



Key Quarterly Performance Measures Report

Quarter 4, Fiscal Year 2023

Mission: A trusted partner expertly leading the way in human resources practices and services that enhance the employee experience.

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Director's Report

The State Personnel Office (SPO) provides the State of New Mexico (the state) with human resources (HR) leadership and direction to maximize service to New Mexicans, while protecting the rights of our State employees. A quarterly report is issued by SPO, as required by the Accountability in Government Act, to address the HR metrics established within the General Appropriations Act. The report is updated quarterly with timely data to enhance the State's ability to address HR issues impacting management throughout state government.

State Personnel Office Vision

To create an inclusive workforce supporting innovation and achievement while serving the state of New Mexico.

State Personnel Office Mission

A trusted partner expertly leading the way in human resources practices and services that enhance the employee experience.

State Personnel Office Values

Diversity, Partnership, Consistency, Balance, Innovation, Resourceful, Credible, Engaged, Responsive, and Respectful

The following report presents outcomes during an atypical period in State Personnel History, marked by the unprecedented health and economic impacts of the COVID-19 Public Health Emergency and striking challenges in how state agencies managed their personnel resources. The State Personnel Office strives to address these challenges with thoughtful flexibility and in partnership with agency leadership.

Sincerely,

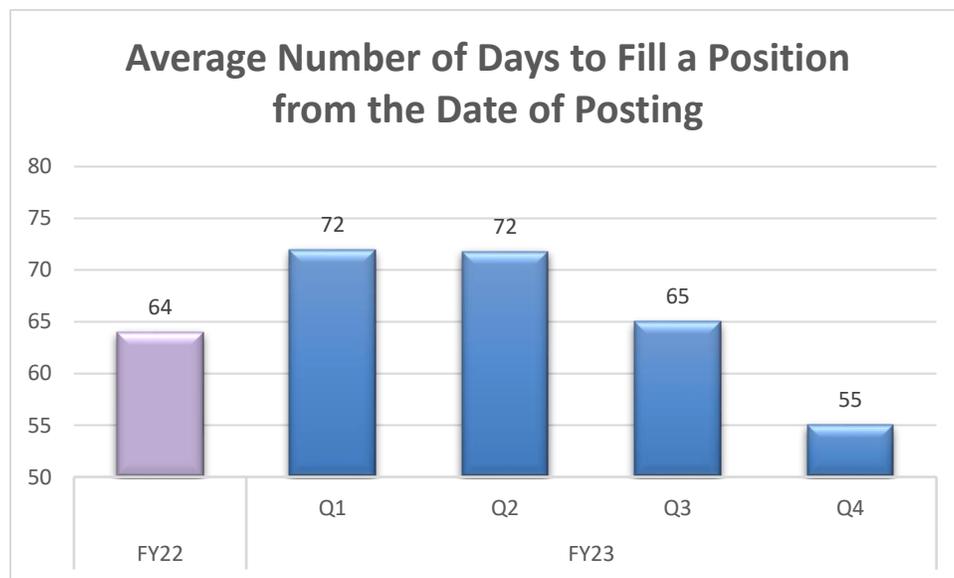
L. Teresa Padilla
Director

Average Number of Days to Fill a Position from the Date of Posting

Time to fill is a key metric for SPO as it is often the first interaction a potential new employee has with the state. Ensuring a smooth and structured process for new candidates as they navigate through the various stages of the hiring process helps to identify and recruit the best talent. A lengthy hiring process can cause candidates to lose interest and lead to a loss of potential talent.

Hiring agencies are empowered to create, post, and fill their vacant positions via the Statewide Human Resources Accounting Reporting (SHARE) system. This allows the hiring agency to be proactive and strategic in how and when they recruit to ensure all resources are available including budget, hiring managers, and interview panels. SPO provides guidance and support, as needed.

Data:



Many factors affect the time to fill, and it has been identified that the factors that most increase the time to fill occur after a posting has closed. The period between the time that the hiring agency identifies potential candidates and the time that a candidate accepts the hiring agency's offer can greatly affect the time to fill. With SPO's assistance, agencies continued to examine their internal processes to reduce processing time at every step.

Action Plan for FY23:

- For FY23, SPO began sending out reports providing agency-specific time to fill data for agency review and feedback. This creates a direct channel for SPO to work together with individual agencies to identify the specific challenges affecting their time to fill.
- Initial dialog indicates that agencies struggling to find qualified applicants resort to numerous posting extensions. SPO continues to work with agencies to review classification descriptors to ensure alignment of qualifications and industry standards. SPO is also working with agencies on a new speed-hiring recruitment strategy.

In addition, the time to fill metric needs to be recalibrated for greater accuracy and utility. It currently includes not only the days it takes an agency to fill a position but the time that the position is posted. The Legislative Finance Committee (LFC) taskforce that performed SPO's 2022 program review recommended that SPO work with the LFC and DFA to correct the methodology of this time to fill performance measure in 2023 to exclude advertising time and better reflect agencies' internal hiring process time.

