

# CALIFORNIA INFORMATION TECHNOLOGY (IT) SUCCESSION MANAGEMENT PLANNING TOOLKIT AND TRAINING

This nomination is being submitted under the award category of **Data, Information and Knowledge Management** because the use of the Information Technology (IT) Succession Management Planning Toolkit supports the development of knowledgeable workers and workforce.

## EXECUTIVE SUMMARY

State of California Information Technology leaders face an unprecedented challenge. Over 40% of California's aging IT workforce will be eligible to retire in the next three to five years. This translates into approximately 4000 IT workers or approximately 70 information technology positions vacating monthly. The State is truly facing a Y2K of human capital. Statistics show that significantly more governmental staff will be retiring before private industry staff. It is estimated that since government retirement benefits typically surpasses private industry retirement benefits, that the state will be the hardest hit earlier than other employers. Thus, a plan of action for state government to develop knowledgeable workers and workforce must be in place quickly to meet these challenges.

Many of the positions that will be vacated are currently filled with high level, experienced IT professionals, who understand existing systems and department policies. When these professionals retire they leave gaps in institutional knowledge, system support functions, and IT processes. Each retirement results in a significant loss of institutional knowledge. Current IT leaders must formulate a strategy to develop knowledgeable workers who may become the State's new IT leaders. California's ability to plan and execute this strategy is critical to ensuring the provision of quality service to the public from expert level IT knowledgeable workers and leaders.

The State of California's Information Technology Strategic Plan addresses this challenge in Goal 5, Objective 1: *"The State will engage in IT Succession planning to assist in the transition of the State's IT workforce to the future generation of IT leaders. The State will recognize and plan for the replacement of IT employees who will likely leave state service within the next three to five years. This plan will account for the unprecedented number of impending retirements, will focus on increasing diversity, and the increasing skills gap"*. In addition, the California State Senate addresses this issue in Senate Bill 721. This bill passed the Senate in February 2007 and currently resides in the Assembly and will mandate each California state agency to establish and implement a succession management plan by January 1, 2010.

In support of the above goals and mandates and in response to the state's need to recruit and develop knowledge workers who will become IT leaders, a multi-departmental Succession Management and Workforce Planning Workgroup was formed. This workgroup was tasked with finding a solution to the knowledge management and succession planning issue. The group developed an IT Succession Management Planning Toolkit (<http://www.cio.ca.gov/pubs/>). The objective of the Toolkit was three-fold: to assist IT leaders in identifying, documenting and measuring core competencies at the IT technical and management level; to support and develop a network of potential candidates capable of filling critical IT positions as the positions become vacant; and to provide a benchmark for IT leadership skills ensuring standardized skills across departments. The Toolkit includes templates and samples of a Succession Management Plan, Technical and Management Core Competencies required, Internal and External Recruitment Strategies, Potential Candidate Rating Sheet, Management Training Plan, Implementation Timeline and Recruitment and Retention by Generation information.

In addition to the Toolkit, numerous two-hour training sessions were made available to all IT leaders and California Chief Information Officers. This two-hour training class explains the benefits of succession planning and how to use the Toolkit. Feedback from the training sessions indicates that this Toolkit will save each California department at least four months in the planning process and will allow continuity and consistency of all California State Agencies Succession Management Plan.

## **Full Write-Up**

### **Data, Information and Knowledge Management Nomination**

#### **Project Description: California IT Succession Management Planning Toolkit and Training**

This nomination is being submitted under the award category of Data, Information and Knowledge Management because the use of the Information Technology (IT) Succession Management Planning Toolkit supports the development of knowledge workers and workforce.

#### **Introduction:**

The IT Succession Management Planning Toolkit is a step by step guide for developing and implementing a Succession Management Plan focusing on IT core competencies for key positions that exert critical influence on the organizations activities. The Toolkit includes templates and samples of a Succession Management Plan, Technical and Management Core Competencies, Internal and External Recruitment Strategies, Potential Candidate Rating Sheet, Management Training Plan, Implementation Timeline and *Recruitment and Retention by Generation* information. The Toolkit training also included a CD and a PowerPoint presentation to facilitate training and implementation. While focusing on key positions, the Toolkit can be expanded to address non-IT managerial, supervisory and rank-and-file positions. The State has adopted this IT Toolkit statewide to ensure continuity and consistency for all succession management planning efforts. Under the sponsorship of California's State Chief Information Officer, training was made available to approximately 150 California State department/agency Chief Information Officers and IT leaders.

