



Memorandum

TO: MAKING GOVERNMENT
WORK BETTER COMMITTEE

FROM: Mark Danaj

SUBJECT: DIVERSITY RECRUITMENT
PROGRESS

DATE: October 10, 2006

Approved

Kay Wines

Date

10/10/06

This memo is designed to provide an update to the Making Government Work Better Committee regarding the status of the City's new Workforce Planning & Diversity Management Initiative.

BACKGROUND

Two years ago the City Manager's Office and Human Resources partnered to explore the demographics of the City workforce and raise awareness across the organization about the findings.¹ The original and updated analyses sort workforce data by job family, department, gender, ethnic/racial background, employee ages, and retirement thresholds.² This effort spurred ongoing conversations about foreseeable impacts to the City regarding its ability to achieve its immediate and long-term employment needs as well as its service delivery goals.

Earlier this year HR advanced a strategic work plan and a CSA budget-add to mobilize the City Manager's Office priority related to succession planning and diversity management. HR described the City's challenge to be competitive in the labor marketplace, both to attract new talent and retain current high performers, to provide an inclusive work environment with satisfying work experiences, and to successfully meet the needs of a diverse community with alternate service delivery models.

In June 2006 Council approved resources to launch a Citywide Workforce Planning & Diversity Management Initiative during FY '06-'07. The Initiative is designed to foster strategic leadership around succession planning, future staffing needs, and to cultivate a breadth of diversity, including generational, ethnic/racial, gender, and work style diversity, to create a more inclusive workplace. The resources, including a new staff position and start-up funds for training, materials, supplies and consultant services, were allocated to the Human Resources Department for Initiative implementation.

¹ Please refer to the attached 5/3/06 Council Info Memo regarding Workforce Diversity for a more comprehensive discussion about the research findings.

² The data is derived from self-identification information provided voluntarily by staff during orientation. The data is stored in PeopleSoft, the City's HR database, without specific names attributed to each record.

ANALYSIS

The HR Department is making great strides toward the implementation of a citywide Workforce Planning & Diversity Management Initiative. Several key highlights are listed below:

- The existing HR succession planning and next-generation oriented offerings continue to thrive. These include the Art and Practice of Leadership Program, the Employee Mentoring Program, the SJSU-City Public Sector Career Initiative, and the Leadership and Supervision Academy. Program participants continue to report positive experiences, and interest in the programs is high, both from within and outside the organization.
- The City's consistent message about diversity is making a measurable impact on HR's executive recruitments. Together with outside consultants, HR utilizes diversity-advertising packages that include top-performing diversity-specific online career boards. HR also conducts direct outreach with professional organizations such as the National Forum for Black Public Administrators and the International Hispanic Network. Recent executive recruitments have generated far more diverse pools of competent, qualified candidates.
- HR continues to partner with the Fire and Police Departments to plan and prepare for significant, large recruitment and outreach efforts to meet their specialized hiring needs.
- The Workforce Planning & Diversity Manager position was exempted from the hiring freeze in July 2006 and immediately posted for internal recruitment. The candidate was selected in September 2006 and is currently transitioning from the City Manager's Office to Human Resources. The official start date is 10/9/06.
- An HR leadership delegation will attend the Workplace Diversity Conference & Exposition from 10/15/06-10/18/06. Sponsored by the world's largest HR association, the Society for Human Resource Management, this conference offers a premier opportunity for professional development in the area of diversity management.
- HR continues to be part of the growing local, regional and national conversation about growing public sector talent, 'next-gen' efforts and inclusive work environments. HR Director Mark Danaj is a key member of Cal-ICMA's "Preparing the Next Generation" committee. Their work includes a formal coaching program to aspiring managers in local government and outreach to identify and/or recruit diverse coaches. HR staff is engaged with neighboring municipalities, universities and colleges, ICMA, the National League of Cities and others to bring forward replicable models and best practices.

MGWB Committee

October 10, 2006

Subject: Diversity Recruitment Progress

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HR recognizes the tremendous opportunity for the City through the Workforce Planning & Diversity Management Initiative. Staff takes seriously their commitment to deliver a return on investment with meaningful and measurable results. Ultimately, it is the participation from staff across the organization that will drive this change management process and develop a diverse workforce capable of providing top-notch municipal services in San José.

COORDINATION

This memo has been coordinated with the City Manager's Office and the City Attorney's Office.

A handwritten signature in black ink, appearing to read "Mark Danaj". The signature is fluid and cursive, with a large initial "M" and a stylized "D".

