

Agency Strategic Plan

Department of Human Resource Management (129)

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Mission and Vision

Mission Statement

Department of Human Resource Management (DHRM) addresses the diverse human resources needs of our customers through guidance, consultation, training and delivery of services.

Vision Statement

The Commonwealth is an employer of choice

Agency Values

- Accountability
DHRM employees are responsible for ensuring our own performance and work team results contribute to success in meeting and surpassing the performance goals of our agency and the Commonwealth.
- Customer Focus
We strive to understand and anticipate customer needs and constantly focus on delivering products and services of the highest quality in a timely manner.
- Respect
We value individual contributions, treat each other with dignity, and assume positive intent in everyone.

Executive Progress Report

Service Performance and Productivity

- *Summary of current service performance*

AGENCY EXECUTIVE PROGRESS REPORT

The Virginia Department of Human Resource Management (DHRM) functions to attract and retain a state public workforce proficient at providing services to the citizens of the Commonwealth. DHRM provides compensation and HR policy recommendations, health benefits, equal employment rights, training, workplace safety initiatives and an opportunity to help others through a workplace-giving program.

The agency has become one of the most respected HR offices in the country, earning an A- in Governing Magazine's Government Performance Project, one of three states to garner the top grade for its HR program.

The agency has experienced significant challenges in recent years - chief among them a 37 percent budget cut and a 41 percent decrease in staff. The agency has developed more efficient business processes and has made greater use of technology to automate those processes.

The agency has been in the forefront in using technology with the development of its Web-based data warehouse that puts tools in agencies' hands to transform agency data in the central legacy system into information available on their agency desktops. Each agency may pull standard reports or develop customized reports as needed. DHRM spearheaded a government-wide workforce planning activity that prompted state agencies to develop workforce plans that identified skill gaps and outlined succession plans.

Workforce planning, a critical HR function in the face of an impending flood of retirements, will be enhanced by a new Learning Management System (LMS), a collaborative effort among agencies that provides the opportunity to transfer knowledge to a new generation of state workers. The LMS has garnered a national award for implementation, and avoided \$5 million in expenses for multiple training systems.

The agency's State Employees Workers' Compensation Services area has also gained national attention for its public-private partnership that won a national Innovation Award from the Council of State Governments. The partnership has resulted in savings of over \$27 million and grows each year. The savings are measured by a model developed by the program actuary firm of William M. Mercer and are designed to measure cash flow savings as compared to actuarial projections.

The employee-run Commonwealth of Virginia Campaign (CVC), the authorized workplace giving campaign for state employees, provides a key indicator of state employee morale. CVC has won several awards for its communication videos, and was the first program nationally to automate the charity application and to move to a paperless process.

SERVICE AREAS

DHRM is comprised of seven service areas. They are:

Agency Human Resource Services

This statutorily mandated service area is responsible for human resource management consulting; human resource program development and administration; compensation management consulting and technical assistance; policy analysis, development and interpretation; workforce planning; recruitment services; on-site HR services to agencies without HR staff; salary administration and planning; employee outreach services; human resource information system liaison; legislative studies; and related communication and training; This service area also administers the centralized Employee Suggestion Program, operates a Career Center, and offers assistance to agencies in performance management.

Associated outcomes include providing consultation, management, and evaluation of the employee compensation and classification plan; developing human resource policies; implementing comprehensive statewide workforce planning and recruitment programs; providing HR services through a service bureau. The overall customer evaluation rating for this service area for FY 05 was 5.5 on a scale of 1 – 6, which exceeded the 4.5 target.

Equal Employment Services

This statutorily mandated service area is responsible for the administration of a comprehensive equal employment

opportunity program. This includes investigation/resolution of complaints of illegal discrimination filed by state employees (classified, faculty, wage and probationary) and applicants for state employment as well as the administration of a compliance program to determine whether agencies' human resource management practices result in disparate impact against protected classes.

In addition, this service area provides training and technical guidance to state agencies and local governments concerning equal employment opportunity related matters. Moreover, this service area is responsible for responding to appeals of hearing officers' rulings from grievant and agency management officials concerning whether rulings comport with state human resource management policies and procedures. The overall customer evaluation rating for this service area for training in FY 05 was 5.7 on a scale of 1 – 6, which exceeded the 4.5 target.

Health Benefits Services

This statutorily mandated service area has the responsibility of administering a comprehensive health benefits program for state employees, state retirees and their dependents. It is also responsible for providing health benefits to local governments and school jurisdiction employees, dependents and retirees.

Associated outcomes include providing health benefits and related programs that are competitive with private industry and other governmental entities. In FY 04, the state health plan enrolled over 89,000 employees and received over 3 million claims, paying out \$523.5 million in benefit, including 1.8 million prescriptions and \$94.5 million in prescription drug claims. In FY 04, customer satisfaction with the overall health plan and health care was 49.1%, which was below the 50% target.

Personnel Development Services

This statutorily mandated service area is responsible for administering a comprehensive and integrated statewide program of employee training and management development for the Commonwealth's workforce. It provides both Open Enrollment and customized in-house courses to all state agencies. It also provides organizational development consulting to state agencies, and maintains the state-approved vendor pricing agreement for soft-skills classes (both instructor-led and technologically-delivered). The service area manages three statewide programs: the Virginia Certified Manager's Program (VaCPM), the Managing Virginia Program (MVP), and the Human Resource Institute (HRI). This unit is also responsible for the site administration of the DHRM Knowledge Center – the statewide learning management system.

Associated outcomes include the training of a better-prepared workforce and managerial staff for the Commonwealth. PDS offered 171 sessions and trained 2,549 individuals. The overall customer evaluation rating for training for FY 05 was 5.4 on a scale of 1 – 6, which exceeded the 4.5 target.

State Employee Services

This group provides a range of services to Commonwealth of Virginia employees, including developing employee communications, implementing employee reward and recognition programs, organizing employee special events and programs, managing the Executive Order-driven annual workplace giving Commonwealth of Virginia Campaign, coordinating employee-focused wellness programs, and developing and implementing employee discount programs. Associated outcomes include enhancing employee morale through the participation in the Commonwealth of Virginia Campaign and development of effective employee communications, reward and recognition programs and wellness programs. The 2004 calendar year CVC campaign's total of \$3.6 million set a new record for contributions to over 1,300 local, state and national charities and exceeded the target established the prior year.

State Employee Workers' Compensation Services

This statutorily mandated service area is responsible for establishing a workers' compensation insurance program for all state employees. Additional responsibilities of this unit include loss prevention programs to reduce the likelihood of workplace injuries, ensuring that injured employees receive timely, quality medical care, payment of lost wages, a disability management program to assure return-to-work with the agency whenever possible, or rehabilitation/job training and job placement.

Associated outcomes include providing cost containment, consultation, guidance and educational programs to increase safety in the workplace, increase return-to-work opportunities, and reduce the program cash flow claims payments. In FY 05, the program received approximately 10,000 new claims and issued 106,454 checks for more than \$47 million in benefits. In FY 04, the program saved \$17,706,539.28, based on actuarial projections of program expenditures that are built into the cost containment contract, besting the targeted savings of \$10 million. The program received a customer satisfaction rating of 7.8 on a scale of 1 – 10, which exceeded the goal of 7.4.

Administrative and Support Services

This Service Area includes the Director's Office, fiscal, contracts, logistics, and Information Technology. It is responsible for the Council on Human Resources, a statutorily mandated advisory board, as well as other employee outreach initiatives.

This service area uses cutting-edge Web-based technology to provide interactive applications for a range of Human Resource functions, including recruitment, policy, benefits, compensation, communications and EEO services. Associated outcomes include developing, monitoring and reporting on DHRM's strategic plan and operating budget of \$7 million within required timelines and providing required accounting information to DOA. Among the contracts monitored by this office is the \$750 million health benefits contracts package and the \$7 million annual State Employees Workers Compensation Services contract with a private vendor.

MANAGEMENT SCORECARD

HUMAN RESOURCE MANAGEMENT. Meets expectations. DHRM has an agency workforce plan in effect, and has identified succession planning as a key component. The average age in the agency is 51, with employees ranging in age from 27 to 85, and 145 of the workforce was eligible for full retirement. DHRM had a 10% turnover rate, including 2% who retired. It received 332 applicants for 13 recruitments, and all offers of employment were accepted. DHRM is

"green" in all EEO assessment tool categories, and received 0 grievances and 0 complaints in FY 05. Performance ratings were given to 100% of the employees, and employee personal development plans were included as part of the employee performance review. DHRM spent \$5,500 on employee training in FY 05. DHRM reported 4 OSHA injuries and 1 Workers' Compensation claim during the year.

PROCUREMENT MANAGEMENT. Meets expectations. DHRM met expectations for Procurement in the Management Scorecard. DHRM had eVA usage of 100%, 100% advertised in eVA, and 95% of the spend was with eVA registered vendors. The agency had 94% usage of the VaPP contracts. In addition to a \$1.2 million subcontract, 10.2% of the DHRM discretionary spending was with SWAM suppliers.

FINANCIAL MANAGEMENT. Meets expectations. DHRM complied with the requirements of the Appropriation Act and budget targets. During the most recent APA audit, two findings were noted: the need to improve written policies and procedures for internal control over financial reporting and the need to improve the reconciliation process for Workers' Compensation claims reimbursement. A corrective work plan has been filed, and DHRM is making progress toward expectations on audit findings and internal controls. DHRM met the 95% compliance requirement for the prompt pay act for the year, and complied with the policies relating to the disbursement of state funds.

TECHNOLOGY MANAGEMENT. Meets expectations. DHRM's IT strategic plan is tied to the agency's business issues and met expectations. Online workforce planning tools were developed and made available to all agencies. Utilization of the employee self-service center for health benefits increased to 52%.

PERFORMANCE MANAGEMENT. Meets expectations. DHRM communicates its management performance to employees and stakeholders and submits reports timely. The agency updated its Continuity of Operations Plan by June 30, 2005 and made appropriate certifications to the Governor.

RESOURCE STEWARDSHIP. Meets expectations. DHRM supports telecommuting and carpooling through its policies and procedures. Several agency employees telecommuted or carpoled, which saved resources.

DIRECTOR'S EXECUTIVE AGREEMENT

DHRM is guided by 10 components of the Director's Executive Agreement with the Governor. They are:

- Recommend state employee compensation adjustments;
- Facilitate Statewide Workforce Planning;
- Support supervisory and management training;
- Implement a Learning Management System;
- Develop an employee Web portal;
- Conduct a comprehensive review of employee benefits;
- Maintain a competitive health benefits plan;
- Maintain a competitive workers' compensation plan for state employees, and;
- Implement a cost containment and education program to increase workplace safety.
- Increase utilization of "EmployeeDirect"

Each of the areas significantly impacts the day-to-day work life of state employees. The progress being made to successfully meet those goals provides a reading as to the overall well being of the Commonwealth's workforce.

RECOMMEND STATE EMPLOYEE COMPENSATION ADJUSTMENTS

DHRM's Office of Agency Human Resource Services (AHRM) conducts an annual assessment of Commonwealth salaries in comparison with private sector salaries.

The annual salary assessment findings and recommendations for salary adjustments for the classified workforce were submitted to the Secretary of Administration. The findings were also provided to the General Assembly by November 1st.

The assessment relied on estimates of market movement reported by national compensation consulting firms. Also, there was a comparison of average state salaries with private industry salaries for selected occupations.

In 2000, the Commonwealth took significant strides in approving a Compensation Reform package that changed the Commonwealth's pay structure to better reflect market conditions in the public and private sectors.

Rather than a one-size-fits-all approach, under Compensation Reform, state employee salaries are more closely aligned with the labor market, with other employees' salaries, and with the business needs of the agencies. While pay for performance is a critical aspect of Compensation Reform, the funding for the program has not yet been provided as originally designed.

FACILITATE STATEWIDE WORKFORCE PLANNING

DHRM began to identify workforce planning as an important activity during a strategic planning session in 1998. Since that time, the workforce-planning program has risen in importance. Efforts to date have been aimed primarily at increasing managers' awareness of the need for workforce planning so that agencies can respond to their staffing challenges more effectively.

The focus going forward will be on implementing strategies to ensure a continuing high level of performance by state agencies. DHRM is enhancing Web-based reports to support this effort, including additional trend analysis and flexibility for agencies to generate ad hoc reports.

Workforce planning is an integral part of any organization's management of its human resources. Workforce planning is an effort to coordinate human resource management programs so that they support the strategic goals of the organization. Programs such as job evaluation, compensation management, performance management, training and development, and recruitment are all components of a successful workforce planning effort.

The focus of workforce planning is on current staffing issues as well as anticipated future staffing needs. The process involves assessing the current workforce in terms of whether or not its size is adequate, whether it is deployed effectively, and whether employees' competencies support high performance. The Commonwealth is identifying employees or occupations with skill gaps or other performance problems and developing action plans to address them. According to a 2005 workforce planning report, as of June 30, 2004, 5,438 classified employees (7.6 percent of the total) were eligible for full retirement. If no employees retire during the next five years, 21 percent of the classified

workforce would be eligible for retirement. After 10 years, 36 percent of the classified workforce will be eligible for retirement.

Additionally, the average age of classified employees on June 30, 2004 was 45.4 years. Only 5 percent were younger than 27. The number of classified employees 60 years old or older increased by 43.8 percent between May 1991 and June 2004.

There has been a significant change in the average service of state employees over the past 13 years. The number of employees with zero to five years of service and those with 10 to 15 years of service has decreased, while the number of employees with over 25 years of service has increased.

Workforce planning challenges are real and significant. State agencies and other employers have been successful in doing more with less in recent years, primarily through the use of technology. However, the combined effects of the aging workforce, increased workloads, and increasingly complex programs place limits on this phenomenon, particularly for occupations requiring advanced knowledge and experience. A number of events have combined to create the potential for a future staffing crisis.

In September 2003, DHRM issued the state's first workforce planning policy. It requires agencies to prepare workforce plans, with the goal of helping agencies to identify and respond to staffing challenges. State agencies have effectively identified their staffing issues and they have detailed a large number of strategies to address these issues.

The Commonwealth today has a coherent workforce planning process in place that provides a platform and strategy for addressing current and future needs. Training is a key component of workforce planning. DHRM's development of management and supervisory training and the online opportunities provided by the Learning Management System will greatly augment efforts to employ and retain a high performance workforce.

SUPPORT SUPERVISORY AND MANAGEMENT TRAINING

Many managers and supervisors in the state workforce have been promoted to their positions because of their technical expertise, not because of their skills as managers. Many have not had appropriate training to perform their management functions.

The lack of management and supervisory training has a negative impact on the workforce and manifests itself in different ways:

- Managers avoid problems and do not have the skills to deal with difficult situations such as performance issues.
- Management decisions are reversed in grievance hearings because managers do not know how to handle situations appropriately.
- Employee morale suffers when managers do not perform their job in a fair and impartial manner, which leads to lower productivity and increased turnover.
- The Commonwealth is exposed to potential legal liability.

To address the problem, DHRM, in collaboration with 78 state employees from 41 agencies, established Commonwealth management training criteria and began the development of the "Managing Virginia Program" (MVP) to provide a range of training opportunities for managers and supervisors. The training, which began July 1, 2005, is available through a variety of means, including online, teleconferencing, videoconferencing, classroom and Master Trainer. A tiered rollout has been developed that will end in December 2005.

IMPLEMENT A LEARNING MANAGEMENT SYSTEM

Training is a critical component of workforce planning and staff development. Agencies must have the ability to track the knowledge, skills and abilities of employees to form succession plans to transfer knowledge to mitigate the impact of retirements. Because there was no centralized, statewide system, agencies developed their own tracking methods, both manual and automated, with information remaining with the agency rather than moving with the employee as the employee changed jobs. DHRM took the lead in forming a task force to examine Learning Management Systems and make a recommendation for purchase of a system. Requirements were developed, systems reviewed, an RFP posted and a vendor selected, all in a collaborative environment in which the agencies shared opinions and decisions.

In June 2004, a contract was signed with Meridian, of Chantilly, Virginia, and system development began. DHRM is the business owner of the LMS, and manages the core system. Each agency was able to customize the LMS look and feel for the agency. During the following months data was imported from various agency systems into the LMS databases. The first phase of the Statewide LMS was completed on Feb. 28, 2005 and the system went "live" on March 1. Since the launch of the LMS, additional agencies and local governments have expressed interest in joining the LMS consortium.

