



## THE CITY OF SAN DIEGO

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### OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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# City of San Diego Civil Service Hiring

## OVERVIEW

During the March 13, 2013 Budget and Finance Committee (BFC) meeting, the IBA presented report 13-14, entitled “General Fund Vacancy Status.” In addition to a discussion on vacancy issues for certain General Fund departments, the report speaks to the process of filling classified City vacancies and the Personnel Department’s role in that process.

As noted in report 13-14, some concerns had been expressed regarding the length of time for the hiring process. There is no standard timeframe for hiring process, but departments had reported it could take three to six months, with longer timeframes possible.

At the March 13 BFC meeting, the Personnel Director was asked to identify ways to streamline the Civil Service hiring process, including providing a “wish list” for needed changes. Additionally, Council President Pro Tem Lightner agreed to examine the City’s Civil Service recruitment and hiring process at the Rules and Economic Development (R&ED) Committee.

On April 17, 2013, the Personnel Director sent a memorandum to Council President Pro Tem Lightner regarding hiring process issues and suggestions for ways to enhance the process—which include the creation of a Departmental unit for new-hire processing, and reinstatement of Personnel Department staff support in certain City departments. This memo is included as Attachment A to this report.

This report presents the following information for the July 24, 2013 R&ED Committee initial discussion on the subject of the City’s Civil Service hiring process:

- A general break-down of traditional human resources functions among City departments.
- A summary of the process of filling classified City vacancies;
- Updated average hiring timeframe statistics, including time taken by the Personnel Department for recruiting and time taken by hiring departments;

- Updated information regarding steps that the Personnel Department has recently started and/or completed in order to reduce the time the Personnel Department takes in the hiring process;
- A status of the hiring process activities for FTE's that were added to the FY 2014 adopted budget over the FY 2013 budget. (See Attachment B for a matrix which includes each addition. Also, Attachment C shows a reconciliation of FTE changes from FY 2013 to FY 2014.);
- Personnel Department suggestions for enhancing the hiring process and other considerations; and
- A discussion of possible next steps for the R&ED Committee.

The R&ED Committee plans to continue the discussion regarding streamlining the Civil Service hiring process in the Fall of 2013. Note that the Office of the City Auditor is planning to audit the Personnel Department's recruiting efforts, anticipated for release also in the Fall of 2013. This is expected to be an added resource for the R&ED Committee as it reviews Civil Service hiring issues.

## FISCAL/POLICY DISCUSSION

### **Human Resources Functions at the City**

Traditional human resources functions are spread among a number of City departments, including the Personnel Department, the Human Resources Department, and the Risk Management Department.

#### ***Personnel Department***

The Personnel Department is responsible for recruitment and is the central organization in the City for the Civil Service hiring process. Although hiring departments handle interviewing and employee selection, the Personnel Department initiates job posting and recruitment activities and handles the background check process (except in the case of Police Officers).

Personnel's recruitment functions include exam management; determining which candidates meet the minimum qualifications for a job posting; development and administration of written tests, physical ability tests and other performance tests (such as call center simulation or heavy equipment operator tests); and creation and maintenance of certified lists of eligible candidates for job classifications. Additional responsibilities include administration of the pre-employment medical evaluation and random drug testing program for safety classifications, fingerprinting and background check analysis.

Personnel supports the Civil Service Commission (with the Personnel Director serving as the Secretary for the Commission), handles equal employment opportunity investigations, reviews payroll in relation to the Civil Service rules and policies, performs job classification and salary studies, and trains departments on interviewing and performance evaluations. Also, the Civil Service Commission makes the final determinations on disciplinary appeals, for which the Personnel Department provides administrative support.

Additionally, Personnel maintains the City's employment records database, tracking City employees and entering new hires, promotions, transfers, merit increases, performance

evaluations and other changes to employee records. Lastly, Personnel administers position control through the SAP Organizational Management module, working with Financial Management regarding the number of authorized positions and movement of positions among City departments and units. Personnel has a budgeted staffing level of 60.36 for FY 2014.

