

# Minnesota State Workforce Report

Fiscal Year 2013



***The mission of MMB*** is to increase state government's capacity to manage and utilize financial, human, information and analytical resources to ensure exceptional service and value for Minnesota's citizens.

## Table of Contents



1. Introduction	p. 4
2. Key Findings	p. 5
3. Executive Branch At-A-Glance	p. 6
4. About the Executive Branch	p. 7
5. Profile of the Executive Branch Workforce – By Race, Gender, Disability, Veteran’s Status, Age	p. 13
6. Executive Branch Workforce Characteristics Relative to Minnesota’s Workforce	p. 17
7. Compensation	p. 19
8. Recruitment and Hiring	p. 20
9. Retirements, the Labor Market and Future Considerations	p. 24
10. Implications and Discussion	p. 27
11. Appendix A: Complete Agency-Specific Data	p. 28
12. Definitions and Technical Notes	p. 31

## List of Figures and Tables

Table 1: Select Executive Branch Characteristics, FY 2012-13	p. 6
Figure 1: Executive Branch as a Share of Minnesota State Government Workforce	p. 7
Figure 2: Executive Branch Workforce by Largest Agencies	p. 8
Figure 3: Executive Branch Workforce Size over Time	p. 8
Table 2: Appointments by Largest State Agencies (FY 2013) and Change from FY 2012	p. 9
Figure 4: Statewide Executive Branch Workforce Distribution By County of Employment	p. 10
Figure 5: Statewide Executive Branch Workforce By Bargaining Agreements	p. 12
Figure 6: Detailed Racial Composition of the Executive Branch Workforce	p. 13
Table 3: Demographic Composition of the Largest Executive Branch Agencies	p. 14
Figure 7: Distribution of Executive Branch Appointments by Age Cohorts	p. 15
Figure 8: Distribution of Executive Branch Appointments by Age Cohorts	p. 16
Table 4: Employee Age and Service Demographics by Largest Agencies (FY2013)	p. 16
Figure 9: Characteristics of Those Employed, Age 18-64, Executive Branch FY2012 vs. Employed Population Statewide	p. 17
Figure 10: Executive Branch Total Compensation and Components	p. 19
Table 5: Executive Branch Total Compensation and Components	p. 19
Figure 11: Executive Branch New Hires (Unlimited Status) By Fiscal Year	p. 20
Figure 12: Executive Branch New Hires with Permanent, Unlimited Status by Fiscal Year	p. 20
Table 6: Characteristics of Executive Branch New Hires Versus Total Workforce	p. 21
Figure 13: Job Openings by Job Grouping (FY2013)	p. 22
Table 7: Top 25 Occupations with Job Openings in FY2013	p. 23
Figure 14: Annual Retirements Trend	p. 24
Figure 15: Average Retirement Age Trend	p. 25
Figure 16: Distribution of Executive Branch Appointments by Age Cohorts (FY2003 and FY 2013)	p. 25
Figure 17: State of Minnesota Executive Branch Employment Change vs. other Statewide Trends	p. 26

## **1. Introduction**

This report summarizes characteristics of the Executive Branch of Minnesota's state government workforce for the Minnesota Fiscal Year 2013 (occurring between July 1, 2012 and June 30, 2013). The Executive Branch includes all state agencies with the exception of the Minnesota State Colleges and Universities (MnSCU) system and retirement agencies. By definition, the Executive Branch also excludes the Judicial and Legislative Branches of state government.

This report gives policymakers, state government managers and supervisors, and the general public an understanding of the composition, distribution, strengths, and challenges of the state of Minnesota Executive Branch workforce — which serve the citizens of Minnesota. A deeper understanding of the state government workforce, as it compares to the general workforce in Minnesota, will inform state government's strategy in attracting, retaining and developing a diverse and talented workforce; this understanding will also improve planning efforts for succession and knowledge transfer to sustain high levels of service in the coming decades.

By the end of fiscal year 2013, Minnesota had emerged from years of budget shortfalls. While 2013 witnessed some layoffs due to Federal funding cuts, restored funding to many programs and funding for new initiatives allowed many agencies to hire for previously vacated and new positions. Indeed, state employment increased between 2012 and 2013 while retirements increased as well. In the short term, the State faces a labor market that is improving- creating opportunities for workers but also providing competition for experienced and skilled workers.

Long-range demographic changes also provide the background for this report. The forefront of the Baby Boomer generation (of which the state workforce has a very high share) continues to advance upon retirement age, raising many concerns about maintaining institutional knowledge, planning for transition, and retaining talent. As is the case throughout Minnesota's employment landscape, the workforce that public sector Boomers will leave behind will be more racially and ethnically diverse; the higher diversity underscores the need for continued attention to employee engagement and inclusion.

## 2. Key Findings

- The Executive Branch represented 89 percent of state government positions during FY 2013. In total positions, the Executive Branch workforce comprised 34,110 jobs across 78 agencies.
- The size of the FY2013 Executive Branch workforce is larger than in FY2012, but smaller than FYs 2009 and 2010.
- In FY 2013, more than 2,600 positions were filled in the Executive Branch. As has been the case for all but one of the past 12 years, 33 percent—less than half of the positions—were filled as permanent, unlimited positions.
- Of the employees working in the Executive Branch, 18 percent work at the Minnesota Department of Human Services, the state’s largest agency. Transportation and Corrections account for 14 percent and 12 percent of the workforce, respectively. The Executive Branch also includes numerous Boards and Councils, most of which have less than 30 employees.
- The state Executive Branch workforce is distributed across the entire state, with employees reporting to workplaces in 86 of Minnesota’s 87 counties. About 60 percent of the state’s Executive Branch employees work in the Twin Cities seven-county metro area, while about 40 percent work in the 80 “Greater Minnesota” counties.
- About 85 percent of appointments were full-time, 13 percent part-time, and the remainder intermittent.
- Eight percent of employees indicated they were a racial or ethnic minority and 86 percent indicated they were White (non-Hispanic). Seven percent did not specify their race. In FY 2013, 9 percent of new hires were self-identified minorities.
- Across the entire Executive Branch workforce, a 50-50 female-to-male ratio exists.
- Veterans represent approximately 9 percent of the Executive Branch workforce.
- Individuals with disabilities represent approximately 4 percent of the entire Executive Branch workforce.
- The median age of the Executive Branch workforce is 48 years. Forty-five percent of the entire workforce is 50 years or older.
- In FY 2013, the State of Minnesota paid its Executive Branch workforce \$2.4 billion in total compensation, relative to total state spending of \$35.8 billion. Salaries accounted for 75 percent of the \$2.4 billion, employers contributions to insurance 15 percent, while employer contributions to retirement accounts and FICA (Social Security and Medicare) taxes each represented 5 percent.
- The State employs a lower percentage of minority and disabled persons than exists in the Minnesota workforce. It employs a higher percentage of women and veterans than exist in the Minnesota workforce.
- The State witnessed an increase in new hiring from FY 2012 to offset an increase in retirements, resignations and hiring for new initiatives.
- There were 7,500 job vacancies in FY 2013 with over half of these in Health and Human Service, General Administration and Construction, Facilities Maintenance Manufacturing and Transportation career fields.

- Retirements increased by over 150 from FY 2012 as the Baby Boom Generation continued its exit from State employment.
- Despite the aging of the State workforce, the 25 to 35 year old cohort of state workers has increased in size over the last decade.

### 3. Executive Branch At-A-Glance

*This section contains information about key characteristics of the Executive Branch during FY 2013 and changes since FY 2012. These data are discussed in more detail later in the report.*

**Table 1: Select Executive Branch Characteristics, FY 2012-2013**

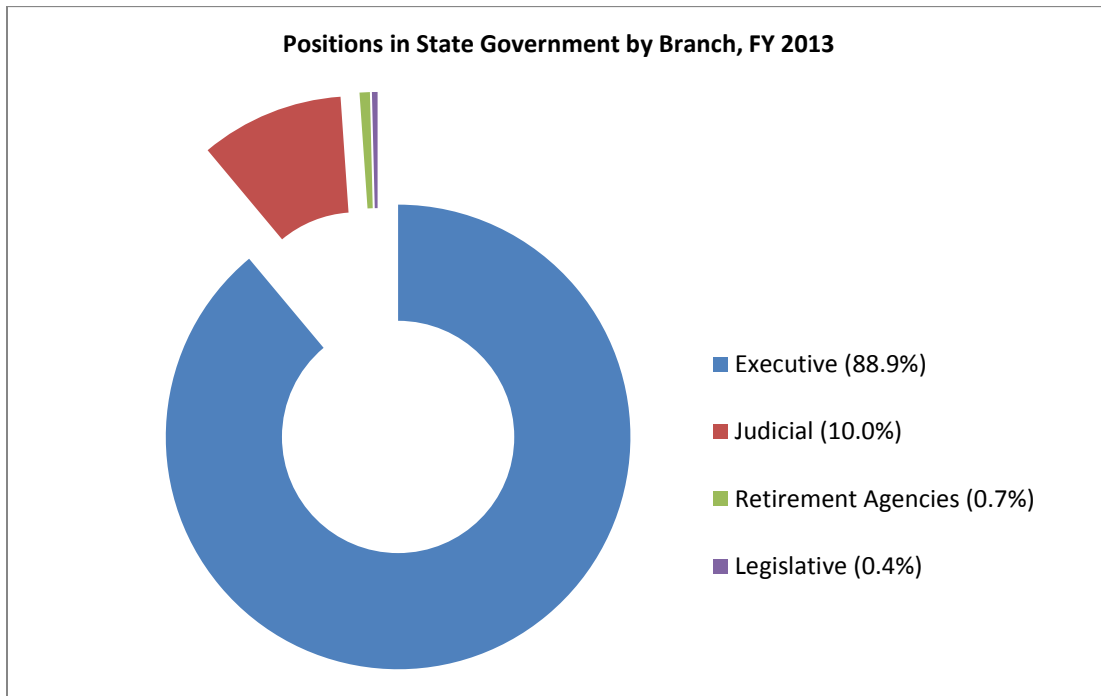
	FY 2012	FY 2013	Change from FY 2012
Total workforce appointment count	33,507	34,110	603
Median age	48	48	0
Average age	46	46	0
Males	50.4%	50.2%	-0.2%
Females	49.6%	49.8%	0.2%
Racial/Ethnic Minorities*	8.2%	8.4%	0.2%
% of employees who are White*	85.6%	84.5%	-1.1%
% of employees who did not specify race	6.0%	7.1%	1.1%
% of employees with a disability*	3.9%	3.7%	-0.2%
% of employees who are veterans*	9.8%	8.6%	-1.2%
Average annual salary for full-time equivalent	\$53,317	\$55,399	3.9%
Represented by a bargaining unit	88.6%	88.7%	0.1%
Permanent or unlimited status	90.7%	90.7%	0.0%
Average length of service	12.5 years	12.6 years	0.1 year
Full-time employees	84.7%	84.8%	0.1%
New hires (Unlimited)	2,184	2,644	460
Retirements	884	1,046	162
Average age at retirement (years)	60.9	61.8	0.9 year
Number of employees age 60 or older	4,139	4,426	287
% of employees age 60 or older	12.8%	13.0%	0.2%
Number of employees age 50 or older	15,153	15,358	205
% of employees age 50 or older	45.7%	45.0%	-0.7%

\*Gender, ethnicity, disability, and veteran status are data voluntarily provided by state employees. Employees may choose not to provide this information. Currently federal and state reporting requirements only allow individuals to select one race or ethnicity. This is a possible explanation for the increase in the number of individuals who do not specify a race or ethnicity.

