NASCA
National Association of State Chief Administrators

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NEOGOV

JOB ONE 2020

TRANSFORM STATE GOVERNMENT'S WORKFORCE FOR TOMORROW



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Dear NASCA Members,

We have seen unprecedented change in the operations of state government due to the ongoing pandemic this year. State governments throughout the country had to adapt quickly to continue to serve the needs of their customers while grappling with the logistics and workforce challenges that COVID-19 has presented. The National Association of State Chief Administrators has worked with our members and signature research partners to gather best practices, techniques, and ideas on how states can best adjust their operations during these uncertain times and is providing that information in the Job One 2020 report. This report focuses on three main state workforce related areas that will be vital to ensuring that states are aptly equipped to provide the necessary services and support to their customers now and into the future:

- Strategic Workforce and Succession Planning
- Training and Learning
- Performance Management

As Chief Administrators, you have all been leaders in how your states have adapted to respond to the pandemic while continuing to deliver essential services. We hope this report will be useful to you as you continue to respond to the pandemic and position your state for a stronger future. Thank you to Accenture, NEOGOV, and all the Chief Administrators who participated in providing, gathering, and analyzing the important information and data in this year's report.

Thank you,

Jason Jackson
Chair, NASCA Research and Policy Committee

INTRODUCTION

In 2019, National Association of State Chief Administrators (NASCA), Accenture and NEOGOV surveyed State Chief Administrators to understand critical workforce goals and challenges. The resulting report, Job One: Reimagine the State Government Workforce, highlighted the significant challenges state governments are facing as they compete to attract and retain top talent. In 2020, we set out to study the progress that state chief administrators and Human Resource (HR) directors are making in their workforce journeys. Along the way, the COVID-19 outbreak introduced unprecedented uncertainty and change – compounding the challenges and making the need for transformation even more urgent.

In the face of COVID-19, state governments have been grappling with challenges on multiple fronts. They have faced a surge in demand for public services as unemployment hit record numbers and armies of contact tracers are needed to track the spread of an unpredictable and potentially deadly virus. At the same time, governments faced looming budget holes, and stay-at-home orders forced a large swath of state employees to begin working remotely. For the most part, government made the switch quickly, moving to at-home work in a matter of days and rising to the challenges of the time.

No matter how the logistics shake out, every state has an opportunity to re-examine workforce policies and procedures to ensure safety and relevance – and to take clear steps to attract, nurture and deploy the skills needed to manage future crises, shape the leaders of tomorrow and enable better outcomes for individuals, families and communities.

This year's unique challenges only underscore state governments' needs for skilled and flexible workforces – talent that can respond and adapt quickly.

Areas of focus

This research seeks to build on Job One 2019 by diving deeper into three areas of focus that are critical to the long-term strength and agility of any state workforce.

01 **STRATEGIC WORKFORCE AND SUCCESSION PLANNING**

02 **TRAINING AND LEARNING**

03 **PERFORMANCE MANAGEMENT**

ABOUT THE RESEARCH: RESEARCH METHODOLOGY

Data is from a survey of 753 city, county and state government employees and 63 HR directors conducted by NEOGOV from December 2019 to February 2020. Additional information and insights were drawn from a focus group conducted at the NASCA 2019 national conference and a working session at the NASCA 2020 virtual conference. Detailed interviews with seven state government officials were conducted November of 2019 to October of 2020.

01 STRATEGIC WORKFORCE AND SUCCESSION PLANNING

Strategic workforce planning proactively anticipates an organization's current and future hiring needs, helping ensure the organization has the resources needed to meet its goals. Succession planning is a process for identifying and developing new leaders to replace predecessors when they leave the organization.

Both of these processes should align with an organization's strategy and goals. They also require a vision of the right organization size, skills and structure for the future and an understanding of current organizational gaps. The COVID-19 outbreak has underscored the importance of creating and realizing such a vision.

As the economy reopens, states can take the opportunity to rethink their own workforces – developing a plan for the skills they need in an age of automation and how those skills might be shared across the entire state enterprise.

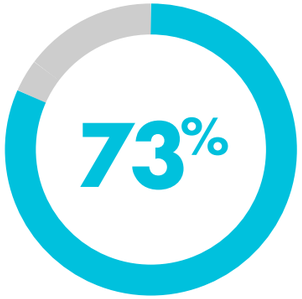


Challenge: Lack of ownership

Such an undertaking is easy to describe yet difficult to execute – particularly when there is not always clear ownership. A recent survey by NEOGOV suggests that most HR directors do not have responsibility for workforce or succession planning.



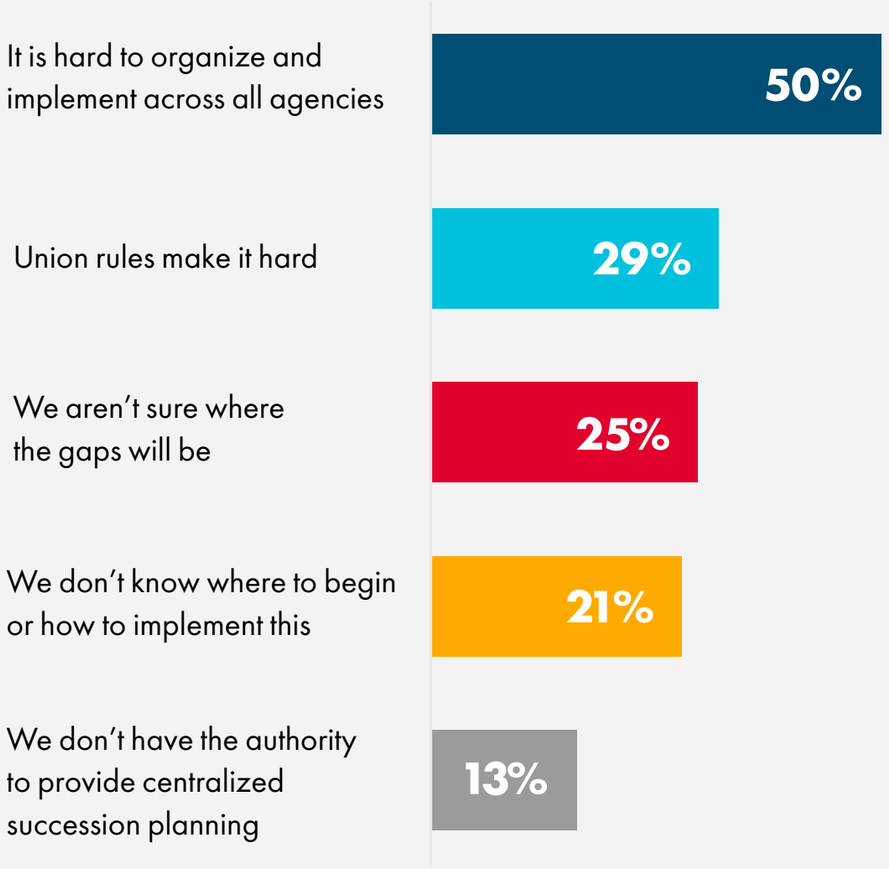
of HR directors indicated that succession planning is not centralized.



of HR directors said workforce planning is not centralized.

A recent survey of HR directors by National Association of State Personnel Executives further confirmed this, with 92% of state HR directors indicating that workforce planning is split between a central HR function and the agency or mostly by decentralized agencies.[1]

What are the major barriers to HR directors engaging in succession planning?



Challenge: Ineffective operational processes

For some states, the pandemic has shone a light on operational "cracks" throughout government. For example, the State of California centralized procurement during the pandemic to ensure more timely and effective management of resources.

