



People Forward: Human Capital Trends and Innovations Indiana

This factsheet provides an overview of state personnel trends and processes identified as part of *Grading the States 2008*, the Pew Center on the States' 50-state report card on state government management. To assess state performance in the People category, the Government Performance Project team examined how well a state manages its employees. Among many other factors, the team of management experts reviewed how state human resource systems go about hiring, retaining, developing and rewarding high performing employees. For full grading criteria, additional data reports, and a variety of promising new practices in recruitment strategies and leadership development identified during the course of the study, access the full report, *People Forward: Human Capital Trends and Innovations*, at www.pewcenteronthestates.org/gpp.

Criterion 1

Conducting and updating a thorough analysis of a state's human capital needs.

Observations

- Indiana recently created a workforce planning committee to help agencies formalize and institutionalize the workforce planning process; however, there is no policy, legislation, or executive order in place requiring agencies to participate.
- The strategic objectives laid out by the State Personnel Department (SPD) are connected to the state's strategic direction and specify key performance measures.
- The annual workforce report produced by the SPD provides a basic roundup of recruitment and workforce data, including applications by job function, education and age range; workforce demographics; compensation information; and turnover data.

Criterion 2

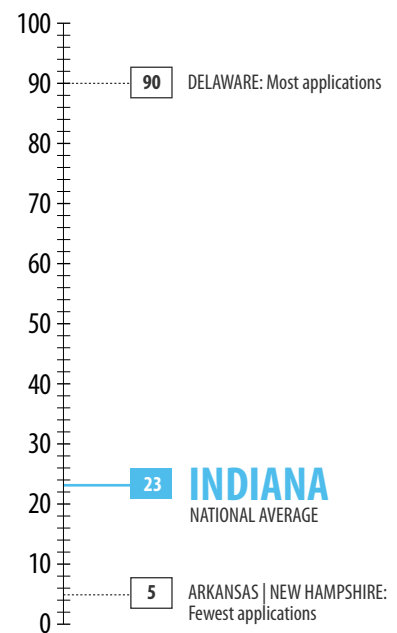
Acquiring the employees a state needs.

Average time to fill open classified positions	Average number of applications per classified job opening	New hire turnover rates	
51 days	23	Voluntary	14.2%
		Involuntary	6.0%

Observations

- Indiana makes use of college recruitment programs, paid internships and a centralized applicant tracking system; in addition, the Employment Division of the SPD hosts monthly training sessions on the state employment process for all interested applicants.
- The central hiring Web site is well executed, featuring the ability to apply online for several jobs at once and allowing applicants to track the status of their applications. The site would benefit from additional content about state employment, such as emphasis on hard-to-fill positions or information about veterans' preference.
- The state makes use of an externally developed employment branding strategy at recruitment events and in marketing materials.

APPLICATIONS PER OPEN CLASSIFIED POSITION



Criterion 3 Retaining a skilled workforce.

Classified job turnover rates	
Total	22.8%
Voluntary	13.0%
Involuntary	2.8%
Retired	1.9%
Layoff	5.1%

Total classified compensation (2007 dollars)	\$55,200
Fringe benefits as a percentage of salary, classified employees	45.7%
Percentage of health insurance premiums paid by employees	23.0%
Grievances per 1,000 classified employees	35

Criterion 4 Developing a state's workforce.

Average hours of training	
Per employee	28
Per manager	18

Training expenditure	
As a percentage of total payroll cost	2.1%
Per employee	\$774
Per manager	\$645

Employee development	
Total number of development programs	10
Hours in senior leadership program	NA
Percentage of employees with a career plan	96.0%

Observations

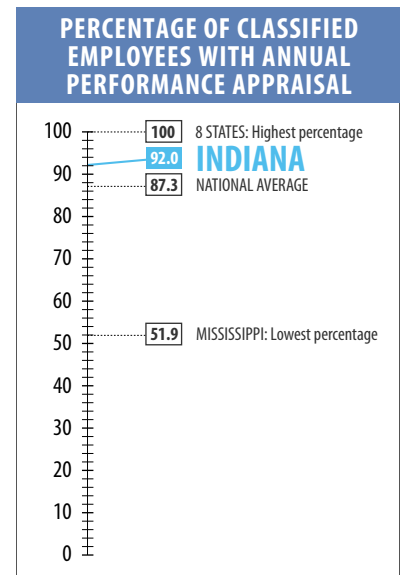
- The State Personnel Training Division has expanded the use of its PeopleSoft IT system to provide leadership and HR training opportunities to agency supervisors and managers.
- Nearly all employees have a career plan in place, demonstrating that career planning is a priority for the state; additional support for career planning is slated for implementation through a career planning module in the PeopleSoft system.
- Executive-level leadership training is mainly handled at the agency level; the Department of Corrections provides a 105-hour program, and the Department of Child Services has an 80-hour program.

Criterion 5 Managing a state's workforce performance programs effectively.

Percentage of classified employees with an annual performance appraisal	Time to terminate classified employees for	
92.0%	Performance problems	30 days
	Behavior problems	30 days

Observations

- A newly implemented performance appraisal system connects employee performance to agency strategic objectives, requires that employee goals are measurable and timely, and links directly to employees' compensation.
- Indiana uses other performance-based compensation practices, including spot bonuses and individual or group performance bonuses.
- While it technically takes the state 30 days to terminate employees for cause due to a mandatory suspension period, employees can be required to leave the worksite immediately if the situation warrants.



The Government Performance Project examined human capital management operations in all 50 states. States that did not submit sufficient data for inclusion in these data tables were assessed based on public documents and interviews. Information marked by an asterisk (*) was extracted from state sources independently of the GPP survey. "NA" indicates insufficient data. The information included in this report is current as of February 1, 2008.