Strategic Human Capital Plan

U.S. Department of Transportation
Federal Railroad Administration

September 25, 2014

Contents

Introductory Message

Transportation is the foundation of the American economy and way of life; rail transportation is the backbone of our multimodal system and indispensable to the movement of people and goods. Growing demand for rail service demonstrates that rail is the transportation mode of opportunity to meet our 21st century mobility challenges.

FRA's employees are the singular means by which we execute our mission to enable the safe, reliable, and efficient transportation of people and goods for a strong America, now and in the future. Our collective efforts advance continuous safety improvement and a high-performing rail system that builds on our long legacy of success. FRA's highly skilled, motivated, and passionate employees make possible the development of regulations and safety promotion programs; Federal investment in improved and new rail services; demonstration of life-saving technologies; and realization of the 21st century vision of railroading.

FRA's Strategic Plan for 2013 to 2016 recognizes that our employees are our most valuable resource. To give more detail to this recognition, FRA embarked on a strategic human capital planning initiative. The resulting Strategic Human Capital Plan (SHCP) for 2015 to 2019 is our road map for building the most effective organization possible that will overcome challenges to continuous safety improvement and development of a high-performing rail system. It is the road map for establishing greater communication, collaboration, innovation, and boldness.

As FRA's career executive leadership, we are committed to the SHCP's goals and objectives. Implementation of the SHCP will better position FRA to address emerging workforce trends and the challenges posed by the rapidly changing railroad industry.

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FRA established and relied on a Working Group of FRA employees to execute the strategic human capital planning initiative. The Working Group actively solicited and considered specific input from over 200 employees. Our partners from the American Federation of Government Employees (AFGE) Local 2814 also provided valuable perspective.

The resulting SHCP goals and objectives reflect that input. SHCP implementation demands continued engagement and the willingness to work across organizational boundaries. Moreover, SCHP implementation requires the steadfast commitment of senior-level champions to ensure current and future recruitment, on-boarding, professional development, succession planning, and other meaningful steps in support of our exceptional workforce. The Working Group is grateful to our colleagues who shared their views and concerns and looks forward to an even stronger FRA.

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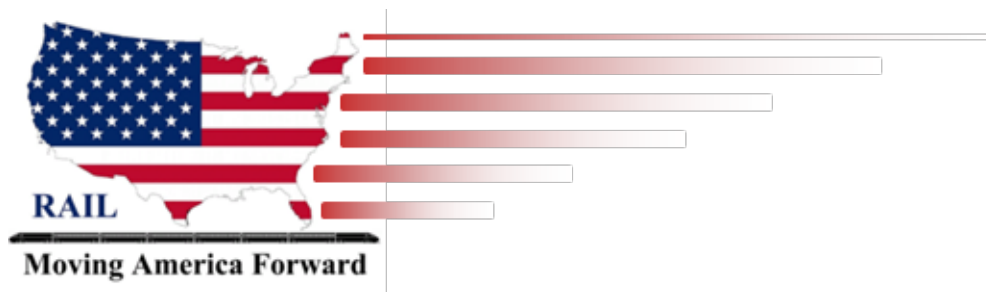
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September 2014

Background and Purpose

The Federal Railroad Administration (FRA) was created by the Department of Transportation Act of 1966. The FRA mission is to enable the safe, reliable, and efficient movement of people and goods for a strong America, now and in the future.

In FY 2013, FRA issued a new Strategic Plan for 2013-2016 to explain its mission, vision and values. In it, FRA identifies strategic goals to meet long-term organizational and program objectives in a highly fluid and dynamic operating environment, with uncertain or constrained fiscal resources, and increasing technical complexity across all lines of business. These variables impact FRA's ability to meet public expectations for safe, efficient, cost-effective and high-performing freight and passenger rail services. FRA recognizes it faces several ongoing and emerging workforce development challenges to effectively carry out its core rail-safety oversight responsibilities and its growing rail network development investment and improvement activities.

External developments such as increasing rail traffic volumes and axle loads from crude oil, ethanol and other products, rapid introduction of new technologies such as Positive Train Control (PTC), and the persistent challenge of highway-rail grade crossing and railroad trespassing incidents demand that FRA continuously evaluate its programs and human resources.

FRA is proactively adopting innovative approaches such as risk reduction and system safety strategies that complement traditional safety compliance enforcement programs. Similarly, popular support and surging demand for commuter and intercity passenger rail service, along with the need for growing freight capacity, has required FRA to establish new grant programs and processes to partner with States and the private sector to foster development of a high performance rail network through strategic public investments. Responding to the introduction of new technologies requires FRA to conduct new and additional research and development projects in support of continuous rail safety improvement and expanded rail service.

These challenges present an opportunity and need for FRA to build upon the existing strengths of its workforce, while ensuring the workforce has the knowledge, skills and resources needed to address current conditions and future trends. This FRA Strategic Human Capital Plan (SHCP)

establishes an integrated, agency-wide approach to human capital management, which aligns with the FRA Strategic Plan's goals.

The SHCP is a framework for FRA to become an organization that attracts and retains a capable, diverse, motivated and collaborative workforce. Through employee empowerment and engagement, continuous learning and professional development, succession planning, and workplace flexibilities, FRA can manage its workforce to meet current and future challenges. This SHCP focuses FRA's efforts around:

- Critical skills, competencies and closing competency gaps
- Recruitment strategies to attract an increasingly diverse and knowledgeable workforce
- Employee and leadership development
- Succession planning
- Retention strategies

FRA's executives and senior managers are accountable for ensuring full, fair, consistent and timely execution of strategies to achieve the SHCP goals and objectives.

Strategic Alignment

FRA's Strategic Plan establishes a robust management framework through which FRA makes policy and resource allocation decisions. FRA is implementing the plan through executive champions and strategic goal teams that are accountable for implementing activities to achieve the strategic goals and objectives.

FRA Strategic Goals, FYs 2013 to 2016
Goal 1: Unify FRA
Goal 2: The Future
Goal 3: Communication
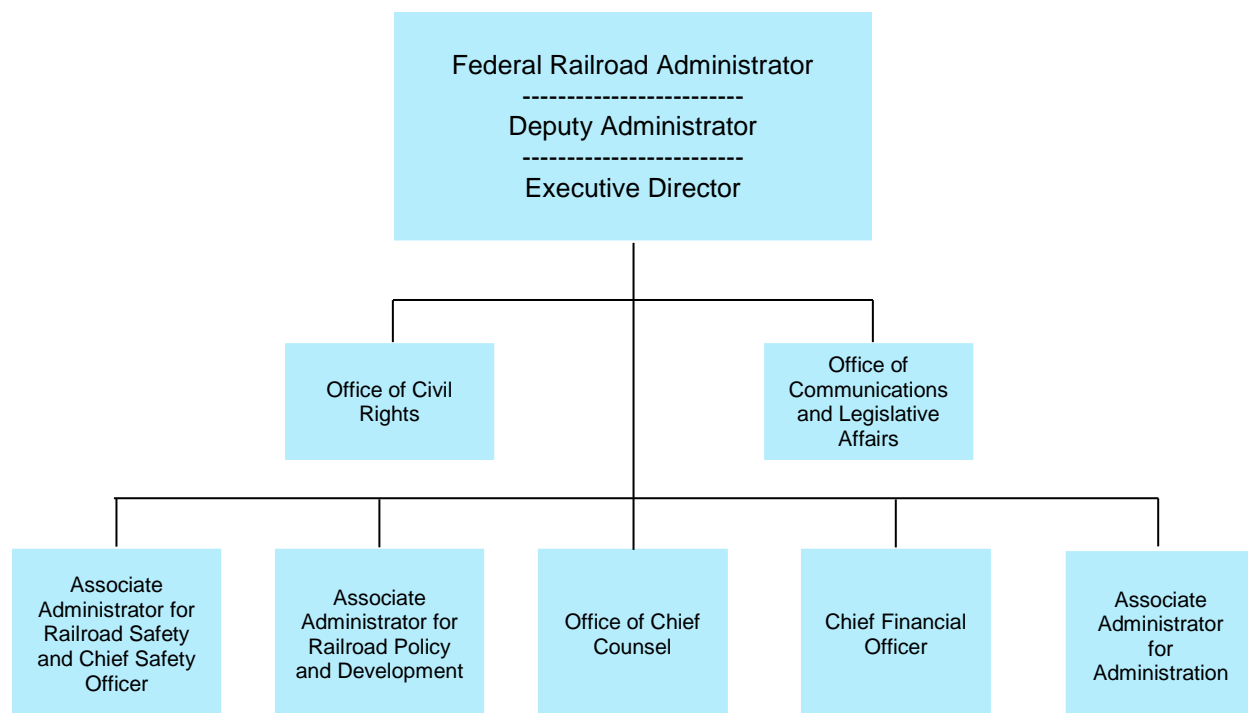*Goal 4: Operational Efficiency*
Goal 5: Workforce

In developing the Strategic Plan, FRA leaders demonstrated a strong, broad, commitment to its workforce. This SHCP provides the operational specifics that will enable FRA to realize its commitment. In technical terms, the SHCP fulfills an objective for Strategic Goal 4: Operational Efficiency—*Pursue a performance-oriented approach to advancing the mission and to make the best use of FRA's limited resources* and Strategic Goal 5: Workforce—*Recruit, develop, and retain an increasingly diverse, engaged, knowledgeable, empowered, and collaborative workforce*.

Organization and Structure

FRA is a sub-cabinet agency of about 900 employees. Approximately 500 are regional employees located among eight Regions, with the remaining 400 headquarters employees serving in either Washington, DC or in field locations. Over half (470) of FRA's employees work within the GS-2121 Railroad Safety series. Approximately 350 employees within this

particular occupational series are classified as Railroad Safety Inspectors, all of whom are located in the field.

Figure 1: FRA High-Level Organizational Structure

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              │   Federal Railroad Administrator │
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              │   Deputy Administrator           │
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              │   Executive Director             │
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Plan Development

In developing an actionable, meaningful SHCP, FRA employed a two-pronged research approach: 1) analysis of existing human capital data and 2) engagement, feedback and input from FRA employees and management.

In examining existing human capital data, FRA thoroughly reviewed the composition of its workforce, its organizational structure, and trends in hiring, retention and retirement. Findings from this analysis can be found in Appendix A, *FRA Workforce Profile*.

FRA conducted interviews and focus groups with over 200 employees across the organization. The discussions identified a number of internal and external factors that impact how FRA does business, including its management of human capital. Additionally, FRA benchmarked two Federal agencies and two railroads to identify best practices in strategic human capital planning. The results of the research are captured in the SHCP.

FRA Workforce Research Findings

FRA employs a highly skilled workforce with a mix of skill sets and experience to successfully accomplish its mission. As shown in the table below, the average age, years of service, average

grade, percentage of disabled and percentage of Veterans are all slightly higher than that of the Federal workforce. The ratio of males to females is higher than the Federal workforce, and the percentage of minority employees is below the Federal workforce average.

Table 1: Comparison of FRA and Federal Workforce Demographics

Measure	FRA Workforce	Federal Workforce	Difference between FRA and All Federal
Average Age	51	47	4
Average Years of Service	15	13.7	1.3
Average General Schedule Grade	12.6	10.2	2.4
Percentage of Workforce			
Male	77%	56%	21%
Female	23%	43%	(20%)
Minority	24%	34%	(10%)
Bachelor's Degree or higher	45%	48%	(3%)
Disability	10%	8%	2%
Veterans	30%	24%	6%

Source: OPM FedScope data through December 2013 for the entire Federal government

Current Workforce Strengths and Challenges

A review of the 2013 Federal Employee Viewpoint Survey data revealed the following major strengths related to workforce perceptions of the mission and organization.

- Employees are dedicated to their important work and have a strong connection to FRA's mission. FRA rated over 10% higher in the connection between work and personal accomplishment than the Federal workforce.
- Employees are extremely positive about FRA as an organization, as well as the effectiveness of the workforce. FRA rated over 15% higher in recommending the organization as a good place to work than the Federal workforce.

These positive data points were confirmed through the employee interviews and focus groups.

Also identified through the interviews and focus groups were workforce challenges that, if properly addressed, will strengthen the FRA workforce:

- Creating a unified culture that includes recognition of past accomplishments while furthering integration of new programs into its legacy safety oversight and inspection programs.
- Intra-agency communication, particularly across work units and between headquarters and the field.
- Recruiting, retaining and developing staff at all levels: employees, supervisory staff, and future leaders.

- Recognizing and rewarding employee accomplishments in a time of limited award resources.
- Increasing staff diversity, especially outside of headquarters.

In particular, the following three areas (Potential Retirements, Recruiting for the Future, and Turnover) are critical in driving immediate and long-term human capital efforts.

Potential Retirements

Much has been documented about the average age of the Federal workforce and the potential retirement waves that may impact Federal agency operations. Because the FRA average age and average years of service are higher than the overall Federal workforce, succession planning and knowledge management are critical in ensuring continuity of operations, program integrity, and expertise as employees become retirement eligible and retire.

Currently, 25% of the FRA workforce is retirement eligible, with some FRA regions having over 35% of their workforce retirement eligible. In five years, 44% of the FRA workforce will be retirement eligible, with some regional and supervisory workforces being over 64% retirement eligible. However, since FRA employees, on average, have stayed 4.4 years after becoming retirement eligible, it is reasonable to predict that approximately 25% of the workforce will retire within the next four to five years.

Of particular note is that 30% of the Railroad Safety Inspectors and 38% of their supervisors are currently eligible for retirement, with 53% of the Railroad Safety Inspectors and 70% of their supervisors being eligible in five years. This, along with the general agency trend, underscores the urgent need to pursue focused recruiting, training/employee development and succession planning.

Recruiting for the Future

Attracting and recruiting highly skilled candidates that align with changing technologies and evolving workload requirements is critical to FRA's ability to accomplish its mission. For positions requiring knowledge of, or experience in, the rail industry, FRA has traditionally recruited from the railroad industry. This is particularly true for Railroad Safety Inspectors, who typically join FRA with years of experience in the rail industry and who have been predominantly males.

While developing an individual with rail experience into a competent safety inspector is typically quicker than developing an individual without rail experience, recruiting solely from a limited pool of candidates creates workforce challenges and restricts FRA's ability to attract diverse talent. FRA will continue recruiting individuals with rail experience for Railroad Safety Inspectors and Railroad Safety Specialists while also employing additional recruiting strategies

to mitigate the challenges and risks of a restricted talent pool. Those additional strategies will include:

- Recruiting entry-level and mid-level trainees with skill sets applicable to risk avoidance and safety enforcement.
- Identifying new positions that may require less direct rail experience.
- Identifying competencies, technical training and professional development needed to enhance employee skill sets and capabilities.

Turnover

The level of commitment to the mission and organization discussed earlier are also demonstrated by a turnover rate that is significantly lower than the Federal average as shown in Figure 2. Of FRA's low turnover, 62% of the separations over the past five years were voluntary retirements as compared to 23% government-wide.

Figure 2: Comparison of FRA and Federal Government Turnover Rates
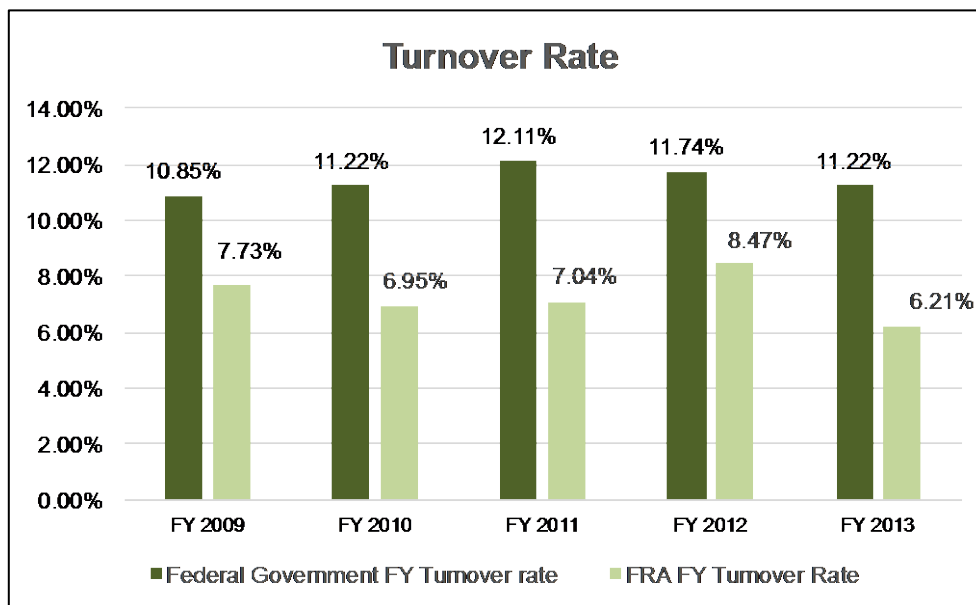
While FRA's turnover rate is low, data was further analyzed to gain insights on resignations (non-retirement exits). As shown in Figure 3, 61% of all FRA resignations occur within the first four years of service. When examining headquarters and field numbers, the headquarters percentage is even higher at 64% of all resignations occurring within the first four years of service. Because the demographic represented over half of all resignations, these findings shaped a number of goals and objectives to improve retention, particularly FRA's goals for onboarding, communication, training/professional development and succession planning.

