

Memorandum

To: Mary A. Bomar, Director
CC: Katherine C. Naff, Ph.D
From: Luiz Guevara
Date: 3/17/2009
Re: Workforce Planning (National Park Services)

This memo is designed to address the key issues that will affect the National Park Services (NPS) and its future as an efficient, relevant, and integral unit within the Department of the Interior (DOI). NPS's mission to "Preserve, unimpaired, the natural and cultural resources and values of the National Park System for the enjoyment, education and inspiration of this and future generations. The NPS cooperates with partners to extend the benefits of natural and cultural resource conservation and outdoor recreation throughout the country and the world" (DOI Strategic Plan 2007-11, p. 29), can only be carried out if the department conducts a thorough analysis of the current work force, of future needs, future attrition rates, and additional adjustments that need to be made in case of increased outsourcing.

I. Organizational requirements planning

The 1990's ushered a new stream of consciousness into the public sector that radically altered the manner in which government agencies conduct their work force planning. During the Clinton administration, there was a major shift towards smaller government agencies, and a "downsizing movement that engulfed first the private sector and then government" (Ricucci & Naff, p. 139, 2008). Due to the public sector's long standing commitment to sustaining a professional career service" (Ricucci & Naff, p. 139, 2008) most public agencies sought to downsize their workforce, and increase attrition through voluntary separation (Ricucci & Naff, p. 139, 2008, rather than laying-off employees. Separation rates decreased to "fewer than 12% in 1998", but accessions also fell from "600,000 and 700,000 in the mid 1980's to under 402,000 in 2005" (Ricucci & Naff, p. 139, 2008). The result of reinventing government has meant that most government agencies, including NPS, have an aging population that will retire in the next five years.

The DOI's strategic plan illustrates the frustration of having an aging population, and limited replacements, by stating that, "with some 20 percent of department employees eligible to retire by 2008, we face a potentially significant loss to knowledge and expertise" (DOI Strategic Plan 2007-11, p. 77) In its strategic plan, the DOI has outlined the importance of recruiting and training new employees, providing them with new technology, and building on the department's E government capabilities, so that the employee's "daily activities are aligned to produce and support improved service delivery and mission results" (DOI Strategic Plan 2007-11, p. 77).

The DOI has also identified several external and internal factors that need to be addressed in order to build a sustainable workforce. These include a younger workforce with different work values and expectations. Public expectations of "more business-like decisions of government", and

“increased financial scrutiny and financial accountability” (DOI Strategic Plan 2007-11, p. 48). In addition to an aging workforce, there is also an “aging infrastructure needing replacement”. The DOI would like for its agencies to increase their communication with the public, and also become more customer oriented (U.S. DOI, Appendix A, p.47-48). The DOI recognizes that the pending retirements will mean that they have to attract a younger workforce, so they are emphasizing greater flexibility between family and work time, and also encouraging employees to develop their leadership skills as they mature into their respective agencies.

NPS needs to focus on recruiting a younger workforce that has the capacity to adapt to new technologies, yet remain true to the agency’s mission. A younger workforce would have a positive effect on NPS by revitalizing the organization’s commitment to outdoor recreation, and also on the agencies ability to inspire and educate future generations. NPS has shown its commitment to employee retention and advancement by instituting a training division called the Learning and Development Division, which offers leadership, coaching, technology courses to employees at each of NPS’s offices.

None of the work that NPS does would be possible without the help of hundreds of thousands of volunteers. The agency has over 125,000 volunteers annually (U.S. DOI Strategic Plan 2007-11, p. 35). The DOI estimates that NPS has received over 14.7 million hours in volunteer time, which is valued at \$254 million dollars in volunteer services (U.S. DOI Strategic Plan 2007-11, p. 35). NPS’s youth volunteer programs serve youth from the ages of 5 through 24 from any economic, social and cultural background. These youth programs are a powerful tool that human resource specialist in the agency can use, in order to tap into a younger pool of dedicated, and passionate future NPS employees and leaders.

