

Testimony of the NJ Department of Personnel
Before the Senate Budget and Appropriations Committee
May 17th, 2006

Mr. Chairman and members of the Committee, I thank you for the opportunity to present the Department of Personnel's budget request for Fiscal Year 2007, and to highlight some of our achievements of the past year.

First, allow me to emphasize the important role that this Department plays in state, county, and local governments. DOP is the civil service regulatory agency for the State of New Jersey. Additionally, we are the central human resource policy agency for all State Departments and most State agencies. Our work impacts upon over 190,000 employees throughout the state. We accomplish this enormous and important task with a workforce of 375 employees, nearly half of the staff employed by the Department ten years ago.

Our work spans from providing employment guidance for newly enrolled civil service jurisdictions; to assisting with recruitment for critical professions; to providing training for state executives on the complexities of employment law.

With the leadership of Governor Corzine, the Department has become a full partner in his efforts to reform government and strengthen the state workforce to provide greater value to the taxpayers. We have played a central role in implementing a stringent hiring freeze to control the growth of government, and reduce the number of unclassified positions. As a result for the first time in recent history, we are seeing a decrease in the number of State employees.

As of April 1, 2006 the Executive Branch workforce had 69,954 full time positions. This is a reduction of 326 since Governor Corzine took office. While this number may appear modest, it shows a downward trend in the workforce despite a hiring freeze exemption, for law enforcement and direct care positions.

In furtherance of his commitment to make state government more efficient, Governor Corzine has signed an executive order creating the Commission on Government Efficiency and Reform. Undoubtedly, one area of important concern will be the organization and administration of New Jersey's public workforce.

As Commissioner of the Department of Personnel, I have ensured that my staff remains focused on forging new partnerships and improving technologies to meet the demands of our current fiscal climate. We have looked wherever possible to do more with less. As a Department, we have cut costs by maintaining a pool of unfilled vacancies and only backfilling critical positions, including leaving several senior level positions unfilled. We have also cut costs in areas such as telephone, postage, printing, travel and conferences.

This year's budget request is 23,990,000, which represents a 1,473,000 reduction from last year's budget. Although the budgetary reductions are a continuing concern for my department, the present billion dollar budget gap in state government leaves us with few other choices.

As we face the need to reshape state government, the Department will play a major role in aligning the public workforce while meeting both our regulatory and statutory requirements. The Department must continue to provide

leadership in the critical areas of recruitment, selection, testing, hiring, and retention. DOP is also responsible for proper classification and compensation, performance management, workforce planning and training, employee assistance, workforce reduction management, and EEO policy setting.

Like the private sector, which strives to become more productive in order to remain competitive, we in government must also find ways to prepare our workforce to increase productivity. I am not suggesting that we engage in some mindless ax wielding exercise that cuts our workforce for the sake of reducing headcount, but I do encourage a reasoned review that takes into account the different roles that government plays in the lives of our citizens. Government in many ways is a labor intensive business and we cannot avoid that reality. Nevertheless, we can aspire to maintain a flexible, well-trained, and productive workforce which provides outstanding services to the citizens of our state.

At this point I would like to highlight some of the work being accomplished at DOP:

Leveraging Technology

During FY 06, the Department made significant strides to complete implementation of our Classification Support System (CSS), which is currently undergoing final user acceptance testing. CSS is a web-enabled system that replaces a cumbersome and labor intensive classification audit and review process. The system will expedite position classification actions for state agencies. Job title classification within government is a very important function as it determines compensation for employees and inherently impacts upon labor relations, appeals to the merit system,

and costs. When fully operational, we anticipate this system will save approximately \$230,000 annually to DOP.

As part of our overall strategy to increase efficiency and customer satisfaction, we have utilized available resources to implement an innovative web-based County and Municipal Personnel System-CAMPS.

The Department continues to enroll jurisdictions in CAMPS allowing county and local jurisdictions to maintain employee records on-line. Currently, CAMPS holds the employment histories of more than 120,000 local government employees. CAMPS continues to receive excellent reviews from those jurisdictions enrolled. To date, more than half of our 530 local appointing authorities are on line, receiving real time review and approval of personnel requests.

We have also endeavored to standardize the way state agencies and their employees account for time. In partnership with the Departments of Transportation, Environmental Protection, Labor and the Office of Information Technology, we have piloted eCATS, a new electronic cost accounting and time system. Once fully operational statewide, eCATS will eliminate varied and incompatible systems and will result in tremendous savings from increased efficiency and reduced maintenance costs.

Continuing to strengthen the state and local workforce

In addition to technological improvements, we have delivered vital services to our many constituencies.

- The Division of Selection Services maintains a statewide system requiring uniform qualifications, consistent testing and hiring by providing NJ's public employers with assistance in recruiting the most qualified candidates. For

example, we have received and processed almost 30,000 applications, to date, for the upcoming Law Enforcement Examination.

- The Human Resource Development Institute, our State government's training arm, has trained over 19,000 employees this year in entry level job skills, information technology, professional development skills, management leadership, and mandatory training in sexual harassment, workplace violence, and discrimination.
- The Merit System Board resolved over 5,000 written record appeals regarding employment matters.
- The Employee Advisory Service, helps employees improve work performance by assisting in personal and work related problems. EAS conducted nearly 4200 counseling sessions this year.

The Division of Human Resource Management, the classification and workforce management hub of the Department of Personnel, provided technical support to hundreds of agencies and jurisdictions including the City of Camden in implementing its new personnel and performance based management system in accordance with the Camden Redevelopment Act. In addition, DOP is currently providing technical assistance to the Department of Human Services and the Department of Children and Family Services to ensure that both departments have the necessary staffing to fulfill their missions.

- The Department oversees the nationally recognized, Law Enforcement Intervention Hotline, Cop2Cop, which

provides support and resources to all law enforcement officers and their families. Since its inception in 2000, the program has prevented 60 suicides and handled thousands of calls annually from the law enforcement community.

- This past year, we commenced the Working Well initiative, in conjunction with the Department of Health and Senior Services. The program promotes the sharing of health and wellness resources among State departments to encourage healthy and productive work environments for employees.

Future Challenges

The Department will face significant challenges as it grows smaller through attrition. Without the ability to backfill vacancies which result from retirements and other attrition, the Department's ability to meet these challenges will be significantly limited. Currently, almost 1/3 of DOP's present workforce would be eligible if an early retirement incentive were offered by the state. The threat of losing experienced workers and the institutional knowledge they have acquired will be mirrored in other Departments.

We must address the aging of our workforce with coordinated succession planning among our state departments. The state stands to lose significant leadership and experience in such key areas as healthcare, IT, transportation, and human resources. DOP will address this "brain drain" by working collaboratively with other departments. DOP's Human Resource Development Institute will play an integral role in training and transitioning our workforce to meet the needs of the State of New Jersey.

As we plan for the coming fiscal year, we will continue to look for even more efficiencies and opportunities for improvement. Under Governor Corzine's leadership, and with your support, the Department of Personnel will continue to play a strategic role in making government more effective and efficient.

Thank you for your time. I now stand ready to answer any questions you may have.