2018 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.

PROGRAM INFORMATION

Program Title: Biennial State Classification Proposal Analysis   State: WA

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NOMINATOR INFORMATION

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ALL SUBMISSIONS MUST:
Meet all eligibility requirements. • Meet deadline requirements stated on the NASPE website. • Be entered in the correct category and be correctly identified. • Include a complete nomination packet. • Conform to all copyright laws.

STATE OF WASHINGTON

2018 NASPE AWARD

Innovative State Human Resource Management Program
Biennial State Classification Proposal Analysis

Summary:

The State Human Resources Division serves as the state's central HR policy-making body and provides leadership and support on enterprise HR strategic planning, collective bargaining and oversight of HR systems and structure, rules and policy. The work of State HR provides the state with a governance model and infrastructure necessary to support effective, successful agency operations and service delivery and promotes the competencies to make the state an Employer of Choice. This program is the biennial collective bargaining and budget classification proposal process. It occurs every two years and provides a window for submission of classification and compensation packages from state agency and higher education institution employers. The purpose of this program is to provide an opportunity for agencies and higher education institutions to submit proposals in order to address their overall classification and/or compensation business needs. Our goal with this process is to collaborate with state employers in order to identify and provide the best possible human resource services and solutions while considering the finite fiscal resources of the State. This process helps enable state agencies and higher education institutions to attract, develop and retain a productive and diverse workforce. This process continually evolves and focuses on development of strategic partnerships in order to understand the business needs of our customers. Washington State has governing statutes that allow for classification and/or compensation-related changes to be made to the classification plan. State employers are bound to these criteria when making any compensation adjustments (Chapter 41.06.152 RCW: Job classification revisions, class studies, salary adjustments—Limitations). These criteria are limited to documented recruitment or retention difficulties, salary compression or inversion, classification plan maintenance, higher-level duties and responsibilities, or inequities. In preparation of the 2015-17 collective bargaining and budget cycle, the state of Washington's State Human Resources, Enterprise Classification, Compensation and Human Resource Analytics (ECCHRA) section began a transformative process for targeted job classification changes. Prior to this new process, the state had more of a reactive approach in responding to state agency and higher education institution's classification and compensation needs.

1. Please provide a brief description of the program. Beginning in 2011 and early 2012, outreach efforts and stakeholder

    feedback was collected to help inform and streamline the process for requesting job classification and/or compensation

    changes. Previously the process was very time intensive and created redundancies and various levels of re-work. Agencies

    and institutions put forth many months of time and resources into developing proposals, of which many were unsupported

    due to lack of merit or data. This new process creates a more proactive and inclusive approach, which begins with online and

    classroom training for Human Resources professionals. The process continues to evolve and improve based on state agency

    and higher education institution feedback. Here are some notable highlights of the overall process and sequence of events

    (there are three "phases" of this biennial process):

    Planning Phase - This begins in the early spring of odd-numbered years. This process consists of extensive outreach by State

    HR Classification and Compensation analysts to human resource partners in both general government and higher education.

    In-depth classroom training is provided and online resources and tools are made available. In addition to statewide efforts,

    individual agency meetings are conducted with program staff to answer questions and provide guidance on the development

    of a classification and compensation proposal.

    Bargaining Phase - This begins with the submittal of agency/institution-initiated Class Needs Assessments by September 15

    of odd numbered years. All proposals must meet the criteria outlined in statute in order to be supported. This is defined in

    chapter 41.06.152 RCW that includes documented recruitment or retention challenges, compression or inversion, higher-

    level duties and responsibilities, inequities, and/or class plan maintenance.

• The first and second sets of "triage" are conducted by ECCHRA to determine completion and potential merit. If merit is

    determined, a request is made back to the initiating agency or institution for additional data and supporting documentation.

    This may include documented recruitment information (successful, unsuccessful, or failed recruitments), exit interview data,

    proposed draft class specifications, detailed information explaining changes in duties or responsibilities, proposed salary range

    information, market and salary data for employees leaving state service, alignment information showing where

    compression/inversion exists, inequity data, etc. The data metrics for retention is performed centrally by our HR Analytics

    team. This occurs between September-November.

• The final "triage" occurs prior to recommendation development and pre-collective bargaining. This third level of review

    includes developing recommendations for each of the remaining proposals. Classification & Compensation analysts draft their

initial proposal recommendations that are shared internally with State HR leadership and affected stakeholders. This expansive process takes place from November through the end of March.

• Agencies and institutions are consulted throughout the process and advised on recommendations. This enables them an opportunity to provide any last minute, missing or relevant information prior to finalization.

• Final recommendations are shared with the assigned State HR Labor Relations Negotiators in preparation of collective bargaining (March-April).