## 4. About the Executive Branch

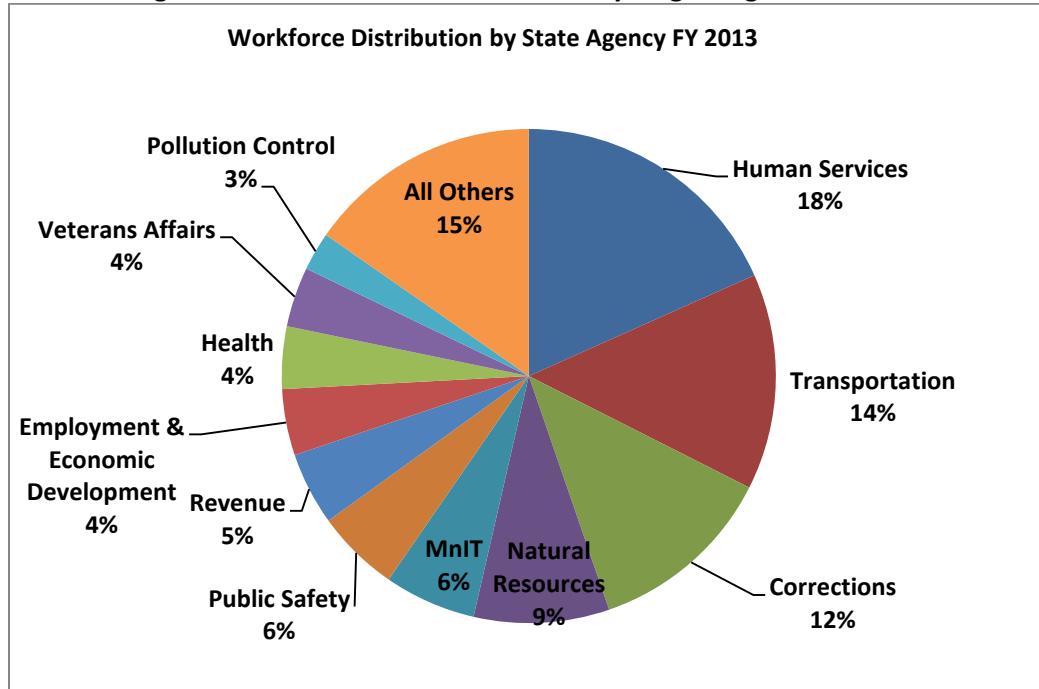
*This section contains information about the Executive Branch as a share of the entire state government workforce, the number and change in Executive Branch appointments during Fiscal Year 2013, and the distribution of the Executive Branch workforce—both among state agencies and geographic dispersion around the state, and bargaining unit representation.*

**Figure 1: Executive Branch as a Share of Minnesota State Government Workforce**



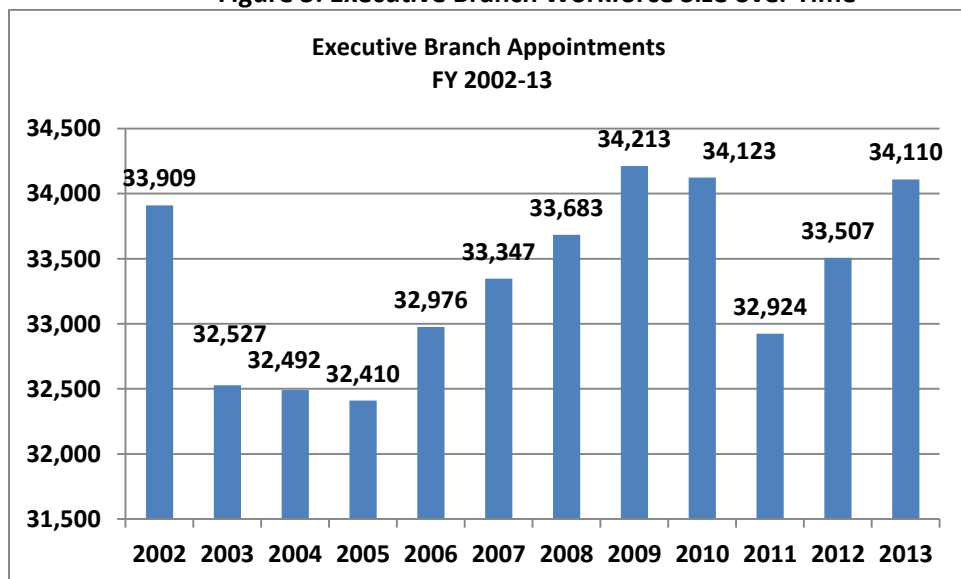
- The Executive Branch accounted for 89% of state government-filled positions during FY 2013. The remaining 11% included positions in the judicial branch, the legislative branch, and the state retirement systems; all position data exclude the entire MnSCU system. In total, the Executive Branch workforce comprised 34,110 positions.
- Nearly 1 in 5 employees (18%) of the state Executive Branch workforce works at the Minnesota Department of Human Services, the state's largest agency. Transportation and Corrections, the next largest departments, account for 14 and 12 percent respectively. The eleven largest agencies account for 85 percent of the entire Executive Branch workforce. See Figure 2.
- The Executive Branch also includes numerous Boards and Councils, most of which have less than 30 employees, including three with only one employee.
- See Appendix A for a complete list of agencies by position counts, and FY 2012 to FY 2013 change in employees by agency.

**Figure 2: Executive Branch Workforce by Largest Agencies**



- Over the past 12 years, the Executive Branch state workforce has fluctuated between about 32,400 and 34,200 employees. The size of the FY2013 workforce is larger than that in FY2012, but smaller than FYs 2009 and 2010. Overall, the size of the current workforce represents a 0.6 percent reduction since 2009.

**Figure 3: Executive Branch Workforce Size over Time**





- Between FY 2012 and FY 2013, the Executive Branch gained over 600 positions. This is in line with changes during the past 11 years, in which the relative size of the Executive Branch workforce has varied (positively or negatively) within 600 employees of the prior year. The larger gains in FY 2009 resulted from new hiring related to specific projects such as The Legacy Fund, Revenue Collection, and the Statewide Integrated Financial Tracking (SWIFT) system. However, the FY 2002-03 and FY 2010-11 periods were particularly dramatic, experiencing a loss of nearly 1,200 employees within a single year. The FY 2010-2011 decline was due largely to accelerated numbers of retirements due to early retirement incentives, combined with other attrition, decreasing agency budgets, and hiring restrictions in place at that time.

**Table 2: Appointments by Largest State Agencies (FY 2013) and Change from FY 2012**

<b>Agency</b>	<b>2012 Appointments</b>	<b>2013 Appointments</b>	<b>Change</b>
Human Services Dept.	6,588	6,246	-342
Transportation Dept.	4,890	4,823	-67
Corrections Dept.	4,233	4,188	-45
Natural Resources Dept.	3,143	3,024	-119
MN.IT Services	313	2,049	1,736
Public Safety Dept.	1,978	1,858	-120
Revenue Dept.	1,639	1,628	-11
Employment & Economic Development Dept.	1,625	1,478	-147
Health Dept.	1,493	1,393	-100
Veterans Affairs Dept.	1,323	1,337	14
Pollution Control Agency	907	860	-47
Agriculture Dept.	523	486	-37
Labor & Industry Dept.	477	467	-10
Administration Dept.	454	433	-21
Education Dept.	412	374	-38
MN Zoological Garden	362	366	4
Mn State Academies	334	344	10
Commerce Dept.	356	341	-15
Military Affairs Dept.	314	322	8
Attorney General	297	303	6
MN Management & Budget	285	247	-38
Housing Finance Agency	221	219	-2
All other Agencies	1,340	1,324	-16
<b>Total Appointments</b>	<b>33,507</b>	<b>34,110</b>	<b>603</b>

- The gain in 603 appointments between FY 2012 and 2013 is spread across a number of agencies with some agencies growing and others shrinking. One agency in particular, MN.IT Services, increased by 1,736 appointments in one year. This growth is attributable to the consolidation of state IT functions under this one agency. Many of the losses in the above agencies were due at least in part to this consolidation as IT staff were reassigned to MN.IT Services. However, losses at DEED were partially due to decreased funding from the Federal Government.

### State Executive Branch Employees, By County of Work - FY 2013 -

**County State Employees**

- Less than 50
- 50 to 149
- 150 to 499
- 500 to 999
- 1000 to 2000
- Greater than 2000

