

2018

EFFICIENCY ASSESSMENT

SCDOT Hiring Process



SOUTH CAROLINA OFFICE OF THE STATE AUDITOR

INTERNAL AUDIT
SERVICES

June 15, 2018

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1 FOREWORD

AUTHORIZATION

The South Carolina Office of the State Auditor established the Internal Audit Services division (IAS) pursuant to SC Code Section 57-1-360 as revised by Act 275 of the 2016 legislative session. IAS is an independent, objective assurance and consulting function designed to add value and improve the operations of the South Carolina Department of Transportation (SCDOT). IAS helps SCDOT to achieve its objectives by bringing a systematic, disciplined approach to evaluating the effectiveness of risk management, internal control, and governance processes and by advising on best practices.

STATEMENT OF INDEPENDENCE

To ensure independence, IAS reports administratively and functionally to the State Auditor while working collaboratively with SCDOT leadership in developing an audit plan that appropriately aligns with SCDOT's mission and business objectives and reflects business risks and other priorities.

REPORT DISTRIBUTION

This report is intended for the information and use of the SCDOT Commission, SCDOT leadership, the Chairman of the Senate Transportation Committee, the Chairman of the Senate Finance Committee, the Chairman of the House of Representatives Education and Public Works Committee, and the Chairman of the House of Representatives Ways and Means Committee. However, this report is a matter of public record and its distribution is not limited.

FOLLOW-UP ON MANAGEMENT ACTION PLANS

We have collaborated with Management on the development of actions to address observations noted in this report. Our follow up with Management on the implementation of the actions on an ongoing basis will aid effective and timely implementation. We will provide SCDOT leadership with periodic reports on the status of Management Action Plans.

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ACKNOWLEDGEMENT

We wish to thank members of management and staff in the Human Resources Division, the Affirmative Action Office, and District and County offices for their contributions to this assessment.

2 EXECUTIVE SUMMARY

PROCESS ASSESSED: HIRING

WHAT YOU NEED TO KNOW:

- In statewide strategic planning sessions, a frequent concern expressed by employees was the length of time to hire new staff. The delay sometimes results in selected applicants taking another job.
- Hiring process steps occur both in district offices and at Headquarters Human Resources Division (HQHR).
- HQHR was already making improvements in its process steps and we assessed those in this engagement.
- HQHR does not have authority over the district office process steps; hiring officials in each district report to the District Engineering Administrator.
- While many district office steps are similar, some district office practices delay the hiring process while others have resulted in shorter process times.
- Data is not always collected, maintained, and organized throughout the entire process in such a way to pinpoint the cause of delayed process times.
- Where the data was available, we identified best practices in both HQHR and certain field offices that should be implemented statewide.

OBSERVATIONS:

1. The Agency does not have an organization-wide standardized hiring process or documented procedures (detailed in [Observation 1 on page 14](#))
2. Measuring hiring process performance is impeded because key information is not tracked or is tracked inconsistently across the Agency (detailed in [Observation 2 on page 15](#))
3. Data used to measure hiring process performance resides in several disconnected databases requiring manual, time-consuming, and error-prone compilation (detailed in [Observation 3 on page 17](#))

continued on the next page

EXECUTIVE SUMMARY *continued*

OBSERVATIONS (continued):

4. Staff have no visibility to the e-form pipeline and approval status once the e-forms are signed [\(detailed in Observation 4 on page 18\)](#)
5. Difficult-to-fill positions that require highly skilled, desirable applicants often require additional approvals resulting in delays and lower job acceptance rates [\(detailed in Observation 5 on page 19\)](#)
6. HQHR Division of Classification and Compensation (DCC) review of position descriptions (PD) may be time-consuming depending on the changes that are being made for a new posting. A new PD system is scheduled for implementation in the fall of 2018 [\(detailed in Observation 6 on page 20\)](#)
7. Hiring managers do not have access to completed applications in NeoGov and most districts reported waiting until a job posting closes before forwarding applications to the hiring manager [\(detailed in Observation 7 on page 21\)](#)
8. Selected applicants who are not in an underutilized class (e.g. minorities) require a written justification and approval by the Agency's Affirmative Action Office. Justifications with missing information are returned to the districts. This process can result in delays [\(detailed in Observation 8 on page 22\)](#)

Management Action Plans are included in the report following each detailed Observation as referenced above.



3 INTERNAL AUDITOR'S REPORT

June 15, 2018

Ms. Christy A. Hall, Secretary of Transportation
and
Members of the Commission
South Carolina Department of Transportation
Columbia, South Carolina

We have completed an efficiency assessment of the South Carolina Department of Transportation's (SCDOT's) Hiring process. The objective of this assessment was to contribute to the improvement in process efficiency so as to reduce the time between the reporting of a need for new staff and the date an employment offer is made.

We planned and performed the engagement with due professional care in order to obtain sufficient, appropriate evidence to provide a reasonable basis for our observations and conclusions. Our observations as a result of our assessment are described in the *Observations, Recommendations, and Management Action Plans* section beginning on page 14 of this report.

George L. Kennedy, III, CPA
State Auditor

4 ENGAGEMENT OVERVIEW

4.1 BACKGROUND

According to the South Carolina Revenue and Fiscal Affairs Office, the population of South Carolina (SC) has grown by 25% since 1990. Booming population in SC city centers has rendered the interstates operating past capacity in those areas causing congestion and gridlock during peak travel times. With the 2017 passage of the SC gas tax bill, it is estimated that, by the year 2022, an additional \$600 million will be generated annually. These funds will be used for upgrades to the existing transportation system. This significant increase in funding requires maintaining a skilled workforce to complete the work.

In order to effectively align resources with the additional work, SCDOT recently rolled out a three-year strategic plan. The plan was presented to SCDOT employees across the state. During the presentations, employees were provided the opportunity to voice concerns that could affect the Agency's ability to achieve its strategic objectives. A common hurdle identified by employees was the need for manpower. The current vacancy rate at SCDOT is about 12% and is anticipated to rise in the near future. With the ending of the State's Teacher Employment Retention Incentive (TERI) program and consideration of the number of retirement-eligible employees, approximately 10% of the workforce is expected to retire over the next couple of years taking a depth and breadth of knowledge with them that will be difficult to replace. Additionally, the Agency experiences high turnover in its entry level positions. SCDOT invests in developing entry level employee skills which may include paying for certifications. Employees gaining these marketable skills often leave the Agency for better paying jobs in local governments or the private sector.



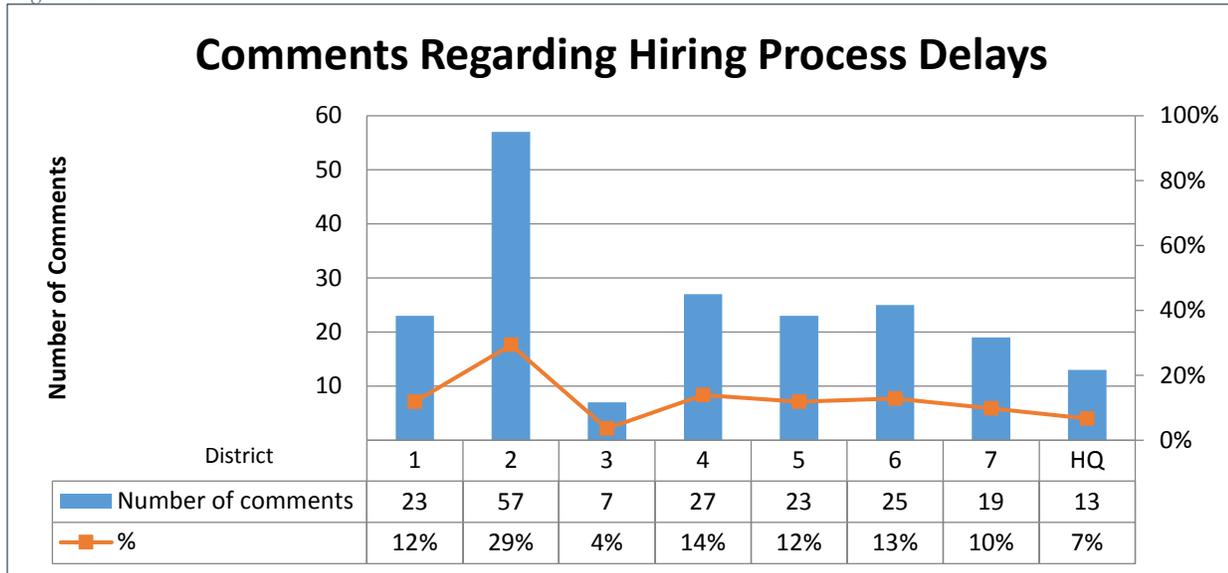
Photo courtesy of Rob Thompson, SCDOT

Exacerbating the retention challenge is the lengthy process for filling positions as noted by employees in field offices. Of 1,248 comments made by employees during the strategic plan presentations, 194, or 16%, were related to the challenges that the districts and HQ are facing in regard to the hiring process (Figure 1 on the following page). Delays in the hiring process often result in the Agency losing applicants to other employers. Commenters reported that applicants, especially those who are highly skilled, find other jobs between the time applications are submitted and a job offer extended. In some regions of the state the job market is very competitive. Private companies or local governments can often offer a higher salary with an earlier start date than SCDOT.

In light of these concerns, the Agency has already taken several actions to improve the hiring process. SCDOT Management requested that we conduct an efficiency assessment on the

hiring process to evaluate the effectiveness of those actions and to determine if additional improvements could be made to reduce the time it takes to hire new staff.

