

STATE OF DELAWARE



EXECUTIVE DEPARTMENT  
DOVER

EXECUTIVE ORDER  
NUMBER NINE

TO: HEADS OF ALL STATE DEPARTMENTS AND AGENCIES

RE: STATE COMPENSATION AND PRODUCTIVITY COMMISSION

WHEREAS, State employee compensation consumes the single largest share of State government resources; and

WHEREAS, the efficient and effective delivery of State government services is largely dependent upon the ability and productivity of State employees; and;

WHEREAS, the growth of State government has a direct impact on the economic climate of our State making it essential that such growth be controlled so as to promote healthy economic development; and

WHEREAS, to attract and retain qualified employees who are able to provide a high quality of state services at a reasonable cost, it is necessary to offer compensation to State employees that is competitive with other employers in the various labor markets in which the State competes; and

WHEREAS, "compensation" must be viewed in its broadest sense to encompass not only wages and salaries, but all benefits accruing to State employees in exchange for services rendered; and

WHEREAS, for the State to be assured that State classified employees are fairly compensated for work performed, the Office of State Personnel manages the State's classification system for State Merit System employees in an objective manner linking job content to level of compensation; and

WHEREAS, the State must periodically examine its classification and compensation policies and practices to continue to attract and retain qualified employees, and to alleviate the pressure to reclassify employees as a reward for good performance; and

WHEREAS, rapid technological change has been occurring in the workplace over the past decade and will continue to take place in the foreseeable future, and this change impacts the composition of the workforce needed to perform the services provided by State government functions and modifies the specific nature and content of the jobs to be performed; and

WHEREAS, it is incumbent upon State government to examine periodically what services it provides and to determine the most cost-effective means of providing each of those services; and

WHEREAS, a number of factors have been shown to affect the productivity of the workforce and influence the cost-effectiveness of alternative service delivery methods including, among others, the provision of adequate staff, staff development and training, employee incentives, adequate performance appraisal systems, and performance-based pay; and



WHEREAS, a comprehensive analysis of the State's compensation policies, in conjunction with an examination of various issues affecting the productivity of State employees, is needed and will allow for the development of strategies to improve the delivery of State services, enhance the quality of work life of State employees and provide adequate and ongoing control over State spending.

NOW, THEREFORE, I, MICHAEL N. CASTLE, by the authority vested in me as Governor of the State of Delaware, do hereby declare and order that:

1. The State Compensation and Productivity Commission is hereby established.

2. The purpose of the Compensation and Productivity Commission shall be to recommend goals and suggest strategies as part of an overall plan for improving the utilization of the State's workforce to assure the most efficient and effective delivery of State services.

3. The Commission's analysis and recommendations will focus on State classified employees, as well as on all employees exempted from the classified service who are certified as comparable to positions in the classified service, including division directors within cabinet agencies who are exempted from the classified service.

4. The Commission will examine the following five principal areas relating to State employee compensation and productivity:

### Employee Compensation

The Commission shall make recommendations based on a comprehensive, classification/total compensation study of those employees specified in paragraph 3. This study will be managed directly by the Director of the Office of State Personnel and will result in the development of a strategy for strengthening the State's classification procedures and for establishing and maintaining a classification/compensation system that is both internally equitable and externally competitive.

### Employee Incentives

The Commission shall address the degree to which various monetary and non-monetary employee incentives, including improved employee appraisal procedures, can impact on productivity. Performance-based systems shall be included in the Commission's review and addressed as part of its overall plan to improve employee productivity.

### Employee Training

The Commission shall determine the degree to which staff development programs are a cost-effective method to improve employee performance and provide for enhanced employee morale. Special attention shall be paid to recommending ways in which a high-quality core of managerial employees can be identified and developed.



### Staffing Patterns

The Commission shall recommend appropriate staffing targets and ratios based on modern personnel management practices and service delivery needs, common to the private sector.

### Technology

The Commission shall address the cost-effectiveness of the State's present and planned use of advanced technology to determine whether such technology is being utilized to an appropriate extent and to assess the impact these new technologies may have on the type of State workforce needed over the next decade.

5. The Commission shall comprise ten members, including the Director of the Office of State Personnel, the Secretary of Health & Social Services, the Chairman of the Executive Committee of the Delaware State Senate, the Chairman of the Administrative Services Committee of the State House of Representatives, three private sector representatives appointed by the Governor, one private sector representative appointed by the President Pro Tem of the State Senate, one private sector representative appointed by the Speaker of the House of Representatives, and a chairman appointed by the Governor. Staff support for the Commission shall be provided by the Office of State Personnel.

6. The Commission shall submit to the Governor and to the General Assembly by November 15, 1985, its recommended goals and suggested strategies to improve the utilization of the State's workforce and to assure the most efficient and effective delivery of State services.

APPROVED this 4<sup>th</sup> day  
of June, 1985.

Michael R. Castle  
Governor

ATTEST:

Yale  
Secretary of State

