
Work Force Planning for Public Power Utilities:

Ensuring Resources to Meet Projected Needs



American Public Power Association

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Executive Summary

In September 2002, the American Public Power Association (APPA) partnered with the Center for Organizational Research (CFOR) to survey its members about the effects that the aging and retiring work force would have on public power. In June 2003, APPA released its report, “The Aging and Retiring Work Force: New Challenges for Public Power,” which detailed how this issue would affect the electric utility industry in general and public power specifically. The report and survey showed that:

- A significant portion of the public power work force will be eligible to retire during the next five to seven years;
- The positions that will experience the most retirements may also be the most difficult to replace: first line supervisors, senior managers, and general managers/CEOs;
- The loss of critical knowledge and the inability to find replacements with utility-specific skills are the two biggest challenges that public power utilities face as a result of the aging work force; and
- Public power utilities need to do more to plan for their future work force needs.

The 2003 report is still in wide use today. At industry meetings during the past year, representatives from investor-owned gas and electric utilities and senior officials from the U.S. Department of Labor have referred to this study on several occasions as the most definitive work to date that condenses work force issues and data and applies them to the electric utility industry.

Because work force issues continue to be of concern to publicly owned utilities and a priority of the association, in the spring of 2005, APPA revised and updated the survey to

- Learn how work force changes are affecting public power utilities today; and
- Gauge the strides that public power systems have made in work force planning for the future.

Some of the highlights from the 2005 survey results are:

- 50 percent of the respondents indicated that more than 20 percent of their workforce would be eligible to retire in the next five years;
- 63 percent of respondents identified “skilled trades” as being among the utility positions with the most likely retirements over the next five years;
- 52 percent of respondents indicated that vacancies among the “skilled trade” positions would be among the most difficult to fill;
- 64 percent of respondents believe that retirements will pose either a moderate or very great challenge to their utility;
- Twice as many respondents in 2005 believe that retirements will create a “significant challenge” for their utility than in the 2002 survey; and
- The most significant challenges created will be the loss of knowledge due to retirements, the difficulty finding replacements, and the lack of bench strength within the organization.

In addition to comparing the results of the 2002 and 2005 surveys, this report outlines a work force planning model that can be adopted by public power utilities. This model identifies seven steps that can be used to address the work force issues arising from the anticipated retirements of public power employees:

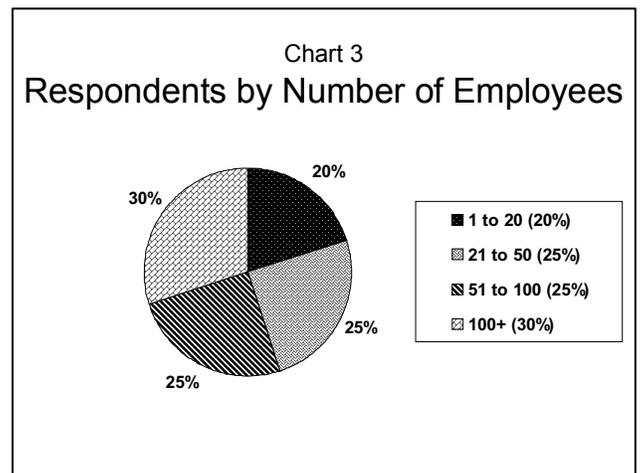
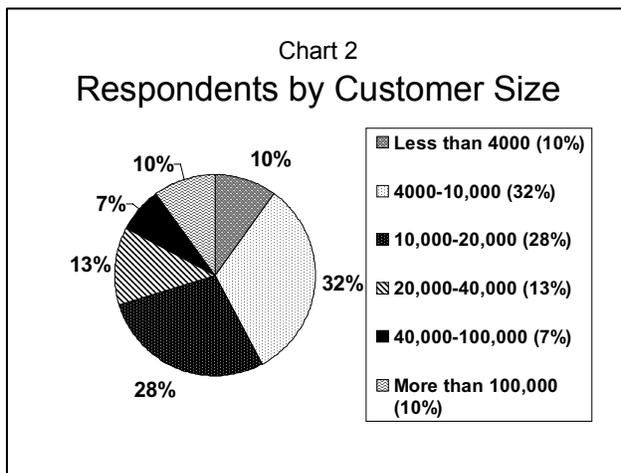
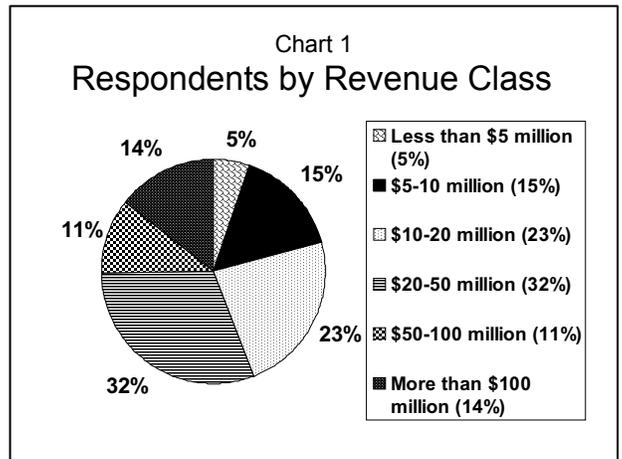
1. Link Work Force Needs to the Strategic Plan
2. Conduct a Work Force Analysis
3. Identify Future Work Force Needs
4. Perform a Gap Analysis
5. Develop a Strategy
6. Implement the Strategy
7. Monitor, Evaluate and Revise

Within each step there are a number of approaches that can be adopted depending on the needs and resources of the utility.

How Do the 2005 Survey Results Compare To Those from 2002?

Both the 2002 and the 2005 surveys were conducted online. In 2002, the survey was sent to 524 members, 103 of whom replied for a 20 percent response rate. In 2005, the survey was sent to 585 members, 111 of whom replied for a 19 percent response rate. In both 2002 and 2005, the survey was sent to APPA members with 3,000 or more customers and those utilities that are primarily wholesale entities (and thus have few or no retail customers) with \$7 million or more in revenue.

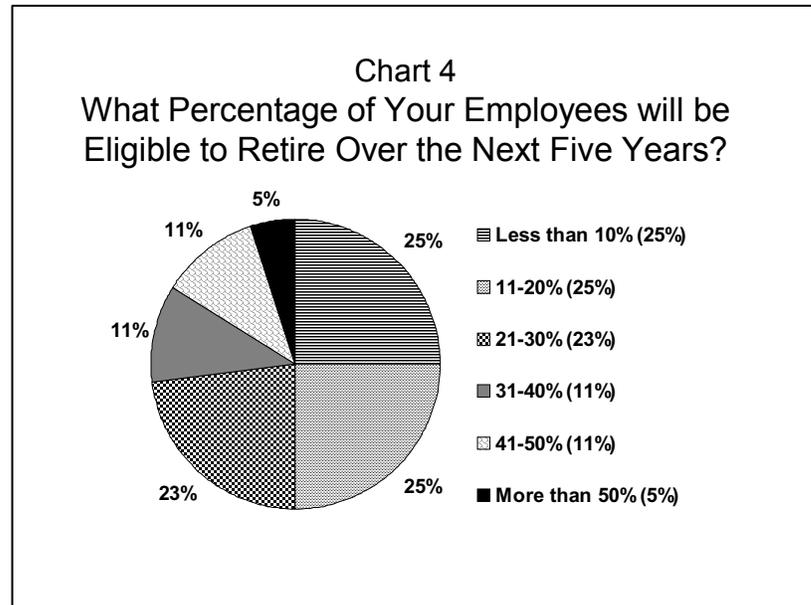
As charts 1, 2 and 3 indicate, the respondents to the 2005 survey reflect a cross-section of publicly-owned utilities in terms of revenue, number of customers, and number of employees. Survey responses were received from large- and medium-sized utilities located in metropolitan statistical areas, as well as smaller utilities located in rural communities. In addition, responses were received from utilities in 36 states from Maine to California and from Florida to Washington, representing every region of the nation: Northeast, South, Midwest, Southwest, and the Pacific Coast.



