PERFORMANCE REPORT CARD
State Personnel System
Second Quarter, Fiscal Year 2023

ACTION PLAN

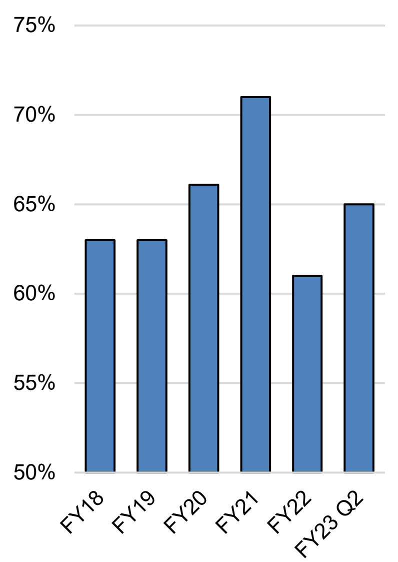
Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	No

The state continues to face challenges related to employee recruitment and retention. The State Personnel Office (SPO) reports the classified service vacancy rate is 23.7 percent, up 20 percent from the rate in FY21. State agencies continue to take longer to fill vacant positions, with "time to fill" averaging 72 days in the fourth quarter. Once positions are filled, fewer employees are completing their probationary period, with only 63 percent completing it in the first quarter. However, pay increases have improved the competitiveness of the state's salary schedules.

SPO has created a task force with agency human resources officers to reduce the time it takes to fill vacant positions. One factor could be agencies increasing the time a job is posted to find more qualified applicants in a tight job market. To better identify which agencies have longer time-to-fill results, SPO has said it will work to improve agency access to performance data. The agency should provide regular follow-up and support to help agencies not meeting targets to improve internal procedures. Additionally, the Legislature should consider agency performance in filling vacant positions as part of the FY24 budget process.

At SPO's request, a number of measures are classified as explanatory, meaning they do not have performance targets. However, ratings were given based, in part, on prior year performance.

New Employees Completing One Year Probation Period

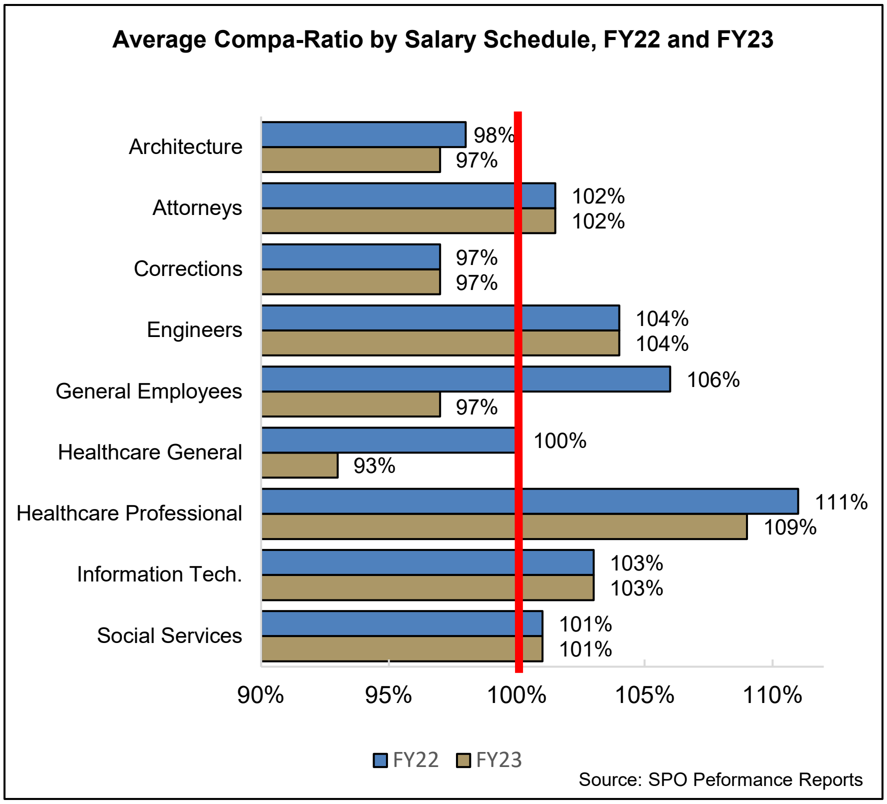


Source: SPO

Budget: $4,117.6 **FTE:** 46	**FY21 Actual**	**FY22 Actual**	**FY23 Target**	**FY23 Q1**	**FY23 Q2**	**FY23 Q3**	**Rating**
Average number of days to fill a position from the date of posting*	50.5	69		72	72		R
Classified service vacancy rate*	19.9%	22.8%		24.3%	23.7%		R
Percent of classified employees who successfully complete the probationary period*	71%	61%		63%	65%		R
Average classified employee compa-ratio*	103%	105%		98%	98%		G
Average classified employee new hire compa-ratio*	98.6%	101.5%		96%	97%		G
Number of hires external to state government*	1,996	2,969		775	810		G
Number of salary increases awarded*	NEW	NEW		56	95		
Average classified service employee total compensation, in thousands*	NEW	NEW		$98.3	$100		
Cost of overtime pay, in thousands*	NEW	NEW		$10,656	$8,304		
Program Rating	R	R					Y

*Measure is classified as explanatory and does not have a target.

SPO's quarterly report does not include information on salary competitiveness or turnover by job type, but measures of compa-ratio, or salary divided by midpoint of salary range, have improved in FY23. Overall, the average compa-ratio for state employees fell to 98 percent from 106 percent in FY22, and average compa-ratios for new state employees fell to 98 percent from 102 percent. This indicates new employees are accepting employment offers below the position midpoint, indicating the salary is more competitive with the broader job market.



For FY23, on average, state employees received a 9 percent salary increase, although increases varied from as little as 4 percent to as much as 30 percent, depending on an employee's pay band and compa-ratio. This increase was on top of an across-the-board 3 percent increase effective in April 2022. Notably, employees on occupational salary schedules received an across-the-board 4 percent increase, with higher raises for employees on the general salary schedule. This led to significant improvement in the competitiveness of the general salary schedule.

Between FY22 and FY23, the average compa-ratio for employees on the general schedule fell from 106 percent to 97 percent, while there was little improvement in other schedules. Smaller, across-the-board raises for occupation-specific schedules occurred, despite high vacancy rates and turnover among some of these professions, including correctional officers and child protective service employees.

Teleworking Policies. Two recent LFC program evaluations have found the state may not be taking advantage of a potential recruitment tool by building a system of remote work that reflects the modern job market. In February, executive agencies ended widespread remote work practices, with most employees required to return to the office. Evidence suggests current job seekers consider teleworking policies when choosing places to work; lack of permanent policies may harm competitiveness and lead to ad hoc policies more likely to negatively impact agency service delivery.