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November 4, 2013

Ms. Carole D'Elia
Deputy Executive Director
Little Hoover Commission
925 L Street, Suite 805
Sacramento, CA 95814

Dear Ms. D'Elia:

Thank you for inviting me to testify at the Little Hoover Commission's November 21, 2013 hearing to review the progress made on the Governor's Reorganization Plan Number 1 of 2011 (GRP1). You have assembled a robust panel of speakers who will be able to provide you with more detail on many of these topics. I am also pleased to provide my thoughts to the topics you posed in your October 7, 2013 letter.

As Secretary of the newly-created Government Operations Agency (GovOps), my objective is to modernize the practices and systems of government in many areas, including human resources. GovOps is working collaboratively within state government and with our outside constituents and partners to bring best practices and policies to bear on the work we do now and in the future.

GRP1 created CalHR to unify and streamline the personnel functions in state government. The plan transformed DPA into CalHR and moved an additional 100 positions involved in day-to-day personnel transactions to CalHR from the State Personnel Board (SPB). None of SPB constitutional duties changed, including the grievance and appeals process it oversees.

Government Reorganization Plan No. 2 created three new agencies by relocating departments in three existing agencies with the goal of grouping like functions more closely together, and reducing the number of agencies from 12 to 10 overall. It also impacted more than 60 departments, boards and commissions with the goal of making state government more effective, efficient and transparent by improving coordination and communication. In total, the reorganization plan is one of the largest in scope ever undertaken.

These two reorganization plans signify a remarkable shift in the way state government operates. In just the few months the GovOps Agency has been in place, I am already impressed by the dedication and effort being put in to make these plans a success.

Your strategy for workforce planning and modernizing human resource operations, and your expectations of CalHR and the State Personnel Board. What additional reforms may be needed in state policy or procedures to enable these efforts.

The realignment of the responsibilities and functions of CalHR and SPB through GRP1 was designed to set a foundation for creating a stable, strong state workforce that is both supportive of today's employees and dynamic enough to attract the state workers of the future. For years, the state has been bogged down by layers of rules and time-consuming procedures. GRP1 gives us the focus, energy and tools needed for creating a leaner, more customer-friendly state employee environment.

Workforce planning is the critical element that will help with the tremendous change occurring in our workplaces. We want to ensure that the state is a desirable place to work, and that as we lose people to retirement, we replace then with equally talented people.

At the same time, young people now entering the workforce have been raised in the digital world. They are educated digitally, they work non-traditional hours and they socialize, shop and – it seems – manage their entire lives through the new media world. As a whole, we have to think about how to bring them into our workforce in a manner that will be valuable to them and also bring value to the state.

This is not a one-sided problem and it does not have a one-size-fits-all solution. We must all work together to identify today's challenges and together find solutions.

Your goals in implementing the 2012 reorganization plan and establishing the Government Operations Agency, and the roles of CalHR and the State Personnel Board in helping achieve these goals.

The purpose of GRP2 is to improve relationships among the departments and to make the state's organizational structure more cohesive and accessible for the employees of the state and the public we serve.

The mission of the Government Operations Agency is to improve management and accountability of government programs, increase efficiency of processes, and promote better and more coordinated operational decisions within the agency.

SPB and CalHR are working together to improve our antiquated civil service system by providing clearer guidance in all aspects of human resources, eliminating duplicative processes, and delegating more authority to departments in personnel matters.

As an example, I am pleased that statewide human resources training is once again being offered to departmental personnel staff because I believe that a reinvestment in training our state workforce is critically important. True to our overall goals, this training is being held both in classrooms and online through webinars for the convenience of state employees.

Through all of our efforts, I believe the focus must be on outcomes. For example, creating an online version of a form that is duplicative and unnecessary is not progress. Finding ways we can streamline processes so that forms both make sense and are more efficient is the ultimate goal.

Your plans for CalHR and the State Personnel Board, in terms of the day-to-day services they provide to client departments and state employees.

My goal is to take the current control culture and harmonize it with a customer service culture that emphasizes collaboration and communications. CalHR was created to be a human resources "one-stop-shop" for individuals and departments, because prospective employees and departments should not be confused about where to go for questions and answers about personnel and hiring issues.

We know that HR managers don't want another control agency, but rather, they want a service agency to streamline policies in order to help personnel managers, employees and job candidates. Departments want service and support, not control.

CalHR has embraced this directive. As one example, CalHR has updated its manual for supervisors and put it on the website for easy access.

CalHR is also improving the way prospective employees can learn about and apply for state jobs. For example, with the creation of the CalHR Jobs Center, the public can seek help in finding and applying for State jobs and take a training class or an "on-site" test. This multipurpose Center has been very active and successful since it opened earlier this year.

These innovations add value to our employees in state service, to Californians who use state services and to taxpayers who pay for government.

SPB will continue to administer the merit system per its constitutional authority. The board is also leading the new Policy and Compliance Review Division, which will review much needed policy changes as well as review departments' merit-related activities.

I am pleased by the collaboration of these two entities as they work to implement GRP1. The changes have been significant and I am confident that the employees and leadership are all moving together in the right direction.

What efforts are under way to develop a strategic human resources plan that aligns the state's workforce with agencies' missions and evolutions in agencies' work.

Workforce planning means recognizing the needs of today and planning for the needs of tomorrow. Now is the time to modernize and innovate the way we do the business of government.

My focus is to bring efficiencies of process. This includes re-examining classifications so that individuals outside public service can more easily align their education and skills to what is required for a state position. In addition, we want to focus on retaining our current employees through both training and providing opportunities for advancement.

California is the birthplace of the Silicon Valley and the digital age. We must harness the greatness of this state and make sure state government and its workers are not left behind.

GRP1 and GRP2 are building blocks that work hand-in-hand to move the state forward into a robust and bright future. The Government Operations Agency will be leading the way.

I look forward to talking to you about all of these important issues at the hearing.

Sincerely,

Marybel Batjer
Secretary
Government Operations Agency