Figure 3: Number of Resignations in Relation to Years of Service
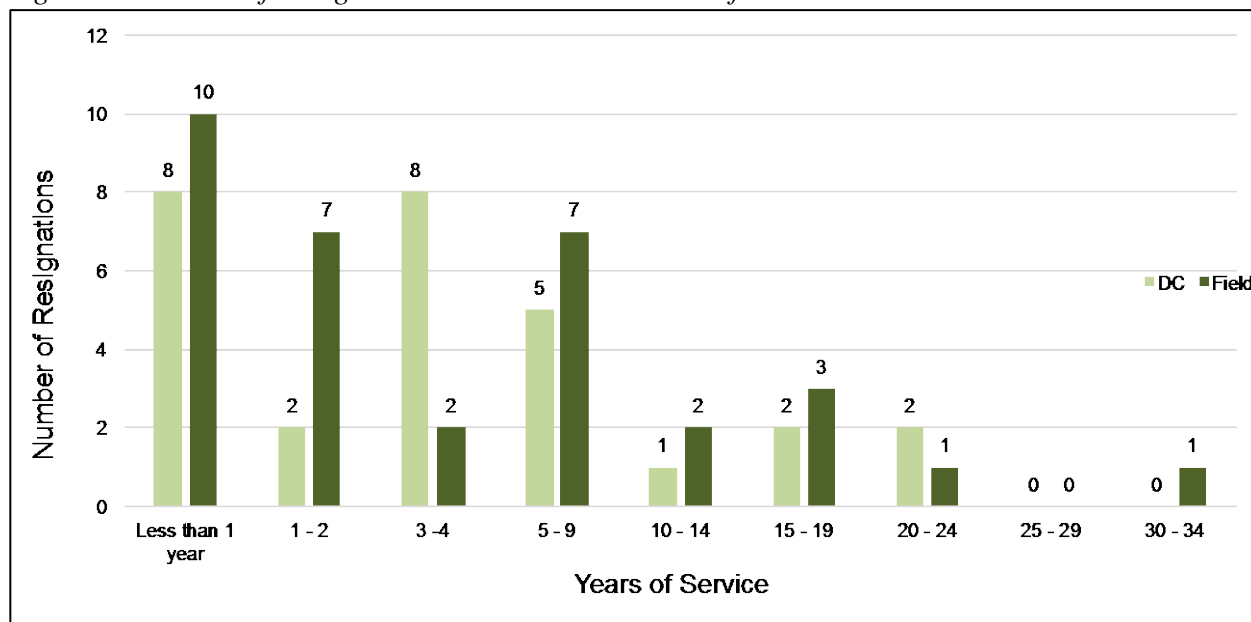
Strategic Human Capital Plan Elements and Implementation

FRA's five-year Strategic Human Capital Plan is designed around a set of cascading and interrelated elements, including: Focus Areas, Goals, and Objectives.

FRA's SHCP has three broad areas –People, Culture and Structure/Policies – which outline the vision necessary for building and maintaining a high performing organization and an engaged workforce. Next, the SHCP's 10 goals, aligned with the three focus areas, were specifically designed to address FRA's human capital research findings. Finally, each goal includes a set of supporting objectives detailing key action items required for achieving results and measuring success.

- People
    1. Competencies
    2. Recruiting
    3. Training/Professional Development
    4. Leadership Development
- Culture
    5. Communication and Knowledge Management
    6. Performance Management
    7. Rewards and Recognition
- Structure/Policies
    8. Onboarding
    9. Position Management
    10. Succession Planning

To reap the full benefits of this carefully and thoroughly conceived SHCP, FRA will undertake a disciplined implementation effort. Specifically, FRA will designate senior-level champions and teams who represent headquarters and field employees to achieve each SHCP goal and objective. The teams will develop and implement tactical plans, capture and analyze data to inform decision-making, ensure progress, and measure success.

The accompanying Implementation Plan provides further details on how these goals will be accomplished through FRA Champions, the activities necessary to accomplish each goal, and implementation timeframes. The Implementation Plan also prioritizes the goals and objectives to provide a structured path of activities over the next two years. For years 3-5 of the SHCP, implementing teams will recommend revisions to maintain the SHCP's relevance and usefulness in light of changing visions, goals, and needs of the agency. In addition to the Implementation Plan, a *Best Practices Guide* accompanies the SHCP to assist FRA in implementing human capital goals and objectives.

Although each of the human capital goals and objectives are vital to recruit, retain, and develop FRA's workforce, the most critical path to success must begin with a detailed competency gap analysis, which is outlined as the first goal in the SHCP. Undertaking a competency gap analysis will serve three important purposes.

First, the competency analysis allows FRA to capture and analyze the knowledge, skills, and abilities necessary for achieving the agency's important unified mission. Second, the analysis will map the current skill levels of our workforce against the anticipated abilities required for the future. Third, the competency gap analysis provides the rigor to ensure FRA addresses the evolutionary nature of its industry with the shifting skills and demographics of its workforce.
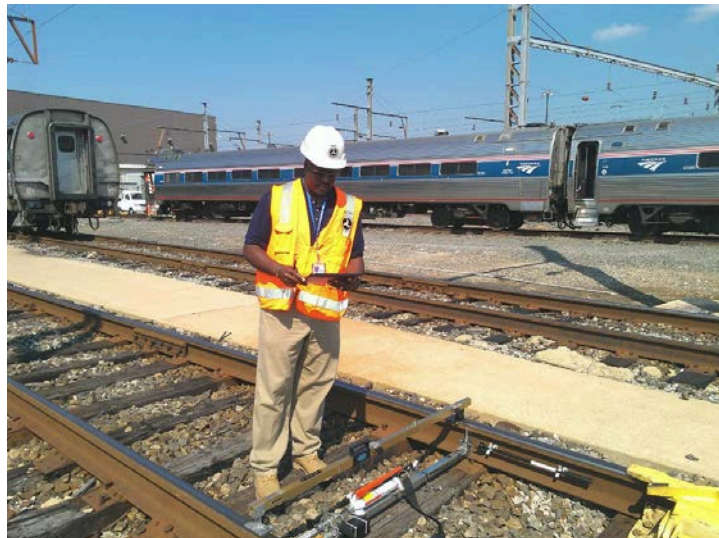
In short, once the analysis is complete FRA will have a systematic way to close identified competency gaps by further tailoring its strategic human capital goals for remaining goals such as recruiting, training/professional development, leadership development and more. Because a competency analysis can be an intense activity, FRA will identify critical positions/occupations to prioritize for immediate review. Competency analyses for remaining positions/occupations will be scheduled to accommodate priority and resource availability.

Strategic Human Capital Goals and Objectives

People

VISION STATEMENT:
FRA recruits, hires, develops and retains a diverse, highly skilled workforce to enable mission success.

The FRA workforce is at the heart of the organization's success. For FRA to continue to be effective, efficient, and innovative, the agency must design and implement a competency based set of succession planning activities that includes the identification of appropriate staffing levels and requisite skill sets needed to achieve mission success. FRA must also develop a recruitment strategy, identify and recruit the right employees, and develop employees' technical, professional and leadership capabilities. Through the following areas, FRA commits to identifying and growing its workforce to meet current and future demands and continue to support and empower the workforce to maintain FRA's leadership role in rail oversight and safety.

Goal 1: Competencies – Current and future competencies are continuously identified and incorporated into workforce skill sets to meet changing mission requirements.
(*Supports FRA Strategic Goal 2: The Future and Strategic Goal 5: Workforce*)

Objectives:

G1.O1. Identify and define needed competencies for FRA employees to successfully fulfill the FRA mission, e.g., system safety, risk management, grants administration, environmental planning and analysis, and specialized knowledge such as PTC.
G1.O2. Incorporate competencies into position descriptions, vacancy announcements, interview questions, performance standards, and training development.

Goal 2: Recruiting – The best talent is attracted and selected to accomplish the mission.
(*Supports FRA Strategic Goal 2: The Future and Strategic Goal 5: Workforce*)

Objectives:

G2.O1. Develop a strategic recruitment plan that applies FRA recruitment resources to the best potential talent streams.
G2.O2. Develop a network with diverse stakeholders, e.g., professional organizations, targeted universities and colleges, Native American tribes, disability resource centers.
G2.O3. Develop goals and measure the use of recruiting sources and different types of appointments, e.g., the Pathways Program, Veterans Recruitment Appointment, Veterans Employment Opportunities Act, Disabled Veterans, Schedule A, Military Spouses, etc.
G2.O4. Encourage different strategies to augment recruitment efforts.

Goal 3: Training/Professional Development – Technical and core competency training and professional development opportunities equip our workforce with the knowledge and skills needed to succeed.
(*Supports FRA Strategic Goal 4: Operational Efficiency and Strategic Goal 5: Workforce*)

Objectives:

G3.O1.   Establish an education/training oversight steering group to assess workforce training needs, identify existing training offerings, develop an integrated multi-year curriculum and provide direction and oversight of all training and development activities.

G3.O2.   Develop an integrated, multi-year training and professional development curriculum tied to agency strategic priorities and key competency gaps.

G3.O3.   Implement the use of Individual Development Plans (IDPs) to formalize and promote individual employee development.

G3.O4.   Implement the FRA Intern Program and Railroad Safety Inspector Trainee Program, and develop measurements of success.

Goal 4: Leadership Development – Identify, cultivate and shape future FRA leaders.
(*Supports FRA Strategic Goals 1: Unify FRA, Strategic Goal; 4: Operational Efficiency and Strategic Goal 5: Workforce*)

Objectives:

G4.O1.   Review supervisor training and identify potential improvements and benchmarks that will allow supervisors to better manage and support their workforce.

G4.O2.   Implement rotational assignments to develop future leaders who understand the multiple facets of FRA, and the importance of integrating activities across FRA.

Culture

VISION STATEMENT:
FRA operates as a unified organization across programs and locations to excel in executing its mission.

FRA has a rich workforce culture and is proud of the dedication, commitment and accomplishments of its employees. FRA wants to ensure that new employees understand and embrace the FRA culture. For all employees, continuous learning and communication about FRA's mission, vision, and direction is essential for maintaining a high-performing organization. FRA will ensure that communication and knowledge sharing are continual, timely, and informative. FRA will strengthen internal communication and collaboration enabling executives, managers, and employees to share and exchange vital information across, within, and between all organizational units and levels. Ultimately, improved lines of communication will promote a more cohesive, open and transparent culture and enhance FRA's overall effectiveness.

FRA is committed to a strong performance management culture and adherence to effective policies and procedures. FRA is also committed to provide meaningful rewards and recognition for exemplary efforts made by individuals and teams across the workforce.

Goal 5: Communications and Knowledge Management – FRA's culture promotes seamless knowledge sharing throughout the organization to integrate activities and improve outcomes that increase organizational efficiency and program delivery.
(*Supports FRA Strategic Goal 1: Unify FRA and Strategic Goal 3: Communication*)

Objectives:

G5.O1. To ensure messages are received and understood across the agency, develop and implement an Internal Communication Plan to include policies, procedures and protocols that support shared goals, objectives, strategies, methods of delivery, and measures of success. The plan should recognize the need to:
  a. Improve employee awareness of all FRA initiatives and program areas.
  b. Encourage collaboration and information sharing between program offices.
  c. Strengthen communication between headquarters and the field.
  d. Strengthen communication between FRA leadership and employees, and with the union.
  e. Identify and implement methods for sharing information top to bottom, bottom to top and sideways.
G5.O2. Conduct Quarterly All-Hands meetings to include timely and relevant information and updates about FRA programs, policies, procedures and practices.
G5.O3. Revitalize and update FRANet (SharePoint) to improve ease of use and create guidance on maintaining content.
G5.O4. Create a brown bag learning series, and schedule regular inter-office meetings to promote communications within and among offices and regions.

Goal 6: Performance Management – Employees know and understand how their position and work achieves FRA strategic goals using the performance management life cycle. This includes the position description, development of the annual performance plan (including the cascading of goals from senior leaders), addressing training and development needs, coaching and feedback, evaluation and recognition. (*Supports FRA Strategic Goal 5: Workforce*)

Objectives:

G6.O1. Review and update the current performance management policy.
G6.O2. Review the rating standards used across FRA. Hold managers and supervisors accountable for applying them fairly and consistently.
G6.O3. Communicate and train managers and employees on the FRA performance management process, including the development of the annual performance plan, the cascading of goals from senior leaders, the review of position descriptions and identifying developmental/training needs.
G6.O4. Implement an automated performance management system to improve the collection and analysis of employee performance data.

Goal 7: Rewards and Recognition – FRA's workforce is appropriately recognized for its accomplishments. FRA's leadership properly motivates and incentivizes employees to strive for excellence. (*Supports FRA Strategic Goal 1: Unify FRA and Strategic Goal 5: Workforce*)

Objectives:

G7.O1.   Educate managers and employees on FRA's awards policies and procedures.
G7.O2.   Review options for enhancing FRA's approach to distributing limited award resources that is reflective of the current and anticipated awards budget.
G7.O3.   Review non-monetary recognition practices and procedures to improve recognition opportunities for FRA employees.
G7.O4.   Create a "Unify FRA" Award to recognize outstanding achievement in cross-agency activities.

Structure/Policies

VISION STATEMENT:
- FRA establishes an on-going process to assess the number and types of positions needed, with the skills, knowledge and competencies required for the present and future.
- FRA proactively positions the agency for success through workforce planning, adoption of clear and effective policies and processes and use of data analytics that drive strategies.

FRA recognizes that human capital and policy initiatives will be critical in meeting the ongoing and future challenges to its mission, as well as the achievement of FRA strategic goals. Future external demands, especially changing technology in the rail industry and rail network development activities, will require new skills. As FRA prepares for the future, the focus will be on ensuring that the right number of people with the right skills are in the right places, so that the workforce is well-positioned to meet these challenges now and in the future.

Goal 8: Onboarding and Off-boarding – New employees connect with and understand the FRA mission, organization and culture. FRA captures information from departing employees and analyzes the data for continuous improvement opportunities.
(*Supports FRA Strategic Goal 5: Workforce*)

Objectives:

G8.O1.   Develop a formal 12-month onboarding process to familiarize new employees with the FRA organization, culture and processes.
G8.O2.   Formalize FRA's off-boarding procedures and practices to (1) enable employees to transition out of the agency in an efficient manner and (2) enable FRA to capture important information that can be used to improve the organization.

Goal 9: Position Management – Staffing is appropriately aligned with the FRA mission, strategic goals, and objectives.
(*Supports FRA Strategic Goal 4: Operational Efficiency and Strategic Goal 5: Workforce*)

Objectives:

G9.O1. Train managers/supervisors on FRA's position management policy to ensure understanding of how positions are allocated and the organization is structured to optimize mission accomplishment.
G9.O2. Review and revise the annual staffing plan to ensure staffing is aligned to workload. Staffing plan recommendations should acknowledge the level (if any) of contractor support.
G9.O3. Maintain organizational charts on FRANet with appropriate information to facilitate collaboration.
G9.O4. Evaluate the Office of Railroad Safety staffing allocation process, including the development of and implementation of staffing targets, to ensure it is still effective, and communicate the results of that analysis.

Goal 10: Succession Planning – FRA identifies potential vacancies, key competencies and competency gaps in advance of a vacancy.
(*Supports FRA Strategic Goal 4:Operational Efficiency and Strategic Goal 5: Workforce*)

Objectives:

G10.O1. Provide quarterly reports containing key human resource data to enable agency and office leadership to proactively assess potential vacancies and close competency gaps.
G10.O2. Develop a program for details and rotational assignments to cross-train staff (See Goal 4.O2).
G10.O3. Identify positions that can be filled below the full performance level via the Annual Staffing Plans.
G10.O4. Identify opportunities for knowledge transfer between employees.