The participating agencies in the first wave of implementation were the Department of Human Resource Management, Department of General Services, Department of Juvenile Justice, Virginia Department of Corrections, Virginia Department of Transportation, Virginia Information Technologies Agency, the Virginia Employment Commission, and the Virginia State Police,

As estimated \$5 million taxpayer dollars will be avoided through utilization of the statewide LMS, not only in eliminating the purchase of duplicate systems but also reducing by 75 percent the cost of tracking individual training records.

DEVELOP AN EMPLOYEE WEB PORTAL

This item was removed from the Executive Agreement because of the PPEA for the enterprise solution currently being reviewed.

CONDUCT A COMPREHENSIVE REVIEW OF EMPLOYEE BENEFITS

As part of the Governor's Executive Agreement with the Department of Human Resource Management, DHRM was tasked with the requirement to conduct a review of employee benefits. A steering committee consisting of the DHRM director, policy and health benefits staff, and staff from the Virginia Retirement System met and concluded that the scope of the benefits study should focus on the leave system for classified employees (those subject to provisions of the Virginia Personnel Act). While some leave benefits were overhauled in 1999 with the development and implementation of the Virginia Sickness and Disability Program (VSDP), there has been no significant review of the entire leave program in many years.

Before finalizing the focus of the proposed study, it was presented to the Human Resource Advisory Council whose members provided input and suggestions for the study. The Department of Planning and Budget, Department of Accounts, the Virginia Governmental Employee Association, and staff of the Senate Finance Committee and House Appropriations Committee also were briefed about the study and given the opportunity to provide comments.

An Employee Benefits Focus Group was formed to provide input and to serve as active participants in the study. Fifteen

agencies of varying sizes and complexities representing each Cabinet area were invited to participate in the focus group. The focus group was comprised of recently hired and long-term employees representing human resources, management/supervisory, and non-management staff. This group was tasked with reviewing the current leave system, identifying issues, and developing recommendations.

Employees want more flexibility in how they can use their leave. Often they have a limited understanding of the type of leave benefits available to them. This fact reinforces the concern raised by the focus group regarding the need to simplify the leave benefit program. The issues that the Commonwealth of Virginia faces with employees and benefits are not unique. The demographics of the workforce are changing and the "one-size-fits-all" approach to leave benefits is no longer efficient or effective.

Employers are being forced to recognize the demands being placed on them by the different employee populations and the impact they have on the workplace. The workforce is made up of more single parents, grandparents who are raising grandchildren, more Generation X and Y employees, and aging employees. As indicated in the state's workforce planning report, younger employees are not being retained in state employment. The younger employees entering the work force are seeking flexibility in work and in benefits. Conversely, long-term or older employees are looking for leave programs to help them balance the demands of work, home and the possibility of caring for aging parents.

The current leave program requires an inordinate amount of time to administer. The focus group shared their frustration with having to understand the many different types of leave as well as the time spent to administer and manage employees' use of leave.

Following their review of the State's current leave program and other leave plans, the focus group concluded that a PTO Program, or some version of such a program, best addresses the issues that have been identified. Based on the information presented in this study the Employee Benefits Focus Group recommends that the current leave benefits program be revised to:

- Ø meet the demands of the emerging workforce;
- Ø enhance recruitment and retention initiatives;
- Ø provide flexibility;
- Ø reduce unscheduled absences; and;
- Ø address the administrative burden of the current system.

MAINTAIN A COMPETITIVE HEALTH BENEFITS PLAN

COVA Care, introduced to state employees in the 2003-04 fiscal year, heralded a new direction in the provision of health care for state employees. Under the new system, premiums were reduced and patient co-pays and other out-of-pocket expenses were increased. At the same time, the program emphasized preventive care and regular health checkups. As a result, utilization of preventive care services by state employees increased 18 percent during the first year of COVA Care.

In FY04, a national quality survey of COVA Care found that the overall health plan ranked between the 25th and 50th percentile in employee satisfaction with the plan and between the 50th and 75th percentile in terms of providing health care. In terms of access to health care, customer service and claims processing, the survey results showed that respondents ranked those areas at above the 75th percentile.

In all the overall health plan and health care were averaged and the result was 49.1 percent. FY05 survey results will be available by October 31, 2005.

In FY 04, the Commonwealth collected \$250,000 from Anthem and \$122,479 from Magellan for standards not met in the areas of claim payment accuracy and customer service. Performance results for FY05 will be available by October 31, 2005.

MAINTAIN A COMPETITIVE WORKERS' COMPENSATION PLAN FOR STATE EMPLOYEES

The Department of Human Resource Management's State Employee Workers' Compensation Services earned national prominence in 2002 when it received a National Innovation Award from the Council of State Governments. The public-private partnership has saved millions of taxpayer dollars since its inception in 1999 and has reduced lost-time claims by more than 30 percent through an aggressive return-to-work program. The service area uses experienced-based premiums to set individual agency rates.

In the latest annual workers' compensation survey, conducted by Virginia Commonwealth University, the SEWCS program had a final overall satisfaction score of 7.8, compared to the final contractual score of 7.4 on a 10-point scale. An updated survey will be available in the second quarter of the 2005-06 fiscal year. The total for liquidated damages in FY 05 was \$73,803.03.

IMPLEMENT A COST CONTAINMENT AND EDUCATION PROGRAM TO INCREASE WORKPLACE SAFETY

DHRM's State Employee Workers' Compensation Services has moved aggressively to reduce workplace injuries through training and safety surveys at state agencies. In the 2004-05 fiscal years, SEWCS conducted 61 safety inspections, exceeding its goal of 55 such inspections. Another 55 such surveys were conducted in the previous fiscal year.

In addition to inspections, the office regularly conducts training, including seven regional claims training programs, loss control and OSHA certification training and the annual "Safety Day," which brings together safety officers from around the Commonwealth for intensive hands-on training activities.

DHRM's State Employee Workers' Compensation Services continues to rack up impressive savings through its aggressive safety and return-to-work programs and loss-control efforts. In the 2004 fiscal year the program saved \$17,706,539.28, based on actuarial projections of program expenditures that are built into the cost containment contract, besting the targeted savings of \$10 million.

INCREASE UTILIZATION OF "EMPLOYEE DIRECT"

Introduced in 2002, EmployeeDirect is an online self-service portal that allows employees secure access to their individual health benefits plans and personnel profiles. Use of EmployeeDirect has significantly reduced the processing of paper health benefits forms, allow HR staff time for more value-added activities. Use of EmployeeDirect has avoided an estimated \$900,000 in costs in one year, including an estimated one-hour of employee and Benefits Administrator time saved, averaging \$20, per transaction.

In FY04, of the nearly 15,000 employees and non-medicare retirees making election changes for health coverage and flexible reimbursement accounts, 51 percent or almost 7,600 used EmployeeDirect. This exceeded the established goal of a 10 percent increase or 48 percent utilization.

In FY05, of the nearly 14,000 employees and non-medicare retirees making election changes for health coverage and flexible reimbursement accounts, utilization increased by 1 percent, with approximately 7,200 individuals using EmployeeDirect, or 52 percent of those making election changes for health and flexible benefits. The established goal was a 10 percent increase. New security measures and login procedures to protect a member's identity online may have contributed to a lower rate of increase in utilization.

- *Summary of current productivity*

[Nothing entered]

Initiatives, Rankings and Customer Trends

- *Summary of Major Initiatives and Related Progress*

DHRM was guided by 10 components of the Director's Executive Agreement with the Governor. They were:

- oRecommend state employee compensation adjustments;
- oFacilitate Statewide Workforce Planning;
- oSupport supervisory and management training;
- oImplement a Learning Management System;
- oDevelop an employee Web portal;
- oConduct a comprehensive review of employee benefits;
- oMaintain a competitive health benefits plan;
- oMaintain a competitive workers' compensation plan for state employees, and;
- oImplement a cost containment and education program to increase workplace safety.
- oIncrease utilization of "EmployeeDirect"

Each of the areas significantly impacts the day-to-day work life of state employees. The progress being made to successfully meet those goals provides a reading as to the overall well being of the Commonwealth's workforce.

RECOMMEND STATE EMPLOYEE COMPENSATION ADJUSTMENTS

The Commonwealth's compensation philosophy is to pay employees in a manner sufficient to support and develop a high performance workforce that provides quality services in a fiscally responsible manner to the citizens of Virginia. DHRM's Office of Agency Human Resource Services (AHRS) conducts an annual assessment of Commonwealth salaries in comparison with private sector salaries.

The annual salary assessment findings and recommendations for salary adjustments for the classified workforce are submitted to the Secretary of Administration. The findings were also provided to the General Assembly by November 1st.

The assessment relies on estimates of market movement reported by national compensation consulting firms. Also, there is a comparison of average state salaries with private industry salaries for selected occupations.

In 2000, the Commonwealth took significant strides in approving a Compensation Reform package that changed the Commonwealth's pay structure to better reflect market conditions in the public and private sectors.

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FACILITATE STATEWIDE WORKFORCE PLANNING

DHRM began to identify workforce planning as an important activity during a strategic planning session in 1998. Since that time, the workforce-planning program has risen in importance. Efforts to date have been aimed primarily at increasing managers' awareness of the need for workforce planning so that agencies can respond to their staffing challenges more effectively.

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- oThe Commonwealth is exposed to potential legal liability.

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CONDUCT A COMPREHENSIVE REVIEW OF EMPLOYEE BENEFITS

As part of the Governor's Executive Agreement with the Department of Human Resource Management, DHRM was tasked with the requirement to conduct a review of employee benefits. A steering committee consisting of the DHRM director, policy and health benefits staff, and staff from the Virginia Retirement System met and concluded that the scope of the benefits study should focus on the leave system for classified employees (those subject to provisions of the Virginia Personnel Act). While some leave benefits were overhauled in 1999 with the development and implementation of the Virginia Sickness and Disability Program (VSDP), there has been no significant review of the entire leave program in many years.

Before finalizing the focus of the proposed study, it was presented to the Human Resource Advisory Council whose members provided input and suggestions for the study. The Department of Planning and Budget, Department of Accounts, the Virginia Governmental Employee Association, and staff of the Senate Finance Committee and House Appropriations Committee also were briefed about the study and given the opportunity to provide comments.

An Employee Benefits Focus Group was formed to provide input and to serve as active participants in the study. Fifteen agencies of varying sizes and complexities representing each Cabinet area were invited to participate in the focus group. The focus group was comprised of recently hired and long-term employees representing human resources, management/supervisory, and non-management staff. This group was tasked with reviewing the current leave system, identifying issues, and developing recommendations.

Employees want more flexibility in how they can use their leave. Often they have a limited understanding of the type of leave benefits available to them. This fact reinforces the concern raised by the focus group regarding the need to simplify the leave benefit program. The issues that the Commonwealth of Virginia faces with employees and benefits are not unique. The demographics of the workforce are changing and the "one-size-fits-all" approach to leave benefits is no longer efficient or effective.

Employers are being forced to recognize the demands being placed on them by the different employee populations and the impact they have on the workplace. The workforce is made up of more single parents, grandparents who are raising grandchildren, more Generation X and Y employees, and aging employees. As indicated in the state's workforce planning report, younger employees are not being retained in state employment. The younger employees entering the

work force are seeking flexibility in work and in benefits. Conversely, long-term or older employees are looking for leave programs to help them balance the demands of work, home and the possibility of caring for aging parents.

The current leave program requires an inordinate amount of time to administer. The focus group shared their frustration with having to understand the many different types of leave as well as the time spent to administer and manage employees' use of leave.

Following their review of the State's current leave program and other leave plans, the focus group concluded that a PTO Program, or some version of such a program, best addresses the issues that have been identified. Based on the information presented in this study the Employee Benefits Focus Group recommends that the current leave benefits program be revised to:

- meet the demands of the emerging workforce;
- enhance recruitment and retention initiatives;
- provide flexibility;
- reduce unscheduled absences; and;
- address the administrative burden of the current system.

MAINTAIN A COMPETITIVE HEALTH BENEFITS PLAN

COVA Care, introduced to state employees in the 2003-04 fiscal year, heralded a new direction in the provision of health care for state employees. Under the new system, premiums were reduced and patient co-pays and other out-of-pocket expenses were increased. At the same time, the program emphasized preventive care and regular health checkups. As a result, utilization of preventive care services by state employees increased 18 percent during the first year of COVA Care.

In FY04, a national quality survey of COVA Care found that the overall health plan ranked between the 25th and 50th percentile in employee satisfaction with the plan and between the 50th and 75th percentile in terms of providing health care. In terms of access to health care, customer service and claims processing, the survey results showed that respondents ranked those areas at above the 75th percentile.

In all the overall health plan and health care were averaged and the result was 49.1 percent. FY05 survey results will be available by October 31, 2005.

In FY 04, the Commonwealth collected \$250,000 from Anthem and \$122,479 from Magellan for standards not met in the areas of claim payment accuracy and customer service. Performance results for FY05 will be available by October 31, 2005.

MAINTAIN A COMPETITIVE WORKERS' COMPENSATION PLAN FOR STATE EMPLOYEES

The Department of Human Resource Management's State Employee Workers' Compensation Services earned national prominence in 2002 when it received a National Innovation Award from the Council of State Governments. The public-private partnership has saved millions of taxpayer dollars since its inception in 1999 and has reduced lost-time claims by more than 30 percent through an aggressive return-to-work program. The service area uses experienced-based premiums to set individual agency rates.

In the latest annual workers' compensation survey, conducted by Virginia Commonwealth University, the SEWCS program had a final overall satisfaction score of 7.8, compared to the final contractual score of 7.4 on a 10-point scale. The total for liquidated damages in FY 05 was \$73,803.03.

IMPLEMENT A COST CONTAINMENT AND EDUCATION PROGRAM TO INCREASE WORKPLACE SAFETY

DHRM's State Employee Workers' Compensation Services has moved aggressively to reduce workplace injuries through training and safety surveys at state agencies. In the 2004-05 fiscal years, SEWCS conducted 61 safety inspections, exceeding its goal of 55 such inspections. Another 55 such surveys were conducted in the previous fiscal year.

In addition to inspections, the office regularly conducts training, including seven regional claims training programs, loss control and OSHA certification training and the annual "Safety Day," which brings together safety officers from around the Commonwealth for intensive hands-on training activities.

DHRM's State Employee Workers' Compensation Services continues to rack up impressive savings through its aggressive safety and return-to-work programs and loss-control efforts. In the 2004 fiscal year the program saved \$17,706,539.28, based on actuarial projections of program expenditures that are built into the cost containment contract, besting the targeted savings of \$10 million.

INCREASE UTILIZATION OF "EMPLOYEE DIRECT"

Introduced in 2002, EmployeeDirect is an online self-service portal that allows employees secure access to their individual health benefits plans and personnel profiles. Use of EmployeeDirect has significantly reduced the processing of paper health benefits forms, allow HR staff time for more value-added activities. Use of EmployeeDirect has avoided an estimated \$900,000 in costs in one year, including an estimated one-hour of employee and Benefits Administrator time saved, averaging \$20, per transaction.

In FY04, of the nearly 15,000 employees and non-medicare retirees making election changes for health coverage and flexible reimbursement accounts, 51 percent or almost 7,600 used EmployeeDirect. This exceeded the established goal of a 10 percent increase or 48 percent utilization.

In FY05, of the nearly 14,000 employees and non-medicare retirees making election changes for health coverage and flexible reimbursement accounts, utilization increased by 1 percent, with approximately 7,200 individuals using EmployeeDirect, or 52 percent of those making election changes for health and flexible benefits. The established goal was a 10 percent increase. New security measures and login procedures to protect a member's identity online may have contributed to a lower rate of increase in utilization.

- *Summary of Virginia's Ranking*

Virginia received an A- from Governing Magazine on the People section of Governing Performance Project, which contributed to the straight A Virginia received on managing the state. Virginia was considered the best managed state in the nation. Virginia was one of only three states to receive a grade of A for its "people" policies. DHRM is in the process of researching appropriate national trends and available data in the following areas:

- Amount of time to fill an open position.
- Percent of new employees who left state service voluntarily.
- Percent of voluntary terminations

- Percent of new employees terminated.
 - Total benefit dollars per state employee
 - Benefits dollars per dollar of salary
 - Percent of health insurance covered by the state.
 - Number of discriminations charges for state employees
 - Percent of discrimination charges per 1,000 state employees
 - Amount of training dollars per employee
 - Percent of employees with career plans.
 - Percentage of promotions, classified and non-classified employees.
- *Summary of Customer Trends and Coverage*
 - oAging workforce
 - oChanging workplace as younger employees require different policies and procedures????
 - oGreater emphasis on outsourcing.

