

Sterioti Hammeren, Laurie

From: Evans, Robert P.
Sent: Thursday, April 03, 2008 2:07 PM
To: Sterioti Hammeren, Laurie
Cc: Horner, Tim J.; -Grp-DOT All HRD
Subject: FW: Employee Benefits Programs Committee meeting--April 22, 2008

Laurie: Attached is the North Dakota Department of Transportation response to your questions for the upcoming Employee Benefits Program Committee on April 22, 2008. Thank you for the opportunity to provide input on these very important matters affecting our organization. Bob

From: Sterioti Hammeren, Laurie
Sent: Tuesday, April 01, 2008 2:50 PM
To: -Grp-HRMS HR Contacts
Subject: Employee Benefits Programs Committee meeting--April 22, 2008

Representative Glassheim requested at the last Employee Benefits Programs committee meeting that a representative from HRMS be invited to discuss the issue of flexible programs to retain older workers in the State's system.

A meeting has been scheduled for April 22, and I have been invited to speak to this issue. Therefore I would like to hear from the HR contacts of agencies as to what you are doing in your agency to retain older workers.

I believe that we are all being more flexible with schedules. Please tell me what you are doing that is working.(or not) NDDOT has had flexible schedules for at the past 5 years. Employees are allowed to work 4 ten-hour days, 4 nine-hour and 1 four-hour days in addition to the typical 5 day eight-hour schedule. Generally, employees choose the schedule that best fits their life style. However, business concerns must be considered so schedules are subject to management approval. This is a very popular option. Employees have indicated that it is better than a pay raise. It reduces their commute and day care expenses. I consider it unfortunate, in that it is often a financial need, but it is more convenient to work that second job.

Have you taken advantage of the opportunity to rehire retirees? Are you paying health ins. For them? Are you paying health ins for temps? If so how many?

We have hired many prior employees to work in a variety of capacities within our agency. Often they are brought in for short periods to work on projects using their expertise. We have used them to provide technical expertise to their replacements. I have 3 former employees working in the HR program: one is a retired engineer that handles TRAC. This is an outreach program to high schools and middle schools to encourage students to consider preparation for careers in engineering and transportation. Another retiree coordinates our mentoring program. We have had as many as 30 pairs for one year mentoring relationships. Hundreds of NDDOT employees have participated with great results. We also have another retiree that helps us with workplace investigations. Generally retirees work flexible schedules, basically at their discretion doing things they are good at while fulfilling much needed activities which are not possible with fte positions.

The true advantage to the department is that these retirees are highly motivated employees who have extensive institutional knowledge and are well acquainted with other employees throughout the department. They are trained and ready to hit the ground running at a very high level.

Flexible Schedules?

See above

Reduced Schedules?

We do have 2 positions which are filled by 2 employees each. We also have a vestage 1/2 time position, left over from the ITD consolidation of state agency servers that resulted in 1.5 fte being shifted from NDDOT to ITD a couple of bienniums back. To a large extent the positions are set up based on business needs, not as a benefit to employees. One of the 5 1/2-time employees has worked a reduced schedule do to health issues. The remainder of the employees would much prefer a full time job if available.

Mentoring Program? Please describe

As above, NDDOT is now beginning its sixth year offering a formal mentoring program. We have just now completed the match of our mentoring pairs and will begin the kick off event in April. The mentoring relationship is for one year and is voluntary. Mentees set their own agenda. BSC provides training and expertise. We utilize a retiree to provide in-house coordination.

Leadership program? Please describe

NDDOT has an extensive multi-level program that could potentially touch every employee.

First level supervisor Training. We have a peer to supervisor training program on our intranet that is available to all employees which provides an excellent information for making that very difficult transition to supervisor. We offer a 4.5 day course called "Mastering Leadership" that is based primarily on the peer to supervisor manual. Topics are presented based on NDDOT forms, policies and formats. We see this a big advantage because it eliminates the need for our new supervisors, who often do not have college, to transition from application from management theory to workplace reality. Of course the networks with other supervisors helps provide a supervisory network throughout the department.

Advanced Opportunities :

As a second step, we regularly enroll supervisors or potential supervisors in the HRMS offered Leadership Classes. The content is excellent training and provides a network with other supervisors and managers throughout state government.

We have been able to enroll a number of employees in Leadership Training offered by the North Dakota National Guard. This is also excellent intensive hands on training.