Data Source:
SHARE PeopleSoft- Human Capital Management (HCM)-Recruitment Module

Methodology:
*Extract standard recruitment postings with an active posting date and a closed date, as indicated by the hiring agency.
Calculate the days to fill.*

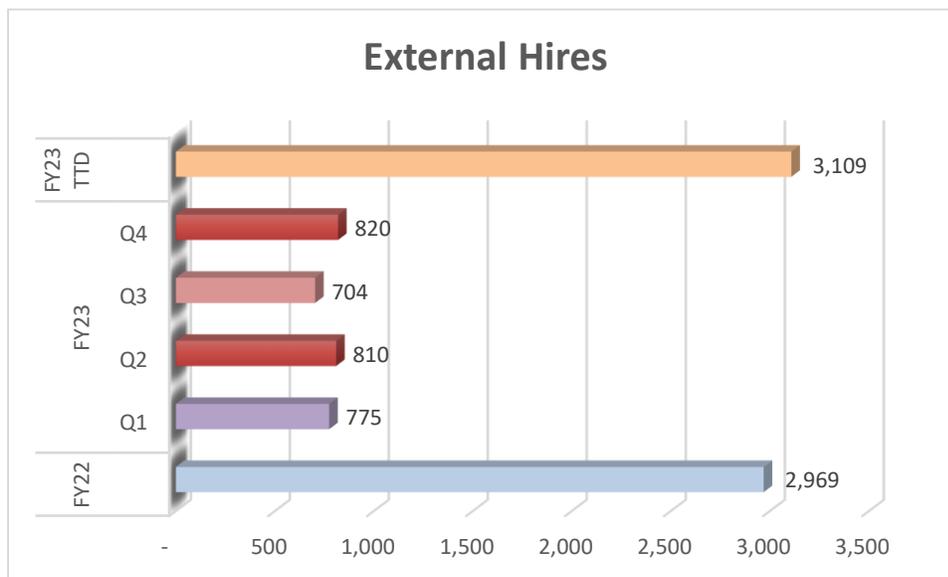
Number of Candidate Hires External to State Government

Being able to attract and recruit qualified and experienced individuals from outside state government helps to ensure the strong and established workforce of the state is infused with new ideas and innovations. New minds and fresh sets of eyes are critical to challenge the status quo and the “we’ve always done it this way” refrain and to give agencies the opportunity to identify areas of improvement or solidify processes that work.

Developments:

Unfortunately, the Public Health Emergency created significant budgetary constraints for hiring agencies as seen in FY21 (1,996 external hires). This forced agencies to re-evaluate their programs and organizational listing with a new perspective: to redefine their processes and accomplish their tasks with a reduced recruitment footprint.

Data:



In FY23, agencies made external hires at a higher rate than in FY22 – 3,109 external hires versus 2,969 external hires.

Data Source:
SHARE PeopleSoft-HCM

Methodology:
Extract job data personnel records with action codes of Hire/Rehire in the quarter

Average Classified Employee New Hire Compa-ratio

Developments:

Governor Michelle Lujan Grisham signed a significant compensation package into law for state employees in FY23. As the compensation changes took effect, SPO also implemented a new redesigned general salary schedule, including guidance on how to utilize the new schedule to better recruit and retain employees.

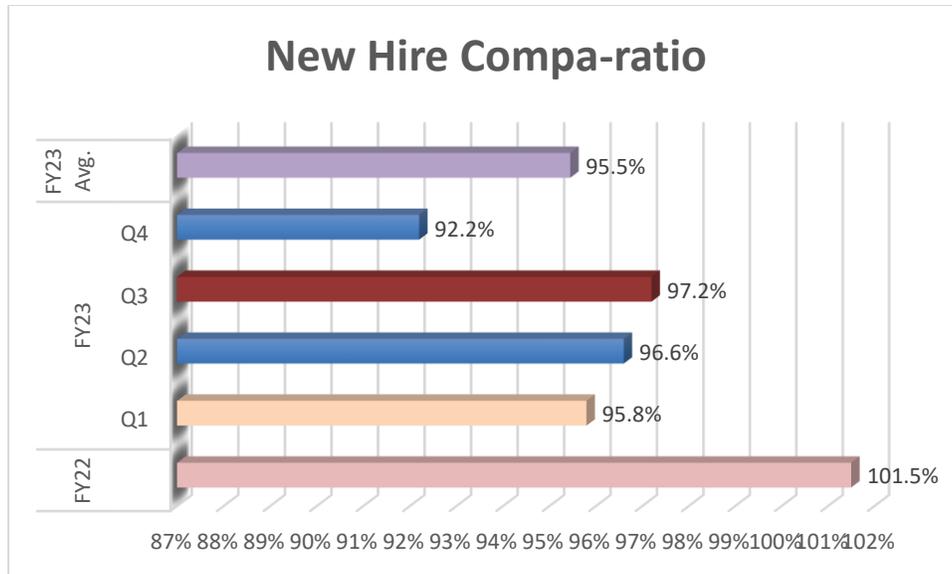
Data:

The average compa-ratio for new hires this quarter fell slightly compared with prior FY23 quarters. Although budgetary constraints continue to exist, with a lower compa-ratio for new hires, hiring agencies are better able to budget and request funding to recruit and retain employees within the competitive market that exists today.

Q1	Q2	Q3	Q4
95.8%	96.6%	97.2%	92.2%

While the new general salary schedule alleviated some market pressures that the prior general salary schedule was unable to accommodate, it remains critical for agencies to continue to administer their compensation policy consistently, regardless of the competitiveness of the salary schedule, agencies need to apply the principles of “appropriate placement” and “internal alignment” to properly set new employee pay relative to other employees in the same classification within the work unit.

