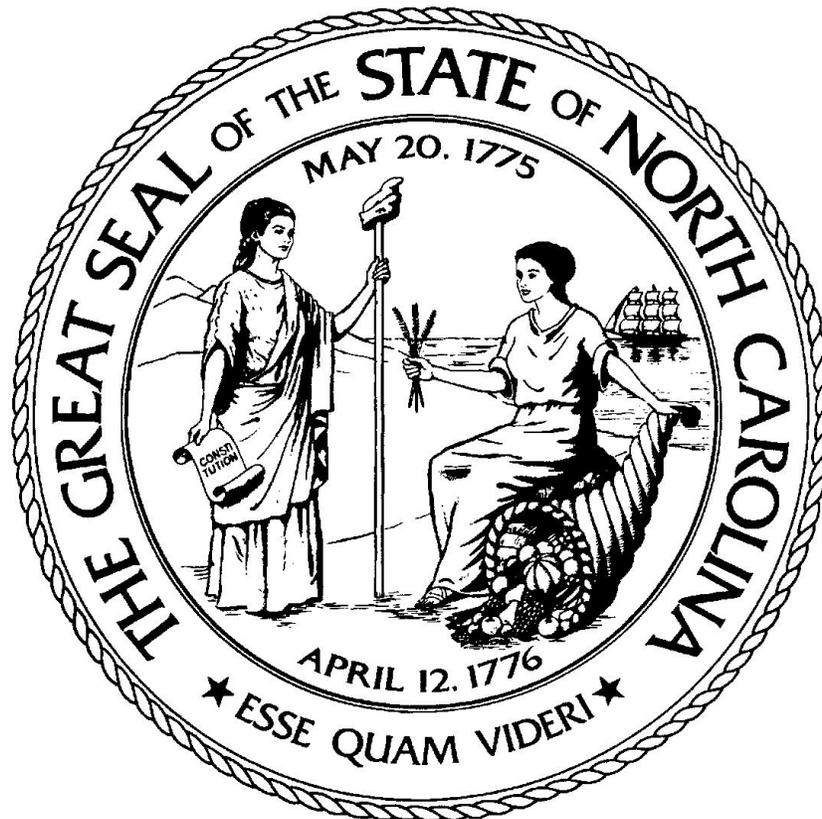


North Carolina Office of State Human Resources

Strategic Plan

2019 – 2021



Barbara Gibson, Director of State Human Resources

This page left blank intentionally

Contents

- 1. Strategic Plan Executive Summary2
- 2. Mission, Vision, and Values5
- 3. Goals, Objectives, and Performance Measures.....7
- 4. Highlights and Opportunities.....21

1. Strategic Plan Executive Summary

The Strategic Plan provides the vision, mission, strategic goals, and performance measures for ensuring the desired results for the Office of State Human Resources (OSHR). The plan is a result of the assessment, goal setting, and planning process of the Agency, designed to influence future success and achieve departmental goals.

Strategic Goals

The Department has identified the following strategic goals for the new Strategic Plan:

Goal 1: Implement Recruitment and Training Programs consistent with Governor Cooper's NC Job Ready Initiative

Goal 2: Modernize and implement data driven decision capability through analytics

Goal 3: Implement proactive measures to support a state government workforce that reflects the diversity of the people of North Carolina

Goal 4: Continue to update the Classification and Compensation System implemented in June 2018

Goal 5: Leverage HR resources to assist in Hurricane Recovery and Resilience

Goal 6: Implement additional improvements in Safety and Workers' Compensation

Goal 7: Continue use of NCFlex as valuable benefit

Goal 8: Streamline and modernize Business Systems and Operations

Goal 9: Continue use of Temporary Solutions as a state government efficiency

Strategic Goal 1: Implement Recruitment and Training Programs consistent with Governor Cooper's NC Job Ready Initiative

Update and expand development opportunities for employees at all levels of state government and throughout all agencies, incorporating multi-level curricula and blended learning opportunities that will create a culture of innovation and enable employees to enhance their competency levels within an existing position as well as positioning the employee for promotional opportunities. In addition, develop partnerships with state agencies and NCWorks to increase awareness among North Carolina residents of job opportunities available throughout the state and increase internships within state agencies for college students to raise their awareness about job opportunities within state government.

Strategic Goal 2: Modernize and implement data driven decision capability through analytics

OSHR is partnering with DIT, GDAC (Government Data Analytics Center) and SAS to integrate various HR information systems and to provide dashboards. The goal of this initiative is to transform existing data assets into meaningful information for use in making program investment decisions, managing workforce resources and achieving business goals.

Strategic Goal 3: Implement proactive measures to support a state government workforce that reflects the diversity of the people of North Carolina

Develop and implement programs and policies which support creating and maintaining a state government workforce that reflects the broad diversity of the people of North Carolina. This includes emphasizing and evaluating the current workforce and establishing objectives in recruitment, retention, and engagement to maintain an employee workforce that reflects the diversity of the people of North Carolina and ensures that members of the workforce are valued and appreciated for their differences.

Strategic Goal 4: Continue to update the Classification and Compensation System implemented in June 2018

Continue to hone and fully implement the new Classification and Compensation system. The system was designed to create one modern, streamlined compensation system with one set of governing policies. Driven by key compensation principles of market responsiveness and equitable and affordable compensation, and with proper funding, the system will enable the state to attract and retain a highly skilled and diverse workforce.

Strategic Goal 5: Leverage HR resources to assist in Hurricane Recovery and Resilience

Prioritize and maximize OSHR Human Resource business processes to support state agencies in the Hurricane and Resiliency effort with temporary, time-limited and operating personnel support to assist with an effective recovery and rebuilding process.

