

Update on Implementation Activities

**Before the State Employee Pay Plan Oversight Committee
January 5, 2009**

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Thank you for the opportunity to speak to you today about the progress to date with respect to the first year implementation efforts for Group 1 and the implementation of the new Performance Management Process (PMP) for the State.

Group 1 Salary Survey

At the Committee's October 20, 2008 hearing, Ken provided an overview of the progress regarding the Group 1 salary survey. As of that date, we had received responses from 178 of the 465 employers to whom the survey was sent, which was a 38% response rate. Despite repeated attempts to contact those employers who did not provide responses, we were unable to obtain any additional responses.

Of those 178 responses, nearly 90% of them required that we contact the employer to obtain data that was omitted or to verify that the data that was provided was accurate. Unfortunately, as a result of these quality control efforts, we believe that we can only utilize responses from 157 of these organizations, which results in a 34% response rate. A list of these respondents is included as *Attachment I*.

While this may seem like a very low response rate, this was not an unforeseen occurrence. Largely due to the types of industries that were included in the survey, we anticipated a low response rate and intentionally over built the survey. So, while the response rate appears low, it is important to remember that we received over two times the number of responses that the Hay Group did to their survey in 2006 and our survey focused on only a third of the workforce. As a result, we are very comfortable with the number of responses and have no concerns that the low response rate will have any impact on the validity of the survey.

In addition, the amount of quality control that was performed means that we have a very high degree of confidence in the data that we received. However, due to the extent of the quality control that was performed, the process has taken significantly longer than anticipated. As a result, we do not have the results completely finished at this time. We hope that we will be able to finalize the data and have the results broken down in accordance with the Committee's instructions within the next few weeks.

Classification Review

With respect to the comprehensive classification review of the positions in classifications assigned to Group 1, the teams of DPS and agency staff who conducted those reviews completed their work in November. We are currently in the process of finalizing a report that will list each agency's positions along with the classification to which the position is recommended to be allocated.

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In addition to the review of the positions, the review teams also conducted a review of the classifications themselves. As a result of this review, we will also be proposing a number of changes to existing classifications, several new classifications as well as a new format for the class specifications. These recommendations were based primarily on information obtained from focus groups that have been conducted with employees over the past year. This information will be posted to our website within the next few weeks, and will be done in conjunction with the notification to agencies about the recommended allocation of their positions in Group 1.

New Performance Management Process

With regard to the implementation of the new PMP, staff from DPS have conducted four train-the-trainer sessions for 146 agency trainers and HR staff from 45 different agencies over the past several months. We are currently conducting a needs assessment to determine whether additional sessions are needed, but we would anticipate one, possibly two more sessions, at the most.

As a result of these training sessions, agencies are now prepared to begin training managers and supervisors on the new PMP, and several have already begun to do so. Staff from DPS will be providing training to supervisors from the various small agencies that do not have trainers or dedicated HR staff. With the new process set to become effective on October 1, 2009, we believe that provides ample time for all managers and supervisors throughout the State workforce to be trained on the new PMP.

In addition to the beginning of training, draft amendments to the personnel regulations that are necessary for the implementation of the new PMP have also been drafted and are being reviewed by the Department of Administration's Office of Chief Counsel before being sent to the Attorney General for review. While this is only the first step in a lengthy process, we believe that the proposed regulations will be finalized well in advance of the effective date of the new PMP.

Employee Informational Meetings

Finally, staff from the Department of Administration have held several additional informational meetings with employees at locations across the State. Since the Committee's last hearing, there have been meetings in Hays, Hutchinson, Pittsburg and Wichita with a total of 536 employees. Combined with the eight meetings prior to October 20th, there have been 18 meetings with over 1,800 employees.

I hope this information has been helpful and I thank the Committee again for the opportunity to present it today. I would be happy to stand for any questions.