Colleagues,

In about a month, merit reform legislation will take effect. I want to update you on how we’re preparing for the changes in how we manage our most importance asset – our collective talent. Although most of you will not experience any change to your daily routines when the reforms come into effect on August 28, the changes will ultimately affect every department in some way.

The new law gives the state the ability to accelerate management reform, which will ultimately help us better serve the citizens of Missouri. Thanks to the new law, departments will have greater flexibility in how their workforces are managed, including:

- Allowance for departments to select the best-qualified applicants for positions;
- The use of open, stepless pay ranges for Uniform Classification and Pay (UCP) positions to allow departments greater flexibility in administering pay;
- Expanded use of “broadbanded” job classifications, which involves condensing or combining class titles performing similar duties and applying guidelines on salary administration;
- Allowance for agencies to address disciplinary issues more effectively.

Remember, merit system reform is just one part of our overall management agenda. We are improving how we work together every day in many ways. These changes reflect your and your colleagues’ input through multiple channels – for instance, through last year’s workforce survey, department-level surveys, focus groups, and daily conversations in all our departments.

- You said you wanted to understand better your organizations’ goals and priorities. Every department now has a set of clear strategic priorities to guide improvements in how we work together. Learn more at strategicchange.mo.gov.
- You said the old annual review processes were time consuming, check-the-box exercises that too often delivered little or no impact. We initiated ENGAGE or similar programs in our departments to ensure consistent, frequent communication between supervisors and team members to provide more effective professional development guidance.
- You said we needed to invest in improving leadership skills. Based upon a cross-department working group’s recommendation, we just launched the State of Missouri’s first Leadership Academy where emerging leaders from every department are learning together how to lead their teams and drive change even better. The new Leadership Library provides leaders, in every department and at every level, the opportunity to share ideas on how we can work together better. Thousands of you read those posts every week.
- You said you wanted training to make your work easier, with better quality, and with more impact. We are establishing new expectations so that all of us will be introduced to management tools and techniques to make our work better – in other words, “continuous improvement.”
- You said we need to do better in how we reward and recognize superior performance. We have stepped up our focus on employee recognition, and we will continue to do so in the months ahead.

Now, here is a detailed update on merit reform and what it means for talent management across our departments. The Human Resources teams from each department, along with the OA Division of Personnel, have been working together to identify future improvements in several areas: the application experience for potential future employees, how we process job applications in our departments and across
departments, and how to get the most out of broadband job classifications. These efforts are ongoing and will result in important changes.

- The applicant experience team recommends that the state should have one central place to apply for a job. This team is working on ways to use a “customer experience” perspective to streamline the process and make it very simple and easy for any applicant. Some agencies already have a simple process. Our goal is to make the application experience simple for every citizen and every department — similar to a one-stop shop for all positions.
- The internal application process team recommends that we streamline and simplify the internal process for our hiring managers. We want a manager or supervisor to access qualified applicants and confirm their qualifications (e.g., background checks) without unnecessary paperwork and processing time.
- The broadband classification team is developing recommendations about how to consolidate similar classifications into one broadband classification. This means that different levels in a classification may be eliminated and rolled into one. An example helps make this concrete: A Budget Analyst 1, 2, 3 etc. will instead become one broadband classification, such as Budget Analyst. This will reduce administrative time spent allocating positions. Additionally, we will move to eliminate pay steps and simply have pay ranges. This will, in turn, give managers greater flexibility with pay in hiring and in recognizing superior performance. We will not have completed the comprehensive review of all our broadband classifications by August 28; instead, by that date we will present the goals and a plan with milestones to achieve this significant reform.

One final clarification: The question most frequently asked of the HR community still is: “What is an ‘at will’ employee?” After Senate Bill 1007 (SB1007) is effective, we will have three groups of employees:

- “At will” employees: These employees may be selected at the discretion of the appointing authority, serve at the pleasure of the appointing authority, and may be discharged – as the statute says – for no reason or any reason not prohibited by law. The majority of State of Missouri employees will be in this category.
- “Constitutional selection” employees: These employees will be “at will,” but hiring will be based upon a competitive merit selection process. Some employees in the Departments of Corrections, Mental Health, and Social Services, and the Missouri Veterans Commission are in this category.
- “Grant-in-aid” employees: These employees are engaged in the administration of federal grant-aided programs that are required by federal law to maintain a system of merit-based personnel standards. Some employees in the Departments of Economic Development, Health and Senior Services, Labor and Industrial Relations, Public Safety, and Social Services are in this category. This limited group of employees will be hired using a competitive merit selection process and have the option to appeal certain employment actions to the Administrative Hearing Commission (AHC).

New rules are being drafted to conform to changes found in SB1007. We will update you about the rule changes in the future.

If you want to know more about merit reform or have unanswered questions or concerns, please be sure and talk to your HR director or let me know.

We will continue to update you as we progress. Many thanks to all the HR team members and others from all our departments who are working to implement merit reform. With all your help, we will make State
of Missouri Government an even better place to work while we deliver the services and support our citizens deserve.

As always, thank you for all you do every day as a State of Missouri team member!

Best regards,

Sarah Steelman
Commissioner, Office of Administration