Centralization of Human Resource Administration
&
Related Savings

HR CENTRALIZATION

Centralization/Single Employer

- Classification and Retribution Plans
- Technology
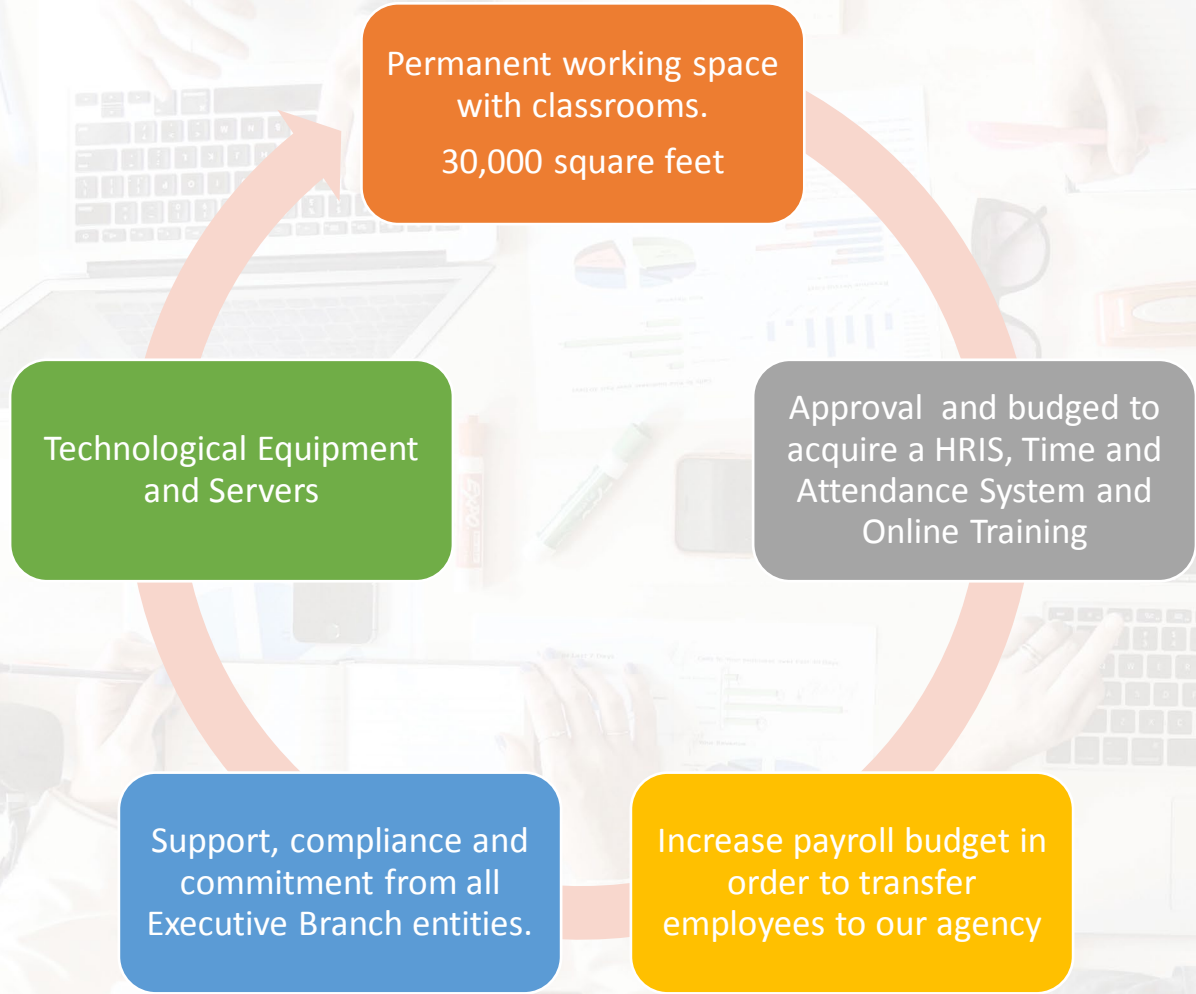- HR Transactions/Mobility
- Recruitment
- Training
- Performance Evaluation
- Retention

✓ Central Government through OATRH and not the individual agencies (65 agencies compose the CG).

✓ Develop and implement procedures for transactions related to all aspect to Merit Principle
  - ✓ Classification Plan
  - ✓ Recruitment and Selection
  - ✓ HR transaction
  - ✓ Training
  - ✓ Retention

✓ Setup a common Time and Attendance System for all agencies within the Central Government.

