Donnoe & Associates, Inc.

4720 Duckhorn Drive, Sacramento, CA 95834 • Email: exams@donnoe.com
Phone: (916) 928-4911 • Toll-Free: (877) 22-EXAMS • Website: www.donnoe.com

Addendum to the Report:
Evaluation of the Three Ranks
Eligibility List Pilot Study
for the
California State Personnel Board

January 12, 2012

___

The Service Employees International Union, Local 1000 (SEIU) presented two letters to the State Personnel Board (SPB) regarding the Three Ranks Eligible List Pilot Study (Pilot). The first letter was dated 4/29/2010 and the second 6/16/2010. In the evaluation of the Pilot, the first of these letters was received and considered. The second letter, dated 6/16/2010 was not received (by the Pilot evaluator, Donnoe & Associates), until after presentation of the Pilot study to the SPB on 1/3/2012. Both of these letters are now addressed in this addendum report.

Following is a summary of these letters. After these summaries, both of the SEIU letters are addressed.

Summary of the Letter Dated 4/29/2010

Stated Objections: General Concerns

1. Project contains deficiencies.
2. Project needs greater controls, oversight and union involvement.
3. Departments are not complying with specific project guidelines.
4. SPB does not have the resources to fully evaluate if departments are in compliance.
5. SEIU has not been given access to data to determine if departments are in compliance.

Stated Objections: Specific Project Concerns

1. **Pre-Qualified: Consortium Inclusion**. SEIU states that they have asked HR Mod personnel for reasons for inclusion of consortium examinations in the Pilot, yet these questions were unanswered.

2. **Requirement for Inclusion in the Project**. SEIU states that HR Mod may be including classifications in the Pilot, with insufficient baseline statistical data.
3. **Criteria for Determining the Impact of the Project on Merit-based Hiring and Selection Is Unclear or Not Established**. SEIU has not received information from HR Mod regarding criteria or benchmarks for determining success of the Pilot.
4. **Reporting Requirements During the Project: Hiring Interview Process**. SEIU wishes to ensure that departments are meeting their documentation requirements, and that HR Mod is enforcing the requirements.

Overall Concerns About Use of Three Rank Eligible Lists Selection Process

1. **Change to 3 Ranks is Tampering With the System**. SEIU is concerned in general about limited ranks, and specifically about future application of criteria, including documentation for the hiring interview, should this become permanent.
2. **Preparing, Testing and Validating Exam Material**. SEIU is concerned that department staff do not have the specialized skills needed to validate exams.
3. **The State's Current Problems in Creating, Implementing and Monitoring Fair, Objective Hiring and Selection Processes**. SEIU indicates that many of the hiring process criteria are not now in law or regulation. SEIU cites reports from 2002, 2003 and current SPB budget problems as the basis for this overall concern.

Opposition to Inclusion of Education Program Consultant in the Pilot; letter dated 12/2/2008

In a letter dated 12/2/2008 (attached to the 4/29/2010 letter, and considered in the Pilot Evaluation), SEIU expresses concerns over including the Education Programs Consultant (EPC) in the Pilot.

Summary of the Letter Dated 6/16/2010

This letter from SEIU provides two broad recommendations: 1) Evaluate Three Ranks separately from other Pilot components, and 2) Address each component through the regulatory process. This letter also provides a three broad concerns about the Pilot processes, then lists thirteen specific recommendations.

The three broad concerns are:
1. **Audit Report findings show it is premature to make the Pilot permanent**. The 6/16/2010 letter states that an audit report indicated that of the hires audited, only 23% had become permanent, and 77% were still on probation.
2. **Union concerns about the shift of MQs assessment from the exam to the hiring interview process, and the use of the exam list to fill classes with**

different of higher MQs. The primary concern expressed here was that departments must now assess candidate's MQs during the hiring interview. And, that departments may have to use supplemental questions to assess candidates.

3. **Inclusion of consortium exams in the Pilot**. SEIU states: "The Union continues to support the use of statewide exams for classes being used either statewide or by multiple departments, and agrees they can be more efficient, cost-effective, and time saving: however, SPB has always had the ability to do these types of exams without the use of three-ranks scoring." SEIU also states that consortium exams may complicate merit-based selection when it is not clear that classifications are being used uniformly across involved departments.

