will enable DOT to maximize results. DOT has made extensive use of both strategies to leverage the productivity and results of its workers. For instance, we have automated support for workforce planning, retirement counseling, staffing, and the scheduling and tracking of training, and we are in the midst of migration to Department of Interior's personnel and payroll system. MARAD's recent competition in its fleet organizations produced measurable savings, and competitions planned or underway in FAA similarly promise savings and operating efficiencies.

Our Vision For The Future: Perform annual, full-scope workforce analysis for the Department, and continue automated support for interim targeted analyses. DOT will ensure that the results of its analyses are broadly publicized and easily accessed so they can form the basis of human capital program revisions and individual human capital decisions. DOT will continue to monitor and facilitate workforce restructuring efforts, and publicize the workforce flexibilities that support them. DOT will continue its investment in automated systems to support recruitment, training, benefits counseling, and other human capital activities, and will educate leaders and HR staff about competitive sourcing as a strategic tool.

Leadership and Knowledge Management Standard

This standard requires DOT to ensure the effectiveness and continuity of agency leaders, maintain a comprehensive, dynamic, and effective learning environment, and take other steps to ensure that knowledge acquired in any part of the organization is available to those who need it. Studies have consistently shown that the quality of leaders and opportunities for development are two of the most important drivers of employee satisfaction and productivity. DOT has concentrated a significant number of initiatives on improving the way agency leaders are recruited, selected, developed, and appraised, and has instituted succession planning. The Department has an established learning framework, and has fostered cooperative efforts among its learning centers. DOT has conducted successful knowledge management pilots.

Our Vision For The Future: Monitor the leadership initiatives we have already implemented, including mandatory competencies, evaluation criteria, training for supervisors, and succession planning. DOT will also institutionalize training and knowledge management programs that were successfully piloted, and will explore and utilize the training support and measurement capabilities of our new e-LMS system.

Results-Oriented Performance Culture Standard

DOT recognizes the value of having a diverse, results-oriented workforce that performs optimally. Key to this success is keeping workers informed of agency goals and progress, appraising them against standards linked to those goals, and rewarding them based on differentiated levels of performance. Studies suggest that the strength of an agency's performance culture is one of the greatest predictors of productivity and employee/customer satisfaction. DOT has instituted a comprehensive Diversity Action Plan that is linked

with all other human capital programs and is beginning to show results. The vast majority of employee performance plans link with agency goals, and those plans that do not currently recognize multiple levels of performance are scheduled for migration to plans that do. DOT awards and recognition policy requires linkage with strategic plans and goals, describes and encourages a range of recognition strategies, and directs OAs to budget for adequate award funding.

Our Vision For The Future: Achieve timely migrations to multi-level performance systems in all OAs not already using such systems. Additionally, our vision includes policies that will use probationary periods for new supervisors and new employees as strategic opportunities to set the stage for optimum performance. Web-based tools to support supervisory performance will be enhanced and publicized. Candidate pools will be more diverse, and improved data will allow us to better identify diversity barriers. Effective conflict resolution and labor management relations programs will ensure that performance is not compromised by unproductive disputes.

Talent Standard

This standard requires DOT to identify and close competency gaps. DOT recognizes that diversity barriers constitute talent barriers, and has aggressively integrated its diversity and corporate recruitment efforts. It has also ensured that corporate recruitment efforts support development and maintenance of succession pipelines. DOT has become a more effective recruitment presence with improved vacancy announcements, an automated career web site, an automated staffing system that shortens the time to fill jobs, and a ONE DOT cooperative approach to job fairs and conferences that ensures broader outreach. The Department ensures that learning and development and knowledge management programs and pilots are designed to address and prevent competency gaps.

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. Ensure additional, systematic use of data from workforce planning efforts, and broaden use of personnel flexibilities to attract and retain talent. Institutionalize successful learning and knowledge management pilots and development programs that support succession strategies.

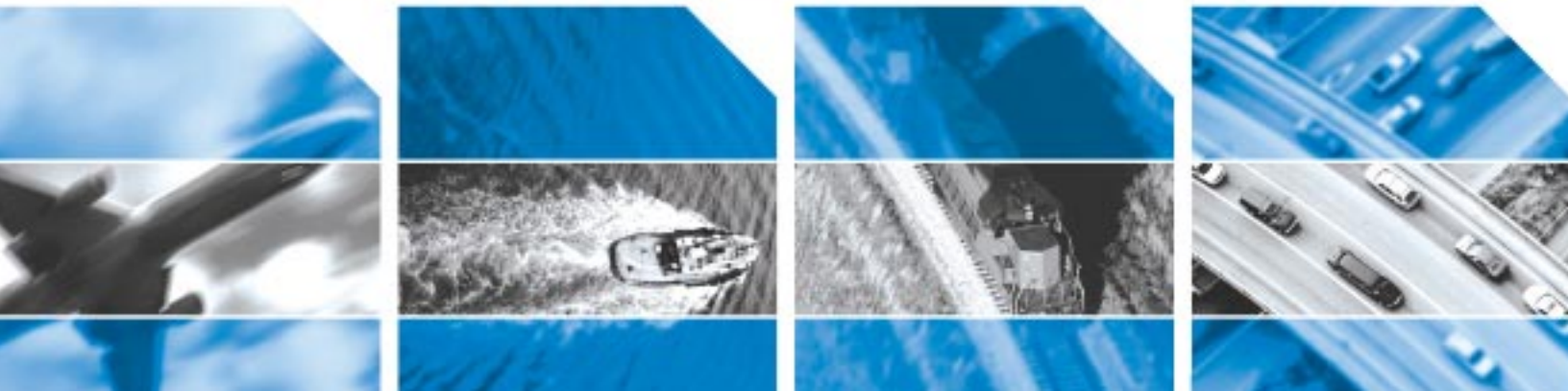
Detailed Implementation Plans

To achieve our vision/goals for the human capital standards, DOT has developed detailed implementation plans with specified initiatives and targeted completion dates. These plans are included as Part III of this Human Capital Report. DOT remains committed to achieving the human capital standards for success and institutionalizing a culture of continuous improvement.



U.S. DEPARTMENT OF TRANSPORTATION

PART II DOSSIER OF ACCOMPLISHMENTS



Executive Summary



We the People . . .

America's forefathers fully understood how the spirit, dedication and perseverance of a group of people can become the dynamic force needed to shape a country's future. The DOT human capital story, reflective of this same sense of purpose and commitment, demonstrates how successful accomplishment of human capital initiatives through focus, integration, and teamwork enriches the lives of Agency employees and creates a strategic roadmap for future DOT endeavors to better serve our customer populations.

FOCUS

While DOT has a history steeped in the strategic management of people, the Standards for Success created by the President's Management Agenda (PMA) provided a template to ensure greater success at a faster pace. At all levels within the Agency an increased amount of support for sustainable results has evolved by focusing the Agency on:

- ❖ Continuous linkage between mission goals, priorities, and challenges and human capital strategies;
- ❖ Consistent, disciplined use of planning and budget tools; and

- ❖ Measurement, accountability, and results.

The twin lenses of the Human Capital Standards for Success that helped us sharpen our focus are the Strategic Alignment and Accountability Standards. Using these two standards as focal points, DOT has built a platform that supports our success in the other four, essential Human Capital Standards.

INTEGRATION

DOT has leveraged the inherent integration among all the Human Capital Standards, the Proud to Be Initiatives, and other PMA initiatives. DOT's human capital strategy seeks approaches that address more than one standard, and support more than one initiative. For instance, efforts to close skills 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. At the same time, DOT has been a leader in e-learning, which integrates human capital and e-Gov initiatives. DOT has also turned increasingly to automated solutions in staffing and benefits operations, and uses the power of the web to train and support supervisors and meet the information needs of candidates and employees.

The power of performance systems to ensure communication and accountability has been harnessed to achieve goals related to strategic alignment, leadership, performance culture, and accountability. The Department has provided guidance linking workforce planning and competitive sourcing, which treats competitive sourcing as one of several workforce planning strategies.

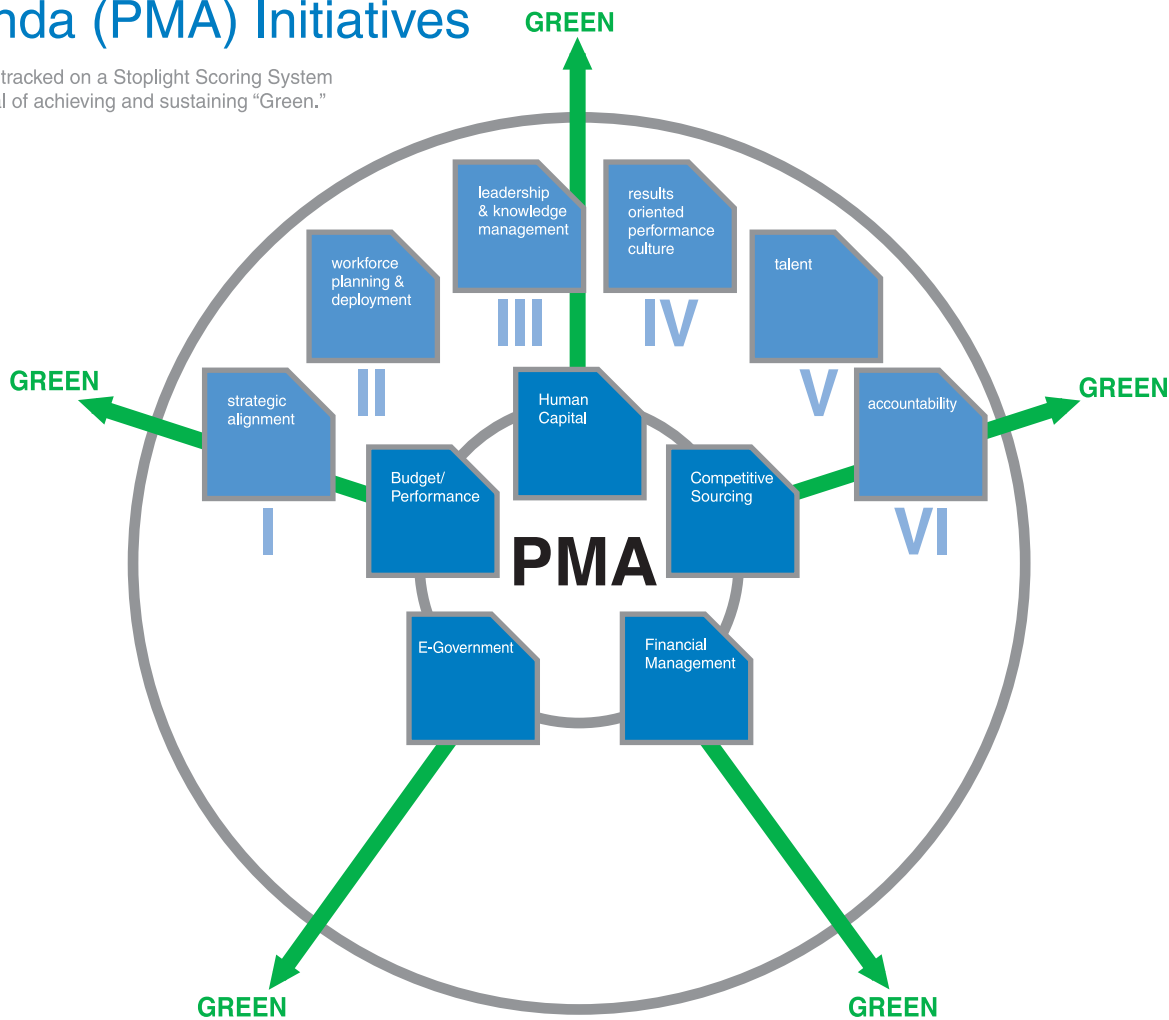
DOT's view of the integration and interrelationship among these various elements is evident in the graphic below.

TEAM WORK

DOT has built and maintained powerful internal and external partnerships to overcome resource obstacles and benefit from the collective wisdom and energy of many participants. Internally, DOT has benefited from the participation of the entire human resources community, with a special emphasis on strengthened relationships with line managers, budget and program staff, and other key stakeholders. Externally, DOT has received assistance from other agencies, strategically chosen commercial partners, and supportive non-Federal entities, such as the Partnership for Public Service.

Integrated President's Management Agenda (PMA) Initiatives

Results are tracked on a Stoplight Scoring System with the goal of achieving and sustaining "Green."



It is noteworthy to mention that the results mentioned in the Executive Summary were achieved during a time when DOT received and met the daunting challenge of standing up the Transportation Security Administration (TSA), in response to September 11th, and transitioned both TSA and the United States Coast Guard to the Department of Homeland Security within severe time constraints.

HUMAN CAPITAL INITIATIVES

1. STRATEGIC ALIGNMENT

DOT's human capital vision "to strategically utilize human capital in full support of DOT's goals and mission, while empowering individual workers to realize their full potential" has been institutionalized through linkage with Departmental governance to demonstrate commitment and ensure implementation.

SPOTLIGHT

In September 2003, DOT reissued its Strategic Plan for 2003-2008, Safer, Simpler, Smarter Transportation Solutions. Through Department-wide efforts and specific input from the Human Capital Planning Council, human capital strategies for Departmental strategic objectives were articulated in the 2003-2008 Strategic Plan. In addition, the "Organizational Excellence" goal is now specifically targeted towards "advancing the Department's ability to manage for results and achieve the goals of the President's Management Agenda.

Results and Outcomes

- ❖ A Department-wide system that overcomes common barriers to effective human capital management, and applies human resource flexibilities that sustain a high performing workforce.
- ❖ Human capital solutions that are shared across the Operating Administrations (OAs) to achieve "best value" results (optimum quality, timeliness, and cost).

- ❖ A Department that competes successfully for human resources as ONE DOT, reducing any competition among OAs and closing and preventing gaps in mission-critical occupations and hard-to-fill positions.
- ❖ Human capital resources that are deployed across OAs and between headquarters and the field; and delegated decision-making authority responding to changing program requirements to improve service to the customer.
- ❖ Overall management of human capital costs that meet the Department's performance targets in order to produce short and long-term savings.
- ❖ The Department is positioned to maintain its alignment with human capital strategies with the support of:
 - ❑ Strong direction from the Secretary and his immediate staff.
 - ❑ A senior official who serves as a Departmental champion.
 - ❑ Senior officials accountable for implementation in each administration.
 - ❑ Established councils and boards at every level of the Department that have involved stakeholders in developing, implementing, and monitoring human capital initiatives.
 - ❑ Established mechanisms for reporting, tracking, and evaluation.
- ❖ The Federal Motor Carrier Safety Administration and the Federal Aviation Administration developed formal Human Capital Plans identifying challenges, providing clear strategic direction and human capital solutions.



2. WORKFORCE PLANNING AND DEPLOYMENT

DOT is committed to sustaining an environment that is “citizen-centered, delayed, mission-focused, and leveraging e-Government and competitive sourcing.”

SPOTLIGHT

A stand-alone, fee-for-service organization was merged into the Office of the Secretary to improve alignment of policy and operations, narrow mission focus, and strengthen oversight. Activities were eliminated, transferred to other agencies, integrated, or contracted where appropriate. As a result, staff positions were decreased by 21 percent and the savings generated were utilized to implement significant financial improvements and tighten internal controls based on input from independent audits.

Results and Outcomes

- ❖ DOT organizations engage in continuous evaluation and improvement efforts, recognizing that changes in mission, technology, and external factors will always require organizational adjustments to produce optimally cost-effective results.
- ❖ DOT has implemented a tested, best practice workforce planning model to assess the current and future state of the workforce and devise strategic human capital plans.
- ❖ DOT operating administrations develop plans for restructuring based on a disciplined, business-model approach and use various tools such as Voluntary Early Retirement Authority/Voluntary Separation Incentive Pay personnel flexibilities and competitive sourcing to overcome barriers and maximize restructuring benefits.
- ❖ DOT has integrated human capital initiatives in such a way that workforce planning and analysis is tied to DOT's Strategic Plan and supports planning and implementation of recruitment, development, restructuring, and diversity strategies.

3. LEADERSHIP AND KNOWLEDGE MANAGEMENT

DOT has implemented initiatives to enhance the effectiveness of leaders and managers, “ensure continuity of leadership, and sustain a learning environment that drives continuous improvement in performance.”

SPOTLIGHT

In FY 2003, the Federal Railroad Administration and the Federal Aviation Administration piloted formal executive coaching programs. Over 40 senior managers and executives were assessed, developed individual action plans, and received personal coaching in order to enhance specific leadership competencies. Participants rated the coaching as highly valuable and endorsed expansion of the program. Some participants expressed a desire to continue one-on-one coaching even if they had to pay for it personally.

Results and Outcomes

- ❖ By implementing leadership/succession planning and knowledge management tools, DOT leaders and managers are more prepared than ever before to maximize effective use of human resources as future program performance demands continue to grow and change.
- ❖ Decisions on allocating executive resources are reviewed in relation to strategic, performance, and diversity initiatives and tied to leadership and occupational needs.
- ❖ Launched and implemented succession planning strategies and tools to ensure a ONE DOT approach to leadership continuity.
- ❖ Leaders set the integrity example by implementing training such as ethics, No FEAR, and whistleblower protection in their daily lives.
- ❖ Learning and development activities are formally evaluated to make the most of future learning opportunities.
- ❖ Experience, wisdom, know-how and individual best practices are captured as a legacy prior to employees retiring.

4. RESULTS-ORIENTED PERFORMANCE CULTURE

DOT has established a uniform policy framework that drives, reinforces and supports the Department's efforts to maintain a "diverse, results-oriented, high performance workforce, and has a performance management system that effectively differentiates between high and low performance, and links individual/team/unit performance to organizational goals and desired results."

SPOTLIGHT

The Federal Transit Administration (FTA) requested and was granted authority to pilot a new Senior Executive Service (SES) system. During the past year (2002-2003), FTA used this SES system to place greater emphasis on executive performance and accountability with all initiatives linked to the Department's mission, goals and outcomes, as well as cascade down to every employee.

Results and Outcomes

- ❖ DOT created a uniform policy framework that drives, reinforces, and supports the Department's efforts to be results-oriented and to achieve high performance.
- ❖ Supervisors, managers, and team leaders have been provided with performance policy, guidance, and tools enabling them to motivate and sustain a high performance workforce.
- ❖ DOT supervisors and managers are being evaluated against the mandatory elements of business results, managing human capital, managing other resources, and EEO/Diversity.
- ❖ Over 84 percent of Operating Administration performance plans have been cascaded down from senior executives to managers, supervisors, and employees. And, 84 percent of performance plans are linked to mission, goals, and outcomes.
- ❖ Performance management and/or awards and recognition systems differentiate between various levels of performance, and processes are in place to deal with poor performance.

- ❖ The Secretary has assigned responsibility for maintaining diversity in all DOT senior executive accountability contracts. Improvement plans are tracked and results are reported to the Secretary.
- ❖ Sustaining a high performance workforce, focused on DOT's goals and objectives, improves DOT's ability to competitively perform the transportation mission and report measurable results.
- ❖ Enhancing accountability and monitoring diversity management results positions DOT to maintain a workforce that represents the face of America throughout the various occupations and grade levels.

5. TALENT

DOT continues to identify and close "mission-critical skills, knowledge, and competency gaps/deficiencies."

SPOTLIGHT

During a recent competitive sourcing study, the Maritime Administration (MARAD) identified redundant operations and existing skill gaps. After winning the bid and establishing a Most Effective Organization, MARAD closed its skill gaps by providing customized training. As a result, a smaller number of personnel possess all of the competencies required for performance.

Results and Outcomes

- ❖ DOT has enhanced leadership capability and program effectiveness both now and in the future by investing in the development of current leaders to address/close skill gaps and implementing strategies to ensure the availability of a quality, diverse applicant pool to support succession pipelines.
- ❖ By implementing succession planning strategies, DOT averted extended gaps in leadership as several senior leaders left during FY 2003.
- ❖ Established mentoring programs to foster knowledge transfer from current leaders to others.
- ❖ Continued to develop leaders and address critical skill gap needs through a learning and development framework.

- ❖ Ensured broader outreach to potential candidates through new website and coordinated approach to job fairs.
- ❖ Shortened hiring time and improved the diversity assessment of recruitment pools with new automated staffing solution.
- ❖ Built strategic relationships with organizations to strengthen outreach and retention for Hispanics and people with disabilities.

6. ACCOUNTABILITY

DOT “human capital decisions are guided by a data-driven results-oriented planning and accountability system.”

SPOTLIGHT

Federal Highway Administration’s (FHWA’s) close attention to employee opinions has yielded results. FHWA’s 2003 All-Employee Survey shows that the percent of employees that plan to remain with FHWA for a career is significantly higher than that found in most organizations and has increased from 2001. When the Federal Human Capital Survey was administered in 2002, results broken out for FHWA showed a significantly higher level of positive responses overall than the rest of DOT, and in some cases than other agencies. Additionally, FHWA was among the top 20 subagencies on the highly publicized “Best Places to Work” list.

Results and Outcomes

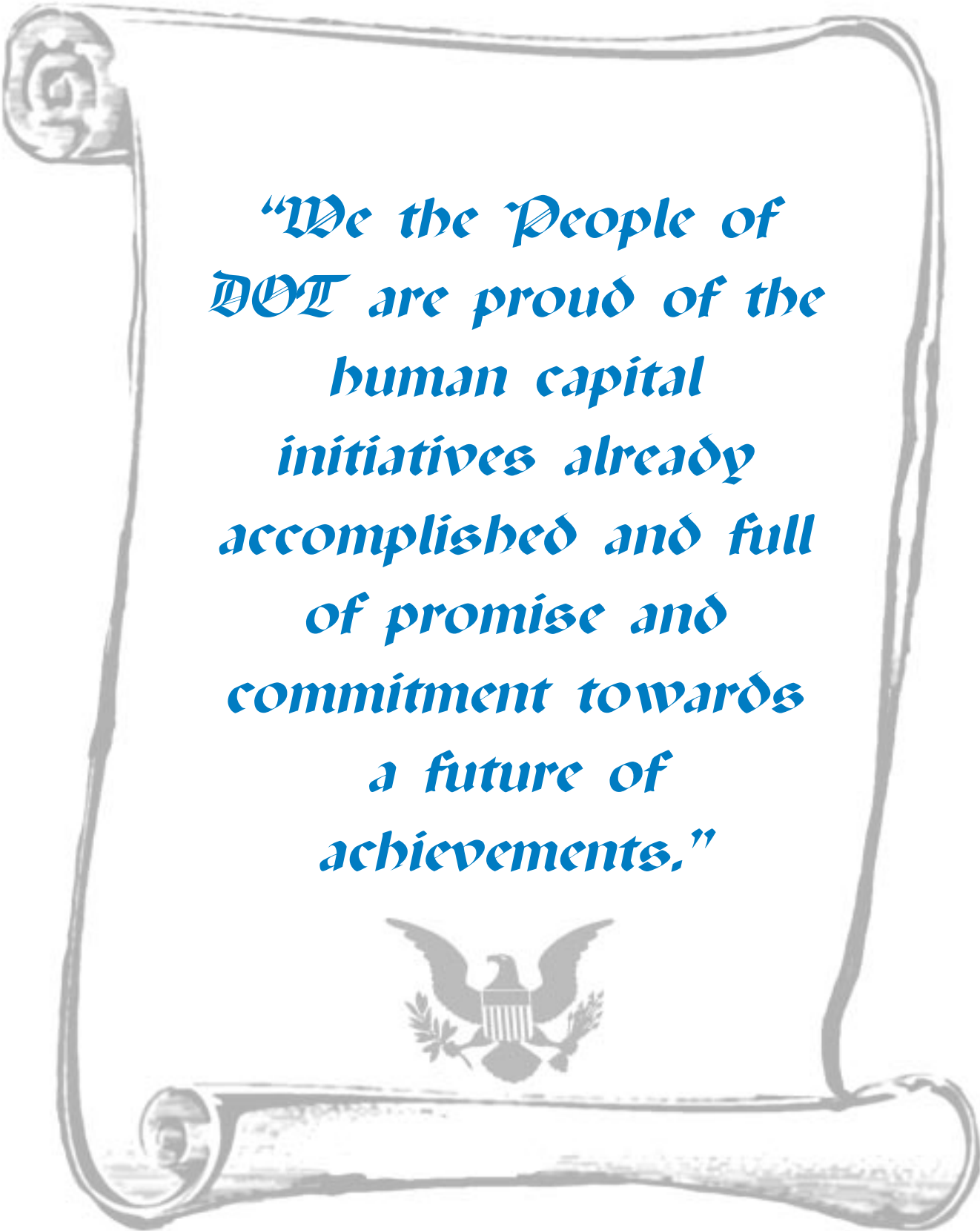
- ❖ DOT has built an accountability infrastructure that is intrinsic to all major human capital initiatives and serves as the foundational driver fostering continuous improvements in mission results.
- ❖ The Secretary has established human capital oversight, various methods are used to communicate results/updates to all levels of the organization, and evaluation and reporting mechanisms, including automated scorecard measures, are built into initiatives to document results or changes needed.
- ❖ The Secretary, Deputy Secretary, and Chief of Staff have demonstrated personal commitment to the

human capital objectives of the President’s Management Agenda and communicated to the Department’s executives that results are being monitored and they are personally accountable.

- ❖ 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 other resources and achieving business results.
- ❖ Each operating administration can cite specific ways it has analyzed available data to drive accountability and continuous improvement efforts. Additionally each operating administration has improved its data collection to accelerate the pace of data-driven results.
- ❖ Data is being used continuously to assess results, identify potential risks, and decide which strategies and activities need modification or redirection.

NEXT STEPS

DOT will continue to capture and evaluate successes and challenges along the human capital journey to build on results and document lessons learned. Changes will be made to finetune continuing programs, while a few strategically chosen new initiatives are introduced to ensure continuous improvement. More details regarding these initiatives are provided in the Human Capital Implementation Plan which is included as Part III of this Human Capital Report.



***“We the People of
DOT are proud of the
human capital
initiatives already
accomplished and full
of promise and
commitment towards
a future of
achievements.”***



Section One – Strategic Alignment



Strategic Alignment Standard:

Agency human capital strategy is aligned with mission, goals, and organizational objectives and integrated into its strategic plans, performance plans, and budgets.

DOT's Overarching Outcome:

DOT's human capital vision "to strategically utilize human capital in full support of DOT's goals and mission, while empowering individual workers to realize their full potential" has been institutionalized through linkage with Departmental governance to demonstrate commitment and ensure implementation.

A. BACKGROUND

When Secretary Norman Y. Mineta signed the transmittal letter for the 2002 Human Capital Plan, he launched an overarching planning framework that would spark fundamental and innovative change in the Department's strategic thinking and daily operations.

The overall strategic goal is to maximize the value the Nation receives from DOT employees/contractors, and in the process, make the Department the most desirable place to work in the Federal Government, as well as the internationally recognized focal point for transportation core competencies. Achieving this goal will improve DOT's ability to increase transportation safety, protect the homeland, enhance mobility for all Americans, support the Nation's economic growth, and

protect the Nation's environment. The Department's Human Capital Plan development was a critical first step in articulating the roadmap for achieving success:

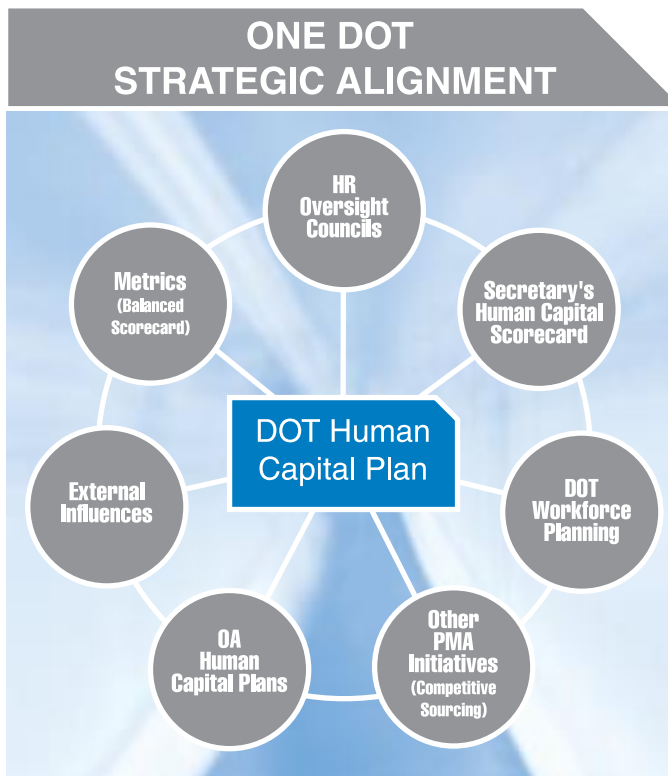
- ❖ Attracting, maintaining and developing needed human capital to perform DOT's mission;
- ❖ Providing the necessary leadership, guidance, oversight and accountability measures to achieve human capital goals; and,
- ❖ Integrating strategies and initiatives into a holistic ONE DOT approach to human capital management that maximizes cost-effectiveness and results.

B. HUMAN CAPITAL PLAN STRATEGICALLY LINKED WITH DEPARTMENTAL GOVERNANCE

RESULTS

- ❖ DOT's 2003 – 2008 Strategic Plan explicitly acknowledges human capital commitments. DOT created a framework aligning human capital strategies with mission, goals, and organizational objectives and integrated into its strategic plan, performance plans and budgets.
- ❖ A Department-wide system that overcomes common barriers to effective human capital management, and that applies human resource flexibilities to sustain a high performing workforce.
- ❖ Human capital solutions that are shared across the Operating Administrations (OAs) to achieve the “best value” results (optimum quality, timeliness, and cost).
- ❖ A Department that competes successfully for human resources as ONE DOT, reducing any competition among OAs and closing and preventing gaps in mission-critical occupations and hard-to-fill positions.
- ❖ Human capital resources that are deployed across OAs and between headquarters and the field; delegated decision-making authority responding to changing program requirements to improve service to the customer.
- ❖ Overall management of human capital costs that meet the Department's performance targets in order to produce short and long-term savings.

DOT linked the Human Capital Plan (http://dothr.ost.dot.gov/About_Us/Human_Capital_Plan/human_capital_plan.html) with other Departmental governance and created specific oversight bodies with the ONE DOT perspective to monitor and track the Department's progress. A graphic illustrating strategic alignment interrelationships including DOT governance documents and oversight bodies is shown below.



B.1. INTEGRATION OF HUMAN CAPITAL PRIORITIES INTO THE DOT STRATEGIC PLAN

In September 2003, DOT its Strategic Plan for 2003-2008, Safer, Simpler, Smarter Transportation Solutions. Through Department-wide efforts and specific input from the Human Capital Planning Council, human capital strategies were articulated for the Departmental strategic initiatives of safety, mobility, global connectivity, and environmental stewardship in the 2003-2008 DOT Strategic Plan. In addition, the Organizational Excellence Objective is now specifically targeted towards “advancing the Department's ability to manage for results and achieve the goals of the President's Management Agenda.” This signals a departure from previous Strategic Plans in that it challenges leaders within DOT to address human capital concerns in a structured framework and asserts the Secretary's intentions to monitor progress through stipulated milestones.

B.2. INVOLVEMENT OF KEY DOT STAKEHOLDERS

Key to the goal of integrating human capital strategies consistently and cost-effectively throughout the Department has been the involvement of stakeholders within DOT in human capital planning and implementation efforts. This involvement takes place at a number of levels.

- ❖ The Secretary, Deputy Secretary, and Chief of Staff discuss human capital goals and progress with administrators and Departmental officers at regular meetings.
- ❖ Each operating administration has named a coordinator, and they meet biweekly with the Deputy Assistant Secretary for Budget and Programs to discuss PMA objectives, progress, and best practices.
- ❖ The Human Resources Council convenes the personnel directors of all operating administrations along with Departmental HR leaders monthly to discuss human capital goals, strategies, and best practices.
- ❖ Individual councils and working groups with involvement from operating administrations perform the specific benchmarking, goal setting, and implementation tasks of particular initiatives. Some examples include:
 - ❑ The Diversity Advisory Council is chartered to serve as an advisor to the Secretary on the progress of diversity initiatives in the Department. It consists of senior leaders from each operating administration and recognized leaders of employee constituency groups.
 - ❑ The Human Capital Planning Council (HCPC) is chartered to serve as a subcommittee of the Departmental Human Resources Council providing information, advice and recommendations on crosscutting departmental workforce and human capital issues to the Department. The HCPC was tasked with assisting in the revision of the DOT Strategic Plan. Council members worked collaboratively with their respective strategic planning and budget representatives to identify human capital strategies for the DOT strategic objectives. The Council also led workforce planning efforts, which served as the foundation for revisions to existing human capital strategies and creation of new ones.
 - ❑ The Performance Taskforce is composed of representatives from the Department and operating administrations and has been the catalyst for a number of crucial efforts. The Taskforce ensured that performance plans in each organization were cascading from senior leaders, which were in turn linked to agency strategic goals. Taskforce members also developed the mandatory performance elements now included in the plans of all leaders, revised awards policy, created the Supervisors Toolkit, and initiated an overhaul of the way probationary periods are used in the Department, among other activities. This is discussed in more detail in Section Four.
 - ❑ The Corporate Recruitment Workgroup meets on a bimonthly basis to collaboratively address ongoing recruitment initiatives in support of closing skills gaps, to identify those strategies that can assist Departmental efforts to find and attract the next generation of DOT employees and ensure succession pipelines. The group uses data derived from workforce planning and analysis efforts, including indicators of diversity, to set a baseline. It also coordinates attendance at recruitment fairs and other venues to optimize the cost effectiveness of Departmental outreach. This is discussed in more detail in Section Five.
 - ❑ The Benefits Working Group has identified and implemented automated solutions, such as mandatory use of Employee Express, a Departmental benefits website, and group procurement of a retirement calculation tool, to improve service to DOT employees while decreasing associated workload and costs for operating personnel offices.

