



THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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Civil Service Hiring Process: Vetting Internal City Issues

OVERVIEW

On March 13, 2013 the IBA presented report 13-14 entitled “General Fund Vacancy Status” to the Budget and Finance Committee. Following discussion of the issues identified in the report, Council President Pro Tem Lightner agreed to examine the City’s Civil Service recruitment and hiring processes at the Rules and Economic Development (R&ED) Committee. The IBA produced report 13-30 entitled “City of San Diego Civil Service Hiring” for the July 24, 2013 R&ED Committee’s initial discussion on the hiring process. That report included, among other topics, updated information regarding steps that the Personnel Department had recently undertaken and/or completed in order to reduce the time the Personnel Department takes in the hiring process.

Report 13-30 also included, as an attachment, a memorandum sent on April 17, 2013 from the Personnel Director to Councilmember Lightner which speaks to hiring process issues and suggestions for ways to enhance the process – including the creation of a Personnel Department unit for processing new hires and reinstatement of Personnel staff support in certain City departments.

After discussing IBA report 13-30, the R&ED Committee requested the IBA to review and vet City departments’ suggestions for hiring process improvements, as well as provide additional information related to hiring issues. This report addresses the major issues examined by the IBA in response to the Committee’s requests. While this report focuses on vetting of departments’ suggestions for hiring process improvements, it also covers the following areas which have been discussed as part of the R&ED Committee’s ongoing examination of the hiring process:

- A comparison of average timeframes for steps in the hiring process (calendar year 2012 and the first ten months of calendar year 2013); and
- Discussion of the potential for further utilization of NEOGOV technology.

Additionally, at the July 24, 2013 R&ED Committee meeting, it was requested that the IBA review civilian hiring practices in the Navy. In conducting research for this report, we located information on Federal government hiring reform, and the Department of the Navy participated in this reform. We have provided a brief discussion on the Federal hiring process reform in Attachment 1.

In response to the R&ED Committee's request to departments to suggest hiring process improvements, ten departments submitted suggestions. In this report we have vetted items mentioned by multiple departments as well as several complex suggestions that warrant additional airing. Also discussed are processing issues smaller in scope that could potentially save time for hiring departments. Our review of the specific suggestions begins on page 7 of this report.

Some departments indicated that issues they had previously raised have been addressed by Personnel, although this was not the case for all departments. For example, some departments have been pleased with results of the latest predictive recruiting efforts, while others have not seen positive impacts.

Numerous complexities exist in the recruitment and hiring processes in general, and the potential for process improvement is high. Many of the challenges of the civil service hiring process are technical and need to be vetted with operational staff who have expertise in personnel administration and civil service requirements. Additionally, vetting issues with the hiring departments is important in order to better understand the hiring process experience from their perspective.

Note that the Office of the City Auditor released an audit relating to the hiring process on November 27, 2013. This audit was heard at the December 5, 2013 Audit Committee meeting and is anticipated to be heard again at the January 13, 2014 Audit Committee meeting.

FISCAL/POLICY DISCUSSION

Approximately 95% of the City's positions are "classified" positions¹. The process for filling classified positions is guided by Civil Service Commission (CSC) rules and regulations and carried out by the Personnel Department and hiring departments.

Principles of the City's Civil Service System

As prescribed by the City Charter, the CSC appoints the Personnel Director and supervises the selection, promotion, and removal of all classified City employees. Changes to Civil Service Rules must be vetted by the CSC before being approved by the City Council. It is a stated policy of the CSC that equal opportunity be afforded to all applicants in the course of interviewing and selecting employees. CSC's primary purpose is to safeguard against a "spoils" system, whereby influence rather than merit determines who gains 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:

¹ The remainder of City positions are unclassified. The filling of unclassified positions in the executive branch is overseen by the Human Resources Department.

- 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 Personnel Department performs an independent review of job applications and follows a specific hiring process as a means to protect against discrimination claims, grievances or lawsuits.

Personnel Department Issues

Over the past couple years, the Personnel Department's workload has increased due to a number of factors:

- Replacement of the Personnel Application Tracking System (PATS), which was utilized for recruitment, with NEOGOV.
- A large influx of applications (at times, thousands for one position) with the posting of jobs on GovernmentJobs.com.
- An increase in information processing workload with the implementation of SAP, which required the Personnel Department to reallocate four existing positions to handle personnel administration and position control.
- The addition of new departmental positions to the City's budget with the recent economic recovery.
 - Hiring increases can be seen in the data over the past three fiscal years: 521, 725 and 969 employees were hired in FY 2011, 2012 and 2013, respectively.
 - More hiring and recruitments are anticipated to occur in the future with further economic recovery and as the aging workforce retires.
- Close collaboration with the Police Department over the past nine months on hiring process improvements – see Attachment 2 for more details.