Figure 1



4.2 OBJECTIVES

The Agency’s objective with the hiring process is to hire qualified applicants as quickly as possible while complying with applicable laws, regulations and internal policies. Our objective was to assess the hiring process to identify inefficiencies, if any, that contribute to a meaningful delay between the reporting of a need for new staff and the date an employment offer is made.

4.3 SCOPE

This assessment includes the hiring processes for vacancies at county and district offices and flow through the Division of Human Resources at Headquarters (HQHR). This assessment excludes the hiring process for filling vacant positions at Headquarters because comments were significantly fewer. The timeframe of this assessment covers processes in place for the period July 2017 through March 2018.

5 ANALYSIS

5.1 TIMWOOD SCORES

In collaboration with employees in the field, we documented the process steps and identified staff responsibilities to create business process model (BPM) diagrams (Appendix A). The business process models for each location were measured using TIMWOOD, an acronym that stands for the seven types of inefficiency that can be found in processes:

T	Transportation	Unnecessary movement of materials
I	Inventory	Excess inventory not directly required for current orders
M	Motion	Extra steps taken because of an inefficient layout
W	Waiting	Periods of inactivity
O	Over-Processing	Unnecessary steps that do not add value to the outcome
O	Over-Production	Occurs when production should have stopped
D	Defects	Work not done to specifications or expectations

TIMWOOD identifies where and when inefficiencies could occur in processes, and names the possible cause, or causes, for the inefficiency.

Using TIMWOOD we evaluated the business process model and scored the hiring processes based on the potential inefficiency present in the current process models. Higher TIMWOOD scores indicate greater potential for inefficiency in the process.

Figure 2 below shows the hiring process TIMWOOD scores for each of the seven districts:

Figure 2



TIMWOOD provides a quantifiable baseline which can be used to measure the success of the Agency's current and future implemented process improvements. We used the TIMWOOD scores to focus our analysis on process steps and practices that have the highest potential for inefficiency.

5.2 DISTRICT PROCESS MODEL ASSESSMENT

Our analysis of the business process models in use across Agency locations revealed that a common standardized hiring process is not employed. Additionally, employees performing the process steps are oftentimes unaware of the steps prior to or subsequent to their own. In spite of these challenges, we determined that all locations complete the same general tasks usually in the following order:

1. Vacancy identified
2. Job posted
3. Applications sent to the hiring manager
4. Applicants selected for interview
5. Driver's license screened
6. Interviews conducted
7. Applicant selected for hire
8. Drug screening conducted
9. E-form created
10. Underutilization review performed
11. E-form signed by Resident Maintenance Engineer (RME)
12. E-form signed by District Engineer Administrator (DEA)
13. E-form sent to Headquarters Human Resources (HQHR)

Using TIMWOOD scores, we analyzed data targeted at potential inefficiencies to confirm the occurrence of actual inefficiency in the process. To identify areas of likely inefficiency, we analyzed data from several sources:

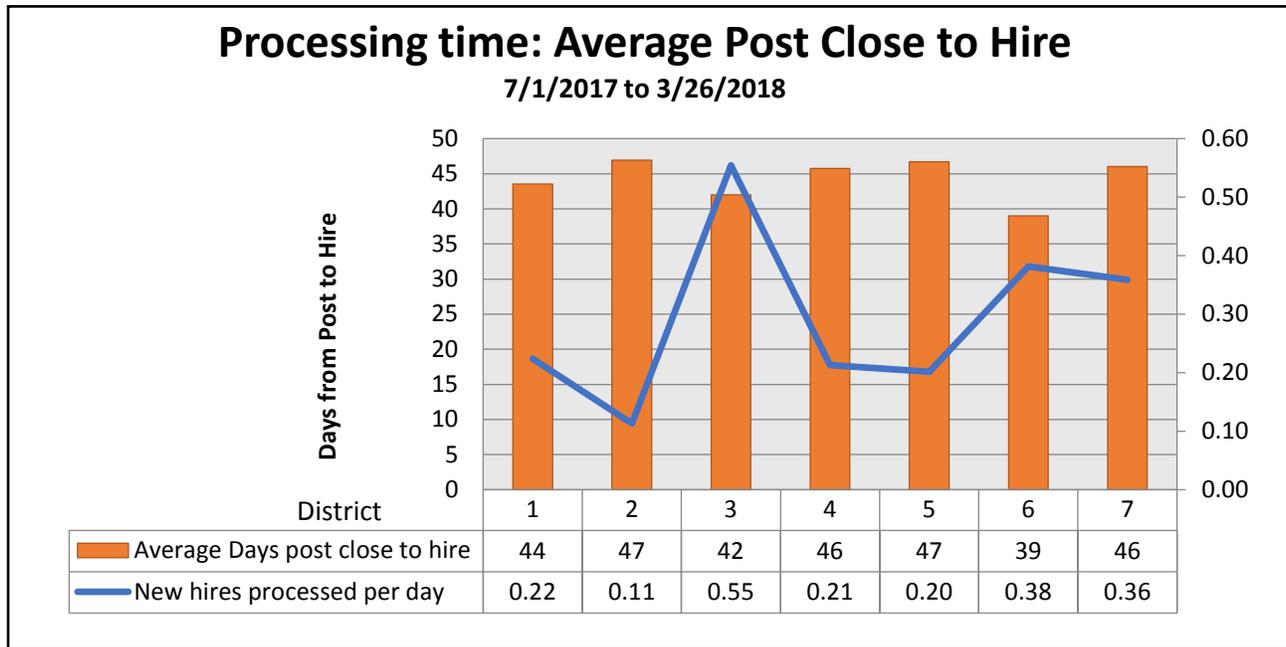
- NeoGov – a centralized State government system that is used to manage job postings and completed job applications
- SharePoint electronic forms (E-forms)
- SharePoint EPMS-PD

In addition we compared BPMs for each location to determine if any locations have specific practices that shorten processing times.

District Comparisons:

Districts 1, 4, 5, 6, and 7 have identical processes in terms of identified tasks and order of task completion. These districts have equivalent TIMWOOD scores of 15 (Figure 2); however, processing time for each may vary depending on staff experience and workload. Processing time to hire an employee in these districts ranges from 39 to 47 days. On average, this baseline took 44 days to hire an employee which is just above the Agency average of 43 days (Figure 3 below). These districts averaged 46 new hires per district between July 1, 2017 and March 26, 2018. This provides a baseline average processing time of .27 new hires per day. Because the process steps for these districts are similar, we used this district grouping to establish a baseline for comparison. Following is a comparison of the two remaining districts to the baseline that helped us identify inefficiencies and best practices.

Figure 3



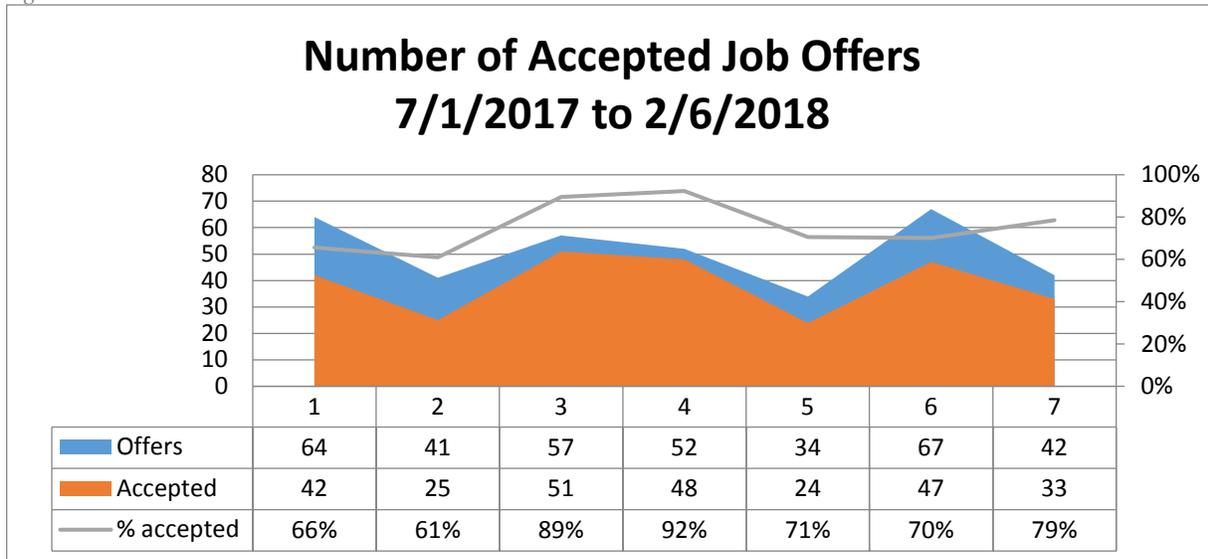
Comparison of District 2 to the Baseline

Figure 2 shows that District 2 has a TIMWOOD score of 15 which is the same as the baseline districts, indicating an equal potential for inefficiency in District 2. Figure 3 indicates that District 2 has an average hiring process time of 47 days which is this longest processing time in the state tied with District 5. When coupled with the fact that District 2 hired the fewest number of employees¹ in the longest amount of time of all districts, this data indicates that it is the least productive district in the state at .11 average new hires per day. Slow processing expectantly leads to applicants moving on prior to an offer being made. The data corroborates that expectation. District 2 offered positions to 41 applicants but only 25 accepted – a 61% acceptance rate (Figure 4). Additionally, strategic plan meeting comments regarding hiring delays was the highest in District 2 (Figure 1).

