STATE OF IOWA
WORKFORCE PLAN 2006-2008

PREPARED BY
THE IOWA DEPARTMENT OF ADMINISTRATIVE SERVICES
HUMAN RESOURCES ENTERPRISE

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Introduction

Iowa state government, as well as other state governments, other public jurisdictions and other employers in general, finds itself at the beginning of a unique demographic phenomenon, the aging of the workforce and the concomitant mass exodus of many workers. Anticipation of this trend alone has raised the profile of and interest in *workforce planning*.

In 2000, the Iowa Department of Personnel, the predecessor agency of the Department of Administrative Services Human Resources Enterprise (DAS-HRE), undertook several initiatives as foundational steps in establishing a workforce planning program. These included:

- Developing a retirement calculator to identify retirement eligibility of every executive branch state employee a decade in advance.
- Creating an annual human resources almanac titled "Just the Facts." http://das.hre.iowa.gov/documents/publications/just_the_facts_2006%20.pdf
- Collecting data from voluntary terminations and analyzing it in an annual Departure Survey Report.
- Establishing a method for determining how to staff work functions.
- Initiating an organizational redesign and workforce planning website that listed various resources.

The results of these initiatives were made available to state agencies for their internal use.

The position of State Workforce Planner was established and filled, until the incumbent left the agency several months later. During his tenure, a consultant, CPS Human Resource Services, was also engaged to assist with the initiatives listed above.

Beginning in 2001, the State experienced an economic downturn, which resulted in numerous layoffs. The following year, the first of three early retirement incentive programs was launched in an effort to reduce staffing costs through the reduction of what were assumed to be more highly paid senior workers. Loss of staff and the inability to fill vacancies for an extended period reduced interest in workforce planning temporarily until general recovery occurred a few years later.

The initiatives described above continued throughout this period, so the State now has at least six years of trend data available upon which to review the status of the state workforce and strategically plan how to adapt to future state staffing needs.

This workforce plan is based in large part on the data reported in *Just the Facts*, years 2000- 2006, the *State Departure Survey*, years 2001-2006, and the State's Affirmative Action Plan 1999-2006. Each of these reports addresses different components of workforce planning. The following areas surfaced as the more significant statewide trends and/or issues upon which this state workforce plan should focus.

- Staffing Philosophy
- Retention
- Succession Planning
- Recruitment
- Organizational Development

These areas will be examined more closely in the next section of this plan.

Excerpts from the *Just the Facts 2006*, the 2006 Departure Survey and 2006 State Affirmative Action Plan can be found in the Appendices.

2006-2008 WORKFORCE PLAN GOALS

STAFFING PHILOSOPHY

Excerpts from *Just the Facts FY2006*

- The workforce has grown only 1.0% since FY1999.
- The amount of overtime used has been reduced 31.6% since FY2000.
- Turnover has decreased from 10.6% in FY1999 to 7.7% in FY2006.
- U.S. Department of Labor rates indicate an average national turnover for a slightly earlier period, September 2003 to August 2004, of 20.2% compared to state and local government turnover for the same period of 7.0%.

Analysis: What this appears to be saying is that the State of Iowa has managed to absorb increasing customer demands, program and technological changes without significantly increasing staffing in recent years. In addition, the State's workforce has been fairly stable during that same period.

Questions: Will the analysis described above continue to be the case in outlying years? Is the State's current staffing philosophy based on the right assumptions or will those assumptions need to change to meet future demands for state services? If those assumptions do not change, will the State then be unprepared for the changes on the horizon?

Approach: Workforce planning within Iowa state government needs to be approached from a dual perspective. On the enterprise, systemwide level, it should flow through initiatives developed by DAS-HRE in response to agency needs as well as needs of the overall system. That includes a better alignment with enterprisewide strategic planning objectives and organizational development initiatives.

However, these systemic approaches may be too broad to address the more program-specific needs of each state agency. It is only at the agency level that staffing and workforce needs can be addressed in light of the agency's strategic plans.

Thus far, DAS-HRE has chosen to play the role of resource and tool developer, coordinator, and facilitator with respect to workforce planning at the agency level. DAS-HRE has deliberately avoided taking a regulatory role, i.e., requiring and reviewing agency workforce plans, believing instead that more value would come from operating from a consultative and advisory perspective. That does not, however, necessarily mean that DAS-HRE needs to take a reactive role. Therefore, as the program evolves in future years, DAS-HRE should assume a more proactive role in prompting agencies to develop their workforce planning programs.

Recommended Actions

FY2006

1) Develop a workforce planning guide for Iowa state government to serve as a primary resource in conducting workforce planning, including the workforce planning process and a template for developing a workforce plan. Include a section on developing staffing plans – what they are, how to use them effectively and how they differ from a workforce plan.
2) Develop a competency guide to provide greater detail about competencies than what is covered in the Workforce Planning Guide. In particular, focus on: what are competencies, how to develop and validate competencies and how to use competencies in various human resource functions.
3) Develop and deliver a series of in-depth workshops for state managers and workforce planners.

FY2007

1) Implement the BrassRing Employment System. At the very least, functionalities of this new system will augment workforce planning by:
   a. Providing a more robust means of electronic recruitment.
   b. Efficiently collecting and retaining salient applicant information.
   c. Providing additional screening options
   d. Providing a quicker and more efficient means of communicating with applicants.
2) Update the Applicant Screening Manual to incorporate a new chapter on recruitment which aligns with the new BrassRing Employment system and includes new BrassRing System terminology.
3) Provide expertise and support to the Hiring Practice Work Group and their consultant in auditing state hiring practices and the State's employment program.

FY2008

1) Implement Hiring Practice Work Group recommendations as feasible and as appropriate including:
   a. Assistance to agencies in developing screening plans for each vacancy.
   b. Review of the screening devices and methods used to screen down applicant lists to a manageable number to be interviewed.
   c. Mandatory training for hiring staff.
   d. Training on screening device development and scoring.
   e. Oversight and auditing of the hiring process in individual state agencies.
   f. Providing guidance on the appropriate times to promote versus use an all-applicant list.

