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ABSTRACT

This document reports on a management development study within the Department of Transportation (DOT). The aim of the study was to develop a systematic approach to management development for military and civilian personnel. A variety of methods was used to gather data including having DOT staff members gather the information to be passed on to the consultants comprising the study team, field trips, formal briefings, interviews, and informal discussions. The study team's views on what steps to take to increase managerial effectiveness were gauged largely on the gravity that executives gave to various programs and the scope of activity that generally applies to sound programs. From the results, the following recommendations are made to the Secretary of DOT: (1) a comprehensive management development program should be established in all elements of the Department; (2) each element should design and implement a program to meet its current and future needs; (3) each element should utilize a cost-benefit analysis to determine what portions of the program should be done in-house or outside, (4) institutes a department-wide executive development program for high level managers; (5) the Office of Personnel and Training, OST, should provide every assistance; and (6) budgetary priority should be exercised. (JS)

DOT
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ED 065779

MANAGEMENT DEVELOPMENT STUDY

DEPARTMENT OF TRANSPORTATION

AC 012 965

NOVEMBER - 1970

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I.   INTRODUCTION

A.   Background

On April 1, 1967, the Department of Transportation came into
existence as the result of the passage of the DOT Act (PL 89-670).
The Department was made up of existing independent agencies;
agencies transferred intact from other departments; components
of agencies transferred from other departments; and the creation
of some entirely new organizational elements (Attachment 1).
Since that time, the Department has added one new administration--
the Urban Mass Transportation Administration--and the National
Highway Safety Bureau has been elevated to the status of an
operating administration. The first two years of the Department's
operation were years of change, marked by a clarification of
organizational roles and responsibilities, and the first steps
were taken toward the development of a unified, integrated DOT
approach to the development of a nationwide transportation system.

As the Department developed in maturity, the attention of top
management has turned to organizational refinements and one of
the first areas which was considered was the development of
career management personnel--those employees who are responsible
for ensuring that policy is implemented and that on-going
programs are effectively operated. Preliminary staff reviews
by the Office of Personnel and Training, OST, showed a wide
diversity of programs designed to develop the skills of
management people, ranging from no programs to fairly extensive
training programs in some of the operating administrations. In
addition, there appeared to be a need to more fully relate the
Coast Guard system for developing officers, and civilian
management development approaches, since military managers formed
as critical a link in the effective operation of the Department
as their civilian counterparts.

On December 10, 1969, Secretary Volpe initiated a full study of
management development in DOT (Attachment 2). The charter for
the study was the development of a systematic approach to manage-
ment development for military and civilian personnel. The
Secretary directed the Assistant Secretary for Administration
to form a three-man panel of consultants to undertake this study,
with the assistance of OST staff personnel. The consultants
who were selected for the study team, provide a diversity of
background and experience, intended to provide a balanced,
objective approach to the study. The consultants comprising
the study team are:

--<u>William H. Kushnick</u>, Management Consultant. Mr. Kushnick served as the Director of Civilian Personnel for the War Department and later was responsible for the establishment of the American Management Association's Management School. He has held positions as an association executive and as a consultant for numerous private companies and government agencies.

--<u>Oliver H. Laine</u>, Consultant to the Under Secretary on Education and Training. Dr. Laine was President and founder of two junior colleges. In addition, he has served as a consultant on development, finance, curriculum and management to various community colleges, as well as a consultant on manpower development and training to the Job Corps and various hospitals.

--<u>Mahlon T. Puryear</u>, Consultant. Dr. Puryear has served as a Personnel Counselor with the Wright Aeronautical Corporation and as an Assistant Field Director with the American Red Cross. He spent several years with the Urban League and occupied the position of Deputy Executive Director before leaving to form the firm, Manpower Consultants, Inc. He has served as a consultant to numerous government agencies and private corporations.

Assisting the consultants in this study were Howard R. Richardson, Chief, Training and Career Development Division, Office of Personnel and Training, OST, and James B. Clark, Management Development Officer, Training and Career Development Division.

B. <u>Conduct of the Study</u>

A variety of methods was used to gather information for the study. In some instances, information was gathered by DOT staff members for the consultants. Much of the information relating to the dimensions of management development efforts in the Department during FY-69 was requested by the Assistant Secretary for Administration on February 10, 1970 (Attachment 3). A report was developed as a cooperative effort by staff personnel of OST and the operating administrations. Because of differences in approach, information was requested separately on civilian management development efforts and the military officer development system in the USCG.

In addition to this report, information was gathered by Dr. Laine in the following field trips (summary in Appendix A):

--FAA Eastern Region, New York
--USCG Eastern Area HQ, Governor's Island, N. Y.
--FAA Western Region HQ, Los Angeles
--USCG Western Region HQ, San Francisco
--FHWA Region VII, San Francisco
--USCG Twelfth District, San Francisco
--FAA Pacific Region, Honolulu

The entire panel participated in:

--Formal briefings by FAA, USCG and FHWA on the current
status of their programs (April 29-30, 1970).

--Interviews with the Under Secretary and top secretarial
and operating administration executives, as well as some
officials from outside DOT (Attachment 4).

--Informal discussions with personnel and training officials
at all levels within OST and the operating administrations.

C. Means Used to Appraise Management Development

The consultant panel used a variety of methods to appraise
management development in DOT. With regard to the extent of
development activity, information came primarily from reports
and the interviews held with operating and training officials
of the administrations. With regard to the effectiveness of
results from on-going programs, the panel relied in large
part on contributed information. The panel also leaned heavily
on its own experiences in industry, education and government to
appraise whether the present activities were reasonably complete
to permit a sound basis for improving managerial effectiveness.
Included among such comparative standards were these areas of
major concern to the consultants:

1. Extent of present programming for each of these groups:

   a. first-line supervisors
   b. middle managers
   c. supergrade managers
   d. converting professional specialists to managers

2. Level of concern for building a managerial resource:

   a. internships
   b. selection methods in upgrading nonsupervisors to
      supervisory positions
   c. utilization of appraisals to reflect training needs

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3. Adequacy of consideration for developing managers by
   means other than formal courses alone:

   a. on-the-job coaching
   b. special assignments
   c. rotational activities

4. Organizational emphasis:

   a. availability of training staff
   b. budgetary concepts
   c. personnel skills inventories

In short, the consultants' views of what might be done further to
increase managerial effectiveness are gauged largely by the gravity
that executives give to these programs and the scope of activity
that generally applies to a sound and well-designed program.

D. Definitions

One perplexing problem which seems to exist in any study of
management development is the matter of definitions. All too
often, during the information-gathering phase of this study,
it was apparent that the same words meant different things
to different people. Because of this confusion, the panel
decided to use the following definitions for the purposes of
this study:

1. Supervisor - Normally is immediately responsible for the
   work output of employees assigned to his direction or has
   comparable duties, with no intervening levels of supervision.
   In some instances, his effort is production-centered and
   places primary, if not sole, emphasis on production by his
   work unit. Any policy or procedures effort on his part
   usually consists of day-to-day operating procedures
   relating to the work output of the immediate work unit
   for which he is responsible.

2. Middle Manager - Typically manages a significant program
   area or has comparable staff responsibilities. He is
   usually responsible for resources utilization, management
   of funds assigned to his area of responsibility, and the
   establishment of procedures implementing established policy
   relating to his program area. Although the middle manager
   may, in some instances, be directly responsible for employee
   output, he is normally responsible for others who are so
   engaged.

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3. <u>Executive</u> - Usually serves in a position at the "supergrade" level or has duties involving the management of diverse program and administrative activities, rather than activities centered around particular fields of skill or knowledge.

4. <u>Management Development</u> - The complete range of activities designed to develop the management capabilities of personnel at <u>all</u> levels of management from the first level of supervision through the executive level. Management development involves more than just attendance at formal management courses. It includes, but is not limited to, formal training; the use of acting and rotational assignments designed to broaden management experience; study of various aspects of management; and any of a variety of other activities intended to develop or enhance management skills. By implication, management development involves a cooperative effort between the individual and the organization with the needs of both being met to the greatest extent possible.

5. <u>Training</u> - Usually those activities designed to provide specific skills or knowledge to employees. Training may be conducted by "outside" organizations, but it is nonetheless intended as a way of providing knowledge or skills needed by the employee to perform his job duties.

6. <u>External or Outside Training</u> - Training conducted by organizations outside the Department of Transportation.

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II.   SUMMARY

The consultant panel makes these observations regarding the present state of management development in DOT:

..   There is general recognition among key officials that management development is a vital and continuing need. However, this favorable attitude is not always reflected in actions within their administrations.

..   While FAA and FHWA are inaugurating new and expanded development activities, other elements should be encouraged to plan and execute programs appropriate to their present and future needs.

..   Supervisory training is made reasonably available in the majority of the administrations. Mid-level management training, for civilians and military, on the other hand, is usually given sporadic attention. Relatively little is done at the executive level.

..   Most existing management development programs offer formal classes. A better and more realistic balance should be provided by on-the-job exercises in dealing with management situations.

..   Managers need to maintain the concept that one of their principal functions is to develop competent subordinates. Encouraging self-development attitudes, offering constructive suggestions for subordinates' education and training in management, and providing on-the-job counseling in dealing with management situations would be evidences of meeting that function.

..   In this same vein, selection, as well as appraisal processes, should become more closely related to the total effort of building managerial effectiveness.

..   Finally, training staffs also require stronger support from line supervisors. Seesawed between the ups and downs of budget availability, the staffs maintain such training activity as the moment permits, neglecting a systematized total package. In such circumstances, the OST training staff can have little influence in stimulating and coordinating the management development activities of the administrations.

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Consequently, the panel urges that:

... The Secretary declare his active and immediate interest
   in having a comprehensive management development program
   established in all elements of the Department;

... each element design a management development program to
   meet its current and future needs for management personnel,
   and that such plans be executed within a reasonable time
   frame consistent with operating schedules;

... each element view from a cost-benefit analysis what portions
   of its program should be conducted in-house or which might
   be best committed to external institutions;

... there be instituted a departmentwide executive development
   program for high level managers, whose major purpose would
   be to involve them in meaningful developmental activities
   and provide for an interexchange of knowledge of policy and
   management systems concepts inherent in each administration
   and in the department as a whole;

... to actively support the entire program of the department,
   the Office of Personnel and Training, OST, should provide
   services to those elements requesting it and should set
   standards of inclusion and provide evaluations of effectiveness;

... budgetary priority for the program be given commensurate
   priority with other efforts to fulfill the missions of the
   Department of Transportation.

The specific recommendations of this report, which cover the full
range of the consultant panel's findings, may be found on
Pages 30 - 45.

III.   CURRENT STATUS OF MANAGEMENT DEVELOPMENT IN DOT

A. General

The consultant panel found the management training being
offered by the operating administrations and OST to vary
widely. This section of the report deals with what is
found to exist now, and includes not only efforts which are
strictly management development efforts, but also a brief
look at other program efforts such as Intern programs, which
are designed to bring young people with high management
potential into the organization and train them to develop
their capabilities to take on higher level responsibilities.
The programs of each of the operating elements are discussed
in brief in the following parts of this section. There is
also a brief discussion of intern programs and the concept of
Organizational Development as it applies to DOT.

B. Civil Service Commission Requirement for Management Training

In Federal Personnel Manual (FPM) Chapter 335-16, 3-8b, the
Civil Service Commission required that "...suitable training
be provided all newly selected first-level supervisors,
either before they assume their new duties or as soon after
as possible."   This instruction was further supplemented by
FPM Chapter 410, Appendix A (Attachment 5) which requires 80
hours of formal training for each newly selected supervisor,
during his first two years as a supervisor. At least 40 hours
of this training must be conducted during the first six months.
This requirement is being met in DOT, either through the use
of specially developed courses or existing courses developed by
the Civil Service Commission.

