

JOINT STANDING COMMITTEE ON
GOVERNMENT ORGANIZATION

STUDY OF THE DIVISION OF PERSONNEL

A study of the hiring timeline, pay scales,
and other internal processes within the Division of Personnel.

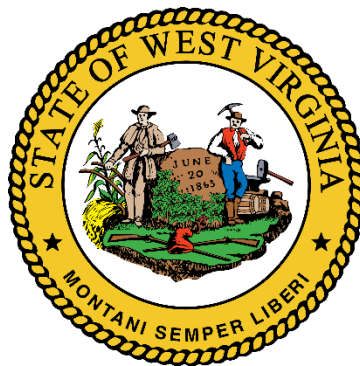
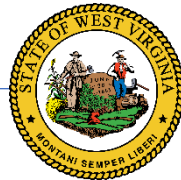


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Executive Summary

The Joint Standing Committee on Government Organization was tasked by House Concurrent Resolution 126 to study the Division of Personnel regarding its policies and practices, including its evaluation of applicants for employment, the timeliness of the hiring process, certain exemptions from use of the division for hiring, and the overall management practices of the division. The committee was also charged with examining the pay-scale administered by the division.

We requested information from the division relating to the hiring timeline to determine whether management was implementing policies or procedures to reduce timelines. We also requested information relating to pay scales and asked the division to identify potential areas of concern regarding these pay scales. We found that the Division of Personnel and its director, Sheryl Webb, are working hard to implement across-the-board changes to speed up the hiring process and reduce timelines, to implement usage of its existing information system to assist with touchpoints to applicants (i.e., emailing updates) and evaluating applicants, and to provide updates to the state pay scales.

While things are trending in the right direction, there are several areas that still need attention. First, we have identified delays in the hiring process at points where applications are “handed off” from the Division of Personnel and a state agency and back. Any delay in action on the agency’s behalf leads to delay in hiring a candidate. The Division of Personnel is well-positioned, however, to provide additional support, training, and education to agencies hiring across the state. Second, the Division of Personnel has identified that the state classified salary schedule needs regular updates for state employee wages to remain competitive. We compared West Virginia state employee wages with those of other states and concluded that the division’s characterization of West Virginia’s wages as “distressingly uncompetitive,” is accurate and signifies the need for at least an annual review of the state salary schedule.

Additionally, we noted that the division should focus on transparency to applicants. The division currently publishes unattainable pay for applicants on job postings. While higher pay likely encourages people to apply, the inaccurate pay descriptions simply inflate pay expectations, at best, and at worst taint the employment relationship before an applicant has even started work at an agency.

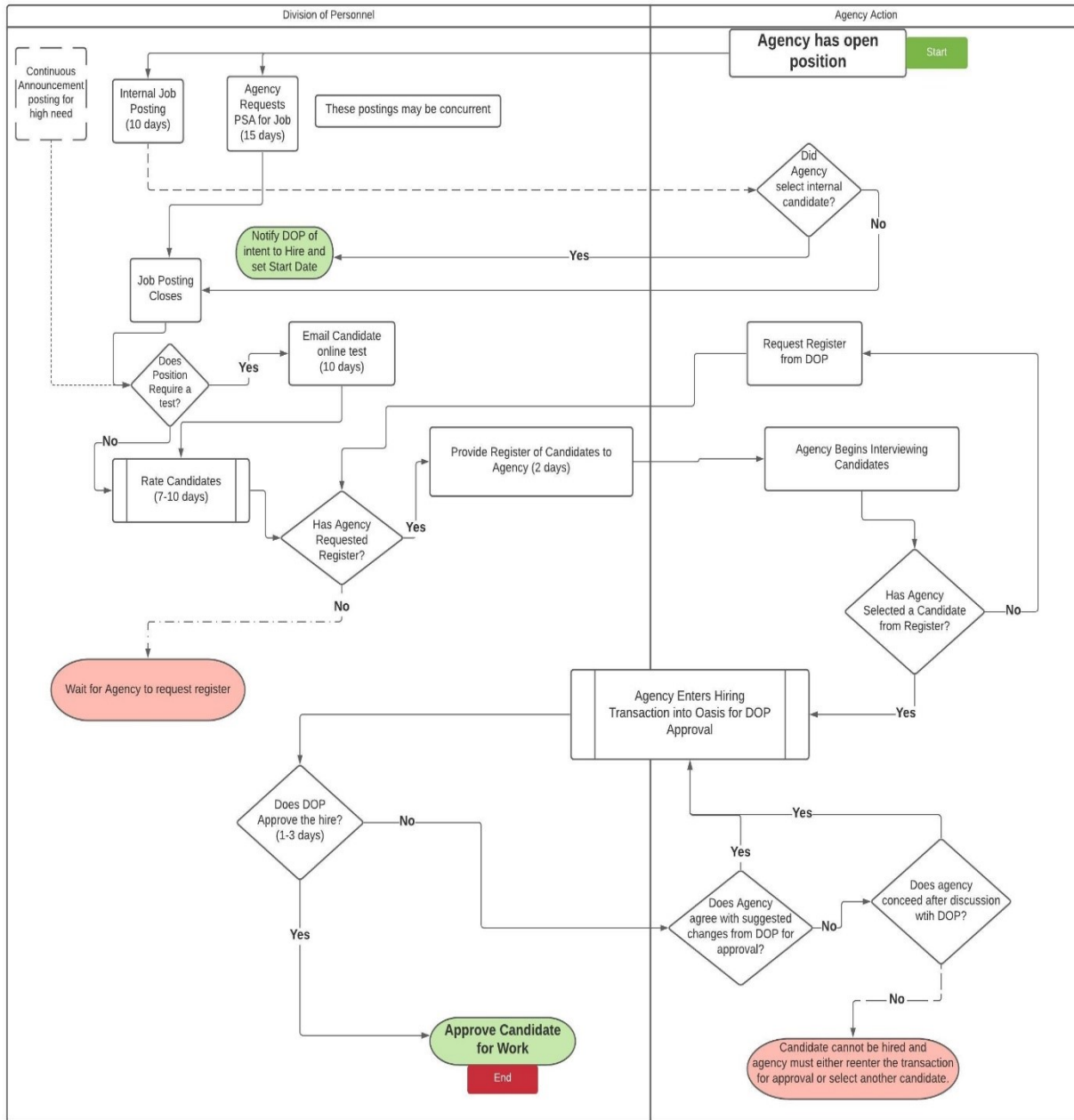
Finally, the Division of Personnel has an internal software system, called NEOGOV, that has several features that it has not activated. One of the most important features that is currently used in a limited capacity is the ability to send automated emails to applicants. The applicant receives an automated email upon applying in NeoGov when the application has been received and again after the review is completed to tell them of acceptance or rejection for the position. Applicants can log into NeoGov to check on their status in the process. The DOP would like to provide additional updates as applicable in the future. NEOGOV can also allow an applicant to track his or her application through the process, which could encourage applicants to delay seeking other employment outside of state employment. Because applicants often wait a significant period before any contact is made regarding an application, using these features could help alleviate anxiety and encourage people to remain in the applicant pool longer. The division should focus on activating these features of the NEOGOV system.

