AGENDA REPORT

CITY OF OAKLAND
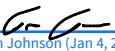
TO:	Jestin D. Johnson City Administrator	**FROM:**	Mark Love Interim Director, Human Resources Management
SUBJECT:	SUPPLEMENTAL – Semi-Annual Staffing Report December 2023	**DATE:**	January 2, 2024

City Administrator Approval

Jestin Johnson (Jan 4, 2024 16:19 PST)

Date: Jan 4, 2024

RECOMMENDATION

Staff Recommends That The City Council Receive A Semi-Annual Informational Report On City-Wide Staffing From The City Administrator Regarding (1) The Vacancy Rates Of All City Departments Through October 1, 2023, (2) The Budgeted Vacancy Rate For The Fiscal Year 2023/24, (3) The Vacancy Rates Of Regional Local Public Entities, (4) The Status Of Human Resources And Workforce Development Partnerships With Non-Profits To Recruit Oakland Residents For City Of Oakland Jobs, (5) The Analysis Of The City Workforce And Recruitment Conditions, And (6) A Summary Of Executive Search Recruitments.

REASON FOR SUPPLEMENTAL

This supplemental report provides additional information that was requested by the Finance & Management Committee at its December 12, 2023 *(Attachment A)* meeting. At the meeting, the Committee made the following requests:

1. **Provide information about the confirmatory testing practices for non-OPD departments when unproctored multiple choice testing is conducted, including information on industry standards from other public agencies.**

City of Oakland (City) departments were surveyed for information about their approach to validate or confirm that the selected candidate(s) completed the testing on their own. Due to the timing of this data collection, most departments were unable to respond to Human Resources Management staff timely for this report. Two departments have indicated that they use the interview process to validate a candidate's required job skills and knowledge, and may require writing samples or other job simulations. While most of the departments did not respond in time to include their strategies in this report, all departments are required to conduct interviews from the referred lists, and training and guidance have been provided to departments on how to ensure their interview processes are job-related and non-discriminatory. The use of a hiring interview that focuses on the required skills and knowledge, in combination with probationary periods should mitigate most risks related to the use of unproctored testing.

Finance and Management Committee
January 23, 2024

A quick pulse survey was sent out to Human Resources Professionals at other agencies to benchmark practices across other agencies. This data is somewhat limited by an imperfect sampling process and short response window, while still providing some insights to industry practices. The survey received responses from 69 Public Sector agencies that use multiple-choice testing as part of their recruitment process. Of those 69 agencies, 26 agencies are using unproctored testing. This equates to approximately 38% of survey respondent agencies. **Figure A** breaks down the 69 respondent agencies into three categories, no unproctored testing, up to 50% of tests unproctored, and over 50% unproctored.

**Figure A: Use of Unproctored Testing from Regional Survey Responses**
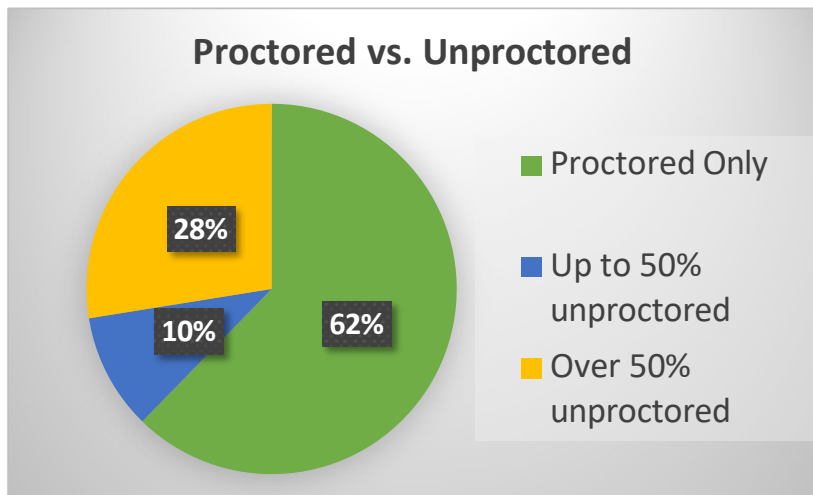
Figure B provides a breakdown of the types of agencies for the 26 respondents that are conducting unproctored testing.

Figure B: Percentage of Agency Type for Agencies Conducting Unproctored Testing
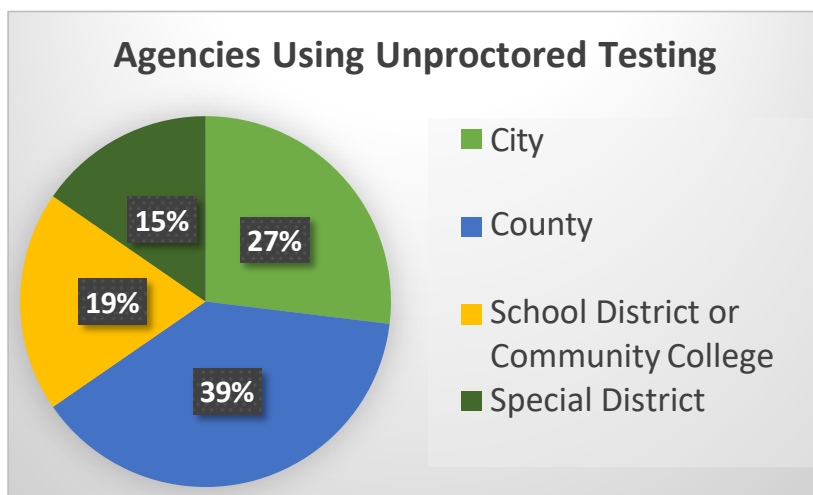
Survey respondents were also asked to indicate what confirmatory processes they used when they conduct unproctored testing. Some agencies are using different strategies depending on the classifications tested, so the number of responses exceed the number of agencies conducting unproctored testing. Notably, 10 of the 26 agencies in our data sample are not using any sort of confirmatory practices. Many of these agencies provided comments indicating they have not received feedback from hiring managers indicating hired candidates lack the competencies tested for, and most indicate they provide guidance to departments to utilize the probationary period to validate that the candidates possess the required skills and knowledge. **Figure C** below provides a summary of the practices used by the responsive agencies.

Figure C: Confirmatory Practices Used to Validate Unproctored Testing
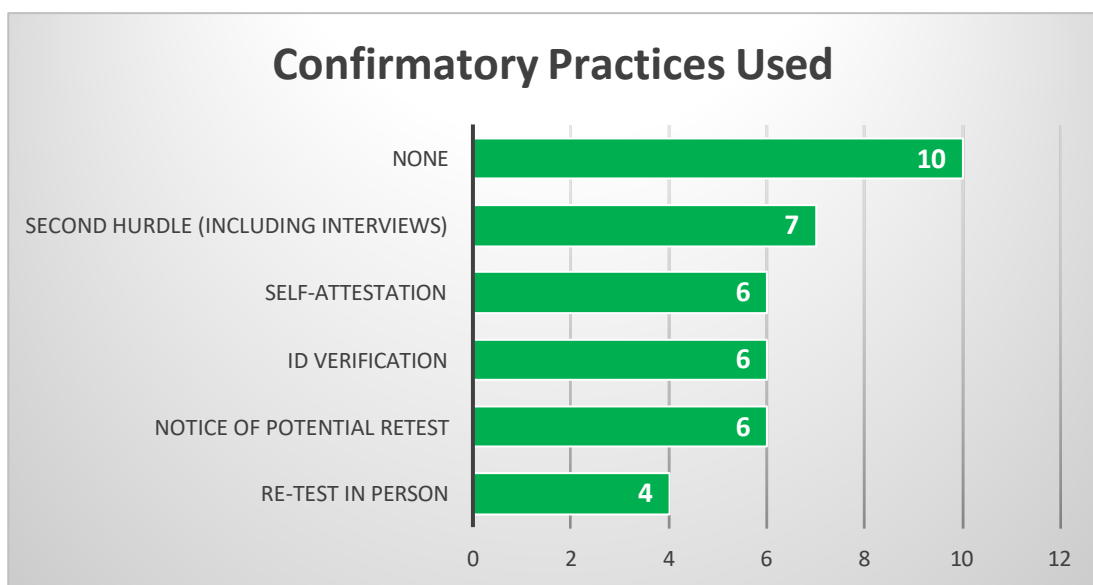
2.   Provide information regarding what steps have been reduced in the City's hiring process, and how changes have impacted time-to-recruit data.

