

Fiscal Year 2015

# Statewide Human Resources Management Roll-up Report



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## Overview

To offer a competitive environment opportunity, state managers must engage in management practices that build and reinforce a competent, productive and inspired workforce. The Human Resources Management Performance and Accountability system measures and monitors the state's workforce management practices.

In addition, the HR Management Performance and Accountability system emphasizes the use of data to:

- Identify and anticipate HR management issues that affect delivery of state services.
- Enable data-driven HR management strategies and solutions.
- Improve processes and recognize HR management successes.

Approximately 36 executive branch agencies with 100 or more employees submit an annual HR Management Report to State Human Resources in October. These reports outline key workforce successes, challenges and strategies. In addition, State Human Resources publishes a [statewide HR Management Report](#) that details, by agency, the results of key workforce [performance measures](#).

This Statewide HR Management Roll-Up Report uses a combination of agency HR management reports and workforce performance measure data to analyze enterprise workforce measures and summarize agency and enterprise strategies.

Please note that information in this report pertains to the executive branch only. Higher education institutions and legislative and judicial branches are not included.

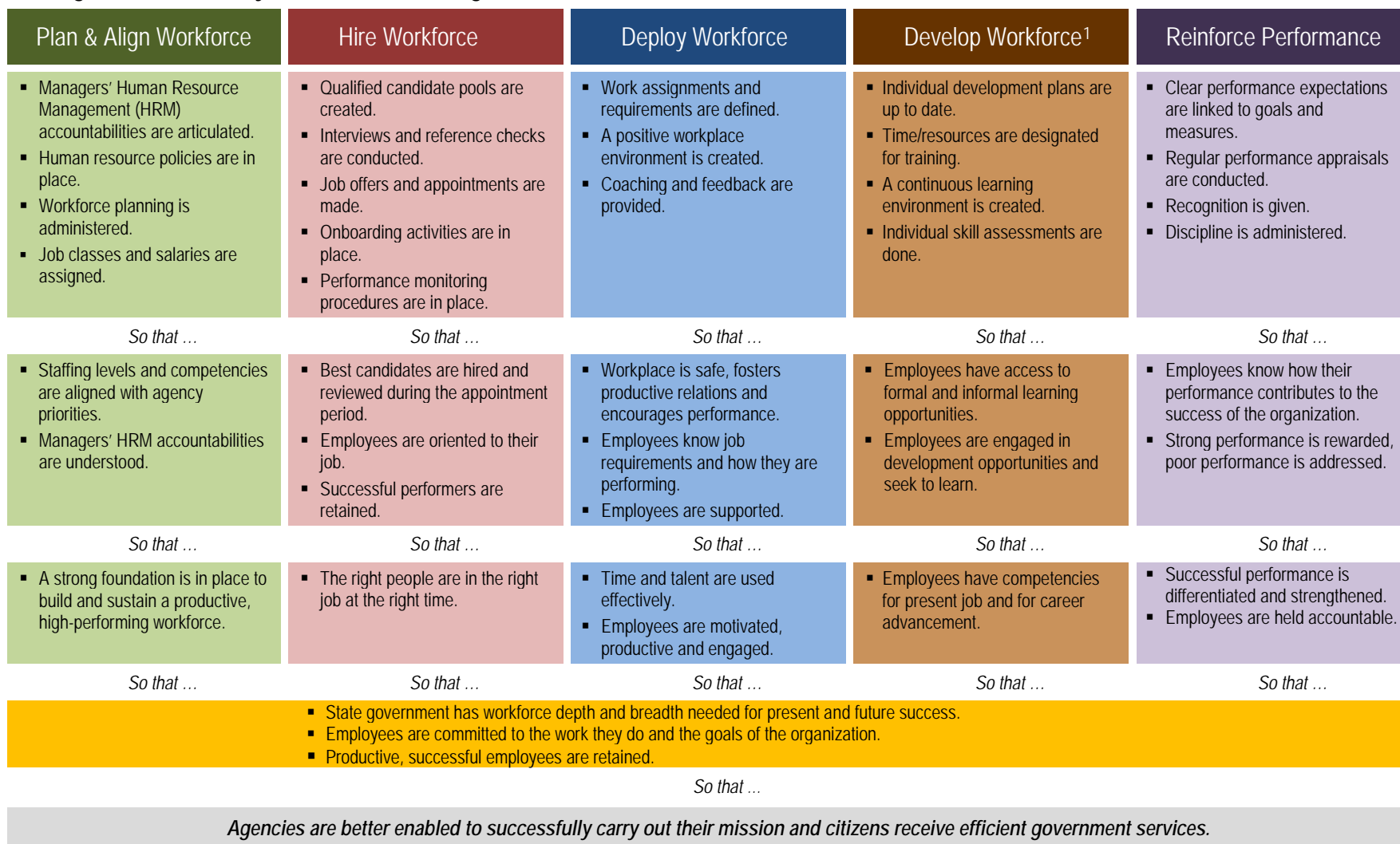
For questions on the Statewide HR Management Roll-up Report, contact [shrplanning@ofm.wa.gov](mailto:shrplanning@ofm.wa.gov).

### Logic model

Washington's [Accountability for Workforce Management's Logic Model](#) is used for the report. The logic model outlines the desired initial, intermediate and ultimate outcomes associated with five primary responsibilities for managers:



## Logic Model Managers Accountability for Workforce Management



<sup>1</sup> In FY 2014, the measures percentage of employees with current performance expectations and percentage of employees with current individual development plans were combined, which also combined deploy workforce and develop workforce measures in the logic model.

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## Performance measures

The high-level performance measures listed below expand on the logic model on the previous page. These measures align with most sections of this report. See [Appendix A](#) for performance measure definitions.

- **Plan and align workforce**
  - Management profile
  - Employees with current position/competency descriptions
  
- **Hire workforce**
  - Hiring balance — proportion of appointment types
  - Separations during review period
  
- **Deploy and develop workforce**
  - Percentage of employees with current performance expectations and individual development plans
  - Overtime usage
  - Sick leave usage
  - Nondisciplinary grievances/appeals filed and outcomes
  
- **Reinforce performance**
  - Percentage of employees with current performance evaluations
  - Disciplinary actions taken; disciplinary grievances/appeals filed and outcomes
  
- **Ultimate outcomes**
  - Turnover rates and types
  - Movement between agencies
  - Workforce diversity profile
  - Employee survey ratings

## Executive summary

The fiscal year 2015 Statewide HR Management Roll-Up Report highlights state agency successes and challenges over the year. Common agency successes and challenges reported in this year's report include:

### *Successes*

- Increase in career and developmental opportunities for staff
- More Lean process improvement activities, with a stronger focus on Lean leadership
- Management and leadership training programs offered
- More employee engagement and morale-building activities

### *Challenges*

- Recruitment and retention in certain classifications
- Turnover in key positions
- Budget constraints

The following section provides highlights of workforce impacts and activities over the past fiscal year.

**Employer of choice** – The state continued to work toward the Governor's goal to make the Washington state an "Employer of Choice." Results Washington, the Office of Financial Management (OFM), the Department of Enterprise Services (DES) and many state agencies implemented strategies to improve employee engagement. Progress toward the goal was checked with the state's annual Employee Engagement Survey in October and November 2014.

**Veterans transition support** – Governor Inslee's Executive Order 13-01 requires executive cabinet agencies to develop annual veteran employment plans to increase the representation of veterans in their workforce and report progress to State Human Resources.

**Improving employment opportunities for people with disabilities** – Governor Inslee's Executive Order 13-02 challenges state government to increase the percentage of persons with disabilities in the state workforce from 3 percent to 5 percent by June 30, 2017.

**Expanding telework and flexible work hour programs** – Governor Inslee's Executive Order 14-02 requires state agencies to increase the number of state employees participating in telework and flexible work hour programs. Agencies provided information on participation, barriers, needs and successes. This input was used to develop tools and resources to support implementation. Information on participation will be provided to the Governor's Office by May 2016.

**Lean transformation** – Results Washington continued to work with state agencies to apply Lean thinking and tools; empower employees as problem solvers and develop leaders as coaches; report regularly on their progress on the Governor's priorities; and be accountable for making improvements and delivering results to the citizens of Washington.

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**HR governance** – Beginning in early fiscal year 2015, State Human Resources developed a collaborative governance model through HR governance working committees. The purpose of the governance committees is to provide strategic planning and guidance on human resource issues affecting the state workforce and government operations. The governance committees will ensure alignment of agency HR objectives and activities with enterprise objectives and processes. Two HR governance committees currently operate: the Employer of Choice Committee and the HR Development Working Committee.

**Improving biennial classification proposal process** – State HR updated the classification and compensation proposal process for the 2017–19 budget cycle. State Human Resources provided training on the proposal process, from submitting a request to final implementation. Fifty-three staff from general government and higher education agencies attended the training.

The following Executive Summary Trend summarizes enterprise workforce measures over seven HR Management Report cycles.

