Human Resources Administration

Requested Information on Selected Human Resources Functions

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Why we did this review
The House Appropriations Committee asked that we review the Department of Administrative Services Human Resources Administration’s (HRA) centralized and decentralized functions. Based on the request, we evaluated the efficacy and value of services related to hiring practices, market salary information, employment trends, and training. We also sought to determine whether there were duplicative functions within state agencies and whether any services offer savings through economies of scale.

About HRA
Established in fiscal year 2013, HRA supports executive branch state employers across Georgia, while also serving state entities within the legislative and judicial branches. HRA’s mission is to provide agencies the resources and tools they need to attract, develop, and retain a high-performing workforce.

HRA is responsible for administering the flexible benefits program, drafting and disseminating State Personnel Board (SPB) rules and interpreting policy, establishing and maintaining state job classifications, tracking employment trends, providing a performance management tool, and administering Georgia’s State Charitable Contributions Program.

Human Resources Administration

Requested Information on Selected Human Resources Functions

What we found
HRA provides all required services, as well as additional services that are significantly more limited than what the state previously provided agencies through the State Personnel Administration (SPA). Georgia’s decentralized approach to human resources creates flexibility for individual agencies. However, there are fewer opportunities to address human resources at the statewide level.

HRA provides all required services and limited additional services to address enterprise needs.

To comply with its statutory requirements, HRA provides services in areas such as job posting, training, flexible benefits, and job classifications. Agencies were largely satisfied with the services received through HRA. HRA also provides limited services to meet its statutory requirement to assist agencies in attracting and retaining a qualified workforce. These services, typically provided upon agency request, include supervisory trainings, assistance with recruitment and hiring practices, and consulting on employee development. HRA’s staff size limits the availability of these services.

The current decentralized human resources model provides flexibility but limits HRA’s ability to provide extensive consolidated services.

Georgia has shifted to a more decentralized model for human resources. State agencies generally consider this beneficial because it gives them more control over human resources decision-making. Agencies are able to control hiring, establish their own recruiting programs, and determine how to best meet their identified training needs. Given the size of state government, it would be difficult for a central human resources office—particularly one with limited staffing—to understand and meet every agency’s unique human resources needs.
However, this decentralized approach has limited HRA’s capacity to provide services that could benefit all agencies. For example, all agencies could benefit from management training (and have done so under a more centralized model). However, the small number of staff limits the role that HRA could play in providing this service across the enterprise. As a result, agencies are procuring this type of training on their own or not offering it to employees.

**Opportunities exist for shared contracts and training resources.**

Based on our review of agencies’ training procurement, there are opportunities for shared contracts and to coordinate existing agency trainings and other human resources needs. HRA does not monitor human resources-related contracts procured by individual state agencies, which are often with the same or similar vendors for the same or similar services. There could be opportunities to save costs with shared contracts, particularly for trainings with costs based on a minimum number of licenses that a single agency cannot fill. Information on the type of training procured could also help HRA determine whether services would be more cost effective if offered in-house.

**Opportunities exist to address workforce challenges at an enterprise level.**

Despite the state’s decentralized model, some human resources activities would benefit from an enterprise-wide approach. For example, under the current decentralized model, each agency must assess its own compensation and request adjustments from the Governor and General Assembly. No single source is responsible for examining market salary across the enterprise to ensure the state can sufficiently compete with other public and private sector employers. Addressing statewide issues, such as compensation, at an agency level may not be as effective or efficient as an enterprise approach.

Similarly, agencies are now responsible for carrying out workforce and succession planning within their own units, though several agencies we surveyed noted a desire for more centralized support. In addition, agencies are expected to individually address retention challenges among younger employees (i.e., the millennial and Gen-Z generations), but could be addressed in a more coordinated fashion at the enterprise level.

**What we recommend**

While HRA is meeting their statutory requirements for core functions, it should explore shared contracts and services for functions related to recruiting, market salary, and training that could result in improved coordination between state agencies and costs savings. It should also track detailed workforce metrics to prepare for the impact of generational challenges and the future of the state enterprise.

The General Assembly should consider requiring state agencies to post jobs on Team Georgia Careers or eliminating the statutory requirement for a central registry of employment vacancies. In addition, it should consider clarifying HRA’s responsibility for maintaining Independent Pay Plans.

See Appendix A for a detailed listing of recommendations.

**Agency Response:** DOAS indicated it is in agreement with the report.

**Report Revision:** In January 2022, minor revisions were made to correct the number of job classifications on page 4 and number of state agencies contracting for market salary information on page 10. These revisions do not change the report’s findings, conclusions, or recommendations.
# Purpose of the Special Examination

## Background

### Requested Information

Finding 1: Most agencies use Team Georgia Careers to post jobs and track applicants, though some agencies have procured additional tools.  
Finding 2: Market salary data is available to state agencies, but some procure this information separately.  
Finding 3: HRA provides employment trends through its annual workforce reports.  
Finding 4: HRA provides trainings and consulting support but could improve efficiency of state agency contracts for these services.

