**A PLAN TO DEVELOP THE FUTURE LEADERS OF
THE ORANGE COUNTY FIRE AUTHORITY**

EXECUTIVE LEADERSHIP

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An applied research project submitted to the National Fire Academy
as part of the Executive Fire Officer Program

May 2003

ABSTRACT

Over the next 5 to 10 years, the Orange County Fire Authority (OCFA) will face critical

financial, organizational, and operational issues. During this same time period, the OCFA will

experience a dramatic loss of leadership due to upcoming retirements. The OCFA does not,

however, have a succession planning process to assure continuity of leadership upon retirement

of staff in key leadership positions. The purpose of this research project was to develop a

proposed policy and procedure for implementation of a succession planning program for the

OCFA's professional staff.

Historical, descriptive, and action research procedures were used to determine (a) which

key professional staff positions within the OCFA were anticipated to be vacated due to

retirement within the next 3 to 5 years, (b) what the OCFA had done to prepare its professional

staff for future leadership positions, (c) the importance of succession planning, (d) the essential

elements that should be considered in developing a succession plan, and (e) the succession

planning efforts that had been undertaken by the OCFA's member agencies, selected cities, and

special districts within the county.

The outcome of this research project was the development of a proposed policy and

procedure for the implementation of a succession planning program for professional staff within

the OCFA. As a result of this research, it was recommended that the OCFA take the following

actions: (a) recognize the urgency of the need for succession planning; (b) approve in concept the

proposed policy and procedure for succession planning; (c) establish a project team of internal

stakeholders to review and refine the plan, and make recommendations on how to implement it;

(d) consider expanding the plan to include suppression staff; (e) develop a strategy to secure the

support of the OCFA's board members for the plan; and (f) take action to document the OCFA's

history, traditions, and major decisions for future generations of leaders.

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INTRODUCTION

The Orange County Fire Authority (OCFA) is the second largest provider of regional services in the state of California and has a long history of providing quality, cost effective services to the citizens in its service area. The OCFA has faced significant financial, organizational, and operational challenges in the last 10 years and will continue to face similar challenges in the future. Within the next 5 years, a significant number of the OCFA's paid workforce will be eligible to retire, resulting in a dramatic loss of leadership at all levels of the organization. This loss will severely impact the OCFA's ability to meet the challenges of the coming years unless new leaders are developed to succeed those that are retiring. The OCFA, however, does not have a succession plan to assure continuity of leadership upon the retirement of staff in key leadership positions.

The purpose of this research project was to develop a proposed policy and procedure for the implementation of a succession plan to assure continuity of leadership upon the retirement of professional staff in key leadership positions. Historical, descriptive, and action research were used to answer the following questions:

1. Which key professional staff positions within the OCFA are anticipated to be vacated due to retirement within the next 3 to 5 years?

2. What has the OCFA done to prepare its professional staff for future leadership positions?

3. Why is succession planning important?

4. What are the essential elements that should be considered in developing a succession plan?

5. What succession planning efforts have been undertaken by the OCFA's member agencies, selected cities, and special districts within the county?

BACKGROUND AND SIGNIFICANCE

Formed in 1995 as a joint powers authority, the OCFA is a major metropolitan fire department serving 22 of the county's 34 cities and the unincorporated area of the county. The OCFA is governed by a 24-member board of directors with a representative member from each of its 22 cities and 2 representatives from the county board of supervisors. The OCFA serves the public with 60 fire stations spread throughout a 553 square mile service area. With a workforce of 1077 paid staff (807 suppression staff and 270 professional staff) and 390 reserve firefighters, the OCFA responds to approximately 73,000 calls a year and protects property with an assessed value of $122.8 billion. The annual operating budget is $145.4 million (Orange County Fire Authority [OCFA], January, 2003).

Over the last 10 years, the leadership of the OCFA has faced significant financial, organizational, and operational challenges and has made tremendous strides. Major challenges since 1993 have included:

- Recovered from the largest municipal bankruptcy in history – the Orange County, California, bankruptcy that was declared in December 1994 and resulted in a $10.0 million loss in the OCFA's cash balances.

- Formed the OCFA in March 1995, culminating a five-year effort to transfer governance from the county board of supervisors to an independent fire authority.

- Upon formation of the OCFA, assumed responsibility for all administrative support services previously provided by the county. These new responsibilities were significant and included: cash management, check writing, accounting, payroll and investment services; employee relations, employee benefits, and risk management services; purchasing; and property management services.

- Learned how to effectively relate to and serve a 24-member governing board, board subcommittees, and city manager advisory groups.

- Added three new cash contract cities and three newly incorporated cities as new members of the OCFA.

