

# Program Evaluation and Justification Review

Workforce Program  
Administered by the  
Department of Management Services

July 1998

Office of Program Policy Analysis and Government Accountability

Report No. 98-01

### **OPPAGA Mission Statement**

**This Office provides objective, independent, professional analyses of state policies and services to assist the Florida Legislature in decision-making, to ensure government accountability, and to recommend the best use of public resources.**

This review was conducted in accordance with applicable evaluation standards. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, P.O. Box 1735, Tallahassee, FL 32302).

Web site: <http://www.oppaga.state.fl.us/>



# The Florida Legislature

## OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT ACCOUNTABILITY



John W. Turcotte, Director

July 1998

The President of the Senate,  
the Speaker of the House of Representatives,  
and the Legislative Auditing Committee

I have directed that a program evaluation and justification review be made of the Workforce Program administered by the Department of Management Services. The results of this review are presented to you in this report. This review was made as a part of a series of justification reviews to be conducted by OPPAGA under the Government Performance and Accountability Act of 1994. This review was conducted by Cleo Johnson and Steven Birnholz under the supervision of Tom Roth.

We wish to express our appreciation to the staff of the Department of Management Services for their assistance.

Sincerely

John W. Turcotte  
Director

# Contents

---

<b>Executive Summary</b> .....	i
<b>Chapter 1: Introduction</b> .....	1
<b>Chapter 2: General Conclusions and Recommendations</b> .....	5
<b>Chapter 3: Human Resource Management</b> .....	9
<b>Appendices</b>	
A. Statutory Requirements for Program Evaluation and Justification Reviews .....	22
B. Interview Methodology and Results for Agency Personnel Officers .....	25
C. Florida Financial Management Information System (FFMIS) Integrated Human Resources and Payroll Project .....	38
D. OPPAGA Report No. 97-54, Review of the Performance of the Department of Management Services' Workforce Program Issued February 1998 .....	39
E. Response From the Department of Management Services .....	47

## **Program Evaluation and Justification Review of the Workforce Program Administered by the Department of Management Services**

---

### ***Scope***

OPPAGA is required to complete a Program Evaluation and Justification Review of each state agency program that is operating under a performance-based program budget. This report analyzes the services provided by the Workforce Program and identifies options for improving these services.

### ***Background***

State personnel functions in Florida are partly decentralized and partly centralized. Each state agency is responsible for handling day-to-day personnel matters including recruiting and selecting employees, assessing employee performance, taking disciplinary actions, and providing training. However, Florida's state personnel functions are also partly centralized in that the Department of Management Services' Workforce Program is responsible for overall administration of the state personnel system. The program's primary function is to establish a framework for a fair and equitable personnel system that promotes the state's personnel policy and imposes uniformity of employee treatment and personnel actions among state agencies.

The program's centralized functions relating to administering the state personnel system include maintaining the classification and pay system; managing the collective bargaining and contract negotiation process with state employees' labor unions; and promulgating and interpreting personnel rules for state agencies. The program also monitors the Florida State Employees' (United Way) Campaign; handles grievances as deemed necessary for state agencies; and oversees state child-care facilities, the state awards program, and agency telecommuting programs. In addition, the program is required by statute to conduct periodic audits of state agency personnel offices and to provide technical assistance to agencies for the development and evaluation of training programs.

The program shares responsibility for the Cooperative Personnel Employment Subsystem (COPES) with the department's Information Technology Program. COPES is an automated database that provides state agencies with statewide personnel data, such as employee salaries, positions, vacancies, turnover, leave and recruitment. The Information

Technology Program operates and maintains the COPES database, and the Workforce Program administratively supports and coordinates activities of COPES.

The Workforce Program is funded from the State Personnel System Trust Fund and general revenue. For Fiscal Year 1998-99, the program was appropriated \$9.5 million (\$8.2 million from the trust fund and \$1.3 million from general revenue) and has 50 authorized positions.

## *Conclusions*

**The Workforce Program is necessary.** The Workforce Program should be continued. The program's primary purpose is to establish a fair and equitable personnel management system needed to recruit, select, and retain a quality workforce for the State of Florida. A consistent and uniform state personnel system benefits the public by protecting taxpayers from the potential liability of lawsuits if any state agencies were to use unsound human resource management practices. Failure of state agencies to comply with regulations such as the Fair Labor Standards Act, the Family Medical Leave Act, the Americans with Disabilities Act, affirmative action and equal employment opportunity, and general employment laws could result in increased employment law liability.

Although Florida's state personnel system is partly decentralized, the program's activities do not unnecessarily duplicate those of state agencies. The advantage of Florida's partly decentralized personnel system is that it gives state agencies more autonomy and flexibility in making personnel management decisions. This structure is particularly appropriate given the state's commitment to the performance-based program budgeting process, which provides state agencies with flexibility in using personnel and personnel resources while holding them accountable for achieving established performance standards.

OPPAGA did not identify any benefit from transferring the program's functions and activities to another agency. The Workforce Program is the only state entity with the role of establishing a fair and equitable personnel management system. While some personnel functions have been delegated to state agencies, a centralized entity for administering core personnel functions is an efficient way to provide consistency and the necessary support services for state agencies. It would be inefficient and unnecessarily duplicative to eliminate the centralized administration of core human resource functions and expect each state agency to handle such functions on its own.

**Privatization is not currently viable.** Outsourcing the program's core functions in administering the state personnel system is not a viable alternative. The human resource administrative functions that employers typically outsource are employee benefits, training, payroll, and retirement benefits. However, three of these functions (employee benefits, payroll, and retirement benefits) are administered by other state programs. The program

is responsible for the fourth function, training, but has already outsourced many of its activities in this area.

**Program performance and options for improvement.** The Workforce Program has been efficient in using its resources, but has not been effective in fulfilling its human resource management responsibilities. The program's administrative cost per full-time-equivalent (FTE) position to administer the state personnel system remained relatively stable over the past few years and the program reported that its administrative cost per FTE was lower than that of comparable states for Fiscal Year 1996-97. To be effective, the program must be both a resource to state agencies and a regulator of the state personnel system. However, over the past few years, the program has fulfilled neither role well. The program has failed to satisfy its customers and has not fulfilled its regulatory responsibility for monitoring state agency personnel offices. Nevertheless, program managers have recently made changes that should help improve customer satisfaction and better fulfill the program's regulatory responsibilities. However, the program's performance could be further improved by establishing a system for monitoring state agency personnel offices, developing a state human resource strategic plan, and using the input of state agency personnel offices in the program's policymaking process.

## ***Recommendations***

Table 1 summarizes our performance improvement recommendations for the Workforce Program.

**Table 1**  
**Recommendations for Changes to Improve the Workforce Program**

Options	Recommendations
<p><b>Improve oversight and monitoring of agency personnel offices</b></p>	<ul style="list-style-type: none"> <li>▪ The Legislature should revise s. 110.109, F.S., to direct the Department of Management Services to monitor agency personnel offices. To carry out this responsibility, the department should compile and analyze data on collective bargaining and career service grievances, and discrimination complaints filed against state agencies. The department should use this information to identify agencies that are having problems with personnel management and need immediate assistance. The department should also use information from its computerized databases to help monitor agencies' actions regarding classification and pay, employee selection process, employee disciplinary actions, and employee and agency training plans. Further, it should conduct periodic on-site inspections of agencies at least every two years. These inspections should be used to review state agencies' personnel processes, detect problems that are not identified by the program's analysis of complaints and other personnel data, provide suggestions for improving efficiency, and share best personnel management practices.</li>   <li>▪ The Legislature should delete language in s. 110.109, F.S., directing the Department of Management Services to audit agency personnel offices. We believe that requiring the department to monitor these offices would be more consistent with the program's goal of serving as a partner and resource consultant to agencies. Since many personnel functions are decentralized, the program needs to monitor state agencies to ensure they are adhering to personnel laws and regulations.</li>   <li>▪ The Legislature should establish performance-based program budgeting outcome measures for assessing the program's performance in carrying out its monitoring responsibilities. One such measure could be the ratio of the total number of collective bargaining and career service grievances and discrimination complaints filed against state agencies and resolved in favor of the aggrieved employee to the total number of FTE positions in the state personnel system. These outcome measures would provide the Legislature with better information on the performance of the state personnel system and the effectiveness of the department's monitoring efforts.</li> </ul>
<p><b>Develop a state human resource strategic plan</b></p>	<ul style="list-style-type: none"> <li>▪ The Legislature should direct the Department of Management Services, in consultation with the executive agencies, to develop a state human resource strategic plan. The plan should provide long-range policy guidance for improving the state's human resource infrastructure and map out the personnel expenses and programs that will be needed to support the State Comprehensive Plan. In order to enhance the consistency of the state personnel system by ensuring that all members use a common direction-setting document over a long period of time, the state human resource strategic plan should be a five-year document with flexible one-year milestones. The program, in consultation with the executive agencies, should update the plan annually.</li> </ul>
<p><b>Use the input of state agency personnel managers in developing program policies</b></p>	<ul style="list-style-type: none"> <li>▪ The Department of Management Services should solicit Workforce Program customer input regarding personnel issues, use this information to develop human resources policies that are in the best interest of the state, and then communicate its recommendations to the Governor and the Legislature.</li> </ul>

Source: Office of Program Policy Analysis and Government Accountability



## ***Agency Response***

The Secretary of the Department of Management Services provided a detailed response to our preliminary and tentative findings and recommendations. (See Appendix E, page 47.)

# Chapter 1: Introduction

---

## Purpose

This is the second of two reports presenting the results of OPPAGA's Program Evaluation and Justification Review of the Workforce Program administered by the Department of Management Services. The Government Performance and Accountability Act of 1994 directs OPPAGA to complete a justification review for each state program after its first year of operation under a performance-based program budget. OPPAGA is to review each program's performance and identify alternatives for improving services.

This report analyzes the services provided by the Workforce Program and identifies options for improving these services.<sup>1</sup> Appendix A summarizes our conclusions regarding the nine issue areas the law requires to be considered in a program evaluation and justification review.

---

## Background

### **The Workforce Program Administers the State Personnel System, the Largest of the Six Systems in Florida**

State personnel functions in Florida are partly decentralized. Each state agency is responsible for handling day-to-day personnel matters including recruiting and selecting employees, assessing employee performance, taking disciplinary actions, and providing training. State personnel functions are more decentralized in Florida than in many other states.

However, Florida's state personnel functions are also partly centralized. The Department of Management Services' Workforce Program is responsible for overall administration of the state personnel system. The program's primary function is to establish a framework for a fair and equitable personnel system that promotes the state's personnel policy and imposes uniformity of employee treatment and personnel actions among state agencies. As shown in Exhibit 1, the state personnel system is the largest of the six personnel systems dealing with state-government employees in Florida.<sup>2</sup>

---

<sup>1</sup> Our first report, *Review of the Performance of the Department of Management Services' Workforce Program*, OPPAGA Report No. 97-54, February 1998, (contained in Appendix D) addressed the program's performance based on its performance-based program budgeting measures and standards and makes recommendations for improvements of these measures. Together, these two reports address the areas the law requires in a justification review.

<sup>2</sup> The remaining personnel systems include the State University System, the State Courts System, the Legislature, the Florida Lottery, the Auditor General, and other pay plans. The other pay plans consist of much smaller entities that are not included in any of the six personnel systems.

**Exhibit 1**  
**The State Personnel System Was the Largest of the**  
**State's Six Personnel Systems as of December 31, 1997**

Personnel Systems	Number of Employees
<b>State Personnel</b>	<b>125,668</b>
State University	29,496
State Courts	8,892
Legislature	1,153
Florida Lottery	674
Auditor General	619
<b>Total (six systems)</b>	<b>166,502</b>
<i>Other Pay Plans<sup>1</sup></i>	<i>1,600</i>
<b>Total</b>	<b>168,102</b>

<sup>1</sup> This category consists of much smaller entities that are not included in any of the six personnel systems.

Source: Department of Management Services' 1997 Annual Workforce Program Report

The program's centralized functions relating to administering the state personnel system include maintaining the classification and pay system; managing the collective bargaining and contract negotiation process with state employees' labor unions; and promulgating and interpreting personnel rules for state agencies. The program also monitors the Florida State Employees' (United Way) Campaign; handles grievances as deemed necessary for state agencies; and oversees state child-care facilities, the state awards program, and agency telecommuting programs. In addition, the program is required by statute to conduct periodic audits of state agency personnel offices and to provide technical assistance to agencies for the development and evaluation of training programs.

The program shares responsibility for the Cooperative Personnel Employment Subsystem (COPES) with the department's Information Technology Program. COPES is an automated database that provides state agencies with statewide personnel data, such as employee salaries, positions, vacancies, turnover, leave, and recruitment.<sup>3</sup> The Information Technology Program operates and maintains the COPES database, and the Workforce Program administratively supports and coordinates activities of COPES.

