



July 2020 - July 2022

Strategic Plan Goals and Priorities



COMMONWEALTH OF VIRGINIA
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT



ABOUT THE ORGANIZATION – Our Mission

The Virginia Department of Human Resource Management (DHRM) is the central human resource agency for the Commonwealth of Virginia.

Created and governed by the Code of Virginia §§ [2.2-1200](#) through [2.2-1211](#), the DHRM is responsible for the following:

- development, dissemination and interpretation of state personnel policies
- establishment of the Commonwealth's job classification plan;
- base and non-base compensation programs;
- a variety of benefits programs that cover current and retired state employees, as well as some local government employees;
- establish a program of employee-management relations that includes alternative processes for resolving employment disputes;
- establish the grievance procedure and a statewide mediation program
- performance management programs that include establishing standards for employee conduct grounded in civility in the workplace;
- talent acquisition and retention;
- employee training and management development;
- administer the workers' compensation insurance plan for state employees.

DHRM takes responsibility for introducing technology and system solutions for the management of people-related data and processes. Workforce data is maintained in a manner to publish a variety of required reports.

Equal employment opportunity remains a top priority with an expanded focus on diversity, equity and inclusion within the workplace ensuring that the Commonwealth of Virginia is an “Employer of Choice for All.”

Operating in a decentralized environment, DHRM is required to administer a program of evaluation of the effectiveness of performance of personnel activities of the agencies of the Commonwealth.

VISION

We make **people our business**, strive to be a **recognized leader** and **trusted partner** in bringing forth innovative practices to **attract**, **develop**, **engage** and **retain** the Commonwealth's workforce.

VALUES

We live our “Ethics” every day, in all that we do.

- **Excellence** – We strive to be the best at what we do and are accountable for our own performance.
- **Teamwork** – We support each other and blend our diverse talents and backgrounds and



share information and resources.

- **Honor** – We model integrity, mutual respect and fairness in everything we do.
- **Innovation** – We encourage the acquisition of new skills, thoughtful risk taking and receptiveness to change.
- **Customer Focus** – We deliver products and services of the highest quality in a timely manner to our customers.
- **Stewardship** – We manage public resources responsibly.

CULTURE

The DHRM leadership team is committed to a positive and supportive culture where our people do their best work every day. We celebrate individuals by recognizing their uniqueness and offering the flexibility to make daily choices that can help all employees to be healthy, centered, confident and aware of their potential and possibilities.

CORPORATE CITIZENSHIP

The Commonwealth is led by a purpose: to make an impact that matters. This purpose defines who we are and extends to relationships with our customers, our people and our communities. We believe that business has the power to inspire and transform. We focus on education, giving, volunteerism, and leadership to help drive positive social impact in our communities.

DHRM staff lead and participate in the Commonwealth of Virginia Campaign, an annual statewide workplace charitable giving program with over 1,000 charities. In addition, DHRM employees make donations of goods and their time throughout the year and during agency sponsored specific drives that support charities identified by staff.

CUSTOMERS and PARTNERS

DHRM has a variety of customers and partners many of which utilize the services across the DHRM offices.

Primary customers include the following: (this is not an exhaustive list of all services provided):

- *Current and former (retired and separated) state employees* interact with DHRM on a variety of needs to include job seeking services, injured worker services, health benefits administration and appeals, employee relation services and more.
- *Executive Branch Agency Heads and HR Directors* – guidance and direction on DHRM policies and programs. We also provide services to this customer group such as recruitment, coaching, meditation and other HR service like activities.
- *Independent and Judicial branch agencies* – inquiries on HR programs and policies,



charitable giving, health benefits administration and appeals.

- *Governor's Office, Cabinet and General Assembly members* – DHRM responds to request for information, data and analysis; provides legislative impacts and analysis.
- *Local governments/School systems* – health benefits administration; training in workers' compensation, safety or other state programs.
- *Non-profit organizations* – entities that participate in the state's annual workplace giving campaign and charity fairs.
- *Citizens* – information requests, job seeking services.

Primary partners include the following: (note this is not an exclusive list)

- *Private entities* for which services are contracted for such as the administration of the state health care plans, state workers' compensation program; consulting service contracts such as actuarial and auditing services; supplemental insurance providers; temporary staffing companies; software providers for learning management system, recruitment management system; and special projects like exit surveys and compensation studies.
- Financial services through the *Virginia Credit Union*.
- *State agencies* such as Department of Accounts, Department of Planning and Budget, the Virginia Retirement System, the Department of General Services, the Virginia Information Technologies Agency, the Office of the Attorney General and the Auditor of Public Accounts.