2) Update Chapter 4 of the Managers and Supervisors Manual to incorporate new terminology, concepts and practices emanating from the implementation of the BrassRing Employment System.
3) Develop a template for department hiring policies. This is discussed in Chapter 4.45 of the Managers and Supervisors Manual. This will serve as a resource from which to customize agency hiring policies for those agencies that do not have them.
4) Review and update the Organizational Redesign website.

RETENTION

From *Just the Facts FY2006*

- 48% of the employees voluntarily leaving state government were with the State less than three years (five-year average).

Questions:

- What does this say about retention? What is the overall rate of turnover?
- Should state leaders be concerned about this phenomenon?
- What percent of employees hired leave within their first three years on the job?
- What benefits/ drawbacks accrue to the State's overall staffing health from a situation like this?
- Where is this happening (agencies, locations)?
- Is this occurring with certain job classes or job families?
- Is this an overall trend or confined to specific spots? Why is it happening?
- Is this trend (locations, agencies, job classes) reflected in the State's overall turnover?
- What do the State and individual agencies need to do to increase retention?

Analysis: This is a situation that needs further research. On the face of it, this high level of turnover in state employees' first three years on the job indicates that something does not appear to be working with the hiring process. However, there are at least two other factors to consider: a) is the number of employees leaving state government each year low enough that 48% is still a small number and b) does the fact that almost half of those who leave each year have worked for the State less than three years mean that those who remain have high retention rates?

The hiring process is costly. It takes time to complete, and while the position is vacant, the job isn't being done as completely as it would if the position were filled. Though difficult to quantify in many of the types of jobs found in state government, we know that there is a reduction in productivity when positions are vacant. Moreover, the supervisor plus others are investing some of their work time in the process to fill the position. And once filled, it most likely requires an additional investment of the supervisor's and others' time to train the new employee and to carry some of the workload until that person becomes fully functioning in the job.

So if a significant percent of each of these new hires only remains for a few years in the job, that investment in the hiring process is lost.

At this point, the data supplied by *Just the Facts* and the Departure Survey only suggest the trend of a reduced return on investment. Potentially, the types of jobs where this turnover is occurring do not support lengthy tenures.

Approach: Experts tell us that there are essentially three ways to obtain the workforce with the skills we anticipate we will need in the future: a) retain the workforce we have (presuming their performance meets expectations and their skills sets are those that will be needed in the future); b) grow our own – determine the skill gaps in our current workforce and reduce them; and c) bring in the skill sets we still need through recruitment and new hires. Development and recruitment can be expensive. So can retention, depending on the incentives required to keep quality employees, but perhaps not as much as the other two. And retention requires the least change.

The State's approach thus far has focused on providing the kind of incentives that will satisfy employees, such as the benefits system, and collecting information about why people leave, such as the annual Departure Survey. That approach needs to be expanded to include a review of the incentives offered and their relative value in retention and an increased effort to dig deeper and increase the information collected, both about employees who stay and employees who leave, so that additional incentives are offered from an informed perspective.

Recommended Actions

FY2006

1) Continue to collect data for annual Departure Survey.
2) Continue to collect turnover and separation data for *Just the Facts 2006*.

FY2007

1) Continue to collect data for the annual Departure Survey.
2) Continue to collect turnover and separation data for *Just the Facts 2007*.
3) Using the data in *Just the Facts* as base, drill deeper to determine what agencies and job classes are most affected by the loss of new staff.
4) Determine if most departures of new hires typically occur within a particular period of the three-year framework.
5) In conjunction with the affected departments, identify why these departures are occurring. Develop solutions to address reasons for departure.
6) Determine the feasibility of modifying the Departure Survey to capture additional, more specific information about new employee departures.

FY2008

1) Continue to collect data for annual Departure Survey.
2) Continue to collect turnover and separation data for *Just the Facts 2008*.
3) Review termination codes – are they providing enough data to determine the real reasons why new employees are leaving?

4) Develop proposal to conduct an employee engagement survey statewide.
5) Develop a statewide retention plan.
6) Develop resources to assist state agencies with onboarding efforts.

SUCCESSION PLANNING

From *Just the Facts 2006*

- Within the next four years (2011), it is estimated that 26% of the workforce will have reached retirement eligibility.
- Many have already reached that stage.
- Just slightly more than 60% of the workforce generally, and more than 75% of supervisors, are over 45 years of age.
- It is anticipated that many state employees will be departing in FY2007 with the implementation of the SLIP program.

Questions:
- How are state agencies preparing for this major change in their workforce?
- Are they doing enough?
- Are they doing the right things?
- How do we know what they are doing?
- How is knowledge being transferred?
- What development efforts are underway in anticipation of the loss of institutional knowledge?
- When it comes time to replace these people, what will the labor market look like?
- Will the State be competitive in recruiting new employees?
- What skills sets will be needed in the next few years? How will these differ from the current base? How will the gaps be addressed?

Analysis: A massive exodus of state workers, particularly managers and supervisors as well as program experts, will likely occur in the next several years as baby boomers reach retirement age. This isn't news to state leaders. The anticipated departures and their concomitant impact on state operations have been discussed since at least the beginning of this millennium. In fact, the departure of senior workers has been encouraged through three early retirement incentive programs in the early years of this century and the more recent establishment of the SLIP program. But what have state leaders been doing and what should they be doing to prepare their departments for the impact of this potential knowledge drain and certain change in staffing?

We know that this shift in the workforce will likely generate the following:

- Job vacancies – but how will they be refilled or will they be refilled? These could mean a loss of current skill sets and institutional knowledge, but these vacancies could also present the opportunity to bring in "new blood."
- New leadership – a large percent of current managers and supervisors have already reached retirement age or will do so in the next few years. How will they be replaced? Who will replace them? How is the State preparing future leaders?

- Change – The job vacancies and new leadership cited above will certainly generate change in state government. With this change comes the opportunity to accomplish great things, but it could also conceivably usher in a period of chaos, or at the very least, reduced productivity and customer responsiveness.

Approach: Rather than deal with the issues associated with the retirement of senior staff as they arise, state government needs to leverage this anticipated transition to benefit state government operations and customer service. That involves planning and forethought directed specifically at the areas where potential retirements have been identified, or in other words, *succession planning*.