✓ HCM - Ensures efficiency, transparency, reliability, standardization of processes and accountability within the Central Government using technology.

✓ Develop online training programs for the professionalization of public employees.

✓ Administer, analyze and control data related to human resources within Central Government.

✓ Create and implement a Uniform Performance Appraisal System.

OATRH STATUS & NEEDS

Permanent working space with classrooms.
30,000 square feet

Technological Equipment and Servers

Approval and budged to acquire a HRIS, Time and Attendance System and Online Training

Support, compliance and commitment from all Executive Branch entities.

Increase payroll budget in order to transfer employees to our agency

- ✓ Since hurricane María in 2017, OATRH employees have been in deplorable working conditions.

- ✓ OATRH employees have been working overcrowded in 3,502 s/f of office space. By Feb 2019, the s/f increased to 7,236.

- ✓ Recently notified by landlord the need to evict.

- ✓ Lack of technology for Centralization.

- ✓ Lack of training room space.

- ✓ Has suffered considerable budget reduction.

- ✓ The amount of personnel needed to perform all human resources functions related to centralization should be double the current amount of employees at the agency.

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ACHIEVEMENTS

Completed

- ✓ Manual for the application of Law No. 8.

- ✓ Creation, Validation and Implementation of the Unified Classification Plans for career and trust employees.

- ✓ Creation of the Unified Retribution Plans for union, non union and trust employees.

- ✓ Develop a uniform procedure for job postings for recruitment within the Executive Branch.

- ✓ Establish an Alliance with University of Puerto Rico.

- ✓ Develop a procedure for mobility plans.

- ✓ Open a Supervisory and Leadership Academy for supervisory personnel.

- ✓ Develop training programs for the profesionalization of public employees.

- ✓ Develop online training for public employees..

- ✓ Created PLAN-MA application

- ✓ Develop Attendance Tool for compliance with FOMB

In Process

- ✓ Validation and Implementation of the Unified Retribution Plans for union, non union and trust employees.

- ✓ Create and implement a Uniform Performance Appraisal System for Central Government.

- ✓ Set up a Human Resource Information System for Central Government.

- ✓ Setup a Time and Attendance System for Executive Branch.

- ✓ Develop Audit Plans

- ✓ Reorganize the agency's structure for centralization

- ✓ Continue to create HR policies, procedures and regulations

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TIME & ATTENDANCE AND HRIS

✓ All Executive Branch entities have the obligation to inform attendance and license usage.

✓ Eliminate the use of manual methods that increase human errors. This type of human error has been estimated to average 1.2% of total payroll cost.

✓ Standardize procedures and systems.

✓ Control labor costs by reducing over-payments.

✓ Ensure compliance with labor regulations regarding proof of attendance.

✓ Manage attendance and licenses in one system which increases productivity.

✓ Reduction of incorrect Accrual Liability

✓ Continuous monitoring and visibility; timely and accurate reporting.

✓ Ensures efficiency, transparency and reliability, within the Central Government.

✓ No individual administrators, therefore, OATRH will administer, enforce attendance policies and hold entities accountable.
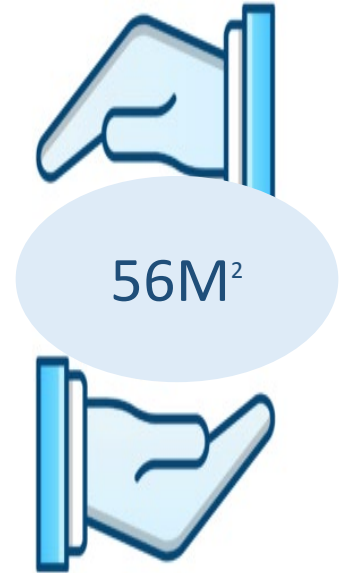
SAVINGS

In house development of the Classification and Retribution Plans has saved the Government approximately **6M+.**

The Centralization will save approximately **5M+** in human resource related payroll expense.

One Time and Attendance and Human Capital Management System will save approximately **15M+** in individual contracts throughout the agencies.