In Fiscal Year 1996-97, the Workforce Program included state group insurance and human resource management. However, the program was modified as of July 1, 1997, so that it is responsible only for human resource management. The 1997 Legislature created a new

---

<sup>3</sup> COPES is a subsystem of the Florida Financial Management Information System.

Division of State Group Insurance and transferred to it all insurance functions.

For Fiscal Year 1998-99, the Workforce Program was appropriated \$9.5 million and was authorized 50 positions. Exhibit 1 shows program expenditures and full-time equivalent (FTE) employee positions for Fiscal Year 1996-97 and allotments for Fiscal Year 1997-98. The amounts shown in Exhibit 1 represent expenditures for activities performed by the Department of Management Services' Workforce Program and do not include state agencies' personnel management expenditures.

**Exhibit 2**  
**Workforce Program Expenditures, Allotments, and Staffing**  
**for Program Components Fiscal Year 1996-97 and 1997-98**

	1996-97		1997-98	
	Expenditures	FTEs	Allotments	FTEs
Human Resource Management	\$ 4,042,363	59	\$ 4,284,986	51
Cooperative Personnel Employment Subsystem (COPEs)	\$ 5,019,837	0 <sup>1</sup>	\$ 5,019,837	0 <sup>1</sup>
<b>Total</b>	<b>\$ 9,062,200</b>	<b>59</b>	<b>\$ 9,304,823</b>	<b>51</b>

<sup>1</sup>The staff responsible for operating COPEs are part of the Information Technology Program. The Workforce Program is the functional owner of COPEs and receives the appropriations for COPEs. The department transfers COPEs' appropriated funds to the Information Technology Program for the operation and maintenance of the COPEs database.

Source: Department of Management Services' records

The program is funded from the State Personnel System Trust Fund and general revenue. In Fiscal Year 1998-99, the program was appropriated \$8.2 million from the State Personnel System Trust Fund and \$1.3 million from general revenue. Sources of trust fund revenues include an annual assessment fee of \$59 per full-time-equivalent employee for each state agency that participates in the state personnel system; other general revenue transfers for interagency training, the state employee charitable campaign, non-assessed agencies that use COPEs; and interest earnings on the trust fund balance. Trust fund revenues are used to support the program's personnel services, including COPEs. The Information Technology Program bills the program monthly for the use of COPEs, and the department's budget office transfers the funds to the Information Technology Program for those services. All staff responsible for COPEs operations and maintenance are assigned to the Information Technology Program.

Section 110.125, F.S., specifies that to provide an equitable division of costs the amount of fees paid by each agency shall be proportional

to the amount of service rendered the agency by the program to the total service rendered. The program's current fee structure (a flat fee of \$59 per full-time-equivalent employee) appears to be accomplishing this funding goal. The number of contacts program staff report having with an agency is highly correlated with the agency's number of full-time equivalent positions.<sup>4</sup>

---

<sup>4</sup> OPPAGA analyzed the relationship between the number of contacts program staff reported having with an agency and the agency's number of full-time equivalent positions. The program defines a contact as a written or verbal request for assistance made by an agency. Our analysis determined that the number of contacts program staff reported having with an agency correlated highly with the agency's number of FTE positions (+.90). This high correlation indicates that the program's current fee structure is accomplishing the statutory goal of having the amount of fees paid by each agency be proportional to the amount of service rendered the agency by the program.

## Chapter 2:

# General Conclusions and Recommendations

---

### **The Workforce Program Benefits the State and Should Be Continued**

**Program Necessity.** The Workforce Program should be continued. The program's primary purpose is to establish a fair and equitable personnel management system needed to recruit, select, and retain a quality workforce for the State of Florida. A consistent and uniform state personnel system benefits the public by protecting taxpayers from the potential liability of lawsuits if any state agencies were to use unsound human resource management practices. Failure of state agencies to comply with regulations such as the Fair Labor Standards Act, the Family Medical Leave Act, the Americans with Disabilities Act, affirmative action and equal employment opportunity, and general employment laws could result in increased employment law liability.

Although Florida's state personnel system is partly decentralized, the program's activities are not unnecessarily duplicative of those of state agencies. The advantage of Florida's partly decentralized personnel system is that it gives state agencies more autonomy and flexibility in making personnel management decisions. This structure is particularly appropriate given the state's commitment to the performance-based program budgeting process, which provides state agencies with flexibility in using personnel and personnel resources while holding them accountable for achieving established performance standards.<sup>5</sup>

OPPAGA did not identify any benefit from transferring the program's functions and activities to another agency. The Workforce Program is the only state entity with the role of establishing a fair and equitable personnel management system. While some personnel functions have been given to or delegated to state agencies, a centralized entity for administering core personnel functions is an efficient way to provide consistency and the necessary support services for state agencies. It would be inefficient and unnecessarily duplicative to eliminate the centralized administration of core human resource functions and expect each state agency to handle such functions on its own.

**Privatization.** Outsourcing the program's core functions in administering the state personnel system is not a viable alternative.

---

<sup>5</sup> The intent of performance-based program budgeting is to improve the performance of state agencies and programs by granting them some budget management flexibility and holding them accountable for performance, shown through performance measurement and evaluation.

## **Outsourcing Is Not a Viable Alternative**

The human resource administrative functions that employers typically outsource are employee benefits, training, payroll, and retirement benefits. However, three of these functions (employee benefits, payroll, and retirement benefits) are administered by other state programs. The program is responsible for the fourth function, training, but has already outsourced many of its activities in this area.

**Program Performance and Options for Improvement.** The Workforce Program has been efficient in using its resources, but has not been effective in fulfilling its human resource management responsibilities. The program's administrative cost per full-time-equivalent (FTE) position to administer the state personnel system remained relatively stable over the past few years and the program reported that its administrative cost per FTE was lower than that of comparable states for Fiscal Year 1996-97. To be effective, the Workforce Program must be both a resource to state agencies and a regulator of the state personnel system. However, over the past few years, the program has fulfilled neither role well. The program has failed to satisfy its customers and has not fulfilled its regulatory responsibility for monitoring state agency personnel offices.

Program managers have recently made changes, as discussed on pages 14 through 16, which should help improve customer satisfaction and better fulfill the program's regulatory responsibilities. However, the program's performance could be further improved by establishing a system for monitoring state agency personnel offices, developing a state human resource strategic plan, and using the input of state agency personnel managers in developing state personnel policies.

**Recommendations.** Exhibit 3 summarizes our recommendations for changes to improve the program's performance.

**Exhibit 3**  
**Recommendations for Changes to Improve**  
**the Workforce Program's Performance**

Options	Recommendations
<p>Improve oversight and monitoring of agency personnel offices</p>	<ul style="list-style-type: none"> <li>▪ The Legislature should revise s. 110.109, F.S., to direct the Department of Management Services to monitor agency personnel offices. To carry out this responsibility, the department should compile and analyze data on collective bargaining and career service grievances and discrimination complaints filed against state agencies. The department should use this information to identify agencies that are having problems with personnel management and need immediate assistance. The department should also use information from its computerized databases to help monitor agencies' actions regarding classification and pay, employee selection process, employee disciplinary actions, and employee and agency training plans. Further, it should conduct periodic on-site inspections of agencies at least every two years. These inspections should be used to review state agencies' personnel processes, detect problems that are not identified by the program's analysis of complaints and other personnel data, provide suggestions for improving efficiency, and share best personnel management practices.</li>   <li>▪ The Legislature should delete language in s. 110.109, F.S., directing the Department of Management Services to audit agency personnel offices. We believe that requiring the department to monitor these offices would be more consistent with the program's goal of serving as a partner and resource-consultant to agencies. Since many personnel functions are decentralized, the program needs to monitor state agencies to ensure they are adhering to personnel laws and regulations.</li>   <li>▪ The Legislature should establish performance-based program budgeting outcome measures for assessing the program's performance in carrying out its monitoring responsibilities. One such measure could be the ratio of the total number of collective bargaining and career service grievances and discrimination complaints filed against state agencies and resolved in favor of the aggrieved employee to the total number of FTE positions in the state personnel system. These outcome measures would provide the Legislature with better information on the performance of the state personnel system and the effectiveness of the department's monitoring efforts.</li> </ul>
<p>Develop a state human resource strategic plan</p>	<ul style="list-style-type: none"> <li>▪ The Legislature should direct the Department of Management Services, in consultation with the executive agencies, to develop a state human resource strategic plan. The plan should provide long-range policy guidance for improving the state's human resource infrastructure and map out the personnel expenses and programs that will be needed to support the State Comprehensive Plan. In order to enhance the consistency of the state personnel system by ensuring that all members use a common direction-setting document over a long period of time, the state human resource strategic plan should be a five-year document with flexible one-year milestones. The program, in consultation with the executive agencies, should update the plan annually.</li> </ul>
<p>Use the input of state agency personnel managers in developing program policies</p>	<ul style="list-style-type: none"> <li>▪ The Department of Management Services should solicit Workforce Program customer input regarding personnel issues, use this information to develop human resources policies that are in the best interest of the state, and then communicate its recommendations to the Governor and the Legislature.</li> </ul>

Source: Office of Program Policy Analysis and Government Accountability



This page intentionally left blank

## Chapter 3:

# Human Resource Management

---

### Introduction

State personnel functions in Florida are partly decentralized. Each state agency is responsible for handling day-to-day personnel matters including recruiting and selecting employees, assessing employee performance, taking disciplinary actions, and providing training. State personnel functions are more decentralized in Florida than in many other states.

However, Florida's state personnel functions are also partly centralized. The Department of Management Services' Workforce Program is responsible for overall administration of the state personnel system. The program's primary function is to establish a framework for a fair and equitable personnel system that promotes the state's personnel policy and imposes uniformity of employee treatment and personnel actions among state agencies.

The program's major functions relating to administering the state personnel system include maintaining the classification and pay system; managing the collective bargaining and contract negotiation process with state employees' labor unions; and promulgating and interpreting personnel rules for state agencies. The program is also required by statute to conduct periodic audits of state agency personnel offices to assist agencies in identifying areas for improvement.

The program shares responsibility for the Cooperative Personnel Employment Subsystem (COPEs) with the department's Information Technology Program. COPEs is an automated database that provides state agencies with statewide personnel data, such as employee salaries, positions, vacancies, turnover, leave and recruitment. The Information Technology Program operates and maintains the COPEs database, and the Workforce Program administratively supports and coordinates activities of COPEs.

For Fiscal Year 1998-99, the Workforce Program was appropriated \$9.5 million and has 50 authorized positions. The program is funded from the State Personnel System Trust Fund and general revenue.

---

## Program Performance

The Workforce Program has been efficient in using its resources, but has not been effective in fulfilling its human resource management responsibilities. To be effective, the Workforce Program must be both a resource to state agencies and a regulator of the state personnel system. However, over the past few years, the program has fulfilled neither role well. The program has failed to satisfy its customers and has not fulfilled its responsibility to monitor state agency personnel offices. Program managers have recently made changes, outlined on pages 14 through 16 that should help improve customer satisfaction and increase the program's ability to fulfill its responsibility to regulate the state personnel system.

### **The Program Has Used Its Resources Efficiently**

Program efficiency. The Workforce Program's administrative efficiency remained relatively stable during Fiscal Year 1995-96 and Fiscal Year 1996-97. As shown in Exhibit 4, the program's 1996-97 total administrative cost per full-time-equivalent employee (FTE) was lower than the standard. Although the program overestimated its future costs and therefore overestimated its standards for Fiscal Year 1996-97, the program's actual performance for Fiscal Year 1996-97 was reasonably consistent with the prior year's performance. The program's total administrative cost per FTE for Fiscal Year 1996-97 increased by 4% over its Fiscal Year 1995-96 performance, which is a reasonable increase attributable to changes in the cost of living. The program also reported that its administrative cost per full-time equivalent member (FTE) was lower than that of comparable (southeastern) states and met its performance standard for Fiscal Year 1996-97. However, this comparison is weak because the program used inadequate criteria to select other comparable states. (See Appendix D.)

### **Customers Are Not Satisfied With Services**

Customer satisfaction. The program's customers were less satisfied than expected with program services in Fiscal Year 1996-97. As shown in Exhibit 4, the program did not meet customer satisfaction standards for any of its service areas for Fiscal Year 1996-97. Moreover, customer satisfaction levels declined over Fiscal Year 1995-96 in three of the six service areas (attracting and retaining employees, providing quality child care, and providing personnel staff technical assistance). Program staff indicated that one reason for customer satisfaction being lower than expected is that staff were spending considerable time on in-service training during Fiscal Year 1996-97 that related to the department's efforts to reorganize the program's design and to change its mission.

