

ACE Newsletter

A Periodic Publication of Wisconsin's Association of Career Employees

March 2021

By Jack Lawton, Board Member

Trends in Employee Separation Data Are Worrisome

The Board of Directors of ACE monitors various trends in State of Wisconsin employment through analysis of data obtained via open record requests and reports published by the Division of Personnel Management. The goal of our efforts is to watch for changes in management approaches and other workforce planning issues that might affect employees' work environments and well-being.

Analysis of the data has been challenging because of shifting definitions of personnel transactions, changes in job classifications and sometimes unreliable data from payroll records. In addition, we were counting on the State to publish its biennial workforce report last Fall but found that it has been delayed due to the aborted development of a statistical "dashboard" feature on their website. Instead, a new Workforce Report will be issued for 2020 sometime this Spring. You can find the existing workforce reports on the Department of Administration (DPM) website at https://dpm.wi.gov/Pages/Public_Resources/StatisticsDataReports.aspx. The reports normally are published shortly after the end of each biennium.

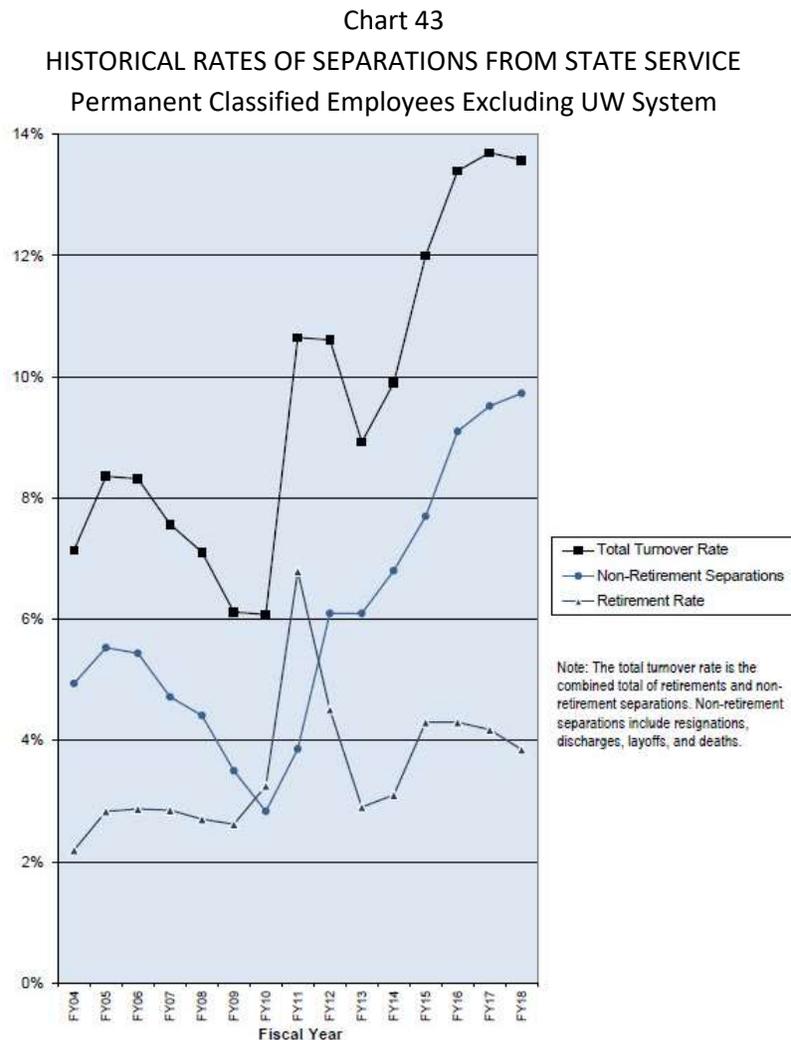
In brief, we found the following issues:

- The general trend of employees separating from state employment has grown enormously over the past ten years but may have peaked.
- Disciplinary separations (terminations) have followed that same trend.
- The average number of applications per job announcement has rebounded somewhat.
- Certain job classifications face critical employee shortages which impact the effective provision of services.