### Appendices

Appendix A: Table of Recommendations  
Appendix B: Objectives, Scope, and Methodology
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Purpose of the Special Examination

This review of the Department of Administrative Services (DOAS) Human Resources Administration (HRA) was conducted at the request of the House Appropriations Committee. Our review focuses on the following questions:

- What services does HRA provide and what HRA services do state entities utilize related to hiring practices, market salary information, employment trends, and training?
- What other services are provided by HRA and how are these services utilized by agencies and departments?
- What centralized HR services do other states offer agencies and departments?

A description of the objectives, scope, and methodology used in this review is included in Appendix B. A draft of the report was provided to DOAS for its review, and pertinent responses were incorporated into the report.

Background

The Human Resources Administration (HRA) within the Department of Administrative Services (DOAS) was established in fiscal year 2013 to serve as the state’s central human resource management office. Generally, HRA supports executive branch agencies with some centralized human resources functions, as well as guidance for specific programs. Though executive branch agencies are HRA’s primary customer, it also supports legislative and judicial branch agencies and authorities. These additional customers also follow State Personnel Board (SPB) policies and pay an annual assessment to HRA, as discussed further on pages 5-6.

O.C.G.A. §§ 45-20-4 through 45-2-40 outlines several responsibilities for HRA. These include administering the flexible benefits program, drafting and disseminating SPB rules and interpreting policy, establishing and maintaining state job classifications, tracking employment trends, providing a performance management tool, and administering the State Charitable Contributions Program.

Prior to HRA’s establishment, state human resources services were more centralized under the State Merit System and State Personnel Administration. As shown in Exhibit 1, the role of human resources management in Georgia has become more decentralized.
Exhibit 1
HRA Provides Fewer Human Resources Services than State Merit and State Personnel Administration

- **State Merit System (1943-1996)**
  - State Personnel Board Rules
  - State Job Classifications
  - Recruiting, Testing and Hiring of New Employees
  - Employee Development Training
  - Enterprise Workforce Planning
  - Succession Planning
  - Comprehensive Insurance

- **State Personnel Administration (1996-2012)**
  - State Personnel Board Rules
  - State Job Classifications
  - Recruiting, Testing and Hiring of New Employees
  - Employee Development Training
  - Enterprise Workforce Planning
  - Succession Planning
  - Flexible Benefits

- **Human Resources Administration (2012 to current)**
  - State Personnel Board Rules
  - State Job Classifications
  - Job Qualifications Screening
  - Job Posting Website and Applicant Tracking
  - Employee Development Training
  - Enterprise Workforce Planning
  - Succession Planning
  - Flexible Benefits
  - HR Training

Source: Interviews with agency staff and review of previous audits and historical documents.
Each human resources system and respective entity is described below.

- **State Merit System** - The State Merit System was established in 1943 when the state’s human resources functions were largely centralized. The Merit System was responsible for placing and retaining qualified individuals in merit-covered positions; maintaining current classification and compensation plans; ensuring payrolls were properly administered; providing employee training programs; and providing a comprehensive health insurance program. The Merit System was responsible for nearly all hiring, which included accepting job applications, interviewing candidates, and placing personnel.

- **State Personnel Administration** – The state dissolved the State Merit System in 1996 and replaced it with the State Personnel Administration (SPA). As part of this human resources overhaul, all new employees were removed from the traditional civil service system and made “at will” employees. Additionally, some functions, such as most hiring and recruitment, were decentralized to the operating agencies. SPA retained a number of responsibilities, including comprehensive employee training, enterprise workforce planning, and succession planning.

- **Human Resources Administration** - SPA was abolished in 2012 as part of a further decentralization of state human resources functions to the individual state agencies. As such, a central human resources entity was no longer required to provide employee training, or workforce and succession planning. However, DOAS, through the newly created HRA, took on some functions (as described above).

The State Personnel Board (SPB) creates policies that provide agencies with a framework for legal compliance and to promote consistent human resources practices. SPB consists of five governor-appointed members. The DOAS commissioner acts as its executive secretary and has the authority to make rules, regulations, and stipulations to carry out the department’s responsibilities.

The Employee Benefits Plan Council prescribes the general policies by which HRA’s flexible benefits plan should be administered. The council has 10 governor-appointed members—five council members also serve terms for SPB.

**Organization and Staffing**

As shown in **Exhibit 2**, HRA has two divisions: (1) Compensation and Benefits and (2) Talent and Policy. The Compensation and Benefits division is further divided into the Benefits unit and Classification and Compensation unit. The Talent and Policy division is further divided into the Talent Management unit and Policy and Compliance unit. Currently, 19 staff carry out HRA’s responsibilities.

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1 Georgia operates as an “at will” employer, which means employees may leave a state employer at any time. The state employer may also end an employee’s employment at any time for any lawful reason.
DOAS is statutorily required to establish and maintain the state’s job classification and compensation system. HRA’s Compensation and Classification unit uses the system to manage activities related to recruitment, selection, performance management, and salary administration (which is supported by annual market salary surveys). The unit oversees approximately 2,700 active job classifications within 42 salary plans across the executive, legislative, and judicial branches.