In conclusion, the Division of Personnel has made important strides in reducing the hiring timeline and performed some key updates to the state salary schedule to ensure that pay classifications are kept up to date. While work remains to be done, management seems to be implementing the correct decisions and rebuilding the reputation of the Division of Personnel.

Overview of the Hiring Process

The Division of Personnel (“DOP”) administers the merit-based employment classification for approximately 50 state agencies, which seek to hire employees into civil service. Historically, DOP has been the recipient of numerous complaints related to the hiring process being too slow. While the current system has statutory timelines that cannot be altered without legislation, DOP has worked to cut the hiring timeline down from an average of four to six weeks for DOP review to 28 days. The flowchart below provides a high-level view of the steps an application takes through the hiring process.

Table 1: Flowchart of the Hiring Process



Both the internal posting and the Public Service Announcement (“PSA”) are statutorily required. West Virginia Code §29-6-24 requires internal postings to be open for 10 days and West Virginia Code §29-6-10 requires a PSA to be open for 15 days; therefore, DOP cannot reduce the timeline beyond at least 15 days. Any position that requires a test, such as a typing test for certain positions, must be taken within 10 days of the candidate applying for the job posting. Due to a combination of the 2020 COVID-19 pandemic and the need for more flexible testing methods, DOP has rolled out online testing which has been beneficial for candidates and the overall hiring timeline. After the PSA closes, candidates who have applied for an open position and completed a test within the permitted time frame are rated based on their qualifications relative to the minimum qualifications in the job posting.

A position may also be placed on a continuous posting. Continuous announcements are posted for positions that may not be vacant currently but historically have high turnover and need, such as healthcare professions. Continuous postings are beneficial for agencies because a PSA does not need to be requested. The DOP accepts applications for continuous postings and rates applicants when they apply. When the position becomes vacant, the agency can quickly request a register of the available candidates and begin interviewing. The DOP found, however, that it was evaluating applicants for continuous postings that already had far more applicants than could ever realistically be considered. Consequently, DOP has worked with various agencies to reduce the number of positions on continuous announcement due to the strain on its workforce caused by rating a large volume of applicants for positions on continuous announcement in addition to PSA applicants.

Historically, the rating process took the longest to complete, with some extreme instances of rating candidates taking up to six weeks. This was due in large part to a high number of positions on continuous announcement and the DOP's preference to review paper applications. Today, the DOP has cut down the time it takes to rate candidates by utilizing the online testing and other information systems to have the entire process take approximately 10 days. Also, using an internal system, NEOGOV, the DOP has been able to create candidate registers for agencies in about 2 days, which is quicker than it was previously.

Another source of significant delays in the hiring process are the "handoffs" between DOP and the agency. For example, one instance that can delay an agency in hiring a candidate is the agency's failure to timely request a register from the DOP, if necessary. It is important to note that the agency may hire a candidate from either the register or available internal candidates, as reflected Table 1 above. It is our understanding that there is no automatic requirement to supply an agency with a register, which is primarily related to the continuous posting announcements. Although DOP accepts applications for these postings continuously, a register is not created for the agency until one is requested due to a vacancy. At this time, we have not explored whether that process can be separated to trigger an automatic register to the agency for a closed PSA but permit waiting for a request for a continuous posting.

After the agency receives the register, the agency is responsible for contacting, interviewing, and selecting a candidate to hire. If the agency cannot get in touch with any or a majority of candidates or the candidate selected declines a tentative offer of employment, the agency can request a new register from the DOP. This area can be another significant source of delay in hiring because the agency may be short-staffed and limited in the amount of time it can dedicate to contacting and interviewing candidates. In the meantime, candidates on the register may accept employment elsewhere, reducing the pool of qualified candidates the agency can interview before requiring another register from the DOP.

After the agency has interviewed and selected a candidate, the agency must offer tentative employment to the candidate and enter the hiring transaction into wvOASIS for the DOP to review and approve the hire. The DOP reviews the job duties, the candidate's qualifications, the job requirements, and the salary offered to the candidate for approval. Assuming the DOP approves everything, the agency can offer the candidate full employment and set up a start date for employment. If the DOP finds an inconsistency between the candidate's education and experience and the job requirements, the DOP may deny the hiring or contact the agency to further discuss the hiring transaction. If the DOP denies the transaction, the agency must correct any issues and re-enter the transaction in wvOASIS for a second DOP review. The DOP must approve all transactions before any employee may be hired.

The Division of Personnel has made significant improvements to the hiring process by decreasing internal timelines.

Beginning in 2017, when current director Sheryl Webb was hired, the Division of Personnel has routinely engaged in root cause analysis to identify process delays, shorten timelines, and provide overall education relating to touchpoints between the division and covered agencies. As a result, the average time it takes an application to move through all necessary DOP steps has decreased from 90+ days to 28 days. The DOP has expressed a desire to continue to focus on shortening the hiring timeline still further by reducing certain key statutory requirements.

The DOP has requested that the Legislature consider shortening the time frame in West Virginia Code §29-6-24 for internal job postings from 10 days to seven days.¹ Doing so seems appropriate, as internal job postings are only made available to current or former state employees. Current employees who are searching for jobs internally are more likely to be aware of a potential vacancy within their own or another agency. Furthermore, most state employees can utilize their lunch hour to apply for a new position.

The DOP has also suggested that the Legislature consider shortening the time frame for a PSA to remain open from 15 days to 10 days.² W. Va. §29-6-10. A PSA is often one of a few limited notifications the public may receive about a vacancy in a state agency. We may be unintentionally depriving qualified candidates the opportunity to apply for a desired position with the state by limiting the time a PSA is open to 10 days. For example, a person who is currently working full-time and with limited internet access at home might not have the opportunity to apply if a posting is limited to 10 days. As it currently stands, 15 days means calendar days to the DOP, which provides applicants with at least 4 days over a weekend, or ample time to plan a day off, find a computer with reliable internet access, and apply for a state position.

While both solutions would reduce the time it takes the DOP to perform its hiring functions, other options are available to the DOP that would not require legislative action. As illustrated in Table 1 above, the DOP and agencies have multiple points of interaction during the hiring process. In most cases, agency action is not mandated within a set time frame and cannot be estimated for purposes of the flow chart. Delays in hiring can occur as a result.