**Executive Summary Trend**

<b>PLAN &amp; ALIGN WORKFORCE</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Management profile</b>							
% of workforce that is WMS	6.9%	6.7%	6.7%	6.5%	6.4%	6.5%	6.8%
% of workforce that are managers	7.2%	8.1%	8.1%	7.8%	7.9%	7.7%	7.8%
% employees with current position descriptions	92.7%	84.3%	84.2%	81.7%	87.0%	86.9%	87.9%
<b>HIRE WORKFORCE</b>							
Avg number of days to fill job vacancies <sup>2</sup>	56	57	39	41	44	N/A	N/A
Total number of appointments	9,233	9,290	6,888	12,702	13,244	14,770	14,204
% promotions	34.3%	34.3%	29.7%	30.3%	31.3%	34.1%	34.2%
% new hires/rehires	28.6%	28.8%	30.9%	25.8%	32.1%	30.7%	28.8%
% transfers	21.1%	20.4%	25.1%	31.9%	19.3%	14.2%	15.8%
% hires from layoff list	0.8%	2.0%	2.0%	1.7%	1.1%	0.8%	0.4%
% other appts	15.1%	14.5%	12.3%	10.4%	16.2%	20.1%	20.7%
Number of separations during review period	712	588	449	555	850	1,013	1,180
<b>DEPLOY WORKFORCE</b>							
% employees with current performance expectations <sup>3</sup>	76.1%	82.2%	64.3%	78.0%	84.6%	73.1%	83.3%
Avg overtime hours used per month (of eligible)	4.4	4.0	3.8	4.1	4.8	4.8	5.1
Avg % of employees rec'ving overtime per month (of eligible)	28.0%	27.3%	26.9%	26.6%	27.7%	28.6%	28.9%
Avg sick leave hours used per month	6.4	6.5	6.6	5.8	5.9	6.68	6.8
Avg sick leave hours balance	240.2	236.0	239.0	246.1	249.0	242.6	233.7
Number of nondisciplinary grievances filed	427	661	611	537	437	396	453
Number of nondisciplinary appeals/PRB	33	55	33	23	33	13	33
Number of Director's Reviews filed	92	49	56	120	62	104	101
<b>DEVELOP WORKFORCE</b>							
% employees with current individual development plans	76.6%	81.0%	62.3%	77.5%	83.8%	N/A	N/A
<b>REINFORCE PERFORMANCE</b>							
% employees with current performance evaluations	79.3%	83.4%	67.8%	83.0%	76.8%	72.3%	85.2%
Number of disciplinary actions taken	311	311	350	288	295	323	239
Total number of disciplinary grievances and appeals filed	225	277	296	261	288	209	171
Number of grievances	198	261	282	249	275	197	151
Number of appeals	27	16	14	12	13	12	20
<b>ULTIMATE OUTCOMES</b>							
<b>Turnover rates (leaving state service)</b>							
% of total turnover	7.9%	8.3%	9.7%	10.9%	10.1%	9.8%	10.6%
% of resignation	3.2%	3.3%	3.8%	4.1%	4.4%	4.5%	5.3%
% of retirement	1.9%	2.1%	2.7%	2.5%	3.0%	2.8%	2.7%
% of dismissals	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.2%
% of layoffs	0.4%	0.8%	1.0%	1.8%	0.4%	0.1%	0.2%
% of other turnover	2.1%	2.0%	2.0%	2.3%	2.0%	2.1%	2.1%
<b>Movement between agencies</b>							
Total % movement between agencies	N/A	N/A	N/A	N/A	N/A	1.9%	2.2%
number of transfers	N/A	N/A	N/A	N/A	N/A	197	440
number of promotions	N/A	N/A	N/A	N/A	N/A	661	604
number of demotions	N/A	N/A	N/A	N/A	N/A	50	58
number of other	N/A	N/A	N/A	N/A	N/A	108	109
<b>Workforce diversity/diversity profile</b>							
% of females	51.0%	50.9%	50.7%	50.6%	51.1%	51.4%	51.4%
% of persons of color	18.0%	18.0%	18.0%	18.0%	18.3%	18.7%	19.6%
% of persons with disabilities	3.7%	3.4%	3.3%	3.4%	3.1%	2.9%	3.5%
% of persons age 40 and older	70.0%	71.1%	72.5%	72.6%	71.7%	70.7%	69.8%
% of veterans	11.8%	11.5%	11.1%	10.5%	9.9%	9.5%	9.8%
Employee survey positive response (% Usually or Always/Almost Always; 11 questions unchanged since FY10)	N/A	70%	N/A	67%	N/A	69%	70%

Note: Some trend data may differ from past HR Management Reports due to recent reporting improvements and data cleanup by agencies.

<sup>2</sup> Time to hire measure was suspended beginning in FY 2014 to determine an easier, more accurate way to track or pull these data.

<sup>3</sup> In FY 2014, the measures percentage of employees with current performance expectations and percentage of employees with current individual development plans were combined.

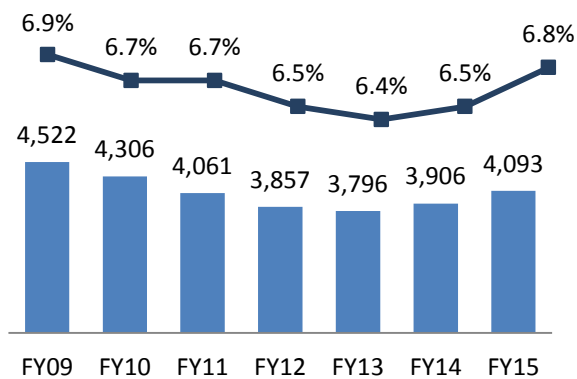


## Plan and align workforce

### Management profile

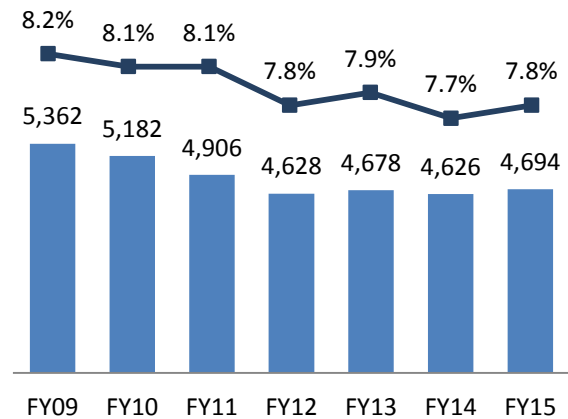
Executive branch management is a combination of Washington Management Service (WMS), Exempt Management Service (EMS) and Washington General Service (WGS) managers, for which *headcounts* grew. The WMS *percentage* of workforce remained relatively consistent.

**WMS Trend: Statewide Head Count & Percentage of Workforce**



\*WMS includes traditional managers as well as persons who do not manage personnel but are high-level technical experts in their field.

**Manager Trend: Statewide Head Count & Percentage of Workforce**



\*Manager includes persons who manage program(s), budget(s) and staff. This is a traditional managerial role.

Agencies report ongoing challenges in retaining critical management talent or technical expertise. Compensation, along with growth and development opportunities, are cited as barriers when recruiting for critical managerial positions.

### Agency strategies

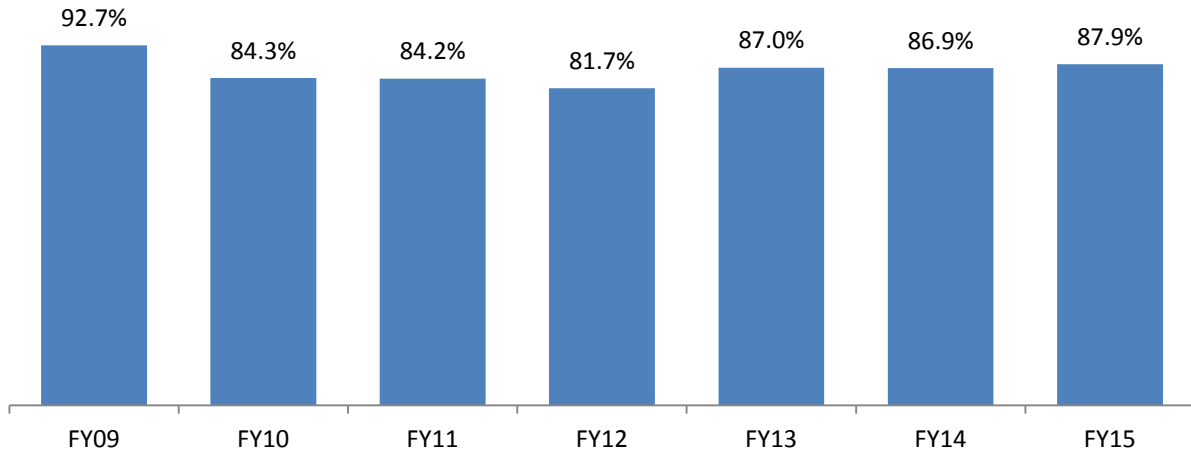
Agencies are using strategies developed as a part of Governor Inslee's Results Washington Employer of Choice initiative to increase employee engagement and job satisfaction. The majority of reporting agencies are dedicating resources to increase supervisory, leadership and employee performance management training. Agencies are also using Lean tools to improve management processes and policies. Strategies are:

- Using Lean initiatives to improve efficiencies by analyzing policies and practices to reduce, improve and streamline management systems.
- Exploring ways to retain employees with a variety of initiatives such as rebalancing workloads, pooling and sharing staff across divisions, and identifying and eliminating noncritical work.
- Improving promotional opportunities through a variety of initiatives, including succession planning, performance management training for supervisors, leadership coaching and creation of leadership competencies.
- Developing Lean leadership programs and teams to strengthen leadership capability and capacity.

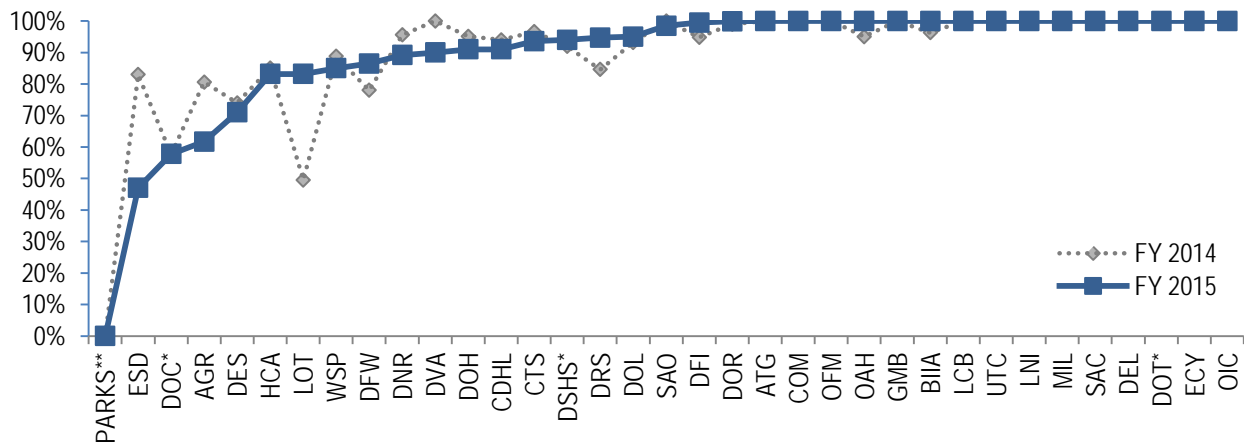
### Current position/competency descriptions

Position descriptions connect a person’s work to his/her pay and to the agency’s mission. Accurate position descriptions are the foundation for setting employee expectations, planning for development and evaluating performance. Agencies are required to maintain current position descriptions for classified employees in accordance with [WAC 357-13-030](#).

Almost 9 in 10 Employees Have a Current Position Description



Agency Year-to-Year Comparison of Current Position Descriptions Percentages



\*DSHS, DOC and DOT compose 55 percent of the workforce, so changes in their completion rates may have a large impact on the overall percentage.

\*\*Washington Parks and Recreation Commission (PARKS) has gone through significant turnover in its human resources office. This resulted in loss of knowledge and inadequate resources to determine position description completion rates in FY 2014 and FY 2015.