### ***Human Resource Department***

The Human Resources Department is comprised of 18.0 FTE for FY 2014. It is responsible for Labor Relations, Employee Learning and Development, and the City's Volunteer Program; and it provides support to the Citizens' Review Board on Police Practices and the Human Relations Commission and handles citywide internal communications. Human Resources also oversees the filling of unclassified positions in the executive branch.

The Labor Relations Office, which is comprised of 4.0 FTE, provides labor policy advice to the Mayor and City management and implements the meet and confer process with the City's unions. Labor Relations also handles Americans with Disabilities Act (ADA) issues; the employee rewards and recognition program; and disciplinary actions and appeals and grievance resolutions at the department level.

### ***Risk Management Department***

Lastly, the Risk Management Department manages the City's self-insured workers compensation program and administers employee health and safety programs, employee benefits contracts, employee savings plans, the long-term disability plan, and the employee assistance program. Risk Management also coordinates public liability and loss control measures, and it has budgeted FTE of 79.88 for FY 2014.

### **Filling Classified City Vacancies**

Most positions in the City are classified positions – approximately 95%. The remainder are unclassified. The filling of unclassified positions in the executive branch is overseen by the Human Resources Department. The filling of classified positions is guided by Civil Service Commission rules and regulations and carried out by the Personnel Department.

It is a stated policy of the Civil Service Commission (CSC) that equal opportunity be afforded to all applicants in the course of interviewing and selecting employees. As prescribed by the City Charter, the CSC supervises the selection, promotion, and removal of all classified City employees. CSC's primary purpose is "to safeguard against a 'spoils' system, in which influence rather than merit determined who gained City employment."

The "Merit System" is the mechanism used to ensure the Civil Service process is free of political influence and includes the following components:

- Clearly defined requirements for being hired;
- Rules for employee movement within the system (transfers, promotions and terminations); and
- Clearly defined employee employment rights (layoffs, discipline, promotions etc).

The Civil Service process is regulated by the City Charter, Civil Service Rules (which are approved by Council ordinance) and the Personnel Manual (which includes policy interpretations and procedural instructions that adhere to the Civil Service Rules, and is approved by the CSC).

### ***The Hiring Process***

In general, the hiring process for classified positions can be divided into three segments:

- Personnel Department recruitment and certification of eligible lists;
- Hiring department selection process (interview, reference check, job offer); and
- City background checks (fingerprinting and Department of Justice, FBI and local checks) and medical evaluations.

Once the filling of a position is approved on the department-level, the department will submit a request for a certified list of eligible candidates to the Personnel Department. If the position is new, the hiring department would have first had to submit a request for position classification. In this case the Personnel Department would ensure the position is categorized in the most appropriate job classification.

The Personnel Department will review a request for the certified list of eligible candidates to determine that 1) a vacancy indeed exists, and 2) there is a valid list of eligible candidates. If both conditions are true, the list will be certified and sent to the requesting department. However, if an eligible list is not available, then recruitment will be initiated by the Personnel Department.

Recruitment begins with the posting of a job on the City website as well as GovernmentJobs.com. Since November 2012 applications have been required to be submitted online using the NEOGOV system. Each application is reviewed by the Personnel Department to verify whether the minimum qualifications for the job are met. Also, applications for some job classifications are reviewed for highly desirable qualifications in order to assist the hiring departments. Once Personnel finds an applicant meets the minimum qualifications for the job, the accepted applicant will be placed on a list of eligible candidates for the job classification.

When the department receives a certified list of eligible candidates for a job classification, it can begin the interview process. This involves the department screening and reviewing applications for the most qualified applicants based on objective criteria and inviting them and scheduling interviews.

When the department makes a conditional job offer to the desired candidate, the Personnel Department completes background checks through the Department of Justice and FBI, as well as a local background check. The Police Department performs its own more extensive background checks.

