



People Forward: Human Capital Trends and Innovations Minnesota

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

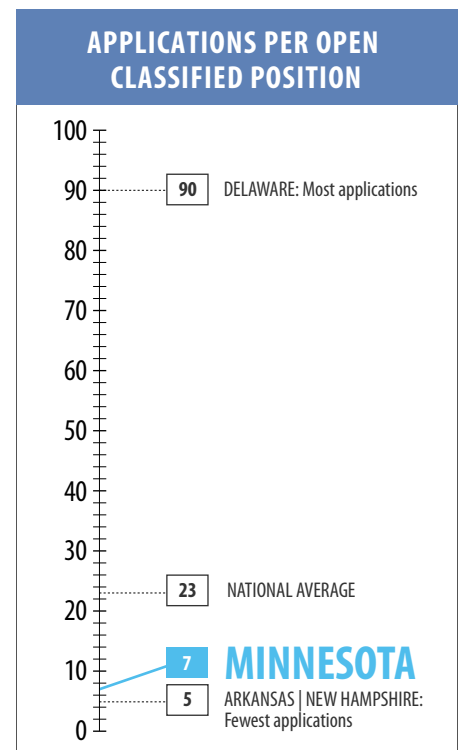
- Minnesota has a statewide workforce planning strategy, including a policy mandating the creation of plans in the agencies; however, the statewide plan consists of a profile that does not address demand or gap needs, and fewer than one-half of agencies currently complete workforce plans.
- Minnesota maintains a full data warehouse statewide that is integrated with agency Human Resource Management Information Technology systems, and it has an array of workforce data available through the statewide workforce profile.
- Minnesota has a fully developed core competency model, tailored to encourage 360-degree feedback and to promote linkage to state strategies.

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	
53 days	7	Voluntary	8.3%
		Involuntary	6.5%

Observations

- The Minnesota recruitment Web site scored very high in terms of navigability and general usability, but the homepage could benefit from content improvements such as information about internships in state government, career development opportunities, and the culture of the state workforce.
- Minnesota's branding strategy does not extend beyond a state logo and motto; recruitment efforts should focus on differentiating Minnesota as an employer of choice.
- The state does not make use of recruitment-based compensation such as referral or sign-on bonuses.



Criterion 3 Retaining a skilled workforce.

Classified job turnover rates	
Total	11.1% ¹
Voluntary	6.1%
Involuntary	1.5%
Retired	2.8%
Layoff	0.5%

Total classified compensation (2007 dollars)	\$60,200
Fringe benefits as a percentage of salary, classified employees	30.0%
Percentage of health insurance premiums paid by employees	0.0%
Grievances per 1,000 classified employees	21

¹ Job turnover rate components may not add up to total turnover rate due to rounding.

Criterion 4 Developing a state's workforce.

Average hours of training	
Per employee	26
Per manager	53

Training expenditure	
As a percentage of total payroll cost	0.3%
Per employee	\$217
Per manager	NA

Employee development	
Total number of development programs	10
Hours in senior leadership program	NA
Percentage of employees with a career plan	88.0%

Observations

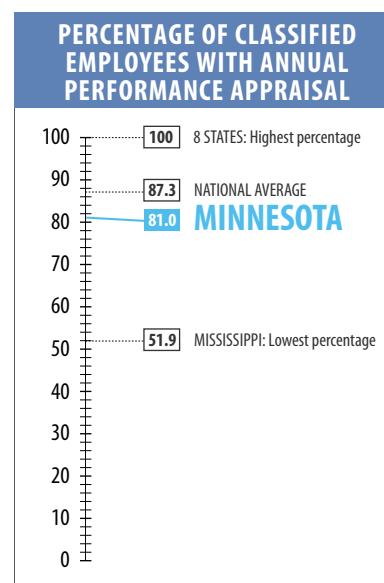
- Training and development is fully decentralized in Minnesota; a shared-services initiative to provide consistency in training programs across the state is still in the formative stages.
- The state provides numerous opportunities for career development, with mixed results: while a high percentage of employees have career plan contracts, average promotion and transfer rates are below average.
- The Department of Administration's Management Analysis and Development Division offers an Emerging Leaders Institute with 60 training hours; this program, offered at the University of Minnesota, is one of the state's first efforts to link managerial training for leaders in different agencies of public service.

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	
81.0%	Performance problems	3 days
	Behavior problems	3 days

Observations

- Performance appraisal instruments are developed by the agencies and require adherence to statewide policies, but because there is no administrative oversight or accountability on the development of agency instruments, not all of the state's policies are followed. For example, nearly 20 percent of classified employees did not receive an annual performance appraisal, despite a statewide policy requiring one.
- Nearly one-half of all employees are at the top of their salary range, limiting opportunities to reward high performance.



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.