

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Jennifer Schembri  
Director of Employee Relations/  
Director of Human Resources

**SUBJECT: EMPLOYEE RECRUITMENT AND  
RETENTION EFFORTS UPDATE**

**DATE:** November 15, 2019

Approved

*D. D. Syl*

Date

*11/18/19*

## INFORMATION

The purpose of this memorandum is to provide the City Council with an update on the City's efforts to recruit, develop and retain a diverse, talented and engaged workforce.

## BACKGROUND

The City of San Jose prides itself on providing excellent service and support to the people in our community and it is our employees that are the power behind the services we provide. The work they do in our community is strengthened when the City invests in hiring, growing, and retaining diverse talent.

Powered by People, one of the City Manager's 8 Enterprise Priorities, provides that the City will continue to accelerate and improve upon its successes in strategic hiring, develop partnerships to create a long-term recruiting pipeline and to support employee retention, engagement and advancement through training and development programs. To that end, the Human Resources Department (HR) has developed the following priorities, by working in partnership with departments, to ensure its success in meeting those goals:

- *Hire for Talent:* Reduce vacancies and build the City's overall workforce by evaluating, streamlining and innovating hiring practices and building long term capacity through strategic and local pipeline programs.
- *Offer a Diverse Menu of Benefits:* Improve the City's strategy with respect to offering an attractive package of benefits, particularly medical benefits, for our employees, including streamlining our systems, policies and practices to be employee centric as well as efficient.
- *Injury Prevention and Supporting Injured Workers:* Build a citywide culture and series of programs that focus on keeping employees safe and well. In the event of an injury ensuring that our TPA provide responsive and appropriate workers' compensation services.

- *Rebuilding Citywide Training and Development:* Develop a strategy for re-launching a robust set of programs to compliment departmental offerings and support employee growth and development.
- *Strengthening our Employee Value:* Develop strategic messaging and marketing strategies that will re-position the City as the place to work, serve and thrive in a wonderfully diverse community and the nation's 10<sup>th</sup> largest city.

## **RECRUITMENT EFFORTS**

During the past year, the City has taken numerous steps to improve the hiring process.

### **HR Partnership with Departments: Autonomous Hiring**

In an effort to expand capacity to fill vacant positions, HR developed an autonomous hiring program which, among other things, delegated greater autonomy to the departments by reducing the number of HR approval steps (more than 12 to 2) and allowing departments the ability to post multiple positions simultaneously. HR has also implemented a SharePoint site (a web based collaboration and document management platform) that provides a central repository for all hiring documents such as policies, processes, forms, training materials and templates. SharePoint is accessible to all department hiring liaisons. This will provide more consistency and ease in the hiring process.

Departments have also been given more authority to place candidates (external and internal) within a particular salary range. In addition, more flexibility has been given with minimum qualifications, including allowing internship experience to count towards minimum qualifications (MQs) on a case by case basis. This will broaden the pool of candidates. HR has also committed to looking at MQs and allowing more flexibility for hard to fill positions.

### **Strategic Partnerships with Education Entities to Create Career Paths to City Employment**

In an effort to promote and encourage careers in public service, HR is exploring partnerships with local colleges and universities, such as San José State, and other trade/workforce development organizations. This will result in creating more opportunities for internships and other activities that would expose the next generation to the City (e.g. job shadowing, information fairs).

In addition, HR is also working with local high schools to develop opportunities to expose them to the City through internship and work/study opportunities. For example, HR partnered with East Side Union High School and Work2Future to successfully pilot a 6-week high school program with 6 interns in 4 City departments. As a result of this pilot, HR has identified a few opportunities for students in the East Side Career and Technical Pathways programs to come see City work in action (e.g. auto mechanic students to visit the Central Service Yard). In addition,

HR worked with a SJSU marketing class in the Fall of 2018 to get proposals for ways to market and brand the City as a career destination for the next generation.

### **Efforts to Attract a Diverse Sworn Applicant Pool**

During the past year, the Police Department adopted a campaign strategy designed to reach audiences representing the diversity of San Jose's residents as well as bridge gender inequality within the Department. This strategy has included, but not been limited to, participation in college and military/veteran based career fairs. As a result, the October 2019 Police Academy class has 37 recruits, 9 of which are female, 10 Asian/Pacific Islander, 9 Black, and 12 Hispanic/Latino. It should be noted that tracking the diversity of applicants and new hires is difficult as race disclosure is voluntary and 35% of the recruits/officers hired chose not to voluntarily self-identify their race. The Fire Department established a firefighter recruitment committee to focus on overcoming challenges to building a diverse candidate pool. In May 2019, the Department convened a group of interested personnel and key stakeholders to discuss the next firefighter recruitment process which is anticipated to begin midyear 2020. The Department continues to work towards addressing the bilingual needs of the community and strives to place certified bilingual personnel at each fire station on each shift. During the last fiscal year, the Department hired 49 recruits, 35% of which were bilingual.

### **Fingerprinting**

In the 2019-2020 Adopted Budget, funding was provided so that HR could purchase a fingerprinting machine and complete this portion of the hiring process in-house to reduce delays in onboarding new employees. While HR goes through the process to obtain approval from the DOJ to do this, we are currently partnering with San Jose State University so that new employees can get fingerprinted there in a more timely manner.

## **RETENTION EFFORTS**

Over the past year, the City has taken the following steps to create and retain a more engaged workforce.