Succession planning must be approached carefully, or the rights of those who may potentially be retiring might appear to be ignored. It also involves the identification of key positions for which succession planning is necessary. The "list" of these positions must be communicated to staff in a manner that does not appear to threaten the job security of potential retirees nor demean the positions of those not on the list.

Another problematic aspect of succession planning in a merit system is the potential of giving the appearance of "crowning" the successor without going through the appropriate steps in the hiring process.

And finally, even if all the above have been addressed satisfactorily, there will most likely be a need for staff development. That takes time and possibly significant resources. State government must be willing to commit both for succession planning to be successful.

Recommended Actions

FY2006

1) Gather succession planning best practice information and study what other states and other employers have done in this area, in particular, the State of Georgia.
2) Develop a succession planning and knowledge transfer component with the workshop planning workshops for state managers and workforce planners.
3) Identify the informational resources needed by state managers, personnel assistants and employees to accompany the implementation of the SLIP program such as possible rule changes and website resources.
4) Present an overview of the *Just the Facts 2005* and 2005 Departure Survey to Management Liaisons and Personnel Assistants in order to keep them informed of the demographic changes occurring in state government.

FY2007

1) Develop a succession planning guide to be used as a resource by state managers and workforce planners.

FY2008

1) Monitor participation in the SLIP program both to plan for staffing transitions as well as to assess interest in the program. (Are state employees eligible for retirement taking advantage of the program or are they remaining employed? If the latter, why is that happening and how will that impact workforce planning?)
2) Solicit input from state managers, supervisors and personnel assistants regarding administrative rule and policy changes that DAS-HRE should pursue to remove current obstacles to or enhance succession planning in state agencies.
3) Identify succession planning needs in DAS-HRE and propose steps to address them.
4) Develop and offer information on succession planning to state managers and supervisors using the Succession Planning Guide as the basic resource.
5) Research the types and costs of various competency assessment tools as they relate to succession planning.

RECRUITMENT

From "A Profile of Older Workers in Iowa: Local Employment Dynamics," page 2, issued April 2004 by the U.S. Census Bureau.

- *The United States will lose the services of millions of highly skilled, experienced workers. Because of the baby dearth that followed the Baby Boom, there will not be many new workers to replace them, even as the senior adult population grows significantly. Labor Force growth is expected to fall from 1.1 percent per year in the 1990s to 0.36 percent per year in the period 2010-2020. [Penner, Rudolph, Pamela Perun, and Eugene Steuerle. "Legal and Institutional Impediments to Partial Retirement and Part-Time Work by Older Workers," the Urban Institute, 2002.]*

From "The Truth about the Coming Labor Shortage," Robert J. Grossman, HR Magazine, March 2005.

- *"...the number of available workers still will exceed the number of jobs. But this alone is not cause for celebration because it means only that there will be more warm bodies than jobs, not that every job will have one or more qualified employees available to fill it."*
- *" The real gap, then, involves selected skills, not head counts. The question is not whether there will be enough workers, but whether there will be enough qualified workers on U.S. soil to do the work at an acceptable cost."*

Questions:
- How will the State address this phenomenon?
- How do current recruitment techniques and practices need to change to attract skilled workers in the future?
- What strategies will be taken to explore a more diverse range of sources of applicants in light of the growing number of minorities coming into the State's labor force, the untapped pool of persons with disabilities, and retired workers seeking part-time employment and second careers?
- Where does Affirmative Action fit in this picture? Does Affirmative Action have a role in the future?

Analysis:

A few years ago, as HR experts began to discuss the impact of Baby Boomers retiring, dire projections were made about the ability to replace them. More recently, HR futurists have refuted that idea, arguing that such factors as the growing number of minorities and persons with disabilities within the labor force, continuing improvements in technology, what appears to be a tendency for some Baby Boomers to work longer, into their 70s, or to seek second careers, and the increases in the number of persons in the labor force aged 16-24 will more than offset the number of workers needed by the retirement of the Baby Boomers.

What is less clear is whether the labor force that will be available to replace the Baby Boomers will have the right skills, not only for jobs abandoned by the Baby Boomers but also for the jobs of the 21st century that are predicted to require higher levels of technical skills than today's jobs.

In Iowa state government, DAS-HRE and its predecessor agencies have traditionally taken a low-key approach to recruitment, citing lack of resources and less familiarity with the specific recruitment needs of individual state agencies. Until recently, the State relied heavily on job fairs and college recruitment fairs for the recruitment of entry level positions. However, unlike other employers at the same events who might find the right candidate and be able to offer a job on-site, state agencies have felt hindered to conduct on-the-spot recruitment due to the perceived lack of responsiveness on the part of the State's employment system. Recruitment events are also somewhat limited in their ability to reach the appropriate applicant pool in that they tap primarily whoever shows up on that particular day and rely on the organizers to do the marketing.

The last decade has seen the birth and phenomenal expansion of automated job boards as a key component of recruitment. But their advantage to state employment has been seen as limited by their lack of integration with the State's employment system and in some case, the cost.

The chief means of recruitment for state positions has been the DAS-HRE website. Though required for merit-covered positions, this is a passive approach, because it relies on a diverse, unspecified applicant pool to become aware of and apply for specific types of job vacancies. It is neither targeted nor focused on the appropriate applicant pools. Moreover, the advertisement of vacancies on the DAS-HRE website tends to be straightforward and factual, skirting any kind of marketing, particularly the benefits of working for the State.

As more positions become vacant and as a greater proportion of the available labor force falls behind in possessing the needed skills, these methods, with the limitations cited above, most likely will not be able to attract the number of qualified applicants needed by state government. How, then, should the State respond?

Approach:

Recruitment of the future will need to place more emphasis on:
- Marketing the State as an employer of choice.
- More planful recruitment.
- Cultivating more strategic recruitment sources and networks.
- More effective use of electronic recruitment methods.

Finally, DAS-HRE needs to take a more active role in the recruitment process by improving its expertise about the available labor force, current and cutting edge recruitment methods, and strategic recruitment sources. More emphasis should be placed

on becoming familiar with specific agency recruitment needs and enhanced cooperative ventures with other state agencies.