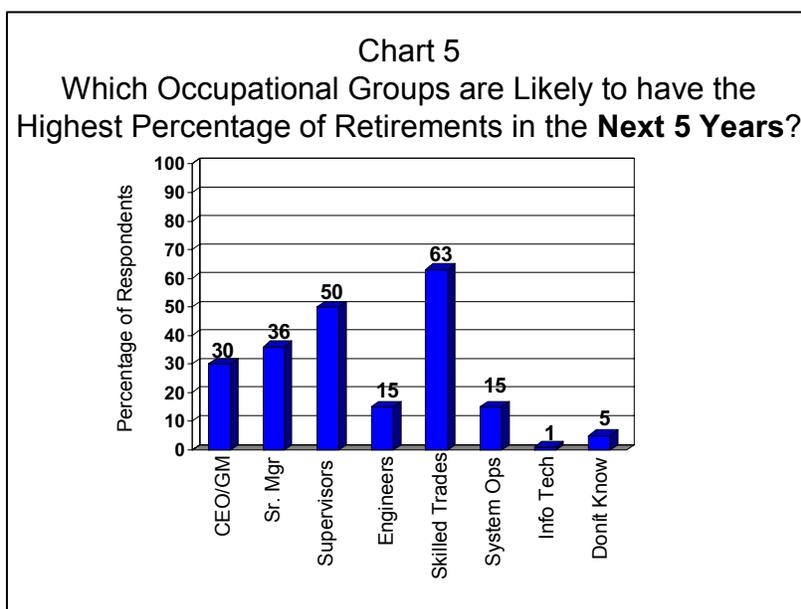
Public Power Continues to See Large Number of Potential Retirements in Critical Positions

As with other segments of the U.S. economy and the electric utility industry, public power is faced with an aging work force and the potential retirements of a large percentage of its employee base. Forty-two percent of the respondents to the 2002 survey tracked retirement projections. Of those, 27 percent reported that up to 10 percent of their work force would be eligible for retirement through 2006. Forty-two percent said that 11 to 20 percent of their employees

could retire, while 13 percent said that 21 to 30 percent of their staff will be eligible to do so.



In 2005, 51 percent of the respondents reported that they track retirement projections, and of those, 25 percent of them report that 10 percent or less of their work force will be eligible to retire through 2010 (Chart 4). Twenty-five percent say that 11 to 20 percent of their employees could retire, and 23 percent note that they may lose 21 to 30 percent of their work force to retirement.



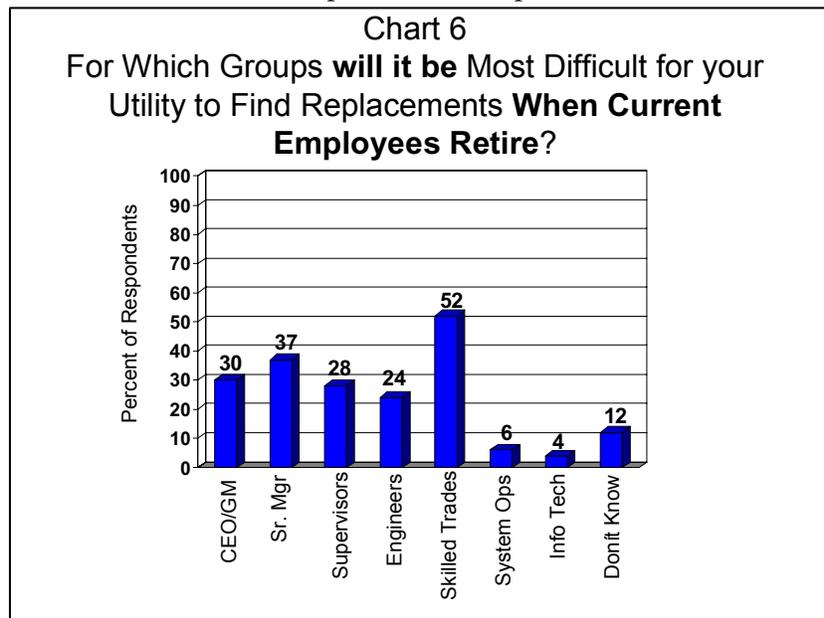
In the intervening years, there has been an increase in the number of utilities that are performing retirement projections. One of the most notable changes is the percentage of respondents who indicated that a significant number of employees would be eligible to retire in the next five years. The number of respondents reporting that 20 percent or more of their

workforce would be eligible to retire in the next five years grew from 30 percent in the 2002 survey to 50 percent in the 2005 survey.

In 2002, survey participants reported that they anticipated that positions with the highest percentage of retirements through 2006 would be first line supervisors, senior managers, and general managers/CEOs, at 43 percent, 41 percent, and 27 percent, respectively. The survey respondents also identified these same three positions as being the most difficult jobs to fill.

In 2005, 63 percent of the survey participants report that the skilled trades will have the highest rate of retirements through 2010 (Chart 5). The skilled trade classification is a broad category that includes electricians, lineworkers, equipment installers and maintenance workers, machinery mechanics, plumbers, pipefitters, appliance and HVAC technicians, and construction trade workers. Other positions that respondents believe will experience a high level of retirements include supervisors (50 percent), senior managers (36 percent) and CEOs/general managers (30 percent).

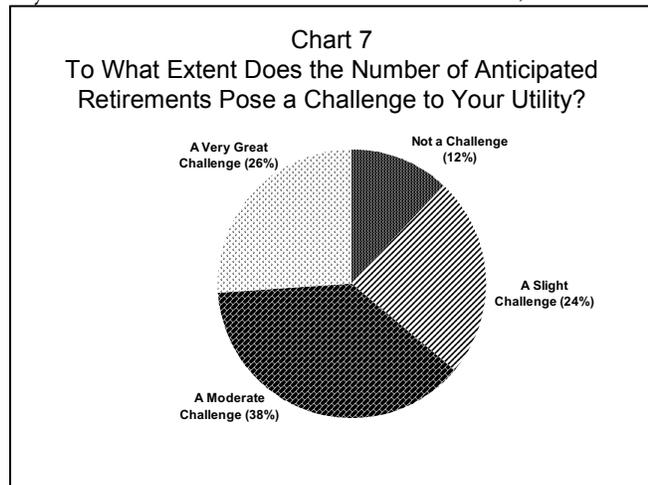
When asked which positions for which it will be most difficult to find replacements for retirees (Chart 6), 52 percent of the 2005 respondents identified the skilled trades positions. Other jobs that will be difficult to fill include senior managers, GMs/CEOs, first line supervisors, and engineers.