U.S. Department of Transportation
Federal Railroad Administration

Appendix A - Workforce Profile

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Purpose

Federal Railroad Administration (FRA) is in the process of developing a **5-year strategic human capital plan (SHCP)**.

The strategic human capital plan will improve FRA's ability to meet its long-term rail safety goals and respond to challenges by:

- Improving decision-making about workforce needs
- Ensuring the workforce has the right skills for current and future demands

The SHCP will be in alignment with the FRA strategic plan and incorporate GAO's suggested key principles of:

- Involving top management, employees, and other stakeholders in all phases
- Determining critical skills and competencies
- Developing strategies to address current gaps
- Building the capability needed to address administrative, educational, and other requirements
- Monitoring and evaluating the agency's progress toward its human capital goals

Workforce Planning Model

The first step in developing an actionable strategic human capital plan is to set the strategic direction for the organization. FRA has a newly published strategic plan that contains clear workforce goals and objectives. The second step is to analyze the current workforce.

Step 1: Set strategic direction
- *Link Human Capital mission, values, and vision to FRA Strategic Goal 5 (Workforce)*

Step 2: Define and document current, baseline organization
- *FRA Workforce Profile*
- *Workforce Environmental Scan*

Step 3: Identify changes needed to realize strategic vision based on current gaps
- *Current HR Processes and Position Management Executive Briefing*
- *Leadership Pipeline Assessment and Knowledge Management Best Practices Guide*

Step 4: Develop strategic goals, objectives, and indicators of success
- *Strategic Human Capital Plan*

Step 5: Implement, monitor, and evaluate
- *Implementation Plan*
- *Evaluation Plan*

Strategic Human Capital Planning

Workforce Profile

Task Purpose: Gain a baseline understanding of the composition, structure, and trends associated with the Federal Railroad Administration's (FRA's) workforce to 1) analyze FRA human capital and 2) develop appropriate questions for interviews across the organization.

Task Methodology:

– Collect, review, and analyze over 70 documents to include:

- FRA Strategic Plan 2013 – 2016
- FRA Strategic Plans for Diversity and Inclusion: 2013 – 2015
- GAO Report – Rail Safety: Improved Human Capital Planning Could Address Emerging Safety Oversight Challenges
- 2006 – 2013 Federal Employee Viewpoint Survey Data
- Government wide, DOT and FRA information from FedScope
- FRA Human Capital DataMart Reports

FINDINGS

Key Findings

FRA human capital data is overwhelmingly positive regarding the existing workforce. The following describes key findings from the analysis of the data. Findings have been used to develop questions for interviews, and will continue to be used in the exploration of the FRA workforce.

• FRA's scores on the 2013 OPM Viewpoint survey are consistently more positive and less negative than the Department of Transportation (DOT) and government-wide scores.

• Turnover in FRA from FY09 through FY13 was in each year at least 28% less than turnover in the federal sector.

• Almost 70% of Mission Critical Occupation (MCO 2121) supervisors will be eligible to retire in the next 5 years. In addition, retirement eligibility for employees in Regions 1 and 2 will be higher than the rest of FRA. These opportunities make strategic human capital planning imperative to appropriately shape the workforce.

• 10.7% of the current workforce is at least 65 years old. Their departure represents a loss of organizational and technical knowledge, but also provides an opportunity to change the skill sets and demographics of the organization.

• The percent of minorities in the workforce has remained relatively constant since 2009. Minorities represent 23.7% of the total workforce, but only represent 13.3% of supervisors and 14% of the MCO 2121.

• The ratio of supervisors to federal employees (1:5.5) is lower than most other federal agencies, but the ratio varies across FRA.
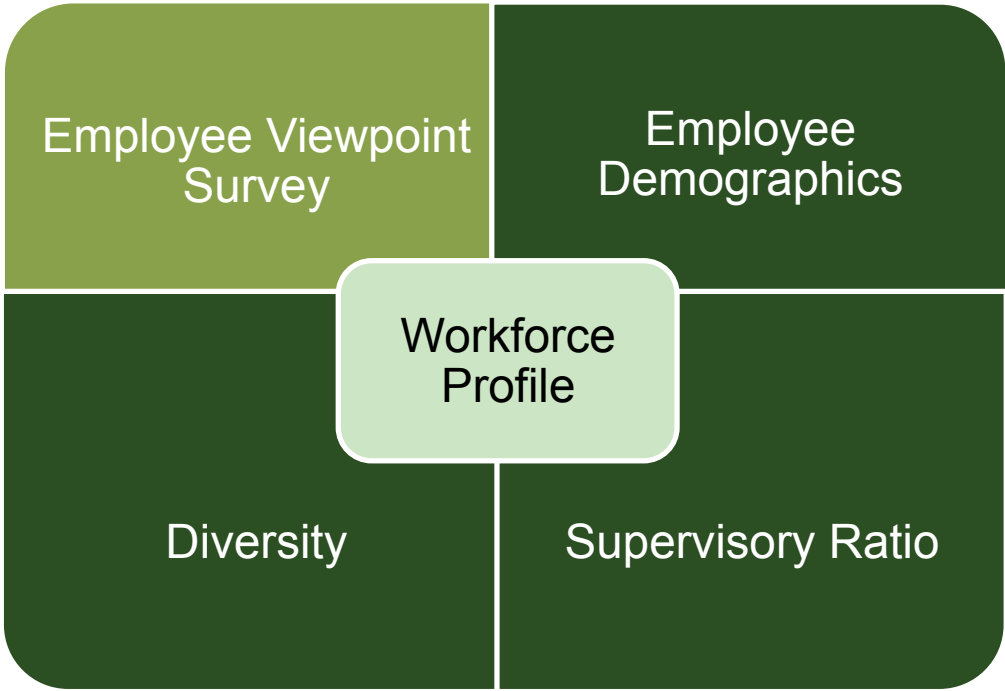
Dedicated, Committed Staff

- The FRA workforce is dedicated to the important work they perform, committed to providing quality service to the American public.

- The DOT Organizational Assessment of Performance for Fiscal Years 2010 – 2013 indicate that FRA is On Track in its performance measures with few exceptions related to energy consumption and time to hire.

- FRA's scores on the 2013 OPM Viewpoint survey are consistently more positive and less negative than DOT and government-wide scores. A few significant examples of positive scores include:

Viewpoint Question	FRA	DOT	Federal
The work I do is important.	91.0	90.5	90.0
My work gives me a feeling of personal accomplishment.	81.0	72.8	70.3
I like the work I do.	91.3	85.7	82.8
My agency is successful at accomplishing its mission.	82.8	76.8	74.4
The workforce has the job-relevant knowledge and skills necessary to accomplish organizational goals.	80.4	71.6	69.7
I recommend my organization as a good place to work.	79.0	66.5	63.2
Employees in my work unit share job knowledge with each other.	81.6	76.9	71.8

10%+ Above Federal

10%+ Above Federal

15%+ Above Federal
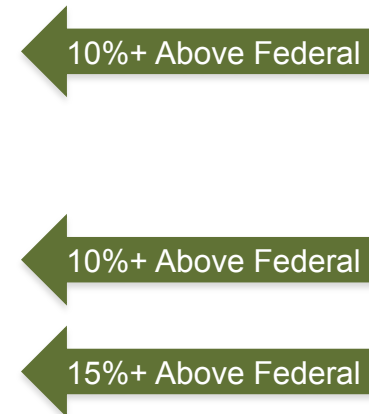
Concerns Employees Expressed in Viewpoint Surveys – Employee Development

Over the past seven years, perceptions toward employee development have shown a steady decline. While training was reduced as part of sequestration in many federal agencies, data shows a decrease from before sequestration. Based on these findings, FRA will explore employee development in interviews, and anticipates that the strategic human capital plan will include specific objectives to address this important challenge area.

Employee Development

I am given a real opportunity to improve my skills in my organization.

10%+ Decline

How satisfied are you with the training you receive for your present job?

10%+ Decline

My training needs are assessed.

15%+ Decline
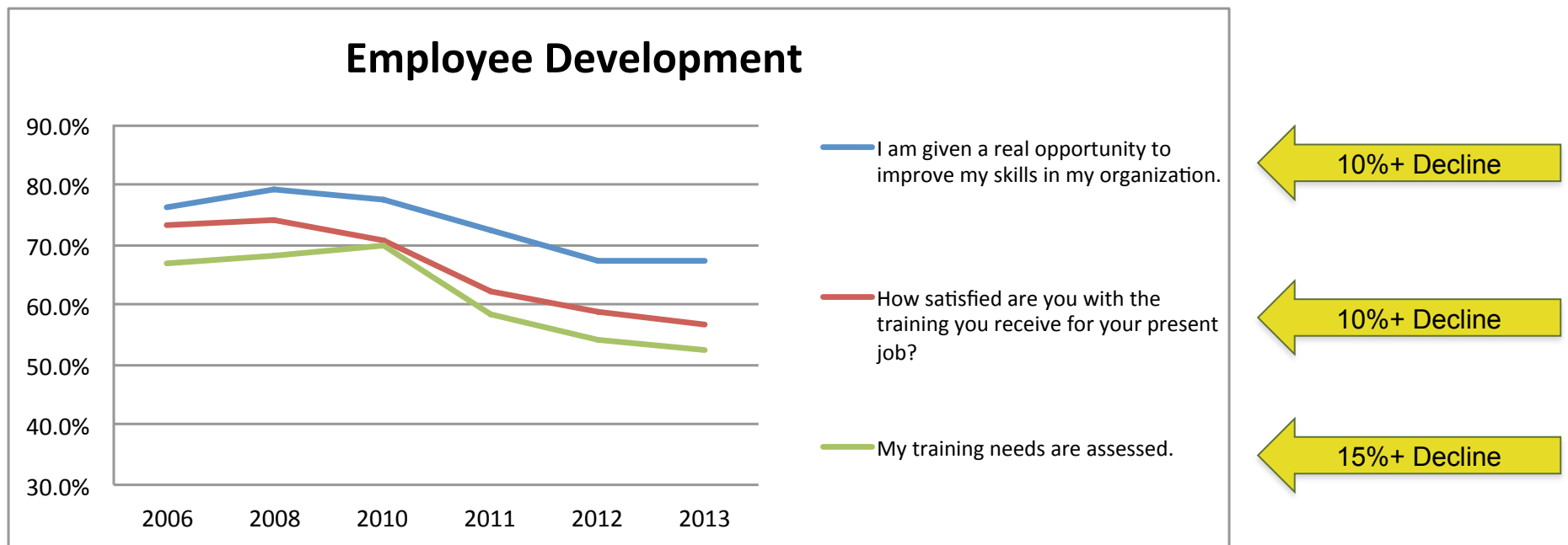
Concerns Employees Expressed in Viewpoint Surveys – Recognition

Showing a similar trend to employee development, perceptions toward recognition also stood out as declining more than other survey areas. Based on these findings, FRA will explore employee development in interviews, and anticipates that the strategic human capital plan will include specific objectives to address this important challenge area.

Recognition

Legend:
- In my work unit, differences in performance are recognized in a meaningful way.
- Awards in my work unit depend on how well employees perform their jobs.
- Employees are recognized for providing high quality products and services.
- How satisfied are you with the recognition you receive for doing a good job?
- Creativity and innovation are rewarded.
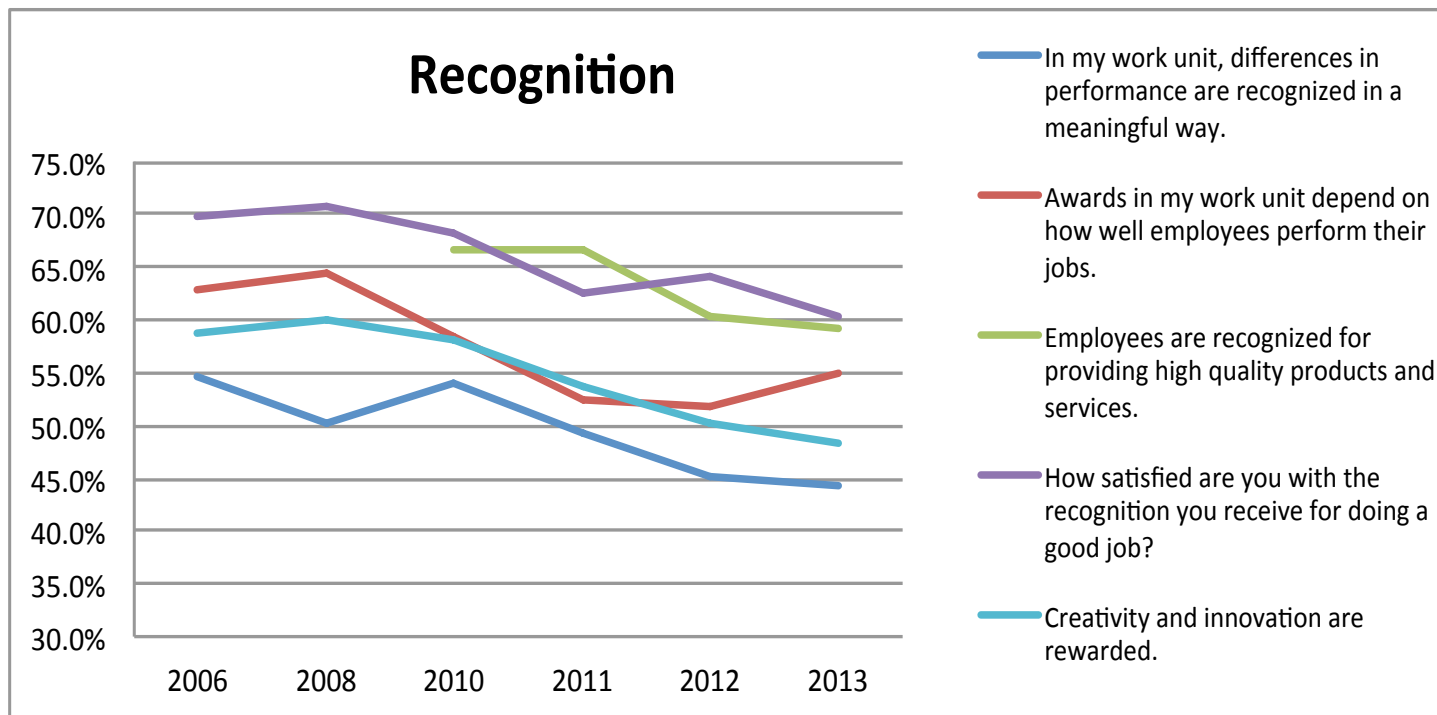
In nearly every area under Recognition, FRA experienced around a 10% decrease from peak levels.
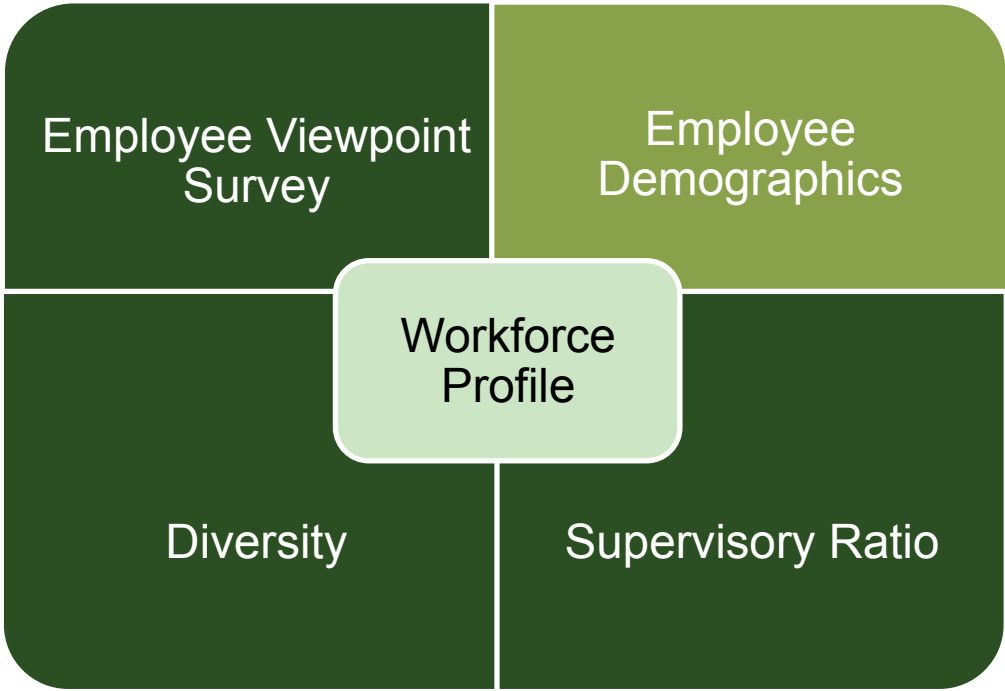
Overview of Workforce Characteristics

The total FRA workforce, in many respects, mirrors the Federal workforce in age, years of service and education. The percentage of Veterans and disabled employees are higher for FRA. The FRA workforce is at a higher average grade than the rest of the Federal workforce. However, the supervisory ratio is lower than the Federal average. The number of females is significantly lower, as is the percentage of minorities.

