



# New Mexico State Personnel Office

## FY14 1st Quarter Workforce Report

*Mission: To deliver human capital management programs that advance our state agencies missions while protecting the rights of our state employees*

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# Director's Report

The State Personnel Office's (SPO) mission is to provide to the State of New Mexico human resource leadership, direction, and service to maximize state government's ability in serving the citizens of New Mexico. A quarterly report is issued by SPO, as required by the Accountability in Government Act (AGA), to address the HR metrics established within the General Appropriations Act (GAA). This report will constantly be modified to provide other metrics to facilitate and enhance the State's ability to address HR issues impacting management throughout state government. Assessing these metrics on a consistent basis is critically important in order to understand the myriad of challenges currently impacting the State's workforce.

SPO is required, and expected, to conduct and lead workforce planning and policy development throughout state government on human resource issues. To accomplish this mission SPO, while working in partnership with the State Personnel Board and state agencies, endeavors to:

- Provide timely and quality service to the Board, the Governor, and state government agencies on the delivery of human resource programs;
- Recommend improvements in state government emphasizing economy, efficiency, compliance, effectiveness; and
- Conduct value-added reviews and projects as requested by the Board and/or Director.

The state currently faces a myriad of classification and compensation issues in addition to impending retirement that requires accurate and timely data.

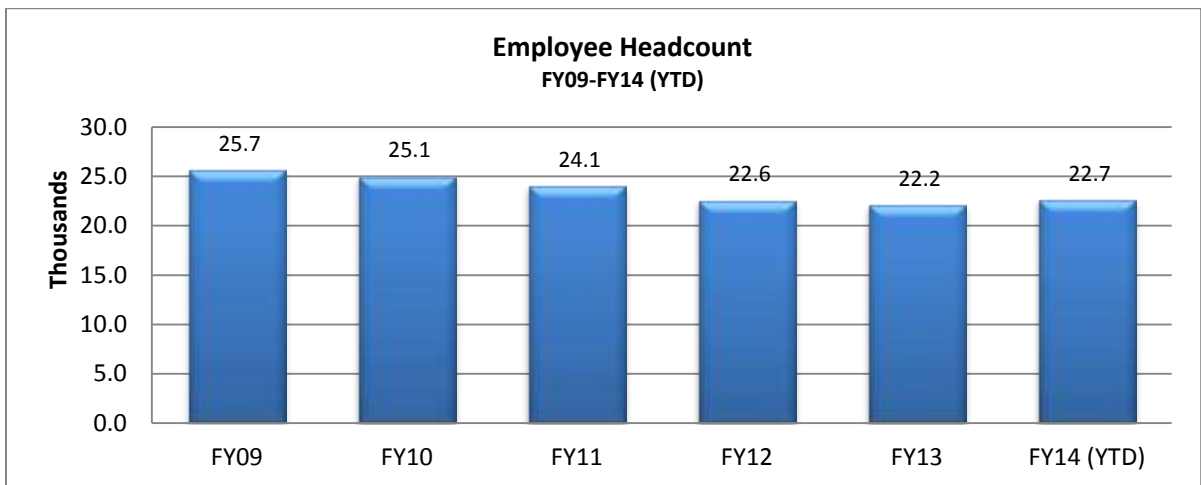
Sincerely,

Eugene J. Moser  
Director

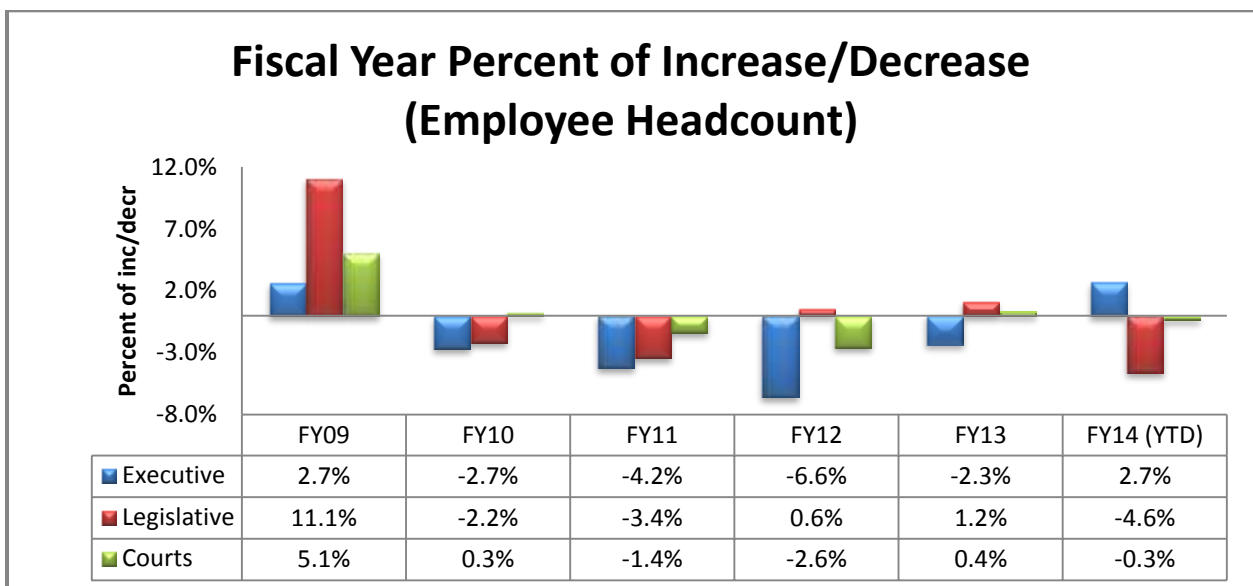
# Workforce Overview

Since FY09 the state's workforce demographics show a significant change due largely to retirements, normal attrition, and budgetary limitations. SPO has initiated the following critical actions to address issues, stabilize and increase a qualified work force through:

- An on-line application process (NEOGOV),
- Revision of classifications to closely align job duties with requisite minimum qualifications required, and
- Initiation of a compensation review to make State classifications competitive with both the public and private sector.

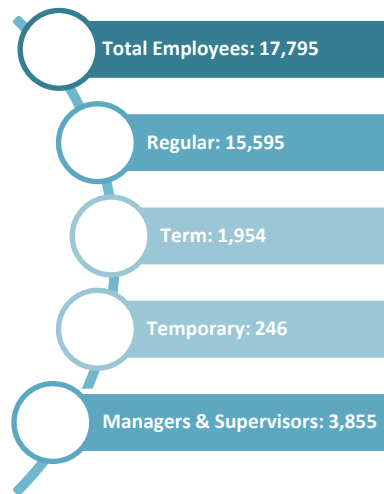


State classified employee levels for FY14 increased slightly by 2.7% over FY13. From FY10 through FY12 the reduction in employees (-13.5%) in the classified service occurred without major layoffs. This was largely due to an assessment of the need to fill vacant positions, poorly designed and restrictive non-competitive compensation plans, employee retirements, and resignations. The following graph illustrates this impact.



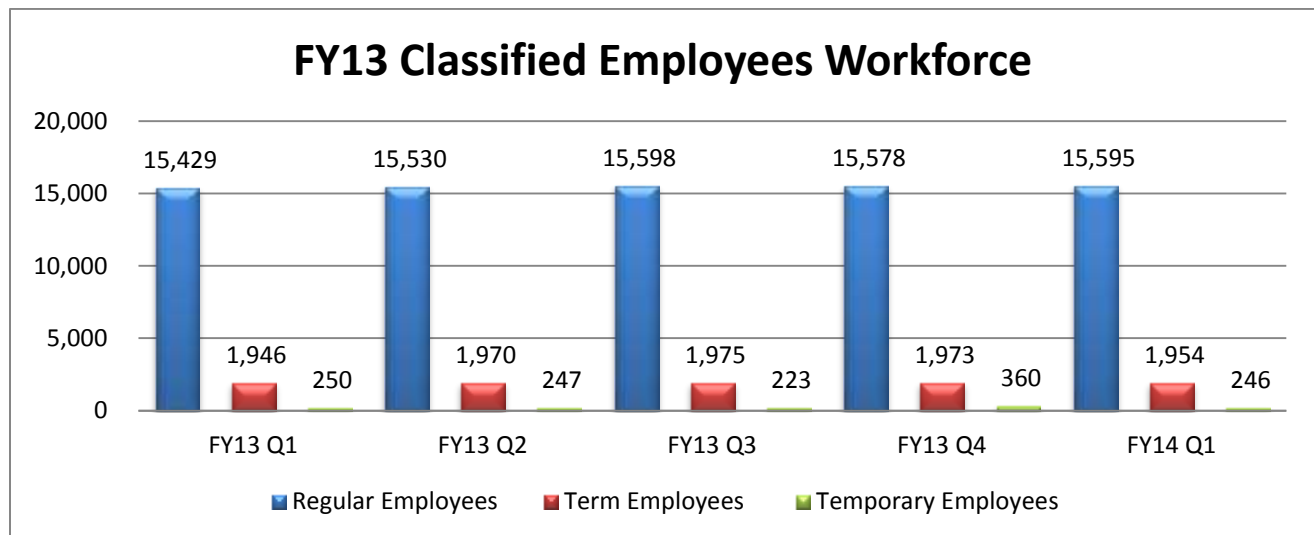
## Classified Services at a Glance (September 30, 2013)

Workforce Data	
Union Represented Employees	55.5%
Minority	62.8%
Female	54.4%
Male	45.6%