Future Direction, Expectations, and Priorities

- *Summary of Future Direction and Expectations*
FUTURE DIRECTION

- Continue the flexibility in human resource management
- Focus on long-term planning for human resource management
- Establish an effective workforce planning program
- Improve health and safety of employees in the workplace
- Increase statewide communications to employees
- Enhance career planning and employee development
- Strengthen central data collection and information

- *Summary of Potential Impediments to Achievement*
POTENTIAL IMPEDIMENTS

- Inadequate funding and staffing levels
- Doing more with less
- Rising health care costs
- Inadequate reserves for Health Benefit and Workers' Compensation Programs
- Aging workforce
- Not an employer of choice
- Antiquated human resources information systems
- Inflexibility of laws, regulations, policies and procedures
- Risk aversion

Service Area List

Service Number	Title
129 704 01	Agency Human Resource Services
129 704 03	Equal Employment Services
129 704 06	Health Benefits Services
129 704 09	Personnel Development Services
129 704 17	State Employee Services
129 704 18	State Employee Workers' Compensation Services
129 704 19	Administrative and Support Services

Agency Background Information

Statutory Authority
§ 2.2-1200

AUTHORITY TOPIC LANGUAGE

§ 2.2-1202 Annual Salary Survey Review annually to determine where discrepancies in compensation exist between the public and private sector and report to the Governor and General Assembly by December 15. · Lack of information available to decision-makers on the salaries of state employees.

§ 2.2-1201(7) Application Form Design and utilize an application form, which also includes information on prior volunteer work performed by applicant. · Inability to recruit qualified applicants for state jobs.

§2.2-2817.1 Alternate work schedules Requires each agency to develop policy on alternate work schedules and telecommuting, identifying employees eligible to participate, and broad categories of employees ineligible to participate with justification, setting annual percentage targets of eligible employees of at least 25% by 7/1/09. Requires each agency to report annually to SOA/DHRM on status and efficiency of telecommuting and participation in alternate work schedules, including specific budget requests for information technology, software, or other equipment needed to increase opportunities for telecommuting and participation in alternate work locations. · Non-compliance· May have impact on transportation

§ 2.2-1201(1) Classification Make recommendations to Governor regarding establishment and maintenance of classification plan for service of the Commonwealth, and recommend amendments as necessary. · Pay inequities· Violations of equal pay for equal work· Inability to attract and retain qualified employees· Morale.

Executive Order 32 (02) Commonwealth of Virginia Campaign Authorizes the Commonwealth of Virginia Campaign to provide a responsive and convenient system to facilitate charitable giving for state employees. · Lack of convenience for employees in charitable giving· Reduced contributions to the community.

§ 2.2-1201(2) Compensation Make recommendations to Governor regarding the establishment and administration of

compensation plan for all employees, and recommend amendments as necessary. · Pay inequities. · Violations of equal pay for equal work. · Inability to attract and retain qualified employees. · Morale.

Executive Order 6 (02) Conference Recruitment Directs state agencies to actively recruit national and regional conferences and conventions. Report due annually by May 1 on status of negotiations, contacts relative to such recruitment. · Non-compliance.

§2.2-3128 et seq Conflict of Interest Act (COIA) Furnish COIA to any employee required to file disclosure statement within two weeks of employment, and requires orientation and training program. · Non-compliance · Violations of conflict of interest laws · Bad press

§2.2-1201.1 Criminal Background Checks Develop a statewide policy on criminal background checks for sensitive positions. · Criminals hired for sensitive positions. · State liability for potential danger to the public, clients, and infrastructure.

§ 2.2-1201(11) Disciplinary Actions Establish and administer regulations relating to disciplinary actions; no suspension without pay for more than 10 days of any state employee under investigation without a hearing by level of supervision above the employee's immediate supervisor or agency head. · Inability to maintain a fair and objective disciplinary system.

§ 2.2-4117 Dispute Resolution Requires adoption of a written policy to encourage use of dispute resolution proceedings. · Non-compliance.

§ 2.2-1201(4) Employee-Management Relations Establish and direct employee-management relations program designed to improve communications between employees and agencies · Non-compliance with Code. · Ineffective employee-management relations

§ 2.2-1201(12) Employee Suggestion Program Adopt and implement centralized reward and recognition program for employees whose proposed cost savings or process improvements are implemented, including requirements for notification of receipt within 30 days and determination of the feasibility of the proposal within 60 days of receipt. · Lost opportunity · Non-compliance

§ 2.2-2902.1. Employees – right to contact elected officials Address in HR policy the right of state employees to contact elected officials to express concerns. · Non-compliance · Ineffective employee relations

§ 2.2-1201(14-15) Employment Level Annual Report Submit annual report to members of the General Assembly by September 30th showing employment levels, changes, and terminations. · Lack of information available to decision-makers on the state workforce. · Non-compliance.

Executive Order 54 (03) Energy Conservation by State Agencies Requires agencies to implement an energy plan to reduce energy consumption, monitor and report progress to DMME, and use the Energy Efficiency and Operational Performance Contracting Act in procurement to accomplish energy conservation projects. · Non-compliance · Inefficient energy usage

§ 2.2-1201(10) Equal Employment Opportunity Establish and administer program to assure equal employment opportunity to applicants and to state employees in all incidents of employment. · Increased vulnerability to complaints of discrimination. · Wholly ineffective human resource management system.

Executive Order 1 (02) Equal Employment Opportunity Prohibits state agencies from engaging in unlawful employment discrimination and authorizes OEEES to investigate and resolve such complaints. · Increased financial liability exposure resulting from acts of illegal discrimination.

§ 2.2-1201(9) Evaluation of Personnel Activities Establish and administer a program of evaluation of effectiveness of performance of the personnel activities of the agencies. · No ability to determine proactively if agencies are adhering to DHRM's policies and procedures. · No ability to determine effectiveness and efficiency of agencies' human resource management procedures.

29 U.S.C. Chapters 8 & 9 Executive Order 27 (02) Fair Labor Standards Act (FLSA) Establishes minimum wage, overtime, record keeping, child labor, and equal pay standards. · Criminal fines up to \$10,000, Civil fines plus liquidated damages.

29 U.S.C. 2611(et seq.) Family & Medical Leave Act (FMLA) Comply with requirements of federal law to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for certain specified family and medical reasons, to maintain employees' health insurance during the period of leave under FMLA, and to return employees to their same or equivalent position upon their return from FMLA leave. · Lawsuits in state or federal courts for violation of the law to recover damages and relief including any award of attorneys fees and other costs of the action to be paid by defendant (the State). (Damages include wages, salaries, employment benefits, or other compensation denied or lost due to the violation.)

Executive Order 53 (03) Financial Disclosure Statements Requires agency head to provide updated information on positions designated to complete statement of economic interests, to have those statements submitted in a timely fashion, and to ensure that staff understand the importance and necessity of maintaining high ethical standards and conduct. · Non-compliance

26 U.S.C. § 125 Health Insurance - Cafeteria Plan Rules Requires state to comply with IRS 125 rules to avoid constructive receipt when employees are allowed to pay health care premiums on pre-tax basis. · Non-compliance could result in taxation of employees' pre-tax premiums to the health benefits plan, the medical spending account, and the dependent day care assistance plan.

42 U.S.C. § 300bb-2 Health Insurance - Consolidated Omnibus Budget Reconciliation Act Requires state to provide notice to employees and dependents covered under the state's health care plan of their rights to continue coverage upon certain qualifying events, such as termination of employment. · Non-compliance could result in daily fines for each infraction.

29 U.S.C. § 1181, 29 U.S.C. § 1182, 42 U.S.C. § 1320d-1329d-8, 26 U.S.C. § 7702B Health Insurance - Health Insurance Portability and Accountability Act Requires state to issue certification of prior coverage upon termination of coverage; prohibits discrimination based on an individual's health status; requires privacy protection of plan members' individual identifiable health information; requires submission of electronic data in a standard format to business partners. Requires that electronic systems, which store or transmit individual identifiable health information be evaluated and made secure from unauthorized sources. · Non-compliance could result in fines for each infraction.

§ 2.2-1818.G. Health Insurance – Health Savings Accounts Directs DHRM to include a High Deductible Health Plan (HDHP) that would qualify for a Health Savings Account pursuant to § 223 of the Internal Revenue Code of 1986, as amended, as one of its health benefit plan offerings in each planning district by July 1, 2006. · Non-compliance

§ 2.2-1204 Health Insurance – Local Government Employees Directs DHRM to establish a health insurance plan for employees of local governments, local officers, teachers, and retirees. · Potential negative impact on morale. · Inability to attract and retain employees. · Potential litigation and associated liabilities.

42 U.S.C. § 1395y Health Insurance - Medicare Secondary Payor Requires state coverage to be primary to Medicare for active employees and their dependents; forbids state from offering any incentive to enroll in Medicare in lieu of state's coverage. · Non-compliance could result in repayment of overpayment plus interest to Medicare and subject the plan to an excise tax.

29 U.S.C. § 1185a Health Insurance – Mental Health Parity Act of 1996 Provides for parity in application of limits to certain mental health benefits. · Non-compliance could result in fines for each infraction.

29 U.S.C. § 1185 Health Insurance - Newborns' and Mothers' Protection Act of 1996 Provides protections for mothers and their newborns with regard to length of hospital stays following birth of a child. · Non-compliance could make the plan subject to an excise tax.

§2.2-2818 Health Insurance - State Employees Directs DHRM to administer a state health insurance plan for state employees and retired state employees. · Potential negative impact on morale. · Inability to attract and retain employees. · Potential litigation and associated liabilities.

§ 2.2-2820§2.2-2818 Health Insurance - Part-Time State Employees Directs DHRM to develop and administer a state health insurance plan for part-time state employees. Directs DHRM to offer part-time employees the same health care plan offered to full-time employees. Part-time employees pay entire premium. · Potential negative impact on morale. · Inability to attract and retain part-time employees. · Potential litigation and associated liabilities.

29 U.S.C. § 1169 Health Insurance - Qualified Medical Child Support Orders Requires state to honor DSS orders to cover a child under an employee's plan; allows for alternative recipient to receive benefit payments rather than employee. · Non-compliance.

§ 2.2-2819 Health Insurance – Surviving Spouse and Dependents of State Employees Permits purchase of continued health insurance coverage for surviving spouse and dependents of active or retired state employee in certain circumstances. · Potential litigation and associated liabilities.

29 U.S.C. § 1185b Health Insurance - Women's Health and Cancer Rights Act of 1998 Requires plans that provide mastectomy coverage to also provide for reconstructive surgery; also requires annual notice of this benefit. · Non-compliance could make the plan subject to an excise tax.

2005 Appropriation Act Item 85 Human Resource Service Bureau Requires DHRM to operate a human resource service center to support the human resource needs of agencies identified by the Secretary of Administration. · Non-compliance · Inefficient human resource management.

§ 2.2-1204; § 51.1-513.1§2.2-1208 Long Term Care Insurance Authorizes DHRM to establish a long-term care insurance program. Requires that DHRM develop, implement and administer a LTC insurance program for any person with five or more years of VRS service with any employer. Local government employees, officers, teachers eligible for other LTC programs are ineligible. · Potential negative impact on morale. · Inability to attract and retain employees. · Potential litigation and associated liabilities. · Non-compliance · Provides state benefit to prior employees who may work elsewhere

§ 2.2-2821 Loss Prevention Program Establishes the requirement to develop loss prevention programs. · Violations of OSHA standards. · Criticism for failure to follow 'best HR practices.' · Loss of financial incentive for agencies to develop return-to-work programs. · Loss of premium reduction opportunity.

Executive Order 44 (03) Military leave - Supporting State Employees Called to Active Duty Requires DHRM to issue a policy establishing supplemental pay for classified state employees called to active duty military service in the Armed Forces of the US. · Non-compliance. · Financial hardship for employees on military leave.

§ 2.2-2818.L Ombudsman Requires DHRM to appoint an ombudsman to protect state employees' interest under state health plan. · Potential negative impact on morale. · Inability to attract and retain employees. · Potential litigation and associated liabilities.

§ 2.2-1201(5) Performance Evaluation Establish and administer a system of performance evaluation for all state employees, based on quality of service rendered, related where practicable to specific standards of performance. · Inability to link pay with performance. · Potential for employees to be treated unfairly.

§ 2.2-1201(3) Personnel Information System Design and maintain personnel information system. · Inability of the Office of the Governor to manage the workforce of the Commonwealth. · Non-compliance.

§ 2.2-1201(13) Personnel Policies Develop, disseminate and interpret state personnel policies and procedures to all agencies covered by the Virginia Personnel Act. Authority to establish and interpret personnel policies and procedures, and to assure full compliance with such policies. Has no authority over state grievance procedures. · Non-compliance. · Potential for employees to be treated unfairly.

§ 2.2-4300 to § 2.2-4343 Procurement Requires purchasing in accordance with mandates of the Virginia Public Procurement Act. · Inability to execute procurements in a prudent and timely manner. · Reduced purchasing power of the Commonwealth. Executive Order 29 (02) Procurement – Equal Opportunity Requires each agency to prepare a written program to facilitate participation of small businesses and businesses owned by women and minorities in procurement transactions with the agency. · Non-compliance

§ 42.1-86.1 to § 42.1- 88 Records Management Requires agency to maintain a retention and disposition schedule of public documents approved by the Librarian of Virginia. · Direct liability and possible criminal charges against the agency head. · Class 3 misdemeanor.

Executive Order 9 (02) Recruitment; Hiring Guidelines Requires all Cabinet Secretaries and Agency Heads to adhere to hiring policies and procedures to manage employment without adversely affecting essential services. · Non-compliance Executive Order 73 (01) Recruitment; Position Advertising Expands use of the Internet for the Commonwealth Recruitment and Position Advertising. · Lack of centralized information on jobs available in the Commonwealth.

§ 2.2-1201(6) Recruitment; Re-employment Opportunities Pool Establish and administer a system of recruitment designed to attract high quality employees for service to the Commonwealth. · Inability to recruit qualified applicants for state jobs. · Impediment to employee career planning and placement. · Impediment to employee promotional opportunities. · Confusion/frustration for applicants. · No centralized repository for vacant positions.

Executive Order 52 (99) Safe and Healthy Workplace Establishes an initiative to assure a safe and healthy workplace for state employees, to reduce the incidence of work-related accidents and illnesses, to assure that injured employees receive any benefits for which they are eligible in a timely manner, and to assist employees in returning to work. · Violations of OSHA standards. · Criticism for failure to follow 'best HR practices.' · Loss of financial incentive for agencies to develop return-to-work programs. · Loss of premium reduction opportunity.

Executive Order 69 (04) Secure Commonwealth Initiative Requires agency heads to certify to the Governor by June 1, 2004 that they have completed updates and/or development of plans that address continuity of their operations and services, and the security of their customers and employees, in the event of natural or man-made disasters or emergencies, including terrorist attacks. Requires that agencies exercise and test plan on or before September 1, 2005. · Non-compliance

2005 Appropriation Act Item 85.F. Study – Executive Compensation Requires DHRM to review the compensation of agency heads, cabinet secretaries and deputy cabinet secretaries, with report due October 1, 2005. · Non-compliance HD 8 (05) Study – Community Service Workers Interim Report on the Status, Impact, and Utilization of Community Health Workers Requires DHRM, James Madison University and the Community Health Worker (CHW) Study Resolution Committee to review the Direct Services Career Group Description to ensure that CHWs are appropriately identified as a health care support occupation and defined in accordance with the Committee's findings. · Non-compliance

2005 Appropriation Act Item 427B.1. Study – Forensic Scientists Requires the Directors of Forensic Science and DHRM to prepare a report and plan by June 1, 2005 for the expenditure of \$1 million to address salary compression and starting salaries of Forensic Scientists. · Non-compliance 2005 Appropriation Act Item 427B.2. Study – Forensic Scientists Requires the Directors of Forensic Science and DHRM to prepare a report by October 1, 2005 on DFS efforts to recruit forensic scientists to fill the positions authorized during the 2005 GA Session, including the fill rate for the new positions and issues that limit the ability to recruit and retain forensic scientists. · Non-compliance

HJ103 (04) Study – Impact of aging population for state agency services Requires DHRM to consult with JLARC to study the impact of Virginia's aging population on the demand and cost of state agency services, policies and program management. · Non-compliance

2005 Appropriation Act Item 85.E Study – Social Services Requires DHRM to assist DSS in a review of its classified employees located in the Northern Virginia pay area to determine if salary adjustments are needed for recruitment and retention. · Non-compliance

§ 22.1-289.1 Teacher Salary Survey Review biannually to determine if teachers are paid at a competitive rate and report to Governor, General Assembly and Board of Education by June 1 of odd numbered years. · Lack of information available to decision-makers on the salaries of schoolteachers.