The Personnel Department previously provided average timeframes for steps in the hiring process based on calendar year 2012. These timeframes were reported in IBA report 13-14. Personnel has provided updated average timeframes based on the first six months of calendar year 2013, which are presented below, with calendar year 2012 averages as comparison.

- It took an average of 156 days for a hiring department to request a certification once a position became vacant (133 days in calendar year 2012).
- It took Personnel an average of 57 days for certifying a list when a recruitment was needed – including posting the job, reviewing applications and compiling the list (100 days in calendar year 2012). The reduction was mainly the result of process

enhancements implemented in the Recruitment and Examination Division, including predictive recruiting, reduction of redundancies and increased automation.

- It took an average of 33 days for the departments' portion of the hiring process – from when the department received the certified list to the conditional job offer date (40 days in calendar year 2012).
- It took an average of 8 days from fingerprinting to when background clearance was received by the hiring department – includes time for the background and medical checks, if appropriate, through outside agencies (12 days in calendar year 2012).
- It took an average of 26 days from the background clearance date to the start work date – includes time for new employees to give notice to their current employers, relocation time etc. (27 days in calendar year 2012).

Additionally, the Personnel Department reports that for calendar year 2012 when a department requested a certified list of eligible candidates and if Personnel had an available list for the job (no recruitment was necessary), it took an average of 17 days for Personnel to provide such certified lists to the hiring departments. This has been reduced to 8 days during the first six months of calendar year 2013. Note that in calendar year 2012 there were a number of issues adding to the length of time for delivery of a certified list, including a staffing shortage combined with an influx of certified list requests. Also, there were manual processes (largely with respect to electronic notification to promotional and transfer list candidates) that were automated in NEOGOV during that time period.

Lastly, with respect to promotional opportunities for calendar year 2012, it took an average of 67 days from the time a certified list of candidates was provided to the hiring department to the date of hire. This has been reduced to 56 days based on promotional opportunities for the first six months of calendar year 2013.

### **Recent Steps to Enhance the Personnel Department's Portion of the Hiring Process**

#### ***Hiring Department Assistance***

In order to assist hiring departments to better plan for filling vacancies, the Personnel Department has been reaching out to departments over the past couple months regarding their needs for recruitments and certified lists for all of their vacancies.

Personnel is also developing and will present training for departments on the recruitment process. This is anticipated to be ready in September 2013.

#### ***Predictive Recruiting***

Personnel has recently gone back to the process of “predictive recruiting,” which is starting the recruitment process for a job classification four to six weeks before a current list expires. Personnel is using this process for classifications which are in high demand due to the recent changes to the City budget and increases in hiring. Predictive recruiting will ensure a new list is developed before the old list expires. Typical classifications that fall under this category are Police Officers, Management Trainee, Clerical Assistant II, and Librarian and Engineering series classifications.

If all classifications were open to continuous recruitment at all times, there would be an inundation of applications for which the Personnel Department does not have the capacity to

handle. Additionally, the City would be accepting applications for vacancies that may not occur for months, which could be wasted work effort, as candidates would become unavailable upon securing jobs elsewhere.

***Electronic Application Review for Completeness***

The workload revolving around rejected applications has been recently reduced with the implementation of the NEOGOV online application process. An application will not be accepted as complete by the system until required information has been submitted. Formerly, the Personnel analysts would spend a significant amount of time reviewing paper applications for completeness, prior to evaluating them for minimum eligibility requirements.

***Electronic Notification to Applicants and Eligible Candidates***

Initially under NEOGOV the vacancy notifications which are sent to promotional and transfer list candidates had to be compiled manually. However, since November 2012, when Personnel began requiring online only submission of applications, it began moving toward complete electronic notification of vacancies for promotional and transfer candidates through the NEOGOV program; and Personnel indicates that full electronic notification for both promotional and transfer opportunities has been recently achieved. Also, candidates for open job postings are electronically notified through NEOGOV when they are placed on the appropriate eligible lists.