Strategic Goal 6: Implement additional improvements in Safety and Workers' Compensation

Continue to develop strategies to assist HR Directors, Safety Professionals, and Workers' Compensation Administrators, including awareness and safety training, that will effectively communicate their safety expectations to all levels of supervision, promoting a safety and hazard recognition, and mitigation culture for all employees. This will improve workplace safety, further control workers' compensation

costs and assist with driving down costs, while ensuring ethical and equitable treatment of injured employees.

Strategic Goal 7: Continue use of NCFlex as valuable benefit

Review and continuously assess the NCFlex State Insurance Plans to ensure the offerings and options meet the needs of state employees and their families. Employee contributions are made on a pre-tax basis, thus allowing employees to manage care of their physical, emotional and financial health at a lower cost.

Strategic Goal 8: Streamline and modernize Business Systems and Operations

Balance resource investments in ensuring a stable and reliable business infrastructure while also leveraging new public or private solutions that could have a meaningful impact on the services that are provided to the citizens of North Carolina.

Strategic Goal 9: Continue use of Temporary Solutions as a state government efficiency

Provide temporary staffing service to state government entities and universities in a time-efficient and cost-effective manner, resulting in significant cost savings to the state.

In addition to recruiting temporary staff, Temporary Solutions continuously monitors Human Resource (HR) policy and federal regulation (ACA) compliance.

Strategic Measures of Success

OSHR will continuously develop methodologies for measuring the effectiveness of its Strategic Plan. There is a spectrum of measures that can be used, ranging from process and milestone metrics to outcome-based metrics, some of which OSHR may not be able to directly impact.

OSHR will identify a robust set of measurable outcomes that it can directly impact. OSHR will seek to align outcomes to measures of strategic importance for the state of North Carolina and its citizens.

2. Mission, Vision, and Values

Mission Statement

OSHR strives to provide a solid Human Resource Management foundation, responsible oversight, and creative solutions through a collaborative approach with agencies, universities, and local government to maximize the potential of our greatest asset – our employees.

Vision Statement

Our vision is to excel as a leader and partner in managing Human Resources for a North Carolina State Government that reflects the diversity and talent of our state.

Organizational Values

At the heart of the Department's work are its core values, which are implemented consistently at all levels and across all Divisions. These include:

- Diversity and Inclusion

Demonstrates an open-minded approach to understanding people, regardless of their race, color, ethnicity, national origin, age, disability, sex, pregnancy, religion, National Guard or veteran status, sexual orientation, gender identity or expression; treats all people fairly and consistently and with dignity and respect; effectively builds an inclusive work environment, composed of people from diverse backgrounds and with diverse perspectives, where everyone feels welcomed and valued and is allowed the opportunity to use their skills, abilities, and knowledge to succeed.

- Teamwork and Collaboration

Cooperates with others to accomplish common goals. Works with external constituents and other employees to achieve shared goals. Treats others with dignity and respect. Maintains a friendly demeanor. Values the contribution of others. Communicates confidently and clearly using visual, written, and verbal methods. Understands, respects, and responds non-judgmentally to those different from him/herself. Builds effective teamwork. Uses negotiation and persuasion to mobilize others to work toward a common goal.

- Initiative

Proactively identifies ways to contribute to organizational goals and mission. Achieves results without needing reminders from others. Identifies and acts to address problems and opportunities.

- Quality

Consistently delivers high-quality products, services, processes, programs, and projects. Regularly and proactively seeks ways to improve outcomes and results. Produces work that is accurate, efficient, and timely.

- Talent Management (For Supervisors)

Clearly establishes and communicates goals and accomplishments. Monitors and evaluates employee performance. Provides timely and effective feedback and coaching. Identifies development needs and helps employees address them. Helps employees achieve optimal performance and gain valuable skills that will translate into strong performance in future roles.

3. Goals, Objectives, and Performance Measures

<p>Goal 1 – Implement Recruitment and Training Programs consistent with Governor Cooper’s NC Job Ready Initiative</p>		
<p>Objective 1.1 – Provide enhanced skill development opportunities to supervisors and employees to increase their competency levels within their existing position and to position them for promotional opportunities.</p>		
<p>1.1.1 – Performance Measure or Milestone Launch blended supervisory onboarding program for newly promoted/newly hired supervisors to include components from the HR curriculum necessary for new supervisors to be aware of and understand, as well as additional growth and learning opportunities through the LMS.</p>	<p>Strategy</p>	<p>In collaboration with OSHR Division Directors, agency Training Directors, agency HR Directors, and the TM Technology Team, determine course offerings that are identified as necessary to enhance competencies.</p>
	<p>Brief Description: Create and assign a baseline curriculum that all newly hired/promoted supervisors should participate in that will support their success within their new roles within their respective agency.</p>	
<p>1.1.2 – Performance Measure or Milestone Expanded class offerings are available; employees are registering for the classes; evaluations are indicating a positive impact on the workplace.</p>	<p>Strategy</p>	<p>In collaboration with OSHR Division Directors, agency Training Directors, and HR Directors, determine course offerings that are identified as development topics and are missing from the current available curricula.</p>
	<p>Brief Description: Fully support development, communication and implementation of the supervisory and leadership development opportunities for employees at all levels of state government, incorporating offerings that have not been part of the curriculum such as diversity, cultural competence, best practices in performance management, etc.</p>	
<p>1.1.3 – Performance Measure or Milestone Review and recommend a learning library of online courses for all state employees. Track participation through monthly reports, graphs, and dashboards.</p>	<p>Strategy</p>	<p>Working in collaboration with agency Training Directors, review available libraries and recommend a solution for purchase to OSHR Leadership that will be integrated with the current Learning Management System.</p>
	<p>Brief Description: Implement an online learning library that is accessible to state employees. Decisions that must be made are 1) what type of trainings to offer (short briefs, intensive trainings, etc.), 2) how many licenses to purchase, 2) how to make agency assignments, etc.</p>	