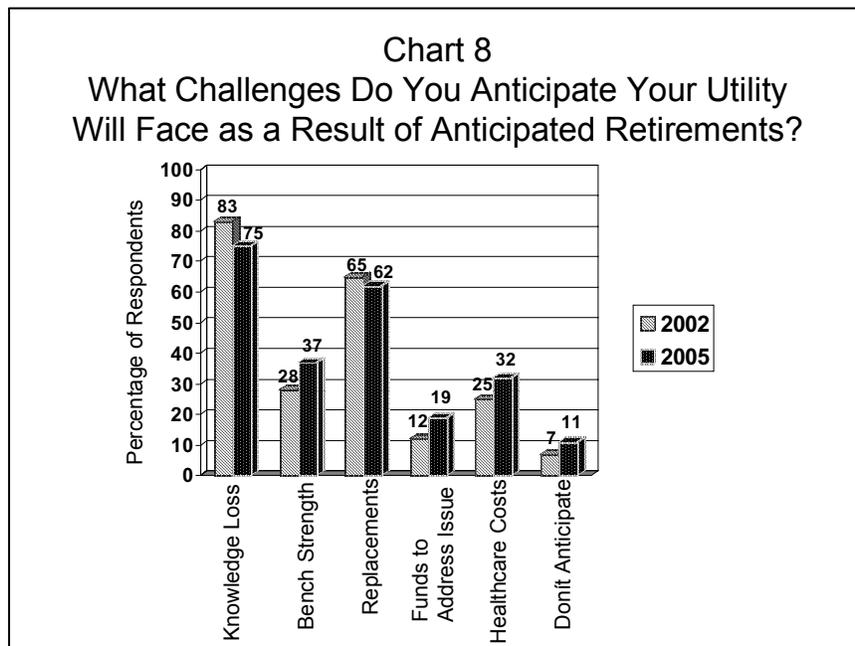
The Aging Work Force Still Challenges Public Power

The electric utility industry has been undergoing, and will continue to undergo, dramatic changes. These changes are being brought about by the deployment of new and advanced technologies, changing customer expectations, an evolving power market, and the addition of new services being offered by electric utilities. At the same time, the utility work force is growing older and the oncoming wave of retirements from the Baby Boomer generation poses yet another challenge.

As Chart 7 illustrates, 26 percent of the 2005 survey respondents believe the aging and retiring work force is a great challenge to their utility's ability to fulfill its mission. This reflects a 100 percent increase from the 2002 survey, when 13 percent of respondents felt this way.



When asked how they believe their governing board views this issue, 12 percent of 2005 survey respondents indicated that their board views it as a great challenge to the utility's mission, up from only two percent in the 2002 survey.

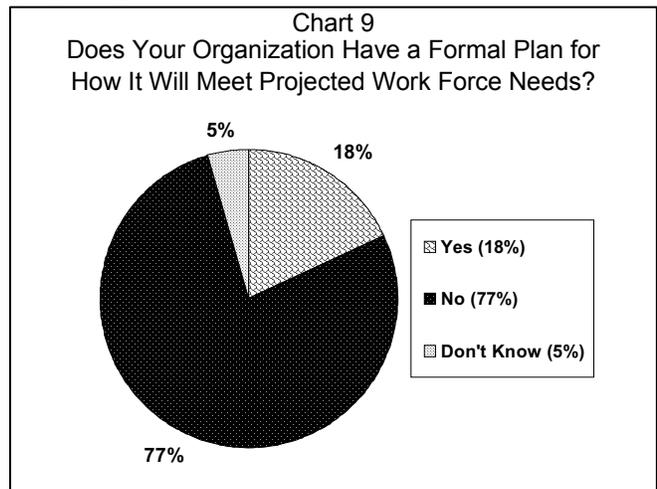


When asked about the specific challenges their utilities will face as a result of the anticipated retirements over the next five years (Chart 8), 75 percent of 2005 respondents said that the loss of critical knowledge will be the biggest problem; this is down from 83 percent of the 2002 respondents. More than 60 percent of the respondents in both 2002 and 2005 indicated that the inability to find replacements with utility-specific skills is a challenge. And, 37 percent of the 2005 respondents indicated that the lack of bench strength within their organization is a challenge, as opposed to 29 percent in 2002.

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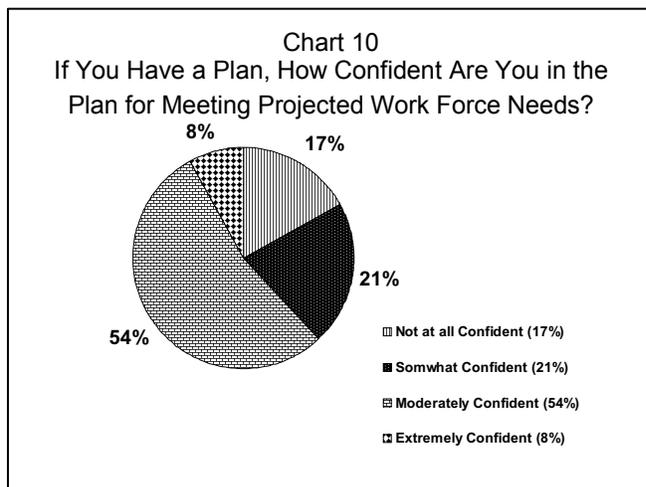
Public Power Utilities Need to do More to Prepare for Their Future Work Force Needs

Work force planning will become more important in today's increasingly competitive job market, as utilities compete with one another and with other industries to find employees with the right skills. As the model on page 8 illustrates, a comprehensive work force plan is a systematic, integrated, and continuous approach that aligns the utility's work force needs with its strategic goals and planning process. In doing so, the organization should identify the skill sets that their current employees possess, as well as the skills that will be needed and number of employees necessary to meet its goals. This will enable the utility to identify any gaps in skills that need to be filled. The organization will then need to develop and implement strategies to attract and retain these workers. Finally, the organization needs to continuously review and update its work force plan to ensure that it meets the changing demands of the business environment.



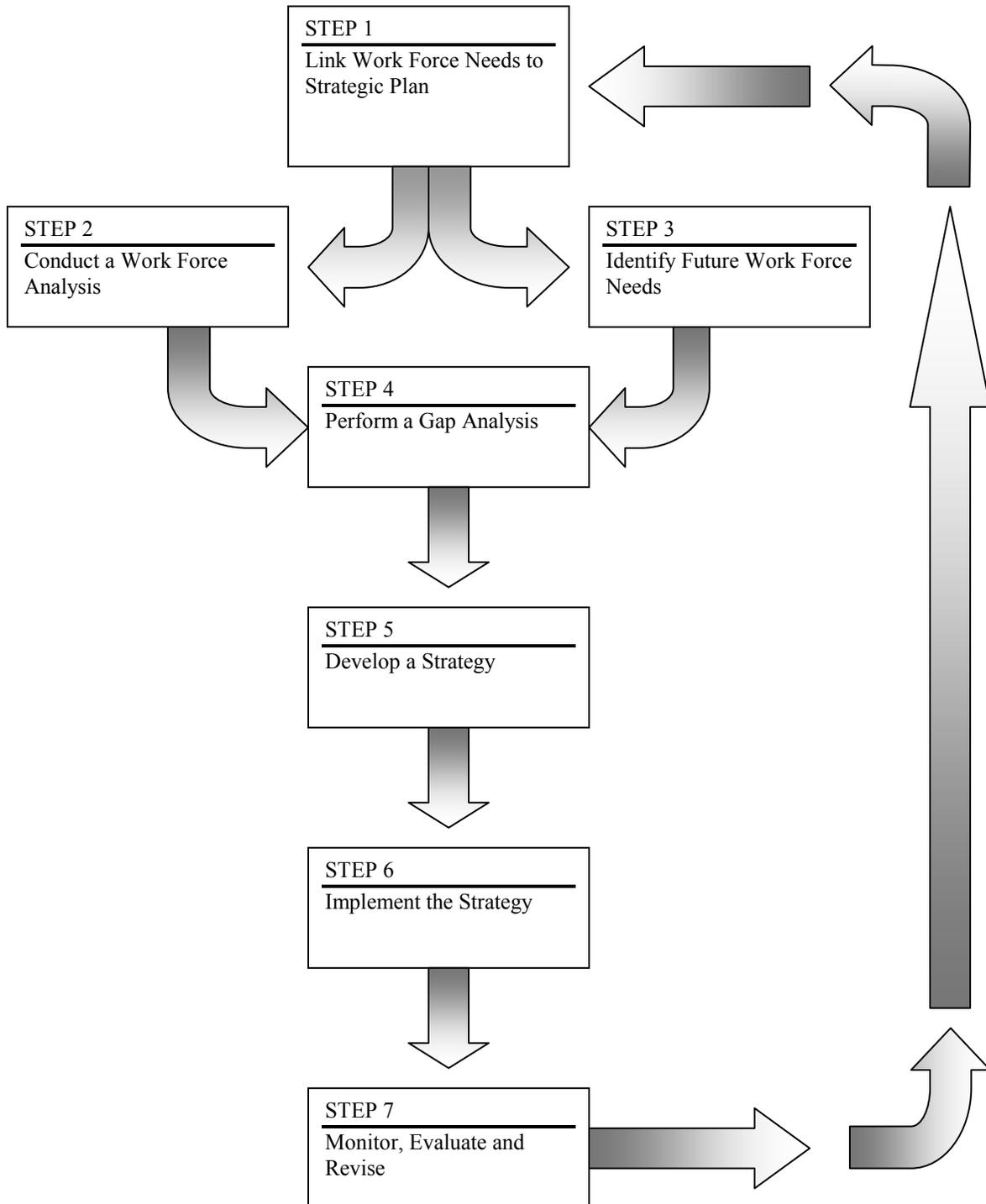
STEP 1: Link Work Force Needs to Strategic Plan

