HR 2 HR

Department of Human Resource Management

VOLUME 5, ISSUE 3 DECEMBER/JANUARY

Inside this issue:

Executive Director's Message	1
Workgroup Spotlight: Liability	2
Converting Program I to Program II Sick Leave	
Preliminary Employee Survey Results	3
ERIC Update	4
What's on the Employee Gateway? - New Retirement Code Chart	
DHRM Winter Meeting	
Should I Invest My Money in This Fickle Stock Market?	5
Service Awards	
PEHP Life insurance Worksheet	6
Bits and Pieces	7
Where's Turgel?	

Importance of Data Integrity – Executive Director's Message

By Jeff Herring

Only being down by one, a field goal will win it. It was fourth down. The ball was on the 25 yard line. With only four seconds left on the clock, this would be the last play of the game. The teams are lined up. The ball is snapped, and ….. Sorry, it seems like every time I communicate this is all that I can say. Oh well, enough about football and more about HR.

I want to take the opportunity to discuss the importance of data integrity again. I know that you all hear about it a lot, but I want to reemphasize it. More importantly I want to convey to all of you the important role that you play in the data gathering process.

First, let me describe why it is so important. For years now we have been increasing our data capacity. One of the goals I want to achieve in this position is to attempt to increase the perception of state employees. When I have discussions with business leaders and government officials, it is easy to tell the stories of public employees and their role and importance, but it is just as easy to rebut my stories with one of their own.

The use of data changes that. When we use data to analyze performance, demographics, and other business measures, it has a far greater persuasive value. Rather than responding with an isolated story, they have to challenge our data and analysis. If it is correct, this is difficult to do. This is where you all come in.

Jeff Herring,
DHRM Executive Director

While we are trying to automate many of the functions that drive data, some of them are, and will continue to be, user driven. For instance the entry to HRE is a process that our staff will go through regardless of automation. Many of you may not know of the multiple uses of data that comes directly from HRE. We receive requests from the Governor, legislators, and the media on a regular basis. If our data is not accurate, I cannot use it to achieve our goal of demonstrating the value of state employees.

Therefore, I am asking all of you to not only look at this task of data integrity from a compliance standpoint, but from a standpoint of helping dispel many of the myths about our public employees. I think we have the skill and ability to analyze the data in a way that demonstrates the great work that is being done, but it is up to all of us together to make sure that the data we are analyzing is correct and accurate. Thanks for your efforts. Take care.

Workgroup Spotlight: Liability

By Rick Hughes, HR Director

The liability workgroup is DHRM's longest running workgroup; it was established on August 1, 2007, just one year after consolidation. The charter of the liability workgroup is to:

> Decrease liability by increasing statewide consistency, coordination, and communication on liability issues.
>
> Pursue ongoing development of Human Resource Specialist expertise and DHRM-wide "best" practices.

Over the past three years the workgroup has consistently worked at achieving these goals.

Here are a few of the most important issues the liability workgroup addressed this past year:

- Specified and implemented new practices proposed by State Risk Management in the areas of ergonomic assessments and medical leaves of absence.
- Provided thorough recommendations on how ERIC might assist with FMLA, unemployment insurance, and workers compensation related tasks.
- Performed a comprehensive update of liability related items on the Employee Gateway to make sure that the Gateway has the most recent forms and information.

When the liability workgroup was created it was chaired by an HR Manager. In January 2010, we implemented the practice of selecting the chair from within, recognizing the leadership capacity that existed among the HR specialists who were the group's members.

Mike Tribe led the way by chairing the workgroup from January through June 2010. Bryan Embley has successfully served as chair for the past six months. We are thrilled that Marian Capito will chair the liability workgroup beginning in January 2011.

We are appreciative of Linda Beus for serving as the HR Manager advisor to the liability workgroup this past year. In this capacity, Linda acted as a communication conduit between the workgroup and DHRM's HR managers and provided ongoing advice to the group's chair.

With the ever changing body of HR-related law, DHRM will increasingly rely on the liability workgroup and its leaders and advisors as we seek to control liability while expanding the capacity of managers to manage.

