



2021

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).

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 37 responses, an 74 percent response rate.

Participants

1. Alabama
2. Alaska
3. Arizona
4. California
5. Colorado
6. Connecticut
7. Delaware
8. Florida
9. Georgia
10. Hawaii
11. Idaho
12. Indiana
13. Kansas
14. Kentucky
15. Louisiana
16. Maine
17. Massachusetts
18. Michigan
19. Minnesota
20. Mississippi
21. Missouri
22. Nebraska
23. New Jersey
24. North Carolina
25. North Dakota
26. Oklahoma
27. Pennsylvania
28. Rhode Island
29. South Carolina
30. South Dakota
31. Tennessee
32. Utah
33. Vermont
34. Virginia
35. Washington
36. West Virginia
37. Wisconsin

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, 37 state responded, giving a response rate of 74 percent.

Over which agencies do state HR agencies have authority?

Out of the 37 respondents, 100 percent of them reported having authority over the executive branch. The least represented are the judicial branch at 5 percent and legislative branch at 8 percent. Thirty percent have authority over higher education, while 24 percent reported having authority over quasi-state agencies. Additionally, 14 percent of state HR agencies reported having authority over other employee groups.

Under what authority are state HR agencies created?

The most common source for authorizing state HR agencies is 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 (14 percent).

How are the state HR agencies funded?

Sixty-two percent of respondents answered that they are funded with state general funds and 57 percent reported that they receive funding through agency transfers. Nineteen percent also listed other sources of funding.

How is HR leadership selected?

Ninety-four percent of respondent stated that the head of their central HR agency is appointed. While 2 out of the 36 respondents (6 percent) reported that their central HR agency director is not appointed. Of those 94 percent that are appointed, 53 percent are appointed by the Governor. Whereas 25 percent are appointed by the agency head, 11 percent by a board or commission, and 6 percent reported being appointed by other individuals within Governor's Office. By a far majority, agency directors are unclassified (86 percent).

How many employees are in the HR agencies?

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 148 with the greatest number being Pennsylvania, with 865 employees, and the lowest being North Dakota with 11 employees. Note that Pennsylvania is quite a large number, with the next two largest workforces being Michigan (430) and Wisconsin (382). If we remove this from the sample we find a better representation of the typical workforce size to be 125 workers.

The average number of HR employees in the operating departments supported by central HRM agencies is 437 (this includes only the employees fully dedicated to HR activities). However, the numbers are skewed by the very large response of California. California reports 4,783 workers, the next highest is South Carolina at 1,011. Removing the high number reported by California, a closer representation of the average number is then 296.

What do the HR agencies represent?

The average number of employees in executive branch departments and agencies that state HR agencies provide services for are 31,598 classified workers and 10,605 unclassified workers. This makes for an average of 42,203 total employees that state HR agencies support. The respondent with the largest number of employees is 213,354 total employees (classified plus unclassified), and the respondent with the fewest total employees is North Dakota with a reported 7,658 employees (classified plus unclassified).

The most common employee that a state HR represents is executive branch employees with all respondents reporting that they serve this category of workers. The degree of representation of all other employees is similar, with 27 percent of respondents representing higher education and quasi-state agencies, 16 percent representing judicial branch and 14 percent representing both legislative branch and "other" employee categories.

The number of operating agencies that the HR provides services for is, on average, 83. The New Jersey HR agency reported 443, by far the largest number (Louisiana and Virginia, which provide for more than half 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 72 agencies being represented.

Labor Relations

The average number of unionized workers for just those states that have any union workers at all is 68 percent. Within those states that are unionized that average number of contracts that are bargained is 18.7.

HR Services by Operation

It is common for a state to completely or mostly centralize HR responsibilities, however is it least common for a state to split the responsibility between central HR and operating agencies. Instead, it is more often the case that responsibilities are given over to be handles by a completely different agency or completely or mostly decentralized. Eight times the category of centralized responsibility was the largest percent for a category, and five times the category was having a different central agency handle the responsibility.

Centralization of Administration Functions

Along with centralization of responsibilities for various activities, the survey also looks at whether or not HR agencies are centralized with regard to administrative functions.

Currently 81 percent of states have IT services that are consolidated. While three other states (Alaska, Connecticut and New Jersey) are planning or considering consolidating IT. Procurement trails behind at just under 60 percent being consolidated and Alaska is planning or considering consolidating procurement as well. Forty-three percent of state facility services are consolidated with one more state (Virginia) planning or considering on consolidating these services. There are no states that are planning or considering. consolidating budget (43 percent) or fiscal (35 percent) services.