The First Quarter Budget Monitoring Report for FY 2014 indicates that the attrition rate, hiring plans and vacancies have a significant effect on year-end projections for the General Fund. It also affirms that savings are being accrued in the salaried wages accounts due to higher vacancies than assumed in the budget. With respect to the cause of higher vacancies, concerns have been expressed about the length of time for the hiring process, which includes both Personnel Department and hiring departments' responsibilities.

While this concern needs to be addressed, a number of other factors contribute to higher vacancies. These factors can include, but are not limited to, hiring freezes, reorganizations, grievances, reductions in force and lack of available budget. Over the past several years, all of these factors have impacted the hiring process to some extent; and the Personnel Department has been unable to keep up with recruitment needs. This has been compounded by workload increases resulting from changes in the Department's workflow systems; an increase in the number of applications requiring review; and increases in hiring and recruitments.

The Personnel Department has indicated that Personnel staffing increases are necessary in order to continue to make improvements and keep up with the increased workload. In an April 17, 2013 memorandum from the Personnel Director to Councilmember Lightner, the Director requested nine new positions for this purpose. One of these positions was approved in the FY

2014 budget. The remaining eight positions were requested as part of the FY 2015-2019 Five-Year Outlook process and included in Attachment 3 of the Outlook as “Discretionary Operational Needs.” These positions have also been included in the “IBA Recommended Critical Services and Operational Needs” list in our review of the Five-Year Outlook. The IBA recommends that the City Council consider these position requests for the Personnel Department during the upcoming FY 2015 budget process.

Average Timeframes for the Hiring Process

On the following page is a table of data from the Personnel Department, showing average timeframes for the steps in the hiring process for all City positions except Police safety positions. **The timeframes represent the average time it takes to fill a position beginning when the hiring department initiates a request to Personnel for a certified list of eligible candidates.**

It is important to note that **this is different from the approach used by the City Auditor’s Office** to determine average hiring timeframes in their November 2013 audit. **The Auditor’s timeframes are based on the applicant’s perspective (or the average time for the applicant to acquire a job), from submission of the application to the start work date.** We are presenting the Personnel Department’s average timeframes because we feel they better reflect the average length of time for departments to fill positions (once a request to start the process has been made to Personnel).

Note that the average timeframe for “Step 2,” the hiring department selection process (interviews, reference checks and conditional job offer), was 40 days in calendar year 2012 and 59 days for the first ten months of calendar year 2013. The reasons for this increase need to be further explored as part of this ongoing process review. By comparison, the Federal “End to End” hiring process roadmap (cited in the City Auditor’s November 2013 report) allocates about 18 days for the hiring department selection process steps.

The roadmap also notes that there can be flexibility in the timeframes for each step in the hiring process (depending upon agency practices), but suggests an overall goal of 80 calendar days. We are not advocating for the City to set a hiring timeframe target of 80 calendar days, but rather we recommend that the City set appropriate performance targets after considering both internal and external factors.

When a hiring department determines it is necessary to fill a vacancy, one of two basic hiring procedures will occur, depending on whether a certified list of eligible candidates already exists. When a list of candidates is available, the average hiring time is represented by Steps A, B, and C of the table. When a certified list is not available, the Personnel Department will recruit in order to establish a certified list of candidates for the hiring department. A recruitment entails a job posting and receipt and review of applications by the Personnel Department. This increases the overall time required for the hiring process to the average represented in Steps 1, 2, and 3 in the table.

Together Steps 1, 2 and 3 result in an average timeframe, from the hiring departments’ request for certified list to the background clearance, **when recruitments are needed**. The average timeframe for those steps for calendar year (CY) 2012 was 152 days; and was 130 days for the first ten months of CY 2013. Additional days were needed between the background clearance

date and the start work date – 27 days for CY 2012 and 24 days for the first ten months of CY 2013. This includes time for the new employees to give notice to their current employers, relocate, etc.

