

Montana State Legislature

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**2005 Legislative Session
Report to the Joint Subcommittee
on General Government and Transportation
Professional Development Center
Department of Administration**

Summary

The Professional Development Center provides cost-effective, relevant training for state employees. All state agencies make use of the PDC's services. Four agencies * devote considerable resources to providing internal training on topics similar to PDC's offerings. The training fees for PDC courses fall below the costs of similar workshops offered in Montana cities by private vendors.

* Corrections, Fish Wildlife & Parks, Labor and Industry, and Transportation

Background

This report stems from a directive of the 2003 Legislature: "The legislature also directed the department [of administration] to present a business plan to the General Government and Transportation Subcommittee during the next legislative session that contains detailed information of training offered by the program, along with market research and results of surveys of government customer groups that support the need for the course offerings and that compare the availability and cost between the PDC and other alternative providers of PDC course offerings." (2005 Biennium Executive Budget, page A-172)

This report fulfills the directive in this order:

- Description of the PDC
 - survey results
 - retreat results
 - annual plan
 - course offerings
 - open and contract training
 - other services
 - financial summary
- Other agencies' training
 - training similar to PDC's
 - training different than PDC's
- Other resources
 - computer-based training
 - "live" seminars
- Conclusion
- Appendices

Description of the Professional Development Center

In operation since 1983, the Professional Development Center provides training and related services for state agencies. The impetus for creating the center stemmed from the Governor's Council on Management and the Personnel and Labor Relations Study Commission. These two groups, appointed by then-Governor Schwinden, saw the need for a centralized management training program for state personnel.

The PDC received general funding for 1.5 FTE (out of 3) FY84 through FY87. The 1987 Legislature reduced general funding to 1 FTE, and the 1989 Legislature ended general fund support. Since then, the PDC has supported its operations through service fees:

Agency managers use PDC's services at their own discretion; no statute, rule, or executive order mandates that any agency use PDC services. PDC charges fees for its services and recovers the entire cost of its operations through the fees.

PDC courses do not carry academic credit for participants. The courses do, however, qualify for continuing education in several areas. The Office of Public Instruction certifies PDC courses for Teacher Renewal Credit. The Board of Crime Control certifies PDC courses for Peace Officer Standards Training. The State Bar of Montana certifies 15 PDC courses for Continuing Legal Education. Other professional associations have granted continuing education credits class-by-class.

The PDC has regular contact with agency personnel. The Human Resource Advisory Group and the Workforce Planning Committee advise PDC on its course offerings. The Training Advisory Group tracks information on training activities in agencies.

Survey Results

In 2003, PDC surveyed state agencies to 1) learn their preferences for training and 2) understand the barriers to participating in training. (See Appendix 1.) Results showed that agencies identified needs in areas where PDC already provided training. These results helped PDC target its training for the 2005 Biennium to the greatest need.

Two-thirds of respondents didn't cite any unmet training needs. Two-thirds cited "lack of time to attend training" as the main barrier to participating in PDC courses. A significant number urged that more training take place outside of Helena. In the 2005 Biennium, the PDC greatly increased its offerings in other areas of Montana.

Nearly half the respondents said their agencies have a policy on training. Almost 40% said state government doesn't need a state-wide training policy. When asked "what one thing" would help PDC vastly improve its service, the highest response was "you're doing a great job." Among other responses, 17% said "lower the cost," 15% said "more training outside Helena," and 12% said "agency-specific training." (Near the end of the biennium, PDC said, "Two out of three aren't bad." The program did raise costs to ensure a balanced budget.)

Retreat Results

In December 2004, the State Personnel Division held a retreat with Human Resource Officers from several agencies. The purpose of the meeting was to assess the Division's services and to get input for the future.

The participants supported the content and quality of PDC training. They suggested two developments: 1) examine alternative funding models for the program, such as a fee per FTE, and 2) shape the PDC into a "broker" for training in state government. The latter suggestion envisioned that PDC could provide coordination of and access to a wide range of training resources within state government.

Business Plan

Each year, the PDC plans its services with two outcomes in mind: 1) meet agencies' needs for PDC's services, and 2) maintain PDC's financial viability. One part of the plan covers ongoing activities. For 2004, that portion of the plan looked like this:

- A. Open enrollment training -- PDC will schedule an average of 25 open enrollment courses each quarter, amounting to 68% of its total training time. These include half-day, full-day, and series workshops on management, communication, and personal effectiveness. Open enrollment courses are available to all employees of state agencies, local governments, and university units, subject to any prerequisite requirements. Fees are charged per person attending. We project about 1,300 participants.
- B. Contract training -- PDC expects to devote about 27% of its total training time to "in-house" courses for agencies. These courses cover the same topics as open enrollment courses, subject to the needs of the contracting agency and content decided between the agency and PDC. Fees are charged at a flat rate, depending on the length of the workshop. We project about 1,900 participants.
- C. Other services -- PDC expects to devote about 5% of its service hours to activities such as meeting facilitation, curriculum design, and mediation. These services take place on contract with agencies. Fees are charged at an hourly rate.

