



Memorandum

TO: RULES COMMITTEE

FROM: Councilmembers Rocha,
Campos, Chu, Kalra & Pyle

SUBJECT: Workforce Hiring Practices

DATE: October 20, 2011

Approved

Don Rocha *Rob Kalra* *Naresh Campos* *Nancy Pyle*
Date 10/20/11

RECOMMENDATION

Direct the City Manager to agendize the following items for Council consideration and potential discussion on policy direction regarding hiring practices of appointed senior staff positions:

1. The current process for senior management hiring and recruitment, including any impacts of previous budget decisions on diversity and retention;
2. Demographic information of the entire City workforce and current senior and executive staff, specific to gender, ethnicity, and age;
3. And, for comparative purposes and to the extent possible, please provide the same demographics for the City of San Jose.

ANALYSIS

Through the last budget action, we eliminated our capacity to maintain a City-wide diversity plan. In our opinion, the ability to manage and track diversity in our City workforce is imperative, and is too important to neglect because of our budget situation. One way to encourage diversity without violating Proposition 209 is through open recruitment, which appears to be a practice that we have recently moved away from.

In 2006, which was the last time we published a report on our workforce diversity, our senior and executive staff were predominately Caucasian (75%) and male (71%). We need to know what trends that have occurred since then towards diversifying our organization before we continue on a path that excludes open recruitment. Continuing to promote only from within our organization precludes us from capitalizing on opportunities to interview individuals from diverse professional, ethnic and gender backgrounds. If we can't interview other individuals, then we really aren't making a choice solely about the qualifications of the employee chosen to do the work – we're making a choice that their appointment takes the least amount of time and resources.

We need to ensure that our recruitment and hiring process equips us with the tools to bring the best employees with us on our path forward. Based on the 9/30/11 info memo re: Senior Management Transition and Retention Efforts; the City Manager has acknowledged that there is an increasing number of senior employees who are reaching retirement age, thereby giving us an ability to openly recruit. Of the 40 employees who have left senior management classifications since 2009, 24 (60%) of them have retired. Anticipating more retirements and possibly resignations of individuals in senior management positions, we should be paying special attention to how we hire individuals into the City of San Jose workforce.

To be clear, we are not questioning the qualifications of our recent appointments. What is in question is the lack of opportunity for a full hiring process. While promoting internally is an important function of a highly achieving organization, so is valuing outside experience of different service models, revenue generation techniques, best practices, and service delivery strategies. We are in favor of rewarding good work and promoting from within, but we are not supportive of a practice which limits our ability to be representative of our workforce and our citizens. Through open recruitment our employees would be eligible to compete for the positions that they are likely well positioned to achieve based on their competence and experience. If they are unsuccessful in achieving that position, hopefully we will have hired someone who can bring new ideas and perspectives to this City, and provide new leadership and employee development objectives.

We are not suggesting that we pursue or mandate national or international searches, which would come at an additional cost to the City of San Jose during a time when resources are tight. If there are other reasons for the appointment process to continue without open recruitment it would be helpful to understand this in the context of existing City policy or managerial decisions.

We should always be looking to produce the highest level of work and service for our residents, which means getting the "right people on the bus". This is not to say that we don't have great people on our bus, but rather that we need to pay closer attention to our workforce management, and any necessary strategic steps to move this organization forward.

CONCLUSION

In 2011 the City Council and/or the City Manager have made a number of appointments and promotions in our senior staff positions (and outside of the City workforce). For example and to the best of our knowledge (the list below is in no particular order and may be a partial list):

- Director of the Office of Economic Development
- Director of the Department of Public Works
- Director of the Department of Transportation
- Police Chief
- Director of the Redevelopment Agency
- Director of Employee Relations/Human Resources (interim)
- Director of Information Technology
- Director of the Finance Department (interim)
- Director of Parks, Recreation, and Neighborhood Services (interim)
- Director of the Environmental Services Department (interim)
- Team San Jose CEO and Project Executive for Convention Center Expansion and Renovation
- Assistant Deputy City Manager positions

Let us be clear that we recognize that we are all accountable on this matter, and we should all approach it in that manner. There is no purpose, or interest on our part to find fault, but rather to remind us all that we should be doing our best as a City to be representative of the community that we all serve. Regardless of whatever budget situation we find ourselves in, we should always strive to carryout the mission of our organization, which is to serve our diverse residents in the best way possible. Hiring and maintaining a diverse workforce is one of the ways to achieve that goal, and being reflective of the City in which we live, work, and represent, should be a part of our efforts.