***Automatically Rejecting Applications That Do Not Meet Minimum Qualifications***

Over the past couple of years, the Personnel Department has incorporated some other automation features into the process of application review. For certain classifications, including Police Recruits, Personnel has created questionnaires which, when electronically compiled, determine whether an applicant meets the minimum qualifications for the job. If the minimum qualifications are not met, the application will be automatically rejected and removed from consideration, freeing the time it would have taken to manually review the rejected application.

Note that this feature has been expanded to all applications with regard to several simple minimum qualifications – such as citizenship (requirement for U.S. citizenship or having the legal right to work in the U.S.) or age requirements. The automatic rejection capability is also incorporated into those more complicated applications which do not fully utilize automatic rejection for every minimum qualification pertaining to the job.

At this time, this feature is most efficient for certain classifications which have straightforward questions related to the minimum qualifications. For applications which have more complicated variations in answer possibilities, this automatic feature is more complex to set up for all minimum qualifications.

Furthermore, although this feature is used to automatically reject applications which do not meet minimum qualifications, acceptance of applications still requires manual review. For example, for the engineering series or budget analyst series, a minimum qualification may be related to number of years of experience, but the qualifying experience may be subject to interpretation. In this case, affirmative automated questionnaire answers provided by an applicant to a simple yes or no question (or choice of number of years) would not be as reliable.

### ***Reorganization of the Certification Section***

Additional staff has been reassigned to the Certification Section over the last several months to assist in certifying eligible lists. Reductions in time to certify lists have been seen in the first six months of calendar year 2013 as discussed previously in this report.

### ***Adjusting Publishing Days for New Recruitments***

One of the topics included in the Personnel Director's April 17 memorandum to Councilmember Lightner was changing the publishing schedule for new recruitments from biweekly to weekly. This consideration has been evaluated by the Personnel Department, but Personnel has concluded that it will not save time because workload issues are overriding. If additional staffing resources become available, this could be explored again in the future.

### **Future Steps the Personnel Department is Exploring**

#### ***Automatically Rejecting Applications Where Required Documentation is Not Submitted***

Personnel is working toward automatic rejection of applications for which all required documents (including training certifications, drivers licenses, transcripts etc.) have not been submitted as part of the final application.

Currently, Personnel reaches out to applicants who have not submitted all required documents and gives them the opportunity to submit the missing documents after the final application is submitted. The reason for this approach is that Personnel would like to be able to offer an in-house capacity for document submission for applicants who do not have their own computer or document scanning capabilities at home.

This in-house solution is currently being explored. The Personnel Department anticipates it will have a solution in place around early October 2013.

#### ***Utilizing Police Department Background Check Process for Police Department Civilian Employees***

The Personnel Department is exploring whether the Police Department can share background check information with the Personnel Department, which is subject to legal review. If the Police Department can share background check information with Personnel, there could be savings to the City.

Currently the Personnel Department conducts a background check on Police Department civilians in addition to the Police Department's more comprehensive check. This is done in order for the Personnel Department to have access to information regarding civilian employees should they transfer outside of the Police Department. If the Police Department can share the background information with Personnel, this would avoid duplicative background check work and related costs.

### **Personnel Department Suggestions for Enhancing the Hiring Process**

#### ***Personnel Department Staffing***

As stated earlier, on April 17, 2013 the Personnel Director sent a memorandum to Council President Pro Tem Lightner regarding hiring process issues and suggestions for ways to enhance the process—which include the creation of a Departmental unit for new-hire processing, and

reinstatement of Personnel Department staff support in certain City departments.

According to the April 17 memorandum, to accomplish the recommendations Personnel has for enhancing the hiring process, they would request the following resources:

- For Recruitment/Exam Management (for NEOGOV system maintenance and reporting, and training departments on their hiring process): 1.00 Information Technology position and 2.00 Associate Personnel Analysts;
- For Background and Medical (for new-hire processing): 1.00 Administrative Aide 2 and 1.00 Payroll Audit Specialist 2; and
- For the Outstation Program (reinstating Personnel Department staff support in certain large City departments): 1.00 Supervising Personnel Analyst and 3.00 Associate Personnel Analysts.