**TOTAL COMPENSATION AS OF September 30, 2013**

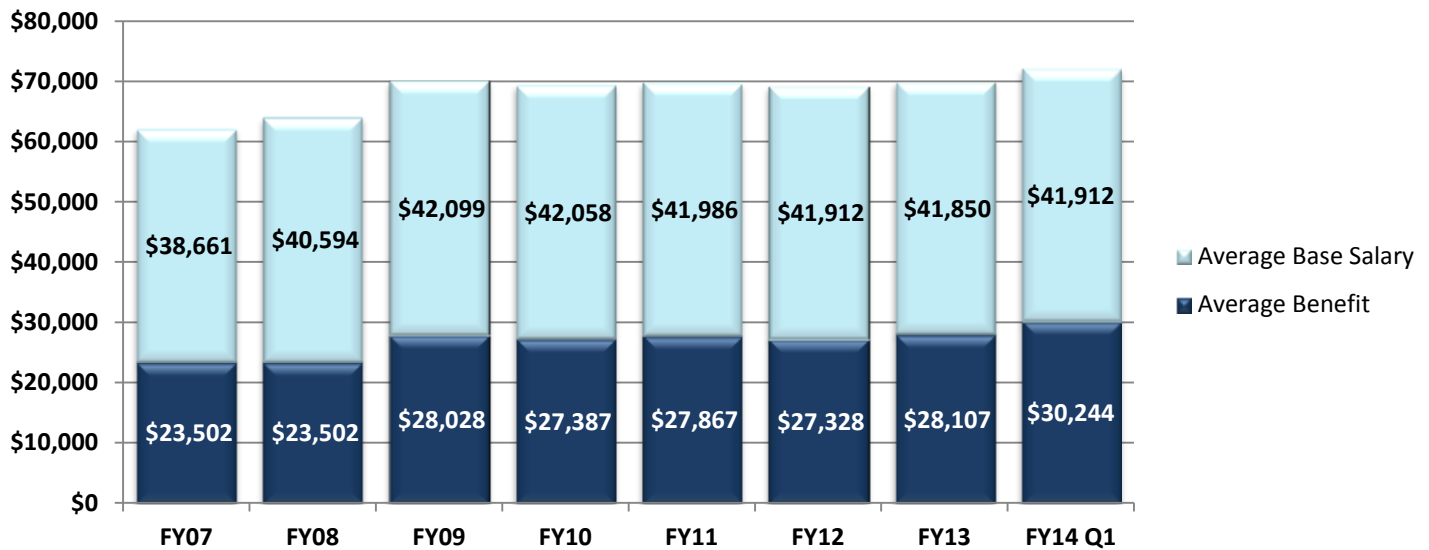
- AVERAGE BASE SALARY **\$41,912**
- AVERAGE BENEFIT **\$30,244**
- AVERAGE TOTAL COMPENSATION **\$72,156**
- AVERAGE CLASSIFIED EMPLOYEE COMPA-RATIO **99.5%**



## Total Compensation

Total compensation is an industry standard in assessing employee average base salaries and to benefits provided by the employer. Benefit expenditures provided by the State includes retirement, health and other insurances, FICA, and leave (annual, sick, etc.) costs. The following graph shows the significant growth in the average benefit expenditures by the State rising significantly. The FY09 increase was largely due to legislative changes in both employee retirement and retiree health care insurance contributions. However, in FY14 benefit costs as a percentage of total compensation will significantly rise as health care insurance rates will significantly increase. Between FY07 and FY09 average benefits account for 39.5% of an employee's total compensation package. Over this same period base the average compensation (salary) expenditures rose 8.8% as compared to the growth rate of 19.2% for benefit costs. Anticipated FY14 increases in benefit costs will continue to exaggerate this difference.

## Total Classified Compensation



The increases in benefit expenditure directly impact the State's ability to address the competitiveness of employee base compensation.

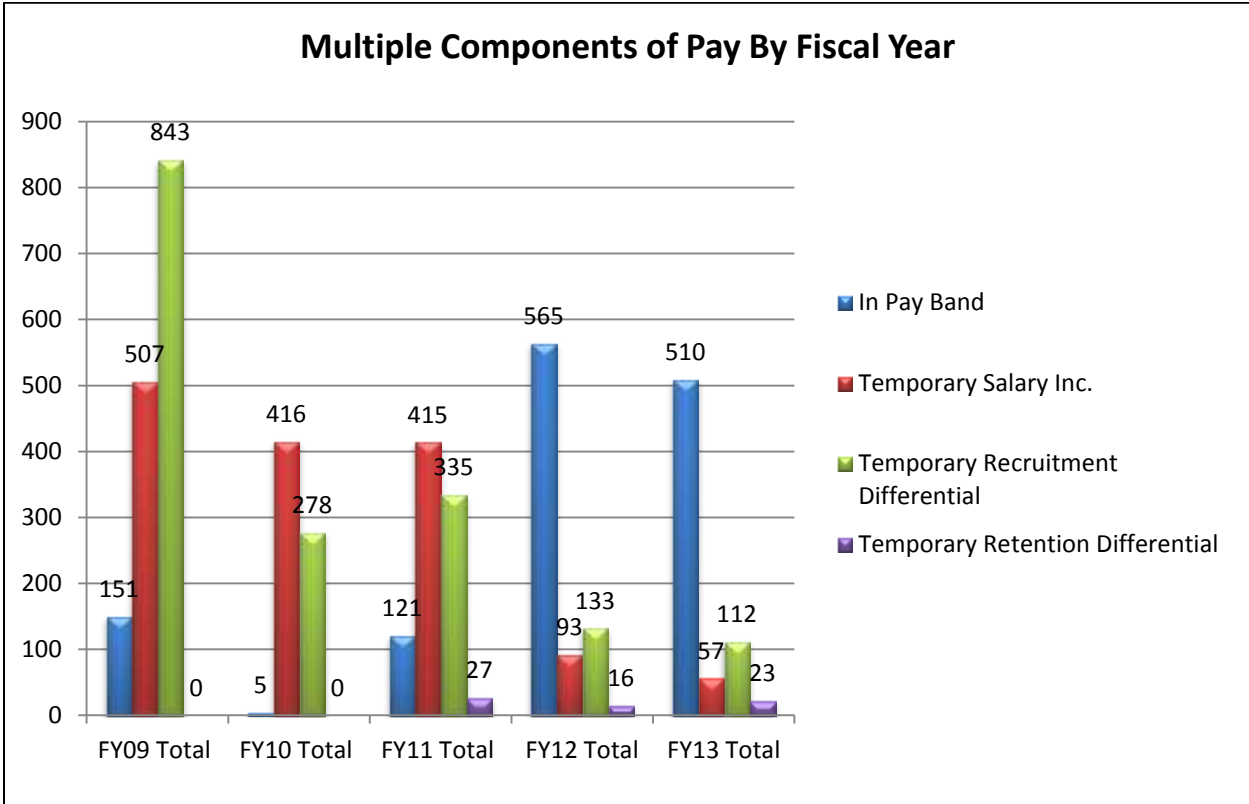
## Multiple Components of Pay (MCOP)

Various pay mechanisms permitted through the State Personnel Board (SPB) Rules were developed to enhance recruitment and retention efforts to attract and retain a qualified workforce. However, most of these were not developed to be permanent resolutions. The following provisions within the SPB Rules are currently authorized:

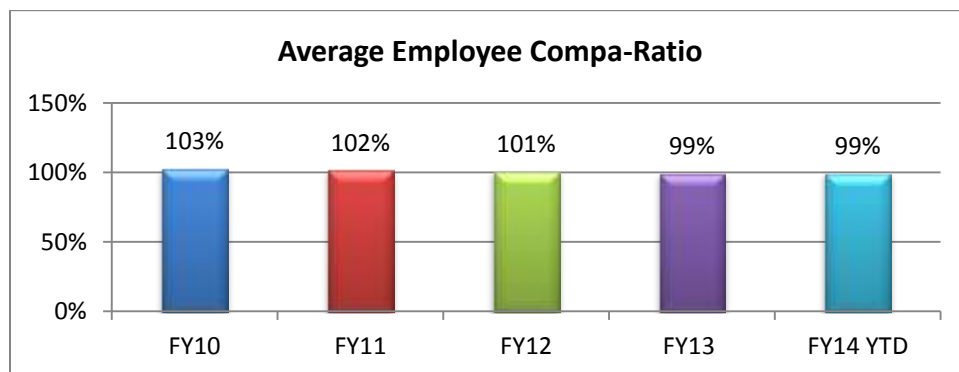
- **Temporary Recruitment Differentials** (TREC) are allowed for positions determined to be critical to meet the business needs of an agency experiencing difficulties in recruitment.
- **Temporary Retention Differentials** (TRET) provide a methodology to retain an employee critical to meet the business needs of an agency that would otherwise be disrupted if an employee left the position.
- **Temporary Salary Increases** (TSI) are provided 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.
- **In-Pay Band Salary Adjustments** (IPBs) are allowed to increase an employee's base compensation up to 10% within a Fiscal Year provided the employee's performance has demonstrated placement at a higher compa-ratio. This pay mechanism allows for salary growth within the Pay Band. The Department of Finance and Administration (DFA) also must review IPBs to ensure agency budget availability.

The temporary provisions indicated were developed to address budgetary restrictions for pay increases since FY09 that were impacting recruitment and retention issues; however, in most cases these temporary increases were not terminated as required by SPB rules. Beginning in FY11, SPO began a major initiative to ensure compliance with SPB rules. This resulted in SPO initiating a process to review and classify positions. This resulted in minimal impact to budgetary allocations and complied with SPB rules. The State's pay structure has not been addressed since 2001 and results in the loss of retiring employees in many critical positions throughout state government and the State's ability to attract and retain qualified applicants.

The following graph shows the impact of these efforts in a significant decrease in all temporary MCOPs. This effort in conjunction with pay plan initiatives will continue to result in both retention and recruitment of state employees.



The decline in average compa-ratio is due to revisions of classifications, range adjustments and an increase in the number of state employees retiring.



## Annual Key Performance Measures

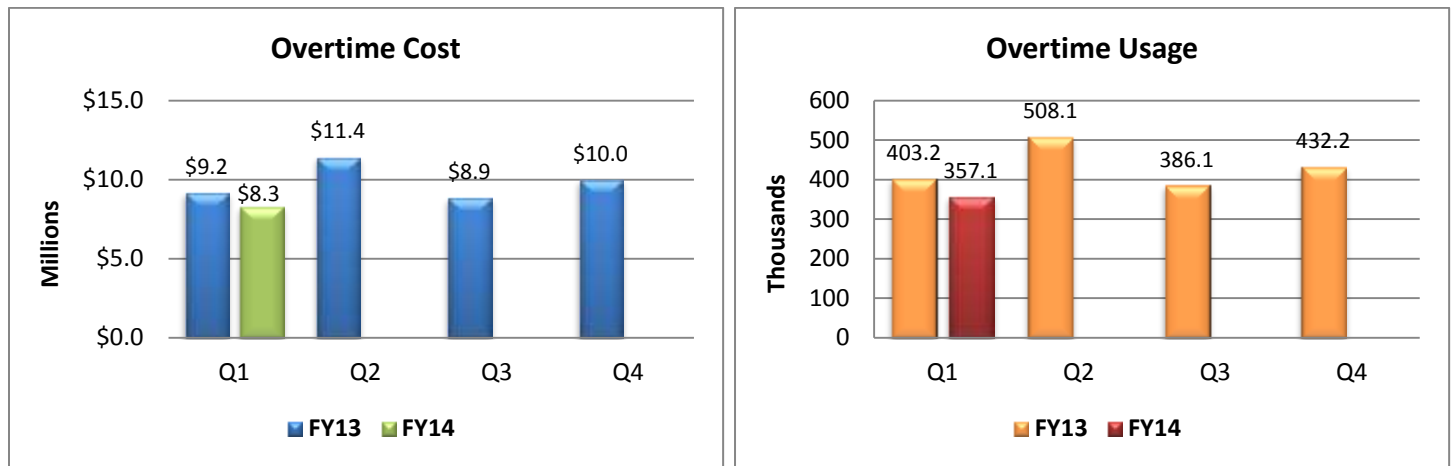
Performance evaluation remains critical in assessing the quality of the workforce, recognizing employee efforts, and activities, and providing guidance in employee development. Performance Evaluations are a requirement outlined within the SPB Rules and Regulations. However, without a linkage to compensation, many employees and supervisors feel this activity is not worth the effort. However, research demonstrates an evaluation, even absent linkage to pay, creates the opportunity not only to recognize and document performance, but also to create a non-threatening manner in improving the quality of the workforce. In FY13 approximately ninety-five percent (95%) of eligible employees were evaluated.

