IT Human Capital Management

Recommendations to transform the State's IT Workforce

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Executive Summary

Until recently, the rapid pace of technology change in the United States has been passing the State of Alabama by, particularly at the enterprise level of government. Under the leadership of Governor Robert Bentley, in conjunction and cooperation with the state legislature, the State of Alabama is taking on multiple statewide enterprise Information Technology (IT) initiatives for the first time in over 25 years. As such, the State of Alabama needs to ensure its talent pipeline is adequate to implement, leverage, and manage this investment in technology.

Friedman Consulting, in their study titled, "A Future of Failure" states "…the pipeline of technology-related talent into government, civil society, and the public interest sector generally was inadequate to meet the needs in those fields, either in terms of sheer numbers or in the alignment of taught skills with sector needs." The study goes on to say, "The costs [of an inadequate pipeline] are two-fold. It's an increasingly poorly functioning government, a government that isn't serving its citizens' needs well. And it's a heightened disconnect between citizens and their government."[1]

In 2013, Governor Bentley formed the Office of Information Technology (OIT) and appointed a cabinet-level executive to manage information technology policy and governance to address the lack of standardization and enterprise information technology planning, to include optimizing IT resources (personnel, hardware, software, and services).

Since technology permeates all aspects of state government and is a significant enabler of process change, taking a fresh look at Human Capital Management (HCM) for Information Technology is the next frontier for improving the effectiveness of state government. The following initiatives are needed to address the lack of an adequate talent pipeline that can keep pace with an ever-changing IT environment:

- Convert the job classification system from an occasional event to an ongoing process.
- An enterprise view and definition of critical IT services and a governance plan to ensure IT organizations are adequately staffed to provide those services.
- A compensation structure that allows the state to compete in human capital marketplaces.
- A recruiting strategy that promotes state government and attracts IT talent.
- A hiring process that yields the best IT candidates.

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[1] Freidman Consulting, LLC., "A Future of Failure", November 2013.

Purpose of Report

The purpose of this report is to document the recommendations of the Information Technology Human Capital Management Workgroup. The goal of the workgroup recommendations is to assist the agencies in acquiring and maintaining a technology workforce that is proficient and effective in implementing technology that helps state government operate at maximum capability.

Background

The IT Human Capital Management Workgroup (membership at the end of this report) was established in November 2014 to address Strategic Goal 2, defined in the Alabama IT Strategic Plan FY 15-18, which states, "Develop and maintain a trained and productive IT workforce with the skill sets necessary to keep pace with technology." The Agency CIO Advisory Council identified twelve issues that adversely affect the State's ability to acquire and maintain a trained and productive IT workforce. Those issues were categorized into four general areas.

OIT invited all of the Agency CIO Advisory Council, several additional Agency CIOs, several Agency Personnel Directors and State Personnel to participate on the Workgroup to develop recommendations to address the issues. The Workgroup was divided into four sub-groups to focus on the issues in each category.

Job Classification Sub-group
1. Current classifications are outdated and do not match current needs
2. Current IT career paths don't recognize the need for higher-level technology specialists
3. Lack of career development causes skills to become outdated (management and technical)
4. Lack of standards for classifications add risk to the state
Organization Structure Sub-group
5. Agencies don't have the authority to determine the number and types of IT positions they need
6. A management structure based on pay grade limits the flexibility of IT organizations

Compensation Plan Sub-group
7. Current IT pay ranges hinder the recruitment and retention of staff
8. Lack of an incentive compensation capability hinders the recruitment and retention of staff
Recruiting and Hiring Sub-group
9. Hiring process frequently does not yield the best candidates
10. Hiring process takes too long
11. Agencies and contractors working on their behalf are increasingly hiring staff from each other contributing to frequent turnover
12. Lack of a Recruiting Strategy limits the number and quality of candidates

Workgroup Findings and Recommendations

Job Classification Sub-group

Goal

The State of Alabama will fully develop options to obtain the best IT workforce. The merit job classifications for information technology will be more flexible and comprehensive to readily meet current and emerging skill and experience needs. There will be distinctive career paths for technical specialists and managers, and career development plans will be established that can be customized to match employee aptitude and agency needs. State agencies will also have options to supplement their IT organizations with exempt, unclassified and contract positions to meet highly specialized or temporary needs.