#### **Background:**

The State of California - *IT Strategic Plan* addresses this challenge in Goal 5, Objective 1: *"The State will engage in IT Succession planning to assist in the transition of the State's IT workforce to the future generation of IT leaders. The State will recognize and plan for the replacement of IT employees who will likely leave state service within the next three to five years. This plan will account for the unprecedented number of impending retirements, will focus on increasing diversity, and the increasing skills gap"*. In addition, the California State Senate addresses this issue in Senate Bill 721. This bill passed the Senate in February 2007 and currently resides in the Assembly and will mandate each California state agency to establish and implement a succession management plan by January 1, 2010.

#### **Problem Statement:**

State of California Information Technology leaders face an unprecedented challenge. Over 40% of California's aging IT workforce will be eligible to retire in the next three to five years. This translates into approximately 4000 IT workers or approximately 70 information technology positions vacating monthly. The State is truly facing a Y2K of human capital. Statistics show that significantly more governmental staff will be retiring before private industry staff. It is estimated that since government retirement benefits

typically surpasses private industry retirement benefits, that the state will be the hardest hit earlier than other employers. Thus, a plan of action for state government to develop knowledge workers and workforce must be in place quickly to meet these challenges.

Many of the positions that will be vacated are currently filled with high level, experienced IT professionals, who understand existing systems and department policies. When these professionals retire, they leave gaps in institutional knowledge, system support functions, and IT processes. Each retirement results in a significant loss of institutional knowledge. Current IT leaders must formulate a strategy to develop knowledge workers who may become the State's new IT leaders. California's ability to plan and execute this strategy is critical to ensuring the provision of quality service to the public from expert level IT knowledgeable workers and leaders.

### **Solution:**

In support of the above goals and mandates and in response to the state's need to recruit and develop knowledge workers who will become IT leaders, a multi-departmental Succession Management and Workforce Planning Workgroup was formed. This workgroup was tasked with finding a solution to the knowledge management and succession planning issue. The group spent ten months developing a plan, implementation strategy and a "Toolkit" to facilitate implementation of the IT Strategy Plan Goal (<http://www.cio.ca.gov/pubs/>). The objective of the Toolkit was three-fold: to assist IT leaders in identifying, documenting and measuring core competencies at the IT technical and management level; to support and develop a network of potential candidates capable of filling critical IT positions as the positions become vacant; and to provide a benchmark for IT leadership skills ensuring standardized skills across departments. The Toolkit includes templates and samples of a Succession Management Plan, Technical and Management Core Competencies required, Internal and External Recruitment Strategies, Potential Candidate Rating Sheet, Management Training Plan, Implementation Timeline and Recruitment and Retention by Generation information. The Toolkit detailed contents include:

- A Succession Management Plan that identifies at a higher level the purpose, identification of key positions, core competencies of those positions, candidate recruitment strategy, career development and training required, and a implementation timeline.
- A Skills Assessment that identifies specific technical and management competencies required of the identified position. The management competencies include Communications, Interpersonal Relationships, Leadership, Management, Self Management and Thinking. Once completed, the Skills Assessment can also be utilized as the recruitment tool for the position.
- An Internal Recruitment Plan that allows middle managers to self-nominate for the Succession Management process.
- An External Recruitment Strategy that identifies the recruitment challenges and strategies needed in instances where the selection of internal candidates may not be feasible.