OPERATIONAL STRUCTURE

DHRM is organized into 6 Offices each with a distinct technical focus. This [organizational structure](#) allows for depth of expertise needed at the state Human Resources program level. Each Office is led by an Office Director with reporting staff. Office Directors report directly to the Agency Director. In addition, the Information Security Officer reports to the Agency Director to comply with the requirements of the Virginia Information Technologies Agency, Information Security Standard, SEC 501, 11.2 dated April 2, 2020.

The Deputy Director provides leadership for agency Communications, Human Resources Consulting Services and DHRM's Shared Service Center. This structure ensures a continued focus on core human resources and policy services provided to all executive branch agencies and other key stakeholders.

Additional information about each Office area can be found on DHRM's website as part of the [Roadmap to Success](#) presentation. These materials are utilized to onboard new DHRM staff and includes an overview of the agency.

PEOPLE RESOURCES

It is true that people are our most valuable resources. It is through individual and the talents



of the entire team that results are achieved. DHRM has an authorized maximum employment level of 116, with 99 classified and 8 wage positions currently filled. DHRM employs a combination of full time classified employees, as well as, wage employees and has a small number of contingent workers.

A number of DHRM programs involve delivery of services through a third party contract; whereas, those delivering these services are employed directly by the contract holder. Examples include the administration of the Commonwealth's Workers' Compensation Program and the administration of the state health plans.

New in FY2021, DHRM gained administrative oversight for the Virginia Management Fellows Program. This program is managed through a Memorandum of Agreement with Virginia Tech. DHRM also participates in the program as an employer and is assigned a Fellow who works with the agency for 8 months rotating through the various DHRM Offices. The Fellow learns about DHRM operations and programs taking that knowledge with them as they rotate to other agencies and into future positions within the Commonwealth.

DHRM also works with local colleges to support externship programs, as well as, job shadowing opportunities.

FINANCIAL RESOURCES

Annually DHRM participates in the Commonwealth's strategic budgeting processes and funding authorizations are adjusted as a result. DHRM receives a mix of general funds, non-general funds and special funds. For FY2021, general funds account for 30% and non-general funds account for 70% of funds allocated to DHRM.

DHRM utilizes two special funding sources that are not derived from the Commonwealth. The State's Health Insurance Plan is funded by agency and employee paid premiums, as well as, from local governments and schools participating in The Local Choice (TLC) program and Line of Duty Act (LODA) program, in established trust funds. The State's Workers Compensation program is funded through agency paid premiums also placed in an established trust fund. These premiums are developed based on each agency's experience regarding workplace injuries and their payroll.

Non-general funds come from a variety of sources. The Employment Dispute Resolution program generates revenue to fund administrative hearings by billing agencies for hearings. The State Employee Services programs has two different non-general fund sources: The CommonHealth Program funded from the Health Insurance Fund. Funding for DHRM's Shared Services Center is provided by participating agencies based on a fee charged for each position serviced. The Personnel Management Information System is funded by revenues derived from charges to participating agencies. There are also administrative non-general funds funded by the Workers Compensation trust fund, the Health Insurance Funds and Personnel Management Information System fund.



In FY2021, DHRM was given oversight for the Virginia Management Fellows program which is funded through a general fund allocation. These funds are separate from all other funds noted herein.

PHYSICAL PLANT

DHRM utilizes leased space in the James Monroe Building located in downtown Richmond. While all employees are able to perform all or some of their work remotely, 8 employees in the Office of Workforce Engagement are home based providing CommonHealth and related services throughout the state. DHRM is scheduled to relocate their office in late 2021/early 2022. A reassessment of physical space and usage will be needed based on experiences learned during the COVID-19 pandemic.

DHRM WORKFORCE DATA

DHRM is an organization that continues to experience change in its workforce. As tenured employees retire and professional staff seek growth opportunities in other state agencies, DHRM continues to onboard new employees with a variety of knowledge, skills, experiences and backgrounds. DHRM leadership recognizes and supports an agency that is diverse in all aspects. Below are a few key data points specific to the DHRM workforce as of 7/1/2020:

- Females make up 60% and males 40% of the classified employees.
- Minorities represent 45% and non-minorities 55% of the classified employees.
- The average age is 50.
- The average years of service equals 13.2.
- Veterans represent 9% of the workforce.
- Turnover, all types, represented 7.8%.
- 56% of the classified workforce are in positions assigned to pay bands 3, 4 or 5.
- 12% of the classified workforce are currently eligible to retire.
- DHRM has 16 positions classified as supervisor or manager and of those 50% are filled by women and 50% are filled by minorities.