Due to current staffing limitations, not all requests to fill positions can be processed immediately upon receipt. Currently, there are three staff members supporting background and medical checks (who also have other duties), and no staff members support an Outstation Program, due to budget reductions.

There are eight analysts (including one supervisor) who review job applications and reject or certify candidates. Each analyst carries four to seven job postings/examinations at a time. Four analysts are devoted to Police and Fire alone, as screening processes for those departments are generally more involved than for other departments. The other four analysts are devoted to other General Fund departments and Non-General Fund departments.

With the FY 2013 workload, on average, each of the eight analysts would have to verify minimum qualifications for a minimum of 22 applications per work day to keep up with volume. This work volume occurred during a time when both online and paper applications were accepted.

Additionally, these analysts have to work with the departments to develop future recruitments, including the job postings. Furthermore, they develop and administer written test materials and other screening tools, including physical ability tests (such as those for Fire and Police recruits) and other performance tests (such as call center simulations or heavy equipment operator tests).

### ***Civil Service Rule Modification***

As part of the process of reviewing job applications for minimum qualifications, the Personnel Department handles appeals from rejected applicants. In the Personnel Director's April 17 memorandum to Councilmember Lightner, Personnel indicates that currently they do not establish an eligible list of certified candidates until all appeals are resolved.

Personnel plans to request a legal review verifying whether modifications to Civil Service Rule IV, Section 2, Duration of Eligible Lists, needs to be modified to change the current process. Allowing the creation of a list before resolution of appeals would speed up the process by approximately one to two weeks. Regardless of whether Rule modifications are needed, a process change would be time saving.



## **Other Considerations**

The following strategies could be explored further to determine usefulness and feasibility.

### ***Utilizing Additional NEOGOV Capabilities***

The Personnel Department is interested in providing NEOGOV's online hiring manager portal to the hiring departments. Through this portal, certified lists could be made available to the hiring manager, who could screen candidates' applications for highly desirable qualifications. Currently, hiring managers make appointments with Personnel Department staff to review candidate applications. (Sometimes Personnel staff can create CD's of high-volume lists for the hiring department; however, Personnel has indicated that this is difficult due to limited staff time.)

The ability to utilize the online portal at the hiring manager's desk would reduce time spent on back-and-forth communications between Personnel and the hiring department, as well as time spent in the course of setting mutually convenient appointments.

Additionally, the hiring manager portal could be used to create/route requisitions to the Personnel Department online and to generate email/hard copy notices to candidates, including those related to scheduling job interviews and job offer letters.

Difficulties regarding the implementation of these features include Personnel staffs' limited availability to train hiring department staff in the new system capabilities. However, if hiring departments were to become proficient in using the online manager portal, additional time savings in the hiring process could be achieved.

### ***Limiting the Pool of Applicants***

Since the end of November 2012, Personnel has required that applications be submitted online, using the NEOGOV program. NEOGOV spares the Personnel Department considerable data entry time with respect to submitted paper applications and materials. Although the use of NEOGOV's online application process has cut down on data entry time for applications materials, it has increased the workload in another way. With the posting of jobs on GovernmentJobs.com, there has been a large influx of applications, sometimes thousands, for one position. Each application must be reviewed to verify whether the minimum qualifications for the job are met.

One way to control the large volume of applications is to limit the number of days applications will be accepted. This strategy must be balanced with potential negative effects of narrowing the applicant pool. However, if a posting would otherwise garner 1,000 applications, limiting the pool to 500 applications could cut in half the Personnel Department's review time for minimum qualifications.

This strategy may only apply to certain high volume job classifications; and there may be certain classifications for which hiring departments prefer the high volume of applications. A balance needs to be struck between the desired effect of reducing time taken to review applications (by reducing the number of applications) and the desired result of acquiring highly qualified individuals as employees. This strategy would be best applied on a case-by-case basis with input from the hiring department, and the Personnel Department has implemented this approach.

