

2017 NASPE AWARD

Eugene H. Rooney, Jr. Award Nomination

Innovative State Human Resource Management Program

Nominations from dues-paying states are considered for eligibility. Nominated leaders and programs should have a positive effect on the administration of state human resource programs. A state's central human resource department or line agency human resource operations may administer nominated programs.

Programs and projects must have been operational for at least six months and must be transferable to other states. Selection criteria are based on the questions asked on the award application. Included in this packet are the specific criteria for each award and their categories. Nominations are encouraged in all areas of human resource management administration.

Additionally, please attach a one-page summary of the program and prepare a narrative answer for the questions listed below. Do not send supporting documentation. Provide a narrative answer for each of the following questions.

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Innovative State Human Resource Management Program

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PROGRAM INFORMATION

Program Title: DHRM Center for Excellence
State: Utah
Contact Person: P. Jeff Mulitalo
Contact's Title: Chief Strategy Officer and Director of the Center for Excellence
Agency: Department of Human Resource Management
Mailing Address: State Office Building Suite 2120 / Salt Lake City / Utah / 84114
Telephone: 801.927.8236
Fax: 801.528.3081
E-mail: jmulitalo@utah.gov

NOMINATOR INFORMATION

Contact Person: Debbie Cragun Wendy Peterson
Contact's Title: Executive Director Deputy Director
State: Utah
Agency: Department of Human Resource Management
Telephone: 801.538.3075
Fax: 801.528.3081
E-mail: wendypeterson@utah.gov

DETAILS

1. Please provide a brief description of this program.

The State of Utah's Department of Human Resource Management (DHRM) reorganized much of its enterprise level positions into a Center For Excellence (CFE) which has resulted in strong push for the development of progressive HR practice. The CFE reconciled the development of many functions that were vertically managed (recruitment, learning development, employee relations, compensation, classification, data analytics, etc) into one cross functional team lead by our Chief Strategy Officer (CSO). This has empowered DHRM to single task on the highest developmental priorities with a constant stream of cross-functional expertise.

For background purposes, the State of Utah operates as a consolidated/decentralized model. Our enterprise office is centrally located. Our field offices report directly to the enterprise office, however they are located in the agencies they serve.

2. How long has this program been operational (month and year)?

The CFE has been operational for 10 months (launched in May of 2016).

3. Why was this program created? (What problem[s] or issues does it address?)

The primary reason why the CFE was established was to accelerate the implementation of

progressive HR practice in the State of Utah. It is designed to expedite positive change in two primary methods.

Firstly, our CSO identified the KSA's of our field offices (teams that directly provide HR services to state agencies) as being the constraint to how quickly progressive HR practice can be implemented in Utah. Instead of continually asking our field offices to be strategic, the CFE routed the development and deployment of progressive practices (services that require a higher level of analytic and elevated expertise in cross-functional domains) from the field offices to the CSO. This enabled our field offices to focus on delivering traditional HR services to their assigned agencies which is what they do best and has historically produced very high satisfaction rates (satisfaction rates have been on the rise and currently reside at 95% satisfaction).

Secondly, our CSO recommended that we reorganize the enterprise office to produce cross-functional teams that are reconciled to one portfolio. Whereas prior to the CFE, Senior Directors identified and launched projects in silos, the CFE portfolio now comprehends all developmental work. The portfolio ensures priority by a business case methodology related to potential projects or tasks. Those projects are prioritized by value and remain in queue until sufficiency capacity is available to complete the project. By limiting work in process to the most mission-critical projects, this enables our limited resources to single-task priority projects to completion. This would result in higher quality development in less time. Prior to this, DHRM functions were led vertically by senior directors. The development and implementation of services were siloed, often duplicated, were loosely coordinated, and often created a strain on field offices due to the volume of initiatives requiring attention. All of these functions were placed under the direction of the CSO where the CFE uses a business-case methodology and portfolio management to organize and deploy its resources. All projects are now executed in cross-functional collaborative teams.

4. Why is this program a new and creative method?

In many ways, the CFE is next milestone of DHRM's embracing continuous improvement methodologies. Our CSO is an expert in integrated theory of constraints, lean, and six sigma and our team has been devoted to using these methods to transform HR in Utah. The CFE has allowed us to examine HR services from the ground up without unduly burdening our field offices. Recently, the CFE created a new job titled HR Strategy Consultant and hired one of our field directors to assume the role. The role is new and creative because it has been a capacity-driven approach to right-sizing our strategies for change.

5. What was the program's startup costs? (Provide detailed information about specific purchases for this program, staffing needs and other expenditures, as well as existing materials, technology and staff already in place.)

The CFE was a cost neutral program. In fact, DHRM used efficiencies gained using operational excellence tools from other areas of the department to reinvest in ways that made the CFE possible. This enabled DHRM to make this happen without having to pitch the idea to the Governor, the legislature, or customer agencies for funding. These efficiencies also produced savings for customer agencies and some return of money. DHRM's plan to reinvest into their priorities, produce savings for the taxpayer, and reduce rate for customers produced a win / win situation.