Work force planning is a natural follow-up to the organization's strategic planning process. While strategic planning helps an organization determine where it is, what its future goals are, and how it will meet these goals, work force planning ensures it has the resources necessary to get there. In doing so, the work force plan focuses on concrete issues of skill sets, staffing requirements, and training needs.



Although survey respondents continue to view the aging work force as a challenge to their utilities, few have plans in place to deal effectively with the issue and to groom their next generation of leaders. In 2005, 77 percent of respondents indicated they do not have a formal plan for meeting future work force needs (Chart 9), and of the 18 percent who do, only eight percent are extremely confident in their plan's ability to meet their projected needs (Chart 10).

Work Force Planning Model



An integral part of the work force planning process is buy-in from governing bodies and senior management. While more than 50 percent of the survey respondents indicate that their governing bodies “almost never” focus on work force issues, 50 percent indicate that general managers/CEOs focus on work force issues “fairly often,” and 41 percent replied “often.” According to the 2005 survey respondents (Chart 11), governing boards focus primarily on the financial issues: compensation and benefits. In addition, more than 50 percent of the participants indicated that governing boards focus on personnel policies. While CEOs focus on these same issues, they also focus on some of the more operational aspects, including work force planning, hiring and firing decisions, and employment trends.

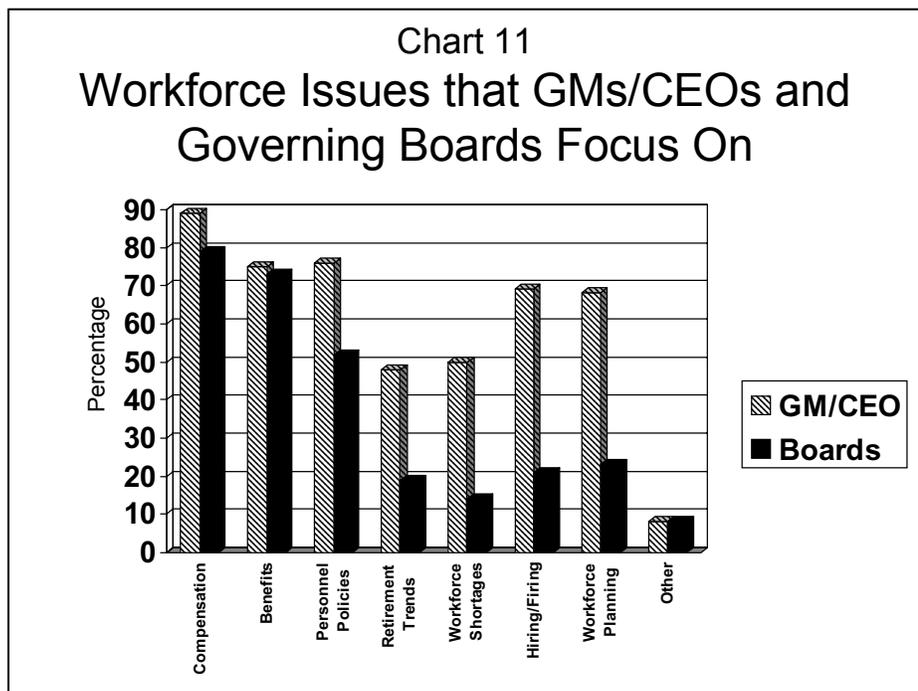
STEP 2: Conduct a Work Force Analysis

The second step of the planning process requires the organization to collect and analyze data on its current work force, including staffing levels, work force skills, demographics, and employment trends. This is often referred to as the supply side of the equation. The organization also

needs to examine its future demand – what skills or competencies the utility will need to meet its strategic goals and objectives. This information will allow the organization to identify any gaps and/or excesses in organizational skills, future work force demographics, and areas of critical concern to management.

In looking at the supply of future employees, the work force data can be as comprehensive as the organization believes is necessary. The more information that an organization has about its work force the more it can understand where it is in terms of having the right number of people with the right skills. Much of this information is readily available, including the number of employees and contracted workers, salary and contract worker expenditures, work force diversity, retirement eligibility, and location or work unit.

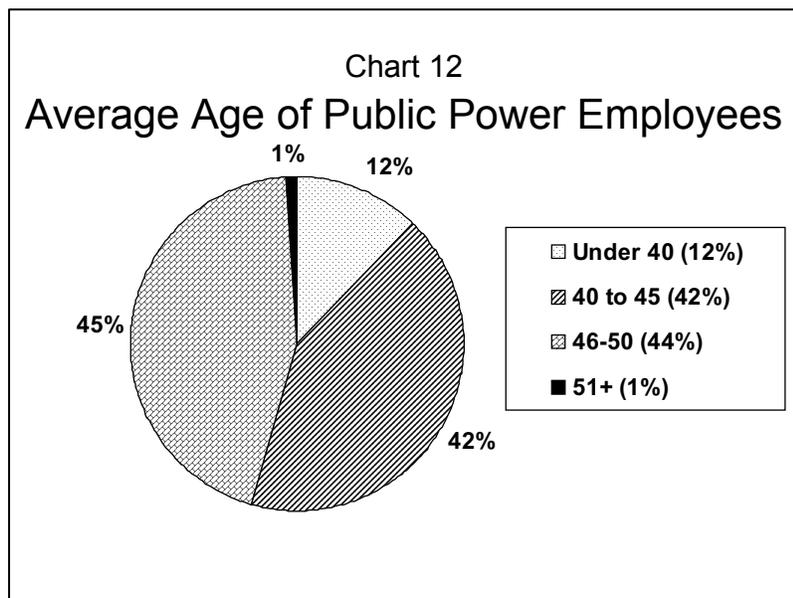
The work force analysis consists of reviewing the number of employees (full-time, part-time, and contractors), tracking the age and years of service of the utility’s employees, performing retirement projections, identifying the skills of the employees, and evaluating



other work force trends, including salary and budget information, hiring patterns, work unit or department, and location.

2.a. Track Age of Employees

The 2002 survey discovered that fewer than half (48.5 percent) of the utilities that completed the survey tracked the age composition of their work force. For those that did, the overall average was 44 years and ranged from a low of 40 years to a high of 48 years.