SWOT ANALYSIS

On an annual basis, DHRM identifies and evaluates our Strengths, Weaknesses, Opportunities and Threats (SWOT). The following have been identified through leadership discussion and survey, customer surveys and employee feedback.

Strengths (Internal)

- Variety of talent, skills and experience within DHRM team
- Focused on customer and service delivery

- Small agency, flexible, staff collaborate and work well with each other

Weaknesses (Internal)

- Limited procedures and documented workflows
- Limited to no formal knowledge transfer and supporting tools
- Limited targeted training and development

Opportunities (External)

- Support of current administration
- Strong agency partnerships and intra-agency collaboration
- Changing workforce and openness for innovation

Threats (External)

- Lagging and complex technology
- Funding challenges including unfunded initiatives
- Changing priorities or new, unplanned initiatives

COMMONWEALTH WORKFORCE DATA

The Commonwealth's workforce continues to evolve towards a flexible, mobile, multi-generational workforce that demands innovation, technology, transparency and data driven decisions. The workforce of today and the future demands recognition of the delicate balance between work and non-work demands on an individual's time.

The Human Resources community must continue to build skills that drive innovation and creativity while promoting and protecting a workforce that is representative of the Commonwealth and its diversity. The financial, emotional and physical wellbeing of employees has been elevated in need.

While unemployment in the private sector remains high, it can be expected that the competition for talent will continue to be a challenge for the Commonwealth's state agencies. An anticipated increase in employee retirements, combined with short term furloughs and the possibilities of a workforce reduction due to economic realities will have a significant impact on our ability to attract, develop, engage and retain talent.

The [Commonwealth's Workforce Data](#) can be found on the DHRM website. While this data can be manipulated to reflect various data elements, below are a few of the most requested data points.

- Males make up 46.1% and females 53.9% of the classified employees.
- Minorities represent 36% and non-minorities 64% of the classified employees.
- The average age is 46.
- The average years of service equals 11.2.
- Veterans represent 7.6% of the workforce.
- Turnover, all types, represented 14.5%.



- 78% of the classified workforce are in positions assigned to pay bands 3, 4 or 5.
- 12% of the classified workforce are currently eligible to retire.

STRATEGIC GOALS AND PRIORITIES

The above SWOT analysis, along with the Commonwealth's workforce data and inputs from a variety of external sources, have helped drive the development of DHRM's strategic goals and priorities. This plan identifies 7 goals of which 5 are externally focused and 2 are internally focused. Each goal has identified priorities and strategies.

This plan has been initially written to cover the time period reflecting July 1, 2020 through June 30, 2022. While it may be a normal business practice to strategically plan for a longer period of time, DHRM leadership recognizes that there are significant changes to come in the next 24 months both internal and external to the agency. With that in mind, our agency wide focus will be on the goals, priorities and strategies identified herein.

DHRM Offices may have additional goals and strategies that focus beyond this timeline.

VISIONING BEYOND 2022

As DHRM is able to realize the goals noted herein and strategies are implemented, additional focus areas will be evaluated for inclusion in this plan or plans written hereafter. The following issues have already been identified as needs for future exploration. Each issue is recognized as having the potential for a significant impact on the Commonwealth's workforce.

1. Flexible Benefits – more and more employees are asking for a choice in benefits they receive. Allowing an employee a choice in benefits will serve to attract a larger pool of talent who are looking for choices as part of their total compensation package. The ability select benefits would potentially require modification to existing contracts, policies, and systems. Extensive research and input would be needed from a variety of stakeholders to include employees.
2. Paid Time Off – the Commonwealth's existing leave programs and categories are numerous and complex. Prior efforts to revamp employee leave programs were unsuccessful. Managers and employees continue to express an interest in simpler leave programs and categories which could also be more attractive for employees entering state service. Simplification of existing leave programs and categories will require modification to existing policies and systems. Buy-in from a variety of stakeholders to include employees would be required.
3. Managing Performance – managers and employees often comment about the lack of pay for performance and the dreaded once a year performance evaluation. Redesign of the existing Performance Management Program and related processes would include moving from a traditional approach that involves setting annual performance measures and an annual evaluation towards ongoing goal setting, real time data and continuous



feedback with supporting automated processes which can be linked to future pay increases. A key driver of a successful transition would be the ability to automate processes which will require dedicated funding and resources to implement.

