



2023

HR ARCHITECTURE SURVEY

ABOUT NASPE

The National Association of State Personnel Executives (NASPE), a non-profit organization, was established in 1977 to enhance communication and the exchange of information among personnel executives across the country.

NASPE's mission is to provide a collaborative forum for State HR leaders to share effective leading practices.

NASPE is an affiliate organization of The Council of State Governments (CSG).

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- Does your central HRM agency have a view of consolidated HR reporting?
- Describe where your central HRM agency falls on the following business intelligence and analytics capability continuum.
- To what extent does your central HRM agency use HR data to drive decision making in the following area?
 - Labor Cost Optimization
 - Retention
 - Succession Planning
 - Recruiting
 - Safety
 - Training & Development
 - Workforce Planning

09. SHARED SERVICES 39

- Choose the category that best describes how responsibility is divided for the following HR operations in your state.
 - Classification
 - Compensation
 - EAP
 - Employee Benefits (administration)
 - Employee Relations
 - Employment of Temporary Employees
 - Flexible Benefits
 - Health Insurance
 - Labor Relations
 - Onboarding
 - Payroll
 - Recruitment
 - Retirement
 - Safety
 - Testing (formal merit system testing)
 - Unemployment Insurance
 - Wellness
 - Workers Compensation
 - Workforce Planning

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- Has your state HR implemented any of the following restructuring initiatives and describe these major initiatives?
- Is your state planning or considering any of the following restructuring initiatives for HR services within the next two years and describe these major initiatives?
- Please provide a link to any passed legislation pertaining to shared services, consolidation or other organization restructuring.
- Is your state consolidated in any other administrative services?
- Is your state planning or considering consolidation in the other administrative services?
- Please share any other information that may be relevant to your state's HR architecture.

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INTRODUCTION

The NASPE HR Architecture Survey provides an overview of structure of state human resource management agencies along with past and future plans for restructuring those agencies. The central human resources agency in each state was invited to take the survey. Out of 50 potential state respondents, the survey received 34 responses, an 68 percent response rate.

Participants

- | | |
|----------------|--------------------|
| 1. Alabama | 18. Mississippi |
| 2. Alaska | 19. Missouri |
| 3. Arkansas | 20. Montana |
| 4. California | 21. Nebraska |
| 5. Colorado | 22. New Jersey |
| 6. Connecticut | 23. New Mexico |
| 7. Delaware | 24. North Carolina |
| 8. Hawaii | 25. North Dakota |
| 9. Idaho | 26. Ohio |
| 10. Illinois | 27. Oregon |
| 11. Indiana | 28. Pennsylvania |
| 12. Iowa | 29. South Carolina |
| 13. Kentucky | 30. Tennessee |
| 14. Louisiana | 31. Vermont |
| 15. Maine | 32. Washington |
| 16. Michigan | 33. West Virginia |
| 17. Minnesota | 34. Wisconsin |

EXECUTIVE SUMMARY

The following is a general overview of the structure of state human resource management agencies and the plans for restructuring those agencies. The central human resource agency in each state was invited to take the survey and out of those 50 states, 34 state responded, giving a response rate of 68 percent.

Authority

Out of the 34 respondents, 97 percent of them reported having authority over the executive branch. The least represented are the judicial branch at 18 percent and the legislative branch at 15 percent. Twenty-one percent of state HR agencies have authority over higher education, as well as quasi-state agencies. Additionally, 18 percent of state HR agencies reported having authority over other employee groups.

The most common source for authorizing state HR agencies are statutes. Eighty-nine percent of respondents reported that their state's HR agency is created by statute. The next most common authorization comes from the constitution (21 percent).

Structure

Fifty-nine percent of respondents answered that they are funded with state general funds and 41 percent reported that they receive funding through agency transfers. Thirty-eight percent listed other sources of funding.

One hundred percent of respondents stated that the head of their central HR agency is appointed. Of those, 59 percent are appointed by the Governor. Whereas 29 percent are appointed by the agency head and 12 percent by a board or commission.