- Potential Candidate Rating Sheet which allows self-nominators to rate themselves on each technical and managerial competency required of the position. The competencies are exactly the same as identified in the Skills Assessment only this document has columns for rating. The candidates rate themselves as Exceeds Requirement, Meets Requirement, Some Experience, No Experience and a Comments column. The Potential Candidate Rating Sheet can then be used to identify gaps between the candidates' current skills and the skills necessary for performing the leadership positions. The self-nominator would next create an individual training plan identifying formal training classes, potential job reassignments, and on the job training necessary to achieve the management and technical competencies required for the identified positions. This Potential Candidate Rating Sheet can also be utilized during the interview process for the vacant positions. The interview panel could use this document to rate each interviewee.
- Management Training Plan that identifies high level training classes that will assist potential new leaders to fill management gaps, grow the capabilities of the current leadership team, and maintain and build the intellectual capital of the organization. The Management Training Plan identifies external training, as well as internal training provided by each department. Technical training would be identified by each self-nominator based upon their individual technical background.
- Implementation Timeline which identifies the proposed tasks and activities required to implement a Succession Management Plan.
- *Recruitment and Retention by Generation Strategies* provided by Cam Marston, Marston Communications. This is the first time four generations have been in the workforce: matures, baby boomers, Generation X and Generation Y/Millennial. These generations have very different values causing recruitment and retention difficulties. This information provides personal values, key characteristics, recruitment and retention strategies and areas to avoid for each of the generations.

All of the above documents are included in the Toolkit. In addition, two-hour training classes were offered to all state department Chief Information Officers and IT Leaders over a two-week period of time to step them through the IT Succession Management Plan and its application. A CD and PowerPoint slide presentation are also a part of the Toolkit implementation. The Toolkit and above documents can be tailored for use in individual departments based on their particular environments. Lastly, all of the documents have been placed on the California State CIO website for download capability by any person working on a Succession Management Plan.

## **Significance to the Improvement of the Operation of Government:**

Each California State department IT organization must quickly begin and implement a Succession Management Planning process. If the baby boomers retirement projections occur within the next 18 months to three years, the implementation of a plan is critical. Providing a Toolkit and training for all State agencies eliminates the need for redundant development efforts and results in a significant amount of time and resources saved. Each State agency can take the templates in the Toolkit and reuse/tailor the information. Minor adjustments will be needed to address the mission of individual State agencies, however, the majority of the development work has been completed and the basic tools provided. The management competencies are detailed and can be used for each and every IT management position throughout the State of California. The standardization facilitates the consistency and continuity amongst the many California departments and results in numerous benefits.

The consistency and continuity is critical in order for California State to plan for recruitment and retention strategies. If all State agencies require the same competencies, departmental partnerships for training can be realized. Multiple departments coordinate financial resources to train large groups of staff on some competencies, thus eliminating the need for each State agency to independently develop training programs and send multiple staff across the state to training.

In addition to economies of scale in training resources, recruitment and exam planning will be more effective and efficient across the state. If the technical and management competencies are standardized amongst departments, centralized planning and coordination for statewide hiring examinations is possible. This eliminates the need for departments to individually plan and administer examinations for potentially the same candidate pool. This also facilitates State agencies sharing hiring lists and partnering on hiring exams.

Finally, the implementation of a successful Succession Management Plan will ensure that California State has a well qualified pool of candidates to take over a multitude of upcoming leadership roles. Without a well qualified pool of candidates, California State Government will not have the ability to meet the needs of the constituents, clients and taxpayers.

## **Benefits Realized by Service Recipients, Taxpayers, Agency or State:**

As stated previously, approximately 40% of the workforce with institutional knowledge will retire within the next 18 months to three years. The IT systems that these experts manage affect motor vehicles, personal income taxes, state payroll, employment, parks and recreation, transportation, health services, and other critical services that could be in jeopardy. IT experts manage these Statewide systems that are utilized by service recipients, taxpayers and other public and private agencies which must have trained leaders to ensure the systems meet the business needs of the State of California.

## **Realized Return on Investment, Short-Term/Long-Term:**

The Succession Management Toolkit was rolled out to IT Management in May 2007. The expected savings and benefits projected based on implementation of the Succession Management Plan are:

- Consultants, costing approximately 2 to 2-1/2 times more than civil service employees, will not be hired in identified leadership positions based on a lack of qualified staff.
- Cost savings will be realized by each Department not having to prepare individual Succession Management Plans based on reusing the provided materials.
- Cost savings will be realized by each Department not having to prepare individual Succession Management Plans and not having to hire consultants to complete a study and write and implement the plan.
- Eliminating potential loss of state revenue if IT systems, such as those listed above, cannot be updated and maintained timely.

## **Conclusion:**

Development and implementation of a Statewide IT Succession Management Toolkit and training resources will facilitate California's ability to address succession and workforce planning systematically and uniformly, while also resulting in additional projected savings and benefits noted above. The State of California IT community is proud to be a leader and innovator in Succession Management Planning.