Any workforce planning initiative requires aligning needs with capabilities. In some cases, important capabilities reside in a central office. Decentralized operations can therefore lead to unmet needs. States may begin putting decentralized services under the microscope to evaluate their resilience and adaptability. While not every state can consolidate services across all agencies, there may still be opportunities to centralize specific services within agencies or clusters of agencies.

> **"The global pandemic has shown us that we are capable of changing quickly and at scale. Now we have the opportunity to think through which changes we want to make more permanent, along with other changes we want to make to further increase our operational resilience."**
>
> **STATE CHIEF ADMINISTRATOR**

OPPORTUNITY:

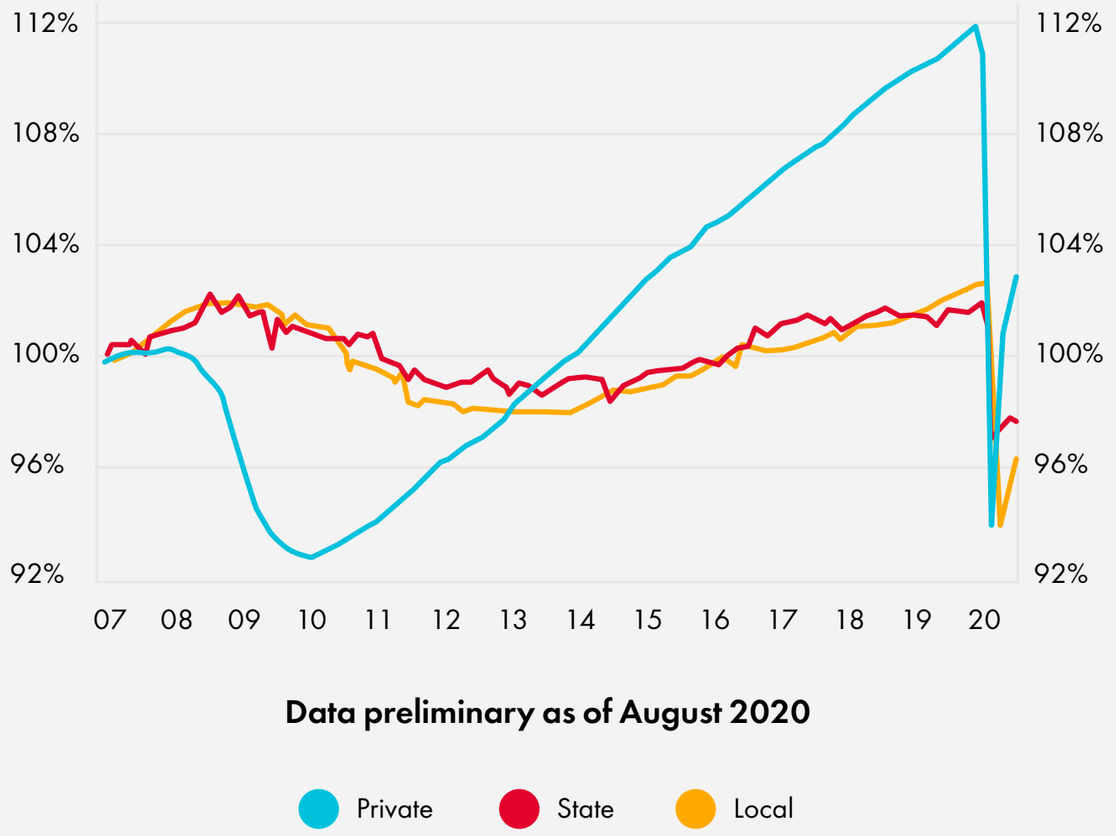
Take a truly enterprise view when conducting workforce planning.

Challenge: The continuing talent gap

The size of the state and local government workforce has remained relatively flat over the past decade, with only a 0.6% increase between 2010 and 2019 despite 6% population growth during that time.[2] **In the more challenging COVID-19 budget climate, there is likely to be further increases in retirements and resignations as states work to reduce headcount**. In fact, some states have started to offer buyouts for early retirements.[3] As this happens, states will need to consider how to preserve institutional knowledge.

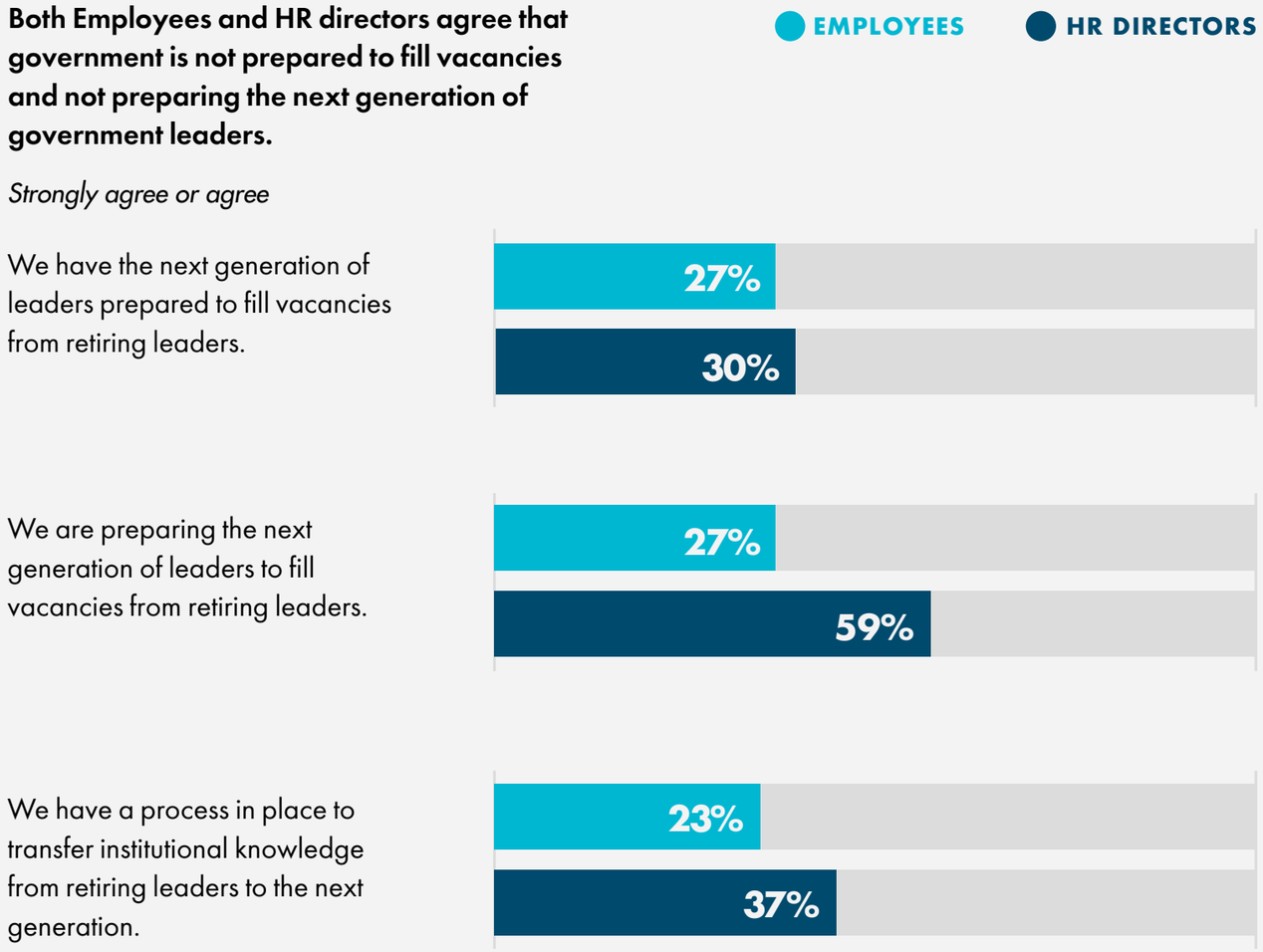
This shifting and changing workforce also gives state governments a valuable opportunity to fundamentally rethink how their workforces look. Assuming that a portion of any state workforce may remain remote, governments can explore different staffing models more similar to those in the private sector. In commercial organizations, workers are more project based and change roles based on their skills. **As work is restructured, it could lead to a reduction in public sector workers via layoffs, attrition and early retirement buyouts**.