Our comparison of BPMs showed District 2 has implemented a process that is the same as the baseline districts. The biggest variable for any of the districts is the time between when the job post closes to when the e-form is created. There are many activities occurring during this time but no mechanism to track the processing time. Our analysis indicates that there is something occurring between the job post close and the creation of the e-form that is slowing down the process in District 2. Targeting the exact cause of this delay is hindered by a lack of available data, such as driver’s license screening date, interview date, and drug screen date. The combined data indicate symptoms which are characteristic of a process that is experiencing actual inefficiency that is in excess of the baseline.

¹ For the period July 2017 through February 2018

Figure 4



Comparison of District 3 to the Baseline

Figure 1 shows that District 3 has a TIMWOOD score of 12 which is the lowest potential for inefficiency among all districts. Figure 3 notes that District 3 has the ability to process an average of .55 new hires per day as compared to the baseline average of .27. Between July 2017 and February 2018, District 3 extended 57 job offers to applicants and 51 of the offers were accepted – an 89% acceptance rate (Figure 4). The number of strategic plan meeting commenters regarding hiring delays was the lowest in District 3 (Figure 1).

Our comparison of BPMs revealed that District 3 has a process model similar to the baseline but includes the following key differences that streamline the process:

1. District 3 is collecting data, monitoring its own performance, and holding staff accountable for district goals. The DEA in District 3 has established regular monitoring of the vacancy rate and hiring process time. The district Human Resources Coordinator (HRC) tracks data and provides hiring status performance reports, including a district wide overview, and an analysis of each of the offices in the district. The district has established guidelines including a vacancy rate goal of 8% and a county processing time goal of 21 days. These reports are reviewed by the leadership at the weekly district meetings. When the team sees a variance from the goal, the district leaders address the issue with the staff responsible.
2. District 3 does a lot of recruiting in the community to fill vacant positions. This has helped district 3 find applicants with specialized skills for hard to fill positions such as signal shop staff and SHEP (State Highway Emergency Patrol) staff.
3. For the baseline, a position description (PD) requiring a change must be reviewed and approved by HQHR. This step can take several weeks. District 3 reports that it has reduced the approval time to less than one week. This was accomplished by promoting ongoing communication and information sharing between the district HRC/HRS and their HQHR contact.
4. Typically, district HRCs in the baseline wait until a job posting closes before extracting NeoGov applications and sending them to the hiring manager. In District 3, the HRC

performs this step as soon as the applications are received in NeoGov allowing the hiring manager more time to review applications.

5. Our interviews with District 3 staff revealed that they have made timely hiring a priority. As observed during interviews with staff in District 3, staff take accountability for their portion of the process by completing their piece timely and communicating with others in the process. Management in District 3 has reinforced this by holding people accountable for the district goals.

5.3 HQHR PROCESS MODEL ASSESSMENT

HQHR’s process was mapped using BPM notation. HQHR has assigned roles and responsibilities and has standardized the HQHR hiring process for the HQHR staff. This allows for less variation in the HQHR process and reduces the instances of actual inefficiency.

This process is represented by the following tasks:

1. E-form received from the district
2. Salary study completed
3. Salary recommendation made
4. E-form approved by HQHR’s Division of Classification and Compensation
5. If salary request is above the mid-point (except for Trade Specialist II positions), or is above a band 7, the e-form must be sent to the State’s Division of State Human Resources for approval.
6. E-form sent for internal approvals (approvers depend on position and band as defined in department directive)
7. E-form approved
8. E-mail sent to HRC notifying of hiring approval and salary
9. Job offer made
10. Hire date set
11. Employee onboarded

The HQHR process has a TIMWOOD potential inefficiency score of 40. While this score is high, the data indicates that the instances of actual occurrence of inefficiency are low. The overall hiring process takes an average of 43 days from post to hire. HQHR’s part of the process accounts for about one third the tasks and takes an average of 6 days to complete, or about 14% of the hiring process time (Figure 5). One of the primary reasons for the range variation is that some hiring actions require approval from the SC Division of State Human Resources (DSHR). Turnaround time is outside of the Agency’s control.

Figure 5

	Days
Range of days from post to hire	7 – 76
Average number of days from post to hire	43
Range of days from District approval to HR approval	0 – 12
Average number of days from District approval to HR approval	6

5.4 ANALYSIS OF DECLINED JOB OFFERS

Strategic plan commenters noted that many applicants decline job offers presumably due to delays in the hiring process. Between July 2017 and February 2018, 270 of 357 applicants accepted a job offer, which is a 76% acceptance rate (Figure 4). As noted in our comparison above, the data supports that the declines are attributable to process delays. Additionally, hiring managers reported that declines oftentimes relate to highly skilled, desirable applicants for difficult-to-fill positions. These positions frequently require salary offers above the midpoint of a pay band requiring approval from DSHR in addition to internal executive management approvals. Salary negotiations can extend the hiring process further as offers move through the approval chain. In the meantime, an applicant who is interviewing with other organizations may receive another offer.

5.5 ASSESSMENT OF RECENT MANAGEMENT INITIATIVES

In the twelve months prior to our engagement, SCDOT had already conducted an assessment of several bottlenecks in the hiring process. The Agency undertook the following specific initiatives in an effort to reduce processing time.

E-forms

Beginning in July 2017, HQHR implemented the use of electronic forms (e-forms) for the Recommend to Hire forms (HR2 and HR7). Previously, these were paper forms that required a physical signature from each approver at the county, district, and HQ. If errors were noted, the forms would have to be sent back to the county or district for corrections and then through the approval chain once again. Because the e-forms use electronic signatures and time stamps, the Agency now has the ability to track and report out on the process times for job post-closing dates, declined positions, and e-form data.

Assigned Position Description Numbers

Prior to July 2017, SCDOT used a vacancy pool to fill positions. Positions in a vacancy pool do not have permanent position numbers associated with them making it impossible to track when a vacated position has been filled. Subsequently, the Agency discontinued the use of a vacancy pool and began assigning PD numbers that stayed with the positions. This change allows for tracking of vacancy durations.

Having assigned PD numbers also reduces the time to post a vacant position. Without a permanently assigned PD number, PDs for positions within the vacancy pool had to be sent to HQHR for review of classification and compensation prior to posting. This step spanned one to four weeks for most districts. With permanently assigned numbers, PDs require HQHR approval only when a change to the PD has been made.

Delegation of Signature Authority for Trade Specialist II And Mechanic I Positions

State agencies may only hire above the midpoint of a pay band with approval from the DSHR. In order to attract qualified applicants, SCDOT must often set starting salaries above the midpoint for its Trade Specialist II and Mechanic I positions. The DSHR approval step had caused delays affecting the Agency's ability to hire selected candidates. The impact is significant because these positions represent a large number of the SCDOT employee

population and have a high turnover rate. In the spring of 2017, SCDOT received approval from DSHR to hire up to the band maximum for Trade Specialist II positions. This delegation of authority allows SCDOT to hire employees in this position type up to the band maximum without having to get approval from DSHR.

In response to receiving full delegation authority for the Trade Specialist II, HQHR delegated internal hiring authority to the DEAs to hire Trade Specialist II and Mechanic I positions above the midpoint of the pay band. This has reduced the number of internal approvals required. Therefore, the Agency expects a reduction in processing time between receipt of the e-form and job offer.

Driver's License Screening

In the past, driver's license (DL) screening was performed after candidate interviews were completed and selection was made. When candidates did not pass the DL screening, the hiring manager would either have to screen their second choice or interview more candidates. In some cases, other qualified applicants had moved on to other employers so the position had to be re-advertised. These additional steps caused significant delays in the hiring process. In response, the Agency changed its process to require DL screening for all interview candidates prior to the interview. The new process allows hiring managers to screen out ineligible applicants prior to the interview. This change is expected to reduce the number of re-postings and time spent selecting applicants for interview.

Assessment of the Above Management Initiatives

While these improvements have made the hiring process more transparent and trackable, process measurements were not taken prior to the implemented changes so measuring process time improvement is not currently possible. The post-to-hire data collected between July 2017 and March 2018 is the baseline data from which the Agency can measure improvement in the hiring process going forward including each of the above initiatives.

5.6 CONCLUSION

Our objective was to assess the hiring process to identify inefficiencies, if any, that contribute to avoidable delays between the reporting of a need for new staff and the date an employment offer is made. The lack of relevant data prevented us from completing a full efficiency study and prevented the identification of specific and targeted improvements to the hiring process based on actual conditions. The ability to assess performance relative to hiring employees is severely constrained by the Agency's inconsistent approach to capturing key data points.

With the implementation of changes to the hiring process, SCDOT has an opportunity to start tracking key data points that would allow for better performance monitoring and measurement. Monitoring and measuring performance of the hiring process is best practice to ensuring that SCDOT is hiring experienced and qualified employees to reach SCDOT's strategic goals. Monitoring and measuring performance would give the Agency better insight into the problem areas in the hiring process.

6 OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT ACTION PLANS

Observation 1 Process Standardization

The Agency does not have an organization-wide standardized hiring process or documented procedures which

- Establish an efficient, orderly workflow
- Provide target timeframes for process steps
- Identify the position responsible for completing each step
- Provide transparency to the process

The business process models for the hiring process indicate that all seven districts have similar processes with a few critical path variations. However, the data indicate that there are often wide variations in the hiring process time because of inconsistencies in task completion.