In addition to the requirement for supervisory training, the
Civil Service Commission also stresses the need for Executive
Development in FPM Chapter 412-3, 1-1. The Commission states
that, "Employees with executive potential in positions below
the top career levels must be identified, trained and developed
over a period of time to increase their capacity to perform
the complex functions of career managers.   Each agency [i.e.,
Executive departments and independent agencies] must take
steps to find persons of executive potential and to train
and develop them to assume the full responsibilities of agency
management."

In addition to these FPM directions, the report of the
Presidential Task Force on Career Advancement, which was completed
in 1967 under the auspices of the Civil Service Commission,
recommended the establishment by agencies of three levels of
management training: [1] supervisor, [2] manager, and [3] Executive.

C. Status of DOT Management Development Efforts

1. Federal Aviation Administration (FAA)

    a. Background

        The FAA has traditionally conducted a series of
        programs for its management personnel. These programs
        have been either conducted by FAA personnel or by
        outside organizations for FAA. In part, due to
        recommendations of the Secretary's Air Traffic Controller
        Career Committee Report ("Corson Committee"), and other
        influences, the FAA has moved well along the way toward
        a substantial change and reorientation of its training
        efforts for supervisors and middle managers. This
        report, therefore, will treat the FAA program in two
        parts: the current, existing management development
        program and the planned program.

    b. Current Program

        The current FAA management development program incorporates
        correspondence training and classroom training, both
        centrally and field-administered. The following list
        is a summary of FAA-developed and conducted and
        externally conducted courses, the number of manhours
        of such training, and the total number of trainees
        participating in FY-69, as reported by FAA:

Course	No. of Trainees	Manhours of Training
Supervisors		
Introduction to Supervision (Correspondence) [40 hours]	889	35,560
MITTS (Correspondence & Team Discussion) [40 hours]	325	13,000
Introduction to Supervision [40 hours]	525	21,000
Management for Supervisors [40 hours]	335	13,400
External Training	270	10,800
Middle Managers		
Management Institute [80 hours]	61	4,880
ADP for Managers [24 hours]	19	456
EMC for Managers [40 hours]	37	1,480
Personnel Management for Managers [40 hrs]	228	9,120
External Training	800(app)	20
Middle Managers and Executives		
Executive School [80 hours]	93	7,440
External Training	6	1,200

During FY-69, budget restrictions caused a severe cutback
in training travel funds, which are the heart of a management
development program. This was the case in FY-68 and FY-67 also.
In fact, in FY-68, due to budget restrictions, there was no
management training conducted in FAA, with the exception of
correspondence courses and some small field programs. From
all indications, this situation occurred at other times in
the past, and training travel for management training has been
one of the first programs cut in a time of budgetary tightness.
According to FAA sources, this is in large part the reason for
the fact that of over 10,000 management personnel in FAA, only
about 50% have ever received training appropriate to their
positions.

c. Planned Programs

The FAA has developed a plan for an extensive reorientation of supervisory training efforts to meet an increasing demand for improved supervisor and middle manager training. In a study, approved by the FAA Deputy Administrator on May 15, 1970, the FAA proposed the centralization of all supervisory and middle management training. Since that time, training facilities have been located at Cameron State College, Lawton, Oklahoma, and the decision has been made to locate the training there. The training program, to be designed by a contractor, is due to begin some time after January 1, 1971. A task analysis of the FAA supervisor's and manager's job has been performed and the training will be based on that, to make it as job-related as possible. Trainee groups will also be grouped as homogeneously by occupational groups as can be arranged. All trainees will receive three weeks of training at Cameron State College. Provision has been made to use the training as part of the supervisor and middle manager selection process.

The training will be provided to all incumbent and tentatively selected supervisors and middle managers with a total of 3,000 people being trained annually at the supervisory level and 600 at the middle manager level, until the backlog of incumbents needing training has been substantially eliminated, sometime in FY-74. Also, beginning with FY-73, refresher training for supervisors and middle managers will be provided on a continuing basis to ensure that skills are kept up-to-date. To undertake this job, FAA proposes a need for 66 positions, of which 40 will be instructors, who would teach the contractor-developed courses.

COMMENT: The FAA's plan to conduct a task-oriented supervisory and middle manager training program is commended by the panel.

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2. Federal Highway Administration (FHWA)

a. Background

A large proportion of the management personnel in the
FHWA are graduates of the Highway Engineer Trainee
(HET) Program, and to understand the process of
management development in FHWA, is is necessary to
first view the success of this program, after which
many of the in-house training efforts in FHWA are
modeled. The HET program has actually been in
operation since 1946. It provides for a semi-annual
input of young civil engineers into a 27-month training
program, designed to expose them to a complete range
of engineer assignments in FHWA. During this 27-month
period, the trainees receive 10 weeks of classroom
training and they may move to different training
assignments as many as five to seven times during
this period, depending on the kind of exposure planned
for the trainee. Every attempt is made to ensure that
both the desires of the trainee and the needs of the
administration are met in the training and post-
training program assignments that are made. The
program is well-funded and administered by two HET
Program graduates on a substantially fulltime basis.
FHWA officials point to a very low annual attrition
rate of less than 5% among HET program participants
and graduates as a key indicator of the program's
success. The success of the HET Program has been
such that its conceptual approach has been extended
to other FHWA occupational areas, such a Right-of-Way
Location. In addition, a new program is slated to
begin in FY-71 for administrative trainees. This
program will also follow the "Career Program" approach
of the HET program and incorporate many elements of the
Management Intern Programs found in many agencies.
With these programs, FHWA has made provision for a
steady influx of trained college-caliber personnel
with assumed capability for eventually taking on
management responsibilities.

b. Current Programs

For its management development, FHWA uses external
resources extensively. For example, during FY-69, 196
FHWA management personnel out of a total management
workforce of 1001, attended management training programs
sponsored by outside organizations, while 113 attended
FHWA-conducted management training programs. The
outside training received covered a wide variety of
courses but most typically, training was conducted by

groups such as the Civil Service Commission, the
Brookings Institution, and professional groups such
as the National Highway Management Institute. Plans
for management training are incorporated into the
FHWA Annual Training Plan which is used as a basis
for funding training. The following chart summarizes
the formal management development programs which
FHWA reported during FY-69:

Course	No. of Trainees	Manhours of Training
Supervisors		
Supervisory Responsibilities [20 hrs]	53	1,060
Personnel Problems, Performance and Attitudes [16 hrs]	19	304
Counselling Techniques [4 hrs]	14	56
External Training	142	6,772
Middle Managers		
Supervisory Management [35 hrs]	14	490
External Training	40	2,559
Executives		
Supervisory Management [35 hrs]	13	455
External Training	14	990

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In addition to these courses, FHWA released a directive
which indicated that the regions were to use training
courses conducted by the Civil Service Commission to
satisfy the requirement for 80 hours of training for
new supervisors.

c. Planned Programs

While no specific new programs were planned, an FHWA
Training Officer has recently been freed from all
other responsibilities to devote full time to a
study of management training needs in FHWA. This
study is designed to lead to the development of
in-house management development programs at all
three levels of management.

COMMENT: The panel was impressed by FHWA's programs for bringing
young people into the organization and providing for their
development in the early stages of their careers. The panel is
encouraged by the apparent interest on the part of the FHWA to
increase the attention being given to management development.

3. Federal Railroad Administration (FRA)

The Federal Railroad Administration receives Personnel
Management support from the Personnel Operations Division
of the Office of the Secretary. For its management
workforce of 50, FRA used outside resources for all of
its management development efforts during the reporting
year of FY-69, and conducted no management training
internally except for on-the-job training for foremen
and other supervisors conducted by the Alaska Railroad.
FRA reported the following formal management development
for FY-69:

Course	No. of Trainees	Manhours of Training
Supervisors		
External Training	1	16
Middle Managers		
External Training	5	326
Executives		
External Training	4	272

Despite the fact that FRA does not have its own training
unit to conduct training, FRA and the Personnel Operations
Division did conduct a 12-hour course in Personnel
Management for Supervisors for 19 supervisors during
FY-70, and plans are being developed for a more complete
in-house supervisory program during FY-71.

COMMENT: The current emphasis which is being placed on supervisory
development in FRA is encouraging and plans should be implemented
as soon as possible.

4. <u>National Highway Safety Bureau (NHSB)</u>

Prior to its elevation to operating administration
status on March 22, 1970, the NHSB participated in
FHWA training programs. Since that time, no
management development programs have been established,
but consideration is being given to conducting a
management development course for NHSB personnel which
meets CSC requirements for supervisory training and
which also takes into consideration the highly
technical nature of NHSB work and the relatively
high grade levels of NHSB supervisors. In total,
approximately 50 NHSB personnel occupy positions
which include supervisory or managerial responsibilities.

<u>COMMENT</u>: The panel feels that it is too early to make specific
comments on NHSB's management development efforts. In view of
the fact that NHSB is developing its own Personnel and Training
staff, the panel encourages the development of a three-level
program of management development in the NHSB.

5. National Transportation Safety Board (NTSB)

    The NTSB receives personnel management support from the
    Personnel Operations Division of OST, but as yet no
    relationship has been established for training NTSB
    employees. NTSB has sent some of its 60 management
    personnel to courses sponsored by other organizations,
    such as the Civil Service Commission. NTSB reported
    the following formal management development for FY-69:

Course	No. of Trainees	Manhours of Training
Supervisors		
None	--	--
Middle Managers		
External Training	1	14
Executives		
External Training	2	334

COMMENT: Top management in NTSB has indicated an interest in
management development. The panel encourages the development of
a three-level approach to management development, perhaps in
conjunction with the Personnel Operations Division of OST.

6. Saint Lawrence Seaway Development Corporation (SLS)

    The SLS, with its relatively small workforce, has not
    conducted any in-house management training for its 38
    management personnel, although use has been made of
    programs which are available outside, such as at
    nearby academic institutions. The remoteness of the
    SLS from the other DOT activities has made participation
    in DOT programs difficult. The Seaway reported the
    following formal management development during FY-69:

Course	No. of Trainees	Manhours of Training
Supervisors		
None	--	--
Middle Managers		
External Training	2	96
Executives		
External Training	1	40

COMMENT: Top management in SLS is supportive of management
development. The panel encourages this interest.