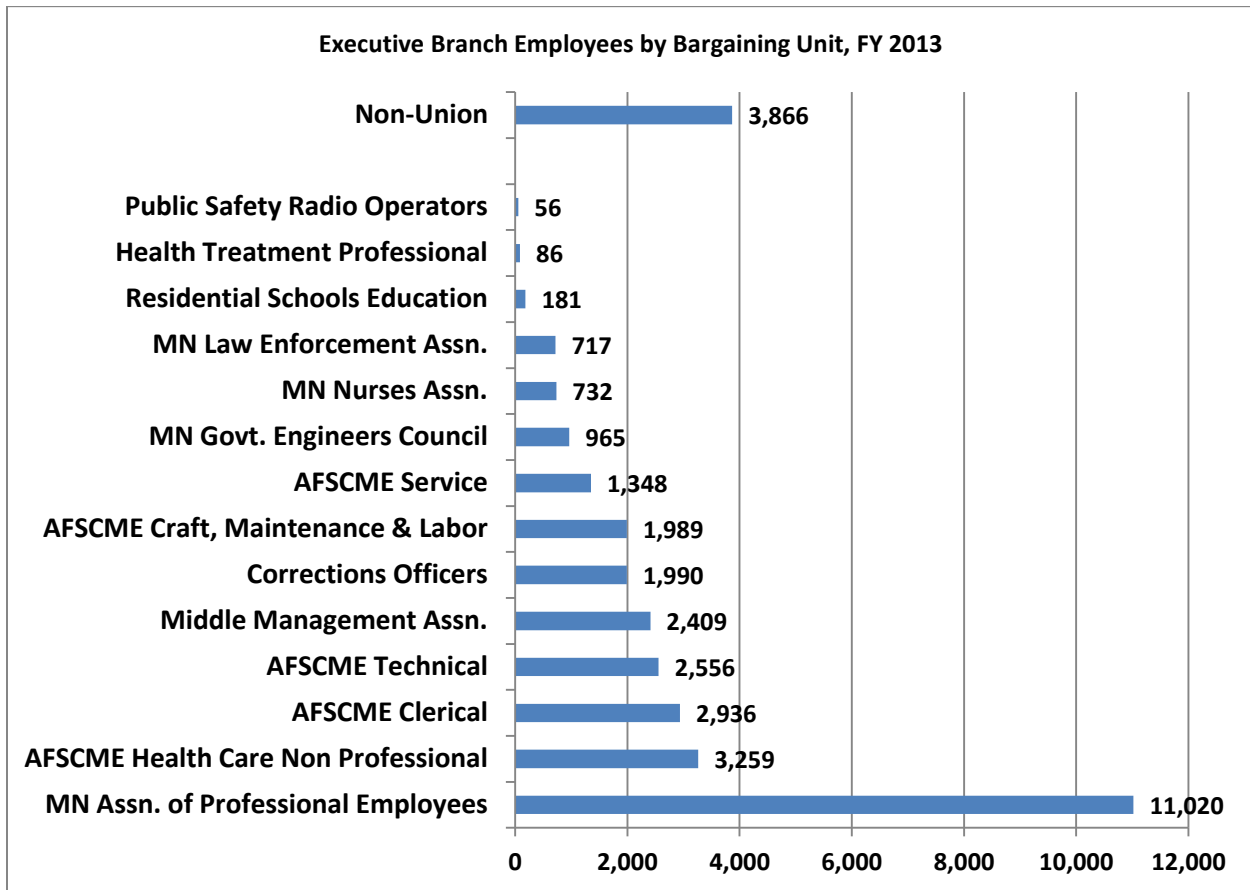
0 25 50 100 Miles

- The state Executive Branch workforce is distributed across the entire state, with employees reporting to workplaces<sup>1</sup> in 86 of Minnesota’s 87 counties (excepting Red Lake). In addition, a small share of employees (30 total, or 0.1 percent) work in out-of-state locations.
- As home to the State Capitol and most agencies, Ramsey County hosts the largest number of employees (44% of the total, representing more than 15,000 workers).
- About 60% of the state’s Executive Branch employees work in the Twin Cities seven-county metro area, while about 40% work in the 80 “greater Minnesota” counties.
- The Department of Transportation’s District Offices, the Department of Human Services’ Regional Treatment Centers, the Veteran’s Hospitals and state correctional facilities are major employment hubs for Executive Branch workers outside of the seven-county metro area.

---

<sup>1</sup> Because some employees work from home, the map may not reflect actual work location, which is private data.

**Figure 5: Statewide Executive Branch Workforce by Bargaining Agreements**

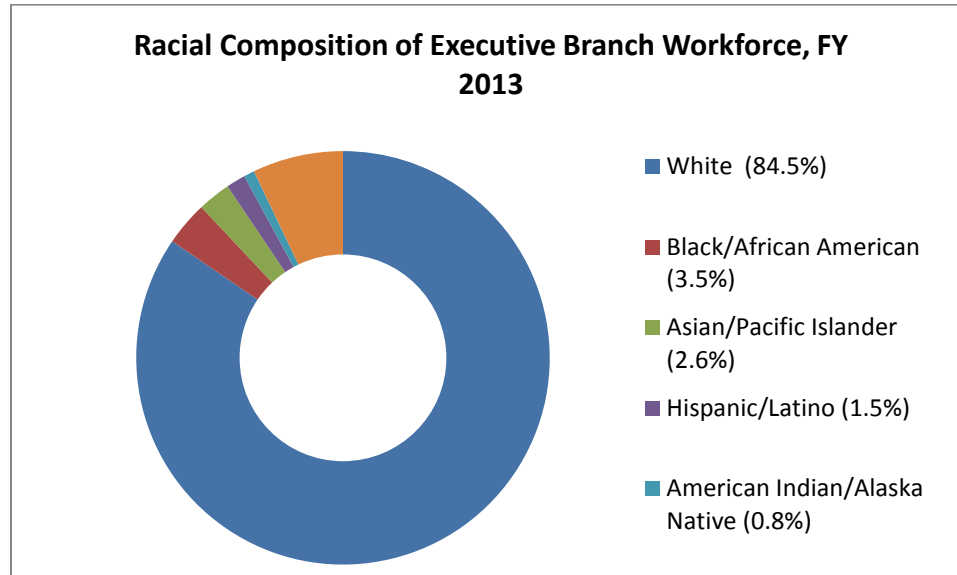


- Unions represent the majority (88.7%) of Executive Branch workforce employees. The largest union is the American Federation of State, County, and Municipal Employees (AFSCME), which includes over 14,000 employees or 41 percent of total employment.
- The second largest union is the Minnesota Association of Professional Employees (MAPE), accounting for 32 percent of the total Executive Branch workforce and representing 11,000 employees, which perform a wide array of specialized, professional services from accounting to demography to zoology.
- Other unions include the Middle Management Association (MMA), Minnesota Government Engineers Council (MGEC), Minnesota Law Enforcement Association (MLEA), Minnesota Nurses Association (MNA), State Residential Schools Educators Association (SRSEA) and Health Treatment Professionals.
- About 11.3% of executive branch employees are not represented by unions. These employees are covered by the managerial and commissioner plans.

## 5. Demographics of the State Executive Branch Workforce

*This section contains information about the characteristics of workers with the state Executive Branch—their self-identified race/ethnicity, gender, age and disability and veteran’s status.*

**Figure 6: Detailed Racial Composition of the Executive Branch Workforce**



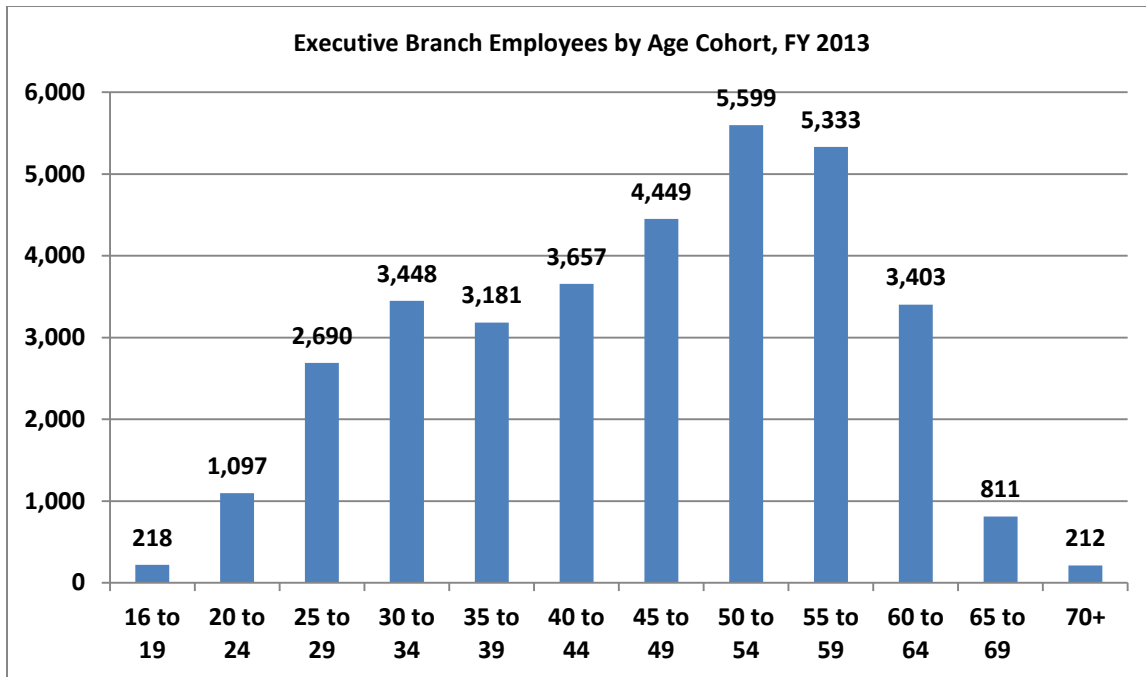
- Among employees who voluntarily disclosed their racial background in the Executive Branch, 85 percent of those employees are White, and 8 percent are ethnic or racial minorities. However, significant racial variation exists by agency.
- The Department of Administration is the most racially diverse among these larger agencies with nearly 14 percent of its staff being employees of color. The Department of Veterans Affairs and MN.IT Services rank second and third, respectively, as the next most diverse agencies. See Table 3.
- In aggregate, the remaining smaller agencies (those with fewer than 200 appointments) are less diverse than the State of Minnesota in aggregate, with 7 percent of employees being minorities.
- Across the entire Executive Branch, 16,971 women and 17,133 men are employed, for a rough 50-50 female-to-male ratio. However, significant gender variation exists by agency. See Table 3.
- Five agencies—Department of Education, Minnesota State Academies, the Departments of Health and Veterans Affairs and Housing Finance Agency—employ a workforce that is 70 percent or more female. Among the Departments of Military Affairs and Transportation, this percentage is reversed, with more than 70 percent of employees being male.
- Among those smaller agencies with fewer than 200 appointments, women are also considerably more likely to be employed than men—representing 63 percent and 37 percent, respectively. See Table 3.

**Table 3: Demographic Composition of the Largest Executive Branch Agencies**

	<b>Racial/Ethnic Minorities</b>	<b>White</b>	<b>Race Not Specified</b>	<b>Female/Male Ratio</b>	<b>Employees with Disabilities</b>	<b>Veterans</b>
Human Services Dept.	10.2%	84.7%	5.2%	68.1%/31.9%	3.7%	5.7%
Transportation Dept.	7.6%	87.3%	5.1%	21.4%/78.6%	2.9%	12.1%
Corrections Dept.	6.5%	92.4%	1.1%	39.1%/60.9%	4.6%	14.4%
Natural Resources Dept.	2.9%	93.9%	3.2%	38.2%/61.8%	2.5%	6.3%
MN.IT Services	12.3%	82.8%	4.9%	37.6%/62.4%	3.9%	9.3%
Public Safety Dept.	6.9%	88.4%	4.7%	43.9%/56.1%	3.3%	12.4%
Revenue Dept.	13.5%	79.9%	6.6%	59.5%/40.5%	3.3%	4.7%
Employment & Economic Development Dept.	11.0%	86.8%	2.2%	67.9%/32.1%	7.1%	7.4%
Health Dept.	8.9%	88.4%	2.7%	72.9%/27.1%	2.6%	3.5%
Veteran's Affairs Dept.	13.5%	46.4%	40.2%	70.7%/29.3%	2.0%	9.6%
Pollution Control Agency	6.3%	90.7%	3.0%	46.2%/53.8%	4.4%	4.0%
Agriculture Dept.	6.6%	80.5%	13.0%	48.8%/51.2%	2.1%	8.0%
Labor and Industry Dept.	8.4%	86.7%	4.9%	46.7%/53.3%	5.8%	9.2%
Administration Dept.	13.6%	80.4%	6.0%	39.5%/60.5%	3.2%	9.9%
Education Dept.	7.5%	88.2%	4.3%	79.7%/20.3%	5.3%	3.7%
MN Zoological Garden	3.6%	94.0%	2.5%	63.9%/36.1%	1.1%	3.6%
MN State Academies	0.3%	71.2%	28.5%	75.3%/24.7%	20.1%	0.9%
Commerce Dept.	8.8%	84.8%	6.5%	49.0%/51.0%	3.2%	7.9%
Military Affairs Dept.	2.5%	69.9%	27.6%	25.2%/74.8%	1.6%	30.7%
Attorney General	8.6%	91.4%	0.0%	61.4%/38.6%	3.6%	4.0%
MN Management & Budget	10.5%	86.2%	3.2%	68.0%/32.0%	5.7%	4.9%
Housing Finance Agency	11.4%	58.9%	29.7%	70.3%/29.7%	4.1%	5.0%
Lottery	7.0%	64.5%	28.5%	51.2%/48.8%	3.5%	7.0%
State Auditor	2.0%	57.4%	40.6%	54.5%/44.6%	0.0%	1.0%
<b>Total Executive Branch</b>	<b>8.4%</b>	<b>84.5%</b>	<b>7.1%</b>	<b>49.8%/50.2%</b>	<b>3.7%</b>	<b>8.6%</b>

- Individuals with disabilities represent nearly 4 percent of the entire Executive Branch workforce. Among agencies with 200 or more employees, the Minnesota State Academies (for the deaf and blind) stand out as leaders in the employment of individuals with disabilities, at 20 percent.
- Employees with disabilities represented over 5 percent of the workforce in 3 other agencies—the Department of Employment and Economic Development, the Department of Labor and Industry and MN Management and Budget.
- Across the Executive Branch, about 9 percent of employees indicated they are veterans. Four of the largest agencies employ 10 percent or more veterans. Veterans represent 5.8 percent of Minnesota's statewide workforce.
- The Department of Military Affairs, perhaps not surprisingly, leads all agencies in its employment of those with military service, with about 31 percent of its workers having served.
- See Appendix A for a complete list of agencies by racial, gender, disability and veteran service composition.