Category	FRA Workforce	Federal Workforce
Average Age	51	47
Average Years of Service	15	13.7
Average Grade	12.6	10.2
BA or Higher	45%	48.1%
Disability	10%	8%
Veterans	30%	24%
Supervisory Ratio	1:5.5	1:8
Male	77%	56%
Female	23%	43%
Minority	24%	34%

Largest Gaps between FRA and Federal Workforce
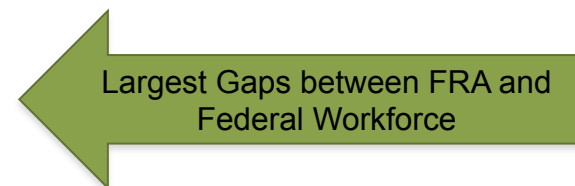
FRA Turnover Versus Federal Government Turnover

FRA has a more stable workforce than the Federal government as a whole, with turnover rates lower each year over the past five years than the Federal government average. Given the highly technical nature of MCO 2121, FRA's stable workforce reduces the costs incurred with a higher turnover rate.
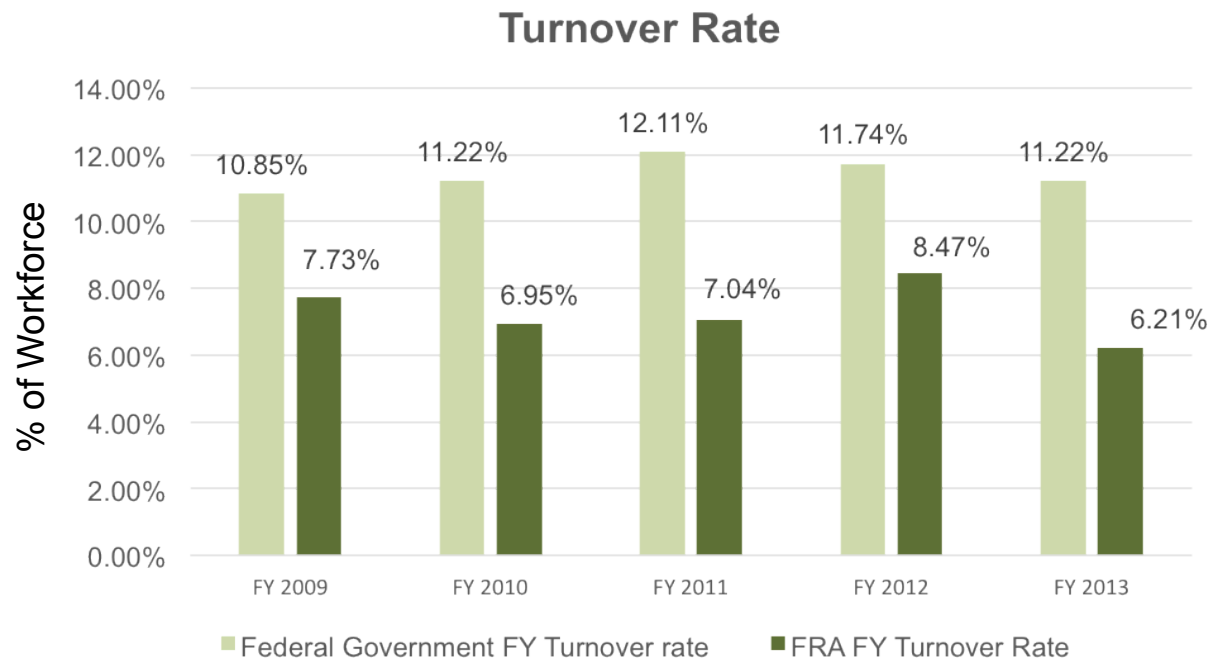
FRA's low turnover rate may be the result of the value employees receive from their work, as noted on slide 9 where the FRA workforce significantly outscores the Federal average on a number of criteria. FRA will explore these factors for recruiting and retention.

Turnover Rate

FY	Federal Government FY Turnover rate	FRA FY Turnover Rate
FY 2009	10.85%	7.73%
FY 2010	11.22%	6.95%
FY 2011	12.11%	7.04%
FY 2012	11.74%	8.47%
FY 2013	11.22%	6.21%

■ Federal Government FY Turnover rate   ■ FRA FY Turnover Rate

Employee Viewpoint Survey - *Employee Demographics* - Supervisory Ratio - Diversity

Five Year Turnover Trend

The turnover rate for the past five years has varied slightly with the lowest turnover in Fiscal Year 2013.

Five Year Turnover Rate
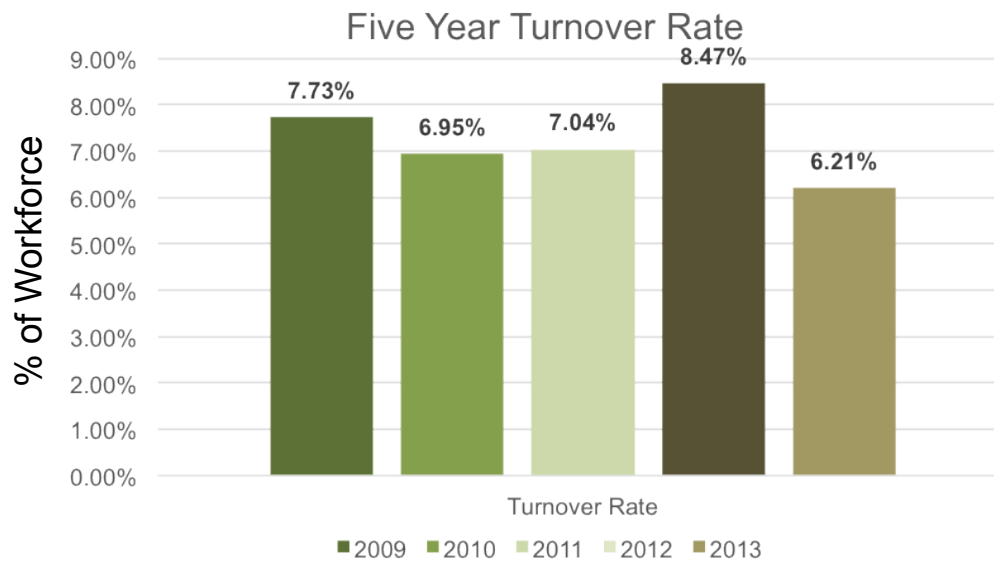
FRA will further explore causes for the increased turnover rate in FY2012 and the drop in FY2013.

	Total Employment	# Hires	Hiring Rate	# Losses	Turnover Rate
FY2009	828	69	8.33%	64	7.73%
FY2010	849	70	8.24%	59	6.95%
FY2011	867	76	8.77%	61	7.04%
FY2012	874	76	8.77%	74	8.47%
FY2013	885	62	7.01%	55	6.21%

Total FRA Turnover Compared to Turnover without Rail Safety Inspector Turnover

Five Year Turnover Rate
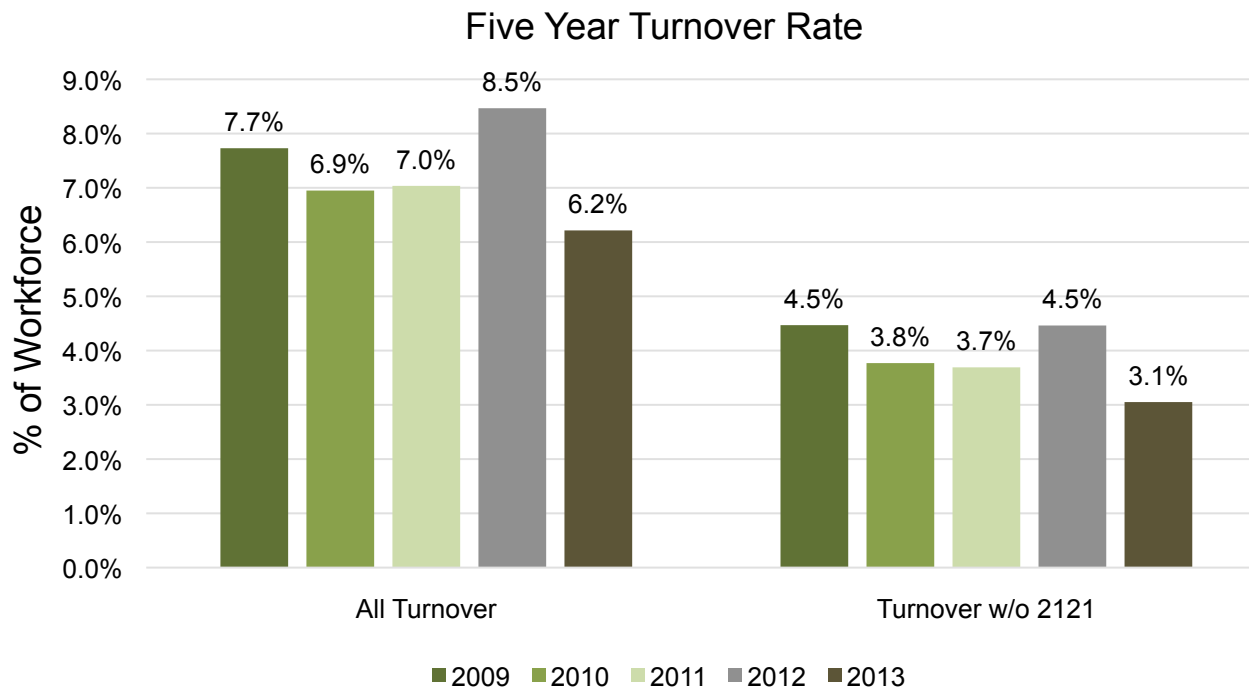
Turnover among FRA employees who are not Rail Safety Inspectors is even lower.

Legend: 2009, 2010, 2011, 2012, 2013

FRA Five Year Trend of Hires and Losses

In the past five years, FRA has averaged 71 accessions and 62 separations. 86% of the losses separated from government and 14% transferred to another federal agency. 62% of the separations from government were voluntary retirements as opposed to 52% in DOT and 23% government-wide.
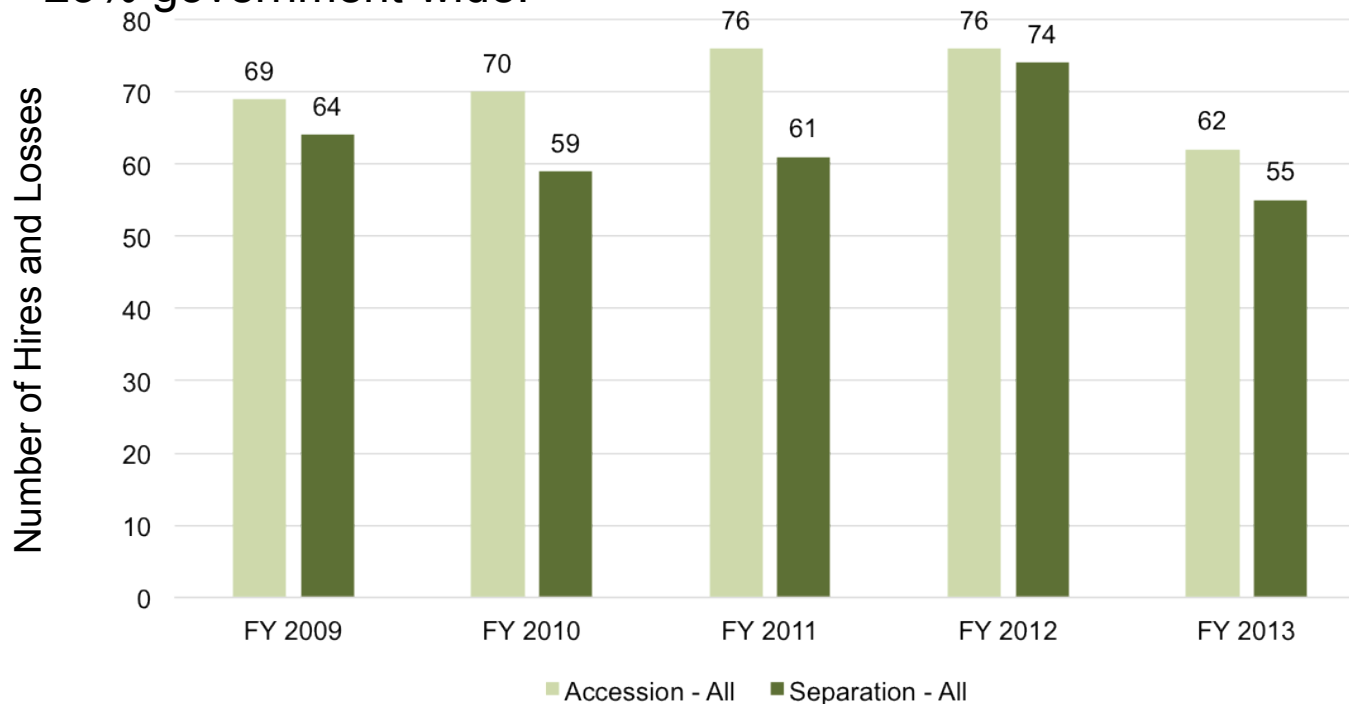
Each year, FRA has experienced slightly more hires than losses, with FY2010 and FY2011 having the largest gaps between hires and losses.

Five Year Trend Hires/Losses in DC/Field

Hires in DC have remained consistently in the low-30s except FY2013, which saw a drop to 23. Similarly, hires in the field have been in the high-30s, with slight increases in FY2011 and FY2012. Losses have remained consistent for both DC and the field, with DC in the mid-20s (with the exception of FY2011) and the field in the low-30s (with the exception of FY2009 and FY2012).

Five Year Trend – Hires DC/Field

Five Year Trend – Losses DC/Field
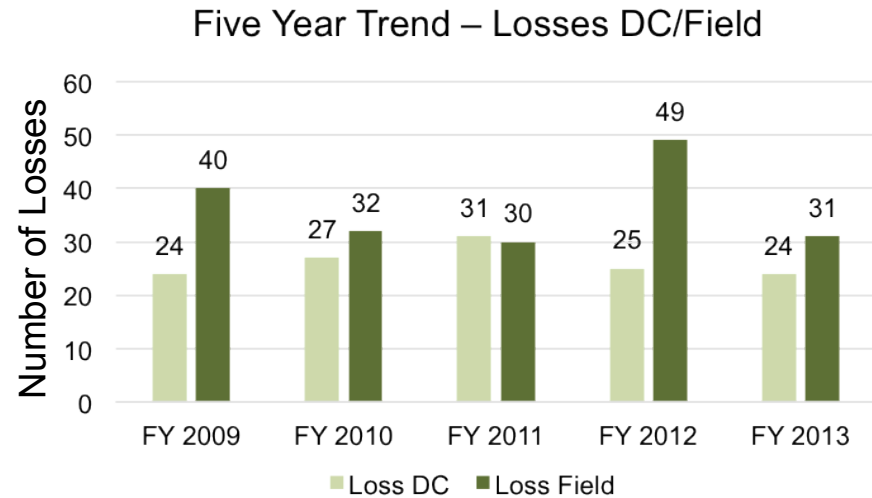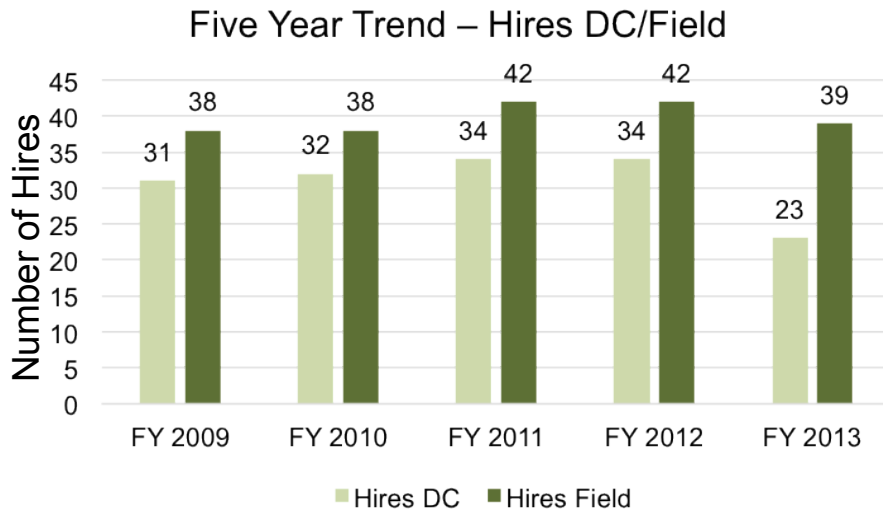
Hires – By Age DC/Field

In the Field, 35% of hires were in their 40s while DC was at 24% for the same group. 30% of Field hires were in their 50s as compared to DC with 12%. 44% of DC hires were less than 35 years old.