MARK DANAJ

Director, Human Resources

Distributed on:

SENT TO COUNCIL: _____

MAY 04 2006

by City Manager's Office



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Mark Danaj

SUBJECT: WORKFORCE DIVERSITY

DATE: May 3, 2006

Approved

Date 5/3/06

INFORMATION

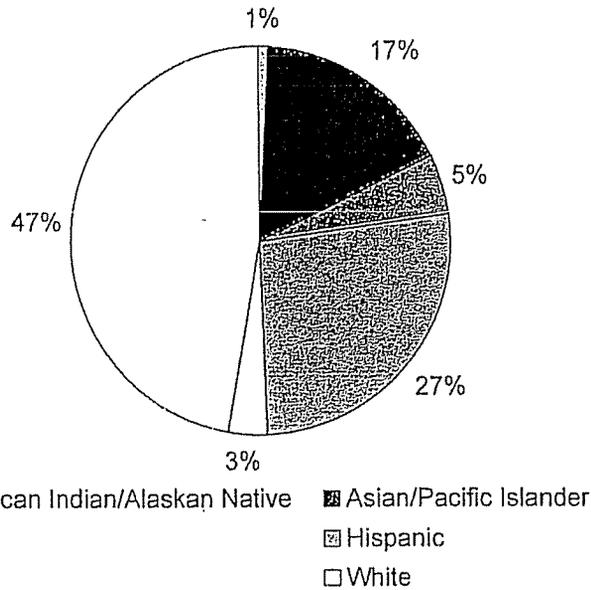
This memo is in response to recent inquiries regarding the diversity of City staff. As with other progressive organizations, the City looks to implement a diversity management program that will recruit a wider pool of diverse, qualified job applicants.¹ For the purposes of training, development and discussion, Employee Services' working definition of diversity is, "the unique characteristics of every staff member, including age, ethnicity, gender, physical ability, race, sexual orientation, culture, educational background, geographic location, income level, lifestyle, marital status, national origin, parental status, personality, personal/work experiences, religion, thought processes, veteran status, and work styles."² This definition is as broad as possible, not only to be inclusive of everyone in the workplace, but also to provide an open environment conducive to discussion and learning from each other.

Since the City does not collect information from all the categories listed above due to privacy restrictions and limited resources, this memo focuses on two commonly examined components of diversity: ethnicity and gender. In order to provide a snapshot of our employee demographic breakdown, we looked at employee demographics from two perspectives: (1) Citywide level and (2) Senior & Executive Staff level.

¹ Today, the term "diversity management" is a common term to describe an organization's desire to create a work environment that welcomes, respects, develops, and leverages our individual differences to improve overall performance and employee satisfaction. The HR profession dedicates areas of study and specialization to managing equal employment and diversity. For example, a U.S. Department of Transportation HR plan argues, "... diversity management takes on a much broader perspective and goes beyond legal provisions to embrace the multitude of ways we are different. Diversity's spirit of inclusion extends to everyone." In addition, the League of California Cities' City Managers' Department annually recognizes a manager or assistant who has gone above and beyond in promoting the advancement of diversity within their community and workplace through the development and implementation of effective programs, policies and/or practices encouraging diversity.

² Dr. Quinetta M. Roberson, Cornell University: "Strategic Diversity Management & Inclusion," SHRM Diversity Conference presentation, 2005.

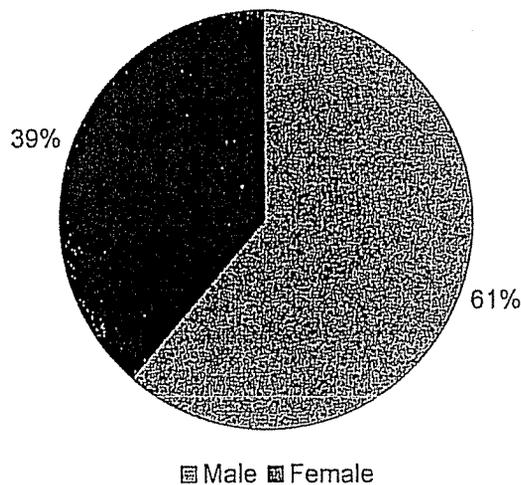
2005 Citywide Staff Ethnicity



Looking at the graph above, the White ethnic category is the largest with a total of 47% of the Citywide staff population, followed by Hispanic at 27%, Asian/Pacific Islander at 17%, Black at 5% and American Indian/Alaskan Native at 1%.³ The N/A or not applicable represents employees that did not provide a self-identification.

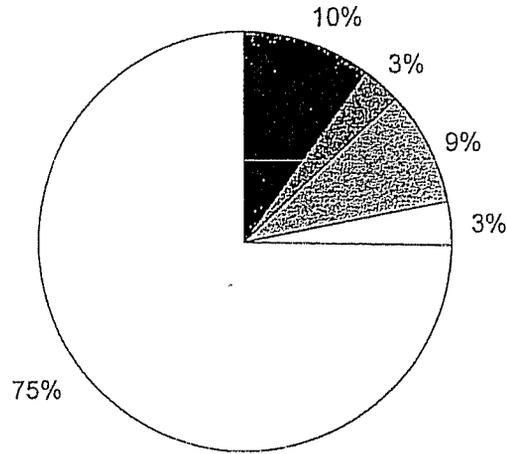
In terms of gender, the Citywide staff population has more males than females by 22%.