**Exhibit 4**  
**The Workforce Program Met Its Cost Efficiency Standards for Fiscal Year 1996-97**  
**But Did Not Perform Well in Meeting Expected Levels of Customer Satisfaction**

Outcome Measures	Fiscal Year 1995-96	Fiscal Year 1996-97		
	Actual	Standards	Actual	Standard Met?
<b>Administrative Cost Per FTE</b>				
COPEs Cost	\$ 37.33	\$ 49.41	\$ 40.20 <sup>1</sup>	Yes
Administrative Cost Net of COPEs	32.41	38.92	32.37	Yes
Total Administrative Cost Per FTE	69.74	88.33	72.57	Yes
Southeastern States	151.63	166.83	160.29	Yes
<b>Customer Feedback Rating -10 Point Scale</b>				
Improve Employee Knowledge, Skills, and Abilities through Training <sup>2</sup>	5.8	7.75	Not Applicable	Not Applicable
Maintain Fair/Equitable Employment Practices	6.1	8.5	6.2	No
Attract and Retain Employees	8.34	8.25	8.1	No
Provide Quality Child Care	9.02	9.79	8.7	No
Motivate Employees through the Meritorious Service Award Program	6.02	7.2	6.6	No
Personnel Staff Technical Assistance	7.07	7.9	6.9	No

<sup>1</sup>The program did not include the total cost of COPEs in calculating its administrative cost per FTE. The Information Technology Program expended \$850,000 in Fiscal Year 1996-97 to operate and maintain COPEs. The program did not include these costs in calculating the total cost of COPEs; it only included the costs that were expended by the Workforce Program. Thus, for Fiscal Year 1996-97, the program's reported total administrative cost per FTE of \$72.57 is understated by \$6.78. While the program did not include Information Technology Program's cost in calculating the administrative cost for COPEs, it did disclose this cost in its 1998-99 Legislative Budget Request.

<sup>2</sup>Data for this measure was collected for Fiscal Year 1996-97. The program intends to resume measurement once its new on-line training system is fully implemented.

Source: Department of Management Services' 1998-99 Legislative Budget Request and 1996 General Appropriations Act

In April 1998, OPPAGA surveyed agency personnel officers, the program's main customers, to determine their opinions of the program's performance. Of the 28 agency personnel officers we interviewed, 18 were dissatisfied with the overall type and quality of services provided by the program. A major reason for customer dissatisfaction was that program staff did not ask for the agencies' input before creating new products and services. (See Exhibit 5.) Personnel officers also said that the program needs to improve its performance in a number of key areas. For example, they stated that the program is not adequately delivering human resource technical assistance to the agencies. Furthermore, the program is not providing training to agency staff that would enable them to develop their own personnel expertise. The personnel officers also said that the program does not adequately communicate human resource information to agencies or carry agency concerns back to the Governor and the Legislature. Program efforts to revise the state classification system, provide direction for COPEs, and develop a state human resource strategic plan were also considered unsatisfactory. (See Appendix B for more detailed information about state agency personnel officers' responses to our survey.)

**Exhibit 5**  
**Agencies Reported Dissatisfaction With Three Products**  
**And Services of the Workforce Program**

Program's Products and Services	Agencies' Dissatisfaction With the Program's Products and Services
<p><b>The Workforce Program moved from "specialist" customer service to "generalist" customer service.</b></p>	<p>Prior to 1996, the Workforce Program used personnel subject-matter experts to answer customers' questions and provide technical assistance. However, due to anticipated staff reductions and the Department of Management Services' emphasis on being a resource to its customers rather than a regulator of them, the program switched from using staff with special expertise in personnel management to using staff with general backgrounds in the area. The program implemented training to help staff become knowledgeable in all areas of personnel and human resource management. Each agency personnel office was then assigned to a program customer service team, composed of generalists, that was responsible for providing services to that agency.</p> <p>However, personnel officers reported that the agencies do not like the program's approach in making generalists responsible for handling requests for assistance. Agency personnel officers reported the program's generalist staff provided untimely and ineffective responses to agency personnel questions, which greatly decreased agency satisfaction with the program. In fact, approximately 80% of agency personnel officers wanted the program to return to using subject-matter experts to provide personnel technical assistance. However, a return to the specialist approach may be hampered because nearly one-third of the program's experienced subject-matter experts have left the department since 1995.</p>
<p><b>The Workforce Program attempted to unilaterally revise the state classification plan.</b></p>	<p>Chapter 97-296, Laws of Florida, directed the Workforce Program to "facilitate the statewide planning and implementation of the career service broadbanding compensation and classification system." However, the program designed its own compensation and classification system without soliciting agencies' input. Not only were many agency personnel officers still unconvinced of the need for a completely new compensation and classification system, few agreed on the features that such a system should have. As a result of their concerns about the program's approach to the redesign of the classification and compensation systems, agency personnel officers formed their own task force to identify new ways of improving the systems in early 1998.</p>
<p><b>The Workforce Program attempted to create HR Direct without obtaining customer input.</b></p>	<p>In 1996, the Workforce Program began developing HR Direct, a group of Internet-based human resource management tools. HR Direct was designed to aid agency personnel offices with their human resource decision-making and training. The HR Direct project was started because of anticipated staff reductions and the Department of Management Services' emphasis on being a resource to its customers rather than a regulator.</p> <p>However, the program did not solicit input from HR Direct's future users, the agency personnel officers, during the design or building of the system. Personnel officers were not offered a formal opportunity to comment on HR Direct until a March 1998 prototype demonstration. During that demonstration, the personnel officers identified several flaws in HR Direct, which increased the personnel officers' dissatisfaction with the program because they were not included in the system's design process.</p>

Source: Department of Management Services' Workforce Program documents and OPPAGA interviews with program staff and agency personnel officers

Despite their overall dissatisfaction with the program's performance, 93% of agency personnel officers indicated it would negatively affect their agencies if the Workforce Program were eliminated. The personnel officers cited four Workforce Program functions as being

critical to the agencies' operations: rule creation and interpretation; design of COPEs; management of labor relations and collective bargaining; and maintenance of the state's classification and compensation plans.

**The Program Has Not Established a System for Monitoring State Agency Personnel Offices**

Monitoring system. The Workforce Program has not established a system for monitoring agency personnel offices to ensure that they are complying with relevant personnel laws and procedures. Without such monitoring, the program is unable to readily identify agencies that may be experiencing personnel administration problems and assist them in correcting deficiencies in a timely manner. If an agency is experiencing problems with personnel management, this could negatively affect the state by increasing its potential for liability resulting from personnel claims and lawsuits. Because many personnel functions are delegated to state agencies, the program needs to monitor the agencies to ensure they are adhering to personnel laws and regulations.

To monitor agency personnel offices, the program needs to develop effective means for identifying whether agencies are experiencing personnel administration problems. Such means would include two activities discussed below.

- Compiling and reviewing data on collective bargaining and career service grievances, and discrimination complaints filed against state agencies. The program could use this data to identify agencies that are experiencing a disproportionate level of personnel management problems. The program could then provide these agencies with immediate technical assistance to help them address and correct the problems. The program is currently collecting data on the number of grievances filed relating to such matters as discipline, job reassignment, promotion, attendance and leave, but does not use it to target its efforts to assist agencies. The program could also use information from its computerized databases to help monitor agencies' actions regarding classification and pay, employee selection process, employee disciplinary actions, and employee and agency training plans.<sup>6</sup>
- Conducting periodic on-site inspections of agency personnel offices. These inspections could be used to review state agencies' personnel management processes, detect problems that are not identified by analysis of data, provide suggestions for improving management efficiency, and share best practices regarding

---

<sup>6</sup> The program could use its HR Direct, a group of Internet-based human resource management tools, to help monitor state agencies. HR Direct could supplement the monitoring process in three ways. First, it will collect agency data that can be analyzed for monitoring purposes. Second, HR Direct could advocate and help agencies use best personnel practices. Finally, HR Direct could prevent agencies from taking certain undesirable or unallowed personnel actions.

personnel administration practices. Each state agency should receive an on-site inspection at least once every two years.

### **The Program Has Taken Action Recently to Improve Performance**

Recent program changes to improve performance. Overall, the Workforce Program has not been an effective resource to its customers nor has it been an effective regulator of the state personnel system. However, within the past two months, program management has instituted nine reforms that should improve the program's performance in meeting the needs of its customers and fulfilling its regulatory responsibility.

- **Enhancing communication within the state personnel system.** The program is now ensuring that all important personnel documents, such as rule interpretations and program policy changes, are being transmitted to agency personnel offices. The program uses a combination of e-mailing, faxing, and hard-copy mailing/delivery to deliver information to agency personnel offices.
- **Providing more expertise and technical assistance to executive agencies.** The program is no longer taking a "generalist" approach to providing customer service. Instead of using staff with general human resource knowledge to provide customer service, the program has started to use subject-matter experts to coordinate the program's technical assistance. The program also has a new organizational structure that stresses human resource subject-matter expertise in areas such as classification, compensation, and employee relations.
- **Providing more training opportunities for executive agency personnel.** The program has established training as a core function. The program has already arranged for experts to train agency personnel office staff in employment law. Additionally, the program has analyzed agencies' training needs and is expanding the offerings of Training Direct, its Internet-based training management application, to meet those requirements.<sup>7</sup>
- **Working with the agency personnel officers to revise the state classification and compensation system.** The program has solicited input from agency personnel officers regarding the redesign of the state classification and compensation system. Using that input, the program has developed a preliminary concept for a new system. The program intends to take the lead

---

<sup>7</sup> Training Direct includes a catalog of available courses as well as registration, payment, and records management services.

in the redesign effort and, with the help of the personnel officers, prepare a new system for implementation by June 30, 1999.

- **Helping the state transition to the FFMIS Integrated Human Resources and Payroll System.** Several program staff members are involved with the Florida Financial Management Information System (FFMIS) Integrated Human Resources and Payroll System project. They serve as a link between the system's developers and the state personnel system managers. Ultimately, this new system will replace the state's current human resources and payroll systems with commercially developed and supported software. The new system should generate more accurate and up-to-date information, provide enhanced functionality and better decision support capabilities, reduce software maintenance efforts, and eliminate redundant data collection and maintenance activities. (For further information about the FFMIS Integrated Human Resources and Payroll System project, see Appendix C.)
- **Redesigning HR Direct to better serve the needs of the agency personnel offices.** Program staff members have recently sought input from agency personnel officers and staff regarding the proposed design of HR Direct, a group of Internet-based human resource management tools. Based on that input, the program has made several changes in the proposed system. Agencies have responded positively to the program's new participative design process and the resulting system changes. As a result, the program intends to continue this iterative approach to developing HR Direct until it produces a system that satisfies its customers.
- **Redesigning its customer satisfaction performance measures.** Based on OPPAGA's comments in Report No. 97-54, *Review of the Performance of the Department of Management Services' Workforce Program* (see Appendix D), the program is redesigning its customer satisfaction performance measures and survey instruments. The program's new measures will more validly and reliably assess customer satisfaction with program services and also help the program better gauge customer needs. The new survey instruments have also been designed to better capture information needed to support program management decision-making.
- **Creating a manual of rule interpretations.** Program staff members are compiling a manual of rule interpretations for the agencies. This will give each state agency a uniform rule-setting document to use in making personnel management decisions. The program plans to publish the manual by the end of calendar year 1998.



---

## Options for Improvement

Workforce Program managers are currently taking action to improve program performance in meeting the needs of customers and fulfilling the program's regulatory responsibility. However, the program could further improve its performance by establishing a system to monitor agency personnel offices to ensure that they are complying with relevant personnel laws and regulations, developing a state human resource strategic plan, and using the input of state agency personnel offices in the program's policymaking process.

### **Improve Oversight and Monitoring of Agency Personnel Offices**

**Establishing a monitoring system for state agencies to improve program performance.** As previously discussed, the Workforce Program has not adequately fulfilled its responsibility to regulate the state personnel system. The Workforce Program has not been monitoring state agency personnel offices to ensure they are complying with the personnel laws and regulations. In order to effectively administer the state personnel system, the program needs to know how well state agencies' personnel offices are being managed. Regular monitoring of agencies will improve consistency in the application of statewide personnel laws and regulations, help identify and share best personnel management practices, and help reduce potential legal liabilities.

The program should establish performance-based program budgeting outcome measures for assessing its performance in carrying out its monitoring responsibilities. Such measures could include the ratio of the total number of collective bargaining and career service grievances, and discrimination complaints filed against state agencies and resolved in favor of the aggrieved employee to the total number of FTE positions in the state personnel system. These outcome measures would provide the Legislature with better information on the performance of the state personnel system and the effectiveness of the department's monitoring efforts.

### **Develop Strategic Plan**

**Developing a state human resource strategic plan.** Currently, the state does not have a human resource strategic plan. A state human resource strategic plan defines long-range human resource goals and objectives that further the state's overall vision and mission. It also provides managers with critical information about the talents, capabilities, weaknesses, and training needs of their staff so that they can proactively handle potential barriers to their agencies' and the state's success. Our review of human resource management best practices indicated that such a plan is essential for ensuring that an

entity has a viable long-term approach for addressing future personnel and organizational challenges.