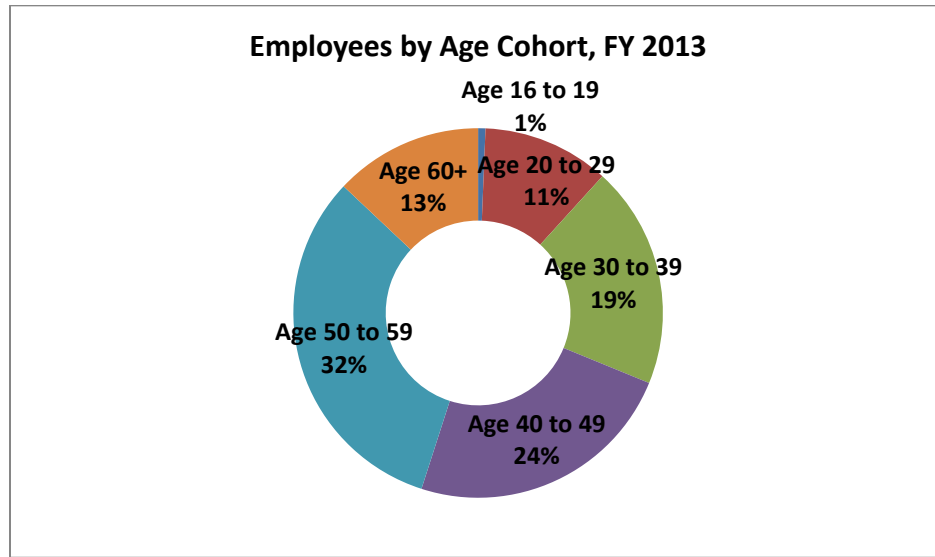
**Figure 7: Distribution of Executive Branch Appointments by 5 Year Age Cohorts<sup>2</sup>**



- Distributing the Executive Branch workforce<sup>2</sup> into five-year age cohorts (except for the youngest and oldest) reveals that most workers fall in the 50- to 54-year-old cohort, followed by those age 55 to 59. Altogether, almost 11,000 workers are currently in their fifties, representing about one-third of the Executive Branch workforce. See Appendix A for agency-specific data.
- Workers in their 40's make up 24 percent of the State workforce while workers in their 30s make up 19 percent of the workforce. See Figure 8.
- The median age of the state workforce stands at 48 years of age- meaning that half the workforce is above this age and half are below age 48.
- Forty-five percent of the entire workforce is 50 years or older, which raises considerations for impending retirements, workforce planning, and knowledge transfer.
- Age trends vary by agency. Among agencies with 200 or more workers, the Departments of Education and Labor and Industry have the oldest workforce with an average of 51 years and 14 years of State service. See Table 4.
- The Minnesota Zoo is the youngest major state agency with an average age of 39 and 8 years of service.
- Retirements from State Government are trending upwards. In FY 2013, there were 1,046 total retirements.

<sup>2</sup> The above graph shows all employees, regardless of whether they worked full- or part-time, including temporary workers.

**Figure 8: Distribution of Executive Branch Appointments by Age Cohorts**



**Table 4: Employee Age and Service Demographics by Largest Agencies (FY 2013)**

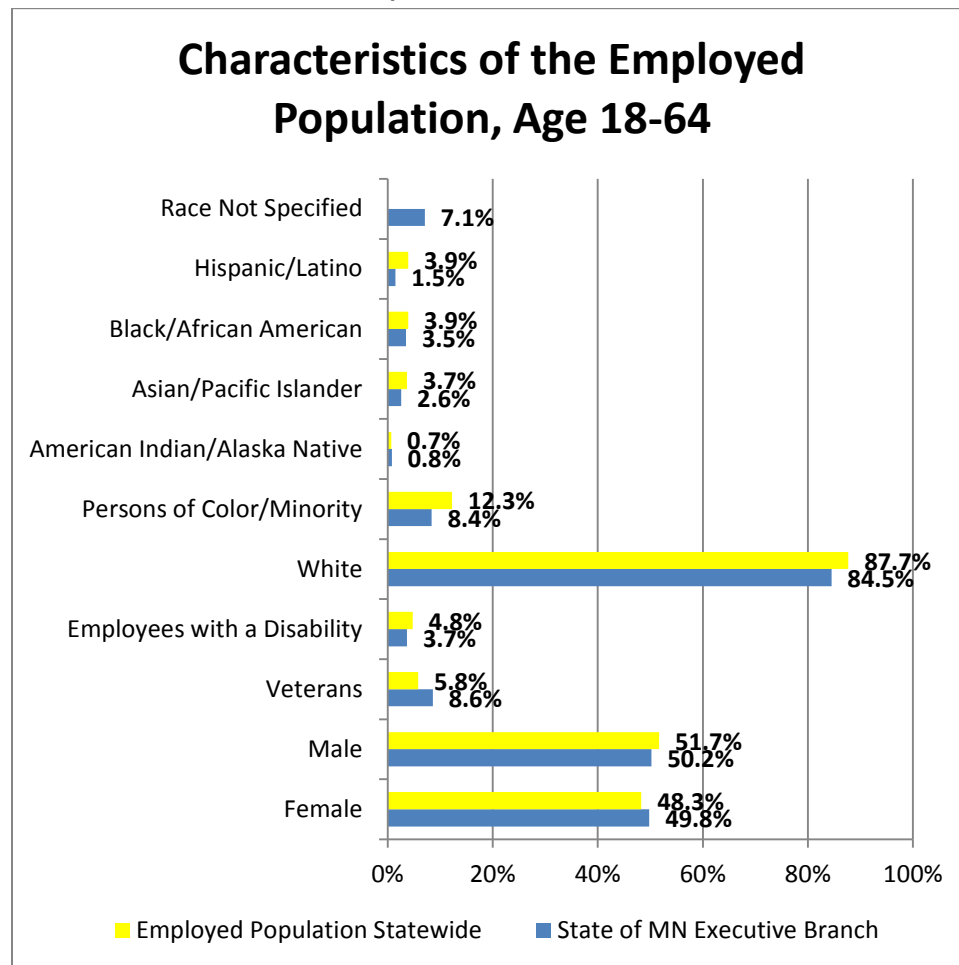
<b>Agency</b>	<b>Average Age</b>	<b>Average Years of Service</b>	<b>Number of Retirements FY 2013</b>
Education Dept.	51	14	16
Labor & Industry Dept.	51	14	11
Administration Dept.	50	13	29
Employment & Economic Development Dept.	49	14	62
MN.IT Services	49	14	51
Housing Finance Agency	48	11	8
Transportation Dept.	47	14	102
Commerce Dept.	47	14	10
MN Management & Budget	47	13	12
Health	47	12	46
Agriculture Dept.	47	12	10
Natural Resources Dept.	46	15	95
Public Safety Dept.	46	15	67
Pollution Control Agency	46	15	31
Human Services	46	12	192
Attorney General	46	12	15
MN State Academies	46	11	4
Veterans Affairs Dept.	46	9	27
Military Affairs	44	12	8
Corrections Dept.	43	11	140
Revenue Dept.	42	10	51
MN Zoological Garden	39	8	6
<b>Total State Agencies</b>	<b>48</b>	<b>13</b>	<b>1,046</b>



## 6. Executive Branch Workforce Characteristics Relative to Minnesota's Workforce

*This section contrasts the major characteristics of the Executive Branch workforce with Minnesota's workforce as a whole, to examine how the state's workforce differs in significant ways.*

**Figure 9: Characteristics of the Those Employed, Age 18-64, Executive Branch FY 2013 vs. Employed Population Statewide<sup>3</sup>**



<sup>3</sup> Notes: The 18-64 population is used for an appropriate comparison to the state workforce. Characteristics of the entire Executive Branch workforce including workers below age 18 and above age 64, are included elsewhere in this report. All race groups shown here are non-Hispanic, except for the Hispanic category. Source: Integrated Public Use Microdata Series, 2010-12 American Community Survey, for Employed Population Statewide. Only the civilian, non-institutionalized population was examined. Three years of data have been used to minimize errors resulting from survey sampling.

- The personal characteristics of Executive Branch employees are similar to the state as a whole. Although, the Executive Branch is slightly closer to achieving a 50-50 balance in gender equity in employment. The State Executive Branch also employs considerably more veterans as a percentage than does the statewide workforce overall—a 3 percentage-point difference.
- Although it appears the State lags behind when compared with the overall percentage of racial and ethnic minorities in the Minnesota workforce, the number of employees who identify as being White is also less than the general workforce. It is important to note that 7.1 percent of employees have not disclosed their race or ethnicity. This may be explained in part because current federal and state reporting requirements only allow individuals to select one racial/ethnic category. Currently, those categories do not reflect the categories chosen by the Census.
- Hispanic/Latino employees are most likely to be underrepresented in Executive Branch employment relative to their share in the overall state workforce.