Specific Recommendations in the 6/16/2010 Letter. The thirteen specific recommendations expressed by SEIU include:

1. Develop criteria for determining Pilot success.
2. Conduct an independent study of the Pilot results.
3. Publish and take comment on the study results prior to drafting new regulations.
4. Separate other HR Mod selection components being used in the Pilot from the three-rank scoring component.
5. Evaluate the efficacy of each Pilot selection component separately.
6. Address overall statewide hiring and selection components through the regulatory process; including those being used by the Pilot; pay special attention to the hiring interview and reporting process.
7. Require hiring departments to have personnel trained and qualified to prepare, administer, and evaluate job-related exam materials.
8. Ensure that these knowledge, skills and abilities are captured in a classification used by departments.
9. Require hiring departments to be trained in the hiring selection process before they are eligible to be part of the hiring process.
10. Review and assess the hiring and selection component recommendations contained in SPB's 2002 reports on the decentralized testing program, and in the JLMCD's 2003 report on discrimination in the hiring and selection processes; incorporate needed changes into the overall hiring and selection process.
11. Pay special attention to the impact of shifting the MQ assessment from the exam to the hiring interview process to ascertain whether this impacts the accuracy or validity of hiring selection at these stages.
12. Conduct an independent review of the efficacy of automatic inclusion of consortium exams in the Pilot.
13. Develop guidelines for the use of consortium exams in general, including their inclusion in the Pilot.

Response to Letter Dated 4/29/2010

The 4/29/2010 letter began with general concerns, including statements about project deficiencies, the need for controls, a perception of noncompliance by departments, and a lack of SPB resources to evaluate department compliance. The specific project concerns stated by SEIU included a perception that insufficient baseline statistical data was being provided by departments (to HR Mod), and a report that SEIU was not in receipt of information from HR Mod regarding reasons for inclusion of consortium examinations in the Pilot, or criteria or benchmarks for determining success of the Pilot. SEIU stated that they wanted to ensure that departments were meeting their documentation requirements.

The Pilot Evaluation Study found clear evidence of department compliance, based on HR Mod audits, reports to the Legislature, department survey data, interviews with hiring supervisors, and a focus group meeting with HR managers.

The concern regarding SEIU access to data was not considered in the Evaluation of the Pilot.

Additionally SEIU expressed some overall concerns about the use of Three Rank Eligible Lists. This included the concern that Pilot requirements would become permanent should the SPB adopt a limited ranks rule (e.g., requirements such as documentation of hiring interviews). This was addressed by the Evaluation Study recommendations (see Page 25 of the Evaluation Study Report).

SEIU also expressed concerns over the lack of specialized skills by department staff to validate exams. Although this was not directly addressed by the Pilot Evaluation study, departments currently have the option of contracting for validation services (e.g., through the SPB Test Validation and Construction Section), when they do not have the resources to conduct such specialized work themselves.

Finally, the 12/2/2008 letter, expressing concern over including the Education Programs Consultant (EPC) in the Pilot, was not addressed in the Evaluation Study. Instead, the Evaluation focused on the overall documentation available through audit reports and department data. This concern was general in nature, and indicated that the EPC did not meet one of the existing three criteria for inclusion in the Pilot. This classification and one other were considered "exceptions" to the three criteria for inclusion in the Pilot.

Response to Letter Dated 6/16/2010

<u>Broad Recommendation 1</u>. SPB Should Evaluate Three-Ranks Scoring Separately From Other Pilot Components.

SEIU begins by stating support for the effort to streamline the hiring process. Then after listing several components, states: "In general, most comments support the use of the various components in that they made the selection process easier for departments to use, and/or saved them money, work and time."   This is consistent with the findings of the Evaluation study.

<u>Broad Recommendation 2</u>. It is Critical That SPB Address Each Component of the Hiring and Selection Process Through the Regulatory Process.

This was not a focus on the Pilot Evaluation. "Components" as described in the SEIU 6/16/2010 letter include: consortium exams, automated online exams, open rather than promotional exams, etc. Such exam components are very clearly addressed in existing SPB Rules, policies and procedures.