In response to a 1998 OPPAGA survey, 79% of state agency personnel officers indicated they believe the state needs a strategic document to guide their human resource actions and decisions. They said that the state should have a visionary document that describes what the future state workforce should look like and how to create such a workforce. The state human resource plan could provide long-range policy guidance for the improvement of the state's human resource infrastructure and map out the personnel expenses and programs that will be needed to support the State Comprehensive Plan. If designed as a five-year document with flexible one-year milestones, the plan should also enhance the consistency of the state personnel system since all system members would be using a common direction-setting document over a long period of time. Program staff reported that they have sufficient resources to develop this strategic plan.

### **Use Input From Agencies in Policymaking Process**

**Using the input of state agency personnel offices in the program's policymaking process.** As previously discussed, state agency personnel officers are not satisfied with program services. A major reason for customer dissatisfaction is that program staff did not ask for the agencies' input before creating new products and services. Although program management has taken some action as noted above to increase customer satisfaction with its performance, the program needs to better integrate its customers' input into the program's policymaking process.

In its analysis of state personnel policy, the Workforce 2000 Study Commission recommended that the Department of Management Services' Workforce Program more closely align itself with state agency personnel offices. A formal process by which the program solicits customer input regarding personnel issues, uses this information to determine human resources policies that are in the best interest of the state, and then communicates its recommendations to the Governor and the Legislature, would help the program better meet its customers' needs. Additionally, such a collaborative relationship between the program and the state agency personnel officers would facilitate the sharing of ideas and best practices that could improve the state personnel system as a whole.

---

## Conclusions and Recommendations

The Workforce Program has been efficient in using resources but has not been effective in fulfilling its human resource management responsibilities. The program's administrative cost per full-time-equivalent (FTE) position to administer the state personnel system remained relatively stable over the past two years, and the program reported that its administrative cost per FTE was lower than that of comparable states for Fiscal Year 1996-97. To be effective, the Workforce Program must be both a resource to state agencies and a regulator of the state personnel system. However, over the past few years, the program has fulfilled neither role well. The program has failed to satisfy its clientele and has not fulfilled its regulatory responsibility for monitoring state agency personnel offices. Program managers have recently made changes as discussed on pages 14 through 16 that should help improve customer satisfaction and better fulfill the program's regulatory responsibility. However, the program's performance could be further improved by establishing a system for monitoring state agency personnel offices, developing a state human resource strategic plan, and using the input of state agency personnel offices in the program's policymaking process.

Accordingly, we recommend that the Legislature take these actions.

- Revise s. 110.109, F.S., to direct the Department of Management Services to monitor agency personnel offices. To carry out this responsibility, the department should compile and analyze data on collective bargaining and career service grievances, and discrimination complaints filed against state agencies. The department should use this information to identify agencies that are having problems with personnel management and need immediate assistance. The department should also use information from its computerized databases to help monitor agencies' actions regarding classification and pay, employee selection process, employee disciplinary actions, and employee and agency training plans. Further, it should conduct periodic on-site inspections of agencies at least every two years. These inspections should be used to review state agencies' personnel processes, detect problems that are not identified by the program's analysis of complaints and other personnel data, provide suggestions for improving efficiency, and share best personnel management practices.
- Delete language in s. 110.109, F.S., directing the Department of Management Services to audit agency personnel offices. We believe that requiring the department to monitor these offices would be more consistent with the program's goal of serving as a

partner and resource consultant to agencies. Since many personnel functions are decentralized, the program needs to monitor state agencies to ensure they are adhering to the personnel laws and regulations.

- Establish performance-based program budgeting outcome measures for assessing the program's performance in carrying out its monitoring responsibilities. One such measure could be the ratio of the total number of collective bargaining and career service grievances and discrimination complaints filed against state agencies and resolved in favor of the aggrieved employee to the total number of FTE positions in the state personnel system. These outcome measures would provide the Legislature with better information on the performance of the state personnel and the effectiveness of the department's monitoring efforts.

We also recommend that the Department of Management Services take two actions.

- Develop, in consultation with the executive agencies, a state human resource strategic plan. The plan should provide long-range policy guidance for the improvement of the state's human resource infrastructure and map out the personnel expenses and programs that will be needed to support the State Comprehensive Plan. In order to enhance the consistency of the state personnel system by ensuring that all members use a common direction-setting document over a long period of time, the state human resource strategic plan should be a five-year document with flexible one-year milestones. The program, in consultation with the executive agencies, should update the plan annually.
- Solicit Workforce Program customer input regarding personnel issues, use this information to determine human resources policies that are in the best interest of the state, and then communicate its recommendations to the Governor and the Legislature.

# Appendices

---

A. Statutory Requirements for Program Evaluation and Justification Reviews.....	22
B. Interview Methodology and Results for Agency Personnel Officers.....	25
C. Florida Financial Management Information System (FFMIS) Integrated Human Resources and Payroll Project .....	38
D. OPPAGA Report No. 97-54, Review of the Performance of the Department of Management Services' Workforce Program Issued February 1998.....	39
E. Response From the Department of Management Services.....	47

## Appendix A

### Statutory Requirements for Program Evaluation and Justification Reviews

Section 11.513(3), F.S., provides that OPPAGA Program Evaluation and Justification Reviews shall address nine issue areas. Our conclusions on these issues as they relate to the Workforce Program are summarized in Table A-1. Where applicable, Table A-1 makes references to pages in this report and our earlier performance report (OPPAGA Report No. 97-54, published February 1998).

**Table A-1**  
**Summary of the Program Evaluation and**  
**Justification Review of the Workforce Program**

Issue	OPPAGA Conclusions
The identifiable cost of the program	For Fiscal Year 1996-97, the Workforce Program's expenditures were \$9.1 million. These expenditures do not include state agencies' personnel management costs but only the costs of activities performed by the Department of Management Services' Workforce Program. (See page 3.)
The specific purpose of the program, as well as the specific public benefit derived therefrom	The program's primary function is to establish a framework for a fair and equitable personnel system that promotes the state's personnel policy and imposes uniformity of employee treatment and personnel actions among state agencies. A consistent and uniform state personnel system benefits the public by protecting taxpayers from the potential liability of lawsuits if any state agencies were to use unsound human resource management practices. Failure of state agencies to comply with regulations such as the Fair Labor Standards Act, the Family Medical Leave Act, the Americans with Disabilities Act, affirmative action and equal employment opportunity, and general employment laws could result in increased employment law liability. (See page 5.)
Progress towards achieving the outputs and outcomes associated with the program	The Workforce Program's outcome measures demonstrate that the program's administrative efficiency has remained relatively stable, but the customer satisfaction with program services has declined. Due to shifts in responsibilities, the program recommended that its output measures be changed from external to internal measures that are used by program staff and, thus, are not reported as performance-based program budgeting measures. The Legislature approved this change based on the program's recommendation. (See Appendix D.)
An explanation of circumstances contributing to the state agency's ability to achieve, not achieve, or exceed its projected outputs and outcomes, as defined in s. 216.011, F.S., associated with the program	<p>The Workforce Program performed relatively well in meeting performance-based program budgeting objectives relating to the efficiency of administering the state personnel system. The program operates at a lower cost per employee than human resource programs in comparable states. However, three factors may have contributed to the program's degree of efficiency. The program overestimated its future costs and therefore set its standards too high for Fiscal Year 1996-97, and the program did not include the total cost of operating the Cooperative Personnel Employment Subsystem (COPEs) as it relates to human resource management. The program also used inadequate criteria to select comparable states, which were based on the degree of decentralization of the states' personnel systems and state population size. (See Appendix D.)</p> <p>The program's customers were generally less satisfied with program services in Fiscal Year 1996-97 than expected. The program did not meet its standards for any of the components for the customer feedback ranking measure.</p> <p style="text-align: right;"><i>(Continued on the next page)</i></p>

Issue	OPPAGA Conclusions
	<p>Program staff indicated that one reason for customer satisfaction being lower than expected is that staff were spending considerable time on in-service training during Fiscal Year 1996-97 that related to the department's efforts to reorganize the program's design and to change its mission. (See Appendix D.)</p>
<p>Alternative courses of action that would result in administering the program more efficiently or effectively</p>	<p>The program's activities are not unnecessarily duplicative of those of state agencies, and we did not identify any benefit from transferring program's functions/activities to another agency. The Workforce Program is the only state entity with the role of establishing a fair and equitable statewide personnel management system. While some personnel functions have been given to or delegated to state agencies, a centralized entity for administering core personnel functions is an efficient way to provide consistency and the necessary support services for state agencies. It would be inefficient and unnecessarily duplicative to eliminate the centralized administration of core human resource functions and expect each state agency to handle such functions on their own. In addition, it would be very difficult to have a uniform personnel system (i.e., classification and pay) if the centralized functions were eliminated. (See page 5.)</p> <p>Outsourcing the program's core functions in administering the state personnel system is not a viable alternative. The human resource administrative functions that employers typically outsource are employee benefits, training, payroll, and retirement benefits. However, three of these functions (employee benefits, payroll, and retirement benefits) are administered by other state programs. The program is responsible for the fourth function, training, but has already outsourced many of its activities in this area. (See page 6.)</p> <p>Workforce Program managers are currently taking action to improve program performance in meeting the needs of customers and fulfilling the program's regulatory responsibilities. However, the program's performance could be further improved by establishing a system for monitoring state agency personnel offices, developing a state human resource strategic plan, and using the input of state agency personnel offices in the program's policymaking process. (See pages 14 through 18.)</p>
<p>The consequences of discontinuing the program</p>	<p>Discontinuing the Workforce Program would place additional administrative responsibilities on the state agencies that participate in the state personnel system, resulting in unnecessary duplication of effort. In addition, the uniformity and consistency in administering the state personnel system would be diminished, which could result in the potential for increased liability due to increased lawsuits if state agencies used unsound human resource practices. (See page 5.)</p>
<p>Determination as to public policy, which may include recommendations as to whether it would be sound public policy to continue or discontinue funding the program, either in whole or in part, in the existing manner</p>	<p>The Workforce Program is funded by the State Personnel System Trust Fund and general revenue, with the majority of funds (86%) coming from the trust fund. State agencies that participate in the state personnel system pay an annual assessment of \$59 per full-time-equivalent employee, which is deposited into the State Personnel System Trust Fund to fund the program's operations. Section 110.125, F.S., specifies that, to provide an equitable division of costs, the amount of fees paid by each agency shall be proportional to the amount of service rendered the agency by the program to the total service rendered. The program's current fee structure (a flat fee of \$59 per full-time-equivalent employee) appears to be accomplishing this funding goal. OPPAGA determined that the number of contacts program staff reported having with an agency correlated highly with the agency's number of FTE positions (+.90). This high correlation indicates that the program's current fee structure is accomplishing the statutory goal of having the amount of fees paid by each agency be proportional to the amount of service rendered the agency by the program. (See pages 3 through 4.)</p>
<p>Whether the information reported pursuant to s. 216. 035(5), F.S., has relevance and utility for evaluation of the program</p>	<p>The program has been collecting reasonably reliable performance data for its performance measures, but the methodology needs to be modified for analyzing the data. Program staff reported that modifications will be made in the methodology for calculating the total administrative cost per FTE and customer feedback ranking measures.</p> <p style="text-align: right;"><i>(Continued on next</i></p>

Issue	OPPAGA Conclusions
<p>Whether state agency management has established control systems sufficient to ensure that performance data are maintained and supported by state agency records and accurately presented in state agency performance reports</p>	<p><i>page)</i>  The program has some procedures to ensure the reliability of performance data, but these procedures need to be improved. Program staff recognized this limitation and have implemented some of the recommendations made in OPPAGA Report No. 97-54 regarding data collection and data analysis. The program is also establishing procedures to ensure that proper documentation of performance information is maintained.</p>



## **Appendix B**

### **Interview Methodology and Results for Agency Personnel Officers**

---

Customer satisfaction measures can be good indicators of the quality of services the Workforce Program provides to its customers. To obtain information regarding the satisfaction of the program's customers, we interviewed the entire population of state agency personnel officers who work at agencies that pay the program an annual assessment fee of \$59 per full-time-equivalent employee for personnel services, including COPEs. All 28 personnel officers in the targeted population were interviewed. Although we conducted most interviews at the sites of the various agencies, interviews of personnel officers for the Department of Veteran's Affairs, the Department of Citrus, and the Department of Military Affairs were conducted via telephone because of the agencies' locations outside of Tallahassee, Florida.

We based our interview questions on several prior surveys of state agency personnel officers that had been conducted by the Workforce Program and by OPPAGA during the past two years. Interview questions based on the prior surveys were grouped into categories based on personnel service characteristics. For each of these questions, we asked the personnel officer to rate his or her satisfaction with how the program was providing a particular personnel service and how important he or she considered it to be for the program to provide that service. All state agency personnel officers' ratings and comments were recorded and analyzed.