"To Transfer or Not To Transfer?" That is the Question: *Converting Program I Sick Leave to Program II Sick Leave*

By Debbie Cragun, HR Admin Director

It has been almost 5 years since the passage of HB 213 and those of us who work with retirements on a frequent basis have most of the details memorized. Many details regarding the processing of post retirement medical benefits have not changed in several years and that is what makes 2011 different.

Beginning in 2011 employees will be offered an option to transfer all of their Program I sick and converted sick leave over to their Program II accounts.

Why would employees consider this option?

Program II may have more value to some employees than Program I.

If you do not need the health insurance benefits offered by Program I the HRA money in Program II may be more useful.

Employees age 65 or older and on the upper end of the pay scale may find that the HRA money is more valuable than the Medicare Supplement benefit.

When can employees make this transfer?

The transfer option is not available until January 1, 2011; therefore employees must be active on this date. Employees with a Last Day Worked of December 31, 2010, or earlier are not eligible for the transfer.

It is recommended that employees who are interested in the transfer option wait to make the decision until they need to because this decision is irrevocable.

The transfer can be made January 1, 2011, or any time after.

What is the process for transferring leave from Program I to Program II?

DHRM Admin is working with State Finance to create a form. It will be posted on the Employee Gateway once it is available.

Preliminary Employee Survey Results

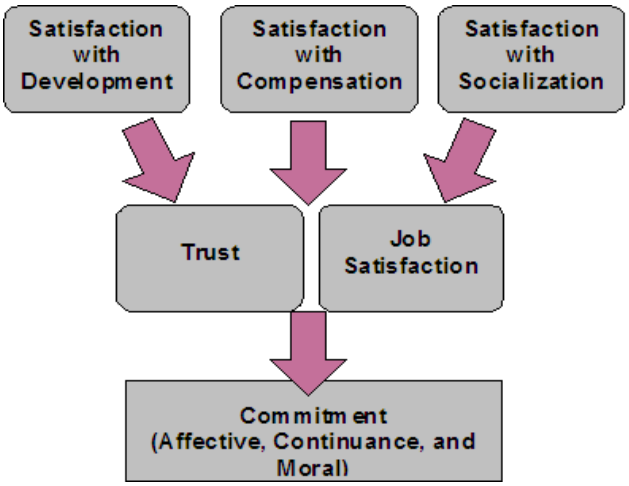
By Conroy Whipple, HR Admin Director

The 2010 Employee Survey was designed to measure the major factors that influence commitment and to gather employee feedback on current issues facing state employees. Only a sample of employees in the "core" workforce (schedules B, AD, AR, AS, and AT) were invited to participate in the survey.

We were very pleased with the response this year. Statewide, we had over 4800 employees respond out of about 6400 who were selected, for a response rate of 68%. For those statisticians out there, based on the number who responded, we are 95% confident that the results are within a +/- 5% margin of error, which is the standard threshold for survey research.

Part I measured five factors that impact employee commitment: satisfaction with development, satisfaction with compensation, satisfaction with socialization, job satisfaction, and trust.

Job satisfaction and trust are the key factors in maintaining and raising employee commitment. Development, socialization, and compensation are three major factors that influence job satisfaction and trust. Strategies and tactics that address employee needs in these three factors will have an indirect but discernible impact on employee commitment levels. This is illustrated by the model that was developed by the first iteration of the survey in 2007.



Perhaps the most important thing we learned from Part I is that we have an opportunity to increase employee commitment to the state as an employer. Based on the statewide results, improving satisfaction with development could have a significant impact on overall employee commitment levels. The definition of development is the employees' perception of opportunities for personal growth in their position and career. This factor has a very strong relationship with employee commitment. The score for this factor was a low 2.8 on a scale of one to five. From a workforce planning perspective, agency and state-wide strategies to address this will pay huge dividends.

Part II addressed a variety of issues: the relative importance of employee benefits, preferences for increased pay vs. increased benefits, comparison of total compensation in state government and in the private sector, reasons for initially accepting employment with the state, strength of commitment and reasons for continuing employment, and perceptions about the 4-10's schedule. Here is a quick summary of our initial findings.