B.3. CREATION OF HUMAN CAPITAL PLANS AND STRUCTURES

Compliance with Departmental initiatives has required each of DOT's operating administrations to develop comprehensive succession, diversity, and recruitment plans, including measurement strategies, and to update and revise performance management and awards strategies. Several OAs have gone further to create comprehensive human capital plans that demonstrate commitment by linking to goals described in the Department's Strategic Plan and Human Capital Plan with targeted outcomes for the OA.

FMCSA and FAA Human Capital Plans

FMCSA's plan, for instance contains a section outlining the overall findings from the most recent workforce analysis, a section dealing specifically with competency gaps, a section on opportunities for competitive sourcing, a communication plan, and an action plan describing seven specific tasks. FAA's plan identifies challenges, provides clear strategic direction, and specific human capital solutions. It further delineates critical success factors to achieve expected outcomes and effect organizational and workforce change.

MARAD Council, FAA Board, FTA Administrator Review

MARAD and FAA, have also created human capital councils or boards that ensure a strategic link between human capital goals and day-to-day decision making within the organization. In MARAD, the primary purpose of the Council is to ensure that every vacancy is used in the most strategic way, rather than being posted automatically with the same program, series, and grade as before. All requests for filling positions must be submitted to the Human Capital Council with a business case justification for how the position contributes to the unit's ability to achieve its goals and objectives. In FTA, the Administrator ensures the strategic use of vacancies by personally reviewing each one.

FAA executives participate on the FAA Human Capital Board and are responsible for implementing the agency's strategic human capital agenda, collectively identifying and integrating corporate human capital investment priorities into the agency budget planning process, and advancing human capital strategies and initiatives to achieve mission results and improve FAA organizational effectiveness. As an example, they have made executive workforce planning a first priority. They are evaluating implementation status for the executive workforce planning model FAA introduced in recent years, assessing lessons learned, and providing guidance, oversight, and feedback to FAA organizations.

FAA has also created a small staff office to integrate and track the large number of human capital projects and initiatives that originate in the FAA Flight Plan, the AHR Strategic Plan, and the AHR Business Plan, as well as those in Departmental plans. To ensure that AHR meets these "IOUs," the Project Management and Integration

Staff is developing a new automated system to track the progress of AHR's projects and initiatives and is developing a new management review process to continually assess and adjust performance.

These plans and structures ensure that the OA's human capital policies, programs and initiatives efficiently and effectively support DOT mission-related outcomes through targeted performance measures. Additionally, at both the corporate and OA levels we have stressed integration of human capital plans and strategies with other initiatives, particularly E-Gov and competitive sourcing. In fact, at both the Department level and in FMCSA, competitive sourcing and human capital are now managed out of the same office.

B.4. INSTITUTIONALIZATION OF DOT BALANCED SCORECARD



Initially, some DOT organizations participated regularly with the HR Balanced Scorecard survey and assessment, while some did not. In 2002, we achieved a commitment for all operating administrations to participate on the same cycle. In 2002 we also instituted a scoring system based on the PMA scoring system that color codes an agency's score against a particular performance dimension as red, yellow, or green. In 2003, we revised the questions and some of the reporting capabilities of the instrument, to improve its alignment with the PMA, and make it a more powerful and accessible tool for OAs. Our tracking of the scorecard results since initiation shows that administrations that participate show regular improvement in most performance dimensions.

B.5. CREATION OF THE SECRETARY'S HUMAN CAPITAL SCORECARD

Understanding that senior leadership is crucial to successfully embedding human capital management into the ONE DOT culture, the Secretary established his own Human Capital Scorecard modeled after the Standards for Success. The Scorecard (see graphic illustration following this text) provides specific criteria with which each OA must comply in order to score points that lead to final green attainment, similar to that of the PMA process. Criteria contained in the Scorecard ensure that priority attention is given to human capital in every facet of OA activity.

CRITERIA FOR THE SECRETARY'S SCORECARD
HC Plan ties HC to DOT mission, goals and strategies
Budget submissions include costs for implementing HC plan
Meeting OPM's Strategic HC Management Scorecard Goals
Implementing Internal HRM Accountability Systems
HC Plan Demonstrated Organizational Structure that has Fewest Possible Layers and Focuses on Mission
HC Plan Directly Links Competencies to Achievement of Annual and Projected Performance Targets; Includes Strategies to Sustain those Competencies
HC Plan Strategically Includes Use of Personnel Flexibilities, Technology and other Tools to Acquire and Maintain Competencies
Engaging in Systematic, Strategic Succession Planning
Mission Critical Occupations Identified; Competencies and Skills Defined; HC Plan Includes Strategies for Continually Sustaining those Skills and Competencies

B.6. INSTITUTIONALIZATION OF DOT WORKFORCE PLANNING

DOT's Strategic Plan now acknowledges that goal accomplishment depends on talent. DOT must attract the best and the brightest people to the DOT workforce and inspire a new generation of innovators and pioneers in transportation careers.

Needs Assessed and Linked to DOT Strategic Plan

As previously described, the Department's strategic plan addresses human capital issues by defining specific human capital strategies required for attainment of the objectives. Specifically, DOT made a commitment to build expertise in the safety and mobility strategic objective by attracting individuals seeking careers in transportation safety or in the planning, designing, engineering, managing and financing of infrastructure in all modes of transportation. DOT's leadership emphasizes job opportunities, internships, training and rotational assignments in safety and mobility core competencies.

For the global connectivity objective, DOT committed to invest in the capabilities of the Department's international program staff, recruiting a multilingual transportation workforce and developing core competencies in subjects related to international transportation. To promote environmental stewardship objectives, DOT committed to hire individuals with education and expertise in fields where transportation, energy and environmental concerns intersect, such as urban and regional planning and environmental law. The organizational excellence objective demonstrates commitment to the President's Management Agenda and a culture of continuous improvement by specifically incorporating all five initiatives with delineated milestones.

Providing the Tools

With great foresight in the late nineties, DOT developed a model, process and tools to enable the Department to project the kind of workforce it would require. The model, featuring an eight-step process, compares a future workforce with the current one, placing an emphasis on competency management. Gap analyses are conducted to determine imbalances in occupations and/or competencies as they relate to the DOT strategic goals outlined in the Strategic Plan. Human capital strategies to bridge the gaps are determined and implementation plans are established.

DOT organizations gained experience with the model through a series of pilots in administrative and professional areas. In 2001, the Department did a more comprehensive series of analyses and plans in response to OMB direction. The workforce plans completed in December 2003 incorporated workforce analysis of human capital challenges to program performance, and the Department was able to identify several organizational entities requiring human capital attention in restructuring, talent and skills gaps, and linking staffing solutions to business strategies. Detailed results from actions taken by various OAs are reflected in the section narratives for each individual human capital standard.

B.7. LINKING HUMAN CAPITAL STRATEGIES TO PERFORMANCE PLANS AND BUDGET

DOT's commitment to integrate human capital initiatives into the DOT business environment has required us to:

- ❖ Align employee performance expectations with Departmental strategic objectives and/or OA organizational goals and objectives. As DOT

demonstrated by the second quarter of FY 2004, over 60 percent of employee plans are currently linked to agency strategic goals and objectives, and review processes are in place to continue moving that percentage towards 100 percent.

- ❖ Strengthen communication to employees regarding organizational goals and objectives. This has been made an explicit part of the performance management process, and the training supervisors receive places more emphasis on giving them the necessary communication skills.
- ❖ Establish supervisory and managerial accountability for individual and organizational performance. Every leader in DOT now works with a performance plan that outlines specific accountability for managing human capital and other resources and achieving business results.
- ❖ Link awards and recognition to organizational objectives and priorities and adequately fund awards/recognition programs to motivate and retain employees. As reported, we have revised awards policy to focus greater attention on the strategic use of awards and to strengthen the explicit linkage between awards and agency goals. Additionally, agencies that were underfunding awards and recognition have made a commitment to budget more effectively in the future for this investment.

The commitment to better human capital management also required a willingness to invest, where necessary. Leaders and managers within DOT were charged with making business case justifications for investments in human capital and were directed to incorporate their funding requests in budget submissions for FY 2004 and FY 2005. The approved Presidential budgets for both fiscal years contained investments specifically targeted for human capital, and such investments are requested in the FY 2006 budget now being prepared.

B.8. CLOSER SCRUTINY OF PERSONNEL SELECTION AND POSITION ALLOCATIONS

As discussed in Section Three, the Department's Executive Resources Review Committee (ERRC) ensures that executive resources are allocated to meet DOT's greatest leadership and occupational needs. The ERRC reviews these requests in relation to our strategic and performance goals as well as our diversity initiatives. When leadership positions become vacant, there are no automatic assumptions the vacancy will be

filled in the same program or even the same operating administration. In fact, over the last three years, organizations have both lost and gained positions as the needs of the Department changed.

Once a position is allocated and posted, in most cases there are adequate well-qualified internal candidates available for consideration in addition to external candidates. The Department focuses on whether the total recruitment pool has both depth and diversity, and not on numbers alone. Proposed selections have been rejected in cases where the recruitment was deemed inadequate.

Operating Administrations have also been encouraged to take their own strategic look at executive deployment before making requests, and some reallocations are internal. For example, the National Highway Traffic Safety Administration (NHTSA) has conducted a thorough review of its executive positions, considering such factors as the strategic importance and size (in terms of people and other resources) of the programs managed. This has already resulted in a successful request for the internal reallocation of one SES vacancy, and further proposed reallocations are anticipated.

Strategic Alignment Summary

The Department is positioned to maintain its alignment with human capital strategies through the support of:

- ❖ Strong direction from the Secretary and his immediate staff.
- ❖ A Deputy Assistant Secretary who serves as a Departmental champion.
- ❖ Senior officials accountable for implementation in each administration.
- ❖ Established councils and boards at every level of the Department that have involved stakeholders in developing, implementing, and monitoring human capital initiatives.
- ❖ Established mechanisms for reporting, tracking, and evaluation.

Section Two – Workforce Planning and Deployment



Workforce Planning and Deployment Standard:

Agency is citizen-centered, delayed and mission-focused, and leverages e-Government and competitive sourcing.

DOT's Overarching Outcome:

DOT organizations engage in continuous evaluation and improvement efforts, recognizing that changes in mission, technology, and external factors will always require organizational adjustments to produce optimally cost-effective results.

A. WORKFORCE PLANNING

Result

All of DOT's operating administrations have utilized a tested, best practice workforce planning model to assess the current and future state of their workforce and devise appropriate human capital plans.

In the late nineties, DOT developed a model, process and tools for workforce planning. The model, featuring an eight-step process, compares a future workforce with the current one, placing an emphasis on competency management. Gap analyses are conducted to determine imbalances in occupations and/or competencies as they relate to the DOT strategic goals outlined in the Strategic Plan. Human capital strategies to bridge the gaps are determined and implementation plans are established.

DOT organizations gained experience with the model through a series of pilots in administrative and professional areas. In 2001, the Department did a more comprehensive series of analyses and plans in response to OMB direction. In December 2003, the Department completed its most recent workforce planning cycle. This effort explicitly incorporated the goals and standards of

the President's Management Agenda, as well as the goals and objectives in the Department's Strategic Plan. As described in Section One, DOT integrated the Strategic Plan development with the workforce planning effort. Human capital planners participated in the development of the Strategic Plan and included specific human capital strategies and priorities within each Departmental strategic goal.

Using a best practice template, each operating administration analyzed its workforce and identified human capital challenges to program performance. This analysis included a focus on current and emerging mission-related competencies, as well as the Department's objectives related to succession planning and diversity. For each identified challenge, human capital solutions were developed with attention to the human capital standards, and DOT's specific business strategies related to other key initiatives as well as restructuring, talent and skills gaps, accountability, and diversity.

To ensure that each plan was based on a thorough consideration of workforce data, a highly versatile, automated tool was made available to workforce planners. This web-based tool, developed by the Office of Human Resource Management, interfaces with the Department's personnel and payroll systems and is used by OAs as they focus on workforce planning and diversity management initiatives. Included in this tool are two unique features – customized filters and reports – that enable the user to gather data faster and drill down further to facilitate analysis of workforce trends and patterns. Every aspect of workforce data can be compared and analyzed (e.g., attrition, hires, current employment by grade, retirement eligibles, ethnicity, etc.) by year, for all DOT, and for individual OAs even down to regional and organizational levels.

As the administrations developed their plans, each was encouraged to consider a range of strategies and flexibilities for meeting mission needs. For instance, human capital planners were encouraged to integrate workforce planning with competitive sourcing plans, and to utilize authorities such as voluntary early retirement (VERA) and voluntary separation incentive (VSIP) to anticipate and overcome barriers to achieving a results-oriented, citizen centered organization.

In addition to identifying mission-critical human capital challenges, each OA plan identified mission-related positions, whether or not these were identified with recognized challenges. The analysis from the individual plans was then rolled up into a Departmental plan as of March 31, 2004, and used as the basis for developing human capital strategies in several areas including corporate recruitment and diversity. Specific

examples of results yielded from this analysis are particularly evident in Section Five. DOT has been asked by other agencies to share workforce planning experiences and tools as they are considered a best practice in government.

B. DEPLOYMENT (RESTRUCTURING)

Result

DOT operating administrations develop plans for restructuring based on a disciplined, business-model approach and use various tools such as VERA/VSIP personnel flexibilities and competitive sourcing to overcome barriers and maximize restructuring benefits.

DOT's OAs have found that the process of restructuring is not a static, one-time activity, but a series of ongoing efforts driven by:

- ❖ Changes in mission mandates and programmatic emphasis
- ❖ The need to streamline or improve operational processes
- ❖ Requirements for redeployment or revisions to the mix of the workforce resulting from demographic and skills mix shifts, and imbalances among position categories.

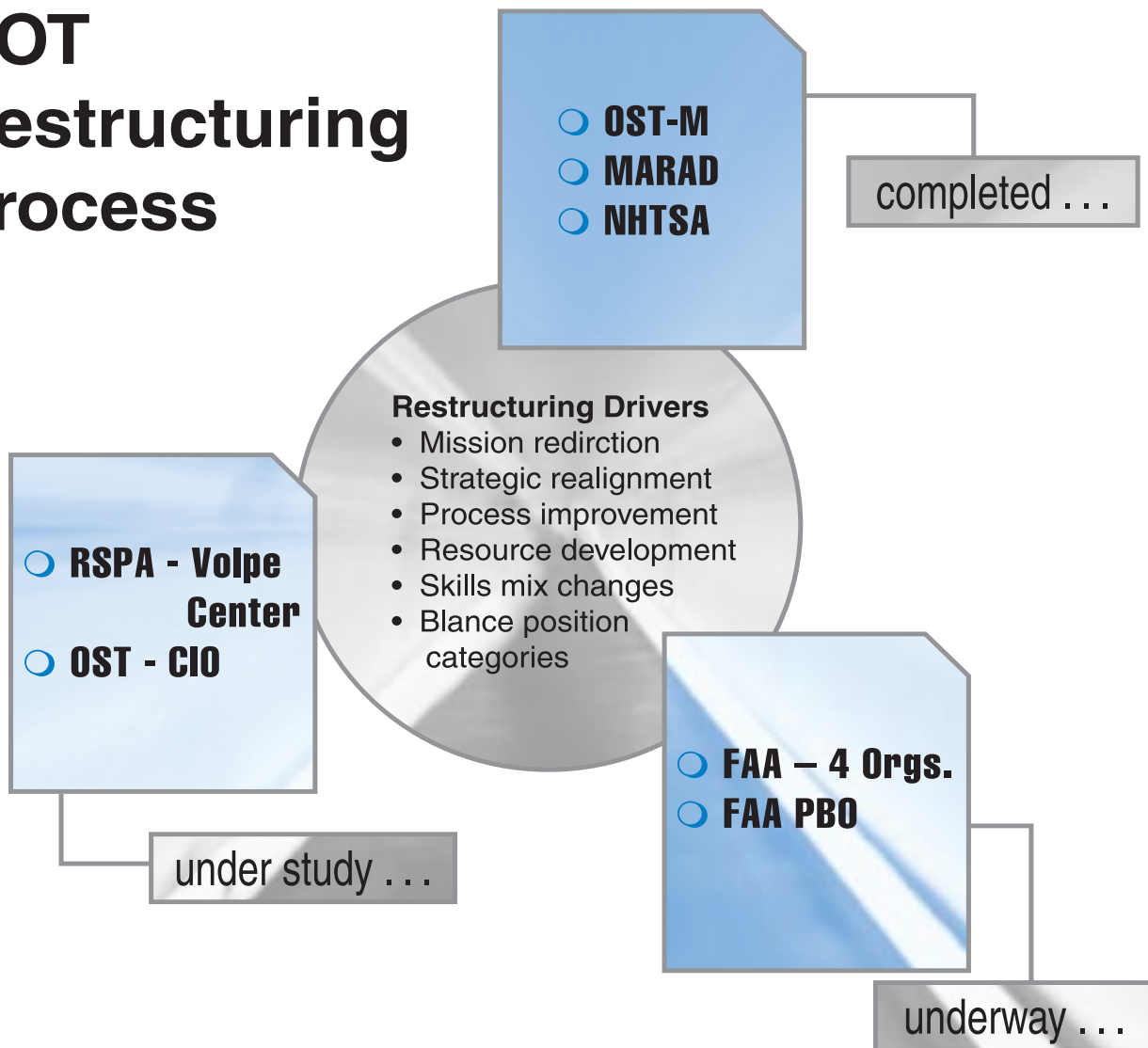
DOT views the very nature of restructuring as a continuum rather than a single point in time. Formal deployment initiatives within OAs are at different stages in the restructuring process and DOT identifies them as:

- ❖ Completed
- ❖ Underway
- ❖ Under study

Along the continuum, multiple restructuring efforts within smaller sub-organizations of OAs occur frequently. None of these restructuring efforts has significant impact on DOT or OA ability to meet performance targets. Rather than reporting on all these efforts, DOT has selected the key organizations highlighted in the Human Capital Plan of 2002 as representative of DOT's restructuring successes.

The graphic below illustrates where each of these initiatives falls within the restructuring continuum.

DOT Restructuring Process



In addition to those listed, two planned redeployments are currently in a phase we would characterize as “virtual consolidation” pending developments that allow a formal staff redeployment. These “virtual consolidation” efforts are described separately.

B.1. COMPLETED RESTRUCTURING EFFORTS

MARAD Fleet Restructure

MARAD’S restructuring of its fleets has created smaller, more effective, multi-functional staffs that deliver results at a lower cost.

MARAD’s National Defense Reserve Fleets include: the James River Reserve Fleet, Fort Eustis, Virginia; Beaumont Reserve Fleet, Beaumont, Texas; and Suisun Bay Reserve Fleet, Benicia, California. In the context of an A-76 study, MARAD conducted a thorough analysis of the existing organization, and determined it was structured around functional silos with a high degree of maritime specialization that required specific skill competencies and supervisory capability. The analysis also identified unnecessary layers of command and control that could be consolidated.

After visiting each fleet to perform skills analysis and to assess skills gaps, MARAD created a strategically based organization with efficient and effective components. This involved providing the labor force with

the necessary skill sets through targeted training, such as watercraft operator training and leadership training for supervisors. As a result, a smaller number of personnel possessed all of the competencies required for performance. This MEO won the bid, and has been implemented.

By eliminating redundant operations, closing skill gaps, and utilizing “best practices” among the fleets, MARAD is now able to strategically accomplish its mission more effectively with fewer, multi-functional employees—an ultimate savings to the taxpayer. The fleet organizations went from an authorized manning level of 195 personnel down to 145 full time equivalents for the MEO. An additional 30 personnel were placed within the Residual Organization (RO) to oversee and provide direction to the MEO. As a result of the use of VERA (early retirement) and VSIP (buyouts), the transition during the Reduction-in-Force (RIF) was eased for the three distinct fleet groups.

There were a total of 24 retirements/resignations from 12 VERA actions, 11 optional retirements and one resignation. The retirements were further supported with 19 VSIP actions. These departures created vacancies within the MEO and RO groups, which were advertised and filled by those competing employees whose skills best matched job requirements. Due in part to the effective use of VERA and VSIP, only 4 employees were involuntarily separated in the RIF. MARAD’s Office of Human Resources worked hard to minimize adverse impacts on fleet personnel.

NHTSA Reorganization

NHTSA used restructuring to consolidate needed skills and eliminate skills gaps, communication breakdowns, and redundancies within their existing budget.

NHTSA’s mission includes assisting states and local communities in reducing the threat of drunk drivers; promoting use of safety belts, child safety seats and air bags; and providing consumer information on motor vehicle safety topics. Although NHTSA has made great strides toward its performance goal of reducing highway fatality rate from 1.7 per million vehicle-miles traveled in 1996 to 1.0 in 2008, NHTSA is endeavoring to be more effective in “reaching out” and educating high-risk populations, such as young adults. NHTSA recognizes that working with these diverse populations requires not only social marketing, media, outreach, and technical/web development skills to successfully promote programs, but also knowledge in social psychology, gerontology, and neurology to accommodate the changing population.

These skills have not been traditionally associated with transportation careers, hence, NHTSA redefined the skills needed to meet changing program needs and targeted competency gaps to be addressed through reorganization.

The Secretary of Transportation approved the NHTSA reorganization in June 2002. Two aspects of this reorganization, in particular, helped address competency gaps:

- ❖ Communication, marketing, public information, and outreach programs previously scattered among three areas were merged into one unit.
- ❖ Traffic Injury Control -- the Headquarters program area that develops and markets the many highway safety-related plans and programs, and Injury Control Operations and Resources -- the major element of the agency encompassing the ten Regional offices and the Headquarters command element, were consolidated into a single major service, reporting via one of the three Senior Associate Administrators to the NHTSA Administrator/Deputy Administrator. The creation of the Senior Associate Administrator positions eliminated the position of Executive Director. The reorganization was managed within the budgetary ceiling and did not require any additional Senior Executive Service (SES) allocations.

By significantly reducing fragmentation, duplication of effort, and non-essential functions, NHTSA now operates as a more holistic, consistent, and multi-functional administration. As part of the agency’s effort to retool and reshape the workforce to become more strategically focused, collaboration and communication among senior level managers, both at Headquarters and in Regional Operations, has significantly improved. This improved communication and coordination was evident, for instance, in the preparation of recent budget submissions, and in other program planning and management activities since the reorganization. Because critical skills have been consolidated, and employee time is better coordinated and focused, NHTSA is now better positioned to “reach out” effectively to high-risk populations.

Restructured OST Office of the Assistant Secretary for Administration

The Department merged a stand-alone, fee-for-service organization into the Office of the Secretary to improve alignment of policy and operations and strengthen oversight.

For some years, the Department had a fee-for-service enterprise known as the Transportation Administrative Services Center (TASC) that provided operational services to DOT customers as well as other agencies, and was managed as a separate organization. In February 2002 the Deputy Secretary established a Board made of up various modal representatives to evaluate its operations and determine how to better align administrative functions with DOT's strategic objectives and best serve the needs of the Department.

Based on Board recommendations, TASC was abolished as a separate organization, and most of its functions and employees were merged with OST's Office of the Assistant Secretary for Administration (M) and restructured in January 2003. The purpose of the restructuring was to eliminate duplication, integrate programs, and provide more focus on DOT customers to maximally leverage resources. A Task Force composed of M, CIO, and selected representatives from the operating administrations was formed to conduct operational reviews of 99 different M programs and determine ways to provide core programs more efficiently.

Policy employees were integrated with their operational counterparts (e.g., mail, printing, real property, personal property, environment, safety, security, human resources, procurement, etc.) across the M organization to improve the consistency and alignment of policy and operations, leverage resources and increase effectiveness. Once a determination was made that a program was not aligned with DOT's strategic objectives, it was either eliminated or transferred to another agency as appropriate.

During the last year, overall M staff decreased by 63 positions or 21 percent as functions were eliminated, transferred, restructured, or contracted based on recommendations. For example, the DOT Connection program was eliminated, the Transportation Virtual University (TVU) became GoLearn, and transferred to OPM, and the Information Technology Omnibus Procurement (ITOP) team is in the process being transferred to GSA.

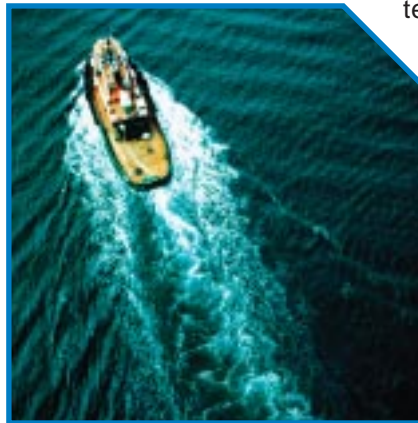
Financial management and control has been strengthened. Grant Thornton consultants evaluated current costing practices, documented supporting technology, and identified needed improvements to ensure that cost management is consistent with federal guidance. M's Office of Financial Management is in the process of implementing three core improvements:

developing project accounting, standardization, and automation of billing and invoice processing; convening a senior level Steering Group; and establishing a formal performance measurement program.

The new structure facilitates continuing improvements. One year later, additional restructuring occurred to strategically integrate workforce planning with competitive sourcing functions within the Office of Human Resource Management (OHRM). The Office of Strategic Initiatives was merged into OHRM to provide oversight to these integrated functions, along with diversity and career development initiatives, which are overarching to OHRM. The purpose of this restructuring is to better utilize resources for strategic management of human capital.

The M Organization has increased efficiencies by providing core services that are more focused on DOT customers. The integration of policy and technical knowledge has improved utilization of human capital, facilitated program implementation, and enhanced customer service by creating one-stop-shop solutions. Staffing decreases have resulted in reduced costs to customers.

On October 29, 2003, the Secretary's Partnering for Excellence Award--the Department's second highest award--was awarded to the entire M organization for its outstanding teamwork on the M Reorganization and the results it achieved in the first year under the new structure.



B2. RESTRUCTURING EFFORTS THAT ARE UNDERWAY

FAA Air Traffic Operations Restructure

The FAA is creating a performance-based organization to move the nation's air traffic. FAA began creating and implementing a Performance Based Organization known as the Air Traffic Organization (ATO) in 2001. Implementation was interrupted for about a year, due to 9/11, and resumed in 2003. The primary service of the ATO is to move air traffic safely and efficiently. On November 18, 2003, Administrator Marion Blakey and Chief Operating Officer Russ Chew announced the first steps in the realignment to create the ATO. The FAA established the new ATO to deliver this service within an organizational structure that optimizes the overall agency structure, provides a better focus on

results, improves customer service, and achieves greater efficiency.

The ATO combined the FAA's Research and Acquisitions, Air Traffic Services and Free Flight offices into one performance-based organization. The customers of the ATO are commercial and private aviation and the military. The employees of the ATO are the service providers—the 38,000 controllers, technicians, engineers, and support personnel (78 percent of the agency) whose daily efforts keep the airplanes moving.

ATO implementation strategy consists of three phases to be carried out during FY 2004 through FY 2006 in coordination with the FAA's other organizations, the Office of the Secretary of Transportation, and the employee unions. Phase 1 will be the creation of a seamless ATO organization and resource management. Phase 2 will stress controlling costs. Phase 3 will build on the cultural changes resulting from improvements gained during Phases 1 and 2.

Operational Service Units	Support Service Units
System Operations	Safety
Technical Operations	Communications
En Route/ Oceanic	Operations Planning
Flight Services	Finance
Terminal Services	Acquisitions/ Business

To optimize organizational structure, 19 high-level entities for air traffic service, research and acquisitions, and airspace modernization have been consolidated into 10 business units. Five service units are responsible for support functions, and five service units perform operational functions.

Also, 11 management layers are being reduced to six. This delayering will bring decisionmakers closer to points of service.

The first part of the ATO realignment was accomplished on February 8, 2004 with the creation of the executive positions (vice presidents) over the ATO service units and the realignment of the organizational

sub-elements from the old structure under them. The plan is to complete the ATO realignment by the end of the FY 2004.

Additionally, one of the most important activities during FY 2004 will be the completion of an Activity Value Analysis (AVA) for Headquarters. In the AVA, trained teams of employees working with an outside consultant interviewed the staff and identified the products and services of the organization. The teams further identified the perceived value and actual costs of the products and services to the customers who use them. This information enables ATO management to strategically deploy its resources around the products and services that customers view as high value. The first phase of the AVA, a six-month endeavor, spanned Washington headquarters, the William J. Hughes Technical Center and the Mike Monroney Aeronautical Center. In the first step of the AVA, the teams gather the necessary raw data. This work has been completed. The teams are now analyzing the data and expect to complete the entire project by June 30, 2004.

Fiscal responsibility is being taught, as managers are held accountable for their organization's costs. To date, 68 training sessions had been conducted and 920 individuals were trained. Further training sessions are planned and more detailed training is being identified in the area of financial management.

New financial tools, including improved cost accounting and labor distribution reporting capabilities, will be implemented during FY 2004. They also support transition to a new Delphi accounting system. To date, the preliminary steps to the financial reporting systems needed by the ATO have been accomplished. For example, the ATO is now able to download data from the agency financial systems and create spreadsheets that provide financial information organized by each service unit (vice president). The vice presidents review air traffic control performance every morning, and meet every week to make crucial strategic and tactical decisions about operations and finances. They critique performance and management accountability in biweekly staff meetings.

A working group is designing the overall business planning process for the ATO. This includes the business plan and the operating and financial plans. They are all interrelated and build on the long-term goals and objectives of the FAA Flight Plan. ATO customers and owners are the primary audience of the business plan, which contains a higher level of detail than the operating and financial plans. The operating plan details what the ATO will deliver and how, whereas the financial

plan describes the funding for those commitments. In addition, there will be only one business plan, operating plan and financial plan for the entire ATO, rather than each service unit developing their own individual plans.

Planned Outcome: This new organization represents a real change in the agency's operating philosophy as it is organized around the services delivered to the customers. Flattening the organization structure will improve responsiveness to customers as the decision making process is more streamlined and allows fewer opportunities to rethink old decisions or delay new ones.

When the AVA is completed, the ATO can determine if the current activities that people are working on provide the most value to its customers. Activities that produce little or no value can be eliminated and resources will be better utilized as people focus on activities that support more valued services.

The new organizational structure and financial tools will increase efficiency and effectiveness as they support the objective of making managers responsible and accountable for the finances of the organizations they manage. The ATO has begun a multiyear process to develop quarterly and annual business and financial reports that will help establish the ATO's financial management credibility both now and in the future.

The FAA ATO has set up a website to provide information on this reorganization. FAA is restructuring four additional organizations to optimize service and cost-management.

Optimizing FAA Organizational Structures

A major focus of FAA Administrator Marion Blakey is the optimization of organizational structures from service and cost-management perspectives in four functional areas.

□ Accounting Functions

The FAA is in the process of consolidating FAA accounting functions from nine locations to one finance center in Oklahoma City, OK.

In the second quarter of FY 2004, the FAA Administrator approved a proposal to consolidate nine

geographically dispersed accounting operation offices into one finance center in Oklahoma City, Oklahoma to eliminate duplicative overhead, implement consistency of policy application and accounting standards, restructure current staff, implement new automated tools and processes. An Accounting Consolidation Transition Management Team (ACTMT) that includes members from the Region and Center Operations (ARC), the Office of the Chief Financial Officer, the Technical Center, and representatives from the field accounting offices, human resources, labor relations, and legal were appointed in second quarter FY 2004 to develop the transition plan.

To date, the team has analyzed current baseline accounting functions, developed recommendations for the new finance center including staffing, funding, and the process and timing of the transition. Target date for completion of the consolidation is 4th quarter FY 2005.



This consolidation will reduce service costs, improve utilization of staff resources, and reduce training costs as new and improved technology tools are implemented. Additionally, the accounting consolidation furthers the Department of Transportation efforts to implement the President's Management Agenda in the areas of improved financial performance, expanded electronic government and budget and performance integration.

□ Personnel Transaction Functions

FAA personnel transaction functions are also being consolidated from twelve locations to three shared service centers in Atlanta, GA, Oklahoma City, OK, and Los Angeles, CA.

