U.S. Department of Energy

The Succession Planning Guide

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Introduction

Since 1995, the Department has witnessed an exodus of long-term employees as a result of downsizing and voluntary retirements. This loss of cross-disciplinary expertise leaves the Department precariously positioned in terms of the continued execution of its operations in a safe, efficient, and effective manner. A series of progressive measures are required within the Department. Programs must be developed that will provide for the development of employees to assume more responsibilities, interrelated duties and functions, or entirely new jobs. Technical and professional qualification programs, career development and cross training programs, as well as recruitment initiatives must ensure the continued capability of the Department to carry out its missions with deliberate regard for continued public health, worker safety, and the environment.

This Guide provides guidance for use by organizations within DOE interested in establishing a local succession planning program. For additional information, models and examples, check out succession planning on the web at http://www.hr.doe.gov/pers/splan/success.html.

It is intended to complement local merit staffing procedures, the provisions of which still apply. The Program Secretarial Officers and Field Managers are encouraged to adopt a formal process, similar to that described in this Guide, to ensure that future critical personnel losses within their organizations are being addressed in a proactive manner. Such succession planning programs should encompass long-range strategic planning that assures when a vacancy occurs that impacts management, leadership, or mission accomplishment, a replacement can be selected from fully-qualified applicants.

Background

Succession planning ensures the identification and development of qualified personnel to replace key people over time. The development of a program in support of this objective entails a deliberate and systematic effort by an organization.

The Succession Planning process requires a needs assessment followed by program analysis, design, development, and implementation. Additionally, once a program is fully implemented, periodic evaluations are required to determine if program goals are being met.

As with any systematic approach, all program developmental efforts benefit if the process is conducted as a collaborative effort involving line management, human resources management and development, and EEO/diversity. Each participating office provides vital data upon which the program will be founded. Additionally, the organization will profit from the synergy generated from the diverse composition of such a working group. Finally, there is a strong likelihood that the program will be embraced more readily by the participant pool if it can be shown that as many of its needs, as possible, were considered through the varied representation of the working group.

Needs Assessment

In the succession planning process, the focus of a needs assessment is on the "future workplace." Assessment, in this instance, identifies the succession priorities that are critical to the organization as a whole. Foremost, considerations include maintaining a workforce fully capable of:

- Completing mission requirements
- Maintaining operational readiness
- Ensuring compliance
- Containing cost and ensuring efficiency
- Promoting and maintaining workforce diversity
- Maintaining quality and customer satisfaction
- Integrating technological improvements into the workplace

The foundation for the needs assessment already exists. In 1998, Departmental organizations were asked to complete a Workforce for the 21st Century Plan. It required the organizations to "engage in rigorous analysis and planning to ensure that we are able to rebuild a talented and diverse workforce." This analysis specifically reviewed:

- Missions and functions that have led to critical staffing needs and skill requirements; and
- Workforce changes creating skill imbalances, gaps, and shortages.

As a result, the plans identified priority critical hiring requirements, which were submitted to the Secretary in January 1999.

Concurrently, the Departmental Federal Technical Capability Panel tasked those organizations managing defense nuclear facilities to complete a long-range workforce analysis and staffing study of shortages or surpluses in critical technical capabilities and positions. These studies were completed in December 1998.

These two analyses should start the building of information on loss trends and management's projections on future technological needs for continued and changing mission support. Human Resources Offices need to assemble and maintain the information base and ascertain the target positions for a prospective succession planning program. If these analyses have not been completed, the data is not available, or the accuracy of the data has diminished over time, then the organization developing a succession planning program must conduct a similar needs assessment. The information gained from the assessment will help ensure that the organization dedicates its limited employee developmental resources where they will have the greatest impact.

Analysis

Target Positions

Bench Strength

After conducting the needs assessment, the next step is to determine what organizational positions will be targeted for the succession planning program. This decision should reflect the extent of existing developmental and qualification programs and the "bench strength" of the various occupational and functional specialties within the organization. Currently, there are qualification programs supporting technical, contracting, and financial functions. It may be determined through the needs assessment process that these programs have sufficient "high potential" employees. If, on short notice, the organization were to lose an incumbent of one of these positions, there would be adequate numbers of employees with the education and experience to fill the position and require very little additional training. If that is the case, then the organization has sufficient "bench strength" for those positions; if not, then one of those positions might be a potential succession planning area for the organization.

Recruitment of applicants from other Departmental offices and Federal agencies and the private sector is a second source of obtaining qualified individuals. A critical step is finding a way to involve external candidates in Departmental activities.

A more common target for succession planning, however, reflects those positions in the managerial and leadership arena. With many senior-level managers leaving the Department, there are frequently an insufficient number of possible applicants who possess the requisite skills, knowledge, and abilities to immediately step into these positions. Prospective candidates frequently have technical and professional expertise in their functional areas, but lack the managerial and leadership experience needed to provide immediate managerial expertise for the organization. An objective of the program should be to ensure a ready pool of talent to fill supervisory and leadership positions within the organization.

