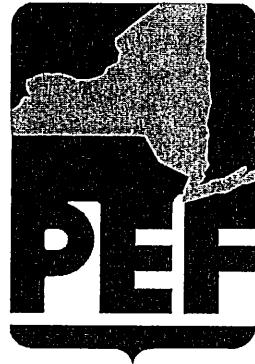


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Testimony, Public Protection Joint Legislative Public  
Hearing on the 2017-18 Executive Budget Proposal

By:

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Leader, and Nikki Brate, Vice President



Chairs, committee members, and distinguished guests – thank you for your time and for allowing me this opportunity to speak with you on behalf of the more than 3,300 PEF-represented members employed by the Office of Information Technology Services; the people who provide critical IT services for the state agencies and for the citizens of New York State.

My name is Penny Howansky. I am a PEF Council leader and a Manager of Information Technology Specialist 1 for New York State government and I have worked to serve the agencies and citizens of New York State for 33 years.

Like many of you, I have concerns about the numerous issues surrounding workforce development and the continued privatization of IT services.

I also want to address some of the remarks made by the acting Commissioner of Civil Service last Wednesday regarding the skills of the ITS workforce, specifically stating during her budget testimony “The state workforce doesn’t always have the cutting-edge skills...or the talent,” required for specialized information technology tasks.

I can tell you that we have an extraordinarily talented workforce, and they have been providing excellent services for years. Prior to the IT Transformation, agencies were satisfied with the quality of their IT service. When we look at the agencies that weren’t included in the transformation – OSC, OAG, SUNY, and others; you don’t hear the level of complaints about their IT service or about them not having the skills necessary to provide services for New York State. All are utilizing the same PEF workforce – people who came up through the civil service merit and fitness system – not consultants.

What other explanation is there except for the insufficient planning and insufficient implementation strategy?

Last year, I spoke to you about how ITS has advocated, throughout the IT Transformation, that one of the primary benefits of centralized services would be a reduction in the state’s reliance on consultants and contracted services. I reported to you that ITS has *decreased* the number of Full Time Employees, or FTEs – hardworking public servants and New York State citizens like yourselves - from 3,819 FTEs in 2014 to 3,585 FTEs in 2016. Last year saw a *reduction* of about 6% of the *state ITS* workforce – not of

consultants. And in that same time, the number of consultant staff ITS employs has risen from 159 in 2014 to 808 in 2016. Rather than reduce our reliance on consultants, ITS **increased reliance on consultants by 408%**.

This year, ITS has proposed a budget that further reduces the IT workforce by another 179 through attrition and, while there is a slight decrease in the number of consultants, the cost for contracted services has risen from \$394,316,000 to \$431,538,000, an increase of 9.4%.

Ladies and gentlemen, insufficient planning has made the proud members of PEF and the NYS workforce into scapegoats. Let us refer to the August 2016 Comptroller Audit Report of the ITS transformation. The very first key finding is the following: "There were significant deficiencies in planning the execution of the Transformation, with little or no evidence that many basic planning steps were performed."

ITS lacks a strategic plan. ITS lacks a Workforce Development plan to properly invest in succession planning, knowledge transfer, and skills advancement. Now, ITS is trying to use the budget process to propose legislation that further disrupts the NYS workforce and further erodes the civil service system by putting forth a proposal to create 250 positions as "Special Expertise" (SE's).

Nowhere in the legislation does it mention that due to the proposed 250 SE positions, there will be a decrease of 250 consultant positions. Nor does it mention any increase of FTE positions. Rather we see a reduction of 179 FTE's. This is not workforce development, but workforce demolition.

PEF has repeatedly sought from ITS an understanding of what skills they believe our members were missing, and how we could *partner* with ITS to look for ways to further develop our workforce. Where we are now is that ITS is unable to identify the skills they need, and therefore, cannot supply any empirical evidence to justify a new method of circumventing the civil service merit system. Anything offered by ITS at this point is pure conjecture.

NYS just invested in developing an IT exam – there are 1,000s of eligible people looking for new opportunities to showcase their skills at work. This is the list that reflects the skills of both our seasoned members with years of experience and knowledge, and our junior members with new ideas and energy.

Hiring SE's without proper examination and vetting of qualifications and experiences, will only promote mediocrity in state services rather than meritocracy. As you know, the civil service merit and fitness system was put in place to increase accountability and to protect the public – your constituents. When employees are hired and promoted using a fair system based on merit, everyone benefits.

This legislation would potentially block 250 PEF members' promotional opportunities by filling upper level IT positions with untested insourced consultants - at the top of the pay grade. Ask yourselves, "Is that fair"?

If we were to enact this legislation, it will send the following messages to the current and future IT State workforce:

1. For the current IT workforce – although you continued to work for the state for about seven years to make job rate which is far less than your private sector counterpart with increases in healthcare and cost of living expenses, ITS believes you are inept and cannot be trained and therefore, we will allow 250 SE upper level positions to be inserted into ITS which will minimize your promotional opportunities.
2. For the future IT workforce – Since NYS allowed 250 SE positions to be inserted in high level positions, it will result in a lack of career mobility and advancement.

We're showing our burgeoning new employees that they have a better opportunity leaving for the private sector and giving our seasoned talent a reason to retire before the designated time which could hamper succession planning needed to maintain the IT systems NY taxpayers rely on a daily basis. That is a terrible recruiting and retention strategy.