The FAA Administrator approved the HR Shared Service Center concept on April 7, 2004. Under the concept, there will be three Shared Service Centers (SSCs): the West SSC in Los Angeles; the Central SSC located in Oklahoma City; and the East SSC in Atlanta. The SSCs will be responsible for the processing of all personnel transactions including benefits processing and maintenance of all Official Personnel Files (OPF) for the organizations serviced under the new concept, as well as mandatory use of Employee Express by all employees. Consolidation of transactional processing from 12 locations to 3 will provide for further standardization and improve overall transactional business processes. The transition expected to be completed in FY 2005. The

consolidation of personnel transaction functions will generate cost efficiencies through economies of scale and elimination of redundant processes.

□ **Realigning Learning Institutions**

The FAA Administrator recently announced the realignment of the FAA Center for Management Development to the FAA Academy in Oklahoma City, Oklahoma at the start of fiscal year 2005. On May 3, 2004, the FAA Administrator approved a proposal to place the management of the Center for Management Development (CMD) under the direction of the Superintendent of the FAA Academy in order to more effectively manage the delivery of FAA's corporate managerial and technical training programs. FAA employees working in both locations, CMD and the FAA Academy facilities, will remain at their current locations in Palm Coast, Florida, and Oklahoma City, Oklahoma. However, these facilities will no longer operate as two independent training centers but as one coordinated training center on two campuses.

The realignment of the CMD and the FAA Academy facilities makes good business sense. It will enhance the direction and oversight of our corporate managerial and employee training and development program, which is a key strategy under the Flight Plan's Organizational Excellence goal. It will also provide significant cost savings by allowing us to optimize the use of our facilities, avoid program redundancy and duplication, and allow greater flexibility in the use of instructors, training facilities and systems, and support contractors. Operational realignment will begin in FY 2005 with the fiscal and budgetary realignment to follow in FY 2006.

□ **AFSS Competitive Sourcing**

The FAA also has an OMB A-76 Study underway to improve the efficiency and lower the costs associated with the services provided by Automated Flight Service Stations (AFSS).

The FAA Automated Flight Service Station (AFSS) Competitive Sourcing competition (in accordance with OMB Circular A-76) is the largest and most complex in the federal government. It includes over 2700 employees at 58 facilities in the continental United States, Puerto Rico and Hawaii. The primary role of the AFSS is to provide pilot weather briefings, flight plan processing, en route communications, and the initiation of search and rescue activities. The general aviation community is the largest consumer of these services; however, military and commercial pilots are also customers.

The competition requires delivery of the AFSS service. As a result, it includes labor, facilities and equipment. With the exception of some narrowly defined mandatory government furnished property, potential service providers (PSPs) can propose their own facility and equipment architecture, as long as there is no loss in the performance of the service.

This is a "trade-off" acquisition and will be decided based on the best value to the government. The agency has a deadline to award the contract or letter of obligation, should the internal government offeror win, by March 2005. The FAA Office of Competitive Sourcing (ATO-A) website is <http://www.faa.gov/aca>.

The result of the AFSS competition will be more efficient service to the pilots at a lower cost to the taxpayer, whether this service continues to be performed by the government, as a "Most Efficient Organization," or through a contract with the private sector.

B3. PLANNED RESTRUCTURING EFFORTS

OCIO Restructure

The Office of the Chief Information Officer (OCIO) is proposing a realignment to close skills gaps, improve deployment of resources associated with newly merged policy and operational functions, and prepare for projected employee attrition.

The OCIO is responsible under the Clinger-Cohen Act, the Federal Information Security Management Act, and other authorities for a wide variety of information technology (IT), security, enterprise architecture and e-government activities across the Department. For the past two years the OCIO has been leading the IT infrastructure planning for the new DOT headquarters building and a DOT headquarters-wide IT consolidation effort.

An OCIO workforce/function analysis determined that 30-35% of employees are eligible for retirement; OCIO's organizational structure is top-heavy with program analysts and highly technical computer specialists; and the mission of the OCIO is evolving more into the role of project management, which requires different skills.

The OCIO has developed a restructuring plan that provides a comprehensive business case approach to assure effective initiatives planning, execution and continuity of operations. A lack of funded vacancies would be a barrier to acquiring needed new skills, but OCIO plans to use available personnel flexibilities to

overcome this barrier. Specifically, OCIO is planning its request for Voluntary Separation Incentive Payment (VSIP) authority in conjunction with a Voluntary Early Retirement Authority (VERA) and has conducted a preliminary survey of interest to initiate a phased early retirement for eligible OCIO employees. The target VERA window is the second quarter of fiscal year 2005, allowing adequate time to obtain VERA authority, recruit new entrants with project management skills, and execute a planned transition of the workforce.

A strategy will be implemented to recruit selected vacancies in a timely fashion so that institutional knowledge is not eroded as individuals transition into retirement.

RSPA's Volpe Center Restructure

The Research and Special Programs Administration (RSPA) John A. Volpe National Transportation Systems Center (Volpe Center) proposed restructuring will streamline management, improve customer focus, and strengthen project management.

For more than three decades, RSPA's Volpe Center has addressed major national and international transportation issues related to safety, mobility, global connectivity, environmental stewardship, and security for DOT and non-DOT customers, including local, state, and federal agencies, foreign governments, and private organizations.

In 2003, RSPA Headquarters conducted a Management Assessment of the Volpe Center. The assessment identified many Volpe strengths, as well as opportunities for improvement. RSPA senior executives concluded that the Volpe Center – a fee-for-service organization -- needed to be more customer-focused, the existing management structure was too complex, and improvements were needed in Volpe's project management rigor.

RSPA senior executives applied private sector business management and organizational approaches to a Volpe restructuring proposal. The proposed structure focuses on improving effectiveness through the designation of the Center Director and Deputy Director as Chief Executive Officer and Chief Operating Officer, respectively; the consolidation of five operational offices into three; the consolidation of several subordinate divisions into groups of related professional activity; and

the consolidation of all administrative functions under a Chief Administrative Officer.

In addition, an initiative has been implemented that will further the Volpe Center as a "Learning Organization," which will position the Center as a highly regarded technical organization that strives to improve its competitiveness while continuing to be flexible and responsive to customers.

The proposed restructuring of Volpe will help to ensure that quality products and services are delivered to customers on time and within budget. As a more efficient organization, the Volpe Center will provide an environment for employees where their success and high performance can thrive in the face of changing resources, requirements, and needs. As a more unified organization, Volpe will refine channels of communication, both internally and externally with customers. Further, the elimination of redundancies and better utilization of resources in the proposed structure will reduce the cost of doing business and generate savings to be passed on to customers.



B4. DOT'S VIRTUAL CONSOLIDATION

In 2001, the Human Resources Council members (OA personnel officers and Departmental HR leaders) met to discuss options for increased efficiency through administrative consolidation of some HR functions.

They concluded that two programs, benefits services and workers compensation, offered potential for significant efficiencies and service improvements.

DOT workgroups of OA representatives were formed to discuss needs and goals, explore consolidation models, and ensure that any needed investments were captured through the budget process or internal funds allocation. The two groups developed different models for eventual formal consolidation.

□ Benefits Services

The group is now in the second, "virtual consolidation" phase. Having mapped out goals and strategies, the group is functioning in a consolidated fashion for decision-making and for tasks that do not require access to an OPF. They can cite the following accomplishments for their "virtual organization:"

❑ **Group purchase of a new retirement calculator tool**

The previous calculator was DOS-based, did not automatically generate needed forms, and would not accommodate multiple calculation scenarios. In FY 2003, the DOT Benefits Consolidation Workgroup reviewed many products and selected ESI Retirement Calculator as it offers the greatest number of features and the best potential for future integration with the Federal Personnel Payroll System (currently the calculator is integrated with personnel and payroll data downloaded on a biweekly basis).

The workgroup coordinated a consolidated purchase of the ESI Retirement Calculator for Human Resource (HR) offices across DOT and saved \$23,660 over the cost OAs would have paid for individually purchased licenses. Additionally, using the ESI Retirement Calculator eliminates duplication of effort and increases accuracy of retirement estimates because employee data is entered only one time and populates multiple forms. This eliminates both time and error. The timeliness of response to employees is further increased as calculations are emailed to employees, reducing the volume of paperwork.

❑ **Increased employee use of Employee Express**

Employee Express was developed and implemented to allow employees to directly access some of their personal information, and conduct some transactions, including most benefits-related ones, electronically. However, while the system is available to employees across the Department, only about half were using it in 2002.

The team committed to guiding employees to do all transactions possible through Employee Express. The number of transactions processed through Employee Express increased to 67% in calendar year 2003 from 51.8% in calendar year 2002. The benefit to employees is the ability to make changes to their accounts 24 hours a day, and to access information directly without contacting an HR office. The benefit to HR offices is greatly increased productivity, as fewer questions and transactions require staff time. HR staff can focus on high-value activities, such as counseling employees and troubleshooting problems (e.g., complications with transactions).

❑ **Developed a ONE-DOT benefits web page**

The OST's HR office facilitated and launched a web page, http://dothr.ost.dot.gov/HR_Programs/Benefits/benefits.html, utilizing information and resources identified by the group. The page provides easy access to benefits information of interest to all DOT employees, including a monthly electronic newsletter. Employees can now access information 24 hours a day,

and are more likely to be aware of information that affects them. HR staff productivity is also enhanced since the web page answers many questions that would have otherwise created a telephone call or email.

❑ **Developed and tested a web conferencing approach to benefits presentations**

In May 2004, the DOT Benefits Services Work Group tested the use of web conferencing for benefits presentations to Headquarters and field employees. The topic was Benefits of TSP for Retirement and the target audience was employees who are not currently enrolled in TSP or who do not invest the maximum amount allowed. The Work Group anticipates an increase in the number of employees who enroll in TSP or increase their contribution rate. Employees in the field have access to information that would not be available without the web conference. Additional methods of providing training to both headquarters and field are being explored.

❑ **Workers Compensation**

The model for ultimate consolidation of the workers compensation program also proceeds in phases. In the current phase, FAA is evaluating a pilot effort in headquarters and the Southwest region. Then FAA plans to consolidate all of its own OWCP management in one office, and finally become the executive agent for the Department. In the interim, DOT's headquarters program manager for OWCP is pursuing a virtual consolidation model to improve the functioning of the program in the other administrations, none of which have dedicated program resources.

Through this workers compensation working group, the program manager has instituted processing goals, disseminated checklists and forms, and provided DOL training. He has posted information of common interest on the Department's web site, and facilitated group meetings and training between the OWCP and safety communities. He has also ensured that funds are requested to support eventual contractor support for the non-FAA consolidation, to prepare for and simplify the ultimate realignment of the program to FAA.

Workforce Planning and Deployment Summary

DOT has integrated human capital initiatives in such a way that workforce planning and analysis is tied to DOT's Strategic Plan and supports planning and implementation of recruitment, development, restructuring, and diversity strategies.

Section Three – Leadership and Knowledge Management



Leadership and Knowledge Management Standard:

Agency leaders and managers effectively manage people, ensure continuity of leadership, and sustain a learning environment that drives continuous improvement in performance.

DOT's Overarching Outcome:

By implementing leadership and knowledge management tools, DOT leaders and managers are more prepared than ever before to maximize effective use of human resources as program performance demands continue to grow and change.

A. BACKGROUND

DOT has successfully implemented OPM's certified Senior Executive Service (SES) Candidate Development Programs (CDP). During the late 1990's, DOT had over 100 CDP graduates ready to be placed into SES positions. Since then nearly 65 percent of Department graduates have been placed in SES positions (within DOT or other Federal agencies), 25 percent remain in our active CDP pool, and 10 percent have left DOT or Federal service.

The Department's Executive Resources Review Committee (ERRC) ensures that executive resources are allocated to meet the greatest leadership and occupational needs. When leadership positions are

announced, in most cases an adequate number of well-qualified internal candidates are available for consideration. The OAs make initial SES selection and position allocation recommendations to the ERRC.

The ERRC reviews these requests in relation to our strategic and performance goals as well as our diversity initiatives. Final decisions by the ERRC are based on a comprehensive analysis of current and future leadership needs and diversity plans.

To ensure DOT's leadership talent pool is continuously updated, DOT formalized succession planning efforts for all levels of leadership and placed emphasis on integrity and inspiring employee commitment, continuous learning, and knowledge management activities.

B. SUCCESSION PLANNING MODEL

Result

Launched and implemented succession planning strategies and tools to ensure a ONE DOT approach to leadership and continuity.

As a subset of the overall Workforce Planning initiative, DOT formed a Succession Planning Working Group (SPWG) to design a leadership succession planning systems model. The model is grounded in internal experience and best practice research; promotes sharing and assistance across organizational lines; links closely to the Department's Human Capital Plan; and promotes strategies and tools that are used by all OAs.

The SPWG model allows flexibility within a prescribed set of expectations. While nomenclature may differ, OAs cross-walk their systems' features to the leadership levels, standard components, and the leadership competencies established in the model. The leadership competencies are based on the U.S. Office of Personnel Management's (OPM) Executive Core Qualifications (ECQs) as they have been translated into the Leadership Competency Framework included in the Departmental Human Capital Plan.

The competency framework 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. Collaboration between the SPWG, the DOT Learning and Development Council (OA training officers), and a Supervisory Taskforce (e.g., line managers, executives and human resource professionals) determined that competencies needed to be identified at the various levels of leadership to ensure effective transition from non-supervisor (basic competencies), to supervisor, to manager, and to executive.

OAs focused their initial succession planning implementation at the level of leadership that is most critical to achieving their missions. They then turned to address succession planning at all levels within the leadership pipeline. Considering current and emerging leadership needs in light of strategic and program

planning, identifies sources of key position talent and provides for assessing, developing, and managing the talent.

Using the model as a guide, OAs developed implementation plans for succession planning systems that met with the approval of their respective OA senior leadership, Departmental Office of Human Resource Management, and the Human Capital Planners Council. Acceptability of the plans was based on their addressing the standard components, meeting timeframes, and demonstrating, with milestones, how systems will proceed to address the entire leadership pipeline. As leadership succession planning systems were implemented, they were integrated with overall workforce planning to meet the ultimate goal of a Department wide workforce plan in March 2004.

The model supports the DOT overall structure, mission, goals, and values. It recognizes and benefits from systems being implemented within the Department, and the philosophy behind its design reflects the experience of member OAs, best practices research, and the collaborative thinking of the group members. Even though DOT has an integrated succession planning system in place and individual OAs conducted formal developmental programs, the Department recognizes the importance of implementing centralized succession planning strategies. By conducting ONE DOT programs DOT ensures that a uniform approach is implemented to improve the effectiveness and continuity of DOT leaders and managers and promotes a culture of continuous performance improvement. All OAs were provided with a model, sources of training opportunities, and other tools to assist them in developing and integrating succession planning systems into their respective human capital strategies.

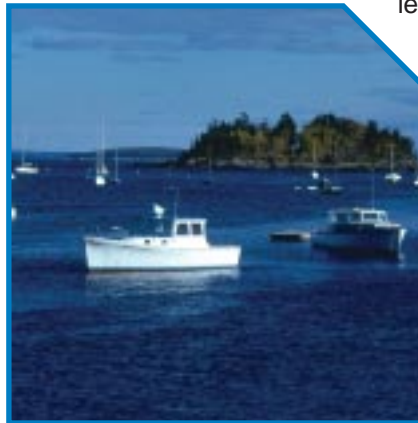
Based on the results of a leadership trends analysis, a number of centralized succession planning activities were implemented. The selection process for these programs is merit-based and addresses mission related occupational/ individual competency needs.

B.1. DOT POLICY FOR SELECTING, DEVELOPING, AND APPRAISING SUPERVISORS

Beginning with the leadership pipeline (GS 12-15), DOT established a ONE DOT approach for recruiting, selecting, developing, and appraising supervisors. As a result of this revised policy:

- ❖ New accountability procedures are in place to monitor compliance. For instance, vacancy announcements for supervisory personnel address appropriate leadership competencies. New probationary supervisors are assessed and individual development plans are created that address appropriate leadership competencies found in the Leadership Competency Framework. A training requirement for new supervisors was also created. The Human Resource Council members and their respective staffs coordinate these activities to ensure compliance.

- ❖ A Leadership Competency Assessment tool was created, as a companion to the previously mentioned Leadership Competency Framework, to conduct needs assessments for supervisors. This tool is an example of how some agencies may collect leadership readiness or developmental needs of current leaders. Those OAs that have formal leadership programs (OST, FAA, FHWA, FRA, FTA) have used multi-rater tools such as OPM's Leadership 360, The Graduate School, USDA's Leadership Effectiveness Inventory or FAA's Center for Management Development – 360 Degree Leadership Feedback Survey. For example, when top leadership was asked to develop a leadership development workshop for the Office of the Assistant Secretary for Administration (OST), they used the Leadership Competency Framework and Assessment Tool to prioritize areas of greatest need.



- ❖ A DOT revised Departmental Personnel Manual Chapter 430 Performance Management Policy was issued on December 29, 2003. Among other issues, this policy ensures that OA performance plans for supervisors and managers address these elements: business results, managing human capital, managing other resources, and EEO/Diversity.

B.2. SO YOU WANT TO BE A LEADER DEPARTMENTAL PROGRAM

A special program titled So You Want To Be a Leader was designed and developed for GS-11/12 employees who are considering a move into supervision and management. Heads of OAs and Training Officers are notified via Departmental memorandum to identify and

select participants for this program. The basic goal of the program is to provide an overview of the roles and responsibilities of supervision, and give participants an understanding of realistic issues and expectations of supervisors. DOT has conducted four sessions since our pilot in FY 2002 with over 60 employees graduating the program.

- ❖ Academically, participants have ranged from high school graduates to graduates with Ph.D. degrees. Feedback from the beta group caused the Department to shift from a more general, informative, and building knowledge approach about leadership to a more hands-on program that exposes the group members to a variety of issues related to supervision in general, and also to team leadership roles. In addition, DOT tried various "course lengths" and found that sessions of three and a half hours spread over a nine week period to be an effective length of time.

- ❖ Over 13 percent of the graduates have achieved a promotion to higher grades (e.g., leadership positions) either within DOT or other Federal or private sector positions. About 25 percent of the members expressed a desire not to pursue a leadership role at this time. This feedback comes from anecdotal data, informal surveys, and interviews. DOT conducts individual follow up sessions with members and their immediate supervisors to gain information for a continuous look at the program and the transfer of learning. This program is administered twice a year.

B.3. DEPARTMENTAL LEADERS FOR TOMORROW MENTORING PROGRAM

A Departmental Leaders for Tomorrow Mentoring Program was designed and implemented for the succession planning pipeline GS 13-14 employees (protégés) and GS 15-SES (mentors). A Departmental memorandum was disseminated to Heads of OAs to seek and select mentor and protégé nominees. Employees also are made aware of this program via our Human Resource Management intranet website, which provides program information.

- ❖ For the first pilot (March 2003), 16 pairs were matched (based on application assessment data) to participate in the 10-month program. Special group

activities including leadership assessments, workshops, developmental assignments and field trips were designed and conducted that enhanced those leadership competencies that support a positive mentor/protégé relationship. For example, mentors were advised to provide assistance to protégés in helping them define a developmental project/ assignment. The developmental assignment was aimed at helping the protégés reach beyond their “comfort zones” and involve them in a career enhancing developmental experience. Examples of protégé developmental experiences include:

- ❑ A Departmental legacy project to capture corporate knowledge, expertise, skills and traits from senior officials before they leave the organization.
- ❑ An assignment to the Brookings-LEGIS Fellowship Program.
- ❑ Shadowing a mentor and getting involved in staff and administrative activities away from the usual technical/other environment.
- ❑ Pursuing details and expanding networks to learn about what other DOT organizations are doing.

Through these experiences, protégés learned about competencies and skill sets that they all need to further advance their careers.

- ❖ Throughout the program, immediately following each learning session, participants were given written program evaluations to complete. The evaluations requested specific information on benefits gained, areas that were highly favored, and items needing change. DOT also captured information regarding the length of sessions. The evaluation process helped DOT make changes and prepare for future programs.
- ❖ In February 2004, the Secretary of Transportation addressed the participants at a graduation ceremony where he heard testimonials and feedback from participants indicating a high degree of satisfaction. Some mentors and protégés shared program experiences and some positive program outcomes. Mentors explained the fulfillment they gained from giving of oneself to help others. They also found the relationship was a growth experience for them, as well as, for their protégés. Mentors and protégés expressed the value of learning about DOT organizations from each other and expressed

appreciation to mentors for sharing their knowledge and expertise. Participants were very appreciative of the time that senior officials contributed to the program to make it a success. The 2003 class members are now alumni and have committed to being a resource to each other and to support future formal and informal mentoring activities.

- ❖ Based on participant feedback and budgetary commitments, the program is continuing and expanding.
- ❖ An intranet website was designed as a resource for mentoring activities and guidance, career and leadership development opportunities, educational and training links to academia, learning resources, tools, sharing of information to all DOT employees and other website links. The website is a marketing tool to encourage and increase mentoring throughout the Department.
- ❖ DOT also developed a pool of mentors (some from the Leaders for Tomorrow Program) to provide informal mentoring to other DOT employees who are unable to participate in the Leaders for Tomorrow Program. Guidelines for developing mentor protégé arrangements are provided to mentors and are made available to all DOT employees via the DOT Mentoring intranet site.

B.4. DOT'S TRANSPORTATION EXECUTIVE LEADERSHIP INSTITUTE (TELI)

During FY 2002, DOT established a Transportation Executive Leadership Institute (TELI) to advance and shape the continuous learning and development of our senior executives, managers and their equivalents. TELI programs are announced via Departmental memorandum to Heads of OAs and Training Officers and are tracked and evaluated by the Departmental Office of Human Resource Management, Office of Associate Director for Workforce Planning and Learning.

Each year since TELI was established nearly half of the executives and senior managers have participated in 15 SES Forum Series, two SES Lecture Series, two Issues Seminars and a number of rotational assignments that address development of leadership competencies. The continuation of these programs is based on highly rated feedback on all experiences. The overarching charge of the TELI is to:

- ❖ Offer learning activities that clarify the business purposes, values, and desired outcomes of DOT.

- ❖ Develop leadership competencies consistent with organizational business needs and OPM's Executive Core Qualifications (ECQs).
- ❖ Provide the corporate leadership of the Department with a common experience base for addressing the future direction of the Department.

B.5. ACCOUNTABILITY AGREEMENTS / SES PERFORMANCE MANAGEMENT

The Secretarial Officers and Heads of OAs completed their FY 2004 Performance Accountability Agreements with the Secretary. The performance agreements provide the framework and context for associated changes in the SES performance management system. The new SES system assures a clear and direct linkage between SES performance and pay, a cornerstone of the President's Management Agenda.

The SES performance management system has been retooled and refined. The DOT SES performance management system requires the cascading of performance accountability agreements through the SES performance plans into the performance plans for non-executives. Both the performance accountability agreements and the SES performance plans will contain critical management objectives with performance targets that, at a minimum address achievement of the management initiatives of the President's Management Agenda, including business results, managing human capital and resources, diversifying the workforce, and internal management of SES members. Additionally, the Secretarial Officers and Heads of OAs' performance agreements and the performance plans of each of their executives and non-executives are aligned with the strategic organizational goals and related outcomes of the DOT Strategic Plan.



B.6. MODAL SUCCESS STORIES

FRA / FAA Executive Coaching

In FY 2003, the Federal Railroad Administration (FRA) and the Federal Aviation Administration (FAA) piloted formal executive coaching programs. Over 40 senior managers and executives were assessed, developed individual action plans, and received personal coaching in order to enhance specific leadership competencies.

- ❖ FRA's Administrator required all SES members to participate in their executive coaching program. As a result of a program evaluation, it was determined that all participants rated the experience as highly valuable. In fact, four out of 15 participants have extended their coaching arrangements. The Deputy Administrator approved coaching as a tool for new supervisors within six-to-twelve months of being hired. In addition, other managers and supervisors are encouraged to consider coaching.

- ❖ The FAA program was not a mandatory program, but was encouraged for those managers in the FAA Executive Workforce Planning process. Feedback from the FAA participants in their executive coaching program was overwhelmingly favorable. Results indicated that the one-on-one coaching experience had a positive impact on participant leadership coaching goals and leadership abilities. The data revealed that 100 percent of the interviewees were very satisfied with the coaching experience, and participants recommended the continued and expanded use of one-on-one coaching as a way to improve organizational performance. In fact, some participants expressed a desire to continue one-on-one coaching, even if they had to pay for it personally. In addition, participants endorsed expansion of the program to others in leadership positions.

- ❖ During interviews, FAA participants reported that various forms of support from coaches (e.g., inspirational quotes, books, and probing questions) led to increased leadership behavior in the workplace and increased feelings of leadership competence. As a result of the coaching experience, personal and professional improvements in a number of areas were identified by program participants, including:

- Healthier work/life balance
- Ability to delegate
- Listening skills
- Effective communication techniques
- Ability to think creatively and solve problems
- Ability to coach others

Responses regarding the continuation of the Executive Coaching Program were unanimously positive, however the program evaluation revealed several opportunities for improving the process. Specifically, participant input regarding ways to improve the program addressed issues concerning:

- ❖ Program flexibility – some individuals recommend increased flexibility in scheduling their coaching sessions (including the duration of each session and the frequency of sessions).
- ❖ Coach selection process – some participants experienced difficulty finding the time to do the necessary preparatory work to select a coach.
- ❖ Program duration – program participants and coaches alike commented that the amount of time allotted for the coaching process was insufficient.
- ❖ Program launch/preparation – although most program participants believed they were adequately prepared for the coaching experience, several suggestions were made regarding a more thorough preparation method, including pre-program meetings and increased communication

The evaluation data provide many useful insights into the strengths and opportunities for improvement of the Executive Coaching program. Overall, the data revealed that all program participants were very satisfied with the coaching experience, and learned several new leadership skills and techniques. The promise of improved leadership behavior through coaching will depend heavily on a commitment to sustained coaching activities and programs, including direct involvement by senior management.

As a result of the executive coaching pilot programs and the evaluative feedback provided, DOT established a Departmental Executive Coaching Guide and Program that offers a newly selected executive a coach during the first six months of their appointment. Once DOT receives QRB approval on the SES appointment, the Departmental Executive Coaching Program Manager personally contacts the new executive to discuss this executive development opportunity. DOT has an interagency agreement with the Federal Executive Institute to provide us with a cadre of executive coaches.

Succession Planning

All OAs have adapted approaches to learning and participated in Departmental initiatives, to implement the succession planning model. Individual OA succession plans indicate that merit-based procedures, including in some cases a panel process, to select and send its best candidates to leadership development programs ranging from the Department's pre-supervisory "So You Want To Be A Leader" training to programs such as the AASHTO National Transportation Training Institute and the Federal

Executive Institute. Merit-based selection has led to more applications and diversity of applicants moving DOT toward the primary goal of the succession planning model for guarding against extended leadership gaps.

FMCSA Potential Successors

The Federal Motor Carrier Safety Administration (FMCSA) has set a goal to have "at least one qualified internal" potential successor for every open leadership position. In addition to enabling advancement for employees, having this "bench strength" also ensures that FMCSA has staff who can act in the event of an extended absence or until a position can be filled.

FAA Integrated Executive Workforce Planning Process

The Federal Aviation Administration (FAA) designed and implemented an integrated Executive Workforce Planning (EWP) process for executive resource planning, assessment, development, and staffing. It is an agency-wide process that Lines of Business and Staff Organizations are responsible for implementing within their organizations. The EWP process was designed by agency executives and adopted by the FAA Administrator and Management Board. The Office of Human Capital Development (AHD) and the Executive Resources Planning and Acquisition Team (AHP-20) provide staff support.

EWP is made up of four major components that build upon a common set of executive competencies called the Executive Success Profile. The four components are:

- ❖ Planning provides a systematic look at the agency's executive requirements and a strategy for meeting them.
- ❖ Assessment identifies FAA executives' and senior managers' most critical development needs and provides data for determining critical gaps in FAA's succession pipeline.
- ❖ Development encompasses a wide array of learning activities to address those needs.
- ❖ Executive Staffing completes the cycle by selecting and placing highly qualified people in the agency's top leadership positions.

Participants are afforded the opportunity to solicit feedback keyed to the Executive Success Profile from

their manager, subordinates, peers, and others outside their organization. EWP Committees evaluate this feedback together with experience and related career data and provide recommendations to participants on development they should pursue at this point in their career. Participants and their managers are responsible for developing and executing appropriate learning plans. Their progress is tracked in an automated system and reviewed by their EWP Committee.

Over 300 managers have completed the assessment process and are currently engaged in developmental activities. Eighteen of the 60 executive positions (30 percent) that have been filled since 2001, were filled from this pool of candidates.

C. INTEGRITY AND INSPIRING EMPLOYEE COMMITMENT

Result

Leaders set the integrity example by implementing training such as ethics, No FEAR, and whistleblower protection in their daily worklife.

C.1. ETHICS TRAINING

DOT's Office of General Counsel oversees and coordinates Departmental ethics training activities on an annual basis. The Department is in full compliance with 5CFR 2628.701-706 Subpart G: Executive Agency Ethics Training Programs.

C.2. NO FEAR ACT OUTREACH

During the second quarter of FY 2003, an awareness and outreach strategy to implement the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (No FEAR) was designed with joint cooperation between the Departmental Offices of Civil Rights and Human Resource Management. A workgroup was established with representatives from legal, civil rights and human resources to coordinate implementation efforts within the DOT. In January 2003, the first training session communicating the requirements of the No FEAR Act was held for supervisors and managers of the National Highway Traffic Safety Administration. Then in March 2003, a representative of DOT developed and presented a

session at OPM's Symposium on Employee and Labor Relations discussing key requirements of the No Fear Act and highlighting opportunities to link implementation of the Act with Human Capital initiatives. This briefing was also provided to the Federal Aviation Administration in August 2003 to brief their employee/labor relations and legal staffs. In addition, a workgroup reviewed orientation packages of all OAs to ensure that employees are receiving appropriate written information regarding their rights and responsibilities in accordance with the Act. Finally, the Secretary signed a letter on June 24, 2003 outlining the requirements of the No FEAR Act and the DOT implementation strategy.

C.3. WHISTLEBLOWER PROTECTION ACT COMPLIANCE CERTIFICATION

DOT achieved certification by the Office of Special Counsel (OSC) acknowledging compliance with the 5 U.S.C. 2302(c) requirement to inform the workforce regarding whistleblower rights and other personnel protections.

As part of this initiative, the Assistant Secretary for Administration issued a memorandum to the Heads of OAs and Secretarial Office Directors reminding them of their role and responsibility in addressing disclosures of wrongdoing. The OSC also recognized DOT for our innovative use of an internet based video to enhance supervisors and managers awareness regarding the Whistleblower Protection Act and Prohibited Personnel Practices.

C.4. COMMUNICATION TRAINING INCLUDING USE OF MEDIATION TECHNIQUES

Working with the DOT learning and development community, the Departmental Alternative Dispute Resolution team and Departmental Office of Civil Rights, identified and developed a variety of communication modules to supplement OA leadership training. Examples include:

- ❖ The Department Center for Alternative Dispute Resolution (ADR) works with DOT organizations and individuals to increase knowledge, quality, and use of ADR. The Center offers informational and skill-based training workshops on topics including conflict-management, communication skills, basic mediation skills, advanced mediation skills, interest-based problem solving, conflict management skills for managers, and representing clients in mediation. The Center also partnered with the Dispute Resolution Specialist at the Department of Health

and Human Services to offer ADR-related information and skill-based training workshops. Over a 15-month period (June 2003 - September 2004), based on courses completed and on projected course enrollments, we can expect to teach over 200 employees and managers. Evaluations from those courses already provided have averaged a 3.5 rating on a 4 point scale and there is a waiting list to attend future sessions.

- ❖ FAA’s Center for Management Development offers supervisory and managerial courses such as effective communication skills, mediating conflict, and mediation techniques for Conflict Resolution that are available to all DOT employees.
- ❖ Good communication promotes cooperation and yields results. In a survey conducted by the Partnership for Public Service and the Instituted for the Study of Public Policy Implementation, DOT ranked eighth out of 28 cabinet and independent agencies in the area of teamwork. That is, DOT employees had a high opinion of their work environment especially in response to these “teamwork” related points:
 - ❑ This is a friendly place to work.
 - ❑ Employees in my work unit share their knowledge with each other.
 - ❑ Managers promote communication among different work units.
 - ❑ The people I work with cooperate to get the job done.

development activities. Employees are informed of their responsibility for cooperating with and assisting their supervisors in making informed decisions and getting the most out of their learning opportunities. While Individual Development Plans (IDPs) are formally encouraged, Departmental and OA formal developmental programs require the use of IDPs (e.g., supervisory training; mentoring programs; OA leadership development programs). The L&D Framework sets the structure for formal developmental programs.

As a part of our L&D Framework, DOT established a training evaluation guide based on Dr. Donald Kirkpatrick’s four levels of evaluation that all OAs refer to when evaluating learning and developmental activities. OAs use this guide to gain information on how to improve learning activities, to decide whether to continue, expand, or eliminate future learning activities, and to follow-up on the impact of certain learning activities.