II. Workforce Planning (Attrition Projection)

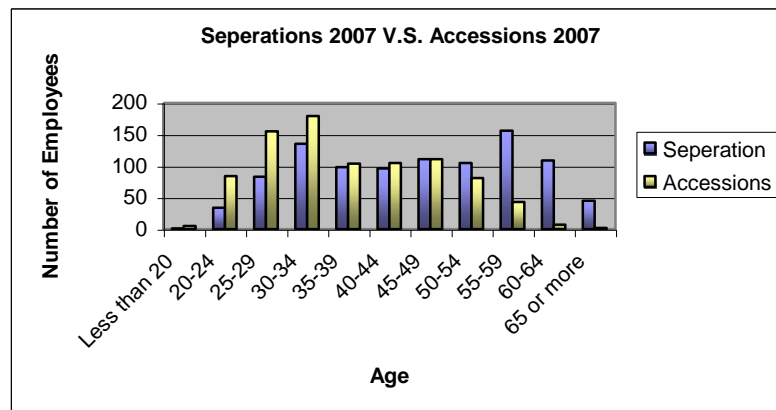


Chart 1

At the end of 2006 there were 16,736 employees at NPS. The separation rate during 2007 was 973 employees, this means that about 6% of the workforce resigned, got fired, or retired. During this time period NPS hired 876 new employees, which sets the accession rate for 2007 at 5.2%. NPS did not replace the entire workforce that was lost during 2007, so by the end of the year there were 16,279 employees, or 2.8% less from the previous year. As can be seen in Chart 1, a large number of the separated workforce that was not replaced was in the age range of 55 and over, and there were more accessions in the 25-34 year old range.

During 2008, fifty percent of the workforce “under 20 years of age” moved to the next age category, which is in the “20-24 year old” range. Twenty percent of the remaining age categories, with the exception of “65 or over”, moved to their next respective age category. Since a year has passed, all employees that had less than one year of experience moved over to the next experience category, which is “1-2 years” of experience. Fifty percent of the individuals who had “1-2” and “1-4” years of experience moved on to the experience category. With the exception of the employees that had “35 years or more” of experience, 20 percent of the remaining workforce moved over one respective experience category.

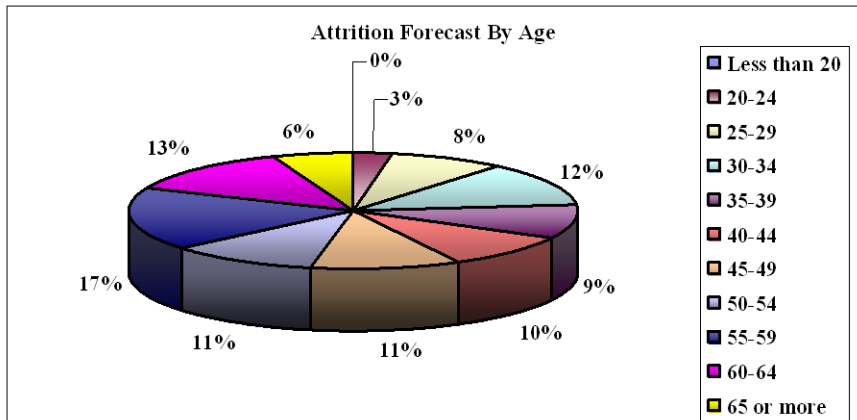


Chart 2

The attrition forecast shows that the turnover for NPS will be 986 employees, or 6% of the total workforce. Forty seven percent of the employees that will be lost due to attrition, will be 50 years of age or older, while twenty five percent will be below the age of 34. The remaining 28% of the workforce lost due to attrition will be within the 35 to 49 year range. At the end of 2007, 41% of all employees at NPS were between the ages of 45 and 54, but this age range only accounts for 22% of the attrition rate. Since these employees are old enough to have several years of experience with NPS, but aren't old enough for retirement, the age range seems to be relatively stable. The loss of younger employees could be due to employees gaining work experience at NPS and then searching for a job elsewhere, and a retiring aging baby boomer population could explain the loss of older employees.

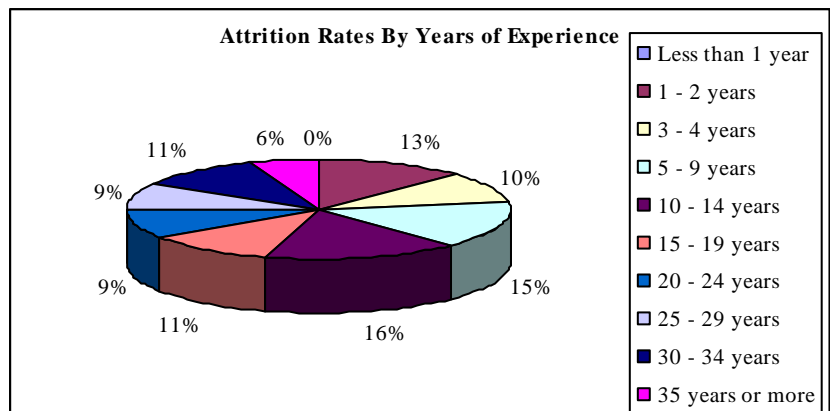


Chart 2

If the attrition rates are broken down by years of experience we can see that 23% of the separating population has been with NPS for 1-4 years. Thirty one percent has 5-15 years of experience. At the end of 2007, 1/3 of NPS employees had 5-15 years of experience, so this could help explain the 31% percent loss at this range. As would be expected, typically older individuals with 15 or more years of experience make up 46% of the turnover population. The high number of employees who are retiring can explain the loss of employees at this experience range.