2005 Appropriation ActItem 445.D.2. Technical Assistance – Departments of Juvenile Justice and Correctional Education Requires DHRM to provide assistance to DJJ and DCE in addressing issues related to the state work force affected by the closure of Barrett Juvenile Correctional Center and the expansion of Culpeper Juvenile Correctional Center. · Non-compliance

29 U.S.C. §§ 621-633(a) The Age Discrimination in Employment Act of 1967 Prohibits discrimination in all privileges and conditions of employment against persons age 40 and over. · Up to \$300K in compensatory damages.

42 U.S.C. Chapter 126 The Americans with Disabilities Act of 1990 Prohibits discrimination in all privileges and conditions of employment against qualified persons with a disability. · Up to \$300K in compensatory damages.

29 U.S.C. § 206 The Equal Pay Act of 1963 Prohibits differentiation in pay for equal work based on gender. · Make whole relief.

8 U.S.C. 1324 a & b The Immigration Reform and Control Act of 1986 Prohibits discrimination based on national origin and citizenship status in all privileges and conditions of employment. · Make whole relief plus penalties ranging from \$250 to \$10K for each unauthorized alien.

42 U.S.C. 2000(e)(k) The Pregnancy Discrimination Act of 1978 Requires employers to treat women affected by pregnancy, childbirth, and related medical conditions, the same as other employees for all employment-related purposes. · Up to \$300K in compensatory damages.

42 U.S.C. 2000h 2 Title IX of the Education Amendments of 1972 Prohibits discrimination based on gender in all privileges and conditions of employment in education programs or activities that receive federal financial assistance. · Make whole relief.

42 U.S.C. 2000C-2000E-17 Title VII of the Civil Rights Act of 1964 Prohibits discrimination in all privileges and conditions of employment due to race, color, national origin, gender (including sexual harassment), and religion. · Disparate Treatment - Up to \$300K compensatory damages. · Disparate Impact - Make whole relief.

§ 2.2-1201(8) Training and Management Development Establish and administer a comprehensive and integrated program of employee training and management development. · Disparities among state agencies in the types of training opportunities and the number of opportunities available to employees. · Increased costs as agencies develop the same types of courses. · Information is not consistent statewide.

29 U.S.C. § 1607.18 Uniform Guidelines on Employee Selection Procedures Requires employers to determine whether tangible employment practices result in disparate impact against minorities and women, and to take affirmative corrective action if found. · Make whole relief under Title VII.

§ 2.2-2903 Veterans Preference Requires that "additional consideration" shall be given to veterans who have a service-connected disability rating fixed by the United States Veterans Administration. · Non-compliance

Executive Order 40 (02) Veteran Services Identify opportunities for improving services to veterans and implement appropriate changes, with a report on progress due to the SOA by June 30, 2003. · Non-compliance. · Potential legislation introduced by veterans.

§ 2.2-2675 to § 2.2-2678 Virginia Council on Human Resources Advises the Governor, DHRM and EDR on personnel matters and designates DHRM to take the lead on staff assistance. · Non-compliance.

2004 Appropriation ActItem 463F.1.Item 463F.2. VITA Requires DHRM to conduct a timely review of all compensation actions for VITA employees to ensure proper application of classification and compensation policies/procedures and report to VITA within five days of completion, and a report to the VITA Investment Board, the Governor, the Chairmen of the GA money committees and JLARC of any material deviations from class and comp policies and corrective actions taken by November 1 of each year. · Non-compliance

§ 2.2-2821 Workers' Compensation Insurance Plan Establishes Workers' Compensation Insurance Plan. · Loss of savings. · Possible violations of ADA.

§ 2.2-1201(16) Workers' Compensation Administers the workers compensation insurance plan for state employees. · Violation of Virginia Workers' Compensation Commission Procedure and Regulations for Filing First Reports 16 VAC 30-90-30.A.

2005 Appropriation ActItem 86 Workers' Compensation Premiums Recommend workers' compensation premiums for state agencies for the following biennium to the Governor and Chairmen of the HAC and SFC by September 1, 2005. · Non-compliance.

§ 2.2-3200 to § 2.2-3206 Workforce Transition Act Provides transitional severance benefit to eligible state employees. · Non-compliance.

Customers

Customer Group	Customers served annually	Potential customers annually
	0	0
DHRM Internal Service Areas	7	7
Federal Government Agencies	8	10
General Assembly	140	140
General Public	25,000	3,563,770
Governor, Cabinet, & staff	1	1
Judicial branch	3	7
Legislative branch agencies	6	7
Local Governments	375	960
Other states	49	49
Private Sector	10,000	270,000
State Agencies	180	180
State Employees	140,785	140,785
State Retirees	26,000	26,000

Anticipated Changes To Agency Customer Base

Partners

Partner	Description
DHRM partners with several firms especially in the health benefits and worker's compensation programs. See individual service areas.	the majority of the agency 's partners are firms that are third party administrators for different employee benefits.

Products and Services

- *Description of the Agency's Products and/or Services:*
Products and services provided by the agency are shown under each individual service area.
- *Factors Impacting Agency Products and/or Services:*
Impacting factors are shown under the using service area.
- *Anticipated Changes in Products or Services:*
See individual service areas.

Finance

- *Financial Overview:*
[Nothing entered]
- *Financial Breakdown:*

	FY 2009		FY 2010	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$5,106,998	\$4,219,396	\$5,093,884	\$4,154,432
Change To Base	\$0	\$0	\$0	\$0
Agency Total	\$5,106,998	\$4,219,396	\$5,093,884	\$4,154,432

This financial summary is computed from information entered in the service area plans.

Human Resources

- *Overview*
The agency workforce is primarily composed of subject area professional in the specific areas of responsibilities. The overall age and service of these professionals is greater than the averages for state workforce as a whole. Are
- *Human Resource Levels*

Effective Date	7/1/2005	
Total Authorized Position level	78	
Vacant Positions	-3	
Current Employment Level	75.0	
Non-Classified (Filled)	2	breakout of Current Employment Level
Full-Time Classified (Filled)	73	
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	4	
Contract Employees	0	
Total Human Resource Level	79.0	= Current Employment Level + Wage and Contract Employees

- *Factors Impacting HR*
[Nothing entered]
- *Anticipated HR Changes*
[Nothing entered]

Information Technology

- *Current Operational IT Investments:*
- DHRM has a goal to "create technologically advanced systems and efficient infrastructure capabilities to enable timely delivery of accurate and consistent employment information throughout the Commonwealth;" The goal seeks to achieve an evolving, robust, secure and integrated human resource information system that assists management and human resource practitioners in addressing ongoing business needs and responding to new information challenges. DHRM has worked towards this goal by leveraging the use of technology with existing resources to develop better ways of providing information. In support of the Governor's initiatives, DHRM IT initiatives have enhanced the employer, employee, and citizen portals whereby DHRM constituents access its systems.

- The highest IT priority in the agency is e-HR. In support of this priority, DHRM has made some constituent online self-services available 24-7 through the Employee Direct single sign-on web portal where employees have online, real-time access to display or update their Health Benefits information, to access the Adjunct Emergency Workforce and to access the CVC Online Pledge Processing.
- DHRM has focused on providing agencies HR management and customers a variety of secure, web-based, customized HR tools to analyze, summarize or list their agency data. The HR tools are available 24-7 through the Human Resource Management (HuRMan) portal.
- DHRM is in the process of web-enabling the Personnel Information Management System (PMIS) and of providing secure web-based access for employees to their personal information. Ultimately DHRM has the intention of moving the PMIS database from a mainframe, hierarchical environment to a client server, relational database.
- DHRM is partnering with other agencies to cross-integrate HR or administrative systems resident on different platforms. DHRM is integrating PMIS/BES with VRS retiree systems (VIPERS) as retirees use Employee Direct to update their health benefits information, both PMIS/BES and VIPERS are updated online, real-time, virtually eliminating the need for duplicate entry in both systems. DHRM is also providing PMIS/BES data to VRS in support of HB 1830 which mandates automatic enrollment in the Commonwealth's 457 Deferred Compensation Plan for salaried state employees hired or rehired on or after January 1, 2008.
- DHRM is partnering with DOA to partially integrate PMIS with the DOA Payroll (CIPPS) system to have both enterprise systems holding consistent information. DHRM is managing the administration and ownership of Employee Identification Numbers, which are now used as unique, required person identifiers in both PMIS and CIPPS. Also, PMIS is driving the edits and validation of mailing addresses based on the official standards adopted by USPS to make PMIS and CIPPS consistent in address information and format.
- DHRM collects employee performance evaluation data, and calculates any statewide performance-based increases as directed by the Governor and General Assembly.
- DHRM is the business owner of the Enterprise Commonwealth of Virginia Knowledge Center. As the super-owner agency, DHRM maintains and manages configured business needs and profiles from agencies using or in the process of using this system, which can be customized for each agency's use.

- *Factors Impacting the Current IT:*

- LACK OF FUNDING AND STAFFING.

The lack of adequate funding and staffing threatens the overall quality of the Agency's services, its ability to initiate much needed new programs, its ability to compete in the market for talent, and the timely implementation of system changes and updates;

The new rates implemented by the VITA/NG partnership increased DHRM IT costs without increase of services provided and without supporting funding for that increase;

- QUICK AND ACCURATE RESPONSE TO INQUIRIES.

DHRM must be able to respond quickly and accurately to information queries from various constituents such as the Governor, the General Assembly, management, employees, the public, and the press; It needs flexible systems to be able to adapt to unplanned mandates;

The agency's ability to respond is hampered by the lack of staff and systems integration; a medium/long-term solution the migration of the legacy system to a client server based system with full time staff and increasing the base budget by approximately by \$450,000 annually (\$90,000 total comp x 5 employees);

- PROCUREMENT AND NEEDS OF EQUIPMENT.

DHRM must meet industry IT standards in order to be efficient and effective in its delivery of services and therefore equipment needs to be replaced or ordered; VITA/NG procurement has been very detrimental to DHRM services when any type of equipment has been ordered through the partnership; it may take 2 to 3 months to get the goods that were taking 2 to 3 weeks when DHRM was responsible for the procurement

- LACK OF SUCCESSION PLANNING AND STAFF BACKUP.

The lack of adequate staffing levels engender two critical threats to the continuity of IT service provided DHRM systems. First, due to inadequate staffing levels, there is little to no cross training to build staff-resource backup capacity in the event of an emergency. Second, due to inadequate staffing levels, there is little or no succession planning to ensure continuity of service due to the normal attrition of staff. As a general rule, automated systems degrade and eventually fail without senior technical staff to maintain them.

- *Proposed IT Solutions:*

The increase of the VITA/NG rates and budget cuts within DHRM are requiring reductions in service levels. Systems that were supporting the Knowledge Creation and Management and Human Resource Management lines of businesses. These functions are mission critical and DHRM is mandated by code to provide them to constituents.

The following are desired changes to the current environment:

- Appropriate funding to support the VITA/NG billing increase
- Appropriate funding to support the lack of staffing
- Adequate time delivery on the procurement through VITA/NG
- Anticipated changes in State Employee Health Benefits Program: DHRM has received an unsolicited PPEA proposal for patient care coordination and provider coordination services. This type of project if ultimately adopted would provide a database and associated analytic tools that would enable a third party administrator (TPA) to manage some of the diverse functions within state employee health benefits. The system architecture and data interoperability would be provided by the TPA. The Governor's Executive Order 42 (2006) titled "Strengthening Transparency and Accountability in Health Care", (http://www.governor.virginia.gov/Initiatives/ExecutiveOrders/2006/EO_42.cfm) set the goals of improving:
 - 1) Health Information Technology
 - 2) Transparency of Quality Measurements
 - 3) Transparency of Pricing Information
 - 4) Promoting Quality and Efficiency of Care
- Implementation of more workforce planning tools during the 2008-2009 biennium to allow different types of data analyses.

- Implementation of additional employee 24-7 self-service applications available to all employees during 2008-2009 biennium.

• *Current IT Services:*

Estimated Ongoing Operations and Maintenance Costs for Existing IT Investments

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Projected Service Fees	\$809,810	\$247,193	\$821,957	\$250,901
Changes (+/-) to VITA Infrastructure	\$0	\$0	\$0	\$0
Estimated VITA Infrastructure	\$809,810	\$247,193	\$821,957	\$250,901
Specialized Infrastructure	\$0	\$0	\$0	\$0
Agency IT Staff	\$0	\$0	\$0	\$0
Non-agency IT Staff	\$0	\$0	\$0	\$0
Other Application Costs	\$1,148,769	\$177,500	\$1,148,769	\$177,500
Agency IT Current Services	\$1,958,579	\$424,693	\$1,970,726	\$428,401

Comments:

[Nothing entered]

• *Proposed IT Investments*

Estimated Costs for Projects and New IT Investments

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Major IT Projects	\$0	\$0	\$0	\$0
Non-major IT Projects	\$0	\$0	\$0	\$0
Agency-level IT Projects	\$0	\$0	\$0	\$0
Major Stand Alone IT Procurements	\$0	\$0	\$0	\$0
Non-major Stand Alone IT Procurements	\$0	\$0	\$0	\$0
Total Proposed IT Investments	\$0	\$0	\$0	\$0

• *Projected Total IT Budget*

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Current IT Services	\$1,958,579	\$424,693	\$1,970,726	\$428,401
Proposed IT Investments	\$0	\$0	\$0	\$0
Total	\$1,958,579	\$424,693	\$1,970,726	\$428,401

[Appendix A](#) - Agency's information technology investment detail maintained in VITA's ProSight system.

Capital

• *Current State of Capital Investments:*

N/A

• *Factors Impacting Capital Investments:*

[Nothing entered]

• *Capital Investments Alignment:*

[Nothing entered]

Agency Goals

Goal 1

Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Goal Objectives

- Provide high-level customer service

Link to State Strategy

- nothing linked

Objective Measures

- We will provide high-level customer service

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: new baseline does not a history (in development)

Measure Target Value: Date:

Measure Target Description: 90% as of June 30, 2010

Data Source and Calculation: We will receive 90% favorable customer service ratings from state and local government agencies and employees receiving training, consulting, and administrative services. Agencies and employees respond annually to DHRM surveys, and provide feedback upon the completion of training with a DHRM course evaluation.

- yadda

Link to State Strategy

- nothing linked

Goal 2

Provide timely, accurate, and consistent human resource information utilizing cost effective delivery channels.

Goal 3

Develop and implement a statewide workforce planning program to forecast human resource trends and to assist agency management in addressing their human resource needs.

Goal 4

We will strengthen the culture of preparedness across state agencies, their employees and customers

Goal Summary and Alignment

This goal ensures compliance with federal and state regulations, policies and procedures for Commonwealth preparedness, as well as guidelines promulgated by the Assistant to the Governor for Commonwealth Preparedness, in collaboration with the Governor's Cabinet, the Commonwealth Preparedness Working Group, the Department of Planning and Budget and the Council on Virginia's Future. The goal supports achievement of the Commonwealth's statewide goal of protecting the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Goal Alignment to Statewide Goals

- Elevate the levels of educational preparedness and attainment of our citizens.

Agency Comment: The goal supports achievement of the Commonwealth's statewide goal of protecting the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Goal Objectives

- We will be prepared to act in the interest of the citizens of the Commonwealth and its infrastructure during emergency situations by actively planning and training both as an agency and as individuals.

