

**CITY OF OAKLAND
COUNCIL AGENDA REPORT**

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2004 APR 15 PM 1:22

TO: Office of the City Manager
ATTN: Deborah Edgerly
FROM: Finance and Management Agency
DATE: April 27, 2004

RE: INFORMATIONAL REPORT ON THE CITY'S LONG-TERM AND SHORT-TERM WORKFORCE PLANNING INITIATIVE, THAT WILL DEVELOP STRATEGIES AND IMPLEMENT PROCEDURES TO FACILITATE CONTINUITY IN CITY PROGRAMS AND SERVICES BY ADDRESSING STAFFING AND OTHER ISSUES RESULTING FROM EMPLOYEE ATTRITION DUE TO RETIREMENT AND RESIGNATIONS

SUMMARY

This report will provide preliminary information on the City's long-term and short-term workforce planning initiative. This initiative coordinated through the Office of the City Manager in collaboration with the Finance and Management Agency's Personnel Division will develop and implement strategies to facilitate continuity in City programs and services by addressing staffing and other issues resulting from employee attrition due to retirement and resignations. While some public and private sector organizations are looking at attrition for management level positions only, the City recognizes that there are key positions at all levels in the organization and will take a broader approach. The term "succession" has become widely used throughout the human resource field to encompass the wide spectrum of elements that will be reviewed, developed and implemented in the City's broad approach.

FISCAL IMPACT

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

BACKGROUND

The Personnel Division of the Finance and Management Agency has been in discussions with the Office of the City Manager about the importance of developing a succession plan. Best practices in human resources in both the public and the private sector traditionally have a workforce management component. During the past few years the potential impact of the impending wave of baby-boomer retirements resulting in staffing shortages has become a prominent topic in the human resource field.

Item: 6
Finance & Management Committee
April 27, 2004

The Office of Personnel shared general data with the City Manager regarding the potential impact of the trend particularly with the newly improved retirement plans. The City Manager took immediate action to support a general overview training on Succession Planning provided through the Citywide Training program and created a Steering Committee for the Succession Planning Initiative(SPI) in March 2004.

This report will summarize information on the general direction that the City will embark upon in their efforts and provide information regarding short and long term impacts and goals that have been identified at this preliminary stage in the process.

KEY ISSUES AND IMPACTS

The Steering Committee is comprised of eight members in executive and management level positions in the City and co-coordinated by the Assistant City Manager and a Manager from the Office of Personnel. The SPI Steering Committee members include: Finance and Management Agency Director, Public Works Agency Director, Deputy Chief of Fire, Deputy Chief of Police, Deputy Director of CEDA/Planning, Assistant to the City Manager and Director of Office of Personnel Resource Management. The primary duty of this committee will be to develop a comprehensive succession planning program to ensure that the City of Oakland will have sufficient human resources with the necessary knowledge, skills and abilities to continue to provide services to the citizens in keeping with the Council and Mayoral goals and objectives. This will include short-term replacement strategies for filling positions that are key to operations and that may become vacant in the next three to eighteen months as well as long term implementation strategies for filling positions to meet future needs.

The Steering Committee is meeting twice a month in April, May and June to provide a rapid start to replacement planning for employees retiring during the next twelve months. Short-term goals to encompass replacement planning in the next twelve months include:

- ▶ Development of comprehensive data identifying potential retirement projections by department and classification for the next five years
- ▶ Conducting a preliminary internal assessment survey to determine where we are currently as to replacement planning
- ▶ Surveying public and private entities to gather "best practices" data and resources available for our use
- ▶ Identification of key positions where a potential retirement(s) would affect the delivery of core services
- ▶ Development of policies to allow recruitment to occur prior to positions being vacant