First, after a PSA has closed, an agency must request a register from the DOP. If the agency does not request a register in a timely manner, the overall timeline for the agency to hire an applicant will be delayed by the amount of the agency's delay. Second, after the agency receives a register from the DOP, the agency is permitted to begin interviewing candidates on the register. If the agency is delayed in beginning its interviews or if multiple candidates on the register do not respond to a request for an interview, the agency may request another register from the DOP, which leads to further delays in hiring. Finally, once the agency selects a candidate to hire, the agency must enter the transaction in wvOASIS for the DOP to review and approve before the candidate may formally be hired. Any delay in entering this transaction will ultimately delay when a candidate can start working.

The DOP can continue to provide education and training to maximize agency knowledge of the various touchpoints it has with the DOP and accelerate workflows within the agency. By providing

¹ W. Va. Code §29-6-24(a) states, "Whenever a job opening occurs within classified service, . . . at least ten days before making an appointment . . . post a notice . . ." The DOP wishes to amend this code section for the primary purpose of reducing the notification period from 10 days to seven calendar days.

² W. Va. Code §26-6-10(3) states, "For open competitive examination [application] . . . shall be announced publicly at least fifteen days in advance . . ." The DOP wishes to amend this code section for two purposes; first, to modernize the code citation, and second, to reduce the public announcement requirement to 10 calendar days.

agencies with the knowledge necessary to complete requests quickly and accurately, the overall hiring process for each agency can continue to be streamlined.

Recommendations:

- 1) Amend the W. Va. Code §29-6-24(a) to reduce the internal candidate notification from 10 days to seven days.

The state pay plan is not competitive when compared to those of other states.

The DOP describes wages in the West Virginia classified employee system as “distressingly uncompetitive with private sector and surrounding states.” Because we assume private sector wages are higher than state employee wages, we focused our comparisons on other state wages. We performed an analysis of average state employee salaries for the five surrounding states, and for five states that are similar in population to West Virginia based on 2010 US Census information.³ We included Arkansas in the analysis to represent all US Census geographic regions. The chart below was composed from internet research and publicly available databases.⁴ Unfortunately, the most complete data set is from 2017, which dates the information at least four years. Based on the chart below, West Virginia has the lowest average state salary for all state employees.⁵

³ United States 2010 Census Report – We compared both the total population and the working age population of WV to other states to find 5 states that were comparative to WV. We included Arkansas to represent all geographical areas and to capture trends in the Southern part of the state.

⁴ We located a public database that compiled state records for an average employee salary for various years. However, not all information was locatable on this database and for analysis purposes, we determined it was beneficial to source all information from one location. <https://openpayrolls.com/state>

⁵ Areas that are blank do not have publicly available information.

Table 2: Average State Employee Salary

Average State Employee Salary					
	2017	2018	2019	2020	2021
Kentucky	\$42,432.00	\$45,851.00		\$44,857.00	
Maryland	\$54,491.00	\$53,638.00	\$55,637.00		
Ohio	\$58,579.00	\$60,143.00	\$62,373.00	\$64,676.00	
Pennsylvania	\$54,246.00	\$57,135.00	\$59,503.00	\$62,036.00	
Virginia	\$57,195.00		\$60,000.00	\$75,641.00	
Hawaii	\$59,977.00	\$60,031.00	\$61,573.00	\$65,004.00	
Idaho	\$47,305.00	\$48,897.00	\$50,606.00	\$51,181.00	\$50,462.00
Nebraska	\$46,031.00	\$46,728.00	\$47,999.00	\$49,205.00	
New Hampshire	\$47,387.00	\$47,828.00	\$48,520.00	\$51,774.00	
New Mexico	\$47,499.00	\$47,769.00	\$50,406.00	\$52,586.00	\$53,686.00
Arkansas	\$40,725.00	\$42,764.00		\$44,615.00	
West Virginia	\$40,055.00	\$40,896.00	\$44,507.00	\$46,943.00	\$51,128.00 **
WV Civil Service Employee Average Salary					\$41,067.00
Info located at https://openpayrolls.com/state					
** 2021 Salary Rec'd from Personnel - includes public education & state police salaries					

It should be noted that the above analysis consists of *all* state employees, including those outside of the classified civil service and state pay schedule, and likely offer higher starting salaries than those identified in the Salary Schedule.⁶ The DOP has stated the average salary for a classified employee in the West Virginia civil service system in 2017 was \$35,132.00,⁷ almost \$5,000 lower than the average salary for all state employees. Following that trend, the DOP has informed us the average state salary for a classified employee in the West Virginia civil service system in 2021 was \$41,067.00.⁸ This number excluded state employees that may be in the educational system and state employees that are in service of state police, have a statutorily capped salary, or other employees that are in state employment and not necessarily in the state civil service system.

An analysis was performed to determine if West Virginia and the various other states were keeping pace with inflation during this time. An internet search provided the inflation rates for 2017, 2018, and 2019.⁹ Because we are currently in 2020 and inflation rates are likely to suffer due to the COVID-19 pandemic,

Inflation rates	
2017	2.13%
2018	2.49%
2019	1.76%

⁶ Salary Schedule for Grades 2-26
<https://personnel.wv.gov/SiteCollectionDocuments/Miscellaneous%20Documents/Schedule%20of%20Salary%20Grades%20-%20effective%208-31-19.pdf>

⁷ This information was obtained from the DOP's information relating to their internal steps to reduce the overall timeline to hire qualified applicants, page 5.

⁸ This information was received via email from the DOP after a follow up meeting on August 11, 2021.

⁹ Website used to locate actual inflation rates - <https://knoema.com/atlas/United-States-of-America/Inflation-rate#:~:text=United%20States%20of%20America%20D%20Average%20consumer%20prices%20inflation%20rate&text=In%202020%2C%20inflation%20rate%20for,States%20of%20America%20was%201.2%20%25.>

forecasted inflation rates for 2020 are unreliable and were not included as part of this analysis.

Table 3: Average Salary Adjusted for Inflation Rates

Average State Employee Salary				
	2018 Actual Salary	Projected Salary	Inflation	Actual 2017 Salary
Kentucky	\$45,851.00	\$43,335.80	\$903.80	\$42,432.00
Maryland		\$55,651.66	\$1,160.66	\$54,491.00
Ohio	\$60,143.00	\$59,826.73	\$1,247.73	\$58,579.00
Pennsylvania		\$55,401.44	\$1,155.44	\$54,246.00
Virginia		\$58,413.25	\$1,218.25	\$57,195.00
Hawaii	\$60,031.00	\$61,254.51	\$1,277.51	\$59,977.00
Idaho	\$48,897.00	\$48,312.60	\$1,007.60	\$47,305.00
Nebraska	\$46,728.00	\$47,011.46	\$980.46	\$46,031.00
New Hampshire	\$47,828.00	\$48,396.34	\$1,009.34	\$47,387.00
New Mexico	\$47,769.00	\$48,510.73	\$1,011.73	\$47,499.00
Arkansas	\$42,764.00	\$41,592.44	\$867.44	\$40,725.00
West Virginia	\$40,896.00	\$40,908.17	\$853.17	\$40,055.00

The table above illustrates that inflation rates relative to the West Virginia 2017 salary would necessitate an \$853.17 increase in salary. Based on the actual average salary reported in West Virginia, the state did not quite manage to keep pace with inflation. Most of the states analyzed were able to increase salaries at or above the rate of inflation, which continually keeps West Virginia salaries significantly lower than the compared states.¹⁰

However, an analysis was performed for state salaries through 2020 as data on the compared states' salaries and the actual 2020 inflation rate became available. Table 4, below, shows the inflation analysis from 2019 to 2020, and finds that not only did West Virginia keep pace with inflation, the state managed to increase salaries over the rate of inflation to offer a slightly more competitive salary. In 2018 West Virginia offered the lowest state salary of all the compared states. By 2020, two states offered lower salaries than West Virginia. This may indicate that the state has considered its low wages an issue in attracting and retaining talent and has begun to take measures to reconsider its salary schedules.