Objective 1.2 - Implement a training curriculum designed to increase and enhance the skills of HR professionals in the field of Human Resources

<p>1.2.1 – Performance Measure or Milestone Increase the number of training offerings on HR topics; track agency attendance; use Levels 2 and 3 evaluations to gather and report impact data.</p>	<p>Strategy</p>	<p>Working in collaboration with HR Directors, Agency Training Directors, current offerings through the LMS, the TM Technology Team and identified Subject Matter Experts (SMEs), design and implement an HR School curriculum.</p>
	<p>Brief Description: Fully support development, communication and implementation of the Governor’s NC Job Ready initiative by creating a training program for agency HR professionals to upskill and enhance the knowledge base of new and experienced HR professionals across state agencies. The HR School will be in a blended format, multi-level, engaging with and enhancing the knowledge of HR professionals at the HR Director and HR Professional staff levels. The modules will be both targeted at a specific area of concentration and generalized for those individuals who aspire to work at higher levels within an area of HR expertise.</p>	

Objective 1.3 – Update and refresh the HR Technology Systems

<p>1.3.1 – Performance Measure or Milestone Identified functionalities are implemented and employees experience an easier interface with the system, thereby making it easier for employees to keep performance plans up to date as well as increase their skill levels through participating in learning opportunities that increase their effectiveness in their work.</p>	<p>Strategy</p>	<p>Refresh, update and make enhancements to the state’s Learning Management System by cleaning up current data and implementing functionalities that are not being utilized.</p>
	<p>Brief Description: Data that is currently in the system is scrubbed. Identify and launch new/underutilized system functionalities that support employees developing proficiencies within their chosen career paths, assessing competencies for growth opportunities, linking performance management and identified leadership competencies with OSHR training opportunities.</p>	

Objective 1.4 - In support of the NC Job Ready Initiative, strategically partner with NC Division of Workforce Solutions to promote NCWorks

<p>1.4.1 – Performance Measure or Milestone Develop partnership to increase the awareness of residents of North Carolina about the various job opportunities available throughout the state.</p>	<p>Strategy</p>	<p>Work with agencies to increase awareness of NCWorks resources and propose verbiage in job postings with information and a link to NCWorks; at the same time look at increased opportunities that the state agencies could recruit in collaboration with NCWorks.</p>
	<p>Brief Description: NCWorks provides information regarding job opportunities statewide in the public and private sector and we are looking to enhance the awareness of state jobs to the residents of North Carolina.</p>	

Objective 1.5 - In support of the NC Job Ready Initiative, collaborate with agencies to identify their internship programs and increase the awareness and availability of the programs statewide		
1.5.1 – Performance Measure or Milestone Develop a database of internships available through the agencies and increase available internships by 10%.	Strategy	Coordinate and share information from the agencies regarding their internship programs. This includes how the interns are paid, how they are recruited, and how they are oriented.
	Brief Description: Internships are one way that we can expose NC students to various job opportunities within the state. We need to be more consistent with our internship programs and ensure that the information is available to everyone in the state.	
Objective 1.6 – In support of the NC Job Ready Initiative, increase career/job awareness with the State of North Carolina		
1.6.1 – Performance Measure or Milestone Determine and create database of job fair and school-sponsored career fairs in which the Agencies are currently participating; develop a method of communicating information about upcoming job fairs and school-sponsored career fairs to increase participation.	Strategy	Utilizing various methods to increase the awareness and benefits of state job opportunities through more Agency participation in job and career fairs; stepped-up use of social media; and increased internship opportunities.
	Brief Description: Job/Career fairs are one way of talking directly to applicants about positions and benefits of working for the state. To increase our exposure to a wider audience regarding positions available with the state, increase communication through social media such as Facebook, Twitter, and LinkedIn.	
Objective 1.7 – Develop and support talent and workforce management		
1.7.1 – Performance Measure or Milestone Use HR data analytics to measure HR effectiveness across Agency.	Strategy	Enrich workforce through continuous learning opportunities and cross training in all functional areas.
	Brief Description: Maintain a stable work force with appropriate number of staff to meet compliance requirements and mitigate risk.	

Objective 1.8 – Enhance services provided to the 95 local government entities with employees who are subject to the State Human Resources Act that are served by the Office of State Human Resources

<p>1.8.1 – Performance Measure or Milestone Explore collaborative opportunities with each entity to increase the services provided to local government entities.</p>	<p>Strategy</p>	<p>Increase collaboration between OSHR and DHHS, UNC School of Government, NC Association of County Directors of Social Services (NCACDSS), and NC Association of Local Health Directors.</p>
	<p>Brief Description: Local county agencies are subject to portions of the State Human Resources Act (SHRA), including departments of <u>social services, public health and mental health</u>. Increased collaboration can improve the consultative and processing services provided to local government entities.</p>	
<p>1.8.2 – Performance Measure or Milestone Complete a local government needs assessment and operationalize needed services.</p>	<p>Strategy</p>	<p>Assess and prioritize the needs of local government entities and develop strategies to address those concerns.</p>
	<p>Brief Description: Work with local county agencies, including departments of <u>social services, public health and mental health</u> to identify tools to deliver improved Human Resources services, including the need to regionalize the services provided by OSHR.</p>	
<p>1.8.3 – Performance Measure or Milestone Launch online training, after completing a pilot evaluation.</p>	<p>Strategy</p>	<p>Develop different delivery modalities to expand the provision training and development opportunities to local government entities.</p>
	<p>Brief Description: Evaluate training needs of local county agencies, including departments of <u>social services, public health and mental health</u> and explore more effective training delivery systems.</p>	

Goal 2 – Modernize and Implement data driven decision capability through analytics

Objective 2.1 - Implementation of GDAC (Government Data Analytics Center) to integrate the different HR systems and to transform existing data assets into a meaningful information for use in making program investment decisions, managing workforce resources, and achieving business goals.