Recommendation: We recommend that HQHR develop a standardized hiring process model and documented procedures to be used by all SCDOT offices across the state. The process model should identify the position responsible for each task and should indicate specific task timeframe targets. We recommend that the Agency use the hiring process in place at District 3 as a starting point since it is the most efficient based on our analysis.

Implementation Consideration: To ensure that process changes do not create unintended inefficiencies, HQHR should collaborate with each SCDOT office to conform the model to the unique variables at those locations (e.g. size of staff, available talent pool, organizational culture, staff capabilities, staff turnover and labor competitors).

A standardized hiring process will not likely have a successful implementation without the buy-in, collaboration, and accountability of the district and county offices.

Management Action Plan (MAP) 1	
Develop Agency-wide standard hiring practice.	
MAP Owner:	Assistant Human Resources Director
Division:	HQHR
Scheduled Date:	The process was developed on June 1, 2018 and includes time standards. The process will be implemented after July 17, 2018.

Observation 2 Performance Measures

Measuring hiring process performance is impeded because the Agency uses several disconnected databases, compiles data in a variety of ways, and is not collecting and tracking certain key information or tracks it inconsistently (e.g. interview and selection timeframes). This results in a data set that is difficult to compare and requires labor intensive analysis to assess trends that may have flawed assumptions because a holistic view of the data is not readily available.

Additionally, data is maintained in NeoGov, but NeoGov does not produce reports that extract data relevant to performance measurement, therefore data must be manually compiled. Compounding the issue is that the Agency limits access to data that resides in NeoGov due to concerns about information security. Managers needing to track process performance must request information from authorized users, resulting in delays. We noted that the Agency has only one type of user role which allows full access to confidential information about all SCDOT applicants. Observation 7 – Forwarding Applications (page 22) includes a recommendation that the Agency consult with DSHR to determine if there is a user role in NeoGov which will allow limited access.

Recommendation: We recommend the Agency establish end-to-end hiring process performance measure standards for SCDOT offices across the state to include:

- Performance measure targets including key process step timeframes
- Measures that can identify the cause of inefficiencies
- Types of data to collect and measure
- Method of collection, storage, tracking, and reporting

Some key dates to track include:

- Vacancy
- Job post and close
- Driver's license screen
- Interview
- Drug screen
- Underutilization Justification (through the Affirmative Action Office)
- Hire approval
- Job offer
- Hire date

For certain data elements, the Agency should leverage existing systems, where possible. For example, NeoGov has an interview date field which is not currently used by the Agency. Tracking interview dates would allow SCDOT to measure the duration from interview to hire, important to reducing the number of applicants accepting a job elsewhere.

If NeoGov is updated as expected, it will give the Agency the ability to run reports of applicant data useful to measuring performance of the hiring process. We recommend that the Agency evaluate the system's data compilation capabilities to best incorporate the data into its performance measure standards.

Implementation Consideration: New systems and upgrades to systems may take longer than anticipated and result in glitches. Also, it is important to involve system users, owners and

developers early in the upgrade design to minimize design changes later. Because NeoGov contains sensitive information about applicants, consideration should be given to the efficient provision of data to users while maintaining least privilege data security. Additionally, a data tracking requirement will likely change duties for staff in the field. Written guidance and training on measuring performance will establish expectations and consistent hiring process monitoring efforts including:

- Defined data points
- Frequency of measurement
- Tracking
- Reporting

Tracking and monitoring performance measures is a very important step towards measuring improvements of the hiring process time however these efforts will not likely be a successful in terms of assisting the Agency to improve the hiring process without the buy-in of the district and county offices, collaboration between HQ and the districts, and shared accountability.

Management Action Plan (MAP) 2 A	
Performance measures included in standardized hiring process (MAP 1). Assistant Human Resources Director monitors the date and intervals of the following, by district, on a monthly basis using existing reports in NeoGov and SCEIS. Vacancy Job post and close Interview Hire approval Job offer Hire date	
MAP Owner:	Assistant Human Resources Director
Division:	HQHR
Scheduled Date:	The process was developed on June 1, 2018 and includes time standards. The process will be implemented after July 17, 2018.

Management Action Plan (MAP) 2 B	
While the Affirmative Action Office (AAO) understands the importance of capturing and tracking pertinent data to assist in bettering its processes, our team has taken the liberty of coordinating with the Disadvantaged Business Enterprise (DBE) Reporting Unit to establish a new AAO database. This will better allow AAO to pinpoint various issues or concerns that may arise during the review process in reference to Memorandum of Justifications (MOJ). Our first meeting was held on June 15, 2018. The goal is to have this database up and running on or before January 31, 2019.	
MAP Owner:	Affirmative Action Officer
Division:	Minority and Small Business Affairs Office
Scheduled Date:	January 31, 2019

Observation 3 Manual Data Compilation

Data used to measure hiring process performance resides in several disconnected databases requiring manual and time-consuming compilation. Manual compilation increases the risk of error, especially when entering hundreds of rows of data into error-prone tools such as spreadsheets. Additionally, manual compilation delays analysis and decision-making because the number of staff who can compile the data is limited to those authorized to access personally identifiable information. The time lost manually compiling data could be used to perform more thorough analysis.

Recommendation: We recommend that SCDOT consider developing or procuring automated solutions for the compilation of key hiring process data points and analysis of performance and data trends.

Implementation Consideration: While automation can reduce the risk of error and delay, the Agency should invest in automation where the financial cost and staff time to implement do not exceed the expected benefit.

Management Action Plan (MAP) 3.1	
We considered the feasibility of software which allows integration of NeoGov and SCEIS. We determined that attempting to develop/purchase software to allow integration of NeoGov and SCEIS is not deemed cost effective unless and until other measures noted in this document fail to address hiring process satisfactorily.	
MAP Owner:	Assistant Human Resources Director
Division:	HQHR
Scheduled Date:	Completed cost/benefit analysis on June 21, 2018; will address again if other measures are unsuccessful.

Observation 4 E-form Tracking and Approval

The SharePoint e-form system implemented in July 2017 has allowed the Agency to capture data points that were not previously available. The e-form process allows for instant access for e-form approvals. However, managers and staff have no visibility to the e-form pipeline or approval status once the e-forms are signed. Additionally, e-forms typically go through several approvals in the supervisory chain which can be time-consuming and delay the offer. Upper management uses e-forms to monitor and gain insight into hiring trends in terms of characteristics of candidates being hired.

Recommendations: We recommend that the Agency implement a dashboard tracking tool for the e-forms that

- Incorporate established time frames
- Show a history of hiring request actions and approvals
- Provide notification to the user of an impending action deadline

SCDOT should also assess its directive for assigning approvals by pay band and position to determine if too many approvals are required relative to risks. Criteria for each level of review/approval should be defined to eliminate redundancies. Lower risk hiring actions (e.g. common hires without unique salary considerations) should not require the same levels of approval as high risk hires. Also, information that is important to upper management (e.g. trends in applicant ethnicity) should be provided through periodic reports rather than the e-form approval process.

Implementation Consideration: The data dashboard should be developed through collaboration of information technology staff, hiring managers, approvers, and other users of e-form tracking data. Additionally, the review and approval process should be defined (e.g. level of authority and review criteria for each hire type) in policy and procedures to ensure consistent effective reviews.

Management Action Plan (MAP) 4	
Develop a method that allows for review of all data elements of closed e-forms.	
MAP Owner:	Human Resources Operations Director
Division:	HQHR
Scheduled Date:	October 1, 2018

Observation 5 Hiring Specialized Skill Positions

Difficult-to-fill positions that require highly skilled, desirable applicants often require additional approvals before an offer can be made. Thus, the lengthened process may result in a lower job acceptance rate for difficult-to-fill positions.

Recommendations: We recommend that SCDOT identify hard-to-fill positions which require specialized skills and/or experience and explore preapproval from DSHR to higher-than-above midpoint salaries for these positions. The Agency should also evaluate the required number and authority level of internal approvers to eliminate unnecessary or excessive approvals for these types of hires.

We recommend that the Agency use the performance measures and recruiting techniques in place at District 3 as a starting point since it is the most efficient based on our analysis

Implementation Consideration: The types of positions that are hard to fill are likely to change over time with changes in the state’s manpower availability. Trends should be monitored continuously to revise DSHR preapproval and SCDOT approval policies in a timely fashion.

Implementing the use of performance measures and recruiting techniques is a very important step towards improving the hiring process time however these efforts will not likely be a successful in terms of assisting the Agency to improve the hiring process without the buy-in of the district and county offices, collaboration between HQ and the districts, and shared accountability.

Management Action Plan (MAP) 5	
Identification of specialized skill positions and determination of those which require coordination with DSHR regarding approval is a planned element of a current classification and compensation process.	
MAP Owner:	Director of Human Resources
Division:	HQHR
Scheduled Date:	Ongoing

Observation 6 Position Description Approval and Posting

We identified the position description (PD) approval step as a delay point in the hiring process. When a PD changes or is not assigned a PD number, the job cannot be posted on the job board until it is reviewed by HQHR Division of Classification and Compensation (DCC) to ensure that the position is classified correctly. This review may be time-consuming depending on the changes that are being made. Once the PD is approved, some districts batch the posts meaning that the PD may be held and posted once the district has more than one to post. Other districts post the PDs on a certain day of the week. The Agency has plans to implement a new PD system scheduled for fall 2018 which it expects will address many of these delays.

Recommendations: We recommend that HQHR update PD policies and documented procedures once the new PD system is implemented. Staff should be trained on the use of the new system and policies and procedures. We further recommend that SCDOT post positions on NeoGov on the date that the district HR staff receive the request with an approved PD, rather than batching or scheduling the PDs to post.