The original report summarizes several of the process improvement efforts that have been taken to streamline and shorten the time it takes to complete Civil Service recruitments. In order explain the data about the hiring process, it is necessary to explain the process in more detail.

Civil Service Process Overview
When looking at the data related to the time it takes to fill positions, a complex and nuanced analysis is required. In a Civil Service system, a recruitment produces an Eligible List. Eligible lists are valid for 1-4 years based on Civil Service Rules and Memorandum of Understanding (MOU) requirements. According to the City's rules and MOU requirements, separate eligible lists are produced for internal candidates ("restricted lists") and all other candidates ("open lists"). Restricted lists are valid for a minimum of 2 years, while open lists

are valid for a minimum of 1 year. Eligible lists are referred to departments to interview and hire City employees. All permanent hires in the Civil Service are made from candidates on an eligible list.

When departments have an approved budgeted vacancy, they are required to submit a requisition, which is reviewed and approved by the Department Head of that department, the Budget Team, the Equal Access Team in Human Resources, and the HR Technicians who review position control information as well as confirming that departments have provided all necessary forms and information needed to conduct a recruitment.

If a requisition is submitted and there is an existing eligible list for that classification, the Human Resources Technicians will refer the existing eligible list. If no list exists, then an HR Analyst is assigned to conduct a Civil Service recruitment.

The recruitment process often requires a new Job Analysis to be conducted. This analytical process collects data from Job or Subject Matter Experts (SMEs) across departments that use the classification about the tasks, competencies required, and the extent to which each competency is required to perform each task. The HR Analysts use this data to develop a recruitment plan to determine the type(s) of exam(s) and the weights that will be assigned to the competencies measured in the testing process.

As an industry standard, Job Analysis results are typically valid for 5 years unless substantial changes have occurred to the class specification or the environment and conditions under which the work is performed.

Once the HR Analyst has identified the best type of exam, the SMEs are again consulted to create and validate job-related test content, including correct answers to test questions. This collaborative effort between HR Analysts and Departments' SMEs is absolutely essential and critical to ensure a legally defensible and job-related testing process.

The HR Analyst also relies heavily on SMEs and Hiring Managers in crafting the job announcements. The City has approximately 700 individual job classifications, and HR Analysts do not have the in-depth knowledge and understanding of all these jobs and what would attract candidates to the kind of work performed.

Jobs are required to be posted for a minimum of 10 business days, HR Analysts must evaluate the applications received against the minimum qualification requirements, and only after this process is complete are they able to invite candidates to compete in the Civil Service Testing process.

Once testing is complete, HR Analysts conduct a variety of analyses to ensure that the testing instruments used measured what they were intended to measure, did not result in any adverse impacts to candidates in protected categories, and use data from SME input collected in advance of testing along with the test performance data to establish a pass point.

Following the establishment of a pass point, applicants who pass all components of the testing process are placed on an eligible list. Before the lists can be finalized, applicants who are City of Oakland residents, Veterans of the military with an honorable discharge, or City of Oakland employees are provided with additional preference points. There are verification processes required for each of these extra points types, which can cause days to weeks of time to pass between the final scoring process and the finalization of the eligible list and referral of candidates to departments.

Finally, once a list is established, certification rules, in most cases a "Rule of Four" is used to send the top-ranked candidates from the restricted list to departments. Only after all restricted list candidates are considered, departments may also receive referrals from the open lists. Once lists are referred, Departments conduct their own interviews and selection processes. Once they identified a candidate, they must submit an offer approval form, which depending on various factors may be routed to the City Administrator for approval of the offer terms. Once a candidate accepts this conditional offer of employment, conviction history, and other background checks occur before a final hire approval is routed and a final offer is extended. The Payroll unit in Finance requests departments to submit the hire paperwork 4 weeks before the employee begins work.

Data Analysis

Data was pulled for requisitions submitted during the last 5 fiscal years that required a new recruitment and resulted in the establishment of an eligible list.

Figure D shows the number of calendar days from the approval of a requisition to the establishment of an eligible list, as well as the number of requisitions submitted from each fiscal year that resulted in the establishment of new eligible lists.

Figure D: Time to Establish New Eligible Lists by Requisition Approval Date
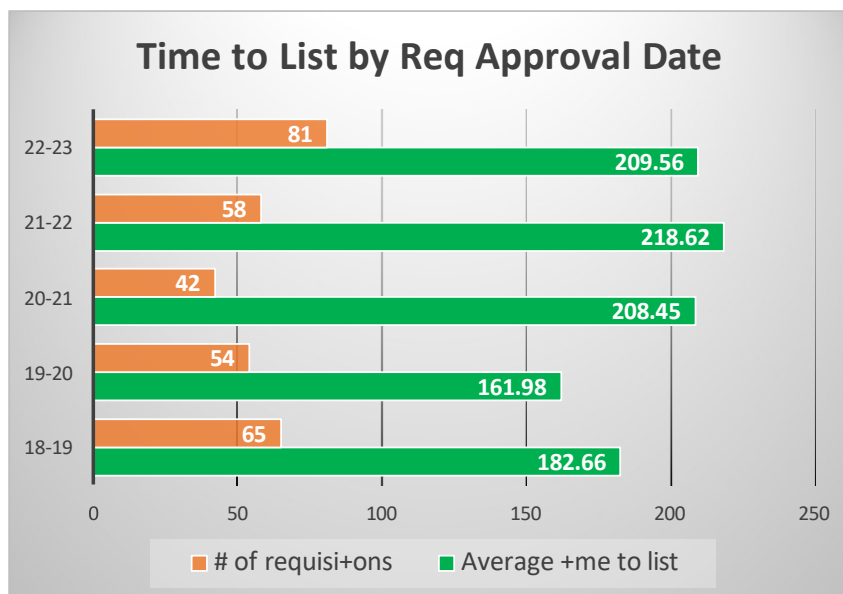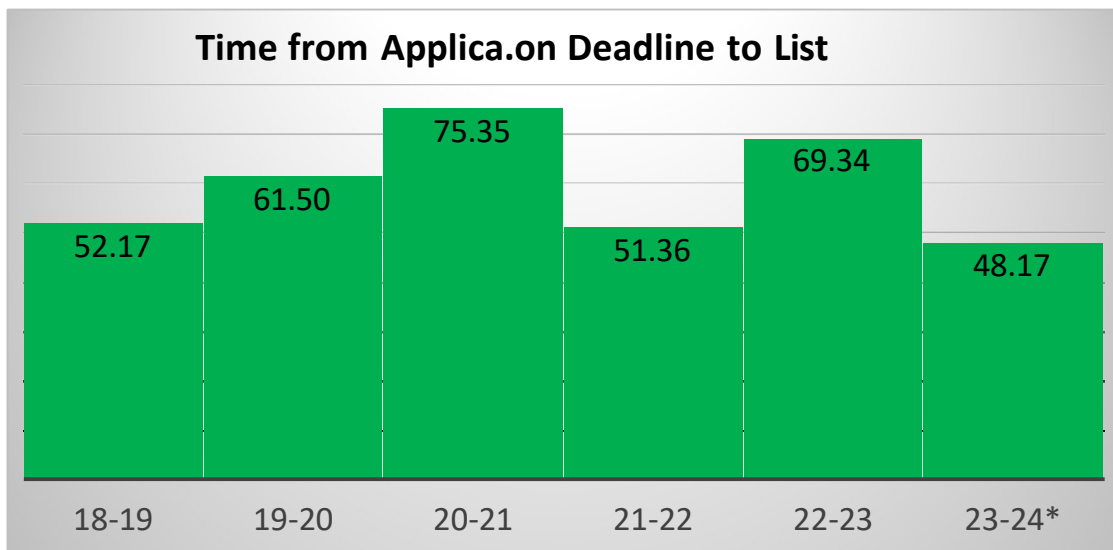
The time to fill positions is heavily influenced and dependent on collaboration between departments with vacancies and Human Resources staff. In the chart in Figure D, the number of days from requisition approval to the establishment of new eligible lists is influenced by many factors. Some of those factors include:

- Prioritization of recruitments with input from departments
- SME responsiveness in scheduling Job Analysis and Test development meetings
- The strength/size of the applicant pool resulting in postings remaining open longer than the 10 business day minimum
- Availability of Assessors from external agencies
- Staffing levels within HRM recruitment division

When evaluating the time it takes to conduct a recruitment, another metric to consider is the time from when the job posting closes to the establishment of the eligible list. This is the stage in the process that Human Resources Analysts have the most control over. Delays may still occur with securing assessors or if there is an issue encountered with the testing process. Figure E below illustrates that data.

Figure E: Time to Establish New Eligible Lists from the Close of Application Filing

Time from Application Deadline to List

Period	Value
18-19	52.17
19-20	61.50
20-21	75.35
21-22	51.36
22-23	69.34
23-24*	48.17

* 23-24 data is from July 1, 2023 to December 22, 2023

Finally, the time it takes to fill positions is heavily influenced by the final Departmental hiring and selection process. This includes the time from when HRM sends a Referred list of eligible candidates, the department conducts interviews and reference checks, the job offer is reviewed and approved and extended to the candidate, and the candidate completes the Conviction History Questionnaire (and provided proof of Covid-19 vaccination during the time frame that it was required). Once a candidate has accepted the conditional offer and completed the pre-screening steps described, the Department "creates" a hire form, which will be routed through additional approvals. Table 1 provides data on the average number of

calendar days between the referral of candidates and the creation of a hire approval workflow, as well as the average number of calendar days from the approval of those requisitions to the creation of the hire approval workflow. This allows us to calculate the percentage of time spent in the hiring process in the departmental hiring stage. This data is only available for the past 3 fiscal years.

Table 1: Breakdown of Time to Fill by Recruitment and Referral Stages

FY Requisition was Created In	Days between Referral to Hire Created	Days Between Req Approved to Hire Created	% of Time to Hire in Department Interview Process
20-21	82.69	170.74	48.43%
21-22	83.02	170.23	48.77%
22-23	54.02	74.53	72.48%

Status of Process Improvement Work

The City began a Continuous Process Improvement effort at the end of 2022. An in-depth stakeholder analysis, significant research and data analysis, process mapping, and a Rapid Improvement Event have been conducted over the past year. This work is ongoing and still in the early stages. Much of the first year was focused on gathering information and data about the current state processes and procedures. This is a critical step in all process improvement work in order to understand the root cause of delays and defects in our processes.

Simultaneously, the Recruitment and Classification Division staffing has been in a rebuilding phase, with 14 employees in the division separating from the City in 2021 and 2022. While attrition slowed in 2023, two staff members in the Recruitment Division accepted promotions to other City departments, one probationary employee was released, and one employee retired. The division's ability to deliver services was impacted not only by our own vacancy rate but also by the time it takes for newly hired and promoted employees to learn and understand the complexity of the work needed to run Civil Service recruitments.

The Human Resources Management Department is dedicating resources to continue a data-first approach to understanding the challenges faced in the recruitment process and to the continuous analysis and improvement of our recruitment strategies and processes. The focus in early 2024 will be to launch improvements and pilot programs identified through collaboration with City departments, Union Representatives, and recruitment staff at the Rapid Improvement Event held in October of 2023. Ongoing conversations with Finance and IT are also focused on identifying both process and technology improvements that will be key to impacting the City's time to recruit and time to hire.
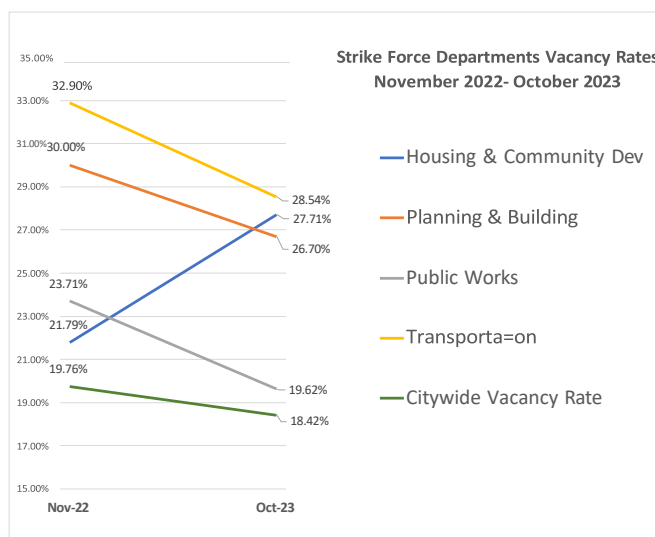
3. **Provide the vacancy rate comparison of departments assigned to the "Strike Force," also referred to as the Hiring Blitz.**

In March of 2023, Mayor Sheng Thao announced a concentrated effort to fill vacant positions in the Housing and Community Development (HCD) Department, Planning and Building Department (PBD), Oakland Public Works (OPW), and Department of Transportation (DOT). This effort was often referred to as a Hiring Blitz. When the Biennial budget was adopted for fiscal year (FY) 2023-25, the Hiring Strike Force was formed. Existing Full Time Equivalent (FTE) allocations were funded through dedicated funds to support the continued emphasis on filling positions in those departments. **Table 2** and **Figure F** below represents the changes in departmental vacancy rates for those departments from the November 2022 data to October 2023.