<p>2.1.1 – Performance Measure or Milestone Provide dashboards that management can use to compare HR metrics, analyze trends and identify HR statewide issues.</p>	<p>Strategy</p>	<p>Partnering with DIT and GDAC to integrate various information systems and provide dashboards with current data for HR leadership easy access.</p>
	<p>Brief Description: There will be several phases to this project. The first phase of this project will be the integration of BEACON and NeoGov information in the system. GDAC’s vendor, SAS, will provide dashboards and include HR models. The second phase will include the integration of other data into the system (LMS, university data, benchmark data, People Admin, etc.). The goal is to have all modern data analytic capability across all state HR systems.</p>	

Objective 2.2 - Leverage HR analytics to recognize trends and to measure success toward achieving statewide goals		
2.2.1 – Performance Measure or Milestone Increase the use of HR analytics at OSHR and the different Agencies to measure HR effectiveness across the state.	Strategy	Develop clear HR analytics that support OSHR and state agency mission and achievement of its business goals.
	Brief Description: Create meaningful HR metrics and goals by division, audit information in the system for compliance to HR policies, use the HR data to streamline HR processes and to increase OSHR and state agency effectiveness.	
Goal 3 – Implement proactive measures to support a state government workforce that reflects the diversity of the people of North Carolina		
Objective 3.1 – A state government workforce that broadly reflects the diversity of the people of the state		
3.1.1 – Performance Measure or Milestone Review recruitment, development and retention practices to ensure barriers to employment are identified and addressed.	Strategy	Identify, assess, and address barriers to achieving a diverse and inclusive workforce.
	Brief Description: Conduct environmental assessment of policies, procedures, and processes to identify barriers and implement necessary modifications.	
3.1.2 – Performance Measure or Milestone Regularly assess diversity climates within state agencies.	Strategy	Integrate diversity and inclusion values and practices into existing state government processes.
	Brief Description: Clarify and communicate diversity and inclusion values. Conduct cultural assessments to maximize inclusive practices.	
3.1.3 – Performance Measure or Milestone Collect data regarding current applicant pool, identify areas for outreach, and analyze representation data contained with the annual EEO Plans.	Strategy	Increase the diversity of the job applicant pool and diversity of the state workforce for state permanent and temporary positions.
	Brief Description: OSHR works with state agencies to support efforts to ensure that employees working for the state reflect its diverse population; to identify areas of outreach for the diversity of the candidates for NC state jobs; and to enhance demographic recruiting through social media, print ads, and job/career fair participation.	
3.1.4 – Performance Measure or Milestone	Strategy	Attract and retain a talented workforce skilled at working in a diverse and inclusive environment.

<p>Increase manager and supervisor training opportunities in diversity and inclusion and integrate diversity and cultural competence into the performance management expectations of managers and supervisors.</p>	<p>Brief Description: Train supervisors and employees in hiring and selecting candidates to ensure diversity and inclusion within work units.</p>	
<p>3.1.5 – Performance Measure or Milestone Increase the specific programmatic activities designed to recognize and support positive diversity and inclusion practices.</p>	<p>Strategy</p>	<p>Create and sustain programmatic activities to positively promote diversity and inclusion best practices.</p>
	<p>Brief Description: Develop and implement specific programs and activities to support diversity and inclusion goals both statewide and within an agency.</p>	
<p>Goal 4 – Continue to update the Classification and Compensation System implemented in June 2018</p>		
<p>Objective 4.1 – Working with the selected vendor, fully implement the market-based compensation system to enable state agencies and universities to recruit and retain a diverse and highly skilled workforce</p>		
<p>4.1.1 – Performance Measure or Milestone Conduct regular reviews and meetings with vendor executive steering committee to ensure that vendor provides deliverables as per contract and by target dates.</p>	<p>Strategy</p>	<p>Coordinate with the selected RFP vendor to ensure compensation structure is sound and competitive based on modern and best human resources practices.</p>
	<p>Brief Description: The Appropriations Act of 2013 charged OSHR to develop a new statewide compensation system and replace two outdated systems. The new system was implemented June 1, 2018 and consists of six pay plans. This strategy is designed to establish competitive and sound compensation structure framework to enable agencies and universities to recruit and retain highly qualified employees.</p>	
<p>4.1.2 – Performance Measure or Milestone Establish Classification Collaboration teams to analyze allocations and class concepts.</p>	<p>Strategy</p>	<p>Develop leveling matrix for each job family and branch to ensure consistent application of classification concepts.</p>
	<p>Brief Description: Classification Collaboration teams comprised of OSHR and Agency HR Consultants analyze and discuss class concepts and agency allocations. This strategy is designed to create a tool for consultants to use to ensure consistent use of classifications across state government.</p>	
<p>4.1.3 – Performance Measure or Milestone</p>	<p>Strategy</p>	<p>Refine class concepts in collaboration with HR Directors and consultants and ensure subsequent training and education is implemented for consistent application across state agencies and universities.</p>