SPO continues to provide feedback and guidance to agencies in support of “appropriate placement” and “internal alignment,” as needed.



Action Plan for FY23:

- SPO will continue to monitor agencies' use of the new general salary schedule in relation to the market and make modifications as needed.
- Continued feedback from agencies on the schedule changes has been positive, with agencies feeling more competitive with external competitors.

Data Source:
SHARE PeopleSoft-HCM

Methodology:
Extract job data personnel records with action codes of Hire/Rehire in the quarter
Average compa-ratio

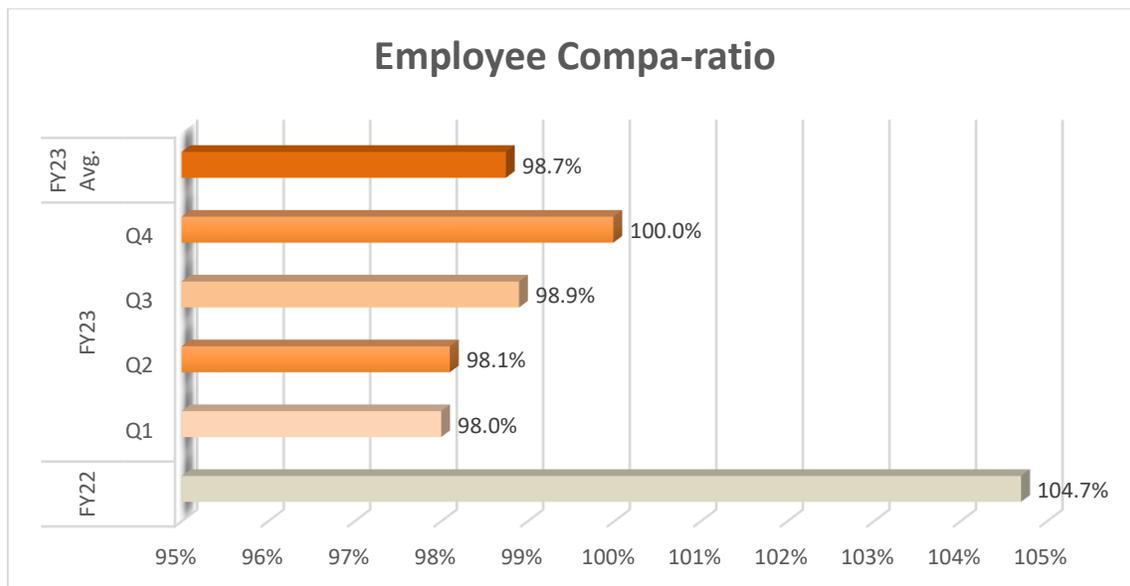
Average Classified Employee Compa-ratio

Developments:

Governor Michelle Lujan Grisham signed a significant compensation package into law for state employees in FY23. As the compensation changes took effect, SPO also implemented a new redesigned general salary schedule, including guidance on how to utilize the new schedule to better recruit and retain employees.

Data:

The average compa-ratio for classified employees in this quarter is 100%, down from an average of 104.7% in FY22. This decrease also reflects the FY23 compensation package and the associated adjustments made to the general salary schedule.



Classified employee compa-ratio is dependent on SPO's paylines, salary schedules, and classification system which all work in concert to allow agencies to be competitive in the market.

As seen in the table below, employees in the new adjusted general salary schedule have an average compa-ratio (99%) that indicates sufficient room remains in the pay bands for agencies to be flexible and competitive. Previously, the general salary schedule's average compa-ratio (106% FY22) was a strong indicator that the general salary schedule was behind market. This limited agencies' ability to offer competitive salaries to prospective employees and made it difficult for them to attract and retain talent. By comparison, more recently implemented occupation-based paylines – Business, Healthcare General, and Peace Officer– have average compa-ratios nearer or below midpoint, which indicates they appropriately reflect the market in these sectors.

Payline	Average Compa-ratio
Architecture	98%
Attorneys	105%
Corrections	98%
Business	100%
Engineer, Surveyor, Water Resources, Engineering Tech	106%
General	99%
Healthcare General	95%
Healthcare Professional	109%
Information Technology	105%
Peace Officer	95%
Social Services	104%

Action Plan for FY23:

- SPO will continue to monitor agencies' use of the new general salary schedule in relation to the market and make modifications as needed.
- On July 29, 2022- SPO sought and received State Personnel Board (SPB) approval to adjust Physician classifications in the Healthcare Professional salary schedule. Through additional evaluation of the healthcare job field, it was determined that certain classifications were not aligned with the market. This adjustment will alleviate recruiting problems related to pay for these classifications.
- On October 28, 2022, SPO sought and received SPB approval for changes to the Healthcare General pay bands affected by the \$15 minimum wage rate. These changes will allow agencies to remain competitive in key service delivery areas providing direct care in health facilities.