Implementation Considerations: New systems and upgrades to systems may take longer than anticipated and result in glitches. Also, it is important to involve system users, owners and developers early in the upgrade design to minimize design changes later.

Implementing the post on the same day recommendation will require buy-in, collaboration, and accountability from the districts.

Management Action Plan (MAP) 6	
Partially addressed in MAP 1 standardized process. Further efficiency gained upon implementation of updated PD system.	
MAP Owner:	Human Resources Operations Director
Division:	HQHR
Scheduled Date:	January 2, 2019

Observation 7 Forwarding Applications

Hiring managers do not have access to completed applications in NeoGov because the Agency has only one type of user role which allows full access to confidential information about all SCDOT applicants. Since hiring managers should only have access to data relative to their job postings, SCDOT has limited NeoGov access to human resources staff at Headquarters and the districts. Consequently, hiring managers must wait for human resources staff to extract and deliver applications to them. This approach likely causes delays if the hiring manager receives all applications at one time after the position closes. Most districts reported waiting until a job posting closes before forwarding applications to the hiring manager. District 3 has streamlined this step by sending completed applications to the hiring managers as soon as they are posted to NeoGov allowing hiring managers to review applications and select candidates to interview prior to the posting's close. Our analysis of District 3 data indicates that its interview and selection process time is quicker than the other districts.

Recommendations: We recommend that applications be pulled from NeoGov and sent to hiring managers more frequently and prior to the job posting close to afford the hiring manager with earlier timeframes to review applications and select candidates for interviews. We also recommend that the Agency identify key staff that can be given access to NeoGov. This would take some of the burden off the district HR staff and allow the hiring managers better access to applications in NeoGov. Finally, SCDOT should consult with DSHR to determine if there is a user role in NeoGov which will allow hiring managers to access only the information they would need to make hiring decisions.

Implementation Consideration: Because NeoGov contains sensitive information about applicants, consideration should be given to the efficient provision of data to users while maintaining least privilege data security. Personally Identifiable Information (PII) about job applicants should be shared on a minimum necessary basis.

Giving hiring managers access to applications prior to the job-post closing would require buy-in, collaboration, and accountability from the district and county offices to utilize the information they have been given access to in a way that could improve the process.

Management Action Plan (MAP) 7	
Addressed in MAP 1. Additionally, may be enhanced by adoption of Hiring Manager role in NeoGov Online Hiring Center (OHC).	
MAP Owner:	Assistant Human Resources Director
Division:	HQHR
Scheduled Date:	June 1, 2018

Observation 8 Streamline Underutilization Justification Process

In order to meet State Human Affairs Commission goals for hiring from minority and female classes, the Agency requires hiring staff to compile information about the selected applicant and those interviewed to ensure that each applicant was given fair consideration for the position. If the applicant selected is not in an underutilized class, an underutilization justification must be written and approved by the Agency's Affirmative Action Office (AAO) which lengthens the process. Justifications with missing information are returned to the districts which may cause additional delays. The turnaround time for underutilization reviews usually takes less than a day if the justification contains all of the required information. If there is a need for further explanation on the justification, the process can take several days to complete. Because this review is conducted concurrently with other activities in the hiring process there should not be a significant delay in the process that would cause a delay in a job offer. It is more likely that the cause of a delay would result from the time that it takes for the justification to be compiled and processed in the district. We were unable to measure timeframes because the Agency does not track dates on underutilization justifications (see related Observation 1 – Process Standardization on page 14).

Recommendations: We recommend that the Agency evaluate its underutilization justification process for streamlining opportunities such as:

- Collaboration between hiring personnel and affirmative action staff earlier in the process through information sharing
- Development of an electronic form for underutilization reviews to streamline the process and reduce waiting time. Electronic forms can reduce delays by:
 - Auto-populating interviewed applicant information
 - Electronically submitting approval signatures

Implementation Consideration: Electronic form users and developers should collaborate on design to ensure that the form provides the information needed and existing processes at the Affirmative Action Office revised to incorporate the form.

Any efforts to collaborate with the Affirmative Action Office to improve the efficiency of the hiring process will not likely be a successful in terms of assisting the Agency to improve the hiring process without the buy-in of the district and county offices, collaboration between Affirmative Action Office and the districts, and shared accountability.

Management Action Plan (MAP) 8

The Affirmative Action Office (AAO) is currently and will continue to take the necessary steps to assure that the review process for streamlining opportunities is adhered to by providing the following:

1. Affirmative Action Office (AAO) currently provides yearly in person training to district office staff to include: HRCs, administrative personnel, and hiring officials. The training allows an opportunity to discuss the general purpose for providing underutilization justifications, determining an underutilization for job vacancies, as well as how and when to provide a memorandum of justification. This training gives an opportunity for employees and the AAO team to have informative discussion as it relates to underutilization justifications, while also allowing an opportunity for them to address

issues and/or concerns they may have or have experienced which would hinder a quick turnaround time in reference to process completion.

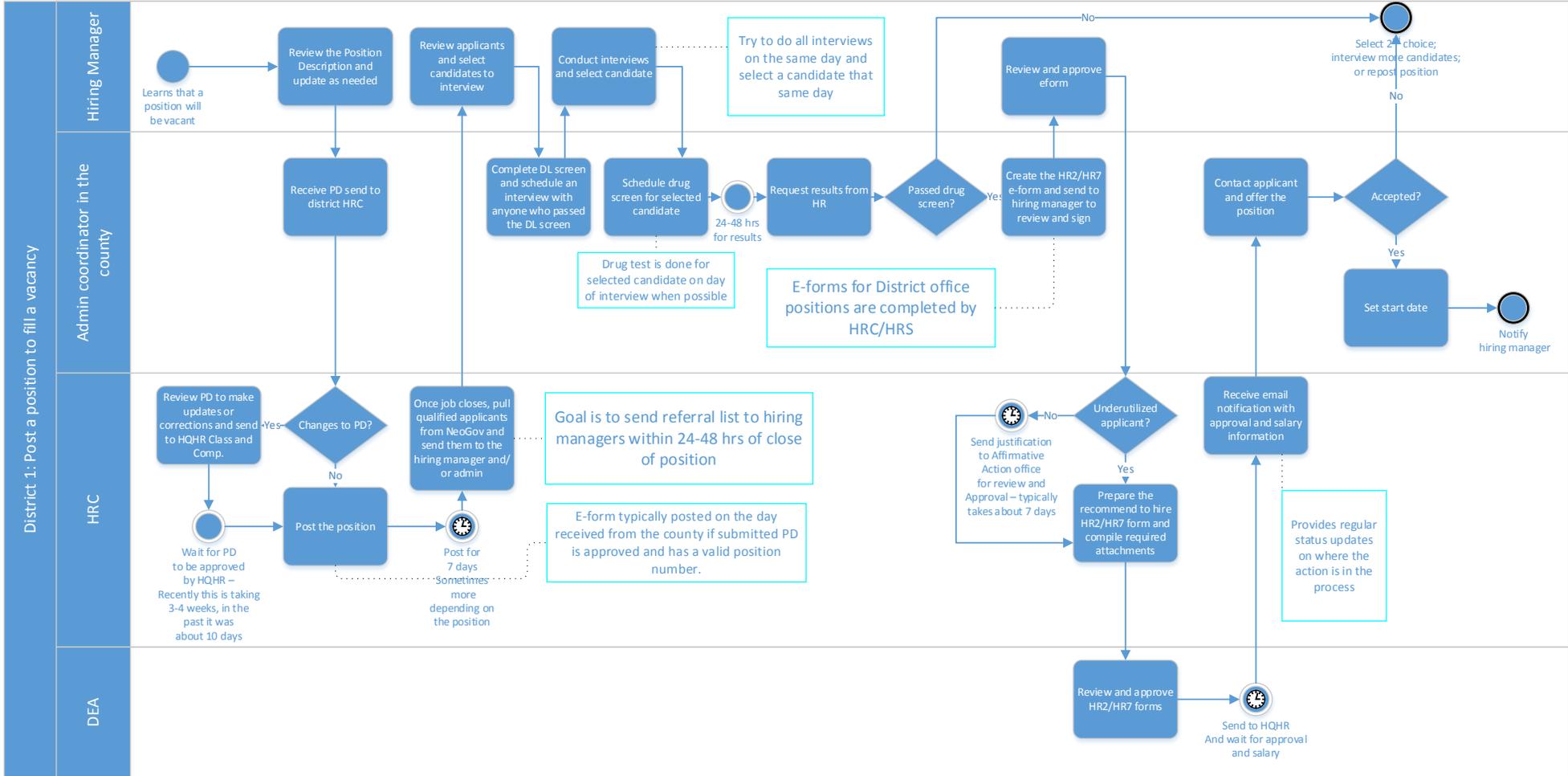
2. AAO also provides training throughout the year to “newly” hired officials during the Human Resources Fundamentals course that is provided by the Human Resources Training and Development Unit. During this training AAO also covers the process of underutilization and justification in its entirety. It allows a new manager an opportunity to understand their duties and responsibilities as it relates to this process; as well as time for the AAO to address any questions or concerns they may have.
3. AAO has taken the liberty of creating a new sample format for the “Memorandum of Justification” (MOJ). This form has been in place for over two years. The intent is to provide consistency amongst the districts, in addition to allowing a quicker turnaround time during the review process. The MOJ can be accessed electronically by all district HRCs; additionally they were provided with a hard copy to disseminate to their hiring officials to utilize as a guide. When creating this form, valuable input was provided by all district HRCs to assist in establishing a quicker turnaround time during the review process.
4. AAO is currently in the process of working in coordination with Human Resources’ Training and Development Unit to implement an online training module. It will specifically cater to hiring officials. Among other topics, this module provides the hiring official with scenarios that will assist in preparing, determining, and selecting individuals who may or may not be from the underutilized category. The goal is to assure that all hiring officials become more knowledgeable of the AA Program, as well as one of its very important processes, which is underutilization and justifications. This is also to assist with a quicker transition during the review process. Training has been developed and fielded. The target completion date is January 31, 2019.