4. Future Workforce Structures – pending future legislative action, the Commonwealth’s workforce could come under collective bargaining. DHRM must prepare itself and agency HR teams for such possibilities should legislative action be taken to mandate such in state government operations. Under the direction of the Secretary of Finance with Assistance from the Secretary of Administration, a related study is to be completed by November 1, 2021.
5. Electronic Records Management – for many state agencies, employee personnel files are cumbersome, taking up storage space and requiring the use of volumes of paper. Converting paper files to electronic records will serve to better retain the records and allow for easier access by managers, employees and HR professionals, as well as, improvements in transfer of records between state agencies. Movement to a paperless records management process will require a significant investment of financial resources within the Commonwealth, as well as, dedicated staff to manage the related technology infrastructure to support.

RESULTS AND EVALUATION

At DHRM, we are people focused and data driven. With that in mind, we believe it is important to keep this plan updated in order to see progress, celebrate success and adjust where issues arise. The DHRM leadership team will review this plan quarterly and provide an update thereafter made publically available on DHRM’s website. This will further DHRM’s accountability for delivery on the strategic priorities noted herein.



Virginia Department of Human Resource Management Strategic Goals, Priorities and Strategies – July 2020 to June 2022

This plan has been created, reviewed and accepted by the DHRM Director, DHRM Deputy Director, Information Security Officer and the DHRM Office Directors. Each is committed to support this plan and the call to action it demands.

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Virginia Department of Human Resource Management Strategic Goals, Priorities and Strategies – July 2020 to June 2022

- **Goal 1: IT Modernization** – modernize Human Resource supporting technologies to transform and improve the user experience for DHRM customers and partners.

Future State Organization Structure and Systems Infrastructure

- 1.1. DHRM's IT Director will work with the DHRM team and selected stakeholders to develop a **DHRM IT Strategic Plan** that accurately captures:
 - A. DHRM's IT vision and roadmap for modernizing its IT organizational structure, systems, process and tools.
 - B. Takes into account the impact resulting from the transition to the Cardinal Human Capital Management System to both systems, data and personnel.

Strategies:

- 1.2. **PMIS/BES to Cardinal Human Capital Management** - transition PMIS/BES to the Cardinal Human Capital Management System in accordance with schedule established by the Cardinal project team. Key milestones are noted as follows:

Release 1 – Go Live – 3/31/2021

Release 2 – Go Live – 10/4/2021

Project Close Out – 5/31/2022

- 1.3. **Recruitment Management System** – develop business case, obtain needed funding and implement a new RMS system.
- 1.4. **Learning Management System** – develop business case, obtain needed funding and implement updated versions of the LMS.
- 1.5. **Online interview tool** – establish contract for agency use of an online interviewing tool.
- 1.6. Incorporate use of an **Awards Management System** into the Governor's Honors Award program.
- 1.7. **Statewide Collaboration Workspace** – explore and develop business case for the funding and implementation of an online workspace that is accessible and usable by all state employees, regardless of agency or location.
- 1.8. Create and implement a **Workforce Dashboard**.



- 1.9. Implement an agency-wide **Communication Platform** to improve external employee communications and experience.
- 1.10. Explore options for a **Case Management System** and obtain needed funding for implementation. This focus area is specific to the DHRM Office of Employment Dispute Resolution and the Office of Workforce Engagement.

- **Goal 2: Attracting Talent** – position the Commonwealth as an “Employer of Choice for All.”

Strategies:

- 2.1. Identify relevant **metrics** to be included on the **Workforce Dashboard**. This includes evaluating time to fill to determine actions needed to support a continued reduction in days reported to hire.
 - 2.2. Publish and promote an understanding of the **Statewide Compensation Study** and any updates to drive data driven decision in hiring and compensation actions.
 - 2.3. In partnership with the Governor’s Office of Diversity, Equity and Inclusion launch the **ONE Virginia Strategic Plan for Diversity and Inclusive Excellence** and support goals and strategies within the plan.
 - 2.4. Establish **partnerships** with external entities that support targeted talent groups with a focus on females, individuals with disabilities, minorities, LGBTQ, veterans and other underrepresented groups.
 - 2.5. Introduce an **Employer of Choice for All** brand that is inclusive of all state agencies and positions across the Commonwealth.
- **Goal 3: Workforce Development** – promote and embed a culture of continuous workplace learning supportive of individual, team and organizational development.
 - 3.1. Stand up a **Learning and Development** team within the DHRM organizational structure with assigned resources.
 - 3.2. Identify relevant **metrics** to be included on the **Workforce Dashboard**. Monitor metrics to identify and implement improvements.
 - 3.3. Integrate the **Virginia Management Fellow Program** within DHRM organizational structure and support efforts needed to ensure Fellows are employed at program end.