All City Positions Except Police Safety

	Hiring Process Step (in Average Number of Days)	First ten months of CY 2013*	CY 2012*
	<i>When Recruitment Needed (Certified List Not Available)</i>		
1	Days between hiring department request for certified list and provision of certified list by Personnel Department	63	100
2	Days from hiring department receipt of certified list to background initiation (includes candidate interviews)	59	40
3	Days from background initiation to background clearance received by hiring department	8	12
	Total	130	152
	<i>When No Recruitment Needed (Certified List Available)</i>		
A	Days between hiring department request for certified list and receipt of such list	6	17
B	Days from hiring department receipt of certified list to background initiation (includes candidate interviews)	59	40
C	Days from background initiation to background clearance received by hiring department	8	12
	Total	73	69
	<i>Additional Days to Start Work Date</i>		
-	Days from background clearance date to start work date	24	27

*Timeframes are based on hiring requests during the respective calendar years.

When *no recruitment is necessary* (because a certified list is already available), combining steps A, B, and C result in the average timeframe from the hiring departments’ request for certified list to the background clearance. The average timeframe for these steps was 69 days for CY 2012, and 73 days for the first ten months of CY 2013. Again, additional days were needed prior to the start work date – 27 days for CY 2012 and 24 days for the first ten months of CY 2013.

It is hard to say with certainty what trending will show, as the data can fluctuate due to several factors out of the City’s control. For example, in recent memory there have been hiring freezes, reorganizations, and economic conditions that have affected the ability to hire and to hire timely. These factors can interrupt recruitments that are in progress which can skew average timeframes. Recently, with the implementation of managed competition, some positions have been kept open to avoid layoffs, extending the period of time in which existing vacancies were not filled. Due to these issues, which confound the data, the Personnel Department and hiring departments should endeavor to continually improve controllable processes as well as set performance targets.

Recommendation Related to Average Timeframes for the Hiring Process

1. We recommend that the City set performance targets, for both the Personnel Department steps and the hiring department steps in the hiring process.

Utilizing NEOGOV Technology

The transition to NEOGOV has involved a learning curve, and some functions are still not being utilized such as the **hiring manager portal**. As discussed in IBA report 13-30, the Personnel Department is interested in providing NEOGOV's online hiring manager portal to the hiring departments. Through this portal, certified lists could be provided directly to the hiring manager, who could then screen candidates' applications.

Currently, hiring managers can make appointments with Personnel Department staff to access and review candidate applications. The ability to utilize the online portal at the hiring manager's desk would reduce time spent on back-and-forth communications and setting appointments between Personnel and the hiring department.

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.

While the Personnel Department is interested in implementing this feature, they are also concerned about the additional workload that will likely result, including providing additional support to City departments in using the hiring portal features. Clearly, this endeavor needs to be appropriately studied and planned before implementation. However, our office would encourage efforts to investigate utilization of these features. Ultimately, allowing online access and workflow processing for hiring departments has the potential to be time-saving and more efficient than the current paper-based processing methods and transferring of files and information externally from the NEOGOV database. A pilot program could be considered as a starting point for this endeavor.

Another area we have discussed with the Personnel Department is the potential for making software changes for more efficient tracking of hiring timeframes in NEOGOV. **Personnel has indicated the cost for such programming changes would be minimal, estimated at \$2,000 to \$3,000.**

The Rules Committee also requested that the Personnel Director determine what it would take to acquire a consultant to help optimize the use of NEOGOV. **Personnel has indicated that costs for this evaluation are anticipated to be around \$5,000.** The cost for any additional programming or consulting work would be determined after recommendations are made.

While the initial costs are minimal, the Personnel Department has indicated it does not have available budget in FY 2014 for additional expenditures related to NEOGOV, and funding would need to be provided.

Recommendations Related to NEOGOV

We recommend that the Personnel Department move forward with expanding utilization of NEOGOV technology, and that Personnel either identify funding or be provided funding in the very near future to accomplish the following:

1. Make software changes for more efficient tracking of hiring timeframes (estimated at \$2,000-\$3,000); and
2. Obtain consulting services to help determine how the City can optimize the use of NEOGOV, including the hiring manager portal (estimated at \$5,000).

Vetting Departments' Hiring Process Suggestions

Paper-Based Process Issues

General Issues

Some departments have indicated that scanned and emailed forms are often not accepted by the Personnel Department, and original signatures are frequently required. Hard copies are sent though the interoffice mail system. We suggest that the Personnel Department create a quick reference document that lists all the forms requiring original signatures/hard copies, and under which conditions original signatures are required.

We also recommend engaging in discussions with the City's external auditors and key departments (such as Office of the Comptroller, Office of the City Attorney, Office of the City Auditor and Human Resources) to clarify which specific forms require original signatures. Differing opinions have been expressed to our office on this matter.