5.

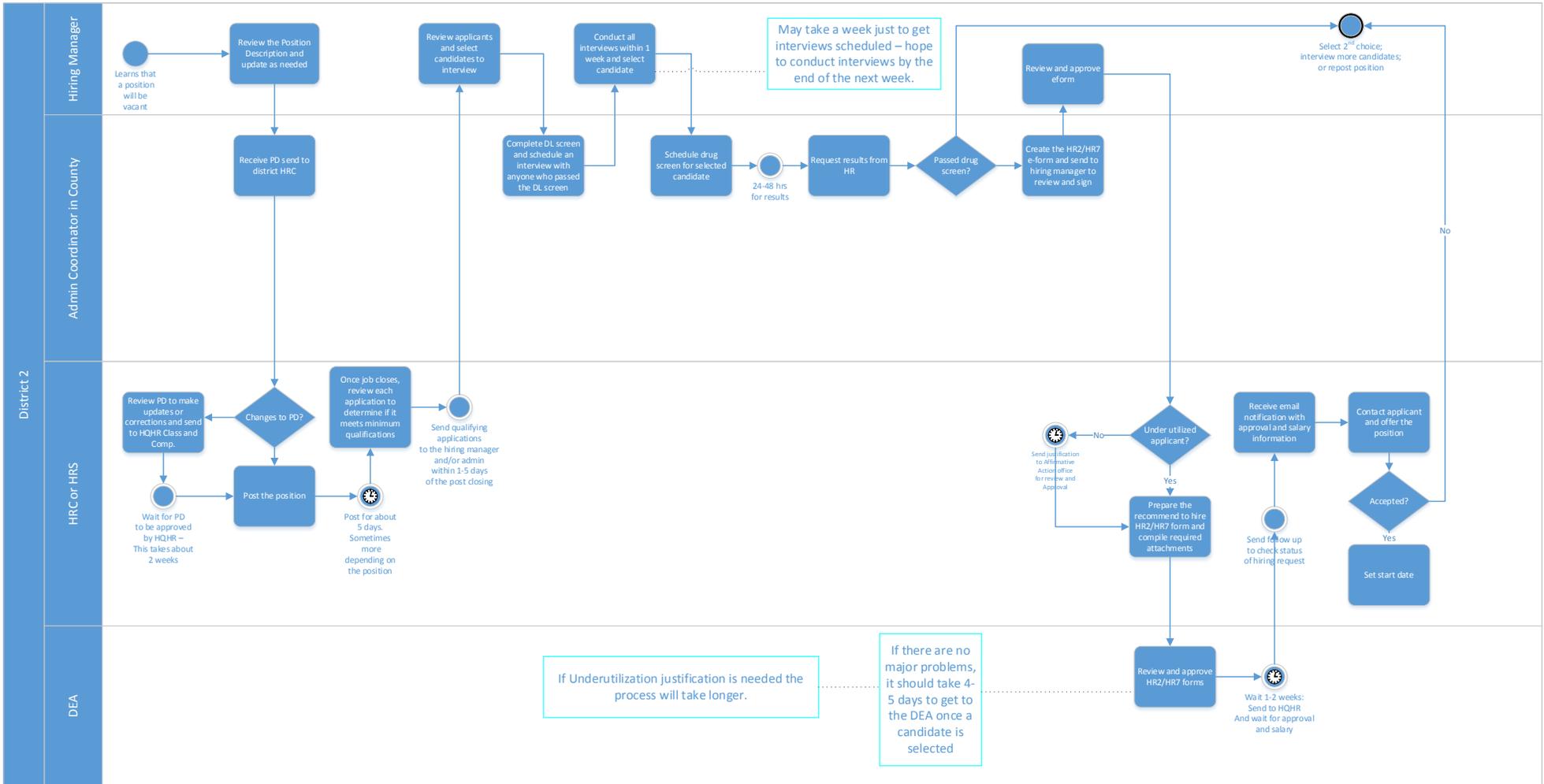
MAP Owner:	Affirmative Action Officer
Division:	Minority And Small Business Affairs / Affirmative Action Office
Scheduled Date:	January 31, 2019