- Resolved the long-standing issue of financial equity in the costs and delivery of fire services, an issue that had threatened the financial and organizational stability of the OCFA for several years.

- Amended the joint powers agreement that created the OCFA to provide for ten-year rather than one-year membership commitments.

- Negotiated multi-year agreements with the OCFA's labor unions, extending labor agreements through the year 2007.

- Restored the fiscal health of the OCFA through strong financial management practices.

- Secured high quality bond ratings to finance a new $51 million Regional Fire Operations Center that is under construction and is scheduled for completion in September 2003.

The OCFA will face equally critical issues over the next 5 to 10 years. Some of the challenges in the coming years include:

- Responding to budget crises or changes at the state, local or legislative levels that threaten the OCFA's funding or increase the costs of services. Examples include: California's current state budget crisis, the largest budget deficit in the state's history; the Pool Case, a pending state appeals court case that could result in a $6.7 million reduction in the OCFA's base property tax and a retroactive liability of $16.9 million; unfunded mandates; skyrocketing retirement, workers' compensation, and health insurance costs; transfer of services from state

and federal levels to the local level without sufficient funding; and tax shifts that impact

property tax revenue, 70% of the OCFA's funding base.

- Protecting the public from threats of terrorism and weapons of mass destruction.

- Negotiating new labor agreements in 2007 when finances will be very tight.

- Renewing expiring service agreements with each of the OCFA's 23 members by 2010. This

  will be a major undertaking that will require a re-study of financial equity and the cost to

  serve issue and opens the door for the OCFA's member cities to consider splitting from the

  OCFA to form their own joint powers authorities or other consolidations.

- Responding to changing demographics, service needs, and rapidly changing technology.

    While the challenges of the past 10 years have been significant, the challenges of the

coming years pose even greater threats to the OCFA. The challenges that the OCFA will face

will be compounded by a massive turnover in leadership due to retirements at all levels of the

organization. As a result, the OCFA will have a much younger, less experienced set of leaders

on board to steer the organization. Unless the OCFA implements a plan to develop its future

leaders, its new generation of leaders will not be equipped to guide the OCFA into the future.

    The development of a proposed policy and procedure for implementation of a succession

plan for professional staff in key leadership positions is directly related to the terminal objective

of the Succession/Replacement Planning segment of the National Fire Academy's Executive

Leadership course. This objective stated that, "Given experiences and models from industry, the

students will be able to develop an appreciation for workforce planning, development, and

succession planning" (National Fire Academy, 2000, SM 6-2). The research topic is also linked

to the following United States Fire Administration operational objective: "To promote within

communities a comprehensive, multi-hazard risk-reduction plan led by the fire service

organization" (United States Fire Administration, National Fire Academy, p. II-2). Having a succession plan in place will help assure that there will be the leadership within the OCFA to accomplish this important national objective over the coming years.

The objectives of this research project were to determine (a) which key professional staff positions within the OCFA are anticipated to be vacated due to retirement within the next 3 to 5 years, (b) what the OCFA has done to prepare its staff for future leadership positions, (c) why succession planning is important, (d) what essential elements should be considered in developing a succession plan, and (e) what succession planning efforts have been undertaken by the OCFA's members, selected cities, and the special districts within the county. The desired outcome of this project was the development of proposed policy and procedure for implementation of a succession plan for the replacement of professional staff in key leadership positions.

LITERATURE REVIEW

Henri Fayol (1841-1925) was one of the first writers to recognize and stress the organizational need for succession planning. If this planning did not occur, key positions would be filled by people who were not prepared or equipped to do the job (Rothwell, 2001). Contemporary authors have taken Fayol's thoughts a step further by arguing that succession planning is vital to an organization's survival in today's world (Buckner & Slavenski, 2000; Buzotta & Lefton, 1997; Caudron, 1999; Hesselbein, Goldsmith, & Beckhard, 1996); Hawkins, 2000; Morris-Lee, 2001; Rothwell, 2001; Rothwell, 2002; Schall, 1997; Tichy & Cohen, 1997; Vouglas, 1998; Wellins & Byham, 2001).

As several authors noted, within the next 5 to 10 years, private and public sector organizations across the United States will be losing 40% or more of their key leaders as top and

mid-level managers reach retirement age and leave the organization. Further, few organizations

are prepared for this massive exodus of talent. The lack of preparedness magnifies the issue

because few leaders will be ready when it comes time for them to move up in the organization

(Caudron, 1999; Morris-Lee, 2001; Tichy & Cohen, 1997; Rothwell, 2002; Wellins & Byham,

2001). Not surprisingly, fire service organizations are experiencing similar trends in retirements

and are equally unprepared to respond to loss of management talent (Avsec, 2000; Bouth, 2001;

Howes, 2000).