2005 Citywide Staff Gender



³ For all graphs in this memo, the Citywide and Senior & Executive Staff demographic figures came from our employees voluntarily providing self-identification information during orientation. This employee demographic data is stored and accessed from the PeopleSoft database, our human resources information system, without specific names attributed to each record. These figures were retrieved from PeopleSoft on October 31, 2005.

2005 Senior & Executive Staff Ethnicity



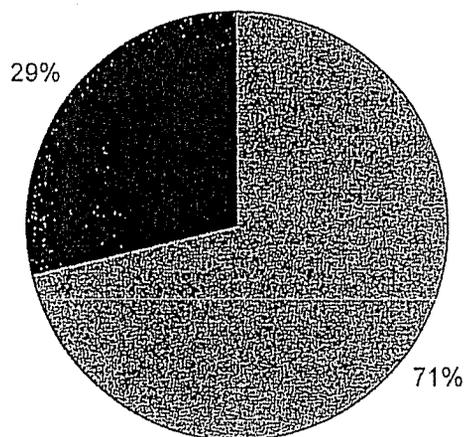
- American Indian/Alaskan Native*
- Asian/Pacific Islander
- ▒ Black
- ▓ Hispanic
- N/A
- White

*No Senior & Executive staff member reported identification with this ethnic category

With the Senior & Executive Staff level of analysis, the majority of this population falls into the White ethnic category with 75%, followed by the Asian/Pacific Islander ethnic category representing 10% of this population and 9% identifying with the Hispanic ethnic category.

In terms of gender, the Senior & Executive Staff has 42% more males than females.

2005 Senior & Executive Staff Gender



- ▒ Male
- Female

Both sets of ethnicity and gender charts show that the Citywide staff population is more diverse than the Senior & Executive Staff with respect to these two demographic characteristics.

Under Proposition 209, which was passed in 1996, the City may not “grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.” However, outreach to racial, ethnic groups or groups identified by gender to encourage participation in the hiring process is permissible as long as it is part of a general outreach program for hiring directed at all groups and inclusive of all groups.

Accordingly, in an effort to continue attracting a wider pool of diverse and qualified applicants, the following steps have been recently implemented to build a diversified bench of internal candidates for future senior management vacancies from within our organization, while also improving our outreach to external applicant audiences:

- *Art and Practice of Leadership (APL)* – training academy which covers topics such as collaborative communication, innovative problem solving, individual development plans (IDP), and ethics to a diverse group of senior managers.
- *Executive Recruitment Methods* – continuing to use community meetings and stakeholder input efforts, as well as a consistent diversity outreach-advertising program utilizing a wide variety of sources in order to maximize the diversity of the most highly qualified final candidates.
- *Citywide Employee Mentoring Program* – the 2005 Fall pilot program was successful in enrolling 52 mentor/mentee pairs from General Services, Airport, Library, Public Works, Employee Services, and Environmental Services. Employees of all classifications participated, from Department Directors to Custodians. This program has the potential to encourage a more diverse group of people to start thinking about promotional opportunities and advancement in their careers.
- *CSJ-SJSU Public Sector Career Initiative* – this collaborative effort with San José State University has the potential to enable us to attract and recruit a more diverse and qualified applicant pool to replace the large number of retirements that the City is facing in the next five years.
- *Leadership & Supervision Academy (LSA)* – offered to diverse groups of new supervisors to enable individuals to be equipped and prepared to be a successful manager.
- *Continuing to Research and Implement “Best Practices” Measures* – the City’s interest in and commitment to diversity is shared with many other jurisdictions. We will continue to stay abreast of strategies and practices that are being developed in order to further our efforts.

The effectiveness of these programs and the overall Workforce Planning effort will be measured in a number of ways. In addition to customer satisfaction of participants, as well as hiring/supervising managers, we will use pre- and post-evaluations of subject knowledge and perceived effectiveness in meeting participants career development objectives. Objective indicators will include tracking of participants' retention in City employment promotions (including lateral transfers to new assignments) and where appropriate, use of a "bench strength" percentage (number of program graduates/participants versus number of anticipated vacancies) to evaluate and manage demand.

Focusing our efforts on ensuring that our processes emphasize the importance of diversity and on providing excellent career development support for our existing workforce is an approach that can produce both short-term and long-term benefits for the City. These kinds of efforts will help produce more diverse, well-qualified applicant pools that will value San José's rich diversity.

These efforts are an initial step towards increasing the diversity of our workforce. However, more needs to be done in the area of workforce planning and we plan to dedicate resources to maximizing the diversity of applicants for all City positions. This enables hiring managers to select the best-qualified person from a diverse pool of candidates. As such, it is the Strategic Support CSA's top budget-add priority to hire a dedicated staff person to specifically work on developing, explaining, implementing, and promoting the widespread understanding of our diversity management strategy.


MARK DANAJ
Director, Employee Service