- Seventy three percent of employees felt that state compensation was somewhat or far behind the market. This feeling was strongest among female employees, younger employees and non-managers.
- Health benefits were ranked the most important benefit by 60% of employees, the pension by 29% and post retirement medical by 6%. Demographic analysis revealed that 67% of female employees and 63% of managers chose health benefits as most important. Not surprisingly, the number one reason for coming to work for the state was the benefits (23% of employees).
- It was a surprise to discover that 73% of employees, when hired, had the intention of staying with the state long enough to earn a pension. This intent was equally strong among male and female employees and among managers and non-managers. The longer employees work for the state the more likely they are to say this. However, 59% of our youngest employees (ages 18-30) say they came with the intent to earn a pension.
- Of some concern is the 43% of employees who said they would look outside of state government for work if more opportunities were available. This sentiment is strongest among younger employees (57%) and weakest among older employees (16%). The primary reason they would look is for more pay and career advancement opportunities.

The last questions in Part II followed up on the original research on the 4-10's work schedule. Support for this schedule remains strong with over 75% of employees stating that they prefer this work schedule over 5-8's. In light of the legislative audit, it was interesting to discover that 60% of employees felt they were more productive compared to 54% at the end of the 4-10's pilot study. Those who felt their productivity was not affected remained at 24%.

These results provide important insights about the state workforce. We hope to gain additional information in the next phase of the analysis, which includes an in depth look at the comments, a search for statistical relationships, and the trending of the profile data from the past six years. This will all be provided to DHRM staff and agencies when it is completed, hopefully in the first quarter of next year.

The report is available on the employee gateway.

ERIC Update

By Bart Olsen, HR Manager

The effort to build the Employee Resource Information Center (ERIC) is well underway and we are making a lot of progress. As ERIC progresses, it is starting to look more and more like a place that will provide unbeatable customer service. It will also be a great work environment with excellent career development opportunities.

The HR Optimization Steering Team has made the following decisions on ERIC's ownership of responsibilities:

- Payroll (where HR owns the payroll functions as opposed to the customer agency)
- Verifications of Employment (VOE)
- Benefits questions
- Retirement

Other HR processes will also be completed at ERIC but a final determination on these functions has not been made at this time.

As we reach additional milestones or key decisions, we will continue to keep you informed through the Communications Workgroup updates, blog posts on the Gateway, webinars, emails, and articles here in HR 2 HR.

On the Employee Gateway - New Retirement Code Chart

By Barbara Smith, HR Consultant

Changes were made to the retirement codes we use in HRE with the implementation of S.B. 43 on July 1, 2010.

In order to assist you with the changes we created an FY 2011 Retirement Contribution Codes and Rates sheet as a helpful tool for those that enter new hires/re-hires into the HRE system. This tool can be accessed at Employee Gateway->DHRM tab->Comp & Benefits->Retirement Forms->Retirement Codes and Rates.

Here are examples of some of the new codes that were added and became effective 7/1/2010 for regular employees:

- **352 Rehired Retiree-Active Service**: for retirees who rehire into a regular position 7/1/2010 or later and elect to cancel their pension.
- **353 Rehired Retiree-Pension**: for retirees who rehire into a regular position 7/1/2010 or later and elect to keep their pension.

Here are examples of some of the new codes that were added and became effective 7/1/2010 for Public Safety employees.

- **350 PS Rehired Retiree-Active Service**: for retirees who rehire into a PS position 7/1/2010 or later and elect to cancel their pension.
- **351 PS Rehired Retiree-Pension**: for retirees who rehire into a PS position 7/1/2010 or later and elect to keep their pension.

Remember, when entering a new employee into the URS On-Line Certification system, it is important to determine the proper retirement code and to also determine if they are a rehired retiree. Please refer to the chart if you are not sure of which code to use when hiring an employee.

Should I Invest My Money in This Fickle Stock Market?

Matt Brady, Education and Marketing Rep., Utah Retirement Systems

The up and down fluctuations of the market have made many investors skittish in their investment strategies. Occasionally you may have heard someone say, "I keep putting money in, but the value has gone down." While it is hard to watch the value of your investments drop, a falling market can actually be a good thing for the long-term investor.

When the market is down and you continue to put money in each pay period, you are buying more shares of the investment options at a cheaper price. It is as though you are buying these shares "on sale." Getting a bargain on shares of the investment options when the market is down is like attending a good sale at a store.