Objective Strategies

- In conjunction with the Governor's Office on Commonwealth Preparedness, work began on the Adjunct Emergency Workforce, including the development of the timeline for the roll out, training, and implementation phases. It is anticipated that the Governor will issue an announcement in September or October following an agency head meeting. DHRM has been asked to draft a general policy guide for agencies that explains the program and how it will affect employees in terms of salary, overtime, reimbursement for lodging/expenses, etc. The employee training would likely begin in November and run through March. Adequate resources for managing the adjunct workforce are going to be needed to ensure expectations are met for what will become a highly visible program.

Link to State Strategy

- nothing linked

Objective Measures

- In conjunction with the Governor's Office on Commonwealth Preparedness, work began on the Adjunct

Emergency Workforce, including the development of the timeline for the roll out, training, and implementation phases.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: This is a new measure, thus a baseline is not available

Measure Target Value: Date:

Measure Target Description: Completion of timeline

Data Source and Calculation: Completion of timeline for roll out, training, and implementation

○ Agency Continuity of Operations Plan (COOP) Assessment Score

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: 2007 COOP Assessment Results (51% out of 100%)

Measure Target Value: Date:

Measure Target Description: 75%

Data Source and Calculation: The COOP Assessment Review is a 24-Component assessment tool that helps measure the viability of a COOP plan.

Goal 5

To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements

Goal Summary and Alignment

To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

Goal Alignment to Statewide Goals

- Be recognized as the best-managed state in the nation.

Goal Objectives

- To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements

Link to State Strategy

- nothing linked

Objective Measures

- Percent of scorecard categories marked as "meets expectation" for the agency

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: In fiscal year 2007, DHRM achieved 100% "meets expectations" on the Scorecard

Measure Target Value: Date:

Measure Target Description: 100%

Data Source and Calculation: The Management Scorecard grades agencies on six criteria. The number of cases where DHRM scored "Meets Expectations" divided by the number 6

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:31 pm

Biennium: 2008-10 ▾

Service Area 1 of 7

Agency Human Resource Services (129 704 01)

Description

This statutorily mandated service area is responsible for human resource management consulting; human resource program development and administration; compensation management consulting and technical assistance; policy analysis, development and interpretation; workforce planning; recruitment services including an on-line recruit management system; on-site HR services to agencies without HR staff; salary administration and planning; employee outreach services; human resource information system liaison; legislative studies; and related communication and training. This unit also operates a Career Center, and offers assistance to agencies in performance management.

Background Information

Mission Alignment and Authority

- *Describe how this service supports the agency mission*
This unit provides consultation, advice, and guidance to agencies in the management of their human resource programs.
- *Describe the Statutory Authority of this Service*
 - § 2.2-1202 - Annual Salary Survey- Review annually to determine where discrepancies in compensation exist between the public and private sector and report to the Governor and General Assembly by December 15.
 - § 2.2-1201(7) - Application Form - Design and utilize an application form, which also includes information on prior volunteer work performed by applicant.
 - §2.2-2817.1 amended Chapter 421 (05) - Alternate work schedules- Requires each agency to develop policy on alternate work schedules and telecommuting, identifying employees eligible to participate, and broad categories of employees ineligible to participate with justification, setting annual percentage targets of eligible employees of at least 25% by 7/1/09. Requires each agency to report annually to SOA/DHRM on status and efficiency of telecommuting and participation in alternate work schedules, including specific budget requests for information technology, software, or other equipment needed to increase opportunities for telecommuting and participation in alternate work locations.
 - § 2.2-1201(1) – Classification- Make recommendations to Governor regarding establishment and maintenance of classification plan for service of the Commonwealth, and recommend amendments as necessary.
 - § 2.2-1201(2) – Compensation- Make recommendations to Governor regarding the establishment and administration of compensation plan for all employees, and recommend amendments as necessary.
 - §2.2-1201.1 - Criminal Background Checks- Develop a statewide policy on criminal background checks for sensitive positions.
 - § 2.2-1201(11) - Disciplinary Actions- Establish and administer regulations relating to disciplinary actions; no suspension without pay for more than 10 days of any state employee under investigation without a hearing by level of supervision above the employee's immediate supervisor or agency head.
 - § 2.2-4117 - Dispute Resolution- Requires adoption of a written policy to encourage use of dispute resolution proceedings.
 - § 2.2-1201(4) - Employee-Management Relations- Establish and direct employee-management relations program designed to improve communications between employees and agencies
 - § 2.2-1201(12) Amended - Chapter 386 (05) - Employee Suggestion Program - Adopt and implement centralized reward and recognition program for employees whose proposed cost savings or process improvements are implemented, including requirements for notification of receipt within 30 days and determination of the feasibility of the proposal within 60 days of receipt.
 - § 2.2-2902.1. - Employees – right to contact elected officials Requires revision to state HR policy to specifically address the rights of state employees to contact elected officials to express concerns.
 - § 2.2-1201(14-15)- Employment Level Annual Report - Submit annual report to members of the General Assembly by September 30th showing employment levels, changes, and terminations.
 - § 2.2-1201(9) - Evaluation of Personnel Activities- Establish and administer a program of evaluation of effectiveness of performance of the personnel activities of the agencies.
 - 29 U.S.C.§§ Chapters 8,9; Executive Order 27 (02) - Fair Labor Standards Act (FLSA) - Establishes minimum wage, overtime, record keeping, child labor, and equal pay standards.
 - 29 U.S.C. 2611(et seq.) - Family & Medical Leave Act (FMLA) - Comply with requirements of federal law to

provide up to 12 weeks of unpaid, job-protected leave to eligible employees for certain specified family and medical reasons, to maintain employees' health insurance during the period of leave under FMLA, and to return employees to their same or equivalent position upon their return from FMLA leave.

2003 App Act Item 83 - Human Resource Service Bureau - Requires DHRM to operate a human resource service center to support the human resource needs of agencies identified by the Secretary of Administration.

Executive Order 44 (03); 2003 App Act Item 512.Q - Military leave - Supporting State Employees Called to Active Duty - Requires DHRM to issue a policy establishing supplemental pay for classified state employees called to active duty military service in the Armed Forces of the US.

§ 2.2-1201(5) - Performance Evaluation - Establish and administer a system of performance evaluation for all state employees, based on quality of service rendered, related where practicable to specific standards of performance.

§ 2.2-1201(3) - Personnel Information System - Design and maintain personnel information system.

§ 2.2-1201(13) - Personnel Policies - Develop, disseminate and interpret state personnel policies and procedures to all agencies covered by the Virginia Personnel Act. Authority to establish and interpret personnel policies and procedures, and to assure full compliance with such policies. Has no authority over state grievance procedures.

§ 42.1-86.1 to § 42.1-88 - Records Management - Requires agency to maintain a retention and disposition schedule of public documents approved by the Librarian of Virginia.

Executive Order 9 (02) - Recruitment; Hiring Guidelines - Requires all Cabinet Secretaries and Agency Heads to adhere to hiring policies and procedures to manage employment without adversely affecting essential services.

Executive Order 73 (01) - Recruitment; Position Advertising - Expands use of the Internet for the Commonwealth Recruitment and Position Advertising.

§ 2.2-1201(6) - Recruitment; Re-employment Opportunities Pool - Establish and administer a system of recruitment designed to attract high quality employees to service of the Commonwealth.

Appropriations Act Item 85.F. - Study Executive Compensation - Requires DHRM to review the compensation of agency heads, cabinet secretaries and deputy cabinet secretaries, with report due October 1, 2005.

HD 8 (05) Study – Community Service Workers - Interim Report on the Status, Impact, and Utilization of Community Health Workers - Requires DHRM, James Madison University and the Community Health Worker (CHW) Study Resolution Committee to review the Direct Services Career Group Description to ensure that CHWs are appropriately identified as a health care support occupation and defined in accordance with the Committee's findings.

2005 Appropriations Act Item 427B.1. - Study – Forensic Scientists - Requires the Directors of Forensic Science and DHRM to prepare a report and plan by June 1, 2005 for the expenditure of \$1million to address salary compression and starting salaries of Forensic Scientists.

2005 Appropriations Act Item 427B.2. - Study – Forensic Scientists- Requires the Directors of Forensic Science and DHRM to prepare a report by October 1, 2005 on DFS efforts to recruit forensic scientists to fill the positions authorized during the 2005 GA Session, including the fill rate for the new positions and issues that limit the ability to recruit and retain forensic scientists.

HJ103 (04) - Study – Impact of aging population for state agency services. Requires DHMR to consult with JLARC to study the impact of Virginia's aging population on the demand and cost of state agency services, policies and program management.

2005 Appropriations Act Item 85.E - Study – Social Services - Requires DHRM to assist DSS in a review of its classified employees located in the Northern Virginia pay area to determine if salary adjustments are needed for recruitment and retention.

§ 22.1-289.1 - Teacher Salary Survey - Review biannually to determine if teachers are paid at a competitive rate and report to Governor, General Assembly and Board of Education by June 1 of odd numbered years.

2005 Appropriations Act Item 445.D.2. - Technical Assistance – Departments of Juvenile Justice and Correctional Education - Requires DHRM to provide assistance to DJJ and DCE in addressing issues related to the state work force affected by the closure of Barrett Juvenile Correctional Center and the expansion of Culpeper Juvenile Correctional Center.

29 U.S.C. § 206 - The Equal Pay Act of 1963 - Prohibits differentiation in pay for equal work based on gender.

29 U.S.C. § 1607.18 - Uniform Guidelines on Employee Selection Procedures - Requires employers to determine whether tangible employment practices result in disparate impact against minorities and women, and to take affirmative corrective action if found.

CHAPTER 413§ 2.2-2903 amended (05) - Veterans Preference - Requires that "additional consideration" shall be given to veterans who have a service-connected disability rating fixed by the United States Veterans Administration.

Executive Order 40 (02) - Veteran Services - Identify opportunities for improving services to veterans and implement appropriate changes, with a report on progress due to the SOA by June 30, 2003.

Chapter 0004(2004 App. Act) Item 463F.1.Item 463F.2. – VITA- Requires DHRM to conduct a timely review of all compensation actions for VITA employees to ensure proper application of classification and compensation policies/procedures and report to VITA within five days of completion, and a report to the VITA Investment

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
Federal Government Agencies	Federal Government Agencies	2	10
General Assembly	General Assembly	25	140
General Public	General Public	100	3,563,770
Governor, Cabinet, & staff	Governor, Cabinet, & staff	1	1
Judicial branch	Judicial branch	4	7
Legislative branch agencies	Legislative branch agencies	5	7
Local Governments	Local Governments	25	960
Other states	Other states	35	49
Private Sector	Private Sector	25	270,000
State Agencies	State Agencies	150	180
State Employees	State Employees	72,000	140,785

Anticipated Changes To Agency Customer Base

[Nothing entered]

Partners

Partner **Description**

[None entered]

Products and Services

- *Factors Impacting the Products and/or Services:*

Needs and expectations of customers are the primary factors impacting services. Expectations remain at a high level even though staff resources have diminished over time. There is little back-up staff for key personnel and no extra staff available to train as back-ups or as replacements. The proper level of operation of the centralized Employee Suggestion Program (ESP) requires a full-time staff member that has not been funded.

- *Anticipated Changes to the Products and/or Services*

As mandates are added or modified, or customers revise their expectations, changes to service area products will be modified. As examples, continued increases in program responsibilities for the ESP reinforces the need for proper staffing to efficiently and effectively operate the program. Also, there are increasing expectations for service bureau operations among agencies being served, so that additional staffing will be needed to address expectations. Finally, expectations associated with workforce planning are anticipated to increase as the importance of this function continues to receive attention.

- *Listing of Products and/or Services*

- Provide HR Management Consulting - Consulting to agencies' HR staff, agencies' management, cabinet officials - Classification and compensation management - HR policy guidance, assistance, and administration - Infrastructure management: - HR Management Manual - Development/application of compensation tools - Career group descriptions and career guides - Salary reference data and surveys - Organizational design
- Operate agency HR Service Center - Provide HR services to agency management in small agencies -Provide HR services to employees in small agencies
- Provide HR Policy Analysis and Development - Research, revise, and develop policies - Monitor interpretations and provide technical assistance - Coordinate policy exceptions - Compliance with federal and state laws and guidelines -Maintain HR Policy Manual, Employee Handbook, Agency Head Handbook
- Manage Workforce Planning - Provide data management and reporting - Develop and maintain workforce demographics
- Provide overall guidance to the statewide Recruitment Program - Recruitment Program Services: - Virginia Jobs and RECRUIT - Manage the DHRM Career Center - Develop and manage re-employment of employees (Re-Op Pool) - Provide Veterans' Outreach services
- Manage centralized Employee Suggestion Program (ESP)
- Conduct Salary administration - Maintain the Salary structure - Manage Salary reference data/salary surveys
- Provide HR system guidance and operational support - System liaison - Assistance to agencies - Data entry corrections
- Provide FLSA guidance and advice
- Operate a Resource Center that provides information, reference material and related assistance to agencies
- Prepare studies, reports, research papers, and legislative impact statements
- Conduct program evaluation

Base				
Service Area Total	\$1,498,804	\$0	\$1,498,804	\$0

Human Resources

- *Human Resources Overview*
The service unit is primarily staffed with professionals; there is limited administrative support staff. Staff is highly experienced and continues to adapt to changing requirements and expectations. Occasionally, staff is augmented with wage employees for specific projects.

- *Human Resource Levels*

Effective Date	7/1/2005	
Total Authorized Position level	15	
Vacant Positions	1	
Current Employment Level	14.0	
Non-Classified (Filled)	0	
Full-Time Classified (Filled)	16	<i>breakout of Current Employment Level</i>
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	3	
Contract Employees	0	
Total Human Resource Level	17.0	<i>= Current Employment Level + Wage and Contract Employees</i>

- *Factors Impacting HR*
Average age of staff continues to increase; resources for training are limited.
- *Anticipated HR Changes*
Over next several years, significant number of staff could retire. This will necessitate costs to recruit to replace staff, or require a readjustment/realignment of products, services, and expectations.

Service Area Objectives

- Provide high-level customer service

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Link to State Strategy

- nothing linked

Objective Measures

- 90% favorable customer service ratings from state and local government agencies and employees receiving training, consulting and administrative services

Measure Class: Other Measure Type: Outcome Measure Frequency: Annual Preferred Trend: Up

Measure Baseline Value: Date:

Measure Baseline Description: new baseline, does not have a history

Measure Target Value: 90 Date: 6/30/2010

Measure Target Description: 90% as of June 30, 2010

Data Source and Calculation: Agencies and employees respond annually to DHRM surveys, and provide feedback upon the completion of training with a DHRM course evaluation. Customer satisfaction surveys us a Likert scale of 1 to 6, with 6 as the highest score. Percentage of favorable ratings represents number of ratings 5 to 6 divided by total number of responses. The previous measure of 90% favorable ratings of 4, 5 and 6 divided by total number of responses was achieved in FY07 with 100% rating.

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:31 pm

Biennium: 2008-10 ▾

Service Area 2 of 7

Equal Employment Services (129 704 03)

Description

This statutorily mandated service area is responsible for the administration of a comprehensive equal employment opportunity program. This includes the investigation/resolution of complaints of illegal discrimination filed by state employees (classified, faculty, wage and probationary) and applicants for state employment as well as the administration of a compliance program to determine whether agencies' human resource management practices result in disparate impact against protected classes. In addition, this service area provides training and technical guidance to state agencies and local governments concerning equal employment opportunity related matters. Moreover, this service area is responsible for responding to appeals of hearing officers' rulings from grievants and agency management officials concerning rulings comportment with state human resource management policies and procedures.

Background Information

Mission Alignment and Authority

- *Describe how this service supports the agency mission*

Equal employment opportunity is an integral component of human resource management. Federal and state anti-discrimination laws prohibit discrimination in all privileges and conditions of employment.