- 3.4. Develop and implement **technical and leadership curriculum for the Human Resources community** to include a focus on building a foundation for new/entry level HR staff and the skills needed for career progression. (Must include the following: how state government functions, the statutory role of DHRM versus central agencies; how legislation impacts HR programs; statewide mandates; statewide workforce priorities, program and policy changes; and HR supporting technologies.
 - 3.5. Establish a **formal program of introduction and education for Agency HR Directors** newly hired into state government or new to the role of Agency HR Director.
 - 3.6. Evaluate the **Agency Workforce Plans** to identify actionable items that support learning and development needs across Commonwealth agencies.
 - 3.7. Review and **update curriculum** available to the state workforce within the COVA Learning Center.
- **Goal 4: Workforce Engagement** – create workplace environments that drive meaning, purpose and passion among the Commonwealth’s workforce.
 - 4.1. Identify relevant **metrics** to be included on the **Workforce Dashboard** and evaluate to determine actions needed to support continued engagement of all employees.
 - 4.2. Establish **Employee Resource Networks** with existing employees to support targeted groups with a focus on females, individuals with disabilities, minorities, LGBTQ, veterans and other underrepresented groups.
 - 4.3. Expand focus on **financial, physical and mental wellness** to include ensuring employees maximize benefits currently offered including participation in the CommonHealth program, premium rewards and other value-based incentive programs within the health plans, the employee assistance program , the employee discount program and others
 - 4.4. Implement and train agency leadership on a **CommonHealth outcomes based incentive program** to promote employee health and lower health care costs through successful behavioral changes.
 - 4.5. Establish and implement an **HR policy methodology** for development, communication and evaluation that ensures inclusiveness in development, access and equitable implementation.
 - **Goal 5: Workforce Retention** – build tools and programs that support access to the right skills and knowledge when and where it’s needed.



Strategies:

- 5.1. Identify relevant **metrics** to be included on the **Workforce Dashboard**. Monitor metrics to identify measureable program improvements.
 - 5.2. Evaluate the **Commonwealth's Annual Exit Survey Summary** to identify actionable items to eliminate barriers to retention.
 - 5.3. Develop and promote **Workplace Reassignment Program** to allow for the temporary exchange of people with needed skills or knowledge across Agencies/Secretariats as a means to return employees to work and to support agency work needs.
 - 5.4. Obtain support, funding and implement an **Employee Engagement Survey** to identify actions that can be taken to further support employee engagement across the Commonwealth.
 - 5.5. **Commonwealth Mentorship Program** – introduce a mentorship program to further support the Commonwealth's focus on employee engagement, learning and development.
 - 5.6. Establish a **Worker's Compensation Premium Benefit Program** for agencies that achieve targeted benchmarks in workplace safety, loss control and claims management.
 - 5.7. **Disability Management Coordination** – establish clear coordination of benefits between the Workers' Compensation program and the Virginia Sickness and Disability program to better serve the Commonwealth workforce. (JLARC Report 2019)
- **Goal 6: DHRM Internal Focus** - improve key operational areas/issues internal to DHRM.

Strategies:

- 6.1. **Financial Management** – increase knowledge of DHRM Office Directors and staff related to DHRM funding authorizations, budgets, expenditures, decision packages and the systems that support (DPB Budget Planning Tool and Cardinal); establish procedure for monitoring expenditures and predicting and forecasting for short and long term needs; identify and communicate roles and responsibilities; establish accountability.
- 6.2. **Technology** – establish customer service expectations and response times to inquiries made of the IT team; establish transparency in project deliverable dates and progress; identify and implement collaboration tool or intranet for use by DHRM team.



- 6.3. **Recruitment, hiring and onboarding** – establish a streamlined, automated and transparent process with clearly defined roles and responsibilities; document the process and train hiring managers and other involved in the process.
 - 6.4. **Communication** – improve communication between DHRM Offices and improve response times to phone calls and inquiries.
 - 6.5. **Information Security** – strengthen the agency security posture by reducing findings from all oversight sources; integrate best practices into agency operations; leverage modern technologies to improve and automate internal security activities; establish more collaborative relationships between office areas to enhance overall agency security.
- **Goal 7: DHRM Internal Focus** – Launch and lead DHRM Champions with a focus on ensuring DHRM is a diverse and inclusive organization.

Strategies:

- 7.1. Establish volunteer team to assist in development and implementation of multi-facet plan based upon elements agreed upon in team Charter.
- 7.2 Measure progress of plan implementation and improvements in key areas identified.