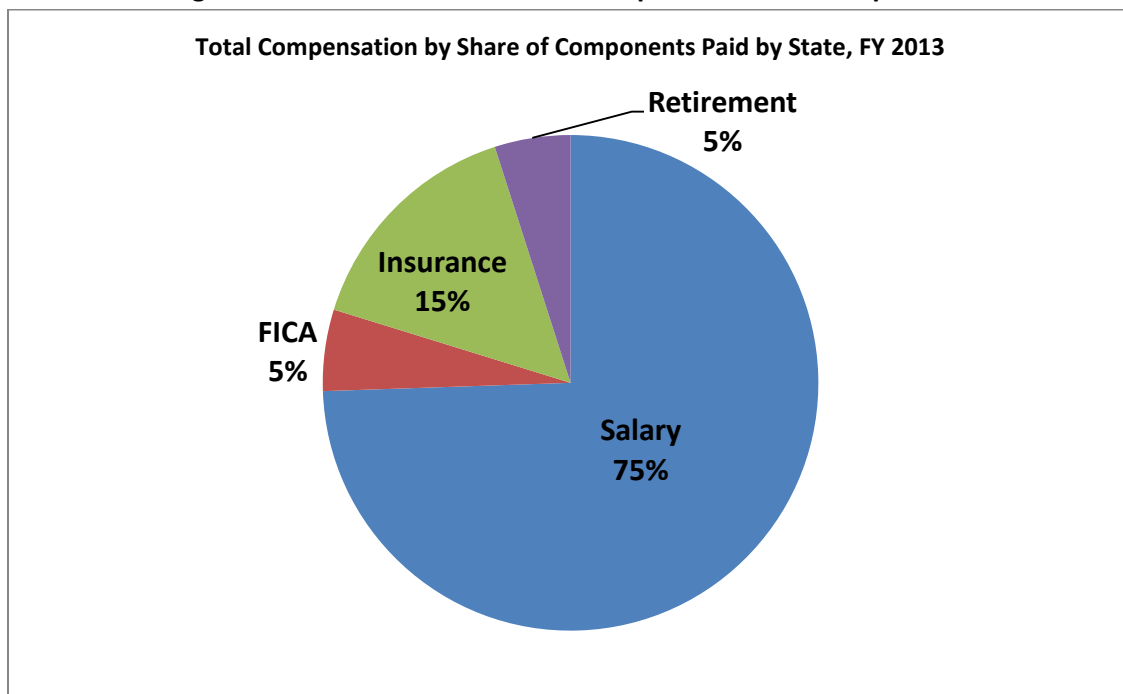
## 7. Compensation

*This section contains information about trends in total compensation for the Executive Branch as well as overtime hours worked and compensation.*

**Table 5: Executive Branch Total Compensation (in million \$) and Components**

	2009	2010	2011	2012	2013
Employees' Salaries	\$1,758	\$1,767	\$1,754	\$1,625	\$1,793
Employer's Contribution to Insurance	\$339	\$347	\$348	\$314	\$368
Employer's Contribution to Retirement	\$100	\$107	\$120	\$116	\$119
Employer's Contribution to FICA Taxes	\$125	\$126	\$125	\$116	\$128
Total Compensation Costs	\$2,323	\$2,347	\$2,347	\$2,171	\$2,408

**Figure 10: Executive Branch Total Compensation and Components**

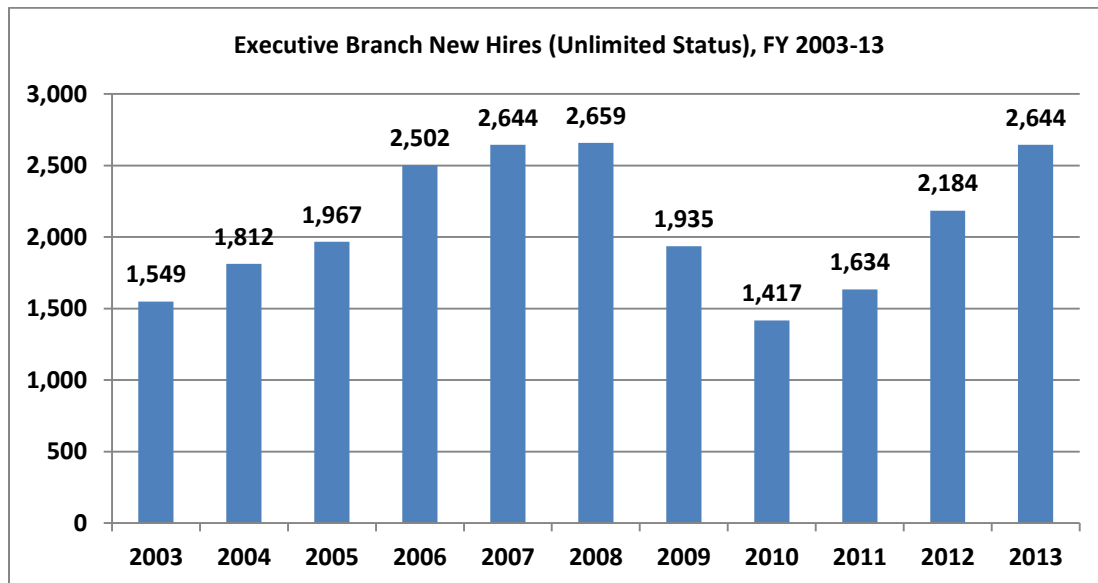


- In FY 2013, the State of Minnesota paid its Executive Branch workforce \$2.408 billion in total compensation. This represents a 3.7 percent increase over FY 2009- not accounting for inflation. The largest share of the total compensation package, at 75 percent, was devoted to employee salaries. Employer contributions to insurance accounted for 15 percent, while employer contributions to retirement accounts and FICA (Social Security and Medicare) taxes each represented 5 percent of total compensation. See Appendix A for total compensation figures by agency.

## 8. Recruitment and Hiring

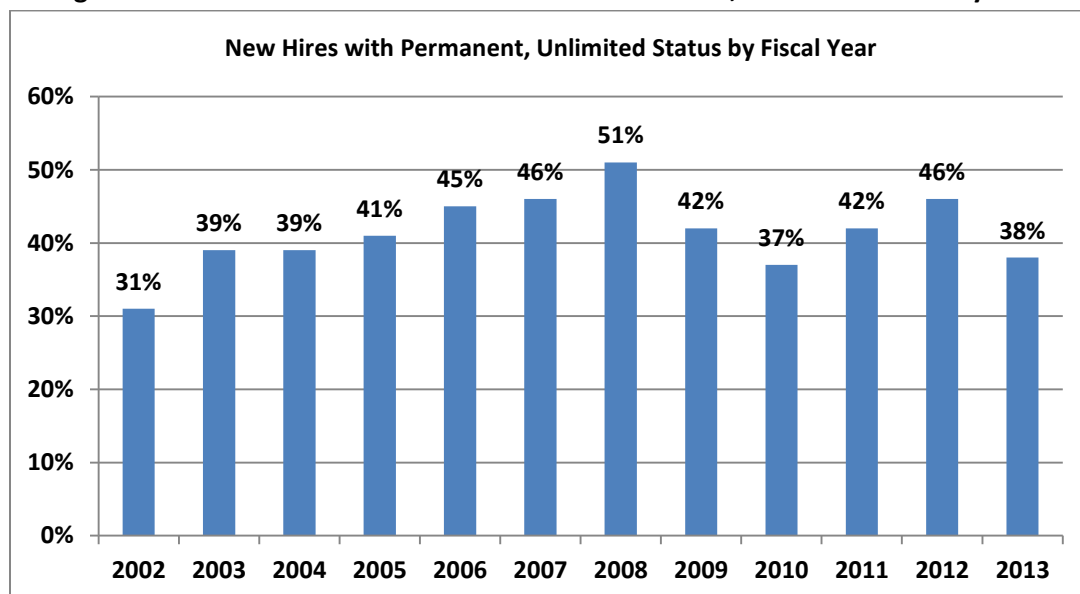
*This section contains information about the newly hired employees during Fiscal Year 2013, hiring trends over the past decade, the hiring status for new hires, and a comparison of the characteristics of new hires versus the entire Executive Branch workforce.*

**Figure 11: Executive Branch New Hires (Unlimited Status) by Fiscal Year**



- In FY 2013, more than 2,600 unlimited positions (positions with no limited duration) were filled in the Executive Branch. FY 2013 saw 460 more employees hired than in FY 2012. Increases in retirements, an improved budget outlook and new government initiatives largely explain the increase in hiring.

**Figure 12: Executive Branch New Hires with Permanent, Unlimited Status by Fiscal Year**



- In each of the past 11 years excepting 2008, less than half of all new hires in the Executive Branch were hired to permanent, unlimited positions. In FY 2013, 38 percent of new hires were permanent, unlimited workers. The remainder was made up of limited employment hires, including emergency, provisional, temporary or trainee categories.

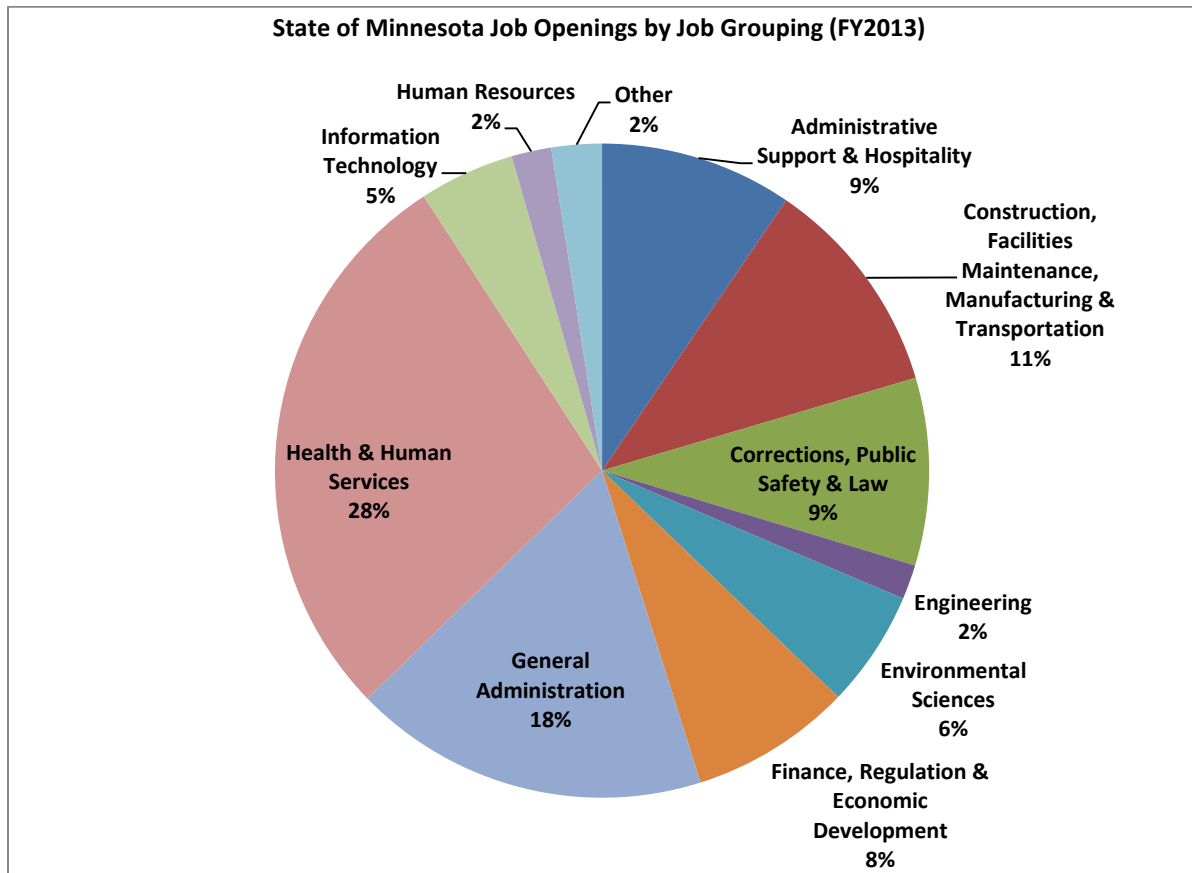
**Table 6: Characteristics of Executive Branch New Hires vs. Total Workforce**