The program also plans finite objectives to accomplish during each year. These objectives fall into three broad goals:

- Develop new courses; revise existing courses and materials
- Sponsor special-interest events
- Expand the market for PDC services

Course Offerings

The PDC supports a catalog of 95 training courses. All of these were developed in-house, and the PDC staff delivers them. The broad categories of training topics are these five:

- Management Skills
- Management Issues
- Written Communication

- Verbal Communication and Public Relations
- Special Issues

Appendix 2 lists all course offerings. Among the 95 courses, seven of them are series of three or more days. The core curricula are four management series.

- Basics of Management – a six-day series for non-managers to help them prepare for advancement. The focus is on personnel management. This training has proven crucial as a higher percentage of state managers qualify for retirement. Over 500 people have attended.
- Essentials of Management – an eight-day series for managers at all levels. The focus is on personnel management. Over 1,300 people have attended.
- Essentials of Management 2 – a six-day continuation for graduates of Essentials of Management. The focus is on leadership and resolving problems. The newest of the series, about 80 people have attended.
- Principles of Upper Management – a six-day series for managers at all levels, with the emphasis on project management and team-building. Over 400 people have attended.

Three other series attract a broader audience than just managers.

- Negotiating Skills – a three-day series to improve skills at negotiating workplace solutions in areas of planning, solving problems, and resolving conflicts.
- Mediation Skills – a three-day series providing a mediation model for people to serve as disinterested third parties to help resolve disputes.
- Excellent Assistant Series – eight half days of training to help administrative support staff improve skills in organization, customer service, teamwork, communication, and writing.

All other PDC courses range from one-half day to two days.

Open-Enrollment and Contract Training

The PDC offers its training through two means.

- Open enrollment – The program sponsors courses on its own, scheduling them well in advance, advertising them, and accepting enrollments from employees in all agencies. PDC charges a fee for each participant. (See section on fees below.) From fiscal year 2000 through 2004, the PDC averaged 1,374 participants in 108 open-enrollment courses each year. Average annual hours of open-enrollment training came to 1,165.
- Contract training – The PDC contracts with an agency to provide training just for its employees. This enables tailored, specific training to address the agency's needs. PDC charges a flat rate for the training, depending on number of hours. If the training takes place outside Helena, the PDC also recovers travel expenses from the agency; these costs are a fraction of what the agency would spend to send its employees to Helena. From fiscal year

2000 through 2004, the PDC averaged 1,606 participants in 61 contract courses each year. Average annual hours of contract training came to 412.

Appendix 3 details the number of training events in these two categories over the past five years. It also lists number of participants and service hours in each area.

Other Services

The PDC provides other services on contract to agencies. The program charges an hourly rate for these services. On average, these activities account for less than 10% of PDC's service hours each year.

- Meeting Facilitation – The PDC facilitates meetings for agencies. A facilitated meeting is run by a PDC staff member as an unbiased and disinterested outside party. The result is a goal-oriented, productive meeting with a clear focus and outcome. For example, the PDC facilitated negotiated rule-making with several interest groups for the State Land Board this biennium. The outcome was a widely accepted draft of administrative rules for land banking.
- Mediation – The PDC contracts with agencies to mediate issues in the workplace, either case-by-case or ongoing. Although each mediation varies, depending on circumstances, the service typically follows an established process of entry, assessment, negotiation and agreement, and follow-up.
- Needs Assessment – The Professional Development Center works with agencies to assess training needs. The service involves three stages of assessment: 1) describing perceived problems and needs, 2) gathering data economically and without disruption, and 3) analyzing data and recommending action.
- Consulting – The PDC offers individual or group consulting to help identify and address management issues, including the progressive areas of team-building and quality management. The program can coach managers on personnel issues, including communication, appraisal, discipline, planning, and time management. It also provides technical assistance in editing, design, and lay-out of reports, brochures, and information packets.
- Conference Coordination – The PDC has valuable experience in the “nuts and bolts” of coordinating public events. It uses that experience to help agencies coordinate a conference or convention.

