

# Overview of FY2009 Actions

## Group 1 Classification Review

Beginning in June, teams of volunteers from agency HR departments and staff from the Division of Personnel Services (DPS) began reviewing the position descriptions for every position in a classification assigned to Group 1. As this represents approximately one-third of the entire classified workforce, this is truly a massive undertaking.

This process is being taken to make sure that employees are properly classified before being moved to the new pay plans, and is necessary due to the use of the State's classification system as a compensation tool since regular step movement was frozen in FY2002. The teams that are conducting this review are utilizing information from focus groups conducted with employees actually working in the classifications being reviewed as well as their own significant knowledge and understanding of the State's job classifications.

In addition to reviewing individual positions, the teams are also looking at the State's current classifications to see if they still accurately reflect the work that is actually being performed. Once again, this review is being conducted in accordance with information obtained from the focus groups with employees who are working in those classifications.

This process will continue throughout the Summer and into the Fall. Agencies will be presented with the recommendations of the teams at the conclusion of the process and will have an opportunity to appeal any recommended allocations with which they do not agree. Changes to classifications as a result of this process will take place at the beginning of FY2010.

## FY2009 Market Adjustments

Effective with the beginning of the first payroll period chargeable to FY2009 (starting June 15, 2008) market adjustments were provided to approximately 7,800 employees in 181 classifications. Employees in these classifications received at least a 5% increase in addition to the 2.5% general increase received by all classified employees. Market adjustments were accomplished through a combination of pay grade adjustments, in-grade increases and class consolidation. The details of the FY2009 market adjustments can be seen at the following link: <http://www.da.ks.gov/newpayplans/marketadj09.pdf>

The same methodology utilized by the Legislature in providing market adjustments in FY2008 was used to determine which classifications would receive market adjustments in FY2009, so market position as identified in the Hay Group's salary survey was the primary basis. The results of the Hay Group's survey can be seen at the following link: <http://www.da.ks.gov/newpayplans/haysurveyresults.pdf> In general, market adjustments were provided to classifications identified as being at least 10% or more behind market, although there were some exceptions due to issues of internal equity within occupational groups or between related occupational groups.

Internal equity issues must be considered along with market position as the process of implementation moves forward. Fortunately, the Legislature's commitment to a five-year funding plan means that the process can be implemented strategically, rather than reacting piecemeal and creating more problems than they solve. Although this will require some employees to be more patient than others, the State of Kansas did not get into the situation it now faces with respect to employee compensation overnight, so employees must understand that the situation cannot be fixed overnight.

## **New Performance Management Process**

Since January, two teams of employees have been working with staff from the Hay Group and DPS to address the need for a new system of performance management for the State of Kansas. The first of these teams, the Design Team, is made up of employees from different roles, agencies and levels of responsibility and represent classifications assigned to all five of the new pay plans. They have worked over the past few months to design an entirely new Performance Management Process for State employees.

The second team working on this issue acted as a Steering Committee, and is made up of senior management level positions from throughout State Government. This team includes Cabinet Secretaries, Agency Operations Managers, Agency HR Managers and a State Senator.

Meetings have been held individually with all members of the Steering Committee and the Design Team has been convened one last time to discuss final changes, so the design phase of the project is very close to being completed. These two very diverse groups of State employees have agreed on a proposal for a new Performance Management Process for the State. A communication plan to get the word out to all employees about this new process, is being finalized, so more information about this new process will be available within the next few weeks.

With the design phase completed, staff from the Hay Group and DPS will begin to conduct train-the-trainer sessions on the new process with trainers from State of Kansas agencies. Following these sessions, the agency trainers will begin delivering training to employees on the new process. The goal is to complete this training by December of 2008.

Later this Summer, staff from the Department of Administration will be holding meetings across the State so that employees can come and learn about this new Performance Management Process, as well as the implementation of the new pay plans. More information on these meetings, including dates and locations, will be posted to this website within the next few weeks.

## **FY 2009 Salary Surveys**

Finally, part of the legislation authorizing the implementation of the new pay plans requires the Department of Administration to conduct salary surveys on one-third of the classified workforce every year. So, after clarifying the proposed schedule with the State Employee Pay Plan Oversight Committee at their meeting on June 30<sup>th</sup>, the Department

of Administration will be conducting salary surveys this Summer on the classifications assigned to Group 1.

The primary goal of this survey will be to gather data for use in developing the recommendations for FY 2010. This data will not only be used to recommend more market adjustments to move employees closer to market, but will also be used to begin the development of the Basic Vocational Pay Plan, the General Classified Pay Plan and the Professional Individual Contributor Pay Plan for the classifications in Group 1.

In developing the survey for this summer, agencies and employee organizations have been asked to provide names and contact information of employers who should be included in the survey. This step was taken to help insure that the State compares with employers with whom we compete in attracting and retaining employees. At latest count, surveys are proposed to be sent to between 350 to 400 employers, and each employer will receive the benchmarks that they are likely to have positions with which to compare with those of the State.

The goal is to send these surveys out by the middle of July, and we will ask that participants return the data by mid to late August, 2008. This will staff from DPS to compile and analyze the data so that projections and recommendations can be made to the State Employee Pay Plan Oversight Committee and the Division of Budget for FY2010.