<b>FY 2013</b>	<b>New Hires</b>		<b>Total Workforce</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Employees	2,644	100.0%	34,110	100.0%
<b>AGE</b>				
Median age	37	N/A	48	N/A
Employees 60+	113	4.3%	4,426	12.4%
<b>RACE</b>				
Race Not Specified	512	19.4%	2,418	7.1%
Race Specified	2,132	80.6%	31,692	92.9%
White	1,786	67.5%	28,835	84.5%
Racial/Ethnic Minority	346	13.1%	2,857	8.2%
American Indian/Alaska Native	40	1.5%	283	0.8%
Asian/Pacific Islander	77	2.9%	877	2.6%
Black/African American	184	7.0%	1,180	3.5%
Hispanic/Latino	45	1.7%	517	1.5%
<b>GENDER</b>				
Female	1,557	58.9%	16,971	49.8%
Male	1,086	41.1%	17,133	50.2%
<b>DISABILITY STATUS</b>				
With Disability	80	3.0%	1,266	3.7%
No Disability	2,564	97.0%	32,844	96.3%
<b>VETERAN STATUS</b>				
Veteran Status Not Specified	0	0.0%	4,872	14.3%
Veteran Status Specified	2,644	100.0%	29,238	84.7%
Veteran	200	7.6%	2,921	8.6%
Not a Veteran	2,444	92.4%	26,957	79.0%

- The median age of new hires was 34 years, compared to 48 years among the total workforce.
- The percentage of new hires who identified as racial or ethnic minorities is greater than the percentage of minorities in the overall state workforce by 1.6 percent.
- The gender balance of new hires was higher for women.
- Eight percent of new hires during FY 2013 were veterans, a rate lower than the general workforce of 9.8 percent.

- There were 7,513 job openings at the State of Minnesota in FY 2013.
- Job openings spanned a wide variety of occupations with Health and Human Services jobs accounting for 28 percent of total openings. General Administration jobs accounted for 18 percent of total openings. General Administration jobs cover a range of professional job categories including planners, researchers, management analysts and program administrators. Typically blue collar jobs categorized as construction, facilities maintenance, manufacturing and transportation accounted for 11 percent of total job openings. See Figure 13.

**Figure 13: Job Openings by Job Grouping (FY 2013)**



- Table 8 lists the top 25 occupational fields that had the highest numbers of job openings in FY 2013. Health and human service jobs have the highest representation with human services technicians, nurses, counselors and therapists making up a large number of openings.
- Job openings that require professionals with highly specialized knowledge or skill areas make up another large number of openings. State program administrators, management analysts and planners often require knowledge and experience around a specific program or policy area.
- Other professional jobs can be found in such areas as information technology, accounting and engineering.

- Many of the traditional “blue collar” job openings are found in transportation-related fields though there are high numbers of jobs in general maintenance of facilities and machinery.
- There are relatively high numbers of jobs that are specific to state employment including revenue tax specialists, correctional officers and state patrol troopers.
- Traditional office jobs include a wide variety of office and administrative specialists and customer service representatives.

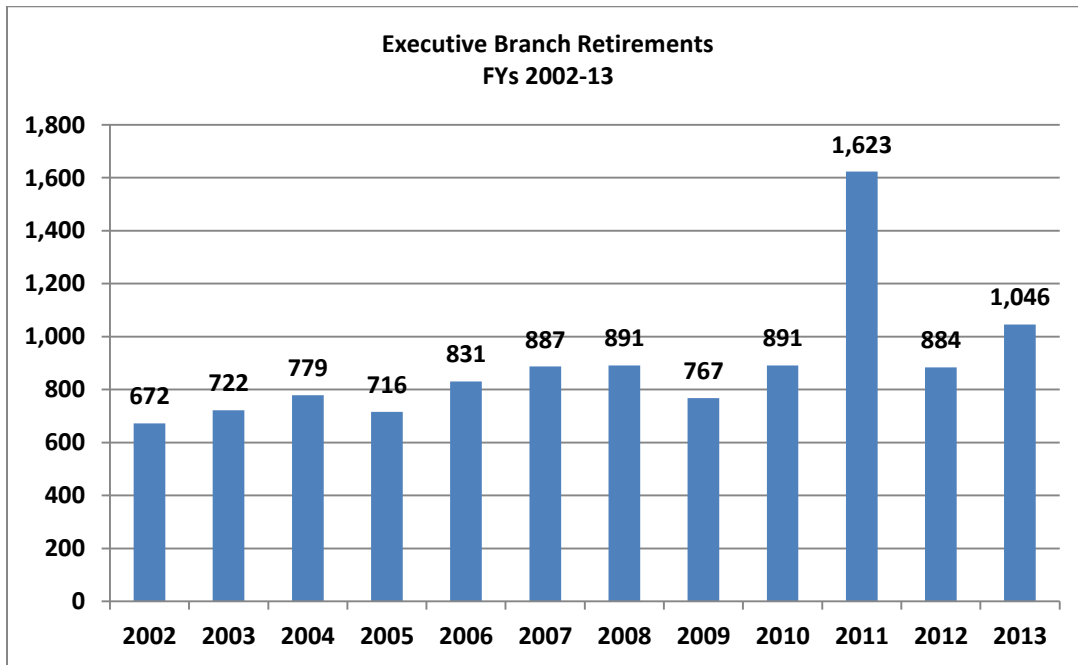
**Table 7: Top 25 Occupations with Job Openings in FY2013**

<b>Occupation</b>	<b>Job Category</b>	<b>Number of Openings</b>
Human Services Technicians	Health & Human Services	698
Office & Administrative Specialists	Administrative Support & Hospitality	418
State Program Administrators	General Administration	332
Registered Nurses	Health & Human Services	262
Information Technology Specialists	Information Technology	248
Licensed Practical Nurses	Health & Human Services	239
Revenue Tax Specialists	Finance, Regulation & Economic Development	238
Correction Officer- Trainees	Corrections, Public Safety & Law	236
Security Counselors	Health & Human Services	191
Management Analysts	General Administration	153
Transportation Associates	Construction, Facilities Maintenance, Manufacturing and Transportation	126
Transportation Generalists	Construction, Facilities Maintenance, Manufacturing and Transportation	117
General Maintenance Workers	Construction, Facilities Maintenance, Manufacturing and Transportation	104
Planners	General Administration	99
Clinical Program Therapists	Health & Human Services	91
Customer Services Specialists	Administrative Support & Hospitality	88
Law Compliance Representatives	Corrections, Public Safety & Law	30
Correctional Officers	Corrections, Public Safety & Law	77
Engineers	Engineering	61
Account Clerks	Finance, Regulation & Economic Development	59
Accounting Officers	Finance, Regulation & Economic Development	59
Food Service Workers	Administrative Support & Hospitality	58
Health Program Representatives	Health & Human Services	57
State Patrol Trooper- Trainees	Corrections, Public Safety & Law	55
Behavior Modification Assistants	Health & Human Services	53

## 9. Retirements, the Labor Market and Future Considerations

*Summary: This section contains information about current and impending retirements.*

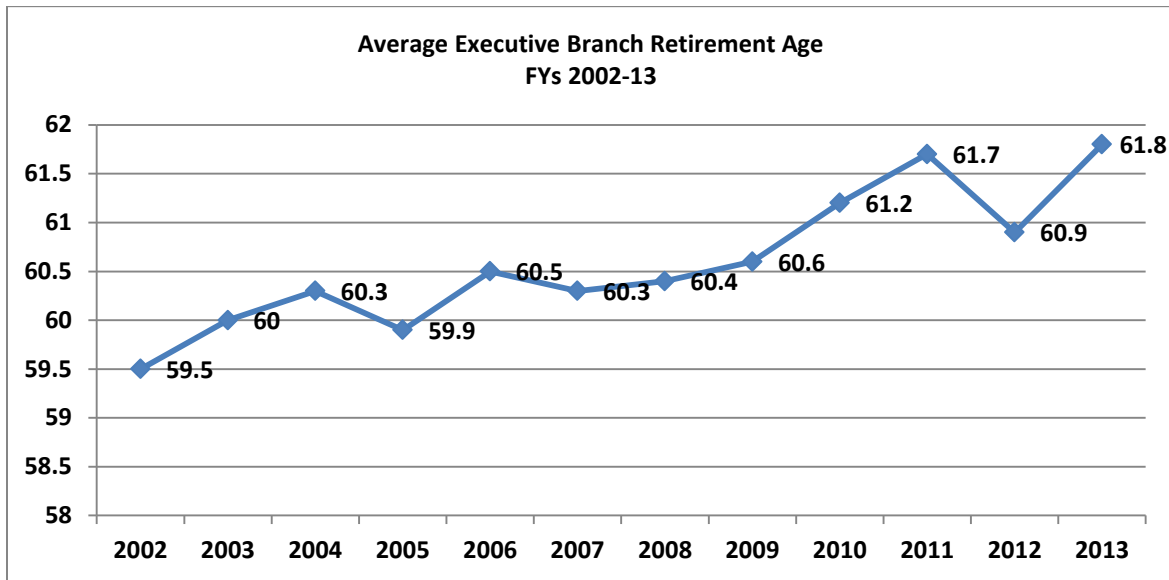
**Figure 14: Annual Retirements Trend**



- Over 1,000 employees retired from their public service with the State's Executive Branch in FY 2013, over 150 more than 2012. The spike in retirements during FY 2011 was largely due to an early retirement incentive passed by the legislature, which had to be in place by the end of FY 2011. That year aside, the 2013 retirement level is the highest number on record and represents 3.4 percent of the workforce.
- The average age at retirement during FY 2013 was 61.8 years, a number in line with 2010 and 2011 but later than previous years.