Recommended Actions

FY2006

1) Draft recruitment chapter for Applicant Screening Manual.
2) Continue to attend key recruitment events as feasible.

FY2007

1) Implement recruitment chapter in Applicant Screening Manual.
2) Update the list of college recruitment contacts.
3) Continue to enhance the list of recruitment sources for the recruitment of minorities, females and persons with disabilities.
4) Hire a State Recruitment Coordinator.
5) Collect data relating to hiring and recruitment for the Hiring Practices Work Group.

FY2008

1) Continue to enhance recruitment sources and recruitment information available to state agencies.
2) Enhance cooperative recruiting relationships with state agencies.
3) Collect data from the new employment system to better identify current points of contact for prospective and hired applicants and to better describe the current applicant base.
4) Develop a statewide recruitment plan.
5) Review the current status of the State's intern program and enhance as needed.
6) Develop information for potential applicants describing the benefits of working for the State and how to successfully apply for a state job.
6) Expand the State's Intern Program through enhanced marketing and networking.

ORGANIZATIONAL DEVELOPMENT

From the Performance and Development Solutions homepage: "A Learning Organization Creates Its Future" – "Today's government is asking employees to do more with less to keep up with and outpace citizen's needs and internal change. Organizational challenges and employee responsibilities may increase at a moment's notice and require different or greater skills. That's why training and organizational development is critical for individual advancement and organizational success. Continuous learning enables an organization to create its future."
http://das.hre.iowa.gov/LearnAtPDS/traininghome.htm

From Just the Facts 2006 – Growth in age groups for less than 25-years, 25 to 29, 30 to 34 and 50-54 has remained fairly stable over the past five years in the executive branch labor force. On the other hand, the number in the age groups 35-39, 40-44, and 45-49 has decreased, while the 55-60 and over 60 age groups have grown dramatically. (Page 70)

From the 2006 Departure Survey – "Based on the 6-year aggregate sample, respondents list the top reason for leaving to be, "Working Conditions" followed closely by "Quality of Supervision" and "Career Advancement Opportunity". These three reasons were also three of the top five things listed as aspects of state employment least liked by respondents. Further, perceptions of "Career Advancement Opportunity" and "Working Conditions" provided by other employers were the top two attracting features to the respondents." (Page 15)

Questions:

What strategies does the State need to take to:
   a) Better retain qualify employees?
   b) Incent employees to be more productive?
   c) Develop employees to replace those who are leaving?

Analysis:

Thus far, this plan has focused primarily on the impact of the projected changes in executive branch workforce demographics – projecting potential retirements of Baby Boomers, knowledge transfer, succession planning, replacing skilled workers, and the recruiting the workforce of the future. This section is concerned with optimizing the human capital investment of the workforce as a whole through the organizational framework in which it functions.

Numerous programs that address some part of organizational development have existed in state government for years, some quite successful. However, less attention has been paid to integrating them into a coherent, strategic approach to managing the organization as a whole (the enterprise), which is somewhat ironic, because many of these programs overlap. For instance, there is a direct relationship between an individual performance evaluation and an individual development plan. On the organizational level, there is also

a direct relationship between the strategic plan and a workforce plan, yet thus far, the two have not tended to be addressed together.

Approach:

In recent years, executive branch leaders have concentrated on implementing the components of the Accountable Government Act, which became law in 2001. These involve agency strategic plans, annual agency performance plans, budgeting-for-results initiatives, the collection of public input, and Results Iowa, the website describing the various Accountable Government-aligned, results-oriented achievements of state agencies. All of the above are primarily program-related.

In addition, Iowa Excellence, the Executive Branch's modified Baldrige organizational effectiveness assessment program, continues to underpin much of Accountable Government. In recent months, process improvement initiatives, especially the LEAN program, have also been incorporated into executive branch organizational review strategies. As a new administration gets underway, the time is propitious for launching a new initiative that aligns these kinds of programmatic management activities with that of the management of human capital.

Organizational Development (OD) is the practice of helping organizations solve problems and reach their goals. This is usually accomplished through consulting, coaching and facilitation services provided to an organization to develop and improve individual, unit and organizational effectiveness over the long term and to give the organization skills to use in the future.

Organizational Development may also cover such areas as work climate, work culture, job satisfaction, and productivity.

The actions recommended below are intended as the beginning of an effort to link the various components of Organizational Development with the overall principles and practices of Accountable Government and Iowa Excellence.

Recommended Actions

FY2006

1) Establish an organizational development program in the Performance and Development Solutions (PDS) unit.
2) Establish an organizational development website.
3) Continue the partnership with Drake University to offer the Certified Public Manager program to current and potential state leaders.
4) Review and assess current PDS offerings, including certificate programs, in order to determine agency needs, particularly in the area of organizational development.
5) Develop a prototype agency excellence enhancement program for employees, incorporating many of the Accountable Government principles.

6) Develop a prototype employee engagement survey that can be expanded to the rest of state government.

FY2007

1) Hire a Training Specialist to assist with OD projects.
2) Expand OD activities to state and other public agencies.
3) Revamp PDS website.
4) Implement new development initiatives identified the previous year.
5) Expand the number and types of training courses offered at field locations to enhance their accessibility to state employees located throughout the state.

FY2008

1) Review and revamp as necessary the Golden Dome program, the executive branch employee recognition program.
2) Explore expansion of the employee engagement survey to the rest of the Executive Branch.
3) Explore enhancements to the Individual Employee Performance Plan and Evaluation.

APPENDIX 1

Excerpts from Just the Facts FY2006

Executive Summary

There are 19,726 full-time employees who work for the State of Iowa Executive Branch (excluding Fair Authority, Community-Based Corrections, and the Regents employees). These employees are undoubtedly the most valuable resource for providing timely and quality services to Iowans. To strategically manage this resource, state departments and policymakers must have thorough and accurate information.

The information in "Just the Facts for 2006" is a snapshot of the workforce, collected, compiled, and presented in a format that will aid agencies and decision makers in strategic planning. In many cases, data cover a number of years and are presented to give the reader a sense of trends.

