

CITY OF OAKLAND

AGENDA REPORT

TO: Office of the City Manager  
ATTN: Robert C. Bobb  
FROM: Financial Services Agency  
DATE: March 18, 2003

RE: A REPORT REGARDING THE MOVING OAKLAND FORWARD  
INITIATIVE TO REINVENT THE CITY OF OAKLAND'S  
PERSONNEL SYSTEM

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SUMMARY

This report discusses the findings and status of the recommendations brought forth by the Moving Oakland Forward Team Number 6A.

The team, comprised of City staff from various agencies/departments and representatives from Locals 790 and 21, were charged with developing recommendations to support the goal of reinventing the City of Oakland's Personnel System into one capable of successfully supporting a high performance organization. The expertise and background of the team provided a wealth of knowledge for honest and objective dialogue.

Each recommendation, while streamlining and increasing department participation in the hiring and recruitment process, requires departments to assume greater responsibility and accountability for Personnel functions. The recommendations are not only designed to efficiently and expeditiously hire qualified, diverse City associates, but will also enhance our ability to deploy our human resources more effectively by eliminating obsolete Civil Service Rules and redundant regulations.

FISCAL IMPACT

Nine of the eleven recommendations are administrative or legislative changes and require no funding. The fiscal impact of the remaining recommendations is approximately \$27,000. These will be recommended in the 2003-04 budget.

Recommendations	Amount
Online Job Application	\$14,500
Formal Personnel Training Program	12,500
Total Financial Impact	\$27,000.00

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## BACKGROUND

The initial team meetings were dedicated to the analysis of the initial PSG action steps and how they related to the actual practices of the City of Oakland Personnel Department. After the initial assessment of the current system, the team developed a list of Personnel procedure challenges, identified limitations and restrictions, and revised the action steps to ensure the attainment of the team's primary goal.

In September 2002, the team presented a report to the City Manager outlining the proposed recommendations and suggested action steps with detailed tasks for implementation and completion. These recommendations were based in part upon the team's review and analysis of the actual practices of the City of Oakland's Personnel Department.

## KEY ISSUES AND IMPACTS

Research found over twenty minor issues or barriers negatively impacting the Office of Personnel's effectiveness and efficiency. Those barriers were combined into 5 major subject areas: 1) excessive job classifications; 2) limited department participation in specific recruitment and hiring functions; 3) absence of accountability measures for Personnel, user departments and labor unions; 4) redundant and/or cumbersome policies and procedures governing Personnel within the City of Oakland including Civil Service and Administrative Instructions (AI); and 5) lack of training on existing and new Personnel Policies and Procedures.

The cohesive recommendations which address these key issues and impacts include:

1. Streamline job classifications and descriptions;
2. Streamline the Personnel Requisition and Selection process;
3. Expand and implement a continuous testing program;
4. Develop a more efficient Certification Process for non-sworn applicants;
5. Develop and implement of an on-line application submission process
6. Develop Department Personnel Service Agreements;
7. Develop a formal Personnel Training Program for Managers and Supervisors;
8. Amend the City Manager's appellate authority for certain Civil Service Rulings;
9. Update/Revise Civil Service Rules;
10. Administrative language requires revision; and
11. Develop four Personnel AI handbooks.

These recommendations were presented to and approved by the City Manager at his September Summit. Recommendations 1-3, 6, 10-11 are being implemented by staff. Recommendations 5 and 7 are the subject of this report.

Recommendations 4, 8 and 9 will be the subject of future reports to Council. The Labor-Management Committee will begin meeting in April for discussions around personnel certification processes recommended in #4. The Civil Service amendments recommended in #8 and #9 will require dedicated staff and legal assistance from the City Attorney's office or outside counsel to prepare analyses and recommendations for the Council's consideration. Staff is moving aggressively to put a team in place to follow through on these recommendations.