<p>Facilitate regular schedule of training and compensation network meetings and audit job descriptions for application.</p>	<p>Brief Description: A new compensation system was implemented June 1, 2018. This strategy is designed to ensure sound understanding of the new roles and classification concepts.</p>	
<p>4.1.4 – Performance Measure or Milestone Conduct and assimilate regular salary surveys along with assessment of recruitment and retention data to continuously improve pay delivery.</p>	<p>Strategy</p>	<p>Recalibrate compensation system bi-annually based on benchmark jobs and updated salary surveys to ensure it provides salary competitiveness and enhances recruitment and retention.</p>
<p>4.1.5 – Performance Measure or Milestone Facilitate a sound and fair process by which the team analyzes and recommends the final allocation.</p>	<p>Strategy</p>	<p>Develop post-implementation study process to ensure accurate agency allocations and alignment with the state’s compensation philosophy.</p>
<p>4.1.6—Performance Measure or Milestone Work with agencies to determine priority compensation reviews and classification studies to decrease vacancy rates and turnover.</p>	<p>Strategy</p>	<p>Develop a post-implementation process that triages review/study requests from agencies.</p>
<p>Objective 4.2 - Encourage the Legislature to fully and continuously fund competitive compensation</p>		
<p>4.2.1 – Performance Measure or Milestone Facilitate movement toward a fully funded classification and compensation system for the State of North Carolina.</p>	<p>Strategy</p>	<p>Provide information to the Office of State Budget and Management for consideration in the Governor’s Budget proposal.</p>
		<p>Brief Description: Based upon available national and state data, provide timely information to the Office of Budget and Management on employee salaries, recruitment and retention data, as well as changes to the national and state labor market, including the Consumer Price Index.</p>

4.2.2 – Performance Measure or Milestone Bring state employee salaries closer to the labor market, support the state’s total reward philosophy, and allow agencies to pay more competitive salaries.	Strategy	Seek consistent and adequate salary adjustment funding for a period of several budget cycles for strategic increases to employees in state agencies and universities.
	Brief Description: Approximately 65% - 70% of employees in state agencies are paid below the midpoint of their range. In conjunction with agencies’ review of information on quartile placement, recruitment challenges, and turnover issues, continuously monitor labor market data for classifications that appear to be increasing at a significantly higher rate than the overall increase in labor markets	
4.2.3 – Performance Measure or Milestone Develop a policy that includes pay delivery mechanisms to address the various compensation challenges in state government.	Strategy	Establish new compensation and salary administration policies and guidelines to align with the new statewide compensation system while ensuring legal compliance.
	Brief Description: Developing a revised salary administration policy is the next step toward fully implementing the new statewide compensation system. This policy will allow agencies to make strategic salary decisions and plan for the best use of funding for employee salaries. Interim Salary Administration Guidelines are now in place and are being evaluated for effectiveness in recruiting and retaining employees.	
Goal 5 – Leverage HR resources to assist in Hurricane Recovery and Resilience		
Objective 5.1 – Prioritize and maximize HR business processes to support state agencies in the Hurricane and Resiliency efforts		
5.1.1 – Performance Measure or Milestone Provide timely and well matched temporary and time-limited employee placements for Hurricane Florence relief/recovery efforts throughout the state of North Carolina.	Strategy	Increase collaboration between Temporary Solutions and DPS Emergency Management to provide the temporary employee resources needed for the Hurricane Florence recovery efforts of this event.
	Brief Description: The state experienced catastrophic damage due to Hurricane Florence and other recent storms. Temporary Solutions has collaborated and partnered with DPS/NC Emergency Management to provide additional temporary resources needed to fulfill recovery plans. Additionally, OSHR has collaborated with the new Office of Recovery and Resiliency on staffing for time-limited positions.	
5.1.2 – Performance Measure or Milestone Support agencies that may have changes to staffing and/or compensation amounts based upon 2019 budget/legislative session related to additional funding for	Strategy	Improve efficiency with state hurricane response by allowing appropriate flexibility in HR area.
	Brief Description: Office of State Human Resources will work on a priority basis with agencies affected by hurricane-related outcomes of 2019 legislative session or policy decisions made by the Governor.	

Hurricane Recovery with needed HR services.		
Goal 6 – Implement additional improvements in Safety and Workers’ Compensation		
Objective 6.1 – Facilitate collaboration and transparency to maximize workplace safety measures		
6.1.1 – Performance Measure or Milestone Implementation by June 30, 2020. This tool will enable OSHR to establish metrics that can be measured by the reduction in workplace injuries and the reduction of workers’ compensation costs.	Strategy	Develop a workplace safety data analytics dashboard.
	Brief Description: This data analytical tool will help state agencies and universities make evidence-based business decisions to reduce workplace injuries and provide effective measures to evaluate safety education training that state employees need.	
6.1.2 – Performance Measure or Milestone Reduction of workers’ compensation claims. Continue to measure all components and assure that trends and expenditures are being reduced and controlled.	Strategy	Monitor workplace injury trends to minimize unsafe work environments and to ensure safe working environments.
	Brief Description: Identify workplace injury trends. Work collaboratively with agency and university safety leaders to proactively make work environments safer by providing outreach and training support.	
Objective 6.2 – Promote proactive safety recognition and mentoring best practices throughout the state		
6.2.1 – Performance Measure or Milestone Implementation by June 30, 2019. Recast current recognition program to make a positive impact on agencies and universities by rewarding their hard work on reducing workplace hazards and injuries. Program will also develop a positive culture that will be shared among agencies and universities.	Strategy	Develop a statewide hazard recognition program for all state agency and university employees.
	Brief Description: OSHR will administer a recognition program designed to acknowledge state employees, agencies, and universities that are proactive and partner with OSHR to prevent workplace injuries.	