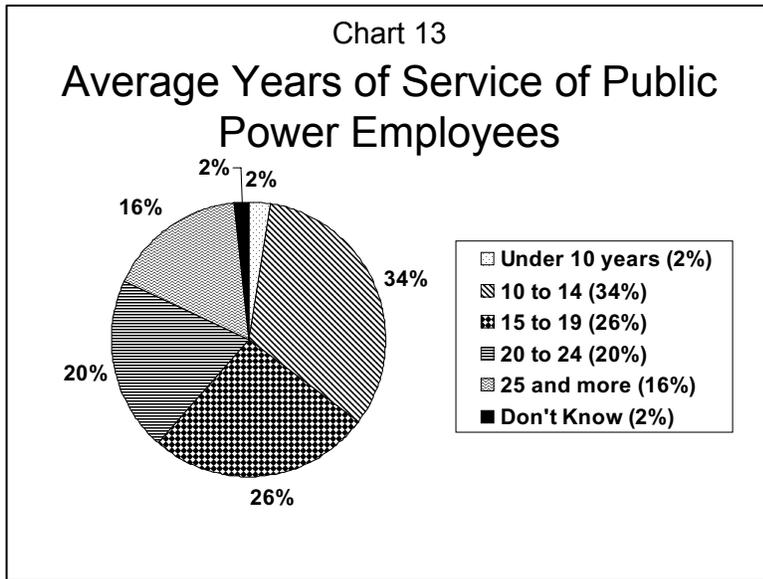


The 2005 survey saw a slight increase in both the number of utilities that track their age distribution and the overall age of the public power work force (Chart 12). Fifty percent of respondents reported keeping track of this information and had an overall average age of 45 years, with a low of 35 years and a high of 51+ years.

2.b. Track Years of Service

According to the 2005 survey results, 54 percent of the respondents track the years of service of their employees. Of those that track this data, the average number of years of service of their employees is 16 years (Chart 13).

An organization's average years of employee service can tell a lot about it and what it may need to prepare for. An organization with an average of 20 or more years of service may indicate an employee base that is loyal to the organization and dedicated to its mission. It may also be reflective of an organization that pays competitive salaries, has good benefits, and is a place where people want to work. While all of this is positive, it may also be indicative of an organization that is about to experience a high number of retirements.



Conversely, an organization with an average of fewer than 10 years of employee service may have already experienced a high rate of retirements or it may be entering into new services or business ventures that required a more technologically-skilled work force. It could also represent a utility that is not compensating its employees on par with other nearby utilities and is finding its work force “cherry picked” by investor-owned, cooperative, or other municipal utilities.

2.c. Perform Retirement Projections

With the data available regarding the age of the employees and the years of service, the organization can perform retirement projections for the next five to ten years. According to the 2005 survey, 51 percent of the respondents conduct retirement projections. In estimating future retirements, the utility should look beyond the organization-wide data and determine whether any one area is going to be hit harder by retirements than another. For example, 63 percent of respondents to APPA’s 2005 survey indicated that they believe skilled workers and supervisors will be among the highest level of retirements at their utility in the next five years. This allows the utility to identify skill sets that may be needed due to future retirements.

2.d. Work Force Trends

In looking at work force trends, an organization also needs to evaluate its own as well as local/regional trends. Organizational trends to be considered include the following:

- **Hiring patterns:** How many vacancies does the utility generally have per year? How long does it take to fill a vacancy?
- **Turnover:** Employee turnover rate and why they are leaving (better pay and benefits, different career, different location, etc.). Are there certain occupations with a higher turnover rate?
- **Salary data:** Are your salaries comparable to like businesses for like positions?
- **Talent pool:** Are you able to find the needed skills within the employee pool within your community or region?

- **Local demographics:** Data regarding economic growth, employment rates, salaries, etc.

STEP 3: Identify Future Work Force Needs

Any organization undertaking a work force planning effort needs to take a critical look at what the organization will look like in five to ten years. This entails identifying the products and/or services it will be providing and the impact this will have on the number of employees and the skills that will be needed. This is often referred to as the demand analysis. By separating this step from the supply function, an organization can ensure that it takes an unbiased look at how organizational functions may change to meet the organization’s goals. These changes can be brought about by either internal (i.e., new processes, investment in new technologies, new products or services), or external factors (i.e., regulatory changes, new industries being served).

Internal factors are examined through an organizational analysis that looks at strategic objections, products and services delivered, technological advancements, and operational processes. Each of these can be directly influenced by the organization and can result in different skills required of employees.

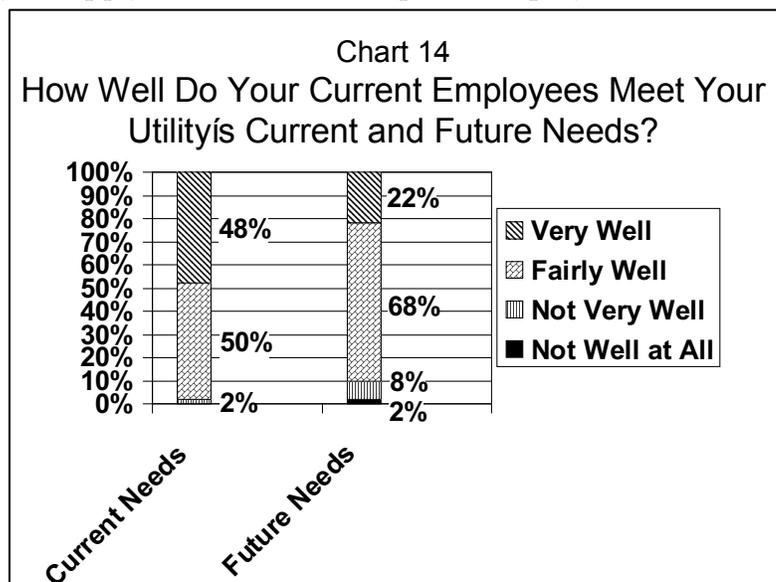
External factors can be analyzed through an environmental scan that looks at economic, demographic, technological, political, and social trends that will influence the utility’s operations.

This analysis enables the organization to determine its future work force needs — the number of workers and types of skills needed to be present in the future work force.

STEP 4: Perform a Gap Analysis

The gap analysis is performed by comparing the demand (number of employees needed and skill sets required) to the employee supply (number of anticipated employees available and skills they bring with them). When demand exceeds the supply, there is a gap. Conversely, when supply exceeds demand there is a surplus.

As Chart 14 illustrates, 2005 survey respondents feel very strongly that their current employees are able to meet the utility’s current needs, with 98 percent of the respondents indicating that their current work force meets the current needs very or fairly well. However, when these respondents look at their utility’s



future needs, we see a decline in the number of “very well” responses. On a positive note, 90 percent of the respondents still indicated “fairly well” or “very well” when asked about the ability of their utility’s work force to meet future needs.

STEP 5: Develop a Strategy

The work force is changing demographically. The 80 million Baby Boomers who were born between 1946 and 1964 are beginning to retire. As they retire and openings are created, a younger generation of workers is coming into every organization. The 46-million GenX generation, born between 1964 and 1981, and 76 million Millennials, who were born after 1982, bring with them different life experiences and different expectations. Organizations need to be ready to meet these needs, if they are going to attract these employees.

Capture the Knowledge of Today’s Work Force

According to a recent study by Accenture¹, many organizations are failing to capture the knowledge and experience of their long-term employees. As these employees retire or leave for other opportunities, they are leaving behind a void. Knowledge of customers, processes, practices, and other valuable information is simply walking out the door.

Within any organization, there are generally two ways to accomplish a task: formal processes and informal practices. An example of a formal process may be the means by which a billing error is processed and corrected. The informal practice may be the exchange of customer service tips between co-workers. While the formal processes may be documented, the informal processes, generally, are not.

To capture this knowledge, organizations should begin by identifying the knowledge and skill areas at greatest risk of being lost. They then need to develop a plan to elicit this knowledge from employees before they retire, store the information within the organization, and ensure that the information is readily retrievable. By doing so, the organization can help ensure that the retirees’ knowledge is transferred to the next generation of employees.

There are a variety of approaches that have been adopted to capture employee knowledge. Some firms have created a position responsible for identifying and cataloging processes and practices throughout the organization. Others have assigned the responsibility to individuals in each business unit or department. Another approach is to implement a mentoring program through which organizational knowledge is passed from one employee to another. Some organizations use meetings among individuals with similar responsibilities that are focused on sharing their experiences, information, or

¹ Accenture, May 10, 2005 http://www.accenture.com/xd/xd.asp?it=enweb&xd=dyn%5Cdynamicpressrelease_835.xml

advice with one another. For example, a customer service department may want to regularly bring together the customer service representatives to share their experiences on how to handle difficult customers.

