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AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Anil Comelo
Director, Human Resources
Management

SUBJECT: Executive Recruitment Services On
Call Contracts

DATE: February 1, 2016

City Administrator Approval

Date:

2/9/16

RECOMMENDATION

Staff Recommends that the City Council Adopt a Resolution Authorizing the City Administrator to Establish On-Call Contracts with (1) The Hawkins Company, (2) Management Partners, (3) Ralph Andersen & Associates and (4) Avery Associates, Inc. to Provide Executive Recruitment Services at a Cost of \$150,000 Per Contract for a Total Contracting Cost Not to Exceed \$600,000 Over a Three-Year Period beginning March 1, 2016 through March 1, 2019.

EXECUTIVE SUMMARY

Following a formal competitive Request for Proposal (RFP) process, the firms of: (1) The Hawkins Company, (2) Management Partners, (3) Ralph Andersen & Associates and (4) Avery Associates, Inc., submitted proposals and emerged as the most responsive and responsible to provide executive recruitment services for the City of Oakland. The on-call contracts will allow the City to expeditiously initiate recruitment efforts for senior, executive, and other highly specialized management level positions when vacancies occur.

BACKGROUND / LEGISLATIVE HISTORY

In mid-2015, the Human Resources Management Department (HRM) initiated a new RFP process in accordance with the requirements of the City's Purchasing Ordinance. As a result of those efforts, HRM recommends as-needed contracts with the top four (4) executive search firms identified to conduct recruitments for a variety of senior, executive and other specialized management level positions. All of the firms have been vetted previously through a formal RFP process and have demonstrated a recruitment methodology and capability to assist the City in recruiting high caliber candidates for senior and executive level positions.

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ANALYSIS AND POLICY ALTERNATIVES

As is the case for most jurisdictions, recruitments for executive level positions and occasionally other senior management level are conducted by executive search firms that possess the requisite expertise and can provide certain specialized services. These specialized services include marketing, confidential outreach to targeted candidates, vigorous reference checks, and compensation negotiation. Most importantly, the executive search firms are utilized because they have a broad network to engage potential candidates.

FISCAL IMPACT

The fee for executive recruitments can vary widely from approximately \$15,000 to \$50,000 per recruitment depending upon a variety of factors including recruitment scope, complexity, specialty, and public engagement efforts required. In addition to the basic fee assessed for recruitments, firms typically charge for recruitment related expenses. These expenses can include travel costs for recruiters, advertisement costs, and the printing and duplication of marketing/exam materials.

All expenses related to executive recruitments are charged to the departments seeking the executive or highly specialized recruitment services. Departments usually cover these expenses using existing budget appropriations. HRM will verify with the Controller's Bureau the availability of funding prior to engaging a firm's support on a particular recruitment.

PUBLIC OUTREACH / INTEREST

On June 1, 2015, the City of Oakland issued a RFP which was advertised in the Oakland Tribune, the City's paper of record. As further outreach, staff sent notices to local certified firms in the appropriate industry codes. In addition, a letter of announcement was sent to an extensive list of nationally renowned executive recruitment firms as well as promotion through the City's iSupplier, with notification to pre-registered vendors under the following industry codes: 561320-Temporary Help Services, 561330-Professional Employer Organizations and 541612-Human Resources Consulting Services categories.

Upon conducting an availability analysis, it was discovered that less than three (3) firms were certified local Oakland firms. Per the City of Oakland's Local/Small Local Business Enterprise (L/SLBE) program requirements the 50 percent requirement was waived for this project per the availability analysis dated 05/21/15.

At the original RFP closing period of July 13, 2015, a total of four (4) firms submitted proposals. HRM staff desired a larger pool of responders in order to have at least three-four firms under contract to provide recruitment services for a wide range of organizational needs. So on July 22, 2015, the City of Oakland re-advertised the RFP in an effort to meet the pre-determined goal of selecting three-four firms at the end of the evaluation and interview process. As a result of the re-advertisement period and further outreach, an additional five (5) firms submitted proposals. The nine (9) firms who submitted completed proposals were CPS HR Consulting, Domain Experts Corporation, Mathis Consulting Group, Ralph Andersen & Associates, Accel Employment, Avery Associates, Inc., Bob Murray & Associates, The Hawkins Company and Management Partners.