Item: 6
Finance & Management Committee
April 27, 2004

- ▶ Development of a variety of tools to gather processes and procedures and institutional knowledge
- ▶ Identification of problem positions in the City where vacancies will impact core service delivery
- ▶ Development of method to review organizational structures to assess how to best meet the Council and Mayoral goals for serving the citizens
- ▶ Discussions with union representatives regarding their ideas and suggestions for filling key positions
- ▶ Planning for timely, streamlined and targeted recruitments for promotional and open examinations
- ▶ Identification of staff who will implement the program within each department
- ▶ Continuous offerings of Succession Planning training for managers and supervisors

The Steering Committee will continue to meet monthly for the next twelve to eighteen months. Additionally, departments will identify staff to implement the program components within their respective departments. This implementation team will be responsible for the day-to-day workforce planning and will meet monthly to discuss issues, work through problems and share ideas. The Steering Committee will continue to develop long term goals that include:

- ▶ Incorporation of information on the City's succession planning initiative, including policies and procedures, into the Council mandated human resource training series for managers and supervisors
- ▶ Collaboration with unions to further develop training to prepare employees to promote to management and supervisory positions and cross train staff
- ▶ Identification of knowledge, skills and abilities required for all key positions and provide training opportunities to "grow our own"
- ▶ Incorporation of the performance management system in identifying employees with capability and motivation
- ▶ Capture of undocumented, informal organizational learning process and knowledge
- ▶ Identification of future needs, including when the need will occur and in which department
- ▶ Evaluation of the program on an annual basis; implementation of changes as needed

Re: An Informational Report On The City's Long-Term And Short-Term Workforce Planning Initiative, That Will Develop Strategies And Implement Procedures To Facilitate Continuity In City Programs And Services By Addressing Staffing And Other Issues Resulting From Employee Attrition Due To Retirement And Resignations

- Recommending strategies such as job sharing, employee incentives, increased automation and revised work schedules to effectively recruit and retain employees

Approximately four hundred and twenty-seven (427) employees have twenty years of service and are currently or will become eligible for retirement within the next year.

Department	Approximate Number of Employees Eligible for Retirement
City Council	2
City Manager	9
City Attorney	1
Community & Economic Dev.	42
Finance & Management	35
Fire	72
Health & Human Services	12
Library	32
Museum & Cultural Art	19
Parks & Recreation	41
Police	93
Public Works	69

While we do not anticipate that all potential employees will retire, retention and recruitment of employees will become a critical focus for the City of Oakland in the immediate future. The City will have to compete for a fewer number of workers with both public and private sector employers. The City will have to strive to become the employer of choice in the greater Bay Area. The establishment of Succession Planning Initiative in the City is the first step in that direction.

SUSTAINABLE OPPORTUNITIES

None

Deborah Edgerly

Re: An Informational Report On The City's Long-Term And Short-Term Workforce Planning Initiative, That Will Develop Strategies And Implement Procedures To Facilitate Continuity In City Programs And Services By Addressing Staffing And Other Issues Resulting From Employee Attrition Due To Retirement And Resignations

Page 5 of 5

DISABILITY AND SENIOR ACCESS

None

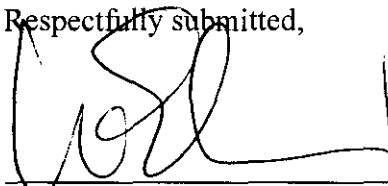
RECOMMENDATION AND RATIONALE

It is recommended that an updated informational report be provided to the Finance and Management Committee in July on the City's Succession Planning Initiative efforts to date with bi-annual updates thereafter. Future updates will include more specific data collected from internal and external surveys and best practices, human resource and retirement data and policies and procedures implemented.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests no action from Council as this report is for informational purposes only.

Respectfully submitted,



William E. Noland

Director

Finance and Management Agency

Prepared by:

Tricia Freitas, Sr. Supv. HR Analyst

Finance and Management Agency

APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE:


OFFICE OF THE CITY MANAGER

Item: 6
Finance & Management Committee
April 27, 2004