Develop a Succession Plan

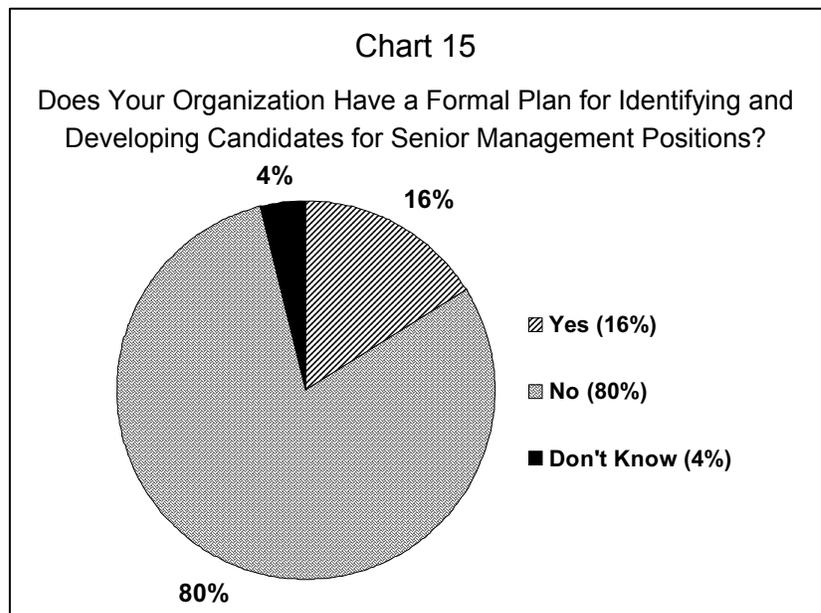
With the wave of upcoming retirements, succession planning is being increasingly seen as the means to ensure a continuity of leadership. Through succession planning, an organization identifies and develops potential candidates for key leadership positions.

A number of organizations have conducted studies into succession planning. The results of these studies indicate that organizations, in general, are not doing it. For example, the Center for Generational Studies has reported that:

- A recent poll in *CEO Magazine* revealed that a mere 35 percent of those responding think succession planning will become a critical issue in their organization in the next seven years.²
- According to *Industry Week*, 94 percent of human resource professionals in a recent poll believe that businesses are not preparing younger workers to take on leadership roles.³
- A Conference Board survey shows that only nine percent of senior managers believe succession planning is a top priority right now; 27 percent say it will be in 5 years.⁴

Although the 2005 survey results continue to indicate a large number of public power's senior managers may retire during the next five years and will be among the most difficult to replace, only 16 percent of survey participants report having a formal succession plan for identifying and developing candidates for these positions (Chart 15).

Succession planning is not a one-time event, but an



² GenTrends, February 2004, http://www.gentrends.com/gentrends_2004/February%202004%20GenTrends%20Bob%20Edit.pdf

³ GenTrends, August 2004, http://www.gentrends.com/gentrends_2004/August%202004%20GenTrends%20Bob%20Edit.pdf

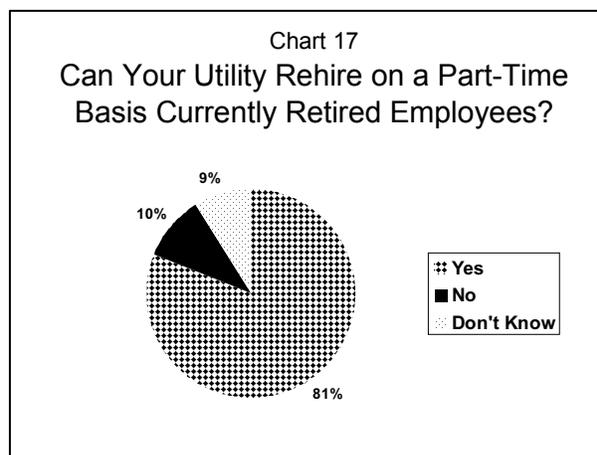
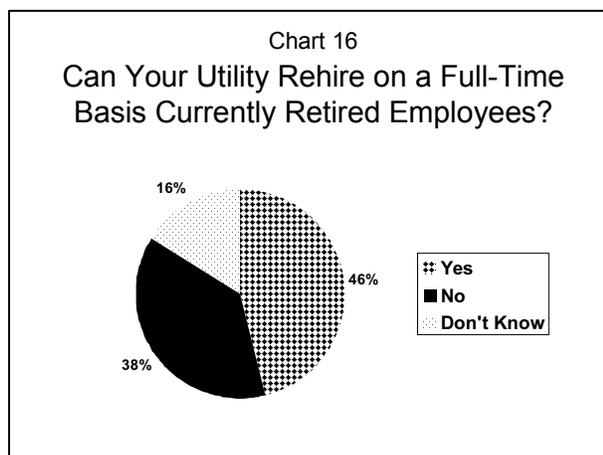
⁴ GenTrends, November 2003, http://www.gentrends.com/gentrends_2003/November_2003%20GenTrends%20Bob%20Edit.pdf

ongoing process that will result in qualified internal candidates for management and leadership positions. The process entails:

- Identifying the competencies or skills that the organization will need in the next five to ten years — not just technical skills, but team-building and leadership skills;
- Identifying key positions for organizational success;
- Developing a systematic approach for identifying employees who are potential leadership candidates;
- Utilizing high performing managers to mentor leadership candidates, thereby strengthening the knowledge transfer within the organization;
- Creating development plans for each leadership candidate, including any training and educational requirements; and
- Reviewing and tracking the plan continuously.

Consider Re-Hiring Retirees

According to AARP, nearly 70 percent of retirees plan to work after “retiring.”⁵ One strategy for capturing organizational knowledge and meeting organizational needs is to hire retirees on either a full-time (Chart 16) or part-time basis (Chart 17). According to the 2005 survey respondents, 46 percent of their organizations are able to rehire retirees on a full-time basis, and 81 percent are able to do so on a part-time basis. By rehiring retirees, an organization is able to target individuals with specific skills or knowledge to assist in areas where specific skills can most help meet the organization’s immediate needs and long-term goals.



Companies address the rehiring of retirees in a variety of fashions. Some organizations will rehire retirees full-time after a waiting period. Others will rehire them as part-time or

⁵ AARP web site, <http://www.aarp.org/money/careers/employerresourcecenter/researchanddata/a2004-04-20-olderworkers.html>

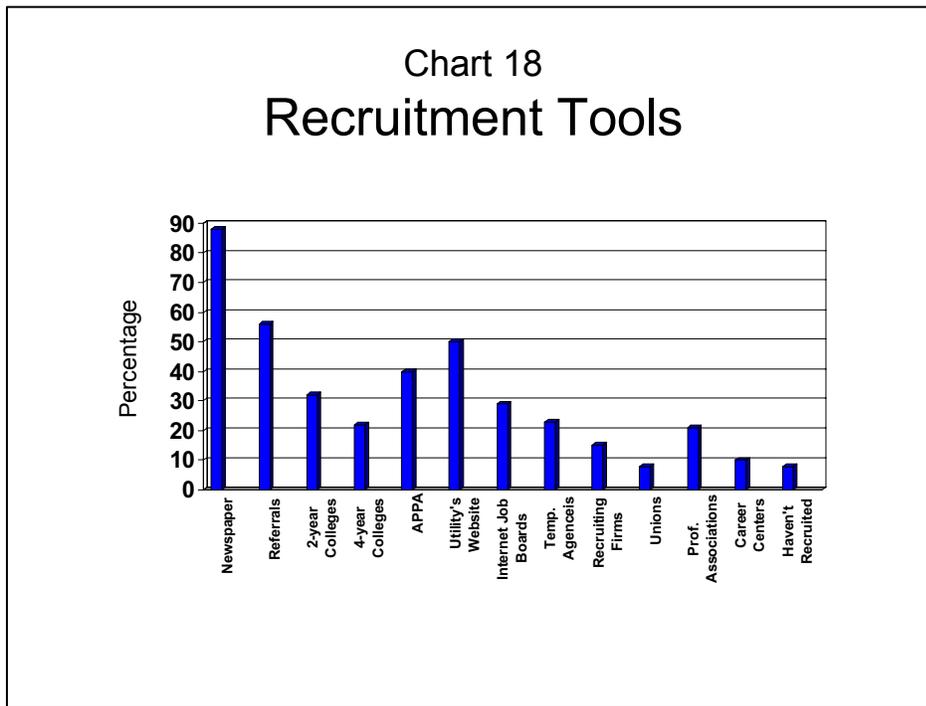
temporary workers, who are eligible for benefits if they work enough hours. A third alternative is to rehire retirees as independent contractors or consultants, thus making them ineligible for benefits.