*Data Source: SHARE PeopleSoft-HCM
Methodology: Extract job data personnel records
Average compa-ratio*

Percentage of Classified Employees Who Successfully Complete the Probationary Period

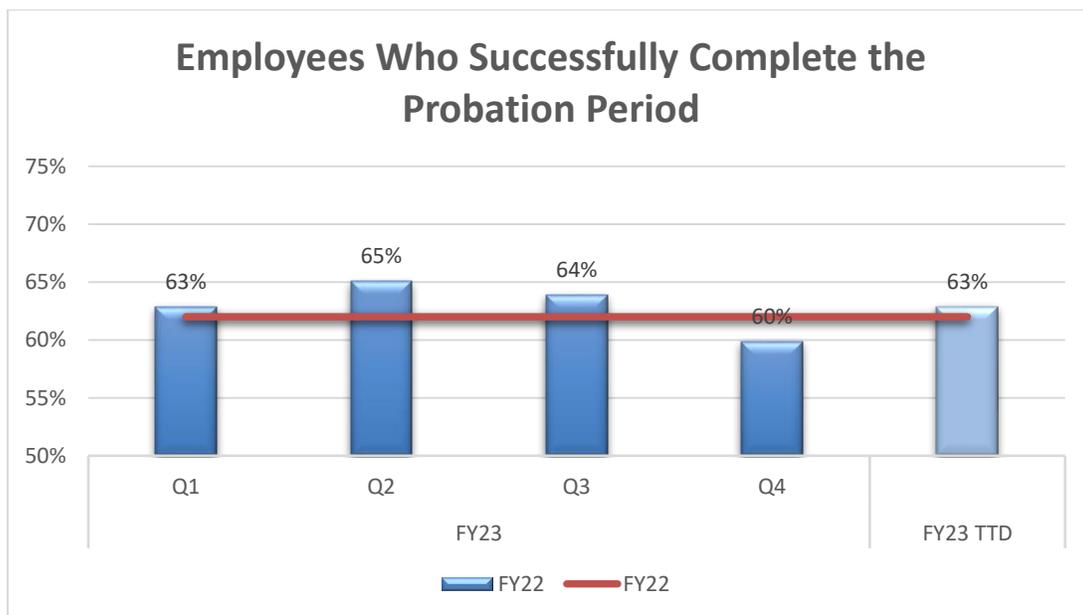
Whether employees successfully complete their probationary period is a key indicator of an agency's success or, alternatively, an agency's need to assess and review work processes and procedures with its managers and supervisors. Trainings, like those led by SPO, are critical to ensure that managers and supervisors have the tools and strategies to ensure all employees and especially new hires are successful in their position.

Probationary employees can be separated from employment involuntarily, on account of poor attendance, poor performance, and other factors. More often, probationary employees separate from employment voluntarily, to take a position with a competitor or for personal reasons. Agencies are encouraged to identify opportunities within their programs and teams for new employees. Successful communication is critical to reinforce procedures that work and highlight areas that need improvement. Along with successful communication, exit interviews should be utilized to identify problem areas and solicit helpful ideas and solutions.

The greater the number of employees who complete their probation, the lower the costs of recruitment and training.

Data:

In this quarter, 60% of employees successfully completed their probationary period, slightly below the average in FY22.



Action Plan for FY23:

- For FY23, SPO started sending out quarterly reports with agency-specific data on the number of employees completing their probationary period for agency review and feedback. This will create a direct channel for agencies and SPO to work together to identify retention challenges being faced at specific agencies and/or within specific divisions.
- Agencies have reported an optimistic outlook that the FY23 compensation package and changes to the general salary schedule will encourage employees seeking greater pay to remain with the state past their first year.

Data Source:

SHARE PeopleSoft-HCM

* <https://www.bls.gov/news.release/empsit.nr0.htm>

Methodology:

Extract and compare job data personnel records hire and separation action codes

Numerator: Number of employees who meet 1 year of classified service

Denominator: Number of employees with action codes of Hire/Rehire

Number of SPO-Led Trainings Offered Annually

Developments:

Prior to March 2020, trainings led by SPO were delivered primarily in person. As a result of the Public Health Emergency, trainings were re-evaluated, and new technologies were leveraged to meet the needs of teleworking employees. Now, employees statewide, either teleworking or working in an office, can attend and participate in trainings remotely.

Data:

In this quarter, SPO offered 48 instructor-led trainings. SPO also launched new trainings, such as “Essentials of Supervision and Management,” “Communication and Conflict Resolution Skills,” and “Employment Records Training: Retention, Transfer, and Archiving of Personnel Files,” which are now available to state employees. Below are the current courses available:

Managing Employee Performance (MEP)	MEP helps managers and supervisors learn to implement the Employee Evaluation Cycle, write goals that promote employee growth and development, and rate employee performance. Completion mandatory within 90 days of appointment to supervision.
Living in a Union Environment (Labor Relations course)	LIUE was developed to help supervisors and managers understand and comply with relevant collective bargaining agreements (CBAs).
Hiring the Best Candidate for the Job	This course will help Hiring Managers make the best use of the Recruitment process, including preparing before posting the position for recruitment, using best practices for reviewing applicants, and writing good interview questions.
Strategies for Positive Management	This course addresses common issues in supervision from an approach of using positive strategies to guide your employees toward growth and success. The course is interactive, and discussion based.
Interpersonal Leadership Skills	This course helps managers and supervisors recognize the interpersonal skills needed for successful leadership, work toward developing their leadership skill sets, and effectively apply skills associated with different leadership styles and situations.
Handling Conflict and Difficult Conversations (Leadership)	This class will use scenarios and breakout groups to help managers and supervisors recognize early indicators of conflict and use strategies to soften or diminish negative responses in difficult conversations.
Leading a Workplace Culture of Civility	Supervisors and managers will learn to recognize workplace incivility, its causes, and effects; identify characteristics and benefits of a culture of civility; and use strategies to create and maintain a culture of civility.
Communication and Conflict Resolution Skills Series Capstone Course	This highly interactive course provides an opportunity to practice and apply the knowledge and skills from the eLearning modules in the CCR series.