While the Department of Administrative Services, Human Resource Enterprise (DAS/HRE) wants to present data in its purest form so readers can draw their own conclusions, we also have a responsibility to clarify anything that may be confusing or misleading. It is important to highlight workforce trends and explain their significance to the work of Iowa state government. The following chapter summaries are intended to do that.

Chapter 1: Employees

The Executive Branch is the largest employer in the state when all agencies and the Regents institutions are combined. It is the third largest employer in Iowa when the Regents are not included.

Over half of the full-time workforce is in the departments of Human Services (28%), Transportation (16%), and Corrections (15%). Over one-third of the Executive Branch workforce is in Polk County and over one-third of the full-time workforce is classified as Professional.

The number of full-time employees* has increased a total of 1.0% from fiscal year 1999 to the end of FY 2006. Over the past 2 years the number of employees has increased 1.0%.

* This does not include the Fair Authority, Community-Based Corrections, and Regents employees.

Chapter 2: Salaries

The annual base salary has increased a total of 35.6% since FY 1999, an average of about 5.1% a year. The average annual base salary of state employees in FY 2006 was $48,605 or $23.37 per hour.

It is useful to compare salaries paid to Executive Branch employees with salaries paid by other employers. Because the work of government is primarily knowledge-based, many jobs require at least a college education, while others require post-graduate degrees. According to the U.S. Census Bureau, average earnings in 2005 for individuals who hold a Bachelor's degree was $51,206 annually, while individuals with an advanced degree earned $74,602 a year.

Since the first "Just the Facts" in FY 2000, Reassignment, Recruitment, Retention and Performance bonuses have been drastically reduced. From FY 2000 to FY 2006, the total for these bonus pay expenditures have been reduced by 39.0% across all Executive Branch Departments.

Overtime has also been reduced. Executive Branch employees earned 81,821.8 days of overtime in Fiscal Year 2006, valued at $19,264,175. Of the 81,821.8 days of overtime worked, 85.1% of these days were worked in three departments, Human Services, Transportation, and Corrections. From FY 2000 to FY 2006, overtime has been reduced by 31.6% across all Executive Branch Departments. In FY 2000, the average amount of overtime worked for employees in Human Services, Transportation, and Corrections, when aggregated, was 8.66 days per state employee. In FY 2006, the number of days per employee has dropped to 6.03 days.

Chapter 3: Equal Employment

The State of Iowa is committed to equal opportunity in employment and ensuring that employment practices are nondiscriminatory. The state workforce continues to represent females and minorities in most EEO categories at rates greater than the relevant labor market. The State's workforce overall has not completely kept pace with the increasing diversity in Iowa, based on the 2000 labor force reported in the U.S. Census. Females represent 50.3% of the State's workforce compared to 47.4% in the statewide labor force. Minorities make up 5.2% of the State's workforce while their representation in the statewide labor force is now 6.0%. The representation of persons with disabilities in the State's workforce is 6.6% and is less than the 11.8% in the statewide labor force rate. Over a third of both female and racial/ethnic minority employees are found in professional job classes.

In the future, the State will need to explore a more diverse range of sources for applicants and methods of retention in order to remain competitive in the recruitment marketplace.

Eighty-five percent of the net growth of the nation's labor force during the 1990s came from people of color, immigrants, and women. The U.S. Census Bureau projects that racial/ethnic minorities will make up 8.8% of Iowa's population by 2025.

Persons with disabilities also represent a relatively untapped source of labor. Thirty-seven percent of persons with a disability ages 16 – 64 in the U.S. are unemployed. In Iowa, this would mean approximately 100,000 Iowans.

The aging of the baby boomers may also result in a new labor pool to be tapped. While there will be a greater number of workers retiring, and retiring earlier, this is likely to increase the number of people interested in part-time employment and second careers.

Chapter 4: Leave

Employees earned 434,004.3 days of vacation with a value of $77,184,145.28 and took 400,232.0 days of vacation valued at $71,313,758.40. This is approximately 20.29* vacation days taken per full-time employee.

Employees used 164,792.4 days of regular sick leave, valued at $28,694,944.35, during FY 2006. This is about 8.23 days per full-time and part-time employee.

This was less than half of the total 363,285.6 days of total sick leave earned, valued at $62,072,102.31.

Chapter 5: Benefits

Health care costs and utilization continue to rise nationwide, and employees continue to ask for more flexibility in the benefits they receive. Just over 30% of health contract holders in the Executive Branch were in Wellmark's Program 3 Plus health plan. The employee premium share of family coverage for this plan has risen approximately 64% since FY 1997. The employer premium share of family coverage for this plan has more than tripled during the same period.

Chapter 6: Employee Mobility

Many factors affect employee mobility: growth or decline in the number of state jobs, the availability of funding, the dynamics of state programs, types of occupations, geographical location of jobs, the characteristics of state employees themselves, external labor market conditions, and the availability of other employment.

The Executive Branch new hire rate has decreased from 10.6% in FY 1999 to 7.7% in FY 2006. The Executive Branch turnover rate has decreased from 7.3% in FY 1999 to 5.2% in FY 2006. By comparison, according to data attained from the U.S. Department of Labor, turnover rates for the U.S., from September 2003 to August 2004 stand at 20.2%.

In contrast to this number, state and local government turnover for the same period of time is 7.0%.

A five-year average shows that over 48% of employees who voluntarily left the Executive Branch were with the State for less than three years. This, along with the fact that by FY 2011, it has been estimated that over 26% of the current workforce will have reached retirement eligibility, makes it imperative that workforce planning be a part of the strategic planning process.

Chapter 7: Age & Years of Service

The State's workforce continues to age. During the past five years, the number of employees in the 55-59 age group increased over 41%, while the number of employees in the 25-29 age group has remained relatively flat, with an increase of .01%. At the end of FY 2006, the average age of the 19,726 full-time permanent employees working in the Executive Branch was 46.70 years and the average time worked for the State was 14.15 years. These figures are generally comparable when broken down by gender and racial/ethnic minority status. Again, findings support the need for departments to strategically plan for the future. Just slightly more than 60% of the workforce generally, and more than 75% of supervisors, are over 45 years of age.