HRA also supports several benefits programs available to state employees. These include the flexible benefits program (e.g., dental, vision, life insurance, etc.) as well as employee assistance, discounts, purchasing, charitable contributions, and service recognition.

Talent and Policy
HRA’s Talent and Policy division provides state entities with talent management solutions and policy guidance. The division’s responsibilities include:

- **Policy Interpretation** – The Policy and Compliance unit offers agencies support to comply with SPB rules, statewide policies (e.g., overtime, telework, retirement, etc.), and other employment laws (Family Medical Leave Act, Fair Labor Standards Act, Americans with Disabilities Act, and Equal
Employment Opportunities Act). This includes interpreting changes to rules and laws and informing relevant state entities.

- **Audit Assessments** – DOAS is required to annually audit agencies’ processes and report findings to the governor and General Assembly. The Policy and Compliance unit conducts these assessments and selected seven executive agencies to participate in fiscal year 2021. Agencies answer questions related to five human resources disciplines: Classification & Compensation, Leave Management, Performance Management, Policy, and Recruitment & Selection. Responses determine compliance scores, which HRA may use to assess common agency risks. HRA meets with participating agencies to discuss challenges and provide resources.

- **Training and Consulting** – HRA is required by executive order to offer Statewide Sexual Harassment Prevention training. HRA also provides several other web-based and in-person trainings. For example, talent staff oversee and require recruiter trainings, and policy staff frequently provide trainings on the statewide substance abuse testing program. Recently, HRA has developed a series of seven management trainings offered on a limited basis.

HRA will also consult with agencies for no cost to address specific needs (e.g., creating an employee engagement survey or building an internship program) upon request. HRA often identifies agency consulting needs through the audit assessment process.

- **Employment Trends** – HRA tracks workforce demographics and trends in turnover, retention, and staffing to compare with prior years. Trends are published in an annual Georgia State Government Workforce Report.

- **Team Georgia Careers** – HRA’s Team Georgia website houses all job vacancies and announcements for state positions. It also enables agencies to track applicants through the recruitment process.

- **Hiring and Retention Practices** – Talent Management attends college job career fairs to promote the state as a place to work.

- **Other State Employment Requirements** – HRA oversees the Medical and Physical Examination Program, a pre-employment fitness-for-duty certification. HRA also manages the contract for the Statewide Substance Abuse Program, which is designed to help state organizations administer substance abuse testing for applicants and employees through pre-employment and random testing programs (e.g., reasonable suspicion, post-accident, return-to-work, and follow-up testing).

**Financial Activity**

HRA is primarily funded through an assessment charged to all executive, legislative, and judicial branch agencies, as well as the authorities that receive HRA’s services. The assessment is applied as a percentage of payroll, which HRA

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2 While HRA’s Policy and Compliance specialist invites several agencies to participate on an annual basis, agencies are not obligated to participate and can deny the request. As such, assessment participation is voluntary.
determines in consultation with the Governor’s Office of Planning and Budget. In fiscal year 2021, HRA was authorized to assess 0.176% of salaries, generating approximately $4.9 million in assessment revenue. HRA retains excess annual assessment revenue as reserves.

Assessment revenues, combined with prior years’ reserves, cover HRA’s operational costs, including administration, talent management, compensation, and policy and compliance activities. Between fiscal years 2018 and 2021, available funds exceeded operational expenses, which increased HRA’s reserves. As shown in Exhibit 3, reserves increased from approximately $153,000 in fiscal year 2018 to $1.4 million in fiscal year 2021. According to DOAS financial staff, this is largely due to vacant positions within HRA.

### Exhibit 3
**HRA Operations Primarily Funded by Assessments, Fiscal Years 2018-2021**

<table>
<thead>
<tr>
<th></th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Available</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessment Revenue</td>
<td>$3,846,664$1</td>
<td>$5,522,688</td>
<td>$5,416,371</td>
<td>$4,903,676</td>
</tr>
<tr>
<td>Prior Year Reserves</td>
<td>$1,606,902</td>
<td>$153,484</td>
<td>$707,350</td>
<td>$1,082,656</td>
</tr>
<tr>
<td>Total Available</td>
<td>$5,453,566</td>
<td>$5,676,172</td>
<td>$6,123,721</td>
<td>$5,986,332</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$5,300,082</td>
<td>$4,968,822</td>
<td>$5,048,624</td>
<td>$4,635,802</td>
<td></td>
</tr>
<tr>
<td><strong>Reserves at Year End</strong></td>
<td>$153,484</td>
<td>$707,350</td>
<td>$1,082,656$2</td>
<td>$1,355,777$3</td>
</tr>
</tbody>
</table>

$1$ Amount assessed to state entities in fiscal year 2018 was reduced to spend down reserves.

$2$ Amount includes an adjustment that increased reserves by $7,559.

$3$ Amount includes an adjustment that increased reserves by $5,247.