Employee Viewpoint Survey - *Employee Demographics -* Supervisory Ratio - Diversity
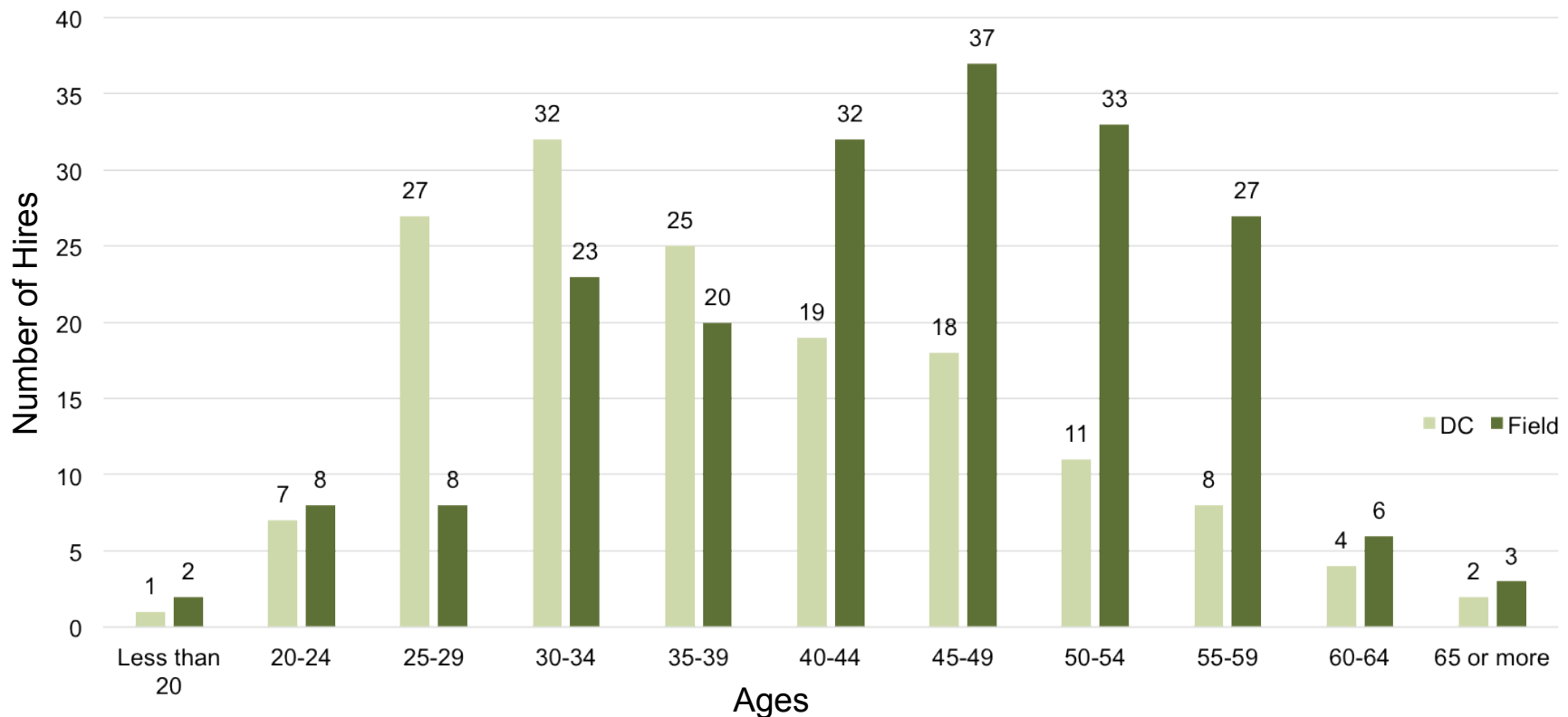
Hires – By Grade DC/Field

78% of Field hires over the past five fiscal years have been for GS-12s. 79% of DC hires over the past five fiscal years have been for GS-11s to GS-15s. GS-13s accounted for 25% of the hires.
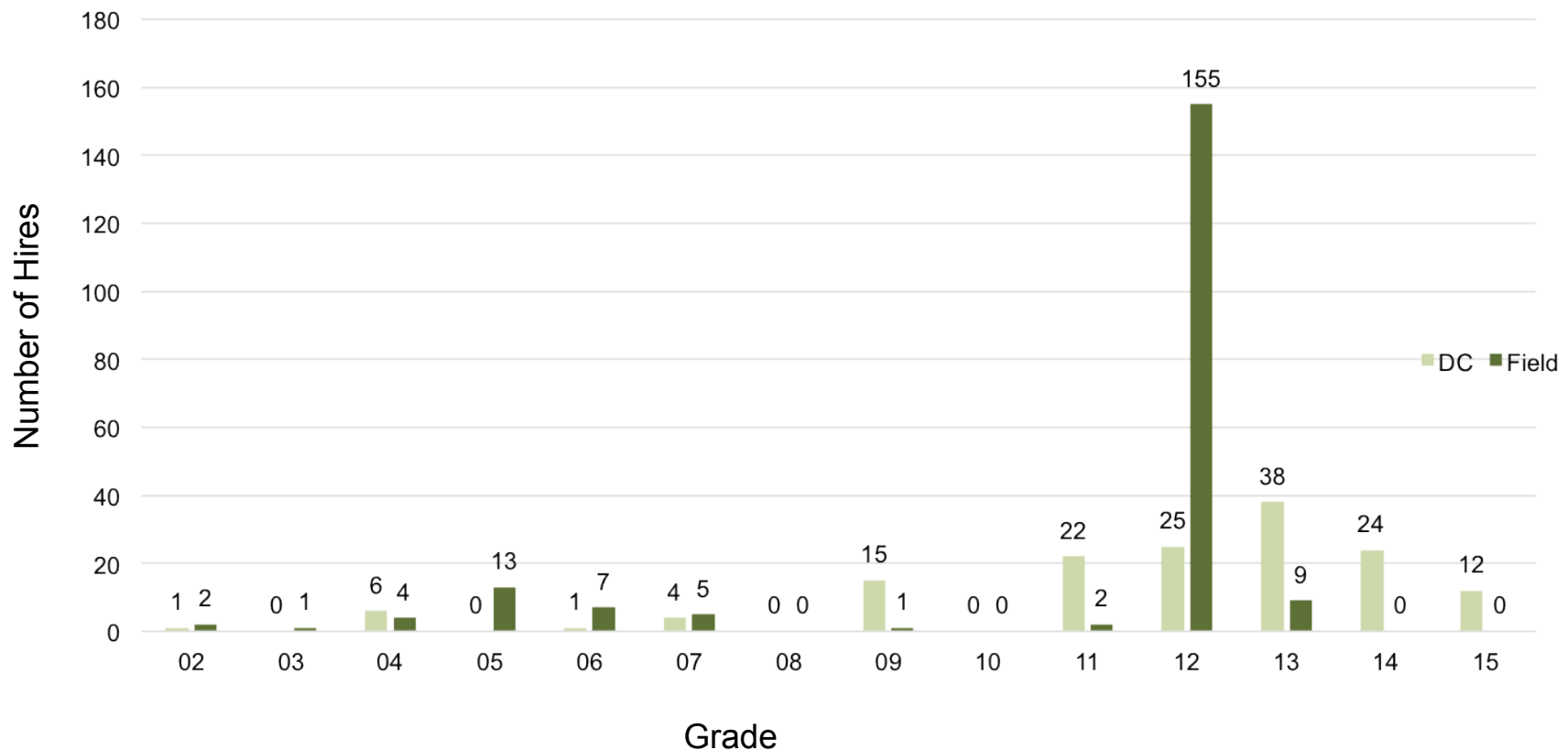
Resignations – By Age DC/Field

Field resignations are consistent from ages 40-64. 76% of resignations in DC occurred under age 45.
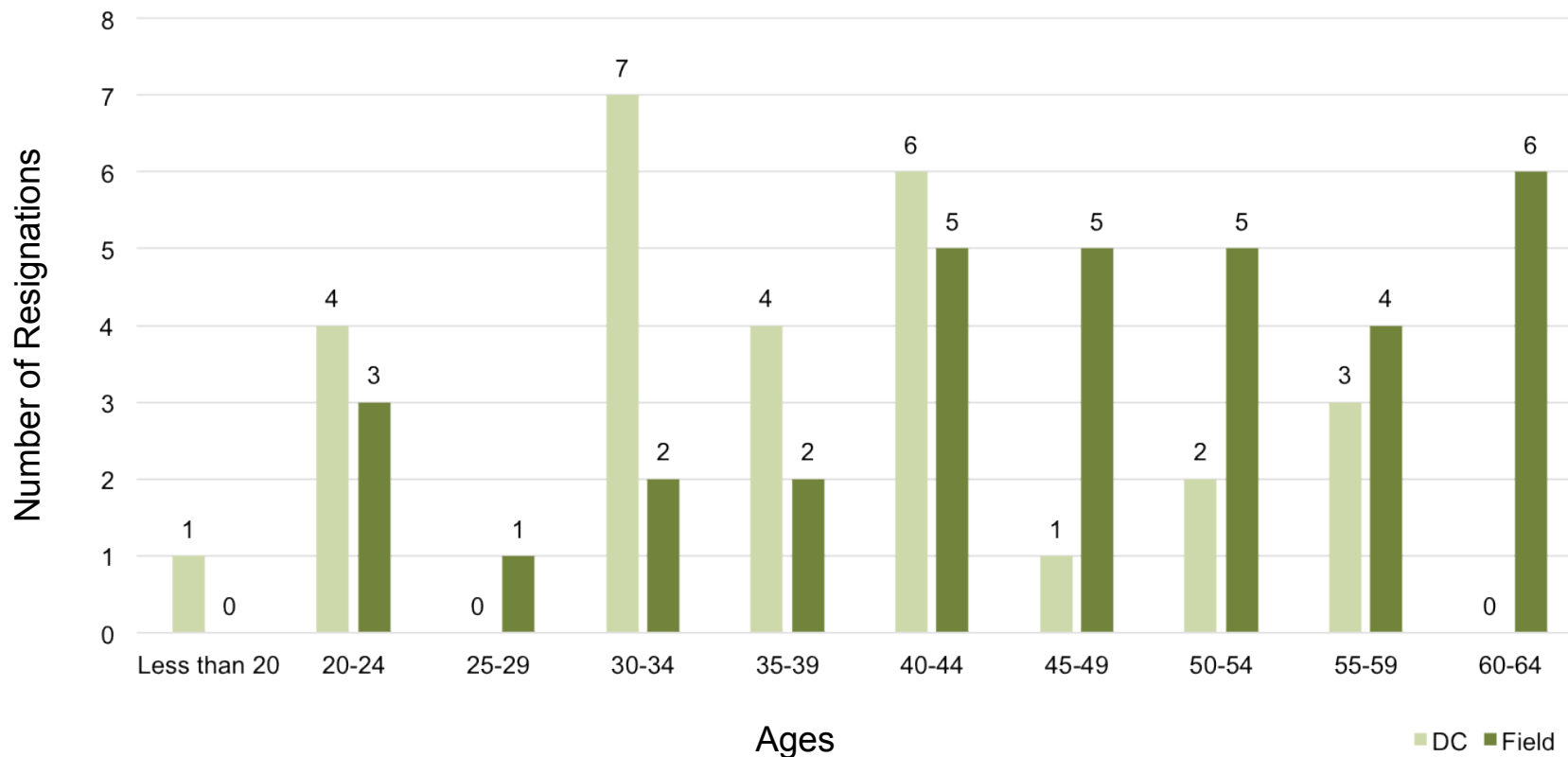
Resignations – By Grade DC/Field

55% of Field resignations were at the GS-12 level. 79% of Field resignations are at the GS-12 level or higher compared to 57% for DC.
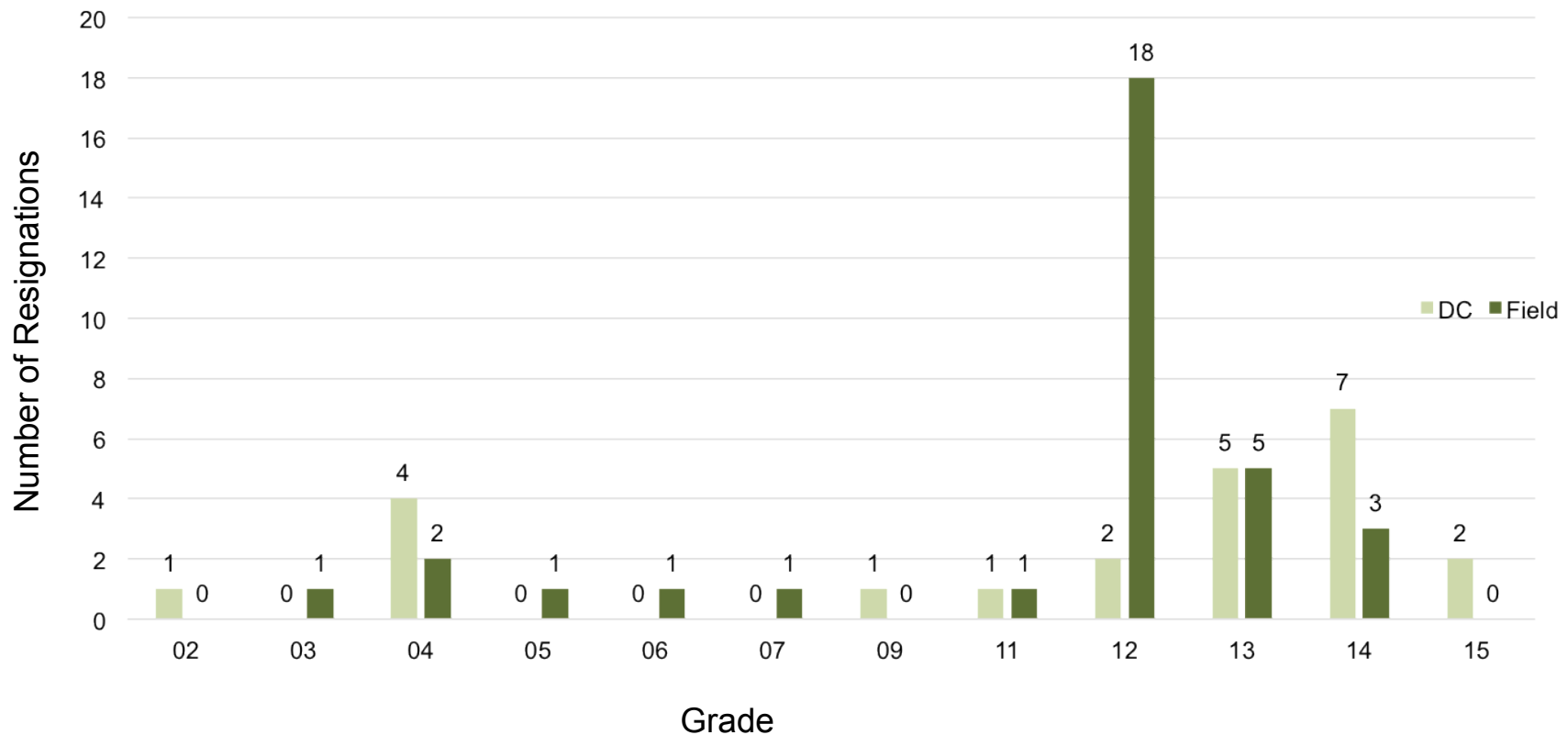
Resignations – Years of Service – DC/Field