APPENDIX A BUSINESS PROCESS MODEL DIAGRAMS

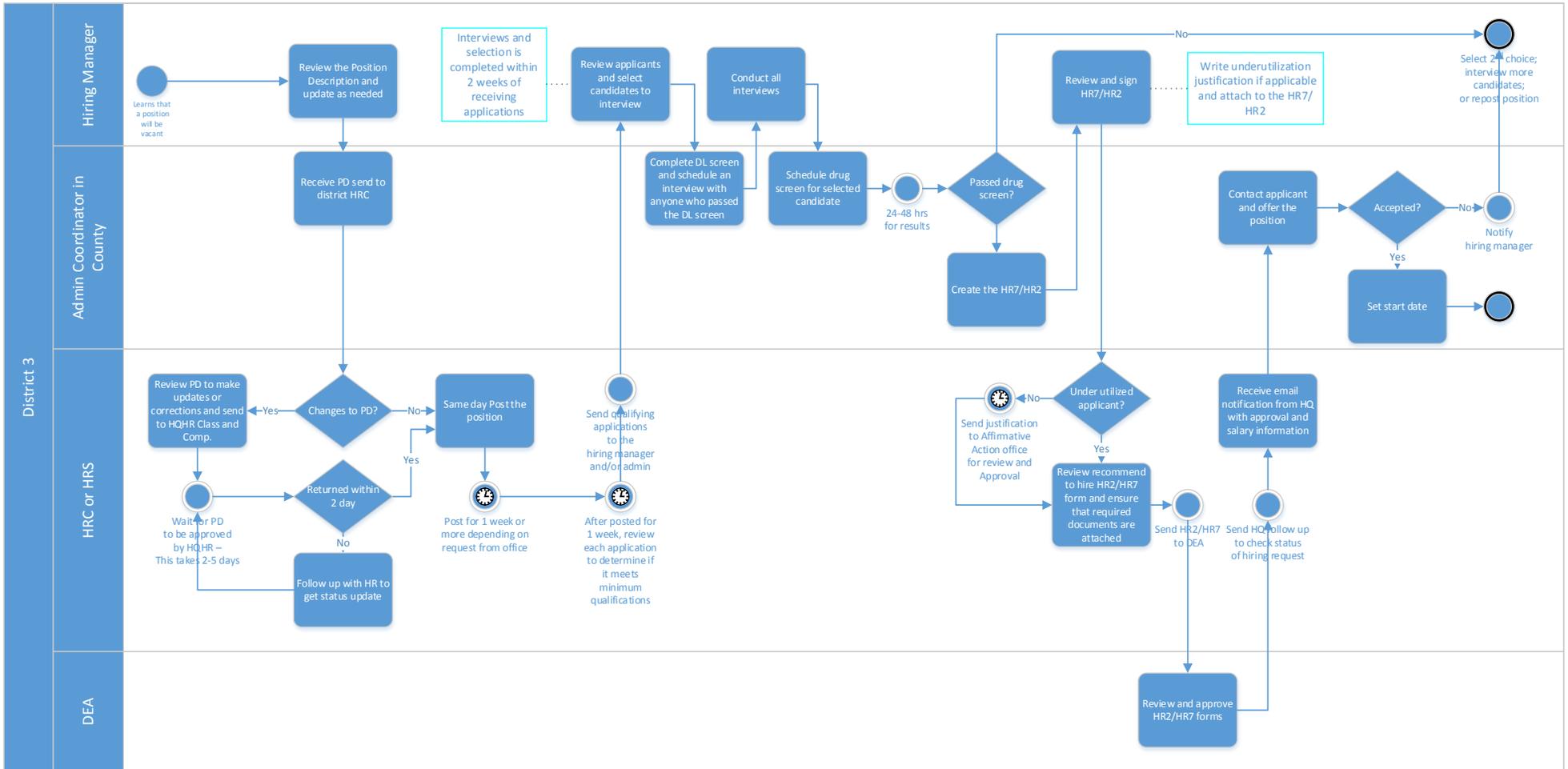
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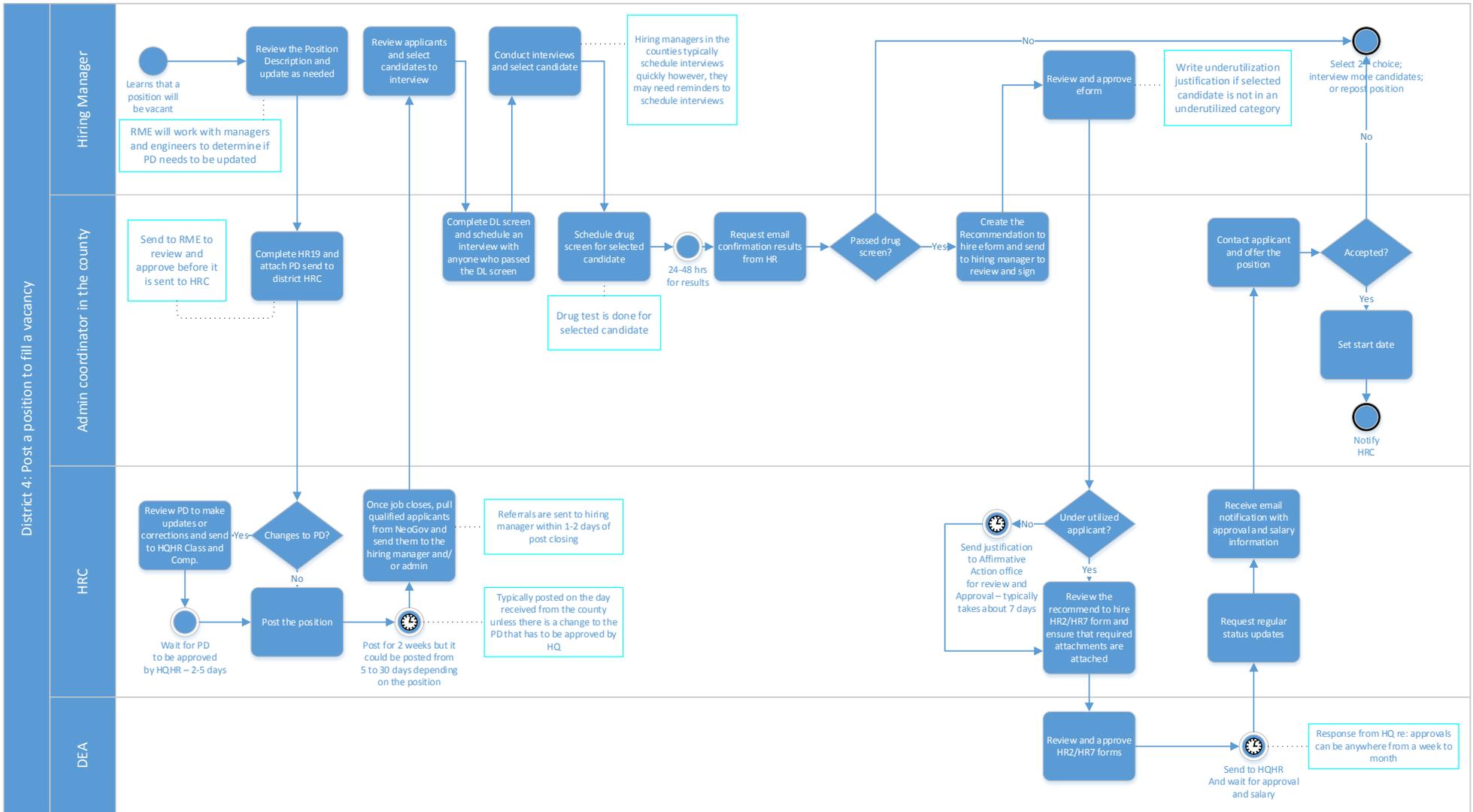
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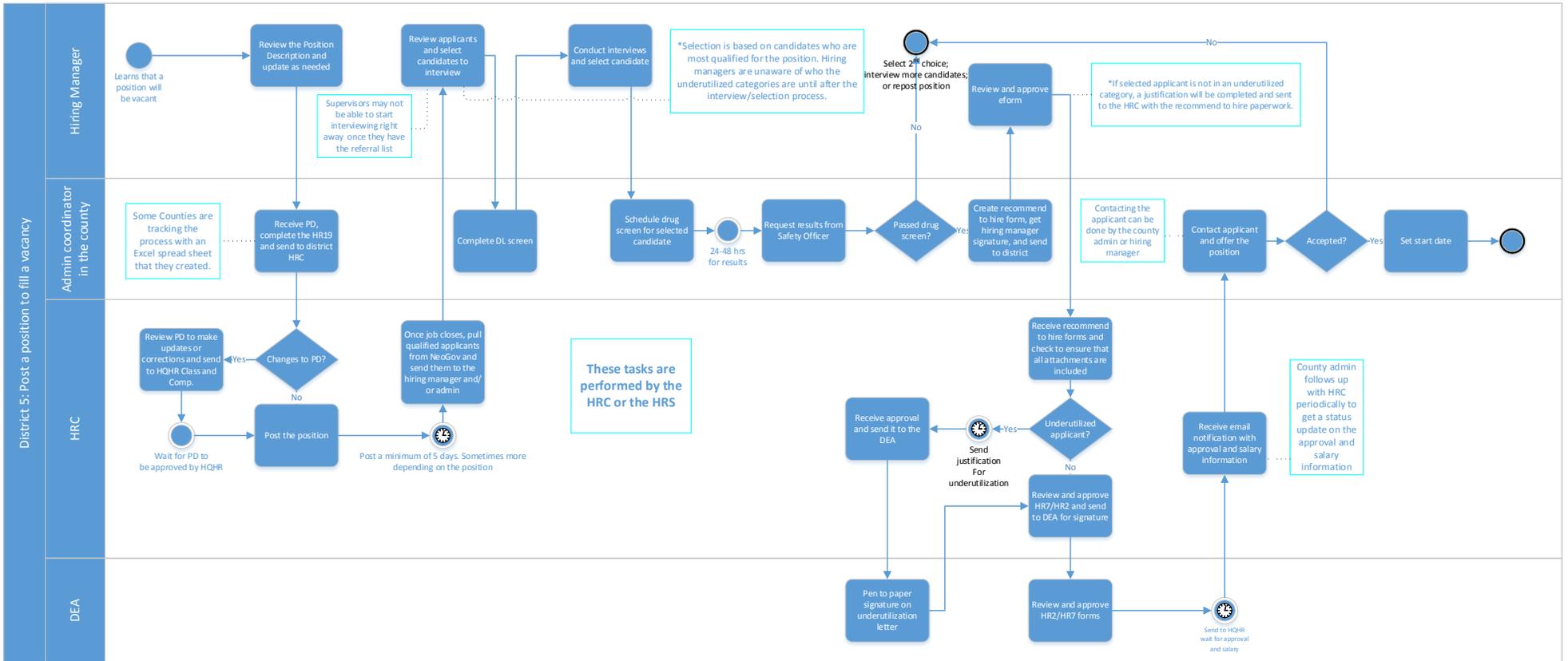
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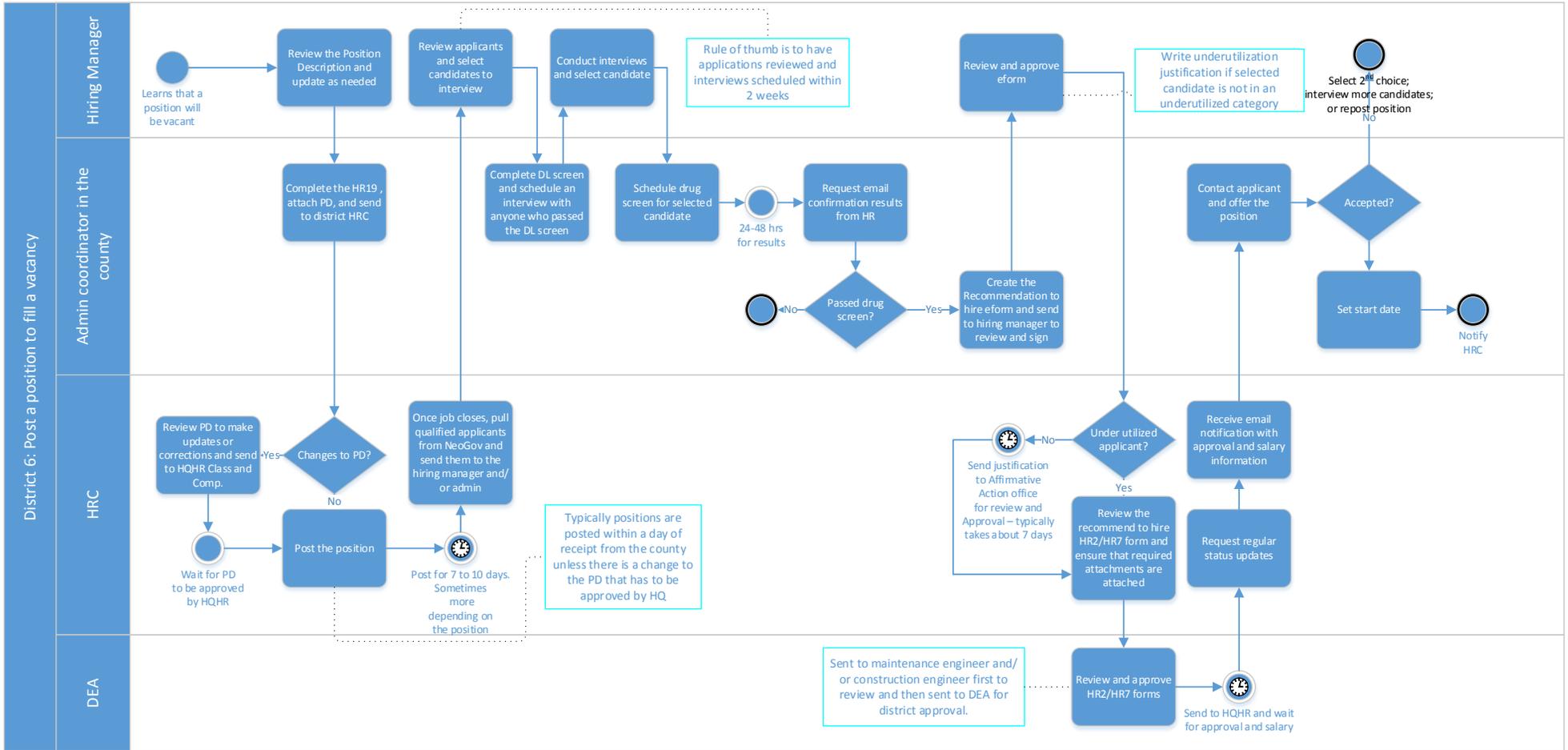
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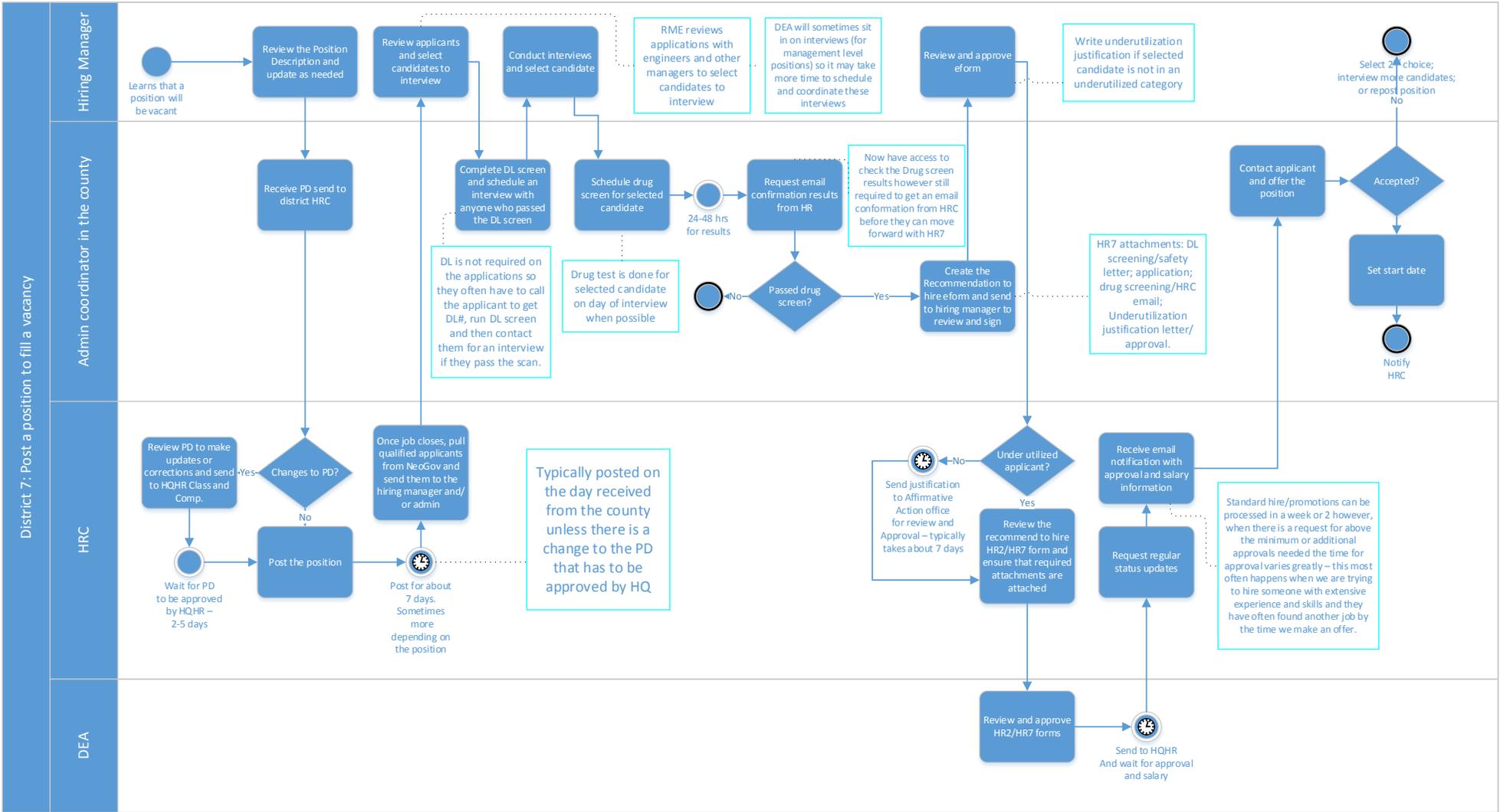
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DISTRICT 6