7. U. S. Coast Guard (USCG)

    a. Background

        The Coast Guard represents two separate personnel
        systems--the civilian and military. Therefore,
        the report deals with them separately.

    b. Civilian Management Development

        There are approximately 5,800 civilians in the total
        USCG workforce of about 43,000. Of this number, just
        under 1,000 civilians are employed in what are
        considered to be management positions, and the great
        majority of these (747) serve in first-level
        supervisor jobs. Coast Guard civilian training
        officers conduct courses in supervisory development
        at field locations as well as at headquarters.
        Supervisors and middle managers attend these
        courses together, and most classes typically include
        some military personnel. No special programs which
        are specifically designed for civilian middle
        .nanagers are conducted by the USCG. The following
        chart summarizes the Coast Guard's formal management
        development programs for civilians during FY-69:

Course	No. of Trainees	Manhours of Training
Civilian Supervisors-Middle Managers		
Civilian Personnel Management [40 hrs] (147 supv) (15 Mid Mgrs)	162	6,480
Civilian Personnel Administrative Training [40 hrs] (12 supv.) (3 mid. mgrs)	15	600
Leadership & Group Perf. [40 hrs]	78	3,120
Supervision & Group Perf. [40 hrs]	25	1,000
Personnel Management Training for Supervisors [8 hrs]	13	117
Variety of Shorter Courses	516	1,248
External Training	126	4,417

Civilian Executives

None

COMMENT: It appears to the panel that the Coast Guard's
civilian management development efforts provide good coverage
of Coast Guard civilian supervisors. This is indicated by
the fact that during FY-69, 35% of Coast Guard civilian
supervisors received in-house training of 40 hours' duration
or more. Some refinements in the Coast Guard program should
be considered, however, particularly in the need to recognize
the broader responsibilities of the middle manager and to
provide him with training which is broader and more conceptual
than that provided the supervisor.

c. Military Management Development

In gathering information for this study, the panel
was faced with the problem of how to include the
military in a study of "management development",
which is a term normally used in reference to
civilians. Since all USCG career officers at one
or more times in their careers are responsible
for managing men, money and materials, the panel
decided to gather information on the system of
officer development, since that should reflect
the development of management skills and abilities
in USCG officers.

Under the system for officer development, reliance
is placed primarily on a wide variety of academic
resources and the exposure which an officer gains
as he rotates through a series of assignments
during the course of his career. The foundations
for this developmental system are the Officer
Candidate School (OCS) and the U. S. Coast Guard
Academy. The entering officer receives 25 hours
of classroom training in leadership, during the
OCS course, plus practical experience through
observation and practice. The Academy offers five
undergraduate courses in management or management-
related subjects as part of a complete undergraduate
program in engineering science, social science, or
ocean science. Upon completion of OCS or the Academy,
the junior officer undertakes a program of on-the-job
training (OJT), as well as participation in at least
one of the other programs which are used to develop
officers: (a) formal fulltime graduate or specialized
training; (b) formal short courses and seminars;
(c) correspondence courses; and (d) off-duty training.
Training under these programs, with the exception of
fulltime graduate training, is made available to all
officers throughout their careers.

(1) Formal graduate or specialized training is
provided to approximately 63% of all officers
advancing through the grades of lieutenant
and lieutenant commander. The annual input
of trainees into this program is about 120,
and there are 165 billets reserved. Training
in the program typically leads to a Master's
or comparable advanced degree in one of 35
curriculum areas which the Coast Guard
indicates represent the needs of the various
occupational specialties. Examples of
graduate training curricula are: aviation
engineering; administration; law; management;
industrial engineering; and public administration.
Approximately 20 of the officers participating
in the postgraduate education program each
year are enrolled in programs in management
or related areas, such as public administration.

(2) Formal short courses and seminars are provided
by the Coast Guard, other Federal agencies,
business and industry, and universities during
duty hours. The courses cover a wide range of
subjects and range in length from one to six
weeks. The courses are used to supplement
technical knowledge and to enhance an officer's
career development by providing an insight
into new areas of knowledge or skill. Examples
of these courses are minority recruiting,
Decision Logic Tables, and advanced aids-to-
navigation. This program, which is operated
on a decentralized basis, had approximately
1,000 separate enrollments during FY-69.

(3) Correspondence courses are offered by Coast
Guard officers who wish to use them. Courses
are offered by the Coast Guard Institute, the
Armed Forces Institute and other organizations.
The orientation of these courses is primarily
technical or academic.

(4) Off-duty training is offered to both officer and
enlisted personnel, but extensive use is made of
this program by officers. As indicated in the
Coast Guard Personnel Manual, this program
"...is designed to broaden the technical and
academic achievement of Coast Guard personnel
for the purpose of enhancing their value to
the service." Personnel may attend courses at
any of a variety of accredited institutions.
The needs of the individual participants as he
perceives them, usually control the course
selected. Funding is provided to a maximum of
$200 per student per semester.

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COMMENT: The program for developing career officers provides
an exceptional number of opportunities for skill and personal
development for the officer as he moves forward in his career.
Against this background of exceptional opportunities, however,
the development of military managers is treated as an option
with the individual, once he leaves the Academy or OCS. This
is apparently done on the assumption that the career officer
develops sufficient management skills through rotational assign-
ments and attendance at courses which he chooses. In view of
the significant management responsibilities held by many officers
at all levels, the Coast Guard could profitably establish its
own internally developed program to ensure a consistent program
of military management development.

8. Urban Mass Transportation Administration (UMTA) and
    Office of the Secretary (OST)

    OST and UMTA are being considered together, since they
    receive all of their personnel management service from
    the Personnel Operations Division of OST. Neither
    organization has an on-going program of management
    development, although OST does make use of programs
    offered by other organizations, such as the Civil
    Service Commission. UMTA reported no management
    development during FY-69. OST indicated the
    following management development during FY-69:

Course	No. of Trainees	Manhours of Training
Supervisors		
External Training	8	152
Middle Managers		
None		
Executives		
External Training	7	132

COMMENT: Both UMTA and OST could benefit from a three-level
management development program with particular emphasis on
in-house supervisor development.

D.   The Office of the Secretary and Departmentwide Management Development

The mission statement for the Office of Personnel and Training, OST, contained in DOT 1100.23 Change 2, states that it: "Plans and develops policies and programs for, and coordinates Departmental occupational, managerial, and executive development activities designed to ensure the availability of qualified manpower to meet immediate and long-range operating requirements; coordinates major training efforts to ensure maximum utilization of resources." In keeping with these responsibilities, a directive has been issued to guide the various elements of the Department in developing and conducting supervisory training under the Merit Promotion Plan. Some additional programs for executives of the Department have been established and conducted, including: (1) two 12-hour Executive Orientation Programs conducted during April and July 1968 for 230 of the top Washington-based executives and designed to help these key personnel understand the functions and organization of every part of the Department; (2) a series of monthly DOT Executive Dinners designed to acquaint about 100 Washington executives with national political figures and to provide an atmosphere for executives to get to know each other better and exchange ideas in a DOT environment; and (3) a one-day Labor-Management Relations (LMR) conference designed to orient about 175 field and headquarters executives to the newly developing and highly significant area of labor relations in Government.

Shortly after assuming office, the Under Secretary expressed a strong interest in having a Departmentwide executive development program, and a five-point program was proposed to the Under Secretary on March 20, 1969, by the Assistant Secretary for Administration. This program was proposed as a way of assisting the DOT in developing into a well-integrated, smooth-functioning organization, by increasing the effectiveness of military and civilian executives to perform as arms of the Department. The five-point program included:

1.   Executive Orientation, discussed previously.

2.   The Secretary's Fellowship - a program which would bring specially selected mid-level employees with potential for higher level responsibilities at the GS-12/15 grades to OST to work as a group on special problems for a period of up to 12 months. This program would be a high-visibility, high-prestige effort. Some work has been done on this program, but it is still in the formative stages.

3.   Executive Exchange Program - a number of technical difficulties have delayed implementation of this program, but the plan calls for movement of the most promising mid-level (GS-12/15) employees across organizational boundaries in DOT.

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4. <u>Executive Development courses</u> - were proposed to cover
    a wide variety of subjects of vital interest in the
    Department. These programs would begin with short
    seminars on subjects such as urban transportation and
    evolve into much more sophisticated programs, using
    techniques such as management gaming and computer
    simulation.

5. <u>Adaptation of FAA's Advanced Management Development Program</u> -
    this program was discontinued by FAA in 1968 after four
    years of operation, and it was recommended to the Under
    Secretary that it be modified for Departmental use as
    a tool for developing management capabilities. The program
    involves the selection of top technical personnel in
    grades 12-14, who would be developed over a 12-month period
    into generalists and then reassigned to jobs which would
    make use of their skills as both generalists and specialists.
    The assumption is that the graduates of this program will
    be ready to move into middle management and executive
    jobs in a fairly short time.

    To accomplish this goal, the FAA put its participants
    through an intensive one-semester residence program at
    Syracuse University, which provided for an almost total
    immersion in public administration, political, science,
    economics and management. Upon completion of this course,
    the participants were assigned to Washington headquarters,
    where they worked on special projects of broad interest
    to FAA. Approximately 80 people completed this program
    during its four years of operation and their progress into
    higher level in FAA jobs has been generally very good.

<u>COMMENT</u>: Using its mission statement as a basis for action, the
Office of Personnel and Training prepared plans for what seemed
to be a worthwhile series of program to develop management and
executive talents. Programs such as those recommended by the
Assistant Secretary for Administration to the Under Secretary should
be pursued, if they can be integrated into an overall departmental
system for management development.

E. Intern Programs

Although Intern programs, which involve special training for
highly qualified younger people upon their entrance into the
Federal service, are not strictly management development
programs, traditionally they have provided agencies with a
source of high-quality personnel with management potential.
They are, therefore, a part of any overall program to develop
managers. The most commonly found Intern program is that which
has an intake of people who pass the Management Intern option (MI)
of the Federal Service Entrance Examination (FSEE). There
are two such programs in DOT--in the FAA and the Coast Guard.
Both programs are designed to train people for administrative
management responsibilities. The FAA typically hires five
interns and the Coast Guard two, except that the Coast Guard
has not conducted its program since FY-68. The Federal Highway
Administration plans to begin a program in FY-71 or 72 for
management interns and other people with comparable qualifications.

The Transportation Intern Program, which is a departmental
program formed in FY-70, is another kind of intern program
found in the Department. It can take management interns, but
is oriented primarily toward the technical specialties of the
Department. The program is also different from other intern
programs in the sense that the participating Secretarial Offices
and Operating Administrations hire the interns and they undergo
a year of classroom and job rotation training conducted by the
Office of Personnel and Training, OST, before being reassigned
to the employing administrations or Secretarial Offices.

COMMENT: Regular input of high-quality young people into any
organization is a goal which should constantly be sought. The
panel recommends increased use of intern programs and the develop-
ment of follow-up programs which are needed to ensure that the
very best of them reach the upper levels of the Department and
that each is properly utilized.

F. Organization Development (OD)

The systematic development of an organization--involving both
the human and nonhuman elements of the organization--is a
concept which has proven extremely popular in recent years.
"OD" or organizational renewal, as it has also been called, has
been used in such diverse organizations as TRW Systems,
Champion Paper, Standard Oil of New Jersey, the Internal
Revenue Service, the U. S. Forest Service, and the State
Department. Much has been written about organization
development and there is considerable confusion over just
what the term implies. Among the more recent definitions is
a particularly good one against which the panel viewed efforts
in DOT: "Organization development is directed toward developing
the capabilities of an organization in such a manner that the
organization can attain and sustain an optimum level of
performance; it is a problem-solving process; it is undertaken
on a collaborative basis by the members of an organization and
behavioral science practitioners; and it reflects the belief
that even in organizations which are operating satisfactorily
or adequately there is room for improvement."[1] Organization
development has also been defined as a "...response to change,
a complex educational strategy intended to change the beliefs,
attitudes, values and structure of organizations so that they
can better adapt to new technologies, markets, and challenges,
and the dizzying rate of change itself."[2]

"OD" has not always been fully successful, in part at least,
because of the extensive commitment in manpower and frequently
in money, which must be made for such an effort to be effective.
A variety of techniques have been used as vehicles for "OD", but
the most widely publicized approaches are through the use of
"sensitivity training" and the managerial grid.