### **Employee Engagement Survey**

The employee engagement survey is a critical component in assessing and making improvements in employee engagement. Research from Gallup, Inc. provides that pay is no longer enough to attract and retain the best employees. While compensation plays a role in whether or not an employee chooses to stay with or switch employers, employees are also heavily swayed by social relationships with potential coworkers, alignment with the mission of the organization and expectations about organizational culture. The City understands that employees need to feel their job has meaning, are looking for opportunities to learn and grow, as well as the ability to develop their unique talents and that these are among the strongest drivers of employee attraction and retention.

The City also recognizes that employee engagement is not a one-time event and that specific effort must be placed on maintaining employee engagement year-round. The 2017 survey results show that the City's most tenured employees are the least engaged group of our workforce. This highlights our need to re-engage this part of our population, as well as *all* City employees, by encouraging growth and development. By understanding each person's unique talents or strengths, and marrying these unique talents and strengths to the best roles, positions and projects, we can create a workplace where employees want to learn, grow, and maximize their contributions to the City.

Results from the recent city-wide 2019 engagement survey has been released and Departments are expected to create an "action plan" which involves having a conversation with employees in their workgroup to share the results, identify which factor(s) the workgroup wants to focus on during the following year, and decide what specific actions the Department and employees will take to achieve those goals. Through this process it is expected that workgroups within each Department will improve in one or more of the engagement factors (Q12) that Gallup, Inc. has identified as being critical to fostering and promoting high levels of employee engagement including growth, teamwork, individual needs, and basic needs.

### **Labor Stability**

More than 91% of City employees work in classifications represented by our 11 bargaining units. Currently, the City has multi-year agreements with 10 of our bargaining units which provide additional stability to our workforce.

### **Classification Studies**

The City has committed \$75,000 in the next year to update outdated job specifications. In addition, where recruitment *and* retention issues have been identified, HR is engaging in analysis over the reasons for the recruitment and retention issues (which is not always related to pay), and then making recommendations as appropriate. For example, on September 17, the City Council approved a pay rate change to the Planner series to address recruitment and retention issues. In addition, HR is engaged with consultants on various other classification studies, such as with the Associate Engineer classification in Development Services. The City will continue to review these classifications on a case-by-case basis to address any recruitment and retention issues and improve the City's ability to attract and retain qualified candidates.

### **Learning and Development**

The City made an important budget investment by designating over \$300,000 in one-time money, in addition to \$250,000 in base resources, to develop further training and other career development programs for its current workforce. Citywide training and programs are being developed that will not only compliment departmental offerings but further support employee growth and development. As a start, HR's training and development division now has two core staff and a graduate intern. A cross-departmental workgroup of about 15 staff was convened in the Fall of 2018 to develop a set of priorities for rebuilding the City's training and development

program. HR piloted a 6-week analytic academy in the Spring 2019 with about 22 staff that was highly successful and will be a regular offering. In addition, HR conducted an RFQ to develop a master agreement with approximately 40 qualified vendors to conduct training and organizational development as needed. HR also worked with the Civic Innovation Department to develop an Innovation Learning Lab that will support Civic Innovation's Small Wonders projects in Spring 2020.

### **Employee Resource Group Policy**

The GARE co-hort in coordination with HR is developing an Employee Resource Group policy. This policy will allow for the formation of Employee Resource Groups (ERGs) which will consist of employees who share a common diversity characteristic or are allies of that group and are seeking to promote the City's diversity values and efforts by providing a stronger sense of community and belonging within the City and by raising cultural awareness. It is also expected that ERGs will provide new and current employees with another avenue to seek guidance on career advancement efforts, guidance on how to showcase their skills to others within the City, and mentoring and networking opportunities.

### **Health, Safety, and Wellness Programs**

With the transition of workers' compensation to a Third Party Administrator (TPA), HR shifted the focus of its Health and Safety division to concentrate on safety and injury prevention. To ensure that safety is a central focus for all employees, safety slides have been incorporated into the City's New Employee Orientation (NEW) and a poster which identifies the City's "Safety and Health values" is now displayed in worksites. In addition, HR implemented quarterly citywide safety officer/manager meetings to help guide, formulate and coordinate the City's safety programs, policies and procedures. Workers' compensation claims are being handled effectively by the City's TPA and workers' compensation costs for FY 2018-2019 were \$2.6M (all funds) below budget.

In addition, HR sponsored a number of wellness activities including a 30-day healthy eating challenge and a wellness fair which provided employees with nutritional information, biometric health screenings, and derma scans. Citywide wellness screenings will continue to be offered on a quarterly basis. A department specific stretch and flex program was developed, in conjunction with Alliance Occupational Medicine, for our Parks, Recreation and Neighborhood Services employees and a more robust office ergonomics program was developed and implemented citywide.

### **Enhanced Medical Benefit Packages**

Over the past year HR successfully implemented a new medical cost sharing strategy which resulted in a 5% decrease in Kaiser enrollment and a 36% enrollment increase with the City's other medical provider. As a result of this change and reduced Kaiser dominance, HR conducted

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a successful medical benefits RFP that received a large number of responses and resulted in the City implementing a long-term sustainable benefits plan with a new medical provider that not only provides better service coverage, a fully insured PPO plan, but is expected to further make progress on diversifying our enrollment in the various health plans.

### **NEXT STEPS**

The City will continue to review its policies and practices to ensure it is recruiting and retaining a diverse, talented and engaged workforce.

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For questions, please contact Jennifer Schembri, Director of Employee Relations/Director of Human Resources at 535-8154.