The number of employees completing their probationary period has remained flat. This is partly a direct result of reestablishment of minimum qualifications for classifications and partly due to the necessity of conducting a classification and compensation review.

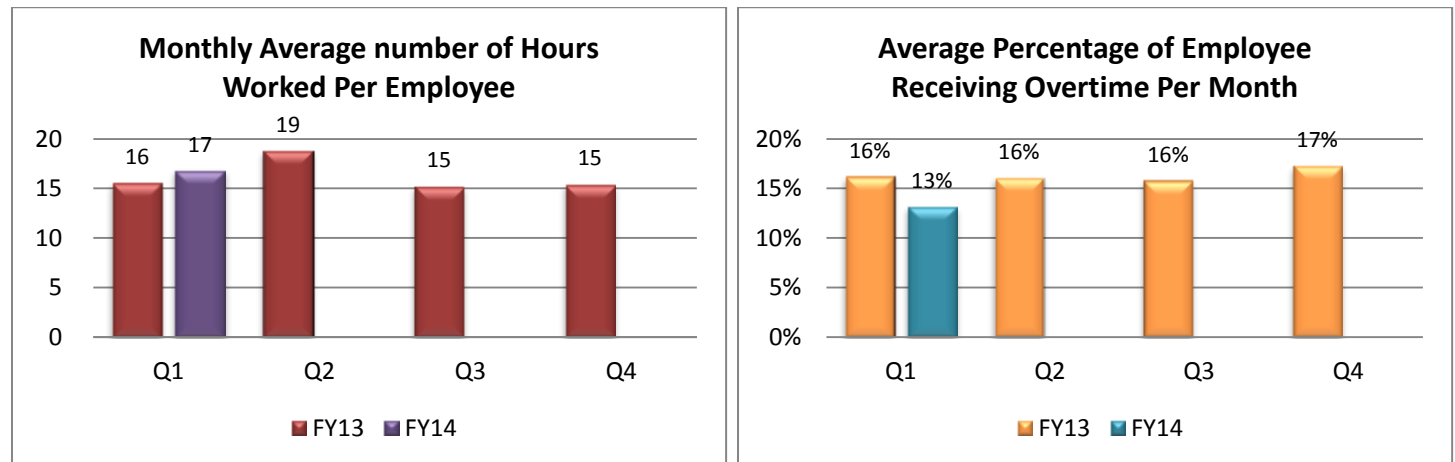


## Overtime

In the 1<sup>st</sup> quarter of FY14 overtime decreased significantly in both cost and hours when compared to the same time frame in FY13. This decrease is being attributed to stricter control and oversight by management.

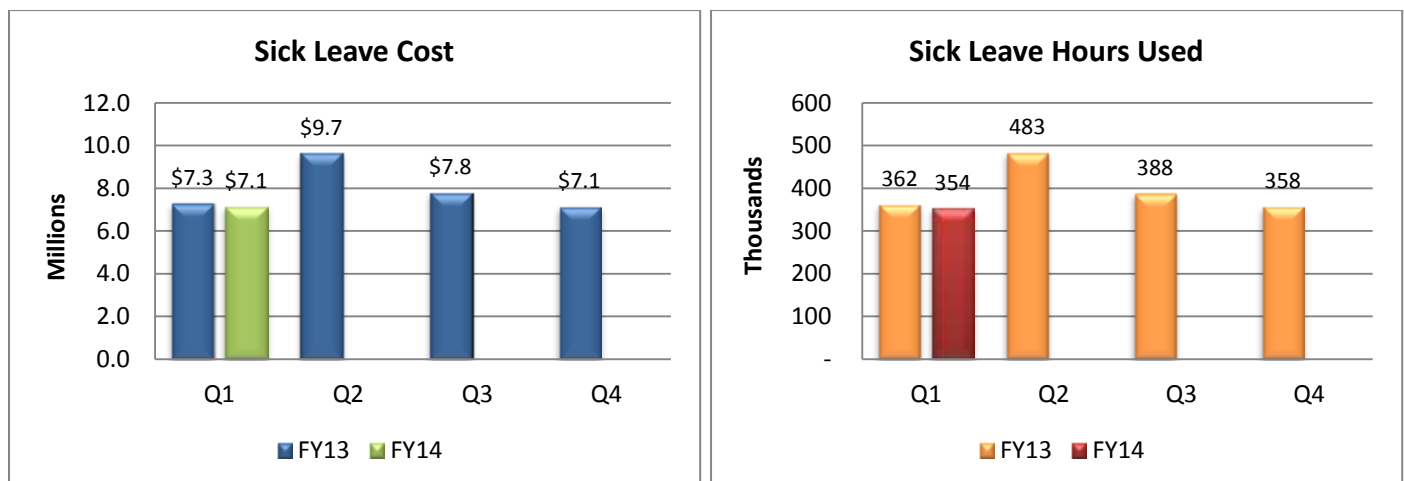


*\*Note: The above graphs account for both overtime accrual and payout at straight time and time and a half*



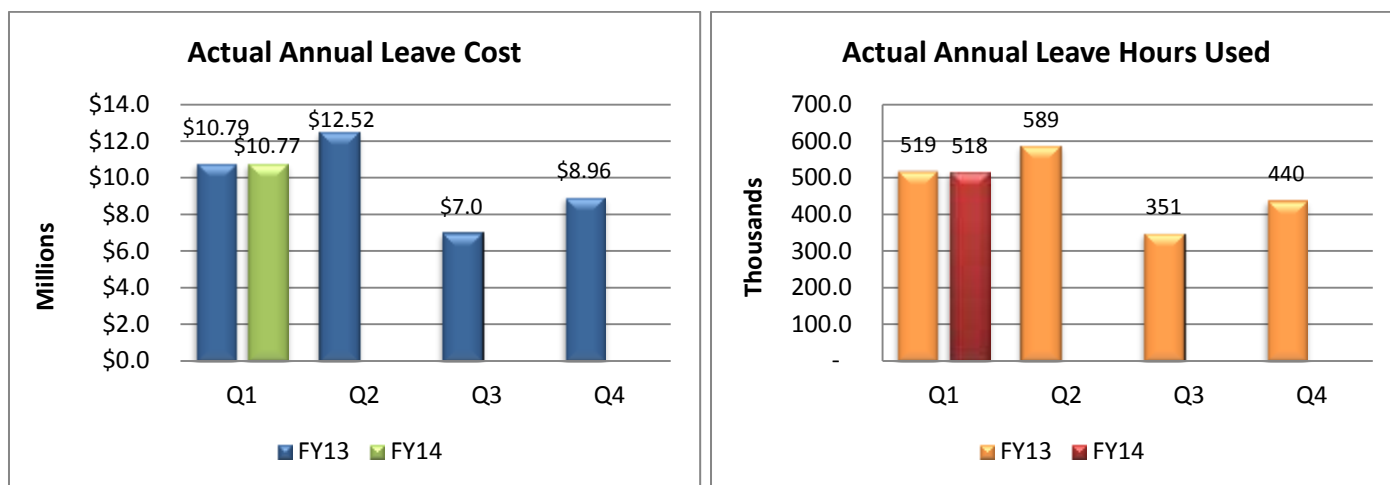
## Sick Leave

Sick leave usage through the 1<sup>st</sup> quarter of FY14 slightly decreased when compared to the 1<sup>st</sup> quarter of FY13.



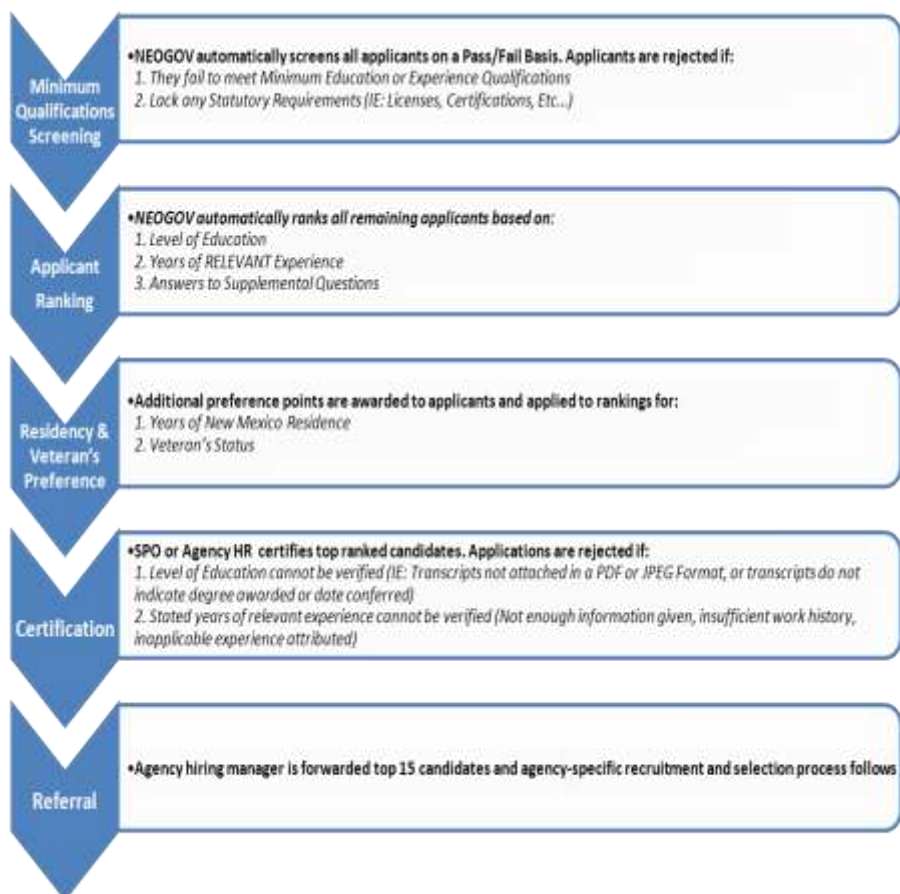
## Annual Leave

The following graphs show annual leave usage through the 1st quarter of FY14 and its associated budgetary impact. During the 1st quarter of FY14 annual leave use was approximately 4.3 days per employee.