Table 2: Changes in FTE and Vacancy Rates for Strike Force Departments from November 2022 to October 2023

Strike Force Departments	Nov-22 FTE	Nov-22 Vacant Positions	Nov-22 Vacancy Rate	Oct-23 FTE	Oct-23 Vacant Positions	10-23 Vacancy Rate
Housing & Community Dev	78.00	17.00	21.79%	83.00	23.00	27.71%
Planning & Building	210.00	63.00	30.00%	206.00	55.00	26.70%
Public Works	652.00	154.60	23.71%	652.40	128.00	19.62%
Transportation	365.75	120.35	32.90%	371.40	106.00	28.54%
Citywide Vacancy Rate	4327.76	855.05	19.76%	4285.11	789.31	18.42%

Figure F: Vacancy Rate Comparison for Strike Force Departments

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Receive A Semi-Annual Informational Report On City-Wide Staffing From The City Administrator Regarding (1) The Vacancy Rates Of All City Departments Through October 1, 2023, (2) The Budgeted Vacancy Rate For The Fiscal Year 2023/24, (3) The Vacancy Rates Of Regional Local Public Entities, (4) The Status Of Human Resources And Workforce Development Partnerships With Non-Profits To Recruit Oakland Residents For City Of Oakland Jobs, (5) The Analysis Of The City Workforce And Recruitment Conditions, And (6) A Summary Of Executive Search Recruitments.

For questions regarding this report, please contact Mark Love, Interim Human Resources Director, at (510) 238-6450.

Respectfully submitted,

Mark Love
Mark Love (Jan 4, 2024 13:14 PST)

Mark Love
Interim Human Resources Director
Department of Human Resources Management

Reviewed by:
Amber Lytle, Human Resources Manager

Prepared by:
Tina Pruett, Human Resources Manager

Attachments (1):
A: Semi-Annual Staffing Report December 2023

Finance and Management Committee
January 23, 2024

AGENDA REPORT

CITY OF OAKLAND

TO:	Jestin D. Johnson City Administrator	**FROM:**	Mark Love Interim Human Resources Director
SUBJECT:	Semi-Annual Staffing Report December 2023	**DATE:**	November 10, 2023

City Administrator Approval _____ Date: Dec 1, 2023

Jestin Johnson (Dec 1, 2023 10:08 PST)

RECOMMENDATION

Staff Recommends That The City Council Receive A Semi-Annual Informational Report On City-Wide Staffing From The City Administrator Regarding (1) The Vacancy Rates Of All City Departments Through October 1, 2023, (2) The Budgeted Vacancy Rate For The Fiscal Year 2023/24, (3) The Vacancy Rates Of Regional Local Public Entities, (4) The Status Of Human Resources And Workforce Development Partnerships With Non-Profits To Recruit Oakland Residents For City Of Oakland Jobs, (5) The Analysis Of The City Workforce And Recruitment Conditions, And (6) A Summary Of Executive Search Recruitments.

EXECUTIVE SUMMARY

This informational report provides an update on city-wide staffing as of October 1, 2023. On this date, there were 4,285.11 Full-Time Equivalent (FTE) budgeted positions with 789.31 FTE positions that are unfrozen, vacant, and unencumbered, resulting in an 18.42 percent vacancy rate. In August of 2023, the Human Resources staff member that has historically pulled data for this report retired. As a result, in preparing this report, a complete review of the data analysis methodology was conducted. A more accurate way of reporting the FTE and vacancy data was identified. In order to ensure consistency in the data, the historical data in Table 3 was also reviewed and updated.

As of October 1, 2023, there were also 234.52 FTE encumbered and 221.05 FTE frozen positions.

This report also includes an analysis of the status of each full-time and permanent part-time vacancy by department (*Attachment A).* The status of positions can change on a daily basis as the City hires new employees, and as employees move into new positions or leave City employment.

Finance and Management Committee
December 19, 2023

The Department of Human Resources Management's (DHRM) recruitment priorities are coordinated with City departments and, on occasion, set by the City Administrator's Office. In some instances, high-priority recruitments do not correlate to high-volume recruitments and may not reduce the overall vacancy rate.

BACKGROUND / LEGISLATIVE HISTORY

DHRM provides this semi-annual report to the Finance and Management Committee. This report examines full-time and permanent part-time vacancy data. Additionally, this report analyzes several key organizational staffing elements, including recruitment process improvements, community recruitment efforts, unemployment rates, retention rates, and employee tenure.

ANALYSIS AND POLICY ALTERNATIVES

Citywide Vacancy Rates and Status as of October 2023

Vacancies

For the purposes of this report, vacancies are described as **non-encumbered** and **unfrozen**. A non-encumbered position is available to be filled and not linked for any other purpose. An encumbered position is linked to other funding, such as overtime, temporary staffing, underfilled positions to allow for flexible staffing, or acting assignments.

Sworn vs. Non-sworn Positions

Table 1 shows the Citywide Vacancy Summary and Citywide Encumbered Summary separating sworn and unsworn positions.

Table 1: Citywide Vacancy Summary			
Type	**All Positions**	**Vacant**	**% Vacant**
Total Sworn	1180.00	89.00	7.54%
Total Miscellaneous	3105.11	700.31	22.55%
Total	**4285.11**	**789.31**	**18.42%**
Citywide Encumbered Positions Summary			
Type	**All Positions**	**Encumbered**	**% Encumbered**
Total Sworn	1180.00	33.00	2.80%
Total Miscellaneous	3105.11	201.52	6.50%
Total	**4285.11**	**234.52**	**5.47%**

Table 2 shows the vacancy rate by department sorted from high to low percentage.

Table 2: Vacancy Rates by Department			
City of Oakland Departments	**No. of Authorized positions (FTE)**	**No. of vacant positions (FTE)**	**Vacancy Rate**
Police Commission	25.00	11.00	44.00%
Economic & Workforce Dev	63.30	20.50	32.39%
City Clerk	17.00	5.00	29.41%
Violence Prevention	48.80	14.00	28.69%
Transportation	371.40	106.00	28.54%
Housing & Community Dev	83.00	23.00	27.71%
City Auditor	11.00	3.00	27.27%
Parks, Recreation & Youth Dev	106.73	28.75	26.94%
Planning & Building	206.00	55.00	26.70%
Public Ethics Commission	8.00	2.00	25.00%
Human Services	252.96	62.00	24.51%
City Administrator	71.10	16.60	23.35%
Fire	695.50	146.50	21.06%
Public Works	652.40	128.00	19.62%
Animal Services	28.00	5.00	17.86%
Library	227.20	39.40	17.34%
Human Resources	58.00	10.00	17.24%
Information Technology	92.00	15.00	16.30%
Finance	155.80	22.00	14.12%
Mayor	11.00	1.00	9.09%
City Attorney	81.00	7.00	8.64%
Police	976.00	67.00	6.86%
Workforce & Employment Standards	17.00	1.00	5.88%
City Council	22.92	0.56	2.44%
Race & Equity	4.00	0.00	0.00%
Citywide Vacancy Rate	**4,285.11**	**789.31**	**18.42%**

Table 3 shows the historical vacancy rates[1], starting May 2012. Since 2013, the City has added an **average of 69.18 FTE every fiscal year**. For the **fiscal year 2022, 200.70 positions were added to the Position Control Report**. This large increase in budgeted positions has significantly impacted the current vacancy rate for all positions.