THE SIZE OF THE GOVERNMENT HAS REMAINED FLAT OVER THE LAST DECADE



Source: National Association of State Retirement Administrators

Both Employees and HR directors agree that government is not prepared to fill vacancies and not preparing the next generation of government leaders.



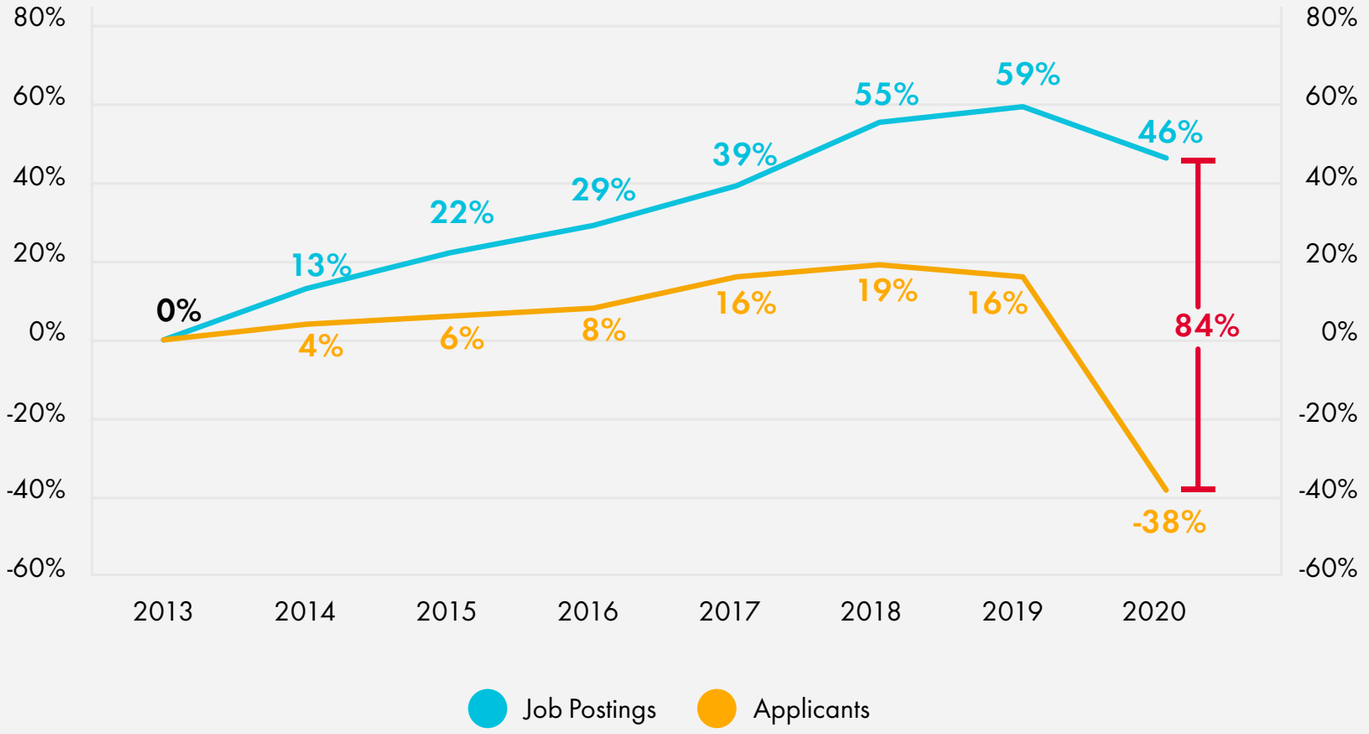
More than ever, these issues will shape the future public sector workforce and how it competes for talent. Given the financial crisis – as well as the potential for states to move more toward a "gig economy" approach – job security may become a thing of the past. Further, if we assume that the value proposition of government is changing and that pensions may be further diminished, states must consider how they will attract the talent they need. As governments have responded to the pandemic, the numbers of job postings and applicants have declined.

Postings have dropped 22.2% since just before the pandemic, while the number of applicants has fallen even more (33.1%).

This may reflect an assumption by candidates that governments aren't hiring during the pandemic. Or, it may also foreshadow the larger battle for talent. In the face of heightened competition, how might states go head to head with private-sector salaries and benefits? **The Job One 2019 report** highlighted training and development as one of government's key competitive advantages in the battle for talent.

Talent Gap 2020

Local and state workforce: % change in job postings vs. job applicants (2013 through April 2020)



DROPPED FROM 735K+ APPLICATIONS TO 339K+ COMPARED TO THE SAME POINT IN TIME LAST YEAR

Source: NEOGOV data

Start with skills: Which do you have? Which do you need?

As state governments adapt to a hybrid workplace strategy – with some employees continuing to work remotely, others returning to offices – **it will be more important than ever to preserve culture and understand the skills needed**. Indeed, "skills identification" – that is, building a database of the current workforce's skills – is a growing priority.

Before the pandemic, a **Center for State and Local Government Excellence study** found that the most in-demand skill sets for new hires were interpersonal (cited as a priority by 75% of respondents), technology (57%) and written communication (52%). At the federal level, the **U.S. Office of Personnel Management reported in 2018** that at least 63% of federal agencies experienced knowledge and skill gaps with their current workforces. Multiple agencies reported gaps in "technical skills such as grants, insurance, legal and telecommunications; management support skills such as performance management, project management and strategic planning; and soft skills such as critical thinking and professionalism."

OPPORTUNITY:

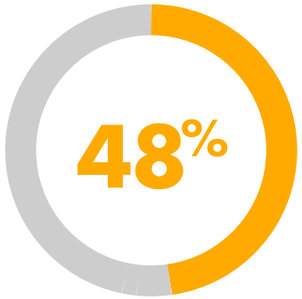
Build a "big-picture" view of talent. Conduct a formal skills assessment to identify which skills are present today, which are needed now and in the future, and where there are gaps that need to be addressed.

OPPORTUNITY:

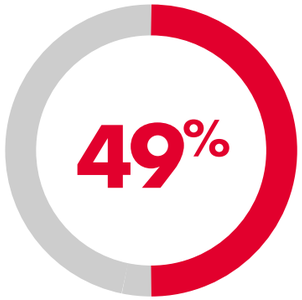
Consider what skills are needed and what skills are missing when engaging in workforce planning. Stay focused on identifying and mapping skills (not jobs, people or agencies).

As demand for these skills escalates, automation also will lead to ongoing changes in needed capabilities. As much as 90% of workers' time could be affected by intelligent technologies – whether through augmentation (artificial intelligence that supports a worker in doing his or her work) or automation (artificial intelligence that takes over an entire task).[4] Further, automation is not the only thing that will impact the skills landscape. **With more work being done in a virtual environment, soft skills, such as communication and team management, will become even more important**.

