



## CHAPTER 3

### PROGRAM EVALUATION

Periodic program evaluation is required at the state and agency levels. The purpose of program evaluation is to promote sound human resource practices that comply with state policy and encourage continuous improvement in the design of the Commonwealth's Human Resource System.

#### DHRM PROGRAM EVALUATION

DHRM's program of conducting post-audit reviews of human resource actions approved by agencies has been broadened. Increased agency authority, greater flexibility in pay practices, and the movement from traditional to contemporary organizational structures requires DHRM to ensure that *Agency Salary Administration Plans* are consistent with the Commonwealth's human resource policies and that pay practices are administered in a fair and equitable manner.

Therefore, the program evaluation focus shifts from a system that reviews individual position actions to one that evaluates pay practices and trends to ensure policy compliance and to assist agencies in managing employee compensation and related matters. DHRM's program evaluation encourages the continuous improvement and success of agency compensation and related human resource programs.

#### Evaluation Objectives

- To strengthen the partnership between DHRM and agencies.
- To insure compliance with state and agency policy and practices.
- To more effectively address mutual work force priorities.
- To introduce methods that encourage continuous improvement.
- To establish and encourage a continuous learning environment.
- To evaluate the impact and results of HR programs.

## **AGENCY PROGRAM EVALUATION**

Human resource professionals and agency managers are accountable for the consistent and accurate application of pay practices. As a component of their *Agency Salary Administration Plans*, agencies should establish methods for evaluating the application of pay practices across organizational lines of the agency. In addition to helping ensure compliance with policy, agency evaluation programs can identify the need for refinements to the compensation system or *Agency Salary Administration Plans*, the affect of pay practices and incentives on work force productivity, and can identify training needs for managers, supervisors, and human resource professionals. This approach encourages the continuous improvement and success of agency compensation and related employee pay programs.

## **INTER-AGENCY EVALUATION TEAMS**

Agencies within a secretariat may elect to establish inter-agency Peer Review and/or Best Practices Teams to ensure consistency with agency plans, promote improvements in pay administration, and to identify common agency initiatives, needs, and work force issues. Such teams may consist of human resource professionals who have both the expertise and professional reputation needed to successfully function in this capacity. This cooperative approach, in which peers are accountable to each other, can be used to help agencies objectively evaluate their strengths and weaknesses and ensure that human resource programs are operationally sound.

## **EVALUATION CRITERIA**

Program evaluation performed by DHRM, the agency, or inter-agency teams should include the review and assessment of a variety of documents, including plans, policies, and procedures. The *Agency's Salary Administration Plan*, Training Plan, Operating Budget, data supplied to DHRM, and the agency's strategic plans can serve as primary sources for identifying the human resource related activities that should be monitored and evaluated. Generally, an evaluation program should include the following elements:

- **Compliance**
  - Identification and assessment of compliance indicators that are confirmed through sample case reviews
  - Assessment of agency policies and practices and their impact on policy compliance
- **HR Organizational Assessment**
  - Assessment of organizational structure
  - Assessment of communication/operational strengths and gaps
  - Identification and acknowledgment of policies or practices that strengthen the program
  - Recommendations for quality improvement
- **Employee Relations**
  - Sample employee interviews to obtain feedback on agency pay practices
  - Assessment of employees' understanding of compensation practices/services
  - Information that provides insight into employee or supervisory training needs
- **Results**
  - Assessment of turnover trends (external) and internal activity data (transfers, promotions, etc.)
  - Assessment of costs of pay actions (base adjustments and rewards)
  - Assessment of other agency indicators as needed (e.g., manager training participation rates)
- **Records Management**
  - Assessment of adequacy of appropriate records of all agency pay actions.