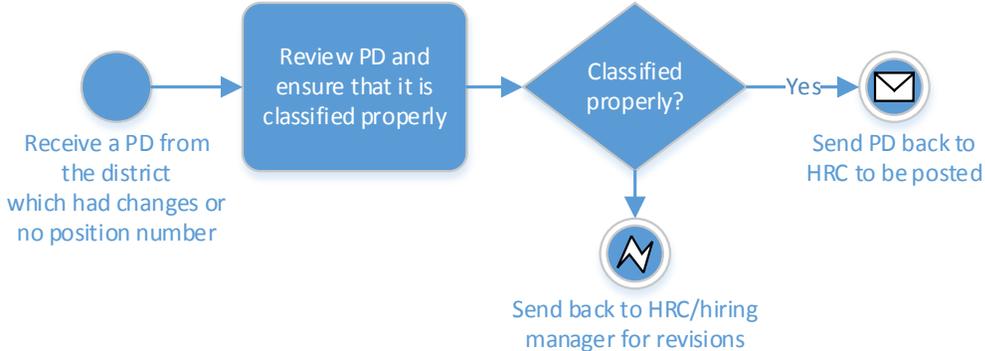
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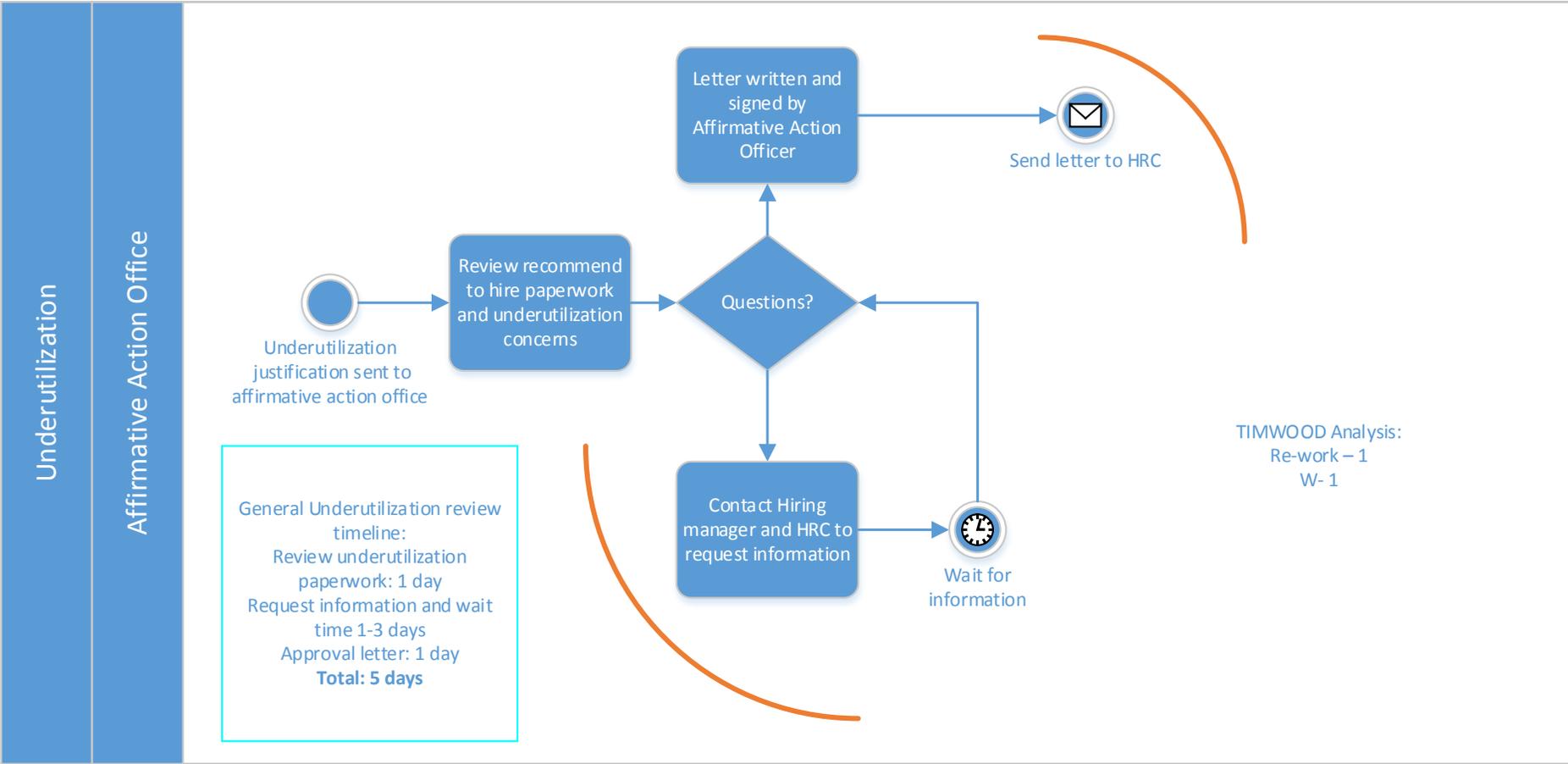
Posting Vacancies

HQ HR

General timeline:
Classification review:
3 days



UNDERUTILIZATION



HIRING APPROVALS