Table 3: Historical Vacancy Rates			
Position Control Report Date	**# of budgeted positions**	**Vacancies**	**% Vacant**
10/1/2023 Positions deleted:	4,285.11 -62.35	789.31	18.42%
5/1/2023 Positions added:	4,347.46 +27.70	833.51	19.17%
11/23/2022 Positions added:	4,319.76 +200.70	855.05	19.79%
4/12/2022 Positions added:	4,119.06 +40.50	792.24	19.23%
10/18/2021 Positions added:	4,078.56 +170.51	759.5	18.62%
5/4/2021 Positions deleted:	3,908.05 -138.05	481.56	12.32%
11/16/2020 Positions deleted:	4,046.44 -1.61	576.09	14.24%
4/27/2020 Positions added:	4,048.05 +8.65	587.16	14.50%
9/23/2019 Positions added:	4,039.40 +98.21	639.06	15.82%
4/29/2019 Positions added:	3,941.19 +4.6	511.95	12.99%
10/22/2018 Positions added:	3,936.59 +109.11	605.64	15.38%
3/12/2018 Positions added:	3,827.48 +6.44	563.35	14.72%
10/9/2017 Positions added:	3,821.04 +123.76	545.11	14.27%
10/10/2016 Positions added:	3,697.28 +51.76	565.08	15.28%
10/5/2015 Positions added:	3,645.52 +172.21	495.75	13.60%
8/18/2014 Positions added:	3,473.31 +109.64	460.93	13.27%
5/13/2013 Positions added:	3,363.67 +79.09	427.60	12.71%
5/7/2012	3,284.58	368.29	11.21%

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[1] Previous versions of this report incorrectly included positions in the FTE counts that are not permanent funded positions, these positions were previously only filtered out of vacancy counts, resulting in erroneous vacancy rate calculations. Historical PC reports were re-analyzed to ensure consistent methodology across the multi-year comparison.

Status of Vacancies

Each department was sent a list of their vacancies reported in Oracle as of September 18, 2023, and asked to provide DHRM with the status of each vacant position. When departments submit vacancy information, standard descriptors are available from which to choose that identify the status of the vacancy. Department data was received back from each department by early October, and DHRM staff conducted a complete audit of the vacancy status information for accuracy. Due to the report data being pulled mid-September and validated at the end of October, the total FTE with status does not match the point-in-time data pulled on October 1, 2023. This may be attributed to hires made during the month of October, hires not yet entered into the Oracle system, recruitments in progress for anticipated vacancies, or positions frozen, deleted, or encumbered since the October 1, 2023 Position Control Report. **Table 4** is a summary of the vacancy status throughout all departments.

Table 4: Summary of Vacancy Status	
FTE	**Vacancy Status**
98.09	Department Interview Process (Eligible List Referred)
198.25	Active DHRM Recruitment in Progress[2]
40.60	Requisition Pending Approval
73.00	Eligible List Available, No Requisition
100.50	No Requisition
110.00	Recruitment Planning and Preparation
45.00	On Hold for Class Specification/Title Changes
15.60	On Hold by Department
44.00	Pending HR Analyst Assignment
35.00	Candidate Identified (Backgrounds, Offers and Hire Approvals)
16.56	Non-Civil Service – Departments conduct hiring process
776.60	**TOTAL**

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[2] This number represented the number of FTE tied to an active recruitment, there are several recruitments associated with more than one vacancy.

Budgeted Vacancy Rate for Fiscal Year 2022/23

Table 5 shows the "budgetary vacancy factor" by department, which is distinct from the "vacancy rate." The "budgetary vacancy factor" is a negative percentage applied to all positions, which reduces the cost of each, to account for cost savings that are anticipated from vacant positions through the fiscal year. The "budgetary vacancy factor" is fixed in the Adopted Budget and applied to the various departments. Historically, the budgeted vacancy factor has been 4% for most departments.

Table 5: Adopted Vacancy Factor by Department - FY2023-24 Budget

Department	Budgeted Vacancy Factor[1]		
	8%	4%	0%
DPCC0 - City Council			X
DP010 - Mayor			X
DP020 - City Administrator	X		
DP030 - City Clerk			X
DP040 - City Attorney			X
DP050 - Human Resources Management Department		X	
DP070 - City Auditor			X
DP080 - Finance Department		X	
DP1000 - Police Department	X		
DP200 - Fire Department		X	
DP300 - Oakland Public Works Department	X		
DP350 - Department of Transportation	X		
DP460 - Information Technology Department		X	
DP5000 - Oakland Parks and Recreation Department		X	
DP610 - Oakland Public Library Department		X	
DP620 - Oakland Animal Services			X
DP640 - Race and Equity Department			X
DP650 - Public Ethics Commission			X
DP660 - Police Commission			X
DP670 - Workplace and Employment Standards	X		
DP700 - Department of Violence Prevention	X		
DP750 - Human Services Department		X	
DP840 - Planning and Building Department	X		
DP850 - Economic and Workforce Development Department	X		
DP890 - Housing and Community Development Department	X		

[1] *Budgeted Vacancy Factors do not apply to Rep Units UX1, PP1, UU1, UN1, UR1, UN2 and US1*

The Vacancy Rates of Regional Local Public Entities

Table 6 shows the surveys of regional comparator jurisdictions from May 2022 and September 2023. During that time, most of the comparator agencies have experienced similar vacancy rate fluctuations to the City of Oakland.

	San Jose	SF[3]	Berk	Concord	Hayward	Fremont	Richmond	Vallejo	Oakland
Table 6: Regional Vacancy Rates September 2023									
Current Budgeted FTE	6,803	35,254.84	1,823.08	418	966	1,019	742	N/A	4,285.11
Vacancy Rate	13.46%	11.03%	12.93%	8.85%	17.08%	14.72%	17.52%	N/A	18.42%
Regional Vacancy Rates May 2023									
Vacancy Rate	14.41%	12.47%	18.68%	11.30%	12.82%	12.76%	19.01%	N/A	19.17%
Regional Vacancy Rates December 2022									
Vacancy Rate	15.21%	13.27%	17.85%	11.63%	14.16%	12.56%	20.19%	26.75%	19.79%
Regional Vacancy Rates May 2022									
Vacancy Rate	13.20%	NA	16.21%	13.69%	14.80%	11.49%	16.15%	28.48%	19.23%

[3] The City & County of San Francisco submitted revised current and historical numbers based on "an improved methodology to more accurately report vacancy data."

The Status of Human Resources and Workforce Development Partnerships with Non-Profits to Recruit Oakland Residents for City of Oakland Jobs

The Department of Human Resources Management is collaborating with Economic Development to engage the communities with high unemployment rates by launching City of Oakland job fairs in 2024. Between July 2023 and October 2023 HRM staff has attended 10 job fairs including: the Merit College Job Fair and the Resume Compilation and Job Readiness Workshop at the Native American Health Center.

In addition to the above, Oakland Public Library (OPL) applies a Race and Equity lens when recruiting and hiring Temporary Part-Time Library Aides. This classification is the entry-level position for the library system and requires a High School Degree or equivalent. Temporary Part-Time positions are not subject to the rigorous civil service hiring process, which enables greater flexibility in screening and placing applicants.

Library Aide recruitments are promoted online, at libraries in zip codes ranking high on equity indicators, and through social media networks. The screening process focuses on the following criteria:
- Cultural and Racial competency and diversity
- Bi-lingual language skills
- Recent OUSD graduates or other "youth intern" placements
- Reside in zip codes in Oakland scoring high on Equity Index
- Demonstrated community service, volunteerism, identification, or experience with disadvantaged or marginalized populations (foster youth, LGBTQ, formerly incarcerated, etc.)