### *Agency strategies*

Several agencies discussed successes in writing clear job descriptions and indicated they intend to continue to make having current position descriptions a priority in fiscal year 2016. Agency strategies to increase the number and quality of current position descriptions include:

- A continuing focus on clarification of agency vision, mission and goals related to workforce planning, including assessment of leadership and talent to achieve strategic goals.
- Clearly connecting employees to the agency mission through the work they do and the value they add.
- Developing, clarifying and deploying core leadership competencies and involving employees at all levels to develop competencies.
- Identifying better technology options for storing, updating and making position descriptions more easily accessible.
- Requiring an accurately updated position description form prior to posting a recruitment notice and evaluating vacancies prior to moving forward with recruitments, allowing for candidate screening based on current position-specific qualifications and competencies.
- Realigning and redeploying resources within limits.
- Using position description templates to reflect agency core competencies and ensure consistent duties, expectations and qualifications in common job classifications.
- Clearly connecting positions with required training.



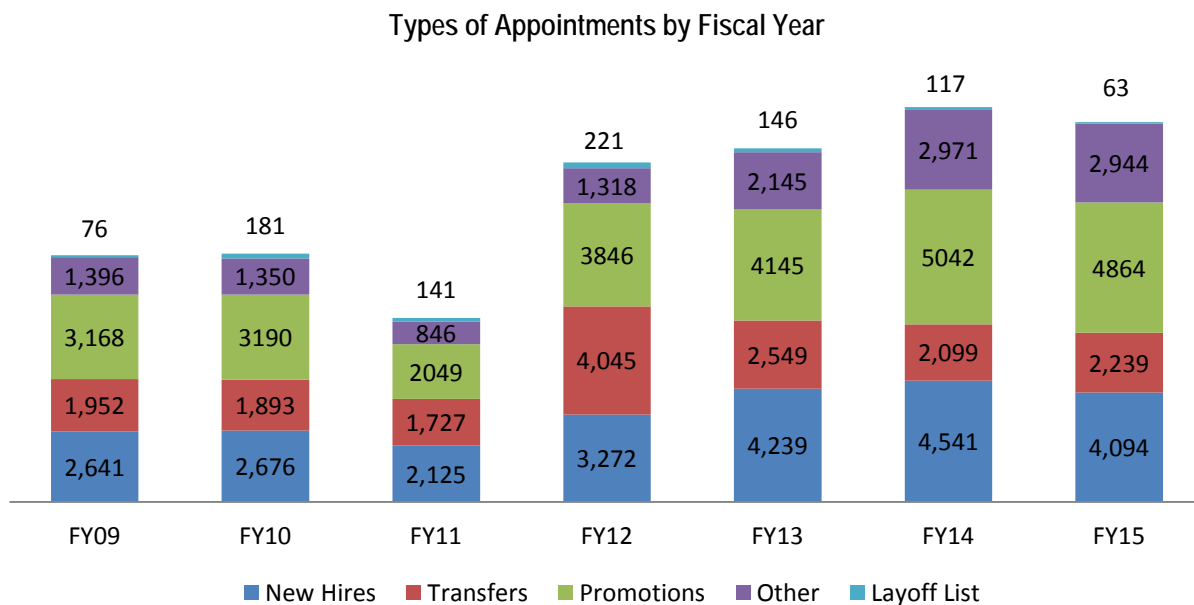
## Hire workforce

### Hiring balance – types of appointments

New hires, rehires and promotions continue to compose more than 60 percent of all appointments. New hires and rehires bring experience and ideas from outside the state and develop potential for meeting new needs. Promotions provide development opportunities for state employees.

The percentage of transfers in fiscal year 2015 continued to be below the seven-year average of 21 percent. The spike in transfers in fiscal year 2012 was due mainly to the formation of DES. Transfers provide lateral developmental opportunities to employees, allowing them to build new skills or apply skills in different settings. “Other” appointments include personnel actions such as probationary and project appointments, and the transition of successful hires from nonpermanent to permanent employment.

While the total number of appointments has doubled since the statewide hiring freeze — in place from March 2010 to June 2011 — was lifted, agencies made 566 fewer appointments in fiscal year 2015 than in fiscal year 2014. However, the 14,204 total appointments in fiscal year 2015 are 2,728 more appointments than the seven-year average of 11,476 appointments.



Twenty-one agencies reported hiring as a challenge or risk, including these factors:

- More turnover in key leadership positions.
- Pay gaps between the private and public sectors.
- The aging workforce and more employees eligible to retire.
- Younger employees who are less interested in long-term employment with one employer.
- Skill gaps and difficulty recruiting some agency-specific, highly specialized positions.
- Time and resources to get new employees to full performance.
- Lack of time and resources to devote to workforce planning.

### *Agency strategies*

Many agencies are implementing strategies in fiscal year 2016 to resolve their concerns, including the following:

- Increasing the number of succession planning activities to prepare for changes in staffing levels.
- Building partnerships with colleges, universities, professional associations and other community-based organizations to expand and enhance recruitment avenues.
- Implementing on-boarding programs to decrease the amount of time it takes new employees to become fully productive after they start a job.
- Enhancing and streamlining the recruitment process. Increasing recruitment efforts outside Washington.
- Increasing developmental opportunities for staff, including career counseling, in-training plans, mentoring, job shadowing and developmental job assignments.
- Placing more emphasis on supporting employee growth and development and providing more promotional opportunities.
- Providing other incentives outside of compensation such as tuition reimbursement, work-life balance accommodations and professional development opportunities.
- Evaluating policies, processes and training programs to remove unintended barriers.

### *Enterprise strategies*

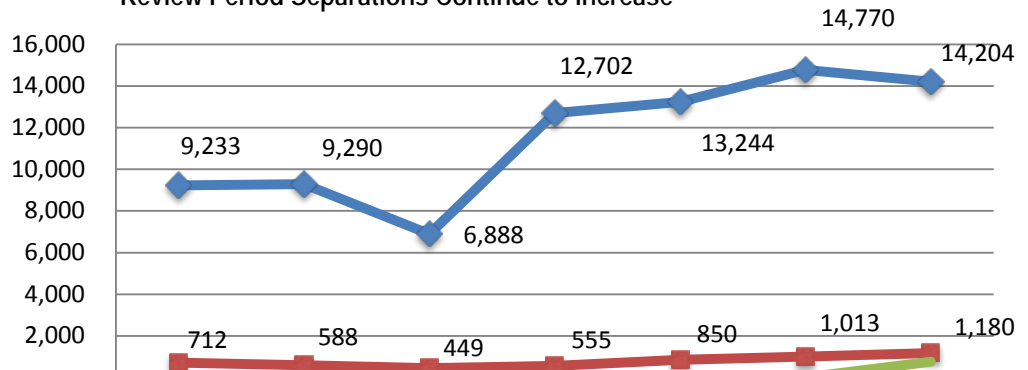
- The Interagency Staffing Council, which serves as the state's recruitment advisory and coordinating group, will convene two half-day conferences in fiscal year 2016 for state recruitment practitioners. These workshops will include recruitment professionals from private industry and state government.
- Continued the NW Edge program, a public-private partnership to assist service members in transitioning to careers outside the military. In fiscal year 2015, OFM began compiling wage data on program participants after their separation. In fiscal year 2016, OFM will synthesize this information to optimize the program and increase its efficiency.
- OFM gathered input from state agency HR offices to develop workforce planning dashboards for HR practitioners to anticipate hiring needs.



### Separations during review period

Although the total number of appointments decreased in fiscal year 2015, the review period separations increased 16.5 percent from the previous fiscal year. Review period separations include those who voluntarily resign from their positions during their review period to accept other employment, those who return to their previous positions or those who involuntarily are separated.

Review Period Separations Continue to Increase



	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Number of Separations During Review Period	712	588	449	555	850	1,013	1,180
Number of Appointments	9,233	9,290	6,888	12,702	13,244	14,770	14,204
7-Year Average							764

### Agency strategies

Many agencies are implementing strategies to help improve candidate quality, such as:

- Using Lean processes to streamline and improve agency hiring processes so HR and hiring managers can focus more time and energy on hiring the best candidates.
- Providing regular training to hiring managers that outlines best practices through the entire hiring process, including job analysis, recruitment, selection and on-boarding.
- Improving on-boarding processes, including:
  - › Just-in-time training, including WebEx-based training
  - › Employee intranet site improvements
  - › Mentorship programs
  - › On-boarding surveys
  - › Structured check-ins with new employees
- Ensuring supervisors provide new employees with regular, honest feedback about job expectations and performance.

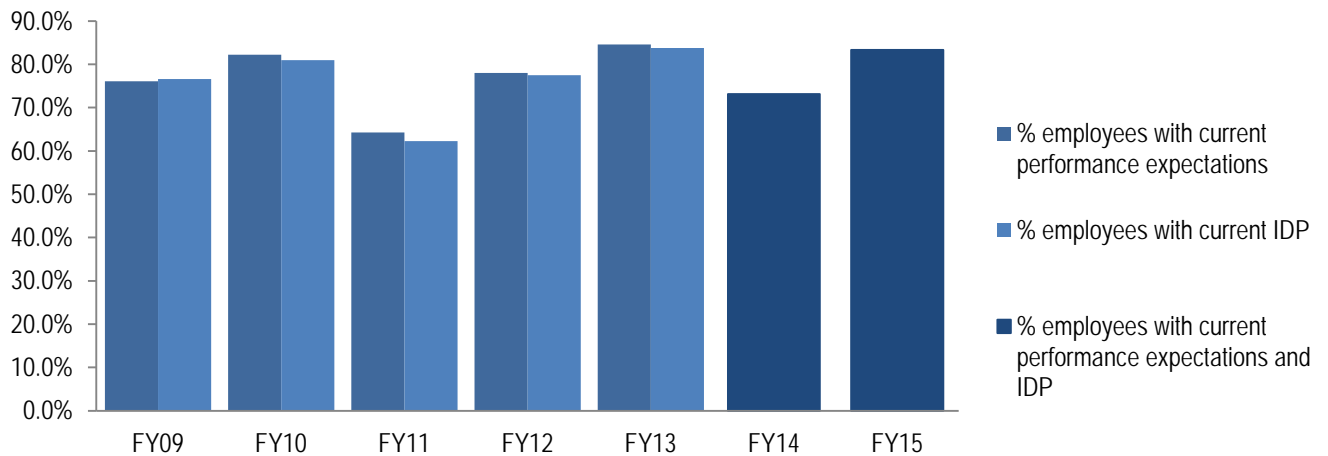
## Deploy workforce

### Current performance expectations and individual development plans

Performance expectations outline the key results and competencies expected of the employee during a performance period and reflect the position’s major responsibilities. Individual development plans (IDP) assist employees in career and personal development and identify opportunities to improve job performance.