Objective 6.3 – Establish an employee-based hazard risk assessment program to impact behavior		
6.3.1 – Performance Measure or Milestone Implementation by June 30, 2019. Increase training; track attendance; completion; obtain feedback.	Strategy	Promote workplace hazard identification.
	Brief Description: OSHR will provide hazard identification training on the most common accident types associated with workplace injuries.	
6.3.2 – Performance Measure or Milestone Cost containment of workers’ compensation liabilities; ongoing.	Strategy	Monitor workers’ compensation claims handling.
	Brief Description: OSHR workers’ compensation consultants quarterly review and prepare written reports covering open workers’ compensation claims and assess whether they are being handled in a manner that promotes prompt closure and cost containment.	
6.3.3 – Performance Measure or Milestone Implementation by June 30, 2019. Develop educational resources; track attendance and completion; obtain feedback.	Strategy	Safety and workers’ compensation training and resources development.
	Brief Description: OSHR staff will develop new and revised safety and workers’ compensation resources and in-person and online training for employees, supervisors, and state agency safety and human resources staff.	
6.3.4 – Performance Measure or Milestone Implementation by June 30, 2019. Provide updated return-to-work program implementation manual; provide state agencies with return to work program development consultation; track persons returned to work upon release.	Strategy	Promote return-to-work program in state agencies and universities.
	Brief Description: Encourage and assist state agencies with adoption of comprehensive return-to-work programs emphasizing importance of accurate functional job descriptions and providing pre-maximum medical improvement return to work opportunities for injured employees.	
Goal 7 – Continue use of NCFlex as valuable benefit		
Objective 7.1 - Deliver supplemental benefits through NCFlex program that add value for our current and prospective employees		

7.1.1 – Performance Measure or Milestone Regularly assess needs of state employees and conduct quarterly meetings to explore best pre-tax options.	Strategy Reestablish NCFlex Benefits Advisory Group to evaluate existing and recommend, as appropriate, new benefits options.
	Brief Description: NCFlex state insurance plans provide a variety of pre-tax plans to meet the needs of state employees and their families. The NCFlex program offers significant savings to employees in federal, state, and FICA taxes. The strategies to support this objective are designed to ensure a comprehensive array of affordable benefit options are made available to meet the needs of state employees.
7.1.2 – Performance Measure or Milestone Promote NCFlex programs to current and prospective employees to increase participation.	Strategy Provide Health Benefits Representative (HBR) training and regular assessment of participation data.
	Brief Description: A complete understanding of the NCFlex plans is key to employees taking advantage of its many options. Ensuring state employees are aware of the wide range of benefits NCFlex offers, will enable them to make choices that best support their family.
Goal 8 – Streamline and Modernize Business Systems and Operations	
Objective 8.1 – Streamline core business functions	
8.1.1 – Performance Measure or Milestone Reach goal of 30% increase in efficiency upon implementation of automated invoicing system.	Strategy Implement invoice system upgrades.
	Brief Description: Explore IT and other system upgrades to improve invoicing process for training functions and increase automation (LEAN). An automated system will reduce aging accounts receivable, reduce errors and duplication, and ensure audit compliance.
8.1.2 – Performance Measure or Milestone Successful implementation of Business Operations projects and processes to ensure OSHR adheres to policies established by OSBM, OSC, DST, and OSA.	Strategy Maintain focus on core operational functions.
	Brief Description: All areas of Business Operations are relied upon by other divisions and program areas to perform its operational responsibilities accurately and consistently. The program area will research key budget or policy issues and complete analysis and issue deliverables related to state budget management, OSC and cash management, revenues deposited with the State Treasurer, and State Auditor compliance.
8.1.3 – Performance Measure or Milestone Development of Contract Monitoring Plan to ensure that	Strategy Develop effective contract monitoring plan.
	Brief Description: Develop Contract Monitoring guidelines for all OSHR staff responsible for contract administration. By actively monitoring a Vendor's performance during the life of the contract, OSHR contract administrators will ensure that OSHR is

OSHR’s objectives of all contracts are accomplished and vendors meet their responsibilities as well as mitigating risk.	getting what it contracted for, on time, within the scope of work, for the cost agreed upon, and memorialize modifications via Amendments.	
Objective 8.2 - Streamline and modernize Business Systems and Operations		
8.2.1 – Performance Measure or Milestone Successful implementation of ServiceNow to provide uniform core HR workflow practice for all agencies.	Strategy	Develop and implement Core HR workflows through a statewide application framework.
	Brief Description: OSHR as business owner of ServiceNow will develop, in collaboration with DIT, “gold standard” of foundational HR process for Agency implementation.	
8.2.2 – Performance Measure or Milestone Successful implementation of modernized organizational chart tool to easily review agency organization structure.	Strategy	Implement drawing tools and upgrade to an interactive, data-driven organizational chart tool to have uniform organizational structures, roles and responsibilities reflected to efficiently maintain agency workflow and reporting structures that affect various HRIS systems such as IHRIS, PeopleAdmin, NCVIP, and LMS.
	Brief Description: Realign, implement, and maintain organizational chart to reflect correct representation of relationships between an organization’s departments, functions, and people. This will improve the flow of data as well as clarify responsibility and reporting from bottom-up or top-down.	
8.2.3 – Performance Measure or Milestone Develop resources and increase training to reduce time and leave inconsistencies.	Strategy	Develop and implement training; perform audit; and administer time and leave policy and processes consistently to reduce leave cost and lost time.
	Brief Description: Audit, review, and assess monthly time and leave reports to develop new and revised time and leave resources and provide training for agency employees.	
Objective 8.3 – Streamline and maximize delivery of HR services within the state		
8.3.1 – Performance Measure or Milestone Improved HR systems.	Strategy	Recommend and implement changes to the state’s HR delivery system based on available metrics.
	Brief Description: Realign OSHR and Cabinet agency HR services and programs to optimize delivery of HR services. Consult and collaborate with Council of State agencies and other non-Cabinet agencies for delivery improvements.	