Current workflow processes require filling in PDF forms which departments have described as difficult to complete. Furthermore, the information has not been savable by some department staff who do not have the appropriate software. These forms have been characterized as time-consuming and duplicative, requiring data entry to occur on the form by the hiring department and again by the Personnel Department into the SAP - Organizational Management module.

In response, the Personnel Department has recently activated a software feature (for Adobe Reader) that will enable hiring departments to save completed PDF forms. The Personnel Department indicates that now all of its forms can be saved from Adobe Reader and subsequently copied as necessary. These forms are available on the Personnel Department's website.

Regardless of this improvement, the creation of an electronic workflow process that would save time, reduce paper processing and avoid duplicate data entry would be of benefit to City departments and the Personnel Department. On page 9 of this report we recommend a working group be created to examine the feasibility and cost/benefit of an automated workflow and approval process for forms related to hiring and other types of personnel transactions.

Companion Certification Requests

Hiring departments would like the capability of making "companion certification requests" using only one form. When requesting certified lists of eligible candidates for a vacant position, hiring departments may request certified lists for more than one job classification. Department staff have indicated that they must complete separate PDF forms for each job classification for which they want to obtain a certified list. An example is where eligible lists for Accountant Trainee,

Accountant I and Accountant II can all be used to fill an Accountant II position. It would save time for the hiring departments if only one Request for Certification form was required instead of three forms. The Personnel Department has indicated it will look into accepting a singular form for such requests and redesigning the form as needed.

Providing Certified Lists of Eligible Candidates to Hiring Departments

A certified list of eligible candidates is sent to a hiring department via PDF document. The final outcome for each candidate on this list (selected candidate, interviewed and not selected, candidate failed to reply, etc.) must be communicated to the Personnel Department by the hiring department. Currently, the hiring department must handwrite the outcome for the candidates (at times for hundreds of candidates) on a hard copy of the certified list and send it back to the Personnel Department, so that the information can be entered into NEOGOV – an instance of duplicative data entry work. This is a good example of where implementation of the NEOGOV hiring manager portal would likely make the process more efficient. If the hiring department had direct access to the information in NEOGOV and could enter the candidates' outcomes directly, it would avoid data entry duplication, use of paper copies, and sending files back and forth between the hiring departments and the Personnel Department.

Furthermore, some hiring departments have expressed frustration that they have not been able to obtain the certified list of eligible candidates in an Excel file. These departments have stated that in order to track their internal portion of the hiring process, they must manually enter the certified list information into Excel. Additionally, email addresses have not been provided with the certified list. One hiring department indicated it was contacting as many as 400 individuals by telephone to determine interest and to request resumes. If the email addresses are included in an Excel file, a blanket email could be sent to applicants by the hiring department, and interested applicants could easily respond.

Personnel has recently indicated it will start to provide information from certified lists in Excel format to the hiring departments, which will now include email addresses. However, to protect the integrity of the list, the Personnel Department has indicated it will not accept the communication of outcomes for candidates in a modified Excel document. Instead, Personnel will still require the hiring departments to return the original PDF copy of the certified list, completed with handwritten outcomes for the candidates. Personnel indicates there is no manageable way for Personnel analysts to compare a modified Excel document to the Personnel Department's original information. However, if the outcome for each candidate could be directly entered into NEOGOV, this issue would be resolved.

Recommendations for Improving Paper-Based Processes

1. The Personnel Department create a quick reference document that lists all Personnel Department forms requiring original signatures/hard copies, and under which conditions original signatures are required;
2. The Personnel Department have discussions with the City's external auditors and key departments (such as Office of the Comptroller, Office of the City Attorney, Office of the City Auditor and Human Resources) to clarify which forms require original signatures;
3. The Personnel Department consider acceptance of a singular form (instead of requiring multiple forms) when a hiring department requests certified lists for multiple job classifications with respect to a vacant position; and

4. The Personnel Department ensure hiring departments are aware that Personnel can provide eligible candidates' information in Excel format, which can include email addresses.

Proposal for Working Group to Study More Efficient Electronic Workflow Processes

The City's information processing system (SAP) does not accommodate different approval levels (for example, City departments, Financial Management and Personnel Department approvals) for various transactions such as: moving positions among budgetary organization units; creating an organization unit; moving employees from one position to another; creating a (limited) position; entering a promotion; and applying a merit increase.

Because various approval levels are required as part of the City workflow but are not programmed in SAP, a manual paper process has been created to acquire the necessary approvals. City departments must provide required information in fillable PDF forms, acquire the necessary departmental and Financial Management approvals, and submit the approved forms to the Personnel Department. Since the Personnel Department is responsible for maintenance of the employee database in the SAP-Organizational Management and Personnel Administration modules, Personnel enters all of the transactions that have been approved.