Despite current and potential skill gaps, half of public sector workers say they don't have a clear understanding of the knowledge, skills and behaviors needed to move up.[5] Organizations and employees themselves need to push toward a better understanding of required skills, how to develop them and how to keep skills relevant.



of public sector employees don't have a clear understanding of the knowledge and skills needed to advance.



of HR Directors also agreed employees didn't have a clear understanding of what is needed to advance.

Size: How much organization do you need?

Government workforces are aging, making succession planning both a necessity and a strategic opportunity. Today such planning must go well beyond proposing a replacement for each soon-to-be-open role. Rather, states have a chance to fundamentally reshape their workforces – weighing how the work is changing, how automation will alter the landscape of an agency's work and how those changes will create an ongoing impact on needed skills and resources.

The good news? COVID-19 has accelerated telework and emphasized the importance of automation and digital platforms – both of which are key to attracting and retaining millennials to meet succession planning needs.

The challenging news? While states need to rethink functions and how they fill future vacant roles, half of HR executives (50%) indicated that a major barrier is difficulty in implementing succession planning across agencies.[6]



Only one-third said they had implemented traditional succession planning – that is, business unit–focused talent reviews and development plans with support of HR.

Strategic workforce planning needs to occur at the individual employee level via career development planning and at the business unit level to best prepare each department for the future. Implementing a comprehensive plan within any large organization requires an enterprise-wide approach that assures top talent is developed, advanced and retained – no matter where that talent started or currently sits within the enterprise.

Delineate responsibility

State agencies first need to address this fundamental question: Who is responsible for workforce planning? With that answer, HR or other organizational leaders will need to work with agency leadership to build tools and policy, set direction for the agencies, and create a plan that considers the entire enterprise.

WHAT DOES 'GOOD' LOOK LIKE?

Specifically, agencies need to work on expanding workforce and human capital planning and improving the development and execution of existing plans.[7] That starts with public-sector HR organizations cultivating strong relationships with internal groups, including top managers, staff running operations on the ground, and union representation. **Organizations will need to identify the skills needed within the organization, support development and hiring of those skills, and continually evaluate and refine the strategic plan to the organization's goals and outcomes**.

LOUISIANA STATE CIVIL SERVICE: MAPPING COMPETENCIES TO GUIDE WORKFORCE PLANNING

In 2016, the Louisiana State Civil Service began examining competencies within its workforce with the aim of using those insights for succession planning and workforce planning. After identifying which competencies were needed throughout the employee lifecycle, the team set out to validate some competencies with agency supervisors. They started by assessing which competencies are critical for which roles. From there, they isolated individuals whose managers had rated them "exceptional" in the performance evaluation system. Those employees and their managers were recruited for a focus group to probe deeper on which competencies are critical and why. The team landed on eight competencies that they believed all state supervisors should have, along with three competencies specifically related to supervising others.

The Louisiana State Civil Service provided smaller agencies an extensive report based on the program, as well as recommendations for evaluating whether they could grow those competencies or would need to go out and "buy" them in the market. They are also building an online training course to promote this approach among employees.

The organization recently completed a related pilot with the Louisiana Department of Transportation. The goal: to align employees around working definitions and standards of behavior by employee level and, ultimately, to operationalize how those expectations and behaviors look on the job. The State Civil Service is arming agencies with the solid, actionable information they need to develop or recruit for the competencies they need to conduct effective workforce planning and meet each agency's mission.

Along the way, the team emphasized to agencies that this process is not meant to be used for performance evaluation or management. Employees need to feel safe rating their own current competencies without fear of impact on their performance evaluation.

COMMONWEALTH OF PENNSYLVANIA: USING PREDICTIVE MODELS TO SUPPORT SUCCESSION PLANNING

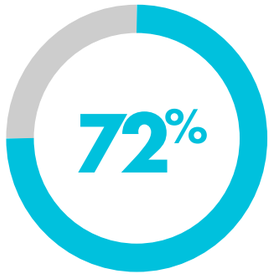
In Pennsylvania, the Secretary of Administration is engaging agencies to understand their top business priorities. That includes a series of governance meetings in which they establish an agency's business priorities for HR and IT, create new job descriptions and other templates, and troubleshoot any issues that arise related to role classifications and compensation to improve the workforce.

Looking more holistically across the Commonwealth, the Secretary of Administration has been taking a strategic and innovative approach to succession planning. A key challenge: how best to replace upcoming retirees. Succession planning is an ongoing – and active – effort. In fact, agencies are introducing changes in how work is done even while employees eligible for retirement are still working. The tenured workers know they can postpone retirement, but in the meantime, processes keep running smoothly and other people can be sufficiently prepared to take on new roles and responsibilities.

Additionally, Pennsylvania has been working on a retirement prediction model. Using analytics methods and technologies, the model will be able to predict with a great deal of confidence when a specific employee will retire. The model will feed that information to agencies to aid in workforce and succession planning. Those insights will enable agencies to initiate the hiring process and/or process of updating job classifications and descriptions based on changes that will be made following an individual's retirement.

02 TRAINING AND LEARNING

As the COVID-19 pandemic changes the way state employees work, how states train their talent is starting to look different as well. With some workers in the office and some remote, the skills that employees train for – and how training is delivered – have to change. Generational shifts are also driving demand for new approaches. Consider, for example, that 84% of Generation Z say they expect their first employer to provide formal training.



Nearly three-quarters of Gen Z respondents have the same training expectations from both government and large, private-sector employers.[8]

Continuous upskilling is crucial not just for ensuring you have the skills you need but also for retaining your best workers. Already, 61% of government executives have indicated that they struggle to keep workforce skills relevant in the face of rapid technological advancement.[9] Meanwhile, respondents in the Center for State and Local Government study rated training (67%) and funds for training (63%) as the second-highest techniques for retaining workers.[10]



> "In our personal lives, we've all witnessed the power of well-designed digital experiences. As we build our training plans going forward, we need to tap into these approaches to create and deliver digital training and learning experiences that our employees will rave about."

STATE CHIEF ADMINISTRATOR

Government training: Incomplete (or irrelevant)

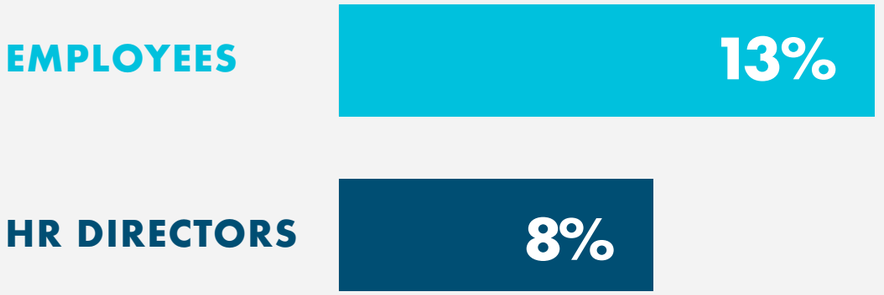
Training is a vital tool for building skills and retaining talent. Yet state governments are falling short in meeting employees' expectations, according to our recent survey:

48% of employees say government is falling short of their expectations for leadership training.[11]

42% of employees say their expectations around technical training are not being met.[12]

40% report the same about upskilling and continuing education.[13]