**Questions for State Agencies Personnel Directors/Officers**  
**Regarding the Justification Review of the DMS Workforce Program**

1. Does the DMS Workforce Program help your agency perform its personnel / human resource services? If so, how does the program help your agency perform its personnel / human resource services?

YES -- 96%      NO -- 4%      (N = 28)

2. Does your agency need any personnel/human resource services that the DMS Workforce Program does not provide? If so, what services do you want the DMS Workforce Program to provide? Please complete Attachment A.

YES -- 100%      NO -- 0%      (N = 28)

3. Does the DMS Workforce Program provide your agency with any unnecessary or unwanted personnel/human resource services? If so, what services do you consider to be unnecessary or unwanted?

YES -- 46%      NO -- 54%      (N = 28)

4. Does your agency pay the DMS Workforce Program for any services that you would rather outsource? If so, what services would you rather outsource and to whom would you outsource them (e.g., another state agency, another public institution, a vendor such as a consulting firm, etc.)?

YES -- 11%      NO -- 89%      (N = 28)

5. Is the DMS Workforce Program the best entity to provide personnel / human resource services for state agencies? Why or why not?

YES -- 89%      NO -- 11%      (N = 28)

6. Would it negatively impact your agency if the DMS Workforce Program were eliminated (assuming that the COPEs sub-program would be transferred to a different entity)? If so, how and to what degree would it impact your agency?

YES -- 93%      NO -- 7%      (N = 28)

7. Overall, are you satisfied with the type and quality of the services provided by the DMS Workforce Program?

SATISFIED -- 36%      DISSATISFIED -- 64%      (N = 28)

**Table B-1**  
**Roles and Services of the DMS Workforce Program**

The DMS Workforce Program can and does provide many services to state employees and agency personnel offices. For each of the following services, please check the appropriate boxes to indicate (a) whether you are satisfied with DMS' performance of a given service, and (b) how important is it to you for DMS to perform that particular service. Please note: the services are grouped by the systemic roles DMS plays when providing those services (e.g., advocate, communicator, program creator, etc.).

<i>Role of the DMS Workforce Program</i>							
<b>Advocate:</b> Entails the DMS Workforce Program pleading the causes of state employees and agency personnel offices to key state policymakers and stakeholders	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
SERVICES	Satisfied	Dissatisfied	N/A	Not Important	Somewhat Important	Very Important	N/A
<b>1.</b> Play the role of <b>Advocate</b> in the state personnel system	18%	75%	7%	0%	0%	96%	4%
<b>2.</b> Voice to and address with the Executive Office of the Governor (including the Office of Planning and Budgeting), state employees' and agency personnel offices' concerns	29%	68%	4%	0%	0%	100%	0%
<b>3.</b> Provide labor negotiations for agencies	93%	7%	0%	0%	7%	93%	0%
<b>4.</b> Voice to and address with the Legislature, state employees' and agency personnel offices' concerns	21%	64%	14%	0%	4%	93%	4%

Note: Due to rounding, percentages may not total to 100 percent.

**Table B-1 (Continued)**  
**Roles and Services of the DMS Workforce Program**

<i>Role of the DMS Workforce Program</i>							
<b>Communicator:</b> Entails the DMS Workforce Program communicating personnel / human resource information among the agency personnel offices and between the offices and external sources (such as the federal government)	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
<b>SERVICES</b>	Satisfied	Dissatisfied	N/A	Not Important	Somewhat Important	Very Important	N/A
<b>1.</b> Play the role of <b>Communicator</b> in the state personnel system	29%	68%	4%	0%	4%	96%	0%
<b>2.</b> Disseminate personnel / human resource-related information, legislation, proposed legislation, federal regulations, rule interpretations, news, and best practices to agencies	32%	64%	4%	0%	4%	96%	0%
<b>3.</b> Sponsor personnel and quality leadership lectures and teleconferences	46%	46%	7%	7%	25%	68%	0%
<b>4.</b> Act as a liaison/facilitator among the agencies with regard to personnel / human resource issues	36%	61%	4%	0%	18%	79%	4%

Note: Due to rounding, percentages may not total to 100 percent.

**Table B-1 (Continued)**  
**Roles and Services of the DMS Workforce Program**

<i>Role of the DMS Workforce Program</i>							
<b>Expert / Technical Assistant:</b> Entails the DMS Workforce Program providing personnel / human resource expertise or technical assistance to agency personnel offices	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
<b>SERVICES</b>	Satisfied	Dissatisfied	N/A	Not Important	Somewhat Important	Very Important	N/A
<b>1.</b> Play the role of <b>Expert / Technical Assistant</b> in the state personnel system	21%	75%	4%	0%	7%	93%	0%
<b>2.</b> Provide expertise with regard to all personnel matters	21%	75%	4%	0%	7%	93%	0%
<b>3.</b> Specifically, provide expertise with regard to employment law	25%	71%	4%	0%	14%	86%	0%
<b>4.</b> Specifically, provide expertise with regard to classification and compensation	39%	57%	4%	0%	14%	86%	0%
<b>5.</b> Specifically, provide expertise with regard to Equal Employment Opportunity, Affirmative Action, or the Americans with Disabilities Act	25%	68%	7%	4%	32%	64%	0%
<b>6.</b> Specifically, provide expertise with regard to the Fair Labor Standards Act	29%	64%	7%	0%	21%	79%	0%
<b>7.</b> Specifically, provide expertise with regard to labor relations	79%	18%	4%	0%	11%	89%	0%
<b>8.</b> Specifically, provide expertise with regard to discipline / employee relations	46%	46%	7%	0%	25%	71%	4%
<b>9.</b> Specifically, provide expertise with regard to the Family Supportive Work Program	25%	61%	14%	0%	29%	64%	7%
<b>10.</b> Specifically, provide expertise with regard to COPES	61%	39%	0%	0%	0%	100%	0%
<b>11.</b> Provide timely and accessible technical assistance	39%	50%	11%	0%	18%	79%	4%
<b>12.</b> Assist agencies with the agency Equal Employment Opportunity/Affirmative Action plan	21%	46%	32%	18%	25%	50%	7%
<b>13.</b> Assist agencies with establishing a telecommuting program	21%	7%	71%	46%	29%	18%	7%
<b>14.</b> Assist agencies with SMS/SES programs	43%	39%	18%	7%	46%	43%	4%
<b>15.</b> Provide personnel / human resource rule interpretations	32%	64%	4%	0%	14%	86%	0%
<b>16.</b> Assist agencies with layoffs /workforce reductions	61%	18%	21%	4%	29%	64%	4%

Note: Due to rounding, percentages may not total to 100 percent.

**Table B-1 (Continued)**  
**Roles and Services of the DMS Workforce Program**

<i>Role of the DMS Workforce Program</i>							
<b>PB<sup>2</sup> / Agency Report Developer:</b> Entails the DMS Workforce Program assisting agency personnel offices with PB2-related programs and measures as well as with other personnel / human resource-related reports.	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
<b>SERVICES</b>	<b>Satisfied</b>	<b>Dissatisfied</b>	<b>N/A</b>	<b>Not Important</b>	<b>Somewhat Important</b>	<b>Very Important</b>	<b>N/A</b>
<b>1.</b> Play the role of <b>PB<sup>2</sup> / Agency Report Developer</b> in the state personnel system	7%	29%	64%	7%	11%	39%	43%
<b>2.</b> Assist agencies with personnel / human resource program and performance measure development related to PB <sup>2</sup>	4%	29%	68%	7%	4%	43%	46%
<b>3.</b> Assist agencies with the development and implementation of employee satisfaction surveys	4%	29%	68%	14%	7%	36%	43%
<b>4.</b> Assist agencies with the development of short and long-term personnel / human resource strategies	0%	29%	71%	18%	4%	39%	39%
<b>5.</b> Assist agencies with the writing of HR-related, Legislature-mandated reports	11%	18%	71%	18%	4%	36%	43%

Note: Due to rounding, percentages may not total to 100 percent.

**Table B-1 (Continued)**  
**Roles and Services of the DMS Workforce Program**

<i>Role of the DMS Workforce Program</i>							
<b>Procedure / Guideline Writer and Updater:</b> Entails the DMS Workforce Program writing and updating personnel / human resource procedures and guidelines	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
<b>SERVICES</b>	Satisfied	Dissatisfied	N/A	Not Important	Somewhat Important	Very Important	N/A
<b>1.</b> Play the role of <b>Procedure / Guideline Writer and Updater</b> in the state personnel system	32%	61%	7%	0%	7%	89%	4%
<b>2.</b> Review, update, and streamline personnel / human resource rules, policies, and procedures	29%	64%	7%	0%	7%	93%	0%
<b>3.</b> Publish personnel / human resource-related "how-to" manuals for every personnel rule, action, and program	14%	68%	18%	11%	21%	68%	0%
<b>4.</b> Provide guiding HR principles to agencies	18%	57%	25%	7%	29%	57%	7%
<b>5.</b> Provide a user guide for locating current rules contract language, statutes, and interpretive memos from DMS	18%	64%	18%	4%	25%	71%	0%
<b>6.</b> Develop statewide contract / policies for drug screening	4%	46%	50%	25%	14%	50%	11%
<b>7.</b> Revise the classification system	7%	82%	11%	7%	11%	82%	0%
<b>8.</b> Develop common criteria for performance appraisal standards	11%	32%	57%	50%	11%	36%	4%
<b>9.</b> Review personnel forms for revision and standardization	18%	36%	46%	39%	29%	32%	0%
<b>10.</b> Develop selection tools/criteria for certain classes	7%	39%	54%	43%	21%	25%	11%

Note: Due to rounding, percentages may not total to 100 percent.

**Table B-1 (Continued)**  
**Roles and Services of the DMS Workforce Program**

<i>Role of the DMS Workforce Program</i>							
<b>Program Creator:</b> Entails the DMS Workforce Program creating personnel / human resource programs for agency personnel offices to use	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
<b>SERVICES</b>	Satisfied	Dissatisfied	N/A	Not Important	Somewhat Important	Very Important	N/A
<b>1.</b> Play the role of <b>Program Creator</b> in the state personnel system	7%	57%	36%	14%	25%	50%	11%
<b>2.</b> Provide career development counseling / career pathing	7%	54%	39%	18%	64%	14%	4%
<b>3.</b> Establish a statewide supervisory assistance system for disciplinary actions	7%	54%	39%	25%	7%	64%	4%
<b>4.</b> Develop a self-assessment tool for agencies with regard to rule-compliance	7%	57%	36%	21%	39%	32%	7%
<b>5.</b> Help structure an effective performance incentive program and performance contracts	11%	32%	57%	32%	21%	36%	11%
<b>6.</b> Act in a consulting capacity with agencies developing personnel / human resource-related programs	25%	50%	25%	14%	18%	68%	0%
<b>7.</b> Help develop and implement Total Quality Management.	7%	29%	64%	54%	11%	32%	4%

Note: Due to rounding, percentages may not total to 100 percent.



**Table B-1 (Continued)**  
**Roles and Services of the DMS Workforce Program**

<i>Role of the DMS Workforce Program</i>							
<b>Recruiter:</b> Entails the DMS Workforce Program assisting agency personnel offices in the recruitment of a quality workforce	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
<b>SERVICES</b>	Satisfied	Dissatisfied	N/A	Not Important	Somewhat Important	Very Important	N/A
<b>1.</b> Play the role of <b>Recruiter</b> in the state personnel system	11%	43%	46%	32%	25%	39%	4%
<b>2.</b> Assist agencies with recruiting	11%	46%	43%	29%	36%	36%	0%
<b>3.</b> Develop and implement a general, nationwide recruitment program	14%	39%	46%	32%	39%	25%	4%
<b>4.</b> Create an applicant center in Tallahassee	4%	36%	61%	46%	21%	32%	0%
<b>5.</b> Develop minority recruitment strategies and resources	7%	50%	43%	21%	18%	54%	7%

Note: Due to rounding, percentages may not total to 100 percent.