Sometimes ITS seems to think of our members as dispensable tangible resources as opposed to indispensable intangible assets. To do a job you need a desk, a PC, and a person with skills - and you can do something, some task. But your desk isn't going to leave the workforce because it isn't respected or appreciated, and your computer isn't going to be offered a promotion somewhere else and cost NYS years of institutional knowledge when you try to replace it. But our talented people will. And when you add legislation on top of that which is going to hurt their career mobility, they have even more incentive to leave.

ITS, and now the Dept. of Civil Service are telling our members, and they are telling you, that our members don't have skills – but think about it - what kind of message does that send? One of the big trends in Human Resources these days is Employee Engagement – ITS had put out multiple surveys to measure their employee engagement - what does it do for engagement to tell your employees you don't think they have any cutting-edge skills...or the talent?

Many of our members are enthused proactive learners who are well educated and hold various certifications. Our members are eager and willing to learn whatever skills that ITS identifies – they want education and training. They want professional development opportunities. Our members want to have professional certifications and credentials. Our members are looking to get the specialized, technical training opportunities necessary to build and maintain the skillsets needed. But again, ITS has no strategic plan. ITS has no workforce development plan. ITS can't tell us what skills we don't have.

ITS provides soft skills training – change management, team dynamics, that kind of thing, but what we need are real technology training programs and certifications. This year, ITS has proposed a training budget of \$2,000,000. However, ***only \$313,000 will go towards training our members*** to equip them with skills ITS is seeking. Astoundingly, the remaining \$1,687,000 will be spent on salaries and benefits. ITS could make a large, long-term, direct investment in staff by investing in training them adequately, but they are proposing to invest only 15% of the training budget for providing actual technical training. 15% of two million dollars – yet they need \$108,887,000 for FTE consultants and \$431,538,000 for contracted services (outsourcing).

Our members have spent years in this industry and they have the invaluable and irreplaceable experience to understand the business needs of the organization. They *are* ITS. They are the NYS Geek Squad.

If you want to have an engaged IT workforce, you need to provide them with opportunities for growth. Our members hear their management say they are unqualified or unskilled. They don't feel respected or valued. They don't see ITS making an investment in their professional development.

This is an area where PEF can be an invaluable business partner to ITS. When ITS outsourced Helpdesk services to IBM, 160 PEF members were displaced from their jobs and we were told that they would be

provided the training they needed to transition into new jobs. When we didn't see that happening, one of our ITS PEF stewards developed a program to train and certify 300 PEF members in general IT, data and networking and information security. This program was valued at \$200,000 and it was funded by Article 15 of the Collective Bargaining Agreement between PEF and NYS - our members' dues money goes toward providing this opportunity and others like it, and that's almost two-thirds of ITS' contribution to staff training as stated in this year's budget proposal.

This is just one of many ways that PEF could be a great business partner to ITS if they were more willing to work with their local PEF leaders on what are shared issues. Workforce development should be important to everyone, because it's a win-win.

It goes back to what feels like a lack of respect on the part of ITS for the state workforce and PEF by extension. The goal of unions everywhere is to band together and protect employee rights. PEF will always need to represent our members when there are problems. The relationship between ITS and PEF doesn't have to be one where we are always battling over issues – it could be one where we work together to find ways to improve our shared organization. The first step to avoiding or overcoming an "us versus them" mentality is for ITS to engage with the local PEF leadership as a business partner. ITS should bring its problems to these local leaders and include them in finding a solution.

There are a lot problems that need solutions. ITS' mismanagement created multiple barriers to the success of Help Desk and Break/Fix functions – such as failing to ensure that IT staff servicing the various state agencies' technology systems had access to those systems and the appropriate networks required to do their jobs. Like last year, we are still in a situation where tasks which could be resolved in ten minutes, now take weeks – and even months - to complete due to the increased bureaucracy and a convoluted ticketing system which ITS has implemented. Help Desk employees are routinely denied access to the systems of different state agencies, eliminating their ability to provide adequate levels of service. These problems have not gone away – so clearly bringing in a contracted service, at a cost of \$58,102,523, to replace state staff was not a great solution!

I want to reiterate that the goal of the IT Transformation was to reduce the state's reliance on consultants by consolidating the talented NYS workforce under one agency, ITS.

These are our jobs, our livelihoods, and our futures. These types of jobs are the cornerstones of the communities you represent.

We implore you to look carefully at ITS budget proposal and help ensure that adequate investments are made in the NYS workforce and in safeguarding the jobs and livelihoods of NYS citizens who fill these positions.

We believe, as we hope you do too, that ITS should not by-pass the Civil Service merit and fitness system and insert 250 SE upper level positions. Additionally, ITS should not be allowed to contract out IT functions such as what recently occurred with Level One/Level 2 (L1/L2) Help Desk and Break\Fix services – displacing more than 160 PEF members.

The answer is to invest in our people, our citizens, and our communities – to utilize our current state employees and to hire new state employees when needed, not contractors, and to deploy them appropriately, to provide them with the training and resources necessary for their success, and for ITS to work with their local PEF leadership as a business partner.

After all, NYS runs on ITS! Thank you very much for your time.