Objective 8.4 – Effectively manage risks, resources and compliance within changing HR environment.		
8.4.1 – Performance Measure or Milestone Policies and procedures are developed and updated timely.	Strategy	Implement internal policy development and monitoring system.
	Brief Description: Timely update, revise, and develop internal policies and procedures to conform with legislative, policy, and rulemaking applicable to OSHR and the SHRC.	
8.4.2 – Performance Measure or Milestone Track employment-related legal opinions and educate HR professionals and managers to reduce risks in agencies and universities	Strategy	Analyze applicable state court decisions; revise policies and rules based on changes to existing law.
	Brief Description: Ensure internal case law tracking mechanism is current and provide training to all State Human Resource Directors and the Attorney General’s Office Personnel Group on best practices.	
8.4.3 – Performance Measure or Milestone Successful implementation of division projects and processes with legal compliance.	Strategy	Continuously maintain focus on core operational functions and compliance.
	Brief Description: Provide legal advice to all divisions and program areas to allow them to perform their operational responsibilities accurately and consistently. This review includes contracts, RFPs, final agency decisions, and RIF actions.	
8.4.4 – Performance Measure or Milestone Provide OSHR with needed goods and services in accordance with procurement laws and rules.	Strategy	Ensure OSHR procurement compliance.
	Brief Description: Draft RFPs, RFQ, IFBs, Amendments with input from Business Owners/Subject Matter Experts regarding scope of work and timelines; oversee bid evaluation meetings; draft waivers and draft requests for contract awards that are not on State Term Contract or \$5,000 or less.	
Goal 9 – Continue use of Temporary Solutions as a state government efficiency		
Objective 9.1 – Provide temporary staffing service to state government entities in a time-efficient and cost-effective manner resulting in significant cost savings to the state		
9.1.1 – Performance Measure or Milestone Provide timely placements of job orders with quality candidates.	Strategy	Collaborate with agencies in filling their temporary workforce needs.
	Brief Description: Select a qualified pool of applicants for agencies and universities to assist with workloads demanding more staff. In addition to posting temporary positions on the state’s job site, Temporary Solutions has two full-time recruiters that travel across the state to help recruit and maintain a robust pool of applicants, especially in	

	rural areas. Temporary Solutions also collaborates with universities and community colleges to obtain recommended candidates for various internships in state agencies.	
9.1.2 – Performance Measure or Milestone Monitor agency compliance with state employment requirements for temporary employees.	Strategy	Facilitate and support HR policy compliance with regard to temporary employment needs.
	Brief Description: Continue to monitor the appropriate employment of temporary employees by state agencies pursuant to policy and legal requirements.	
9.1.3 – Performance Measure or Milestone In collaboration with OSC, tracking reports are maintained to ensure proper documentation for compliance with federal ACA regulations.	Strategy	Support agencies in their compliance with regard to the federal regulations for ACA.
	Brief Description: Temporaries that meet requirements are offered the High Deductible Health Plan as mandated by the Affordable Care Act. Enrollment materials are emailed and mailed to the temporary employee.	

4. Highlights and Opportunities

Agency Highlights and Best Practices

- Classification and Compensation:
 - Success with moving forward and achieving Milestones with the Classification and Compensation System.
 - Started a post-implementation process that includes both review of classifications and the hiring of a consultant to help improve the system further.
 - Supported Human Resource Directors (HRD) in agencies through monthly meetings, training sessions, one-one consultations, and mentoring.
 - Modernized and streamlined the state's compensation system to allow for a market responsive, equitable and affordable system.
 - Administered minimum to market increases to more than 1,800 employees.
 - Strong collaboration between OSHR and agency Human Resource offices of all Cabinet and Council of State agencies resulted in the creation of 1,400-plus new state job classifications, a reduction from more than 2,300 previously in use, and six pay plans to recognize the distinct labor markets.
- Salary Administration:
 - Started a more collaborate approach with agencies to better identify positions that need additional appropriations to effectively compete with non-state employers.
 - Working with agencies to develop a united approach to seeking adequate Salary Administration Funding to support purpose and function of new Classification and Compensation System.
- Data-Driven Decision Making
 - Started the first comprehensive review of how data is captured in the BEACON system since the system was implemented over a decade ago.
 - OSHR has embarked on one of many important initiatives by partnering with DIT, Government Data Analytics Center (GDAC) and SAS to integrate various Human Resources information systems. This will facilitate and streamline OSHR's ability to transform existing data assets into meaningful information for use in making program investment decisions, managing workforce resources and achieving business goals. Furthermore, the data analytics will continue to support OSHR and agency mission and achievement of its business goals by providing an improve tool and resource in the decision-making process.
- Leverage Skills of Subject Matter Experts
 - Started, reimplemented, or re-focused subject matter expert meetings for agency staff in the areas of Safety and Worker's Compensation, Classification and Compensation,

Health Benefit Representatives, Recruitment Coordinators, Training Directors, NC VIP Coordinators, and Employee Relations Network.