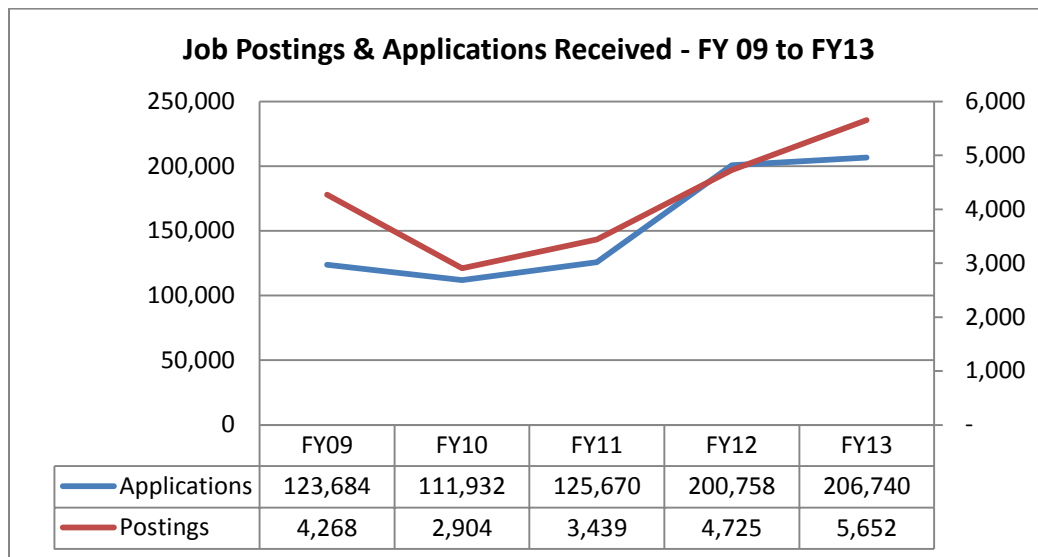
## Classified Service Recruitment Trend

The Career Services primary responsibility is to ensure compliance with the State Personnel Act and the State Personnel Board (SPB) Rules which require the “certification of the highest standing candidates to prospective employers (10-9-13 F.)” Since November 2011, the State Personnel Office (SPO) has utilized the NEOGOV application system for management of recruitment for all classified positions.



All applications for classified positions are now processed, screened and competitively ranked. Specifically, with the approval of the SPB, SPO has reestablished minimum qualifications for all state classifications. This threshold established the minimum education and minimum experience recognized for an applicant to be eligible for the position being advertised. Applicants with more education and experience than the minimum qualification required will rank higher on the employment eligible list under those parameters. Before an employment list is sent to a hiring manager, applications are reviewed to confirm that the information certified by the applicant is correct. This specifically includes verification of transcripts (if an applicant has certified they have an education higher than a High School Diploma or GED) and stated work experience. After this has taken place, the top fifteen (15) applicants are referred to the hiring agency for interview, selection, and

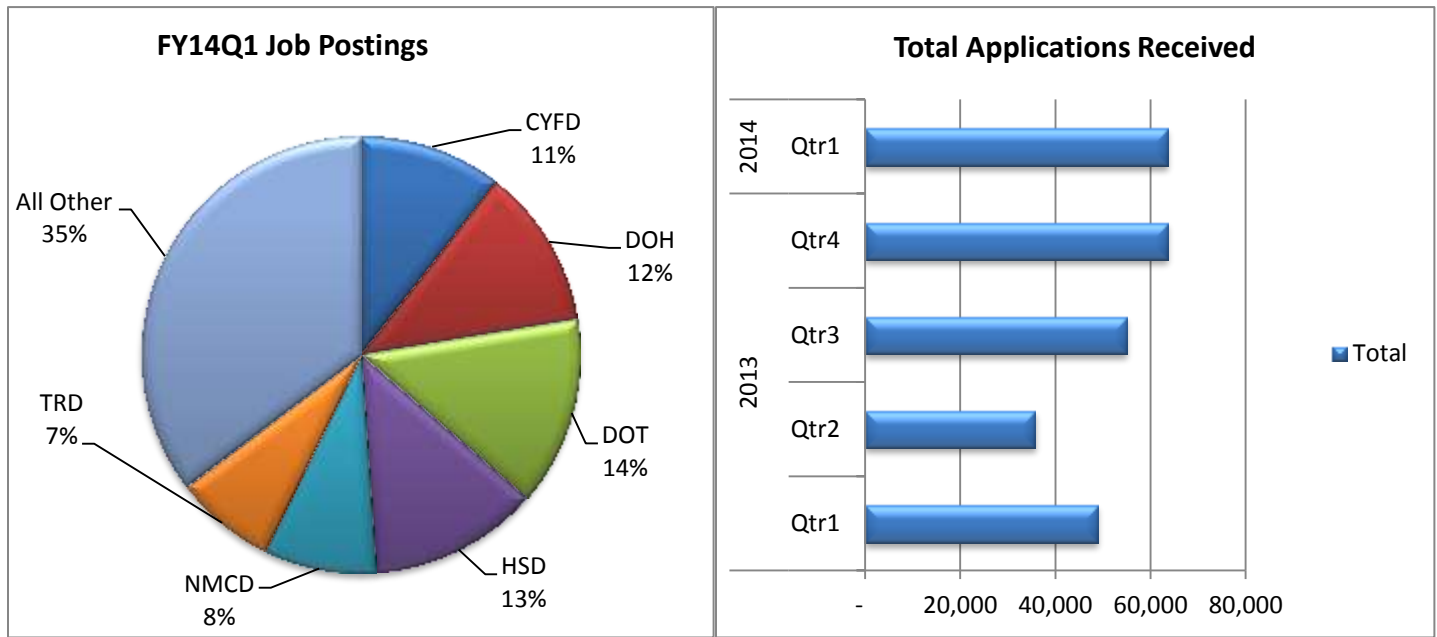
processing. SPO is partnering with Departments to review how “highest standing candidate” is currently defined (level of education and related experience) to determine, on a case by case basis, if more precise criteria can be utilized for particular positions (especially those with the greatest recruitment challenges).



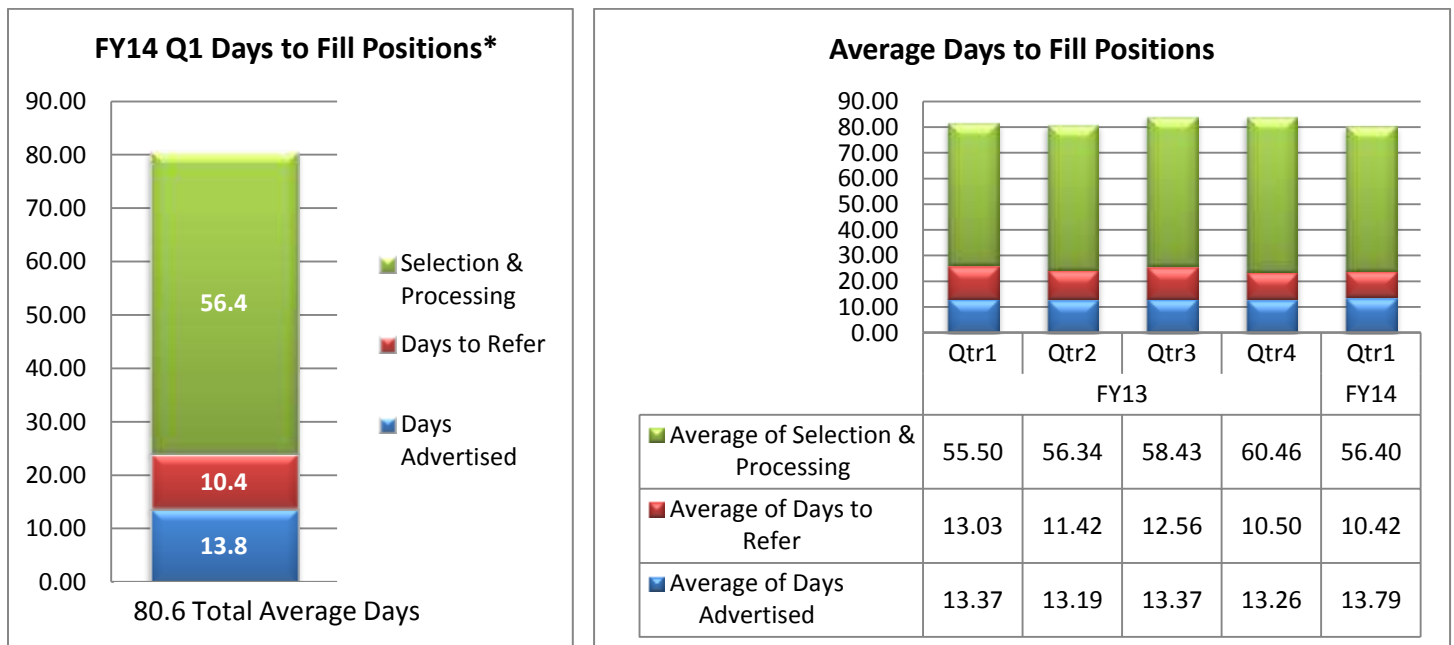
The above graphs illustrate a substantial increase in both the number of positions being advertised and the number of applicants available for consideration. This could not have been achieved without having a dynamic on-line recruitment tool.

### FY14 Q1 - Postings By Department

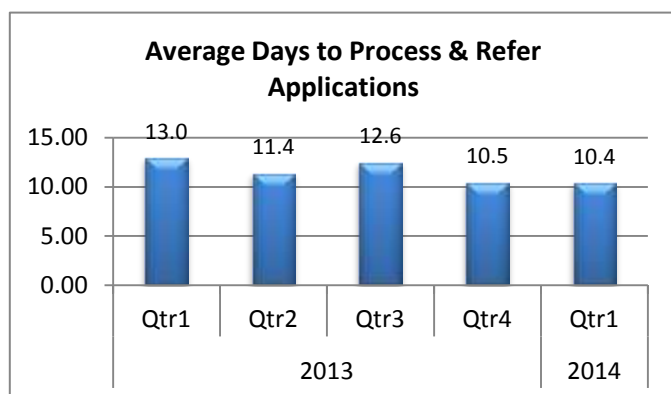
Department	Advertisements	Views	Applications Received
Department of Transportation	210	66,883	4,752
Human Services Department	188	106,406	10,392
Department of Health	178	82,266	6,696
Children, Youth & Families Department	158	87,984	8,315
New Mexico Corrections Department	125	48,692	4,810
Taxation & Revenue Department	112	51,983	5,219
Public Defender	50	21,379	1,623
Department of Game & Fish	47	30,681	2,093
Public Education Department	35	18,379	1,136
Regulation & Licensing Department	32	18,039	1,939
Department of Vocational Rehabilitation	30	18,198	1,936
Energy, Minerals & Natural Resources Department	29	10,654	554
Department of Environment	29	18,570	999
General Services Department	26	12,556	1,135
Department of Cultural Affairs	26	20,422	1,694
Department of Workforce Solutions	21	12,610	1,120
Aging & Long-Term Services Department	21	16,775	1,214
Department of Public Safety	20	11,950	897
State Land Office	16	8,889	659
Office of the State Engineer	15	7,848	516



The number of views each department's job postings receive demonstrates an increased exposure of vacancies and applicant interest in state positions. As can be seen six (6) agencies represent the majority (65%) of all jobs posted in this quarter.