The American Association of State Highway Transportation Officials (AASHTO) provides excellent leadership training that we have been able to offer to a large group of current and future professional level supervisors as well as management positions. They offer a 5-day course that is appropriate for individuals assuming professional leadership roles in engineering and other disciplines. We have been able to offer this course on two occasions in Bismarck in order to put our transportation professionals on a leadership fast track. AASHTO brings in transportation leaders from accross the nation to touch on key issues. This course is offered nationally on an annual basis. Typically, except when a course is scheduled here in North Dakota, the department would identify 1 to 4 individuals to attend the course.

A two-week course is offered by AASHTO that is designed primarily for division directors and executives. This course is offered on a nationwide basis. Again, use of national transportation policy experts and officials is extensive. This provides an excellent opportunity to be exposed national transportation issues and direction as well as establishment of contacts with peers and leaders from throughout the country. The department typically makes this training available to 1 or 2 leaders each year. All attendees were in or have moved into key department leadership roles.

The department has a formal Succession Plan for division director/district engineer and executive positions. Again this is a totally volunteer program that has no guarantees. All positions, except appointed positions, are filled based on competitive application. However, participants get attention from department executives and are provided face to face contacts with these individuals to be provided feed back and recommendations for self improvement in order to improve their odds for being selected at time the position is posted. Currently a number of participants have indicated long term aspirations for all covered positions. The Human Resources division tracks progress and provides support for the executives.

The department also provides in-house employee led classes based on the John Maxwell leadership training. Classes include: Twenty One Laws, Twenty One Indespensible Qualities of a Leader, and The 360 Degree Leader.

We are also part of an interstate agreement with several other states to provide training via interactive video network that includes many supervisory, management and a variety of other soft skill courses necessary for effective leadership skills. The interactive network also makes it possible to connect 8 district offices to the TLN courses as well as our inhouse courses. This system has made it possible for potential leaders located in outlying district and section locations to receive extensive leadership training. In addition this system is also utilized for extensive technical and hard skill training.

Any other initiative?

Career Pathing: This is a long term project designed to review the design and classification of jobs within the department to create opportunities for career growth and advancement. As a replacement for an organization and job design system created in the 1960s at the time of the Interstate building boom, special attention is given to incorporating the affects of technology, increased customer service, increased environmental compliance, and a recognition of the need to align infrastructure initiatives with the economic development and cultural needs of the communities served. This initiative has recieved recognition in "Governing" magazine as a possible solution and approach to critical state staffing concerns which might be adapted by other agencies.

Grants for Students: The department has long allowed grants to students for enrollment in engineering or related technical programs at an instate state university or college. The department provides \$1,000 per semester up to a total of \$6,000 per student. Employment is guaranteed for each participant upon graduation. The funds must be repaid if department employment is not accepted.

Internships: The department provides opportunities for about 40 technical or professional students to gain experience in their area of expertise. Work activities are designed to provide real world practical experience that can be applied in future employment with the department or other employers. Careful monitoring is taken to assure that assignments are challenging and meaningful. This has been a source for many technical positions in the department and provides the new employees with a great start to their careers. NDDOT has been recognized for its Internship Program a one of the best in the state of North Dakota

NDSU Design Center: The department has a partnership with North Dakota State University to locate a design center on campus. The center provides real world design experience utilizing the state of art technology used by the department. Students are supervised at the center by department engineers and do work on department designs.

TRAC: This is a program to provide class room experience to North Dakota high school and middle school students. The program is offered in 17 schools. Modules are provided which are available for incorporation into a variety of math, science, and tech ed. classes. Teachers are provided training on use of the modules in the focus of their classes. NDDOT engineers, including the retiree coordinator, are available to provide engineering related classes.

Employee Orientation: The NDDOT orientation program for new employees is a comprehensive approach to employee integration designed to provide new employees with basic start-up information as well as an introduction that focuses on long term engagement and commitment. The highlight of the program is an 8 hour Central Office session that includes presentations from the Director and Executive Staff members on the department Mission, Vision, Values, and Goals. All members are also provided tours of central office and the Bismarck district that focuses on the technology utilized within the organization. This has resulted in a reduction of first year turnover.

Rotational Training Program: In that more than 50% of the department engineers have 10 or less years of service. The department depends on these rather green engineers design and oversee the construction of projects easily in the \$10 to \$20 million dollar range, the Rotational Training Program to put these employees on the fast track technical and leadership development program. A two tier program has been implemented that will in the first two years of employment provide a broad based exposure to the overall engineering process at NDDOT.

Employee Survey: Employees are encouraged to participate in a survey every two years to measure their level of satisfaction with the department and their employment. Feedback is utilized to focus on issues and concerns. The overall survey results are reported as a key department Performance Measure.