Fifty-three percent of HR directors report to the Governor. While, forty-one percent of the respondents reported that their HR director reports to an agency head. Three states noted that their HR Director reported to both the Governor and an agency head. The remaining 5 respondents identified that their HR director reports to a board or commission (12 percent) or some other (3 percent) individual with the Governor's Office (e.g. Chief of Staff).

Thirty of the respondents reported that their director position is unclassified (88 percent). While Arkansas, Louisiana, Michigan and Washington reported their director positions as being classified (12 percent).

Structure (contintued)

Staffing levels in central agencies will vary depending on the service delivery model. Those with a heavily centralized structure will likely have more employees than those with a heavily decentralized structure.

The average number of employees in the central HR agencies is 212 with the greatest number being Connecticut, with 1174 employees, and the lowest being North Dakota with 11 employees. Note that Connecticut, Pennsylvania, and Ohio all have quite a large number of employees reported in their central HRM. If we remove these from the sample we might find a better representation of the typical workforce size to be 139 workers.

The average number of HR employees in the operating departments supported by central HRM agencies is 446 (this includes only the employees fully dedicated to HR activities). However, the numbers are skewed by the very large response of California. California reports 4,902 workers, the next highest is South Carolina at 1,333. Removing the high number reported by California, a closer representation of the average number is then 298.

HRM Service Delivery

The number of operating agencies that the HR provides services for is, on average, 66. The New Jersey Civil Service Commission reported 443, by far the largest number (California, which provide for a little more than one-third the number of agencies that New Jersey provides service for). If you removed the very large representation of New Jersey you get a less skewed average of 54 agencies being represent.

Employees

The average number of unionized workers for just those states that have any union workers at all is 44 percent. Within those states that are unionized that average number of contracts that are bargained is 18 between an average of 12 unions represented. American Federation of State, County, and Municipal Employees (AFSCME) has the highest representation across respondents at eighty-one percent. However, 86 percent of respondents reported the use of several other local or state-wide unions.

Employees (continued)

The average number of employees in executive branch departments and agencies that state HR agencies provide services for are 36,077 classified workers and 6,745 unclassified workers. This makes for an average of 42,823 total employees that state HR agencies support. The respondent with the largest number of employees is California with 213,354 total employees (classified plus unclassified), and the respondent with the fewest total employees is North Dakota with a reported 7,735 employees (classified plus unclassified).

Shared Services

It is most common for a state to split the HR responsibilities between central HR and another operating agency. However, it is least common for a state to completely or mostly decentralize HR responsibilities. It is also the case that responsibilities are given over to be handled by a completely different central agency or a completely or mostly centralized in the central HRM.

Restructuring/Consolidation

Restructuring process improvement is by far the most popular reform initiative, as 15 states have undergone this in the last two years. Additionally, 14 states are planning or considering restructuring process improvement within the next two years.

As far as other initiatives that are being planned or considered for restructuring within the next two years are shared services (four states) and realignment (four states).

Currently 86 percent of states have IT services that are consolidated. While four other states are planning or considering consolidating IT. Facilities trails behind at 65 percent being consolidated and one state is planning or considering consolidating facilities as well. Sixty-one percent of state procurement services are consolidated with two more states planning or considering consolidating these services. Two states are planning or considering consolidating fiscal services where currently 43 percent of states are already consolidated.

SURVEY QUESTIONS

CONTACT INFORMATION

01. Please provide the contact information for the best point of contact in the case that questions or clarifications are needed.

- State
- Name
- Title
- Department
- Phone
- E-mail
- State's Central HCM Website

AUTHORITY

02. Over which employee categories does the central HRM have authority and/or an agreement to provide services?

- Executive Branch
- Higher Education
- Legislative Branch
- Judicial Branch
- Quasi-State Agencies
- Other (please specify)

03. Comments

04. Under what authority is your central HRM agency created?

- Constitutional
- Statute
- Executive Order
- Other (please specify)

05. Comments

STRUCTURE

06. How is your central HRM funded?

- General Funds
- Agency Transfers
- Reimbursement Authority
- Other (please specify)

07. Please describe in more detail what you charge agencies (agency transfers) or how your general fund appropriation is determined.