## **SUSTAINABLE OPPORTUNITIES**

### **Economic:**

Implementation of the job classification reduction strategy is a cost saving measure. By establishing broadbanding, vacancies are filled at a faster rate, thereby reducing vacancy periods and ultimately minimizing the need for temporary staff. Development of electronically submitted job applications minimizes staff dedicated to inputting hard copy applications into the City's database. Establishing formal training on Personnel Policies and Procedures can directly reduce legal fees for claims against the City for improper application of Personnel law by management.

### **Environmental:**

Personnel services become more effective and efficient. The implementation of these recommendations enhances the quality of service, thus making Oakland more attractive to a greater diverse and qualified applicant pool.

### **Equity:**

Electronically submitted applications broaden the City's candidate pool, reaching a vast number of possible applicants who otherwise would not apply to the City under the current personal delivery/mail-in process. The increase in eligibility lists equally broadens the City's candidate pool, affording departments the opportunity to find a fully dimensional applicant best suited for its particular needs.

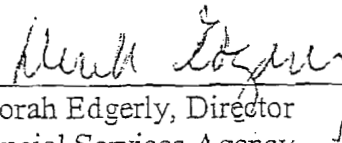
## **DISABILITY AND SENIOR CITIZEN ACCESS**

Electronically submitted applications enhance access to disabled and senior candidates. By providing electronic forms via the internet, the end-user's personalized settings may increase font size, add audible instructions and other assistance for completing and submitting applications. This is in direct line with the City Manager's efforts to reach a diverse qualified pool of applicants that may otherwise experience exclusion under the current personal delivery/mail-in process.

RECOMMENDATION

Staff recommends that the Council accept this report and refer to the 2003-05 budget process the request for \$27, 000 to support the implementation of an online job application process and a formalized Personnel Training Program for Managers and Supervisors. Staff further recommends that the Council support the City Manager's request for dedicated legal assistance to prepare analyses, recommendations and revisions to the Civil Service ordinance and rules, including proposed charter changes if warranted.

Respectfully submitted,



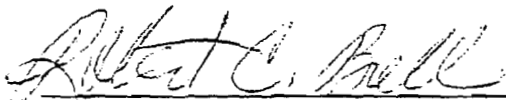
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APPROVED AND FORWARDED TO  
THE CITY COUNCIL



Office of the City Manager

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APR 15 2003

## RECOMMENDATION #1: Streamline Job Classifications and Descriptions

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### Background

The City has a large number of classifications which increases the number of examinations that are conducted, provides a class and comp system that is out of step with current best practices and field advancements, reduces the ability for system maintenance, restricts management flexibility in staffing options and limits employee retention and career advancement opportunities.

### What currently exists/What ideally should exist

The current classification system includes approximately 1000 classes. Best city practices reveal that this is excessive in relation to the number of employees and departments. Additionally the current class/comp system is unwieldy for maintenance purposes. Streamlining these systems would allow easier maintenance of the class/comp system and provide a cleaner organizational structure for recruitment, hiring and retention of the workforce in today's competitive environment. Additionally, the Banishing Bureaucracy Committee, the City Council and City management have identified this as a problem.

### Recommendation

The team recommends a three-stage project to reduce the number of job classes thereby streamlining the classification and compensation system.

#### Phase One

Conduct an internal review of all job classifications, eliminating those no longer applicable or in use in the City.

#### Phase Two

Consolidate job classifications implementing a variety of viable options such as:

- Flexible staffing (e.g. budget at Librarian II, hire at Librarian I and move to II level when education and experience criteria are met)
- Deep classes (e.g. broaden inspector class to encompass code enf., litter abatement, vegetation and fire inspectors)
- Broaden compensation ranges to retain current staff

#### Phase Three

Broadbanding, pay-for-performance and other current field trends/best practices studied and implemented as appropriate.

### City Council action needed

None

### Fiscal Impact

The Office of Personnel has determined that with the anticipated reduction in examination assignments based upon the City's current and projected deficit, existing staff will redirect their efforts during the next year to complete the project thus eliminating the costs associated with hiring a consultant

### Implementation Status

Phase 1 is complete. 237 under-utilized job classifications have been eliminated.

