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The Secretary of Energy  
Washington, DC 20585

June 6, 2001

MEMORANDUM FOR HEADS OF DEPARTMENTAL ELEMENTS

FROM: SPENCER ABRAHAM

SUBJECT: Human Capital Summit

In recent meetings I have held with the senior managers at the Department of Energy, I have expressed my goal of making the Department of Energy's workforce the envy of the Federal Government. This is a tremendous challenge to all of us and one of the most important investments we can make in our future. The Department, like many other Federal agencies, is faced with a rapidly aging workforce and skills imbalances in several critical program areas. Left unaddressed, these problems will grow and adversely impact our mission delivery capability.

Recent studies by the General Accounting Office have indicated this issue is a "high risk" area for the Federal Government as a whole. Mr. David Walker, the Comptroller General, and former Energy Secretary James Schlesinger, who currently heads the U.S. Commission on National Security/21st Century, have recently testified before the Senate on this issue and concluded that we must take immediate action to ensure personnel issues are addressed and deficiencies remedied. In addition, on May 8, 2001, the Office of Management and Budget issued Workforce Planning and Restructuring guidance, including a requirement that agencies submit summary information on workforce analysis by June 29, 2001, and submit a five year restructuring plan as a part of its FY 2003 budget submission and annual performance plan.

I have asked the Department's Chief Operating Officers, working with the Office of Management and Administration, to take the lead in developing a plan for rebuilding our workforce and making DOE an employer of choice through the development and implementation of a well-conceived Human Capital Management plan. To initiate this effort, a Human Capital Summit is being planned for mid July to bring together high level stakeholders from across the Department to develop a corporate human resources strategy.



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Over the next several years, with a large percentage of our workforce aging, the Department could be facing severe workforce deficiencies affecting all of our programs. The purpose of the Human Capital Management initiative is to examine a number of factors affecting human resources, including implementation of the FAIR Act and development of workforce restructuring plans for OMB, while addressing the Departments skills needs now and into the future. The Department must be positioned to attract the right people for the right job at the right time with the right skills; develop and nurture existing staff through aggressive succession planning and supportive workplace strategies; and to support the transition of employees into retirement or other lines of work where appropriate to ensure that Department missions can be supported into the future.

Specifically, the objectives of this Summit will be to:

- Establish a corporate commitment to a Human Capital Management (HCM) program
- Develop a clear vision of the Department's workforce of the future
- Develop a corporate HCM Action Plan which identifies actions necessary to support the Administration's Workforce Planning and Restructuring initiative
- Establish linkages between Departmental planning/budgeting processes and Human Capital Management priorities and reflect these in the key Departmental resources management goals and commitments
- Develop funding strategies for short and long-term implementation of priorities

This is a tremendous opportunity for the Department to develop and implement an innovative, dynamic and integrated approach to recruiting, retaining, developing and transitioning into leadership positions a diverse workforce whose skills and talents will position the Department as a premier Federal workplace.

Effective Human Capital Management is one of the most important challenges facing the Department today. I am asking each of you to give this a high priority and am requesting your strong support by ensuring attendees are prepared to speak for your organization and are available to attend the Summit in its entirety. Invitations will be forwarded shortly along with read-ahead material to prepare participants to fully focus on addressing the above outcomes.