Source: DOAS HRA

HRA also makes payments to the vendor that manages the state’s flexible benefits program. Between fiscal years 2018 and 2021, flexible benefits contract costs ranged from $4.9 million to $5.8 million. The contract is funded by employee contributions, which pass through HRA to the vendor. HRA collects and retains an administrative fee of $.70 for each flexible benefit an employee participates in, except for Health Care Flexible Spending Accounts where the fee is $3.20. There is no administrative fee for Dependent Care Flexible Spending Account participation.

HRA also collects employee contributions for the State Charitable Contributions Program (SCCP), which ranged from approximately $1 million in 2018 to $500,000 in 2020. The program is also managed by a third-party vendor and contract costs fluctuated between approximately $150,000 and 260,000 annually over the four-year period.
Requested Information

Finding 1: Most agencies use Team Georgia Careers to post jobs and track applicants, though some agencies have procured additional tools.

HRA’s Team Georgia Careers site houses state employment vacancies and job announcements and can serve as an applicant portal. State agencies indicated they use the website to varying degrees, noting improvements could be made. HRA could also assist agencies in identifying additional websites for job posting, which most agencies have used to increase visibility among applicants.

O.C.G.A. § 45-20-1(c) requires HRA to maintain and make available to the public a statewide central registry of employment vacancies and job announcements in state government. This statute also requires HRA to develop and maintain a common employment application to be used by all applicants for state employment. HRA seeks to fulfill both requirements through its Team Georgia Careers website, which also serves as an applicant portal that agencies can use to track and screen applicants, as well as load documents. Over the past three years, approximately 11,000 vacancies were posted annually, and approximately 600,000 applicants were processed for these vacancies.

We interviewed six agencies and surveyed all state agencies that pay the HRA assessment to determine utilization and satisfaction with Team Georgia Careers. As shown in Exhibit 4, while most agencies use Team Georgia Careers, they also utilize additional recruiting sites. This is not unreasonable given the state’s decentralized environment, which relies on agencies to determine how to best address their needs. As described below, each agency’s recruitment and hiring needs vary based on size, specialization, and other factors.

- 11 of 39 agencies use only Team Georgia Careers for job posting and do not use any other job sites. These agencies vary in size; for example, the State Board of Pardons and Paroles posted 21 vacancies in fiscal year 2021, while the Department of Natural Resources posted 1,239. These agencies were generally satisfied with Team Georgia Careers, though one noted a desire for improved applicant screening tools.

- 23 agencies (including the Departments of Transportation, Community Affairs, and Corrections) use Team Georgia Careers in conjunction with free and paid options on other job posting sites. Free and paid options include sites such as Indeed, LinkedIn, Handshake, and industry-specific online job sites. The majority (15, or 65%) are satisfied with Team Georgia Careers, with eight agencies noting concerns, including that the system is outdated and cumbersome.

- Four agencies use Team Georgia Careers minimally and contract with a separate website (NEOGOV) as their applicant portal. Annual costs for

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3 HRA provided a list of all state entities paying HRA assessment fees. We conducted interviews with seven agencies and sent a survey to the remaining 36 entities; 92% (33) responded.
the four agencies range from $16,800 to $63,730, totaling approximately $151,000 for the state. According to agency staff, they are seeking capabilities that go beyond what Team Georgia Careers provides—including the ability to text applicants and electronically move human resources paperwork. These agencies also have needs that may extend beyond those of other agencies. Three (Departments of Human Services, Public Health, and Community Health) are large and experience high turnover, while the fourth (Georgia Bureau of Investigation) has specialized jobs that require extensive applicant screening.

Exhibit 4
Most Agencies Use Team Georgia Careers and Other Job Posting Sites

![Graph showing the distribution of agencies using Team Georgia Careers and other job posting sites.]

Source: Agency Interviews and Surveys of All HRA Assessment Customers in September 2021.

The survey results also indicated that some agencies may not post all jobs to Team Georgia Careers. While this appears to be a rare occurrence, it prevents HRA from fulfilling its statutory duty to maintain a comprehensive registry of all state employment vacancies and job announcements. Agencies are not required to notify HRA of job announcements, and HRA can only track job announcements that are posted to Team Georgia Careers.

HRA staff have acknowledged that Team Georgia Careers needs improvements and have used funding reserves to increase security, add a chat feature, and generally improve the applicant experience. However, HRA has not received funding to perform significant updates. As such, HRA must be strategic in its approach to improvements and target areas that are both realistic and most likely to benefit the agencies that rely on the site. To accomplish this, HRA could assess agency needs similar to what was done in 2013—when HRA worked with agencies and paid consultants to determine business requirements for the state job posting
and applicant tracking system.

Given its centralized position, HRA can also support agencies seeking to supplement Team Georgia Careers. For example, HRA could increase awareness of the other sites available for job posting and provide guidance on the benefits of using certain platforms and when it is reasonable to use paid options. HRA plans to begin tracking where job applicants have learned about their respective position, which could provide useful information on the most widely used sites for particular job types.

**RECOMMENDATIONS**

1. HRA should work with state agencies to determine what hiring platform needs exist and whether it is more cost-effective to meet these needs by updating Team Georgia Careers or referring agencies to an external website. This may require a needs assessment process similar to what was used in 2013.