Essentials of Supervision and Management Series Capstone Course	This highly interactive course provides opportunities to apply and practice the skills and knowledge from the eLearning modules in the ESM series through discussion and activities.
Building Cultural Equity with Native Nations	In this training, participants will develop a better understanding of how to engage and collaborate with Native communities in New Mexico. Participants will learn the omitted history of Native Nations in this country and its impact, as well as best practices of New Mexico Tribes and Pueblos. Through the duration of the course, participants will engage in interactive exercises to grow their awareness and knowledge of what it means to work more collaboratively with Native Peoples.
What's Your Communication Style?	This training helps learners identify their own preferred communication style, and to recognize styles preferred by others, strengthening communication skills.
Employment Records Training: Retention, Transfer, and Archiving of Personnel Files	This training will assist agencies in compliance with Rules, guidelines, and procedures concerning Retention, Archiving, and Transfer of Personnel Files. For HR and agency Records Liaison Officers.
Managing the Employee Discipline Process: Guidelines for HR	This course will assist State Human Resources (HR) professionals with understanding employee discipline processes, the sources of authority that guide them, and how to assist managers with applying procedures and issuing discipline correctly.
SPO HR Business Process Overview	This course will assist agency Human Resources professionals (HR) in partnering with the State Personnel Office to accomplish their organizational and personnel goals and comply with State Personnel Board Rules. Audience is agency HR professionals.
Customer Service Excellence Series Capstone Course	This highly-interactive course provides an opportunity to practice and apply the knowledge and skills from the eLearning modules in the CSE series through discussion and activities.



Data Source:
SHARE PeopleSoft-Enterprise Learning Management (ELM)
Internal Database
Methodology:
Count number of SPO led training offered in quarter

Number of Human Resources Trainings Conducted in Partnership with Other Agencies

SPO either conducts or participates in conducting various trainings on human resources topics for the benefit of our state agency HR business partners. These trainings currently include a collaboration with the Governor's Office on Disability to provide trainings for agency HR on the employment provisions of the Americans with Disabilities Act (ADA), a training on SPO HR Business Processes, and trainings conducted for agency HR by SPO's Recruitment unit on topics including "Understanding the Recruitment Process." Additional trainings are being developed or planned to help ensure our HR business partners have the information they need to best serve their agencies and the employees in them. Facilitating such learning opportunities, and the internal and external collaborations that they entail, are of vital importance to SPO's mission to be "a trusted partner expertly leading the way in human resources practices and services that enhance the employee experience."

Data:



Data Source:
SHARE PeopleSoft- Enterprise Learning Management (ELM)
Internal Database

Methodology:
Count number of trainings conducted in partnership

Classified Service Vacancy Rate

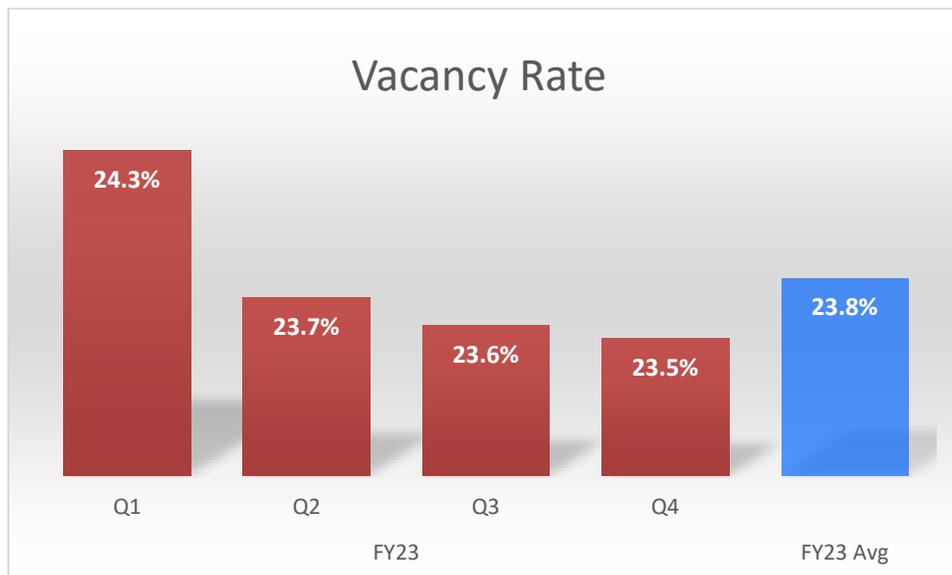
It is critical to recruit and fill vacancies timely, as they occur, to avoid excessive vacancy rates. Failing to recruit can cause unnecessary strain on teams and individual employees, which, unchecked, can lead to further vacancies and hinder agency programs and mission.