Proposed

1. Conduct an IT Job Classification Study that researches other State governments and regionally significant private sector industries to form a baseline for upgrading the State of Alabama's IT job classifications. Then, work with State Personnel and the OIT IT Workforce Committee to develop the following deliverables:

   a. Update and broaden the IT job classifications (simplify descriptions and options to make the classifications more flexible)

b. Define education, experience and certifications (where applicable) making a distinction between the minimum to qualify, and the minimum to perform with competency

c. Define competitive pay scales for job classifications

d. Define separate career paths for technical specialists and managers, offering a logical progression for all job classifications

e. Define career development plans for various career paths (including logical progression between classifications and the ongoing training required)

f. Develop a governance committee of IT professionals to maintain and optimize the job classifications and career development plans on a defined schedule

2. Develop and submit legislation to allow agencies to request exempt and unclassified information technology positions to meet specific agency technology needs. The Secretary of Information Technology will review all requests and may approve any petition.

3. Expand the vendor participation and review the technology specialists offered through the statewide contract vehicle known as T-013, to ensure the state has the full complement of options available to meet technology needs.

Organization Structure Sub-group

Goal

The State of Alabama, through coordination between State Personnel and OIT, will establish a process to ensure the appropriate allocation and organization of IT personnel to implement the most effective technology to improve state processes. IT organization structures will not be restricted by pay grades.

Proposed

Establish a baseline for agency IT organizations, using consistent terminology for IT functions and defining the basic elements of IT support.

1. The OIT Workforce Committee will develop an IT organization model that identifies the basic IT functions, without prescriptions on the numbers or types of positions.

2. State agencies will develop a report to OIT that explains how their IT organization provides the basic functions, either through their own staff or through outsourcing, and describes any organizational units required to support IT functions beyond the basic. Agencies will include their actual IT organizational charts complete with numbers, job classifications and types of employees for each unit.

3. A review of the initial agency IT organization reports will be conducted by the OIT Workforce Committee to identify organizational deficiencies and anomalies, and to identify best practices.

4. OIT and State Personnel will work with the agencies to make adjustments to agency IT organization charts, as necessary, to ensure consistency in terminology, consistency across agencies, adequate coverage of the basic IT functions and adherence to applicable state and federal law.

5. Any changes to the agency IT organization that requires additional funding will be subject to the budget constraints of the agency and will be negotiated with the agency's appointing authority.

Establish a governance plan for significant changes to agency IT organizations.

1. Agencies requesting a change to their IT organization that results in a change in the IT functions provided (i.e. eliminate a function, add a function, change the sourcing for a function) will send their proposed IT organization with explanation to OIT for approval. OIT may implement a review workgroup to assist with volume. OIT will send approved requests to State Personnel to ensure adherence to state and federal laws.

2. Agencies requesting an addition or modification of an IT positon of a higher pay grade (to be determined after the job classification study) will be sent to OIT for approval. OIT may implement a review workgroup to assist with volume. OIT will send approved requests to State Personnel to ensure adherence to state and federal laws.

3. The addition or modification of an IT position of moderate to low pay grade (to be determined after the job classification study) within the organizational structure of an agency, will be executed by the agency as long as the budget requirements are met for the position and the agency's appointing authority and IT director of the agency approves the addition, subtraction or modification to the IT organizational structure.

As part of the job classification study, ensure there is a clear distinction between management classifications and technical classifications.

- Allow any individual in a management classification to manage or supervise any individual in a technical classification regardless of pay grade.

