

# CITY OF OAKLAND

## AGENDA REPORT

TO: Office of the City Administrator  
ATTN: Deborah Edgerly  
FROM: Tricia Freitas, Assistant to the City Administrator  
DATE: November 27, 2007

RE: **Supplemental Report and Recommendation on the Report Concerning the City's Succession Planning Initiative to Fill Workforce Needs**

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### SUMMARY

This is a supplemental report and recommendation on the Information Report on the City's Succession Planning Initiative to Fill Workforce Needs. The Finance and Management Committee at the October 17, 2007 meeting requested additional data on 1) succession planning goals; 2) the status of Agency/Departments in their succession planning process; and 3) the number of departments participating in succession planning.

### FISCAL IMPACT

Since this report is informational only, no fiscal impacts are included.

### BACKGROUND

The City's Succession Planning program began in 2004. Utilizing existing staff in the City, each Agency/Department has one representative who serves as a part of the Workforce Succession Planning Implementation Team. Members serve as a resource on Workforce and Succession Planning within their department by gathering and disseminating information, sharing ideas and evaluating what is and isn't working with fellow Team members and assisting in the development and implementation of program.

The importance of strategic planning to meet the goal of having the right people, across the organization, in the right place at the right time is becoming more critical as two demographic trends become reality. Those trends are: 1) an aging national workforce and 2) the much smaller young workforce following behind. The City must take a comprehensive view and decisive action to meet the current and emerging workforce needs for the next two decades. Decisions regarding the allocation of resources to develop and implement this program will need to be made within the next two to three years if the City wishes to remain competitive in the job marketplace and responsive in providing services to the citizens of Oakland.

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## KEY ISSUES AND IMPACTS

### **Increasing Retirement Potential Impacts**

Retirements in the public sector show that the City will be one of the first employers to feel the affects of the aging population. Several factors contributed to this including the increased hiring in the 1960's and 1970's, downsizing in the late 1980's and 1990's, early retirement programs which encourage the most seasoned employees to retire; the declining appeal of public service; human resource policies and practices that do not allow the City to compete with the private sector; reductions in training and development budgets which results in difficulty in developing our own employees; and inflexible retirement plans that don't allow phased retirements or transferable retirement.

### **Generational Differences**

Generation X (born 1965-1980) and Generation Y (born 1981-1999), which follow the Baby Boomers, have been shown to change jobs and careers more often than prior generations. For the first time in American history, there are four distinct generations working simultaneously in the workplace. Each generation has different attitudes, behaviors, expectations and motivators for the work. They have different values, ideas, ways of communicating and ways of getting things done. The City will have to consider these issues as it strives to recruit and retain employees.

- Traditionalists (born 1900 – 1945) are loyal and stable and may stay with the same job or organization their entire lives. They are detail oriented and like the top-down approach. They are hard working and do not like ambiguity or change.
- Baby Boomers (born 1946-1984) are idealistic and competitive. They live to work and define their ethic by the number of hours they put in. They are service oriented, willing to go the extra mile. They put process ahead of results.
- Generation X (born 1965 – 1980) are self-reliant, and resourceful. They work to live. They distrust institutions and are highly adaptive to change and technology. They are creative and not intimidated by authority.
- Generation Y (born 1981-1999) are globally concerned, realistic and cyber-literate. They work well in teams are resilient and will work long hours if the job is challenging. They have a need for supervision and structure and are prone to change jobs frequently.

### **Nature of Work**

Work has moved from being well-defined and task oriented to quickly changing and knowledge based. The City needs employees who can adapt to change and technology, can function well in team and project base work and who possess skills in relationship management and problem solving.

### **Recruitment & Retention of Employees**

As the shortage of employees increases over the next 23 years until 2030, Oakland will have to strive to be competitive in the marketplace. The increased number of jobs available will allow employees to decide who they want to work for and for how long. Signing bonuses, immediate hiring, telecommuting and job schedule flexibility will be key factors in deciding where to work; along with competitive pay, flexible benefits and portable retirement options. Tenured employees will be looking for career lattices that provide opportunities to transfer their knowledge skills and abilities to team and project assignments rather than a focused task oriented job.

### **PROGRAM DESCRIPTION**

The Mayor and City Council's vision, goals and strategic plans provided a good starting point in developing the bare bones of the program. Additional input is needed from the City Council to refine the scope of the Workforce Succession Planning program and allocate the appropriate resources to develop the program. While the City has moved forward with the band aid approach in developing some tools and resources for departments to utilize in succession planning, the goal is to develop a comprehensive and strategic plan to provide human resource needs during the next two decades.

### **Current Goals**

The first goal is to determine the scope of the program. To reach this goal it is recommended that Council consider a special session April 29, 2008 (5<sup>th</sup> Tuesday). This workshop session would provide a facilitated meeting with experts in the public sector workforce succession planning field to assist Council in determining the scope for aligning the necessary staff and resources. It will provide a forum for interaction and sharing on some of the recruitment and retention issues that will be vital to providing a viable workforce to Oakland citizens.

Currently there is approximately .33 of one full-time position specifically allocated to the workforce succession planning effort. Additional support is provided by the Office of Personnel Resource Management staff as time allows. Departments provide one person, who serves on the Succession Planning Implementation Team who shares information and resources and may assist on a program planning sub-committee in addition to their other job duties. In order to meet the

City's human resource needs over the next 20 year period, the City will have to balance career development for current employees with job training, flexible scheduling and staffing options for new employees. The scope of the workforce succession planning program must be clearly defined and a gap analysis conducted to determine what work can be handled with existing staff and what new resources will be needed to accomplish the work.