In fiscal year 2015, 83 percent of employees had a current formal expectations and/or IDP, a 10 percent increase from fiscal year 2014. Several agencies with high completion rates attributed their success to the importance their agency leadership places on performance management and on the communication of performance expectations.

Percentage of Employees with Completed Expectations/IDP



Note: In FY 2014, current performance expectations and IDP measures were consolidated to streamline agency tracking.

\*DSHS, DOC and DOT compose 55 percent of the workforce, so changes in their completion rates may have a large impact on the overall percentage.

\*\* DSHS suspended the evaluation process in 2011 while a joint labor-management work group developed an improved evaluation system. DSHS has had challenges with its new automated performance management system and moved to paper-based reporting at the end of FY 2014. Statewide percentages for these fiscal years were affected since DSHS composes approximately 30 percent of the state workforce.

### *Agency strategies*

In addition to increasing the completion rates of formal expectations and/or IDPs, agencies continue to report a desire to improve the quality of employee performance expectations. Agency strategies include:

- Providing managers and supervisors with training and tools to help them write meaningful performance development plans.
- Developing a robust set of guidelines, approaches and tools to help supervisors set standards for acceptable behavior and productivity.
- Setting goals to have new employee expectations completed within a specific time frame (such as two weeks) to ensure new employees know what is expected of them and how their work contributes to the agency's mission.
- Making individual expectation and evaluation completion data more visible and holding supervisors accountable for timely completion.
- Having agencies develop requirements for online performance management systems to improve statutory compliance as well as increase process effectiveness and efficiency.

More than 80 percent of agencies reported strategies to increase or improve training and/or development in fiscal year 2016. Strategies include:

- Providing leadership development on clarified leadership competencies, enhancing supervisor and manager training programs, and providing supervisor performance management training.
- Exploring training opportunities for staff using resources such as e-learning, staff/subject matter experts and shared training.
- Pursuing partnerships with federal and state agencies and other sources, including private industry and in-house training for specialized certifications/licensures.
- Preparing staff for promotional opportunities through mentorships, coaching, cross training (including cross division), counseling, job shadowing, special projects, participation on agency and statewide committees, and rotational and developmental assignments.
- Sponsoring quarterly all-staff training sessions, Lean practitioner training and Lean certification.

### *Enterprise strategies*

Agencies are working to improve Washington as an employer of choice. [Results Washington Employer of Choice goal 5.1.2](#) uses Employee Engagement Survey data to measure management practices that influence engagement. Knowing how an employee's work contributes to the goals of the agency is key to employees feeling connected to and motivated in their jobs.

Clear expectations based on achievable outcomes set the stage for meaningful evaluations. Evaluations can include conversations about process improvements and skills development to achieve the outcomes.

A cross-agency team is developing statewide leadership competencies to support leadership development, training and succession planning. The team is composed of agency directors, deputy directors, HR managers, training managers, Lean experts and staff from OFM and DES.



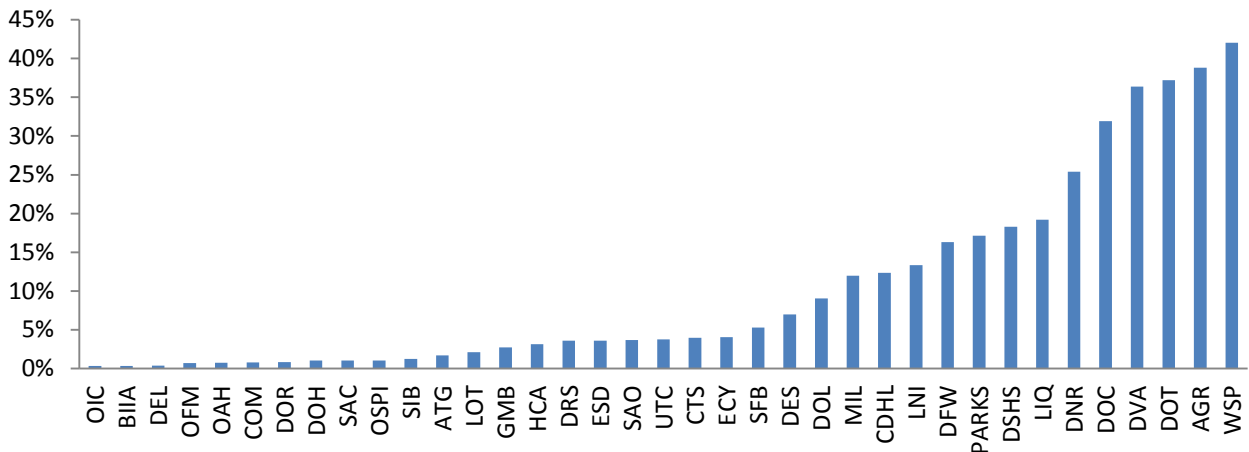
## Overtime usage

Approximately 68 percent of the workforce was eligible for overtime pay in fiscal year 2015; less than 20 percent of the workforce actually received overtime. In 25 of the 38 agencies represented in this report, the number of employees receiving overtime was less than 10 percent.

Overtime hours are generally used by positions in corrections facilities, veterans homes and social service institutions, and in safety and emergency management positions such as firefighters and state troopers, where 24-hour operation is the norm.

The monthly average of overtime hours used increased from 4.8 percent in fiscal year 2014 to 5.1 percent in fiscal year 2015.

**Percentage of Employees Who Received Overtime Hours by Agency**



### Agency strategies

- Continuing to assign an amount of work that is equivalent to an overtime-eligible employee's scheduled work hours.
- Restructuring shift worker schedules to enable them to take earned leave and reduce the need for overtime.
- Continuing to focus on retaining staff in key positions.
- Using ready-to-hire and on-call pools of applicants to reduce time to hire for key positions.

### Enterprise strategies

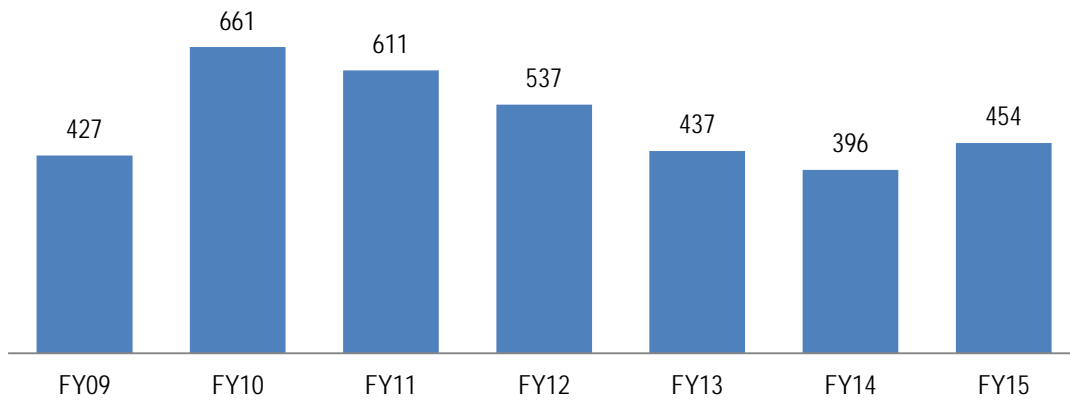
Overtime can often be a symptom of other workforce challenges, such as organizational changes in general and absences due to hard-to-fill positions, turnover and sick leave. Enterprise strategies related to retention, employee wellness, telework and flexible work schedules aim to mitigate work demands on employees and reduce the need for overtime.

### Nondisciplinary grievances

Grievances apply to represented employees only. The number of nondisciplinary grievances has increased by 14.6 percent since fiscal year 2014, but remained well below the high of 661 filed in fiscal year 2010.

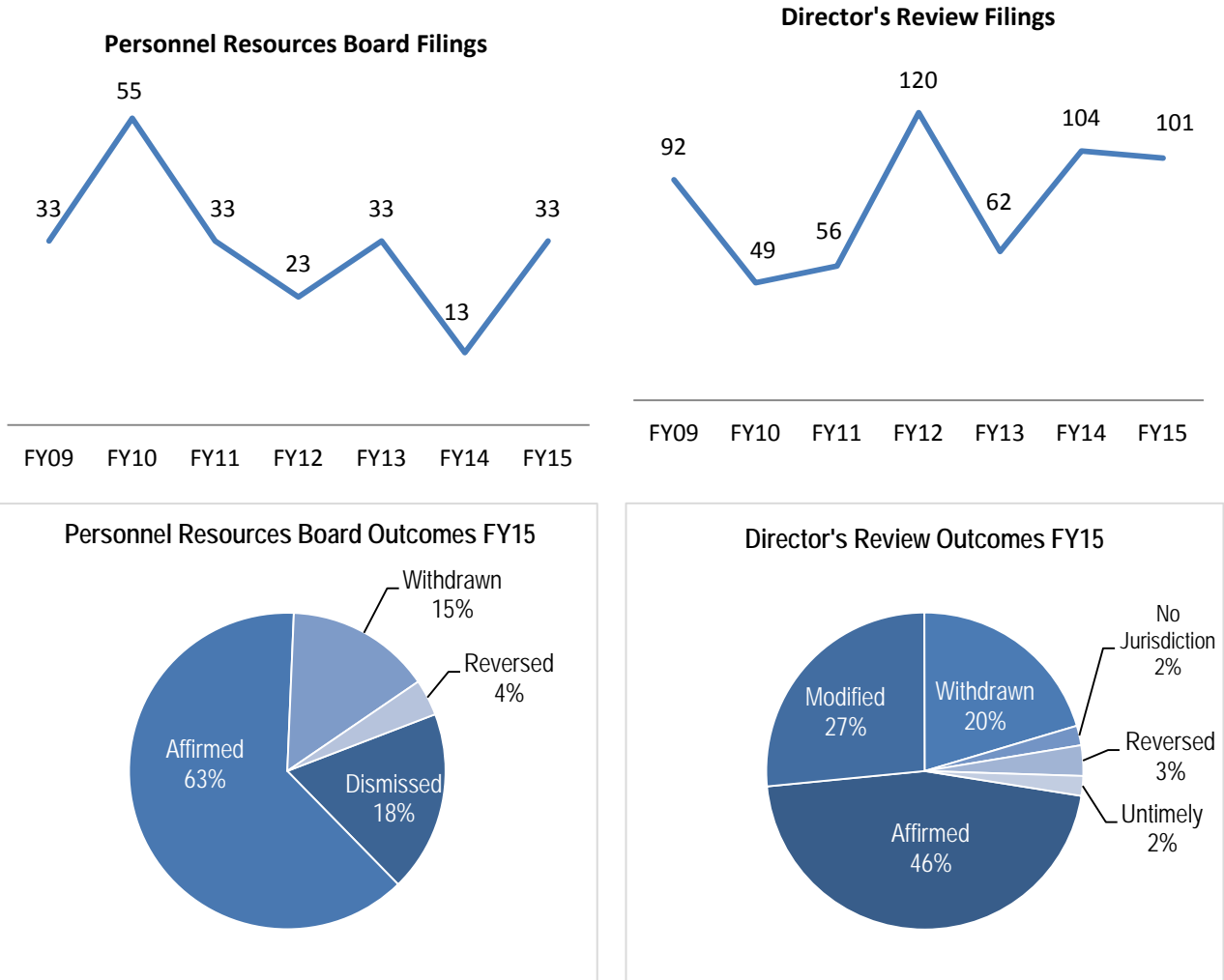
Nondisciplinary grievances are related primarily to compensation, hours of work and leave. Agencies strive to resolve grievances internally, which is reflected in the fact that only one nondisciplinary grievance went to arbitration in fiscal year 2015. This has remained somewhat static, with less than 1 percent of nondisciplinary grievances resulting in arbitration during fiscal year 2014 and 1 percent resulting in arbitration in fiscal year 2013.