• Collective bargaining typically begins in March (even-numbered years) and continues through the summer, to be completed by October 1. Final recommendations are costed using our enterprise compensation impact model. State HR makes funding recommendations for targeted increases along with other state employee financial considerations to the Governor (for potential general wage increases, health care funding, and other compensation issues).

• The Enterprise Classification, Compensation and HR Analytics section provides ongoing consultation and guidance to the state labor negotiators throughout bargaining and interest arbitration.

• Similar to the employer-initiated proposals process, labor organizations also have an opportunity to submit requests for classification and compensation changes during bargaining. This process typically begins in April of even numbered years. The Classification & Compensation analysts review and provide recommendations for the union-initiated classification and compensation proposals, and continue to provide subject matter expertise throughout negotiations.

Implementation phase - This is the final stage in the biennial process and consists of working with statewide stakeholders to gather necessary business requirements. Collaboration efforts during this phase are still extensive, working with other central-service agencies and all agencies and institutions to ensure a smooth transition into the ensuing biennium. Gathering required information and documentation in order to update the enterprise-wide and impacted systems (Human Resource Management System, Salary Projection System, and Agency Financial Reporting System). Other work conducted during this final phase includes creating statewide salary schedules, finalizing changes to collective bargaining agreements, statewide training, rulemaking, adoption of job class changes, and communication to our community and stakeholders.

2. How long has this program been operational (month and year)? The modernized classification & compensation proposal process was implemented in preparation of the 2015-2017 biennium. This is a biennial process and begins

in the early fall of odd-numbered years. Every two years the process improves and becomes more efficient, streamlined and responsive to the state's classification and compensation needs.

3. Why was this program created? (What problem[s] or issues does it address?) The process was created to help better address statewide business needs of state agencies and higher education institutions with the goal of maintaining a simple and streamlined classification plan and targeting limited fiscal resources in the most efficient manner. It also provides an avenue for state agencies and institutions to address funding needs relating to classification and compensation proposals. Historically, Washington State HR has functioned in a more reactive role rather than a proactive role. This new process changes the way we think about the state's workforce and promotes partnership with other Human Resource professionals and program staff in state government to develop the best possible solutions in order to address business needs. Rather than working in silos, this new process crosses multiple functional areas and helps to identify creative solutions for attracting and retaining a skilled and high-performing workforce. This program provides state agencies and higher education institutions with necessary tools and resources in order to submit a classification and compensation proposal

4. Why is this program a new and creative method? Prior to the process reengineering effort, the proposal process was very rigid. Employers did not have an opportunity to weigh in or provide feedback and they were frustrated. Although Washington State has requirements outlined in statute that limit the ability to make classification and/or compensation related changes to the classification plan, ECCHRA continues to identify ways of improving this process. A key component to process improvement is stakeholder engagement, inclusion and partnership. Although State HR is the policy making body for the state of Washington, state employers look to us for leadership and strategic direction. In providing leadership and innovation, creativity is essential when looking at ways to be an adaptive and competitive employer of choice. This process is inclusive and collaborative when working with agencies and institutions to identify statewide solutions for their unique classification and compensation needs.

5. What was the program's startup costs? The cost for the implementation of the program was absorbed. Classification and Compensation Analysts had to learn a new way of doing business including developing more collaborative

relationships with their agency customers in order to be proactive and responsive to their needs. Operational work was re-prioritized to accommodate the process change.

6. What are the program's operational costs? The extra stakeholder engagement and other work was absorbed. It did create a more extensive effort by the ECCHRA team but the on-going operational classification work has been reprioritized in order to provide the necessary resourcing for this effort. Agency and higher education customers are informed that timing for other work may be less responsive during this process cycle.

7. Did this program originate in your state? ☒   ☐

8. Are you aware of similar programs in other states? ☐   ☒

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

    Success of this program is measured by the quality and quantity of proposals submitted by employers each biennium. Due to extensive outreach efforts and training that is conducted prior to each biennium, the quality of the proposal data that is submitted improves each cycle as well as the quality of the analysis provided by the ECCHRA team. Other success measures include feedback from the customer agency and higher education community. Feedback from stakeholders has been positive and there is a great appreciation for the online tools and resources that were developed. Our goal is to see an increase in data collection, specifically as it relates to recruitment efforts and staff retention (exit interview) data

10. How has the program grown and/or changed since its inception? As noted earlier, the program continues to evolve and improve with each biennial cycle. Since the inception of this new process, there has been an increase in the outreach efforts and statewide training that is conducted. In addition, new online resources and data tracking tools have been created, based on feedback from the community. State HR Classification and Compensation analysts use Lean methodology to "Plan, Do, Check, Act" continually. If there is an opportunity to improve the process by making it clearer or more efficient, we take action to do so. As feedback is received from the community, we make necessary adjustments. It is a fluid process and partnership from our stakeholder community, both internally and externally, is essential to the quality and overall success of the proposals.