These efforts create a pipeline of talent that reflect the Oakland community and the patrons served by OPL. Once hired into the Temporary Part-Time classification, these employees are eligible to apply for permanent city positions through "restricted" recruitments, which prioritizes current City employees. Over time, permanent positions are filled with individuals who have deep community ties, who racially and culturally reflect Oakland's diverse population, and who serve library patrons with a passion born from their knowledge and experience.

The Analysis of The City Workforce And Recruitment Conditions

1. **DHRM Staffing Update**: In July and October 2022, DHRM hired two Human Resources Managers in Recruitment and Classification, a division that was traditionally staffed with one Manager. In December 2022, the HRM staff numbered 41 with 19 staff members dedicated to recruitment activities. By October 2023, the HRM staff was 49 employees with 27 staff dedicated to recruitment activities. Of the 27 recruitment staff, 20 staff are new or newly promoted within the last year. The recruitment division still has 3 vacant positions, which are under active recruitment. With the expansion of recruitment staff, there is a significant amount of training needed on Oakland's very technical recruitment process. Much of the last year has been spent on training new and newly promoted staff. Additionally, in December of 2022 one of the two staff responsible for Position Control work was promoted, and the other staff member retired in August 2023. This very technical work requires significant training, which has been hindered by the retirement of a 35-year employee.

2. **Impacts of the Ransomware Attack on Staffing:** The ransomware attack in February 2023 impacted the hiring and staffing activities in many departments. Some of the impacts on hiring include longer recruitment timelines due to limited availability and access to Subject Matter Experts in departments that were more heavily impacted, delays in processing hire data due to lack of Oracle access, and new employees were delayed in getting IT logins, equipment, and systems accounts while Information Technology resources were deployed to other efforts. The impacts of delays in the recruitment process can be seen in the data for the latter part of the fiscal year.

3. **Strategies for Filling Positions:** There is continuous process improvement with the new management and staff. In January 2023, DHRM and the City Administrator's Office concluded stakeholder meetings with each department. Department Heads, and their staff involved in hiring, provided meaningful input and insights into challenges and delays. Several process changes have been implemented, including:

   - Implementing a completely **revamped job announcement** that highlights the City of Oakland brand, the benefits of working for the City of Oakland, and reasons why candidates would be attracted to a particular position.
   - **Launching integrated testing software**, eliminating data entry, and reducing the number of administrative steps in scheduling, scoring, and analyzing Civil Service multiple-choice exams.
   - **Simplifying the pre-recruitment process,** replacing a complicated checklist with a more streamlined request form, and centralizing the responsibility for Job Analysis in DHRM.
   - **Implementing a Competency Framework,** including a competency-based job analysis and interview process.
   - **Reducing and eliminating some redundant approvals** to speed up the review process for requisitions.
   - **Expanding the use of video interviews** with the eventual use of on-demand interview technology. This has preset questions that a candidate can answer at their convenience. It is also a more consistent interview process across the board to ensure equitable hiring practices.

- Clarifying requirements when using the same eligible list for additional vacancies on the same team to **avoid redundant interviews or duplicate requisition forms.**
- Implementation of **new project management software** to improve recruitment and classification analytics and metrics, which will include time-to-hire data.
- Multiple days of training for DHRM and Department "Single Point of Contact" (SPOC) staff to improve recruitment coordination and processes.
- Multiple days of cross-departmental work groups mapping current process of every major part of the recruitment and hiring process workflows to better understand where the current processes bottleneck.
- A Rapid Improvement Event focused on identifying the challenges and opportunities to improve the Referral to Hire stage of the process.

Further, DHRM has finalized a contract with Interview Stream, an online platform for interviews. The software will provide more flexibility in the process for both applicants and assessors, which DHRM anticipates will reduce no-show rates for applicants and address the challenges the City faces in finding qualified assessors in a timely fashion. DHRM and the City Administrator's office have secured the services of an outside consultant to map the entire recruitment process to identify efficiencies and accelerate the hiring process.

Ultimately, the goal is to improve hiring metrics (i.e., benchmarking), retain current talent, leverage available technology, including automating the employee performance management process, and advance the City of Oakland brand as an employer of choice.

4. **National and Regional Market Conditions**: According to the latest Bureau of Labor Statistics report, the nation's unemployment rate is 3.8% as of August 2023, which is an increase from 3.4% in April 2022. In August 2023, the Oakland-Hayward- Berkeley regional unemployment rate was 4.5%. The California unemployment rate is 4.6% as of August 2023.

5. These rates have stayed fairly consistent since the last Staffing Report and the labor market remains competitive, which is a significant factor when recruiting qualified and diverse candidates. According to a recently published report from NeoGov, "NeoGov 2023 Quiet Crisis," (**Attachment B)** the number of applicants per job continues to decline, with Q1 2023 data dropping another 17% compared to 2022, with a cumulative 55% decrease since 2019. This decrease in applications per job coincides with a 78% increase in posted job openings between 2020 and 2022.

5. **Non-responsive Candidates:** In addition to an overall reduced number of applicants, there is a notable increase in candidates not responding to examination invitations, not attending scheduled examinations, not responding to requests for hiring interviews, or not attending interviews after confirming availability. This issue exacerbates the ability to produce robust eligible lists and fill vacancies. Eligible lists that were extended during the pandemic have also exacerbated the problem, with many applicants no longer interested, working through the old lists delays starting new recruitments, which are necessary to fill positions.

6. **Difficult-to-Fill Classifications**: Some classifications remain difficult to fill despite combined efforts between Human Resources and the hiring department(s). Examples of

these classifications and the number of current vacancies include Assistant Engineer II (16), Civil Engineer (15), and Specialty Combination (Building) Inspector (11). Human Resources continues to coordinate with departments to increase the number of applicants for these important positions. DHRM and the departments are exploring new recruitment approaches that shorten the hiring timeline and reduce any unnecessary barriers to employment.

On a positive note, as of October 1, 2023, 712 of 713 Police sworn positions are filled and 60 of 76 Police Communications Dispatchers are filled.

7. **Recruitment & Selection Process Overview:** There are many steps involved in hiring new employees. Many are required by Civil Service Rules, labor agreements, federal guidelines, and position/budget controls. DHRM continues to carefully analyze this process to seek improvements. In 2018, an evaluation process resulted in a reduction from 52 steps to 32 steps.

Below is a summary of the steps that Human Resources Management conducts for full recruitment:

- Review of Job Specification
- Personnel Requisition
- Job Analysis
- Exam Plan Meeting & Exam Development
- Job Posting (Application Filing Period)
- Review Application for Minimum Qualifications
- Competitive Examination (may include essay-style written exercises, multiple-choice tests, performance assessments, job simulation exercises, structured interviews, or assessment centers.)
- Preference Points
- Eligible List Established
- Notification to Candidates of Exam Results
- Referrals & Departmental Interviews Initiated

DHRM continues to carefully analyze this process to seek improvements. Over the past several months DHRM staff have collaborated with departments and labor partners to document and identify solutions to streamline these processes.

8. **The Great Resignation:** In 2021, a record number of American workers (47 million) quit their jobs, according to data from the U.S. Bureau of Labor Statistics. Historically high levels of voluntary turnover have continued into 2023, with over 4 million people leaving their jobs each month since November 2021 to March 2023, except for January 2023 and March 2023 which saw only a modest drop to 3.9 million voluntary separations both times, but this number jumped back over 4 million and May 2023 and slowing to 3.7 million again as of September 2023. Some experts believe this slowdown in voluntary separations signals the end of "The Great Resignation."