Nondisciplinary Grievances Filed Continues to Remain Low



### Nondisciplinary appeals

In fiscal year 2015, 96 percent of the nondisciplinary Director’s Review filings and 79 percent of the Personnel Resources Board (PRB) filings were related to position allocation. This has been the trend over the past nine years. Most recently, the top four classifications where appeals were filed were information technology specialists, lottery district sales representatives, social service specialists and program coordinators.



Note: There is not a one-to-one correlation between FY 2015 filings and outcomes shown in the charts above. The time lag between the filing date and when a decision is rendered may cross fiscal years.

### Enterprise strategies

- In fiscal year 2015, the State HR Enterprise Classification, Compensation and HR Analytics team held four training classes on introduction to position allocation, with a total of 123 participants. The training provides instruction on how to conduct a position review, manage the allocation process and understand the allocation resources available to state agencies. State HR will continue to offer training on the allocation process in fiscal year 2016.

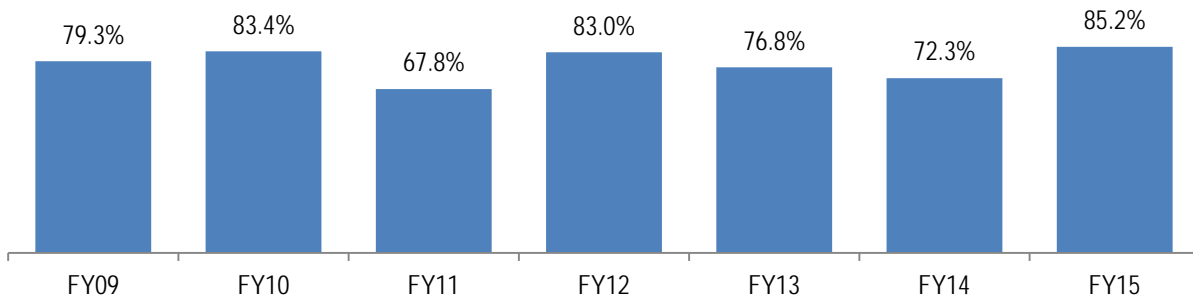
## Reinforce performance

### Current performance evaluations

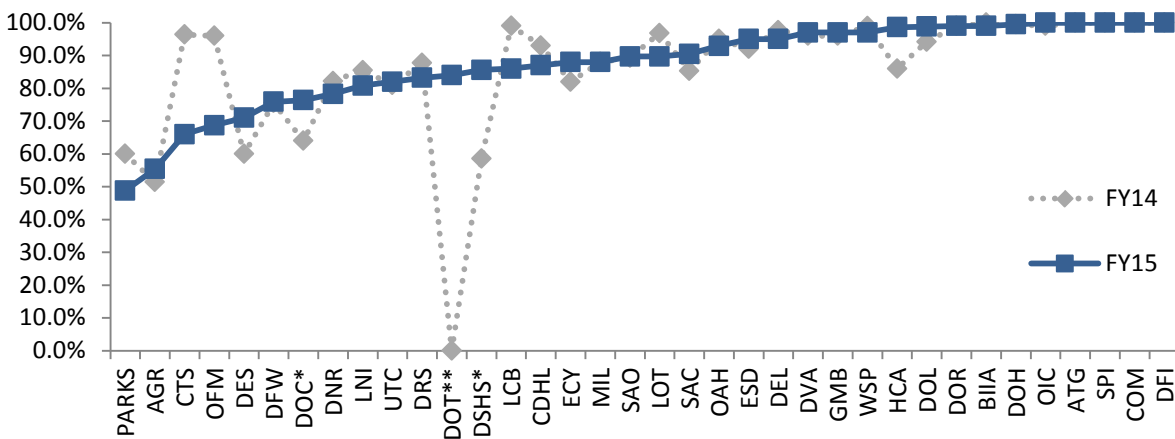
Performance evaluations provide a written assessment of the employee’s demonstration of key results and competencies outlined in the employee’s performance expectations. WAC [357-37](#) requires performance feedback be provided to classified employees through a formal evaluation process at least annually. Completion rates of employees with a formal performance evaluation increased by 12.9 percent in fiscal year 2015, the highest completion rate since fiscal year 2010. See the following page for agency-identified strategies to address this matter.

An employee’s level of engagement depends, in part, on feeling valued at work. Research shows that feedback needs to happen at least once a month or it creates *disengagement* in the employee.<sup>4</sup> The formal performance evaluation process provides a structure for conversations about the value of employees and their work. Combined with regular informal feedback and recognition, the state can enable more frequent feedback, which helps improve employee engagement. Agencies are addressing this as noted on the following page.

Percentage of Employees with Current Performance Evaluations



Agency Year-to-Year Comparison of Current Performance Evaluation Percentages



\*DSHS, DOC and DOT compose 55 percent of the workforce, so changes in their completion rates may have a large impact on the overall percentage.

\*\*DOT did not report evaluation completion rates for FY 2014 while revamping its electronic performance evaluation system.

<sup>4</sup> CEB Corporate Leadership Council, Building Engagement Capital, Page 53, published March 11, 2011, accessed Nov. 2, 2014.

### ***Agency strategies***

Agencies continue to work on improving Washington as an employer of choice. Consistent with the results of the 2013 Employee Engagement Survey, the 2014 survey shows 66 percent of employees say they get feedback from their supervisor that helps them improve their performance. Fifty-three percent say they receive recognition for a job well done.

Agencies are implementing strategies related to performance evaluations and/or recognition, including:

- Finding ways for agency executives, managers and supervisors to recognize employee efforts, including informal and peer-to-peer recognition — efforts that will help employees remain engaged in their work.
- Holding supervisors accountable for:
  - › Effectively managing employee performance.
  - › Linking individual performance to organizational goals and performance measures.
- Providing formalized training and streamlined tools to supervisors for the most effective use of the evaluation.
- Celebrating successes and helping employees understand how their agency measures success.
- Addressing performance or behavior issues quickly and at the lowest level possible.
- Exploring innovative, nonmonetary awards for high performance (such as professional development opportunities and cross training).
- Continuing research on options for an online performance evaluation system.

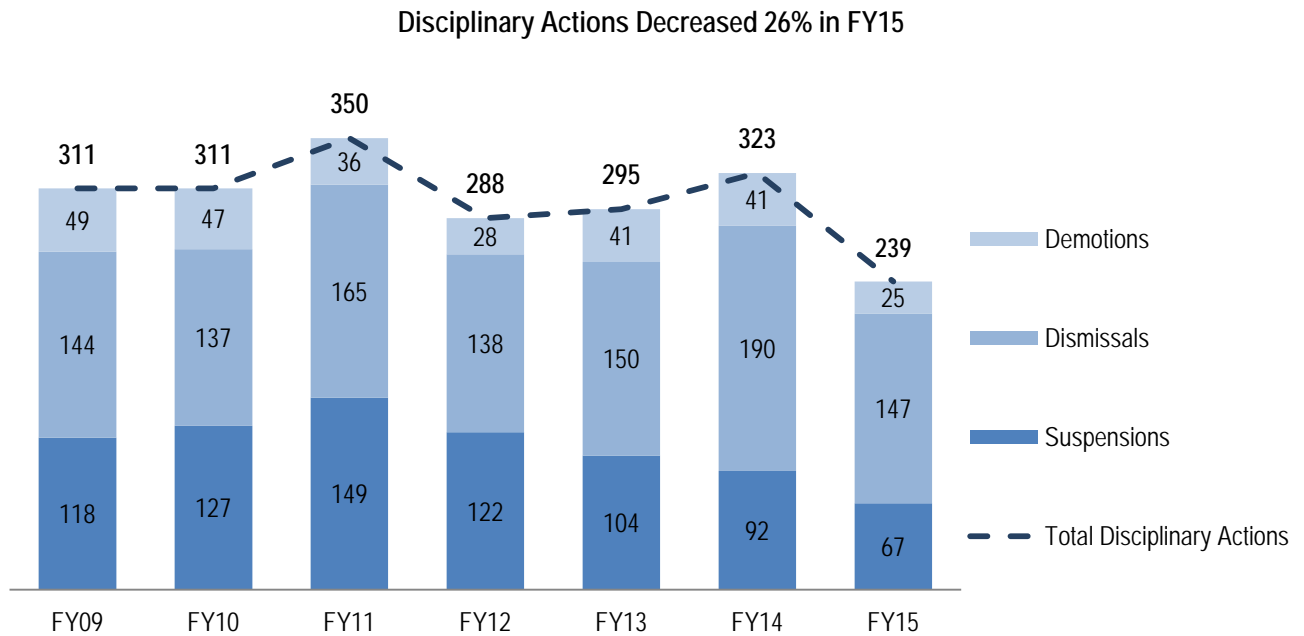
### ***Enterprise strategies***

Results Washington and DES are partnering to deliver training to develop employees as problem solvers and leaders as coaches.

### Disciplinary actions taken

Disciplinary actions for all employees decreased 26 percent in fiscal year 2015, which is the lowest number of disciplinary actions since fiscal year 2009.