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APR 15 2003

**RECOMMENDATION #2: Streamline Personnel Requisition and Selection Process**

**Background**

Personnel Requisitions required too many signatures, which contributed to delays in the approval process.

**What currently exists/what ideally should exist**

The current process requires several authorizing signatures. At each junction, departments experience additional time delays while waiting for signatures on Personnel documents. Many attempts to expedite the process in the past, including special folders, bins, colored flags have not reduced the time delay.

Ideally, department heads should be accountable for both fiscal and position management. With the new position control process in place within the Office of Personnel, removing the City Manager and Budget Office's signatures will expedite hiring without compromising the process.

**Recommendation**

Modify Personnel Requisition and selection approval process. Eliminate the City Manager and Budget Office's approval on Personnel Requisitions.

**City Council action needed**

None

**Fiscal Impact**

\$0

**Implementation Status**

New forms are complete and have been disseminated to all departments.

**RECOMMENDATION #3: Expand and implement a continuous testing program.**

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**Background**

Due to poor labor market conditions and high employee attritions, it has become increasingly difficult to recruit certain types of positions, causing departments to constantly request recruitment and examination services.

**What currently exists/What ideally should exist**

Testing occurs when 1) there is a request to fill a position for which a list does not exist or 2) there is a request for a new list. There are a few departments where the Office of Personnel has identified difficult to recruit positions and a continuous testing program is in place.

Ideally, the program should be expanded to include continuous testing for other departments with difficult to recruit positions.

**Recommendation**

The current program should be expanded to include additional job classifications that meet the conditions listed above. This will allow more flexibility in the way recruiting is handled for specific positions that are difficult to fill.

**City Council action needed**

None

**Fiscal Impact**

\$0

**Implementation Status**

Continuous testing is implemented for a limited number of classifications. Personnel will expand program based upon approved department requests.

**RECOMMENDATION #4:      Develop a more efficient Certification Process for non-sworn applicants**

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**Background**

The Office of Personnel currently distributes a list of four ranks (a rank is all applicants with identical scores) per vacancy per classification. Civil Service Rule 5.03 governs this procedure. Amending the rule to increase the initial list of ranks to 10 with an additional name for each current vacancy would expedite the selection and hiring process and assist the on-going diversity and equal access efforts citywide. Currently, additional certifications are generated for the interview process at least 50% of the time.

**What currently exists/What ideally should exist**

The current process issues departments the top four ranks per vacancy (union 790 and 21). A rank is different than "name" or "candidate". A candidate's test score determines rank; therefore, all individuals with the same score are included in the same rank. If three candidates receive the same test score (98), the department will receive three candidates for the first rank. Departments will receive an additional two ranks for each additional vacancy. The hiring manager is required to contact and try to interview all candidates on the certified list, and return the list with indication that each was "considered, appointed, refused, failed to respond," etc. If a satisfactory candidate is not found in the initial list, the department can request certification of additional ranks.

Ideally, departments should receive the top 10 ranks, with an additional rank for each additional vacancy. Departments will be required to interview each rank up to hire.

**Recommendation**

The certified list will include:

1. Top ten ranks,
2. An additional rank for each additional vacancy,
3. Prior to final candidate selection, the hiring manager must attempt to interview all candidates on the list through the selected rank.

**City Council action needed**

None

**Fiscal Impact**

\$0

**Implementation Status**

Personnel and Union representatives of Locals 790 and 21 will need to re-visit the Rule of 10. This will require them to meet and confer. If approved, the unions will present to their employees and request a vote on the individual matter. Upon approval, Personnel will need to revise Personnel policy.

To initiate discussions, the Labor-Management Committee will begin meetings in April.



RECOMMENDATION #5: Develop and implement an on-line application submission process.

Background

The Office of Personnel's website does not allow the electronic submission of applications. Although the site does allow for the downloading of an application, it must be submitted via fax or mail.

What currently exists/What ideally should exist

Presently, online services allow applicants to view job opportunities and download applications. Ideally, applicants should be able to electronically submit applications (submit online).