Identify New Recruitment Strategies

According to the 2005 survey respondents (Chart 18), they are predominantly relying on newspaper advertisements (88 percent), employee referrals (56 percent), and the utility's website (50 percent) to solicit job candidates.

These avenues may have worked in the past, but may not be the most appropriate venue through which to attract future generations of employees. According to Lynne Lancaster and David Stillman⁶, organizations are going to have to adopt different strategies to appeal to different generations.

Organizations may want to look for expertise from other industries. Often times the skill sets are readily transferable and can bring new insights to the utility operations. An organization looking to do this should look towards Baby Boomers. To attract these individuals, the organization should exude optimism and promote the difference public power makes in people's lives.



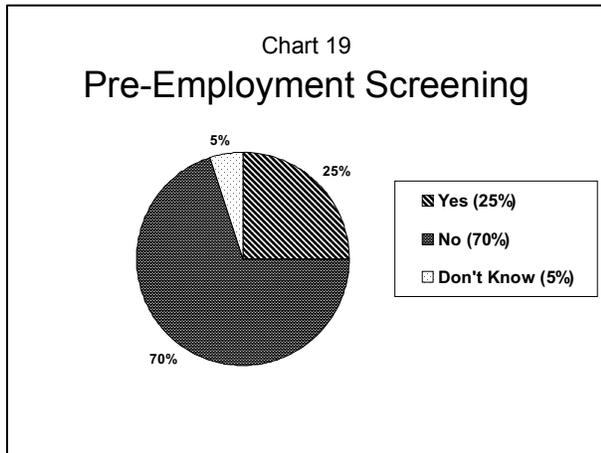
GenXers (those born between 1964 and 1981) and Millennials (those born between 1982 and 2000)⁷ are not going to browse the Help Wanted ads in the Sunday paper for a job. They're much more likely to surf the web, and when they find a job posted at your organization, they're going to research via the Internet to see if it is where they want

⁶ Lancaster, Lynn and Dave Stillman, *When Generations Collide*, Harper Business, 2003

⁷ Lancaster, Lynn and Dave Stillman, *When Generations Collide*, Harper Business, 2003

to work. Post your vacancies on your website as well as on Internet job boards. In addition, ensure that your website is up-to-date and its images reflect the organization and the community. They want to see themselves in your organization and its marketing materials. GenXers want the recruiting process to be fast and are looking for organizations that highlight values, innovation, and growth opportunities.

For Millennials, organizations should reach out through schools by offering internships and other programs to introduce this generation to the electric utility industry, in general, and your organization, specifically.



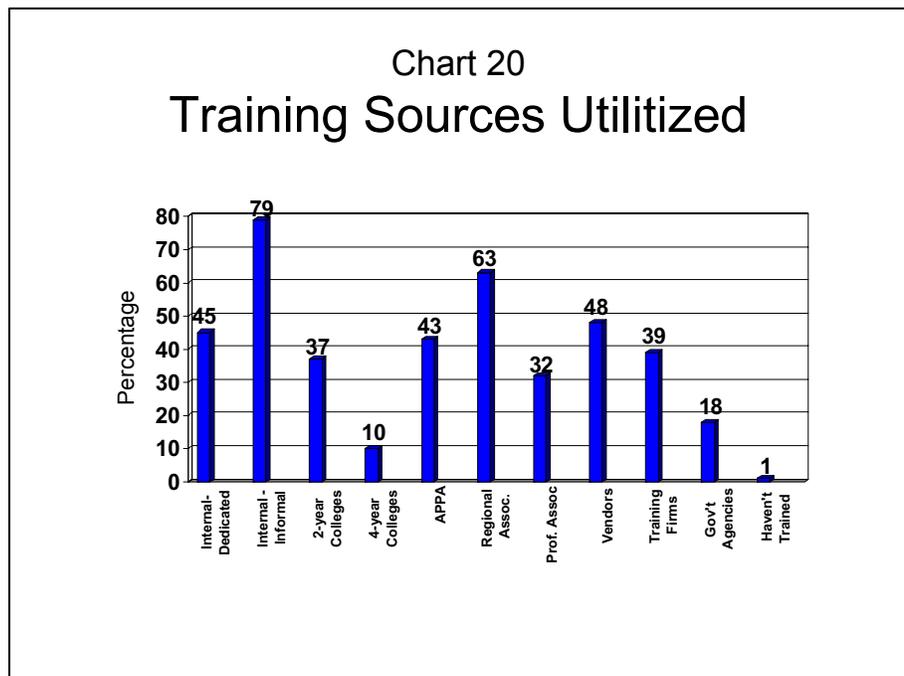
In addition to attracting employees from a cross-section of generations, the utility should seek to recruit from diverse employee pools that are reflective of the community.

Another tool used by 25 percent of the 2005 survey respondents is pre-employment screening (Chart 19). The tests used include civil service exams, written and oral tests, aptitude testing, math tests, and climbing and construction tests.

Invest in Employee Training

The development of current and future employees will continue to be important as utilities seek to provide new or expanded services, meet customer expectations, and deploy new and advanced technologies.

According to the 2005 survey, the respondents indicated that their utilities look to a variety of formal and informal sources



to meet their training needs (Chart 20). Seventy-nine percent of the respondents indicated that they rely on internal-informal training to meet some of their educational

needs, and more than 60 percent rely on state and regional associations. Other resources for training include vendors, and internal training staff, APPA, and firms that focus on employee training and development.

When looking at training, utilities should not overlook the local community colleges, many of which offer programs in electric utility technology and engineering. These programs, which often include work in the classroom and the field, can offer an opportunity for the utility to partner with the community college to the benefit of both organizations and the students.

For the newer generation of employees, organizations may need to look at training programs other than the traditional instructor-led classroom. The younger, computer-savvy employees may be willing to take computer-based courses that they can access on their own time, including evenings and weekends.

Review HR Policies

As organizations compete for the work force of tomorrow, organizational policies will become increasingly important. In addition to ensuring that your compensation and benefit plans are fair and competitive, employees will be looking at less quantifiable policies such as professional development opportunities, employee feedback mechanisms, life balance programs, and flexible work schedules. Research what other organizations in your community are offering and identify cost-effective strategies that can be implemented to help you keep your existing employees and attract new ones.

Raise the Organization's Profile

By raising its profile within the community, an organization can be recognized as a place where people want to work. This can be accomplished through an integrated communications strategy that promotes the importance and value of public power to the community, identifies the utility as a good employer, and creates a positive image of the utility's jobs. For example, tout any recognition that your utility receives from the community or other organizations. Highlight your employees' contributions to the community through charitable work and volunteer activities. If your utility has an outstanding safety record or a line crew that does well at the Lineworkers Rodeo, let it be known in the local media. In addition to reaching a diverse population of potential employees, this message should be communicated to customers, policymakers, and students in high schools, technical schools, and two- and four-year colleges. By doing so, the utility will assure that it is attractive to the next generation of workers.