Additional types of disciplinary actions not reported at the enterprise level include oral and written reprimands and reductions in pay.



## Disciplinary grievances and appeals

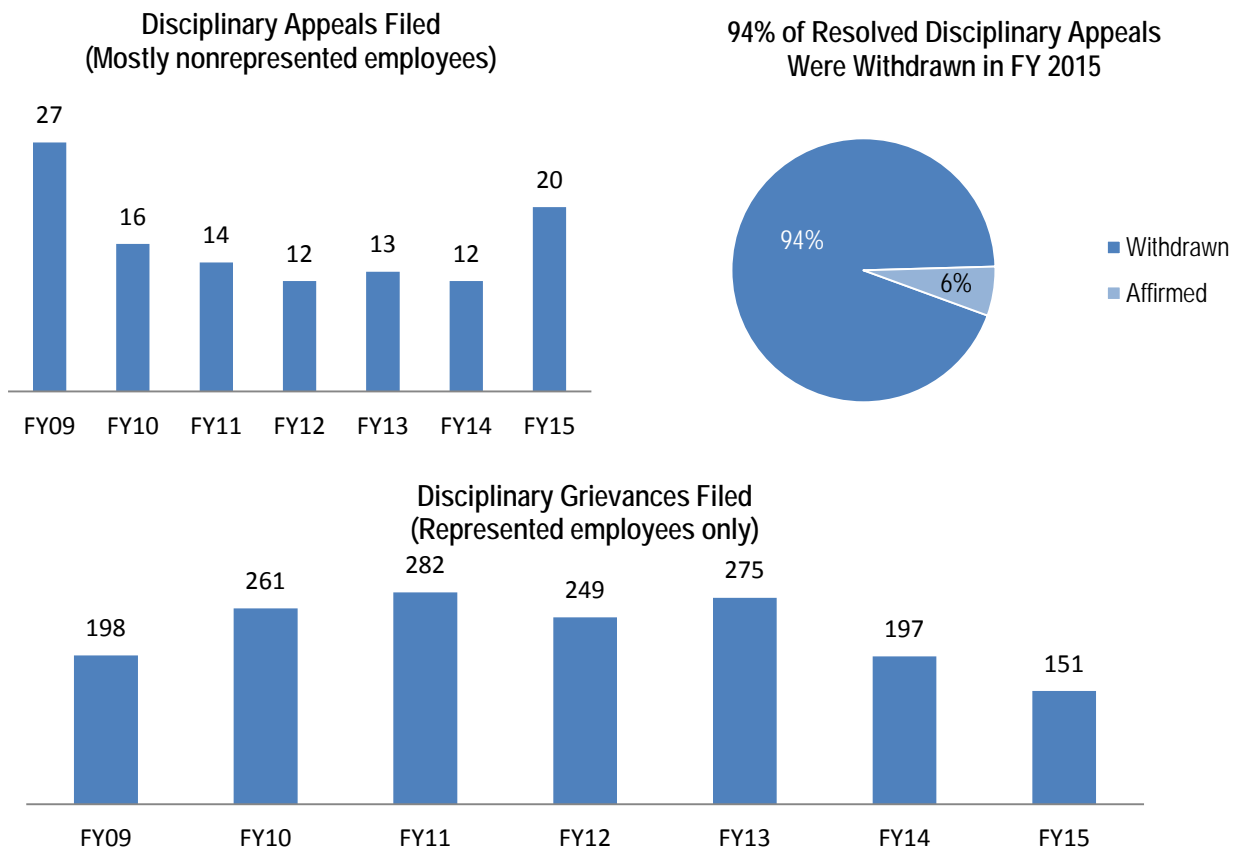
Disciplinary grievances apply to represented employees while disciplinary appeals apply mostly to nonrepresented employees.

The number of disciplinary **actions** taken decreased in fiscal year 2015 (see [Disciplinary Actions Taken](#)), but the number of disciplinary **appeals** filed with the PRB increased to its highest level since fiscal year 2009.

Disciplinary **grievances** dropped 23 percent in 2015. Of the disciplinary grievances resolved in fiscal year 2015:

- 58 percent were resolved at the lowest level.
- 30 percent were resolved at the agency-head level.
- Less than 2 percent were arbitrated.

Ninety-four percent of the disciplinary appeals resolved at the PRB in fiscal year 2015 were withdrawn by the appellant prior to a final decision being made by the board.





## Ultimate outcomes

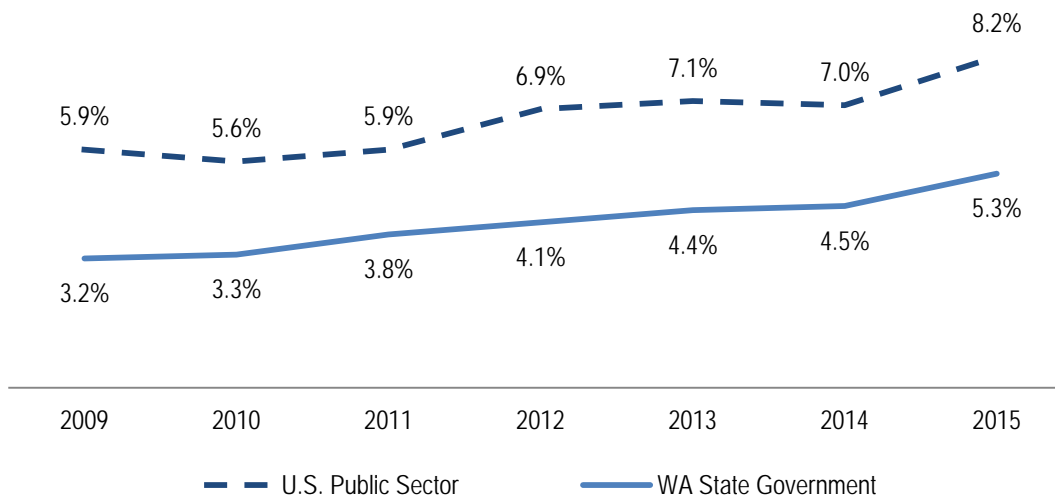
### Turnover (leaving state service)

Turnover increased from 9.8 percent in fiscal year 2014 to 10.6 percent in fiscal year 2015. State resignations increased in fiscal year 2015 at a sharper pace than in fiscal year 2014.

Turnover Type	FY09	FY10	FY11	FY12	FY13	FY14	FY15	7-yr avg
Resignation	3.2%	3.3%	3.8%	4.1%	4.4%	4.5%	5.3%	4.2%
Retirement	1.9%	2.1%	2.7%	2.5%	3.0%	2.8%	2.7%	2.6%
Dismissal	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.2%	0.2%
Layoff	0.4%	0.8%	1.0%	1.8%	0.4%	0.1%	0.2%	0.7%
Other	2.1%	2.0%	2.0%	2.3%	2.0%	2.1%	2.1%	2.1%
<b>Total Turnover</b>	<b>7.9%</b>	<b>8.3%</b>	<b>9.7%</b>	<b>10.9%</b>	<b>10.1%</b>	<b>9.8%</b>	<b>10.6%</b>	<b>9.9%</b>

Despite the increase, state employee resignations are still well below the U.S. public sector “quit rate,” as shown below.

WA State Government vs. U.S. Public Sector\* Resignation Rates



\*Bureau of Labor Statistics, JOLTS database

Note: Bureau of Labor Statistics data are used as a benchmark because they are a similar, although not exact, comparison of resignation rates.





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### ***Agency strategies***

As the economy improves, some agencies continue to express concern with rising retirement and resignation rates. There is a higher level of concern in competitive fields and in the threat of losing leadership.

Agencies anticipate positive impacts on employee engagement and retention as they move toward becoming an Employer of Choice. Agency strategies include:

- Developing a Lean culture that solicits employee feedback and supports continuous improvement.
- Increasing focus on developmental assignments and career advancement opportunities.
- Developing mentorship programs and cross-training opportunities.
- Reinstating and/or increasing tuition reimbursement and individual training programs.
- Assisting with updating the classification and compensation system.
- Designing and implementing leadership development and succession planning programs.
- Streamlining recruitment processes and practices to quickly respond to workforce needs.
- Improving skills assessments with the goal of hiring the right person for the right job.
- Improving on-boarding and/or new employee orientation programs.
- Increasing work-life balance accommodations, including telework, flex-work and employee wellness programs.

### Movement between agencies

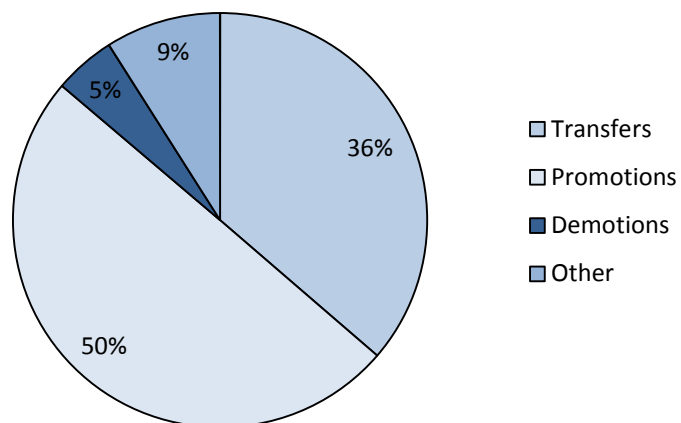
Movement between agencies was a new measure added in fiscal year 2014 that captures cross-agency mobility. Its purpose is to better quantify the total movement out of an agency. The transfer movement between agencies was higher in 2015 due to the creation of a new state agency, Washington Technology Solutions, in which some OFM and DES employees were reassigned.

Movement Between Agencies	Number of Actions: FY14	Percentage: FY14	Number of Actions: FY15	Percentage: FY15
Transfers	197	.4%	440	.81%
Promotions	661	1.2%	604	1.12%
Demotions	50	.1%	58	.11%
Other*	108	.2%	109	.2%
<b>Total Movement Between Agencies</b>	<b>1,016</b>	<b>1.9%</b>	<b>1,211</b>	<b>2.2%</b>

\* Other includes personnel actions such as project, nonpermanent, probationary, reassignment and reversion.

Of the 2.2 percent of employees who moved to another agency in fiscal year 2015, 50 percent left for a promotion.

#### Half of Movement Between Agencies Due to Promotions in FY 2015





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### *Agency strategies*

Few agencies identified concerns with the number of employees they lose to other state agencies. Of those that expressed concern, most reported losing employees to customer or client agencies or agencies with more advancement opportunities.