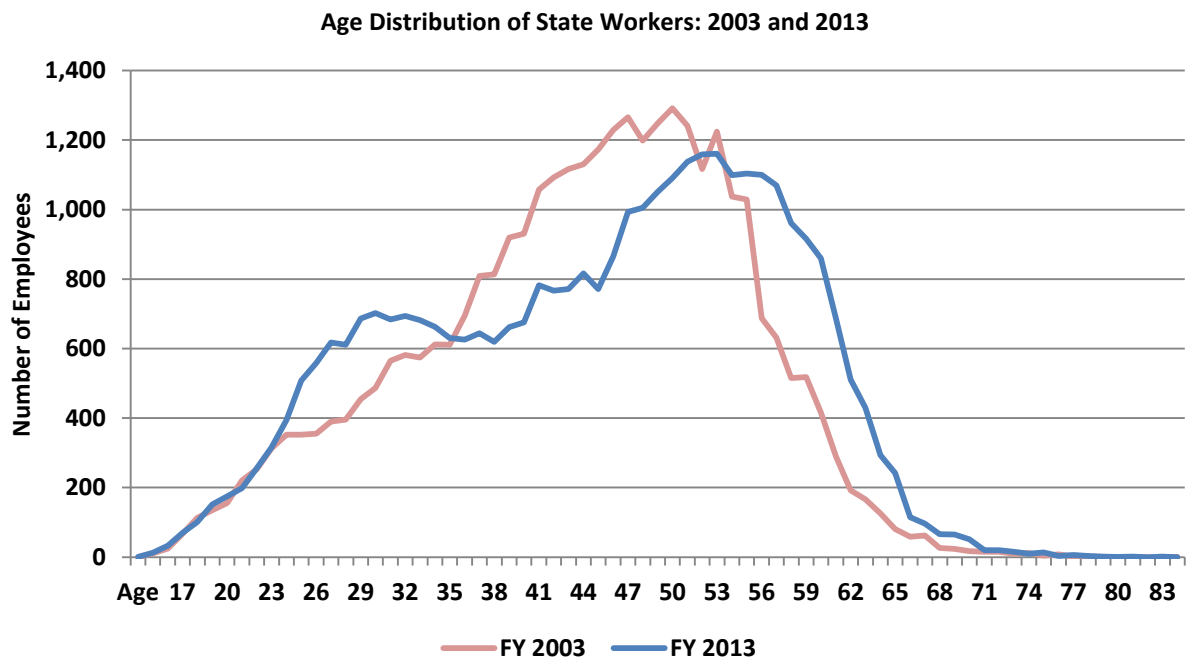


**Figure 15: Average Retirement Age Trend, FYs 2002-2013**



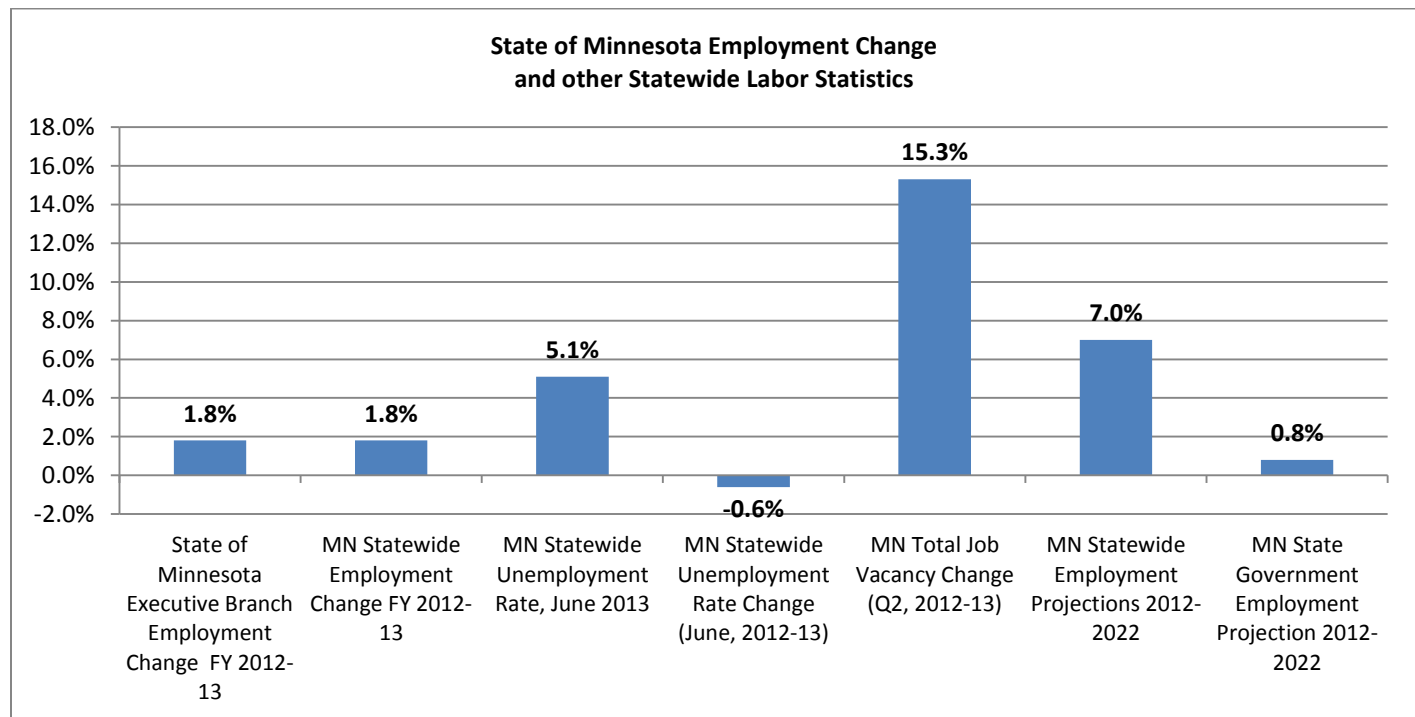
- There are 4,426 employees over 60 years old- an increase of 287 employees from 2012.
- With the median age of the workforce being 48 years, 13% of the workforce 60 years or older, and with an additional one-third of all employees between 50 and 59 years old, the Executive Branch is poised to experience a retirement wave throughout the coming decade, as the Baby Boomers exit the workforce.

**Figure 16: Distribution of Executive Branch Employees by Age Cohorts (2003 and 2013)**



- Figure 16 shows the age distribution of state workers between 2003 and 2013. The median age has shifted from 46 in 2003 to 48 in 2013. In both cases, the “Baby Boom Generation” makes up the largest part of the state workforce. However, the 2013 curve shows a new trend- a larger group of workers between 25 and 35 who currently make up 20 percent of the workforce. The challenge ahead will be to retain members of this age group to ensure the transfer of knowledge from one generation of workers to the next.
- These retirement effects are being experienced differently across various agencies. In 28 agencies, the average age of employees was 50 or older, portending many retirements in the coming two decades. See Appendix A for full list of agency-specific retirement counts.
- Between FY 2012 and 2013, the State of Minnesota Executive Branch added about 600 jobs for a growth rate of 1.8 percent. The entire state economy grew at the same rate between FY 2012 and 2013 for a gain of 50,000 jobs.
- As an employer, the State faces a tighter labor market. The unemployment rate had fallen from 5.7 to 5.1 percent over the course of FY 2013. By the end of FY 2013, the state economy had added back all but 4,300 jobs of the 156,000 jobs lost at the worst point in the most recent recession. Job Vacancies increased by 15 percent. See Figure 17. See Section 10 for implications and analysis.

**Figure 17: State of Minnesota Executive Branch Employment Change (FY2012-13) vs. Other Statewide Trends**



## **10. Implications and Discussion**

This report has sketched a portrait of the Executive Branch of the state workforce, identifying major features and characteristics of the more than 34,000 public servants who performed the state's work during fiscal year 2013. It has also identified some key challenges related to human resources and workforce development in the years to come. Specifically, emerging issues include an aging workforce, numerous impending retirements, and a need to focus on talent acquisition, retention, and development to replace state workers who are leaving state employment. Another emerging issue is related to state demographics and the need for the state workforce to mirror changing demographics of the whole state and the general labor force in terms of racial and ethnic diversity and employees with disabilities.

As noted in Section 9, the Minnesota economy generated 50,000 jobs over Fiscal Year 2013- a job growth rate that nearly erased the losses of the 2007-2008 recession. Increasing job growth and decreasing unemployment rates point to a tightening labor market for employers. Upon completion of this report, Minnesota had entered a full recovery of jobs though pockets of long term unemployment persist. Barring another recession in the near future, one can expect demand for workers to increase across the economy. The Department of Employment and Economic Development (DEED) projects seven percent job growth between 2012 and 2022 though State employment (including MnSCU) is projected to grow only 0.8 percent.

In an improved labor market, vacancies for skilled workers could be harder to fill. Of the 7,500 job vacancies that were open with the State in 2013, many were in fields that often require some education beyond high school (e.g. health care, information technology, engineering, etc.) As of Second Quarter, 2013 DEED was listing occupational categories such as computer and math, engineering, and healthcare practitioners and technical as being high demand fields in terms of having higher vacancy rates than the greater economy. In the cases of computer and healthcare jobs, projected growth rates are set to exceed that of the state rate of 7 percent. As an employer, the State will be in direct competition with other public and private entities to attract the most skilled workers in these and other fields.

Moreover, Minnesota does not consist of a single labor market but several regional labor markets across the state. Forty percent of state employment exists outside of the Twin Cities Metro Region. In many cases, population aging is enhanced in Greater Minnesota and flight of younger workers to urban centers has the potential to create regional skill shortages. According to DEED, unemployment rates in West Central and Southwest Minnesota were under 4 percent as of July, 2014. Therefore, agencies will need to look regionally in planning for their workforce needs.

While the data contained in this report relates to fiscal year 2013 (July 1, 2012 – June 30, 2013), many of the trends identified continue to the present. In light of these considerations, ongoing efforts to attract, develop, and engage state employees are in place.