Potential Solution

A potential solution would be to use SAP technologies to generate an electronic form, incorporating built-in security features, for the workflow and approval process. Once the appropriate level of approval for a particular transaction is made, the information from the form would automatically feed into the system. Oversight would be needed to ensure, for instance, that when positions are moved, employees continue to perform appropriate duties (for example supervision).

We have had preliminary high level discussions with staff in the Office of the Comptroller, Enterprise Resource Planning (ERP), Financial Management and the Personnel Department regarding this idea. We recommend a working group of these same City organizations, as well as representatives from some larger departments, be created to study the feasibility of such automation.

Project specifications for this solution would need to be defined and vetted by the proposed working group. This would be a complex undertaking which would include design of an electronic workflow process with built-in security features for the approval process. Further, there would be multiple types of transactions, with unique approval level configurations that would need to be maintained as changes in the workforce occur. As part of the working group's vetting of this solution, the cost/benefit of the electronic generation, approval and feeding of information into the system must be weighed. However, staff and our office believe that options should be explored by the working group to eliminate the need for duplicative data entry and the paper-based process.

Any solutions that the working group recommends will need to be reviewed and approved by the Office of the Comptroller, Personnel Department, Financial Management and ERP, and subsequently the Information Technology Business Leadership Group (which includes director level representatives from across City departments) before implementation.

Additional Considerations

An enhanced batch process could also be vetted by the working group to address instances where mass transfers occur at one time – such as with Police Department shift changes. Mass shift changes occur three times per year and require more than 500 transfers of officers among organizational units and positions. Other departments may also benefit from batch processing, particularly at fiscal year-end for department reorganizations.

Currently, an Excel file for a shift change is completed by the Police Department, detailing the appropriate transfers. Subsequently, the Personnel Department staff carefully analyzes each transaction before utilizing the current batch process to enter the transfers. An enhanced batch process that reduces the Personnel Department staff's requirements for data analysis could be a time-saving approach. Again, the feasibility and cost/benefit of such a solution would need to be weighed as part of the working group's vetting of the specifications and work required.

Lastly, we recommend that the working group investigate whether it would be feasible to create an electronic workflow and approval process for forms that are not conducive to electronic transmission into SAP, such as the Position Classification Request form. Again the costs and benefits of such a potential solution must be weighed by the working group.

Recommendations for More Efficient Electronic Workflow Processes

1. A working group be created (consisting of the Office of the Comptroller, Enterprise Resource Planning (ERP), Financial Management and the Personnel Department, as well as representatives from some larger departments) to study the feasibility and cost/benefit of the following:
 - a. Using the SAP technologies to automate a number of SAP transaction processes that currently use paper-based approvals.
 - b. Creating enhanced workflow for the current batch processing.
2. The working group study the feasibility and cost/benefit of creating an electronic workflow and approval process for forms that are not conducive to electronic transmission into SAP, such as the Position Classification Request form.

Streamlining Other Processes

Reduced Workload Related to Applications

During the training given to hiring departments this past October, it was communicated to the participants that each time an applicant applied for a job classification, his or her application was reviewed in its entirety to determine if minimum qualifications are met – even if his or her previous application for that job classification had met the minimum qualifications. The Personnel Department has now worked to eliminate such redundancies in the review process. For example, if an applicant's previous application met the minimum qualifications, only changes to the minimum qualifications should be examined.

Bringing a New Hire Onboard

A number of forms and steps need to be completed in order for a new hire to come on board and have access to the City's information systems. These include fingerprinting/background check, verification of eligibility to work in the U.S. (federal form I-9, with appropriate ID presented),

medical form as appropriate, new hire Personnel Change Request form, and oath of office, among others. A checklist is available for the forms and steps that must be completed.

Additionally, until the appropriate information is sent from the hiring department to the Personnel Department, an employee ID number will not be created; and therefore, the IT security group will not set up the employee's access to the City's information systems. If the ID number has not been created prior to the new hire coming onboard, the new employee will be without access to the City's systems for a number of days or longer. To expedite the process, all of the required documentation could be completed in advance of the new hire's start date, allowing prompt access to the City's information systems.

One department suggested that all necessary information be obtained from a prospective employee (as well as the oath of office and photo taken for subsequent employee ID) in conjunction with the fingerprinting appointment. At the fingerprinting stage, the prospective employee has a job offer that is conditioned upon a successful background check process.