No agency strategies addressed movement between agencies. Evidence suggests that movement between agencies provides employee development opportunities. Some agencies referenced this with strategies for divisional cross training, though not at the agency level. According to the Statewide Exit Survey, employees moving to another agency say they are more likely to return to the agency they left than do employees who leave state service.

See [Turnover](#) for how agencies are addressing retention concerns.



## Workforce diversity

Executive Order 12-02 requires executive branch agencies to develop an annual affirmative action plan for addressing underrepresentation of women, people of color, persons with disabilities and veterans. In fiscal year 2015, the percentage of people of color employed by the state increased by 0.9 percent from the previous fiscal year, to 19.6 percent of the total workforce.

Workforce Diversity	FY14	FY15	Change from FY14 to FY15
Persons of Color	18.7%	19.6%	.09%
Persons with Disabilities	2.9%	3.5%	0.6%
Female	51.4%	51.4%	0.0%
All Veterans	9.5%	9.8%	0.3%
Post-Vietnam Era Veterans	6.7%	7.4%	0.7%
Vietnam Era Veterans	2.8%	2.5%	-0.3%
Disabled Veterans	1.4%	1.3%	-0.1%

Workforce Diversity	Workforce FY15	Civilian Benchmark*	Difference from Benchmark
Persons of Color	19.6%	24.1%	- 4.5%
Persons with Disabilities	3.5%	6.4%	- 2.9%
Female	51.4%	46.6%	4.8%
All Veterans	9.8%	9.1%	0.7%
Post-Vietnam Era Veterans	7.4%	6.1%	1.3%
Vietnam Era Veterans	2.5%	3.0%	- 0.5%
Disabled Veterans	1.3%	0.8%	0.5%

\* Civilian benchmark from the American Community Survey, conducted by the U.S. Census Bureau. Includes Washington civilian labor force age 16 and older.

## Agency strategies

In fiscal year 2015, all agencies chose strategies that included at least one of the following:

- Partnered with WorkSource or other community job resources to identify diverse candidates.
- Support for and expansion of cultural competency training.
- Support for internal diversity committees.
- Internal agency events celebrating workforce diversity.
- Improved internal communication to promote inclusive workplaces.
- Improved external branding to highlight themselves as employers of choice.
- Resurveyed the workforce to correct for underreporting of underrepresented groups.



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Agencies will focus in fiscal year 2016 on:

- Supporting and expanding cultural competency training.
- Working with agency diversity communities to increase engagement and inclusion among employees.
- Expanding outreach to diverse job seekers and deepening partnerships with professional organizations to increase recruiting outreach to diverse populations.

***Enterprise strategies***

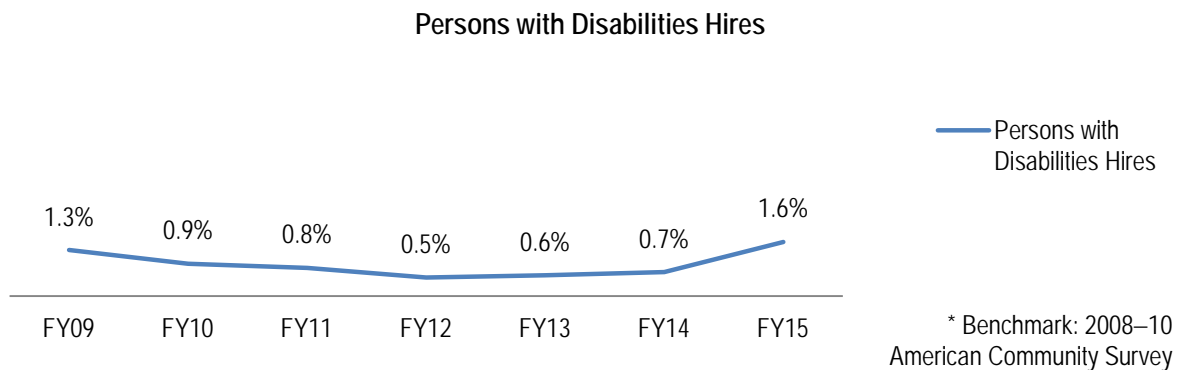
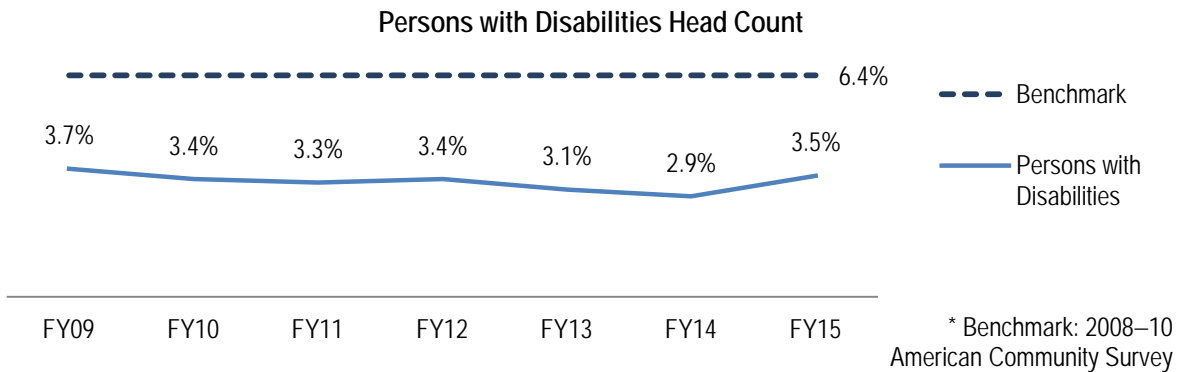
State Human Resources will continue to support agencies with semi-annual data reports and regular training, coaching and strategy consultation in fiscal year 2016. State Human Resources will also continue to support and coordinate enterprise strategies on employment of veterans, who are more racially diverse than the general population, and persons with disabilities.

Additionally, State Human Resources will continue to develop and implement:

- An enterprise cultural competency framework.
- Statewide cultural competency training, including delivery of a train-the-trainer course for agencies to deliver the training themselves.

## Persons with disabilities

Executive Order 13-02 requires executive branch agencies to develop an annual employment plan for addressing underrepresentation of persons with disabilities. Despite a modest increase in hires of persons with disabilities during fiscal year 2015, the percentage of new hires continues to fall short of statewide goals.



### Agency strategies

In fiscal year 2016, agencies will continue to build stronger relationships with the Department of Vocational Rehabilitation, the Department of Services for the Blind and the Governor’s Committee on Disability Issues and Employment to obtain resources for recruitment and retention and for the use of the Supported Employment Program. Most agencies will continue to use the enterprise strategies listed below.

### Enterprise strategies

In response to the Governor’s challenge in Executive Order 13-02 to reach 5 percent employment by June 2017, agencies continued developing and implementing disability employment efforts in fiscal year 2015, resulting in an increase of reported persons with disabilities in the state workforce for the first time in three years. Major strategies included:

- **Data cleanup.** In early fiscal year 2015, State Human Resources published guidance on resurveying employees to improve the integrity of disability employment and hiring data. Most agencies completed resurvey efforts during fiscal year 2015. Agencies have been encouraged to continue this process on an annual basis to ensure data accuracy.

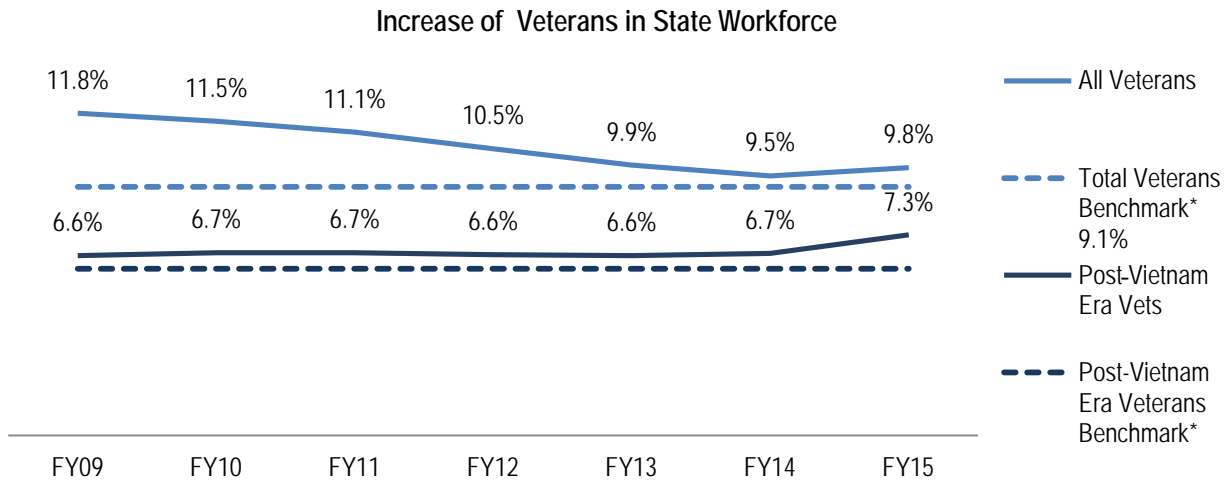
- Supported employment. The Department of Vocational Rehabilitation (DVR) has hired a supported employment specialist to assist agencies in recruiting and retaining employees in supported employment positions. In fiscal year 2016, a number of state agencies have indicated they will be participating in the Supported Employment Program in coordination with DVR.
- Electronic job boards. In fiscal year 2015, DVR purchased an 18-month license for the DVR Talent Acquisition Portal, an electronic job board for job-ready vocational rehabilitation clients. In fiscal year 2016, the state will begin using a new job board sponsored by the Employment Security Department and hosted by Monster.com.
- Disability Equality Index. In early 2015, several agencies piloted a self-assessment tool developed by the U.S. Business Leadership Network. The tool evaluates several inclusion activities, including accessibility, employment practices, leadership and community engagement. OFM will continue making the Disability Equality Index available to agencies through 2016 in cohorts of six agencies at a time.



## Veterans transition

Executive Order 13-01 requires executive branch agencies to develop an annual employment plan for addressing underrepresentation of veterans.

Employment of both total veterans and post-Vietnam Era veterans remains higher than the general labor force. Post-Vietnam Era veterans include those who began their military service after 1975.



Hiring of veterans has increased significantly in the past year, with a total of 290 new veteran hires in fiscal year 2015. As of June 30, 2015, a total of 5,914 veterans were employed with the state.