A number of factors impact the average days to fill a position. SPO has been actively working with Departments to decrease the amount of time to review and refer applications; the time has decreased significantly since NEOGOV implementation. During the recruitment process, the time to interview and process a hire (56 days) is the most significant portion of the hiring process. SPO is partnering with Departments to develop interview time frames for hiring managers, to develop feedback mechanisms to provide ongoing information on positions that are pending, and to identify positions/classifications/departments that are posing particular challenges to timely recruitment.



*\*A note on methodology: SPO has re-defined the reporting parameters for the calculation of average Days to fill to more accurately capture those positions that are filled after the 90 day expiration of referred lists. Because of this change the data is not readily comparable to previous quarters. In addition, Continuous postings, those hardest to fill positions which are advertised for more than 30 days are not included as the advertisement timeframe may be misleading.*

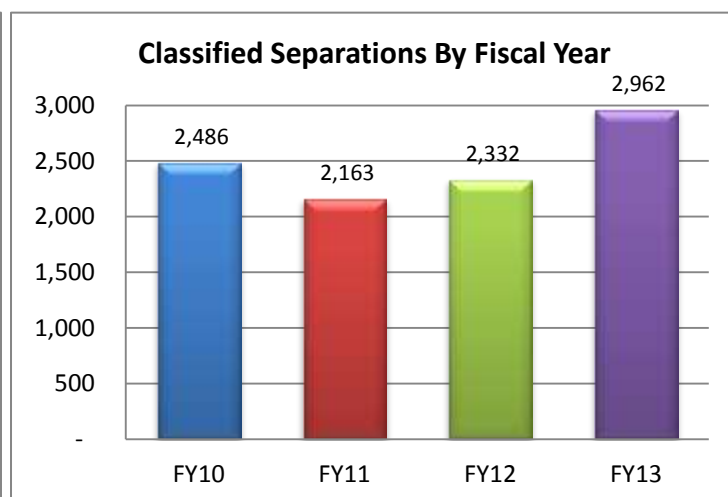
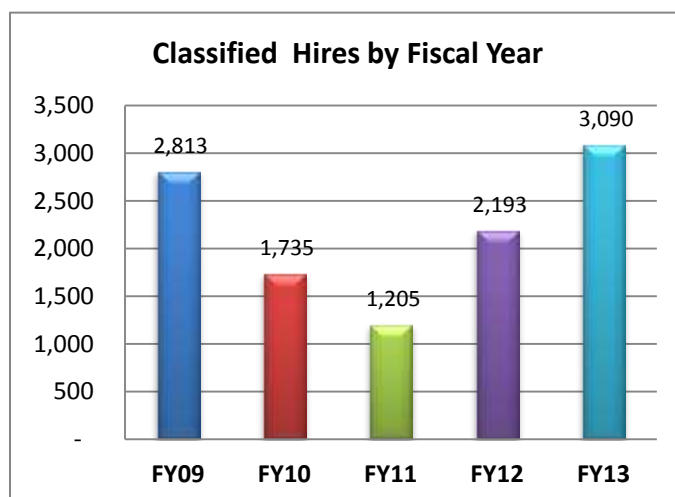
## Classified Service Hires and Terminations

In FY13 over three thousand (3,090) positions in the state's classified service were filled. This is directly attributed to continued efforts to fill and properly classify vacant budgeted positions as the prior administration's ban on filling any positions. This has created a positive impact upon the delivery of services that has shown an improvement of employee morale throughout state government as workloads have diminished.

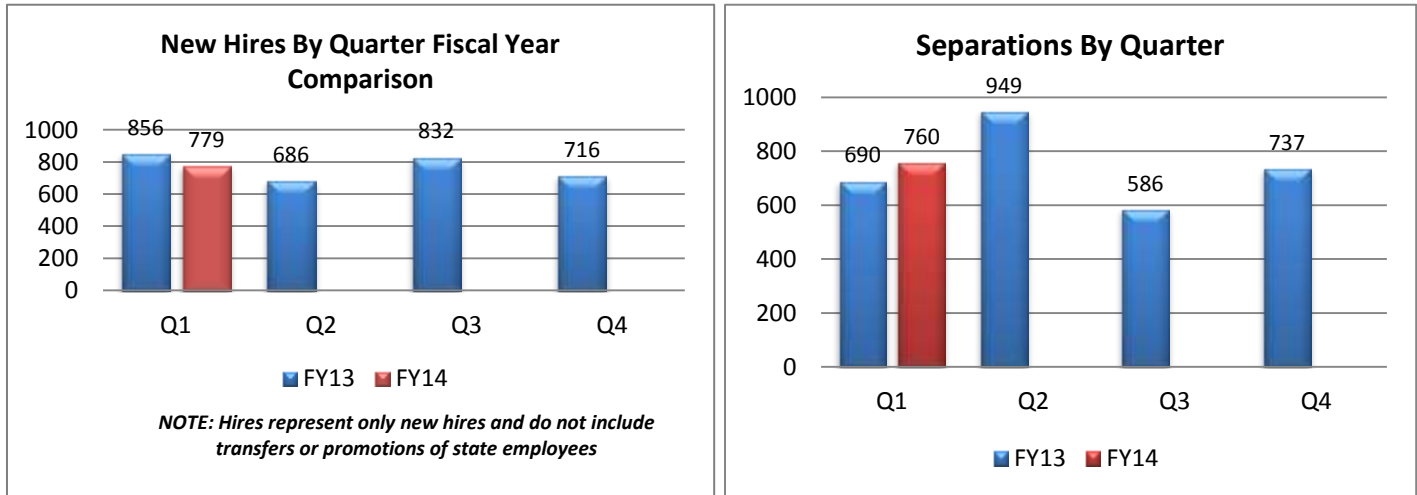
However, the outdated design and non-competitive pay and classification systems continue to impact the State's ability to attract and retain qualified applicants. The data demonstrates a clear interest exists in the State's vacancies. However, when seeing the entry pay level being so low, on average thirty-nine percent (39%) behind market, the number of actual applicants significantly decreases. The actual hire rate is closer to the mid-point of the salary range for the position but that information is not available to the potential applicant when they are strolling through the website. SPO is currently working to remedy this through a comprehensive compensation and classification review to make the pay structure more competitive.

Additionally, the impact and expressed concern by employees to changes in the State's retirement system has increased the egress of employees. So, while the State's hiring activity has dramatically increased since FY11 by one hundred fifty-six percent (156%), this effort just offsets the increased retirements of state employees.

### New Hires by Fiscal Year (FY09-FY13)



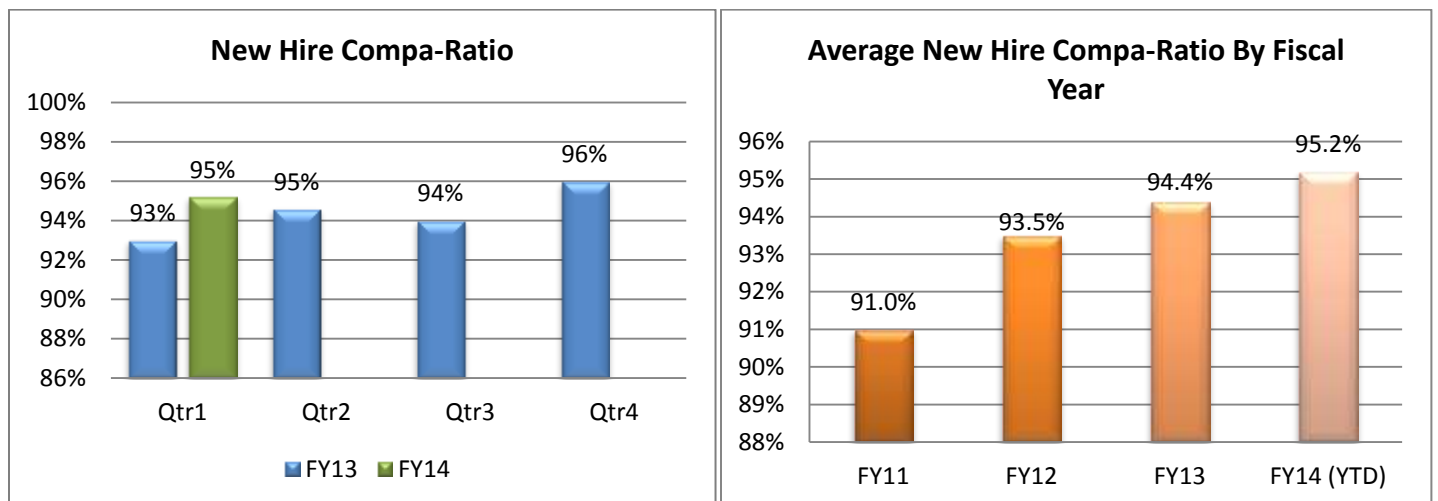
## FY14 New Hires & Separations By Quarter



## New Hire Compa-Ratio

The compa-ratio of newly hired employees in many situations is currently well the above entry-level salaries for vacancies appropriated by the Legislature in past fiscal years. This is a direct result of the prior administration failing to adjust entry rates within the salary plan. This resulted in entry levels of the salary plan lagging far behind market rates forcing departments to hire at rates closer to or in excess of range mid-points in order to attract and compete.

This failure to effectively manage the salary plan is a major contributing factor in employee turnover and difficulty in attracting well-qualified applicants. In concert with the Legislature current appropriated compensation for vacant positions were budgeted in the current fiscal year at mid-point levels rather than obsolete entry levels as had been the practice. As previously expressed this is having a significant impact in the state's ability to attract qualified applicants and retaining tenured employees due to resulting compaction as tenured employees are not progressing through the pay range.