Given those findings, it is perhaps unsurprising that only…



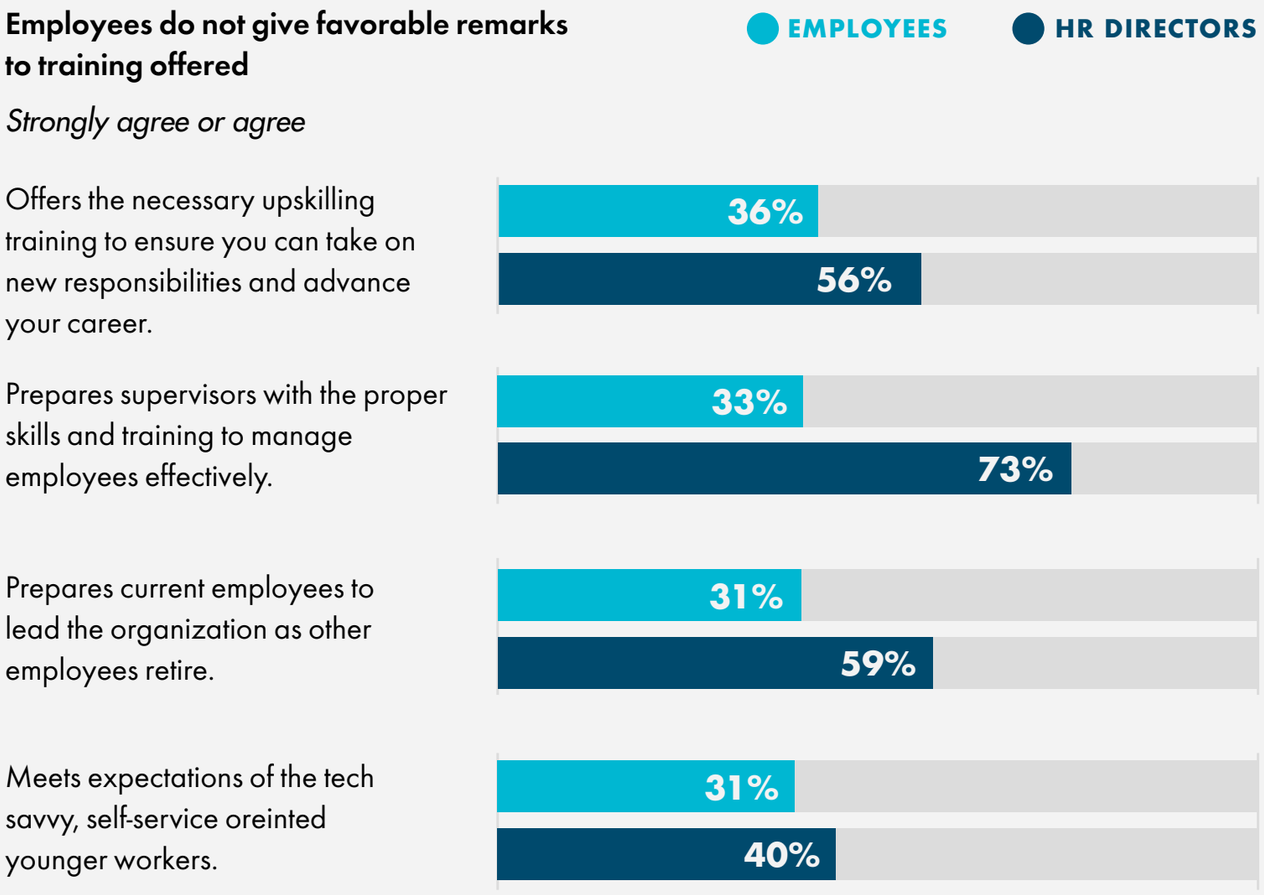
report that training is "high quality" and "a good use of their time."

More than one-third of employees say that training is low quality.[14] This is a problem at all levels of government. The Federal Government's Office of Personnel Management reported that the provision of adequate on-the-job training and funding is a struggle for most agencies.

Public sector employees have strong views on training (and know what works)

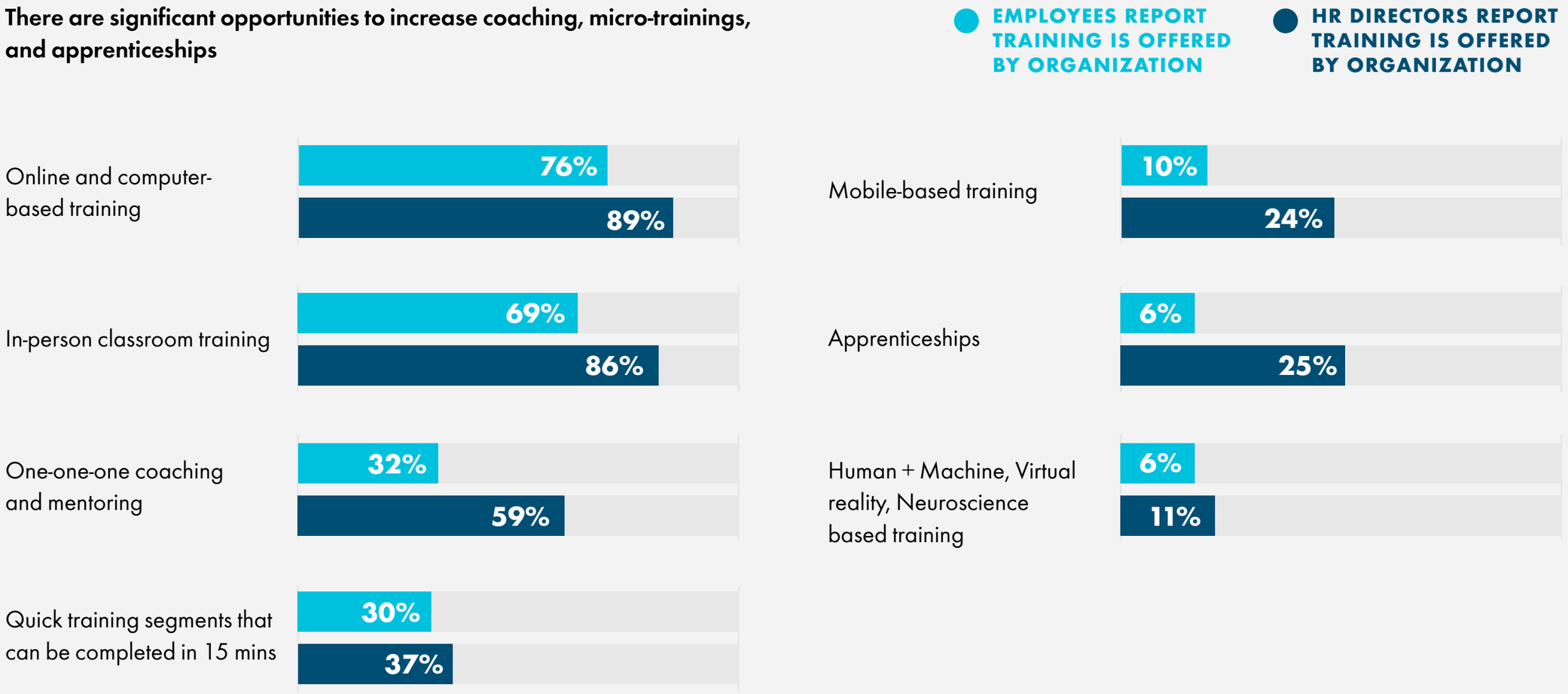
Employees do not give favorable remarks to training offered

Strongly agree or agree



When asked about the current training offered, 76% of state workers said online and computer-based training are offered, 69% reported the availability of in-person classroom training and 32% reported coaching and mentoring being offered. Just 36% believe that training is preparing them with necessary upskilling. An even smaller percentage (33%) believe it is preparing them to supervise or manage employees. Those findings stand in sharp contrast to the views of HR directors, as shown to the left.