### ***Background Checks***

The City could explore whether there is opportunity to reduce the amount of time devoted to the hiring process via the initiation of background checks earlier in the process – for instance, beginning the background checks once the final few candidates are scheduled for their last interviews.

Currently, background checks do not begin until a candidate is given a conditional offer of employment (conditioned upon the successful resolution of the background check process). If background checks are moved forward in the process to right before final interviews take place, rather than right after the conditional offer is made, there could be a few days or perhaps a week of time savings for this step in the process. However, depending on the time needed for the new employee to give notice to his or her former employer or to potentially relocate, it may be more likely that there would be no overall time savings.

Furthermore, this approach has the potential to at least triple the cost for purchasing background checks. For example, if the final round of interviews typically includes three candidates, background check expenditures paid to outside agencies and staff time on processing and analysis would triple. Lastly, this strategy would need to be vetted with the City Attorney's Office.

### ***Coordinating with Other Jurisdictions***

One idea that has been circulated is that the City consider coordinating with other jurisdictions and pool applicants in the hiring process. This could be in an arrangement similar to a joint powers authority, in order to capitalize on economies of scale. In preliminary communications with City staff, the following concerns have been discussed:

- How would multiple entities agree on minimum qualifications? Each jurisdiction needs to be accountable to its own entity regarding minimum qualifications and testing etc.
- Each jurisdiction would need to be willing to open up part of their system to the other jurisdictions.
- What type of interface could be created to allow multiple jurisdictions to communicate? Would it need to be a completely new system? What would happen to the (multiple) existing systems?
- What if applicants only want to apply to one jurisdiction? Would that jurisdiction need to be responsible for the entire process for such applicants? How would the applicant communicate this desire through a shared system? Would there be a waiver process that could be transmitted only to the jurisdiction to which the applicant wants to apply? Can the other jurisdictions be prevented from seeing this information?
- What is the risk of the jurisdictions desiring to hire the same best candidates? Could there be “bidding wars”?
- What legal issues need to be considered?

Another possible consideration that is internal to the City: if a certain job classification is utilized by a number of City departments, those multiple departments could partake in a coordinated interviewing and screening process. The Personnel Department has centrally coordinated this type of process in the past, but it currently does not have the staffing resources to manage the process. In this type of process, members of various City departments which have

a need for candidates from the same job classification would be on the same interview panel, screening the qualified candidates. Those departments could then select from the results of the screening process.

## CONCLUSION/NEXT STEPS

At the March 13 BFC meeting, the Personnel Director was asked to identify ways to streamline the Civil Service hiring process, including providing a “wish list” for needed changes. Additionally, Council President Pro Tem Lightner agreed to examine the City’s Civil Service recruitment and hiring process at the Rules and Economic Development Committee.

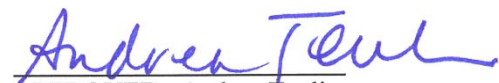
On April 17, 2013, the Personnel Director sent a memorandum to Council President Pro Tem Lightner regarding hiring process issues and suggestions for ways to enhance the process— which include the creation of a Departmental unit for new-hire processing, and reinstatement of Personnel Department staff support in certain City departments. The IBA recommends that the R&ED Committee further review the Personnel Department’s needs with the Personnel Director and consider whether any position increases should be part of the Mid-Year Budget Adjustments.

It is the R&ED Committee’s intention to review the issue of Civil Service process streamlining again in the Fall of this year. At that time we anticipate discussing any additional developments in process improvements by the Personnel Department, as well as updated timeframes for various stages in the hiring process.

Since the Office of the City Auditor is planning to complete an audit of the Personnel Department’s recruiting efforts at that time, we recommend the R&ED Committee vet the information contained in this anticipated report.

Lastly, to further examine issues here in our City, we recommend that hiring departments submit suggestions for hiring process improvements to the IBA for future vetting in the Fall. This could be a valuable source of information. It could provide constructive ideas for improvement in the very best cases and opportunities for further discussing and understanding the difficulties facing the hiring departments as well as the Personnel Department.

  
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