STEP 6: Implement the Strategy

Like any planning process, implementation is the key to the organization's success. There are several key factors that can contribute to the success of the work force planning process: (1) broad organizational support, (2) adequate resources, (3) clearly defined

roles and responsibilities, (4) targeted deadlines and time frames for actions, (5) quantifiable performance measures, and (6) a communications plan.

Broad Organizational Support

One of the most critical issues will be making certain that there is “buy-in” for the work force plan throughout the organization, from the governing body through senior management and cascading throughout the rest of the organization. Lack of support, especially at the higher levels of management, will only serve to undermine the process. Whereas, if management actively supports the process and action items, they will very likely ensure that the organization is prepared to meet its future work force needs.

Adequate Resources

The organization will need to guarantee that there are adequate financial and human resources dedicated to the plan. This may require allocating financial resources to conduct compensation and benefit studies, providing employee training and development, or deploy new technologies. At the same time, the organization may need to allocate personnel resources to the plan, and not solely from the human resources department but elsewhere in the organization for mentoring, process documentation, or to support other strategies within the work plan.

Clearly Defined Roles and Responsibilities

The work force plan is not just the responsibility of the human resources department, but the CEO, senior managers, and others within the utility. As such, everyone involved needs to know what their role is and what they are responsible for. This will help ensure that the participants function in a cooperative and team-like fashion and understand who is responsible for what.

Targeted Deadlines and Time Frames for Actions

Successful implementation of the work force plan requires targets for when actions will be accomplished. Without a timeline for the plan and a schedule of activities, the work force plan is not likely to move the organization forward.

Quantifiable Performance Measures

In addition to identifying actions to be taken and results to be accomplished, the organization needs to identify performance measures against which to judge its progress. Such measures can be as simple as whether or not a task has been completed to more complex measures such as whether vacancies are going unfilled for a shorter period of time or whether the organization’s pay scale is on par with competing industries.

A Communications Plan

To help promote broad-based support for the work force plan, an effective communications strategy should be developed. This will help ensure that policymakers and employees understand the reasons for certain actions within the plan. Such a plan can also help communicate the organization's values, mission, and culture to potential employees.

STEP 7: Monitor, Evaluate & Revise

Just like an organization's strategic plan, the work force plan should not be a stagnant document, but should be a continuously evolving process that can be adapted to meet the challenges brought on by a changing business environment and work force needs.

This step requires the organization to continuously examine its performance measurements and action items to evaluate its progress towards meeting its work force goals. In doing so, the organization can identify those actions that either are or are not working. In addition, the organization should continuously monitor external factors impacting its business environment to determine if its work force goals are affected.

Other tools that can be used in the process include utility specific performance measures, customer satisfaction surveys, and employee questionnaires. By monitoring the business environment and evaluating the organization's work force planning process, management can ensure that the organization is prepared to appropriately modify its work force goals to meet customer and employee expectations.

Conclusion

The deployment of new technologies, changes in the electric utility industry, evolving customer expectations, and changing demographics will continue to require that utilities operate differently in the future than they have in the past. To meet these challenges, utilities must ensure that they have a work force ready and prepared to confront these challenges head on. Implementing a work force planning process can help a utility identify the size and skills of its work force to meet the goals established in its strategic plan.

APPA is prepared to assist its members in this effort by providing access to information, individuals and other resources that can help with the work force planning process. Listed below are a number of the resources available through APPA. For more

information on these and other APPA services, call 202/467-2900 or visit www.APPAnet.org.

1. Compensation And Benefits

- **Annual Salary Survey**
This survey is available only to all regular utility members and covers eight management job categories for smaller utilities and 21 for larger utilities. One labor category, journey electric lineworker, is also included. Results are reported by customer and revenue classes. APPA staff may also be able to provide customized reports by region.
- **Joint Action Agency Salary Survey**
This survey of joint action agencies covers 13 managerial job categories. Results are reported by revenue class and generation size.
- **Listservs And Electronic Discussion Groups**
Listservs and electronic discussion groups facilitate information exchange between public power utilities and help with day-to-day operational questions related to human resources, accounting and finance, broadband, economic development, generation and fuels, transmission, pricing and market analysis, and public communications.

2. Work Force Development

- **Utility Education Courses And Annual Conferences**
APPA offers more than 60 utility-specific educational courses and conferences annually.
- **Lineworkers Schools**
In conjunction with the Minnesota Municipal Utility Association, APPA conducts both an overhead and underground lineworkers school annually.
- **Energy Providers Coalition For Education (EPCE)**
APPA was involved in the creation of EPCE, an organization that in conjunction with Bismarck State College in North Dakota, developed a standardized training program in electric power technology that can be applied across the entire electric utility industry. Students who successfully complete their course of studies receive either an A.A.S. degree in Electric Power Technology, a certificate of completion and proficiency in electric power technology, or an essentials of electric power technology certificate.
- **Key Accounts Certificate Program**
Individuals who take the three APPA key accounts courses, pass written and oral exams, and submit customer business and marketing plans within three years will earn the Key Public Power Associates (KPPA) designation.

- **e-Learning**
APPA members can choose from 30 utility-specific online courses, at discounted prices.

3. APPA Publications

- ***Public Power In The 21st Century***
This report provides utility managers, boards, and staff with a road map of common sense steps to prepare public power for the future and adapt to the changes it will bring. The report is accompanied by a helpful checklist on each subject area and a CD containing a series of case studies submitted by public power utilities around the country that illustrate their initiatives in each of the 10 sections.
- ***APPA People-To-People Newsletter***
This newsletter summarizes developments in the fields of human resources and training. It reports on areas of particular significance to publicly owned electric utilities.
- ***Handbook For Public Power Policymakers***
This handbook describes the duties and responsibilities of public power policymakers (board members, council members, commissioners, and trustees) and places them in a context of a changing industry. Topics include board and management relations, strategic planning, monitoring utility performance, governance trends, relationships with local governments, and federal issues impacting public power. The handbook is also a useful reference tool for utility staff.
- ***Careers in Public Power: Light Your Future, Serve Your Utility***
As the retirement rate for baby boomers increases, public power utilities will need to recruit young workers into the electric utility industry. To assist utilities with this challenge, APPA offers an updated version of its popular brochure showcasing the wide array of exciting and diverse job opportunities in the electric utility industry. *Careers in Public Power: Light Your Future, Serve Your Utility* is designed to grab the attention of young people with a colorful and modern design, as well as simple yet compelling text.
- ***The New Crusaders***
The New Crusaders contains a video, teacher's manual, and student worksheets full of fun science experiments about renewable energy resources for teachers or utility representatives to use with elementary and middle school students.

4. Other Services

- **DEED Student Scholarships**
DEED scholarships support college students in energy-related fields, increase awareness about career opportunities in public power, and provide assistance to

DEED member utility sponsors. Scholarship recipients conduct research on an energy-related project and write a final report on the project describing activities, cost, bibliography, achievements, problems, recommendations, and a two-page summary abstract, outlining the basic process and results of the project.

- **Classified Ads In *Public Power Weekly* And APPAnet.org**

Web listing: \$150 for four weeks or \$300 for eight weeks. Ads submitted online to APPAnet.org are posted on APPAnet within 24 hours.

Public Power Weekly (print): \$.65 per word for one or two printings. The print ad will be submitted to the *Public Power Weekly* staff for placement in the next available issue. The deadline is every Monday, one week prior to the date of publication.

About The American Public Power Association

The American Public Power Association is the national service organization representing the nation's more than 2,000 community- and state-owned public power utilities. It was created in 1940 as a nonprofit, non-partisan organization. Its purpose is to advance the public policy interests of its members and their consumers, and provide member services to ensure adequate, reliable electricity at a reasonable price with the proper protection of the environment.

For more information on APPA, please call 202/467-2900 or visit www.APPAnet.org.