There are significant opportunities to increase coaching, micro-trainings, and apprenticeships



Employees have strong views on what training works, asserting that in-person learning is the most effective mode. More specifically, before the COVID-19 pandemic, employees gave top marks to one-to-one coaching and mentoring, apprenticeships and in-person classroom training – methods that may be harder to deliver in a remote environment. While employees report that digital training approaches are less effective, they are being scaled quickly. It is important to note that employees "currently" find digital modalities less effective.

Although we should not diminish the fact that most employees prefer face-to-face, personal interaction, **we should also consider how we can elevate digital quality and strike the right balance between on-demand 24/7 and in-person training**. This balance will be especially crucial as funding may become even more limited and more employees may be working remotely. States are wise not to overlook digital platforms as a resource for facilitating coaching and mentoring sessions. Government employees cited this type of training as extremely effective, and a digital platform may allow for employees to engage with someone from a different part of organization.

Above all, states must enable employees to attend and focus on training by allowing them to step away from their day-to-day responsibilities. Taking time to focus on professional development and training is even more challenging in the wake of COVID-19, given the ability to work remotely and connect at all hours. Leadership must continue to support their people to maximize the value and benefit of training.

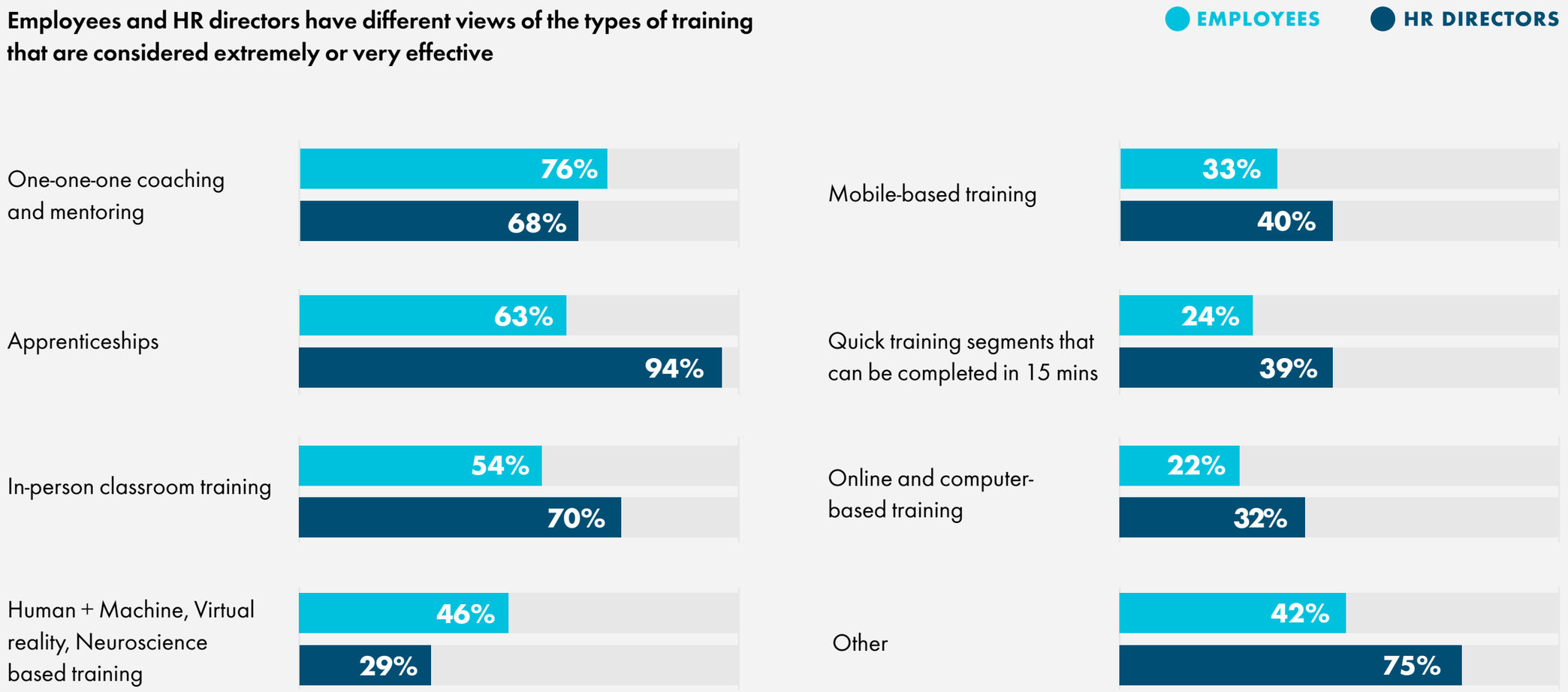
OPPORTUNITY:

It is possible that there are opportunities to improve the quality of digital offerings to better meet employees' needs and expectations. New tools and facilitation techniques can help improve training quality. For example, means of delivery, such as learning bursts or gamification, can make training more enjoyable.

OPPORTUNITY:

Find ways to "digitize" and scale the one-to-one mentoring and coaching that state workers value.

Employees and HR directors have different views of the types of training that are considered extremely or very effective



WHAT DOES 'GOOD' LOOK LIKE?

States have a major opportunity to improve training and learning. By implementing a blend of on-the-job learning and classroom training, agencies can customize their training. This approach enables employees to create highly relevant, agency-specific learnings.

At present, **fewer than one-third of public-sector transformation leaders have received any training in change-leadership skills**. These skills include communicating in an inspirational way with all the groups affected by the change, especially an organization's own employees.[15] Change-leadership training is becoming essential as governments face more complex challenges. Some states have had success in leveraging a cohort approach and creating prestigious leadership academies, for which exclusive cohorts are selected to receive the training.

Finally, states would be wise to focus training on soft skills as well as more technical or specialized skills. **According to LinkedIn behavioral data, creativity is the most in-demand soft skill in short supply**.[16] Executives from government and private industry rank both core technical skills and interpersonal skills as gaps. Training and learning teams should not consider an either/or proposition; instead, focus on both soft skills and specific technical skills needed within the organization.

OPPORTUNITY:

Offer training on critical "soft skills," including change leadership and management, creativity and empathy.

WASHINGTON DEPARTMENT OF ENTERPRISE SERVICES: ENVISIONING 'FINANCE SCHOOL'

For most states – including Washington – it can be a challenge to recruit finance talent when public-sector compensation cannot compete with private companies. One possible solution: creating a "Finance School" that would engage college students, perhaps through a paid internship program. Within the Department of Enterprise Services is a Small Agencies Finance group that handles accounting, financial planning, budgeting and other finance tasks for 40 smaller state agencies. By engaging college interns through a "Finance School," this division could attract them after graduation, help them build state government-specific skills and then encourage larger agencies to "steal" this well-trained talent for their own operations.



TENNESSEE DEPARTMENT OF HUMAN RESOURCES: MODERNIZING LEARNING – AND LEADERSHIP – SOLUTIONS

Under Tennessee's previous performance management system, almost all employees were receiving ratings of four or five on a five-point scale. Raises were administered across the board regardless of effort or outcomes. And there was little to no connection between performance management and state agencies' business goals.