9. **Citywide staffing changes:** DHRM is not the only department that has seen significant movement and attrition in key roles related to the hiring process and related systems. Many departments have seen turn over in the positions designated as a single point of

contact (SPOC) for the hiring process. The City has also lost several key staff members most familiar with aging technology systems, making knowledge transfer and training in the use of systems a significant area of concern. According to 2023 Gallup employee engagement data, only 38% of US employees strongly agree that they have the resources and equipment needed to do their work right. This is one of 12 indicators that Gallup uses to measure employee engagement and predict turnover. An investment in City technology systems is critical to support our workforce.

Hiring Efforts

There were 327 full-time and permanent part-time new hires during FY 2022-2023, which is an 24% decrease from FY 2021-22. However, during this time, 824 full-time and permanent part-time positions were filled through a combination of new hires and promotions. Promoting existing City staff continues to be an organizational goal and 60.32% were filled with current City employees during the above timeframe. For comparison, in FY 2021-22, 53.6% of positions were filled with existing City staff. This represents a substantial increase of hires made through internal movement of existing city staff. On the other hand, this means that 60% of City hires result in another vacancy, meaning that the overall citywide vacancy rate is not impacted with 60% of the positions that are filled.

1. **Separations and Hires**: To reduce the overall vacancy rate, city hiring needs to outpace separations. As demonstrated in **Figure A** below, over the last five years, the number of separations has closely tracked the number of hires. For Fiscal Year 22-23, separations slightly outpaced new hires for the fourth year in a row. As the economy slows and the number of eligible retirees decreases, coupled with expanded HR recruitment capacity, it is expected that hires will begin to exceed separations.

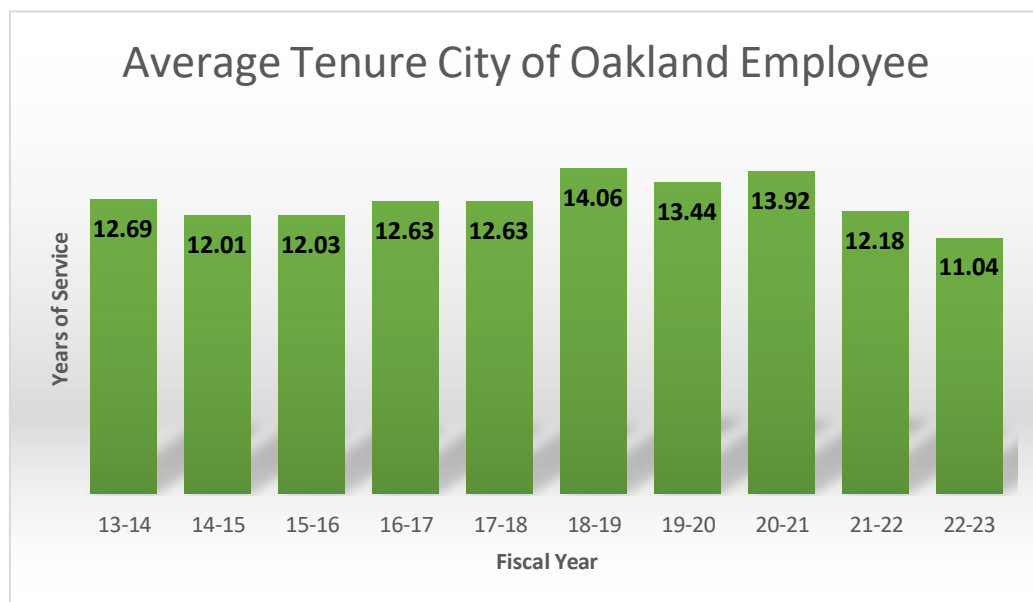**Figure A: Hires and Separations by Fiscal Year**
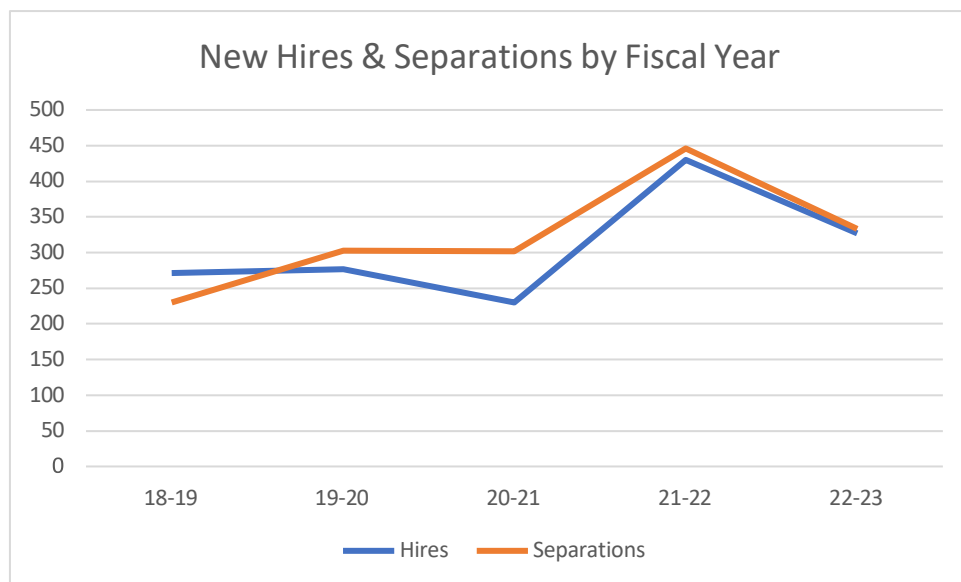
Table 7 shows the reasons for the separation of full-time City employees since the Fiscal Year 2013-14.

Table 7: Reasons for Separations				
FY	Resign	Retire	Other	Total
22-23	201	84	48	333
21-22	242	135	69	446
20-21	140	123	39	302
19-20	146	96	61	303
18-19	111	78	41	230
17-18	117	110	34	261
16-17	106	131	39	276
15-16	98	113	36	247
14-15	80	108	43	231
13-14	73	100	33	206

2. **Tenure of Separations**: According to the Bureau of Labor Statistics, the national rate of tenure with a public-sector employer is 6.8 years (the private sector is 3.7 years), which includes all separations. Over the last ten years, all separated full-time City of Oakland employees averaged 12.66 years of service, far surpassing the national average. It is important to note that while this is better than the national average, the average tenure continues to decrease, and as the City sees a decrease in retirement-eligible employees, this average tenure will likely continue to decrease. This is detailed in **Figure B** below.

Figure B: Average Tenure of City Employees at time of Separation

Average Tenure City of Oakland Employee

Fiscal Year	Years of Service
13-14	12.69
14-15	12.01
15-16	12.03
16-17	12.63
17-18	12.63
18-19	14.06
19-20	13.44
20-21	13.92
21-22	12.18
22-23	11.04

4. **Separations by Department**: While the tenure of separating employees is above the national average, rates of separation vary by department. **Table 10** shows the number of separations, including retirements and resignations in six of the largest city departments. Of note, Oakland Police Department experienced 86 resignations in FY 2021-22 and 66 in FY 2020-21.