In accordance with the City's contracting and purchasing requirements, the firms recommended by staff were selected through a formal competitive RFP process. Proposals were evaluated and finalists interviewed by the Assistant City Administrator, Deputy City Administrator and the HR Director. The selected firms have proven performance records in facilitating executive searches and identifying qualified candidates for high-level management positions.

COORDINATION

HRM staff worked closely with the City Administrator's Contracts and Compliance Division to ensure that the process complied with the City's contracting and purchasing requirements and to coordinate activities related to the RFP process. This report has been reviewed and approved the City Attorney's Office, Controller's Bureau and Contracts and Compliance.

SUSTAINABLE OPPORTUNITIES

Economic: No economic opportunities are identified in this report.

Environmental: No environmental opportunities are identified in this report.

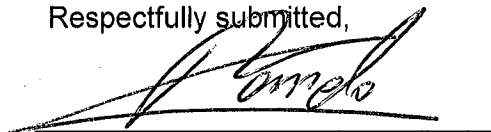
Social Equity: No social equity opportunities are identified in this report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that City Council adopt a resolution authorizing the City Administrator to establish "As-Needed" contracts with The Hawkins Company, Management Partners, Ralph Andersen & Associates and Avery Associates, Inc. to provide executive recruitment services at a cost of \$150,000 per contract for a total contracting cost not to exceed \$600,000 over a three year period beginning March 1, 2016 through March 1, 2019.

For questions regarding this report, please contact Lisa Wright, HR Operations Supervisor, (510) 238-6325.

Respectfully submitted,



ANIL COMELO
Director, Human Resources Management

Reviewed by:
Kip Walsh, HR Manager
HRM Recruitment & Classification

Prepared by:
Lisa Wright, HR Operations Supervisor
HRM Recruitment & Classification

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Finance & Management Committee
February 23, 2016

Ryan P. [Signature]
City Attorney

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OAKLAND

OAKLAND CITY COUNCIL

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RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ESTABLISH ON-CALL CONTRACTS WITH THE HAWKINS COMPANY, MANAGEMENT PARTNERS, RALPH ANDERSEN & ASSOCIATES AND AVERY ASSOICIATES, INC. TO PROVIDE EXECUTIVE RECRUITMENT SERVICES AT A COST OF \$150,000 PER CONTRACT FOR A TOTAL CONTRACTING COST NOT TO EXCEED \$600,000 OVER A THREE YEAR PERIOD BEGINNING MARCH 1, 2016 THROUGH MARCH 1, 2019.

WHEREAS, executive and senior level vacancies need specialized expertise and attention; and

WHEREAS, such specialized services can include confidential outreach to the targeted candidates, rigorous reference checks, extensive niche marketing efforts and compensation negotiation; and

WHEREAS, the City of Oakland does not possess such capabilities in-house; and

WHEREAS, it is in the interest of the City to utilize the professional services of executive recruitment firms to identify and screen desirable candidates for executive and senior level vacancies; and

WHEREAS, in preparation of the existing contract expiring, the City has put forth and received responses to a Request for Proposals to provide executive recruitment services for the City; and

WHEREAS, a total of nine (9) firms submitted proposals; and

WHEREAS, all four (4) of the firms selected have been vetted previously through a formal RFP process and have demonstrated a recruitment methodology and capability to assist the City in recruiting high caliber candidates; and

WHEREAS, the most suitable and qualified firms have been selected to provide executive recruitment services to the City on an as needed basis; now therefore be it,

RESOLVED, that the City Council hereby authorizes the City Administrator to establish on-call contracts with The Hawkins Company, Management Partners, Ralph Andersen & Associates and Avery Associates, Inc. to provide executive recruitment services at a cost of \$150,000 per contract for total contracting cost not to exceed \$600,000 over a three year period beginning March 1, 2016 through March 1, 2019; and be it

FURTHER RESOLVED, that based on information provided by the City Administrator, the Council finds that this contract is of a professional and temporary nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive civil service; and be it

FURTHER RESOLVED, that the funding will be available from salary saving in departments seeking executive recruitment services upon the existence of such vacancies; and be it

FURTHER RESOLVED, that the City Attorney will approve the contracts as to form and legality and copies will be on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILEN, KALB, KAPLAN, REID and PRESIDENT GIBSON MCELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California