Cabinet members asked the Department of Human Resources to begin introducing competencies into the performance management system. One of the top priorities: customer service. Tennessee's Chief Learning Officer partnered with Bruce Loeffler, former customer service guru at Disney and author of One Minute Service, to design a statewide curriculum that every employee must complete.

Additionally, Tennessee's Strategic Learning Solutions team created a Leadership Academy that could scale to support the nearly 8,000 supervisors within the state workforce of 45,000 people. The program starts with a 360-degree assessment, and each participant is assigned a mentor who meets with them several times a year to provide support and guidance.

Now Tennessee is preparing to launch Next Level Leadership Academy – a "mini" version of the Leadership Academy. It will offer selected leaders support on building targeted competencies that align with state workforce needs.

03 PERFORMANCE MANAGEMENT

The quality and value of performance evaluations are often inconsistent across state agencies. As many employees continue with telework, performance evaluations will need to be conducted in different ways. Given the unusual year, performance metrics may need to be changed. What matters more is the outcomes and results delivered rather than the number of hours logged. Indeed, this disruption may provide an opportunity for states to evolve their performance evaluation approach to align with the new skills needed and work performed in different ways.

States also need to improve and change performance evaluations to provide certainty to state workers. With the creation of clear pathways for employee advancement and skill development, workers are more likely to stay engaged as they see chances to build new skills and grow professionally.

OPPORTUNITY:

Many legacy performance management approaches will not work during the global pandemic. Use this as a chance to evaluate – and evolve – the process.









Opportunities to pave better paths to advancement

At present, government employees are not satisfied with career advancement. Only 48% are satisfied with their organization's support in advancing employees' careers. Slightly more employees (57%) are at least moderately satisfied with their supervisors' support of advancement.[17]



Only 52% of employees feel they have a clear understanding of the knowledge, experience, skills and behaviors that are needed to move up.



Only 32% of employees say they set and manage their own career goals.[18]

In addition to providing more clarity to employees, paths to advancement need to link back to an understanding of essential skills and clearly defined training programs to build those competencies.

> **"Out of sight can't mean out of mind for the state employees who are working remotely. We are developing new approaches to help our supervisors stay engaged with these workers. It's not only about making sure they are producing the needed work. It's also about ensuring they stay engaged with our mission and continue building the skills we need going forward."**
>
> **STATE CHIEF ADMINISTRATOR**

Performance management needs improvement

Most governments across the country jumped into telework headfirst without implementing long-term policies and processes. Those who expected this pandemic to be a short-term emergency – with employees working remotely only for a short time – may not have focused on prioritizing performance management reviews. Some states have reported higher satisfaction and performance with remote work, and it is likely employees will want to keep working remotely. In cases where this model "sticks," supervisors will need to figure out how to evaluate staff that they can't see.

While the pandemic has presented a new performance management challenge, there were already opportunities for states to improve. Our survey found that 44% of employees believe their expectations around performance reviews are not being met. **While 57% of employees report receiving a mix of informal and formal feedback, another 56% say they receive feedback only once per year.**[19]

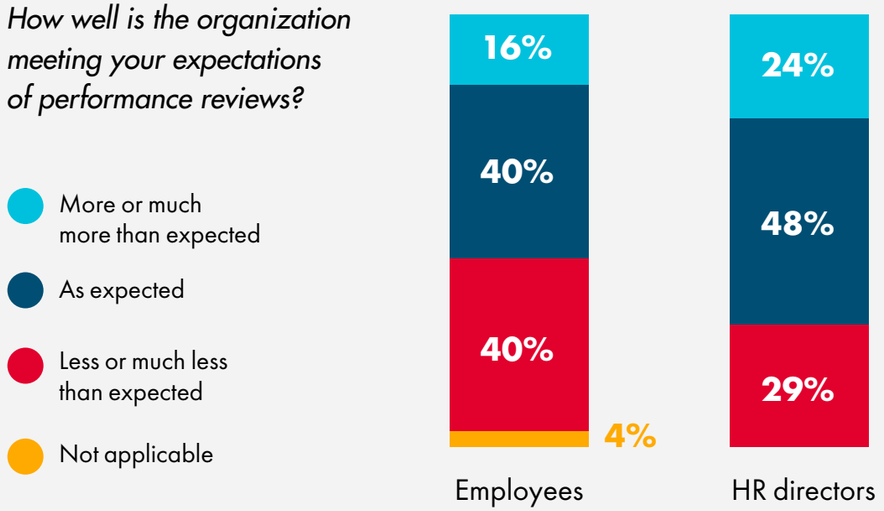
CONSIDER WAYS TO DELIVER FEEDBACK MORE FREQUENTLY

Governments should consider ways to deliver feedback more frequently, through both formal and informal methods. More consistent feedback can help employees adjust performance throughout the year.

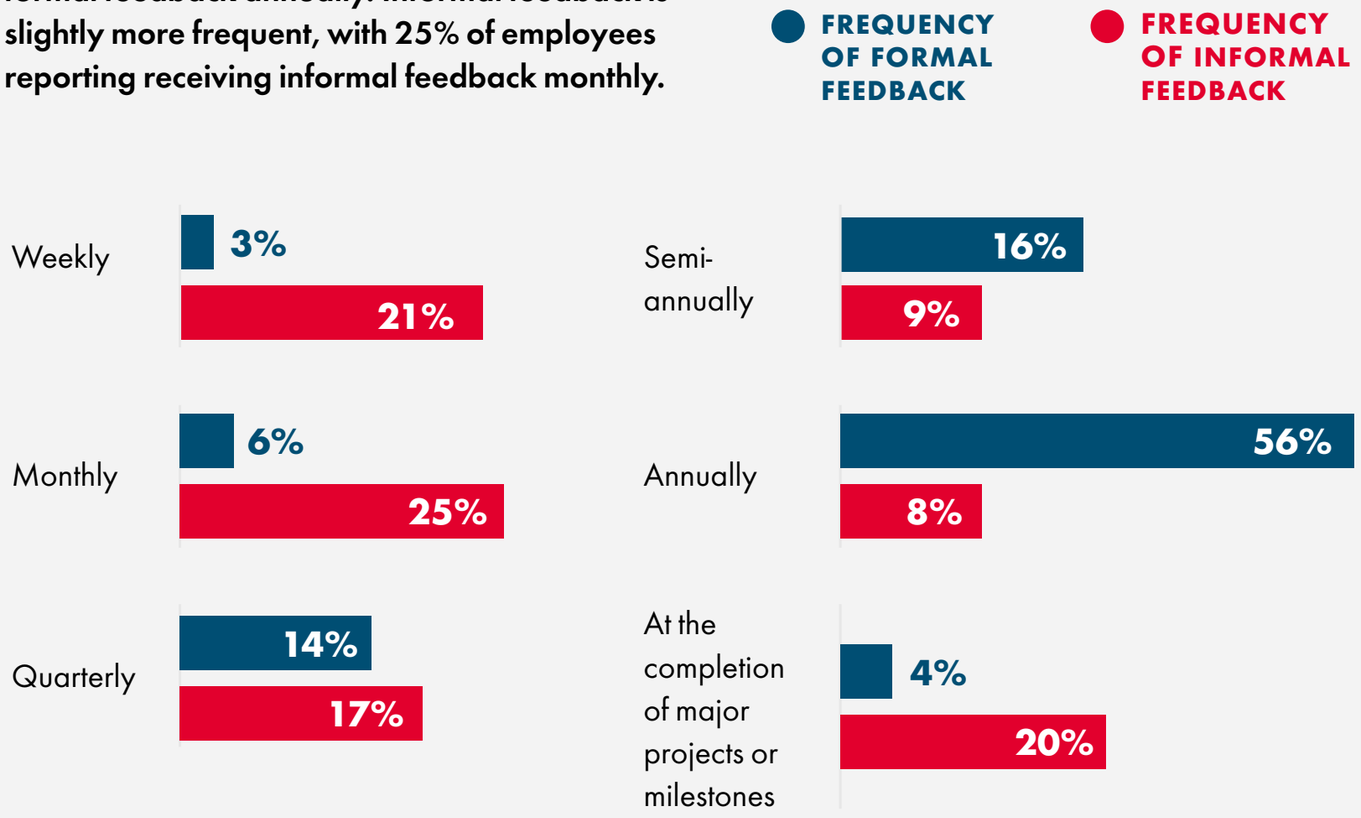
Most employees (60%) are extremely or very familiar with their organization's goals, and 59% say their performance goals are tied to organizational and leadership goals. When employees can tie their individual performance back to the agency goals, they typically find more meaning in their work. Along with goals, states must be clear about the standards that employees are measured against. Mid- level managers who supervise remote staff should increase high-touch communication (for example, by practicing daily huddles with teams). By setting specific, measurable accomplishments for staff, workers will be able to prioritize their tasks. In short, performance reviews should not focus on time spent in front of a laptop. Instead, focus on workers' contributions to the organization's mission and business goals.