SPO continues to work with agencies to fill vacant positions. At the beginning of this quarter, SPO issued General Memorandum 2022-003, which reduced the number of actions that need SPO or Department of Finance (DFA) approval, allowing for more streamlined filling of positions. In addition, during this quarter SPO continued to collaborate with agencies to fill vacancies using targeted rapid hire events. SPO also works with agencies to reduce positions that are not needed and re-evaluate positions that can be reclassified for better use pursuant to agency need and SPB Rules.

Developments:

Numerous positions have been created this quarter because of HB2 funding. It is expected that many of these will be filled going into the second quarter.

Data:



Action Plan for FY23:

- For FY23, SPO began sending out quarterly reports with agency-specific data on vacancies for agency review and feedback. This creates a direct channel for agencies and SPO to work together to identify challenges being faced at specific agencies and/or within specific divisions.
- Initial dialogs indicates that agencies struggling to find qualified applicants resort to numerous posting extensions, which contributes to the vacancy rate. SPO will continue to work with agencies to review classification descriptors to insure alignment of qualifications and industry standards.

- Expansion of recruitment opportunities will continue to play a critical role. SPO is working with agencies to explore a new speed hiring recruitment strategy and is also placing a new focus on expanded marketing of jobs to help address the vacancy need for some agencies. For example, in October, SPO worked with DoIT on a speed hiring event to fill critical vacancies quickly.

Data Source:
SHARE PeopleSoft-HCM

Methodology:
Compare position and filled data
Numerator: Count of Filled FTE
Denominator: Count of Active/Reg or Term/ FTE Positions

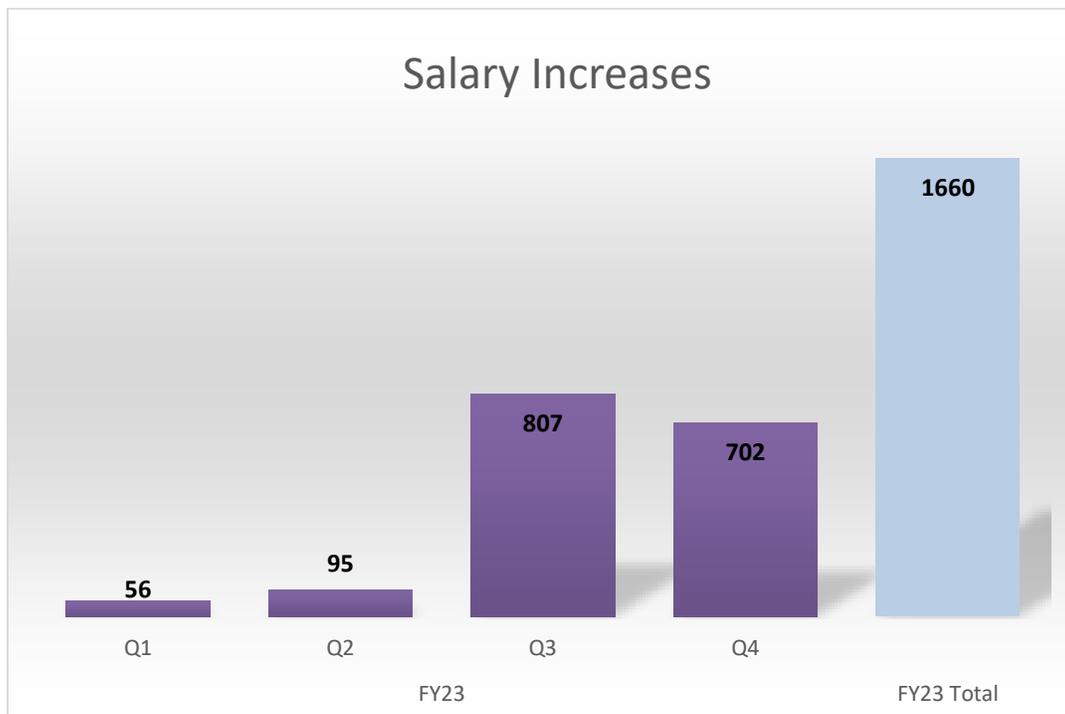
Number of Salary Increases Awarded

Various pay mechanisms permitted through SPB Rules were developed to facilitate recruitment and retention efforts. The following provisions within the SPB Rules are currently authorized:

- Temporary Recruitment Differentials (TRECs) are permitted for positions determined to be critical to meeting the business needs of an agency and documented as a severe recruitment problem for the agency. This quarter saw a significant increase in TRECs (600), as agencies leverage SPB tools to attract new employees.
- Temporary Retention Differentials (TRETs) are permitted to help retain an employee critical to meeting the business needs of an agency that would otherwise be disrupted if the employee left the position.
- Temporary Salary Increases (TSIs) are permitted when an employee temporarily accepts, and consistently performs, additional duties characteristic of a job requiring greater responsibility and accountability, making it a higher valued job. A TSI is a short-term salary measure that may be used until the conditions of the additional duties and responsibilities cease to exist and may not be extended beyond a one-year period.

SPO reviews and approves TRECs, TRETs, and TSIs to ensure compliance with SPB Rules.

Data:



Data Source:
SPO Actions Database

Methodology:
Count number of SPO approved MCOPs

Cost of Overtime Pay

The Fair Labor Standards Act (FLSA) established requirements for overtime pay, affecting employees in the private sector and in Federal, State, and local governments. FLSA nonexempt workers are entitled to overtime pay at a rate of not less than one and one-half times their regular rate of pay for hours worked more than 40 hours during a work week. Monitoring overtime is integral to identifying needs and potential areas of concern. These can include staffing issues, specialty profession shortages, and other workload or absentee issues.