On the other hand, this may also be an inflated figure due to medical professional shortages during the COVID-19 pandemic that could be artificially inflating the salary due to increased demand. Once the pandemic has settled, we may see the West Virginia salary change to better reflect market conditions. The DOP has proposed a different salary schedule relating to medical workers that would make West Virginia a more competitive market. The driving force to create a new pay schedule for medical workers relates to the increased need for hospitals in the state to have special hiring rates to attract and retain talent.¹¹ The draft may be seen in Appendix F.

[https://www.in2013dollars.com/inflation-rate-in-2017#:~:text=Inflation%20in%202017%20and%20its%20effect%20on%20dollar%20value&text=The%202016%20inflation%20rate%20was,consumer%20price%20index%20\(CPI\).](https://www.in2013dollars.com/inflation-rate-in-2017#:~:text=Inflation%20in%202017%20and%20its%20effect%20on%20dollar%20value&text=The%202016%20inflation%20rate%20was,consumer%20price%20index%20(CPI).)

¹⁰ Comparisons are made for states reporting actual 2018 average salary to determine if the projected salary incorporated at least the rate of inflation for state workers.

¹¹ The DOP provided us a draft medical pay schedule to help alleviate strain on the system for medical workers.

Table 4: Average Salary Adjusted for Inflation Rates (2020)

	Average State Employee Salary			
	2020 Actual	Projected 2020	Inflation	2019 Actual
Kentucky	\$44,857.00	\$47,819.76	\$827.07	
Maryland		\$56,616.21	\$979.21	\$55,637.00
Ohio	\$64,676.00	\$63,470.76	\$1,097.76	\$62,373.00
Pennsylvania	\$62,036.00	\$60,550.25	\$1,047.25	\$59,503.00
Virginia	\$75,641.00	\$61,056.00	\$1,056.00	\$60,000.00
Hawaii	\$65,004.00	\$62,656.68	\$1,083.68	\$61,573.00
Idaho	\$51,181.00	\$51,496.67	\$890.67	\$50,606.00
Nebraska	\$49,205.00	\$48,843.78	\$844.78	\$47,999.00
New Hampshire	\$51,774.00	\$49,373.95	\$853.95	\$48,520.00
New Mexico	\$52,586.00	\$51,293.15	\$887.15	\$50,406.00
Arkansas	\$44,615.00	\$44,600.21	\$771.39	
West Virginia	\$46,943.00	\$45,290.32	\$783.32	\$44,507.00

The full table may be seen in Appendix E which will detail all known salaries from 2017, 2018, 2019, 2020, and 2021.

The DOP has historically not made regular adjustments to the state pay plan, resulting in stagnating wages.

In 2019, the DOP performed the first update to the state pay schedule in 10 years (2009-2019). There was a special focus on the lowest tiers of pay scales because the bottom three tiers were below the federal minimum wage. This meant that state employees in the bottom three tiers of pay classification were receiving the equivalent of the state minimum wage and were paid the same regardless of job duties, authority, or supervisory roles. The situation was especially problematic in filling supervisory roles that were compensated at the same rate as subordinate positions, causing certain jobs to go unfilled for significant periods of time. When the DOP edited the pay scales, the classification and compensation team considers the job duties, level of education required, and the level of authority of the position to determine equitable pay scales across state government agencies.

The first iteration of the update to the state pay plan was projected to cost the various state agencies approximately \$3 million. This iteration was comprehensive and provided adjustments to all the state pay classifications to make each category more competitive. Because of the high upfront costs, the comprehensive plan was replaced by a plan that made smaller, incremental changes to the pay plan that state agencies could absorb into their budgets at their current funding levels.

Due to significant gaps in reviewing the state pay plan, the DOP is requesting legislation to require annual reviews of the state pay plan and make necessary adjustments. The DOP believes that requiring these adjustments will ensure that state wages remain competitive with other states, the private sector, and even among various agencies. Ideally, competitive wages will reduce turnover and will reduce current employees vacating a position within a state agency to accept a role at another agency in another pay classification that matches their current level of experience.

We are not convinced, however, that this is necessary as legislation and may instead be accomplished through rulemaking. West Virginia Code §29-6-10(2) gives the State Personnel Board the authority to promulgate rules to implement the classified service system, including:

(2) For a pay plan for all employees in the classified service, after consultation with appointing authorities and the state fiscal officers, and after a public hearing held by the board. Such pay plan shall become effective only after it has been approved by the Governor after submission to him or her by the board. Amendments to the pay plan may be made in the same manner. Each employee shall be paid at one of the rates set forth in the pay plan for the class of position in which he or she is employed. The principle of equal pay for equal work in the several agencies of the state government shall be followed in the pay plan as established hereby.

Thus, it appears the State Personnel Board would be able to offer a new rule or amend an existing rule requiring an annual review and update of the state pay plan.

Regardless of the mechanism that is adopted, it is clear that regular adjustments to the pay plan are necessary to ensure West Virginia has competitive wages relative to surrounding and comparable states, its own various state agencies, and is enticing when compared to private sector wages.

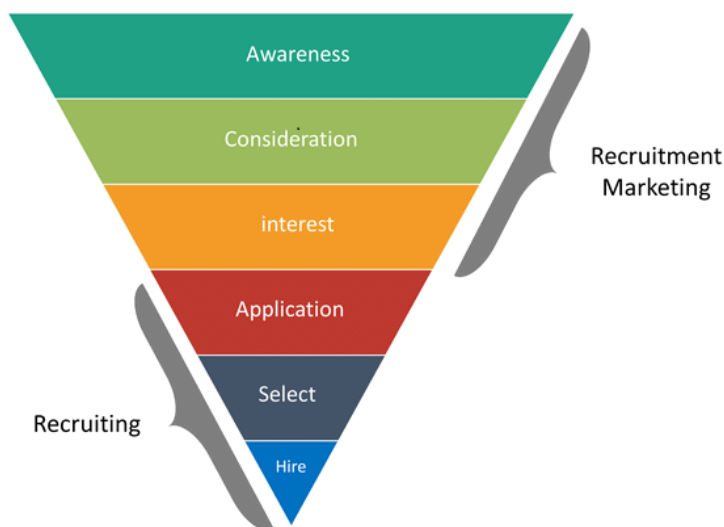
Recommendations:

- 1) We recommend the DOP require an annual review of the state pay plan and make updates to the state pay plan, as necessary.