According to Rothwell (2001), if organizations are to survive in the 21st century, "they

must have the right people in the right places at the right times" (p. 8). Succession planning and

the development of future leaders is far too important to be left to chance (Buzotta, 1997;

Hesselbein et al., 1996; Rothwell, 2001). Although several authors influenced the outcome of

the research, Rothwell's 2001 publication, "Effective Succession Planning," provided the most

comprehensive analysis of the issues and also provided worksheets, tools, and practical

information on how to implement a successful succession plan. The author of this research paper

highly recommends Rothwell's publication to others who are serious about implementing a

succession planning program.

In addition to securing buy-in at all levels of the organization, Rothwell argued that the

centerpiece of a systemic succession planning process should be a written policy that favors

internal promotion. He did, however, note the potential risks of challenges from employees and

labor groups if an internal promotion were not made and suggested a legal review of the policy

before it is implemented. Rothwell believed that an effective internal promotion policy should:

- Unequivocally state the organization's commitment to promoting employees from within whenever possible and whenever they are qualified to meet the work requirements of new positions

- Define the internal promotion

- Explain the business reasons for that policy

- Explain the legitimate conditions under which that policy can be waived and an external candidate can be selected (p. 219).

The cornerstones of a succession planning process are the identification of core competencies and the development of an individual development plan tailored to meet the needs of each employee (Gilber, Carter, & Goldsmith, 2000; Morris-Lee, 2001; Rothwell, 2001). The following steps that Rothwell (2001) recommended for preparing individual development plans were central to the outcome of this research project:

- Step One: Selecting possible key positions for which to prepare the individual

- Step Two: Considering the likely time during which the individual must be prepared

- Step Three: Diagnosing learning needs

- Step Four: Specifying learning objectives based on the results of step three

- Step Five: Specifying learning resources and strategies needed to achieve learning objectives

- Step Six: Specifying evidence of accomplishment

- Step Seven: Specifying how the evidence will be validated

- Step Eight: Reviewing the contract with consultants

- Step Nine: Carrying out the contract

- Step Ten: Evaluating learnings and outcomes (p. 223).

Of all the factors that impact the success of a succession planning effort, several authors stressed the criticality of ensuring top management's support. Without this support, the plan is doomed to failure (Bouth, 2001; Caudron, 1999; Rothwell, 2001; Wellins & Byham, 2001).

PROCEDURES

Research Methodology

The desired outcome of this research was to develop a proposed policy and procedure for the implementation of a succession plan to assure continuity of leadership upon the retirement of professional staff in key leadership positions. Historical, descriptive, and action research were used to achieve the desired outcome. Historical research was used to identify trends, measures, and pertinent findings reported in the literature. The review of the literature focused on succession planning efforts for executive and mid-level management positions, the primary concern of this research project.

The author and staff under the direction of the author conducted descriptive research to analyze available data to project the number of OCFA retirements anticipated over the next 3 to 5 years. Descriptive research was also used to determine what the OCFA has done so far to prepare its future leaders and to determine what succession planning efforts, if any, are being undertaken by other selected agencies in the county.

The author developed assumptions relating to the anticipated age of retirement and years of service to project the number of retirements over the next 3 to 5 years. Using the assumptions, staff queried the OCFA's finance and human resources system to develop reports to project the potential number of retirements by bargaining unit, by department, by section, by classification, and by name. The projections included the number of employees currently eligible to retire and

those anticipated to actually retire. The research was completed in February 2003, based on data that was in the system as of December 31, 2002. A summary of the findings and the assumptions used in the analysis are presented in Appendix A. The data were further refined to identify retirements anticipated over the next 3 to 5 years in key professional leadership positions (Appendix B).

  The author contacted the OCFA's staff development manager in February 2003 to determine what actions the OCFA had taken to prepare its professional staff for future leadership positions. A summary of efforts undertaken by the OCFA, based on information provided by the staff development manager, is presented in Appendix C. Staff, under the direction of the author, conducted a telephone and E-mail survey of other agencies in the county to determine what succession planning efforts were being undertaken elsewhere. The survey focused on the larger sized agencies within the OCFA's 23-member jurisdiction and the larger cities and special districts within the county. The experience of local agencies, particularly those served by the OCFA, was important to assist in determining the degree of familiarity that the OCFA's board of directors had with succession planning programs. This information will be helpful in developing a strategy for future implementation of the OCFA's succession planning program. The survey was conducted in February 2003. Survey questions and results are included in Appendixes D and E.