General Trends

One of the most interesting items in the 2018 report is Chart 43 on page 77 (shown below). It shows the rates of separation of permanent employees since fiscal year 2004 with the data split into retirement versus non-retirement. (Note that DPM and we are using the term “Separation” to cover any instance of an employee leaving state service. In past newsletters we used “Termination” for the same purpose).

In this chart you can see the sharp jump of retirements as former Governor Walker took office during a period of fear that he would end the sick leave conversion program (among many other things).

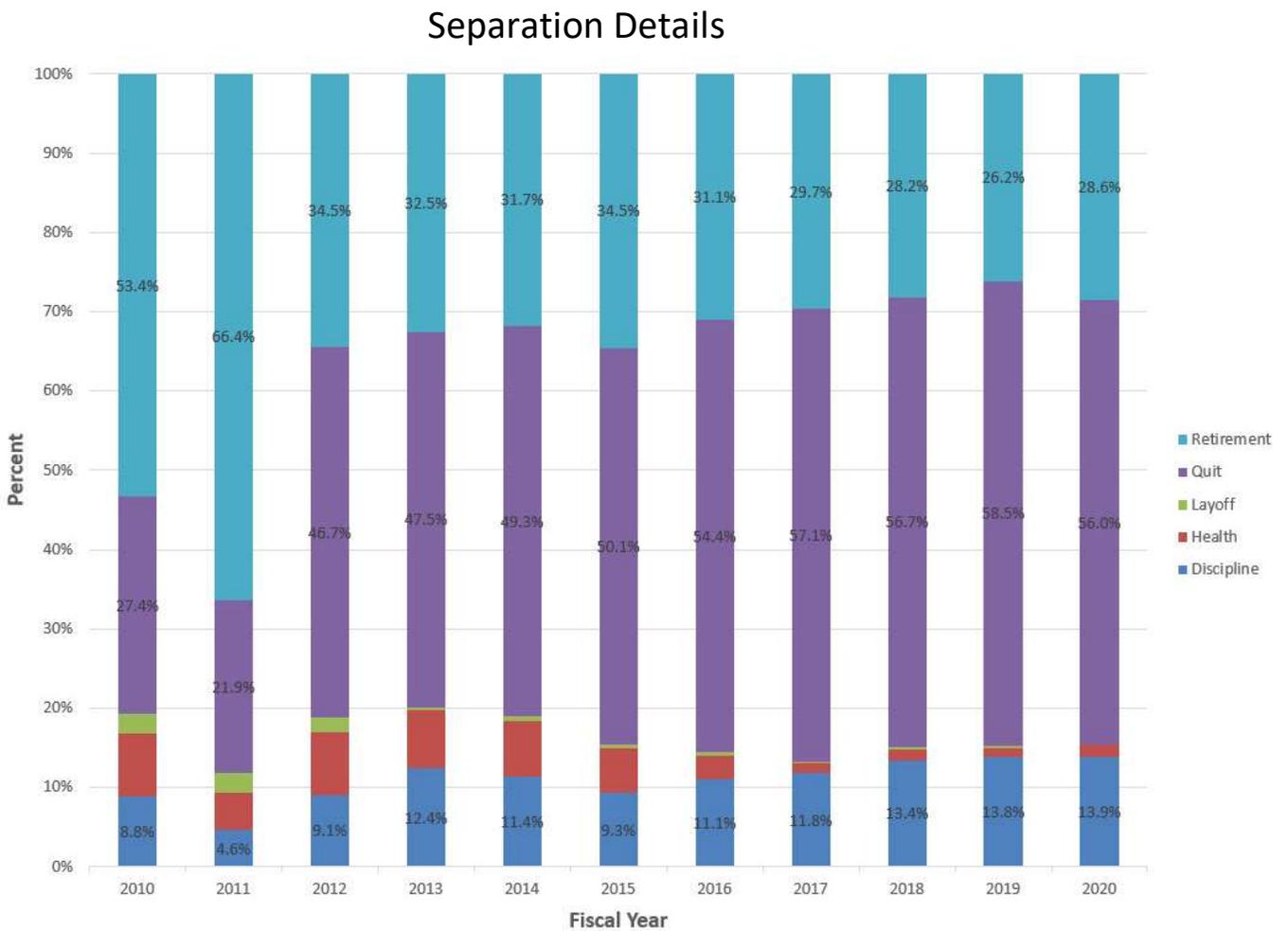


The Retirement Rate is fairly stable except for that FY 2011 spike. That stable trend looks fairly comfortable especially when the retirements per year are compared to the total number of employees. That shows the percent of the workforce retiring hovering right around 3%, which is what you would expect if employees worked for about thirty years before retiring. That is good news for now but is no guarantee for the future because there is a large group of employees about to reach the minimum seniority to retire with no penalty. (See page 80, State of Wisconsin Classified Workforce Report &

Affirmative Action Report of 2018). If there is an uptick in retirements, it will greatly complicate the problems associated with the other types of separations discussed below.