2. HRA should track where job applicants learn about the respective position (e.g., Team Georgia or another job posting site).

3. The General Assembly should consider either removing HRA’s responsibility for maintaining a central registry of all job announcements or requiring all agencies to post every job announcement on Team Georgia Careers.

**Agency Response:**

**Recommendation 1:** DOAS agreed with the recommendation. In consultation with state entities, “the state is replacing both Team GA Careers (TGC) and its aging Human Capital Management system (PeopleSoft) with a modern, cloud-based Enterprise Resource Planning (ERP) system.”

**Recommendation 2:** DOAS agreed with the recommendation. “As part of ongoing systems and strategic improvements, Human Resource Administration (HRA) and State Entities will be able to track where job applicants learn about the respective position in the near future.”

**Recommendation 3:** DOAS agreed with the recommendation. Posting all job announcements on TGC “would help the state to better promote employment opportunities and careers.” It would also “allow a more thorough analysis of recruitment data which could be used to improve the state’s overall recruiting efforts.”
Finding 2: Market salary data is available to state agencies, but some procure this information separately.

HRA obtains annual compensation surveys from several sources. While the information is available to state agencies upon request, some procure market salary data independently. In its centralized position, HRA could better ensure agencies consider the most cost-effective options for obtaining this information.

According to statute, HRA is required to establish and maintain a statewide system of pay ranges for all job classes. To assist in meeting this requirement, HRA annually collects market salary information from six salary surveys. The surveys are uploaded into HRA’s compensation management tool, PayScale MarketPay, which maps all survey data to approximately 2,700 active jobs, as of December 2021. HRA spends approximately $100,000 a year on surveys and PayScale MarketPay.

Agencies can request market salary information anytime and may do so when they research particular jobs or seek to modify their pay structure. Information available includes market base salary (average/median), which can be filtered by geographic location (i.e., select cities, state, region) and/or industry. Agencies can also review information for all state employees in a particular job.

Since fiscal year 2019, approximately half (25 of 49) of all state agencies have requested market salary information from HRA. Requests in fiscal year 2021 were higher than prior years—approximately 18 (37%) agencies requested information for at least one position, though four agencies comprised the majority of all requests. By contrast, only 11 (22%) of agencies sought market salary information in 2019.

Though agencies can obtain market salary information from HRA, some have procured information on their own. Of the 39 state agencies interviewed and surveyed, 16 (42%) indicated they had obtained such information independent of HRA. Some obtained information from other states, while at least five agencies reported that they had contracted with the same vendors that HRA contracts with to obtain the information. The magnitude of the cost to the state could not be determined because these contracts are not easily identified in TeamWorks (the state’s financial information system). While it may be reasonable to independently obtain market salary data if HRA lacks the information the agency is seeking, there is a risk of duplication.

Agencies with independent pay plans are less likely to contact HRA for market salary information because HRA does not maintain market salary data for all jobs associated with these plans. Of approximately 1,300 jobs tied to independent pay plans—statewide and law enforcement—which account for 68% of the state’s workforce. State entities manage an additional 40 pay plans, or independent pay plans.

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4 The six salary surveys are: Aon, Mercer Benchmark Database, Willis Towers Watson, National Compensation Association of State Governments, CompData/Salary.com, State of Tennessee.
5 Department of Behavioral Health and Developmental Disabilities, Department of Juvenile Justice, Department of Agriculture, and Department of Natural Resources.
plans, nearly all (99.6%) were not matched to market salary data. For example, though HRA has 131 jobs for Georgia Technology Authority’s pay plan in PayScale MarketPay, none have matched market salary data. According to HRA, this is because it maintains job titles but not job descriptions and job responsibilities for independent pay plans, and this information is necessary to match jobs with market salary surveys. HRA attempts to work with agencies to get the necessary information to match these jobs, but due to staffing limitations it only does so as time and resources permit. As a result, HRA does not have complete information on all jobs in the state.

Interviews and surveys revealed other reasons why agencies may not request market salary information or procure it independently, as described below.

- Twelve agencies noted that the data available from HRA was not sufficient for their needs. For example, the Georgia Forestry Commission and Georgia Bureau of Investigation procured market salary information from a consulting firm to obtain data on more specific job positions.

- Six agencies indicated a desire to access market salary information directly rather than rely on HRA. This would reduce the turnaround time for information received and allow agencies to tailor compensation modelling to their own agency. For example, Teachers’ Retirement System and Department of Human Services spent approximately $54,000 between fiscal years 2019 and 2021 to procure the same compensation management tool that HRA uses. The Georgia Department of Labor is also considering procuring the same tool to have better access to real-time salary data. HRA is evaluating the cost and feasibility of a self-service tool that agencies can use to run their own reports.

- Nine agencies stated they were not aware that salary survey information is available from HRA. HRA indicated that it uses various ways to advertise the information, including word of mouth, quarterly HR director meetings, and its newsletters (though we identified only one mention in the last seven newsletters).

Agencies also indicated that, generally, market salary information is not useful because they are unable to pay market rates. HRA has acknowledged compensation challenges and encourages agencies to either work within existing pay structures or with their OPB representative to resolve compensation issues.