  Action research was used to develop a proposed policy and procedure for the implementation of a succession plan to assure continuity of leadership upon the retirement of professional staff in key leadership positions. This proposal will be submitted to the OCFA's executive management in June 2003 for consideration. The proposal is submitted in Appendix F.

As a final note, the 4th edition of the American Psychological Association's publications manual was used as a guideline in preparing this report.

Limitations

Because of the limited information available on public sector practices, the literature review was limited for the most part to trends, practices, and findings related to private sector succession planning efforts. The literature review focused on planning efforts related to filling behind executive positions. With the exception of several Executive Fire Officer Program applied research projects, very little literature was available that was specific to fire services succession planning efforts. None of these limitations were significant, however, because findings were applicable to the OCFA's non-suppression professional staff at both the executive and mid-level management levels.

The analysis of data and surveys were purposely limited to the OCFA and jurisdictions within the OCFA's local area. These procedures were designed to apply uniquely to the OCFA but could be replicated by another agency using data and surveys unique to that agency. The research was further limited in that it focused on professional staff and did not examine any unique needs that might apply to suppression staff. Nevertheless, many of the findings would carry over and be applicable to the development of a succession planning program for suppression leadership positions in the OCFA and in other fire service organizations.

RESULTS

The outcome of this research project was the development of a proposed policy and procedure for the implementation of a succession plan to assure continuity of leadership upon the retirement of professional staff in key leadership positions. As noted earlier, this proposal will

be presented to the OCFA's executive management for consideration in June 2003 and is

submitted in Appendix F.

Answers to Research Questions

Research Question 1. Data on each of the 1073 employees in the OCFA's finance and

human resources system as of December 31, 2002 were analyzed to predict anticipated

retirements over the next 3 to 5 years. The results were dramatic. Key results are summarized

below and are shown in Appendix A.

OCFA will face a critical leadership drain within the next 3 to 5 years. As a whole, the

OCFA has an older workforce – the average age of the workforce is 43.7 years. Within the next

3 to 5 years, 34.2% to 43.4% of the OCFA's workforce will be eligible to retire. Five of its six

executive managers will be eligible to retire – the Fire Chief, Deputy Chief, and three of the four

Assistant Chiefs. During this same period, 92.3% or 36 of the OCFA's 39 chief officers

(Division and Battalion Chiefs) and 53.7% or 22 of the OCFA's 41 mid-level professional

managers will be eligible to retire. Similar though not as dramatic trends exist in the firefighter

and general professional staff levels.

While the findings underscore the magnitude of the succession planning issue, the focus

of this research was specifically on key non-suppression or professional staff leadership

positions. The 17 executive and mid-level management professional positions listed in

Appendix B provide a critical leadership role in the delivery of services that support the OCFA's

operations. These positions provide essential support services that include finance, budgeting,

investing, payroll, purchasing, fire prevention services, human resources, information

technology, and automotive services. Of these 17 managers, 11 or 64.7% will be eligible to

retire within the next 3 to 5 years, resulting in a significant loss of leadership capabilities, depth

of knowledge, and breadth of experience.

Research Question 2. Although it has no formal succession plan, the OCFA has

undertaken actions that provide a good foundation to prepare its staff for future leadership

positions. The actions are detailed in Appendix C and are summarized below:

- Implemented the Leadership Institute, a leadership development program that is offered once

  a year.

- Implemented Project Excellence, a skills development program for current and future

  supervisors and managers.

- Implemented a communications skills program to develop business writing and presentation

  skills.

- Implemented Opportunity Knocks, an annual training symposium designed to promote the

  OCFA's values and mission.

- Implemented other programs to provide career ladders for advancement and to encourage

  participation in professional training programs, seminars, and conferences.

Research Question 3. According to a recent Development Dimensions International

study, 1 in 5 top management positions and almost 1 in 4 middle management positions could be

vacant nationwide by the year 2005. To be successful in the 21st century, organizations must not

only master revolutionary changes but must also select new top leaders to lead these changes

(Tichy & Cohen, 1997). For many organizations, recruiting new leaders from the outside is just

a part of the solution. More and more organizations are recognizing the need to recruit

leadership talent from within and are turning to succession planning (Wellins & Byham, 2001).