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[1] Buchanan, Paul C. "The Concept of Organization Development, or Self-
Renewal as a Form of Planned Change," Concepts for Social Change,
ed. by Goodwin Watson, National Training Laboratories, NEA, 1967, pp. 1-9

[2] Bennis, Warren G. Organization Development: Its Nature, Origins and
Prospects, Addison-Wesley Publishing Company, 1969, page 2

The consultant panel found no complete "OD" programs being undertaken in DOT, but a new FAA program growing out of a paper entitled, "Plan to Promote a More Effective Communications-- Work Environment", has many of the elements of an "OD" program. This program, which has been decentralized to the regions, is designed to open more effective channels of communication between management and employees. This is an area which the "Corson Committee" report touched on as a weakness needing considerable attention. The FAA has engaged a well-known organization development expert to assist in this program.

COMMENT: The concept of Organization Development/Organizational Renewal has very wide implications and should be studied further to determine its application to DOT. The continuing results of the current FAA program should be incorporated into such a study.

IV.   SELECTION OF MANAGEMENT PERSONNEL

Although the charter for this study is to delve into and make
recommendations on management development, the panel feels that
the process of developing personnel for management responsibilities
is so intertwined with the processes used for the selection of
these personnel that the two should not be completely separated.
Selection systems frequently lack adequate consideration of
management potential, and in the panel's estimation, this lack
can be a deterrent to the full effectiveness of a development
program, since a sound development program usually assumes
that the best qualified people for the job are participating in
the program.

Regular appraisal of potential for advancement to higher level
management responsibilities is a critical element in any good
selection system. This is particularly true in the move from non-
supervisory work, since appraisal can be based only on the potential
of the selectee. The conversion of specialists into supervisors
is too critical to rely on a selection system which may result
in the best specialists being selected, regardless of their
potential for supervision. The selection system must provide
for appraisals which are as near to being objective as possible.
This implies reliance on more than the individual supervisory
appraisal. Some of the appraisal methods which have been
successfully used are:

[1] Panel interviews of candidates;

[2] Observation of the candidate's performance; in an "acting"
    assignment comparable to the job for which he is being considered;

[3] Tests to determine management aptitude;

[4] Peer-Group ratings; and

[5] Observation of the candidate during the course of a
    management simulation.

This list is not intended to be all-inclusive, nor does it attempt
to support particular methods of appraisal. It does suggest,
however, that balance and objectivity are vital to the selection
system and that complete reliance should not be placed on a single
appraisal method in choosing people to supervise work units or
manage programs.

COMMENT: Selection of the best qualified people for the job is an extremely
important process and should not be separated from development--particularly
in jobs at the supervisor level and above. Greater attention should be
given in DOT to the development of formal, systematic selection systems,
keyed to management development efforts.

V.   CONCLUSIONS AND RECOMMENDATIONS

A. Management Development in DOT

Management development is an effective tool of the organization
if used properly. The management development program can be
invaluable, if it is carefully developed and involves issues
which are pertinent to the organization, or management approaches
which top management wishes to develop. By the same token, a
good series of management development programs provides an
excellent communications device for "speaking" to field managers
in a way which ensures their effective participation in the
implementation of policies. The panel feels that there has been
a lack of this kind of emphasis in management development
programs in DOT, although programs at the supervisor and middle
manager level which are being planned in FAA bear promise for
the future. The priority often assigned to management development
has left it vulnerable to cuts in times of budgetary restrictions
and it is indicative of its priority that management development
has been one of the first programs cut and it has usually been
cut severely.

The panel finds the three-level (supervisory-middle management-
executive) approach to management development generally in use
in government and industry, to be an acceptable structure
against which a DOT program for military and civilians should
be developed. This structure includes the systematic and
continual development of management personnel at all levels.
Obviously, in an organization the size of DOT, no one unit is
equipped to handle all three levels of training for the
Department. This implies considerable delegation, which will
be covered separately in discussions of each of the three levels
of management development, the panel wishes to note that a
management development program will never be truly effective
if it is considered the sole domain of personnel and training
officials. The program must be a cooperative effort between
personnel and training and line or program officials, to ensure
that it effectively fosters the goals of the Department.

RECOMMENDATION 1: That the Secretary declare his active and immediate
interest in establishing development programs in all elements of the
Department which would aim at improving managerial effectiveness at each
level. That such programs include the preparation of qualified candidates
for management positions, and the development of incumbent supervisors,
middle managers and executives in the knowledge and skills needed for them
to perform their managerial jobs effectively.

The implementation of supervisory and middle management programs
proposed in this report should not require large amounts of
money or manpower, except perhaps in the FAA and the USCG.
In the instance of the FAA, plans have been laid for funding
and staffing a program comparable to that proposed here, and
the USCG, while it does not presently conduct the military
programs recommended here, does have its own academic resources
and a history of well-funded training. The remaining
operating elements of the Department must be prepared to
budget funds for management development programs. Each must
also decide on the manpower required, after determining how
the training is to be handled. The important thing to the
panel, however, is the need to recognize management development
as a continuing process which is a long-term investment
designed to help accomplish the mission of the organization.
In order to accomplish this, a degree of budget priority
should be assigned to it which ensures that it is not
arbitrarily cut out in times of budgetary restrictions.

RECOMMENDATION 2: That the Secretary require all management development
programs to be given the same degree of budgetary priority as other
programs designed to foster mission accomplishment.

B. Civilian Supervisor Development in DOT

The Civil Service Commission in FPM Chapter 410, Appendix A,
requires that after July 1, 1969, all newly selected supervisors
receive at least 80 hours of formal training during their first
two years of duty in the supervisor's job. The panel feels
that this Civil Service Commission requirement, which emphasizes
human relations, management techniques, and personnel management
awareness, should be reflected in the development of supervisory
training in DOT.

Based on the FAA's report that only 50% of its management
personnel have ever received appropriate training, as well as
from information gathered in interviews with officials of other
elements of the Department, it is probable that many first
level supervisors have never received appropriate supervisory
training. There may also be some supervisors who have received
training, but it is now outdated. Both of these situations
require attention, in the panel's estimation.

RECOMMENDATION 3: That all supervisors who have not received comparable
training within approximately five years, as well as those selected after
July 1, 1969, receive training which meets the CSC 80-hour supervisory
training requirement. The panel also recommends that the design and
conduct of supervisory training should be the responsibility of the
operating elements of the Department.

In addition to meeting the 80-hour requirement for supervisory training, however, the panel feels that since many supervisors do not progress to middle management responsibilities, and spend a number of years as supervisors, there is a need to provide them with continuing training. This need is particularly critical at this level, because the first level supervisor forms such a vital link between management and the great mass of employees. The supervisor is responsible for ensuring that the operating programs of the Department are successfully carried out, while at the same time, he must develop a human-centered work environment in which his subordinates are able to develop and grow and perform their jobs with a minimum of friction within the organizational setting. Refresher training needs arise from two major sources: (1) Redirection of program emphasis in such areas as Labor-Management Relations, Equal Opportunity, or organizational relationships; and (2) individual training needs of a supervisor. These training needs can be met through internal or external resources, but they are critical if the supervisory workforce is to continue to be effective.

RECOMMENDATION 4: That refresher or "update" training be required as part of the supervisor development program. This training should be based on an individual's training needs or a group's needs, but a continuing appraisal of such needs is necessary. Certain training may be designed by OST, if there is a Departmentwide need, but generally, refresher training should be the responsibility of the operating elements.

C. Civilian Middle Management Development in DOT

The panel finds the training needed for civilian middle managers to be more difficult to define than that necessary for supervisors and executives. The Presidential Task Force on Career Advancement tended to view the middle manager's job as broader than the supervisor's but less so than the executive's. While this is an indicator of middle management training needs, the panel feels that an analysis of the duties which a middle manager performs would better indicate the kind of training needed. The panel feels, for example, that middle managers are more properly concerned with management tools, such as budgeting, than first level supervisors. The middle manager must be skilled in human relations, but since he is not typically concerned with the immediate group of workers actually performing the work, he must learn how to deal more effectively with people in a situation in which he is not usually able to take a direct hand in the day-to-day work which is being performed. Some of the other elements of the middle manager's job which training might cover are: delegation, planning processes, communication and organizing. Perhaps most important,

however, the middle manager is an important link in the
operations of the operating element of the department to
which he is assigned, and as a consequence, he must be trained
to ensure that he effectively assists top management in
carrying out the programs of the operating element and the
department. Obviously, middle management training requires
a training staff which many elements of the Department do
not possess. Where this is so, the Office of the Secretary
should be prepared to provide assistance.

RECOMMENDATION 5: That middle management development programs in DOT be
established, which are a continuation of the development system begun at
the supervisory level. The responsibility for this training should be
delegated to the operating elements of the Department. The training
should be based on an analysis of the middle manager's job in his
employing organization, and should include a unit of instruction on
the structure of the administration and the Department and their
overall goals.

RECOMMENDATION 6: That the Office of the Secretary develop a middle
management training program, which can be provided to middle managers
in the smaller elements of the Department on a reimbursable basis. This
training should be supplemented by extra sessions in the manager's
employing organization, in which the organization's goals and objectives
are discussed, as well as any other pertinent material.

D. Role of OST in Supervisory and Middle Management Development

In an organization of the size and complexity of the Department
of Transportation, it is usually necessary to assign the staff
responsibility for overseeing departmentwide programs and
providing advice and assistance in the implementation of these
programs. Despite the fact that this report recommends the
delegation of supervisory and middle management programs to
the operating elements, it will still be necessary to ensure
that the programs which are developed meet departmental standards.
In addition, staff assistance will probably have to be provided
the smaller elements which do not have the capability to
develop their own programs. The most logical place for this
responsibility is with the Office of Personnel and Training,
as indicated in the charter for this office, which is quoted
on Page 24.

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RECOMMENDATION 7: That the Director of Personnel and Training, OST, be charged with the staff responsibility to develop standards for supervisory and middle management training and to prepare an evaluation program to ensure that these standards are met. In addition, he should provide all necessary staff assistance to the DOT elements needing it in meeting these standards.

E. Development of Military Supervisors and Managers

The panel recognizes the historical differences in the military and civilian personnel systems, while at the same time taking note of the fact that several of the top ranking USCG officers who were interviewed feel that there is little difference between military and civilian managers. Certainly both military and civilians manage people, money and materials. The panel recognizes that in a strictly military setting such as aboard ship, there may be differences in management approaches to that found in the shore setting, and it is here that the panel assumes the major differences between military and civilian managers exist.

The USCG officer development system, which is reviewed earlier in this report, is certainly well-funded and seemingly well administered. The overall approach to breadth of exposure through rotational assignments and a variety of educational efforts, is, in fact, quite similar to that used in the Department of Defense and the Department of State. The early development of the USCG officer, since it is geared to a technical area in which he has received school training, certainly gives every indication of meeting his and the Coast Guard's needs. It is concerning the later stages of the career officer's development, however, that the panel has questions. There is no clear program to provide the officer (or senior enlisted man) who is directly responsible for supervising civilians (approving leave, taking disciplinary action, preparing performance appraisals, etc.), with an opportunity to develop appropriate techniques for supervising civilians. Since civilian subordinates may respond somewhat differently from military subordinates, the panel feels that career officers and senior enlisted men should be prepared to understand these differences, and that training can make this adjustment easier for them. It is fair to note here, that a number of USCG officers have attended civilian supervisory development courses, but on an ad hoc, "as able" basis. The panel feels this kind of training should be a requirement for military personnel supervising civilians.

The panel did not review in detail the adequacy of training
provided career officers in the supervision of military
personnel, but assumes it is adequate, based on information
received in discussion and briefings by USCG personnel.