If all of the required information is obtained in conjunction with the fingerprinting appointment, once the employee background check is cleared, the department could immediately submit the required Personnel Change Request form to the Personnel Department. This would allow the IT security group to set up the employee's access to the systems. Additionally, the employee, if scheduled to work in a location other than downtown, would not need to make an additional trip to take a photograph for the employee ID. This proposed process would need legal review.

Recommendations for Streamlining Other Processes

1. The Personnel Department continue to look for redundancies in the review process and eliminate them; and
2. The Personnel Department explore the possibility of obtaining all required employment documentation in conjunction with the fingerprinting appointment.

Resources for Hiring Departments

Comprehensive Documented Procedures

Some hiring departments suggested developing a comprehensive document of hiring process procedures. The Personnel Department has recently updated its website by:

- Reorganizing links to all forms which the hiring departments would use.
- Providing a link to its hiring process (PowerPoint) training that was given this past October. Note that the Personnel Department plans to provide training again next spring to coincide with the budget process.

The PowerPoint training document available on Personnel's website (on the City's intranet) outlines the hiring process and references forms and sources of information. The simple bullets and bite-sized slides of the document are a helpful form of communication. We would note that a number of helpful caveats that were discussed in the training are not included in the PowerPoint document.

Additional information suggested by hiring departments to be provided in a central location on Personnel's website include the following:

- Sample letters (such as an offer letter) and informational documents (such as how to make fingerprinting arrangements), so that department staff that do not hire often have a reference and do not have to search for or recreate a new document.
- A link to information on hiring of provisional employees (returning retirees) – these hirings are approved by the Human Resources Department (HR) for the executive branch.
- A link to information on the Citywide Volunteer Program – which is overseen by HR.
- Steps for bringing a new hire onboard.
- A checklist of forms and policy documents that need to be distributed to the new hire on his/her first day.

Employee Benefits Information

Another department suggestion is that an employee benefits information sheet be available so that hiring departments could provide it to candidates. There have been cases where the compensation package has not been outlined to the candidate until after he or she had been selected for the job and started the background check process; and the candidate declined employment after discussing the compensation package. In such cases, the departments would incur additional time by moving onto the next candidate to fill the position.

An employee benefits reference document could include current information on retirement benefits, administrative leave, health benefits and savings plans etc. However, this is a complex area that changes often. For example, there are different flexible benefits associated with different employee organizations. Also, employees initially hired since the effective date of Proposition B are not eligible for the City's defined benefit pension. Current job postings give general reference to this information.

Currently, the hiring departments are requested to consult with Risk Management before giving out employee benefits information in order to ensure that the correct information is distributed. The departments should also ensure the candidate is given the employee benefits summary that is attached to the job posting, and should refer the candidate to Risk Management for additional questions.

Recommendations for Resources for Hiring Departments

1. The Personnel Department consider expanding the information in the recent PowerPoint training document for hiring departments, and provide it on the website as a guide to the hiring process. Such a document could provide direct links to the forms being described. This would give the hiring departments' staff more of the step-by-step information they have been seeking.
2. The Personnel Department consider providing additional information, including ideas suggested by hiring departments, in one location on Personnel's website.
3. Risk Management explore opportunities to provide hiring departments with more comprehensive employee benefits reference documents for new hires who have never worked for the City in the past.
4. Hiring departments proactively consult with Risk Management early in the hiring process regarding employee benefits information.

Approving Limited Positions

A limited position is one created for a limited period of time to meet a specific short-term need. A concern repeatedly expressed is when departments know of pending retirements but, for budgetary reasons, Financial Management will not allow the Personnel Department to create a limited position to jump start the hiring of a replacement employee. The pending retiree must have an official retirement date before a position can be created. This can produce long gaps in filling the position. For operational purposes, departments naturally want to mitigate these gaps and/or create opportunities for overlap of the new and retiring employee for training purposes, particularly in complex areas.

Currently departments are encouraged to create desk manuals and to have the pending retirees train other existing employees, who in turn train the replacement employee, once hired. For budget purposes it would not be prudent to have a large number of positions double-filled. Without position control to protect the budget, ultimately these types of limited positions can lead to budget creep, impacting other service areas. Note that a smaller department may have more trouble balancing its budget while incurring double the expenditures for the same job. However, for certain short-term situations and with the proper controls, using limited positions can be useful in shortening the vacancy gaps.

It should be noted that when this practice was allowed in the past, no oversight or controls existed. In many cases the limited positions were never eliminated. As a result, by FY 2007 hundreds of positions had been created over a number of years for which funding was not included in the budget. Then Mayor Sanders reevaluated the criticality of each of these positions and provided funding for only the most critical positions in the FY 2007 budget.