61% of all FRA resignations occur within the first four years of service. For DC, 64% of resignations occur within the first four years of service compared to 58% for the Field.
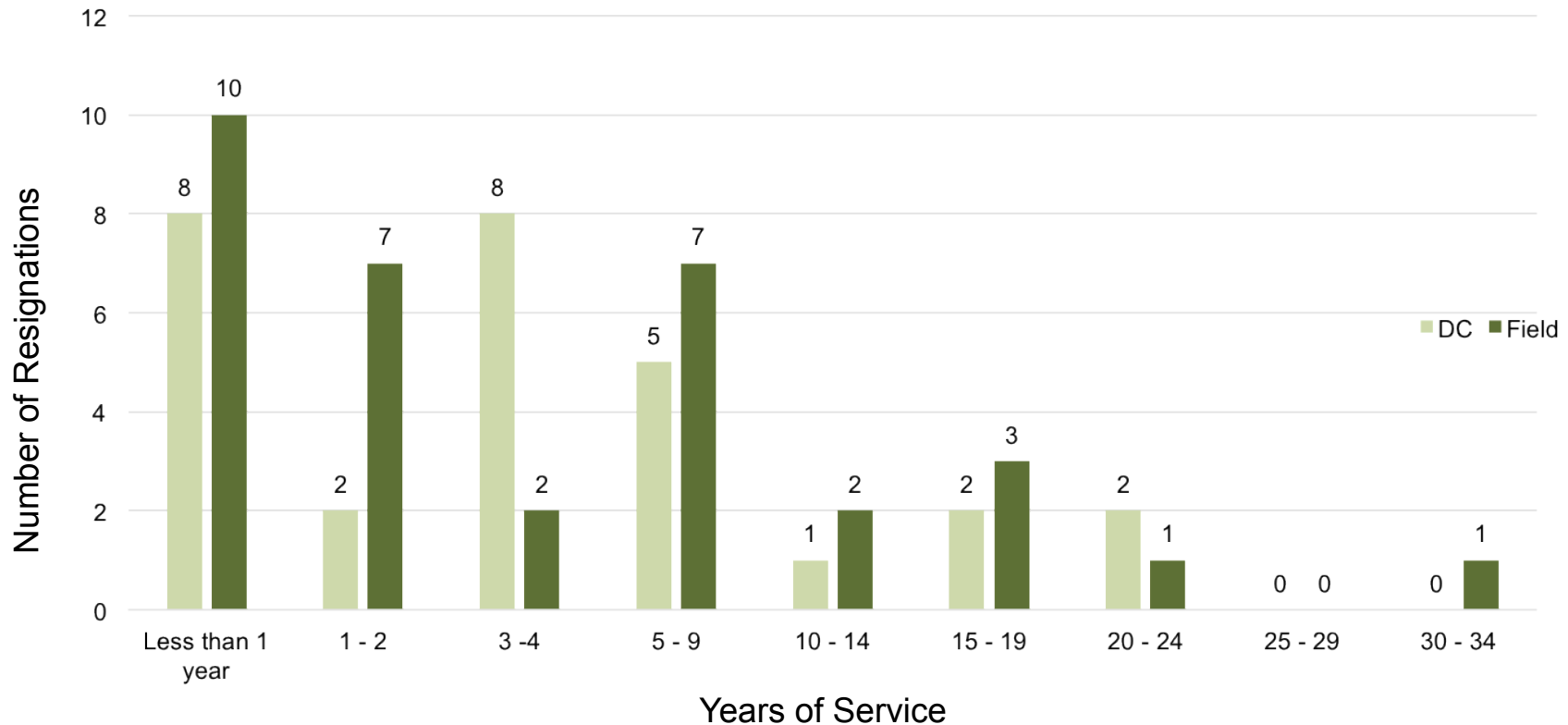
Resignations – Average Length of Service

For resignations across FRA, GS-7s and GS-11s had the longest average length of service before separation. Those numbers are clearly influenced by the Field, as DC had no GS-7s resign. DC also reflects fewer years of service for grades 11 and higher as compared to all FRA.
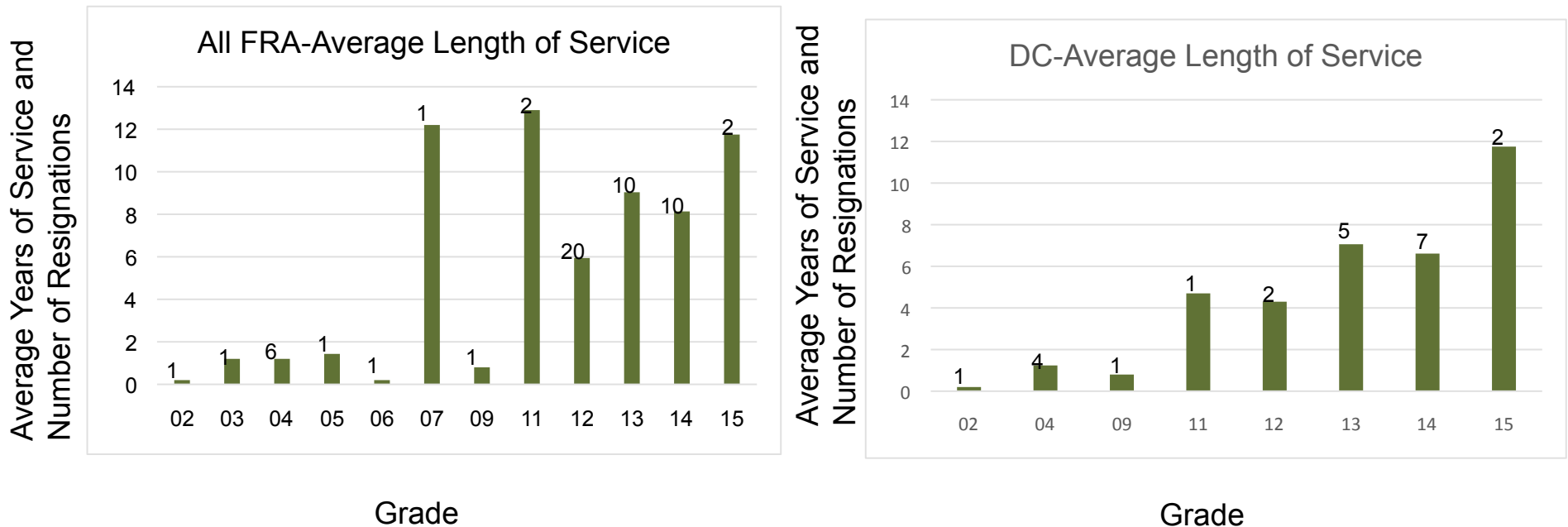
FRA Workforce Average Age

The FRA workforce is older than the average Federal workforce in each of the organizations/positions below. The average age of the FRA workforce shows an older workforce in the supervisory MCO 2121 position and Regions 1 and 2. As noted earlier, these regions and the MCO 2121s will be explored in great detail for the strategic human capital plan.
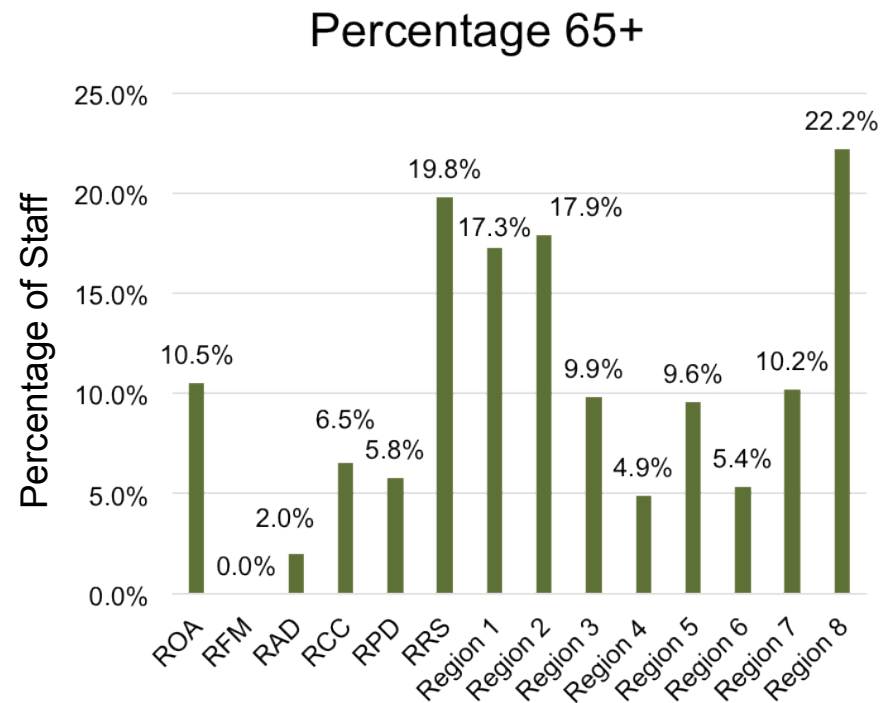
FRA Workforce - Average Age

| Category	Age
FRA Workforce	51
Supervisors	53
Non Supervisors	51
DC	48
Field	53
Region 1	56
Region 2	56
Region 3	53
Region 4	51
Region 5	52
Region 6	52
Region 7	52
Region 8	54
MCO (2121)	54
Supervisory MCO	58
Federal Workforce	47
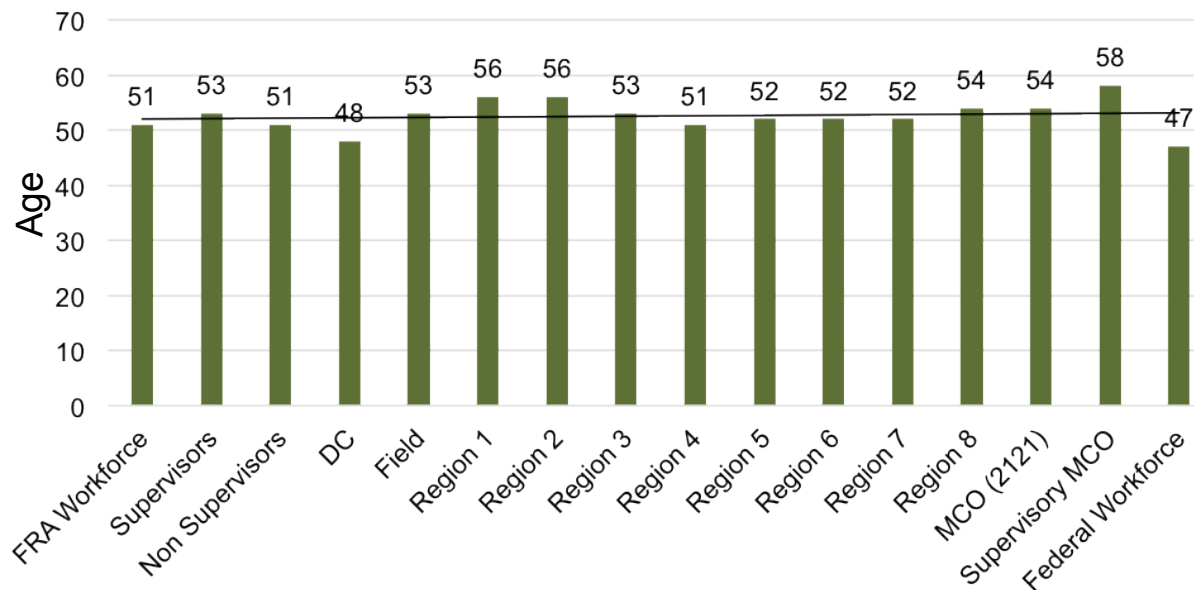
Five Year Age Change

The five year change in average age presents an interesting pattern forming a "U" shape with a significant increase in the 30-34 year old range and a significant decrease in the 50-64 year old ranges. The increase in the age group over 65 years represents 10.7% of the FRA workforce. By comparison, only 4.4% of DOT's workforce is 65 or older.

Age % Change 2009 - 2013
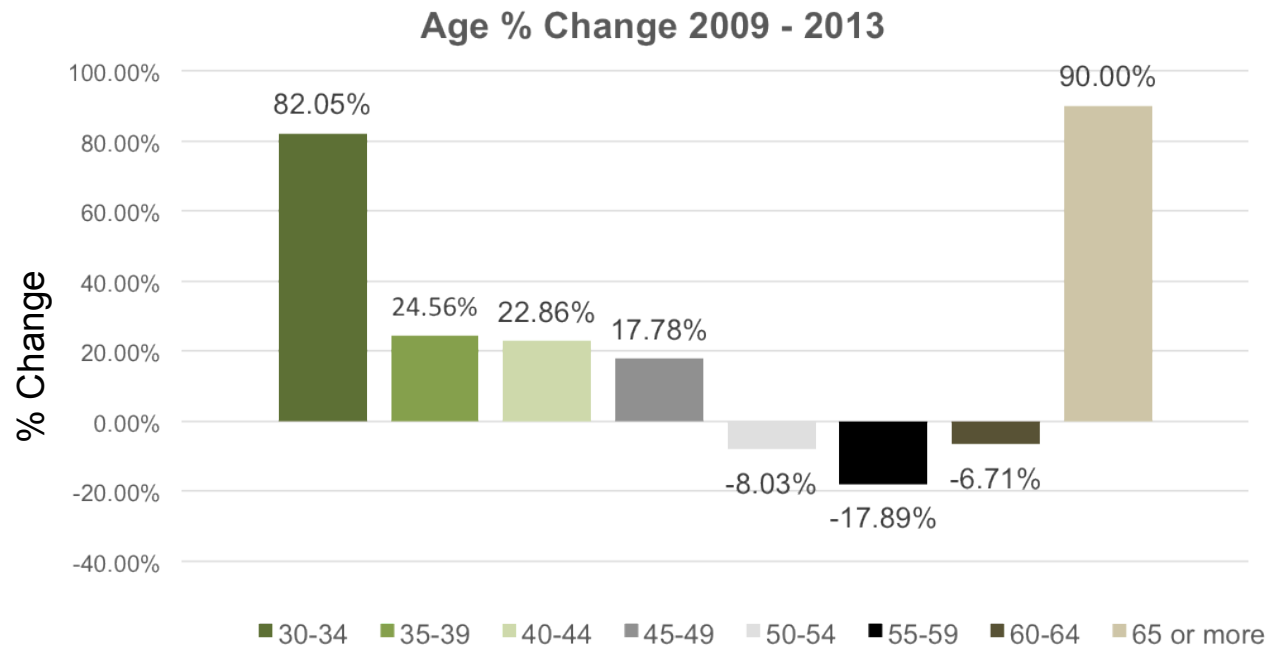
Because of the increases in over 65 and under 34, coupled with the decreases from 50-64 year olds, these demographics will be especially important for strategies to address recruiting, knowledge management and transfer and talent management.

Employees 65 and Older by Organization

RRS has the most staff members 65 and older, which comprises about 20% of its total workforce. Regions 2 and 8 each have 12 staff members 65 and older, which comprise approximately 18% and 22% of their total workforce, respectively.