Other savings related to efficiencies, payroll related expenses due to time and attendance matters **20M+** p/yr.[1]
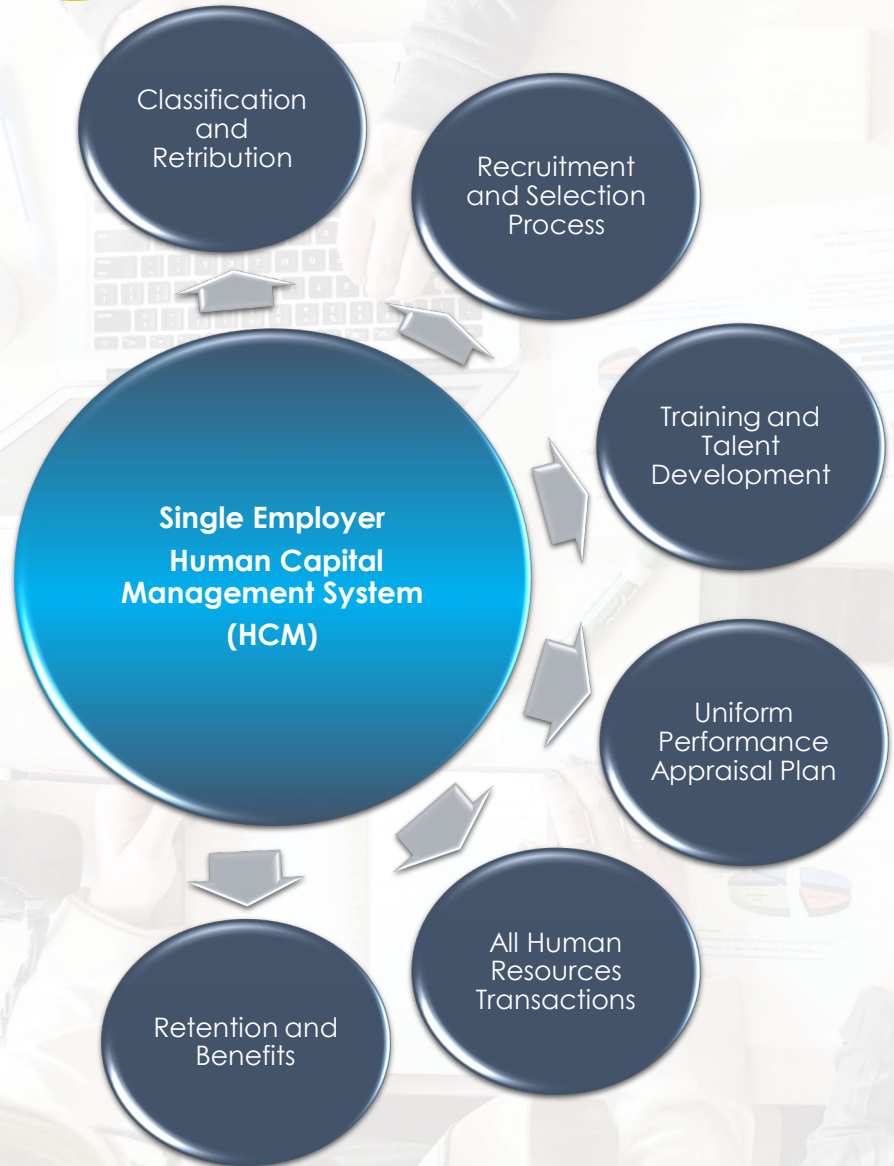
Saving with online trainings and alliance with Universities and other agencies approximately **10M+**. (Contracts, design, employee travel and expensive)

56M[2]

1. Primera Hora: *"Educación le pagaba empleados fantasmas"* December 17, 2017, (Improper payments to no working employees). Axsium Group study reveals 1.2% payroll savings in the first full year immediately following the implementation. After implementing Kronos, the deductions for TNR amounted to 1.3% of total payroll expense at the DOT, according to Interboro findings. According to Req. 2(B) report from AAFAF to FOMB the total annual payroll expense is approximately 4,464M; 1.2% savings is approximately 53.5M.
2. 56M first year savings and 46M from second year on.

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COST OF HCM SOLUTION

Classification and Retribution

Recruitment and Selection Process

Training and Talent Development

Single Employer Human Capital Management System (HCM)

Uniform Performance Appraisal Plan

All Human Resources Transactions

Retention and Benefits

INVESTMENT $ 3,500,00 in a Service Contract for 24 month

PLAN

Fiscal Year	Cost	Agencies	Impact	Start Date	End Date
2020-2021	875,000	25	38%	January 2021	June 2021
2021-2022	1,750,000	30	46%	July 2021	December 2021
2022-2023	1,750,000	7	11%	January 2022	June 2022
2023-2024	875,000	3	5%	July 2022	December 2022