Based on the responses to his 2000 survey of members of the Society for Human Resources Management, Rothwell (2001) summarized the most important reasons given for supporting succession planning programs. Of the top 13 reasons identified in the survey, the following 9 reasons applied to this research project:

1. Provide increased opportunities for "high potential" workers

2. Identify "replacement needs" as a means of targeting necessary training, employee education, and employee development

3. Increase the talent pool of promotable employees

4. Contribute to implementing the organization's strategic business plans

5. Help individuals realize their career plans within the organization

6. Tap the potential for intellectual capital in the organization

7. Encourage the advancement of diverse groups

8. Improve employees' ability to respond to changing environmental demands

9. Improve employee morale (pp. 10 – 19).

Succession planning is as important as strategic planning is to organizational survival in today's world (Buzotta & Lefton, 1997; Schall, 1997). As Caudron (1996) noted, the three most important objectives in the succession planning process are:

- Ensuring leadership continuity

- Identifying gaps in capabilities, future skills, and management development processes

- Maximizing and diversifying the pool of executive candidates (p. 45).

Research Question 4. The most essential element for any succession plan is the requirement for top management support (Bouth, 2001; Caudron, 1996; Rothwell, 2001; Vouglas, 1998; Wellins & Byham, 2001). Typically, succession planning focuses on

replacements for specific positions. Usually, the focus is on top level or other positions critical

to the organization (Buckner & Slavenski, 2002; Giber, et al., 2000). Effective succession

planning involves keeping leaders and potential leaders on board and developing their skills to

meet the future needs of the organization (Morris-Lee, 2001).

According to Buckner and Slavenski (2002), the two most important questions that

leaders should ask when discussing succession planning are: "Do we have qualified people

ready to fill key positions now and grow the business in the next 3 to 5 years? Will we have a

sufficient number of qualified candidates ready in 5 to 10 years to fill key positions?" (p. 79).

There was general consensus in the literature that the following best practices, summarized by

Caudron (1996), should be considered in developing a succession plan:

- Receive visible support from the CEO and top management

- Are owned by line management and supported by staff

- Are simple and tailored to unique organizational needs

- Are flexible and linked with strategic business plans

- Evolve from a thorough human resources review practice

- Are based on well-developed competencies and objective assessment of candidates

- Incorporate employee input

- Are part of a broader management development effort

- Include plans for developmental job assignments

- Are integrated with other human resources systems

- Emphasize accountability and follow-up (p. 46).

Other factors to consider in developing a succession plan are the need to challenge

subordinates (Coleman, 1992) and the need for managers to spend more time with their best

people to help them become better performers (Buckingham & Coffman, 1999). In addition,

Coleman (2000) and McCalister and Baker (2001) addressed the desirability of documenting the

history, traditions, and major decisions that have been made over the years to help assure

continuity of the organization's corporate culture. Overall, the literature favored developing a

pool of qualified candidates to build bench strength to meet succession needs as opposed to hand

picking a single successor for each key position. As Rothwell (2002) pointed out, it is important

to promote diversity and multiculturalism in the workplace and to identify and develop the best

successors for key positions that will be vacated. Since incumbents tend to hand pick successors

much like themselves, developing bench strength will help guard against perpetuating problems

such as a "glass ceiling" and other subtle forms of discrimination. Finally, consideration should

be given to doing everything that can be done to retain current leaders to avoid the loss of

valuable leadership resources (Caudron, 1999).

　　　　Research Question 5. Of the 22 Orange County agencies surveyed, only 2 had a

succession plan. One agency was in the process of developing a plan; three were considering

developing a plan. Of the two agencies that had a plan, only one used the plan. Since few

agencies in the county had any experience with a succession plan, the study suggested that few,

if any, of the elected officials on the OCFA's board of directors have been involved in a

succession planning process. A process to educate and involve the OCFA's board members will

be essential to the success of the OCFA's succession plan. The survey also showed that there

were few models that the OCFA could use or borrow from in developing its succession plan.

Survey questions and results are submitted in Appendixes D and E.

DISCUSSION

The outcome of this research project, a proposed policy and procedure for the implementation of a succession plan for professional staff within the OCFA (Appendix F), was consistent with the findings of the literature review. Critical to the ultimate success of the proposal is securing the buy-in and support of the OCFA's top management, board of directors, and internal staff stakeholders

Given the strategic issues facing the OCFA and the massive turnover in leadership anticipated over the next few years, a succession plan is critical to the OCFA's organizational survival. Succession planning and the "growing" of future leaders is essential to make sure that the OCFA will have the right people in the right place at the right time (Caudron, 1999; Rothwell, 2001; Wellins & Byham, 2001). One of a fire chief's most important duties is to prepare his or her fire department for the transition of leadership by doing everything possible to prepare successor leaders (Coleman, 2000). Many executive fire officers may not realize that most of their successors are probably already on board and waiting in the wings. These future leaders may be fire explorers, interns, volunteers, temporary help, or junior members in the ranks of professional and suppression services. A critical job of today's fire services leaders is to grow the leaders that will follow them. Growing people is a task that every manager and supervisor from the fire chief on down should be responsible for and be evaluated on during annual performance reviews (Hesselbein et al., 1996).