DOT’s workforce planning efforts identified specific mission-related occupations and competencies that require attention over the next few years. This information is shared with various Departmental councils (e.g., Administrative Management Council; Human Resource Management Council; Human Capital Planning Council, Learning and Development Council) to ensure that learning and development activities are directly related to our human capital strategies. For example, as DOT solicits nominations for centralized developmental programs, OAs are asked to submit nominations from those occupations/ethnic groups that represent areas of greatest need. Furthermore, the Human Capital Plan includes additional initiatives (e.g., centralized workshops and formal developmental programs) along with milestones to ensure this linkage.

D. CONTINUOUS LEARNING

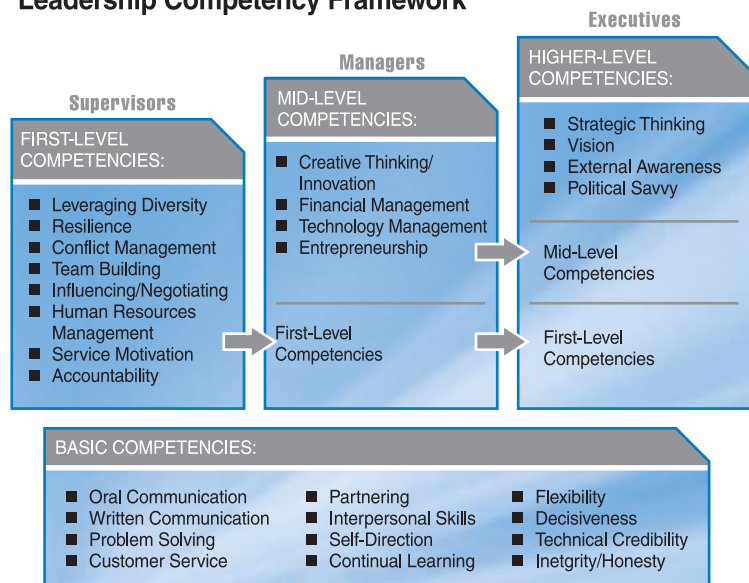
Result

Learning and development activities are formally evaluated to make the most of future learning opportunities.

D.1. LEARNING AND DEVELOPMENT FRAMEWORK

DOT’s Learning and Development (L&D) Framework emphasizes the need for managers and supervisors to assess and match organizational needs with individual needs when making decisions about learning and

Leadership Competency Framework



D.2. LEARNING MANAGEMENT SYSTEM

As required by the E-Government Act of 2002, DOT collaborated with OPM's Government On-line Learning Center (GoLearn) to select a leading Application Service Provider (Plateau Systems) and to install and implement a DOT-wide Learning Management System (LMS). This LMS will provide DOT with a single platform to schedule, manage, deliver and evaluate learning and knowledge transfer activities, manage the certification training requirements of its regulated business units, and assess the competencies and skills of its employees. Implementation of the system began in the third quarter of FY 2004.

D.3. TRANSPORTATION UNIVERSITY

DOT has made great strides at establishing a Transportation University concept by linking and sharing resources between the seven learning centers. The effort was launched during FY 2003 in order to:

- ❖ Better utilize existing facilities (no need to have a physical "university campus" or infrastructure).
- ❖ Create a "virtual organization" within the Department drawing upon existing executives and talents.
- ❖ Utilize cutting edge on-line technologies to reach more employees and reduce costs.
- ❖ Partner with other providers (e.g., GoLearn) to expand the offerings available to employees.
- ❖ Deliver as many courses centrally as possible to limit travel costs.

A meeting of the seven learning center directors (LCDs) was held in July 2003 with the following outcomes:

- ❖ Shared information regarding their current operations and brainstormed ideas regarding the Transportation University (TU) concept.
- ❖ Drafted a vision for the TU that describes expectations.
- ❖ Agreed there is value in the LCDs getting together on a periodic basis.



- ❖ Plan to consider what types of curriculums and services might be developed and shared across DOT. Initially explore three areas: intermodalism; leadership and management; and the business of training.
- ❖ Need to fully explore "voids" that exist (e.g. intermodal training needs).
- ❖ Plan to explore ways to better interface with, and serve, the Transportation Industry.

In addition to informal resource sharing since the meeting was held in July 2003, DOT has recorded the following activities:

- ❖ Center for Management Development (FAA)
 - ❑ 34 (DOT) non-FAA employees attended supervisory/managerial courses.
 - ❖ FAA Academy
 - ❑ 13 (DOT) non-FAA employees attended aviation related courses.
 - ❑ 154 non-DOT/FAA employees attended aviation related courses (e.g., NTSB; USAF; NASA; International; Industry).
 - ❖ Global Maritime and Transportation School (GMATS)
 - ❑ GMATS developed a one week customized version of "Introduction to the Maritime Industry" for MARAD employees. During the fall of 2003, a group of MARAD employees spent a week at Kings Point attending this program.
 - ❑ Working with OST's Aviation and International Affairs Office, GMATS developed a two week program: "Railroad Operations and Intermodal Transportation" for the Nigerian Railroad Authority. The first of two programs was offered in late October, 2003. The Federal Railroad Administration (FRA) played a key role in providing guest instructors for several important topic areas in the course.
 - ❑ GMATS has also developed a two-week "Maritime and Seaport Security" program for the Nigerian Port Authority. The OST Aviation and International Affairs Office will identify students and the program will be scheduled for the spring of 2004.

- Working with FRA, GMATS conducted an important railroad security conference in October, 2003. This conference represented a cooperative effort between FRA, GMATS, and the International Union of Railways.
- In November 2003, the New York City Department of Transportation requested that GMATS conduct a "Top-Down Assessment of the Staten Island Ferry Operation." This assessment focuses on operations and procedures - not on the tragic Ferry accident in October. GMATS presented its findings to Mayor Bloomberg in February 2004. The findings are also being shared with DOT's Federal Transit Administration since the Staten Island Ferry represents the eight largest transit system in the United States.

❖ National Highway Institute (NHI)

- Planning and Environment Curriculum - developed three courses with National Transit Institute (NTI): (1) Introduction to Metropolitan Planning- NHI has active course deliveries to 385 participants across the country last year (2003). (2) Introduction to Statewide Transportation Planning and (3) Linking Planning to the National Environmental Policy Act Process. The courses are finished and NHI is presently selecting a contractor to delivery at least 10 sessions for each to about the same number of participants (385) for each. NHI shares the costs for these courses with NTI. NHI provides for the development and NTI provides the delivery. NHI also can deliver if the need exists beyond their funding.
- Operations and Freight Curriculum – NHI is developing two courses that have a potential for other modal interest: Integrating Freight in the Transportation Planning Process and Freight Forecasting in Transportation Planning. Our goal is to finish these courses by the end of the calendar year and have them up and running next year at this time.

❖ National Training Center (NTC)

- NTC shares training facilities with NHI in Arlington, Virginia. Over 200 NHI participants have used the NTC facility during this reporting period.

- NTC has also used facilities at the Transportation Safety Institute (TSI) twice during this reporting period. NTC routinely uses TSI's instructors to present specialized Hazardous Materials courses including: Explosives, Radioactive Materials, and International Maritime Dangerous Goods. In recent years NTC has used TSI's instructors between 15-20 times a year.

❖ National Transit Institute (NTI)

- Provided a variety of transportation related and management/business related courses to over 40 FTA field employees, three National Bus Rapid Transit Institute employees, 21 FHWA field and headquarters employees, and 11 Environmental Protection Agency employees and employees from National Oceanic and Atmospheric Administration and U.S. Department of Interior.
- As mentioned above, NTI is collaborating with NHI on the development and delivery for a number of transportation related courses.

❖ Transportation Safety Institute (TSI)

- During this reporting period, TSI has trained nearly 800 DOT employees. Although the majority of these participants are FAA employees, TSI has also provided instruction for NHTSA and FRA employees.
- In March 2004, TSI trained 220 Federal Motor Carrier Safety Administration employees in the area of Hazardous Materials.

D.4. POLICY ANALYST ROTATIONAL PROGRAM

The Office of the Secretary (OST) Policy Analyst Rotational Program (PARP) offers selected employees from each of the OAs an opportunity to work in one of the OST policy development offices (e.g., Associate Deputy Secretary and Director, Office of Intermodalism; Office of the Assistant Secretary for Transportation Policy; or Office of the Assistant Secretary for Aviation and International Affairs), while also giving OST employees the same chance to work in an OA for a period of up to one year. A Departmental memorandum is sent to Heads of OAs, which describes the program and duties required. The OAs then submit nominations/applications to the Office of the Under Secretary for Policy. These applications are then circulated and reviewed in the OST

policy offices for potential skill matching. Interviews are conducted and selections are made.

While on their assignments, participants work on specific projects or issues that the Secretary and his senior policy advisors wish to focus on during that particular time frame. Five participants were selected to participate in the inaugural program that serves as a feeder program for the leadership pipeline.

D.5. MODAL SUCCESS STORIES

FHWA Professional Development Program

The Federal Highway Administration (FHWA) fills a majority of its professional mission critical entry-level positions (e.g., GS-7/9) through its Professional Development Program (PDP). The PDP is a multidisciplinary program that develops entry-level professionals over a two-year period for journey-level program delivery positions responsible for FHWA's stewardship and oversight of the Federal-aid program. The PDP has three major components: On-the-Job Training (OJT), Developmental Assignments, and a Professional Development Academy. The PDP is structured to be flexible to meet the needs of new hires in all disciplines and at all entry grades.

Generally, the participant is assigned to a single FHWA Office (a Sponsoring Office) for the duration of the program. The program helps participants begin contributing quickly to the work of the Sponsoring Office as they develop key skills and gain experience. It is important that they be productive immediately upon graduation as they will be placed directly into responsible program delivery positions. The program also provides a framework that can be adapted easily for new disciplines that may be required by mission changes.

The primary element of the PDP is the time devoted to providing OJT. The participant spends at least 50 percent of his or her time in the Sponsoring Office engaged in OJT as an assistant to a seasoned professional (coach) within their career field. This allows the participant to receive meaningful experience in the type of position they will ultimately fill, either in the Sponsoring Office or in another office upon graduation from the program. The continuity provided by the OJT training in a single office allows the participant to progress faster to the full-performance level of the discipline.

The FHWA targets entry-level PDP participants by recruiting primarily at colleges and universities with assistance from Division Office Recruiters. The recruiters establish outreach efforts with institutions, increase the level of transportation career awareness among students, share employment and education information related to specific highway disciplines, and solicit applications from interested students. Hires are made using the flexibilities of the Federal Career Intern Program (FCIP), which allows FHWA to streamline and expedite the recruitment and selection process (i.e., ability to make timely offers when outstanding prospects are identified, ability to compete with the private sector for the top college graduates).

Several multidisciplinary options are offered in the PDP. Each option has a different specialty that is matched with the participant's educational background, skills, and interests. Options include: Planning (transportation, community, and urban), Environment, Highway Engineering, Transportation Safety, Project Management, Intelligent Transportation Systems, Real Estate Services, Finance, and Civil Rights.

On average, the cost for a participant to complete the two-year PDP Program is \$40,000. FHWA is projected to lose through retirement and or separation 62 percent of its workforce over the next five years. Since 1999, the PDP Program has hired 164 participants, with a 90 percent retention rate. The retention rate for mid-career hires at the GS-11/12 level is about the same when compared to PDP graduates. An explanation for the similarity is when PDP participants are hired, they must agree to geographic mobility and can be permanently placed in positions throughout the Nation based on the needs of FHWA, while mid-career hires are permanently placed in the location for which they applied. The PDP emphasizes diversity of experience as a key element in the preparation for higher level/leadership positions. Overall, FHWA's retention rate is much higher than other Federal agencies.

The PDP Program is playing a significant role in filling mission critical staffing needs in vital areas, such as congestion mitigation, safety, and environmental stewardship for the agency. Participants in the program have indicated that, "The PDP is second to none for developing the skills necessary for individuals to succeed--an excellent investment and key to the future of the FHWA.



FRA Leadership Development Program

Federal Railroad Administration (FRA) – Leadership Development Program (LDP) is an in-depth 18-month program, which uses The Graduate School, USDA's Executive Potential Program (EPP) as the core curriculum. The LDP is open to all FRA employees GS-12 through GS-14. Participants are selected using competitive merit promotion procedures. Applications are rated and ranked by a joint management-labor panel to determine "Best Qualified" applicants. FRA's Human Resources Office conducts a supplemental program orientation for the participants, their supervisors and their mentors to ensure mutual support, expectations, and understanding of the program requirements. Following graduation from the EPP Program, the participants return to their position on record, and develop and complete a Capstone Project.

Feedback from participants indicates 100 percent satisfaction and that the experience has provided them with the competencies needed to advance in their career. Even though completion of the LDP does not guarantee a promotion, two of the 14 program graduates have received promotions.

FAA Center for Management Development Training Evaluations

The FAA Center for Management Development (CMD) conducts an aggressive program of training evaluation, which continues to evolve as they develop and deliver training to meet evolving agency objectives. Their focus is on ensuring that they are delivering training that improves the effectiveness and efficiency of employees on the job. In addition they want the evaluation process itself to be effective and efficient. Simplicity in the collection and use of data is therefore important to them.

To ensure simplicity, they make a front end investment in analyzing their processes. Guided by agency policies and plans, and by input from their instructional staff, they continually refine their data gathering instruments through use of four criteria:

- ❖ Why are we asking a question?
- ❖ What are the possible responses to the question?
- ❖ What will we be able to conclude from the responses?
- ❖ What will we do as a result?

Currently they are using three opportunities to gather data:

- ❖ A Level I end-of-course evaluation, completed by all course participants.
- ❖ An end-of-course open forum discussion of the class with emphasis on the most valuable aspects of the training and also on recommendations for change.
- ❖ A Level III follow-up evaluation emphasizing the specifics of how learning has been applied to the job. This is forwarded to a sampling of participants in all core funded classes, and is also forwarded to participants' supervisors.

They continually analyze all data, and semi-annually they publish an update of findings and recommendations. During FY 2004 they are conducting a pilot study that will include cost benefit questions in their Level III surveys. Their goal in FY 2005 is to include cost benefit as an element in all of their Level III surveys.

As a result of evaluation findings, they have recently responded in their "Measuring Organizational Performance" course to the need for more in-depth explanations and real examples of successful performance goals, as well as more "hands-on" actual preparation of measurable performance indicators. In response to other data they have instituted pre-course work that would require employees who take their "Strategic Planning" course to meet with their managers in order to agree on general areas where a strategic plan is needed and to identify potential barriers to implementation.

FAA CD-ROM Training and Evaluation Support System

The FAA also developed a CD-ROM Training and Evaluation Support System (TESS) that is used by DOT and other Federal agencies. TESS is an innovative, user-friendly embedded performance support system that integrates training topics, job performance tools, and templates. Its purpose is to help users manage training programs from the organizational needs analysis through the four levels of evaluation. FAA is currently conducting an evaluation review process to determine impact of learning on various FAA organizations.

FAA Review of Compliance with Internal Learning and Development Principles

FAA also recently conducted a review of their compliance with their internal learning and development

principles, which they refer to as Congressional Training Restrictions. This review was conducted by the Office of Corporate Learning and Development of FAA Headquarters and had five primary goals:

- ❖ Measure agency compliance with the Congressional Training Restrictions, using a representative group of FAA organizations (e.g., Southern, Southwest, and Great Lakes Regions and the FAA Academy).
- ❖ Evaluate compliance with agency policy (HRPM LD-5.6) that requires training providers to address and correct any problems with respect to the restrictions and notify the Director, Office of Corporate Learning and Development of the problems and corrective actions taken.
- ❖ Ensure that the training providers correct any specific violations found during the course of the review.
- ❖ Raise the level of consciousness within the organizations visited with respect to the restrictions and agency policy.
- ❖ Write a report documenting the level of compliance found and any necessary actions to improve compliance.

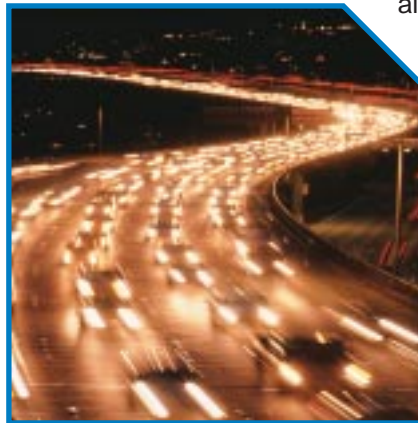
During FY 2003, three members of FAA's Office of Corporate Learning and Development, visited three FAA Regional Offices and the FAA Academy. One person from the team visited each site. The purpose of the visits was to ascertain compliance with the Congressional Training Restrictions at a representative group of FAA organizations, 25 in all. The team conducted structured interviews with 53 FAA employees involved in managing, providing, and/or documenting training. These interviews covered organizations that conducted or sponsored any significant training for FAA employees during the time covered by the review. Follow-up interviews were conducted where necessary to clarify issues and to express the team's suggestions for improvement where appropriate.

In addition, the team reviewed all relevant documentation including course announcements, employee notifications, course objectives, and course needs assessments for several hundred courses. The team also reviewed the output of any relevant training computerized systems. Finally, the team reviewed 4683 end-of-course (Level 1) employee evaluations.

At the close of each course the Training Division Manager, the respective branch manager, the section supervisor, and the instructional staff all review the evaluations for compliance with the restrictions, as well as for assessment of the quality of the course. We saw many cases where changes were made in courses when management felt a correction was needed based on the evaluations. The FAA Academy has a comprehensive automated item analysis system for cataloging problems identified in the end-of-course evaluations. When a particular evaluation item falls below a certain standard, it is flagged and investigated. All evaluations are reviewed by the division manager, branch manager, section supervisor, and instructional staff.

On-Line Learning

As budgets have permitted, a majority of DOT's OAs offer on-line learning opportunities as an alternative to traditional classroom training. Thousands of employees of the FHWA and FAA have used on-line learning for technical training (e.g., aviation; engineering). A few of the DOT OAs (e.g., FTA, RSPA, FHWA) have used on-line training for non-technical training in the areas of business, management and communication skills. On-line learning serves as a supplement to our blended learning approach.



FAA Evaluation of Distance Learning

FAA's Air Flight Standards Training Division, recently conducted an evaluation of the various distance learning delivery methodologies currently used to provide training to regional employees. A 29-question survey was used to gather data from 87 Flight Standards District Offices (FSDO) managers. The response rate was 76 percent. This evaluation concluded that employees are minimally engaged in training through formal educational institutions. On-the-Job (OJT) is the most common delivery method for training. Computer Based Instruction (CBI), Interactive Video Teletraining (IVT), Web-Based Training (WBT), and paper-based independent study were evaluated for delivery preference and effectiveness. It was found that the managers' preference for delivery methods affected their perception of effectiveness.

Ratings from highest to lowest were: classroom (near FSDO), in residence (Academy), structured OJT, CBI, IVT, WBT, and independent study. It is also notable

that, except for in-residence training, managers' ranking of training methods for effectiveness mirrors their rankings based on frequency of use.

The learning environment was considered to be the second most important factor in influencing managers' support of training delivery methods. Less than 50 percent of the FSDOs surveyed had dedicated training rooms. Although some managers indicated employees completed training at home during their off duty hours, few managers indicated they allowed employees an opportunity to complete training at home during normal working hours. Time away from the job was considered an important factor for managers. Additionally, many managers indicated that lack of adequate equipment (IVT Downlink, Upgrades to PC) and training on equipment use (CBI) were factors that influenced preference for other delivery methods.

It was recommended that standards are established for dedicated training/learning rooms at work locations. Any effort to introduce new training technologies or expand existing training methods should focus on demonstrating the effectiveness of the delivery method. Adequate training and job aids are developed for CBI and IVT administrators. Flight Standards will investigate if low usage of WBT is a result of few relevant course offerings, difficulties associated with using the technology, or other factors.

E. KNOWLEDGE MANAGEMENT

RESULT

Experience, wisdom, know-how, and individual best practices are captured as a legacy prior to employees retiring.

E.1. DOT NET

Through DOT's human capital efforts to discover resources, programs, and tools for sharing mission-related information and knowledge across the organization two emerging primary sources were identified besides the DOT net (DOT-wide intranet system). This system allows employees and the public access to important DOT activities such as featured news items, broadcast messages, briefing room information, and much more. DOT groups utilize this site to exchange information about internal activities. For

instance, the Strategic Planning group used this website to post revisions and receive feedback in order to reach consensus on the revised plan.

E.2. FAA KNOWLEDGE SYSTEMS NETWORK

Another knowledge management source is FAA's Knowledge Systems Network (KSN). The technology supporting the KSN uses a centralized, internet-based, information system for building collaborative solutions and provides multiple ways for users to collaborate and coordinate via e-mail, group calendars, contact lists, shared applications and desktops, instant messaging, and real-time conferencing. Briefly these resources include:

- ❖ Document storage and management
- ❖ Virtual conferences and meetings
- ❖ Group calendaring and scheduling
- ❖ Centralized contact list
- ❖ Full-text searching of documents, group calendars, and contact lists
- ❖ Automatic e-mail notifications and threaded discussions

A number of DOT working groups have begun to use the KSN process to conduct business and to communicate. For example, over the past six months the Learning Management System (LMS) Project Team has used this technology to conduct meetings and share information. Calculations derived from the new KSN Business Value Model identify efficiency gains as a result of using the KSN LMS virtual worksite. Gains are conservatively estimated to be equivalent to \$30,000 in employee salary for the first year. Below is a set of data for LMS use of the FAA KSN site from September 3, 2003 to February 26, 2004:

- ❖ Total Visits: 2,351
- ❖ Page Hits: 23,950
- ❖ Downloads: 2,838

FAA has achieved several significant accomplishments with respect to the FAA Knowledge Management System:

- ❖ Received three national awards for a knowledge management system. The most recent award was received for "Government Productive Solutions" at

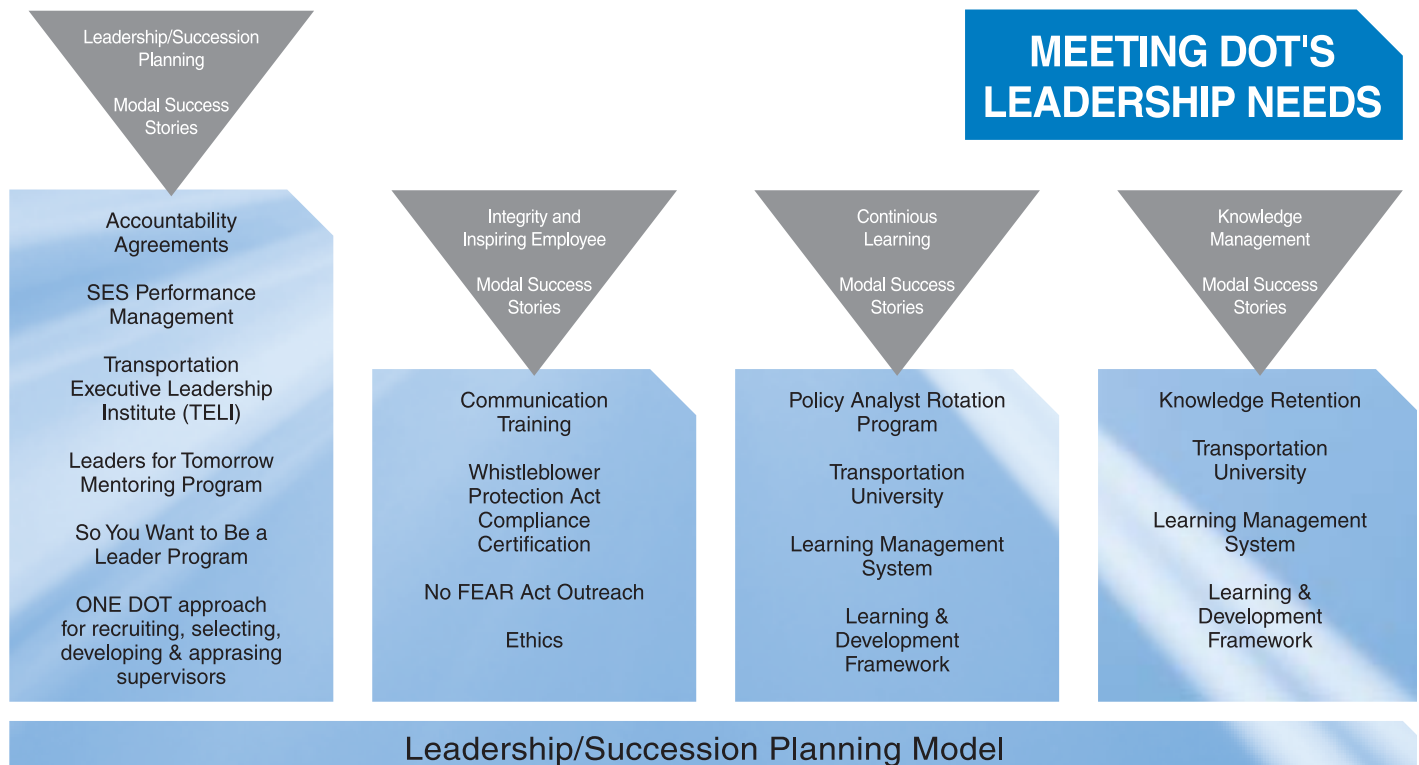
the Microsoft Government CIO Summit on January 15, 2004. This is the leading national KM conference that focuses on government and government support contractors. From 80 national entries submitted, KSN was among the top five recipients who received rewards at the CIO Summit. In 2003, KSN received the "e-Gov Knowledge Management Award", and in 2000, KSN received the Microsoft MEC 2000 award for "Best Collaborative Solution".

- ❖ FAA KSN is in the final stages of turning on a new hardware platform that will have full capacity for total enterprise service, including service to DOT organizations.
- ❖ The new platform is state-of-the-art and is fully mirrored, meaning that it will be totally backed-up at a remote site. This enables continuity of mission critical operations during loss of the primary servers for any reason.
- ❖ With the help of world-class consulting support, FAA KSN now has a KSN Business Value Model that enables calculations of savings by user organizations. The engine of this model takes inputs from a variety of variables such as types and numbers of users, the nature of the users work, and calculates them against a set of established statistical table.

E.3. FHWA KNOWLEDGE SHARING INITIATIVE

DOT's other primary source is FHWA's Knowledge Sharing Initiative. This system uses technology to establish communities of practice for internal and external FHWA partners and customers. The main objective of their initial efforts is to:

- ❖ Accelerate implementation of life-saving highway technology.
- ❖ Support decision-makers in their use of special highway initiatives.
- ❖ Connect practitioners in knowledge exchange. Results include:
 - ❑ Savings in weeks of field staff time each year.
 - ❑ Estimated \$5 million annual economic savings to society.
 - ❑ Improved highway safety through increased technology deployment.
 - ❑ Captured knowledge from key retiring staff, representing 30% of critical safety issues.
 - ❑ Assists state customers in handling environmental issues.



E.4. KNOWLEDGE RETENTION

Each retiring DOT employee, particularly the senior manager, has a base of accumulated experience, wisdom, know-how, and individual best practices that could become their legacy to their OA when they leave. If any part of the knowledge is captured, the loss of productivity that currently follows each transition is significantly reduced. In addition, capturing the knowledge of departing DOT employees provides a renewed sense of purpose and motivation to the person leaving, further reducing productivity losses. DOT piloted such a legacy program in the Federal Highway Administration (FHWA) with seven retiring Division Administrators – their highest ranking officials in the State Offices.

Data collected from these administrators were shared with the FHWA senior leadership team and then distributed to all field leaders. Their Division Administrators' Council used this data to brief the new Division Administrators. One piece of interesting information gathered was the answer to the question, "Who is your primary customer?" All respondents identified different primary customers. FHWA's senior leadership learned they had a broader customer base than initially perceived and used this information to expand their communication efforts.

Also, NHTSA's senior management recently conducted a legacy session with a departing senior engineer to identify future opportunities for improvement. Based on these examples and other benchmarking experiences, DOT is expanding the legacy effort Departmentally.

DOT will continue to utilize, monitor and expand on the success of these knowledge management tools as an agency-wide human capital strategy for linking knowledge across and outside our organization.

LEADERSHIP AND KNOWLEDGE MANAGEMENT SUMMARY

DOT has implemented the leadership and developmental training tools required to meet future leadership needs.

Section Four – Results-Oriented Performance Culture



PMA Standard:

Agency has a diverse, results-oriented, high performance workforce, and has a performance management system that effectively differentiates between high and low performance and links individual/team/unit performance to organizational goals and desired results.

DOT's Overarching Outcome:

Sustaining a high performance workforce, focused on DOT's goals and objectives, improves DOT's ability to competitively perform the transportation mission and report measurable results.

A. BACKGROUND

DOT has implemented major initiatives and achieved results in both Performance Culture and Diversity Management improvements as documented throughout this section.

A.1. PERFORMANCE CULTURE

In the late nineties, the four-year-old Departmental Performance Management System was evaluated to determine whether performance strategies defined, measured, and improved performance; recognized and rewarded results; and supported other management initiatives. Major findings included:

- ❖ Supervisors believed that the framework had minimal positive impact in improving the linkage between individual and organizational results.

- ❖ A review of performance plans revealed limited emphasis or wording linking individuals to organizational goals.
- ❖ Both supervisors and employees said there was no noticeable change in the amount or quality of communication between them.
- ❖ Majority of supervisors believed they could positively motivate employees better if more funds were available. More than half of supervisors said that the system enhanced their ability to use non-monetary awards. However, more than half of respondents said their administrations did not provide adequate information about recognition and awards and performance systems.

A.2. DIVERSITY MANAGEMENT

DOT is challenged with, and committed to, attracting, increasing, retaining, and developing a diverse workforce with the leadership skills, qualities, and enthusiasm necessary to meet the global demands of the future. A web-based workforce demographics tool was utilized to analyze and develop a diversity profile to drive diversity management efforts and the Secretary's mandates for improvement (begins in part "E." of this section).

Several other diversity initiatives and results are detailed under Corporate Recruitment in Section Five.

B. DOT CREATED UNIFORM PERFORMANCE POLICY FRAMEWORK

RESULTS

DOT created a uniform policy framework that drives, reinforces, and supports the Department's efforts to be results-oriented and to achieve high performance.

DOT established a Performance Management Taskforce comprised of representatives from the Operating Administrations (OAs) to review previous assessment findings and recommend improvement initiatives. The Taskforce made recommendations to the Secretary for the Department to develop new policies and tools. As a result, DOT aggressively revamped its performance management framework in alignment with initiatives outlined in the Human Capital Plan:

- ❖ Align employee performance expectations with Departmental strategic objectives and/or OA organizational goals and objectives.
- ❖ Strengthen communication to employees about organizational goals and priorities.
- ❖ Establish supervisory and managerial accountability for individual and organizational performance.
- ❖ Link awards and recognition to organizational objectives and priorities and adequately fund

awards/recognition programs to motivate and retain employees.

- ❖ Address poor performance.
- ❖ Make effective use of the employee and supervisory probationary periods.

DOT's framework includes four components that serve as the core of the new performance management system: performance accountability, awards and recognition, supervisory probationary period, and a web-based supervisory toolkit.

B.1. PERFORMANCE ACCOUNTABILITY

To establish supervisory accountability, DOT mandated accountability elements in all DOT supervisory and managerial performance plans. These elements are: business results, managing human capital, managing other resources, and EEO/Diversity.

B.2. AWARDS AND RECOGNITION

DOT's policy requires a linkage between awards/recognition and organizational goals and objectives. High performers are to be acknowledged, recognized, and rewarded through the use of monetary and non-monetary awards. DOT has given greater flexibility to supervisors to integrate awards and recognition with day-to-day performance results by increasing the On-the-Spot awards amount from \$250 to \$300 per issuance, for a cumulative total of not more than \$600 per year. On-the-Spot award criteria have been defined as well as broadened to give supervisors the flexibility to mix cash and time-off as awards. Additionally, OAs as part of their awards and recognition strategy are encouraged to adopt awards relating to leadership, organizational excellence, peer/employee recognition, and to hold ceremonies to recognize outstanding employees. DOT policy requires funding of awards and recognition based on an established percentage of aggregate base salaries of employees to address a previous assessment finding that supervisors believed they could increase employee motivation if more funds were available.

B.3. SUPERVISORY PROBATIONARY PERIOD

To make better use of the probationary period to evaluate supervisory skills, DOT has established performance feedback systems and training timeframes. OAs must give probationary supervisors and managers a description of their duties and responsibilities, and a

written performance plan within 30 days. OAs must provide 40 hours of training within the first year of probation. In addition, OAs must provide quarterly notification to supervisors that remind them to conduct performance progress reviews. OAs must establish a generic plan for placing employees who fail on the probationary period.

B4. WEB-BASED SUPERVISORY TOOLKIT

To provide immediate assistance to supervisors on the day-to-day issues they face, the Department created a web-based Supervisory Toolkit (<http://dothr.ost.dot.gov/Toolkit/toolkit.html>). In addition to performance management topics, the Toolkit provides "just-in-time" advice and guidance to supervisors on a range of issues and is available on the DOT Human Resource Management website. It contains helpful hints on such topics as:

- ❖ Accommodations for people with disabilities
- ❖ Awards and recognition
- ❖ Benefits
- ❖ Compensation and Pay
- ❖ Dealing with Misconduct
- ❖ Diversity Management
- ❖ Labor-Management Relations
- ❖ Leave
- ❖ Learning and Development
- ❖ Performance Management, including Dealing with Poor Performance
- ❖ Safety
- ❖ Staffing
- ❖ Workers Compensation
- ❖ Workforce Planning
- ❖ Workforce Restructuring
- ❖ Worklife

Updates and additions will be provided on a continual basis to include alternative dispute resolution, EEO, and Employee Assistance Program information.