Data:



Data Source:
SHARE PeopleSoft- Human Capital Management (HCM)

Methodology:
Sum of overtime paid

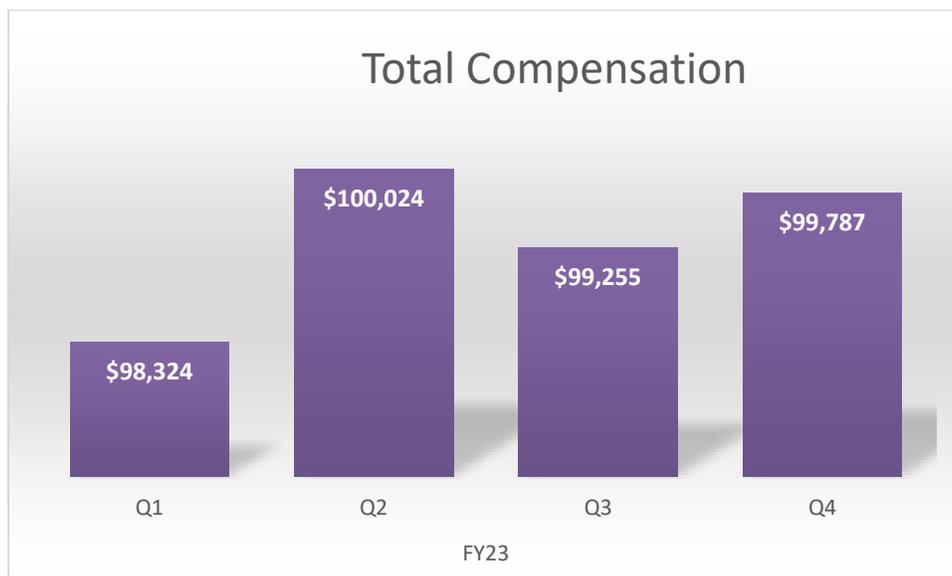
Average Classified Service Employee Total Compensation

Total Compensation reflects the salary and the benefits provided to employees of the state. As a tool, Total Compensation can be beneficial in both attracting and retaining employees, as it demonstrates the value they receive in the form of benefits.

The state provides a competitive employee benefit package that includes employer paid medical contributions, pension (PERA retirement) contributions, paid leave allowances for vacation days and sick days, and paid holidays.

Data:

The slight decrease in Total Compensation \$99,787 in the 3rd quarter, can be attributed to the change in health benefit employer contributions. Prior Total Compensation averages were in the higher employer contributions category, the average employee salaries are now in the lowest employer contributions category.



Data Source:
SHARE PeopleSoft- Human Capital Management (HCM)

Methodology:
Determine average salaries, calculate average inputs for benefits

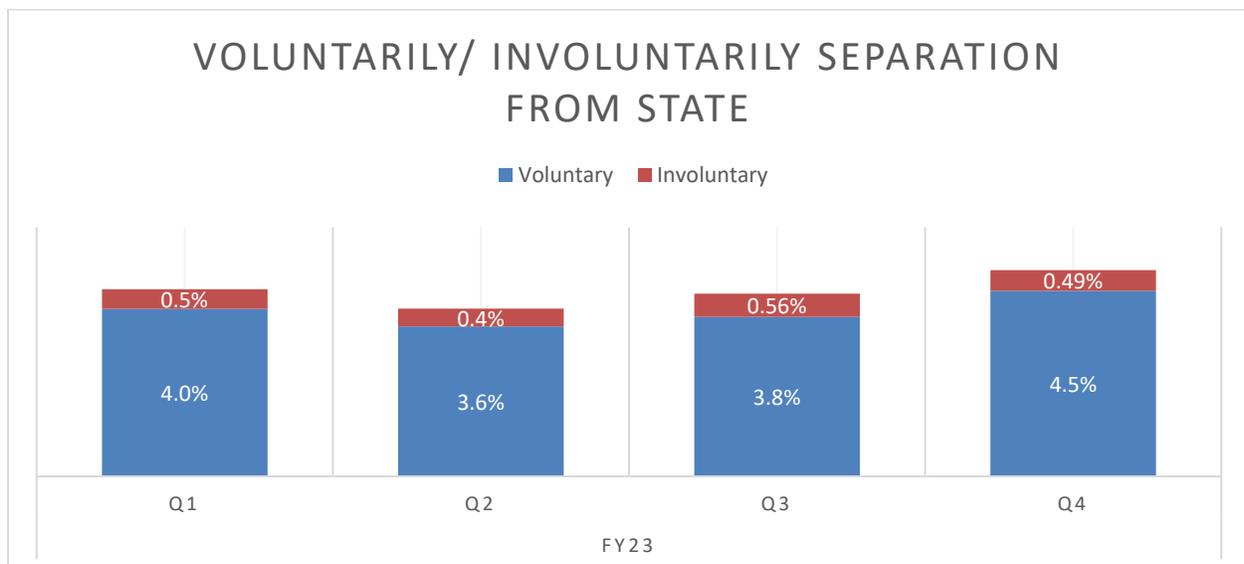
Percent of Classified Employees Voluntarily/Involuntarily Leaving State Service

Separations, whether voluntary or involuntary, create losses for agencies and the state, ranging from loss of institutional knowledge to recruitment and training costs.