RECOMMENDATION 8: That the Commandant ensure that all officer and
senior enlisted personnel who exercise full supervisory control over
civilians, receive supervisory training comparable to that provided
civilian supervisors. This training should be designed to introduce
military personnel to the civilian personnel system and to help them
adjust to any differences in relationships between military-military
and military-civilian supervision.

At the middle level, the panel noted that despite the extensive
educational efforts which are being undertaken, the Coast
Guard offers no formal training which is for and about the
Coast Guard, particularly as it relates to Coast Guard
management. The panel feels that the Coast Guard should
continue to make use of outside training resources to develop
officer personnel, but also feels that a Coast Guard
management course (or series of courses) for mid-level
officers (LCDR's, CDR's and some Captains) would have the
following additional advantages for the Coast Guard: (1) It
would give the Commandant an opportunity to ensure himself
that all mid-level officers are fully aware of the management
approaches he wishes them to use; (2) The Commandant can also
ensure himself that officers fully understand the direction
of departmental policies and USCG programs; (3) It would
provide the opportunity for an officer to benefit from the
ideas of fellow officers in a classroom setting and should
greatly enhance his ability to deal with his own management
problems. Such a program can also help to bring USCG officers
into the total DOT management development system which is
proposed in this study.

In the panel's opinion, the Coast Guard has all of the necessary
ingredients for designing a mid-level program of its own:
(1) there is an atmosphere of ready acceptance of training;
(2) adequate financing has always been available to support
officer training; and (3) the Coast Guard has the Academy,
plus its training centers, which provide both academic and
classroom resources and should be available during certain
periods of the year.

RECOMMENDATION 9: That the Commandant develop a USCG-oriented training program for mid-level Coast Guard officers. This program should teach these officers more about the Coast Guard's role in national transportation policy; it should give them some additional insight into the Department of Transportation and its organization, missions and functions; and it should cover those management topics which the Commandant deems appropriate for mid-level officers.

F. Executive Development

All executive level personnel (supergrades) and admirals are members of the Department's top management team. They are frequently, in fact, the senior DOT representatives in a community and must act as departmental representatives. There are also many field GS-15's and senior captains, who because of the breadth of their responsibilities (i.e., FAA Center Chiefs; FHWA Deputy Regional Directors; USCG District Chiefs of Staff) also perform as executives who actively participate in the implementation of departmental policy. The panel considers all of these to be executives in the truest sense and suggests that their development as executives and their identification with the Department are critical to effective DOT operations. The panel concludes, therefore, that training for these executives should be departmental in scope and should be undertaken by the Office of the Secretary in coordination with the operating elements of the Department.

The Civil Service Commission states the need for executive development in FPM Chapter 412-03, Subchapter 1-1, when it says that, "Each agency (i.e., Executive Department) must take steps to find persons of executive potential and to train and develop them to assume the full responsibilities of agency management." While the Commission does not offer specific guidance on executive development programs, aside from suggesting job rotation as a means for developing management skill, the implication is very clear that the OST should take the leadership in executive development.

The panel's review of existing programs in DOT indicates no duplication of effort, since even the FAA's Executive School, which is the highest level program now being conducted, is for upper-middle managers in the GS-14 and 15 grade levels. Otherwise, DOT executives have available to them a limited number of spaces in long-term programs such as the Federal Executive Institute, Industrial College of the Armed Forces, Naval War College, and Air War College, plus a variety of programs offered by academic institutions and commercial resources.

Any new executive development program which is prepared will, therefore, be a new effort in DOT. The panel feels that such a program should provide for the maximum involvement of the participants, and should cover subjects of DOT policy interest rather than purely management principles and concepts. The training should help the participant identify himself as an executive of the DOT, rather than just as an executive representing the interests of any particular operating element. The training might, for instance, involve the development of simulated departmental policies covering all modes of transportation and taking into consideration all of the other factors upon which an intermodal decision is made, such as budget and the political environment. Another approach might be the development of a series of exercises designed to help the executives balance the resources which should be allotted to the Department's programs, thereby giving them a broader perspective of the operation of the Department and how the various elements relate to each other. Exercises of this sort should be interspersed with an opportunity for the participants to meet and talk with, the top appointed officials of the Department. The design of the program should be such that participants are completely "involved" in the training and have the maximum opportunity to practice their own decision-making and policy implementation skills.

RECOMMENDATION 10: That the Office of the Secretary establish and conduct an Executive Development Program for all persons with executive responsibilities--both civilian and military. This program should provide participants with a departmental perspective and be oriented toward the management abilities required to implement national transportation policies. A portion of the program should be allotted to the operating elements of the Department to provide specialized executive training to their own executives, either in the classroom or on-the-job.

In addition to a major executive development course or courses, the panel feels that the DOT Executive Development Program should also cover a number of important management and policy issues of departmentwide interest, which would merit the development of a curriculum of special executive seminars. These seminars, which would be from two to five days long, include such subjects as: Urban Transportation, Transportation and the Environment, DOT and Safety, Decentralization of Services and Programs, and the DOT Political Environment.

RECOMMENDATION 11: That the Office of the Secretary develop a series of seminars on key policy issues to ensure that executives understand, and are able to deal effectively with, problems revolving around these issues.

G. Funding and Staffing for Executive Development

It is a fact of organizational life that no major new program
effort can be undertaken without the additional funds and
manpower necessary to make the program work. The same is true
of the recommendations in this report. If the Department
is to have a viable program for developing management personnel,
the money and manpower which are needed must be provided.
The panel does not feel in a position to address itself in
this report either to specific amounts of money or numbers
of people needed. As a result of this study, there are, however,
two general conclusions which can be reached:

1.   The panel does not find significant overlap or duplication
of effort between any of the existing programs in DOT and
a proposed DOT Executive Development Program. Because of
this, the panel feels that the DOT Executive Development
Program should be funded as a new departmentwide program
and funds should be provided for its establishment either
through the budget process or as a cooperative effort of
all of the elements of the Department. The continuing
costs of running this program can be underwritten through
per capita charges for participation.

2.   Since there is no duplication of existing efforts involved,
the positions for staffing the Executive Development Program
should be provided from the total pool of DOT manpower
resources. The panel feels that the method selected for
accomplishing this staffing should penalize individual DOT
elements as little as possible, while bearing in mind the
need to provide staff for the program as quickly as possible.

RECOMMENDATION 12: That the necessary funds and positions for establishing
the DOT Executive Development Program be provided by the Secretary as
soon as possible. The priority for accomplishing this should be as high
as for other programs designed to develop the Department's long-term
capabilities. When the Executive Development Program is fully operational,
its costs may be borne on a proportionate share basis by the elements of
the Department.

H. **Site Location and Administration for DOT Executive Development Program**

Over the years, the practice which has been generally accepted in industry and government is to conduct executive development programs at sites removed from the office. This is done for several reasons, but most particularly because the participants are removed from office distractions which might interfere with the training, and because executives are felt to benefit most from discussions and the opportunity to work with peers in an informal setting, which extends past the normal hours of training. The panel feels this approach is best to follow where the cost is not excessive. Except in special circumstances, the large number of trainees at the first level of supervision may not make training at a site away from the office, a cost effective alternative, so it may be necessary to hold this training close to the trainee's work site. Certainly, however, at the middle management and executive levels, training can and should be conducted away from the office.

The DOT Executive Development Program should be located at a site removed from Washington, D. C., but close enough to allow top departmental officials to participate in the program as lecturers or discussion leaders. A permanent facility for such training would be most desirable, although the panel recognizes that it may be necessary to use rented space initially. It may be appropriate for many middle management programs to be housed in this facility, and space requirements can be determined by a survey, once it is determined which kinds of programs will be established by the operating elements of the Department.

RECOMMENDATION 13: That the Secretary endorse the principle of conducting executive development programs away from the participants' work stations whenever possible. In keeping with this principle, a survey should be conducted to determine space requirements for executive development programs and to seek a permanent site for an executive development center which is convenient to Washington, D. C., but sufficiently removed to keep office distractions to a minimum.

RECOMMENDATION 14: That the director of the executive development center have the stature which commands the respect of the executives of the Department, both for his managerial ability and training knowledge. The center should be staffed at a level which is consistent with a high-quality executive development program. The center could operate under the general direction of the Assistant Secretary for Administration through his Director of Personnel and Training.

I. Management Development as a Continuing Activity

In too many instances, management development is seen as a
"one-time" activity, consisting of participation in a management
course and return to the job, without further development until
another course comes along.   An effective management develop-
ment program is far more complete than this kind of effort.
Many experts believe, in fact, that on-the-job training is
the most useful element in a good management development program,
and that formal courses should be designed to sharpen and
crystallize the OJT experience. Other activities should be
worked into a management development program, many of them
requiring an assessment of the individual's developmental
needs and the preparation of a program tailored to his needs.
Before he enters a management job, the selectee might be
involved in the following kinds of developmental experiences:
job rotation assignments; assignments in an "acting" capacity;
assigned readings and individually selected readings;
correspondence courses in aspects of management; and discussions
with experienced supervisors, middle managers and executives.
Provision should be made to provide continuing experience and
developmental assignments which add to and expand on the knowledge
and experience of the incumbent in a management position.

By the same token, the selectee should be strongly encouraged
to follow a regular program of self-development. Self-development
involves those activities he undertakes on his own time and
at his own expense.   This might include selected reading;
attendance at meetings and conferences; participation in
correspondence training; or attendance at management courses
at the selectee's expense.   This kind of development supplements
government-sponsored training and can be used effectively by
the individual to fill in gaps in his management training or
expand his knowledge in certain areas in which he desires to
have more knowledge, but which are unavailable under government
sponsorship.

RECOMMENDATION 15:   That the DOT management development system provide for
continuing training both to prepare selectees for the assumption of
management duties and to provide follow-up developmental experience to
meet the needs of the incumbent. An important part of the system which
also must be stressed is the need for continuous self-development by
managers and prospective managers.

J. **Management Development Programs Sponsored by Organizations Outside of DOT**

A wide variety of management development programs are offered by universities, other government agencies, associations and commercial organizations all over the country. These courses range in length from a matter of hours to two years, and cover an equally wide variety of subject matter. While the great number of these offerings inevitably means that there will be some inadequate programs, the panel feels that the use of such resources is an excellent way of assisting in the continuing development of management personnel.

While not recommending them over other offerings, the panel finds the variety of courses offered by the Civil Service Commission and culminating with the Federal Executive Institute(FEI), to be designed to meet the needs of Federal supervisors, middle managers and executives, and they provide a good resource for management development efforts which supplement in-house efforts. In any consideration of CSC courses, the panel feels that the FEI must be given special consideration. Without attempting to make any specific evaluation of the FEI, the panel does feel it is a worthwhile effort and sees no conflict between the FEI and a DOT Executive Development Program. The FEI's sphere of interest is the whole Federal Government while a DOT program must, of necessity, be more limited in scope. The FEI is also a broad educational effort, while the training objective of the DOT program is more narrowly defined.

RECOMMENDATION 16: That the Office of the Secretary encourage the practice of using quality nonDOT management development programs to assist in achieving management training objectives. These programs may be conducted by universities, commercial organizations, associations, or other government agencies such as the U. S. Civil Service Commission.

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K. Selection for Management

Despite the fact that the charter of this panel was to
consider only the area of management development, it is
an inescapable fact that optimum results cannot exist
without effective selection which is designed to ensure
that the best qualified people available participate in
management development programs. In these times of
complex organizations and highly complex management
responsibilities, we cannot rely solely on technical or
professional competence as the basis for selection as a
supervisor, middle manager or executive. Rather, he also
must have the potential to do these jobs, and then be
developed to ensure that his potential is crystallized.