**Table B-1 (Continued)**  
**Roles and Services of the DMS Workforce Program**

<i>Role of the DMS Workforce Program</i>							
<b>Researcher:</b> Entails the DMS Workforce Program performing personnel / human resource-related surveys and studies	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
<b>SERVICES</b>	Satisfied	Dissatisfied	N/A	Not Important	Somewhat Important	Very Important	N/A
<b>1.</b> Play the role of <b>Researcher</b> in the state personnel system	14%	57%	29%	11%	18%	68%	4%
<b>2.</b> Perform personnel / human resource-related research (including statistics and trend analysis)	14%	54%	32%	11%	29%	61%	0%
<b>3.</b> Assist agencies in calculating HR staffing ratios for centralized and decentralized operations	4%	39%	57%	29%	21%	39%	11%
<b>4.</b> Study and address turnover	21%	36%	43%	21%	11%	64%	4%
<b>5.</b> Perform pay surveys of other states' employees	25%	43%	32%	7%	25%	64%	4%
<b>6.</b> Conduct a salary study for state classes and occupational groups	21%	43%	36%	11%	18%	68%	4%
<b>7.</b> Perform a review of personnel / human resource services and processes that could be computerized	29%	46%	25%	4%	18%	79%	0%
<b>8.</b> Perform studies on classification	14%	54%	32%	21%	14%	61%	4%
<b>9.</b> Perform organizational structure and efficiency studies for agencies	14%	21%	64%	46%	36%	18%	0%

Note: Due to rounding, percentages may not total to 100 percent.

**Table B-1 (Continued)**  
**Roles and Services of the DMS Workforce Program**

<i>Role of the DMS Workforce Program</i>							
<b>Supervisor:</b> Entails the DMS Workforce Program overseeing and coordinating the state personnel system	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
<b>SERVICES</b>	Satisfied	Dissatisfied	N/A	Not Important	Somewhat Important	Very Important	N/A
<b>1.</b> Play the role of <b>Supervisor</b> in the state personnel system	18%	64%	18%	14%	29%	50%	7%
<b>2.</b> Develop an overall strategic plan for Human Resource Management and Development in the state	4%	75%	21%	11%	7%	82%	0%
<b>3.</b> Enforce consistent application of the Family Supportive Work Program across agencies	11%	50%	39%	25%	14%	54%	7%
<b>4.</b> Review and provide policy direction/action plans for statewide HR issues (e.g., classification, the Americans with Disabilities Act, Equal Employment Opportunity, sexual harassment)	11%	71%	18%	14%	18%	68%	0%
<b>5.</b> Enforce consistency across the personnel system	11%	68%	21%	21%	11%	68%	0%
<b>6.</b> Perform audits of agency personnel offices	14%	36%	50%	36%	18%	39%	7%
<b>7.</b> Centralize classification and compensation policy making	21%	46%	32%	29%	14%	57%	0%

Note: Due to rounding, percentages may not total to 100 percent.

**Table B-1 (Continued)**  
**Roles and Services of the DMS Workforce Program**

<i>Role of the DMS Workforce Program</i>							
<b>Technologist:</b> Entails the DMS Workforce Program enhancing the state personnel system through the use of technology	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
<b>SERVICES</b>	Satisfied	Dissatisfied	N/A	Not Important	Somewhat Important	Very Important	N/A
<b>1.</b> Play the role of <b>Technologist</b> in the state personnel system	32%	50%	18%	4%	7%	89%	0%
<b>2.</b> Provide personnel / human resource-related computer application development	21%	50%	29%	11%	7%	79%	4%
<b>3.</b> Automate personnel processes	32%	43%	25%	11%	7%	79%	4%
<b>4.</b> Computerize personnel / human resource policies and procedures	43%	29%	29%	11%	14%	71%	4%
<b>5.</b> Assist agencies in personnel / human resource-related database creation and implementation	21%	43%	36%	14%	14%	68%	4%
<b>6.</b> Upgrade COPEs	21%	68%	11%	0%	0%	96%	4%
<b>7.</b> Reprogram COPEs to indicate when an agency inputs incorrect data	14%	61%	25%	0%	4%	86%	11%
<b>8.</b> Provide new COPEs reports (e.g., turnover analysis)	18%	54%	29%	14%	7%	71%	7%
<b>9.</b> Correct COPEs programmatic errors occurring when DMS takes blanket actions affecting all agencies	32%	46%	21%	11%	11%	75%	4%
<b>10.</b> Develop a computer application for compiling the annual Affirmative Action report	7%	64%	29%	7%	21%	64%	7%
<b>11.</b> Develop a computerized attendance and leave system	21%	57%	21%	11%	7%	79%	4%
<b>12.</b> Develop a computerized new employee orientation program	4%	50%	46%	29%	29%	43%	0%
<b>13.</b> Develop an Intranet bulletin board listing jobs/selection data	43%	25%	32%	14%	14%	68%	4%
<b>14.</b> Develop a computerized classification system	18%	32%	50%	25%	11%	57%	7%
<b>15.</b> Assist agencies with employee records archiving	4%	50%	46%	36%	25%	39%	0%

Note: Due to rounding, percentages may not total to 100 percent.

**Table B-1 (Continued)**  
**Roles and Services of the DMS Workforce Program**

<i>Role of the DMS Workforce Program</i>							
<b>Trainer:</b> Entails the DMS Workforce Program providing personnel / human resource-related training to state employees and agency personnel office staffs	<b>Are You Satisfied With DMS's Performance of This Service?</b> (N = 28)			<b>How Important Is It to You for DMS to Perform This Service?</b> (N = 28)			
<b>SERVICES</b>	Satisfied	Dissatisfied	N/A	Not Important	Somewhat Important	Very Important	N/A
<b>1.</b> Play the role of <b>Trainer</b> in the state personnel system	14%	79%	7%	4%	14%	75%	7%
<b>2.</b> Provide training for personnel staff on the interpretation and administration of personnel laws, rules, policies, and procedures	11%	71%	18%	7%	14%	79%	0%
<b>3.</b> Be the central body for the provision of state training needs	7%	68%	25%	18%	11%	71%	0%
<b>4.</b> Provide computer training	14%	57%	29%	21%	14%	64%	0%
<b>5.</b> Provide sensitivity/diversity training ( e.g., the Americans with Disabilities Act, equal employment opportunity, affirmative action, sexual harassment)	4%	71%	25%	11%	7%	82%	0%
<b>6.</b> Provide COPES-related Impromptu training	18%	57%	25%	11%	11%	75%	4%
<b>7.</b> Provide supervisory training	7%	71%	21%	11%	14%	75%	0%
<b>8.</b> Provide training on the Family Supportive Work Program.	7%	61%	32%	11%	11%	71%	7%
<b>9.</b> Provide training on contract administration	7%	50%	43%	25%	4%	61%	11%
<b>10.</b> Provide training on discipline and conflict resolution	4%	64%	32%	18%	18%	64%	0%
<b>11.</b> Provide training for state awards coordinators	4%	61%	36%	25%	29%	43%	4%
<b>12.</b> Provide training for Total Quality Management	7%	32%	61%	46%	18%	36%	0%
<b>13.</b> Provide training for PB <sup>2</sup>	0%	46%	54%	21%	11%	68%	0%
<b>14.</b> Provide training for leadership / motivation	7%	46%	46%	25%	11%	64%	0%

Note: Due to rounding, percentages may not total to 100 percent.

## **Appendix C**

### **Florida Financial Management Information System (FFMIS)**

### **Integrated Human Resources and Payroll Project**

---

The State of Florida is conducting a pilot project to replace the state's current human resources and payroll systems with commercially-developed and supported software. The pilot will involve implementing the new system in three to six state agencies and/or universities to replace their use of the statewide personnel system known as COPES (Cooperative Personnel Employment System) and other personnel systems. Key areas to be addressed by the new system are: payroll administration; Equal Employment Opportunity/Affirmative Action Plan; applicant management; employee benefits; position and rate control; training and development; compensation; health and safety; employee and labor relations; time and attendance; collective bargaining; and ad hoc query and decision support.

The purpose of the project is to implement a new system capable of resolving many of the problems with existing systems. The existing systems' users are dissatisfied with the systems' functionality in providing accurate and up-to-date data for use in decision making. The new system is intended to provide enhanced functionality and better decision support capabilities, reduce software maintenance efforts, and eliminate redundant data collection and maintenance activities.

The goals of the project are to: 1) conduct a proof-of-concept implementation to demonstrate if it is possible to buy an integrated financial management system, or major components, so that the FFMIS systems may be replaced with commercial software; 2) acquire an integrated human resources and payroll system that will use an identical chart of accounts, a common data base and graphical user interface, and a common software language; and 3) determine how well the software works and to what extent it is possible to re-engineer the current processes.

The implementation date for the first pilot of the new Integrated Human Resources and Payroll System is scheduled for May 1999.

# Appendix D

## OPPAGA Report No. 97-54, Review of the Performance of the Department of Management Services' Workforce Program

### Issued February 1998

---

#### Abstract

- **The Workforce Program's administrative efficiency remained relatively stable during Fiscal Years 1995-96 and 1996-97.**
- **The program's customers were generally less satisfied with program services in Fiscal Year 1996-97 than expected.**
- **The program's measures could be improved by establishing better methods for calculating the results for two measures—total administrative cost per full-time equivalent (FTE) position and customer satisfaction with program services.**
- **The department should include performance-based program budgeting output measures in its legislative budget request to assess the amount of products or services provided by the program.**

---

#### Purpose

Chapter 94-249, Laws of Florida, directs state agencies to prepare performance-based program budgeting measures in consultation with the Governor's Office of Planning and Budgeting, staff from the appropriate legislative committees, and the Office of Program Policy Analysis and Government Accountability (OPPAGA). State agencies are then required to submit performance-based program budget requests, with performance measures and standards, to the Legislature for approval. The Legislature includes the approved

performance measures and standards in the annual General Appropriations Act.

State agencies must report annually on their performance against these standards to the Governor and the Legislature in their Legislative Budget Requests. The Legislature considers this information in making funding decisions and may award incentives and disincentives for program performance that exceeds or fails to meet the established standards.

Section 11.513, F.S., directs OPPAGA to complete a program evaluation and justification review of each state agency program that is operating under a performance-based program budget. The Workforce Program began operating under a performance-based program budget in Fiscal Year 1996-97.

This is the first of two reports presenting the results of our program evaluation and justification review of the Department of Management Services' Workforce Program. In this review, we examined the program's performance compared to the approved standards for Fiscal Year 1996-97 and options for improving the program's measures and standards for Fiscal Year 1998-99. Our second report, which will be issued by July 1, 1998, will address the program's necessity and alternative means for providing program services.

---

#### Background

The Department of Management Services' Workforce Program is responsible for establishing a fair and equitable system of personnel management that includes recruiting, selecting, and retaining an effective and responsible workforce representative of Florida's labor market. The program accomplishes its

responsibilities by managing the State Personnel System to help state agencies (its primary customers) achieve an effective workforce; performing a variety of activities to assist state agencies in human resource management; and providing administrative support for the Cooperative Personnel Employment Subsystem (COPES).

The State Personnel System is the largest of the six personnel systems dealing with state government employees in Florida (see Exhibit 1). The State Personnel System includes Senior Management Service, Selected Exempt Service, and Career Service employees. The Senior Management Service includes policy-making positions and upper management positions, such as agency heads and division directors. The Selected Exempt Service includes middle management and professional positions, such as doctors and lawyers. All other positions in the State Personnel System are part of Career Service.

**Exhibit 1**  
**The State Personnel System Was the Largest**  
**of the State's Six Personnel Systems**  
**as of December 31, 1996**

Personnel Systems	Number of Employees
State Personnel	124,657
State University	31,824
State Courts	8,969
Legislature	1,193
Florida Lottery	738
Auditor General	616
<b>Total (six systems)</b>	<b>167,997</b>
Other Pay Plans <sup>1</sup>	1,417
<b>Total</b>	<b>169,414</b>

<sup>1</sup>This category consists of much smaller entities that are not included in any of the six personnel systems.

Source: Department of Management Services' 1996 Annual Workforce Report

The program performs a variety of activities that assist state agencies in human resource management. The program maintains the classification and pay system for the State Personnel System; manages the collective bargaining and contract negotiation process with state employees' labor unions; and promulgates and interprets personnel rules for state agencies. Also, the program provides statewide training and professional development opportunities to employees of the State Personnel System; monitors the Florida State Employees' (United Way) Campaign; reviews state agencies' equal employment opportunity and affirmative action plans for conformance with federal requirements;

and oversees state child care facilities, the state awards program, and agency telecommuting programs. The program also conducts periodic audits of state agency personnel offices and handles grievances as deemed necessary for state agencies.

In addition, the program administratively supports and coordinates activities of the Cooperative Personnel Employment Subsystem (COPES). COPES is an automated database that provides state agencies with statewide personnel data, such as employee salaries, vacancies, and turnover. It should be noted that two department programs, the Workforce Program and Information Technology Program, share responsibility for operating COPES. The Information Technology Program operates and maintains the COPES database. State agencies use the information generated by COPES in preparing their legislative budget requests. COPES also supplies information to the State Payroll System, the State Automated Management Accounting Subsystem (SAMAS), and Legislative Appropriations Subsystem /Planning and Budgeting Subsystem (LAS/PBS).