Chapter 8: Collective Bargaining

The majority (64.9%) of the 19,726 full-time permanent Executive Branch employees are in positions covered by the American Federation of State, County, and Municipal Employees (AFSCME), Iowa Council 61. Employees covered by the AFSCME collective bargaining agreement earn an average annual salary of $43,709 (up 38.6% from FY 1999). Employees covered by the State Police Officers Council (SPOC) collective bargaining agreement earn an average annual salary of $50,559 (up 28.7% from FY 1999). Employees covered by the United Electrical Local 893/Iowa United Professional (UE/IUP) collective bargaining agreement earn an average annual salary of $45,918 (up 29.2% from FY 1999).

Employees covered by the AFSCME collective bargaining agreement are, on average, 47.04 years old and have been employed in the Executive Branch for 13.85 years. Employees covered by the SPOC collective bargaining agreement are, on average, 38.17 years old and have been employed in the Executive Branch for 12.78 years. Employees covered by the UE/IUP collective bargaining agreement are, on average, 44.80 years old and have been employed in the Executive Branch for 13.11 years.

Conclusion

DAS/HRE publishes "Just the Facts 2006," an almanac on the Executive Branch workforce, for two primary reasons. First, to assist state decision makers in preparing for the future. Thorough strategic planning is requisite to state government's future ability to

provide quality products and services. Second, the almanac is intended to function as an historical source of workforce data that can be used for comparative purposes as the workforce continues to change.

The information in this almanac represents a static snapshot of our greatest resource – our employees. However, the workforce is fluid and constantly changing. Continuous workforce planning and management of our human capital are essential to future success.

Salaries

In this section the reader will find Fiscal Year 2006 salary and payroll information for the Executive Branch workforce, not including the Fair Authority, Community-Based Corrections and Regents. The following are points of summary for this section. The State's workforce covers a wide range of jobs. This should be taken into account when reviewing average salaries that include everything from correctional officers and secretaries to physicians and engineers.

In Fiscal Year 2006, executive branch full-time employees, on average, earned $48,605 annually in base salary.

The average salary of Executive Branch full-time employees has increased 35.6% since Fiscal Year 1999 and 2.3% since last fiscal year.

Since the first "Just the Facts" in FY 2000, Reassignment, Recruitment, Retention and Performance bonuses have been drastically reduced. The total for these bonus pay expenditures have been reduced by 39.0% from FY 2000 across all Executive Branch departments.

Executive Branch employees earned 81,821.8 days of overtime in Fiscal Year 2006, valued at $19,264,174.68.

Of the 81,821.8 days of overtime worked, 85.1% of these days were worked in three departments, Transportation, Human Services, and Corrections.

Since the first "Just the Facts" in FY 2000, overtime has been reduced by over 31.6% across all Executive Branch departments. In FY 2000, the average amount of overtime worked for employees in Human Services, Transportation, and Corrections, when aggregated, was 8.66 days per state employee. In FY 2006, the number of days per employee has dropped to 6.03 days.

Equal Employment Opportunity

The State of Iowa is committed to equal employment opportunity and ensuring that the State's employment practices are nondiscriminatory. As shown by the figures below, the State's workforce percentages for females are greater than Iowa's available labor force based on 2000 U.S. Census information. However, as a result of the new census data, the statewide labor force for Minorities now exceeds the State's workforce. Based on the increase in the available number of racial/ethnic minorities in the state over the last decade, the State is instituting initiatives to fully utilize the labor force diversity. This section shows that:

Executive Branch full-time female employees now make up 50.3% of the workforce compared to 48.6% in Fiscal Year 1998.

Executive Branch full-time racial/ethnic minority employees now make up 5.2% of the workforce compared to 5.1% in Fiscal Year 1998.

Executive Branch full-time employees with disabilities now make up 6.6% of the workforce compared to 4.5% in Fiscal Year 1998.

> Twenty-nine percent of all full-time Executive Branch *male* employees are assigned to EEO-4 Category 2 (Professionals)*.
>
> Forty percent of all full-time Executive Branch *female* employees are assigned to EEO-4 Category 2 (Professionals)*.
>
> Thirty-four percent of all full-time Executive Branch *non-minority* employees are assigned to EEO-4 Category 2 (Professionals)*.
>
> Forty percent of all full-time Executive Branch *minority* employees are assigned to EEO-4 Category 2 (Professionals)*.

Leave

In this section, the reader will find types of leave summarized for the Executive Branch, not including Fair Authority, Community-Based Corrections or Regents employees. The following are points of summary for this section:

Executive Branch employees earned 434,004.3 days of vacation in Fiscal Year 2006, valued at $77,184,145.28. Of this, employees took 400,232.0 days of vacation at a value of $71,313,758.40.

Executive Branch employees took 164,792.4 days of regular sick leave in Fiscal Year 2006, valued at $28,694,944.35.

Employee Mobility

Many factors affect employee mobility: growth or decline in the number of state jobs, the availability of funding, dynamics of state programs, types of occupations, geographical location of jobs, characteristics of state employees themselves, external labor market conditions, and the availability of other employment. This section shows that:

Over 45% of the Executive Branch full-time workforce is employed in 25 job classes. There are over 700 job classes.

Of the 1,502 non-promotional hires in Fiscal Year 2006, 63.9% were in 25 job classes.

The Executive Branch new hire rate (the percentage of non-promotional hires to total workforce) has decreased from 10.6% in FY '99 to 7.6% in FY '06.

Of the 1,012 employees who left Executive Branch employment in Fiscal Year 2006, 56.3% were in 25 job classes.

The Executive Branch separation rate (the percentage of individuals who left Executive Branch employment to total workforce) decreased from 7.3% in Fiscal Year 1999 to 5.2% in Fiscal Year 2006.

A five-year average of separations shows that over 48.2% of employees who voluntarily left Executive Branch employment were employed with the State less than 3 years.

Age and Years of Service

In this section, the reader will find average age and length of service data for Executive Branch employees, not including Fair Authority, Community-Based Corrections or Regents. The following are points of summary for this section as of Fiscal Year-end 2006:

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The average age of the 19,726 full-time employees working in the Executive Branch was 46.70 years and the average time worked for the State was 14.15 years.