- *Describe the Statutory Authority of this Service*

Code of Virginia at § 2.2-1201(10), Equal Employment Opportunity, establishes and administers a program to assure equal employment opportunity to applicants and to state employees in all incidents of employment;

Governor's Executive Order No. 1 (2006), Equal Employment Opportunity, prohibits state agencies from engaging in acts of unlawful employment discrimination and authorizes OEES to investigate and resolve such complaints;

Code of Virginia at § 2.2-1201(9), Evaluation of Personnel Activities, establishes and administers a program to evaluate the effectiveness of performance of the personnel activities of the agencies;

29 U.S.C. §§ 621-633(a), Age Discrimination in Employment Act of 1967, as amended, prohibits discrimination in all privileges and conditions of employment against persons age 40 and over;

42 U.S.C. Chapter 126, Americans with Disabilities Act of 1990, prohibits discrimination in all privileges and conditions of employment against qualified persons with a disability;

29 U.S.C. § 206, Equal Pay Act of 1963, prohibits differentiation in pay for equal work based on gender;

8 U.S.C. 1324 a & b, Immigration Reform and Control Act of 1986, prohibits discrimination based on national origin and citizenship status in all privileges and conditions of employment;

42 U.S.C. 2000(e)(k), Pregnancy Discrimination Act of 1978, requires employers to treat women affected by pregnancy, childbirth, and related medical conditions, the same as other employees for all employment-related purposes;

42 U.S.C. 2000h 2, Title IX of the Education Amendments of 1972, prohibits discrimination based on gender in all privileges and conditions of employment in education programs or activities that receive federal financial assistance;

42 U.S.C. 2000C-2000E-17, Title VII of the Civil Rights Act of 1964, as amended, prohibits discrimination in all privileges and conditions of employment due to race, color, national origin, gender (including sexual harassment), and religion;

29 U.S.C. § 1607.18, Uniform Guidelines on Employee Selection Procedures, requires employers to determine whether tangible employment practices result in disparate impact against minorities and women, and to take affirmative corrective action if found; and

Code of Virginia at Chapter 413§ 2.2-2903 amended (05), Veterans Preference, requires that "additional consideration" shall be given to veterans who have a service-connected disability rating fixed by the United States Veterans Administration.

PL 110-325, 2008 § 3406, ADA Amendments Act of 2008, carries out the ADA's objectives of providing a clear and comprehensive national mandate for the elimination of discrimination and clear, strong, consistent, enforceable standards addressing discrimination by reinstating a broad scope of protection to be available under the ADA;

PL 111-2, 2009 §181, Lilly Ledbetter Fair Pay Act of 2009, amends Title VII of the Civil Rights Act of 1964 (42 USC 2000e-5(e)), the Age Discrimination in Employment Act of 1967(29 U.S.C. 626(d)), the Americans With Disabilities Act of 1990 (42 U.S.C. 12111 et seq., 12203) and the Rehabilitation Act of 1973 (29 U.S.C. 794a(a)) to declare that an unlawful practice occurs when a discriminatory compensation decision or other practice is adopted, when a person

becomes subject to the decision or other practice, or when a person is affected by the decision or practice, including each time wages, benefits, or other compensation is paid.

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
DHRM Internal Service Areas	DHRM Internal Service Areas	4	7
Federal Government Agencies	Federal Government Agencies	7	10
General Assembly	General Assembly	15	140
General Public	General Public	23,250	3,563,770
Governor, Cabinet, & staff	Governor's office incl. Cabinet & Staff	1	1
Judicial branch	Judicial branch	3	7
Legislative branch agencies	Legislative branch agencies Legislative branch agencies	6	7
Local Governments	Local Governments	4	960
Other states	Other states Other states	49	49
Private Sector	Private Sector	20	270,000
State Agencies	State Agencies	180	180
State Employees	State Employees	10,125	140,785

Anticipated Changes To Agency Customer Base
 [Nothing entered]

Partners

Partner	Description
[None entered]	

Products and Services

- *Factors Impacting the Products and/or Services:*
 Factors Impacting Products and Services

Loss of revenue for EEO training in DHRM's Open Enrollment and other free or reduced fee training programs.

Insufficient funds to support professional staff development.

- *Anticipated Changes to the Products and/or Services*
 Anticipated Changes to Products and Services

Type and volume of complaints of discrimination will increase with the introduction of a new administration, including agency heads, and changes in workforce demographics due to a more diverse and aging workforce.

Initiate an Alternative Dispute Resolution process (mediation) to complement the complaint of discrimination investigative process to enhance customer service.

- *Listing of Products and/or Services*
 - Complaints of Discrimination and Appeals Investigate and resolve complaints of illegal discrimination (i.e., race, gender, age, retaliation, sexual harassment, religion, national origin, disability, veterans status, etc.) filed by state employees and applicants for state employment. On behalf of the Director of DHRM, respond to grievants and agencies policy related appeals to hearing officers' rulings. The Code of Virginia mandates that such appeals be addressed within 60 days of receipt
 - EEO Compliance Program Administers the review of agencies tangible employment practices to ensure compliance with the Uniform Guidelines on Employee Selection Procedures, a progeny of Title VII of the Civil Rights Act of 1964, as amended, the Governor's Executive Order Number One (2006), and the Commonwealth's Policy 2.05- Equal Employment Opportunity. Where there are indicators of disparate impact, the law requires that the employer either articulate a legitimate, non-discriminatory business reason or develop a corrective action plan designed to eradicate the disparate impact. Administers the Commonwealth's Equal Employment Opportunity Compliance Program consists of the EEO Assessment Tool, the EEO Compliance Calculator, and the Applicant Flow component. These web-based tools include all of the statistical applications sanctioned by the US Supreme Court and the federal Equal Employment Opportunity Commission (EEOC) for determining whether agencies employment practices result in adverse impact against protected groups. Prepares the Commonwealth's EEO-4 Report. This report, a statistical employment survey of state government which is submitted to the federal Equal Employment opportunity Commission biennially, is required by Section 709(c) of Title VII of the Civil Rights Act of 1964, as amended.
 - EEO Training and Technical Assistance Provide training (i.e., Legal Recruitment & Selection Practices, Sexual Harassment Prevention for Supervisory/Non-Supervisory, ADA for Managers/Supervisors, Fundamentals of EEO Laws) to state employees, state management officials, and local governments. Provide technical guidance/assistance to citizens, state employees, state and local management officials concerning EEO related issues.

Finance

- *Financial Overview*
[Nothing entered]
- *Financial Breakdown*

	FY 2009		FY 2010		FY 2009	FY 2010	FY 2009	FY 2010	FY 2009	FY 2010	FY 2009	FY 2010
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund								
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217								
Change To Base	\$0	\$0	\$0	\$0								
Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217								
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217								
Change To Base	\$0	\$0	\$0	\$0								
Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217								
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217								
Change To Base	\$0	\$0	\$0	\$0								
Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217								
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217								
Change To Base	\$0	\$0	\$0	\$0								
Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217								
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217								
Change To Base	\$0	\$0	\$0	\$0								
Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217								
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217								
Change To Base	\$0	\$0	\$0	\$0								
Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217								

Human Resources

- *Human Resources Overview*
Service Area Human Resources Overview

The service unit is primarily staffed with professionals; there is limited administrative support staff. Staff is highly experienced and continues to adapt to changing requirements and expectations.

• *Human Resource Levels*

Effective Date	7/1/2009	
Total Authorized Position level	7	
Vacant Positions	0	
Current Employment Level	7.0	
Non-Classified (Filled)	0	<i>breakout of Current Employment Level</i>
Full-Time Classified (Filled)	7	
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	2	
Contract Employees	0	
Total Human Resource Level	9.0	<i>= Current Employment Level + Wage and Contract Employees</i>

- *Factors Impacting HR*
Average age of staff continues to increase; resources for training and/or professional development are limited.
- *Anticipated HR Changes*
Over the next several years, a significant number of staff could retire. This will necessitate costs to recruit and replace staff, or require a readjustment/realignment of products, services and expectations.

Service Area Objectives

- Provide high-level customer service

Link to State Strategy

- nothing linked

Objective Measures

- Provide high-level customer service

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: new baseline, does not have a history

Measure Target Value: Date:

Measure Target Description: 90% as of June 30, 2010

Data Source and Calculation: Agencies and employees respond annually to DHRM surveys, and provide feedback upon the completion of training with a DHRM course evaluation. Customer satisfaction surveys use a Likert scal of 1 to 6, with 6 as the highest score. Percentage of favorable ratings represents number of ratings 5 and 6 divided by total number of responses. The previous measure of 90% favorable ratings of 4, 5 and 6 divided by total number of responses was achieved in FY07 with 100% rating.

- Promote fairness and equity in state employment.

Objective Description

Promote fairness and equity in state employment

Objective Strategies

- Identify agencies with disparate impact indicators by using the EEO Assessment Tool
- Review any additional information submitted by each agency
- Counsel agencies with disparate impact indicators

Link to State Strategy

- nothing linked

Objective Measures

- Counseling of agencies with disparate impact indicators

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: 100 percent of agencies with disparate impact indicators were counseled in FY09

Measure Target Description: 100 % of agencies identified with post-audit disparate impacts received counseling

Data Source and Calculation: Statistical analysis of indicators using the EEO Assessment Tool, review of response of agencies showing pre-audit non-compliance, and documentation of counseling agencies who are post-audit non-compliant

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:31 pm

Biennium: 2008-10

Service Area 3 of 7

Health Benefits Services (129 704 06)

Description

This statutorily mandated unit has the responsibility of administering comprehensive health benefits and long-term care programs for state employees, state retirees and their dependents. It is also responsible for providing health benefits and long-term care programs to local governments and school jurisdiction employees, dependents and retirees.

Associated outcomes include providing health benefits and related programs that are competitive with private industry and other governmental entities.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission
This service area directly aligns with DHRM's mission to provide our customers with guidance, consultation, training, and delivery of services.

The service area also aligns with agency goals:

- Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth
- Provide timely, accurate and consistent human resource information utilizing cost effective delivery channels.

In addition, the service area aligns with Council on Virginia's Future vision and long-term objectives; to be the best managed state in the country, and to inspire and support Virginians toward healthy lives and strong and resilient families.

- Describe the Statutory Authority of this Service
Code of Virginia Section 2.2-2818

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
DHRM Internal Service Areas	Agency internal service areas	7	7
General Public	General Public	100	3,563,770
Governor, Cabinet, & staff	Governor, staff and cabinet	1	1
State Agencies	HR Departments	180	180
Legislative branch agencies	Legislative branch agencies	7	7
Local Governments	Local Employers	240	1,000
Local Governments	Local Governments	325	960
Other states	Other states	49	49
Private Sector	Private Sector	125	270,000
State Employees	Retiree benefits	26,000	26,000
General Assembly	Senators, delegates & staff	140	140
State Employees	State Employees	100,900	140,785
State Retirees	State Retirees	26,000	26,000
Local Governments	TLC groups and retirees	29,000	120,000

Anticipated Changes To Agency Customer Base

Partnerships with private sector employers for Healthy Virginians initiatives will increase number of customers in that area. Expansion of The Local Choice health program to more local government entities will increase the number of local governments and local government employees and retirees served

Partners

Partner	Description
Aetna	Insurance provider for long term care coverage offered to state and local government employees and retirees and terminated state employees who have a vested benefit under VRS
Anthem Blue Cross and Blue Shield	Third party administrator for medical/surgical benefits provided under state and The Local Choice health programs
Aon Consulting	Actuarial and health benefits consulting for state and The Local Choice health programs
	Third party administrator for wellness programs provided to state

To Base	\$0	\$0	\$0	\$0
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Service Area Total	\$0	\$2,618,660	\$0	\$2,553,696
Base Budget	\$0	\$2,618,660	\$0	\$2,553,696
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$0	\$2,618,660	\$0	\$2,553,696
Base Budget	\$0	\$2,618,660	\$0	\$2,553,696
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$0	\$2,618,660	\$0	\$2,553,696
Base Budget	\$0	\$2,618,660	\$0	\$2,553,696
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$0	\$2,618,660	\$0	\$2,553,696
Base Budget	\$0	\$2,618,660	\$0	\$2,553,696
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$0	\$2,618,660	\$0	\$2,553,696
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Human Resources

• *Human Resources Overview*

The service unit is staffed primarily with professionals and specialists, with some administrative support staff. Staff members are highly experienced in their field, keep abreast of state and federal regulatory changes and industry trends, and adapt to changing requirements and expectations including a constantly changing legislative environment.

• *Human Resource Levels*

Effective Date	7/1/2005	
Total Authorized Position level	19	
Vacant Positions	1	
Current Employment Level	18.0	
Non-Classified (Filled)	0	<i>breakout of Current Employment Level</i>
Full-Time Classified (Filled)	18	
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	0	
Contract Employees	0	
Total Human Resource Level	18.0	<i>= Current Employment Level + Wage and Contract Employees</i>

• *Factors Impacting HR*

Average age of staff continues to increase, and a number are at or approaching retirement eligibility. Staff have recently had to adjust workload to compensate for staff vacancies and new staff members added as a result of turnover.

• *Anticipated HR Changes*

Over the next several years there is anticipated to be some staff turnover due to retirement. In addition,

legislative mandates and increased focus on wellness, disease management and preventive care may necessitate additional staff. The factors will result in recruitment cost or require a readjustment or realignment of products, services and expectations.

Service Area Objectives

- Provide high-level customer service

Link to State Strategy

- nothing linked

Objective Measures

- Provide high-level customer service

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: new baseline, does not have a history

Measure Target Value: Date:

Measure Target Description: 90% as of June 30, 2010

Data Source and Calculation: Customer satisfaction surveys conducted annually for medical, surgical, dental, drug and behavioral health third party administrators (TPA). Surveys for each TPA are weighted based on percentage of total claims. Percentage represents customer ratings of 7 to 10. The previous measure of 90% favorable ratings of satisfied or higher was achieved in FY07 with 95.1% rating.

- Promote a healthy lifestyle for state employees

Objective Description

Promote a healthy lifestyle for state employees.

Objective Strategies

- Continue focus on integrated case management and chronic disease management programs, incorporating individual vendor strategies and strengths into a comprehensive and broad based program.
- Evaluate wellness and preventive care benefit provisions under the state health program to ensure they are competitive and encourage appropriate lifestyle behaviors that promote better health habits. Deliver to local government employers high-quality, cost effective health programs that are competitive with public carrier offerings and provide wellness, preventive care and disease management focus similar to those offered to state employees.
- Implement educational, wellness and disease management programs to improve the health and fitness of state and local government employees and retirees and their families and to help them better manage chronic conditions.

Link to State Strategy

- nothing linked

Objective Measures

- Increase utilization of disease management program

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: 41% participation in disease management program

Measure Target Value: Date:

Measure Target Description: 43% participation in disease management program, representing a 5% increase

Data Source and Calculation: participation in disease management program as provided by the third party administrator

- Increase number of employees completing health risk assessments (HRA) at their work-site through CommonHealth

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: 8,600 employees participated in the health risk assessment

Measure Target Value: Date: Measure Target Description: % increase in employees participating in the health risk assessments provided by the CommonHealth Program.

Data Source and Calculation: 8,969 employees participated in the health risk assessment, representing a 4% increase (as of 6/30/06) Program participation statistics provided for CommonHealth by Continental Health Promotion.

○ Increase wellness participation

Measure Class: Measure Type: Measure Frequency: Preferred Trend:
 Measure Baseline Value: Date:

Measure Baseline Description: 45,000 employees participated in wellness programs in FY 07

Measure Target Value: Date:

Measure Target Description: 2% increase in employees participating in wellness programs

Data Source and Calculation: Increase number of employees participating in wellness programs that promote Healthy Virginians concepts 52,209 employees participated in wellness programs, representing a 16% increase (as of 6/30/06) Program participation statistics provided for CommonHealth by Continental Health Promotion

○ Checkups and Screenings

Measure Class: Measure Type: Measure Frequency: Preferred Trend:
 Measure Baseline Value: Date:

Measure Baseline Description: FY 06 resulted in 255,942 employees and family members had preventive tests

Measure Target Value: Date:

Measure Target Description: 10% increase in employees and family members having preventive tests

Data Source and Calculation: Increase number of annual checkups and screenings

● Maintain a competitive health benefits program for state and local government employees and retirees.

Objective Description

The program provides a cost-effective health benefit program for state employees and retirees and employees and retirees of local government groups participating in The Local Choice program.

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Link to State Strategy

- nothing linked

Objective Measures

○ Liquidated Damages

Measure Class: Measure Type: Measure Frequency: Preferred Trend:
 Measure Baseline Value: Date:

Measure Baseline Description: 100% contract standards measured. Assess liquidated damages by October 31st each year

Measure Target Value: Date:

Measure Target Description: 100% contract standards measured. Assess liquidated damages by October 31 of each year

Data Source and Calculation: Measure contract standards and assess liquidated damages for underperformance pursuant to the contracts

● Comply with federal regulations for Medicare Part D Drug Benefit program for state retiree health programs.