Restructuring Initiatives

Restructuring process improvement is by far the most popular reform initiative, as 13 state have undergone this in the last two years. Additionally, 20 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 (seven states) and centralization (seven states).

SURVEY QUESTIONS

01. Contact Information

02. Over which employees does the central HRM have authority?

- 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

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

- Classified Employees
- Unclassified Employees
- Other

07. Comments

08. Please check the employee categories represented in the previous question (number of employees).

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

09. Comments. Please explain, in particular, if your department does not provide services for most of the employees in a particular agency.

10. How many classified employees do you serve in each branch?

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

11. How many unclassified employees do you serve in each branch?

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

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

- Yes
- No
- Sometimes
- Please describe

13. 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)

SURVEY QUESTIONS

14. For how many operating agencies/departments does your central HRM agency provide eservices?

15. Comments

16. How is your central HRM funded?

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

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

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

19. Comments

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

21. Comments

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

- Yes
- No

23. If the head of your central HRM agency is appointed, by whom?

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

24. Comments

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

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

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

- Classified
- Unclassified

27. Comments

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

29. Comments

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

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

- Classified
- Unclassified

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

33. Comments

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

35. Comments

36. 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

37. Comments

SURVEY QUESTIONS

38. Your state's system for Recruitment/Applicant Tracking (select all that apply.)

- NEOGOV
- JobAps
- SAP/Success Factors
- Infor/Lawson
- PeopleSoft
- Oracle
- Taleo
- Cornerstone OnDemand
- Other (please specify)

39. Comments

40. What system(s) does your state use for onboarding (select all that apply.)

- Cornerstone OnDemand
- Taleo
- SuccessFactors
- NEOGOV
- JobAps
- Workday
- SAP
- Oracle
- Infor/Lawson
- Other (please specify)

41. Comments

42. What system(s) does your state use for learning management (select all that apply.)

- Cornerstone OnDemand
- Taleo
- SuccessFactors
- NEOGOV
- JobAps
- Workday
- SAP
- Oracle
- Infor/Lawson
- Other (please specify)

43. Comments

44. What system(s) does your state use for performance management (select all that apply.)

- Cornerstone OnDemand
- Taleo
- SuccessFactors
- NEOGOV
- JobAps
- Workday
- SAP
- Oracle
- Infor/Lawson
- Other (please specify)

45. Comments

46. What system(s) does your state use for payroll (select all that apply.)

- ADP
- Workday
- Infor/Lawson
- SAP
- Oracle/PeopleSoft
- Other (please specify)

47. Comments

SURVEY QUESTIONS

48. What system(s) does your state use for time and attendance (select all that apply.)

- ADP
- UKG
- Workday
- Infor/Lawson
- SAP
- Oracle/PeopleSoft
- Other (please specify)

49. Comments

50. 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

51. Comments

52. 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
- Health Insurance
 - Retirement
 - Employee Benefits (Administration)
 - Wellness
 - Flexible Benefits

53. Comments

54. 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
 - Workers Compensation
 - Unemployment Insurance

55. Comments

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
- Labor Relations
 - Employee Relations
 - EAP

57. Comments

58. 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
- Recruitment and EEO
 - Testing (Formal merit system testing)
 - Employment of Temporary Employees
 - Onboarding
 - Workforce Planning

SURVEY QUESTIONS

59. Has your state HR implemented any of the following initiatives with in the past two years?

- In the past 2 years - In the past 3 - 7 years - More than 7 years

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

60. Describe these major initiatives

61. Comments

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

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

63. Describe these major initiatives

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

65. Please describe any initiatives implemented above.

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

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

67. Comments

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

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

69. Comments

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

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

- Yes
- No

72. Comments

73. 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?)

74. Comments

SURVEY QUESTIONS

75. 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

76. Comments

77. 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)

78. Comments

79. 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
- Yes
- No
- Other (please specify)

80. In the past 5 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)

81. Comments

DEFINITIONS

Central (State) HRM Agency

The central state agency with the primary responsibility for the state human resource, civil services, 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.

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.

Fringe Benefits Cost

Fringe benefit costs include legally-mandated payments, retirement and savings plan payments (stat'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 purposed 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).