The Division of Personnel should focus more attention on transparency and communication with applicants.

All organizations struggle with retaining candidates in the hiring process. However, the DOP tends to struggle to retain talented and qualified candidates due to a lack of applicant consideration and interest, and a lack of transparency and communication surrounding the hiring process. An increase in communication could encourage candidates to remain in the hiring process and not seek out other employment. Furthermore, the DOP does not engage with applicants as part of its ongoing talent pool to inform an applicant when he or she has been placed on a register sent to an agency.

Table 5: Where in the organization are applicants lost?



Another potentially misleading factor that deflates applicant interest within the civil service system is the misleading pay scales that are a part of the job posting. An applicant sees the entire pay band (Min-Max) when applying for the position. Applicants who are new to the civil service system may not understand how the pay scales are calculated or may misinterpret how much negotiation power is available.

The Division of Personnel should utilize internal systems to enhance communication with and transparency for applicants.

The DOP has a purchased system, called NEOGOV, that can be used to automate several hiring functions. According to its website, NEOGOV is widely used across the country as a hiring tool for public employment.¹² NEOGOV offers an array of products for public employment sectors to Recruit, Develop, and Manage its workforce. There are also subsets of these products that offer customizable solutions based on an organization's needs.

The DOP states that it utilizes a NEOGOV product called Insight, a subset of the Recruit tool, that is specifically designed to automate the hiring process for public sector employment.¹³ Insight claims it is able to score and rank applicants based on established parameters for each position. This would likely reduce the need for comprehensive review of each application to rate applicants and would considerably shorten the time needed for rating. Finally, NEOGOV provides a candidate self-portal, which would likely be the mechanism that candidates use to track their applications through the hiring process.

NEOGOVS seems, however, to be underutilized at both the DOP and agency level. There are multiple features in NEOGOV that may benefit a state agency that are not used. For example, NEOGOV promotes its ability to permit a candidate to schedule an interview through the candidate portal. We are unaware of any state agencies that currently utilize this feature or the NEOGOV technology. There is also a benefit within the Insight module that would permit the DOP to generate ad hoc reports that help identify other potential deficiencies in the hiring timeline that is not being used.

A key piece of information that is currently unknown is the pricing for the DOP's NEOGOV system and how long the DOP has had NEOGOV without fully utilizing the functions available. Based on

¹² NEOGOV has over 6,000 public sector organizations <https://www.neogov.com/customer>

¹³ NEOGOV website and Insight product <https://www.neogov.com/products/insight>

discussions with DOP, it seems that the system could be implemented by simply activating features that are currently available. These features are intended to automate emails to candidates, like confirmation that an application has been received and indicating where in the process an application is currently. These features are crucial to encouraging applicants to remain in DOP's hiring process by providing transparency. By activating these features, candidates are more likely to postpone accepting another offer of employment if they are aware their application is being reviewed for civil service employment. At present, DOP has the system available for use but because of a lack of knowledge or other systemic issues, DOP has likely been paying for NEOGOV's full suite of Insight features without seeing any value return to the organization.

Based on discussions with the DOP, scheduling a demonstration, practicing additional trainings, and striving to fully utilize NEOGOV for applications should be an ongoing, and primary, focus point. The DOP would likely need some trainings and demonstrations to get full use out of NEOGOV, but the testimonials that are promoted on the website indicate strong performance metrics. Finally, to continue to pay for this service without using all the features available is a waste of the DOP's money and human resources that could be better dedicated to other tasks.

The Division of Personnel rates applicants for registers and fails to describe to applicants how the rating was reached.

The DOP has several internal operations that are still a "black box." First, the rating system that is used by DOP has not been well described, nor well understood. At this point, the DOP states that the rating system is primarily performed by DOP human resources staff. The staff are directed to apply an "appropriate score plan" for an applicant based on both the application that was filled out and supplemental questions answered by an applicant.¹⁴ The DOP goes on to state that the exact same score plan will be used if the job posting had been previously opened in the last six months.

However, further clarification is needed to determine if DOP is assessing score plans relative to standards ensuring DOP is making quality hires. For instance, what factors are considered when DOP creates a score plan? Do the score plans vary depending on the agency requesting a job posting or not and is that appropriate based on the needs of the agency? Finally, can any part of this process be automated so that staff cannot arbitrarily impose differing grading scales on applicants or permit biases to creep into the rating system? These are questions that are currently unanswered and need further study.

The Division of Personnel pay grade with salary ranges published on job postings are misleading to applicants and do not accurately describe expected pay.

The DOP has various pay classifications identified in Appendix A that indicate the minimum pay, the market rate, and the maximum pay. On a job posting by the DOP, the minimum and maximum pay are published. The DOP has a formula to compute pay for a new hire that starts at the minimum level of pay and increases at a rate of five percent for each six months of pertinent education or experience possessed by the applicant.¹⁵ If this formula permitted increases in pay to the maximum level of pay, there would be no issue. However, the maximum pay can never be reached by new hires.

The formula used to calculate additional pay is capped well before the maximum pay level.¹⁶ There are two factors that go into pay cap. First is the agency's own level of funding. All agencies have budgets

¹⁴ DOP response letter dated October 9th, 2020 page 4, in the section 'PSA has closed,' second paragraph.

¹⁵ Division of Personnel Pay Plan Policy, Section III Appointments, subsection (A), subdivision (1). Revised February 1, 2020.

¹⁶ Division of Personnel permits agencies to appeal to the division for an exemption to the market rate cap. However, because this is an exception and not the rule, a significant majority of applicants are seeing a salary that is unattainable.

for vacant positions and cannot offer pay that exceeds the level of funding available. Furthermore, all agencies must start an offer from the minimum level of pay. While there are considerations given, discussed below, the agency must start at the minimum level of pay prior to considering education and experience level for additional pay.

The second factor is the DOP's own Pay Plan Policy, which caps additional pay for education and experience levels at the market rate.¹⁷ Unfortunately, we do not know how the DOP is determining the market rate. The DOP defines market rate as the "approximate market midpoint compensation level as compared to compensation trends in other public and private markets."¹⁸ Because the market rate is the true cap on pay, the DOP should not include the entire pay band in the published job descriptions but should instead publish the minimum pay level and the market rate.

Inflating the pay scales can give applicants unrealistically high pay expectations and lessen the negotiating power an applicant may believe he or she possesses. More importantly from an agency's perspective, is that an applicant may; 1) withdraw candidacy when he or she learns what the actual pay range is or, 2) begin the employment relationship skeptical of the agency's veracity. Either outcome is unacceptable.