## 11. Appendix A: Complete Agency-Specific Information

Executive Branch Agency	Total Compensation	Appointments	Retirements	New Hires	Net Change in Appointments, FY 2012-13	Average age of Employees	Average Years of Service
Accountancy Board	\$190,842	6	0	3	2	37	5
Administration Dept	\$29,027,347	433	29	73	-21	50	13
Administrative Hearings	\$6,843,383	66	5	8	-1	53	18
Agriculture Dept	\$31,610,110	486	10	76	-37	47	12
Amateur Sports Comm	\$284,203	3	0	0	0	60	17
Animal Health Board	\$3,368,331	40	2	1	-8	48	12
Architecture, Engineering Bd	\$468,868	9	0	4	0	43	7
Arts Board	\$937,243	16	0	6	1	49	6
Asian-Pacific Council	\$159,647	4	0	1	0	28	1
Attorney General	\$25,277,449	303	15	42	6	46	12
Barber Examiners Board	\$128,702	3	0	1	0	44	2
Bd of Podiatric Medicine	\$42,234	1	0	0	0	58	22
Black Minnesotans Council	\$172,525	3	0	2	1	55	4
Board Behavioral Hlth&Therapy	\$267,394	4	0	1	0	41	12
Bureau of Mediation Services	\$1,054,091	13	0	4	1	57	16
Campaign Fin & Public Discl Bd	\$596,070	8	0	0	0	51	12
Capitol Area Architect	\$242,177	3	1	0	0	61	14
Chicano/Latino Affairs Council	\$264,792	5	0	5	1	41	4
Chiropractors Board	\$316,502	6	0	1	1	48	13
Commerce Dept	\$26,362,144	341	10	76	-15	47	14
Corrections Dept	\$299,110,377	4,188	140	351	-45	43	11
Cosmetologist Exam Board	\$734,813	13	0	3	-1	43	7
Dentistry Board	\$1,394,188	18	0	1	-1	52	13
Dietetics & Nutrition Practice	\$53,927	2	0	1	1	56	8
Disability Council	\$409,098	7	0	2	-2	50	11
Education Department	\$31,645,324	374	16	38	-38	51	14
Emergency Medical Services Bd	\$802,203	12	0	0	1	45	13
Employ & Econ Development Dept	\$104,539,876	1,478	62	171	-147	49	14
Explore Minnesota Tourism	\$3,091,292	61	1	6	-2	49	14
Gambling Control Board	\$2,223,824	33	1	2	5	50	22
Governor's Office	\$3,235,602	54	0	11	1	33	3
Health Department	\$105,347,739	1,393	46	236	-100	47	12
Higher Ed Facilities Authority	\$234,158	2	0	0	0	58	24
Housing Finance Agency	\$19,340,036	219	8	30	-2	48	11
Human Rights Dept	\$2,253,707	34	2	11	1	47	13
Human Services Dept	\$422,499,356	6,246	192	1,091	-342	46	12
Indian Affairs Council	\$331,499	5	0	3	0	39	6
Investment Board	\$3,094,809	23	0	2	2	47	16
Iron Range Resources & Rehab	\$4,442,716	50	11	81	-8	47	16
Labor & Industry Dept	\$34,721,312	467	11	52	-10	51	14
Lottery	\$11,100,407	172	5	45	20	46	12
Marriage & Family Therapy	\$117,820	2	0	1	0	49	13
Medical Practice Board	\$1,523,970	22	0	1	-1	54	21
Military Affairs Dept	\$18,775,663	322	8	66	8	44	12
MN.IT Services	\$180,706,837	2,049	51	182	1,736	57	14
Mn Management & Budget	\$21,326,633	247	12	52	-38	47	13
Mn State Academies	\$12,360,744	344	4	52	10	46	11
MN Zoological Garden	\$14,956,934	366	6	131	4	39	8
Natural Resources Dept	\$184,596,770	3,024	95	1,905	-119	46	15
Nursing Board	\$2,267,220	34	1	7	3	48	9
Nursing Home Admin Board	\$590,054	10	1	5	-1	38	9
Office of Higher Education	\$4,649,163	65	3	33	-7	40	12
Ombud Mental Health & Dev Dis	\$1,402,396	19	2	3	-1	50	12
Ombudsperson for Families	\$302,471	4	0	0	0	55	14
Optometry Board	\$29,035	1	0	1	0	53	16
Peace Officers Board (POST)	\$823,675	9	1	1	-2	58	20
Perpich Ctr for Arts Education	\$5,664,614	76	3	19	-4	49	10
Pharmacy Board	\$1,487,668	15	0	4	1	50	11
Physical Therapy Board	\$217,375	3	0	0	0	44	8
Pollution Control Agency	\$66,925,300	860	31	114	-47	46	15
Private Detective Board	\$107,141	1	0	1	0	50	0
Psychology Board	\$523,414	10	0	6	0	34	1
Public Facilities Authority	\$652,598	7	1	0	-2	54	22
Public Safety Dept	\$148,066,859	1,858	67	181	-120	45	13
Public Utilities Comm	\$4,630,892	55	3	10	5	51	13
Racing Commission	\$869,117	23	1	18	-2	43	5
Revenue Dept	\$102,315,056	1,628	51	480	-11	42	10
Secretary of State	\$4,732,450	62	1	19	-14	46	11
Sentencing Guidelines Comm	\$474,297	6	0	0	0	41	11
Social Work Board	\$657,802	10	0	2	-1	52	13
State Auditor	\$7,577,743	101	3	22	-6	41	13
Tax Court	\$567,450	6	1	2	-1	54	9
Transportation Dept	\$356,527,389	4,823	102	809	-67	47	14
Veterans Affairs Dept	\$69,179,188	1,337	27	343	14	46	9
Veterinary Medicine Board	\$183,606	3	1	2	1	44	3
Water & Soil Resources Board	\$5,732,276	90	1	11	3	47	12
Workers Comp Court of Appeals	\$1,295,727	14	2	2	0	57	21
Total Executive Branch	\$2,408,037,666	34,110	1,046	6,926	603	48	13

Executive Branch Agency	Employee Race not Specified	Racial/Ethnic Minorities	White Employees	Female Employees	Male Employees	Employee Gender not Specified	Employees with a Disability	Employees who are Veterans	Employees with veteran Status not specified
Accountancy Board			6	5	R				2
Administration Dept	26	59	348	171	262		14	43	35
Administrative Hearings	6	5	55	45	21		5	5	2
Agriculture Dept	63	32	391	237	249		10	39	45
Amateur Sports Comm			3	R	R				
Animal Health Board	4	R	35	22	18			R	14
Architecture, Engineering Bd	1	R	7	8	R				1
Arts Board	4	R	11	12	4		R	R	3
Asian-Pacific Council	0	4		R	R				
Attorney General	0	26	277	186	117		11	12	54
Barber Examiners Board	2		R	R	R			R	1
Bd of Podiatric Medicine			R	R					
Black Minnesotans Council	0	3		R	R		R		
Board Behavioral Hlth&Therapy	2		R	4					2
Bureau of Mediation Services	3	R	9	5	8			R	3
Campaign Fin & Public Disc Bd	2		6	4	4				
Capitol Area Architect			3	R	R				
Chicano/Latino Affairs Council	1	4		R	R				R
Chiropractors Board	1		5	3	3		R	R	2
Commerce Dept	22	30	289	166	174	1	11	27	39
Corrections Dept	45	273	3,870	1,637	2,551		191	601	429
Cosmetologist Exam Board	9		4	11	R			R	10
Dentistry Board	6	R	11	15	R				3
Dietetics & Nutrition Practice			R	R					
Disability Council	2		5	5	R		R		3
Education Department	16	28	330	298	76		20	14	64
Emergency Medical Services Bd	3	R	7	8	4				8
Employ & Econ Development Dept	32	163	1,283	1,003	475		105	109	187
Explore Minnesota Tourism	3	R	56	41	20			3	19
Gambling Control Board	3	R	29	20	13		R	R	4
Governors Office	48		6	39	15			R	26
Health Department	38	124	1,231	1,015	377	1	36	49	153
Higher Ed Facilities Authority		R	R	R					
Housing Finance Agency	65	25	129	154	65		9	11	57
Human Rights Dept	10	10	14	19	15		R	R	2
Human Services Dept	324	634	5,288	4,254	1,992		231	357	878
Indian Affairs Council		5		R	R				1
Investment Board	7	R	16	12	11		R		8
Iron Range Resources & Rehab	7		43	24	26			3	6
Labor & Industry Dept	23	39	405	218	248	1	27	43	58
Lottery	49	12	111	88	83	1	6	12	30
Marriage & Family Therapy			R	R					
Medical Practice Board	1	3	18	16	6		R	3	4
Military Affairs Dept	89	8	225	81	241		5	99	65
MN.IT Services	100	253	1,696	771	1,278		79	190	303
Mn Management & Budget	8	26	213	168	79		14	12	36
Mn State Academies	98	R	245	259	85		69	3	155
MN Zoological Garden	9	13	344	234	132		4	13	133
Natural Resources Dept	96	87	2,841	1,156	1,868		77	190	353
Nursing Board	8	R	24	33	R			R	15
Nursing Home Admin Board	4		6	6	4				5
Office of Higher Education	30	3	32	42	23			R	37
Ombud Mental Health & Dev Dis	7	R	11	16	3			R	6
Ombudsperson for Families	1	R	R	4					1
Optometry Board			R	R					
Peace Officers Board (POST)	1	R	7	7	R				1

Executive Branch Agency	Employee Race not Specified	Racial/Ethnic Minorities	White Employees	Female Employees	Male Employees	Employee Gender not Specified	Employees with a Disability	Employees who are Veterans	Employees with veteran Status not specified
Perpich Ctr for Arts Education	7	8	61	40	36		R	4	9
Pharmacy Board	4	R	10	11	4		R	R	4
Physical Therapy Board	2		R	R	R				2
Pollution Control Agency	26	54	780	397	463		38	34	90
Private Detective Board	1		R	R	R				
Psychology Board	8		R	6	4			1	7
Public Facilities Authority			7	5	R				1
Public Safety Dept	87	128	1,643	816	1,042		62	230	227
Public Utilities Comm	17	4	34	27	28		R	R	20
Racing Commission	16		7	20	3				18
Revenue Dept	107	220	1301	969	658	1	53	76	185
Secretary of State	20	4	38	38	24		R	3	14
Sentencing Guidelines Comm	2	R	R	6					
Social Work Board	2	R	7	9	R				2
State Auditor	41	R	58	55	45	1		R	44
Tax Court	1		5	4	R				2
Transportation Dept	248	365	4,210	1,030	3,793		140	584	567
Veterans Affairs Dept	537	180	620	945	392		27	128	409
Veterinary Medicine Board	2		R	R	R				1
Water & Soil Resources Board	10		80	32	58		R	4	5
Workers Comp Court of Appeals	1	R	12	9	5			R	1
Total Executive Branch	2,418	2,857	28,835	16,971	17,133	6	1,266	2,921	4,872

## 12. Definitions and Technical Notes

**Appointment:** Appointment counts are the number of filled positions. An employee with multiple concurrent jobs (e.g., two part-time jobs at the same time) will be counted once for each job or position regardless if both positions are in the same agency or job class. Because one employee can hold more than one appointment, appointment counts are usually larger than the number of actual employees.

**Average:** The most representative score in a distribution. The total divided by the number of cases: for example, the average age of the group is determined by adding all ages together and dividing by the number of individuals.

**Calendar year:** January 1 through December 31 of a given year.

**Contingent workforce:** Temporary, emergency, and provisional employees hired for a limited time-period within the span of a fiscal year.

**Executive Branch:** Agencies of state government established by Minnesota Statute 43A that have statewide jurisdiction and are not within the Legislative or Judicial branches of government.

**Fiscal Year:** State government runs on a fiscal year calendar that runs July 1 of one year through June 30 of the following year. Fiscal year 2013 runs from July 1, 2012 through June 30, 2013 and is the time period used for this report.

**FTE:** Full Time Equivalent, or FTE, is a calculation of how much work was compensated last fiscal year. This is represented in 2,088 hour increments or what a regular full-time employee would have worked in one fiscal year. Average Annual Salary per FTE represents the total salary compensation (dollars) divided by the calculated FTE total.

**Median:** The point at which half of cases in a distribution fall below and half fall above in a given range. For example, the median age of State workers was 48 years (half were younger and half were older).

**Unlimited status:** Employees hired on an unlimited status means an appointment for which there is no specified maximum duration.

### Technical Notes:

Percentages are calculated only from data where a response was given for a particular topic throughout the report. For calculating percentages Individuals who did not indicate race, gender, county of workplace, et cetera have been excluded; therefore, the true percentage, while unknown, may vary slightly from the given percentage, depending upon the size of the unknown group.

Minnesota Management and Budget

400 Centennial Office Building | Saint Paul, MN 55155 | [www.mmb.state.mn.us](http://www.mmb.state.mn.us)

651-201-8000