Objective Description

Retiree programs have been evaluated in context with the new Medicare Part D drug benefit and the part D benefit

has been integrated with the existing retiree programs and communicated to the Medicare-eligible retiree population. Communication and education to this population continues to be extremely important, as is compliance with federal regulations and CMS (Center for Medicare Services) guidelines and standards.

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Objective Strategies

- Continue to communicate Medicare Part D benefits to retirees and assist them, through written communication and retiree meetings, in making informed decisions about their drug benefit.
- Evaluate retiree health program options to determine cost effective program that meets retiree health care coverage needs.
- Perform cost-benefit analysis of Enhanced Medicare Part D benefit to determine if retirees are best being served by continuation of benefit through retiree health program or whether a commercial Part D program would provide a comparable benefit at a substantially lower cost.

Link to State Strategy

- nothing linked

Objective Measures

- Actuarial tests for compliance with federal regulations for Medicare Part D

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: new measure, does not have a history

Measure Target Value: Date:

Measure Target Description: Pass the actuarial equivalence and creditable coverage tests performed by an actuary

Data Source and Calculation: Actuarial analysis of program benefit for actuarial equivalence test and creditable coverage determinations.

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:31 pm

Biennium: 2008-10

Service Area 4 of 7

Personnel Development Services (129 704 09)

Description

This statutorily mandated unit is responsible for administering a comprehensive and integrated statewide program of employee training and management development for the Commonwealth's workforce. It provides both Open Enrollment and customized in-house courses to all state agencies. It also provides organizational development consulting to state agencies, and maintains the state-approved vendor pricing agreement for soft-skills classes (both instructor-led and technologically delivered). The unit manages three statewide programs: the Virginia Certified Manager's Program (VaCPM), the Managing Virginia Program (MVP), and the Human Resource Institute (HRI). This unit is also responsible for the site administration of the DHRM Knowledge Center – the statewide learning management system. Associated outcomes include the training of a better-prepared workforce and managerial staff for the Commonwealth.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission
Personnel Development Services (PDS) is an integral component of human resource management, it specifically ties into all primary goals of the Department of Human Resource Management (DHRM). In addition, it aligns with the Council on Virginia's Future vision and long-term objectives to be the best managed state in the Country.
- Describe the Statutory Authority of this Service
The Code of Virginia mandates that the Department of Human Resource Management (DHRM) establish and administer a comprehensive and integrated program of employee training and management development. The Virginia Administrative Code directs DHRM to plan, conduct, and coordinate a comprehensive program of employee training and management development to meet the needs of the Commonwealth's work force.

Code of Virginia at 2.2-1201 (8):
The Department shall have the following duties:
8. Establish and administer a comprehensive and integrated program of employee training and management development.

Virginia Administrative Code:
VAC AGENCY NO. 55
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

AGENCY SUMMARY
The Department of Human Resource Management establishes and maintains a human resource management program to attract and retain a qualified work force for the Commonwealth in accordance with the Virginia Personnel Act. . . . It plans, conducts, and coordinates a comprehensive program of employee training and management development to meet the needs of the Commonwealth's work force.

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
General Assembly	General Assembly	140	140

Anticipated Changes To Agency Customer Base
[Nothing entered]

Partners

Partner	Description
[None entered]	

Products and Services

- Factors Impacting the Products and/or Services:
Factors Impacting Service Area Products and Services
 - Insufficient staffing, the unit lost one FTE that was not replaced. The unit has the responsibility of managing (developing, implementing, monitoring, evaluating, revising, etc.) several major statewide programs, in addition to providing and enrollment for all Open Enrollment classes, providing customized in-house classes for agencies, serving as consultants for agencies, and having overall responsibility for the annual HR Leadership conference.
 - Loss of revenue in Open Enrollment programs – since 2004 no instruction fees have been charged.
 - Insufficient funds to support professional staff development
- Anticipated Changes to the Products and/or Services
Agencies will begin reporting quarterly training metrics through the automated HuRMan system in 07/2005. Agencies are increasingly requesting classes and program offerings via video conferencing. Currently we have

one system that is several years old, and is located outside other agency firewalls. This capability will become increasingly important.

As retirement numbers grow, we will see an increasing number of requests for consulting on organizational development and training issues.

As the Managing Virginia Program is introduced, we will receive a great increase in the number of requests to provide these classes for state agencies.

● *Listing of Products and/or Services*

- PDS provides open-enrollment and in-house classes, as well as a large variety of delivery methods included self-directed, on-line, and classroom courses. Classes are available to all state agency employees. Classes – Open Enrollment and In-house – PDS offers classes via Open Enrollment to all state agencies (other government entities and the private sector may also attend some of the classes). For FY 2005, DHRM offered a total of 171 sessions and trained 2,549 individuals. Conferences/Symposiums held include: 2004 HR Leadership Conference – December 8-10, 2004, 466 attendees 2005 HR Leadership Conference – October 26-28, 2005, 524 attendees
- Certified Public Manager Program (Received National Accreditation – April 2003)
- Managing Virginia Program (MVP) - an initiative by the Commonwealth to provide comprehensive management and leadership training to all state supervisors and managers. The program provides a standard curriculum and philosophy that will be consistent throughout state government. The MVP, unlike other programs, is of no direct cost to agencies and is available to all supervisors and managers. Classes began in 2005.
- Human Resource Institute - to provide all Human Resource professionals within Virginia, and other government entities with an opportunity to develop their professional knowledge, skills and abilities. This institute also serves as a means of both career development and career advancement.
- Statewide LMS (Learning Management Center) – Eight agencies were charter members in this enterprise system launched in April 2005. DHRM is the site administrator for the system.
- Statewide Training Metrics – Beginning in July 2005, the metrics data was automated, and collected online via HuRMan.
- Emergency Evacuation Training for the entire Capitol Complex, partnering with OWC and DGS.
- Society of Human Resource Management Learning System (SHRM) – professional development for those in human resources positions.
-

Finance

● *Financial Overview*

[Nothing entered]

● *Financial Breakdown*

	FY 2009		FY 2010		FY 2009	FY 2010	FY 2009	FY 2010	FY 2009	FY 2010
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund						
Base Budget	\$481,424	\$257,816	\$481,424	\$257,816						
Change To Base	\$0	\$0	\$0	\$0						
Service Area Total	\$481,424	\$257,816	\$481,424	\$257,816						
Base Budget	\$481,424	\$257,816	\$481,424	\$257,816						
Change To Base	\$0	\$0	\$0	\$0						
Service Area Total	\$481,424	\$257,816	\$481,424	\$257,816						
Base Budget	\$481,424	\$257,816	\$481,424	\$257,816						
Change To Base	\$0	\$0	\$0	\$0						
Service Area Total	\$481,424	\$257,816	\$481,424	\$257,816						
Base Budget	\$481,424	\$257,816	\$481,424	\$257,816						
Change To Base	\$0	\$0	\$0	\$0						

Service Area Total	\$481,424	\$257,816	\$481,424	\$257,816
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Human Resources

- *Human Resources Overview*
[Nothing entered]

- *Human Resource Levels*

Effective Date		
Total Authorized Position level	0	
Vacant Positions	0	
Current Employment Level	0.0	} breakout of Current Employment Level
Non-Classified (Filled)		
Full-Time Classified (Filled)		
Part-Time Classified (Filled)		
Faculty (Filled)		
Wage		
Contract Employees		
Total Human Resource Level	0.0	= Current Employment Level + Wage and Contract Employees

- *Factors Impacting HR*
[Nothing entered]
- *Anticipated HR Changes*
[Nothing entered]

Service Area Objectives

- Provide high-level customer service

Objective Description

Provide high-level customer service.

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Objective Strategies

- Increase access to learning by offering more online, distant learning and partnership courses
- Provide annual statewide training report

Link to State Strategy

- nothing linked

Objective Measures

- Provide high-level customer service

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: new baseline, does not have a history

Measure Target Value: Date:

Measure Target Description: 90% in FY 2010

Data Source and Calculation: Customer satisfaction surveys using a Likert scale of 1 to 6, with 6 as the highest score. Percentage of favorable ratings represents number of ratings 5 and 6 divided by total number of responses. The previous measure of 90% favorable ratings of 4, 5 and 6 divided by total number of responses was achieved in FY07 with 98.59% rating.

- Increase the utilization of the VaCPM program

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Link to State Strategy

- nothing linked

Objective Measures

- Increase the utilization of the VaCPM program

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: 38 employees enrolled in VaCPM in FY 07

Measure Target Value: Date:

Measure Target Description: 53 employees enrolled in VaCPM by FY 08

Data Source and Calculation: Increase number of employees registered in the VaCPM program by 10%

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:31 pm

Biennium: 2008-10

Service Area 5 of 7

State Employee Services (129 704 17)

Description

This service unit provides a range of services to Commonwealth of Virginia employees, including: Development of employee communications; implementing employee reward and recognition programs; organizing employee special events and programs; managing the Executive Order-driven annual workplace giving Commonwealth of Virginia Campaign; coordinating employee-focused wellness programs; and developing and implementing employee discount programs.

Associated outcomes include enhancing employee morale through the participation in the Commonwealth of Virginia Campaign and development of effective employee communications, reward and recognition programs and wellness programs.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission
The Office of State Employee Services aligns to the agency's mission of addressing the diverse human resources needs of our customers through guidance, consultation, and training. It aligns to the agency's goals of providing timely, accurate, and consistent human resource information utilizing cost effective delivery channels; providing statewide leadership in all areas of human resources management and addressing continuously changing management needs of state agencies throughout the Commonwealth; and developing and implementing a statewide workforce planning program to forecast human resource trends and to assist agency management in addressing their human resource needs.
- Describe the Statutory Authority of this Service
Executive Order Thirty-Two (02) Commonwealth of Virginia Campaign
Code of Virginia § 2.2-1201.4 Employee communication
Executive Order Sixty-Five (00) Electronic government
Executive Order Seventy-Three (01) Use of Internet for recruiting

See additional information in the Statutory Authority section for the agency.

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
Federal Government Agencies	acts as state liaison with federal Savings Bond Program and provides support for federal queries relating to state policies and programs.	0	0
Private Sector	answers queries about state policies and activities and provides customer service and information to charities as part of the workplace giving campaign.	0	0
Local Governments	assists in the development and dissemination of information to local governments relating to clarification of health insurance policies and benefits. Provides CommonHealth training opportunities to members of The Local Choice.	240	960
DHRM Internal Service Areas	Communications and special events assistance for office areas within the Department.	5	5
State Employees	develops communications tools and programs for human resource initiatives. Provides CommonHealth training to members of the state health plan.	115,000	140,785
Governor, Cabinet, & staff	provides communications support and staff assistance for multiple initiatives associated with the Governor's office.	1	1
General Public	provides support for agency office areas relating to FOIA requests and other public queries and interacts with donors and charities in a variety of ways	1,300	3,563,770
State Agencies	responds to agency needs relating to employee programs, providing consulting assistance and materials as appropriate	140	140

Anticipated Changes To Agency Customer Base

Potential increase in the number of charities due to a change in eligibility requirements for the workforce giving campaign. Increased workload in communications because of the Healthy Virginians initiative, including greater interface with and involvement from the private sector

Partners

Partner	Description
United Way of Hampton Roads	third party processor of charitable pledges for workplace charitable giving campaign.

Products and Services

- *Factors Impacting the Products and/or Services:*
 - Budget constraints
 - Staffing issues
 - Threat of lawsuits
- *Anticipated Changes to the Products and/or Services*
 - Continued movement to electronic distribution of all communications.
 - Increased emphasis on wellness programs in the workplace
- *Listing of Products and/or Services*
 - Development of communications materials, including e-newsletters, the DHRM Web site and e-mail lists.
 - Responses to media, citizen and organization inquiries.
 - Coordination of special programs and events, such as the Governor’s Awards program, wellness initiatives and other rewards and recognition events.
 - Oversight of Commonwealth of Virginia (CVC) workplace charitable giving campaign.
 - Records Management. This involves overseeing the proper maintenance of agency public records at the Library of Virginia.
 - FOIA Coordination. The service area coordinates responses to FOIA requests received by the agency.

Finance

- *Financial Overview*
[Nothing entered]
- *Financial Breakdown*

	FY 2009		FY 2010		FY 2009	FY 2010	FY 2009	FY 2010
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund				
Base Budget	\$0	\$214,966	\$0	\$214,966				
Change To Base	\$0	\$0	\$0	\$0				
Service Area Total	\$0	\$214,966	\$0	\$214,966				
Base Budget	\$0	\$214,966	\$0	\$214,966				
Change To Base	\$0	\$0	\$0	\$0				
Service Area Total	\$0	\$214,966	\$0	\$214,966				
Base Budget	\$0	\$214,966	\$0	\$214,966				
Change To Base	\$0	\$0	\$0	\$0				
Service Area Total	\$0	\$214,966	\$0	\$214,966				

Human Resources

- *Human Resources Overview*
During FY09 the CommonHealth function which was previously outsourced was brought in-house. This resulted in 10 new positions, which serve as home-based regional CommonHealth Coordinators. These staff present and train employees statewide in the benefits and rewards of making healthy choices.
- *Human Resource Levels*

Effective Date	7/1/2005
Total Authorized Position level	15
Vacant Positions	0

Current Employment Level	15.0	
Non-Classified (Filled)	0	
Full-Time Classified (Filled)	5	<i>breakout of Current Employment Level</i>
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	0	
Contract Employees	0	
Total Human Resource Level	15.0	= Current Employment Level + Wage and Contract Employees

- **Factors Impacting HR**
[Nothing entered]
- **Anticipated HR Changes**
[Nothing entered]

Service Area Objectives

- Provide high-level customer service

Objective Description

This activity provides a central outlet for information to the agency's internal and external customers. Information is developed and disseminated electronically that focuses on workplace issues and reinforces the agency's mission, training, provision of health benefits, EEO policies and workers' compensation matters.

Alignment to Agency Goals

- Agency Goal: Provide timely, accurate, and consistent human resource information utilizing cost effective delivery channels.

Objective Strategies

- Maintain a five-day turnaround for routine posting of Web new pages.
- Update DHRM Web pages to make material more readable and customer friendly.
- Develop a customer satisfaction survey to gauge levels of satisfaction with service and distribute annually.
- Coordinate with ITECH on delivery of new products and services to customers on an as-needed basis.
- Develop employee electronic newsletter for distribution on quarterly basis with opt-out feature.
- Develop communications program to emphasize workplace wellness activities.
- Develop targeted communications programs to highlight employee benefit programs.
- Coordinate financial planning programs for state employees as needed.
- Develop and update as needed targeted e-mail lists.
- Add employee feedback feature to DHRM Web site.
- Use an Employee Recognition Council to enhance agency awareness of Virginia Public Service Week and assist in the development of agency-specific recognition programs.
- Develop a Speakers Bureau of previous Governor's Award recipients to be available for agency events to promote the program and reward and recognition events in general.
- Develop a training module for the Managing Virginia Program emphasizing the value of recognizing outstanding employees.
- Develop a "Wall of Fame" in an appropriate public location featuring past recipients of Governor's Awards.
- Coordinate special events regionally, and provide rewards and recognition, as needed, to motivate financial planning among the state workforce.
- Analyze trends in agency giving and focus on areas of opportunity to increase contributions.
- Enhance the wellness program for delivery to agencies, including communications, recognition, special programs and a revised program focus.
- Plan rewards and recognition events for agency wellness coordinators, and promote their successes through on-line publications and Web sites.
- Develop message board for coordinators to share information and successes.
- Coordinate communications messages developed by Office of Health Benefits to focus on wellness initiatives.

Link to State Strategy

- nothing linked

Objective Measures

- Provide high-level customer service

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date: Measure Baseline Description: new baseline, does not have a history

Measure Target Value: Date:

Measure Target Description: 90% as of June 30, 2010

Data Source and Calculation: Agencies and employees respond annually to DHRM surveys, and provide feedback upon completion of training with a DHRM course evaluation. Customer satisfaction surveys use a Likert scale of 1 to 6, with 6 as the highest score. Percentage of favorable ratings represents number of ratings 5 and 6 divided by total number of responses. The previous measure of 90% favorable ratings of 4, 5 and 6 divided by total number of responses was achieved in FY07 with 91% rating.