The three broad concerns expressed in the SEIU letter of 6/16/2010 were addressed in the Evaluation Study.
- Regarding premature findings, probation reports were thoroughly analyzed. The majority of Pilot hires are now permanent. There is no difference in probationary rejection rates for Pilot hires and non-Pilot hires. And, over 36,000 people have been hired through Pilot examinations.
- Minimum qualification screening is occurring. While some of this workload is a shift from SPB to departments, it is clearly occurring, as evidenced through audit reports, departmental survey data, interviews and focus group participants. Additionally, rather than determining MQ's for all candidates (exam level MQ screening), departments are able to focus on the highest qualified candidates, who are invited to the hiring interviews for final consideration.
- Uniform use of classifications across departments is not an examination issue, and was not addressed in the Pilot Evaluation.

<u>Specific Recommendations in the 6/16/2010 Letter</u>. Each of the thirteen specific recommendations expressed by SEIU is addressed below.
1. **Develop criteria for determining Pilot success**.
2. **Conduct an independent study of the Pilot results**.
3. **Publish and take comment on the study results prior to drafting new regulations**.

The Pilot Evaluation was directed at four points: 1) THE PILOT PROCESS, including the departments' use of tools and understanding of the pilot requirements, 2) MERIT or quality of applicants under the Pilot, 3)

QUANTITY of applicants under the Pilot, and 4) TIMELINESS of the process. Background and foundation documents were reviewed, existing data was analyzed and/or re-analyzed, new data was collected and analyzed. The Pilot report was presented at the January 3, 2012 meeting of the SPB, and subsequently published for comment.

4. **Separate other HR Mod selection components being used in the Pilot from the three-rank scoring component**.
5. **Evaluate the efficacy of each Pilot selection component separately**.

The focus of the current Pilot evaluation was broad, but did not attempt to address HR Mod's overall direction or mission. Instead, the current study focused on issues salient to the State Personnel Board, and the overall topic of Merit. As noted in the results of the Pilot Evaluation Study: "Pilot examinations are significantly streamlined, compared to department specific, dated eligibility lists. This is directly a result of the use of T&E exams (or variations thereof), rather than such exam models as qualifications appraisal interview panels (QAPs), and the use of continuous rather than dated eligibility lists. That is, improvements related to timing are not a function of limited ranks, but are a direct result of streamlining the exam process."

6. **Address overall statewide hiring and selection components through the regulatory process; including those being used by the Pilot; pay special attention to the hiring interview and reporting process**.

The Pilot Study did not focus on regulatory issues. The Pilot Evaluation reported that the hiring interviews in place under the Pilot are job-related and clearly documented. Recommendations presented in the Pilot Evaluation include a continuation of these points for all limited ranks examinations.

7. **Require hiring departments to have personnel trained and qualified to prepare, administer, and evaluate job-related exam materials**.
8. **Ensure that these knowledge, skills and abilities are captured in a classification used by departments**.
9. **Require hiring departments to be trained in the hiring selection process before they are eligible to be part of the hiring process**.

Data clearly shows that department personnel feel as though they have adequate training to conduct examinations, as required by the Pilot.

10. **Review and assess the hiring and selection component recommendations contained in SPB's 2002 reports on the decentralized testing program, and in the JLMCD's 2003 report on discrimination in the hiring and selection**

processes; incorporate needed changes into the overall hiring and selection process.

These reports were not addressed by the Pilot Evaluation.

11. **Pay special attention to the impact of shifting the MQ assessment from the exam to the hiring interview process to ascertain whether this impacts the accuracy or validity of hiring selection at these stages**.

Screening for minimum qualifications is occurring at the department level for all who are hired from limited scores examinations. Departments are now able to focus on those selected for the hiring interviews, rather than at the "exam" level, for the entire list of candidates. Merit is assured, and departments are completing and documenting this step as required.

12. **Conduct an independent review of the efficacy of automatic inclusion of consortium exams in the Pilot**.
13. **Develop guidelines for the use of consortium exams in general, including their inclusion in the Pilot**.

The issues expressed by SEIU about consortium examinations include broad classification issues, rather than exam or merit-based issues. This was not part of the Pilot Evaluation.

Summary

The correspondence from Service Employees International Union provides support for streamlining the exam processes, and also expresses a concern for the SPB to maintain merit standards. The Pilot Evaluation Study findings are consistent with this, and the study recommendations also stipulate that controls need to be in place, including a permanent SPB audit process, for future limited scores examinations.