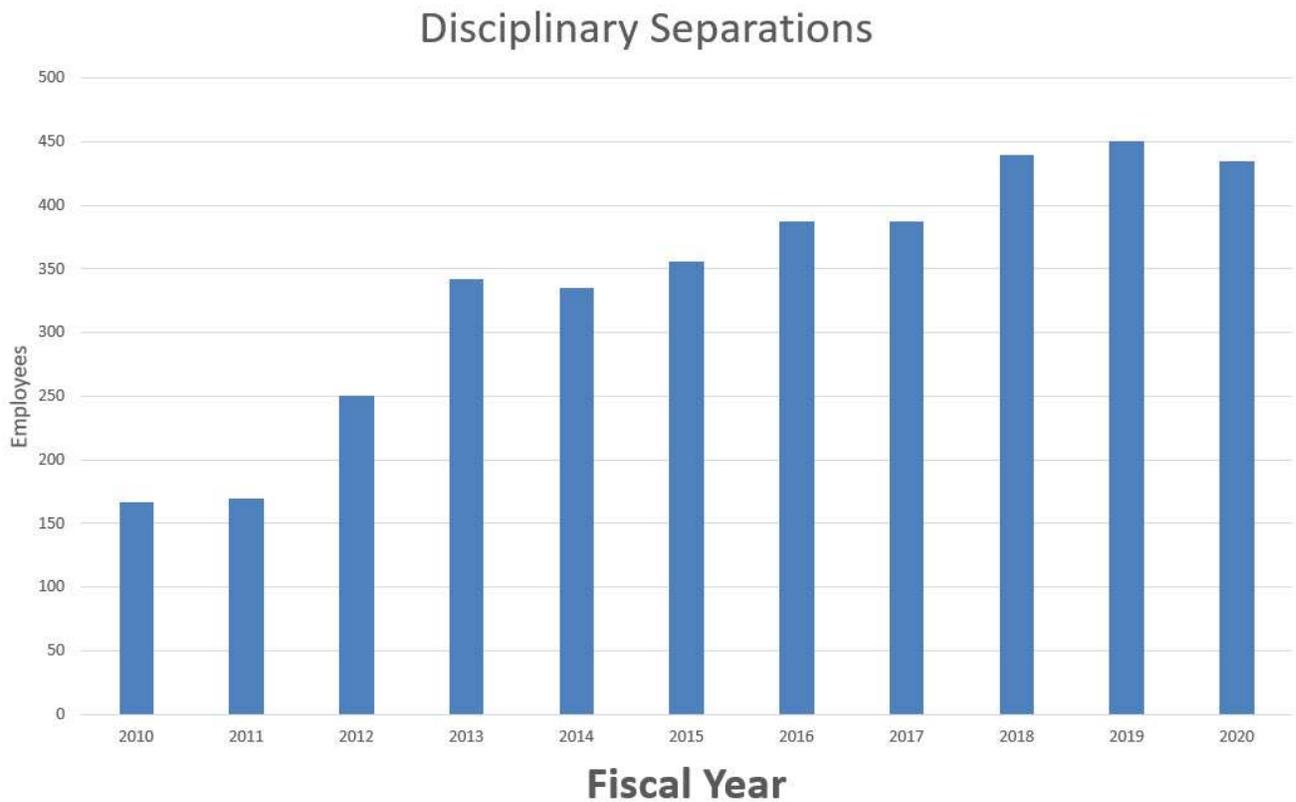
Separation Details

The Non-Retirement Separations are an entirely different story and require a deeper analysis through information obtained by open records requests. One way to look at the details is the percentage of each type (retirements, quits, discipline, etc.) as shown below. Notice the increasing amount of Quits since FY 2011. This seems to indicate that the State is facing more difficulty in retaining workers due to a combination of competition by other employers, a lack of pay raises and all of the other factors that might make an employee want to leave. The overall trend in Quits is very worrisome and we hope that the small decrease in FY2020 portends a better future.