Benchmarking

Once the target positions have been identified, then it is always advisable to benchmark against existing programs. Within the Department, the Nevada Operations Office has a functioning program and the Idaho Operations Office has a program in final draft. Other field offices are in the process of developing programs to address succession needs. Also, federal agencies and private companies have programs that bear close scrutiny, for example: The Department of State, NASA, IRS, and Corning. It is unlikely that any one program will entirely fit the needs of an organization, but there may be policies, objectives, and program parameters addressing unique situations that may be useful in the development of local succession planning programs. Reference the Succession Planning web site at http://www.hr.doe.gov/pers/splan/success.html.

Participant Pool

Having determined the critical target positions, the organization's next step is to identify from what populace to draw program applicants. This group will constitute the participant pool for the program. As the program progresses, it will also comprise the talent pool of individuals who will likely be selected when critical target positions are vacated.

To make this determination, the organization must answer several programmatic questions. Once answered, the participant pool for the succession planning program should be fairly well defined:

- How will the organization use the program for filling critical target position vacancies? Could that impact, in any way, those employees wishing to apply for the program?

- Will entrance into the program require members of the participant pool to compete? Is the program better served if the participant pool consists of the entire population of a given grade level or series? Multiple grade levels or multiple series?
- What are the benefits/drawbacks of competing the program?
- What are the benefits/drawbacks of allowing an entire grade level or series to be participants in the program?
- What screening mechanisms can we use to ensure that high potential employees are selected into the program?
- How many participants can the organization financially support with succession planning training and development?
- How do we continually renew the pool of potential applicants?
- How do we build diversity into the program?
- How do we combine individual and organizational objectives to produce a greater benefit from the program?

Diversity

Often critical positions—whether technical, professional, or managerial—tend to be those of higher grades. Although the diversity of incumbents in these positions has long been a Departmental goal, the diversity representation in these positions has not been significantly improved. Succession planning programs offer the Department an opportunity to foster diversity representation in critical target positions. Diversity among program applicants and participants can and should be encouraged. Hiring into the target positions must, of course, be made based upon superior qualifications. However, in instances where there are two or more candidates of equal qualifications, then a selection based upon the diversity needs cited in organizational Affirmative Employment Plans is warranted.

Competencies

After the target positions and participant pool have been determined, critical position competencies must be identified. Such competencies may be defined as tasks, skills, knowledge, attitudes, or behaviors necessary to fulfill the position requirements in an exemplary manner.

If the program is to be designed to fill critical managerial and leadership positions, the Office of Personnel Management's (OPM's) Leadership Effectiveness Inventory and Senior Executive Service executive core qualifications (Reference the Succession Planning web site at http://www.hr.doe.gov/pers/splan/success.html) provide a validated set of Federal managerial and leadership competencies. However, these OPM inventories might need to be supplemented and competencies identified to meet the organization's specific requirements. It is recommended that other competency lists from both the public and private sector be reviewed.

Design and Development

The design and development phases entail structuring the succession planning program in a manner most viable for the organization. This cannot be done until the competencies are compared against the needs of the existing participant pool and those of the organization.

- Which competencies does the participant pool already possess?
- Which competencies are the most vital for position excellence?
- Which competencies must be developed? To what depth and to what standard? Which must be reinforced over time to insure learning takes place and remains current?

Competency-to-Training

- What courses, computer-based training programs, web-based training programs, or satellite-aired programs already exist which fulfill the objectives most clearly associated with competency acquisition? What do they cost per student? Per organization?
- What is the most effective way to ensure competency acquisition; i.e., training, activities, or self-teaching packages? What is the most economical? What are the trade-offs?
- Which competencies are conducive to on-the-job training or directed developmental learning assignments?

Core Training Requirements

- Does the envisioned program require a standardized set of core training and developmental activities to achieve acquisition of competencies? Are these congruent with management's strategic view of the organization?

Using the data gained from answering the above questions, it is a matter of process to determine the size and composition of the participant pool. It is far better initially to err with having too few participants than too many. By having as few participants as possible initially, the organization can determine program strengths and weaknesses, make corrections as required, and increase the participant pool, as needs and as resources allow.

At this point, the organization has identified the target positions, the participant pool, the competencies required for the positions, and has reviewed those competencies to determine program criticality. The organization can then make an assessment as to the instructional methodologies necessary to address these competencies. Additionally, the organization has taken a look at instructional vehicles already in existence and can project associated costs. Once it determines the answers to questions concerning the overall structuring of the program, then the organization's succession planning program can be designed and supporting materials developed.

Program Considerations

- Will individualized developmental assignments be a program requirement? If so, how do we make such assignments available and equitable for all participants?
- Is there a prescribed length of time to acquire competencies and/or complete the program?
- Will training equivalencies be authorized as part of the program?

Participant Assessment

- Will participants have continued service agreements with the Department?
- How can we ascertain when participants have acquired competencies? Is an assessment process necessary? What is the best assessment process to use? 360°, self-assessment, or supervisory ratings?
- How do we build in equitable training and developmental opportunities for each participant within the program? Will travel funds be available to pay for required training and development opportunities? How can we ensure that managers allow all participants an opportunity to complete program requirements?