Recommendation for Evaluating Approval of Limited Positions

1. Human Resources and Financial Management should continue to evaluate this issue on a case-by-case basis.

Competitive Process Considerations

Expanding Recruiting Tools

To improve the quality of candidates, one suggestion was that the recruitment process include posting on college job boards and attending college recruiting events. Additionally, it was suggested that Personnel implement more extensive recruiting through trade-specific publications and websites, or government job publications other than GovernmentJobs.com. Professional conferences could also be considered.

The Personnel Department has so far attended 20 job fairs this calendar year and has provided information to 442 job seekers. It may be beneficial for the Personnel Department to initiate a competitive recruitment at the same time a conference or job fair of interest to a hiring department is occurring. Communication between Personnel and the departments to facilitate this should occur.

Job Posting Issues

Some hiring departments have expressed that some job postings are not tailored enough toward specific experience and other important qualifications. The Personnel Department recruits in a broader-based manner, rather than creating job postings that are geared specifically to each

individual vacancy. With this broader approach, Personnel utilizes the results for multiple vacancies and across departments when appropriate. This is a more efficient use of time for Personnel, as compared to recruiting every time a job opening occurs. It can also create time efficiencies for departments, as a list from a prior recruitment may be available when subsequent positions become vacant. By recruiting more broadly, Personnel can ensure that candidates meet minimum qualifications for a job classification and that City hiring is in accordance with merit principles.

However, while Personnel is ensuring available candidates meet minimum qualifications, a department may want to include more specific highly desirable qualifications for a particular vacancy. In many instances the Personnel Department can accommodate the department by incorporating the more specific qualifications. There are instances, however, when department requests cannot be accommodated because the desired qualifications are not consistent with or exceed the intent of the job classification in question.

Thus, hiring departments should request that each interested candidate on the certified list submit a resume/cover letter or other documentation which speaks to the candidate's experience with regard to the specific highly desirable qualifications. Hiring departments with which we have spoken have indicated they take this step. By doing this, hiring departments can narrow down the applicant pool in a couple of ways. First, only the interested candidates will respond, removing from the group those candidates who may have taken other jobs and/or are no longer interested. Second, the requested information will often provide more extensive information that is more easily reviewable for the hiring department.

Promotional vs. Open Competitions

Hiring departments have suggested there are times when it would be advantageous to widen the competitive process from a "promotional only" examination process to an open competitive process. These departments point out that an open recruitment does not preclude applications from City employees if they meet the minimum qualifications of the position. These departments have also indicated that the Personnel Department can be reticent about opening up a recruitment to external candidates.

Personnel contends that often there are many qualified candidates on promotional lists, and that changing from a promotional to open recruitment needs to be justified in order to mitigate grievances and to ensure that opportunities for qualified City employees are not inadvertently taken away. In calendar year 2013 (through mid-December), 80% of City recruitments were open recruitments.

While it is critical for the City to develop its workforce, hiring departments should continue to advise the Personnel Department when they believe an open recruitment would be more appropriate than a promotional recruitment. Departments often have valuable insight regarding what skills and experience exist from within the department and which skills must be recruited to supplement the department.

Promulgating Lists

A hiring department suggested promulgating an initial certified list as soon as a minimum number of applicants has been approved by the Personnel Department (for example an initial list

with 15 candidates), instead of waiting until the job application period closes. The Personnel Department has expressed that this would be contrary to one of its primary tenets as stated in the Personnel Regulations: “It is the policy of the Civil Service Commission to ensure that all interviews and selections are conducted in a fair, practical, and professional manner that allows equal opportunity to all applicants.” Personnel has also indicated that promulgating groups of applicants on separate lists creates problems with lists expiring on multiple dates.

Recommendations for Competitive Process Considerations

1. The Personnel Department coordinate with hiring departments to initiate a competitive recruitment at the same time a conference or job fair of interest to a hiring department is occurring;
2. The hiring departments explore opportunities to attend job fairs, considering instances where departmental attendance may ease the Personnel Department’s work load;
3. The Personnel Department continue to work with hiring departments to determine when minimum qualifications are sufficient versus when more specific departmental qualifications can be included in job postings;
4. The Personnel Department continue to communicate with hiring departments regarding times when an open recruitment may be more appropriate than a promotional recruitment;
5. Hiring departments continue to bring forward ideas for changes in the competitive process, with the understanding that such changes will likely require legal review, as well as review by the Civil Service Commission, and possibly meet and confer with all impacted employee organizations.