Table 10: Largest Department Separations, Retirements, and Resignations					
Department	**Total Department FTE FY 22-23**	**FY 22-23**			
		Total Separations	**Retirements**	**Resignations**	**Other**
Police	976.00	71	15 (21.1%)	50 (70.4%)	6
Fire	695.50	45	20 (44.4%)	23 (51.1%)	2
Public Works	652.40	33	8 (24.2%)	20 (60.6%)	5
Transportation	371.40	18	3 (16.7%)	13 (72.2%)	2
Human Services	252.96	23	9 (39.1%)	13 (56.5%)	1
Library	227.20	11	5 (45.5%)	6 (54.5%)	0
Planning & Building	206.00	13	2 (15.4%)	11 (84.6%)	0

As separations continue to outpace hires and average tenure of employees continues to trend downward, an increased emphasis on employee engagement and retention is critical. The 2023 Gallup State of the Global Workplace Report (**Attachment C**) highlights several key areas of concern. While economic pressures are slowing quit rates, according to Gallup, 52% of US and Canadian employees are "Quiet Quitting" and 17% are actively disengaged and taking actions that directly harm the organization. Gallup defines "Quiet Quitting" as follows,

> *These employees are filling a seat and watching the clock. They put in the minimum effort required, and they are psychologically disconnected from their employer. Although they are minimally productive, they are more likely to be stressed and burnt out than engaged workers because they feel lost and disconnected from their workplace.*

Burn out, stress, a lack of recognition, and low trust in the workplace are key factors contributing to this disengagement. Gallup data suggests an investment in leadership development is a key factor in improving these metrics. Managers and supervisors are not immune to the same stressors as front line employees and are also experiencing the same disengagement. Managers and supervisors need more organizational support and tools to address these issues in order to impact the engagement of their teams.

Summary of Executive Search Recruitments

Position	Vacancy Date	Status
Human Services Director	7/8/22	An Interim Director is currently in place. The City Administrator is progressing with analyzing/evaluating a proposed merger.
Parks, Rec and Youth Development Director	5/20/22	Interim Director in place. The City Administrator is progressing with analyzing/evaluating a proposed merger.
Economic & Workforce Development Director	2/3/23	Ralph Andersen & Associates is conducting this recruitment. The brochure is live on their website (https://www.ralphandersen.com/jobs/economic-and-workforce-development-director-oakland-ca/) and applications will be accepted through December 18, 2023.
Chief of Police	3/3/23	The Byers Group is conducting this recruitment. Applications were accepted September 6 – September 30, 2023.
Director of Human Resources Management	7/1/2023	The Byers Group is conducting this search. The deadline for applications is November 6, 2023.

City-Wide Priorities

1. Holistic community safety
   This reports details hiring and staffing data for departments responsible for community safety.

2. Housing, economic, and cultural security
   This report details hiring and staffing data for departments responsible for housing, economic and cultural security.

3. Vibrant, sustainable infrastructure
   This report details hiring and staffing data for departments responsible for a vibrant, sustainable infrastructure.

4. Responsive, trustworthy government
   This report offers the latest data and efforts by the City of Oakland related to staffing, services and recruitment efforts and processes.

FISCAL IMPACT

This item is for informational purposes only and does not have a direct fiscal impact or cost.

PUBLIC OUTREACH / INTEREST

No outreach was deemed necessary for the proposed policy action beyond the standard City Council agenda noticing procedures, because the report presents the City's internal staffing and hiring efforts. Community programs that promote local job opportunities were considered indirectly through the Economic and Workforce Development Department's efforts to coordinate with those programs.

COORDINATION

This report was developed in coordination with all departments to obtain the status of all organizational vacancies. There was additional coordination with the departments of Finance and Economic Workforce Development in relation to staffing data, budgeted vacancy factor, and community job placement programs. Further, the report was reviewed by the Budget Bureau.

SUSTAINABLE OPPORTUNITIES

Economic:
There are no economic opportunities associated with this report.

Environmental:
There are no environmental opportunities associated with this report.

Race & Equity:
As described in early reports, the public sector is struggling to fill positions at the national, state, and local levels. The City of Oakland faces similar struggles coupled with a time-intensive merit-based process. In some areas of Oakland, the unemployment rate is triple that of the regional rate. DHRM understands the need to fill positions with careful and thoughtful analysis using racial equity considerations coupled with recruiting highly qualified candidates who will be representative of the Oakland community we serve.

The DHRM Equity Change Team, in collaboration with the recruitment division, has developed action items and goals to achieve more racially equitable outcomes for employees and make the City of Oakland an employer who leads with dismantling barriers to employment rooted in bias and systemic racism, The DHRM team continues to finalize the Hire Equitable Toolkit to be used during the entire recruitment process and employee life cycle. This toolkit includes race and equity performance standards into the Performance Appraisal system; race and equity programs into the New Employee Orientation and Supervisory Academy; and mandatory participation in the Race and Equity Academy for all DHRM staff as well as mandatory departmental training on Racial Equity (Equity Labs) on a bi-monthly basis.

The goals and desired outcomes of the DHRM Equity Team include:
- Reducing and removing barriers to achieve more equitable results in the entire recruitment process, including updating job qualifications that are not necessary for a person to do the job on day one.
- Partnering with departments to prioritize recruitments for positions that provide critical services BIPOC Oakland communities.
- Eliminating disparities related to racial/ethnic identity, gender identity and expression, disabilities, and additional intersecting communities in hiring, promotion, retention, and development through the use of the Racial Equity in Recruitment and Selection Toolkit.
- Engaging in purposeful community outreach by partnering with City departments and community organizations to expand awareness of the City of Oakland job opportunities.

The work plan for the DHRM Equity Team for 2023 includes:
- Developing a **Racial Equity Action Plan** to assess, update and implement policies and systems through a racial equity lens to adjust to the evolving and changing workplace.
- Creating a Digital Engagement Plan to increase exposure and interest in City of Oakland jobs throughout the Oakland community.
- Updating the Performance Appraisal process to include standards for racial equity competency at the staff and management levels.
- Developing an **Inclusive Engagement in Recruitment Guide** for departments to use as a tool during recruitments.
- **Identifying racial disparities in employee outcomes** impacted by HR processes to better understand how to remove barriers and establish successful career pathways for all employees throughout their employee life cycle with the City of Oakland.
- Requiring **Hiring Bias Reduction training** for all staff involved in the recruitment and selection of city employees.
- Creating a **career development series** of trainings to better attract and retain talent, which will include training on the City of Oakland job application process.
- Building a network of community, workforce development, and human resources partners to increase access and visibility to City of Oakland jobs. Outcomes will be measured by

examining the application, candidate, and interview pools to determine impacts on people of color.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Receive A Semi-Annual Informational Report On City-Wide Staffing From The City Administrator Regarding (1) The Vacancy Rates Of All City Departments Through October 1, 2023, (2) The Budgeted Vacancy Rate For The Fiscal Year 2023/24, (3) The Vacancy Rates Of Regional Local Public Entities, (4) The Status Of Human Resources And Workforce Development Partnerships With Non-Profits To Recruit Oakland Residents For City Of Oakland Jobs, (5) The Analysis Of The City Workforce And Recruitment Conditions, And (6) A Summary Of Executive Search Recruitments.

For questions regarding this report, please contact Mark Love, Interim Human Resources Director, at (510) 238-6450.

Respectfully submitted,

Mark Love

Mark Love (Dec 1, 2023 09:42 PST)

Mark Love
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Attachments (2)
     A: Vacancy Status Report
     B: NeoGov 2023 Quiet Crisis Report
     C: Gallup State of the Global Workplace 2023 Report