Discipline

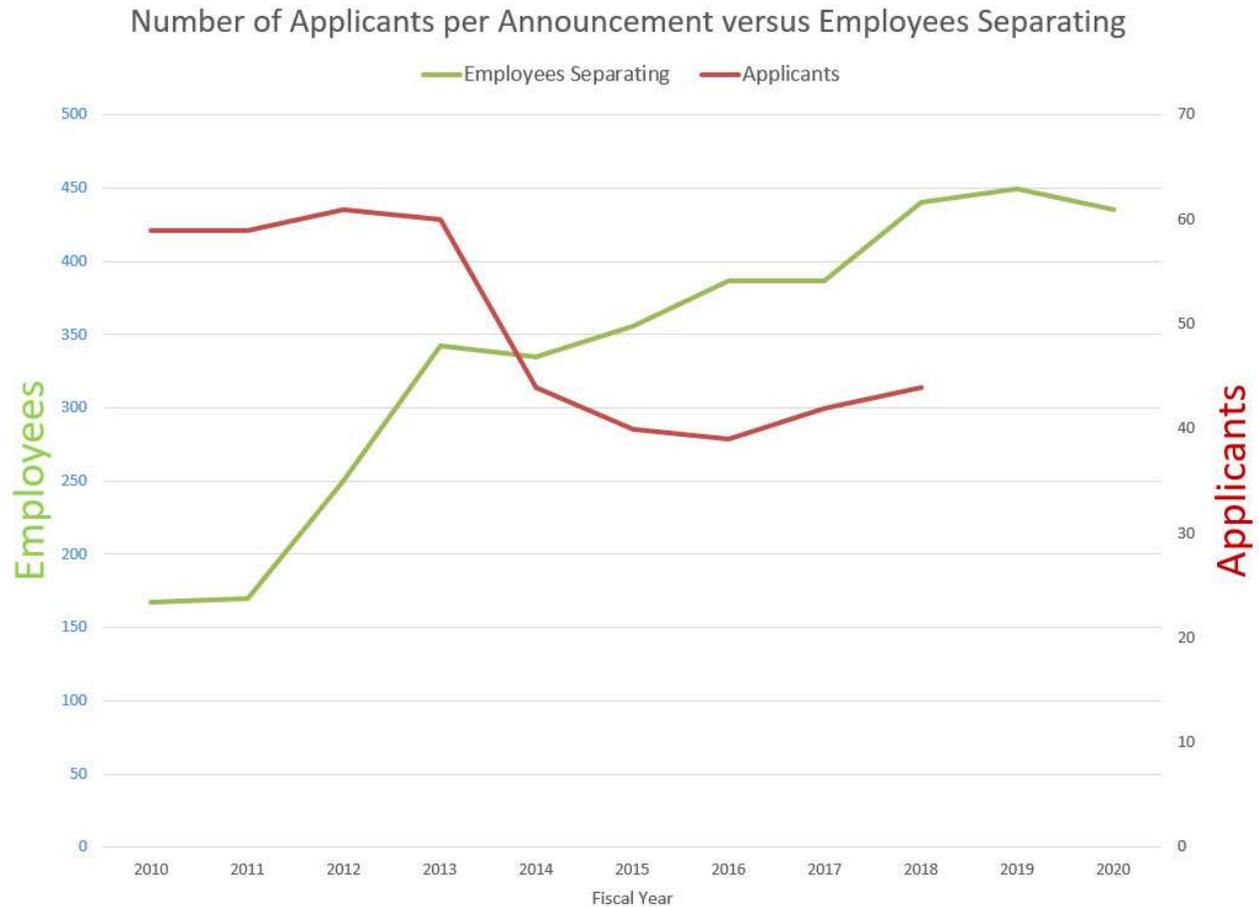
The relatively large numbers of Retirements and Quits tend to mask the trend that Discipline has been taking. As the next graph shows, disciplinary separations have accelerated over the past years. The numbers start to climb in FY 2012, continue through FY 2019 and begin to drop in FY 2020 (the first full fiscal year of the Evers Administration). For this discussion we have combined the numbers of permanent employees who were fired for misconduct, unsatisfactory performance and job abandonment.