Recommendation

Meet with the City web team on the development of an online application that allows for electronic submission of job applications.

City Council action needed

None.

Fiscal Impact

Approximately \$14,500 is needed for application and database development.

Implementation Status

This process is in motion. The City Web Team, Office of Personnel, and Office of Information Technology are meeting with vendors to develop the application. An interim form design (although not fully functional) has been developed by in-house staff and is currently in use until the final form is completed. End users will have the option of completing the form online and then both printing and submitting in the traditional manner.

**RECOMMENDATION #6:      Develop Department Personnel Service Agreements**

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**Background**

Departments lack a level of participation desired in the recruiting and examination process.

**What currently exists/ what ideally should exist**

Departments complete service agreements where they select the type of advertisements/announcements for each vacancy and review questionnaires.

Ideally, Personnel should address the department representatives' desire to have more opportunities for input and to take on some specific responsibilities themselves when they are available. A feeling of "more control" in the hiring process is what they hope to achieve.

**Recommendation**

Add additional responsibilities to department staff and develop an agreement, allowing for more flexible processes. Dept may, for example, assist in drafting job announcements and advertisement, select one of three service option levels such as a) training and experience ratings or supplemental questionnaire ratings in lieu of longer, more extensive examination processes, b) structured oral interview / written, or c) written, oral, and performance or assessment center.

**City Council action needed**

None

**Fiscal Impact**

\$0

**Implementation Status**

A preliminary service agreement packet and form has been developed. A pilot program, with three agencies/departments, will utilize the service agreement plans and document challenges, comments and recommendations to improve the preliminary plan. At the end of the pilot, Personnel will revise the plan and offer city wide.

**RECOMMENDATION #7:      Develop a formal Personnel Training Program**

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**Background**

City department personnel representatives have indicated managers and supervisors lack training in Personnel policies and procedures, particularly in the areas of employment and classification. This lack of knowledge often causes delays and misunderstandings when managers and supervisors wish to fill a vacancy, request a classification study, or reorganize a work unit.

**What currently exists/what ideally should exist**

There are some training courses available through the Citywide Training. There is no formal training for managers, supervisors, or department Personnel staff.

Ideally, managers and supervisors with hiring authority would be required to attend an education program with a refresher every three years consisting of classes in the following areas: Recruiting and Hiring Employees; the Classification/Compensation System; Preparing Performance Appraisals, Labor Relations and Grievance Handling. This provides the managers and supervisors with the basic tools necessary for compliance with personnel policies and procedures.

**Recommendation**

It is recommended that a formal training program on Personnel policies, processes and procedures be developed for all City managers, supervisors and department Personnel representatives.

**City Council action needed**

None

**Fiscal Impact**

The cost to initiate the program would be \$25.00 per participant for materials, approximately \$12,500 to train 500 managers and supervisors the first year.

**Implementation Status**

Citywide Training is currently working with the team to implement the first program.

**RECOMMENDATION #8:      Revise City Manager's appellate authority for certain Civil Service Rulings**

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**Background**

There are instances where the Civil Service Board retains final ruling authority on matters presented by the City Manager. This limits the City Manager's ability to impose amendments or changes to Personnel matters.

**What currently exists/What ideally should exist?**

The City Manager goes before the Civil Service Board and presents proposals for their ruling. The Civil Service Board votes on the proposal and their decision is final.

Ideally, the City Manager will present to the Civil Service Board, however, in those instances when their decision on certain Personnel matters dissent from the request of the City Manager, the Manager is afforded the opportunity to appeal the matter and the ruling to the City Council, who will, within the guidelines of existing regulations, review the findings.

The City Council may either concur or dissent with the Civil Service Board. The appellate ruling of the City Council is final and no further appellate process shall occur.

**Recommendation**

Amend City Manager's appellate authority for certain Civil Service Rulings.

**City Council action needed**

None.