Because pay is capped at the market rate, the DOP should stop publishing the maximum pay on job postings and should accurately describe pay as between the minimum pay and the market rate to promote transparency to applicants.

Recommendations:

- 1) We recommend the DOP focus on implementing NEOGOV to utilize the full capabilities of the system and provide the committee a forecasted timeline for integration.
- 2) We recommend the DOP publish the minimum pay and market rate pay on job postings.
- 3) We recommend a continued study of the DOP focusing on the rating systems and mechanisms to identify best practices for implementation at the DOP.

¹⁷ Division of Personnel Pay Plan Policy, Section III Appointments, subsection (A), subdivision (1). Revised February 1, 2020.

¹⁸ Division of Personnel Pay Plan Policy, Section II Definitions subsection (s). Revised February 1, 2020.

Key Recommendations

1. We recommend the DOP focus on implementing NEOGOV to utilize the full capabilities of the system and provide the committee a forecasted timeline for integration.
 - a) The DOP should request training from NEOGOV as soon as possible to efficiently roll out the various features included in the DOP's service agreement for Insight.
 - b) The DOP should identify a target date by which the NEOGOV automatic email features will be in operation and provide that date to the committee.
2. We recommend the DOP require an annual review of the state pay plan and make updates, as necessary, to the state pay plan.
 - a) The DOP should have full authority to require an annual review, either internally or through legislative rule and should implement some requirement to review the pay plan annually.
 - b) The DOP should include some mechanism, like the signature of the division director and another individual, certifying that an annual review was conducted regardless of whether any adjustments are made.
3. We recommend the DOP publish the minimum pay and market rate pay on job postings.
4. We recommend a continued study of the DOP focusing on the rating systems and mechanisms to identify best practices for implementation at the DOP.
5. We recommend the Legislature amend W. Va. Code §29-6-24(a) to reduce the internal candidate notification from 10 days to seven days.

2021 Update

Follow up meeting – July 12, 2021.

Committee Staff met with DOP on Thursday, July 15th to follow up on some of the information in this report. Because committee staff were unable to present the report to the committee during the 2020 pause on interim meetings due to the COVID-19 pandemic, staff wanted to determine what actions had been taken during the year. The DOP utilize the key recommendation list to implement training and reexamine its own policies and procedures to determine where improvements could be made. This update will highlight the recommendation made by committee staff and will provide some details regarding steps the DOP has taken to adopt and implement the recommendation.

1. We recommend the DOP focus on implementing NEOGOV to utilize the full capabilities of the system and provide the committee a forecasted timeline for integration.

The DOP has initiating training with NEOGOV for its staff and are seeing increased use, familiarity, and inertia in utilizing the full system. At this time, NEOGOV is still not fully implemented, and the DOP is unsure at what point the system will become fully implemented into its daily operations. However, part of the delay is due to limited travel and gatherings for training personnel and virtual trainings have been utilized to this point. It is the DOP's intent to have an on-site trainer available to help the DOP fully implement and utilize its systems.

2. We recommend the DOP require an annual review of the state pay plan and make updates, as necessary, to the state pay plan.

The DOP has not indicated whether it will conduct a yearly review. However, the DOP has been actively researching other states' pay scales to ensure that West Virginia is a competitive market. This is exemplified by the DOP determining that the state may benefit from a different schedule for medical workers due to the high demand during the COVID-19 pandemic. This highlighted a need for West Virginia to build a better talent acquisition pipeline by offering more competitive wages. Furthermore, medical workers do not often enjoy the same schedule consistency as other state employees and limiting the salaries is driving highly talented and skilled medical workers to the private sector.

3. We recommend the DOP publish the minimum pay and market rate pay on job postings.

The DOP has indicated that it posted the market rate on the job postings to better provide transparency to applicants. However, in researching job postings, committee staff found that this was inconsistently applied, difficult to locate, and did not accurately clarify to applicants what the expected pay rate would be. While the DOP did present information indicating that it is possible for new hires to receive pay higher than the market rate, this is not entirely accurate. There must be several conditions met, like a demonstrated difficulty hiring for the positions, for the higher pay to be approved. The DOP may want to consider alternative methods of specifying the potential salary for applicants.

The DOP has also discussed some internal policy changes it will make as well. Previously, the DOP would conduct a review of the agency's selection and offered salary to determine if the candidate met the qualifications in the posting and if the candidate's prior education and experience were relevant to the job posting. While this shift seems minor, there is now increased flexibility for the agency to select a candidate

that may be a better fit with the organization than prior to the change. Additionally, this will help the DOP respond to agency selections more quickly because the DOP will no longer review the candidate's work and education experience.

Overall, some important changes have been made that put the DOP and the agencies it serves on a better track to attract and retain talented workers in the state. However, there is always room for continual improvement and the committee staff and the DOP can work together in the future to better identify enhanced processes and technology that can better serve applicants, agencies, and the people of this state.

Appendix

Appendix A – Salary Schedule updated August 30, 2019



Schedule of Salary Grades 2 – 26

Grade	Minimum Rate		Market Rate		Maximum Rate	
	Hourly	Annual	Hourly	Annual	Hourly	Annual
2	8.7736	18,249	14.3004	29,745	16.2307	33,760
3	9.0525	18,829	14.7552	30,691	16.7466	34,833
4	9.3414	19,430	15.2259	31,670	17.2812	35,945
5	9.6327	20,036	15.7009	32,658	17.8201	37,066
6	9.9313	20,657	16.1875	33,670	18.3725	38,215
7	10.4327	21,700	17.0052	35,371	19.3004	40,145
8	10.9587	22,794	17.8625	37,154	20.2730	42,168
9	11.5092	23,939	18.7596	39,020	21.2918	44,287
10	12.0900	25,147	19.7062	40,989	22.3658	46,521
11	12.6952	26,406	20.6927	43,041	23.4860	48,851
12	13.3313	27,729	21.7298	45,198	24.6625	51,298
13	14.1327	29,396	23.0360	47,915	26.1451	54,382
14	14.9741	31,146	24.4072	50,767	27.7019	57,620
15	15.7318	32,722	25.6423	53,336	29.1033	60,535
16	16.6770	34,688	27.1831	56,541	30.8519	64,172
17	17.6823	36,779	28.8216	59,949	32.7120	68,041
18	18.7486	38,997	30.5600	63,565	34.6846	72,144
19	19.6861	40,947	32.0879	66,743	36.4187	75,751
20	20.6674	42,988	33.6875	70,070	38.2341	79,527
21	21.6967	45,129	35.3653	73,560	40.1384	83,488
22	23.2207	48,299	37.8495	78,727	42.9581	89,353
23	24.8505	51,689	40.5062	84,253	45.9730	95,624
24	26.5924	55,312	43.3451	90,158	49.1956	102,327
25	28.4577	59,192	46.3855	96,482	52.6466	109,505
26	30.4529	63,342	49.6379	103,247	56.3375	117,182

Revision Date: 8/31/19

Appendix B – Memorandum Analyzing W.Va. Code §29-6-10

MEMORANDUM

TO: Jaclyn Schiffour
FROM: Liz Schindzielorz
DATE: November 19, 2020
RE: Authority to Amend Division of Personnel Pay Plan

The Division of Personnel (“the Division”) has proposed legislation amending W. Va. Code § 29-6-10(2) expressly providing, in pertinent part, that the pay plan for all employees in the classified service “shall be reviewed annually *and adjusted as necessary . . .*” (emphasis added). However, there is no need to include the additional pay plan adjustment language because this is already permitted in this statute and the rule promulgated thereunder.