C. IMPLEMENTING PERFORMANCE CULTURE POLICIES AS ONE DOT

RESULTS

Over 84 percent of Operating Administration performance plans have been cascaded down from Senior Executives to managers, supervisors, and employees. And, 84 percent of performance plans are linked to mission, goals, and outcomes.

The Department achieved its objectives of publishing its performance appraisal and awards and recognition policies by December 31, 2004. These policies are available to employees via the DOT Human Resource Management web site (http://dothr.ost.dot.gov/HR_Programs/Awards/awards.html).

The revised policies establish the framework for creating a results-oriented performance culture throughout DOT by holding the operating administrations accountable for:

- ❖ Ensuring that supervisors and managers are appraised against four critical elements: business results, managing human capital, managing resources and EEO/Diversity
- ❖ Communicating DOT/OA mission, goals and objectives, and the timeframes for meeting them to all employees
- ❖ Aligning employee performance plans with mission, goals and objectives
- ❖ Holding employees accountable for results
- ❖ Distinguishing levels of performance either through their performance appraisal systems (consisting of multi-level appraisal systems) or through awards and recognition systems

- ❖ Rewarding high performers and correcting poor performers
- ❖ Linking awards and recognition to mission, goals and objectives
- ❖ Budgeting for monetary and non-monetary awards

The OAs are meeting the challenges of establishing a results-oriented performance culture within their organizations. A summary of their achievements is provided in the Matrix on Performance Culture at USDOT, and the Matrix on Awards and Recognition Programs of the DOT Operating Administrations which are available on the Human Resource Management web site.

C.1. SHARING DOT'S STRATEGIC AND HUMAN CAPITAL PLANS WITH EMPLOYEES

The Department's Strategic (2003-2008) and Human Capital (September 2002) Plans are available on the DOT web site (http://dothr.ost.dot.gov/HR_Programs/Awards/awards.html). DOT policy requires OA Administrators to communicate the OA mission, strategic goals and objectives to all levels within their organizations, and the timeframes by which goals and objectives are to be met.

Results from the 2002 Federal Human Capital Survey indicated that 86.5 percent of DOT employees know how their work relates to the Department's mission and goals and that 92.2 percent believe the work they do is important. This represents a significant increase from a 1999 employee survey, when only 62 percent of the workforce said they understood how their performance expectations supported organizational goals. The Department's success in communicating how each individual employee's efforts contribute to mission success has improved and is expected to improve with continued emphasis on individual accountability and communication.

C.2. ALIGNING MISSION GOALS AND OBJECTIVES

Administrators of the OAs are responsible for communicating mission, goals and outcomes to all levels within their administration. They are responsible for cascading downward their performance accountability agreements with the Secretary to the performance plans of executives and non-executives. Additionally, they are responsible for the alignment of performance

accountability agreements and performance plans of their executive and non-executives with the strategic organizational goals and related outcomes of the DOT Strategic Plan.

Every OA is reporting that no less than 60 percent of their employees have performance plans that cascade down from the performance plans of their senior executives. Moreover, by no less than the same percentage, OAs are reporting that the performance plans of their employees are results-oriented and linked to mission, goals and outcomes. Finally, the OAs are reporting that all of their supervisors have the mandatory supervisory elements in the performance plans.

C.3. CREATING A REWARD ENVIRONMENT

DOT policy on Awards and Recognition provides for Secretarial recognition, and further provides a framework which promotes the use of non-monetary forms of recognition. OAs have been encouraged to adopt as part of their awards and recognition program, awards relating to leadership, organizational excellence, peer recognition, and employee recognition.

The Department as well as the OAs recognize the performance of employees through sundry cash and honorary awards. DOT policy requires OAs to budget for awards and recognition, something not all OAs did. Additionally, it has increased the On-the-Spot Award amount and redefined the Time-Off Award to provide greater flexibility to supervisors to use these awards to motivate and reinforce performance.

The Department recognizes the top contributions of DOT employees in the Secretarial Awards Ceremony which is held every year. The nine prestigious awards are aligned with the Department's mission and strategic goals or its values. Through a vetting process involving the submission of nominations by the OAs and review by the DOT Awards Review Board, the Secretary selects employees for the prestigious awards. In 2003, 103 awards were given to DOT employees.

In addition to the Department's awards ceremony, many OAs hold ceremonies to recognize the contributions of their employees. This is documented in the Matrix on Awards and Recognition Programs of the DOT Operating Administrations available on the Human Resource Management web site (http://dothr.ost.dot.gov/HR_Programs/Awards/awards.html).

The Office of the Assistant Secretary for Administration (M) has a quarterly newsletter iMprint that recognizes the contributions of employees. Within every publication the iMprint recognizes an “eMployee Making a Difference.” In the Winter 2003 edition, for example, the newsletter reported on the First Annual M Awards Ceremony, where over 50 M colleagues, employees from other operating administrations and contractors were recognized for their contributions. Similarly, in the May/June 2004 issue, the newsletter reported on Secretary Mineta’s receipt of the Elliot Richardson Prize for Excellence awarded by the Council for Excellence in Government, given to outstanding leaders who not only exemplify excellence, integrity and high achievement, but also serve as role models for America’s next generation of leaders.

C.4. DIFFERENTIATING BETWEEN HIGH AND LOW PERFORMANCE

Under the former DOT policy, OAs were required to differentiate between high and low performance either through their appraisal systems, or through their awards and recognition systems. In December 2003, the Department’s performance appraisal policy was changed to require OAs to establish multi-level appraisal systems. OAs will continue to use their awards and recognition systems to make performance distinctions until multi-level rating systems are implemented.



The FRA, FHWA, MARAD, and OST use multi-level appraisal systems to differentiate performance. The FAA makes multi-level performance distinctions through its core compensation system. NHTSA, SLSDC, FTA and RSPA will implement multi-level appraisal systems beginning October 1, 2004. BTS will implement a multi-level system in November 2004. The OIG and FMCSA will implement multi-level systems in July 2005. VOLPE, which has begun discussions with its union, plans to implement a multi-level systems for non-supervisory staff on May 1, 2005 and for supervisory staff on August 1.

C.5. ADDRESSING POOR PERFORMANCE

DOT policy requires OAs to hold employees accountable for achieving results, support supervisors and managers who attempt to improve employee performance, and hold supervisors accountable for their human capital responsibilities, including taking appropriate action to correct poor performance. DOT

policy places responsibility on the supervisor to identify performance problems and to provide appropriate assistance to struggling employees. Further, all supervisors and managers are held accountable for managing human capital, which includes dealing with poor performance. A web-based Supervisory Toolkit has been created to provide immediate guidance to supervisors to deal with poor performance. It links to OPM’s Resource Center for Addressing and Resolving Poor Performance.

C.6. COLLABORATION AMONG MANAGERS, UNIONS, AND EMPLOYEES

The Department has a history of working collaboratively with national unions, and the collaboration continues today. With the Secretary’s approval, in February 2002 the Department formed a Transportation Labor Management Board to foster cooperative and constructive working relationships within the Department and to provide a forum for discussions between management and the unions on significant departmental issues. The Board is committed to sharing information and working on Department-wide initiatives. DOT has gone beyond its statutory obligation to consult with unions having national consultation rights to consulting with all the unions represented on the Board. This provides a greater voice to the unions and allows the Department to

gauge reaction to proposed changes in conditions of employment.

As an example, the Department keeps union Board members informed of all changes resulting from Human Capital initiatives. When DOT migrated the Department’s payroll and human resource systems to the Department of Interior’s Federal Personnel and Payroll System (FPPS), members of the union Board participated on a working group and provided input on issues such as notices to employees, impacts on changes and duties and responsibilities for certain employees and specific changes in conditions of employment.

Union Board members also participated in the Department’s pilot Conflict Management Skills for Managers course last year to obtain valuable feedback from a union/employee perspective.

The Secretary also invited union Board members to join the Diversity Advisory Council. Three representatives from the American Federation of Government Employees (AFGE), National Association of Air Traffic Specialists (NAATS), and the Professional Airways Systems Specialists (PASS) are members of the Council.

Additionally, the Department has been working collaboratively with the AFGE on the new DOT headquarters building project. Under a Memorandum of Understanding, the Department and AFGE agreed that the relocation of employees to the Southeast Federal Center affects conditions of employment and that involvement by AFGE in the early stages of the new DOT Headquarters Building Project adds value to the relocation process. DOT and AFGE agreed that they would cooperate and collaborate on all phases of the building design and rollout. From the Department's perspective, having AFGE as a team player meets the Department's national consultation obligations, and may relieve the need for negotiations at the OA level.

The Department has also worked to promote the use of alternative dispute resolution processes to reduce workplace disputes and increase communication between managers and employees. In February 2004, the Departmental Offices of Human Resource Management and Civil Rights and the Center for Alternative Dispute Resolution sponsored an all-day mini-conference, *Managing Workplace Conflict: Knowing Your Options*. The mini-conference is part of a larger effort to increase the understanding of the various workplace dispute processes and their effectiveness; and to improve the means and methods for communicating appropriate and effective workplace dispute processes to employees.

The mini-conference was open to all DOT practitioners in human resources, civil rights, employee and labor relations, Employee Assistance Program (EAP), dispute resolution, and legal offices. The objective was to enhance the understanding of various formal and alternative dispute resolution processes available in the Department and its operating administrations. Fifty-seven employees registered for the course, and between 40 and 45 employees attended the conference. A panel of experts including representatives from the Merit Systems Protection Board and the Office of the Special Counsel discussed the "nuts-and-bolts" of a variety of dispute resolution processes. The participants examined conflict situations to identify how the processes applied in a real world setting. The evaluations revealed that the participants found the discussions about the case studies valuable.

In each package, the participants received brochures and handouts about the various dispute resolution processes, including a comprehensive guide to the various processes in the Department. The guide is included on the DOT Human Resource Management web site for greater access.

The Center for Alternative Dispute Resolution works with organizations and individuals to increase knowledge, quality, and use of ADR. It provides ADR-related informational and skills-based training workshops. Additionally, the Center provides mediation and facilitation services to parties to resolve disputes.

The Center partnered with the Office of the Dispute Resolution Specialist at the Department of Health and Human Services to offer ADR-related information and skill-based training workshops. Over a 15-month period (June 2003- September 2004), based on courses completed and on projected course enrollments, the Center taught over 200 employees and managers. The Center's Conflict Management Skills for Managers course was piloted in June 2003 to 18 DOT managers. Since then, the course has been given in September 2003 and March 2004, and September 2004. Each of those courses included 24 managers, 12 from HHS and 12 from DOT.

The Department is continuing its initiative to exchange information on the variety of formal and alternative dispute resolution processes. In May 2004, representatives from the various dispute resolution processes were available to employees and supervisors to discuss processes. A discussion group was held to allow employees and supervisors to examine conflict situations and identify how formal and alternative processes apply.

D. MODAL SUCCESS STORIES – PERFORMANCE CULTURE

RESULTS

Performance management and/or awards and recognition systems differentiate between various levels of performance and processes are in place to deal with poor performance.

D.1. LINKING STRATEGIC GOALS AND PERFORMANCE PLANS

FHWA Performance Tracking and Reporting Process

For the past several years, the Federal Highway Administration (FHWA) has undertaken a rigorous organizational performance tracking and reporting process. From the FHWA Strategic Plan (which is cascaded down from the DOT Strategic Plan), and from the annual Administrator's Performance Agreement with the Secretary, each major organization is required to develop a unit performance plan which incorporates the major goals and mission requirements of FHWA and DOT for which that organization is responsible. As a result, 100% or 748 of FHWA's employees have performance plans which cascade from the performance plans of executives and are linked to mission, goals and outcomes, and are results-oriented.

From these annual unit performance plans, the subordinate units develop their own sub-unit performance plans, as the organizational goals are cascaded down to lower levels within the agency. These unit performance plans are documented and tracked in an automated system, the Shared Unit Performance Plan System (SUPPS), which details specific performance requirements for each organization, provides for on-line progress and status reports, assigns accountability to individuals for accomplishing these requirements, and traces the specific organizational requirements back to the major organizational goals in the Strategic Plan and the Administrator's Performance Agreement with the Secretary. The accomplishments in the Unit Performance Plans are tracked by the Office of Corporate Management, and are summarized for the year in an Accountability Report that documents the year's results in meeting the commitments of the Administrator's Performance Agreement with the Secretary.

This structure for documenting and reporting organizational performance has direct linkage to individual performance plans, and facilitates the cascading of organizational goals and objectives into individual performance plans. It also enhances individual accountability for accomplishing those organizational goals and objectives. FHWA provides guidance to its executives on linking performance to results.



In many of FHWA's organizations, employees develop annual work plans to accomplish the part of their unit or sub-unit plan for which they are responsible. These annual work plans are incorporated into their individual performance objectives. In these cases, there is direct and total linkage between organizational performance goals, which have been cascaded down from the Administrator, and individual performance plans. In other cases, organizational performance objectives (or pieces of them) are extracted from the unit or sub-unit plan and written into the individual performance objectives. Individual performance accountability is reinforced by the organizational performance reporting system in SUPPS.

FRA Cascading Performance Plans

The Federal Railroad Administration (FRA) has mission and organizational goals that are cascaded from the accountability agreement of the Administrator with the Secretary through FRA's executives to front line employees. For example, FRA's commitment to a safe rail transportation system appears in the performance plan of its Associate Administrator for Safety as two critical elements dealing with FRA's primary mission of developing, improving, and overseeing railroad safety. These safety goals are also reflected in the performance plans of the eight Regional Administrator and 16 Deputy Regional Administrator positions throughout the United States, and have been further pushed down to the actual Railroad Safety Inspector in the field. Additionally, FRA communicates its mission and goals to new employees during three days of orientation. New employees learn what FRA does, and how its offices and functions interrelate. About 95% or 740 out of 777 FRA employees have performance plans which cascade from the performance plans of executives, linked to mission, goals and outcomes, and are results-oriented.

FTA Performance Plans Cascade Using a New SES System

The Federal Transit Administration, FTA, provides an interesting approach to linking the agency's mission, goals and outcomes. It requested and was granted authority to pilot a new Senior Executive Service (SES) system. During the past year (2002 – 2003), FTA has used its SES system to place greater emphasis on

executive performance and accountability, all of which are linked to mission, goals and outcomes. For FY 2003, target goals were achieved for three of the four shared Core Accountabilities, and nine of the thirteen eligible SES receive a bonus. Every employee (100% or 518 employees) has performance plans which cascade from the performance plans of executives and are linked to mission, goals and outcomes, and are results-oriented.

FAA Performance Plans Link to Mission and Cascade

Since 2001, the Federal Aviation Administration, FAA, has required performance plans to link to mission, goals and outcomes either directly or through the agency's enabling goals to the agency's strategic goals. Approximately 99% or 48,428 of 48,819 employees have performance plans which cascade from the performance plans of executives and are linked to mission, goals and outcomes, and are results-oriented.

D.2. DIFFERENTIATING HIGH AND LOW PERFORMANCE

SLSDC Awards Tied to Performance Levels

The Saint Lawrence Seaway Development Corporation has a three-level rating system and links pay and performance in four ways. It provides for a within-grade increase, a sustained superior performance award for consistently exceeding the fully acceptable level of performance, a quality step increase, and a performance bonus. For the 110 employees in the bargaining unit, employees who perform at a "fully acceptable" level may be recommended for a sustained superior performance award. Recommendations for this award are reviewed by the Peer Performance Review Board, comprised of labor and management representatives. In addition, bargaining unit employees are also eligible for a performance bonus, if they performed at the "fully acceptable level." The performance bonus is given if SLSDC achieves its strategic goals and objectives. For bargaining unit employees, 80% of the performance awards pool is budgeted for the performance bonus, and 20% is allocated for the sustained superior performance awards.

OIG Awards Dependent on Performance Achievements Meeting Organizational Goals

The Office of the Inspector General revised its awards and recognition system to tie receipt of a performance award directly to an employee's

performance achievements in meeting organizational goals. A checklist has been developed for use by supervisors and managers to determine whether to recommend an employee for an award. Under this system, as a check to ensure that only top performers are rewarded, all awards are approved by the Inspector General or the Deputy Inspector General.

FAA Core Compensation

Among DOT operating administrations, the Federal Aviation Administration is unique in making performance distinctions. Unlike other OAs, it uses a pay for performance system, known as "core compensation," to make performance distinctions. Out of approximately 48,819 FAA employees, 36,887 or 75 percent are under a form of core compensation.

Generally, core compensation is composed of two elements: an organizational success increase (OSI) and a superior contribution increase (SCI). The OSI is given to all employees who are performing satisfactorily and meet additional requirements, with the increase based on the Administrator's assessment of whether the Agency met its annual OSI goals. Likewise, employees who perform satisfactorily may also be eligible for an SCI if their performance exceeds expectations. The SCI is composed of two tiers: SCI-1 is given to the top 20% of employees, and SCI-2 is given to the next 45% of employees. Employees approved for an SCI-1 will receive a 1.8% base pay increase; for SCI-2, a .6% base pay increase. Determinations are made based on a review of an employee's self-assessment, the manager's 10-level completed assessment tool--Contribution Assessment Decision Aid (CADA)--and the application of standardized criteria to determine the extent of an employee's contribution.

D.3. ADDRESSING POOR PERFORMANCE

FRA Separates Poor Performers

The Federal Railroad Administration has also taken proactive steps to deal with poor performance. Last year FRA reported approximately 1% of its workforce or 8 employees were separated through the Chapter 43 procedures, termination during probation, or a voluntary departure, such as transfer or retirement, triggered by notice of poor performance.

FMCSA Provides Policy and Tracks Actions

The Federal Motor Carrier Safety Administration (FMCSA) has taken proactive steps to deal with poor

performance. FMCSA issued a performance management policy requiring supervisors and managers to deal with poor performance, and provided processes that they are to follow. It has also issued memoranda to supervisors and managers calling to their attention the Administration's Human Capital Initiative and highlighting their responsibility to hold employees accountable for their performance. FMCSA has made dealing with poor performance a specific performance requirement in supervisory appraisals. In addition, supervisors have been provided reminders and guidance about their responsibility to counsel and document the performance of probationary employees. FMCSA is also tracking the actions taken by supervisors and managers.

Since 2002, the actions have ranged from warning memorandums to terminations. In 2002, 13 actions were taken; in 2003 there were 11 actions taken. Additionally, training hours for supervisors on poor performance have increased from one and half hours to four hours in 2004.

FHWA Included Dealing with Poor Performance as an Organizational Goal

The Federal Highway Administration is also addressing poor performance. In March 2003, FHWA sent its agency heads information about its initiative to deal with performance issues. FHWA has identified dealing with poor performance as an organizational goal. Addressing and improving poor performance is an organizational performance objective for its Office of Human Resources.

FHWA tracks the number of performance actions taken and publishes this information annually. As a result of its focus on poor performance, since December 2000, FHWA has seen an increase in actions taken to correct performance. Performance actions include notices to employees, probationary terminations, performance improvement plans, and separations based on performance. From 1995 through 2000, the number of performance actions has averaged 14 actions per year. Beginning in 2001 through 2003, performance actions averaged 43 actions.

How to deal with poor performance is taught at the week-long Champion's training session for Assistant Deputy Administrators and mid-level managers; at the human resource management training for new

supervisors and managers; in the "Positive Performance Management" course; and at the Central Federal Lands Conference on "Dealing with Performance Problems." It is also discussed at the Deputy Administrator's meetings on "Dealing with Poor Performance," and in briefings by human resource specialists in headquarters program offices. Additionally, all supervisors and managers have received OPM's workbooks and CDs on "Addressing and Resolving Poor Performance."

D.4. COLLABORATION AMONG MANAGERS, UNIONS, AND EMPLOYEES

For a number of operating administrations, cooperation and collaboration is a way of doing business.

SLSDC and Union Agree on Recognition Tied to Goals

Saint Lawrence Seaway Development Corporation (SLSDC) and the union worked jointly to develop a performance bonus award. The union wanted recognition for all bargaining unit employees and agreed to tie recognition to achieving SLSDC goals and objectives. Additionally, SLSDC worked with the union to jointly develop the performance measures that are used to determine whether a performance bonus will be paid. The process they used to reach agreement

has been characterized not as negotiations, but more as "the normal process you get when trying to get consensus out of a committee. There were no proposals and counterproposals. We just worked our way through it. We really all had a common goal of developing a system that was objective and fair, and that recognized employees for their contributions to the accomplishment of SLSDC's mission."

FRA and Union Partnered on Workforce Planning

Over the years, Federal Railroad Administration and American Federation of Government Employees, Local 2814 have developed a collaborative relationship that permeates the organization. FRA and AFGE work together to maintain a positive work environment that is inclusive and based on trust and open discussion of important issues of mutual concern. Issues affecting conditions of employment are discussed with AFGE prior to any management decision.



FAA and Unions Partner on Modernization Work Groups

FRA has established a standard business practice of using its Partnership Council and Regional/Headquarters Partnership Committees to address working condition issues at FRA. The Partnership Council deals with all working condition issues of national scope, while the Regional Partnership Committees deal with working condition issues of regional scope. Some of the key nationwide issues dealt with recently include government credit card usage, focused inspections, cost accounting, PCS travel relocations, personal telephone calls while on TDY, broadband access in field locations, and cash advances while on TDY. Some of the recent regional committees' agenda items have included telecommuting, parking lot assignments, cellular phone use, and office equipment.

Workforce planning is an example of the way FRA and AFGE partner to address issues. FRA conducted a formal workforce planning study of the agency's mission critical occupation of Railroad Safety Inspectors. The union participated in the study. A joint working group comprised of representatives from management and the union mutually reviewed recommendations from the study and proposed which should be implemented, then prioritized them, and developed implementation plans.

Another example of the collaborative relationship is the proposed revision of the FRA drug testing policy. Both management and the union realized that certain groups of FRA employees have been less frequently subjected to random drug testing due to the logistical challenges of testing employees who are frequently on TDY, and/or telecommute and are not working out of a regional office. In addition, FRA's drug testing policy was less stringent than that of the railroad industry that FRA oversees. As a result, management and the union have developed a draft policy that fairly impacts all employees and is closer to the industry standard.

At the regional level, as a measure of trust and collaboration affecting conditions of employment, Regional Partnership Committees have been granted authority to decide whether employees should telecommute on a permanent basis. Ad hoc requests to telecommute are decided by supervisors.

In addition to their working conditions collaboration, the FRA and AFGE relationship is such that the parties rarely request third party intervention. It is the parties' practice to discuss and resolve grievance issues as soon as is practical at the informal stage. Consequently, grievances are not taken to arbitration. Moreover, in the area of poor performance, FRA and AFGE work together to try various means of intervention prior to taking formal actions such as a proposed removal based on unacceptable performance.

The Federal Aviation Administration has been taking a collaborative approach to labor relations over the years. This is reflected in its negotiated agreements with its largest unions. FAA's 2003 agreement with the National Association of Air Traffic Specialists (NAATS) provides a means to resolve issues through collaboration. In lieu of the procedures for mid-term negotiations, FAA can ask NAATS to designate a representative to serve on local, regional, or national work groups, committees, programs, or projects. Further, in its 2001 agreement with the National Air Traffic Controllers Association (NATCA), the parties have agreed that if it is mutually beneficial, the union could be involved in work groups established at the local, regional or national level, to provide perspective into the development, testing, and/or deployment of technological changes. Likewise, in its agreement, FAA and the Professional Airways Systems Specialists (PASS) agreed on union participation in the national air systems modernization.

The extent of FAA and union collaboration can be measured in the amount of official time used. For FY 2003, FAA reported that about half of the reported 675,000 hours of official time or 337,500 hours was spent on labor-management working groups involved in developing and fielding key new technology and related matters. NAATS, NATCA and PASS represented 97% of the total official time used by FAA unions. Additionally, FAA expects less confrontational negotiations, shorter negotiation periods, and greater satisfaction by the parties with their negotiated agreements.

E. DOT DIVERSITY ANALYSIS

RESULT

The Secretary has assigned responsibility for maintaining diversity in all DOT senior executive accountability contracts. Improvement plans are tracked and measured results are reported to the Secretary.

To determine the current status of diversity at DOT, the Departmental Office of Human Resource Management utilized a web-based Data Repository Information System (DARIS) tool that interfaces with the

Department's personnel and payroll system. Included in this tool are two unique features – customized filters and reports – that enable the user to gather data faster and drill down further to facilitate analysis of workforce trends and patterns. Every aspect of workforce data can be compared and analyzed (e.g., attrition, hires, current employment by grade, retirement eligibles, ethnicity, etc.) by year, for all DOT, and for individual OAs even down to regional and organizational levels.

E.1. DEPARTMENTAL DIVERSITY ANALYSIS

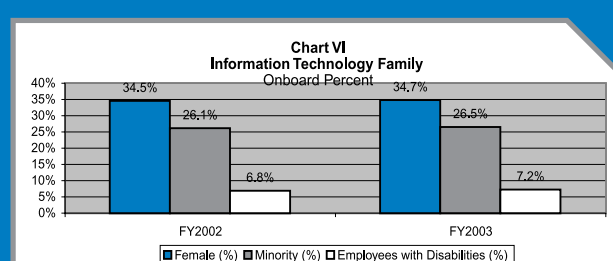
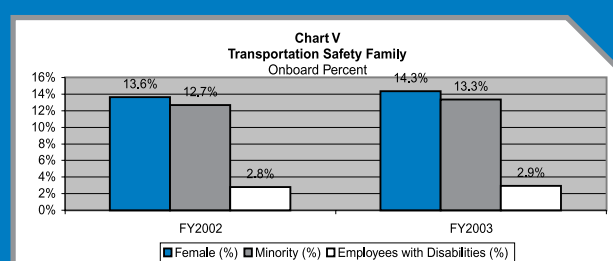
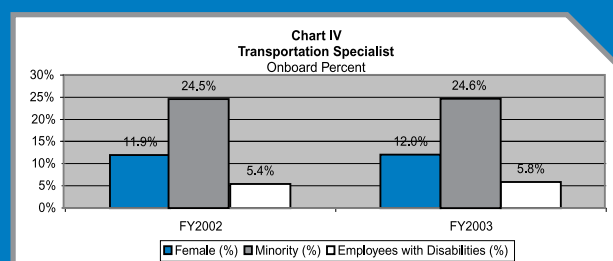
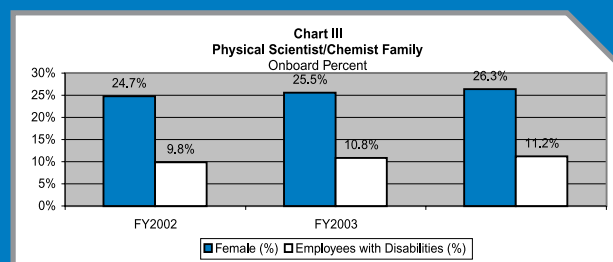
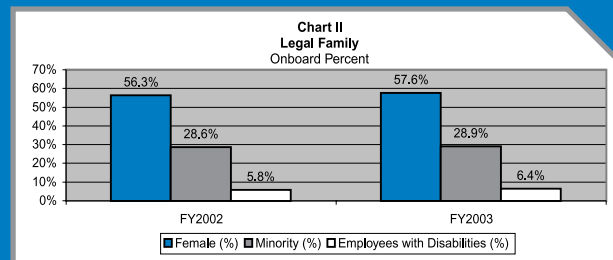
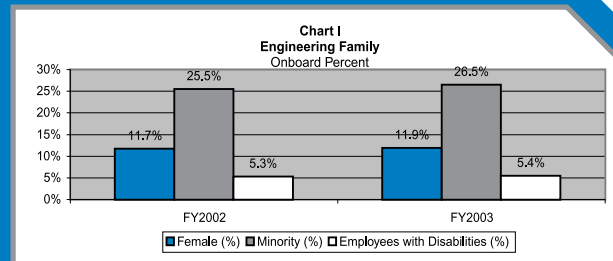
OHRM examined the total number of employees onboard for FY02-03 and created a two-year profile by categories for females, minorities, and employees with disabilities. As shown on the table below, the Department experienced an increase in the number of females (from 24.9% to 26.3%) and employees with disabilities (from 4.5% to 4.9%) from FY02 to FY03. Within that same time period, minority employment remained steady at 21 percent.

Total Onboard	Onboard Employee Count	Female	Female (%)	Minority	Minority (%)	Employees with Disabilities	Employees with Disabilities (%)
FY 03	57,982	15,224	26.3%	12,301	21.2%	2,841	4.9%
FY 02	63,775	15,891	24.9%	13,520	21.2%	2,859	4.5%

For a diversity profile, the Department also reviewed the ten mission-related cross-cutting occupations as identified by the DOT Workforce Plan, 2003-2008. These occupations are community planner, program manager, financial management, engineering, legal, physical scientist/chemist, transportation specialist, transportation industry analyst, transportation safety, and information technology.

These ten occupations were assessed to further establish where the Department needs to improve its efforts on recruiting, hiring and retaining women, minorities and employees with disabilities. The Department had an increase in the number of females in eight of the ten occupations. Employees with disabilities had an increase in six occupations, while minority employees showed an increase in five of the mission-related occupations.

Five of the occupations - engineering, legal, transportation safety, transportation specialist, and information technology – demonstrated an increase for females, minorities, and employees with disabilities. (See right. Charts I, II, III, IV, V, VI)



F. MODAL SUCCESS STORIES – DIVERSITY

RESULT

The following success stories document multiple results achieved including increased awareness through progress reports, and measurable diversity gains for minorities and women over a two-year period.

F.1. OA DIVERSITY REPRESENTATION IMPROVEMENTS

Following an extensive outreach and recruitment effort, FMCSA improves diversity representation and has noteworthy successes to report with 40 percent of its career SES members now women and 7 percent Hispanic. Similarly, FRA is making significant strides in the area of improving the representation of women, minorities, and people with disabilities in the executive and managerial ranks. In the last year-and-a-half, FRA has filled two of its three SES vacancies with women. During that same timeframe, FRA also filled its only Regional Administrator vacancy with a female, and its only Deputy Regional Administrator vacancy with a Hispanic male.

To determine how well we are doing to increase our diversity, as requested by the Secretary, each OA is required to submit quarterly progress reports based on their external recruitment accomplishments for filling entry-level and mission-critical occupations. A snapshot of DOT's new hires for fiscal year (FY) 2004:

- ❖ First Quarter: 200 total new hires, with 6% Hispanic and 5% people with disabilities.
- ❖ Second Quarter: 158 new hires, with 8% Hispanic and 7% people with disabilities.

During this reporting period, FAA filled 71 positions in their mission-related occupations, with 14% and 10% of hires being Hispanics and people with disabilities, respectively. FMCSA filled eight mission-related occupations, with 25% of total hires being Hispanic and 13% people with disabilities.

F.2. FAA IMPROVES DIVERSITY IN THE WORKFORCE

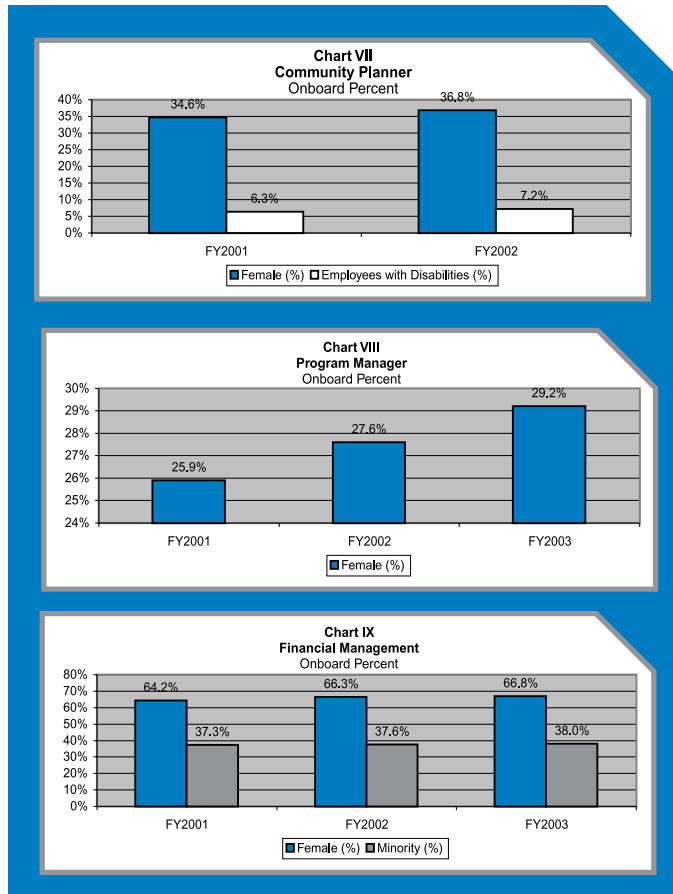
At FAA, each selecting official is accountable for achieving diversity in the workplace as mandating by the Secretary in the DOT Diversity Action Plan, Sharing the Challenge. The chart that follows compares the composition of FAA executives in 2002 with the composition in 2004, and shows the 2002 composition of the Government wide SES for comparison. It shows that minorities and women have made measurable gains over the 2-year period tracked.