**Fiscal Impact**

\$0

**Implementation Status**

This recommendation requires legal review to determine whether it may be implemented through ordinance or requires a change in the City Charter. The Office of Personnel will need dedicated assistance from the City Attorney's office or outside legal counsel.

## RECOMMENDATION #9: Revise Civil Service Rules

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### Background

The Civil Service Rules were last revised and approved in 1971. In 1996, the consulting firm of Shannon Davis was hired to review and update the rules. Shannon Davis completed their revision but the recommendations were never approved. Most of the recommendations of Shannon Davis were related to language and eliminating sections that are in violation with current laws such as the Americans with Disabilities Act, the Uniform Guidelines for Employee Selection, the Brown Act, etc.

### What currently exists/What ideally should exist?

We currently have a Personnel Manual/Civil Service Rules that are not in keeping with current legal or practical guidelines and standards.

Ideally we need a living document that is kept current through periodic (every 2-3 years) review.

### Recommendation

- ◆ Revise the Rules to make them a general policy document that provides guidelines for implementing the merit system. Remove all references to specific procedure as these are effectively covered in Administrative Instructions.
- ◆ Adopt some of the language updates from Shannon Davis, while focusing on eliminating minutia and redundancy to Administrative Instructions, Memorandum of Understanding or the Ordinance.
- ◆ Develop a reference matrix that specifies where information can be located, e.g. probation-MOU; filling vacancies-Administrative Instruction.
- ◆ Receive necessary approval(s) of revised Rules.
- ◆ Establish a team to review Rules every three years or subsequent to major contract negotiations and update Rules if/as necessary.

### City Council action needed

The Council may need to approve certain revisions to the Rules in the event that they require approval from the Civil Service Board and it is denied.

### Fiscal Impact

The overall financial impact of having comprehensive rules is incalculable but is intuitively great when the cost of working from inaccurate, outdated or illegal information is considered.

### Implementation Status

Office of Personnel is reviewing the Civil Service Rules and previous suggested revisions to develop a revised version that can be recommended for approval. OPRM will work with City Attorney's Office on drafting the revisions to facilitate approval process and on-going/future revisions. Dedicated legal assistance will be required.

**RECOMMENDATION #10: Revise Personnel Administrative Instruction (AI) Language**

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**Background**

The initial charge was the review of all policies and procedures governing Personnel within the City of Oakland. With the mission to develop a concise, yet user-friendly policy, team members conducted a detailed analysis of the Administrative Instructions (AIs). The research is limited solely to AIs pertaining to Personnel.

**What currently exists/What ideally should exist?**

Presently, the City issues a hard copy version of all AIs ever printed, with updates distributed to Agencies. Agencies maintain AI binders, sorted by index number. There is an out-of-date directory, which lists all AI by index numbers and approximately 25% by title. There is no mechanism for reviewing or removing obsolete AIs.

Ideally, the City Manager would assign the task of revision to the appropriate Agencies (see table below), with the mandate to complete the language revision within 60 days. As an additional responsibility of the AI committee, the annual review would include updating the language.

**Recommendation**

Revise the following Administrative Instructions in accordance to prevailing standards.

**City Council action needed**

None

**Fiscal Impact**

\$0

**Implementation Status**

Awaiting legal guidance to update/amend the remaining AIs that are neither obsolete nor being consolidated into the handbooks.

RECOMMENDATION #11:      Develop four Personnel AI Handbooks

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Background

The initial charge was the review of all policies and procedures governing Personnel within the City of Oakland. With the mission to develop a concise, yet user-friendly policy, team members conducted a detailed analysis of the Administrative Instructions (AIs). The research is limited solely to AIs pertaining to Personnel.

Recommendation

Develop the following 4 handbooks/guidelines.

1. Benefits Matrix
2. Payroll Operations Manual
3. Personnel
4. Employee Relations Guidelines

Implementation Plan

Office of Personnel staff will distribute the Personnel AI's to the appropriate sections within the Office of Personnel to consolidate the AIs by subject and post them on the Internet.

Fiscal Impact

\$0

Implementation Status

Completed Benefits handbook

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