Only 16% of employees believe performance evaluations exceed expectations

How well is the organization meeting your expectations of performance reviews?



Just over half of employees report receiving formal feedback annually. Informal feedback is slightly more frequent, with 25% of employees reporting receiving informal feedback monthly.



OPPORTUNITY:

Tie performance evaluations to state-wide goals while empowering agencies to adjust evaluations based on their organizational mission. A "one-size-fits-all" approach to performance evaluation may not best serve states looking to retain top talent.

WHAT DOES 'GOOD' LOOK LIKE?

What steps can government take to improve performance evaluations? Start by consistently conducting performance reviews. Next consider shifting the culture around performance. Governments need to shift the risk and tie performance measures to focus more on clear outcomes and less on hours worked. At the same time, states can take steps to improve how individual goals are aligned to the organizational mission and needed skills (including empathy and creativity) and to increase the frequency of feedback.

As reported in **Job One 2019,** states with a workforce more than 50% unionized were less likely to complete regular performance evaluations and less likely to tie salary increases to performance evaluations. Given these differences, states with a highly unionized workforce may need to consider a tailored approach that works within the union rules.

INDIANA STATE PERSONNEL DEPARTMENT: TRANSFORMING PERFORMANCE MANAGEMENT

About 15 years ago, the Indiana State Personnel Department (INSPD) rolled out a performance management program that relied on a traditional tool: paper. For years, managers used paper-based reviews to give employees their annual ratings, as well as feedback on their competencies, knowledge, teamwork and customer service. However, these reviews were not used consistently across state agencies, paperwork was sometimes misplaced, and the approach did not encourage ongoing dialogue between supervisors and the talent on their teams.

Last year, INSPD stood up a statewide Performance Management division that has begun fundamentally transforming the way performance is managed and employees are developed.

For starters, INSPD is rolling out digital tools that facilitate greater visibility, accountability and communication around annual plans. The electronic performance management system enables managers and employees to document and track goals and competencies, including adding comments and indicating progress to date.

By moving from paper-based to digital performance management, managers can more easily ensure that all goals align with the organization's mission, vision and objectives. It is also faster and simpler to monitor the status of each goal and conduct more frequent discussions with employees.

INSPD's Performance Management team also has updated the terms used in providing employees' annual ratings. Employers are now asked to rate employees as Exemplary, Exceeds, Successful, Needs Improvement or Unsuccessful. This approach avoids negative connotations that had arisen around the previous middle rating of "Meets Expectations."

With richer, more consistent performance management insights, INSPD will be able to more readily identify and nurture top performers from across the state enterprise. Other long-term goals call for the creation of development goal plans and people profiles to support professional development, career growth and succession planning across the workforce.

RECOMMENDATIONS

More strategic approaches to workforce and succession planning, training and development, and performance management are good for workers – and good for states. When states have a clear idea of the skills they need to serve constituents and communities in today's world, they can attract, develop and retain talented individuals to drive toward better outcomes. Most states are still early in the journey to a reimagined workforce. These steps can help in building enduring progress:

TAKE AN ENTERPRISE APPROACH.

The purview of the State Chief Administrator varies across the country, with different responsibilities and diverse operating models. Even in states where core administrative services are already centralized, consider how you can collaborate with other agencies to get a big-picture view of talent strengths, gaps and opportunities to adopt better practices for workforce and succession planning, training and development, and performance management.

IDENTIFY WHO "OWNS" WORKFORCE PLANNING AND SUCCESSION PLANNING.

Regardless of where that person or team "sits," collaborate to identify needed skills and gaps in the current workforce. In making this assessment, take advantage of the COVID-19 emergency to fundamentally rethink your needs. Rather than working to fill openings created by retirements, be strategic about the talent you need to support the state workforce of the future.

RE-EVALUATE YOUR WORK.

As with workforce planning, this is an exercise in open-minded and innovative thinking. Consider how tasks are currently completed – whether by people on site, people working remotely, machines or some combination – and how that work is measured and evaluated. For example, if a significant portion of your employees are settling into remote work for the foreseeable future, build a plan for how you will manage their output, develop their skills and evaluate their performance. Ensure that frequent communications are part of your plan.

MAKE TRAINING A PRIORITY.

Elevate your training programs (for example, by partnering with universities and other organizations). At the same time, ensure that you are linking training to the skills you need in your organization and to the criteria you use for ongoing performance evaluation. Consider creating an element of prestige as part of your training program – for example, by implementing an elite "leadership academy" or similarly selective initiative to recognize and develop your high-potential people. Also, tap into the power of mentorships to help engage up-and-coming leaders.

BLEND STANDARDIZED AND PERSONALIZED APPROACHES WHEN IT COMES TO PERFORMANCE MANAGEMENT.

The first recommendation for performance management is simple: Do it. Create mechanisms to ensure that formal evaluations are timely and meaningful, with full alignment to the skills you are seeking to develop within your organization. Just as important, encourage ongoing informal feedback from supervisors to their team.

> **"To ensure that agencies meet their missions – and that we all serve the citizens, businesses and communities in our state – we need great talent in the state workforce.**
>
> **Focusing on these fundamentals puts any state in a stronger position to attract and retain people with the technical and 'soft' skills that are increasingly in demand."**
>
> **STATE CHIEF ADMINISTRATOR**

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ABOUT NASCA

Founded in 1976, the National Association of State Chief Administrators (NASCA), is a nonprofit, 501(c)3 association representing state chief administrators—public officials in charge of departments that provide support services to other state agencies. NASCA provides a forum to exchange information and learn new ideas from each other and private partners. NASCA's mission is to help state chief administrators and their teams strategically transform state government operations through the power of shared knowledge and thought leadership. For more information, visit **www.nasca.org**.

ABOUT THE RESEARCH: RESEARCH METHODOLOGY

Data is from a survey of 753 city, county and state government employees and 63 HR directors conducted by NEOGOV from December 2019 to February 2020. Additional information and insights were drawn from a focus group conducted at the NASCA 2019 national conference and a working session at the NASCA 2020 virtual conference. Detailed interviews with seven state and local government officials were conducted November of 2019 to July of 2020.

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