W. Va. Code § 29-6-10(2), which authorizes rulemaking by the Division, currently provides for “amendments” to the pay plan and sets forth a procedure for making such amendments:

(2) For a pay plan for all employees in the classified service, after consultation with appointing authorities and the state fiscal officers, and after a public hearing held by the board. Such pay plan shall become effective only after it has been approved by the governor after submission to him by the board. *Amendments to the pay plan may be made in the same manner.* Each employee shall be paid at one of the rates set forth in the pay plan for the class of position in which he is employed. The principle of equal pay for equal work in the several agencies of the state government shall be followed in the pay plan as established hereby.

W. Va. Code § 29-6-10(2) (emphasis added). Accordingly, W.Va. C.S.R. § 143-1-5.2 provides:

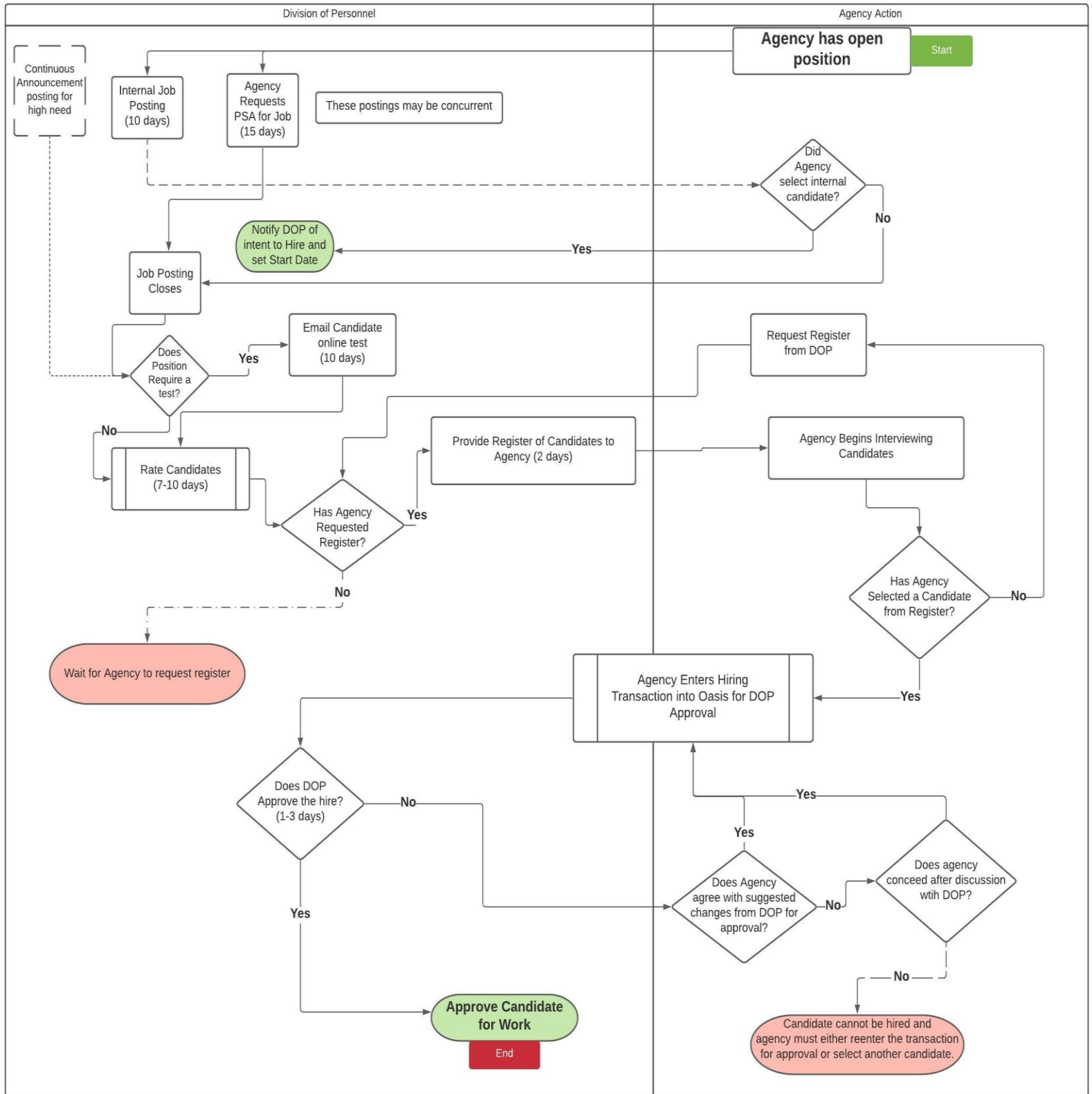
5.2. Preparation of the Plan. -- After consultation with the appointing authorities and State fiscal officers and after a public hearing, the Director and the Board shall prepare and submit to the Governor for his or her approval any revision of the pay plan. The pay plan shall include salary schedules containing multiple pay grades with minimum and maximum rates of pay for each grade and a plan of implementation. The pay plan shall also include a market rate for each grade which shall be established by the Director to approximate the market midpoint pay level among southeastern state governments selected by the Director. *The Board may make periodic amendments to the pay plan in the same manner.*

W. Va. C.S.R. § 143-1-5.2. (emphasis added). The addition of the word “periodic” does not provide any greater specificity to the timing or frequency of amendments.

The term “amendment” is not defined either in the statute at W. Va. Code § 29-6-2 or in the rule at W. Va. C.S.R. § 143-1-3. However, the definition of “salary adjustment” contains a reference to “a revision of the pay plan” which suggests a revision of the pay plan is synonymous with an amendment to the same. *See* W. Va. C.S.R. § 143-1-3.81.

Given the authority and procedure set forth in the statute, and the lack of any restriction or mandate as to the frequency or timing of amendments, it appears to be already within the Division's prerogative to amend the pay plan on an annual or other basis. Because the Division may amend its own rule to require a more specific review and amendment schedule, adding this requirement to the statute is a policy decision.