Financial Summary

The following tables show the fee structure for PDC services. These fees have been in effect since January 1, 2004.

open-enrollment training (fee per person to attend a course)

Type of course (agencies get reduced rates for sending more than one employee to a training session)	1 person from agency	2-4 people (each)	5 or more (each)
Half-day class (3.5 hours)	\$ 85	\$ 76	\$ 68
One-day class (7 hours)	110	99	88
One and one-half day class (10.5 hours)	140	126	112
Two-day class (14 hours)	175	157	139
Three-day class (21 hours)	225	202	180
Essentials of Management (56 hours)	545	495	440
Essentials of Management 2 (42 hours)	475	425	379
Principles of Upper Management (42 hours)	420	378	336
Basics of Management (42 hours)	420	378	336
Excellent Assistance Series (28 hours)	310	279	248

contract training (flat fee for session, regardless of number attending)

Type of course (agencies get reduced rates for arranging more than one session of training)	1 session	2 sessions (each)	3 sessions (each)	4 or more (each)
Half-day class (3.5 hours)	\$ 540	\$ 485	\$ 443	\$ 415
One-day class (7 hours)	800	720	655	620
One and half day class (10.5 hours)	1,100	935	900	845
Two-day class (14 hours)	1,430	1,215	1,170	1,100
Three-day series (21 hours)	1,780	1,605	1,460	1,370
Four-day series (28 hours)	2,250	1,980	1,845	1,730
Five-day series (35 hours)	2,810	2,475	2,305	2,160
Six-day series (42 hours)	3,375	2,870	2,770	2,595
Seven-day series (49 hours)	3,940	3,350	3,230	3,030
Eight-day series (56 hours)	4,500	3,825	3,690	3,465

In four of the past five fiscal years, the PDC has posted a positive balance of revenue over expenses. Revenue results from the fees shown above. Expenses include all operations, such as:

- salaries and benefits for three FTE
- rent for office and classroom space
- phone service and computer network
- insurance, bonds, and debt service
- apportioned costs of management services, director's office, etc.
- supplies
- printing
- postage
- travel

Average revenue for fiscal years 2000 through 2004 \$ 231,583
Average expense for fiscal years 2000 through 2004 \$ 230,768
Average year-end balance \$ 815

Appendix 4 details PDC's revenue and expenses for fiscal years 2000 through 2004.

Other Agencies' Training Efforts

The Professional Development center offers management and communication training for state employees. Every state agency makes use of the PDC's training for some of its employees.

Several agencies also dedicate internal resources to training, meaning one or more FTE provides or coordinates training. Appendix 5 details each agency's training efforts. The training that agencies support falls into three major categories:

- Technical – Training that covers topics specific to the agency and outside PDC's mission. Here are a few examples:

Transportation: materials testing, equipment operation, maintenance, safety
Public Health and Human Services: social work policy and procedure, lab testing, mental health nursing care

Justice: law enforcement practices, criminal investigation, accident investigation

Corrections: facility security, self defense, contraband control, parole supervision, pre-release management, juvenile detention

Technical training also encompasses information technology. Some IT training covers advanced areas for system specialists. Most IT training targets end-user skills, either for general applications like Microsoft Office or for specific agency systems, such as Revenue's IRIS tax software.

- Consumer – Training that agencies provide for the segments of the public that they serve. These topics are also outside PDC's mission. Here are a few examples:

Public Health and Human Services: public health safety, tobacco-use prevention, biohazard preparedness, emergency medical services

Justice: criminal justice information system, law enforcement practices

Fish, Wildlife & Parks: hunter safety, snowmobile safety

Labor and Industry: skills for job-seekers, interviewing skills, workplace safety

State Fund: loss prevention, safety, ergonomics

- Management and Communication – Employee training that covers topics similar to what PDC offers. Four state agencies devote resources involving one or more FTE to this area of training.

Corrections: Correctional Practices Bureau primarily focuses on topics related to corrections, sometimes working in conjunction with Montana Law Enforcement Academy (Justice). The Bureau also provides a Supervisory Basics Course, Situational Leadership, and Conflict Resolution; has started working on Pacific Institute Imagine 21, working with Montana State Fund.

Fish Wildlife & Parks: One FTE in Director's Office coordinates and provides Leadership and Management Development curriculum. This 12-day series covers several topics of general application for managers, in

addition to several topics specific to the agency. The agency has, on one occasion, solicited attendance by employees from other agencies for a fee.