Number of Staff 65+

Percentage 65+
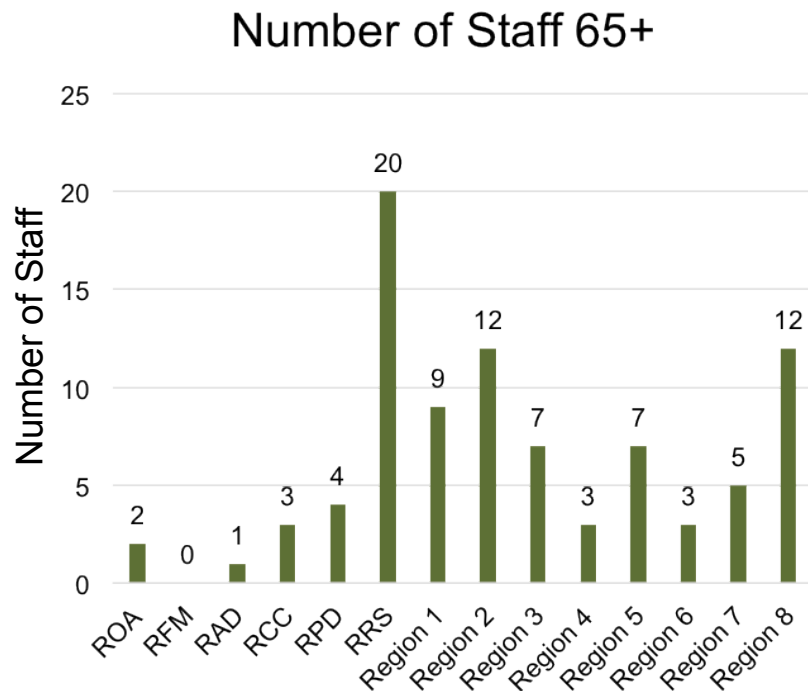
FRA Workforce Average Years of Service

The average years of service of the FRA workforce analyzed by organization shows the supervisory MCO 2121s with a slightly higher average number of years of service. Supervisors in general are above the trend line, as are Regions 2 and 5.
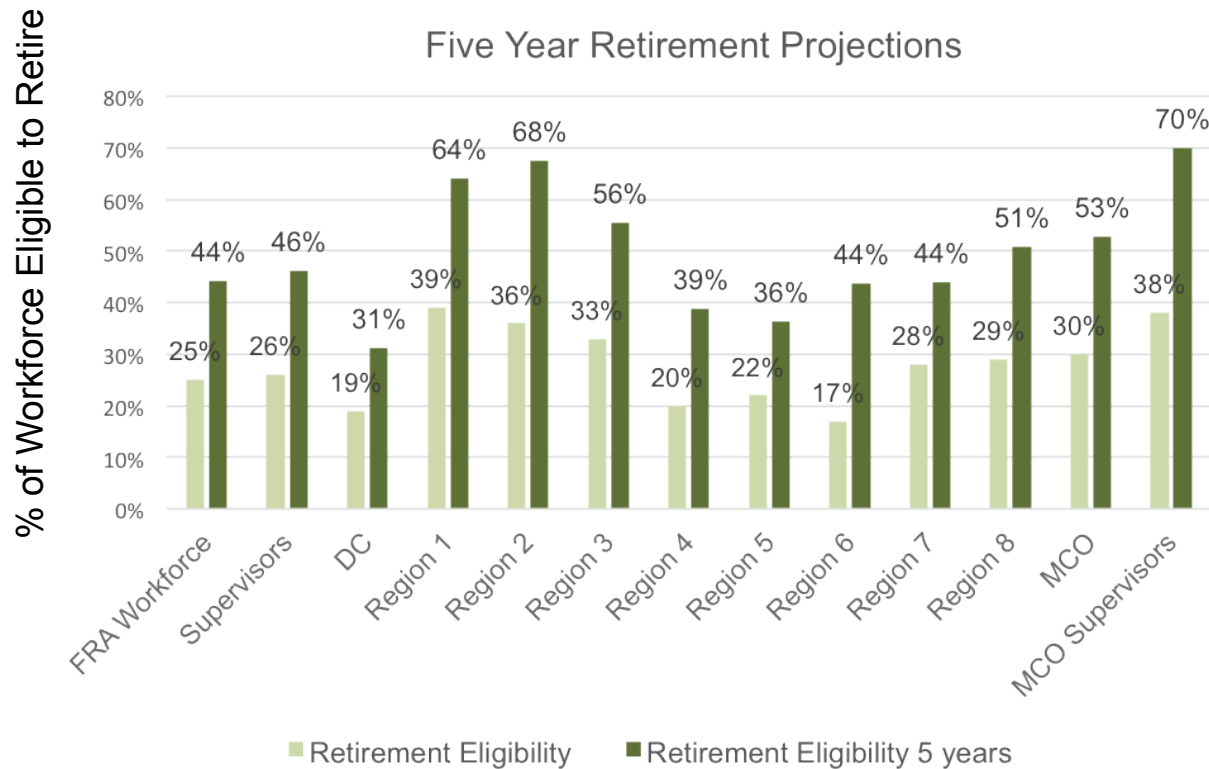

Average Years of Service
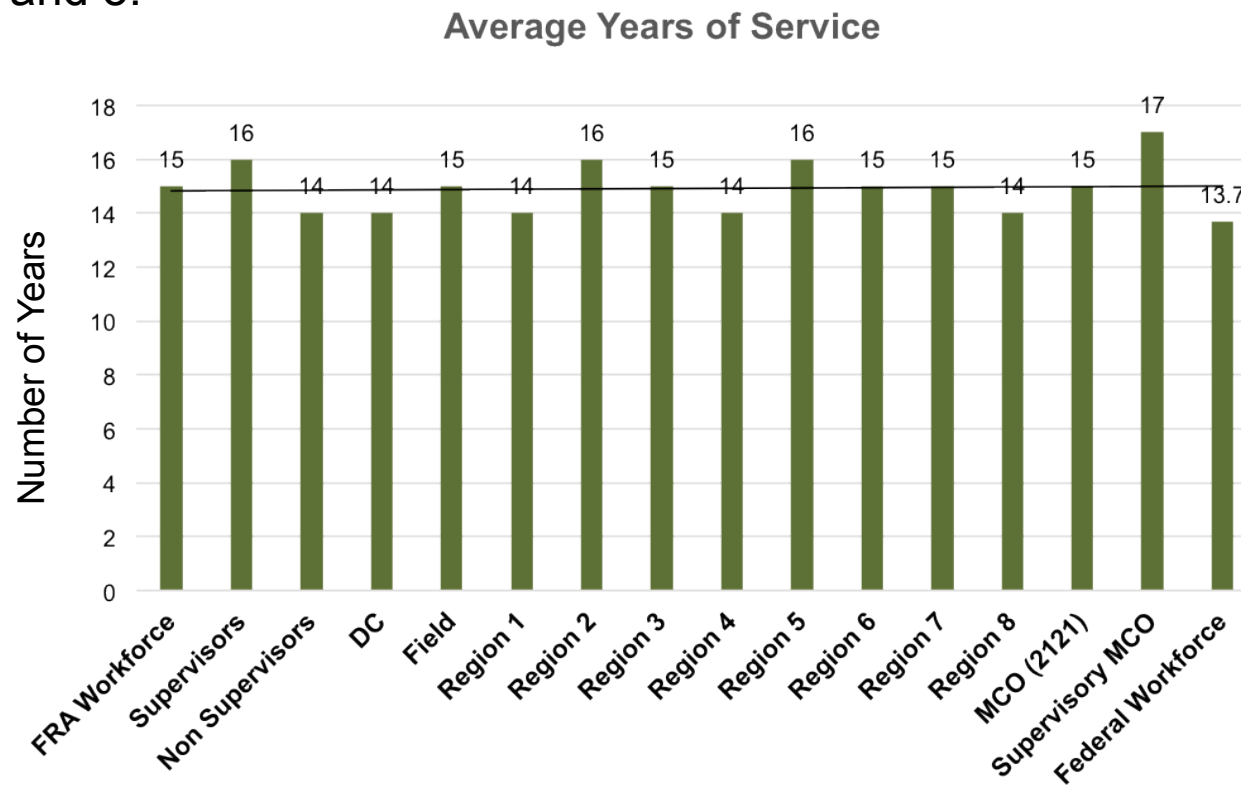
Retirement Eligibility in 2014

Twenty-five percent of the current FRA Workforce is eligible for retirement at this time. Regions 1 and 2 have a workforce that is 39% and 36% respectively eligible to retire. The workforce in DC and Region 6 have much lower retirement eligibility percentages – 19% and 17% respectively.

Retirement Eligibility
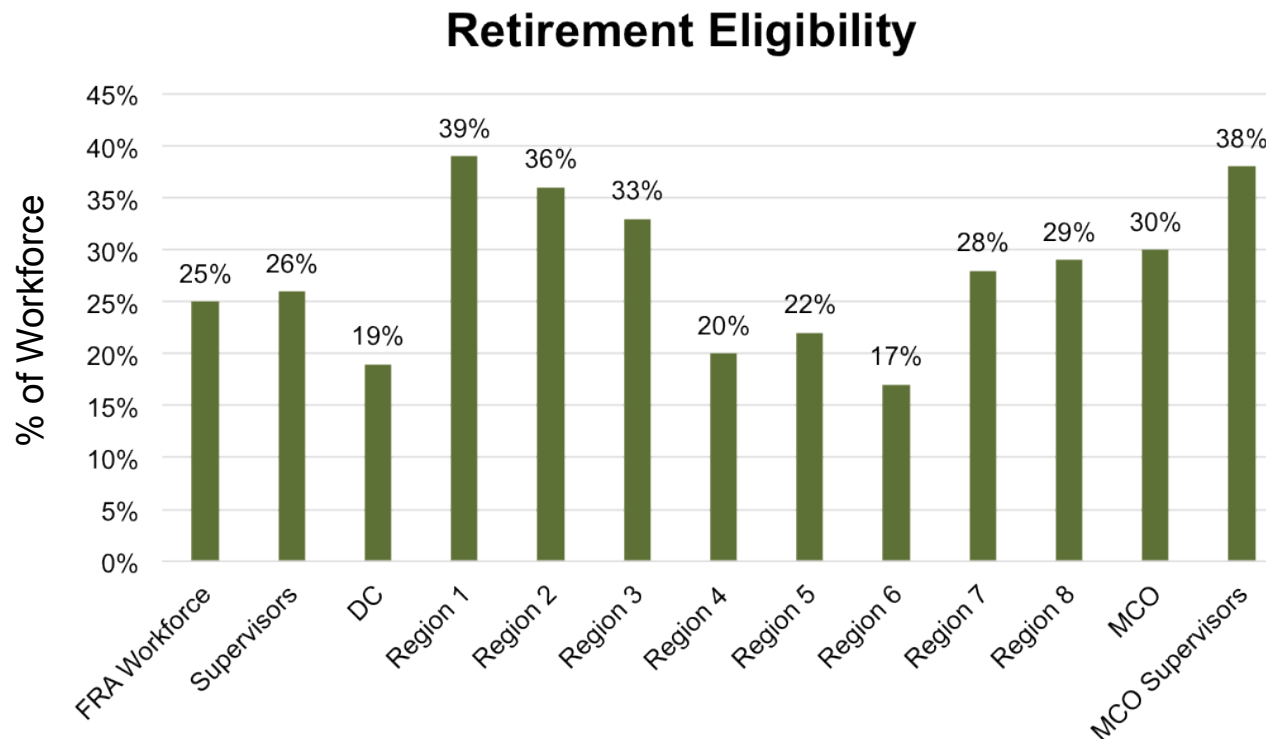
Retirement Eligibility in 5 Years

In five years, 44% of the workforce will be eligible to retire, with 70% of the Supervisors in the MCO 2121s having eligibility for retirement and Regions 1 and 2 with 64% and 67% retirement eligibility

Five Year Retirement Projections

% of Workforce Eligible to Retire

Legend: Retirement Eligibility | Retirement Eligibility 5 years

Data points — Retirement Eligibility / Retirement Eligibility 5 years:
FRA Workforce 25% / 44%; Supervisors 26% / 46%; DC 19% / 31%; Region 1 39% / 64%; Region 2 36% / 68%; Region 3 33% / 56%; Region 4 20% / 39%; Region 5 22% / 36%; Region 6 17% / 44%; Region 7 28% / 44%; Region 8 29% / 51%; MCO 30% / 53%; MCO Supervisors 38% / 70%

These numbers make it extremely important for FRA to strategically plan for its workforce and focus on knowledge capture and transfer to maintain its high standards of quality.

Average Years Served Post Optional/ Voluntary Retirement Eligibility

Calendar Years 2010 and 2012 are outliers for employees staying post optional/ voluntary retirement eligibility. During the five year trend, DC staff stayed 1.3 years longer beyond eligibility than their Field counterparts. FRA averages are in-line with Federal agency trends.
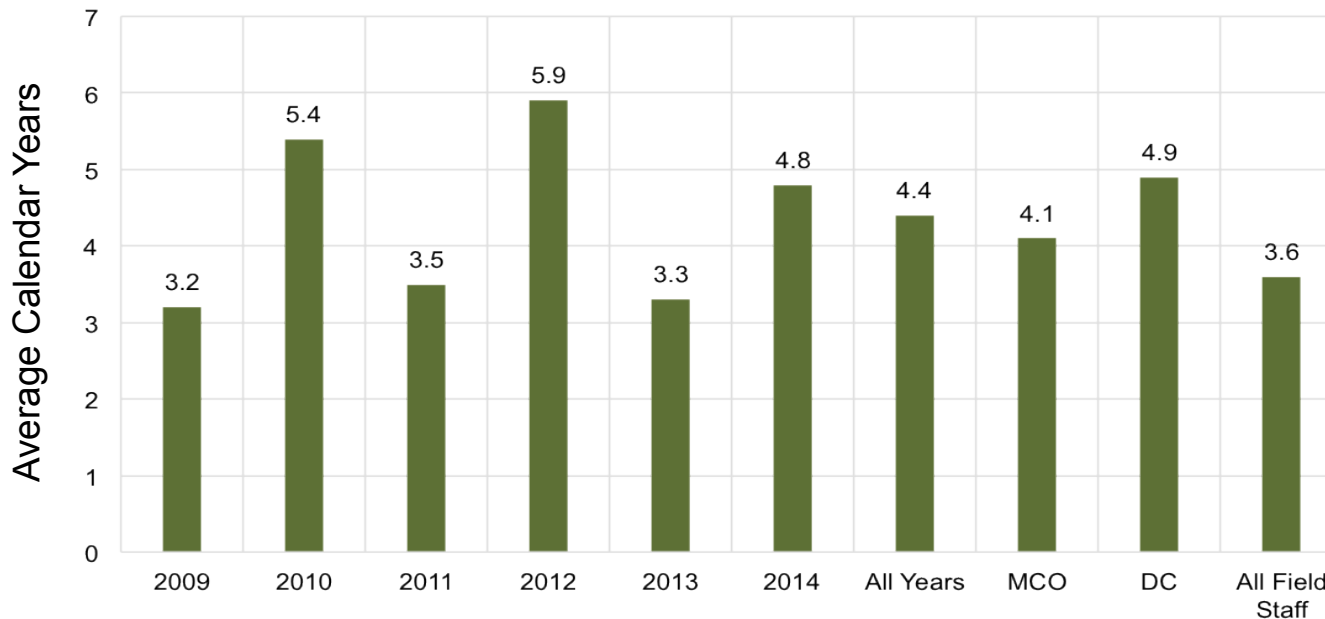
# Average Length of Service (LOS) – Retirements by Grade

Across FRA, GS-5s, GS-11s and GS-9s have the longest average length of service for those who separated through retirement. GS-14s lag behind their GS-13 and GS-15 counterparts in average length of service. In DC, GS-14s have the shortest length of service prior to retiring.