## FY14 – 1<sup>st</sup> Quarter New Hire Compa-Ratio by Pay Band

Pay Band	Average Compa-Ratio	# of Employees
25	0.97	15
30	0.95	31
35	0.98	16
40	1.00	56
45	0.97	64
50	0.86	140
55	0.91	107
60	0.90	110
65	0.95	66
70	1.01	64
75	1.08	56
80	1.04	26
85	1.10	17
90	1.12	5
95	0.98	3
96	1.10	1
97	1.14	2
<b>Grand Total</b>	<b>0.95</b>	<b>779</b>

## New Hire Demographics

Ethnicity	Female	Male	Grand Total	% Per Ethnic Group
American Indian	34	6	40	5%
Asian	7	3	10	1%
African American	7	11	18	2%
Hawaiian	1	2	3	0%
Hispanic	165	168	333	43%
Not Specified	65	63	128	16%
Caucasian	126	121	247	32%
<b>Grand Total</b>	<b>405</b>	<b>374</b>	<b>779</b>	<b>100%</b>
<b>% Per Gender Group</b>	<b>52%</b>	<b>48%</b>		

## FY14 Classified Separations by Reason

Reason	Q1	Q2	Q3	Q4
Accepted New Job (Competitor)	18			
Accepted New Job (Non-Comp)	32			
Attendance	11			
Death	9			
Disability Retirement	14			

Reason	Q1	Q2	Q3	Q4
Discharge	6			
Dissatisfied w/Work Conditions	3			
Dissatisfied with Hours	1			
Dissatisfied with Pay	1			
Dissatisfied with Supervision	2			
Failed Condition of Employment	10			
Family Reasons	5			
Health Reasons	10			
Illness in Family	3			
Insubordination	5			
Lack of Funding	1			
Leave of Absence Expiration	1			
Misconduct	40			
Non Job Connected Medical	7			
Normal Retirement	116			
Other Medical	3			
Personal Reasons	86			
Quit without Notice	22			
Relocation	12			
Reorganization	1			
Resignation	291			
Resignation-Other Position	8			
Return to School	6			
RIF - SPO Board Approved	2			
Unforeseen Circumstances	2			
Unsatisfactory Performance	18			
Vested Retirement	6			
Violation of Rules	8			
<b>Grand Total</b>	<b>760</b>			

### FY14 1<sup>st</sup> Quarter Classified Separations by Agency

Agency	# of Employees
Aging & Long-Term Services Department	4
Children, Youth & Families Department	94
Com for Deaf/Hard of Hearing	1
Commission for the Blind	3

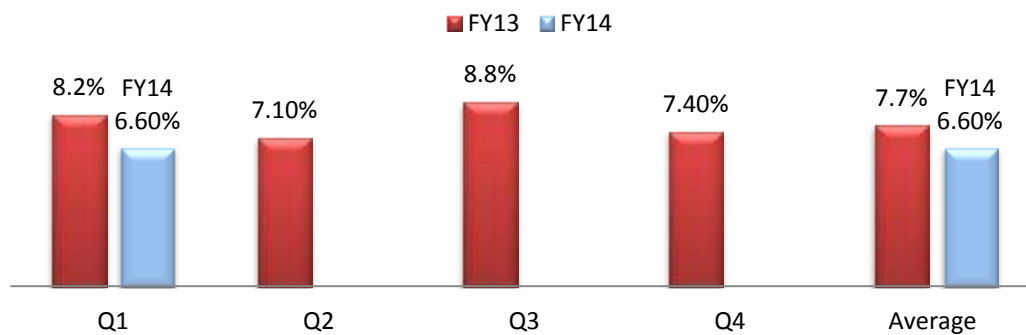


Agency	# of Employees
Crime Victims Reparation Commission	1
Department of Cultural Affairs	10
Department of Environment	11
Department of Finance & Administration	4
Department of Game & Fish	10
Department of Health	182
Department of Public Safety	20
Department of Transportation	80
Department of Veteran Services	1
Department of Workforce Solutions	20
Department of Information Technology	1
Department of Vocational Rehabilitation	9
Developmental Disabilities Planning Commission	3
Economic Development Department	3
Educational Retirement Board	1
Energy, Minerals & Natural Resources Department	11
Gaming Control Board	3
General Services Department	6
Higher Education Department	1
Human Services Department	89
Livestock Board	6
Military Affairs	1
Miners Colfax Medical Center	12
New Mexico Corrections Department	74
Office of the State Engineer	5
Public Defender	18
Public Education Department	18
Public Employee Retirement Association	2
Public Regulation Commission	4
Regulation & Licensing Department	3
Secretary of State	2
State Land Office	7
State Personnel Board	1
Superintendent of Insurance	2
Taxation & Revenue Department	30
Tourism Department	4
Workers Compensation Admin	3
Grand Total	760

## Statewide Classified Turnover Rate

Turnover is attributable to many factors beyond management control such as retirement, transfer and promotional opportunity. The statewide classified employee turnover rate in FY13 declined from 8.8 percent as compared to FY12's rate of 7.9 percent. The table attached reflects classified employee quarterly turnover rates by department. Statewide agency trends in turnover are being tracked and will be closely monitored in FY14. It should be noted that the data has been presented for better analysis by SPO to determine causal effects. However, the lack of determining the actual budgeted positions within each agency is difficult as the actual budgeted FTE by agency is reflected in the State's Appropriation Act. SPO and DFA are actively working with the Legislature to obtain and maintain this data.

### Statewide Turnover Rate



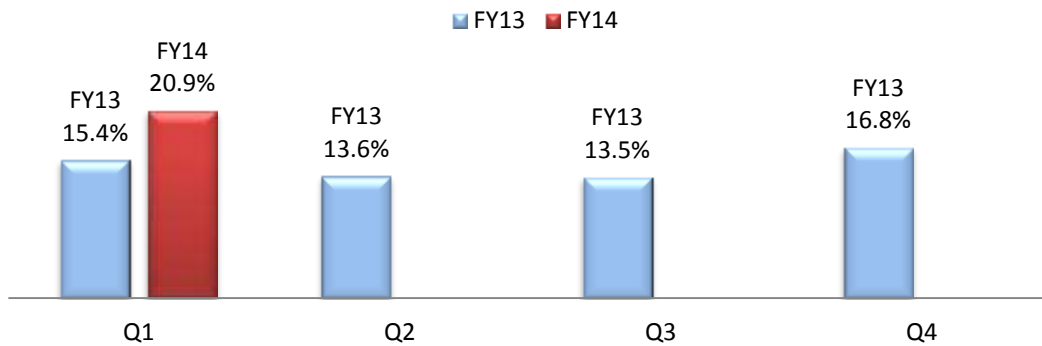
Business Unit	Agency Name	Q1	Q2	Q3	Q4	FY14 Average
30800	State Auditor	0.0%				0.0%
33300	Taxation & Revenue Department	7.3%				7.3%
33700	State Investment Council	0.0%				0.0%
34100	Department of Finance & Administration	16.1%				16.1%
34200	Public School Insurance Authority	0.0%				0.0%
34300	Retiree Health Care Authority	0.0%				0.0%
35000	General Services Department	9.3%				9.3%
35200	Educational Retirement Board	2.1%				2.1%
35500	Public Defender	6.7%				6.7%
36100	Department of Information Technology	4.3%				4.3%
36600	Public Employee Retirement Association	3.3%				3.3%
36900	Commission of Public Records	2.9%				2.9%
37000	Secretary of State	8.2%				8.2%
37800	State Personnel Board	7.5%				7.5%
39400	State Treasurer	4.0%				4.0%
40400	Architect Examiners Board	0.0%				0.0%
41700	Border Development Authority	0.0%				0.0%
41800	Tourism Department	9.3%				9.3%
41900	Economic Development Department	8.8%				8.8%
42000	Regulation & Licensing Department	5.3%				5.3%
43000	Public Regulation Commission	5.1%				5.1%
44000	Superintendent of Insurance	0.0%				0.0%

Business Unit	Agency Name	Q1	Q2	Q3	Q4	FY14 Average
44600	Medical Examiners Board	0.0%				0.0%
44900	Board of Nursing	0.0%				0.0%
46000	EXPO New Mexico	4.2%				4.2%
46400	Prof Engineers & Land Surveyors Board	0.0%				0.0%
46500	Gaming Control Board	22.0%				22.0%
46900	State Racing Commission	18.2%				18.2%
47900	Veterinary Examiners Board	0.0%				0.0%
49500	Spaceport Authority	0.0%				0.0%
50500	Department of Cultural Affairs	4.7%				4.7%
50800	Livestock Board	11.9%				11.9%
51600	Department of Game & Fish	7.5%				7.5%
52100	Energy, Minerals & Natural Resources Department	32.0%				32.0%
52200	Youth Conservation Corps	0.0%				0.0%
53900	State Land Office	12.1%				12.1%
55000	Office of the State Engineer	6.0%				6.0%
60300	Office of African American Affairs	25.0%				25.0%
60400	Com for Deaf/Hard of Hearing	8.3%				8.3%
60600	Commission for the Blind	6.7%				6.7%
60900	Department of Indian Affairs	0.0%				0.0%
62400	Aging & Long-Term Services Department	2.4%				2.4%
63000	Human Services Department	9.0%				9.0%
63100	Department of Workforce Solutions	7.6%				7.6%
63200	Workers Compensation Admin	6.8%				6.8%
64400	Department of Vocational Rehabilitation	5.6%				5.6%
64500	Governor's Comm. on Disability	0.0%				0.0%
64700	Developmental Disabilities Planning Commission	44.4%				44.4%
66200	Miners Colfax Medical Center	16.4%				16.4%
66500	Department of Health	8.3%				8.3%
66700	Department of Environment	5.7%				5.7%
66800	Office of Natural Resource Trustee	0.0%				0.0%
67000	Department of Veteran Services	6.1%				6.1%
69000	Children, Youth & Families Department	7.2%				7.2%
70500	Military Affairs	1.0%				1.0%
76000	Adult Parole Board	0.0%				0.0%
77000	New Mexico Corrections Department	7.4%				7.4%
78000	Crime Victims Reparation Commission	6.7%				6.7%
79000	Department of Public Safety	6.5%				6.5%
79500	Homeland Security & Emergency Management	0.0%				0.0%
80500	Department of Transportation	7.4%				7.4%
92400	Public Education Department	10.5%				10.5%
94900	NM Education Trust Board	0.0%				0.0%
95000	Higher Education Department	2.9%				2.9%
		6.6%				

# Vacancy Rates

While it is certain that vacancies need to be filled and tracked it is difficult to ascertain what positions are budgeted vs. GAA authorized. Due to funding restrictions not all of the authorized FTEs in HB2 are budgeted to be filled. This creates confusion and makes it complicated to discern what the actual vacancy rates are for each agency. Departments are diligently working to reduce actual vacancy rates as can be evidenced in the following which speaks to all departments/agencies.