Developments:

To improve employee engagement and retention, SPO worked with a committee of agency HR managers to develop a uniform exit survey for all executive agencies. The state Exit Survey launched in late November 2021, and SPO began relaying agency-specific Exit Survey responses for agency review in December 2021. The Exit Survey data can help agencies pinpoint the causes of employee separations and focus their retention efforts.

Data:



Action Plan for FY23:

- SPO has started sending out quarterly reports with agency-specific data on voluntary and involuntary separations for agency review and feedback. This will create a direct channel for agencies and SPO to work together to identify retention challenges being faced at specific agencies and/or within specific divisions.
- Pay continues to be the primary reason for voluntary separations. Agencies have expressed optimism that the new general salary schedule will alleviate some of these pressures, budget permitting.

Data Source:
SHARE PeopleSoft-HCM

Methodology:
Compare position and filled data
Numerator: Count of Reg or Term voluntary/ involuntary terminations
Denominator: Count of Reg or Term/ Filled Positions

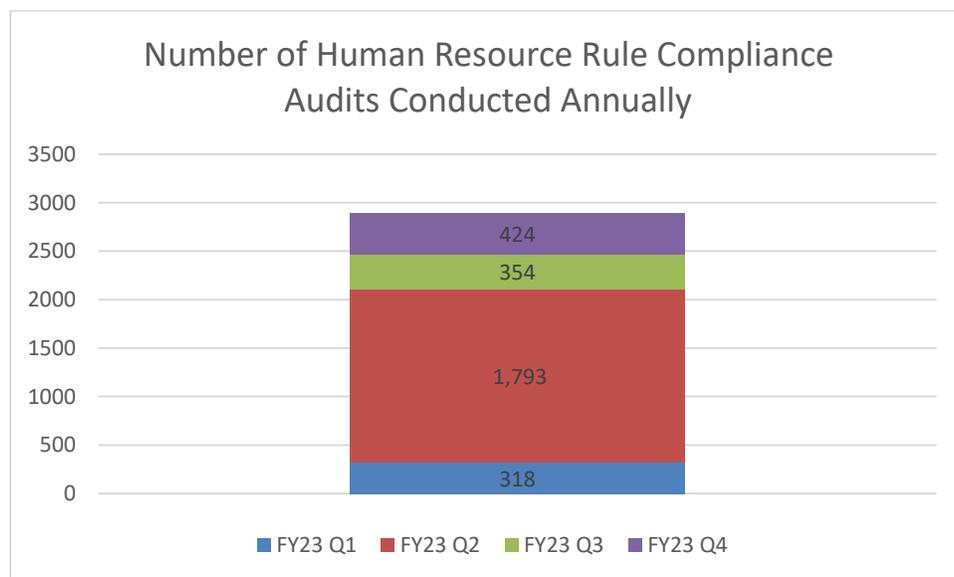
Number of Human Resources Rule Compliance Audits Conducted Annually

Ensuring rule compliance is a critical function of SPO. It reviews compliance with the Personnel Act and the SPB Rules across a wide spectrum of actions and users. In the event of a finding, SPO works with agencies to ensure similar findings are prevented in the future.

SPO continuously redefines and refines how reviews of personnel and position data are done. It aims to leverage the SHARE system to automate the review process based on SPB Rule-derived criteria. By reviewing in this way, SPO can identify findings in real time and work with agencies to circumvent potential issues, including those concerning payroll, as applicable.

Data:

SPO conducted 424 rule compliance audits this quarter.



Data Source:
 SHARE PeopleSoft- Human Capital Management (HCM)
 State Personnel Log

Methodology:
 Review and Audit position and compensation actions for rule compliance

Quarterly Performance Measures Summary

FY23 Approved Quarterly Performance Measures	FY23 Targets	Q1	Q2	Q3	Q4	FY23 Total
Number of human resource rule compliance audits conducted annually	1,000	318	1,586	354	424	2,889
Number of SPO-led trainings offered annually	100	43	47	40	48	178
Number of Human Resources Trainings Conducted in Partnership with Other Agencies		9	3	3	4	19
Average number of days to fill a position from the date of posting		72	72	65	55	66
Percent of classified employees who successfully complete the probation period		63%	65%	64%	60%	63%
Percent of classified employees voluntarily leaving state service		4.0%	4.0%	3.8%	4%	16.0%
Percent of classified employees involuntarily leaving state service		0.5%	0.4%	0.6%	0.5%	2.0%
Classified service vacancy rate		24.3%	23.7%	23.6%	23.5%	23.8%
Average classified employee new hire compa-ratio		95.8%	96.6%	97.2%	92.2%	95.5%
Average classified employee compa-ratio	100%	98.0%	98.1%	98.9%	100.0%	98.7%
Number of salary increases awarded		56	95	807	702.00	1660
Cost of overtime pay		\$10,656,138	\$8,304,306	\$10,047,838	\$12,053,304	\$41,061,586
Average classified service employee total compensation		\$98,324	\$100,024	\$99,255	\$99,787	\$99,347
Number of candidate hires external to state government		775	810	704	820	3,109