08. Is the head of your central HRM agency appointed?

- Yes, by the Governor
- Yes, by a Board or Commission
- Yes, by an Agency Head
- No
- Other (please specify)

09. Comments

10. To whom does the head of your central HRM agency report?

- Governor
- Board or Commission
- Agency Head
- Other (please specify)

11. Is the director position of the central HRM agency classified or unclassified?

- Classified
- Unclassified

SURVEY QUESTIONS

12. Comments

13. How many employees are in your central HRM agency?

14. Comments

15. How many HR employees are in the operating departments supported by your central HRM agency? (Only include the employees fully dedicated to HR activities.)

16. Comments

HRM SERVICE DELIVERY

17. For how many operating agencies/departments does your central HRM agency provide services?

18. Comments

19. How many employees does your central HRM agency provide services for?

- Classified Employees
- Unclassified Employees
- Other (please specify in comments)

20. Comments

21. How many CLASSIFIED employees does the central HRM agency service in each branch?

- Executive Branch
- Higher Education
- Legislative Branch
- Judicial Branch
- Quasi-State Agencies
- Other (please specify in comments)

22. How many UNCLASSIFIED employees does the central HRM agency service in each branch?

- Executive Branch
- Higher Education
- Legislative Branch
- Judicial Branch
- Quasi-State Agencies
- Other (please specify in comments)

23. Which HR services ARE NOT provided to UNCLASSIFIED employees that are provided to CLASSIFIED employees?

- Recruitment
- Hiring
- Compensation (Market Analysis, Range)
- Onboarding
- Fringe Benefits
- Training & Development
- Performance Management
- Other (please specify)

24. Please explain, in particular, if your department DOES NOT provide services for most of the employees in a particular agency.

25. Does HR support differ for non-Executive Branch agencies vs. Executive Branch agencies?

- Yes
- No
- Sometimes (please describe)

SURVEY QUESTIONS

EMPLOYEES

26. What percentage of your state government workforce is unionized?

27. Comments

28. If you state workforce is unionized, what is the number of unions representing employees?

29. If you state workforce is unionized, what unions are represented?

- AFSCME (American Federation of State, County and Municipal Employees)
- FOP (Fraternal Order of Police)
- OPEIU (Office of Professional Employees International Union)
- SEIU (Service Employees International Union)
- State Employee Association
- State Trooper Association
- State Corrections Association
- State Public Safety Association
- UFCW (United Food and Commercial Workers International Union)
- Other (please specify)

30. If your state workforce is unionized, how many bargaining contracts are negotiated?

31. Comments (please include links to bargaining contracts if applicable)

32. Number of employees in Executive Branch Departments and Agencies as of the latest fiscal year end that are:

- Classified
- Unclassified

33. Average annual salary of an employee in the Executive Branch Department and Agencies as of the latest fiscal year.

34. Comments

35. Average annual fringe benefits (in dollars) for an employee in Executive Branch Departments and Agencies as of the latest fiscal year end.

36. Comments

DATA

37. What systems(s) does your state use for recruitment/applicant tracking?

Further explanation may be shared in the comment box. (Select all that apply.)

- Cornerstone OnDemand
- Infor/Lawson
- JobAps
- NEOGOV
- Oracle Cloud HCM
- PeopleSoft
- SAP
- SAP SuccessFactors
- Taleo
- Workday
- Other (please specify)
- Not Applicable

38. Comments on Recruitment/Applicant Tracking System (include if SAAS and/or Software Versions)

39. What system(s) does your state use for onboarding?

Further explanation may be shared in the comment box. (Select all that apply.)

- Cornerstone OnDemand
- Infor/Lawson
- JobAps
- NEOGOV
- Oracle Cloud HCM
- SAP
- SAP SuccessFactors
- Taleo
- Workday
- Other (please specify)
- Not Applicable

40. Comments on Onboarding Tracking System (include if SAAS and/or Software Versions)

SURVEY QUESTIONS

41. What system(s) does your state use for learning management?

Further explanation may be shared in the comment box. (Select all that apply.)

- Cornerstone OnDemand
- Infor/Lawson
- Learnsoft
- LinkedIn Learning
- NEOGOV
- Oracle Cloud HCM/Taleo
- SAP
- SAP SuccessFactors
- ServiceNow
- Skillssoft
- Workday
- Other (please specify)
- Not Applicable

42. Comments on Learning Management System (include if SAAS and/or Software Versions)

43. What system(s) does your state use for performance management?

Further explanation may be shared in the comment box. (Select all that apply.)