Ideally, as the literature review established, an organization's succession plan should be tied to its strategic plan (Buzotta & Lefton, 1997; Caudron, 1999; Rothwell, 2001; Schall, 1997). Although the OCFA has a strategic plan that was formally adopted by its board of directors in July 2002, it does not have a succession plan. The need for a succession planning process was

discussed during the mid-cycle update of the OCFA's Strategic Plan in January 2003. The

discussion resulted in the general recognition of the need for succession planning but no

immediate attention was given to addressing the issue as a priority need (OCFA, February 2003).

Linking a succession planning process with the strategic planning process would help assure that

the OCFA will groom the right people for the right things at the right times.

The literature review, coupled with the anticipated number of retirements within the next

few years, made it clear that the OCFA should take aggressive action to begin developing and

preparing its future leaders as soon as possible. Through a commitment to succession planning,

the OCFA will be able to meet the challenge of the future and maintain its leadership position in

the cities and communities that it serves.

RECOMMENDATIONS

In completing this research project, the author prepared a proposed policy and procedure

for the implementation of a succession plan for professional staff. The proposal will be

submitted to the OCFA's executive management for consideration in June 2003. The need for

succession planning is particularly urgent given the impacts of the upcoming retirements at the

executive and mid-management professional staff levels within the OCFA. The need is even

more urgent on the suppression side of the OCFA's organization. When the OCFA's executive

management considers the proposed policy and procedure, it is recommended that the following

actions be taken:

1. Recognize the urgency of the need for succession planning.

2. Approve in concept the proposed policy and procedure for succession planning.

3. Establish a project team consisting of internal staff stakeholders to review the proposed policy and procedure, refine it, and make recommendations to executive management on how to best implement the plan.

4. Consider expansion of the program to include the OCFA's suppression staff.

5. Develop a strategy to secure the support of the OCFA's board members for the plan.

6. Take action to document the OCFA's history, traditions, and major decisions to help assure continuity of the "OCFA Way" for future generations of leaders.

The development of a succession plan will be a major undertaking that will impact all levels of the OCFA's organization. The urgency of the need coexists with other extremely high priorities that the OCFA currently faces. It will be very difficult to allocate the necessary staff time to devote to succession planning. Yet, if the OCFA does not make the commitment to implementing such a plan, its new leaders will not be prepared to meet the demands of the future. The right people will not be in the right places at the right times when the OCFA faces its upcoming strategic challenges – challenges that will set the future direction and determine organizational survival of the OCFA in the years ahead.

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APPENDIX A

ORANGE COUNTY FIRE AUTHORITY

Projected OCFA Retirements through the Year 2008

Bargaining Unit	No. of FTEs	Average		Potential Retirees						Eligible to Retire					
		Years of Service	Age	Now		Next 3 Years		Next 5 Years		Now		Next 3 Years		Next 5 Years	
				FTEs	%	FTEs	%	FTEs	%	FTEs	%	FTEs	%	FTEs	%
AM	41	12.3	47.4	11	26.8%	11	26.8%	14	34.1%	13	31.7%	18	43.9%	22	53.7%
EM	6	22.7	52.8	4	66.7%	4	66.7%	4	66.7%	5	83.3%	5	83.3%	5	83.3%
FF	764	13.2	43.5	152	19.9%	168	22.0%	186	24.3%	152	19.9%	265	34.7%	339	44.4%
FM	39	20	51.6	20	51.3%	21	53.8%	22	56.4%	20	51.3%	33	84.6%	36	92.3%
GE	197	7.2	41.4	22	11.2%	25	12.7%	30	15.2%	24	12.2%	39	19.8%	55	27.9%
SM	26	10	44	2	7.7%	2	7.7%	3	11.5%	3	11.5%	7	26.9%	9	34.6%
Subtotals	1073	12.3	43.7	211	19.7%	231	21.5%	259	24.1%	217	20.2%	367	34.2%	466	43.4%

Assumptions:

Potential Retirees:
* Safety Members - Retire at age 55 with a minimum of 10 years of service.
* General Members - Retire at age 55 with a minimum of 10 years of service.

Eligible to Retire:
* Safety Members - Retire at age 50 with a minimum of 10 years of service.
* General Members - Retire at age 50 with a minimum of 10 years of service.