Historically, FAA's executive selections have been made from within the agency. Within the past year, they have expanded the use of outside recruitment sources in an effort to broaden and diversify the pool of well qualified candidates.

As studies indicate, minority executives are also an excellent source for expanding recruitment efforts through personal networking and professional affiliations. In the past 60 days, at FAA, a Hispanic female was selected as the Vice President for Communications in the Air Traffic Organization and a male of East Indian descent was appointed as the Chief Financial Officer (CFO).

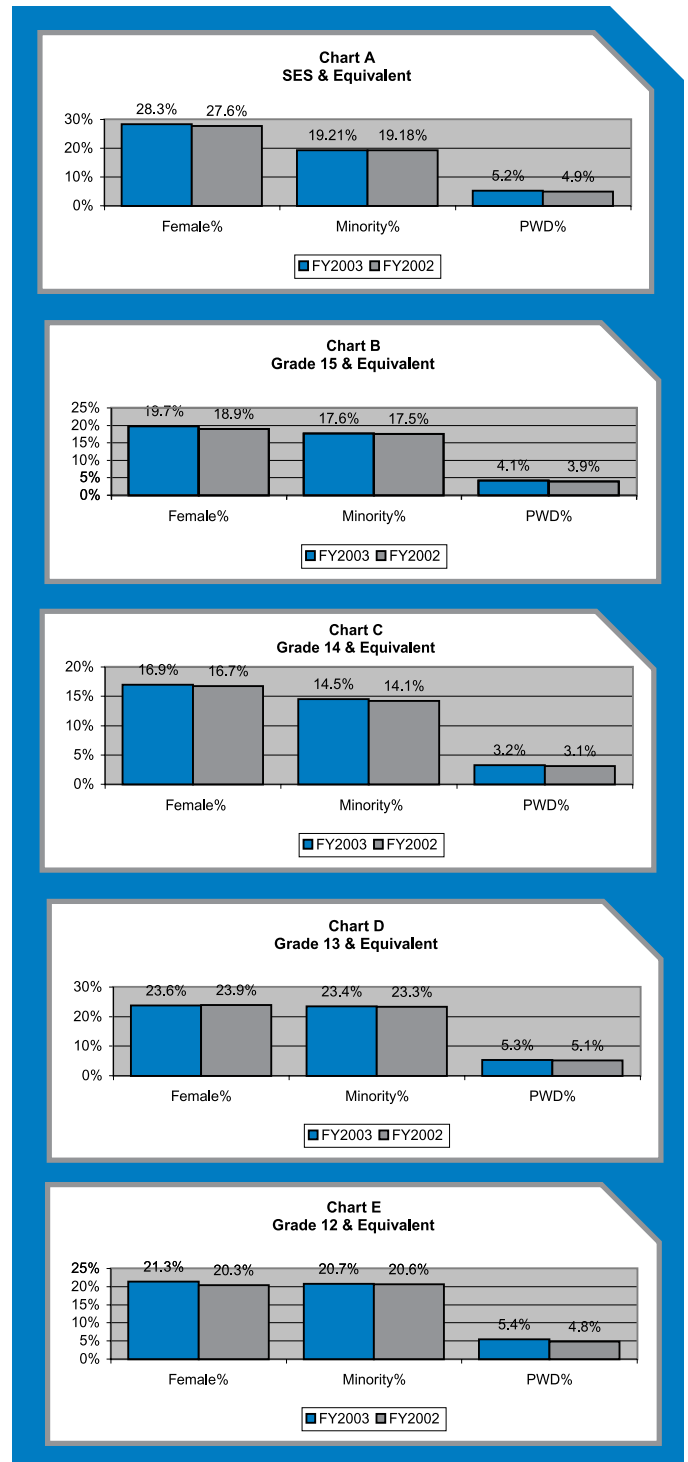
Sex/RNO	SES Government 2002	FAA Executives 2002	FAA Executives 2004
Female	25%	24%	29.4% (51)
Minorities	13.6%	24%	24.8% (43)
Females			
Minorities	17.8%	31.8%	33.3% (17)
Non-Minority	82.2%	68%	66.6% (34)
Asian/Pacific Is	2.9%	4.5%	3.9% (2)
Black	10.3%	12.3%	19.6% (10)
Hispanic	3.6%	6.8%	9.8% (5)
Amer Ind/AL Nat	0.9%	0%	0% (0)
Males			
Minorities	12.2%	21.7%	21.3% (26)
Non-Minority	87.8%	78.2%	78.6% (96)
Asian/Pacific Is	2.7%	4.3%	4.9% (6)
Black	5.6%	12.3%	10.6% (13)
Hispanic	3.2%	5%	5.7% (7)
Amer Ind/AL Nat	0.7%	0%	0% (0)

Additionally, the following charts indicate that female employment grew in the mission-related occupations of community planners, program managers, and financial management. While employees with disabilities increased in the category of community planners, minorities fared well in financial management. (See below. Charts VII, VII, IX)



Furthermore, this analysis indicates that the mission-related occupations where DOT must show improvement in recruiting, hiring, and retaining of minorities and employees with disabilities include community planners and program managers. And while employees with disabilities decreased in the financial management category, all three targeted groups need more attention in the categories of physical scientist/chemist, and transportation industry analyst.

A major focus of DOT's cultural transformation in the work place includes leadership accountability for diversity management. Accordingly, the Department examined the diversity rates in leadership and pipeline grade levels. As the Charts A- E indicate, the FY02-03 analysis indicates that an increase occurred in all five grade levels (GS 12 – SES) for these targeted groups with the exception of a slight decrease in the percent of females in the GS 13 grade level.



G. IMPROVEMENT INITIATIVES

RESULT

The Diversity Work Group identified initiatives to improve the diversity management program including enhanced leadership accountability and increased employee awareness.

G.1. CREATING THE DOT DIVERSITY WORKGROUP (DWG)

The improvement process began by creating the DOT diversity Work Group (DWG). Recognizing the demographic transformation and its effects on recruiting and retaining a highly skilled and diverse workforce that meets the transportation needs of the future, Secretary Mineta – a long time champion of diversity - convened a short-termed group to assess diversity. The DWG, established in the spring of 2002, was comprised of program managers and professional staff appointed by each of the 12 DOT Operating Administrations (OA), representatives from the Office of the Secretary, and the former Transportation Administrative Service Center (TASC).

G.2. ASSESSING DIVERSITY AT DOT

The DWG was charged with assessing the past and current diversity efforts within the Department and developing recommendations for a Department-wide diversity management strategy. The group met weekly for eight weeks, discussing a wide range of issues that focused on improving diversity management at DOT.

While demographic data are not the sole indicator of the current state of diversity within the Department, the statistics do provide an opportunity to assess hiring, promotion, retention and retirement trends. Therefore, the DWG examined workforce demographic and personnel data compiled by the Departmental Office of Human Resource Management. The group compared the available data to the civilian labor force (CLF) data, which reflects the total U.S. workforce, and the federal civilian workforce (FCW) data, which was taken from the Office of Personnel Management's fiscal year (FY) 2001 Federal Equal Opportunity Recruitment Program Report. The DWG also obtained data from the Equal Employment Opportunity Commission. The comparison of these data sources provided a comprehensive picture of DOT's workforce, reflecting a clear sense of diversity

at all levels, in all key occupations and organizational components. However, these sources do not include relevant civilian labor force (RCLF) information, which focuses on those qualified for particular categories of jobs, and which the DWG concluded should be made available and used in future comparisons. In addition, the group:

- ❖ Reviewed the uniformity of programs and policies
- ❖ Assessed the value of diversity management
- ❖ Held a listening session that allowed participation from DOT employees
- ❖ Considered various best practices from internal and external experts
- ❖ Examined the link to the Departmental strategic plan and the President's Management Agenda (PMA) initiative on strategic human capital management.

G.3. REPORTING THE FINDINGS

The findings of the Diversity Work Group were conveyed to the Secretary in the report, Managing Diversity at DOT, October 2002. The report presented both quantitative and qualitative findings.

For the quantitative analysis, the group reviewed the DOT workforce data for FY2001, which revealed:

- ❖ Under representation, especially in managerial and executive ranks, of women, minorities and People with Disabilities (PWDs)
- ❖ High attrition rates for women, minorities and PWDs
- ❖ Need for uniformity of data gathering for reliable Departmental reporting.

Additionally, the group reviewed the hiring decision-making structure and found a lack of accountability for diversity management. They found that when too many people are responsible, nobody is accountable for the hiring decision and therefore no one is in charge of managing diversity.

As a result of the qualitative analysis, the DWG found:

- ❖ That more department-wide uniformity and consistency was needed to implement a stronger, more defined Department-wide policy with a greater emphasis on leadership accountability.

- ❖ That effective diversity management is simply good business. This form of management enables agencies to employ and manage the widest range of knowledge and skills in the workforce and ensures that all employees feel encouraged to contribute to the agency's mission. As a result, accomplishments, customer satisfaction, and operational efficiency are maximized.

This is in alignment with the President's Management Agenda, which states that when an agency has a workforce diversity management program, it "maintains an environment characterized by inclusiveness of individual differences and is responsive to the needs of diverse groups of employees . . . and cooperation between employees, unions, and managers enhances effectiveness and efficiency, cuts down the number of employment-related disputes, and improves working conditions, all of which contribute to improved performance and results."

- ❖ Diversity management is a separate and distinct initiative that brings together many other initiatives such as work life issues to create and maintain a positive work environment for all types of people. Diversity management is about building an inclusive work environment for all employees that acknowledges and celebrates differences based not just on race, gender, or disability, but also parental status, religion, lifestyles, military service, sexual orientation and other factors that enhance diversity.
- ❖ Employees perceive that diversity and its benefits at DOT are not clearly defined. The lack of clarity translates into an unsupportive work environment that does not recognize or respect the individual backgrounds of DOT employees.
- ❖ Best practices to reinforce diversity management are necessary. DOT currently has various programs, such as special observances, i.e., Women's History Month, Hispanic Heritage Month, Black History Month, Americans with Disabilities Awareness Month, and Asian American Pacific Islander Month. Others include cultural audits, wellness programs, flexible work arrangements, employee assistance, and others.



- ❖ These observances acknowledge the invaluable contributions of these constituent groups and brings attention to the various programs and services that support their unique education and employment needs.

External best practices identified the program designed at the Social Security Administration, where senior managers are required to report hiring statistics and recruitment efforts to the Social Security Commissioner. These reports are discussed monthly at senior staff meetings. Similarly, the Veterans Administration practices emphasize the importance of combining qualitative and quantitative analysis so that managers can realize the business case for diversity.

G.4. MAKING RECOMMENDATIONS FOR IMPROVEMENT FROM THE DWG TO THE SECRETARY

The Diversity Work Group concluded that in order to have an effective diversity management program, it was necessary to make the following recommendations.

- ❖ **Leadership and Accountability:** Include diversity management responsibilities in the DOT Strategic Plan and the performance agreements of the officials who report to the Secretary and in the performance plans of all subordinate managers and supervisors. Provide resources to support diversity.
- ❖ **Measuring Progress:** Monitor progress through data analysis. Host a diversity summit for senior leadership to assess progress on implementing diversity management practices throughout the Department.
- ❖ **Organizational Structure to Support Diversity:** Assign clear diversity management responsibilities within DOT and OAs. Create a DOT-wide Diversity Advisory Council.
- ❖ **Creating and Maintaining a Diverse Workforce:** Identify and develop a recruitment plan to help create a diverse applicant pool for transportation careers in the future. Develop and implement, over the next five years, a recruitment plan that maximizes access to the diverse applicant pool that is likely to be qualified for a particular job. Improve retention of DOT's diverse workforce by ensuring

employee participation in career development and training opportunities and offering retention incentives.

- ❖ Making Diversity Work For the Agency and Its Employees: Train all employees on diversity awareness, including the business necessity and benefits of well-managed diversity of all types. Celebrate diversity of all types.

H. IMPLEMENTING THE SECRETARY'S MANDATE FOR IMPROVEMENT

RESULT

By enhancing accountability and monitoring results, DOT is positioned to sustain a workforce that represents the face of America throughout the various occupations and grade levels.

Secretary Mineta believes in a strong leadership vision that will develop a genuine commitment to excellence through diversity. Subsequently, the Secretary approved the recommendations from the DWG report that focused on measurement and leadership accountability. In his action memorandum to the Heads of the OAs, he outlined the following mandates.

The information below details the process and highlights the components identified for improving diversity at DOT. The components for managing diversity include:

- ❖ Documenting Executive Responsibility
- ❖ Preparing Plans for Diversity Management
- ❖ Tracking and Measuring Results
- ❖ Implementing Communications and Outreach Efforts
- ❖ Reporting Results to the Secretary.

H.1. DOCUMENTING EXECUTIVE RESPONSIBILITY FOR DIVERSITY

The Secretary assigned responsibility for maintaining diversity to all heads of OAs and

Departments in the senior executive accountability contracts, which will be cascaded down to subordinates. The OA Administrators have submitted their contracts to the Secretary, which have been reviewed for results. Managers, supervisors, and team leaders will be accountable for diversity management through their performance appraisal plans.

Additionally, the OA Administrators were directed to name the official responsible for overseeing the day-to-day implementation of diversity management strategies in the organization. They were also instructed to ensure that the DOT Diversity Action Plan was discussed with senior staff, identify ways to communicate the plan throughout the organization, and provide visible leadership to implementation efforts. This process has been completed.

H.2. PREPARING PLANS FOR DIVERSITY MANAGEMENT

The recasting of the Diversity Order, which is reflected in the DOT Diversity Action Plan, Sharing the Challenge, was in response to the President's Management Agenda (PMA) standards. The two PMA standards for success concentrate on a workforce diversity management program that is responsive to the needs of diverse groups. As a result, all OAs are required to prepare diversity action plans, which address goals and performance measures, as defined PMA Human Capital Standards for Success.

The review process for the plans included an analysis of the trends of under represented groups, an analysis of the plans to reduce the under-representation in mission-related occupations and leadership, and an examination of programs to sustain diversity. The review also included an assessment of diversity training needs and goals for meeting such needs. The Departmental Office of Human Resource Management completed the review and reported the results to the Secretary's Diversity Advisory Council (DAC) in April 2004.

A preliminary review of the training portion of the OAs Action Plans indicates that the OAs have developed various programs to address diversity management. For example, the Federal Motor Carrier Safety Administration is conducting seven classes on Diversity Awareness and Sensitivity Training throughout the country. Similarly, the Maritime Administration provided diversity training to all its employees. The Federal Aviation Administration piloted a model work environment training in conjunction with employee unions. Federal Highway Administration plans to offer all employees, particularly managers with responsibility for hiring, to take at least one course for further education about the importance of workforce diversity. And the Federal Transit Administration has the

“Mentor Protégé Program,” where 17 members of under represented groups were selected from a total of 28 participants.

H.3. TRACKING AND MEASURING RESULTS

In 2004, the Departmental Office Human Resource Management issued the DOT Workforce Plan, 2003-2008, where the objective of the Department's Organizational Excellence goal is to support the implementation of a diversity management plan to sustain a workforce that represents the face of America in all occupations and at all grade levels. In addition, the quarterly reports on the implementation of the goals and performance measures are submitted as required by the DOT Diversity Action Plan, Sharing the Challenge. This quarterly reporting is a new effort to ensure that each of the OAs is focusing on increasing representation and sustaining diversity.

In an effort to improve the reliability and effectiveness of measurements throughout the Department, DOT established the DOT Diversity Data Task Force and Diversity Advisory Council Data Collection Team to begin the process of identifying how data would be collected and measured.

In conjunction with the Human Resources Systems, the task force developed a workforce reporting system that includes demographic data, i.e. grade level, promotion, separations, occupational series, and percentage of hires. All profiles developed will be compared to the Relevant Civilian Labor Work Force (RCLF) data, pending availability. Additionally, the CIO's office should develop a policy to standardize data collection throughout the Department using the following fields: Operating Administration, permanent or temporary, race/ethnicity, disability, gender, on board strength by age, GS Grade, occupational category/job classification, performance incentives, awards, promotions*, separations (voluntary/involuntary), veterans, retirement eligibility, retirement projection, Civilian Labor Force Data, Federal Labor Force Data, Relevant Civilian Labor Force Data, contract employees*, parental status*, primary caregiver of elderly parent, bilingual/multilingual*, transfers, and rate of selection for formal/ structured developmental activities*. The data will be collected through the Central Personnel Management Information System, while the data requirements identified with the asterisk (*) will be collected through employee surveys.



Currently, this information is accessible only to the Human Resource Systems personnel. The implementation of the standardized system will occur in early 2005, pending the migration of the Department's information system, which will be accessible to human resource personnel offices, managers, supervisors, and hiring officials at the Departmental and OA level. The Diversity Advisory Council will report to the Secretary on the standards adopted.

H.4. IMPLEMENTING COMMUNICATIONS AND OUTREACH EFFORTS

Along with the Data Collection Team, the Secretary's Diversity Advisory Council (DAC) created the Outreach Team and the Communications Team. The DAC Outreach Team worked with the Departmental Human Resources office in coordinating the plans for a diversity summit on September 13, 2004. The Secretary engaged the leadership to commit their support of diversity and express their pledge to its employees.

The recruitment efforts for People with Disabilities, women and minorities are a joint effort between the Diversity Advisory Council and the Departmental Corporate Recruitment Team. The recruitment plan includes approaches for identifying OA hiring goals and objectives. It also includes the strategies, such as attending job fairs and other events, to be utilized to recruit from under represented groups.

Please note that due to a decrease in hiring, recruitment efforts have been reduced. This and other information regarding efforts to more effectively monitor recruitment and retention efforts for under-represented groups will be reported to the Secretary on a quarterly basis.

In addition, the Diversity Advisory Council Communication Team is planning to develop a Departmental communication strategy that highlights DOT's leadership commitment for diversity. The Team's communication efforts include establishing a website, posters, and slogans embracing diversity. This will be implemented in September 2004.

H.5. REPORTING RESULTS TO THE SECRETARY

The first formal report from the Diversity Advisory Council to the Secretary was presented on August 19, 2004. The Diversity Advisory Council (DAC) provides the Secretary with senior level guidance on Departmental

diversity initiatives. The DAC is comprised of senior executives from each OA and the Office of Secretary, along with union and employee representatives. The Secretary approved the charter, which defines their operations and selection of officers.

RESULTS-ORIENTED
PERFORMANCE
CULTURE SUMMARY:

Supervisors, managers, and team leaders have been provided with performance policy, guidance, and tools enabling them to motivate and sustain a high performance workforce.

Developing a DOT diversity profile and analysis drives diversity management initiatives and the Secretary's mandates for improvement.

Section Five – Talent



Talent Standard:

Agency has closed most mission-critical skills, knowledge, and competency gaps/deficiencies, and has made meaningful progress toward closing all.

DOT's Overarching Outcome:

DOT has enhanced leadership capability and program effectiveness both now and in the future by investing in the development of current leaders to address/close skill gaps and implementing strategies to ensure the availability of a quality, diverse applicant pool supporting succession pipelines.

A. BACKGROUND

DOT has recognized and closed both existing and emerging leadership skills gaps. Some of the gaps DOT identified were through inference. Employee responses on surveys, and comments in listening sessions and other forums indicated concerns, as did supervisor's own responses and comments. Other gaps were identified through more quantifiable approaches. Formal workforce analysis revealed there were gaps in some succession pipelines in strategic occupations, and that leadership gaps were most severe among minorities and women. As a result, a Departmental Succession Plan was developed and launched. Based on this plan, various succession planning activities were accomplished through implementation of leadership programs, a learning and development framework, and corporate recruitment initiatives. DOT's focus on succession planning yielded

results. DOT experienced several losses of senior leaders during FY 2003 and successfully averted extended gaps in leadership through a combination of internal / external hiring and utilization of knowledge management techniques to orient selectees more quickly and consistently than in the past. DOT has also implemented multiple worklife initiatives to continue attracting and retaining the best and brightest—a new generation of inspired innovators and pioneers in transportation careers.

B. LEADERSHIP PROGRAMS

RESULTS

Established mentoring programs to foster knowledge transfer from current leaders to others.

B.1. POLICY FOR SELECTING, DEVELOPING, AND APPRAISING SUPERVISORS

DOT has provided tools to all organizations to help ensure remaining gaps are closed and prevent foreseeable gaps for leadership positions. As mentioned in Section Three, DOT established and implemented policy for recruiting, selecting, developing, and appraising supervisors. This policy included:

- ❖ A Leadership Competency Framework and Assessment tool utilized to identify the readiness of potential leaders, or the developmental needs of existing leaders.
- ❖ A Requirement to ensure recruitment for supervisory competencies in vacancy announcements.
- ❖ A Requirement to assess new probationary supervisors and create individual development plans addressing any potential gaps before probation ends. A Performance Working Group is finalizing the specific language for the formal policy.
- ❖ Mandatory accountability elements addressed in performance contracts/ plans for leaders at all levels, from appointees down to first-line supervisors. These elements are: business results, managing human capital, managing other resources, and EEO/Diversity. This policy is fully implemented. It provides follow-up accountability to the recruitment and development requirements, and ensures continuing focus.

In addition to the Departmental program initiatives mentioned above, five OAs have formal leadership programs (OST, FAA, FHWA, FRA, FTA).

B.2. DEPARTMENTAL PROGRAMS

Two Departmental programs were designed and implemented to close identified knowledge gaps in the succession pipeline. One program titled So You Want To Be a Leader was developed for GS-11/12 employees who are considering a move into supervision and management. The other program titled Leaders for Tomorrow Mentoring Program matches GS-13/14 employees (protégés) and GS 15-SES (mentors), based on application assessment data, to participate in the 10-month development program featuring activities designed by a team to introduce protégés to new competencies. Both programs have yielded positive results, which are detailed in Section Three.

Additionally, the Department is providing support for informal mentoring as a supplement to the formal program. Employees who are interested in being mentored have been identified, and mentoring training will be provided in June 2004 for employees at GS-11 and above who are interested in becoming mentors.

B.3. MODAL PROGRAMS

The modal leadership programs cited below are described in more detail in Section Three. They are mentioned in this section as well to demonstrate DOT's strategy to fully integrate human capital initiatives. These programs enhance leadership development by identifying, addressing, and closing skill gaps.

Executive Coaching

In FY 2003, the Federal Railroad Administration (FRA) and the Federal Aviation Administration (FAA) piloted formal executive coaching programs. Over 40 senior managers and executives were assessed, developed individual action plans, and received personal coaching in order to enhance specific leadership competencies. Program participants reported specific positive results and evaluation data provided insights into opportunities for future program improvements.

360 Assessment Tool

The Federal Highway Administration (FHWA) uses a 360 assessment tool developed by USDA to ensure that executive development efforts take into account feedback about personal skills gaps from peers and subordinates.

Legacy Pilot

FHWA piloted a program to capture the accumulated experience, wisdom, know-how and individual best practices of retiring employees by conducting exit interviews. If any part of the knowledge could be captured, the loss of productivity that currently follows each transition could be significantly reduced. This pilot was conducted with seven retiring Division Administrators – their highest ranking officials in the State offices. Data collected from these administrators were shared with the FHWA senior leadership team and then distributed to all field leaders. Their Division Administrators' Council found this data highly useful as a briefing tool with the new Division Administrators. In contrast, NHTSA's senior management recently conducted a session with a departing senior engineer to identify future opportunities for improvement.

Executive Workforce Planning

The Federal Aviation Administration (FAA) designed and implemented an integrated Executive Workforce Planning (EWP) process including the four components of executive resource planning, assessment, development and staffing. Participants are afforded the opportunity to solicit feedback from their manager, subordinates, peers and others outside their organization. Feedback is evaluated and participants are provided recommendations on development initiatives. Progress is tracked in an automated system. Over 300 managers have completed the assessment process and are currently engaged in developmental activities. Eighteen of the 60 executive positions (30 percent) that have been filled since 2001 were filled from this pool of candidates.

C. LEARNING AND DEVELOPMENT PROGRAMS

RESULT

Continued to develop leaders and address critical skill gap needs through a learning and development framework.

C.1. UTILIZING SEVEN LEARNING CENTERS AS CORPORATE RESOURCE

DOT has taken steps to treat the seven learning centers as a corporate resource to provide more focus on the Departmental strategic objectives and use resources more effectively. The learning centers include:

- ❖ FAA Center for Management Development
- ❖ FAA Academy
- ❖ Global Maritime and Transportation School
- ❖ National Highway Institute
- ❖ National Training Center
- ❖ National Transit Institute
- ❖ Transportation Safety Institute

Specific corporate results achieved by these centers are documented in Section Three.

In July 2003 a meeting of the seven learning center directors (LCDs) was held to share information and plan for improved coordination internally and with the Transportation industry. The LCDs also discussed development of new services in the future.

C.2. ADDRESSING CONFLICT RESOLUTION GAP

DOT identified that one gap in leadership competency was conflict resolution. Working with our DOT learning and development community, the Departmental Office of Civil Rights, and our Departmental Center for Alternative Dispute Resolution (ADR), we identified and developed a variety of communication modules to supplement OA leadership training. Over a 15-month period (June 2003-September 2004), based on courses completed and on projected course enrollments, DOT expects to have taught over 200 employees and managers. Evaluations from those courses already taught have averaged a 3.5 rating on a 4-point scale and there is a waiting list to attend future sessions.

C.3. PROFESSIONAL DEVELOPMENT PROGRAMS

Two OAs, FHWA and FRA have established programs to develop competencies employees need to advance in their careers. FHWA fills a majority of its professional mission critical entry-level positions (e.g., GS-7/9) through its Professional Development Program (PDP). Participants in the program have indicated that, "The PDP is second to none for developing the skills necessary for individuals to succeed, an excellent investment and key to the future of the FHWA."

The FRA Leadership Development Program (LDP) is an in-depth 18-month learning and development program, which uses The Graduate School, USDA's Executive Potential Program (EPP) as the core curriculum. The LDP is open to all FRA employees GS-12 through GS-14. Even though completion of the LDP does not guarantee a promotion, two of the 14 program graduates to date have received promotions.

Additional details and program results are documented in Section Three.

C.4. HONORS ATTORNEY PROGRAM

The OST Office of General Counsel's (OGC) Honors Attorney Program is a two-year program that centrally hires and develops promising attorneys through structured rotations and field trips. Each one gets exposure to all of the missions and emerging issues of the Department and makes contacts that have proved highly valuable once attorneys are assigned to their permanent positions in operating administrations. The program is highly successful in ensuring that graduating attorneys have the skills they need to perform the challenging legal work required in their permanent assignments. It has also served as a first-class orientation tool that bonds attorneys to the agency, and encourages cooperation and a broad perspective on transportation issues. Finally, the OGC has found that the program is a fantastic recruitment tool, since the availability of such valuable and varied experiences is highly attractive to the target candidates, even though Federal salaries cannot compete with those available to attorneys in the private sector.

D. CORPORATE RECRUITMENT INITIATIVES

RESULTS

- ❖ Ensured broader outreach to potential candidates through new website and coordinated approach to job fairs.
- ❖ Shortened hiring time and improved the diversity assessment of recruitment pools with new automated staffing solution.
- ❖ Built strategic relationships with organizations that are helping us target Hispanic candidates.

D.1. STRATEGIC PLAN

The DOT Corporate Recruitment Strategic Plan is a comprehensive roadmap outlining five strategies for DOT recruitment, with objectives and activities. It represents the first truly coordinated effort to maximize the quality and diversity of critical applicant pools, and to ensure that hiring supports succession pipelines and skills needs. It provides short and long-term direction

with respect to comprehensive efforts, recruitment targeted to Hispanics, and recruitment targeted to people with disabilities.

D.2. DEPARTMENTAL RECRUITMENT STRATEGIES

Secretary Mineta asked each OA and Departmental office to develop comprehensive recruitment strategies that would address the organization's external recruitment needs for professional and technical employees through Fiscal Year 2005. The strategies submitted by the OAs included the OAs anticipated hiring needs; OA-specific information on recruitment; their plans for targeting underrepresented groups, with emphasis on Hispanics and people with disabilities; and their plans to improve the use of students as a pipeline to entry-level employment. Quarterly progress reports are requested to monitor results.

D.3. CORPORATE RECRUITMENT WORKGROUP

Formed in the summer of 2003, DOT's intermodal Corporate Recruitment Workgroup meets on a bi-monthly basis to collaboratively address ongoing DOT recruitment initiatives in support of closing DOT skills gaps, and to identify those strategies that can assist Departmental efforts to find and attract the next generation of DOT employees. The group uses data derived from workforce planning and analysis efforts, including indicators of diversity, to set a baseline.

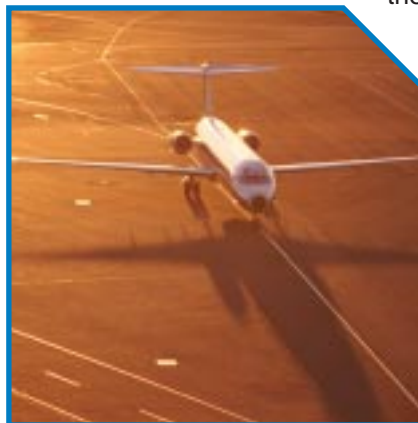
One of the Corporate Recruitment Workgroup's initial goals was to identify and eliminate redundant recruitment efforts in order to maximize effectiveness. A major result is Workgroup coordination of DOT participation in conferences and career fairs. Each OA receives many requests each month to provide resources (such as DOT representatives or recruitment materials) at conferences and career fairs. Most OAs attend career fairs that are free, especially those at college and university campuses. However, there are many conferences and career fairs that are excellent recruitment sources are costly. Since resources are limited, the Workgroup developed a master list of all events and a set of participation criteria against which all requests are compared. If a request meets the criteria, the workgroup members ask their OAs whether the OAs would like to attend and/or pay for the event. One OA pays for the event, which results in cost savings for the Department. The other OAs are given the opportunity to provide recruitment materials to the "lead" mode for the event and/or share the booth (if applicable).

Before	After
MAXIMUM:	
8 conferences/fairs per FY for an individual mode (anecdotal from Workgroup)	38 conferences/fairs this FY (2 more confirmed attendances this summer)

This means that recruitment dollars buy far more candidate outreach for everyone, with less disparity between organizations.

D.4. ONE DOT CORPORATE IMAGE

As corporate recruitment efforts were reviewed, DOT realized that it lacked a corporate image, or brand, to attract recruits and appeal to current employees. As a first step, DOT identified “champions” who would provide leadership and senior-level support for this effort. The “champions” are the Under Secretary for Policy; the Federal Highway Administrator, and the Research and Special Programs Administrator. They are briefed periodically on DOT efforts and results, and advise the Secretary on how to best continue DOT efforts on recruiting a talented and diverse workforce. OA Administrators also were briefed on the Department’s effort.



After collecting and evaluating data on perceptions of the DOT mission and consulting with the Corporate Recruitment Workgroup, we selected the phrase “Careers in Motion” as the DOT talent brand. This logo and slogan is now used on recruitment materials and as DOT’s talent brand on the USAJOBS web site.

DOT then developed a one-page flyer called “We Keep America Moving,” with an early version of our brand logo. The flyer, developed in both English and Spanish, describes DOT’s mission and key details about Federal employment. It is used at conferences and job fairs.

In December 2003, DOT began planning the new “Careers in Motion” web site. The site can now be found at www.dot.gov by clicking on a button on the left side of the main page, or directly at www.careers.dot.gov. The web site was featured in Monster.com’s monthly on-line newsletter. DOT will update the web site as necessary to provide the most relevant and up-to-date information to our customers. To date, the site has received 36,000 “hits.”

Additional recruitment materials using the “Careers in Motion” brand are being developed. With the Corporate Recruitment Workgroup, DOT continues to review the need for other types of materials, determine how they may fit in with current OA recruitment materials, and prioritize potential materials in the order of importance to the Department’s recruitment efforts.

The recruitment outreach list also is being expanded and updated. With the new automated staffing system (see next section), DOT can send job announcements instantly via email to diverse, talented individuals and/or who are interested in transportation issues.

D.5. WORKLIFE PROGRAMS

DOT has implemented an array of worklife programs designed to attract and retain employees by assisting them in achieving a healthy balance between their professional and personal lives. A few examples are listed below.

- ❖ DOT-wide Onsite Child Care Centers. The Department offers onsite childcare at over 30 locations across the country in response to studies on retention that indicate onsite childcare is a highly valued benefit to employees.

- ❖ Fitness Center. DOT’s Fitness Center manager and participants have been featured in the Washington Post citing the healthy lifestyle benefits of walking/exercising. The Secretary of DOT regularly utilizes the Fitness

Center and enjoys interacting with employees in a worklife capacity. DOT’s senior leadership is gearing up to sponsor a Take Ten health initiative, designed by employees in USDA’s Executive Potential Program, encouraging inactive employees to walk ten minutes every day. It is anticipated that over 200 DOT employees will commit in July 2004 to participate in this 60-day program which features a daily calendar and accountability stickers. Participants will be asked to complete a survey at the end of the program to aid in evaluating results. These results will be announced at a “wrap up” rally in October 2004.