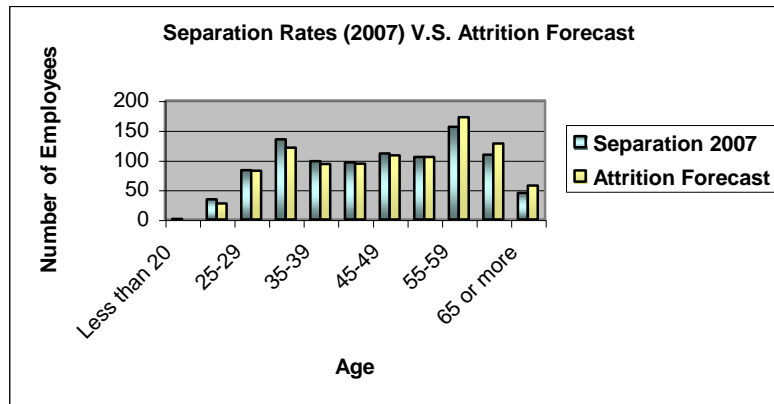


Chart 4

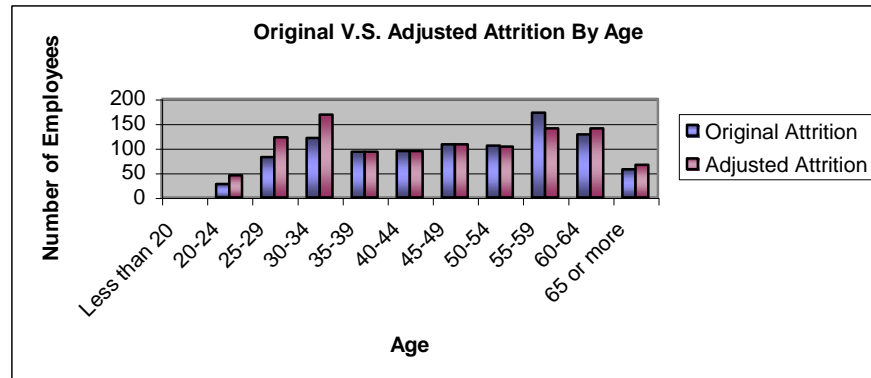
As can be seen in Chart 4, the separation rates during 2007 and the attrition forecast follow a similar distribution. NPS is lucky that it has a turnover rate of only 6%, but due to an aging population, the turnover rate could begin to skyrocket in the years to come. The main suggestion that I would make to NPS is that they hire, cultivate, and retain their younger talent through youth volunteer programs, and youth outreach programs. A younger workforce would be well suited to deal with the challenges of new technology, and would be an important factor in NPS’s stability in the years to come.

III. Adjustment Projection

The Bush administration has carried on with President Clinton’s vision of a smaller government, by asking NPS to consider outsourcing some of the ranger duties to private companies. In order to determine the new attrition rate, it’s necessary to recalculate the transitional probability that an employee will be laid off, retire, or opt to leave voluntarily. The transitional probability for this adjustment projection was determined using data from the original attrition projection, and the separation rates during 2007.

In the original attrition analysis the majority of turnover was between the ages of fifty and older, and 35 and younger. In the adjusted attrition forecast, the probability rate that an employee with 1-2 years of experience will be laid off has increased to fifty percent. Employees with 1-2 years of experience who are younger than 35 years of age are more likely to find future employment so I increased their transitional probability by 15%. Employees with 3-4 years of experience, who are younger than 35 years of age, have shown an interest in long term work with the agency, but their relatively young age still means that they might leave to pursue careers in other fields, or with other agencies, so their transitional probability is increased by 8%. The transitional probability for employees 35 and younger with 5-9 years of experience is only increased by 5%, because of the length of their service with the agency.

On the other end of the spectrum, individuals that are 65 years of age or older will be asked to voluntarily retire to make room for the future crop of NPS employees. Since the length of time that they have been with the company will determine the retirement benefits, the transitional probability that an employee who has been with the agency for 20 or more years will increase to 50%, and 10-19 years will be 25%. Employees who are on the cusp of the retirement age, 60-64, will be offered an early retirement if they have been with the agency for more than 30 years, so their transitional probability will increase to 50%. We expect a reduction in the transitional probability for employees that have been with the agency for 25-29 years, because they will probably hold out to have their contracts bought out at a later time.



In total the new attrition rate will be 8%, or 1258, of the total employees at the end of 2007. As would be expected with the new transitional probabilities, there is an increase in turnover for employees that are 35 and under, and for employees 60 and older. The turnover rate for employees 35 and under will be 30%, of the total attrition rate. For the workforce older than 60, the rate of attrition will be 25%. There will be a decrease in attrition rates for 50-59 year olds, because as was stated earlier, they are likely to hold out for NPS to buy out their contracts. The remaining workforce age 35 through 54 will remain stable. The stability, and growth of this age group will determine whether the NPS will be able to continue to meet its mission.

Work Cited & Resources

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