In 2008 we saw a huge sale in the stock market. People were frantic. Some (unfortunately) stopped buying shares because the market was dropping, while others were systematically buying more shares at rock bottom prices. If you have time on your side, you should think about being in the latter group. This group buys low and holds on for long-term growth.

Does anyone know for certain which way the market will go tomorrow? No. What we do know is that historically, and over the long-term, the market eventually has gone up. For a description of the investment options and a history of investment returns, please visit the URS web site (www.urs.org) and view the Investment Fund Fact Sheets or the Investment Options and Savings Plans Overview (under the MOST WANTED tab).

Service Awards

July – December 2010

5 Years

Aubrey Garduno – August

Bryan Embley – October

Carrie Frampton - November

10 Years

Dave Gardner – August

Jill Barela – November

Debbie Martinez – November

Kim Diamond-Smith - December

15 Years

Jennifer Wakefield – August

Alan Owens - October

20 Years

Bruce Buland – July

Linda Beus – August

Carlos Rodriguez – September

Judy Christensen – October

Cindy Bane - November

25 Years

Gaye Betts – December

MaryAnn Davis - December

30 Years

Pia Gonzales - August

How Much Life Insurance do I Need?

Use this worksheet to estimate your family's needs.

Long-term income needs

	Annual income your family needs »		
What your family needs, before taxes, to maintain current lifestyle, typically 60-70% of current income.	Number of years »	x	
	Total »	=	A

Expenses

	Final expenses »		
Typically range between $10,000 and $15,000.	Mortgage balance »	+	
	Other debts »	+	
	College funding »	+	
	Child care »	+	
Total projected costs (tuition, room and board, plus expenses), minus current savings.	**Total »**	=	B

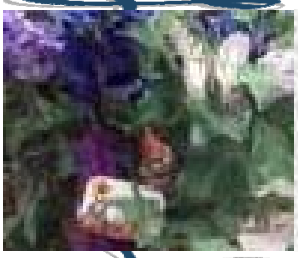
Assets

	Investment assets »		
Any other life insurance policies you may have. Don't include accidental death.	Existing life insurance »	+	
	Estimated Social Security payments »	+	
	Total »	=	C

Life Insurance Needed » A+ B - C =

PEHP Serving the Employees Who Serve Utah

Bits and Pieces



Where's Turgel?

Turgel spent a week with Trish in August and hasn't been heard from in a while.

You can keep tabs on Turgel by regularly visiting his blog.

ASK AN EXPERT!

If you have a specific question for an HR Expert that you would like answered in the next newsletter, please send it to HRNewsletter@utah.gov

We'd love to hear from you. Please submit feedback, suggestions, or ideas for future articles to:

HRNewsletter@utah.gov

Communication
Collaboration
Coordination
Consistency

DHRM

DHRM Staff Update 9/16/10 to 11/15/10

Employee Movement

Bart Olsen – Accepted a position as HR Manager of DHRM's Employee Resource Information Center.

Alan Owens – Accepted a position as HR Manager at DHRM's Utah State Developmental Center field office.

Cathy Lewis – Accepted a position as HR Specialist at DHRM's Workforce Services field office.

Pat Barrett – Accepted a position as SR HR Analyst at DHRM's Workforce Services field office.

Meredith John – Accepted a position as SR HR Analyst at DHRM's Transportation field office.

Jeri Lea Buckley – Accepted a position as HR Analyst at DHRM's Transportation field office.

Julie Preece – Re-hire, HR Technician with DHRM's Transportation field office .

Who Left DHRM

Billie Conder – Retired

Linda McCaffery – Retired

Department of Human Resource Management
Administrative Office
2120 State Office Building
Salt Lake City, UT 84114
Phone: 801-538-3025
Fax: 801-538-3081

HR 2 HR
Editor in Chief: Jeff Herring
Production Editors:
Debbie Cragun, Michelle Watts, Sarah Tice, Dan Chase, Sherry Saracino, Gary Schow, Cathy Lewis
HR 2 HR is published bi-monthly.

UTAH LEADERSHIP INSTITUTE

Please check the Employee Gateway or HREventure for a listing of upcoming Utah Leadership Institute workshops.