The CFE was launched entirely with existing materials and staff. In terms of technology, the CFE

uses solutions that are no-cost (such as managing the portfolio on Trello and using the Google Business Suite for operational data evaluations).

6. What are the program's operational costs?

The CFE consists of 17 employees who constitute approximately \$1,100,000 in wage. These employees include: Chief Strategy Officer, Senior HR Director (2), Strategy Consultant, Business Intelligence / Statistical Consultants (3), HR Consultants (3), Training Manager, Program Manager, Senior Business Analysts (3), Instructional / Graphic Designer, One Vacant Consultant Position.

7. How is this program funded?

It is funded from internal service funds and cost efficiencies from improvement projects. See #5.

8. Did this program originate in your state?

Yes

9. Are you aware of similar programs in other states? If yes, how does this program differ?

No

10. How do you measure the success of this program?

There are a few methods to measure the CFE.

First, the CFE is our hub for continuous improvement of HR services. They have produced and maintain the DHRM Portfolio of Product Lines - which has performance measures for every customer-facing form of HR service. The CFE partners with the HR field directors to execute operational excellence projects for HR services, produce a baseline, implement improvement strategies, and then compare performance against the baseline. The measures always include dimensions of quality, volume, and operating expense.

Second, for major projects, the CFE uses dimensions of scope / time / budget to determine if they are hitting their performance targets. Given that most projects are cost neutral, many are evaluated in terms of scope and timeliness.

Third, CFE specific services are evaluated and measured. Some product lines that reside in the CFE are now measuring impact (whereas before there were no meaningful performance measures).

Fourth, and in conjunction with the second approach to measurement aforementioned, the CFE is evaluated in terms of how well it produces needed infrastructure, enhanced analytics, and progressive practices.

11. How has the program grown and/or changed since its inception?

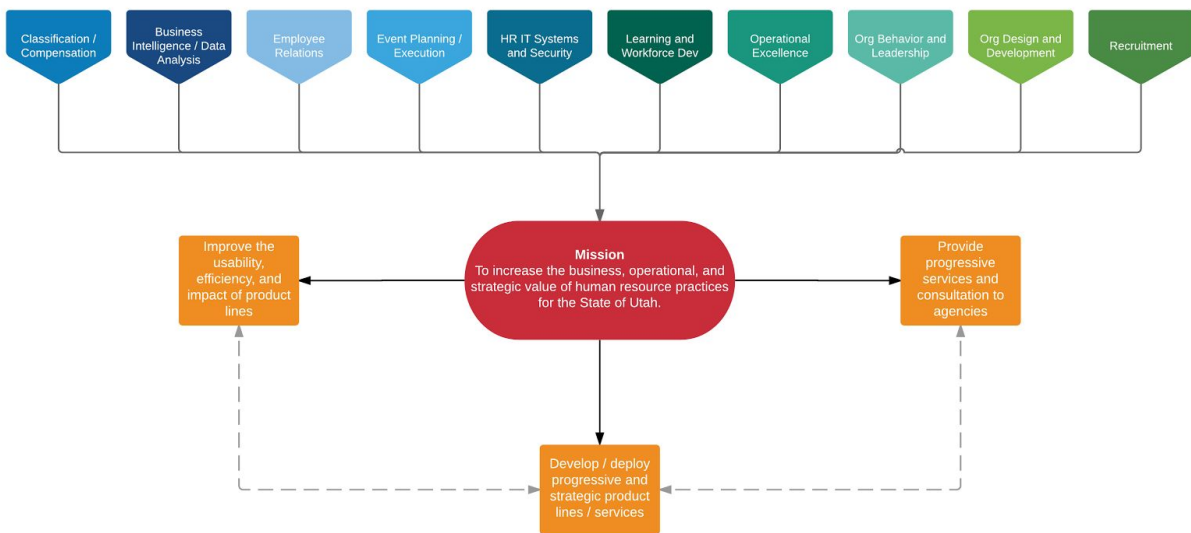
The CFE is maturing its business model. In December of 2016, our CSO evaluated the business plan of the CFE and applied some treatments that improved some of the functions. This exposed capacity and the CFE was able to reduce one position. The funding from that position enabled the CFE to create a new position, HR Strategy Consultant (a senior position that provides direct services to agencies) while also producing savings.

ONE PAGE SUMMARY



The mission of the Center for Excellence is to increase the business, operational, and strategic impact of HR practices in the State of Utah. The following graphic illustrates the integration of expertise into the mission and the three main forms of service delivery:

GRAPHIC 1: Configuration of the Utah Center for Excellence



The value stream for the Utah Center for Excellence are progressive HR practices that are informed by three key domains: human capital data, business operations, and economics.

GRAPHIC 2: Vision for the Utah Center for Excellence Value Proposition