**RECOMMENDATIONS**

1. HRA should assess agencies’ market salary data needs to determine whether modifications to the surveys it purchases annually are necessary to reduce the risk for duplication and/or reduce the need for agencies to procure salary survey data separately.

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6 HRA’s PayScale MarketPay tool may not have all market salary data matched to independent pay plan jobs but HRA can still browse through similar job position titles in their survey library to view comparable market salary data.
2. In addition to current methods, HRA should use other channels to communicate the availability and utility of market salary information to agency HR staff, such as through its quarterly newsletters, podcasts, community meetings, and its website.

3. If the General Assembly wishes to have complete information for every job in the state, which would include relevant market salary information for independent pay plans, it should consider clarifying HRA’s responsibilities in this regard.

Agency Response:

**Recommendation 1:** DOAS agreed with the recommendation. “HRA will survey state agencies about their market salary compensation needs” and “may obtain different market salary surveys based on the responses and budget availability.”

**Recommendation 2:** DOAS agreed with the recommendation. HRA is planning a “marketing campaign” to promote all of its services, “including the availability of market salary survey data.” It intends to use “the various communication methods and tools already in place.”

**Recommendation 3:** DOAS agreed with the recommendation. It stated that if HRA responsibilities are expanded, it will have a resource impact.

**Finding 3:** HRA provides employment trends through its annual workforce reports.

HRA meets its statutory obligations by providing an annual workforce report that tracks workforce trends, including turnover, hires, and retirement. The fiscal year 2021 Workforce Report provides extensive information; however, there are opportunities to better highlight statewide issues and meet stakeholder needs.

O.C.G.A. § 45-20-10 requires HRA to collect agency data and submit a quarterly budget (and data as needed) to the Governor’s Office of Planning and Budget. Required data includes number of personnel, salaries, length of service, distribution of filled and unfilled employee positions, and other personnel information. HRA fulfills this statutory responsibility through its annual workforce report.

The 2021 report provides total employee counts (by agency, classification, pay plan, gender, ethnicity, years of experience, etc.) and summarizes hiring, separation, retirement, and turnover activity statewide and within executive branch entities. This is more detailed than past reports, which provided more general information such as headcount, hiring, and termination by agency (but not position); retirement eligibility; and voluntary turnover by generation. Given
stakeholders’ concerns about the lack of comprehensive information in past reports, however, HRA could coordinate with various users—including state budget officials and state agencies—to ensure the report contains sufficient information for decision-making.

**Fiscal Year 2021 Workforce Report**

The workforce report provides a snapshot of the state’s workforce in fiscal year 2021, with a focus on activity within the executive branch and a limited summary of legislative and judicial branch employment activity. For the executive branch, the report includes statistics for 71 entities covering approximately 62,000 employees.

The report also includes a discussion of staffing, turnover, retention, and retirement challenges across state government, and recommends actions state agencies should take in response. Challenges related to the “millennial and GenZ” population of state employees were featured in three of the four areas of focus. For example, the report notes that these individuals represent approximately half of the state’s workforce and two-thirds of new hires. However, agencies are struggling to retain them; only eight in every 100 GenZ employees hired three years ago were still employed with the state in fiscal year 2021, according to the report. The report does not cite actions the state’s decision makers could take to address such enterprise-wide retention challenges.

There are also opportunities to use the annual workforce report to highlight more statewide concerns, which could assist with workforce and succession planning across the state. Unlike the former State Personnel Administration, HRA does not have a centralized role in workforce and succession planning. However, by identifying potential risks to the state’s ability to achieve its core mission (e.g., pending retirements in critical agencies, mission-critical job functions with high turnover rates, hard to fill critical positions, etc.), HRA would assist state agencies in identifying gaps. State agencies can use this information to proactively address shortages and preserve institutional knowledge.

**RECOMMENDATION**

1. HRA should work with state budget offices, legislative staff, and state agencies to ensure all desired information is captured in the Annual Workforce Report or available through another means.

**Agency Response:** DOAS agreed with the recommendation. While the fiscal year 2021 report was based on agency feedback and resulted in a more robust report, it “plans to expand the survey to obtain feedback from House and Senate Budget Committees, Governor’s Office of Planning and Budget, and additional agencies” for the fiscal year 2022 report.
Finding 4: **HRA provides trainings and consulting support but could improve efficiency of state agency contracts for these services.**

Though more limited than the previously centralized models, HRA provides all required and some additional training and consulting support for agencies. There is evidence that agencies procure training and consulting services from the same or similar vendors. By using its central position to assess enterprise need and improve coordination among agencies, HRA can likely reduce duplication of effort among agencies.

HRA’s required training is limited to those directed by executive order, which currently includes the web-based sexual harassment training all state employees must view. HRA also provides training and consulting as part of its mission to attract and retain employees of character and ability. These services can cover standard topics such as recruiting or be tailored to individual agency needs.