- ❖ Alternate Work Schedules (AWS). DOT offers comprehensive work scheduling flexibilities including, but not limited to, compressed work schedules, maxiflex, and gliding schedules. These work scheduling flexibilities, that are consistent with operational needs, provide employees opportunities to participate in community, civic, and family activities without the use of earned leave while

providing extended periods of office coverage to serve customers across the country.

- ❖ Active Telecommuting Program. The November 2003 report to the Office of Personnel Management demonstrated a 2 – percent increase in telecommuting participation from the previous year. Submissions from the OAs show that 10 percent of eligible DOT employees now telework at least on an occasional basis. Some OAs have over 25 percent participation.
- ❖ Formal Policy for Responding to Domestic Violence in the Workplace. The Secretary signed a formal policy statement and participated in the program “Understanding and Responding to Domestic Violence and the Workplace” held in October 2003. Information was provided about how domestic violence affects the workplace, and how supervisors/managers, co-workers and/or friends can help victims maintain their safety and utilize employment flexibilities as needed.

D.6. QUICKHIRE AUTOMATED STAFFING SOLUTION

In support of the One DOT corporate business strategy, in March 2004 DOT implemented an automated staffing system. DOT entered into a contract with QuickHire, a division of Monster Government Solutions, to provide the services. FHWA is DOT’s executive agent for QuickHire. Most Title 5 organizations have already migrated, with the balance scheduled to migrate this year. DOT already is seeing the following results in those organizations that have migrated to the system:

- ❖ Time to hire from announcement closing to selection is down to a nine-day average.
- ❖ QuickHire allows applicants to provide race and national origin data as they apply for jobs, and has an 87 percent success rate in collecting this information. As a result, DOT has improved its ability to accurately and quickly evaluate the diversity of applicant pools and fine-tune recruitment strategies to reach the applicants we need.
- ❖ QuickHire can instantly (electronically) send vacancy announcements to those colleges, universities, professional organizations and associations on our outreach lists to ensure they are aware of our jobs. Since DOT is already partnered with most on this outreach list, they are aware of DOT’s mission and can provide the announcements to potential applicants.

D.7. RENEWED COMMITMENT TO HISPANIC EMPLOYMENT

The initiatives that follow are some examples of DOT’s efforts to recruit more Hispanic applicants. In addition, specific diversity results are documented in Section Four.

- ❖ Hired a full-time permanent Diversity Manager for the Department, and a full-time permanent Hispanic Employment Manager in the Departmental Office of Civil Rights.
- ❖ Developed relationships with key Hispanic organizations. This effort kicked off in July 2003 with a Hispanic Leader Outreach Breakfast hosted by Secretary Mineta. The invited groups were The ASPIRA Association, Inc.; Hispanic Association of Colleges and Universities; Hispanic Scholarship Fund Institute; League of United Latin American Citizens; National Association of Hispanic Federal Executives, Inc. (NAHFE); Society for the Advancement of Chicanos and Native Americans in Science; and Society of Hispanic Professional Engineers. We followed up with another meeting in August 2003 and DOT participated at NAHFE’s Federal Executive Summit VI in San Antonio, Texas in April 2004.
- ❖ DOT’s further discussions with NAHFE leadership have resulted in a significant partnering agreement. DOT will use two NAHFE’s personnel data banks: Project Eagle, which includes GS-14/15 applicants for SES positions; and Project NERIS, a job bank for applicants seeking entry level to GS14 positions. DOT has also agreed to participate in other recruitment efforts with board members from the Hispanic Engineer National Achievement Awards Conference (HENAAC). DOT leaders and OA representatives met with HENAAC to discuss opportunities for Hispanics in engineering, science and technology. HENAAC is a service organization dedicated to identifying, honoring and documenting the contributions of outstanding Hispanics in the fields of science, engineering and technology professions.
- ❖ Implemented the DOT/Hispanic Scholarship Fund Institute (HSFI) Next Generation of Public Servants Scholarship Program. Twelve outstanding Hispanic college students with a grade point average of 3.5 or better are awarded a \$3,000 scholarship. In addition, the recipients will participate in a variety of professional development and mentoring activities throughout the academic year.

- ❖ Worked closely with the Departmental Office of Civil Rights to identify applicant sources and coordinate outreach efforts. This is another effort to make sure DOT speaks with one voice, and by working together DOT ensures that a high quality, diverse applicant pool of candidates is readily available.

D.8. REFOCUSING ON INITIATIVES TO EMPLOY PEOPLE WITH DISABILITIES

- ❖ The President and Secretary Mineta have repeatedly indicated their commitment to employing a workforce that looks like America. DOT has demonstrated commitment to people with disabilities (PWDs) through creation of the Disability Resource Center (DRC), a widely recognized program that provides centralized funding, training, and expertise to support reasonable accommodation across DOT. More information can be found on the DRC website, www.drc.dot.gov.
- ❖ Hired a full-time, permanent PWD recruitment manager in the Employment and Executive Resource Division of the Departmental Human Resource Management Office. This manager is a PWD and long-time disability activist, and the former team leader of the DRC. She is applying her expertise in disability to fully implement the DOT Selective Placement and Corporate Recruitment Programs. She serves as the DOT coordinator for the Workforce Recruitment Program, and will work as a liaison with constituency groups to promote DOT as the employer of choice.
- ❖ Began regular meetings of the Selective Placement Workgroup, which consists of representatives of each operating administration, Departmental Office for Civil Rights and The DRC. The Workgroup is improving coordination among the offices and increasing the knowledge and skill base of the OA coordinators.

E. MODAL SUCCESS STORIES

RESULTS

The following success stories document multiple results achieved throughout DOT including enhanced skills/ competencies, improved talent needs assessments, expanded employment pipelines, and increased quality and diversity of candidate pools.

E.1. FAA HAS BEGUN PREPARATIONS TO PREVENT A TALENT GAP IN THE AIR TRAFFIC CONTROLLER WORKFORCE

Workforce Planning. Recognizing the internal and external concerns regarding the increases in ATC retirements and growing demand over the next several years, the Air Traffic Organization proactively chartered a workgroup to establish a comprehensive workforce plan for air traffic control specialists and first line supervisors. The plan identifies national and regional staffing and developmental needs from FY 2005 through FY 2013 and outlines FAA's approach to addressing various issues including funding and hiring sources.

FAA estimates that ATC retirements over the next nine years could total just over 7,000. The current staffing standards produced in April 2003 indicate an increase of approximately 200 ATCs per year to handle increasing air traffic. The projected yearly retirements and additional staff needed to meet growing demand begins at 555 in 2005 and increases over the nine-year period (see table below). When viewed on an annual basis, losses are much more manageable from a hiring and training perspective. However, on a cumulative basis, the FAA will face a continuing challenge to maintain the appropriate ratio between developmental and fully certified controllers.

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Projected Retirements	341	439	658	708	763	868	977	1081	1170
Standard Increase	214	196	193	194	201	201	201	201	201
TOTAL	555	635	851	902	964	1069	1178	1282	1371

* Take rate is approximately 25%

Talent Pool. FAA continues to work with and draw from the various rich applicant pools with qualified applicants: OPM Register, CTI (College), MCTC, VRA (military controllers), DOD (civilian DOD), ATSAT (general public), PC-20 (Retired military program), PATCO inventory, and Reinstatements. For example, by the end of FY 2004, there will be 66 MCTC graduates, 592 CTI graduates, 700 VRA potentials, and 615 "in process" applicants (those who have been notified that they will be made job offers pending the successful completion of the required medical and security clearances) – a total of 1,973 applicants available for hiring consideration. Without even having to consider "general public" hiring, there are many more qualified applicants than positions available.

Proposed Age Change. In addition, FAA is currently coordinating with the Office of the Secretary of Transportation (OST) and the Office of Management and Budget on regulations which would allow waivers for ATCs to work up to age 61, instead of the mandatory retirement age of 56. FAA is monitoring the progress of the regulations and working closely with OST to ensure publication. This will allow FAA to retain experienced ATCs for several extra years.

Training. FAA maintains that instructional positions at the FAA Academy are critical to the training process. It may be more difficult in future years to recruit and retain qualified instructional staff from the controller ranks, hence, FAA has prepared to supplement its instructional staff by establishing an instructional services contract currently awarded to the University of Oklahoma. This contract allows FAA flexibility in staffing the FAA Academy, and the balance of FAA and contract instructors has proven to be an efficient and effective way to train controllers.

Further, FAA will have the physical plant and equipment capacity to handle the expected training surge beginning FY 2006. Currently, FAA is upgrading simulation equipment at the FAA Academy to support the anticipated increase in training requirements; the modernized equipment includes a Standard Terminal Automation Replacement lab, upgraded tower simulation equipment, and a new Display System Replacement lab. The FAA Academy is also planning to upgrade classroom equipment to support the anticipated surge in training. The simulation upgrades are fully funded at this time and the funding for the classroom upgrades has been included in the current budget process.

By implementing these strategies, FAA is making every effort to ensure adequate trained talent is available to keep the skies safe for the American traveling public in coming years.

E.2. FAA IS SUCCESSFULLY EXPANDING ITS OTHER EMPLOYMENT PIPELINES AND INCREASING DIVERSITY

Detailed analysis of agency workforce data showed that over the last eight years, FAA had overemphasized hiring of mid-career and journey-level employees with an average age of 37. It is now expanding its employment pipeline through programs that also increase workforce diversity.

During the latter part of 2003, FAA filled over 260 entry-level jobs. Of the new entry-level employees, over 100 were hired through the Collegiate Training Initiative (CTI) & Mid-American Aviation Resource Consortium (MARC). Through these two programs, colleges and

universities provide FAA-approved curriculum that helps prepare students for careers in air traffic control and related occupations.

The CTI and MARC schools prove to be excellent sources for well-trained and diverse entry-level job candidates for FAA's technical occupations. The schools that participate in the programs include nine Hispanic-Serving Institutions, three Historically Black Colleges and Universities, four institutions with a high percentage of Asian Pacific Islanders, and four institutions with a high percentage of Native Americans and Alaskan Natives. The Minority Serving Institutions intern program has also proven to be a successful conduit for entry-level job candidates. In the summer of 2003, 80 interns participated in this program and more than 10 percent (all graduates) obtained full-time employment at FAA upon completion of their internship. The remaining interns returned to school to complete their degrees. The new hires included Hispanics, African Americans, Asians, and persons with disabilities.

E.3. MARAD CLOSED SKILL GAPS REVEALED DURING RESTRUCTURING

The Maritime Administration recently completed a restructuring effort undertaken as part of an A-76 competition in the Ready Reserve Fleets. While designing the Most Effective Organization as part of that process, they discovered that most employees were proficient in only one of the skills needed for the work. In order to reduce the total number of employees and submit a competitive bid, they needed to have a multi-functional workforce. They analyzed the skills sets they needed to retain, concluded that effective training could be done in a reasonable time, and conducted cross-training for all fleet employees. As a result, the organization has more capacity for mission accomplishment than before with fewer employees.

During the many employee meetings conducted at the three fleet sites in preparation for the competition, the agency discovered two other skills gaps that needed to be addressed. First, they found that supervisors did not have the skills and confidence to provide leadership for their employees in adverse circumstances. As a result, they provided mandatory leadership training for all supervisors. The training was specifically tailored to that workforce, and received very high evaluations from the supervisors who gained a better appreciation of their role and learned new skills.

They also observed that employees needed training on diversity issues. MARAD provided mandatory, tailored diversity training for all employees. Employees were overwhelmingly positive about the content of the training and the improved workplace dynamics that resulted.

E.4. NHTSA HAS IMPROVED ITS ABILITY TO MOUNT EFFECTIVE SAFETY CAMPAIGN

NHTSA reduces highway fatalities and injuries through a number of means, including public safety campaigns to encourage behaviors such as use of automobile safety belts. The agency recently concluded that the lack of multilingual capability in its headquarters office constituted a skills gap that hampered the effectiveness of this outreach. As a result, NHTSA conducted a targeted recruitment. One of the two people hired actually supplied two skills they were targeting, as he possessed a marketing background in addition to his language capability. The employees have already made valuable contributions to the safety outreach program.

E.5. NHTSA HAS IMPROVED THE QUALITY OF CANDIDATE POOLS IN MISSION-RELATED OCCUPATIONS

NHTSA has completed two separate interventions to improve the quality and diversity of its applicant pools. The first effort involved consolidating and updating various diversity outreach recruitment contacts into one single database. Staff contacted each listed organization to determine if the group was still active and wanted to receive NHTSA's job announcements, what they did with announcements once received, and best contact methods. The consolidated database gives NHTSA a valuable resource for (1) fax/e-mail broadcasts of vacancy announcements and other information to potential applicants; (2) alerting various recruitment sources of the agency's participation in future recruitment fairs; and (3) producing quarterly address books for the agency's human resources staff to assist managers in identifying potential resources for high quality candidates, while decreasing paper and postage costs associated with mass mailings.

The second intervention involved directing managers to participate personally and involve subordinate subject matter experts in recruitment outreach. For instance, when a manager or expert attends a professional meeting or conference, he or she is expected to use that opportunity to publicize the organization's vacancies.

NHTSA has received feedback from a number of selecting officials that the quality of candidates,

particularly in mission-related occupations, has significantly improved since these interventions.

E.6. FHWA HAS IMPROVED DIVERSITY WHILE DEEPENING ITS RECRUITMENT PIPELINE

FHWA has integrated Work Force, Recruitment, and Diversity Plans through the use of student employment and outreach. It uses various programs targeted for students in grades K-through Post-graduate studies such as the Garrett A. Morgan Technology and Transportation Future Program, National Summer Transportation Institute (NSTI), Transportation and Technology Academy of Cardozo High School (TransTech) and the Dunbar Pre-Engineering High School (Washington, DC), Student Temporary Employment Program (STEP), Student Career Experience Employment Program (SCEP), Summer Transportation Internship Program for Diverse Groups (STIPDG), Dwight David Eisenhower Transportation Fellowship Program, and Minority Serving Institutions (MSI) and Educational Partnerships.

In Fiscal Year 2003, 167 students were hired in the various student employment programs, such as the TransTech, STEP, SCEP, and STIPDG. In addition, 800 junior high and high school students explored careers in transportation, and gained hands-on experience for 4 weeks at 1 of 40 participating colleges and universities through the NSTI; and 127 transportation fellowships were awarded to colleges and universities including MSIs for undergraduate and graduate students.

The ethnic demographics for the student employment programs were excellent, with 52 African Americans, 16 Asian/Pacific Islanders, 17 Latino/Hispanics, and 82 non-minorities (including those who chose not to disclose any ethnic background). Included in the group were 2 hires with targeted disabilities (deafness and partial paralysis). In Fiscal Year 2003, fifty-one percent of the total hires for student employment programs were minorities.

In Fiscal Year 2003, six former STIPDG, TransTech and Eisenhower participants were hired to participate in the agency's entry-level Professional Development Program (PDP); and 11 SCEPs were noncompetitively converted to entry-level positions in the agency. The ethnic demographics were 11 African Americans, 2 Asian/Pacific Islanders, 1 Latino/Hispanic, and 8 non-minorities. Fifty-three percent of the students hired were minorities.



E.7. FHWA HAS ADDRESSED SKILLS GAPS CAUSED BY MISSION SHIFTS

For most of its history, FHWA's Division Offices focused a great amount of effort on traditional project level highway engineering and contract issues during construction of the Interstate system. However, with the passage of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), states assumed project approval authorities for many of their projects. Provisions in The Transportation Equity Act for the 21st Century (TEA-21) delegated further responsibility to the States and allowed them to assume most of the project approval authorities. As FHWA began to focus on program oversight, environmental and planning issues became increasingly complex and time consuming, requiring additional staff time and different skills.

As a result, many of the generalist engineering positions that previously included traditional project level oversight have been shifted to planning, environment, safety, and intelligent transportation systems (ITS) positions. Employees filling these positions have received specialized training to provide them with the technical and program oversight skills needed. Recruitment strategies now ensure that employees being hired into the positions possess the skills and advanced degrees in these areas as well.

FHWA does not consider this transition complete. The IG has pointed out the need to focus more on conducting reviews to ensure the effectiveness of the States' processes in areas such as financing, cost control, schedule performance, transportation planning, and accountability over funds. In response, FHWA has initiated an Employee Multidisciplinary Development Program to enhance the employees' skills necessary to ensure the effectiveness of States' processes in areas that are major project drivers, such as financing, controlling project-level costs, schedule performance, transportation planning, and maintaining accountability over funds. This program focuses on eight activities that address these areas of concern. As a result, FHWA is confident that remaining and foreseeable skills gaps are now being closed.

E.8. FMCSA INTEGRATES COMPETITIVE SOURCING AND E-GOV SOLUTIONS WITH ITS HUMAN CAPITAL PLANNING TO ADDRESS TALENT NEEDS

FMCSA is achieving results by integrating its human capital planning effort with the other PMA initiatives. For example, FMCSA sees competitive sourcing as a human capital tool. Consequently, it has placed competitive sourcing under the umbrella of the Office of Human

Capital Assets. A Human Capital Coordinator has been assigned to manage both initiatives. This approach to competitive sourcing is reflected in FMCSA's human capital plan which includes the analysis of competitive sourcing opportunities that have been used in the decision-making process.

Efforts to integrate human capital planning with budget and strategic planning have begun. FMCSA developed its Human Capital Plan with participation from budget and strategic planning and has piloted a system to associate staff-hours in the field with FMCSA's performance segments.

Internally, FMCSA has used e-Gov to improve its human resources services. It has used email and the FMCSA intranet site, the "KnowZone," to communicate about human capital and to bring the entire workforce into the human capital planning process. FMCSA uses an automated "Learning and Development System" (LADS) to create, track, and fulfill individual development and training plans, and it is now active in the development of the "Learning Management System" (LMS) for Department-wide use. FMCSA has implemented the QuickHire system, an external e-Gov application, to recruit for vacancies in the GS-2123 Motor Carrier Safety Specialty Series, which includes the vast majority of FMCSA's mission critical positions and most essential competencies. The results have been reduced time needed to recruit and certify qualified candidates for selection. Activity that took from 2-3 weeks can be completed in a matter of days from the time a job announcement closes.

FMCSA has also developed web-based training to meet the in-service training needs of their Federal and State safety personnel, who are broadly scattered geographically. The training has two modules, which a student can take at his/her own pace as scheduling permits.

E.9. FRA HAS UPDATED ITS COMPETENCY MODEL FOR A CRITICAL MISSION-RELATED OCCUPATION TO IMPROVE RECRUITMENT AND DEVELOPMENT AND CLOSE SKILL GAPS

As a result of the workforce planning process, the FRA has developed a comprehensive Railroad Safety Inspector Competency Model that identifies the knowledge, skills, abilities, and other competencies needed to perform successfully as a Railroad Safety Inspector, both now and in the future. While the FRA is making efforts to close identified skill gaps among current employees, it will also recruit new employees who possess the identified competencies.

The single-agency qualification standard for the occupation was written in 1979. Since that time, a number of significant changes have occurred in railroad economics, culture, technology, and operations. These changes, combined with internal influences, have led to changes in the FRA's mission, safety focus, and methods of doing business, with a resulting shift in the competencies required.

FRA established a Railroad Safety Inspector qualifications committee to review the qualification standards for positions from the GS-5 through the GS-15 grade levels. The committee conducted a comprehensive analysis of job tasks as they relate to the standards and determined that a number of revisions can be made that will dramatically improve the FRA's ability to recruit a highly qualified and diverse workforce for these mission-critical positions.

Specifically, the committee's recommended changes to the qualification standards for positions at GS-5 and GS-7 will broaden them significantly. The broader standards will assist the FRA in recruiting highly qualified, diverse candidates from a variety of sources for Railroad Safety Inspector Trainee positions. The trainees receive on-the-job and formal classroom training to provide the specific skills needed for eventual promotion to journeyman positions.

The committee is now using the Competency Model to identify the technical and non-technical competencies required for successful performance at all remaining grade levels. The next focus will be on positions at the GS-13 through GS-15 grade levels, to determine whether it is appropriate to broaden those qualification requirements as well, and thereby broaden the applicant pool.

This will mark the first time the FRA has been able to identify non-technical competencies for use in recruitment, selection, and development to ensure that the FRA has selected and developed the best talent possible to meet agency strategic goals. Among the benefits, broader qualification standards at the GS-5 and GS-7 grade levels will help the FRA make better use of hiring flexibilities and programs such as the Federal Career Intern Program.

E.10. RSPA HAS INTEGRATED AND REVISED PROCESSES RELATED TO RECRUITMENT TO ENSURE THAT RECRUITMENT SUPPORTS ALL OTHER HUMAN CAPITAL AND STRATEGIC PLANNING GOALS



The Volpe Center of the Research and Special Projects Administration (RSPA) has taken a number of steps to formally integrate RSPA initiatives and other DOT human capital initiatives into both center wide and directorate level human capital planning and programs.

- ❖ Recruitment plans are developed before any announcements are opened. The Center EEO Office and the Human Resources Management Division (HRMD) provide a standard list of organizations and constituencies representing diverse populations to which announcements will be distributed.
- ❖ The Center EEO Officer provides quarterly diversity profile (population, accessions and attritions) reports to all Offices including Division level breakdowns.
- ❖ Workforce Planning provides data on accessions and attritions for the past three fiscal years by Directorate.
- ❖ HRMD integrates the projected recruitment data from the quarterly Direct Labor Call and any unanticipated staffing needs reported by the Divisions into the Center's Recruitment plan reports to RSPA and DOT.
- ❖ HRMD continue to lead, with technical staff support, in Center-wide recruitment efforts for students, entry level positions and people with disabilities. These activities include attendance at job fairs, outreach to alma maters and technical presentations for prospective candidates.

E.11. SLSDC ANTICIPATED AND CLOSED A MISSION-SENSITIVE SKILLS GAP

The Saint Lawrence Seaway Development Corporation (SLSDC) determined that its aging lock machinery is responsible for an anticipated gap in basic trades skills. To minimize wear and tear, lock machinery must be operated properly. If employees understand the basic mechanics involved, they are more likely to adhere to operating procedures.

To address this issue, the past practice of hiring laborers at the WG-3 level was changed to hiring trades helpers at the WG-5 level (trades helpers must train as linehandlers, and are the main recruiting source for vacant locks positions). Applicants must now have some experience working with one or more skilled trades, giving them some understanding of the importance of using machinery properly.

External recruiting also includes the position of linehandler (also WG-5), which requires some prior experience in handling lines on large commercial or military vessels, but not necessarily trades experience (applicants with trades experience do rate higher). All linehandlers will now be required to train in lock operations, to provide relief to lock and dam operators. Thus, it will become important to ensure linehandlers have some trades knowledge.

To address a potential lack of trades skills in newly appointed linehandlers, a trades skills training program has been developed and new linehandlers, who are not qualified trades helpers, are required to complete the training during the first non-navigation season after appointment.

E.12. FTA HAS TAKEN STEPS TO DEPLOY TALENT IN A STRATEGIC AND COST-EFFECTIVE WAY

- ❖ The Administrator and Deputy Administrator centrally manage vacant positions.
- ❖ Established liaisons with colleges, universities, schools, and vocational rehabilitation agencies servicing underrepresented groups. The FTA Director of Civil Rights is an active advocate for persons with disabilities as is the Associate Administrator for Administration, and FTA has developed and issued an internal guide entitled, "The Employment of Persons With Disabilities," for use by managers.
- ❖ Continuous participation with the following programs: Workforce Recruitment Program; PMF; High School/High Tech; STIPDG; MSI; Cardoza TransTech Academy; SCEP; DOT Summer Hire; and DC Federal Jobs Initiative.

- ❖ Implemented a formal FTA Mentor/Protégé Program, and expanded it to include all FTA interns and students.
- ❖ Developed recruitment materials that encourage potential applicants to "Make FTA Your Next Stop". The recruitment materials are creative, informative, eye-catching, and depict a diverse DOT/FTA workforce. FTA partners with other Federal agencies and with other DOT administrations to ensure wide dissemination of these recruitment materials and of its vacancy announcements at career fairs in which partners are participating.
- ❖ Implemented a Student Loan Repayment Program
- ❖ Developed best practices on the successful recruitment for targeted intern occupations.
- ❖ Updated and expanded the current intern training/development plan to include written and oral communications, project management, and contract management.
- ❖ Increased the funding for developmental opportunities including rotational assignments.

TALENT SUMMARY

DOT is committed to and focused on investing in the future by maximizing leadership capabilities through the development of leadership pipelines and a readily available applicant pool.

Closing Skills & Competency Gaps

Leadership Programs

Leadership competency framework & assessment tool
 Executive coaching
 360 assessment
 Legacy pilot
 Executive workforce planning

Learning & Development Programs

Learning centers
 Conflict resolution
 Professional development programs
 Honors attorney program

Corporate Recruitment Initiatives

Strategic plan
 Departmental recruitment strategies
 Corporate recruitment workgroup
 ONE DOT corporate image
 Work life programs
 Quick Hire automated staffing solution
 Renewed commitment to Hispanic employment
 Refocus on People with Disabilities employment

Section Six – Accountability



Accountability Standard:

Agency human capital decisions are guided by a data driven results-oriented planning and accountability system.

DOT's Overarching Outcome:

DOT has built an accountability infrastructure that is intrinsic to all major human capital initiatives and serves as the foundational driver fostering continuous improvements in mission results.

A. BACKGROUND

DOT has built measurement and evaluation into all major human capital initiatives, and strengthened the culture of accountability. While significant responsibility and authority for Human Resources and thus human capital initiatives has been delegated to individual Operating Administrations (OAs), the Department established ONE DOT mechanisms for ensuring both self-assessment and central reporting. These Department-wide mechanisms were established after reviewing both internal and external accountability best practices.

One of DOT's strategies is to fully integrate human capital initiatives across the PMA standards with significant overlap between Accountability and Strategic Alignment (Section One). Together these two interdependent standards serve as the foundation DOT needed to achieve success in implementing human capital initiatives.

B. HUMAN CAPITAL IMPLEMENTATION PLAN MEASURES

RESULTS

The Secretary has established human capital oversight, various methods are used to communicate results/updates to all levels of the organization, and evaluation and reporting mechanisms, including automated scorecard measures, are built into initiatives to document results or changes needed.

Accompanying the initial Human Capital Plan is the Implementation Plan that has served as the roadmap DOT has followed to integrate and advance human capital initiatives. That Plan was replete with action items for each initiative tied to a specific PMA standard. These Implementation Plans are data intensive and require periodic evaluation. Progress against the plan as a whole is measured using an automated system, to which key managers, points of contacts, and responsible parties have easy access. The Implementation Plans incorporate:

- ❖ Milestones
- ❖ Target dates
- ❖ Status (complete, on target, delayed)
- ❖ Actual date
- ❖ Responsible entity and point of contact

In addition, to the requirement in each initiative for evaluation, many incorporate a requirement for periodic reporting. This is true, for instance in corporate recruitment and diversity. Reports have been on an ad hoc basis for some, like performance culture, while in others, such as workers compensation, existing reporting systems are being used to drive continuous improvements.

These implementation plans have received the serious attention and follow-through they have in part because of direct involvement from the Secretary and his immediate staff. Additional Departmental leadership efforts have followed that lead.

B.1. SECRETARY ESTABLISHED OVERSIGHT AND MEASURES

DOT's Secretary established a Human Capital Scorecard modeled after the Standards for Success. The Scorecard provides specific criteria with which each OA must comply in order to achieve a green status, similar to the PMA scoring of the Department. Criteria contained in the Scorecard ensure that priority attention is given to human capital in every facet of OA activity. The Department's progress is a regular topic in Executive Management Team meetings.

Progress on the Secretary's Scorecard is tracked using an automated performance management system and reviewed in biweekly meetings with the Deputy Secretary/Deputy Assistant Secretary for Budget and

Programs and OA PMA Coordinators. The importance the Secretary places on achieving PMA goals and initiatives is communicated to PMA Coordinators at each of these meetings.

B.2. CHIEF OF STAFF REVIEWS MONTHLY PROGRESS

On a monthly basis the Deputy Assistant Secretary for Budget and Programs meets with the Chief of Staff in the Office of the Secretary to brief him on the status of PMA efforts. The Assistant Secretary presents a report containing each PMA standard and its achievement status. Significant accomplishments, issues, and challenges are also discussed.

B.3. DEPUTY ASSISTANT SECRETARY (DAS) FOR BUDGET AND PROGRAMS LEADS COMMUNICATION EFFORTS

As the senior official tasked by the Secretary and Deputy to provide day-to-day leadership and coordination for PMA efforts, the DAS for Budget and Programs has taken a number of steps to communicate PMA philosophy, initiatives, and best practices to leaders throughout the Department:

- ❖ Sent information about human capital activities and priorities to executives throughout the Department.
- ❖ Arranged a focus group for a cross-sampling of OA leaders to discuss PMA philosophy and initiatives with OMB's Deputy Director for Management.
- ❖ Posted status reports and success stories on DOT's intranet accessible to all OAs.

B.4. LEADERSHIP ACCOUNTABILITY AGREEMENTS

For the first time in DOT's history, the Secretarial Officers and Heads of OAs were asked to complete Performance Accountability Agreements with the Secretary. These performance agreements are designed to provide a framework and context for the changes in the SES Performance Management System (see item number 8 of this narrative). After extensive revision and discussion, all agreements are now complete.

B.5. HUMAN RESOURCES COUNCIL DEVELOPS IMPLEMENTATION STRATEGIES

DOT's Human Resources Council consists of the Personnel Officers for all of the operating administrations as well as leaders in the Departmental human resource office. The group meets at least monthly to share information and plan strategic approaches for human capital goals, integration with other initiatives, emerging legislation and other environmental changes. At various times members of this group have personally served or appointed staff as leaders of working groups in addition to making staff available as members of such groups.

- ❖ Quality
- ❖ Effective Use of Information Technology
- ❖ Service/Partnerships
- ❖ Quality Workforce
- ❖ Quality Work Environment
- ❖ Mission Goals
- ❖ Executive Leadership
- ❖ Financial Perspective

B.6. HUMAN CAPITAL PLANNING COUNCIL ENSURES LINKAGE BETWEEN HUMAN CAPITAL STRATEGIES AND DOT'S STRATEGIC PLAN

The Human Capital Planning Council (HCPC), consists of representatives from the various OAs, and was established to assist in linking the Human Capital Plan goals and objectives with those in DOT's Strategic Plan. The HCPC was instrumental in revising the language in the 2003-2008 Strategic Plan to reflect a more targeted focus on human capital. Its members also led workforce planning efforts in their administrations, and helped in the development of the data system that supports human capital monitoring. This body met biweekly for the first six months of its existence and has met monthly thereafter to identify challenges and issues relating to progress on human capital initiatives compared with DOT's strategic plan objectives.

Every two years, the BSI is implemented the milestones noted in the chart below. The next survey will be initiated by fall 2004.

B.7. BALANCED SCORECARD INSTRUMENT (BSI) PERFORMANCE MEASUREMENT APPROACH

In 1998, DOT's human resource community adapted a BSI based on concepts developed by Kaplan and Norton from DOT's procurement community. The HR BSI has been administered since 1998 to evaluate each OA's delivery of human resource services and information. The BSI gathers perspectives of customers, and human resource employees and managers in evaluating an organization's performance. The BSI measures the following HR performance areas for all OAs:

MILESTONE	FY QUARTER	RESPONSIBILITY
Review/update of survey statements	1st	HR Measurement Action Team (HRMAT)
Update and test survey system	2nd	HR Systems (M12)
Initiate survey	3rd	HRMAT, M12 & HR Policy (M13)
Issue survey assessment reports	4th	M12
Implement outreach to customers and employees	4th	HRMAT
Develop action plans	1st	HRMAT and M13
Implement and track plans	1st	HRMAT and M13

- ❖ Timeliness
- ❖ Excellence in HR Programs

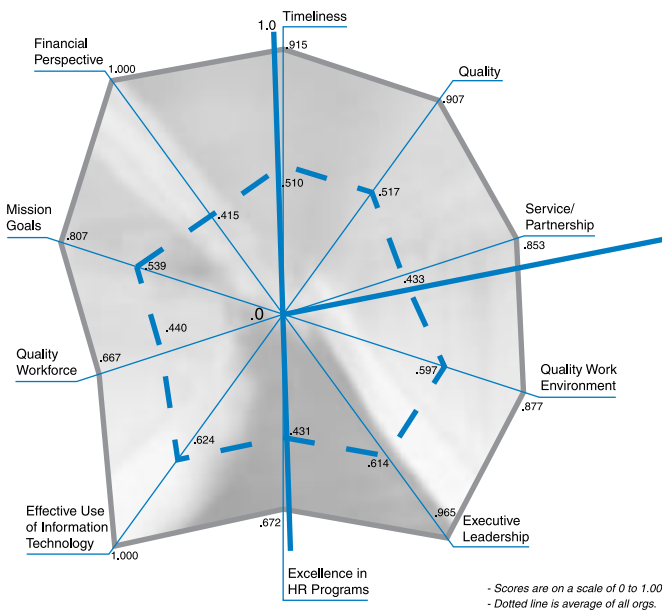
In September 2002, for the first time all DOT organizations completed the survey. Each organization received the following reports at the conclusion of the process:

- ❖ Customer and employee reports that identify the total responses for each statement/question.
- ❖ The HR managers report is a detailed list of the responses of the managers.