In Fiscal Year 1996-97, the Workforce Program included two program components, Human Resource Management and State Group Insurance. The program was appropriated \$28 million and had 143 authorized positions. As of July 1, 1997, the program was modified so that it included only Human Resource Management. The 1997 Legislature created a new Division of State Group Insurance and transferred to it all insurance functions, thereby removing the State Group Insurance component from the Workforce Program. For Fiscal Year 1997-98, the Workforce Program was appropriated \$9.3 million and 51 employees.

Our review focused on the outcome measures for the Human Resource Management component that remains in the Workforce Program (see Exhibit 2).<sup>1</sup> The Workforce Program has proposed three outcome measures in its Legislative Budget Request for Fiscal Year 1998-99. All of the proposed outcome measures are continued from Fiscal Year 1997-98.

<sup>1</sup> Because of a shift in responsibilities, the Workforce Program changed two of its output measures from external measures (i.e., reported in its Legislative Budget Request) to internal measures that are used by program staff. The remaining output measure was deleted, and this information is now captured under another internal measure.



**Exhibit 2**  
**Workforce Program**  
**Performance-Based Program Budgeting Measures for Fiscal Year 1996-97**

Outcome Measures	Explanation
<b>Administrative Costs Per FTE</b> <ul style="list-style-type: none"> <li>• COPEs costs</li> <li>• Administrative cost net of COPEs</li> <li>• Total administrative cost per FTE</li> <li>• Cost per FTE compared to comparable (Southeastern) states<sup>1</sup></li> </ul>	<p>This measure is an indicator of the cost and efficiency of the functions performed by the program. Administrative cost per full-time equivalent (FTE) employee is calculated by dividing the total expenditures for the program, as provided by Department of Management Services' Budget Office, by the total number of FTE in the State Personnel System.</p>
<b>Customer Feedback Ranking</b> <ul style="list-style-type: none"> <li>• Improve employee knowledge, skills, and abilities through training</li> <li>• Maintain fair and equitable employment practices</li> <li>• Attract and retain employees</li> <li>• Provide quality child care</li> <li>• Motivate employees through the Meritorious Service Awards Program</li> <li>• Personnel staff technical assistance</li> </ul>	<p>This measure is an indicator of how the program's customers rank its personnel functions and services that are provided in these six areas. Survey recipients were asked to quantify their responses as to the effectiveness, importance, or efficiency of various factors on a scale of 1 to 10. The aggregated numbers were averaged to arrive at a ranked score.</p>
<b>Percentage of Agencies at or Above EEO Parity With the Available Labor Market</b>	<p>This measure provides information on hiring trends for the state as an employer and on how well the program is in influencing minority hiring through EEO/Affirmative Action criteria.</p>

<sup>1</sup> As of July 1997, this measure was changed from comparing Southeastern states to comparing comparable states.

Source: General Appropriations Act for 1996-97

## Findings

### Using the program's performance-based program budgeting measures, what can be concluded about its performance in Fiscal Year 1996-97?

Based on our analysis of the Workforce Program's measures, we concluded that:

- the program's administrative efficiency remained relatively stable during Fiscal Years 1995-96 and 1996-97 (see Exhibit 3);
- the program's customers were less satisfied with program services in Fiscal Year 1996-97 than expected; and
- the percentage of state agencies at or above equal employment opportunity parity was higher in Fiscal Year 1996-97 than the prior year, but was lower than the measure's standard.

#### Administrative Costs

The Workforce Program's administrative efficiency remained relatively stable during Fiscal Year 1995-96 and Fiscal Year 1996-97. As shown in Exhibit 3, the program's 1996-97 *total administrative cost per FTE* (which includes *COPEs cost* and *administrative cost*

*net of COPEs*) was \$72.57, which was \$15.76 less than the standard. However, we identified two problems that contributed to the program exceeding its standard for Fiscal Year 1996-97 and one problem with the criteria program staff used to select comparable states.

First, the program overestimated its future costs and therefore set its standards too high for Fiscal Year 1996-97. The program initially requested a standard of \$73.61 for Fiscal Year 1996-97 but later requested an increase to \$88.33 (a 20% increase) during the 1996 Legislative Session. Program staff were unable to provide us documentation explaining the reason for this increase. Nevertheless, the program's actual performance for Fiscal Year 1996-97 was reasonably consistent with the prior year's performance.<sup>2</sup>

Second, the program did not include the total cost of COPEs in calculating its administrative cost per FTE. The Information Technology Program (ITP) expended \$850,000 in Fiscal Year 1996-97 to operate and maintain COPEs. The program did not include these costs in calculating the total cost of COPEs; it only included the costs that were expended by the Workforce Program. Thus, for Fiscal Year 1996-97, the program's reported total administrative cost per FTE of

<sup>2</sup> The program's total administrative cost per FTE for Fiscal Year 1996-97 increased by 4% over its Fiscal Year 1995-96 performance, which is a reasonable increase that is generally accepted as a cost of living.

\$72.57 is understated by \$6.78. While the program did not include ITP's cost in calculating the administrative cost for COPEs, it did disclose this cost in its 1998-99 Legislative Budget Request. As stated earlier, the operation of COPEs lies with the Workforce and Information Technology Programs. However, while the Workforce Program does not control the costs expended by the Information Technology Program, the program should include these costs in calculating its administrative cost per FTE for COPEs.<sup>3</sup> This will give a more accurate account of the cost for operating COPEs as it relates to human resource management.

The program also reported that its administrative cost per full-time equivalent member (FTE) was lower than

<sup>1</sup> The program should also identify and disclose the estimated difference between the amount allocated to the Workforce Program for purposes of funding COPEs and the actual amount expended by the Information Technology Program to run COPEs.

that of comparable (Southeastern) states and met its performance standard for Fiscal Year 1996-97.<sup>4</sup> However, this comparison is weak because the program used inadequate criteria to select other comparable states. The program selected comparable states based on the degree of decentralization of the states' personnel systems and state population size. While the cost of another state's human resource program may be affected by the degree to which the program is decentralized and by the services provided, the program's cost per FTE may not be directly related to the state's population size. For example, California has a population twice as large as Florida's, but its state human resource program's cost per FTE is three times as high as Florida's program.

<sup>1</sup> The program selected the following states for comparison: California, Illinois, Massachusetts, Michigan, South Carolina, and Washington.

### Exhibit 3 The Workforce Program Met Some of Its Standards for Fiscal Year 1996-97 and Improved Its Performance in Two Functional Areas

Outcome Measures	Fiscal Year	Fiscal Year 1996-97		Standard Met?	OPPAGA's Comments
	1995-96 Actual	Standards	Actual		
<b>Administrative Cost Per FTE</b>					
--COPEs cost	\$ 37.33	\$ 49.41	\$ 40.20	Yes	The COPEs cost and administrative cost net of COPEs reflect the program's total cost per full-time equivalent (FTE) employee for providing personnel management services. However, the standards may have been met because the program overestimated its future costs and thus set the 1996-97 standards too high.
--Administrative cost net of COPEs	32.41	38.92	32.37	Yes	
--Total administrative cost per FTE	69.74	88.33	72.57	Yes	
--Cost per FTE compared to comparable (Southeastern) states	151.63	166.83	160.29	Yes	
<b>Customer Feedback Rating -10 Point Scale</b>					
--Improve employee knowledge, skills, and abilities through training <sup>1</sup>	5.8	7.75	Not Applicable	Not Applicable	This measure is an indicator of how satisfied program customers are with its personnel functions and services in these six areas. The program's standards appear to be reasonable. However, standards were not met in Fiscal Year 1996-97. This may be due to program staff spending considerable time on in-service training during Fiscal Year 1996-97 that related to the department's efforts to reorganize the program's design and to change its mission. The program should continue to strive to improve its performance as it defines its new mission.
--Maintain fair/equitable employment practices	6.1	8.5	6.2	No	
--Attract and retain employees	8.34	8.25	8.1	No	
--Provide quality child care	9.02	9.79	8.7	No	
--Motivate employees through the Meritorious Service Awards Program	6.02	7.2	6.6	No	
--Personnel staff technical assistance	7.07	7.9	6.9	No	
<b>Percent of Agencies at or Above EEO Parity with the Available Labor Market</b>					
	43.30%	54.17%	50.00%	No	This measure provides information on minority hiring trends for the state as an employer and on how well the program is influencing minority hiring by agencies through EEO criteria. This standard appears to be reasonable. Although this standard was not met, the percentage of agencies at or above EEO parity with the available labor market has continued to increase over the past three fiscal years.

<sup>1</sup>Data for this measure was not collected for Fiscal Year 1996-97. The program intends to resume measurement once its new on-line training system is fully implemented.

Source: Department of Management Services' 1998-99 Legislative Budget Request and 1996 General Appropriations Act

## Customer Satisfaction

The program's customers were generally less satisfied with program services in Fiscal Year 1996-97 than expected. As shown in Exhibit 3, the program did not meet its standards for any of the components for the *customer feedback ranking* measure for Fiscal Year 1996-97. However, customer satisfaction levels improved over Fiscal Year 1995-96 in two of the six service areas (maintaining fair and equitable employment practices and motivating employees through the meritorious service awards program).

Program staff indicated that one reason for customer satisfaction being lower than expected is that staff were spending considerable time on in-service training during Fiscal Year 1996-97 that related to the department's efforts to reorganize the program's design and to change its mission.<sup>1</sup> We also identified several problems with the customer satisfaction surveys that could limit the program's ability to obtain useful information. These problems are discussed in our comments on how to improve the program's measures on pages 5 and 6.

## Equal Employment Opportunity (EEO) Parity

The *percent of state agencies at or above EEO parity with the available labor market* was higher in Fiscal Year 1996-97 than in the prior year (50% versus 43%), but was lower than expected (54%). Although this standard was not met, the percentage of agencies at or above EEO parity with the available labor market has continued to increase over the past three fiscal years. It should be noted that while this measure provides the Legislature with information on state hiring trends it does not directly measure the program's performance. The program's primary responsibility is to oversee equal employment opportunity rule interpretation and application by state agencies; it does not directly control agency hiring, firing, or transfer practices.

### What improvements can be made to the program's measures and standards for Fiscal Year 1998-99?

Based on our analysis of the program's measures and data sources, we concluded that the program could improve its Fiscal Year 1998-99 measures as discussed below. We also concluded that the department should

<sup>1</sup> As discussed later in the report, the program wants to change its mission to become a resource consultant to state agencies and to continue to shift its focus away from controlling agencies' personnel-related activities.

include output measures in its legislative budget request to indicate the amount of products or services that the program provides state agencies.

We did not identify any problems with the program's performance standards for Fiscal Year 1998-99 and thus concluded that these standards are reasonable.

## Outcome Measures

**Administrative Cost Per FTE.** This measure purports to measure the program's cost of providing personnel management services for state employees. The program's administrative cost per FTE measure can be a valid indicator of the program's efficiency in providing these services to state agencies. However, as previously discussed, we identified two problems with the methodology for calculating the measure's standards and a problem with the criteria program staff used to select other comparable states. These problems suggest that the performance results should be interpreted with caution.

To improve the usefulness of this measure, the program should:

- base its cost projections on historical performance unless the effects of future programmatic changes can be reliably quantified. This will ensure that standards are reasonable based on actual prior year performance and will help reduce the likelihood of setting unrealistic standards.
- include the full costs of operating COPES when calculating administrative cost per FTE. The program should also identify and disclose the estimated difference between the amount allocated to the Workforce Program for funding COPES and the actual amount expended by the Information Technology Program to run COPES.
- select states for comparing costs per FTE based on criteria that have a direct effect on a personnel program's administrative cost, such as the types of personnel management services provided and the number of employees being served.

**Customer Satisfaction.** This measure provides the program with information on the perceived quality of the personnel management services it provides to state agencies. Customer satisfaction measures can provide useful information on customers' perceptions of the quality and effectiveness of program services. However, we identified several problems with the design

of the program's customer satisfaction surveys that could limit the usefulness of the measure.

- **Need to survey more types of customers.** In some cases, the program needs to survey more types of customers regarding their satisfaction with program services. For example, parents of children participating in the state child care centers were surveyed, but not directors of the child care centers or the state agencies that have administrative responsibility for the centers and receive administrative and technical assistance from the program.
- **Potential for biased results.** The program's surveys could generate biased results when survey respondents can directly and materially benefit by guiding their responses in a certain direction. For example, the merit awards coordinators (whose jobs depend on the existence of the Meritorious Service Awards Program) were asked if the awards program was achieving its goals and thus worth keeping. Program staff would have obtained more meaningful and useful information if the award coordinators had been asked to evaluate the Workforce Program's services in assisting them in administering the awards program.
- **Inappropriate survey questions.** Some survey questions did not actually assess customers' satisfaction with the program's services. For example, the surveys used to provide data on customers' satisfaction with the program's performance for the measure, *attract and retain employees*, asked respondents to rate the job benefits that were most important to them. The survey respondents were not asked to comment on how well the program performed in providing those benefits.