Gathering and Utilizing Feedback to Improve the Process

At the July 24, 2013 Rules and Economic Development (R&ED) Committee meeting, the Committee expressed interest in interviewing recent hires with regard to their experience of the City’s hiring process as compared to other organizations. After discussions with the Committee Consultant, we recommend that this initiative be more broad-based and that new hires be surveyed as a matter of practice. The survey should include numerical scores as well as written comments, both of which should be compiled and shared with the Committee on Budget and Government Efficiency. Feedback should be considered for making hiring process improvements.

Additionally, City departments should provide periodic evaluations of the overall hiring process. We suggest that such evaluations be vetted by the working group that we recommend be created in the Conclusion/Next Steps section. This working group should include the Personnel Department and other key departments. The Chief Operating Officer could also create a procedure for evaluating the hiring departments’ portion of the hiring process. Information acquired could also be vetted by the working group with the goal of improving the process and setting performance targets.

Recommendations for Gathering and Utilizing Feedback to Improve the Process

1. New hires should be surveyed as a matter of practice, and results should be compiled and shared with the Committee on Budget and Government Efficiency. Feedback should be considered for making hiring process improvements.

2. City departments should provide periodic evaluations of the overall hiring process. We suggest that such evaluations be vetted by the working group that we recommend be created in the Conclusion/Next Steps section.
3. The Chief Operating Officer could also create a procedure for evaluating the hiring departments' portion of the hiring process. Information acquired could also be vetted by the working group with the goal of improving the process and setting performance targets.

CONCLUSION/NEXT STEPS

After discussing IBA report 13-30 at the July 24, 2013 R&ED Committee meeting, the Committee requested that the IBA vet hiring department suggestions for hiring process improvements, as well provide additional information related to hiring issues. This report addresses the major issues examined by the IBA in response to the Committee's requests.

This report does not explore the reasons for the lengthy timeframes on the part of the hiring departments. We would note that some areas should continue to be monitored, such as workforce planning/staffing plans, and ensuring managers and supervisors are proactive in the hiring process.

With the complexities involved in recruitment and hiring, the potential for further process improvements is high. In some cases it can be the "little things" that make a big difference. For example, sending hiring departments Excel spreadsheets with the certified candidates' information, including email addresses (which Personnel has implemented), will make the process more efficient and less time-consuming. In other cases, process change will be harder, as in trying to determine the feasibility and cost/benefit of automating certain processes.

An action we recommend, as suggested by a hiring department, is that the City create a working group of key departments, along with the Personnel Department, for constructive dialogue and collective solutions to city-wide hiring challenges. In addition to some of the issues we have vetted in this report, other issues could include, but are not limited to, the following:

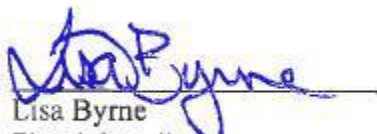
- Having a timely opportunity to discuss questions and issues regarding the process as they surface;
- Prioritizing city-wide recruitments, considering the limited capacity of the Personnel Department;
- Expanding predictive recruiting (starting the recruitment process for a job classification four to six weeks before a current list expires) for highly used positions and high turnover positions; and
- Considering ways to make hiring and processing forms more user-friendly.

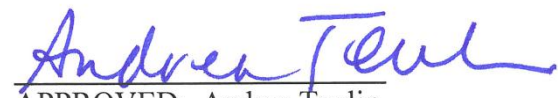
Another recommendation is that the City Council consider the Personnel Department's position increase requests that were included as part of the FY 2015-2019 Five-Year Outlook's "Discretionary Operational Needs."

This report identifies numerous potential opportunities to consider for improvements. Due to the volume of additional recommendations that have been discussed in this report, we have included the remainder in Attachment 3, segregated into the following areas:

- Recommendation Related to Average Timeframes for the Hiring Process
- Recommendations Related to Utilizing NEOGOV Technology
- Recommendations for Improving Paper-Based Processes
- Recommendations for More Efficient Electronic Workflow Processes
- Recommendations for Streamlining Other Processes
- Recommendations for Resources for Hiring Departments
- Recommendation for Evaluating Approval of Limited Positions
- Recommendations for Competitive Process Considerations
- Recommendations for Gathering and Utilizing Feedback

It will take time to modify procedures and enhance the current processes for both the Personnel Department and hiring departments; and thus the work needs to be prioritized. We recommend Personnel staff and the working group of key departments return to the Committee on Budget and Government Efficiency by April 2014 with their initial thoughts on recommendations made in this report, including the identification of any budget impacts for FY 2015.


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