On average, males were 46.76 years old and had worked for the State for 14.62 years.

On average females were 46.64 years old and had worked for the State for 13.68 years.

Racial/ethnic minorities were, on average, 45.42 years old and had worked for the State for 12.23 years.

Non-minorities were, on average, 46.82 years old and had worked for the State for 14.40 years.

Over 60.1% of the total workforce was over 45 years of age.

Over 75.6% of supervisors were over 45 years of age.

Of the 42 agencies reported on, 36, or 85.71% had an average age 45 or older and only three departments' average age was below 40.

Collective Bargaining

In this section, the reader will find information on employees by bargaining unit coverage in the Executive Branch, not including Fair Authority, Community-Based Corrections, or Regents. The following are points of summary for this section for Fiscal Year 2006 year end:

Approximately 65% of the 19,726 full-time permanent Executive Branch employees were covered by American Federation of State, County, and Municipal Employees (AFSCME).

The 12,801 employees covered by the AFSCME bargaining agreement earned an average annual salary of $43,709.

The 616 employees covered by the State Police Officers Council (SPOC) bargaining agreement earned an average annual salary of $50,559.

The 2,664 employees covered by the United Electrical/Iowa United Professionals (UE/IUP) bargaining agreement earned an average annual salary of $45,918.

The 3,645 Executive branch employees not covered by a bargaining agreement earned an average annual salary of $67,435.

Of the 1,012 separations from Executive Branch employment in Fiscal Year 2006, 69% were in AFSCME-covered positions. Specifically:

66% of the total retirements

83% of the total involuntary separations

64% of the total voluntary separations

Employees covered by the AFSCME bargaining agreement were, on average, 47.04 years old and had been employed in the Executive Branch for 13.85 years.

Employees covered by the SPOC bargaining agreement were, on average, 38.17 years old and had been employed in the Executive Branch for 12.78 years.

Employees covered by the UE/IUP bargaining agreement were, on average, 44.80 years old and had been employed in the Executive Branch for 13.11 years.

APPENDIX 2

KEY FINDINGS – DEMOGRAPHIC PROFILE OF TOTAL SAMPLE

Characteristics

	FY 2005	**FY 2006**	**Total Project**
Sub-samples			
Transfers	22.4%	23.4%	18.2%
Retirements	32.4%	32.3%	37.6%
Voluntary Separations	45.2%	44.3%	44.2%
Gender			
Male	36.1%	38.7%	41.2%
Female	63.9%	61.3%	58.8%
Disability			
Yes	4.8%	5.9%	5.7%
No	95.2%	94.1%	94.3%
Age Group			
18-29 years	14.0%	11.2%	12.0%
30-39 years	18.8%	18.8%	18.1%
40-49 years	20.7%	19.6%	17.6%
50-59 years	23.4%	25.2%	27.0%
60-69 years	23.1%	23.4%	24.1%
70+ years	0.0%	1.8%	1.1%
Ethnicity			
Caucasian	94.8%	94.9%	95.3%
African American	1.8%	1.3%	1.7%
Asian American	0.9%	0.8%	1.1%

Native American	0.6%	1.3%	.6%
Latino	1.8%	1.8%	1.4%
Supervisor			
Yes	14.6%	13.3%	16.3%
No	85.4%	86.7%	83.7%

KEY FINDINGS – DEMOGRAPHIC PROFILE OF TOTAL SAMPLE

Characteristics

	FY 2005	FY 2006	Total Project
Length of Employment			
Less than 1 year	11.2%	12.7%	9.0%
1-5 years	28.9%	22.6%	28.9%
6-10 years	17.9%	17.8%	12.1%
11-15 years	7.9%	7.4%	8.9%
16-25 years	19.1%	17.3%	18.7%
25+ years	14.9%	22.1%	22.3%
Location			
Capitol Complex	23.4%	22.7%	25.6%
Regional	14.9%	13.8%	14.8%
Polk County	10.1%	6.6%	5.9%
DOT – Ames	2.5%	4.1%	2.4%
Institution	27.8%	29.3%	29.0%
Home Based	4.4%	3.3%	3.1%
Other	16.8%	20.2%	19.1%
Past Dept Employer			
Human Services	32.1%	33.8%	37.6%
Corrections	11.0%	13.8%	17.7%
Workforce Development	3.4%	3.3%	6.8%
Transportation*	4.3%	9.0%	6.0%
Education	4.9%	4.4%	5.7%
Public Safety	4.6%	2.8%	5.2%
Natural Resources	2.1%	4.1%	4.7%
Public Health	4.6%	3.1%	4.7%
Veteran's Affairs	3.7%	3.3%	4.0%

Administrative Services	1.2%	2.8%	3.2%
	2.8%	1.5%	3.1%
Agriculture			
	3.7%	2.1%	3.1%
Inspections & Appeals			
Revenue	1.8%	1.5%	2.6%
Auditor	3.1%	2.1%	1.5%
Public Defense	1.5%	2.1%	1.4%
All Others	15.2%	10.3%	10.5%

*Data feed from IT was incorrect until 2003.

Top 5 reasons for Separating from State Employment

Reason	Percent of respondents listing this reason in 2005	Percent of respondents listing this reason in 2006	Total percent of respondents listing this reason*
1. Working Conditions	33.6%	34.9%	30.5%
2. Quality of Supervision	26.4%	25.2%	25.2%
3. Career Advancement Opportunity	23.9%	28.5%	23.7%
4. Organization Culture	17.9%	17.3%	17.2%
5. Co-Worker Relations	17.0%	15.0%	14.2%

 *Respondent could select more than one. Omits those who left because of retirement.

Length of Job Search

	FY 2005	FY 2006	Total Percent
Started search within the last 90 days	**41.3%**	**27.3%**	**31.3%**
Started search within the last 6 months	**24.0%**	**35.6%**	**28.8%**
Started search within the last year	**14.8%**	**18.5%**	**20.3%**
Started search over a year ago	**19.8%**	**18.5%**	**19.6%**

Employing Agency asked employee to reconsider leaving.	● **29.4% of respondents said that their previous department encouraged them to reconsider leaving in 2005. This number increased in 2006 to 27.4%.**

Employing Agency encouraged employee

to check other State employee career options.