To improve the usefulness of this measure, the program should:

- survey the program's direct customers who can comment specifically on the program's performance;
- design the survey questions in a way that will help prevent survey respondents from providing biased information; and
- develop survey questions that directly assess customer satisfaction with the program's services. This should ensure that the respondents are evaluating the program's services and not the activities of individuals or other state agencies.

## Output Measures

As stated earlier, because of a shift in its responsibilities, the program deleted the output measures included in the 1996-97 General Appropriations Act and changed them to internal measures in Fiscal Year 1997-98. The program did not include any new output measures in its Fiscal Year 1998-99 Legislative Budget Request. The program needs to include output measures in its legislative budget request to indicate the amount of products or services actually provided by the program.

## Program Changes

Department managers are currently redesigning the program's organizational structure and changing its mission to focus more on serving as a "resource consultant" for state agencies with the goal of providing state agencies more autonomy, flexibility, and accountability for making personnel decisions. This is in keeping with the department's continuing efforts to shift its focus away from being a central administrator of agencies' activities to serving as a resource for agencies to use to help them effectively manage a changing workforce.

Recognizing the limitations in the program's current performance measures, program staff are developing new performance measures that would be more consistent with the program's mission and goals. While the program's current performance measures can be used to assess efficiency and customer satisfaction with services, these measures may need to be changed if the program's mission changes. However, until the program's new mission and measures are established and approved by the Legislature, the program should continue to use its current measures to assess its performance.

---

## Conclusions and Recommendations

The Workforce Program remained relatively stable during Fiscal Years 1995-96 and 1996-97 in providing personnel services efficiently. The program exceeded its standard for the *total administrative cost per FTE*, but this appears to be the result of the program overestimating its future costs and thus setting its standards too high.

The program's customers were generally less satisfied with program services in Fiscal Year 1996-97 than in Fiscal Year 1995-96. One factor that may have contributed to this level of satisfaction is that program

staff spent considerable time on in-service training related to the program's reorganization during Fiscal Year 1996-97. In addition, several problems with the program's customer satisfaction surveys limit the usefulness of survey information.

We did not identify any problems with the program's standards for Fiscal Year 1998-99. However, the program needs to include output measures in its legislative budget request indicating the amount of products and services it provides to state agencies.

Department managers are currently redesigning the program's organizational structure and changing its mission to make the program a resource consultant for state agencies. The program should continue to use its current measures to assess its performance until the new mission and measures are established and approved by the Legislature.

Accordingly, we recommend that the Legislature and the Department of Management Services:

- define the new goals and mission of the Workforce Program in providing personnel management resources to state agencies. Establishing a program's goals and mission is a critical first step in the process of developing a useful performance evaluation system.

We also recommend that the program:

- modify its current methodology for calculating the results of the *total administrative cost per FTE* and *customer feedback ranking* measures to incorporate improvements identified on pages 5 and 6;
- continue to use its current performance measures until the Legislature decides whether or not to approve any changes in the program's design, goals, and mission; and
- include performance-based program budgeting output measures in its legislative budget request to help the Legislature to assess the level of products or services actually provided by the program.

## Agency Response

### Department of Management Services

February 17, 1998

Mr. John Turcotte, Director  
Office of Program Policy Analysis  
and Government Accountability  
Claude Pepper Building, Room 312  
111 West Madison Street  
Tallahassee, Florida 32302

Dear Mr. Turcotte:

Pursuant to Section 11.45(7)(d), Florida Statutes, this is our response to your report, Report of the Performance of the Department of Management Services' Workforce Program.

The Workforce Program is in the process of developing a new goal and mission statement which focuses on providing the best practices and creative ideas to help solve human resource problems. In following the vision of our agency to move from regulator to resource, the Program reengineered its organization. The traditional organizational structure of bureau chiefs and section supervisors overseeing employees working as specialists in functional areas such as classification and pay, recruitment and selection, or labor relations was replaced by cross-trained, self-managed teams working to meet the complete needs of customers. Due to the time spent on reorganizing and reengineering the Program, it was anticipated that our services and customer satisfaction may be affected for FY 96/97. However, we believe a restructuring of the Division was necessary in light of career service reform and an increase in functions delegated to the agencies. Under this new approach, the Workforce Program is focusing more on solving human resource problems for agencies, analyzing trends in human resource management, and recommending policy changes to senior state executives and the Legislature.

In reporting the Program's performance, modifications will be made to the current methodology for calculating the total administrative cost per FTE and customer feedback ranking measures. It should be noted that the administrative cost per FTE measures are influenced by the number of FTEs in Florida's workforce. As the agencies' number of FTEs decrease/increase, either as a result of legislative or agency policy decision or budgetary constraints, the cost per FTE to operate the Program will increase/decrease regardless of the efficiency of Program operations. At this time, the Program is proposing to delete the administrative cost per FTE - comparable states measure and continue with the administrative cost per FTE - total and administrative cost per FTE - less COPEs measures. We will continue to disclose the estimated difference between the amount allocated to the Program for funding COPEs and the estimated amount to be expended by the Information Technology Program to run COPEs as presented in the FY 98/99 Legislative Budget Request. Although the FY 98/99 Legislative Budget Request did not reflect any changes or deletions to performance measures, the Workforce Program will seek Legislative approval for new measures.

The Program is proposing to present new measures to the Legislature during the 1998 session. The recommendations made in this review have been incorporated in the development of the new measures. These measures will assess the Program's performance in providing consistent, accurate, and timely information to assist agencies in making efficient and effective human resource decisions. We anticipate that the Legislature will allow the Program to move forward with

the new measures based on the Program's new vision and changes made in the methodology used to develop them.

Additionally, existing output measures will again be included in future legislative budget requests to help the Legislature assess the level of products and services actually provided by the Program. The output measures included in the FY 97/98 Legislative Budget Request were excluded by the Legislature.

If further information is needed concerning our response, please contact Randy Toothaker, Acting Inspector General, at 488-5285.

Sincerely,

/s/ William H. Lindner  
Secretary

WHL/emj

OPPAGA provides objective, independent, professional analyses of state policies and services to assist the Florida Legislature in decision-making, to ensure government accountability, and to recommend the best use of public resources. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, P.O. Box 1735, Tallahassee, FL 32302). Web site: <http://www.oppaga.state.fl.us/>

Project supervised by: Tom Roth (850/488-1024)

Project conducted by: Cleo G. Johnson (850/487-1183)  
Steven Birnholz (850/487-3631)

## **Appendix E**

### **Response From the Department of Management Services**

---

In accordance with the provisions of s. 11.45(7)(d), F.S., a list of preliminary and tentative review findings was submitted to the Executive Director of the Department of Management Services for his review and response.

The department's written response is reprinted herein beginning on page 48.



DEPARTMENT OF MANAGEMENT  
**SERVICES**

4050 Esplanade Way • Tallahassee, Florida 32399-0950

LAWTON CHILES, GOVERNOR

July 8, 1998

WILLIAM H. LINDNER, SECRETARY

Mr. John Turcotte, Director  
Office of Program Policy Analysis  
and Government Accountability  
Claude Pepper Building, Room 312  
111 West Madison Street  
Tallahassee, Florida 32302

Dear Mr. Turcotte:

Pursuant to Section 11.45(7)(d), Florida Statutes, this is our response to your report, Program Evaluation and Justification Review of the Workforce Program Administered by the Department of Management Services. Our response corresponds with the order of your findings and recommendations.

***Improve Oversight and Monitoring of Agency Personnel Offices***

**Recommendation:**

The Legislature should revise s. 110.109, F.S., to direct the Department of Management Services to monitor agency personnel offices. To carry out this responsibility, the department should compile and analyze data on collective bargaining and career service grievances, and discrimination complaints filed against state agencies. The department should use this information to identify agencies that are having problems with personnel management and need immediate assistance. The department should also use information from its computerized databases to help monitor agencies' actions regarding classifications and pay, employee selection process, employee disciplinary actions, and employee and agency training plans. Further, it should conduct periodic on-site inspections of agencies at least every two years. These visits should be used to review state agencies' personnel processes, detect problems that are not identified by the program's personnel processes, program's analysis of complaints and other personnel data, provide suggestions for improving efficiency, and share best personnel management practices.

The Legislature should delete language in s. 110.109, F.S., directing the Department of Management Services to audit agency personnel offices. We believe that requiring the department to monitor these offices would be more consistent with the program's goal of serving as a partner and resource-consultant to agencies. Since many personnel functions



are decentralized, the program needs to monitor state agencies to ensure they are adhering to personnel laws and regulations.

**Response:**

DMS acknowledges its responsibility to ensure a fair and equitable personnel system in support of a quality workforce. We agree that this role necessitates the capability to ensure that agencies are held accountable for adhering to personnel laws and regulations. In the absence of staff resources, we are prepared, on a periodic basis, to supplement computer-based monitoring with on-site visits to agencies.

**Recommendation:**

The Legislature should establish performance-based program budgeting outcome measures for assessing the program's performance in carrying out its monitoring responsibilities. One such measure could be the ratio of the total number of collective bargaining and career service grievances and discrimination complaints filed against state agencies and resolved in favor of the aggrieved employee to the total number of FTE positions in the state personnel system. These outcome measures would provide the Legislature with better information on the performance of the state's personnel system and the effectiveness of the department's monitoring efforts.

**Response:**

We agree that the Workforce Program should develop outcome measures that provide the Legislature with information on the performance of the state's personnel system and the effectiveness of the department's monitoring efforts. While we are developing these measures, we will consider the validity of the measure suggested by OPPAGA.

***Develop a State Human Resource Strategic Plan***

**Recommendation:**

The Legislature should direct the Department of Management Services, in consultation with the executive agencies, to develop a state human resource strategic plan. The plan should provide long-range policy guidance for improving the state's human resource infrastructure and map out the personnel expenses and programs that will be needed to support the State Comprehensive Plan. In order to enhance the consistency of the state

Mr. John Turcotte  
July 8, 1998  
Page 3

personnel system by ensuring that all members use a common direction-setting document over a long period of time, the state human resource strategic plan should be a five-year document with flexible one-year milestones. The program, in consultation with the executive agencies, should update the plan annually.

**Response:**

We concur with this recommendation. Although the Department presently includes many strategic concepts relating to the human resource area as part of its agency strategic plan, the Program plans to expand those concepts in a separate, more detailed document which will address the State's long-range plans for improving its human resource infrastructure.

***Use the Input of State Agency Personnel Managers in Developing Program Policies***

**Recommendation:**

The Department of Management Services should solicit Workforce Program customer input regarding personnel issues, use this information to develop human resources policies that are in the best interest of the state, and then communicate its recommendations to the Governor and the Legislature.

**Response:**

We concur with this recommendation. As reflected in your report, we are currently seeing positive results from the recent implementation of requesting and receiving agency input on personnel issues.

If further information is needed concerning our response, please contact Millie Seay, Inspector General, at 488-5285.

Sincerely,

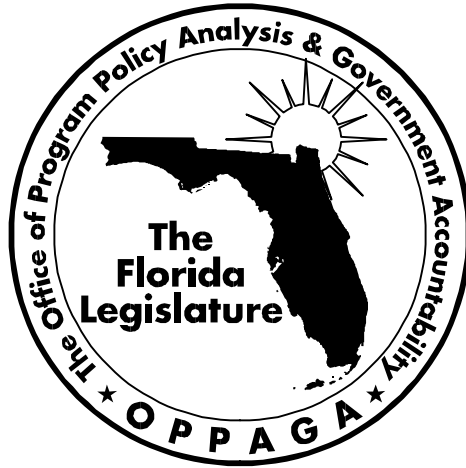


William H. Lindner  
Secretary

WHL/dep

## The Florida Legislature

### Office of Program Policy Analysis and Government Accountability



#### ANNOUNCEMENT

The Office of Program Policy Analysis and Government Accountability announces the availability of its newest reporting service. The **Florida Government Accountability Report (FGAR)**, an electronic publication specifically designed for the World Wide Web, is now up and operating for your use.

**FGAR** provides Florida legislators, their staff, and other concerned citizens with approximately 400 reports on all programs provided by the state of Florida. Reports include a description of the program and who is served, funding and personnel authorized for the program, evaluative comments by OPPAGA analysts, and other sources of information about the program.

Please visit **FGAR** at <http://www.oppaga.state.fl.us/government>. Your comments and suggestions about improving our services are always welcome.

Gena Wade, FGAR Coordinator (850/487-9245)

OPPAGA provides objective, independent, professional analyses of state policies and services to assist the Florida Legislature in decision-making, to ensure government accountability, and to recommend the best use of public resources. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, P.O. Box 1735, Tallahassee, FL 32302).

Web site: <http://www.oppaga.state.fl.us>

Project supervised by: Tom Roth (850/488-1024)

Project conducted by: Cleo G. Johnson (850/487-1183)  
Steven Birnholz (850/487-3631)