## Statewide Vacancy Rate



## Quarterly Vacancy Rates for the 20 Key Agencies

Business Unit	Agency	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
21800	Administrative Office of the Courts	12.6			
23200	2nd Judicial District Court	12.1			
24400	Bernalillo Metropolitan Court	11.0			
33300	Taxation & Revenue Dept.	28.3			
35000	General Services Dept.	29.2			
35500	Public Defender	12.4			
42000	Regulation & Licensing Dept.	23.0			
50500	Department of Cultural Affairs	18.4			
52100	Energy, Minerals & Natural Resources Department	41.5			
55000	Office of the State Engineer	13.8			
63000	Human Services Department.	17.2			
63100	Department of Workforce Solutions	21.5			
64400	Department. of Vocational Rehabilitation	25.9			
66500	Department of Health	15.2			
66700	Department of Environment	17.4			
69000	Children, Youth & Families Department	15.0			
77000	New Mexico Corrections Department	23.1			
79000	Department of Public Safety	17.7			
80500	Department of Transportation	14.0			
92400	Public Education Department	26.3			
State Wide Vacancy Rate		20.9%			

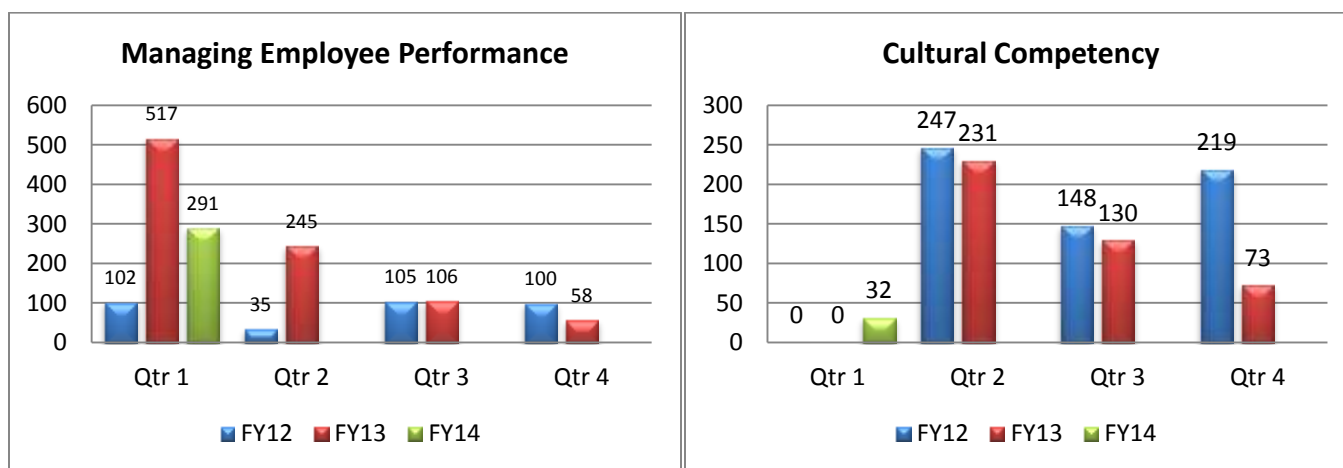
# Training

The Training and Development Bureau (TDB) mission, ‘to develop great leaders for great government in support of the agencies we serve’ continues to direct the provision of statewide guidance and oversight for centralized leadership development and organizational learning. The mission is in alignment with the State Personnel Office strategic plan and Governor Susana Martinez’s initiative to provide a statewide government learning system. The SPO TDB commitment is to develop leaders dedicated to public service through learning that measurably transforms individual and organizations.

## Instructor – Led Core Curriculum Classes

The TDB will expand the design and delivery of practitioner – oriented professional development statewide instructor – led and ELearning mandatory and statutory course blocks:

1. **Managing Employee Performance (MEP):** The MEP is mandated by the State Personnel Board Rules – Subsection A of 1.7.9.9 NMAC. The curriculum uses the foundation of theory and applies it to practical problems facing the manager, their agency/department, and the State in supporting teams, projects, accountability and collaboration.
2. **Cultural Competency:** Pursuant to the State-Tribal Collaboration Act (STCA), the State Personnel Office in collaboration with the Indian Affairs Department (IAD) developed a cultural competency mandatory training program to be offered to all state employees who have ongoing communication with Native American nations, tribes, or pueblos. In collaboration with IAD, the Training Bureau has revised the course material and provided key guidance in new efforts to fulfill the aims of the STCA: this year we plan to work closer with Tribal Liaisons to ensure that the employees within their agencies who need this training are identified and registered, and we are in the process of creating a training in concert with DPS to create an unprecedented custom training for their officers for deployment next quarter.



## ELearning Mandatory Classes

1. **Ethics for New Mexico State Government Employees:** Ethics Training helps state employees understand and be held accountable for the Code of Ethical Conduct issued by Governor Martinez’s office, thereby increasing efficiency and efficacy of New Mexico State government. The online Ethics Training for State employees is a collaborative project with SPO Training and Development Bureau, the Training and Governance Council, and the New Mexico State University College of Business. Ethics is scheduled for deployment in Q2 FY 2014
2. **Civil Rights:** The Civil Rights course strives to make public servants aware of the ethical standards and social responsibility necessary to act humanely and responsively in an intergovernmental system. The Civil Rights

Training has been made available to all new employees in concert with agency hires; agencies are responsible for delivering this training to new employees within 90 days of hire.

- Number of new employees who were enrolled in and completed the Civil Rights Training in FY14 1<sup>st</sup> Quarter: 191

All eLearning courses are available through an institutional learning management system (LMS) from Blackboard. SPO Blackboard allows state employees to access course materials and conduct course activities anywhere and anytime they can access World-Wide Web.

## Additional Training

1. **SHARE HCM training:** The TDB manages the training offered to state employees who are either new or current users of the SHARE system. A Subject Matter Experts (SME) conducts the SHARE HCM training.

State employees trained in SHARE HCM / Q1 FY14: 26

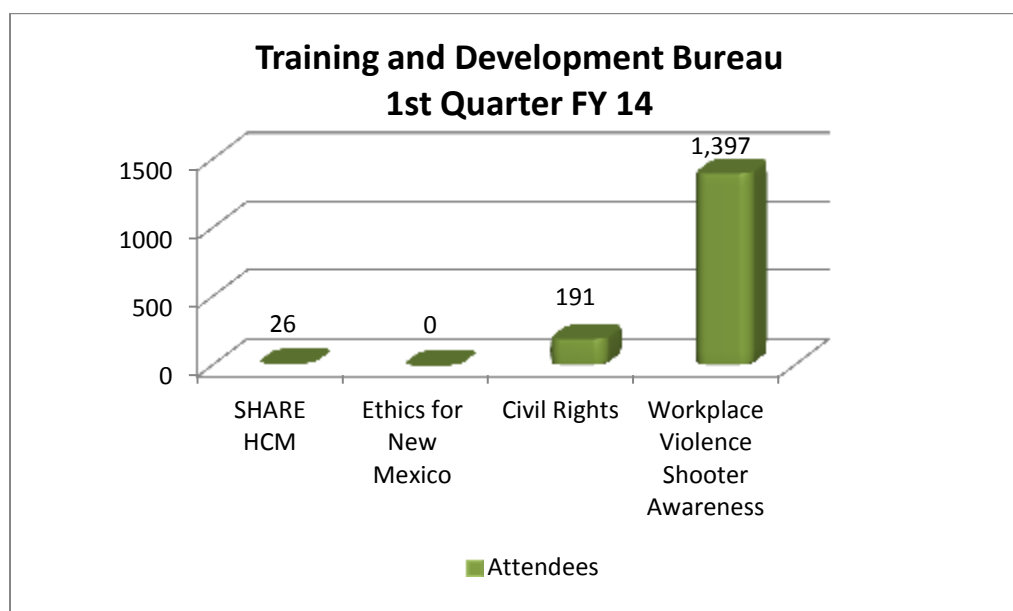
2. **Workplace Violence Active Shooter Awareness Training:** SPO, in collaboration with the Department of Public Safety, Department of Homeland Security and Emergency Management and General Services Division deployed a pilot program for Workplace Violence Active Shooter Awareness Training, May 22<sup>nd</sup>, 2013. The intent of this course is to provide guidance to recognize the signs of potential work place violence and to prepare state employees who may be caught in an active shooter situation.

3. **DISCIPLINE & ADJUDICATION training:** The TDB is working closely with Subject Matter Experts (SME's) to redesign the Discipline and Adjudication Training. Faculty includes only instructors with an area of expertise in NMAC Discipline and NMAC Adjudication; NMSA 1978; NM Governmental Dispute Prevention Resolution Statute; and Alternative Dispute Resolution. The instructors will also be familiar with all forms and pleadings included in the processes. Training will resume monthly in January, 2014.

State employees trained in Workplace Violence Active Shooter / Q1 FY14: 1,397

Scheduling of all available training is located on the SPO Training and Development Bureau web page - [http://www.spo.state.nm.us/Education\\_Training.aspx](http://www.spo.state.nm.us/Education_Training.aspx)

Registration of all training is managed by the SPO Training and Development Bureau.



**SUCCESSION MANAGEMENT INITIATIVE:** New Mexico State Personnel Office (SPO) is preparing to launch Accelerate Performance Excellence (APEX), a scalable and multi-phased succession management initiative designed to improve the performance of state agencies, via a targeted expansion of strategic workforce development and fact-driven management.

It aims to address the looming need for leadership and organizational development in state agencies. At present, the forecast and assessment of present and future personnel management concerns for State Agencies is the following:

- An expected 40% retirement-eligibility rate in the next two years resulting in the unexpected loss of key leaders and considerable costs of succession
- A loss of talent due to 40% of employees leaving State Government jobs within 5 years of service
- A classified turnover rate of 11.6% resulting in over \$99 million in costs; a portion of which is because of leadership concerns and needs

The APEX initiative framework is based on Governor Martinez's Executive Order 2013-003 "to create and sustain a performance excellence culture" and focuses on seven criteria for success:

1. Leadership
2. Strategic Planning
3. Stakeholder Focus
4. Evaluation Measures
5. Staff Focus
6. Process Management
7. Results

Other promising results of APEX will be:

- Development of a structured system of methodologies that include leadership, education and development (LEAD-NM) ensuring promotions are matched by effective training and development.<sup>1</sup>
- Increased exposure of motivated managers of various agencies to each other through their participation in LEAD-NM, resulting in added coordination of efforts cross-agency
- Creation of a statewide culture of execution.

The APEX MVD 6-month Pilot Program has been successfully deployed. The program focuses on tangible, practical improvements and validated best practices in management that reinforce theory about leadership effectiveness and high-performance. Twenty seven participants will present a Capstone project at graduation in December.

SPO Training and Development Bureau also launched a pilot program to General Services Department. Twelve senior leaders participated in the United States Office of Personal Management OPM 360. Each participant receives one-on-one executive coaching. Phase II will include several outdoor leadership challenges designed to reinforce elements of the 360 aggregate feedback report.

**The Leadership Lecture Series** is a monthly presentation by leaders embedded within state government. SPO requests that speakers address the leadership principles and experiences (both positive and negative) that they have found most valuable throughout their careers; especially leadership lessons that are transferable. Specifically, opportunities to learn about what great leaders do: leading from vision, values and strategy. What resonates in particular are how the speakers started out, what they learned or did later in their career that they wish they had done earlier, and the like. The program is often a 30-45 minute talk followed by a question-and-answer session. Cabinet Secretary Tom Church presented his 'leadership story' this quarter. The target audience is supervisors/managers.

