

## **Innovative State Human Resource Management Program**

Program Title: **Performance Management Initiative** State: **Wyoming**

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### **Program Summary**

The Wyoming State Human Resources Division (HRD) initiated a collaborative Performance Management Initiative to totally revamp the state's Employee Appraisal System by the end of calendar year 2011. The process began in April 2011 involving approximately 70 representatives from state agencies, agency administrators, state legislators and the employee association. Team members worked through the summer collaboratively in six distinct committees (Focus Group, Design Team, Performance Recognition Team, Communications Team, Training Team and the Policy Advisory Group) to develop a performance management program, design the system, develop training, train 2000 state supervisors, and implement the new system by December 31, 2011.

Through intense four-hour twice weekly meetings each of the teams brainstormed, discussed research findings, and engaged in animated debate as they formulated the various components and collaboratively crafted a new dynamic program. This program meets the requirements set by the governor, to increase supervisor accountability and remain consistent with the state's compensation philosophy. Team members created core competencies, a new five point rating scale, developed on-line forms, seven training modules, tested the online system, and implemented a distance learning distribution format. New rules were drafted, and information was communicated to all stakeholders and state employees through a variety of media.

**1 Please provide a brief description of this program.** This completely new program combines the use of cascading SMART goals, Core Behavioral Competencies and Workplace Standards to provide the basis of the employee/supervisor relationship. Through the use of the

cascading SMART goals the program now more closely ties the goals of the individual employees to the mission and vision of the State and its agencies. There are five (5) core behavioral competencies for employees with five (5) target ranges of performance for each of these competencies which provides supervisors with more resources for setting expectations. Two additional competencies and accountability for conducting employee performance evaluations have been added to the supervisory evaluation process. Additional emphasis has been placed on year round coaching of subordinates, a mid-term review and the new five (5) level rating scale. Changing from a three (3) point scale provides a broader range of placement options for evaluators to rate their employees along with clearer definitions of each of the ratings.

**2. How long has this program been operational?** Training launched on October 20, 2011.

**3. Why was this program created?** Starting in 1989, Wyoming State Statutes required an annual review of employee performance. Completion and submission of performance appraisals by agencies was inconsistent. With approximately 8,595 state employees working full or part time for the Executive branch in 2010, there were only 6708 (78.04%) appraisals submitted. Of those appraisals only 33 were rated in the lowest or “needs improvement” category of the three point rating scale. Though there are many very hard working employees in our state this number did not seem realistic. Which lead to a discussion of supervisor accountability for using the system correctly.

In 2010, the Governor voiced concerns about the appraisal system including the need for more accountability in the system, the low rate of appraisals being completed and submitted to HRD; as well as the inability of the then current system to adequately identify the top 10 percent of State employees. The Legislature’s Joint Appropriations Committee reiterated the Governor’s concerns when the matter went before it in early 2011. The Governor and the Legislature directed HRD to

revamp the entire Employee Appraisal system prior to the budget session commencing in the beginning of 2012. The Legislature indicated HRD should have the new system in place before any additional discussions on merit pay could take place.

**4. Why is this program a new and creative method?** Within a short, nine month period HRD and a collaborative group of stakeholders, developed the new Performance Management program. The program meets legislative requirements, Governor's expectations and meshes with the State's Compensation philosophy, and it was developed and implemented within an unprecedented timeframe of nine months. It was crafted in-house uniquely for Wyoming. It adds supervisory accountability and a more robust content of SMART goals and competencies for employees. The new program replaces a paper driven system with a totally on-line program. Face-to-face training has been changed to online training in a distance learning distribution format. HRD staff facilitated all planning meetings, and the project was completed with internal expertise and knowledge. Existing budget funds were used to successfully complete the project. Transparency and inclusiveness of the entire process were a constant concern. In order to meet this concern the project included providing up-to-date public postings of each team's meeting minutes on the HRD website. Teams shared research and drafts through Google docs. Employees and the public were informed of the process and progress through various media including the HRD website, a separate PMI website, and Facebook updates. For information on the program see the following website: [www.wyoming.gov/loc/06012011\\_1/employees/PerformanceInitiative/pages/default.aspx](http://www.wyoming.gov/loc/06012011_1/employees/PerformanceInitiative/pages/default.aspx)

**5. What was the program's start up costs?** The start-up costs were absorbed through the regular HRD program budget. No additional funds were requested.

**6. What are the program's operational costs?** Program development and initial supervisor training costs were absorbed through the regular division budget. A nationally recognized online evaluation system was selected through an RFP process at the cost of \$110,906.64 per year with the

stated goal of costing approximately \$10 per state employee per year. The seven module online training program was developed in collaboration with the local Community College. The initial training cost of \$4.00 per supervisor per completed training was \$7,520 for the 1,880 supervisors trained through December 2011.

**7. How is this program funded?** Ongoing operational costs for this program are funded through state agency budgets.

**8. Did this program originate in your state?** Most states have some form of performance review systems. Team members researched many of those in order to learn what worked best from those entities. However, each component of the Wyoming program is styled uniquely to conform to the State of Wyoming's mission, vision, values, and the needs and requirements of a constantly changing work force.

**9. Are you aware of similar programs in other states? If yes, how does this program differ?**

To our knowledge, other states have never successfully developed and implemented a new performance evaluation program less than one year, yet alone nine months. This is especially important considering the time involved in using a collaborative approach. Wyoming State A&I – HRD worked in partnership with the local community college to produce seven online training modules for supervisor training within a (six) 6 week window. Numerous other challenges involved reaching supervisors in many of the remote areas of Wyoming and using technology to address some of the more computer inaccessible jobs and locations. The on-line video distance learning platform used a Learning Management System (LMS) to provide reporting data on which supervisors started, finished and on what dates, as well as for follow-up metrics and program evaluation purposes. All of this information was provided to the Governor's office to keep them apprised of the progress being made by the agencies.

## **10. How do you measure the success of this program?**

a) The HRD administrator was adamant that all training would be distance training on-line and not face-to-face. . The number of supervisors trained on line is unprecedented in the State. In ten (10) weeks 1,880 supervisors of 1,993 (94.33%) supervisors throughout the State of Wyoming completed all 7 training modules, 1 ½ hours of training, required.

b) By the first of 2012, an astounding number of supervisors had completed entire three steps of the planning phase. This included meeting with each of their employees to establish individual Goals, explaining the Competency Target Ranges and Work place standards as well as giving the employee the opportunity to review and make written comments. Of the 8,595 State employees mandated to participate, 7,059 (82.13%) had participated in the above planning, with at least 8076 (93.96%) having completed contact with the employee on setting their goals.

c) The accountability and reporting feature to the Governor and the agencies provides a transparency. HRD is able to provide up-to-the-minute reporting on where each individual is in the process by agency or more global reports as well.

## **11. How has the program grown and/or changed since its inception?**

- HRD has added a streamlined form and timeline for the evaluation of at-will employees which includes division administrators, managers, deputy directors and some highly technical, specialized employees.
- Through administrative rule changes HRD is modifying the way supervisors deal with poor performing employees. The new process will assure employees have clear and realistic expectations for improving performance in a timely manner or are moved through the disciplinary process expediently.
- HRD plans to roll out part of the functionality and administrative rights to the on-line evaluation system to the agency human resource professionals this summer as soon as the vendor provides this capability.

- HRD continues to add fresh tools and content for employees and supervisors to the website to assist them in understanding and perfecting their use of the processes and the program.