Wellness Program: A system of district and central office Wellness Committees along with an overall coordinating committee serve to develop and promote wellness initiatives throughout the deparment. Initiatives include informational programs on nutrition, values of wellness, flu shots, fitness, and exercise. The department sponsors health screening

opportunities to all employees statewide. Funding for initiatives are provided from NDPERS as well as from department funds that would have been redirected to the 1% penalty if the department did not have a wellness program.

Training: The department has a major commitment to employee training to provide them with state of art hard and soft skills necessary for successful employment with the department as well as other organizations. Employees realize that they have readily marketable skills resulting in improved productivity as well as a sense of commitment and satisfaction their NDDOT employment. Included in the training program is a strong commitment to support Higher Education achievements which funds advaced education courses and degrees with reimbursement rates ranging from 50% to 100% of tuition depending on job relatedness. The total lifetime allowance is capped at \$10,000 for all employees.

Professional Certification: In support of the "Professionalism" value, the department provides encouragement to enhance professional credentials by providing a one-time 1% increase in salaries to recognize a work related professional designation. An examples is when an employee receives his or her professional engineer status and certification and can do higher level tasks such as signing and stamping plans.

Sick Leave Conversion: The department has initiated a Legislatively Approved program to pay for the conversion of accumulated sick leave into time into the retirement system. The immediate goal of the program is to encourage careful use of sick leave. On a broader scale it has greatly enhanced satisfaction with the overall department employment experience.

Employee Representative Council: This is a group of elected department employees who meet twice a year to discuss a series of self generated topics concerning department employment issues. Department executives and the Human Resources Director meet with the ERC at each of their meetings. All topics are open and eligible for discussion except individual employee disciplinary actions and and discussions related to salaries. This committee has offered leadership opportunities and experiences to department employees as well as a setting for important intitatives to improve the department employment experience.

Performance Bonus Program: The department has utilized extensively a legislative initiative to provide Performance Bonuses to highly deserving employees. A team of department managers meets on a periodic basis to review, rank and score bonus recommendations. All bonus announcements are issued by the Director via memo to the recipient. The reception of this program has been excellent. One employee responded that he was so appreciative of the department's efforts to recognize his efforts and that the bonus is a primary reason that NDDOT is such a great place to work.

North Dakota State College of Science Partnership: Due to the extreme shortage of civil engineering technicians, NDDOT has been working with officials at NDSCS to open up more opportunities to attain this very valuable background. The partnership will explore the sharing of facilities, equipment and technology along with joint marketing strategies to attract a larger student body into this critical and highly rewarding career track.

RECOMMENDATIONS

We need flexibility in agencies to purchase and offer incentives and rewards for participation in employee wellnes and training events. It is also not possible to reward safety records of field staff with recognition items beyond plaques. Jackets are an excellent tool to provide daily reminders to all employees that we are a safety-first organization. Jackets also provide that message to the public in a very personal manner. A plaque on a rec room wall is far less effective.

Allow agencies to provide snacks and meals at training and meeting events, even if for internal employees.

Allow agencies authority to pay for meals for applicant information services.

The Moving Expense law should be reviewed and updated to remove some of the constraints on reimbursable items and to increase the overall reimbursable amount.

It is necessary that the state adopt a market based salary philosophy in order to assure ongoing talent necessary to fulfill the department mission. The current market enviornment has resulted in great difficulty attracting and retaining quality talent in several career groups.

The Performance Bonus and State Employee Suggestion programs should be reviewed in order to develop a more comprehensive variable pay program. The rules and restrictions of the existing program are too stringent to allow the programs to be the effective motivation tools they were intended to be. Much more administration is required for these awards, often for minimal amounts, than is required for ongoing general base pay increases.

We should be able to recruit former employees back, generally out of state, back to our organization by allowing them to return at the same annual leave accrual rate they received when they left the organization. As you and I have discussed this has been a serious detraction in hiring these former employees who are an excellent talent source.

Overall the Department of Transportation is very pleased with the flexibility allowed and is generally pleased with our results of these programs in being able to recruit and retain a quality work force. However, we continue to feel restricted in our ability to compete with private sector firms and even our public sector partners, cities and counties. I realize that the rules of regulations of government are deeply based on the need to uphold public trust and confidence. However, we must review our state employment environment in such a way that we can attract and retain critical talent and still operate with the trust and confidence of the public we serve.

Bob Evans, SPHR
Human Resources Director
North Dakota Department of Transportation