- Provide an annual workplace charitable giving program through the Commonwealth of Virginia Campaign (CVC) program, maximizing charitable dollars raised, volunteerism and employee participation.

Objective Description

The annual Commonwealth of Virginia Campaign (CVC) administers the workplace giving program, which over the last eight years has raised over \$25 million for non-profit organizations of the employee's choice. The campaign involves over 1,300 approved local, state and national charities. It also trains and motivates 250 statewide volunteers, provides training and marketing materials, recognizes and celebrates agency participation with special events and works to maximize the dollars raised and employees participating in the program. In 2004, CVC raised over \$4.4 million, a 22 percent increase over the previous year. This included a special campaign for Hurricane Relief, which raised over \$502,000.

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.
- Agency Goal: Provide timely, accurate, and consistent human resource information utilizing cost effective delivery channels.
- Agency Goal: Develop and implement a statewide workforce planning program to forecast human resource trends and to assist agency management in addressing their human resource needs.

Objective Strategies

- Develop an electronic payroll deduction system as a more cost-effective and efficient approach to donating.
- Create a new-hire and retiree information program for awareness of CVC and its opportunities.
- Provide leadership in developing a recognition and awards program for CVC Coordinators.
- Increase participation among employee groups with lower than average participation rates through increased marketing and coordinator empowerment.
- Analyze trends in agency giving and focus on areas of opportunity to increase contributions.
- Increase participation among employee groups with lower than average participation rates by implementing specific tools, events, and communications.
- Pilot an electronic payroll deduction/pledge system to reduce costs and improve efficiency.
- Evaluate existing workplace giving program with electronic pledge processing and determine program cost effectiveness and applicability statewide.

Link to State Strategy

- nothing linked

Objective Measures

- Total CVC dollars raised

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: \$4.3 million in CY 2006

Measure Target Value: Date:

Measure Target Description: \$4.4 million in CY 2007

Data Source and Calculation: Total CVC dollars raised by state employees. Two percent increase in Commonwealth of Virginia Campaign as shown in the CVC Final Giving Report

- Average Gift

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: \$167 in 2006

Measure Target Description: \$170 in 2007

Data Source and Calculation: Increase in average gift given by state employees

o Employee Participation rate

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: 24% in 2006

Measure Target Value: Date:

Measure Target Description: 25% in 2007

Data Source and Calculation: The number of employees participating in the CVC program divided by the total number of employees.

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:31 pm

Biennium: 2008-10

Service Area 6 of 7

State Employee Workers' Compensation Services (129 704 18)

Description

This statutorily mandated service area is responsible for establishing a workers' compensation insurance program for all state employees. Additional responsibilities of this unit include loss prevention programs to reduce the likelihood of workplace injuries, ensuring that injured employees receive timely, quality medical care, payment of lost wages, a disability management program to assure return-to-work with the agency whenever possible, or rehabilitation/job training and job placement. The program receives between 9,500 - 10,500 new claims every year and issues 106,454 checks totaling more than \$47 million in benefits in FY 05.

Associated outcomes include providing cost containment, consultation, guidance and educational programs to increase safety in the workplace, increase return-to-work opportunities, and reduce the program cash flow claims payments.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission
This service area directly aligns with DHRM's mission to provide our customers with guidance, consultation, training, and delivery of services.
- Describe the Statutory Authority of this Service
Code of Virginia § 65.2 Workers' Compensation Act

Code of Virginia § 2.2-2821 Workers' Compensation Program Established

29 CFR 1910 OSHA General Industry Regulations

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
State Employees	Injured workers	10,000	140,785
Local Governments	Local government WC Training	16	960
State Agencies	State Agencies WC insurance	123	180
Private Sector	WC Training for private employers	10	270,000

Anticipated Changes To Agency Customer Base
[Nothing entered]

Partners

Partner	Description
Third Party Administrators	The Program has outsourced claims administration and cost containment services to Managed Care Innovations. Managed Care Innovations and their subcontractors provide claims adjusting services, medical cost containment services, loss control services, field vocational and medical services, surveillance, discount prescription drug program, and a preferred provider network. The staff of 63 is co-located with the DHRM workers' compensation staff.

Products and Services

- Factors Impacting the Products and/or Services:
 - Increased unemployment in some geographic areas of Virginia causing an inability to locate alternative employment when the employee is unable to return to work at the state agency
 - Inability of claims service provider to maintain experienced and stable telephonic nurse consultant team
- Anticipated Changes to the Products and/or Services
 - The demand for return-to-work assistance is anticipated to increase as a higher percentage of employees injured participate in the Virginia Sickness and Disability Program which separates employees after six months of disability.
- Listing of Products and/or Services
 - Policy Administration: This statutorily mandated unit is responsible for establishing a workers' compensation insurance program for all full-time and part-time state employees and all self-insurance policy administration. The program's actuary develops premiums using an experience-based model as required by the Appropriations Act. Premiums are developed by September 1 in advance of the biennium and submitted to the Governor and the General Assembly for approval. Premiums are charged to all state agencies annually using premium statements that provide detailed information on how the premium for each agency was developed.
 - Claims Management The Claims Management unit receives between 9,500 and 10,500 new state employee

workers' compensation claims a year. These services are outsourced through a public-private partnership through a competitive procurement process. The staff of the contractor is housed on the DHRM premises and works very closely with management and agencies. Each claim must be investigated and evaluated for coverage under the Workers' Compensation Act. The program is responsible for assuring that state injured employees receive timely, quality medical care, payment of lost wages, rehabilitation/job training and job placement. Claims are administered in compliance with Virginia law. This unit works closely with the Office of the Attorney General staff that provides legal defense on any contested matters.

- Loss Control Loss prevention services are provided predominantly by contract staff as part of the public private partnership. The program provides educational programs to state agency employees to reduce the likelihood of workplace injuries and to assure OSHA laws are understood and mandated programs developed. Consultants analyze data to determine the agencies with the greatest risks and conduct consultation visits to agencies to provide advice and guidance on ways to reduce and eliminate workplace injuries.

Finance

- *Financial Overview*
[Nothing entered]
- *Financial Breakdown*

	FY 2009		FY 2010		FY 2009	FY 2010
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund		
Base Budget	\$0	\$1,121,737	\$0	\$1,121,737		
Change To Base	\$0	\$0	\$0	\$0		
Service Area Total	\$0	\$1,121,737	\$0	\$1,121,737		
Base Budget	\$0	\$1,121,737	\$0	\$1,121,737		
Change To Base	\$0	\$0	\$0	\$0		
Service Area Total	\$0	\$1,121,737	\$0	\$1,121,737		

Human Resources

- *Human Resources Overview*
[Nothing entered]
- *Human Resource Levels*

Effective Date		
Total Authorized Position level	0	
Vacant Positions	0	
Current Employment Level	0.0	
Non-Classified (Filled)		} breakout of Current Employment Level
Full-Time Classified (Filled)		
Part-Time Classified (Filled)		
Faculty (Filled)		
Wage		
Contract Employees		
Total Human Resource Level	0.0	= Current Employment Level + Wage and Contract Employees

- *Factors Impacting HR*
[Nothing entered]
- *Anticipated HR Changes*
[Nothing entered]

Service Area Objectives

- Provide high-level customer service

Link to State Strategy

- nothing linked

Objective Measures

- Provide high-level customer service

□ □ □ □

Measure Class: Other Measure Type: Outcome Measure Frequency: Annual Preferred Trend: Up

Measure Baseline Description: new baseline, does not have a history

Measure Target Value: 90 Date: 6/30/2010

Measure Target Description: 90% as of June 30, 2010

Data Source and Calculation: Virginia Commonwealth University Customer Satisfaction Survey of the State Employee Workers' Compensation Program, with number of respondents scoring the program 7 or higher on a scale of 10, with 10 as the high. The previous measure of 90% favorable ratings of 6 to 10 divided by total number of responses was achieved in FY07 with xxx% rating.

- Increase return to work rates

Objective Description

The program actively works with state employees and agencies to promote employees' return-to-work in a safe and healthy manner according to the Workplace Safety and Health Executive Order. The program's primary goal is to communicate with the employee, agency, and treating physician in order to increase opportunities for return-to-work with the agency as a first priority. The program provides education, advice, and guidance as agencies implement and improve their return-to-work programs.

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Objective Strategies

- Create DHRM return-to-work unit consisting of the current Disability Manager and three new DHRM
- Return-To-Work Consultant (RTWC) positions dedicated to increasing return-to-work opportunities with state government (funded by decrease in three telephonic contract consulting positions)
- RTWC will conduct reviews of agencies' lost time claims to determine if best practices are being followed.
- Increase utilization of job club through early intervention to increase return to work.
- Increase utilization of field vocational and medical services within the first six months of disability to increase return to work.
- Develop improved analytical reports to identify cases in need of early intervention for use by RTWC
- RTWC will meet with agency human resource directors to discuss best-practice strategies to increase retention and return-to-work opportunities for state employees.
- RTWC will conduct training for agencies on evaluating work restrictions, modifying job duties, and creating transitional employment.
- RTWC will evaluate agencies' return-to-work practices and programs and provide consultation services as required.
- Conduct periodic audits of claims service provider's data to increase the accuracy of disability tracking data
- Collaborate with the Virginia Retirement System to create a joint agency return to work training and return to work modification of agency policy to include non-occupational injuries
- Convert to a paperless claims environment to improve accuracy, increase efficiency, and communicate effectively with all constituents

Link to State Strategy

- nothing linked

Objective Measures

- Workers' compensation claims employee return to work rate

Measure Class: Other Measure Type: Outcome Measure Frequency: Annual Preferred Trend: Up

Measure Baseline Value: 93.6 Date: 6/30/2006

Measure Baseline Description: 93.6% as of June 30, 2006

Measure Target Value: 88 Date: 6/30/2008

Measure Target Description: 88% as of June 30, 2008

Data Source and Calculation: Percentage of employees returning to work after workplace injury as reported in the Workers' Compensation Claims System Return-to-Work Report

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:31 pm

Biennium: 2008-10

Service Area 7 of 7

Administrative and Support Services (129 704 19)

Description

This Service Area includes the Director's Office, fiscal, contracts, logistics, and Information Technology. It is responsible for the Council on Human Resources, a statutorily mandated advisory board, as well as other employee outreach initiatives.

This service area uses cutting-edge Web-based technology to provide interactive applications for a range of Human Resource functions, including recruitment, policy, benefits, compensation, communications and EEO services.

Among the contracts monitored by this office is the \$750 million health benefits contracts package. Others include the \$7 million annual State Employees Workers Compensation Services contract with a private vendor and an auditing contract for the Commonwealth of Virginia Campaign.

Associated outcomes include developing, monitoring and reporting on DHRM's strategic plan and operating budget of \$7 million within required timelines, providing required accounting information to DOA and complying with the agency's procurement requirements. The Management Scorecard is used to verify the outcomes. Surveys are measurements used to verify customer satisfaction.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission
This service area provides the administrative support for the other service areas which provides the programs supporting the agency's mission
- Describe the Statutory Authority of this Service
Same as the agency itself

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
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Anticipated Changes To Agency Customer Base
[Nothing entered]

Partners

Partner	Description
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[None entered]

Products and Services

- Factors Impacting the Products and/or Services:
[Nothing entered]
- Anticipated Changes to the Products and/or Services
[Nothing entered]
- Listing of Products and/or Services
[None entered for this Service Area]

Finance

- Financial Overview
[Nothing entered]
- Financial Breakdown

	FY 2009		FY 2010	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$2,335,990	\$0	\$2,330,876	\$0
Change To Base	\$0	\$0	\$0	\$0
Service Area Total	\$2,335,990	\$0	\$2,330,876	\$0

Human Resources

- Human Resources Overview
[Nothing entered]
- Human Resource Levels

[Empty input field]

Effective Date		
Total Authorized Position level	0	
Vacant Positions	0	
Current Employment Level	0.0	
Non-Classified (Filled)		} breakout of Current Employment Level
Full-Time Classified (Filled)		
Part-Time Classified (Filled)		
Faculty (Filled)		
Wage		
Contract Employees		
Total Human Resource Level	0.0	= Current Employment Level + Wage and Contract Employees

- **Factors Impacting HR**
[Nothing entered]
- **Anticipated HR Changes**
[Nothing entered]

Service Area Objectives

- Provide high-level customer service

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.
- Agency Goal: Provide timely, accurate, and consistent human resource information utilizing cost effective delivery channels.

Objective Strategies

- Procedures will be current and followed for all major accounting activities.
- All reconciliations completed and reviewed timely.
- Contract administration will be conducted in compliance with APSPM.
- Check all requisitions for availability for eVA registrations and SWAM status for increasing SWAM participation
- Utilize DMBE to assist in developing minority vendor resources.
- Monitor prime vendor subcontracting reporting for SWAM usage.
- Maintains current Personnel Information Management System (PMIS) and Benefits Eligibility System (BES); modifies, tests and implements new and existent procedures to maintain systems running and up to date;
- Maintains current Performance Management Program linking pay increases to employee performance ratings;
- Maintains Performance Increase Distribution Calculation processes to allow users to calculate the maximum utilization of available pay increases;
- Collects, reports, and stores employee evaluations into PMIS; provide PMIS evaluation data extracts for agency in-house systems update upon request;
- Plans, designs, develop and implements new applications to generate all the reporting in DHRM servers, removing it from VITA mainframes;
- Designs, develops and implements processes to improve PMIS web-enabled turn-around documents;
- Design, develops and implement processes that allow more integration of customer agencies' integrated HR systems with PMIS and BES; these processes allow agencies to avoid double data entry;
- Develops and implement system changes to allow customer agencies the use of PMIS Employee ID number as an alternate method to the Social Security Number;
- Provides Helpdesk services satisfying requests from customer agencies; produces special ad hoc reports, as required and run special software modifications to create data sets as needed by DHRM constituents;
- Maintains the DHRM data warehouse and workforce planning tools; plans, designs, develops and implement web-enabled tools to assist agencies in the monitoring and proactive review of their employment practices;
- Plans, designs, develops and implements web-enabled Query Tools that provide the capability for authorized users to access their Agency's and Sub-agencies data;
- Maintains EEO Assessment web-enabled tools designed to assist agencies in the monitoring and proactive review of their employment practices to ensure fairness and equity and compliance with relevant Equal Employment Opportunity (EEO) laws and regulations;
- Maintain an on-line, web-based system that allows agencies to track applicant data on individuals applying for vacancies being recruited through the DHRM web site; data is tracked from the receipt of application to the final selection process and will be used to provide comprehensive statistical analysis and reporting on the recruitment

and selection processes of the Commonwealth;

- Maintains, develops and implements new processes for the web-tool Agency Metrics for Training system where agencies are able to report on-line quarterly training data;
- Maintains the health benefits employee self-service EmployeeDirect; designs, develops and implement new processes and changes to the system depending on GA resolutions;
- Maintains automated tools that allow health benefits data to be in compliance with HIPPA
- Reconciles BES retiree health benefits records to VRS retiree payroll (VIPERS) deduction records each quarter to identify and resolve discrepancies;
- Designs, develops and implements integrated interfaces between BES and VIPERS
- Designs and implements physical systems changes to DHRM IT infrastructure
- Maintains DHRM computer network responding in a speedier manner to requests for desktop helpdesk, and hardware and software upgrades;
- Participates in VITA Hot Site / Disaster Recovery Test to ensure that, all PMIS and BES files and programs would function flawlessly after a "switchover" to an emergency off-site computer center;

Link to State Strategy

- nothing linked

Objective Measures

- Provide high-level customer service

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: new baseline, does not have a history

Measure Target Value: Date:

Measure Target Description: 90% as of June 30, 2010

Data Source and Calculation: Agencies and employees respond annually to DHRM surveys, and provide feedback upon the completion of training with a DHRM course evaluation. Customer satisfaction surveys use a Likert scale of 1 to 6, with 6 as the highest score. Percentage of favorable ratings represents number of ratings 5 and 6 divided by total number of responses. The previous measure of 90% favorable ratings of 4, 5 and 6 divided by total number of responses was achieved in FY07 with 98.6% rating.