The panel feels strongly that effective methods for
selection of management personnel should be given early
attention.

RECOMMENDATION 17: That the Office of the Secretary undertake a study
of selection methods for civilian managers at all levels, but
particularly at the executive level. This study should ensure that the
same attention which will be given to development of management personnel
is also given to their selection.

L. Career Development Programs

1. Intern Programs

Many successful organizations lay at least part of
this success on their ability to hire the highest
caliber of young people and develop them to assume
management responsibilities. The Management Intern (MI)
Program is one way in which the Federal Government has
attempted to achieve this same objective. The panel
finds that allowance has been made for bringing bright,
young people into DOT, but there is little apparent
work being done to develop them for careers in
management. The technical nature of much of the work
in the Department obviously precludes too much emphasis
of such a management career approach, but the panel
feels that more attention could be given to early
identification and development of the best of the young
people being hired. The increased use of the MI register
is one way of accomplishing this, but even more, greater
attention should be given to early identification and
development of management potential among the younger
employees in the Department's technical specialties.

RECOMMENDATION 18: That the Office of the Secretary encourage the
development of programs to provide the early identification and
development of management potential among the younger employees who
are being hired. In addition, greater use should be made by all
elements of the Department, of programs such as the Transportation
Intern and Management Intern programs, which provide for entry level
training for young people with management potential.

2. Mid-Level Programs

The preparation of mid-level employees (GS-12-15) who
show high potential for the assumption of broad
responsibilities of both a managerial and technical
nature is another area which seems to need attention
in DOT. This problem was addressed in the proposed
Secretary's Fellowship, Executive Exchange and Advanced
Management Development Programs which were recommended
by the Assistant Secretary for Administration and mentioned
earlier in this report. All of these programs provide
for the early identification of people with high
potential, and are geared to giving these people the
kind of development designed to instill in them a
broader outlook which should benefit them, their

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employing organizations, and the Department. It
does seem that elements of the programs recommended
by the Assistant Secretary could be combined into
one or two programs which could be highly beneficial
to the Department.

RECOMMENDATION 19:   That the Office of the Secretary study the possibility
of developing programs for high quality mid-level employees (GS-12-15)
which will provide them with a broader background and outlook than
they would normally receive in their employing organizations.   These
career development programs should lead into and relate to the DOT
management development system proposed in this report.

M. Organization Development or Renewal

A program to develop the effectiveness of the Department
or an element of the Department, to deal with its program
responsibilities, has considerable appeal. Before such
efforts are given too much consideration, however, their
cost in time and money should be carefully considered. If
it is then determined that organization development, or
a similar approach, is what is needed, the panel feels
that it should be encouraged.

RECOMMENDATION 20: That the Office of the Secretary undertake a study
of organization development to determine its possible application to
the Department.

SURVEY OF EFFORTS IN OTHER AGENCIES
AND PRIVATE CORPORATIONS

(O. H. Laine)

It has been said that"hypocrisy is the tribute that vice pays to virtue."
And if we make obeisance to the concept of planning for management training
and career development, while continuing in most of the country to
practice nonplanning, I suppose its better than making a virtue of
nonplanning. Perhaps in time our actions will catch up with our
profession.

My survey of selected industries and Federal agencies showed that
while most are active in planning programs that purport to train managers
and executives, much more needs to be done. There is little evidence
of a consistent approach to manpower planning, selecting, appraising
and developing of managers which constitute a career development system.

Despite well developed programs on paper, past efforts by certain
Federal agencies and business and industry have fallen short of their
goals for some or all of the following reasons:

[1] A lack of commitment to the program on the part of top management.

[2] A failure to relate the management training program to the organization's
mission.

[3] Little opportunity for experience-based learning activities. Too
much emphasis was placed on inputs of new knowledge alone.

[4] Preoccupation with structure and procedure which overlooked the
fact that an organization is made up of people.

[5] Impatience with improvement efforts even though the plans point
out the long-term nature of benefits to be derived.

More recently, however, as my visits revealed, there is new emphasis on
management training--or management development--which is based on
insights gained from the social and behavioral sciences. Motivation
and human effectiveness are central to the theme of many published
works on the subject of modern management by Argyris, McGregor, Myers,
Herzberg, Lippett, Bennis, Likert and others. These concepts and
methods treat simultaneously the individual and the environment in
which he works rather than more refined methods for individual learning.

The major target in each case where there is evidence of progress is
the attitude, behavior, relationship, and performance of people in the
organization. The underlying assumption is that groups and teams are
the basic units or organization to be changed as one moves toward
organization effectiveness. Texas Instruments, Inc., Dallas, Texas,
for example, in its publication Management Philosophies and Practices
states, "T.I. is goal-oriented and must be so managed that each individual
TIer associates achievement of his personal goals with the achievement
of T.I. goals." Similar professions of philosophy of management were
received from Motorola, General Motors and Martin-Marietta. In each
instance, the procedures used to achieve these lauditory goals were
designed in relation to the particular structure and operation of that
organization.

The R. G. Barry Corporation, Columbus, Ohio, as reported by the Foundation
for Research of Human Behavior, Ann Arbor, Michigan, has implemented
the first Human Resource Accounting System wherein human resource
investment measurement techniques are now being used as a basis for
long-range manpower planning by reflecting human resources in the firm's
capital budget, which in the past has been confined to physical asset
planning.   Gordon Zacks, President, states that "through the process of
measuring human assets, our managers will receive, as part of the operating
statements, an adjusted profit--and--loss statement and a balance sheet
for the human assets within their control. The fact that these assets
are being recognized and measured is a way of bringing their importance
to the attention of everybody in the organization." This attempt to
assess human resources in financial terms is a harbinger of the increasing
attention to the importance of the human resources of an organization.

There is evidence, too, of some important recent activity in management
development in other Federal agencies, such as the Park Service, the
Forest Service, the Department of Labor and the Internal Revenue Service.
These efforts, however, are centered generally in offices of training
and thus are hampered by the characteristically low status that training
traditionally has suffered. However, there are encouraging signs for
ultimate success, particularly as more top level managers personally
experience some of the various workshops that are available, both
within their organization and outside.

All in all, both industry and government have come to the realization
that management development efforts will result in desired changes <u>only</u>
when the executive leadership is willing to support formal development
with necessary organizational motivators and reinforcers. Personnel
departments may be adept at augmenting training and development programs,
but management development is a line, and not a staff, responsibility.

DEPARTMENT OF TRANSPORTATION
ORIGIN OF MAJOR COMPONENTS

MAJOR COMPONENT   **ORIGIN**

MAJOR COMPONENT	ORIGIN
SECRETARY OF TRANSPORTATION	PL-89-670 DEPARTMENT OF TRANSPORTATION ACT
OFFICE OF SECRETARY	NEW ORGANIZATION
FEDERAL RAILROAD ADMINISTRATION ADMINISTRATOR & STAFF OFFICES	NEW ORGANIZATION
ALASKA RAILROAD	FROM DEPARTMENT OF INTERIOR
BUREAU OF RAILROAD SAFETY	FROM INTERSTATE COMMERCE COMMISSION
OFFICE OF HIGH SPEED GROUND TRANSPORTATION	FROM DEPARTMENT OF COMMERCE
FEDERAL HIGHWAY ADMINISTRATION ADMINISTRATOR & STAFF OFFICES	NEW ORGANIZATION
BUREAU OF PUBLIC ROADS	FROM DEPARTMENT OF COMMERCE
NATIONAL HIGHWAY SAFETY BUREAU	FROM DEPARTMENT OF COMMERCE
NATIONAL TRAFFIC SAFETY BUREAU	FROM DEPARTMENT OF COMMERCE
BUREAU OF MOTOR CARRIER SAFETY	FROM INTERSTATE COMMERCE COMMISSION
FEDERAL AVIATION ADMINISTRATION	INDEPENDENT AGENCY
ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION	FROM DEPARTMENT OF COMMERCE
U.S. COAST GUARD	FROM TREASURY DEPARTMENT
NATIONAL TRANSPORTATION SAFETY BOARD: CHAIRMAN, BOARD MEMBERS, STAFF OFFICES	NEW ORGANIZATION
BUREAU OF AVIATION SAFETY	FROM CIVIL AERONAUTICS BOARD
BUREAU OF SURFACE TRANSPORTATION SAFETY	NEW ORGANIZATION

UNITED STATES GOVERNMENT

Memorandum

DATE: December 10, 1969

SUBJECT: Management Development in DOT

In reply
refer to: TAD-14

FROM : The Secretary

TO : Secretarial Officers
Heads of Operating Administrations

To a very large extent, the performance of this Department is measured by the manner in which our employees carry out their work all over the world. The direction of the activities of these employees is one of the most critical elements in the effective performance of our mission, and I want to ensure that we are doing everything necessary as a Department to develop the skills of the supervisors, managers and executives who have such a critical role.

With this, thought in mind, I have asked the Assistant Secretary for Administration to initiate a complete study of management development in DOT. This study, which will involve both military and civilian programs, should determine what we are presently doing in the area of management development and recommend any necessary programs which we need to establish to have a logical, systematic approach to management development at all levels. The study will attempt to decide what training we should be doing, and who should be doing it.

I have also directed the Assistant Secretary for Administration to form a distinguished panel of three people from outside the Department to assist in conducting the study. This panel should consist of a professional educator, an expert on management development in the Federal service, and a third member who is an authority on the development of people in an organizational setting.

The panel and staff officials who will be assisting them will soon begin gathering the data which will be necessary for the study. I hope you will offer them every assistance in this very important undertaking.

John A. Volpe

DEPARTMENT OF TRANSPORTATION

MANAGEMENT DEVELOPMENT STUDY

TRAINING SURVEY

ATTACHMENT 3
B-4

I. SUPERVISOR*   (Report on all civilian supervisors and separately
                   on military personnel with full first-level
                   supervisory responsibility for civilian subordinates)

A. 1. What is the total number of personnel in your organization
        who were eligible for supervisory training as of June 30,
        1969? (Include all eligible personnel in this grouping,
        whether or not they have previously received supervisory
        training.) What range of grade levels are you including
        in this grouping?

    2. From the total listed in A.1. above, please indicate a
        breakdown by following categories:

        a. Incumbent Supervisors -
        b. Nonsupervisory Staff Personnel -
        c. "Straw Bosses" or other personnel, performing
            some supervisory duties, but not having a
            full range of supervisory responsibilities -
        d. Other (specify) -

B. What is the approximate annual turnover among the entire group
    of personnel eligible for supervisory training?

C. How many of your incumbent supervisors or comparable personnel
    were engaged during FY-69 in each of the following kinds of
    management training activities?

    1. Internal Classroom Training - (list each course by title,
        number of hours of training for each course, and total
        number of trainees enrolled by course during FY-69).

    2. External Classroom Training - (indicate total number of
        personnel involved during FY-69 and approximate total
        number of manhours of training).

D. What was the cost of supervisory training during FY-69, excluding
    salary and expense costs attributed to your own training staff?

    1. Travel -
    2. Per Diem -
    3. Contract Instructional Services -
    4. Registration, Tuition and Related Costs -
    5. Facilities Rental -
    6. Other (specify) -

E. What additional supervisory training programs are you developing?

* See definition in covering memorandum

II. MIDDLE MANAGER*   (Report on civilian managers only)

A. 1. What is the total number of personnel in your organization
        who were eligible for middle management training as of
        June 30, 1969? (Include all eligible personnel in this
        grouping, whether or not they have previously received
        middle management training.) What range of grade levels
        are you including in this grouping?

