



Department of Administrative Services

Presentation to House Finance

Executive Branch Job Classification System and Framework

March 6, 2023



Agenda



- Governance
- Collective Bargaining
- CPI vs. State Wages
- Executive Branch Classification System
- Reforming the System
- Recruitment & Retention
- Hiring Process

Governance System

- The Executive Branch job classification system and employee compensation (the “civil service system”) is governed by state and federal law and administrative rules and Collective Bargaining Agreements between the state and 14 unions
- Key RSA’s:
 - RSA 21-1:42 DAS, Division of Personnel (DOP) is responsible for the job classification system
 - RSA 273-A Public Employee Labor Relations: provides that the Governor and unions shall negotiate all cost items and terms and conditions of employment for classified state employees
 - RSA 99 Adjustments of Salaries of State Employees (primarily classified positions)

The "CBAs"

Collective Bargaining Agreements

- Since 2017: increased splintering of unions; we have gone from 9 to 14
- The Governor and 14 unions have tentatively agreed to an across-the-board FY24 10% COLA and a FY25 2% COLA.
- Can the legislature change the negotiated union contracts?  
- How much has inflation eroded wages?

Inflation vs. Wages

	<u>Cumulative State COLA's ("raises")</u>	<u>Cumulative Inflation</u>	<u>GAP between Inflation & COLAs</u>
State COLA's and Inflation Kept Pace			
1983-1998 (over 15 year period)	60.30%	63.20%	2.90%
1998-2018 (over 20 year period)	55.40%	54.60%	-0.80%
2003-2018 (over 15 year period)	35.70%	36.40%	0.70%
Since 2018 larger gap has occurred			
2018-2023 (over last 5 years)	5.40%	20.70%	15.30%



The Executive Branch Job Classification System

- A job classification system is designed to provide an objective and equitable process to group job duties and responsibilities.
- Most public employers and large corporations use job classification systems.
- Job classification systems:
 - promote parity in jobs titles and responsibilities,
 - consistent job levels within the organization, and
 - salary ranges that are determined by identified rating factors (know-how, scope and effect, complexity, work environment, communication, independent action)

Reforming Job Classification & Compensation System

- **Budget Neutral:** no employee's salary will go up or down as a result of this system reform work. We are mapping positions from current to new system.
- **Simplification:** transitioned 1,400 job classifications to 200 job classifications within 22 Major Occupational Groups
- **Standardization:** moving from an outdated, NH-specific classification system to nationally developed Standard Occupational Classifications ("SOCs").
 - SOCs link to publicly available and regularly updated employment data.
- **Analysis:** adding a compensation factor to the job content analysis.
- **Decisions:** allows for comparability to make educated decisions. Just because the State will have national & regional data, does *not* mean pay is adjusted.

Recruitment and Retention

In the past, the State was a destination employer. Times have changed. We continually realign our policies and practices to actively draw candidates to the state service.

Some examples are:

- Eliminated barriers to state employment and advancement by adopting experience and education equivalency rule
- Increasing use of promotional paths
- Established Statewide Recruitment Unit (ARPA funded) to consult with and assist every agency to identify obstacles and help agencies and hiring managers to improve hiring practices
- Enhancing the state's online presence for recruitment: Linked in, Indeed, Handshake, Zip Recruiter (ARPA funded)
- Provided ARPA-funded Recruitment and Retention Incentives

Streamlining the Hiring Process

- HR Process Improvements Examples
 - Delegated certain authorities to agencies to speed up front-end of hiring process
 - Trained agencies on ability to replace standard titles with agency-specific “working titles”
 - Statewide Recruitment Unit is actively engaging with candidates and referring them to multiple job opportunities
- Continual improvements to hiring process within NHFIRST
- Clouduite: next generation of State’s ERP



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