- Training

- The NC Learning Center provides online courses and classroom trainings for employees. Some of the top trainings completed are: (2017) 1) Security Mentor – Incident Reporting; 2) Security Monitor – Information Protections; and 3) Security Mentor - Computer Security, and (2018) 1) Preventing Workplace Harassment (v1 & v2); 2) Security Mentor - Social Engineering Lesson; and 3) Security Mentor - Insider Threat.
- Quickly implemented online training for all state employees on Unlawful Workplace Harassment. As of 11/5/18, 109,207 employees have taken the “Preventing Workplace Harassment.”
- Safety and Worker’s Compensation will conduct mock safety inspections that assist and expose small agencies and campuses inspectors to situations that might not typically arise at their worksites. As of September 2018, 409 employees have participated in Workers’ Compensation on line and in-person training classes.
- OSHR provides training for State employees to become certified mediators under OSHR’s Statewide Mediation Program. In 2017, 33 employees became certified mediators.
- Supervisor training was provided to more than 2,600 supervisors in 2017.
- Pluralsight is the DIT technology learning platform with more than 6,700 expert-authored courses, skills tests, learning paths and more. There are 750 licenses available for the pilot group.
- As of 9/30/18, state employees have completed a total of 4,467 online training courses using the Skillsoft library of learning content. This does not include employees who registered for or started a class without finishing it. Skillsoft is available to state employees through licenses purchased by participating agencies.

- Rules and Policies

- Continue to update OSHR rules and policies with the North Carolina State Human Resources Commission.
- In collaboration with the Human Resource Directors (HRD), implemented a flexible leave policy exception to address state employees needs as a result of Hurricane Florence and Tropical Storm Michael.

- NC Job Ready:

- In collaboration with agencies, OSHR has started keeping an inventory on metrics and data relevant to NC Job Ready. Some of the many examples include the following:
- Increasing work-based learning opportunities:
 - Continue to partner with state agencies to support internship/externships, temporary to permanent hiring, and collaboration with NCWorks Career Centers to promote working for the state and continue our efforts and

collaborations with state agencies in preparing our workforce for the jobs of today, tomorrow and the future.

- OSHR and Temporary Solutions work with agencies in the placement of temporaries, who qualify and are often hired on a permanent basis into open positions. OSHR keeps a monthly inventory of temporaries who become permanent.
- o Career Awareness
 - The state participates annually in approximately 125 career fairs.
 - College and graduate students can explore career options in state agencies via internships and externships. Pursuant to the metrics we have received from the participating agencies, the state had approximately 470 interns in 2018 (spring, summer and fall).

Potential Initiatives

OSHR will need additional appropriations through the Salary Adjustment Fund over a period of several budget sessions to address areas of high turnover/difficult to recruit positions. Agency budgets frequently do not have the resources to compete for skills and talent during times of normal unemployment. When the unemployment rate is especially low it will require even more additional resources through multiple legislative sessions for the Salary Adjustment Fund. This will require a collaborative process between the agencies, OSHR, and OSBM to provide the data necessary to document this need.

This effort will likely require additional data from agencies as to why qualified applicants are not applying, why qualified applicants turn down job offers, and better data as to why employees leave state government. The existing data systems will not provide sufficient supportive data without either significant modification or a great deal of manual manipulation of data.

OSHR will need additional resources to successfully provide enhanced services to the 95 local government entities with employee's subject to the State Human Resources Act (SHRA). The local government program serves local agencies with employee's subject to the SHRA in the areas of classification, selection, employee relations, training, and EEO. The local county agencies that currently are subject to portions of the SHRA are local county departments of social services, public health and mental health. Coverage by the SHRA carries with it automatic compliance with the federal merit standards and maintains local funding eligibility. These strategies are designed to improve the consultative and processing services provided to local government entities.

Additional resources are needed to enhance the alignment of University Human Resource SPA functions and increase productivity in the Total Rewards/Salary Administration program area. The university SPA positions and employees are anticipated to be migrated to the new Statewide Compensation System since the career-banding classification system will no longer be supported.

Collaborative Opportunities

- OSHR is the center of HR expertise for the state. Our agency routinely collaborates with and provides expertise to state government agencies and universities on HR-related issues in the areas of HR policy, compensation, employee benefits, safety, workers' compensation, employee relations, diversity and inclusion, and other matters.
- OSHR is working with DIT and GDAC (Government Data Analytics Center) to integrate the various information systems and to transform existing data assets into a meaningful information for use in making program investment decisions, managing workforce resources, and achieving business goals.
- OSHR is providing training and working with other state agencies to raise awareness with their workers' compensation administrators about best practices for reporting, processing, and managing claims. Greater awareness leads to improved and more consistent claims management.
- Increase in collaboration between OSHR and DHHS, UNC School of Government, North Carolina Association of County Directors of Social Services (NCACDSS), and the NC Association of Local Health Directors.
- OSHR has partnered with Commerce's NCWorks Career Centers to promote and assist the people of North Carolina in their efforts to find employment.

This report was prepared in November 2018 by the Leadership Team of the Office of State Human Resources:

Barbara Gibson, Director

Andrea Clinkscales, Director, Total Rewards Division

Lou Ann Phillips, Deputy Director for Human Resources Programs

John Bogner, Director, Safety and Workers' Compensation Division

Judy Estevez, Deputy Director for Administration

Amy Bowman, Director, Business Operations Division

Lars Nance, General Counsel

Veda Shukla, Acting Director, Human Resources Division

Ronnie Condrey, Senior Advisor to the Director

Nancy Astrike, Director, Diversity and Workforce Services

Jill Warren Lucas, Communications Director

Tonya Horton, Legislative Liaison

Sarah Harris, Director, Talent Management Division