Notes:
* Analysis excludes Service Aides and Reserves
* Data is as of 12/31/2002

Definitions:
AM - Administrative Management
EM - Executive Management
FF - Firefighter Unit
FM - Fire Management Unit
GE - General Employees Unit
SM - Supervisory Management Unit
FTE - full-time equivalent employee

20-Feb-03

APPENDIX B

ANTICIPATED RETIREMENTS IN KEY PROFESSIONAL POSITONS

- Assistant Chief of Business Services*

- Assistant Chief of Fire Prevention/Fire Marshal*

- Clerk of the Authority*

- Human Resources Director*

- Benefits Manager*

- Risk Manager*

- Assistant Fire Marshal, Planning and Development

- Assistant Fire Marshal, Hazardous Materials Services Section*

- Finance Manager

- Treasurer

- Purchasing Manager*

- Accounting Manager

- Payroll Manager*

- Budget Manager*

- Information Technology Division Manager*

- Automotive Manager

- Property Manager

Total Number of Positions: 17

Note:
Eleven out of the 17 or 64.7% (asterisked above) of the total positions are anticipated to be vacated due to retirements within the next 3 to 5 years.

APPENDIX C

PROGRAMS TO PREPARE STAFF FOR LEADERSHIP ROLES

The Orange County Fire Authority (OCFA) offers the following programs to enhance managing and leadership skills:

Leadership Institute
This is a leadership development program consisting of 12 classes over the period of a year. The program is open to all employees that have a minimum of four years experience in the fire service, including at least one year with the OCFA.   The purpose of the program is to provide an understanding of the qualities that leaders possess and to expose participants to principles for developing leadership qualities. This developmental learning opportunity is limited to a class size of 24 participants and is in its fifth year. Core components include:
- Leadership Studies
- Systems Thinking
- Team Work
- Developing Trust within the Group
- Conflict Resolution

Project Excellence
This is a management and supervisory skills development program consisting of 12 classes. The primary purpose of the program is to teach the key skills that are necessary for managing a section or supervising staff. The outcome expectation is that participants will enhance their productivity and performance. This developmental learning program is limited to 22 participants and is currently in its third year. Class components include:
- Supervisory Role
- Creating the Workplace Environment
- Understanding Work Styles
- Delegation Skills
- Communication
- Problem Solving
- Decision Making
- Coaching
- Performance Management
- Labor Contract Administration
- Grievance Process
- Corrective Action
- Risk Management, Safety, and Workers' Compensation
- Finance, Budget, and Payroll

Communication Skills
This new program was initiated in 2001 and includes four classes to develop skills in business writing and presentation. The outcome expectation is that participants will develop state-of-the-art skills while enhancing productivity and performance. Class components include:
- Business Writing
- Proofreading
- Editing
- Presentation Techniques
- Presentation Delivery

Opportunity Knocks
Opportunity Knocks (OK) is an annual training symposium started in 2000. The primary purpose of this program is to help promote the OCFA's values and mission statement. Attendance and participation in the annual symposium is strictly voluntary. Annual attendance for the event exceeds 400 employees, representing both suppression and professional personnel. As part of their leadership development, graduates of the OCFA's Leadership Institute are encouraged to participate in the planning and coordination of the event.

 Some of the recent OK symposium accomplishments include:
- Provided learning opportunities for OCFA members on current issues facing the OCFA
- Developed team work and improved communication within the organization
- Further expanded and enhanced the leadership skills of the event organizers
- Provided an opportunity to examine the organization's values and the ethical issues confronting public service employees
- Provided motivational speakers that encouraged all employees to support each other and lead by example
- Reinforced the OCFA's proud traditions and dynamic future

Other Programs
In addition to the structured programs listed above, the OCFA also has undertaken the following actions:
- Implemented an internship program, providing a testing ground for potential new talent
- Restructured the OCFA's classification system to group occupations into "class families," providing career paths from entry level to top management positions
- Entered into partnerships with local universities for degree and distance learning programs
- Offered and supported various seminars, symposiums, conferences, and training skills to enhance networking and professional development

APPENDIX D

SUCCESSION PLANNING SURVEY QUESTIONS

To complete this survey, 22 agencies within Orange County were contacted by phone or E-mail during February 2003. The agencies contacted included 14 of the Orange County Fire Authority's larger partner cities and the county, 4 larger cities in the county, and the 3 special districts in the county. Each contact person within the agency was asked:

1.   Does your city (county or special district) have a succession plan or a leadership development plan to prepare people to move up to key positions when someone retires or leaves?

2.   If yes, would you please send us a copy?

3.   If yes, would you please give us the name, phone number, and E-mail address of someone we could contact for further information?

Only 2 of the 22 agencies surveyed had a formal succession plan. Three agencies were considering development of a succession plan; one was in the process of developing its plan. Survey responses are summarized in Appendix E.