All FRA

DC Only
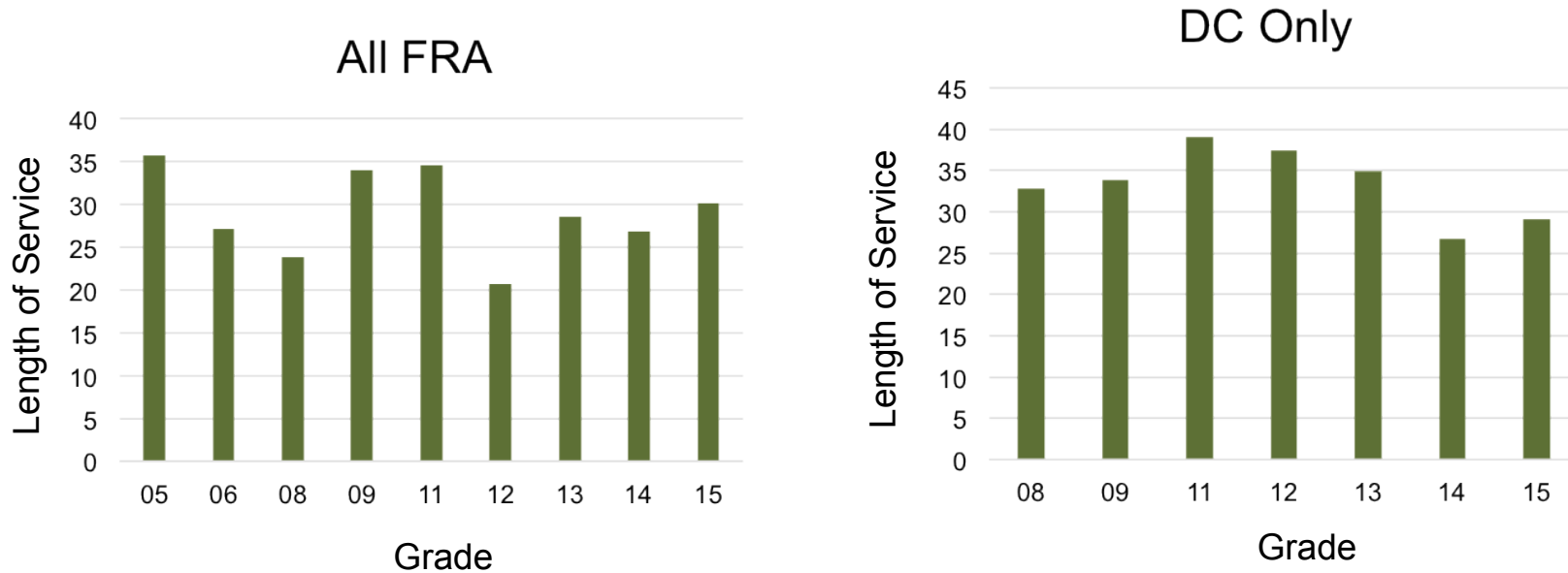
Average Salary

FRA has a highly skilled, technical workforce compared to many other federal agencies. As such, its average salary is above the government-wide average and slightly below but inline with DOT and medium size independent agencies employing 100 – 999 employees.

| Average Salary	United States
Cabinet Level Agencies	$76,331
Large Independent Agencies (1000 or more employees)	$92,877
Medium Independent Agencies (100-999 employees)	$105,587
DOT	$108,620
FRA	$97,756
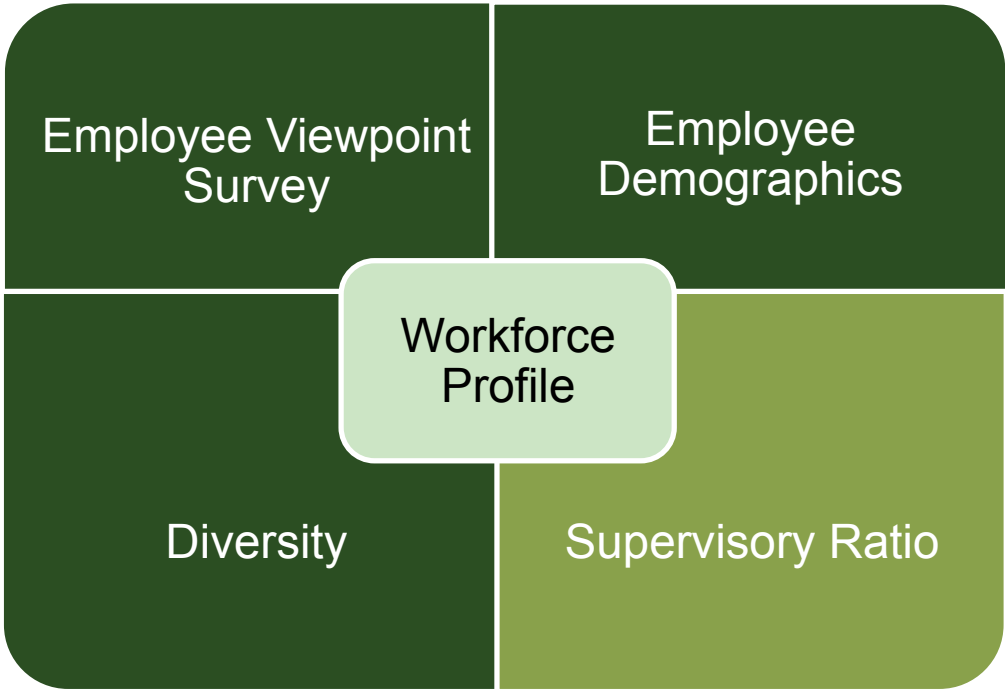
Supervisory Ratio

The overall ratio of one supervisor to federal staff (1:5.5) is higher than the average across government (1:8) as well as the DOT average (1:7.8). However, as shown in the table to the right, FRA has a relatively wide variation among regions, offices and the MCO 2121.
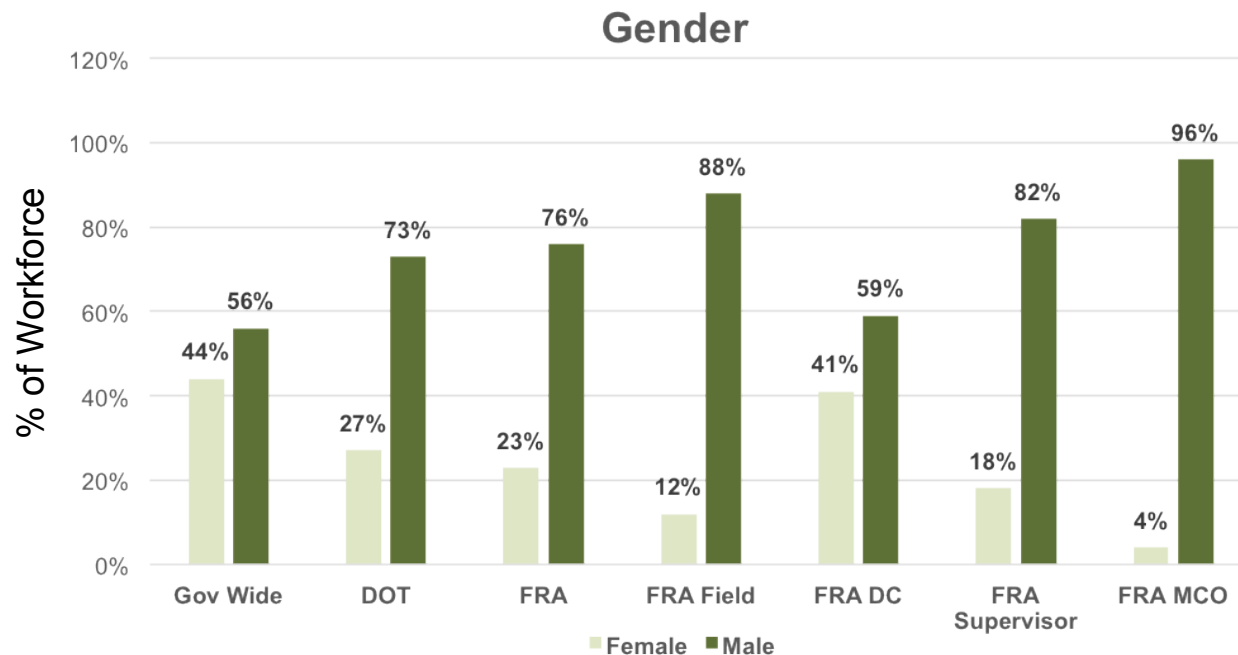
FRA will further explore the variance between regions, offices and the MCO 2121, and assess the appropriateness of the ratios for the workforce and its technical and functional requirements.

|	Supervisory Ratio
Federal Workforce	1:8
DOT Workforce	1:7.4
FRA Workforce	1:5.5
Region 1	1:6
Region 2	1:8
Region 3	1:10
Region 4	1:7
Region 5	1:9
Region 6	1:7
Region 7	1:6
Region 8	1:6
MCO 2121	1:9
All DC	1:4
ROA	1:2.5
RFM	1:6.0
RCC	1:7
RAD	1:4.6
RRS	1:7.2
RPD	1:4.3
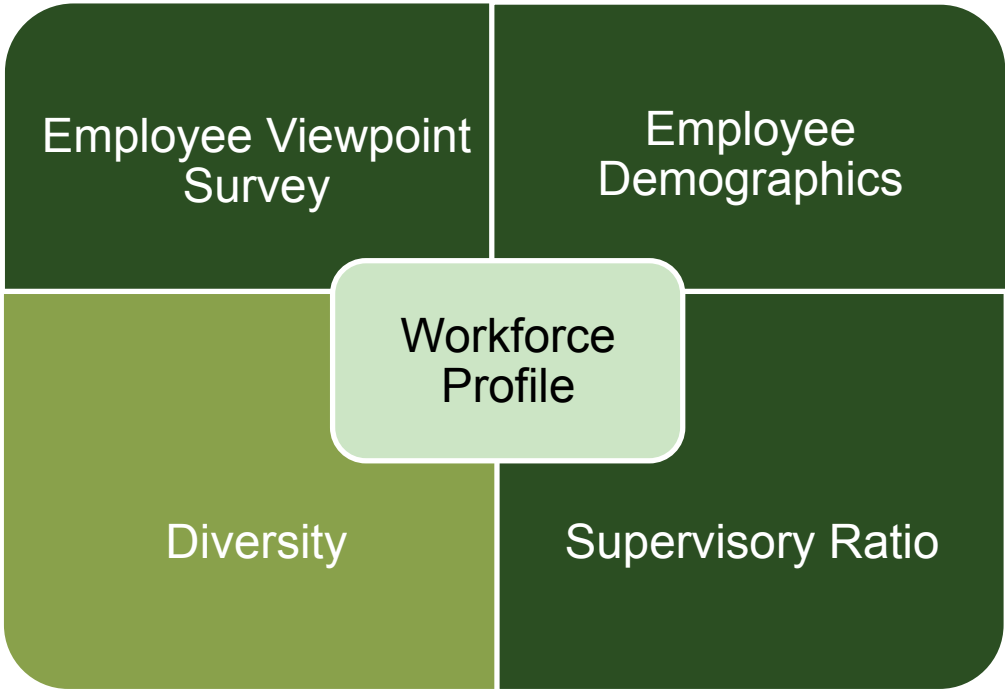
Diversity – Gender

The percentage of males in the Department of Transportation is significantly higher than across government (73% vs. 56%). FRA is slightly higher than all of DOT (76%). Drilling down into FRA's workforce shows a higher level of gender disparity in the field, supervisory positions and the MCO 2121s. Since 2008, the number of women has increased 3% and the number of men increased 8% as the overall workforce increased.

Gender

Y-axis: % of Workforce

Category	Female	Male
Gov Wide	44%	56%
DOT	27%	73%
FRA	23%	76%
FRA Field	12%	88%
FRA DC	41%	59%
FRA Supervisor	18%	82%
FRA MCO	4%	96%

Female ■ Male

Diversity – Minority

The percentage of minorities in FRA's workforce is less than the overall government and slightly less than DOT's workforce. However, FRA's DC workforce is slightly higher than the government workforce average.

The MCO 2121 and Supervisory staff are significantly lower than government wide percentages.

% Minority
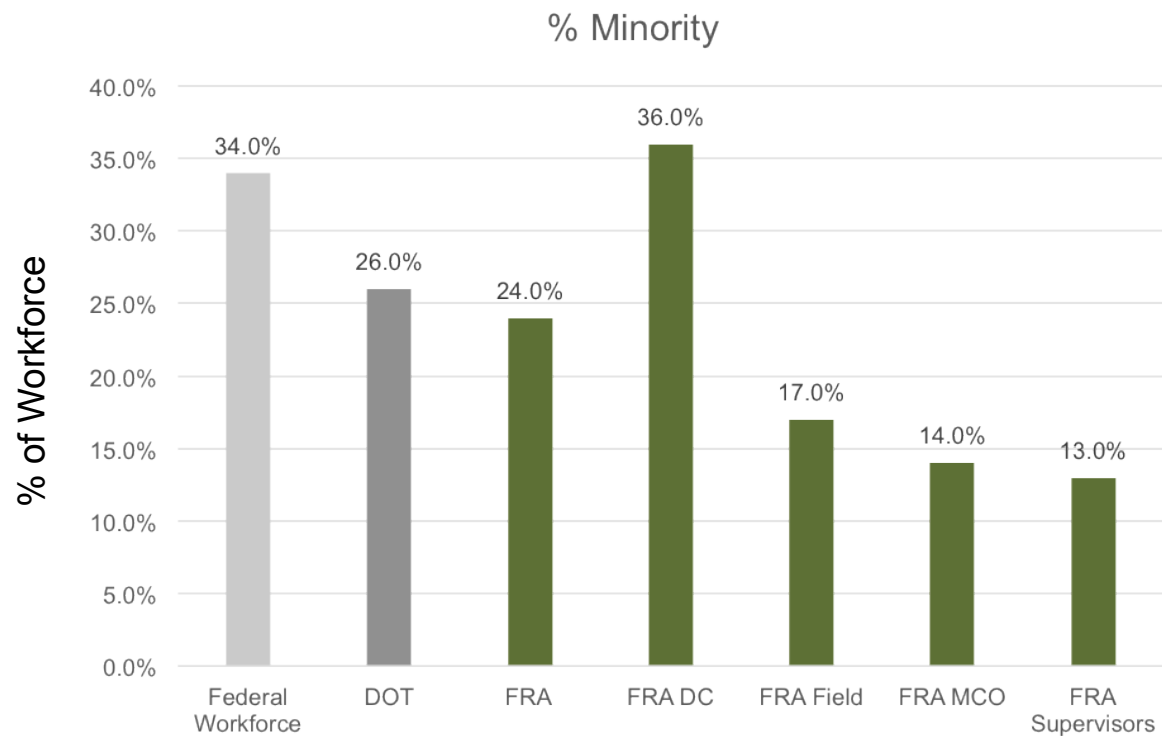
Diversity – Disability

The FRA workforce has a higher percentage of disabled individuals than the government-wide percentage and a significantly larger percentage in the MCO 2121 in particular.
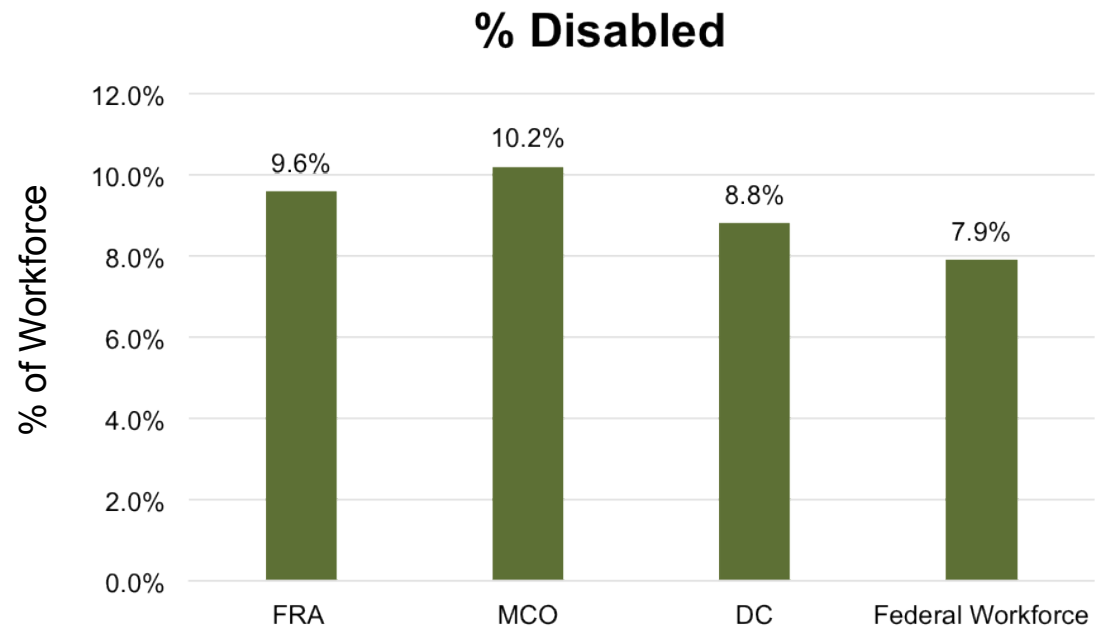
% Disabled

Diversity – Veterans

The FRA workforce has a higher percentage of Veterans than that of the average for the Federal workforce. Thirty-four percent of the Veterans are disabled and 39% are Vietnam era. The government-wide percentage of Vietnam era veterans is 5%.

Veterans

Legend:
- Federal Workforce — 24%
- FRA Workforce — 30%
- FRA DC — 14%
- FRA Field — 40%
- FRA MCO — 41%

Y-axis: % of Workforce (0% to 45%)