- *In 2005, 8.9% of respondents said that their previous department encouraged them to explore alternative state career options prior to leaving. This number increased slightly in 2006 to 10.5%.*

Employee checked into other options that would have allowed him/her to stay.

- In 2005, 44.8% of respondents said they, in fact, did check into options that would have allowed them to stay with the State prior to leaving. This number increased in 2006 to 42.1%.

Employing Agency conducted an Exit Interview.

- 25.4% of respondents said that their previous department conducted an exit interview prior to leaving in 2005, with a decrease to 33.2% in 2006.

Top 5 things past employees liked about their employment with the State

Liked Most	Percent of respondents in 2005	Percent of respondents in 2006	Total percent of respondents *
1. Made Multiple Choices*	40.4%	46.2%	40.0%
2. Benefits	19.8%	15.6%	16.6%
3. Co-Worker Relations	11.4%	13.0%	12.5%
4. Retirement Benefits	7.4%	8.6%	9.6%
5. Rate of Pay	7.4%	6.2%	7.7%

 *Respondent was only supposed to select one.

Top 5 things attracting past employees to their current jobs

Attracting Feature	Percent of respondents in 2005	Percent of respondents in 2006	Total percent of respondents *
1. Career Advancement Opportunity	24.2%	30.4%	25.6%
2. Working Conditions	29.4%	25.8%	24.3%
3. Rate of Pay	23.9%	21.2%	18.9%
4. Organizational Culture	14.5%	15.1%	13.7%
5. Opportunity for Training	13.9%	11.5%	11.9%

 *Respondent could select more than one.

Top 5 things past employees liked least about their employment with the State

Liked Least	Percent of respondents in 2005	Percent of respondents in 2006	Total percent of respondents *
1. Made Multiple Choices*	30.7%	42.0%	33.5%
2. Quality of Supervision	14.6%	11.1%	13.1%
3. Career Advancement Opportunity	15.8%	11.9%	12.8%
4. Organizational Culture	9.3%	10.5%	11.6%
5. Working Conditions	10.8%	9.2%	10.6%

 *Respondent was only supposed to select one.

REVISIT OF OBJECTIVES

Determine the most prevalent reasons employees separate from state employment.

Based on the 6-year aggregate sample, respondents list the top reason for leaving to be, "Working Conditions" followed closely by "Quality of Supervision" and "Career Advancement Opportunity". These three reasons were also three of the top five things listed as aspects of state employment least liked by respondents. Further, perceptions of "Career Advancement Opportunity" and "Working Conditions" provided by other employers were the top two attracting features to the respondents.

Determine if departments are utilizing exit interviews.

Unfortunately, only a little over 30.5% of respondents stated that their previous state employer conducted an exit interview, based on the 6-year aggregate sample. There has been an overall decrease since this survey was implemented in 2001. In 2001, 34.4% of respondents stated in the affirmative their previous State employer performed this important step. In 2006, this number has dropped slightly to 33.2%. This is a window from which a department can ascertain and provide feedback about their particular operation.

Determine past employee perceptions about compensation and benefit issues.

Based on the 6-year aggregate sample, respondents perceived their benefits in a very positive light. Over 83% of respondents felt the benefits offered met their expectations (2), and it was the single most often cited aspect of working for the State that respondents liked. On the other hand, just under half of the respondents felt they earned less than people working the same jobs in the private sector. Interestingly, "Rate of Pay" was not a major reason listed for leaving but it was the third highest attracting feature perceived to be offered by other employers. Most employees felt they were paid fairly (3) and asked to do an appropriate amount of work for what they were paid (19).

Determine past employee perceptions about employee autonomy and intrinsic value.

Although most respondents believe the work they performed as a state employee was meaningful (18), enjoyable (20), consistent with their career interests (21) and perceived skill levels (32), and allowed them to serve Iowa citizens and "make a difference" (29), just over half of these same respondents did not feel they could develop to their full potential (33) nor did they believe that there were career opportunities if they had chosen to stay (8), over 77% answered negatively on item 8. This last perception is especially dangerous to the State due to the fact that perceived career advancement opportunities appear to be a major reason for leaving and a major attracting feature of other employers.

Determine past employee perceptions about co-workers/supervisors.

Respondents as a group did not provide overly negative responses to any of the questions regarding supervision (22, 23, and 25). However, it was cited as the fourth highest reason for leaving and one of the top five factors cited as "liked least" about employment with the State.

Determine past employee perceptions about co-workers/supervisors.

The two items dealing with co-worker perceptions (26 & 34) were two of the most positive items responded to on the survey and perceptions about co-workers/supervisors was listed as one of the top 5 things liked most about state employment.

Determine past employee perceptions about diversity issues.

In the future, as more data is collected comparisons will be possible between ethnic groups on all items and especially those items falling under the heading of Organizational Culture in this report. Unfortunately, all that can be said on this topic now is that two-thirds of respondents felt their past department was accepting of diverse individuals (12). A majority of the respondents, however, did not feel that all employees in their past department were treated fairly (11). Unfortunately, because the numbers do not allow it, race cannot be tested as a factor in this perception.

Determine past employee perceptions about communication issues.

Over half of the respondents disagreed that communication was open and informative within their past work unit (13) and that feedback was timely and effective regarding performance (16).

CONCLUSION

Based on the 6-year aggregate sample, it appears that out of the 35 individual items on the survey, only 14 items could be said to have received very positive responses (over 2/3rds agreement with an item). This is not too surprising as this is an exit survey and respondents are likely to be somewhat more negative/honest in their responses. Regardless, there are many positives to be found. Only eight items have over 50% of the respondents disagreeing with a specific item, so in most cases the majority of respondents are answering positively to the questions. More importantly almost 74% of the respondents agreed to some degree that they would likely apply for another position with the State if they were looking.

After reviewing this report the reader should realize that all the objectives for this project have been met to some degree. The nature of this type of survey is dependent on the population of interest and as such the usefulness will grow over time as more data becomes available. At some later date, differences between specific departments and groups will be made. The response rate is promising and over time the different subgroups will reach a level where group comparison and more significance testing will be possible.