    2. From the total listed in A.1. above, please indicate a
        breakdown by the following categories:

        a. Incumbent Middle Managers -
        b. Staff Personnel performing duties
              requiring mid-management skills -
        c. Other (specify) -

B. What is the approximate annual turnover among the entire group
    of personnel eligible for middle management training?

C. How many of your incumbent managers or comparable personnel
    were engaged during FY-69 in each of the following kinds of
    management training activities?

    1. Internal Classroom Training - (list each course by title,
        number of hours of training for each course, and total
        number of trainees enrolled by course during FY-69)

    2. External Classroom Training - (indicate total number of
        personnel involved during FY-69 and approximate total
        number of manhours of training)

D. What was the cost of middle management training in FY-69,
    excluding salary and expense costs attributed to your own
    training staff?

    1. Travel -
    2. Per Diem -
    3. Contract Instructional Services -
    4. Registration, Tuition and Related Costs -
    5. Facilities Rental -
    6. Other (specify) -

E. What subject-matter areas do you feel form the most significant
    training needs of middle managers?

F. What additional middle management training programs are you
    developing?

* See definition in covering memorandum

ATTACHMENT 3
  B-6

III. EXECUTIVES*   (Report on civilian executives only)

    A. 1. What is the total number of personnel in your organization
            who were eligible for training as executives on June 30,
            1969? (Include all eligible personnel in this grouping,
            whether or not they have previously received executive
            training.) What range of grade levels are you including
            in this grouping?

        2. From the total listed in A.1. above, please indicate a
            breakdown by the following categories:

            a. Incumbent Executives - (include those in positions
                approved at the supergrade level, but not yet allocated)
            b. Other (specify) -

    B. What is the approximate annual turnover among the entire group
        of personnel eligible for training as executives?

    C. How many of your incumbent executives or comparable personnel
        were engaged during FY-69 in each of the following kinds of
        management training activities?

        1. Internal Classroom Training - (list each course by title,
            number of hours of training for each course, and total
            number of trainees enrolled by course during FY-69)

        2. External Classroom Training - (indicate total number of
            personnel involved during FY-69 and approximate total
            number of manhours of training)

    D. What was the cost of executive training during FY-69, excluding
        salary and expense costs attributed to your own training staff?

        1. Travel -
        2. Per Diem -
        3. Contract Instructional Services -
        4. Registration, Tuition and Related Costs -
        5. Facilities Rental -
        6. Other (specify) -

    E. What subject-matter areas do you feel form the most significant
        training needs of career executives?

* See definition in covering memorandum

INTERVIEWS BY CONSULTANT PANEL

Oscar Bakke, Associate Administrator for Plans, FAA

Roy L. Barton, Chief, Civilian Personnel Division, USCG

James R. Beck, Jr., Deputy Director, Federal Executive Institute

James M. Beggs, Under Secretary

ADM Chester R. Bender, Commandant, USCG

L. S. Casazza, Deputy Director of Administration, FHWA

Alan L. Dean, Assistant Secretary for Administration

Kent W. Fendler, Chief, Personnel and Training Division, FHWA

William E. Gerow, Director of Career Management Division,
                Department of Navy

RADM Robert W. Goehring, Chief of Staff, USCG

Bertrand M. Harding, Associate Administrator for Manpower, FAA

Clarke Harper, Associate Administrator for Administration, FAA

Brendon T. Jose, Assistant Administration,
                St. Lawrence Seaway Development Corporation

Richard F. Lally, Director of Civil Rights, OST

CAPT James L. Lathrop, Deputy Chief, Office of Personnel, USCG

Carl V. Lyon, Deputy Administrator, FRA

George S. Maharay, Director of Personnel and Training

David C. Oberlin, Administrator, St. Lawrence Seaway
                                Development Corporation

John P. Olsson, Deputy Under Secretary

Victor J. Onachilla, Manager, FAA Executive School

Michael O'Rourke, Director of Administration, FRA

RADM Ellis L. Perry, Chief, Office of Personnel, USCG

John H. Reed, Chairman, National Transportation Safety Board

Ralph Salvagno, Head of the Institute of Management Branch,
                Department of Navy

VADM Thomas R. Sargent III, Assistant Commandant, USCG

Dr. Frank P. Sherwood, Director, Federal Executive Institute

Kenneth M. Smith, Deputy Administrator, FAA

Douglas W. Toms, Director, National Highway Safety Bureau

Francis C. Turner, Federal Highway Administrator

Ernest Weiss, Executive Director, National Transportation
                                        Safety Board

Robert H. Willey, Director of Civilian Manpower Management,
                Department of Navy

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ATTACHMENT 5
B–9

Appendix A. Supervisory Training

A–1. INTRODUCTION

a. **Rationale.** (1) Management effectiveness and efficiency are directly dependent upon the quality of supervision. Supervisory training is, therefore, essential: it is both a way to prepare the supervisor for the responsibilities imposed by the modern organization and a way to assure capacity to meet the challenge of constant change in management processes and technology. Training should equip the supervisor with those skills which will enable him (a) to help his organization accomplish its mission and (b) to discharge his individual responsibilities to the maximum satisfaction of his superiors, his subordinates, and himself.

(2) Chapter 335, Promotion and Internal Placement, recognizes the critical role of the supervisor by establishing improved criteria for the selection of persons with supervisory abilities and potential and by requiring the training of all new first-level supervisors either before they assume their new duties or as soon after as possible. (See section 3–8b of chapter 335.) This appendix gives the criteria for the initial training of first-level supervisors as well as for the subsequent training which is desirable for all supervisors. Within these criteria supervisory training programs—as indeed all internal training programs—should reflect the mission, philosophy and tradition, organizational structure, problems, realities, and needs of the agency.

b. **Management responsibility.** Training is a line responsibility, and the ultimate responsibility for the quality and sufficiency of supervisory training lies with the head of the agency. (See section 1–4 of chapter 250.) Agency management must insure that each first-level supervisor receives appropriate initial preparation for his job as well as continued development in the art of supervision; that supervisory training has full management support

and interest, in practice as well as in policy; that the content of training programs is not only appropriate to agency needs but also is relevant to the needs of the individual supervisor; that the training is of high quality; and that the work environment is conducive to the practice of good supervision. Agency management should evaluate its supervisory training programs periodically to ascertain how well they are meeting the needs of the agency and its supervisors, to determine what should be done to improve these activities, and to effect needed change. (See section 3–5 of chapter 410.)

A–2. INITIAL TRAINING OF FIRST-LEVEL SUPERVISORS

a. **Coverage.** The provisions of this section apply to all employees selected after June 30, 1969, for positions in the competitive service classified or graded as first-level supervisor, regardless of pay system or manner of selection (promotion, internal placement, or other means). (In the context of this appendix, a first-level supervisory position is one which meets the standard of minimum supervisory responsibility defined in the job standards of the applicable pay schedule.) Persons in working- and project-leader type positions are not subject to these requirements; however, agencies should also provide them with training appropriate to the duties and responsibilities of their positions.

b. **Goals to be achieved.** (1) The position of first-level supervisor has unique characteristics. The person occupying this position is literally a man-in-the-middle with direct responsibilities to the employees he supervises as well as to management. His is a dual role because he is both a representative of management and a representative of his work group to management. He is required to play a significantly dif-

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ferent role than he had as an employee, and the supervision of people is an extremely important aspect of this new role.

(2) Training for all supervisors should encompass the knowledges and skills necessary to do the job. The good supervisor needs a well-founded knowledge of his occupation and an equally solid understanding of the structure and operations of the organization. In varying degrees he must have administrative skill, analytic and conceptual ability, skill in human relations, ability to provide leadership, the capacity to get the job done, and technical know-how.

(3) The new first-level supervisor does not ordinarily enter into his position possessing the knowledges and skills necessary to cope with its complex requirements. His promotion to supervisory rank often reflects a recognition of his competence in some specialized occupational area and an estimate of his potential for supervision. The ultimate goal of training for the new or prospective first-level supervisor should be the development of this potential by providing him with an understanding of good supervision, teaching him how to apply good supervisory techniques, helping him develop a capacity for doing his job effectively and preparing him for more advanced training.

(4) The training needs of the new or potential supervisor should be identified before training. Since needs vary for each person and for the job he performs, his training should be geared to these needs. The new supervisor's training and developmental program should be based on his background (his eduction, previous experience, and training), the supervisory situation (the type of employees supervised, their level of work, and the organizational activity), and the needs of the organization.

c. **Commission requirements.** (1) The Commission requires that suitable initial training be provided all newly selected first-level supervisors either before they assume their new duties or as soon after as possible. (See section 3–8b of chapter 335.) To meet this requirement, the content of agency training programs should be geared to the needs of the individual supervisor

and should include, as appropiate, the 10 subject areas indicated in section·A–2d of this appendix.

(2) A successful supervisory training program, one which meets the objectives of initial training and the requirements of this appendix, generally necessitates a minimum of 80 hours instruction. Therefore, as a general rule the required training for each new first-level supervisor should be no less than 80 hours of formal instruction or its equivalent (when formal instruction is not feasible or possible) within his first two years as a supervisor; however, each new supervisor is required to have at least 40 hours of training either before (preentry training) or within six months after entry on duty as a supervisor.

(3) In applying the foregoing, each agency shall make the determination of the individual supervisor's need, based upon such factors as previous training, education, and experience. When the person's background has equipped him with skills and knowledges equivalent to those which would be acquired through certain aspects of the training required in this appendix, the 80 hours (including the initial 40 hours) may be reduced accordingly. The personnel file of each new first-level supervisor must be documented to clearly indicate the following:

(a) What determination was made concerning training needs;

(b) The basis for the determination;

(c) What training was provided to meet those needs; and

(d) If training given is less than 80 hours, the basis for the lesser amount.

Although 80 hours meets the minimum standard for initial training, it is strongly recommended that the new supervisor receive substantially more preparation so that he may be properly equipped to function as a supervisor.

d. **Required program content.** (1) While it is recognized that important training occurs on the job with the coaching of one's superior or peer, formal training (i.e., off-the-job training which is a part of a planned, prepared, and coordinated curriculum) is necessary to build that body of knowledges and skills needed to perform a wide variety of tasks. Thus, formal training should provide the latest, most useful

information, and knowledge of the field; permit the participant to profit from the findings of the social and behavioral scientists working in fields of group dynamics, human relations, and related disciplines; and enable him to build a reservoir of techniques for his own use. Finally, formal training should provide a conceptual frame-work for use in assessing the work situation and for taking action in or upon it.

(2) *General content requirement.* Although primary responsibility for the content of train-ing programs lies with the agency, the Commis-sion recommends that these programs for all new first-level supervisors include instruction in the following subject areas, depending upon individual need (see section A–2b(4) above):

(a) Personnel policy, practices, and pro-cedures (with particular emphasis on merit promotion policy,.equal employ-ment opportunity, and labor relations);
(b) Supervisory responsibilities within the agency and organization;
(c) Communicative processes in manage-ment;
(d) Human behavior, motivation, and interpersonal relationships;
(e) Work planning and productivity;
(f) Basic theories of supervision and management;
(g) Concepts of organization;
(h) Techniques for problem-solving and decision-making;
(i) Methods of performance appraisal and evaluation;
(j) Learning theory and training tech-niques.