- ❖ Summary performance charts, “spider charts,” identify in one page the overall performance of an individual Administration in relation to the average of all Department organizations.
- ❖ Performance assessment charts are provided for three critical performance areas: timeliness, quality, and service partnership, and are available in other areas. These charts indicate the performance ranking of each organization in terms of the overall Department ratings.

Organizations receiving the best score share information with the entire group about their practices of excellence. All organizations are encouraged to involve the human resource staff in further analyzing results to come up with improvement plans. An analysis of trend data shows that organizations have improved in all service dimensions except timeliness through implementation of such plans. The desire to improve the timeliness dimension has been one driver of DOT’s increasing reliance on automated solutions in such areas as staffing and benefits.

2002 Human Resources Performance Measurements for Org. "D" (normalized)



DOT is considered a leader in the Federal human resources community for its balanced scorecard practices. The U.S. Department of Agriculture and the Department of Health and Human Services are the two most recent agencies that have contacted DOT for assistance, and program staff has spoken at numerous conferences.

B.8. SES PERFORMANCE MANAGEMENT SYSTEM REVISIONS

DOT has already demonstrated in Section Four that over 60 percent of its performance plans are linked to agency strategic goals. Changes were also documented in performance policy that ensure recognition and awards are linked, distinctions are made in various levels of performance, and all leaders are held accountable for managing human capital and other resources, and achieving results. As part of that effort, increased the information available to managers on such topics as developing performance plans and dealing with poor performance.

As part of DOT’s commitment to integrate human capital into the framework of Departmental strategic initiatives, a new SES Performance Management System was designed to link mission and goals to budget and strategic plans. The new SES system assures a clear and direct linkage between SES performance and pay, which is a building block of the President’s Management Agenda. The DOT SES performance system requires a cascading of the performance accountability agreements through the SES performance plans into the performance plans for non-executives.

All Executive accountability agreements and SES performance plans contain critical management objectives with performance targets that address, at a minimum:

- ❖ Achievement of the management initiatives of the PMA, including business results, managing human capital and resources, accomplishments to diversify the workforce
- ❖ Internal management of SES members

B.9. SECRETARY’S BROADCAST MESSAGES

To keep employees informed about proposed changes in organization configuration, policies, procedures and progress on specific PMA initiatives, the Secretary initiated Broadcast Messages that are short, concise emails to all DOT staff. These messages are designed to provide timely information in a consistent format so all employees are current on DOT activities.

B.10. THE iMPRINT NEWSLETTER

The Office of the Assistant Secretary for Administration (M) publishes an electronic newsletter 5 times per year called the iPrint. This newsletter is

designed to provide timely information and “news” to DOT M employees, OA customers, and Departmental senior leadership. Each issue of the iMprint includes articles on the President’s PMA addressing progress on individual human capital initiatives. Other OAs publish similar newsletters.

B.11. DOT WEB SITE WITH SPECIFIC HR POLICY PAGE

DOT’s Human Resources group was tasked with redesigning its web page to highlight the Human Capital Plan and other PMA initiatives. The web page, <http://dothr.ost.dot.gov/>, contains information and updates that change almost daily as DOT reaches green on its PMA agenda items. The Department’s OAs also have dedicated space on their web pages to human capital efforts and the Office of the Secretary’s site has

detailed human capital information. DOT employees, other agencies, and the public use these web sites to keep current on DOT human resource and human capital activities and progress.

B12. OFFICE OF SPECIAL COUNSEL CERTIFICATION PROGRAM

DOT demonstrated another form of accountability by participating in and completing the Office of Special Counsel’s certification program which required training for all DOT managers on merit system principles, prohibited personnel practices and the specific rights of whistleblowers. DOT was the second Cabinet level Department to attain certification. Efforts to strengthen

The graphic below illustrates the measures supporting DOT’s accountability results and outcomes.

DOT Human Capital Building Blocks to Accountability



merit system accountability and employee rights went beyond what OSC required, as DOT also conducted a review of management training programs to strengthen the information provided, review/revise the materials made available to new employees at orientation, and provide training sessions on dispute resolution.

C. MODAL SUCCESS STORIES

RESULT

Data is being used continuously to assess results, identify potential risks, and decide which strategies and activities need modification or strategic redirection.

C.1. USING MEASURES TO DRIVE CONTINUOUS IMPROVEMENT

Both of DOT's largest administrations, FAA and FHWA, conduct periodic employee attitude surveys. Both have used the data to drive continuous improvements. Here are some.

FAA Employee Attitude Survey

The Federal Aviation Administration's 129-item Employee Attitude Survey (EAS) is used to target specific organizational effectiveness improvements. The EAS, administered triennially, surveys all 50,000 employees. The survey has been administered nine times since 1984 and provides results for over 60 organizational and management dimensions. FAA has trend results for most of the dimensions and has used the results to track continuous improvement of agency human capital practices as well as identify and implement new interventions and initiatives to improve the organization. FAA used EAS results to benchmark progress against FAA and government-wide results from other external surveys including the Federal Human Capital and Merit Systems Protection Board government-wide surveys.

❖ EAS results drove revisions of FAA's approach to individual performance management and resulted in the design and implementation of an innovative Performance Management System that emphasizes rigorous setting of performance expectations aligned with organizational goals, and ongoing performance feedback and coaching to achieve results. While FAA continues to refine and expand the new approaches, EAS trend results indicate significant progress in clarifying performance expectations and

creating a stronger line-of-sight between individual performance and organizational goals —a known correlate of organizational effectiveness.

- ❖ EAS responses related to sexual harassment influenced the creation of FAA's Accountability Board to deal with sexual misconduct and harassment, physical harassment and other misconduct that creates an intimidating, hostile or offensive work environment. EAS results indicate a significant drop in perceived sexual harassment since 1995 for both men (12%--7%) and women (26%--14%). The scope of the Accountability Board was expanded to deal with other forms of harassment and the EAS was modified to provide trend results for those new issues as well. More information about the Accountability Board is available on its web site at www.faa.gov/ahr/account/account.cfm
- ❖ As a prelude to the 2003 administration of the EAS, the Administrator and her leadership team reviewed the use of past survey results and explored better ways to use 2003 data collected to make corporate improvements. The FAA Management Board was briefed on the corporate EAS results and approximately 1,000 organizational EAS reports were distributed to FAA organizations for review and action. EAS results were made available to the FAA workforce on the agency website in the February/March 2004 timeframe.

Results from the 2003 administration of the EAS revealed the following:

- ❖ Overall results were more positive in 2003 compared with results from 2000 indicating that FAA is implementing effective human capital strategies
- ❖ Areas in need of further improvement included:
 - ❑ Trust in FAA management – though there was a 6% increase, the percent favorable was 23%
 - ❑ Recognition and Rewards – percent favorable was 27%
 - ❑ Performance Accountability items were less than 40% favorable

FAA identified specific areas the agency would focus on for improvement from the EAS survey -- Leading Performance, Rewarding and Recognizing Performance, and Communication. The Human Resources organization led a cross-agency team that developed a corporate EAS action plan in April 2004 to address the identified focus areas. All FAA line of business and staff organizations have reviewed their specific EAS results and have developed organizational EAS Action Plans aligned with the Corporate FAA Action Plan. FAA will

develop and implement an interim survey in FY 2005 to assess progress on the implementation of EAS actions and provide an assessment of the Flight Plan Organizational Excellence performance target.

FAA has documented proof that the strategic alignment of FAA human capital practices to the agency's strategic Flight Plan, coupled with data-driven organizational performance metrics (EAS) can drive leadership commitment and accountability for continuous improvement of the strategic management of the agency's workforce.

FHWA All-Employee Survey

The Federal Highway Administration has been administering its All-Employee Survey since 1995. An expanded version was administered in 1995, 1999, 2001, and 2003. A shorter 10-question instrument was administered in 2000 and 2002, and is scheduled for administration in 2004. After each survey administration, FHWA posts the results on its web site for employees, and outlines specific actions it will take in response. Some of the specific responses have been:

- ❖ Broadening availability of Alternate Work Schedules. Survey responses showed clear indications that this was a step that would have significant impact on employee satisfaction.
- ❖ Creating a Leadership Development Model and website for employees to describe leadership competencies and available training. Employees were dissatisfied that leadership development opportunities were not more widely available.
- ❖ Instituting a 360 feedback pilot. Survey results suggested the Administration's leaders were not aware of all the expectations their peers, customers, and subordinates had of them. The survey was administered initially to the Executive Director's direct reports; subsequently it was available as a feedback and development tool to lower tiers of executives, and to non-executive employees in leadership development activities. The original 3-year implementation period has now concluded, and a formal evaluation will be conducted. More informal follow-up with many of the 72 participants confirmed that different constituencies have different priorities in their expectations of leaders, and that participating leaders did learn about priorities and expectations that caused them to change behaviors.



There are some objective indicators that FHWA's close attention to employee opinions has yielded results. The survey results from 2003, for instance, show that the percent of employees that plan to remain with FHWA for a career is significantly higher than that found in most organizations and has increased from 2001. When the Federal Human Capital Survey was administered in 2002, results broken out for FHWA showed a significantly higher level of positive responses overall than the rest of DOT, and in some cases than other agencies. Additionally, FHWA has made the top 25 of the highly publicized "Best Agencies to Work" list.

OST/BTS Balanced Scorecard Instrument

Here is a specific example of how the balanced scorecard instrument (BSI) mentioned above was used to achieve results in the personnel office that supports OST and BTS.

OST's Office of Human Resource Management (OHRM), a component of the Office of the Assistant Secretary for Administration (M), is not funded by appropriations from Congress. Instead, OHRM – the former Transportation Administrative Service Center's Human Resource Services group – collects fees for services provided. Until the recent reorganization merged the office into OST, it was encouraged to market its services to other agencies as well as DOT customers, and it provided services to many agencies. To continue attracting and retaining customers, OHRM needed to continuously improve the variety, quality, and service delivery of human resource solutions. OHRM had conducted customer satisfaction telephone surveys in the past to gather useful feedback, however, it was seeking an approach to collect more comprehensive data not only from customers, but also from within its own organization.

OHRM partnered with other DOT personnel offices in conducting extensive research on measurement approaches. The Human Resource Measurement Action Team, as the working group was called, elected to assess organizational performance every two years via Kaplan and Norton's balanced scorecard methodology. OHRM, however, has chosen to participate in all four surveys administered so far, beginning in 1998. OHRM has involved the whole organization in thorough analysis of survey responses after each survey, and in the development of an action plan for improvement.

Use of the scorecard has solved and prevented internal problems which could have hampered the efforts at maintaining customer satisfaction. Early customer survey scores indicated high satisfaction, but the human

resource employee survey scores indicated possible internal morale problems. The balanced scorecard system encouraged responders to provide honest feedback as input is not tracked at the individual level.

Some employees felt overworked, and others expressed dissatisfaction that work was distributed disproportionately and high visibility assignments tended to be assigned to the same individuals. Management took immediate action, recognizing that they would not be able to maintain high customer ratings without paying attention to the health of their own organization. In addition to presenting its plan of action as a result of the balanced scorecard assessment in a report distributed to employees and managers, management responded to the indications of morale problems by developing Go Teams. Institutionalizing the Go Team concept allowed overloaded staff members to send out a distress signal via email asking colleagues for help. Available staff worked together dedicating as much time as they could spare from their own assignments to assist peers. The diagnosis and response permitted by the balanced scorecard survey data allowed management to confront a potential attrition and/or customer service problem before it occurred.

As a result of this focus on measures, ratings have steadily improved in all areas. While many of OHRM's responses were below the norm on the first survey, in 2002 OHRM was one of the two most highly rated human resource offices in the Department, above average in all ten categories. By developing action plans based on scorecard results, OHRM demonstrates accountability to customers, employees, and managers. The action plan facilitates OHRM's ability to monitor and expedite the pace and direction of continuous improvement initiatives.

C.2. STRENGTHENING LEADERSHIP ACCOUNTABILITY

FTA SES Performance Management System Pilot

Leadership Accountability received special attention from FTA in a performance pilot during the 2002-2003 performance appraisal cycle. FTA piloted a new SES performance management system that places greater emphasis on executive performance and accountability, holding executives responsible for important organizational and individual deliverables. The pilot program approved by the Deputy Secretary and the Chief of Staff in November 2002 includes the following key provisions:

- ❖ Accountabilities –
 - Core Accountabilities – Four share accountabilities, based on the joint achievements of the entire senior team, have

specific measurable goals for Transit Ridership; Security Readiness; New Start Project Planning and Oversight; and Grants Management.

- Personal Accountabilities – Each executive has additional individual performance objectives, including common accountabilities for leadership, managing staff, diversity, and the President's Management Agenda.
- ❖ Rating Levels – A four-level rating system is used to evaluate performance on the personal accountabilities (Exceptional, Fully Satisfactory, Minimally Satisfactory, and Unsatisfactory).
- ❖ Bonus Eligibility – In order for any senior executive to be eligible for a bonus, at least 2 of the 4 joint core accountabilities has to be achieved, in addition to having at least a satisfactory rating on all personal accountabilities. All senior executives who meet the required performance levels are eligible to receive a bonus. The Administrator retains discretion whether to recommend bonuses for individuals to the Executive Resources Review Committee. If the shared core accountabilities are not achieved, however, no FTA senior executive is eligible to receive a bonus.
- ❖ Bonus Pool of 10 Percent – Under the pilot program, FTA's maximum bonus pool was increased to 10 percent of total SES pay to allow for the possibility of each senior executive's eligibility to receive a bonus and to provide flexibility for top performers to receive larger bonuses.

At the end of the 2003 performance appraisal cycle, target goals were achieved in 3 of the 4 core accountabilities. A review of the achievements on the core shared and personal accountabilities resulted in the recommendations to award bonuses to 9 of the 13 eligible senior executives.

Under FTA's senior executive performance management program, senior executives are held accountable for meeting program goals as well as individual objectives including management of human capital and diversity. With specific measures in place and a four-level assessment scale, FTA's approach to performance management creates a climate that demands and sustains excellence.

ACCOUNTABILITY SUMMARY

Each Operating Administration (OA) can cite specific ways it has analyzed available data to drive accountability and continuous improvement efforts. Additionally, each OA has improved its data collection to enhance the accuracy and accelerate the pace of data-driven results.

APPENDIX A: REFERENCE DOCUMENTATION

SECTION ONE: STRATEGIC ALIGNMENT

1. Human Capital Plan
2. DOT Strategic Plan
3. DOT Human Capital Planning Council
4. DOT Executive Resources Review Committee
5. DOT Performance Plans (FY'03 and FY'04)
6. DOT Budget Submissions (FY'03 and FY'04)
7. DOT Performance Task Force
8. DOT Corporate Recruitment Workgroup
9. DOT Benefits Workgroup
10. Secretary's Human Capital Scorecard
11. DOT Workforce Plan
12. Balanced Scorecard
13. Accountability Agreements
14. DOT website
15. DOT Annual Performance plans
16. OA Human Capital Plans
17. OA Strategic Plans)
18. OA Human Capital Planning Council Charters
19. Other OA documents

SECTION TWO: WORKFORCE PLANNING AND DEPLOYMENT

1. Eight-step Workforce Planning Process Model
2. DOT Workforce Plan
3. DOT Executive Resources Review Committee
4. DOT Performance Plans (FY'03 and FY'04)
5. DOT Performance Task Force
6. Accountability Agreements
7. DOT Corporate Recruitment Workgroup
8. DOT Benefits Workgroup
9. DOT Annual Performance plans
10. E-gov solutions
 - Automated Staffing System
 - E-payroll: FPPS
 - Recruitment One Stop; Monster Government Solutions
 - Training: GoLearn transferred to OPM
11. OA Restructuring Plans and other documents

SECTION THREE: LEADERSHIP AND KNOWLEDGE MANAGEMENT

1. Recruiting, Selecting, Developing and Appraising Supervisors, DDMP Letter, October 17, 2002
2. Transportation Executive Leadership Institute (TELI)
3. Leadership Forum Series
4. GoLearn on DOT TVU
5. Dot Policy Analyst Rotational Assignment Program
6. Learning and Development Council
7. http://dothr.ost.dot.gov/HR_Programs/LearningDevelopment/LDFramework/ldframework.htm
8. "So You Want to be a Leader" course
9. "Leaders for Tomorrow" mentoring program
10. Office of Special Council Certification Program
11. The Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 PowerPoint Presentation
12. Implementation of the No Fear Act, June 24, 2003
13. DOT Succession Planning Task Force
14. DOT Succession Plan
15. DOT Leadership Succession Planning System Model
16. DOT Executive Coaching Guide
17. Leadership Competency Framework
18. Leadership Assessment Tool
19. Legacy Marketing Plan
20. Accountability Agreements
21. Business and Marketing Plan for "Knowledge Management" Pilot Program
22. OA Succession Plans
23. FAA Aircraft Certification Service Evaluation Policy for Level II-Assessment of Learning: Attachment 16, FAA's Center for Management Development Training Evaluation Plan
24. FAA Academy
25. Global Maritime and Transportation School
26. National Highway Institute
27. National Training Center
28. National Training Institute
29. Transportation Safety Institute
30. One Year Case Study: The FAA Knowledge Systems Network
31. Knowledge Management Leadership Paper
32. Other OA documents

SECTION FOUR: RESULTS-ORIENTED PERFORMANCE CULTURE

1. DOT Performance Management Framework
2. Transportation Labor Management Board
3. Disability Resource Center
4. Secretary's Diversity Work Group
5. DOT Diversity Action Plan
6. DOT Diversity Advisory Council
7. DOT Executive Resources Review Committee
8. DOT Performance Plans (FY'03 and FY'04)
9. DOT Budget Submissions (FY'03 and FY'04)
10. DOT Performance Task Force
11. DOT Corporate Recruitment Workgroup
12. DOT Benefits Workgroup
13. Secretary's Human Capital Scorecard
14. DOT Workforce Plan

SECTION FIVE: TALENT

1. Recruiting, Selecting, Developing and Appraising Supervisors, DMP Letter October 17, 2002
2. Intermodal Corporate Recruitment Workgroup
3. "We Keep America Moving" flyer
4. "Careers in Motion" web site Transportation Executive Leadership Institute (TELI)
5. Leadership Forum Series
6. GoLearn on DOT TVU
7. Dot Policy Analyst Rotational Assignment Program
8. Learning and Development Council
9. DOT/Hispanic Scholarship Fund Institute
10. Selective Placement workgroup
11. [http://dothr.ost.dot.gov/HR Programs/Learning](http://dothr.ost.dot.gov/HR_Programs/Learning)
12. [Development/LDFramework/ldframework.htm](#)
13. "So You Want to be a Leader" course
14. "Leaders for Tomorrow" mentoring program
15. Office of Special Council Certification Program
16. The Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 PowerPoint Presentation
17. Implementation of the No Fear Act, June 24, 2003
18. DOT Succession Planning Task Force
19. DOT Succession Plan
20. DOT Leadership Succession Planning System Model
21. DOT Executive Coaching Guide
22. Leadership Competency Framework
23. Leadership Assessment Tool
24. Legacy Marketing Plan
25. Accountability Agreements
26. Business and Marketing Plan for "Knowledge Management" Pilot Program
27. OA Succession Plans
28. FAA Aircraft Certification Service Evaluation Policy for Level II-Assessment of Learning: Attachment 16, FAA's Center for Management Development Training Evaluation Plan
29. FAA Academy
30. Global Maritime and Transportation School
31. National Highway Institute
32. National Training Center
33. E-gov solutions
 - Automated Staffing System
 - E-payroll: FPPS
 - Recruitment One Stop; Monster Government Solutions
 - E-Training: GoLearn transferred to OPM
34. Worklife programs: Telecommuting Order; GetFIT pilot
35. DOT Workpath Center
36. Recruitment plans
37. Corporate Branding
38. Association with Partnership for Public Service

SECTION SIX: ACCOUNTABILITY

1. DOT Performance Management Framework
2. Transportation Labor Management Board
3. Disability Resource Center
4. Secretary's Diversity Work Group
5. DOT Diversity Action Plan
6. DOT Diversity Advisory Council
7. DOT Executive Resources Review Committee
8. DOT Performance Plans (FY'03 and FY'04)
9. DOT Budget Submissions (FY'03 and FY'04)
10. DOT Performance Task Force
11. DOT Corporate Recruitment Workgroup
12. DOT Benefits Workgroup
13. Secretary's Human Capital Scorecard
14. DOT Workforce Plan

HUMAN CAPITAL DOSSIER OF ACCOMPLISHMENTS

APPENDIX B: ACRONYMS

Accounting Consolidation Transition Management Team	ACTMT
Activity Value Analysis	AVA
Air Traffic Organization	ATO
Assistant Secretary for Administration	M
Automated Flight Service Station	AFSS
Balanced Scorecard Instrument	BSI
Center for Management Development	CMD
Collegiate Training Initiative	CTI
Computer Based Instruction	CBI
Contribution Assessment Decision Aid	CADA
Employee Attitude Survey	EAS
Executive Potential Program	EPP
Executive Resources Planning and Acquisition Team	AHP-20
Executive Resources Review Committee	ERRC
Executive Workforce Planning	EWP
Federal Aviation Administration	FAA
Federal Career Intern Program	FCIP
Federal Highway Administration	FHWA
Federal Motor Carrier Safety Administration	FMCSA
Federal Railroad Administration	FRA
Federal Transit Administration	FTA
Flight Standards District Offices	FSDO
Human Resources Management Division	HRMD
Interactive Video Teletraining	IVT
Leadership Development Program	LDP
Mid-American Aviation Resource Consortium	MARC
Minority Serving Institutions	MSI
Most Efficient Organization	MEO
National Air Traffic Controllers Association	NATCA
National Association of Air Traffic Specialists	NAATS
National Highway Traffic Safety Administration	NHTSA
National Summer Transportation Institute	NSTI
Office of Competitive Sourcing Acquisitions	ACA
Office of Human Capital Development	AHD
Office of Human Resource Management	OHRM
Office of the Chief Information Officer	OCIO
Office of the Secretary	OST
Official Personnel Files	OPF
On-The-Job Training	OJT
Professional Development Program	PDP
Reduction in Force	RIF

Region and Center Operations	ARC
Research and Special Projects Administration	RSPA
Residual Organization	RO
Senior Executive Service	SES
Shared Service Center	SSC
Shared Unit Performance Plan System	SUPPS
Student Career Experience Employment Program	SCEP
Student Temporary Employment Program	STEP
Summer Transportation Internship Program for Diverse Groups	STIPDG
Superior Contribution Increase	SCI
The Maritime Administration	MARAD
The Saint Laurence Seaway Development Corporation	SLSDC
Training and Evaluation Support System	TESS
Transportation Administration Service Center	TASC
Voluntary Early Retirement Authority	VERA
Voluntary Separation Incentive Plan	VSIP
Web Based Training	WBT



U.S. DEPARTMENT OF TRANSPORTATION

PART III

HUMAN CAPITAL IMPLEMENTATION PLAN



These charts outline new initiatives or efforts to adapt, improve, and extend existing ones. They do not repeat or reference all of DOT's active human capital programs. In reading the plan, it is important to remember that FAA, while a very active participant in human capital efforts, has its own statutory personnel authority. As a result some specific terms or programs do not apply to that administration or apply differently. For instance, other Operating Administrations have adopted QuickHire as an automated staffing solution, while FAA uses its own automated hiring system. Also, only FAA's non-career executives fall under Title 5 and Department rules for executives.

HUMAN CAPITAL IMPLEMENTATION PLAN AS OF SEPTEMBER 2004			I. STRATEGIC ALIGNMENT
New Initiatives	Dates	Comments/Updates	
A. Monitor activities in support of human capital commitments in strategic plan	Quarterly		
B. Publicize OA best practices	Ongoing		
C. Create Human Capital oversight role for Administrative Management Council	December 2004 and Ongoing		
D. Document OA Human Capital controls	June 2005	e.g., How are vacancies reviewed and controlled for strategic deployment	
E. Evaluate Balanced Scorecard timeliness data	June 2005		
F. Disseminate Human Capital Report to OAs and post it on web site as communication tool	September 2004		

New Initiatives	Dates	Comments/Updates
<p>A. Workforce Planning</p> <p>A1. Update comprehensive DOT workforce statistics, analyze and report results; Ensure integration w/ Corp Recruitment and Diversity initiatives</p>	<p>March 2005</p>	
<p>A2. Launch educational information/guidance for supervisors to foster further workforce planning</p>	<p>March 2005</p>	
<p>B. Deployment</p> <p>B1. Continue documenting restructuring efforts underway, under study and new, such as ATO, and RSPA Volpe</p>	<p>Ongoing</p>	
<p>C. Consolidate DOT Benefits</p> <p>C1. Full integration of ESI web-based retirement calculator system with the Federal Personnel Payroll System (FPPS)</p> <p>Milestones:</p> <p>a. Submit an SER with ESI requirements to FPPS Team</p> <p>b. Request for ESI/FPPS interface to Change Control Board</p>	<p>TBD (FY 2006)</p> <p>completed</p> <p>completed</p>	<p>FAA is scheduled to migrate to FPPS in October 2005. Two major system changes need to occur before an interface can be established between FPPS and ESI.</p>
<p>C2. Conduct centralized benefits training via the web cast system</p> <p>Milestones:</p> <p>a. Identify session provider and develop a calendar of benefits training</p> <p>b. Present briefings</p> <p>C3. Develop uniform customer satisfaction baseline measures for benefits services to ensure consistency across DOT</p>	<p>December 2004</p> <p>Ongoing</p> <p>December 2005</p>	

New Initiatives	Dates	Comments/Updates
<p>C4. Implement enhancements to DOT benefits website</p> <p>Milestones:</p> <ul style="list-style-type: none"> a. Identify additional features for website b. Develop implementation plan c. Enhancements completed <p>D. Convene cross modal work group to review opportunities for DOT Shared Services</p>	<p>November 2004 January 2005 September 2005</p> <p>March 2006</p>	<p>Will build on HR LOB activities.</p>

focus, integration, teamwork

New Initiatives	Dates	Comments/Updates
<p>A. Succession Planning</p>		
<p>A1. Continue centralized So You Want To Be a Leader Program for GS-11/12 employees (two classes per year)</p>	<p>Ongoing</p>	
<p>A2. Continue centralized Leaders for Tomorrow Mentoring Program for GS-13/14 employees (one class per year)</p>	<p>Ongoing</p>	
<p>A3. Develop Executive Pipeline Program for GS-15 employees (see Talent for details)</p>	<p>June 2005</p>	
<p>A4. Launch centralized Executive Coaching Pilot Program for new SES</p>	<p>December 2004</p>	
<p>A5. Update executive trend analysis to track progress and employee retention</p>	<p>Ongoing</p>	
<p>A6. Describe cascading of executive accountability in transition briefings</p>	<p>Ongoing annually</p>	
<p>B. Integrity (Emphasize during transition)</p>		
<p>B1. Conduct Annual Ethics and Hatch Act Training</p>	<p>Ongoing annually</p>	
<p>B2. Develop No FEAR Act Awareness Activity once regulations are issued</p>	<p>TBD--Pending regulations</p>	
<p>B3. Provide annual notice raising awareness about Whistleblower Protection Act</p>	<p>Ongoing annually</p>	

New Initiatives	Dates	Comments/Updates
<p>B4. Offer training workshops to increase knowledge/use of Alternative Dispute Resolution</p>	<p>Ongoing</p>	
<p>C. Continuous Learning (Ensure skills gaps identified in Standard II are addressed in new learning initiatives)</p>		
<p>C1. Research existing evaluation tools to determine effectiveness (ROI) on training</p>	<p>September 2005</p>	
<p>C2. Develop user training for eLMS</p>	<p>June 2005</p>	
<p>C3. Continue to coordinate activities of 7 learning centers to leverage resources</p>	<p>Ongoing</p>	
<p>C4. Educate DOT about GoLearn training and MOU requirements</p>	<p>Ongoing</p>	
<p>C5. Learning and Development Council will begin review and update to Learning Framework</p>	<p>September 2005</p>	
<p>D. Knowledge Management</p>		
<p>D1. Establish team to design a departmental framework for knowledge management based on experience with pilots and other benchmarking</p>	<p>March 2005</p>	
<p>D2. Complete framework and distribute to OAs</p>	<p>September 2005</p>	
<p>D3. Continue sharing information and raising awareness of activities by publicizing websites and DOT net</p>	<p>Ongoing</p>	

focus, integration, teamwork

New Initiatives	Dates	Comments/Updates
A. Continue migration to multi-tier performance management system	Ongoing	
B. Evaluate and report on OA compliance with departmental performance management system	September 2006	
C. Issue probationary employee policies	December 2004	
C1. For Supervisors	June 2005	
C2. For Employees	Ongoing	
D. Enhance Content and Awareness of Supervisory Toolkit	Ongoing	
E. Improve Communication and Conflict Resolution	December 2005	
E1. Use results of DOT Labor Relations Climate survey to develop action plan to improve labor relations in the Department	December 2004	
F. Strengthen Workers Compensation Program	December 2004	
F1. Develop strategies for using SHARE Fiscal Year data to improve workers compensation program management	September 2005	
F2. Develop strategy for improving the use of the workers compensation checklists to improve the Safety, Health And Return-to-Employment Initiative (SHARE) results	December 2004	
G. Develop No FEAR Program	September 2005	
G1. Develop Departmental policy concerning disciplinary actions and discrimination	December 2004	

New Initiatives

Dates

Comments/Updates

- H. Develop departmental policy for SES pay for performance
- I. Strengthen DOT Diversity
 - I1. Conduct Diversity Summit for Senior Managers
 - I2. Diversity Communication to DOT workforce
- J. Improve Outreach to diverse applicant pools (Quick Hire, SES vacancies)

December 2004
 September 2004
 Ongoing

focus, integration, teamwork

HUMAN CAPITAL IMPLEMENTATION PLAN AS OF SEPTEMBER 2004 V. TALENT

New Initiatives	Dates	Comments/Updates
<p>A. Establish and implement strategies for coordinated cross-modal outreach to build recruitment relationships</p> <p>A1. Train HR specialists, selecting officials, and managers on recruitment & employment topics beginning October 2004</p> <p>A2. In partnership with DOCR, develop and automate departmental recruitment outreach lists; Establish component to refresh data.</p>	<p>October 2004 and Ongoing</p> <p>Ongoing</p>	
<p>B. Resolve race and national origin and disability data collection issues (for accurate applicant/workforce information)</p> <p>B1. Develop DOT race and national origin form for submission to OMB</p> <p>B2. Execute plan to encourage employee updates on disability status through Employee Express</p> <p>B3. Evaluate DOT data and issue report on results of recruiting a diverse workforce to meet skills gaps</p>	<p>December 2004</p> <p>March 2005</p> <p>March 2005</p>	
<p>C. Develop initiatives to continue DOT corporate branding and marketing as employer of choice.</p> <p>C1. Continue corporate branding efforts</p>	<p>Ongoing</p>	
<p>D. Develop successful recruitment strategies and tools to increase the recruitment and employment of high performing, diverse individuals</p> <p>D1. Implement pilot program for Career Residents</p> <p>D2. Establish Departmentwide category rating policy</p>	<p>March 2005</p> <p>TBD</p>	

New Initiatives

Comments/Updates

Dates

<p>D3. - Closely monitor and control time-to-hire</p>	<p>FAA is already tracking the timelines for recruitment actions. FHWA is implementing a pilot tracking system in the first quarter of FY 2005. Since these agencies represent about 90 percent of DOT, baseline information gleaned from the two systems will be utilized to develop a Departmental plan. For SES recruitment actions, a review of the timelines for all FY 2004 recruitment actions is underway.</p>
<p>D4. Develop and issue Department wide student loan repayment policy</p>	<p>December 2004</p>
<p>D5. Train DOT HR Specialists and Managers on "diploma mills" issues</p>	<p>Ongoing</p>
<p>D6. Campaign for increased use of existing recruitment, retention and relocation Flexibilities</p>	<p>Ongoing</p>
<p>E. Develop Executive Pipeline for GS-15 employees</p>	<p>June 2005 Participating in inter-agency workgroup to determine how QuickHire can be reconciled with category rating</p>

focus, integration, teamwork

HUMAN CAPITAL IMPLEMENTATION PLAN AS OF SEPTEMBER 2004 VI. ACCOUNTABILITY

New Initiatives	Dates	Comments/Updates
A. Document OA Human Capital control systems	June 2005	e.g., How are vacancies reviewed and controlled for strategic deployment
B. Analyze and publicize DOT 2004 Human Capital survey results	Upon receipt of results	
C. Develop strategy for annual employee survey	When OPM regulations are issued	
D. Develop departmental policy for SES pay for performance	December 2004	
E. Develop departmental Human Capital communications plan	June 2005	
F. Publicize OA best practices	Ongoing	