### Agency strategies

In fiscal year 2015, almost all agencies chose to participate in at least one of four enterprise strategies:

- Supporting and expanding the Veterans Employee Resource Group (VERG).
- Participating in the Northwest Edge (NWE) career transition program.
- Sponsoring a veteran in a fellowship program (either an agency-specific program or the NWE Fellowship Program).
- Coordinating with the Pacific Mountain Workforce Development Council and the Employment Security Department for transition programs such as Camo2Commerce and other apprenticeships.

Participation in the VERG remains the most effective strategy for increasing veteran hires and retaining them in the workforce. VERG acts as both a formal and an informal network to encourage transitioning service members to enter state service as their next career. VERG members also assist applicants with the state’s online recruitment system (NEOGOV) profiles, help veterans network with various agencies and inform transition centers of career opportunities.





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In fiscal year 2016, the largest challenge facing state agencies is the “JBLM-centricity” of their HR strategies. Approximately 7,000 veterans transition from Joint Base Lewis-McChord every year. However, 5,000 veterans also transition from naval bases in Kitsap County, Whidbey Island and Everett. Less than 5 percent of state agencies report participation in programs based at these locations. This mismatch in outreach provides State Human Resources a rare opportunity to expand its recruiting pool to new groups of veterans underrepresented in the workforce.

***Enterprise strategies***

In fiscal year 2016, the state will continue implementing the above four enterprise strategies. Additionally, OFM is assisting with data analysis to inform agencies about strategies that are leading to quantifiable results in the veteran workforce.



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### **Employee Engagement Survey**

In fall 2014, a total of 78 agencies, boards and commissions participated in the State Employee Engagement Survey. State Human Resources received survey responses from 30,703 employees — 52 percent of the executive branch workforce.

This was a reduction from the fall 2013 response rate of 56 percent. Agencies have taken steps to improve their outreach to increase this response rate for the 2015 survey. Seventy percent of employees who responded said they were generally satisfied with their job, compared to 69 percent in 2013.

### **Employer of Choice Initiative**

In fall 2013, Governor Inslee set a goal to make Washington state an Employer of Choice. A team of agency leaders selected 11 of the 17 employee survey questions as key measures of this goal. Agencies used their 2013 data to identify areas to target for improvement, with the goal to improve survey scores by 3 percent between 2013 and 2016. Results for the Employer of Choice questions improved 1 percent from fiscal year 2013 to fiscal year 2014, or one-third of the way to the goal. Agencies and OFM, Results Washington and its Goal Council 5, and DES continue to work on additional improvements to increase employee engagement.



This survey was conducted in October and November 2015. Results will be available in April 2016.

	Spring 2006	Fall 2007	Fall 2009	Fall 2011	Fall 2013	Fall 2014	Overall
Survey response rate:	58%	58%	59%	56%	56%	52%	
	Percent positive of those who responded						
1. I have the opportunity to give input on decisions affecting my work.	54%	58%	59%	55%	57%	59%	
2. I receive the information I need to do my job effectively.	69%	69%	73%	72%	72%	72%	
3. I know how my work contributes to the goals of my agency.	78%	80%	83%	80%	82%	81%	
4. I know what is expected of me at work.	84%	85%	88%	87%	88%	87%	
5. I have opportunities at work to learn and grow.	57%	61%	59%	53%	57%	58%	
6. I have the tools and resources I need to do my job effectively.	67%	67%	71%	69%	70%	71%	
7. My supervisor treats me with dignity and respect.	81%	82%	84%	83%	85%	85%	
8. My supervisor gives me ongoing feedback that helps me improve my performance.	62%	64%	66%	64%	66%	66%	
9. I receive recognition for a job well done.	48%	52%	54%	51%	52%	53%	
10. We are making improvements to make things better for our customers.					64%	65%	
11. A spirit of cooperation and teamwork exists in my workgroup.					69%	70%	
12. I know how my agency measures its success.	52%	54%	57%	54%	55%	56%	
13. My agency consistently demonstrates support for a diverse workforce.		67%	71%	68%	72%	72%	
14. I receive clear information about changes being made within the agency.				47%	47%	47%	
15. I am encouraged to come up with better ways of doing things.				51%	53%	56%	
16. We use customer feedback to improve our work processes.					44%	45%	
17. In general, I'm satisfied with my job.				67%	69%	70%	

### *Agency strategies*

All reporting agencies are working to improve in areas that influence employee engagement and are taking actions to improve the work environment. A number of agencies reported they are:

- Conducting employee focus groups or gathering additional data to supplement what they learn from the State Employee Engagement Survey.
- Implementing Lean practices in work processes such as root cause analysis and value stream mapping. Huddles were popular among agencies, and agencies continue to support Lean training.
- Developing opportunities for career pathways to further develop employee talent.
- Encouraging supervisors to develop new ways to recognize employees from appreciation nominations to achievement coins.
  - › Identifying and remedying environmental factors they believe may have a negative impact on survey participation. Many agencies took innovative action to improve outreach ahead of the 2015 survey such as participating in new statewide point-of-contact meetings to learn about survey outreach best practices.

### *Enterprise strategies*

In fiscal year 2015, OFM and Results Washington worked with agencies to improve the response rate to evaluate how well agencies met the Employer of Choice goals.

In fiscal year 2014, Results Washington, State Human Resources and agencies partnered to build capacity for using Lean problem-solving methods to improve employee engagement. Eleven agencies collaborated on encouraging employees to innovate (the “Better Ways” cohort). Nine agencies collaborated on improving use of customer feedback (the “Customer Feedback” cohort). In fiscal year 2015, the problem-solving tools developed by these cohorts were shared statewide to address root causes of employee disengagement.

In fiscal year 2015, statewide strategies were:

- **Lean Training.** Results Washington, in collaboration with OFM and DES, continues to build on work done in the previous year in piloting problem-solving training. The results, “Problem Solving the Washington Way” and “Coaching the Washington Way,” are available through DES, and can be accessed by agencies through a train-the-trainer program.
- **HR employee engagement toolkit.** The Human Resource Advisory Committee developed an online toolkit for HR staff to support the development of competencies and behaviors that positively affect employee engagement. The HR Development Working Committee launched the toolkit in May 2015 to 740 HR practitioners in 56 agencies. In fiscal year 2016, the results of the first six-month practitioner survey will identify areas for further improvements.

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## Appendix A

### Performance measure definitions

#### PLAN & ALIGN WORKFORCE

##### Management profile

**Definition:** Number and percentage of WMS employees.

Number and percentage of the workforce that are managers compared to the total workforce

- managers are EMS, WMS and WGS coded as "Manager"

Number and percentage of WMS employees coded as "Manager," "Policy," "Consultant" and "Unassigned."

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##### Employees with current position/competency descriptions

**Definition:** Percentage of employees with a current position description form or similar document on file that accurately reflects their job duties and competencies.

#### HIRE WORKFORCE

##### Hiring balance — proportion of appointment types

**Definition:** Number and percentage of appointments by type compared to the total number of appointments

- Comprises the following appointment types:
  - > new hires /rehires
  - > promotions
  - > transfers
  - > hires from layoff list
  - > other appointments (such as full-time, year-round positions)

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##### Separations during review period

**Definition:** Number of voluntary and involuntary separations from state service during probationary and trial service review periods.

#### DEPLOY WORKFORCE

##### Percentage of employees with current performance expectations / individual development plans

**Definition:** Percentage of employees with current performance expectations and individual development plans completed in "Part 1" and "Part 2" of their performance development plan.

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##### Overtime usage

**Definition:** Amount of overtime paid for overtime hours worked — for those eligible for overtime.

Average monthly overtime hour usage (per capita) — for those eligible for overtime.

Average monthly percentage of employees receiving overtime of those eligible for overtime.

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## Sick leave usage

**Definition:** Average monthly sick leave hours used (per capita).

Average monthly sick leave hours balance (per capita).

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## Nondisciplinary grievances/appeals filed and outcomes

**Definition:** Number of nondisciplinary grievances (represented employees):

- Number of grievances filed
- Outcomes of grievances cumulative for the reporting time period (for example, percentage withdrawn, settled, arbitration decision rendered, etc.)

Number of nondisciplinary appeals (mostly nonrepresented employees):

- Director's Review number of filings by category — job class, rule violation, layoff register, exam results, remedial
- Director's Reviews outcomes number by category — affirmed, reversed, modified, withdrawn, untimely no jurisdiction
- PRB number of appeals filed by category (classification, layoff, disability separation, nondisability separation, other exceptions)
- PRB outcomes number by category — affirmed, reversed, modified, dismissed, remanded withdrawn

## REINFORCE PERFORMANCE

### Percentage of employees with current performance evaluations

**Definition:** Percentage of employees who have a completed annual performance evaluation.

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### Disciplinary actions taken; disciplinary grievances/appeals filed and outcomes

**Definition:** Number of disciplinary actions taken by type — dismissal, demotion, suspension.

Number of disciplinary grievances /appeals filed and the number/ percentage of outcomes.

Disciplinary grievances (represented employees):

- Total number of disciplinary grievances filed
- Number and percentage of the disposition (outcomes) of disciplinary appeals processed by category — withdrawn, settled, arbitration decision rendered, dismissed, affirmed

Disciplinary appeals (mostly nonrepresented employees):

- Total number of disciplinary appeals filed with the PRB
- Number and percentage of disciplinary appeals filed by type — dismissal, demotion, suspension, salary reduction, other
- Number and percentage of disposition (outcomes) of disciplinary appeals by type — withdrawn, remanded, modified, reversed, affirmed

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## ULTIMATE OUTCOMES

### Turnover rates and types

**Definition:** Number and percentage of employees who left state service by turnover type and total turnover for the agency

- Include turnover by:
  - › retirement
  - › resignation
  - › dismissal
  - › layoff
  - › other (includes abandonment of position, transition review period not met, WMS acting appointment, termination of project, etc.)

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### Movement between agencies

**Definition:** Number and percentage of employees who moved between agencies by movement type

- Include movement between agencies by:
  - › transfers
  - › promotions
  - › demotions
  - › other (such as layoff list, nonemployee, nonpermanent limited, nonpermanent on call, permanent, probationary, project, reassignment, reversion)

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### Workforce diversity profile

**Definition:** Number and percentage of the state workforce by diversity groups

- Diversity groups are:
  - › female
  - › persons with disabilities
  - › Vietnam-era veterans
  - › disabled veterans
  - › all veterans
  - › persons of color (black, Hispanic, Native American, Asian)
  - › persons age 40 and older

Percentage of the state workforce by age group for all employees and for WMS employees only.

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### Employee survey ratings

**Definition:** Average rating for questions on the State Employee Survey (include comparative results from previous years).

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