Keep in mind that Act 10 in FY2011 and the civil service changes in FY2016 generally reduced the protections available to employees and likely would result in more discipline. However, the nearly continuous increases are pretty startling.

Job Applications versus Separations

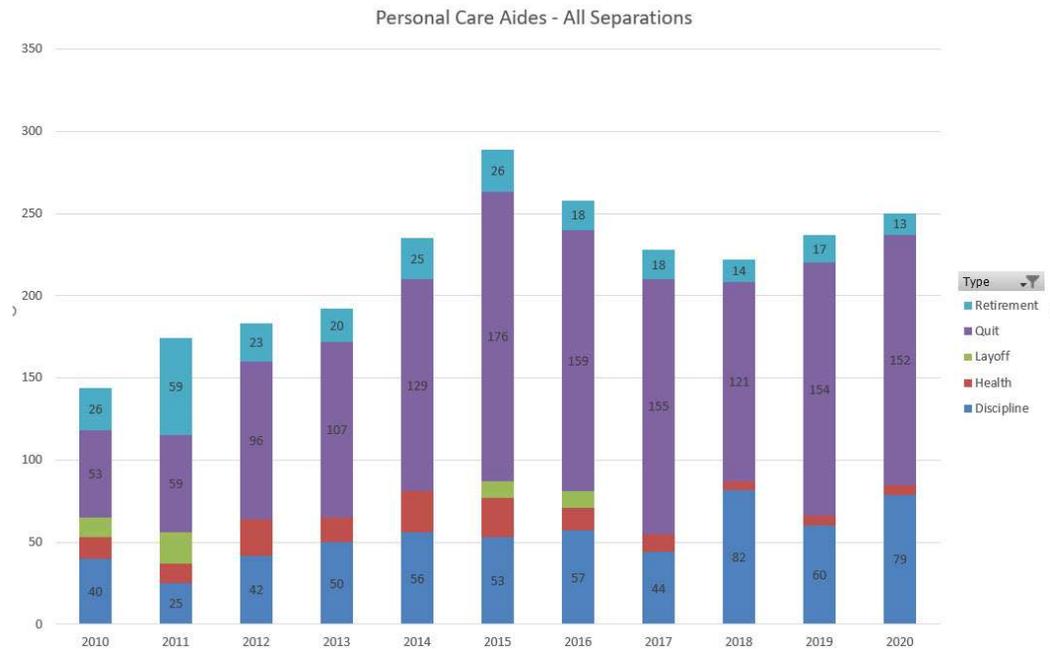
The trends in the number of employees leaving state service compared with the average number of applicants per job announcement seems to have improved. Several years ago, we noticed that these two measures were trending in the wrong directions in that the numbers of employees leaving was steadily going up while the average numbers of applicants per job announcement were dropping. After about four years of continued deterioration the situation appears to have stabilized but will require ongoing monitoring.



