



People Forward: Human Capital Trends and Innovations Pennsylvania

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

- The Office of Human Resource Management (OHRM) provides workforce planning resources for agencies and mandates that each agency annually develop workforce and succession management plans, which are then used in the development of a statewide plan. The OHRM attests that 100 percent of agencies have workforce plans in place; however the aggregate statewide plan is used only for internal planning and is not publicly available.
- The Strategic Plan for the OHRM links to the state's strategic direction and includes goals for recruitment, retention, compensation, performance management, labor relations and benefits, but it does not specify action steps to achieve these goals.
- The Governor's Annual Workforce Report for FY 2007 presents a fairly comprehensive supply analysis, but it does not include analyses of future workforce needs or the external workforce environment.

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	
90 days	NA	Voluntary	3.0%
		Involuntary	5.4%

Observations

- Pennsylvania currently maintains separate hiring procedures—including separate Web sites—for civil service and non-civil service jobs, which could lead to fewer applications from prospective employees. The state plans to address this fragmentation through the launch of a new online hiring solution.
- The Web site for civil service jobs posts positions that are currently testing for prospective employees, and job seekers can apply for these exams online. The non-civil service site offers more information about employment, but lacks online application functionality.
- Though the time to fill classified positions is relatively high, the state expedites the process for certain critical positions by suspending the exam requirement.

Criterion 3 Retaining a skilled workforce.

Classified job turnover rates	
Total	5.4% ¹
Voluntary	2.1%
Involuntary	0.8%
Retired	2.6%
Layoff	0.0%

Total classified compensation (2007 dollars)	\$65,200
Fringe benefits as a percentage of salary, classified employees	45.8%
Percentage of health insurance premiums paid by employees	NA
Grievances per 1,000 classified employees	NA

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	7
Per manager	10

Training expenditure	
As a percentage of total payroll cost	NA
Per employee	\$51
Per manager	NA

Employee development	
Total number of development programs	9
Hours in senior leadership program	NA
Percentage of employees with a career plan	NA

Observations

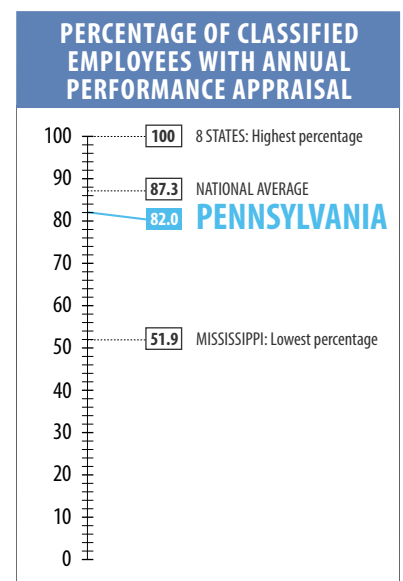
- The state's training is planned and implemented mainly at the agency level, although OHRM offers more than 80 courses; the state has implemented a learning management system for online course registration and delivery.
- The state makes use of dual career tracks in which employees who do not wish to become managers can find other opportunities for advancement.
- While there is no statewide executive-level leadership development program in place, the state has established an innovative Leadership Development Institute for women in leadership positions and for those with the potential to move into such positions.

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	
82.0%	Performance problems	1 day
	Behavior problems	1 day

Observations

- The state is developing a system that will make it easier to collect and track performance appraisal information at the central level.
- Pennsylvania makes limited use of performance-based compensation in the form of individual performance bonuses and salary increases.
- The low involuntary turnover rate among classified employees underscores the difficulties that HR managers often have in completing the termination process



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.