<sup>1</sup> Please see Attachment A: LEAD-NM GENERAL APPROACH

# Adjudication

In compliance with the Personnel Act SPO's Adjudication Division is responsible for conducting evidentiary hearings on appeals filed by classified state employees who have completed their probationary period against whom formal disciplinary action (suspension, demotion or dismissal) has been taken. Following pre-hearing discovery and exchange of information, the Administrative Law Judge (ALJ) conducts an administrative hearing at which the state agency taking disciplinary action and the affected employee present evidence and arguments related to the disciplinary action. A majority of hearings are now conducted using video conferencing. Following the hearing, the ALJ prepares a written Recommended Decision for consideration and final decision by the State Personnel Board (SPB).

Although the District Attorney's Association and the Department of Public Safety have their own personnel boards, employees of those agencies (excluding State Police Officers) often select the SPB to decide their appeals. Additionally, the SPB is charged with making findings on complaints filed against Workers' Compensation Judges and forwarding its finding to the Director of the Workers' Compensation Administration. The Adjudication Division conducts evidentiary hearings for the SPB for that purpose as well.

If a classified state employee is "separated" from their job as a result of injury or illness (on or off the job), the employee has the right to file an appeal and have a hearing on the issue of whether the employee was properly separated from employment.

State classified employees covered by a collective bargaining agreement (CBA) have the option of choosing an outside arbitrator to decide their appeals of disciplinary action. All requests for arbitration are provided to the SPO's Labor and Training Division receive and provides notice to the employee, employer and union of the request for arbitration.

This 1st quarter the Adjudication Bureau received a total of 13 appeals of disciplinary actions. This is a below average number of appeals (compared to the norm) for one quarter. 17 appeals reached final disposition through State Personnel Board decisions, settlement, or dismissal.

The ALJ continues to rely primarily on videoconferencing to conduct hearings outside Santa Fe, although requests for alternative arrangements are considered on a case-by-case basis. The agency taking disciplinary action is typically directed to arrange videoconferencing between its Santa Fe office and the field office involved in taking disciplinary action. The ALJ conducts the hearing from Santa Fe, while the attorneys (and/or representatives) and witnesses typically appear at the remote location. The Adjudication Bureau has a relatively new hearing room (equipped with custom furniture) located at the SPO Office in Santa Fe, but the hearing room lacks videoconferencing capability.

Status	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
<b>SPO New Cases Filed 2013</b>	13			
<b>ADR Request (Assigned)</b>	0			
<b>ADR Resolved (Appeals)</b>	0			
<b>Pending</b>	109			
<b>Cases Carried Over</b>	113			
<b>Total Case Disposition</b>	17			
<b>Disposition by Decision</b>	8			
<b>Disposition Other (Dismissal, etc.)</b>	9			

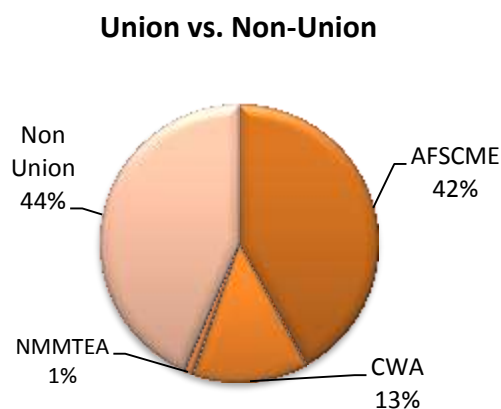
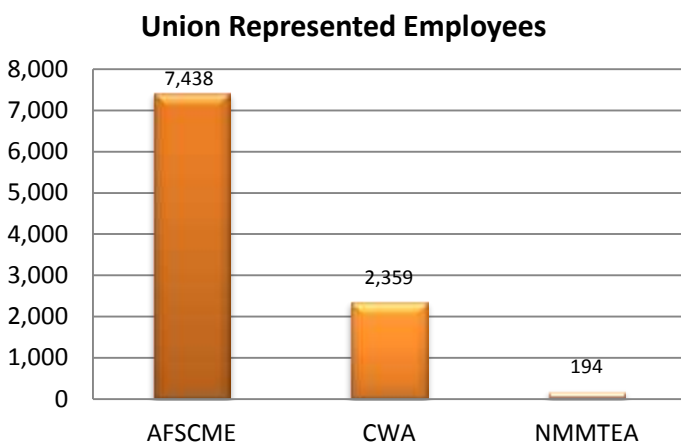


# Labor Relations

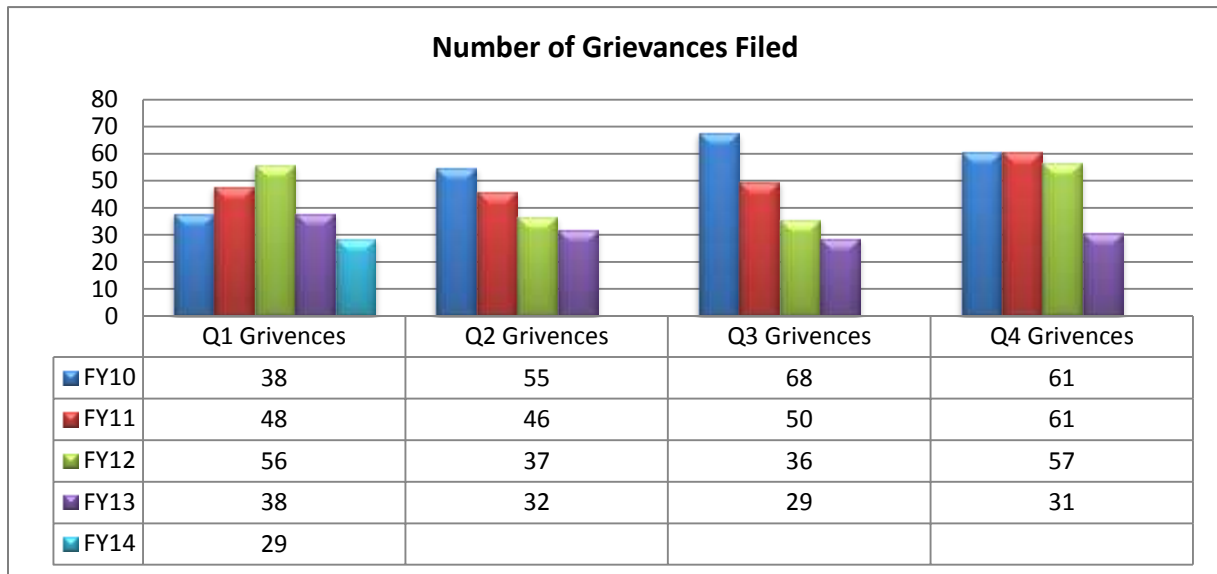
The primary initiative of the Labor Relations Bureau (LRB) is to ensure proper guidance, training and oversight for all state agencies. The LRB exists to govern the principles behind the New Mexico Public Employees Bargaining Act (PEBA), which guarantees state employees' rights to organize and bargain collectively, or to refrain from such activity, and upholds the State Personal Board Rules (SPB Rules) that provide protected rights to state employees. As the Governor's designee, the LRB has the authority to negotiate and enforce a CBA with the union and ensure its proper administration.

The Labor Relations Bureau has many unique and distinctive features which provide invaluable services to state agencies, employees and unions through its functions of contract administration and training. The main objective of the LRB is to act as the labor contract administrator for the State of New Mexico, working actively with state agencies and signatory unions in administering the CBAs that benefit the State and its unionized workforce. In this capacity, the Bureau works closely with various state agencies to ensure consistent application of the CBAs and that they are properly administered in the spirit in which they were negotiated. The Bureau promotes a harmonious and cooperative relationship between state agencies and labor organizations, protecting the public interest by ensuring an orderly operation for the State. The LRB works directly with the three unions which currently represent 52% of classified service employees within the State: New Mexico Motor Transportation Employee Association (NMMTEA), Communication Workers of America (CWA), and American Federation of State, County and Municipal Employees (AFSCME).

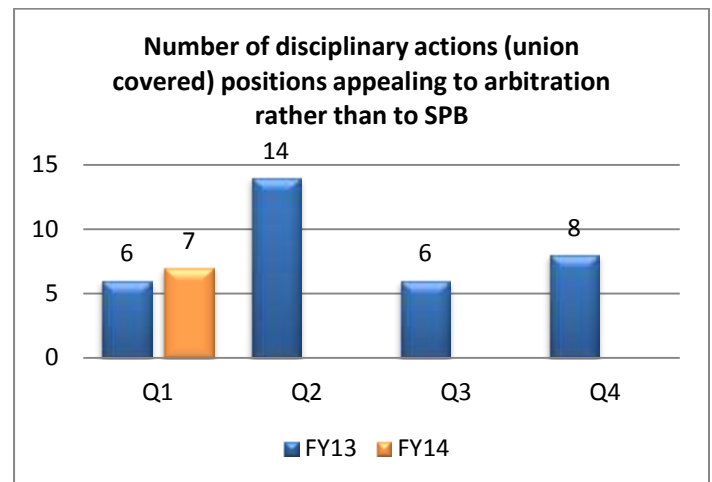
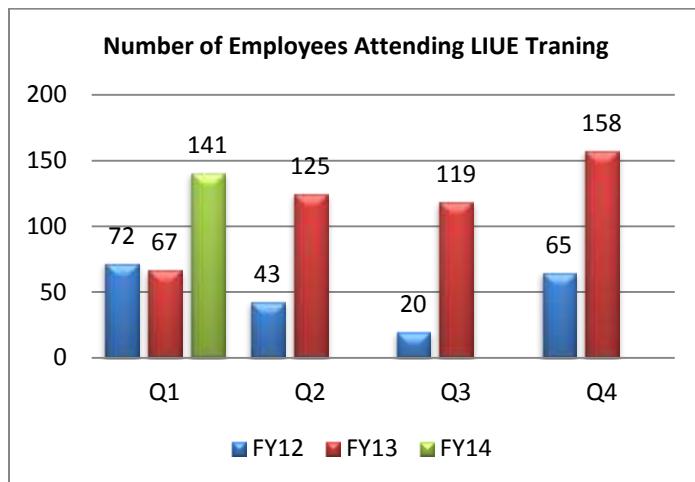
## Union Represented vs. Non Union



A total of 29 grievances were filed during this quarter, 22 by AFSCME and 7 by CWA. Out of the total filed, 8 were settled, 9 timed out, the union withdrew 1 and the remaining 11 are continuing through the grievance process. There was zero (0) Prohibited Practice Complaints filed during this quarter. There were 7 disciplinary appeals before an arbitrator invoked by a bargaining unit employee and/or their union representative during the 1st quarter of FY14, all 7 by AFSCME.



The LRB continues to support state supervisors and managers by facilitating labor related training. This quarter the LRB conducted 4 Living in a Union Environment trainings. A total of 141 managers and supervisors attended these classes in Santa Fe, and Roswell.



This quarter the State of New Mexico continued contract negotiations with the three unions that represent state employees. The LRB is intimately involved with the negotiation process which includes negotiating hours, wages and working conditions.