Agencies may continue to use previously developed courses and programs which meet the standards of this paragraph. Courses and programs which do not meet these standards should be revised. But because of the time and expense usually involved in curriculum development, agencies may have until June 30, 1971, to complete their revisions. Specific top-ics which should be treated under each subject above will be described (and revised from time to time) in bulletins and other issuances of the Commission.

(3) *Introductory content.* The introductory content should give an overview of the re-sponsibilities of the supervisor and of the body of knowledges he will need to perform effec-tively. Since the first problems encountered by the new supervisor usually occur in the areas covered in the content of the first five subjects listed in paragraph d(2) of this section, the Commission strongly recommends that they be given particular emphasis in the supervisor's introductory training (either preentry training or that received within the first six months of incumbency). Agency experience should deter-mine, of course, which subject-matter is most appropriate.

e. **Provision of training.** Agencies should conduct their own training whenever possible. Training may be provided, however, through the facilities of the Commission, other Federal agencies, or appropriate non-Government edu-cational institutions. (See section A–4.) When a nonagency facility is used, agencies should supplement training of this kind internally in order to communicate fully their characteristic attitudes and philosophy.

A-3. ADVANCED TRAINING

a. **General considerations.** The need for developing and training experienced supervisory personnel as well as other employees is con-tinuous. Knowledges and skills acquired in initial training must be extended and reinforced periodically if they are not to become obsolete. Experienced personnel are continually con-fronted with changes in job requirements and with new situations which demand more infor-mation, broader knowledge, and improved technique. Therefore, advanced training, partic-ularly for supervisors, should be built upon a continuous, systematic appraisal of individual need and the needs of the agency. This applies not only to first-level supervisors but to all supervisors and to managers who have super-visory responsibilities. In any event, individual plans for the continued development and train-ing of each supervisor should be established and adhered to as much as possible. Such planning

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is not only advantageous for preparing the employee to do his job well but is also an effective method for developing a competent staff while assuring individual career advancement.

b. **Recommended program content.** Advanced training programs for supervisors should enable them to keep up with the state of the art and should be built on training already received, individual experience, and the appraisal of current and future agency need. They should concentrate on the functional aspects of supervision and should emphasize how best to apply supervisory knowledge, skill, and technique. Above all, advanced training should teach the policies of the agency and how it really operates. The Commission recommends, therefore, that all advanced programs include additional or more intensive training in the following: (1) Agency personnel practices and procedures; (2) communication skills and techniques; (3) interpersonal relationships; and (4) work planning and control. Consideration should also be given to more intensive coverage of other subjects listed in section A–2d of this appendix.

A-4. RESOURCES, METHODOLOGY, AND MATERIALS

a. **Resources.** (1) *Agency.* Since good training is essential to the maintenance of an effective management team, each agency should acquire the internal capacity to train and develop its supervisory personnel. Whenever it is not feasible to have this capacity, agencies should secure assistance from the Commission or interagency sources. If nonagency resources are used, the training must be made relevant (as indicated in section A–2e above).

(2) *Commission.* The Commission has developed four courses for internal use by agencies which are specifically designed to provide training for supervisory personnel. They are: Introduction to Supervision; Supervision and Group Performance; Basic Management Techniques I; and Basic Management Techniques II. Agency instructors may be prepared to present these courses by participating in the courses and in

the related instructors institutes. (These courses are described in bulletins and other publications of the Commission's central and regional offices. Those agencies whose supervisory training needs require more instructors than could be trained by the Commission may be authorized by the Commission to prepare their own instructors to conduct these four courses. In addition, the Commission will: Assist agencies in developing programs for initial or advanced supervisory training; promote and facilitate the use of interagency training resources and the development of curricula (by colleges, universities, and private sources), self-development programs, and self-study materials to meet specific supervisory training needs; and collect and disseminate useful data on supervisory training in the Federal service. Commission training activities are intended to supplement agency training programs and in no way relieve the agencies of primary responsibility for the development and training of their employees.

(3) *Interagency.* Some agencies' courses and programs may be as appropriate as those of the Commission for training supervisors in agencies which lack the necessary capacity and resources. Information about these programs will be announced in the Interagency Training Programs Bulletins. Agencies not having suitable supervisory training resources within their own organization are urged to use these programs as well as those sponsored by the Commission.

(4) *Non-Government.* Agencies may utilize the resources of local schools, colleges, universities, and other non-Government facilities under the conditions specified in this appendix and in subchapter 5 of chapter 410. These resources, however, normally should be used only to supplement and extend agency training activity and only when the objectives of this appendix would be met in a more economical and timely fashion.

b. **Methodology.** The methodology used in supervisory training should be appropriate to the program's goals and objectives, its content, and the nature of its audience. Since the free exchange of information is invaluable for developing good supervisors, classroom training

should be used whenever practicable because it brings together people who are sharing the challenge of newly acquired supervisory responsibility and the possession of only a limited experience. Whenever classroom-type training is not possible—e.g., when the supervisors are stationed in remote locations—agencies may use whatever instructional method is judged to be most suitable. Agencies with employees in these circumstances should consider the advantages of jointly sponsored supervisory training.

c. **Materials.** Although the Commission will develop and provide (upon request) certain prototype materials for supervisory training, agencies should develop and maintain their own materials and resources for this purpose. These might include books, pamphlets, other publications; bibliographies and catalogues; correspondence courses, programmed or self-study materials; films, slides, transparencies, tapes, or other audiovisuals, as well as those devices and equipment suitable for effective training. These materials should also be made available for use in the personal self-development programs of individual employees. (See section A-5.)

A-5. ENCOURAGING SELF-DEVELOPMENT

a. **General.** Self-development is the cornerstone of training in the Federal service. Employees, therefore, should be apprised of management's interest in and support of their efforts to improve their abilities and skills. They should clearly understand what the agency can and will provide to assist them in their self-improvement, but they should also be made aware of their own responsibilities for self-development. Agencies should assist and encourage those employees who attempt to prepare themselves for supervisory positions and those employees already in supervisory positions who want to enhance and improve supervisory skills. To the extent possible, agencies should provide staff and facilities to aid employees in achieving personal goals which may be directly or even indirectly related to the functions of their organization.

b. **Specific services.** Specific services which an agency can furnish include providing assistance in developing a personal training program, counseling, experiential opportunities, and the use of in-house facilities and materials. An agency may also provide limited training through its own facilities as long as this training is made available in a manner consistent with equity, merit, and applicable Federal regulations. Employees should be encouraged to use agency resources which are appropriate for self-study, such as the agency library or materials used in the regular supervisory training program. They should also be advised of supervisory or management training available through local community resources and by correspondence. Whenever possible, agencies should evaluate these programs and inform employees of their quality and relevance.

Chapter 412

Executive Development

Contents

Subchapter 1.   General Provisions

1-1. NEED FOR EXECUTIVE DEVELOPMENT

The imperative need for a continuous supply of high-quality career executives in the Federal service is widely recognized. This situation emphatically and clearly points to the importance of instituting a positive program which will assure the filling of the anticipated vacancies with persons of outstanding leadership ability, creative imagination, and sound judgment. Employees with executive potential in positions below the top career levels must be identified, trained, and developed over a period of time to increase their capacity to perform the complex functions of career managers. Each agency must take steps to find persons of executive potential and to train and develop them to assume the full responsibilities of agency management.

1-2. AGENCY RESPONSIBILITIES

a. The head of each agency, in connection with his general and continuing responsibility to achieve the highest quality of leadership and management, can insure a sound basis for executive development by taking the following actions:

(1) Surveying in detail on a recurrent basis prospective losses of key career personnel in grades GS-15, -16, -17, and -18, or equivalent.

(2) Considering the problems involved in replacing key career personnel losses and developing and installing a formal, orderly plan for developing capable replacements.

(3) Assigning specific responsibilities at the executive level to provide for the training of managers through selected assignments and formal training programs and assuring that implementation of these responsibilities is monitored.

(4) Developing each manager's skills in the techniques of management and the processes of administration, increasing his effectiveness in dealing with employee resources, and broadening his understanding of agency and Government missions and the relevance of those missions to national goals.

(5) Assuring that managers provide increased on-the-job training and guidance to their subordinate supervisors.

(6) Identifying employees with potential and providing the assignments, experiences, and training needed to prepare them to assume leadership posts.

Subchapter 2.   Plans for Executive Development

2-1. GENERAL

The Civil Service Commission recommends that agencies adopt executive training and development programs. The Federal service as well as the person concerned benefits by systematic career development of outstanding employees. In order to facilitate programs of this kind, two plans are suggested. The Commission, as far as resources permit, will cooperate with agencies in planning specific executive development programs to meet their particular needs.

2-2. SUGGESTED PLANS

a. **Plan 1—Assignment of administrative personnel to other branches of administration.** In order to broaden the experience of employees who are now engaged in one phase of administrative work, the Commission encourages their assignment to other administrative fields. Therefore, under the conditions specified in section 2-3 of this chapter, agencies may reassign or promote employees who are currently in one of the following administrative series to any of the others listed, even though they do not meet open-competitive standards for the new assignment, provided that they are otherwise eligible for reassignment or promotion of this kind, and provided that nominees to positions in series which require a written test in noncompetitive actions must pass the specified test unless they have previously passed the same or equivalent written test:

-GS-201 Personnel Management Series
-GS-212 Personnel Staffing Series
-GS-221 Position Classification Series
-GS-222 Occupational Analysis Series
-GS-223 Salary and Wage Administration Series
-GS-230 Employee-Management Relations and Cooperation Series

-GS-235 Employee Development Series
-GS-340 Program Management Series
-GS-341 Administrative Officer Series
-GS-343 Management Analysis Series
-GS-504 Budget and Accounting Series [1]
-GS-505 Financial Management Series [1]
-GS-560 Budget Administration Series

An agency may propose, in addition to the codes listed above, agreements covering other codes which in the practice of that agency have positions with a large content of administrative or executive responsibility.

b. **Plan 2—Administrative training for specialized personnel.** Since many Federal administrators are selected from professional, scientific, and technical fields, the Commission urges agencies to provide systematic training in administration for specialized personnel who demonstrate an aptitude for administration. Reassignment or promotion of these specialists to administrative positions may be made under the conditions specified in section 2-3 of this chapter, even though they do not meet open-competitive standards for the new assignment, provided that they are otherwise eligible for reassignment or promotion of this kind.

2-3. EXECUTIVE DEVELOPMENT AGREEMENTS

a. All executive development agreements require prior approval of the Commission. When an executive development program is to be considered an approved training program for the purposes of accelerated promotion, the program must also meet the criteria for training agreements provided in Chapter 271, Developing Policies, Procedures, Programs, and Stand-

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[1] Positions in this series which require professional accounting qualifications are excluded from this plan. See the qualifications standards in Handbook X-118 for these series.

ards. In either event, *all* requests for executive development agreements must give:

(1) The basis for selecting employees for executive training and development.

(2) An outline of the executive development plan and the training which employees will receive, including duration, content, and methods.

b. The Commission will approve executive development agreements which indicate that, within a reasonable time after assignment, employees will have acquired the knowledge necessary to perform fully their new duties. Reassignments or promotions under approved executive development agreements are not subject to further prior approval but will be reviewed on inspection.

c. When an agency plans, in its executive development plans, to reassign or promote an employee who is being developed, to a line of work not covered by the executive development agreement, prior approval of the employee concerned or of the general amendment of the agreement must be obtained from the appropriate office of the Commission. An agency must outline the training that it proposes to give the employee and show that within a reasonable time he will have received sufficient training to acquire the knowledge necessary to perform fully his new duties.