APPENDIX E

SUMMARY OF SUCCESSION PLAN SURVEY RESPONSES

Agency Contacted	Have Plan?	Comments
OCFA Members (Cities and County)		
• Buena Park	no	
• Cypress	no	Plan is under consideration.
• Dana Point	no	Handled on case-by-case basis.
• Irvine	no	
• La Palma	no	Thought they should have one.
• Los Alamitos	no	
• Mission Viejo	no	
• Placentia	no	Have tried to encourage mentoring.
• San Clemente	yes	Have plan but no one ever uses it.
• San Juan Capistrano	no	Sounds like great idea.
• Seal Beach	no	
• Tustin	no	
• Westminster	no	
• Yorba Linda	no	
• County of Orange	no	Plan is under consideration.
Subtotal - OCFA Cities and County	***15***	
Larger Cities in the County		
• Anaheim	no	
• Brea	no	Plan is under development.
• Huntington Beach	no	
• Santa Ana	no	Have a leadership program.
Subtotal – Larger Cities	***4***	

Orange County Special Districts

- Orange County Sanitation District   no   Plan is under consideration.
- Orange County Transportation Authority   yes

- Transportation Corridor Agencies   no

Subtotal – Special Districts   *3*

Total Agencies Surveyed   *22*

APPENDIX F

PROPOSED SUCCESSION PLANNING POLICY AND PROCEDURE

ORANGE COUNTY FIRE AUTHORITY **STANDARD OPERATING PROCEDURES**	**Page 1 of 3 AM _____** **Date _____**
HUMAN RESOURCES	**SUCCESSION PLANNING**

INTENT

This procedure establishes a process for identifying critical leadership positions and an approach for advancing employees using assessment of current skills and interests and developing career goals. The procedure applies to key professional staff positions within the Orange County Fire Authority (OCFA).

POLICY

The Succession Planning Program is a voluntary program that identifies high potential candidates for key managerial positions and offers mentoring, developmental, and training opportunities for professional growth to prepare candidates for future leadership positions within the OCFA.

The OCFA favors promoting people from within the organization whenever possible and whenever they are among the best qualified to meet the work requirements of the position. Participation in the succession planning program, however, is not a commitment or promise by the OCFA for future promotions.

The program is geared toward developing "bench strength" or a qualified pool of candidates for each targeted leadership position and is designed to provide a broad and diverse base of potential new leaders for the OCFA.

Each manager and supervisor is expected to create and cultivate a climate in which his or her staff are given an opportunity to expand their talents and skills; are exposed to progressive challenges; and are given training, opportunities, special projects, and assignments that broaden their knowledge base, skills and abilities.

Succession planning is an important objective that each manager and supervisor will be evaluated on as a part of the annual performance review process. Succession planning is

a shared responsibility of the assistant chief, section manager, immediate supervisor, and the employee.

<u>PROCEDURE</u>

Identification of Critical Positions and Core Competencies
A. Each assistant chief and section manager shall determine the critical leadership positions in their respective department or section and the core competencies needed now and in the future for effective performance in these positions.

B. The critical leadership positions shall be prioritized to address the OCFA's most pressing problems and to rectify the most serious weaknesses in its bench strength.

C. The core competencies shall be aligned with the strategic needs of the OCFA, as determined by the Strategic Plan.

D. The core competencies shall be compared periodically to the current class specifications to assure that the specifications accurately reflect the competencies required for each classification.

E. The core competencies shall be re-evaluated prior to recruiting to fill vacant positions and shall be reviewed annually.

Participation in the Succession Planning Program
A. If an employee is interested in participating in the succession planning program, the request will be submitted in writing to his or her immediate supervisor, section manager, and to the department head (assistant chief) for final approval.

B. Requests to participate in the program will be approved case-by-case, based upon the career and professional interests of the employee and the needs of the OCFA.

Individual Development Plans
Once an employee is approved for participation in the program, the immediate supervisor shall work jointly with the employee to develop an individual development plan. Unlike the performance appraisal process, which typically focuses on past performance, the individual development plan focuses on developing competencies for future performance. The plan should be tailored to meet the unique needs of the employee and should include the following:

A. Identification of core skills and competencies required for future success.

B. Assessment of the employee's current level skills and competencies.

C. Identification of present and future job requirements, activities, responsibilities, and competence levels.

D. An action plan designed to close the gap between current and future skills and competencies, including clear goals and objectives to show what must be done to qualify for advancement.   The plan should include planned training, education, job rotation, developmental opportunities, special projects, mentoring, and other means to close the developmental gap between present and future work requirements.

The individual development plans shall be reviewed quarterly with the employee and updated on an annual basis by the immediate supervisor and the employee.