Special Problems

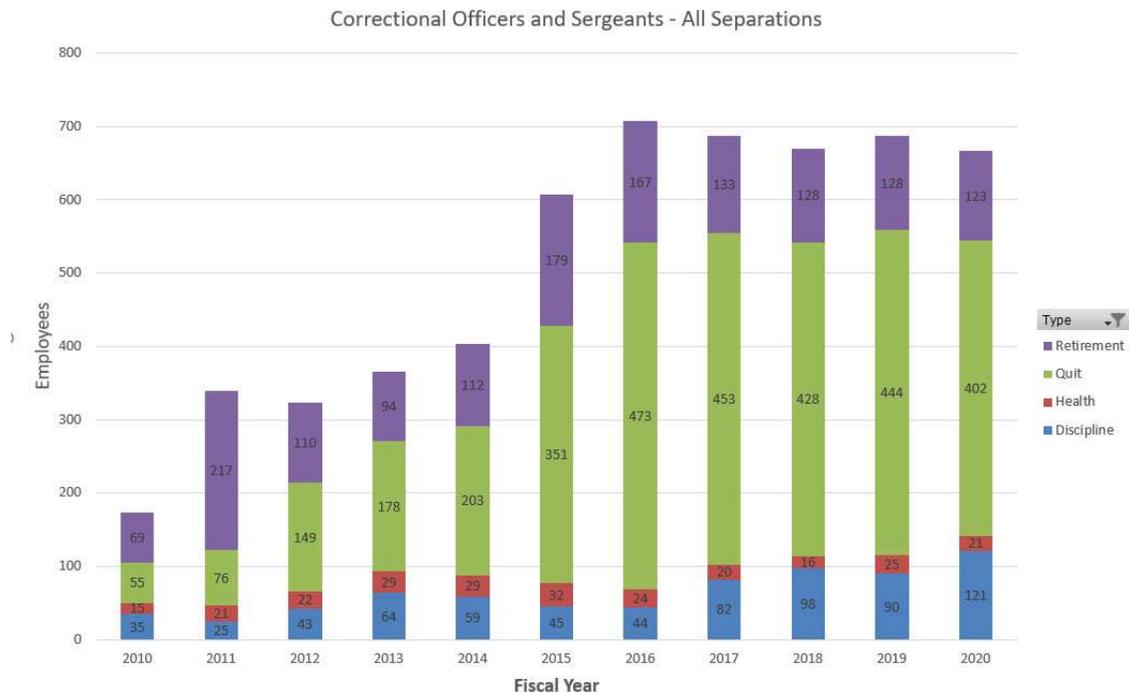
Workforce analysis always finds sets of job classifications that show the biggest signs of stress. The current “poster children” include Personal Care Aides (Barbers, Beauticians, Child Care Counselors and Resident Care Technicians) and Correctional Officers.

The high turnover of Personal Care Aides (see following chart) was highlighted in the 2018 Workforce Report because the jobs in this affirmative action group had the highest annual rate of separations (41.2%). As you can see from the next chart, the numbers of Quits and Disciplinary Separations have grown over time for this group, dipping a bit after FY 2015 but climbing again in FY 2019 and FY 2020. This is a good example of a developing crisis in that the services these employees provide is critical and losing more than 40% of the workforce each year is untenable.



Another critical area is Correctional Officers and Sergeants (shown below) where the overall separation of has been high but stable, with the number of Quits reaching enormous levels. During that period, the level of discipline has risen considerably too which reflects some combination of recruiting problems, pay issues, competition in the labor market and really difficult jobs.

Correctional jobs have been a recruiting challenge for a very long time in large part because of the location of prisons in rural areas. This apparently is the major cause of the Waupun maximum security prison currently having a 40% vacancy rate for the officers.



Conclusions

The problems facing the State of Wisconsin in recruiting and retaining a qualified workforce have been building for a long term and include interactions of difficult jobs, relatively low pay, a lack of employee bargaining power and little in the way of employee retention incentives. In years past, compensation remedies such as raised hiring pay rates and pay progression adjustments would be used as the first line of defense. In developing the current Compensation Plan, DPM attempted to do just that in 2019 but had most of the pay enhancements eliminated by the Joint Committee on Employment Relations. Without those tools, there really is not much that agency managers can do in the short run given the political realities.

To further complicate the pay issues, the State has to be careful to adjust upward the salaries in general as starting wages are raised. The last thing we want to happen is any kind of widespread inequity whereby new employees are paid more than those with more experience.

A looming worry is that competition for employees in a recovering (or even booming) economy will escalate and overwhelm any of the traditional actions that might be used. If the situation does not improve, we may see forced program restructuring and fractured public service.