The second goal is to codify data provided to Agency/Departments into an annual plan. Each Department Head, or their designee, met with a team from the City Administrator's Office and the Office of Personnel Resource Management (OPRM) between July and September to discuss succession planning. Data was provided that assessed potential retirees in the next five years by unit, classification and across each Department. Information was gathered on departmental priorities for the upcoming year for recruitment, classification and training needs. Staff also reviewed what technological or field specific trends may impact current classifications and reviewed the impact of potential retirements on the department. Potential gaps in knowledge, skills and abilities for promotional opportunities were identified and possible solutions were discussed. A brief review of generational data as it relates to recruitment, retention and general HR issues was presented and followed by a training seminar.

In November and December Department Heads will have an opportunity to add any new insights or information to their succession plan. This will serve as a citywide plan in development of recruitment, retention, training and classification priorities.

The third goal is to finalize plans for the Management Academy and implement the pilot program. Core competencies have been developed for management staff in the City. A plan has been developed for implementing a pilot Management Academy for 12 – 15 employees who want to promote to managerial positions. Final review of the program details is scheduled with the City Administrator in December. The pilot program is targeted to begin in the spring of 2008.

The following additional goals have been identified but the appropriate resources are not in place to implement them.

- Student Trainee/Internships – dedicated staff is needed to work on developing partnerships with Oakland Unified School District both at the junior and senior high level. Staff resources to market and implement the program and coordinate the placements within departments are limited as staff must concentrate on conducting examinations and filling vacancies. An extended internship program for youth transitioning from high school to college that would continue an internship over the course of several years with final placement into the City workforce has been proposed. Development of this program would need to be prioritized in the next fiscal year, along with other OPRM priorities.

- “Grow Your Own” – this concept involves budgeting positions at the journey level, hiring at the entry level classification and utilizing mentoring, job shadowing and training to develop the necessary knowledge, skills and abilities of an employee to reach the next promotional level. While this is currently done on a limited level, a more formal policy and process should be developed and utilized as a recruitment tool. Additional training for participating staff is needed to fully develop these concepts.
- Individual career development consultation services – this involves utilizing recruitment and classification staff to assist employees in determining career ladder and lattice options within the City organization. This would be a retention tool for existing staff. It would need to be prioritized in the next fiscal year. Along with other OPRM priorities.

## **SUSTAINABLE OPPORTUNITIES**

*Economic:* Development and implementation of programs such as the Student Trainees/Internships and “Grow Your Own” would provide opportunities for Oakland residents who are also employees to increase earning and spending and bolster local economy.

*Environmental:* None

*Social Equity:* Development and implementation of the Student/Trainee/Internships program would provide an opportunity for Oakland students to become engaged in local government, preview job options available within the City of Oakland and transition from school to career.

## **DISABILITY AND SENIOR CITIZEN ACCESS**

The Workforce Succession Planning program will comply with applicable laws for the disabled and senior citizen communities. Disabled and senior populations will continue to be a viable resource in filling the City’s workforce needs.

## **RECOMMENDATION(S) AND RATIONALE**


It is recommended that a special City Council session be conducted on April 29, 2008 to provide the Council and the public with additional information on the impacts of retirements on the City’s human resources for the next two decades. This workshop would allow City Council to provide direction as to the scope of the workforce succession planning program.

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**ACTION REQUESTED OF THE CITY COUNCIL**

Schedule a special Council meeting for April 29, 2008 to address more fully address the impacts of upcoming workforce crisis, determine the scope of the workforce succession program, and prioritize staffing and resources to implement a strategic program to meet the service needs of the citizens during the next two decades.

Respectfully submitted,

  
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Tricia Freitas  
Assistant to the City Administrator

APPROVED AND FORWARDED TO THE  
FINANCE & MANAGEMENT COMMITTEE:

  
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Office of the City Administrator

ATTACHMENT A

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## Attachment A. City Workforce Data by Department

### Fiscal Year 2007-08 Workforce Analysis Summary

In July and August 2007 the City Administrator's Office met with each Agency/Department listed to review workforce data for the next five years. Findings were drawn from employee data as of July 1, 2007 for full time and permanent part-time employees.

Each of the Agency/Departments listed is working on succession planning with the City Administrator's Office and the Office of Personnel Resource Management to develop priorities for the next year and long-term five year plans. The City Auditor's Office choose not to participate as they did not have anyone contemplating retirement.

Department	Employees Eligible for Retirement Currently	Employees Age Eligible to Retire in Next Five Years (age and vested)	Employees Meeting Age and 20 Years of Service Benchmarks in the Next 5 Years
CEDA	33%	32%	33%
City Administrator	18%	35%	15%
City Attorney	25%	45%	6%
City Clerk	1%	18%	1%
Human Services	25%	46%	20%
Fire			
Sworn	21%	21%	15%
Non-sworn	1%	36%	21%
Library	29%	47%	14%
Parks & Recreation	26%	42%	16%
Police			
Sworn	6%	18%	34%
Non-sworn	17%	34%	14%
Public Works	38%	51%	20%
Museum*	38%	51%	20%
Finance & Management	16%	38%	20%

\*Note: This includes City funded employees only.

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