- Are there any related union issues that need to be addressed before the design and development phases are completed?

- What is the most cost effective and efficient way to administer the succession planning program?

Use of Program

- How do we use the program when filling critical target positions?

- How will the program affect other employees of that organization?

Merit Principles

- If we have external candidates for a critical target position, or internal candidates who are not program participants, how can we ensure their fair candidacy for the position?

- How do we ensure that education and experience requirements for the Technical Qualification and the Senior Technical Safety Manager Programs are met if the critical target position is part of the succession planning program?

- Who will be charged with the program's execution? What will be the roles and responsibilities assigned throughout the organization relating to the program?

- What record keeping and administrative services will be required for the program?

The above considerations having been addressed, the final design and development of the organization's succession planning program can commence. In all probability, the organization has determined that some type of common core curriculum is required for participants in the program. It is based upon the competency requirements of the critical target positions. At this point, competency-to-training determinations have been made, instructional methodology assigned, and training and activities selected. The need for competency acquisition assessments has been reviewed, and, if appropriate, assessment criteria has been determined.

All of these program components need to be codified into a set of useable materials. A program plan or manual needs to specify program parameters and roles and responsibilities. Assessment

instruments must be developed, as well as related administrative forms. If records are to be kept in a database, a software package may need to be developed for the organization's use. If training cannot be vendor provided, then it, too, needs to be developed

The organization's training staff should have extensive experience in preparing such developmental programs and will be an excellent resource, if not the primary action office, for this work. If these capabilities are not available in an organization, the Defense Programs Core Technical Group may be able to provide technical training expertise to assist with program development. The Core Technical Group may be reached at (301) 903-8525 or 1-888-439-5883 or by e:mail @ ctg@hs.doe.gov.

Implementation

The Succession Planning Program implementation requires considerable deliberation. It is important not only to gauge the receptivity of the participant pool, but also the response by the organization. Groups of employees not included in the participant pool might resent the fact that the program excludes them. Employees, in general, might feel that the program offers little to the organization as a whole or fear that merit principles will be violated. Supervisors might feel that this is simply more extraneous training to take the employees away from doing their jobs.

Barriers

Therefore, it is important for Senior management to market the program. Management must openly state the needs that have driven the development of the program and advocate the program's need for existence. For these reasons, it is helpful to initiate the program in conjunction with organizational All Hands' meetings. To show that it is an organizational function, not just a human resources program. Line management should be encouraged to give the program briefings at these meetings.

It is also advisable to announce the establishment of the program several times over the course of its development. Employees, supervisors, and managers can then formulate questions regarding the program and have multiple opportunities to ask them.

Familiarity with the program will help dispel fear of change within the organization.

Other than these considerations and precautions, implementation of the succession planning programs should be designed to progress in a manner best suited to the organization.

Evaluation

After implementation, the organization must determine if, in fact, the program has established a fully qualified, diverse talent pool from which to fill critical target positions.

The secondary purpose of evaluation is to collect sufficient data upon which to base program improvement decisions. Are the training and developmental activities increasing competency acquisition? Is the equivalency process working well? Has the program been incorporated into hiring procedures for critical target positions? How well is the hiring process working? Reference the Succession Planning web site at http://www.hr.doe.gov/pers/splan/success.html.

Data collection methods vary and yield either hard or soft data. The more direct and quantifiable the measure, the harder the data. For example, if an organization wanted to know if the program was successful in attracting diverse candidates from the population pool, it could simply compare diversity statistics in the total participant pool against those who have elected to be participants in the succession planning program. This constitutes hard data.

Inversely, if the organization wanted to know how effectively an employee performed a competency, asking that employee to make a self-assessment would yield extremely soft data. Soft data is the less preferred of the two types, but is sometimes all that is available.

For purposes of improving the program, the confidence level in the conclusions drawn from soft data will be much lower.

Evaluation of a new succession planning program should occur after each major phase of implementation and periodically thereafter. It is conducted on those items of greatest importance to the organization. The best evaluation strategy is usually a combination of formal and informal processes rendering both hard and soft data, with the greatest credence being placed on hard data. Reviewing the program consideration questions should provide many programmatic areas for which evaluations would be appropriate.

There are other books that can assist with structuring evaluations for a succession planning program. However, one of the most recognized is the Donald Kirkpatrick's evaluation model. Reference the Succession Planning web site at http://www.hr.doe.gov/pers/splan/success.html.

Record Keeping

Audit Trails

A program audit trail consisting of records of meetings, decisions made, products generated, and evaluations conducted during development and implementation should be maintained. When program adjustments must be made, the audit trail will allow the organization to view initial decisional factors and to make program corrections in the most logical manner possible.
Additionally, the audit trail is helpful to other organizations developing succession planning programs. It is rare that an organization develops a totally unique program of this nature. Therefore, an audit trail becomes a Departmental lessons learned archive. Organizations developing programs at a later date can review multiple Departmental succession planning audit trails and have confidence in their own program knowing beforehand what works and why. This constitutes a significant cost saving measure for the Department.

All other personnel and training records associated with the program need to be maintained as required by Departmental Orders.