HRA has fewer staff to assist agencies than the former Merit System or SPA, which provided significantly more training. As such, HRA generally offers its services to agencies based on needs identified during Audit Assessments or upon agency request. However, only approximately eight to 10 agencies undergo an assessment each year, and the process does not assess an agency’s training strategy. Additionally, some agencies may not be aware of the services they can request.

Under the state’s decentralized model, agencies are expected to procure substantive training on their own—particularly in areas that relate to their individual missions and needs. However, without a centralized, strategic approach to procurement, there is a risk of duplication and inefficient use of state resources. In our review of select vendors in TeamWorks for the past three years, we identified possible duplication among agencies that have procured standard trainings and learning systems, as described below.

- **Overlap in Vendors** — At least eight agencies have used the same management training vendor over the past three fiscal years, costing approximately $140,000. Staff from two agencies described purchasing the largest “all access” package, which provides numerous online trainings and certifies their employees to provide the training in house. This means these agencies can provide the popular trainings themselves, and opportunities exist to provide this training on a larger scale. One agency reported paying for a minimum license package for 200 employees to accommodate their 181 employees, leaving 19 unused licenses for the popular platform. Similarly, at least five agencies have paid for licenses for the same training program (LinkedIn Learning)—totaling approximately $175,000 over the past three years.

Training programs such as these are often procured for a standardized

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7 HRA has one staff member dedicated full-time to training; Six members of the Talent and Policy Division devote a portion of their time to training.
package; therefore, negotiating at the agency level is not efficient. At least two other southeastern states (Tennessee and South Carolina) have statewide contracts for commonly used trainings. Staff from South Carolina, for example, noted they received a lower per license cost when they purchased a package with more licenses. While a separate division of DOAS, the State Purchasing Division, offers a convenience contract with options for management and leadership consulting, none of the common training vendors reported in interviews and survey responses were among the awarded suppliers.

- **Overlap in Systems** – Many agencies report obtaining a learning management system, which is designed to deliver, track, and report on learning and training programs. These systems are versatile and can host a variety of training, as determined by the administrator. As agencies continue to adopt this platform on their own, there are opportunities for coordination to obtain better rates. A 2014 Learning Management Needs Assessment conducted by DOAS and GTA identified potential cost savings ($600,000 at the time of the study) by purchasing a statewide learning management system. However, these savings presume full enterprise participation, and according to HRA a phased transition for implementation of an enterprise LMS may be necessary so that agencies with newly awarded LMS contracts could benefit from the resources already spent to procure those contracts. However, not all agencies may want to participate in an enterprise LMS. Costs for individual agency systems from the 2014 assessment ranged from $36,000 to $133,000.

Even with its limited staff and role, HRA could leverage its centralized position to assist agencies with procuring appropriate training and avoiding duplication. For example, Tennessee is similarly decentralized, but its Department of Administration requires agencies to notify the Department of Human Resources (DOHR) prior to contracting for training services. DOHR then evaluates whether the training can be provided in-house (e.g., leadership development or recruiting) or performed by a vendor that has negotiated a state rate. This point of contact prior to contracting allows DOHR an opportunity to redirect to in house services when possible and remain informed of current and common needs throughout the state.

Even without a formal requirement similar to Tennessee, HRA could increase its communication with agencies regarding training. For example, HRA could discuss an agency’s training strategies during its audit assessments to identify needs and determine whether it can provide in-house or assist in procuring an outside vendor (including another state agency). HRA could also survey agencies regarding upcoming training plans to determine whether overlap is likely and provide guidance to ensure duplication is minimized.

**RECOMMENDATIONS**

1. DOAS, through its State Purchasing Division and HRA, should periodically assess state agencies’ contracts for management training and
human resources consulting to determine common services and vendors and the utility of establishing statewide contracts for these services.

As an alternative, DOAS should determine the feasibility of using its planned cloud-based Enterprise Resource Planning system to track state agencies’ contracts for training and human resources consulting.

2. HRA should leverage information it has on state agencies’ training needs and plans—which could be obtained through its audit assessments, surveys, or other means—to encourage agencies to coordinate with HRA and other state agencies when possible prior to contracting for training services.

Agency Response:

**Recommendation 1:** DOAS agreed with the recommendation.

**Recommendation 2:** DOAS agreed with the recommendation.
### Appendix A: Table of Recommendations

<table>
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<tr>
<th>Recommendations</th>
<th>Details</th>
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<tr>
<td><strong>Most agencies use Team Georgia Careers to post jobs and track applicants, though some agencies have procured additional tools.</strong> <em>(p. 7-9)</em></td>
<td>1. HRA should work with state agencies to determine what hiring platform needs exist and whether it is more cost-effective to meet these needs through Team Georgia Careers or an external website. This may require a needs assessment process similar to what was used in 2013.</td>
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<td>2. HRA should track where job applicants are coming from (e.g., Team Georgia or another job posting site). This information could be useful in determining what job platforms work best to attract applicants in general and for specific job types.</td>
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<td>3. The General Assembly should consider either removing HRA’s responsibility for maintaining a central registry of all job announcements or requiring all agencies to post every job announcement on Team Georgia Careers.</td>
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<td><strong>Market salary data is available to state agencies, but some procure this information separately.</strong> <em>(p. 10-12)</em></td>
<td>4. HRA should assess agencies’ market salary data needs to determine whether modifications to the surveys it purchases annually are necessary to reduce the risk for duplication and/or reduce the need for agencies to procure salary survey data separately.</td>
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<td>5. In addition to current methods, HRA should use other channels to communicate the availability and utility of market salary information to agency HR staff, such as through its quarterly newsletters, podcasts, community meetings, and its website.</td>
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<td>6. If the General Assembly wishes to have complete information for every job in the state, which would include relevant market salary information for independent pay plans, it should consider clarifying HRA’s responsibilities in this regard.</td>
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<td><strong>HRA provides employment trends through its annual workforce reports.</strong> <em>(p. 12-13)</em></td>
<td>7. HRA should work with state budget offices, legislative staff, and state agencies to ensure all desired information is captured in the Annual Workforce Report or available through another means.</td>
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<td><strong>HRA provides trainings and consulting support but could improve efficiency of state agency contracts for training and consulting.</strong> <em>(p. 14-16)</em></td>
<td>8. DOAS, through its State Purchasing Division and HRA, should periodically assess state agencies’ contracts for management training and human resources consulting to determine common services and vendors and the utility of establishing statewide contracts for these services.</td>
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<td>a. As an alternative, DOAS should determine the feasibility of using its planned cloud-based Enterprise Resource Planning system to track state agencies’ contracts for training and human resources consulting.</td>
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<td></td>
<td>9. HRA should leverage information it has on state agencies’ training needs and plans—which could be obtained through its audit assessments, surveys, or other means—to encourage agencies to coordinate with HRA and other state agencies when possible prior to contracting for training services.</td>
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Appendix B: Objectives, Scope, and Methodology

Objectives
This report examines the Human Resources Administration (HRA) within the Department of Administrative Services. Specifically, our examination set out to determine the following:

1. What services does HRA provide and what HRA services do state entities utilize related to hiring practices, market salary information, employment trends, and training?
2. What other services are provided by HRA and how are these services utilized by agencies and departments?
3. What centralized HR services do other states offer agencies and departments?

Scope
This special examination generally covered activity that occurred in fiscal years 2019-2021, with consideration of earlier or later periods when relevant. Information used in this report was obtained by reviewing relevant laws, rules, and regulations, interviewing HRA management and staff, analyzing data and reports provided by HRA. We interviewed human resource staff in a selection of state agencies that pay an annual assessment to HRA. We also interviewed personnel in central human resource offices located in other states, including Alabama, Florida, South Carolina, and Tennessee.

We primarily relied on TeamWorks (the state’s financial data system) to obtain HRA assessment and expenditure data and to identify state agency purchases associated with vendors providing human resources-related contracts. We determined the data obtained from this system to be sufficiently reliable for our analyses.

Government auditing standards require that we also report the scope of our work on internal control that is significant within the context of the audit objectives. We reviewed internal controls as part of our work on Objective 1. Specific information related to the scope of our internal control work is described by objective in the methodology section below.

Methodology
To obtain information on the services HRA provides that agencies utilize related to hiring practices, market salary information, employment trends, and training, we interviewed HRA staff about the services they provide and their processes for prioritizing and filling requests. We reviewed internal HRA documents regarding the Taleo system underlying the Team Georgia Careers website. We interviewed state agency human resources staff about Team Georgia Careers and other HRA recruiting services as well as market salary data needs and additional salary information procured on their own. For employment trends, we spoke with agency human resources staff and other stakeholders about their use of the annual workforce report. For training, we interviewed agency staff to determine the extent that trainings were satisfactory and met agency needs. We reviewed current statute and regulations regarding the required services and compared with current service offerings. We also reviewed and analyzed market salary requests, workforce reports, and training offerings over a three-year period.
We also conducted a survey of state entities that pay the annual assessment to HRA. We sent the survey to human resources officials in 37 state entities and received 33 responses (92% participation rate). Respondents represented 34 entities (one respondent represented two entities), including 31 executive branch entities, two judicial branch entities, and one legislative branch entity.

To understand the design and operating effectiveness of HRA’s system of internal controls related Team Georgia Careers, market salary information, employment trend reports, and the trainings offered to state agencies, we reviewed HRA’s organizational chart and written procedures, and interviewed staff at all levels of HRA about operating processes and monitoring of service outcomes.

**To determine any other relevant services that HRA provides and agencies utilize**, we surveyed of state agencies who pay the assessment fee. The survey asked whether there were other services that HRA provides or that agencies would like to see HRA provide. The survey also contained questions to gain more information on the magnitude of preliminary conclusions resulting from interviewing state agencies regarding hiring practices, market salary information, employment trends, and training.

**To determine the extent to which other states provide centralized services**, we interviewed central HR office staff from the following southeastern states: Alabama, Florida, South Carolina, and Tennessee about what services they provide centrally. We also reviewed relevant audits on prior centralization or decentralization efforts of states.

We conducted this special examination in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.
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