Labor and Industry: Over the past two years, the agency has worked extensively with FutureSync, a private firm, to provide "Mosaic Manager," a 10-day curriculum for managers, and "Workplace Mosaic," a 5-day curriculum for line staff. Topics focus on communication, resolving conflict, and team-building.

Transportation: In the Human Resources Division, one FTE in the Employee Relations Bureau coordinates and provides training on employment and management issues. One FTE in the Organizational Development Bureau provides general and management training.

Other Resources

Computer-Based Training

Information Technology Services Division, Department of Administration, has a contract with Element K. This private firm offers self-paced training over the Internet. This resource offers 1,333 "courses," organized within 14 "libraries." Here's a sample of the libraries: Office Productivity, Computer Professional, Workplace Safety, Business Management, Management.

To enroll an employee in Element K training, the agency pays a "license" for one, two, or three years. This gives the employee access to one library's courses for that time. For example, a one-year license for the 17 courses in the Management library costs \$150. Appendix 6 lists all of the libraries and associated license fees.

A course takes one to three hours to complete. Computer-based training offers the convenience of learning while at the workstation. Courses are accessible at any time with a few mouse clicks. The downside is that participants complete about 30% of the courses they begin (InSync Training, 2004). In addition, computer-based training provides none of the interaction and practice available in classroom training.

"Live" Seminars by Private Firms

Several private firms offer their seminars in Helena and other Montana cities. For example, National Seminars Group has advertised "How to Be a Dynamic Trainer" in early 2005 – Missoula (February 15), Helena (February 16), Bozeman (February 17), Billings (February 18). The six-hour course costs \$249 per person.

Appendix 7 lists seminars offered in 2003 and 2004. It includes one "conference-call training" and one out-of-state event.

Most of the courses are six hours long. A portion of that time generally goes to vending books and other products. The average cost is \$199 per person. This compares to PDC's fee of \$110 for a seven-hour course. In addition to being more cost-effective,

PDC courses provide information specific to state government, such as state structure, policies, regulations, and laws. PDC staff are also available for follow-up after training.

Other resources in Montana

Montana Manufacturing Center is an adjunct to the College of Engineering, Montana State University-Bozeman. It offers technical assistance and training in several categories:

- manufacturing operations
- financial management
- human resources
- quality control
- marketing

Its general fee structure lists a one-day course at \$150 and a half-day course at \$85. The structure includes discounts for additional attendees from the same organization. Most training events take place in Bozeman.

Associated Employers of Montana is a nonprofit, membership organization with headquarters in Billings. It claims over 600 member organizations in Montana, Idaho, and Wyoming. The organization provides advice, support, information, and training in several areas:

- employee relations
- human resources
- government regulations
- management
- research

Fees are generally \$95 to \$125 (members) and \$145 to \$165 (non-members) for a half-day class. For a one-day course, the cost for members ranges \$145 to \$210, and for non-members \$195 to \$260.

MSU-Billings Outreach is a program of Montana State University-Billings. It offers training in diverse areas:

- leadership
- customer service
- end-user computer applications
- quality control
- teamwork
- desk-top publishing

Fees for a six-hour training course range from \$99 per person in computer applications to \$149 per person in management topics, and \$249 per person for situational leadership.

Conclusion

The Professional Development Center provides cost-effective, relevant training for state employees. All state agencies make use of the PDC's services. Some agencies dedicate considerable resources to internal training. Most of this training is technically oriented and outside PDC's mission of management and communication topics. Four agencies sponsor or provide training that parallels PDC's offerings.

The training fees that PDC charges cover the costs of its operation. PDC's fees fall below the costs of similar workshops offered in Montana cities by private vendors.

Appendix 1
Results of agency survey
 conducted at the beginning of FY04

1. The PDC offers a full catalog of courses on management, communication, and special issues (such as personal skills or legal issues). What do you think are the most needed training areas?

management

TOPIC	PCT
Managing Performance (including appraisal)	57%
Team Building	42%
Strategic Planning	38%
Disciplinary Process	37%
Managing Change	33%
Work Planning	30%
Legal Issues for Managers	28%
Hiring	25%
Managing Budgets	22%
Decision Making	20%
Delegating	17%

Other topics: Succession Planning
 Leadership
 Essentials of Management
 Active Listening Skills
 Avoiding Sexual Harassment Allegations

communication

TOPIC	PCT
Managing Conflict	70%
Negotiating / Facilitating	48%
Customer Service	42%
Effective Meetings	35%
Basic Communication Skills	33%
Writing	32%
Public Presentation Skills	30%
Assertive Communication	22%
Telephone Skills	15%

Other topics: Male / Female Communication
 Learning How to Stay Objective