- Cornerstone OnDemand
- Infor/Lawson
- NEOGOV
- Oracle Cloud HCM/Taleo
- PeopleSoft
- Qualtrics
- SAP
- SAP SuccessFactors
- Workday
- Other (please specify)
- Not Applicable

44. Comments on Performance Management System (include if SAAS and/or Software Versions)

45. What system(s) does your state use for payroll?

Further explanation may be shared in the comment box. (Select all that apply.)

- CGI
- Infor/Lawson
- Oracle
- PeopleSoft
- SAP
- Workday
- Other (please specify)
- Not Applicable

46. Comments on Payroll System (include if SAAS and/or Software Versions)

47. What system(s) does your state use for time and attendance?

Further explanation may be shared in the comment box. (Select all that apply.)

- CGI
- Infor/Lawson
- Oracle
- PeopleSoft
- SAP
- UKG (Kronos)
- Workday
- Other (please specify)
- Not Applicable

48. Comments on Time and Attendance System (include if SAAS and/or Software Versions)

BUSINESS INTELLIGENCE

49. Does your central HRM agency have a view of consolidation HR reporting? (example: dashboard)

- Yes
- No

50. Comments

51. Please provide a link to any HR reporting (example: dashboards) that you are able to share.

52. Describe where your central HRM agency falls on the following business intelligence and analytics capability continuum.

- Standard reports (What happened?)
- Ad hoc reports (How many, how often, where?)
- Query/drill down (where exactly is the problem?)
- Alerts (What actions are needed?)
- Statistical analysis (Why is this happening?)
- Forecasting extrapolation (What if these trends continue?)
- Predictive modeling (What will happen next?)
- Optimization (What's the best that happens?)

SURVEY QUESTIONS

53. Comments

54. To what extent does your central HRM agency use HR data to drive decision making in the following areas?

- Do no know - Not at all - To a little extent - To some extent - To an extent - To a great extent

- Labor cost optimization
- Retention
- Succession planning
- Recruiting
- Safety
- Training & Development
- Working Planning

55. Comments

SHARED SERVICES

56. Choose the category that best describes how responsibility is divided for the following HR operations in your state.

- 1 - Completely or mostly centralized in the central HRM
- 2 - Responsibilities are split with the central HRM and the operating agencies
- 3 - Completely or mostly decentralized to the operating agencies
- 4 - Handled by a central agency other than the central HRM

- Classification
- Compensation
- Payroll

57. If handled by an agency OTHER than the central HRM, which agency?

58. Comments

59. Choose the category that best describes how responsibility is divided for the following HR operations in your state.

- 1 - Completely or mostly centralized in the central HRM
- 2 - Responsibilities are split with the central HRM and the operating agencies
- 3 - Completely or mostly decentralized to the operating agencies
- 4 - Handled by a central agency other than the central HRM

- Employee Benefits (Administration)
- Flexible Benefits
- Health Insurance
- Retirement
- Wellness

60. If handled by an agency OTHER than the central HRM, which agency?

61. Comments

62. Choose the category that best describes how responsibility is divided for the following HR operations in your state.

- 1 - Completely or mostly centralized in the central HRM
- 2 - Responsibilities are split with the central HRM and the operating agencies
- 3 - Completely or mostly decentralized to the operating agencies
- 4 - Handled by a central agency other than the central HRM

- Safety
- Unemployment Insurance
- Workers Compensation

63. If handled by an agency OTHER than the central HRM, which agency?

64. Comments

SURVEY QUESTIONS

65. Choose the category that best describes how responsibility is divided for the following HR operations in your state.

- 1 - Completely or mostly centralized in the central HRM
- 2 - Responsibilities are split with the central HRM and the operating agencies
- 3 - Completely or mostly decentralized to the operating agencies
- 4 - Handled by a central agency other than the central HRM
 - o EAP
 - o Employee Relations
 - o Labor Relations