- Remove any supervision requirements from all technical classifications. (They are permitted to supervise others, but it is not required.)

Compensation Plan Sub-group

Goal

The State of Alabama will develop a flexible and comprehensive compensation package that enhances our ability to recruit and retain highly competent IT staff.

Proposed

Elements of the compensation package should include:

1. Special Compensation options that are performance based and could be one-time bonuses or additional merit raises, but still fall within the defined pay range for the job classification

2. Flexible benefit options that allow candidates to choose to opt-out of some benefits for higher pay, without exceeding the defined pay range for the job classification

3. Training costs covered for required certifications and on-going CEU's to keep skills current and prepare for emerging technologies (In accordance with Employee Career Development Plans)

4. Specialized training offered for critical technology skills but requiring a continued employment time commitment from the employee

5. Expand and enable flex time options, where appropriate for job duties

6. Expand and enable tele-commuting (work from anywhere) opportunities, where appropriate for job duties

Recruiting and Hiring Sub-Group

Goal

The State of Alabama will develop a recruiting strategy that will advertise state IT employment opportunities and will actively pursue high quality candidates. The hiring process will be revised to allow candidates to apply for all IT positions online, at any time, and minimally qualified candidates will be eligible for consideration immediately. IT professionals will review applications to determine the best candidates for the positions they are filling. It should be possible to complete the entire hiring process within thirty days.

Proposed

Develop an IT Recruitment Strategy that includes:

1. Branding for State IT that emphasizes the state's strengths and advantages

2. An aggressive advertising plan to highlight first the state brand, then an on-going advertising plan for available positions

3. A rotating sub-set of State IT Managers will participate in job fairs to facilitate the recruiting process

4. Update the guidelines and encourage agencies to use the State Intern and the State Professional Trainee classifications to recruit and attract college students and recent graduates

Revise the hiring process for IT classifications to include:

1. Implement an online system for all IT job classifications that accepts an application and uses a minimum amount of qualifying information to determine if the application is accepted. Upon acceptance, the candidate is placed on a list of eligible candidates.

2. State Personnel will subscribe or otherwise contract for access to an IT testing provider that maintains online tests for relevant technologies. Provide a mechanism for agencies to choose and administer tests from the contract that best match the requirements for the position being filled. Provide a mechanism for agencies to request new tests as needed.

3. The Hiring agency will interview, test, and select the candidate from the list of eligible candidates that is the best match for the position being filled. Agency Personnel Directors and EEOC Officers will be responsible for ensuring compliance with applicable state and federal laws and maintaining a diverse workforce.

4. Develop training for IT Managers on current interview techniques and technologies (including updated information regarding all facets of state employment).

5. Agencies will have the flexibility to offer a rate anywhere within the pay range for the job classification.

Workgroup Members

Name	Organization	Title
Cheri Martin	Office of Information Technology	Deputy Secretary
Debbie Hornsby	Department of Revenue	IT Director
Renee Flowers	Department of Transportation	Programming Support Manager
Lisa Townsend	Department of Human Resources	IT Director
Melanie Harrison	Department of Mental Health	IT Director
Jeb Hargrove	Emergency Management Agency	IT Director
Willie Fields	Department of Corrections	IT Director
David Rainey	Department of Rehabilitation Services	IT Director
Michael Stokes	Department of Transportation	IT Director
Derik Dubard	Medicaid Agency	IT Director (past)
Julie Perry	Department of Conservation and Natural Resources	IT Director (retired)
Larry Lauderdale	Department of Insurance	IT Director
David Latham	ABC Board	IT Director
Jeannine Pendergast	Department of Labor	IT Director
John Heitman	Department of Public Health	IT Director (retired)
Elizabeth Allen	Department of Finance	Personnel Director
Tonya Stephens	ABC Board	Personnel Director
Mason Tanaka	Department of Finance	Acting ISD Director
Regina Patterson	Department of Public Health	IT Director