Appendix C – Additional Copy of Table 1



Appendix D – Agency Response



Sheryl R. Webb, Director
Allan L. McVey, Cabinet Secretary

December 23, 2020

The Honorable Mark R. Maynard, State Senate
The Honorable Gary G. Howell, House of Delegates
Joint Committee on Government Organization
State Capitol, Building 1, Room 213-E
1900 Kanawha Blvd., East
Charleston, WV 25305

Dear Chairmen Maynard and Howell:

Please accept this letter as the Division of Personnel (DOP) response to the Joint Standing Committee on Government Organization's report pursuant to House Concurrent Resolution 126. The DOP is encouraged by and agrees with the contents of the report. The DOP appreciates the committee staff's efforts to request and clarify information and the desire to convey this information accurately. This report fairly assesses areas of improvements needed within the hiring process.

I would like to note that the DOP is working towards utilization of the full capabilities of the NEOGOV Insight applicant tracking system. It has been a challenge to overcome longstanding practices that have been engrained in the training process for this section. It has taken time to change the culture and make the changes necessary to move forward. It has not been a fast or easy process, but the DOP is committed to doing what is needed to make the applicant experience as timely and efficient as possible.

Additionally, I would like to thank the committee staff for offering the recommendation to display the partial pay range for new hires, which is a more accurate reflection of what an applicant can expect when being hired. The DOP is going to work on the best way to do so without compromising the compensation process, but we believe this change will be helpful.

Furthermore, the DOP fully supports the annual review of the pay plan to address stagnancy as recommended. The DOP would like to note that it has consistently pursued updates to the pay plan but past efforts have been unsuccessful due to longstanding budget concerns.

Please be assured that DOP continues in our efforts to further improve the merit system for the State of West Virginia. Should you have any further questions regarding this matter, please contact me at 304414-0816 or Joe Thomas, Deputy Director at 304-414-0825 or joe.f.thomas@wv.gov.

Building 3, Suite 500, 1900 Kanawha Boulevard, East, Charleston, West Virginia
25305-0139 TEL: 304.558.3950 VISIT OUR WEBPAGE AT:
www.personnel.wv.gov FAX: 304.957.0141

THE DIVISION OF PERSONNEL IS AN EQUAL OPPORTUNITY EMPLOYER



Sincerely,

A handwritten signature in blue ink that reads "Sheryl R. Webb". The signature is written in a cursive style with a large, flowing initial "S".

Sheryl R. Webb
Director

SRW:jt

Enclosure

c: Carl Fletcher,

carl.fletcher@wvsenate.gov

Isabel Kinnison,

isabel.kinnison@wvsenate.gov

Denise Metten, denise.metten@wvhouse.gov

Steve Thompson, steven.thompson@wvhouse.gov

Appendix E – Average State Salary Adjusted for Inflation

Inflation rates

2017	2.13%
2018	2.49%
2019	1.76%
2020	1.20%

	Average State Employee Salary												
	2021 Actual	Projected Salary	Inflation	2020 Actual	Projected 2020	Inflation	2019 Actual	Projected 2019	Inflation	2018 Actual Salary	Projected Salary	Inflation	Actual 2017 Salary
Kentucky		\$45,395.28	\$538.28	\$44,857.00	\$47,819.76	\$827.07		\$46,992.69	\$1,141.69	\$45,851.00	\$43,335.80	\$903.80	\$42,432.00
Maryland		\$57,295.61	\$679.39		\$56,616.21	\$979.21	\$55,637.00	\$55,651.66	\$1,385.73		\$55,651.66	\$1,160.66	\$54,491.00
Ohio		\$65,452.11	\$776.11	\$64,676.00	\$63,470.76	\$1,097.76	\$62,373.00	\$61,640.56	\$1,497.56	\$60,143.00	\$59,826.73	\$1,247.73	\$58,579.00
Pennsylvania		\$62,780.43	\$744.43	\$62,036.00	\$60,550.25	\$1,047.25	\$59,503.00	\$55,401.44	\$1,379.50		\$55,401.44	\$1,155.44	\$54,246.00
Virginia		\$76,548.69	\$907.69	\$75,641.00	\$61,056.00	\$1,056.00	\$60,000.00	\$1,454.49	\$1,454.49		\$58,413.25	\$1,218.25	\$57,195.00
Hawaii		\$65,784.05	\$780.05	\$65,004.00	\$62,656.68	\$1,083.68	\$61,573.00	\$61,525.77	\$1,494.77	\$60,031.00	\$61,254.51	\$1,277.51	\$59,977.00
Idaho	\$50,462.00	\$51,795.17	\$614.17	\$51,181.00	\$51,496.67	\$890.67	\$50,606.00	\$50,114.54	\$1,217.54	\$48,897.00	\$48,312.60	\$1,007.60	\$47,305.00
Nebraska		\$49,795.46	\$590.46	\$49,205.00	\$48,843.78	\$844.78	\$47,999.00	\$47,891.53	\$1,163.53	\$46,728.00	\$47,011.46	\$980.46	\$46,031.00
New Hampshire		\$52,395.29	\$621.29	\$51,774.00	\$49,373.95	\$853.95	\$48,520.00	\$49,018.92	\$1,190.92	\$47,828.00	\$48,396.34	\$1,009.34	\$47,387.00
New Mexico	\$53,686.00	\$53,217.03	\$631.03	\$52,586.00	\$51,293.15	\$887.15	\$50,406.00	\$48,958.45	\$1,189.45	\$47,769.00	\$48,510.73	\$1,011.73	\$47,499.00
Arkansas		\$45,150.38	\$535.38	\$44,615.00	\$44,600.21	\$771.39		\$43,828.82	\$1,064.82	\$42,764.00	\$41,592.44	\$867.44	\$40,725.00
West Virginia	\$51,128.00	\$47,506.32	\$563.32	\$46,943.00	\$45,290.32	\$783.32	\$44,507.00	\$41,914.31	\$1,018.31	\$40,896.00	\$40,908.17	\$853.17	\$40,055.00

Appendix F – Draft Medical Pay Schedule

Pay Grade	Minimum	63 Market	85 Maximum			
9	38,480.00	62,722.40	71,188.00			Med. Lab Tech; LPN
12	40,404.00	65,858.52	74,747.40			Med. Tech
13	42,424.20	69,151.45	78,484.77			Psych Assist; Rad Tech; Occ Therapy Assist 1
14	44,545.41	72,609.02	82,409.01			Nurse 1; Rad Health Specialist; Occ. Therapy Assist 2
15	46,772.68	76,239.47	86,529.46			Nurse 2
16	49,111.31	80,051.44	90,855.93			Nurse 3
17	51,566.88	84,054.01	95,398.73			Nurse 4; Psych 1; Mental Health Therapist; Phys. Therapist 1; Occ. Therapist 1
18	54,145.22	88,256.72	100,168.66			DON 1; Rad Health Specialist, Chief; Psychologist 2; Physical Therapist 2; Occ Therapist 2
20	56,852.49	92,669.55	105,177.10			DON 2; Dir. Psychology