

**Statement of Joel Szabat  
Deputy Assistant Secretary for Budget and Programs  
U.S. Department of Transportation**

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**Human Capital Succession Planning: How The Federal Government Can Get A  
Workforce To Achieve Results**

I am pleased to submit the following statement summarizing the efforts of the U.S. Department of Transportation (DOT) with regard to planning for the DOT workforce of the future.

**DOT's Challenge:**

Allow me to begin with the challenges DOT faces in the next few years. In a 2002 workforce analysis, DOT identified that between Fiscal Years 2002 and 2006, approximately 66 percent of the career executives, 50 percent of the GS-15s, and 24 percent of the GS-14's – over 6800 individuals in the leadership cadre of the Department – either have reached or will reach eligibility for optional retirement. *Key occupations include over 23,000 air traffic controllers, almost 7,000 transportation specialists, 5,200 engineers, 3,800 aviation safety inspectors, and 1,100 rail, motor carrier, and highway safety specialists.*

DOT anticipates that 45 percent of the current senior executives will retire by the end of FY2006. In critical occupations such as engineers, 90 percent of the executives and almost 60 percent of the GS-15s will be eligible for optional retirement by 2006. The average age of the aviation safety inspectors and railroad safety inspectors is 52; highway safety specialists, 47; engineers, 44; and motor carrier specialists, 42. Across the total workforce in the most critical occupations, 17 percent of the air traffic controllers, 42 percent of the aviation safety inspectors, and 35 percent of the rail safety inspectors will be eligible for optional retirement in the same time frame. Best estimates are that almost 12,000 total employees will retire in this time frame. Examples of anticipated optional retirements in some of our critical occupations, and their impact on the current workforce in those occupations, are shown below. These projections are based on the actual retirement rates of eligible employees in those occupations over the last several years.

Anticipated optional retirements in critical occupations through FY 2006, as a percentage of the total current permanent workforce, are:

- *Air Traffic Controllers* (operational) – 10 percent

- *Transportation Specialists* – 25 percent
- *Engineers* – 21 percent
- *Safety Inspectors:* Aviation – 25 percent; Motor Carrier – 6 percent; Rail – 20 percent
- *Highway Safety Specialists* – 22 percent

### **Solutions – DOT’s Human Capital Plan**

Based on the workforce analysis and using the President’s Management Agenda (PMA) as a vision for human capital, DOT developed a Human Capital Plan to guide the Department in strategically planning for its current and future workforce. The Plan includes initiatives aimed at recruiting, developing, and maintaining a diverse, high performing workforce to meet its mission requirements.

A key component of the Plan is workforce planning—determining what competencies are needed to accomplish DOT’s mission both today and in the future. DOT had the foresight in the late nineties to develop a model, process and tools to enable DOT to project the kind of workforce required for the short-, medium-, and long-term future and to develop realistic strategies for building that workforce. DOT’s model and Guide have been featured as best practices in several briefings, conferences and workshops conducted by the National Academy of Public Administration, Center for Human Resource Management and was used by each of the Operating Administrations (OAs) to conduct pilots in administrative and professional areas. The experiences from these pilots laid the foundation for DOT to look at mission critical occupations. The OAs are currently conducting workforce planning exercises for these occupations and these are expected to be completed in December 2003. As the OAs develop plans for meeting their future needs, they will be looking at competitive sourcing and e-gov solutions as tools for filling the identified gaps.

Succession planning – planning for DOT’s future leaders – is a segment of the total workforce planning process. DOT’s Human Capital Plan includes various initiatives for the OAs to use in developing their future leaders. Formal mentoring programs are one of the tools for sustaining future leadership capabilities. DOT has instituted a pilot Departmental mentoring program – *Leaders for Tomorrow* – aimed at preparing mid-level (GS-13/14) managers to advance into executive positions. It focuses on workforce development that adds value to the organization by enhancing professional skills at all organizational levels, increases job satisfaction, transfers institutional knowledge and corporate expertise, while propelling the goals of DOT. Similarly, the ONE DOT Rotational Assignment Program offers employees developmental experiences that match future workforce needs and enhances employee career development.

At the Executive level, DOT is creating a Departmentwide executive coaching program that will build on DOT’s leadership competencies to develop future leaders and provide support for executives as they transition into new assignments or adapt to reorganizations. DOT’s Transportation Executive Leadership Institute (TELI) offers senior executives learning opportunities to develop leadership competencies consistent

with organizational business needs and OPM's Executive Core Qualifications. Nearly 50 percent of the senior leaders have participated in the TELI leadership development activities to date.

DOT's Human Capital Plan recognizes the need to develop a corporate recruiting strategy to obtain the competencies needed for its mission-critical occupations. DOT has developed a Corporate Recruitment Plan which provides a strategic, coordinated approach to corporate recruitment. In this approach, Departmental recruiting plans and initiatives will supplement and coordinate OAs recruiting initiatives and ensure accountability for results, alignment of recruitment programs, and inclusion of diversity initiatives. DOT has established a recruitment "Brand" – *Careers in Motion* - to be incorporated in Departmental recruitment materials. In the genre of the "*Be All That You Can Be*" U. S. Army "Brand", this is an effort to showcase ONE DOT as an employer of choice. At the direction of the Secretary, DOT has also developed a Corporate Recruitment Plan for Hispanics – one of DOT's most underrepresented groups. DOT obtained feedback from key leaders of Hispanic organizations and included their comments and suggestions in our recruitment plan.

As experienced DOT employees retire or leave the workplace, the Department will have to hire a considerable number of entry-level workers to replace them. DOT's Human Capital Plan includes plans for a Transportation Career Residency Program—a two-year "residency" designed to recruit high potential college graduates and provide a developmental vehicle for them to learn professional skills to perform our transportation mission. It will be one of the recruitment tools to be used by DOT to hire, retain, and develop exceptional candidates with a variety of backgrounds for effective analysis and execution of our programs, increasingly driven by technology and information.

DOT's Human Capital Plan includes a diversity initiative, *DOT Diversity Action Plan – Sharing the Challenge*, aimed at achieving a diverse workforce and incorporating diversity management into the everyday operation of the Department. The Action Plan includes distinct goals and measures and requires the OAs to develop individual diversity implementation plans. Secretary Mineta has convened a Diversity Advisory Council to report directly to him on the Department's progress in managing diversity.

DOT has developed a Succession Planning Model for all of the OAs to use as a guide. There are three primary measures of success for the approach to leadership succession planning portrayed by DOT's model:

1. The existence of qualified internal applicants for all vacancies that occur in the leadership pipeline. External applicants who are equally or better qualified or meet specific needs may be selected for positions, but an internal talent pool of qualified applicants exists to ensure against potential leadership gaps.

2. Follow-up evaluations and employee feedback through Governmentwide and OA surveys attest to the quality of leaders developed and selected through succession planning processes.
3. Succession planning is an integral part of the OA's and the Department's ongoing, continual workforce planning processes.

The following factors impact the success of DOT's succession planning approach:

- Leadership commitment to succession planning
- Incentives for entering and remaining in the leadership pipeline
- Adequate funding for leadership learning and development
- Integration with, and participation in, related Departmental human capital strategies, as well as new initiatives that are relevant to building a cadre of qualified potential leaders

Given these strategies and commitment to succession planning, we are confident that our leaders and managers will effectively manage people, ensure continuity of leadership, and sustain a learning environment that drives continuous improvement in performance.