66. If handled by an agency OTHER than the central HRM, which agency?

67. Comments

68. Choose the category that best describes how responsibility is divided for the following HR operations in your state.

- 1 - Completely or mostly centralized in the central HRM
- 2 - Responsibilities are split with the central HRM and the operating agencies
- 3 - Completely or mostly decentralized to the operating agencies
- 4 - Handled by a central agency other than the central HRM
 - o Employment of Temporary Employees
 - o Onboarding
 - o Recruitment
 - o Testing (Formal merit system testing)
 - o Workforce Planning

69. If handled by an agency OTHER than the central HRM, which agency?

70. Comments

RESTRUCTURING/CONSOLIDATION

71. Has your state HR implemented any of the following initiatives?

- In the past 2 years
- In the past 3 - 7 years
- More than 7 years
- o Shared Services
- o Centralization
- o Decentralization
- o Realignment
- o Consolidation
- o Outsourcing
- o Process Improvement
- o Other (please specify)

72. Describe these major initiatives

73. Is your state planning or considering any of the following restructuring initiatives for HR services within the next two years?

- o Shared Services
- o Centralization
- o Decentralization
- o Realignment
- o Consolidation
- o Outsourcing
- o Process Improvement
- o Other (please specify)

74. Describe these major initiatives

SURVEY QUESTIONS

75. Please provide a link to any passed legislation pertaining to shared services, consolidation or any other organizational restructuring.

76. Please describe any initiatives implemented above.

77. Is your state consolidated in any other administrative services?

- IT
- Fiscal
- Facilities
- Procurement
- Budget
- Other (please specify)

78. Comments

79. Is your state planning or considering consolidation in the other administrative services?

- IT
- Fiscal
- Facilities
- Procurement
- Budget
- Other (please specify)

80. Comments

81. Please share any other information that may be relevant to your state's HR architecture.

HEALTH INSURANCE

82. Is your state employee health insurance

- Self-Insured
- Fully-Insured
- Both (one or more self-insured plans and on or more fully-insured plans)
- Other (please specify)

83. Comments

84. In the past two years, has your state implemented any of the following changes to its employee health insurance?

- Increased deductibles
- Increased co-pays
- Co-insurance
- Tiering
- Coverage for alternative therapies
- Other (please specify)

RETIREMENT

85. In the past two years, has your state implemented any of the following changes to its state employee retirement plan?

- Implemented a hybrid plan for new employees (part 401(k), part pension(guaranteed))
- Increased employee contribution toward retirement
- Implemented a 401(k)-type plan (not a hybrid plan)
- Other (please specify)

86. Comments

87. Number of employees eligible for retirement (based on standard retirement eligibility in your state, not early retirement). Please provide number, not percentage.

- Currently
- Within 2 years
- Within 5 years

88. Comments

DEFINITIONS

Central (State) HRM Agency

The central state agency with the primary responsibility for the state human resources, civil service, or merit system function.

Classified Employees

Persons in state government who are in the classified civil service with formal (legal) civil service protections covered by the merit system or with property rights/interest within their employment.

Departments and Agencies (Executive Branch)

All executive branch departments and agencies except for higher education and quasi-state agencies.

Executive Branch

All agencies and departments that report to the governor or other elected/appointed officials (i.e. State Treasurer, Secretary of State).

Fringe Benefits Cost

Fringe benefit costs include legally-mandated payments, retirement and savings plan payments (state's share), insurance and medically-related payments (state's share), payments for time not worked, and other benefit payments.

Full-Time Equivalent (FTE)

Full-time equivalent employment as defined by the state government. For the purposes of this survey, a full-time employee is counted as 1.00 FTE. An employee who works part-time, for example, 50% of the normal work hours for the position would be counted as .50 FTE.

Operating Agencies/Departments

Refers to other agencies/departments in state government outside of the central HRM agency. Because the terminology is different in each state, such as use of agency or department, please refer to the largest organization when providing your responses. For examples, the Health and Human Services agency may have several departments. For the purpose of this survey, the Health and Human services Agency would be considered one operating agency/department.

Unclassified (or Non-Classified) Employee

Employees in state government whose positions are not in the classified service.

Retirement Eligible

Employees who meet the minimum requirements for regular retirement benefits (no early retirement).