

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 346

SPONSOR: Governmental Oversight and Productivity Committee

SUBJECT: Training and Staff Development

DATE: January 12, 1999 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Lombardi</u>	<u>Wilson</u>	<u>GO</u>	<u>Favorable</u>
2.	_____	_____	<u>FP</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

The committee bill will allow for the consolidation of separately funded training and staff-development resources between agencies. In addition, alternatives to delivering training and staff-development may include, but not be limited to, delivery by a single state agency, commercial services consultant or representative, or interactive training from a remote location.

This act will take effect July 1, 1999.

This bill amends s. 20.057, Florida Statutes.

II. Present Situation:

Other Personal Services (OPS) employment is rapidly increasing its presence in the states' workforce and service contracting is on the rise. Both are acceptable methods of conducting business for many state agencies. A combination of early retirement incentives, privatization initiatives, and performance-based budgeting standards has caused the change and has elevated the quality, responsiveness, and delivery of services to the public. Both the private and public sector recognize there is a need to maintain a workforce that is flexible in size yet consumer driven by nature.

A testimony to the fact that this transition does exist within the state workforce is based in a 7% nominal rise in full-time employment positions and a sustained rise in the Special Category appropriation (contracted services) in the last 4-5 years. In fiscal year 1997-98, state agencies, including the state university system, made 548,567 OPS appointments for limited time employment. The Legislature does not fix OPS positions; instead, they are created by the employing entity.

If the current trend continues, the migration of state government positions to a temporary workforce and vendor contracted services will place much higher demand on those managers who

remain as permanent employees. They will need to acquire new professional skills as well as develop old skills needed to adhere to stringent performance-based budgeting and contract standards. With respect to training and development, the Department of Management Services reports the latest statistics show that expenditures in this category average about \$279.52 per employee. Excluding the state university system, training expressed as a percentage of budgeted salaries range between .35% and 1.65% among state agencies.

III. Effect of Proposed Changes:

The committee bill will allow for the consolidation of separately funded training and staff-development resources among agencies. In addition, alternatives to delivering training and staff-development may include, but not be limited to, delivery by a single state agency, commercial services consultant or representative, or interactive training from a remote location.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Florida Trend Magazine reported that nine investor owned companies generated \$7.5 billion in annual revenues for the “temp” business service category. The report was listing the State’s top 200 Florida-based companies as of September 1998.

C. Government Sector Impact:

The concept of training and staff-development is an integral part of managing state financial resources, programs, and developing overall strategies to deliver public services more efficiently and effectively. “Doing more with less” can only mean that permanent first line program managers are able to effectively manage internal personnel and operational issues as well as contracted services and personnel. Savings related to privatization or consolidation

will not be realized to the maximum extent possible if managers do not possess the skill sets necessary to manage.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
