

Memorandum



CITY OF DALLAS

DATE December 1, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT **Hire Dallas**

On Wednesday, December 7, 2016, the City Council will be briefed on Hire Dallas. The briefing materials are attached for your review.

Please let me know if you have any questions or need additional information.


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City Manager

c: Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
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Elsa Cantu, Assistant to the City Manager – Mayor & Council

Hire Dallas

DECEMBER 7, 2016



Hire Dallas Update

- Council briefed on June 1, 2016
- Presented summary of Hire Dallas findings and recommendations
- 5 positions were added to FY 16-17 budget
- Reduced time-to-hire from **125 to 105** calendar days for FY 15-16

Briefing Objectives

- To review current organizational structure with regard to hiring
- To consider the impact of consolidating all hiring functions into one department
- To present recommendations and options for moving forward

Scope

What is in this briefing:

- Focus is on the hiring function of the City
- Does not propose changes to the City's Civil Service grievance and appeal process

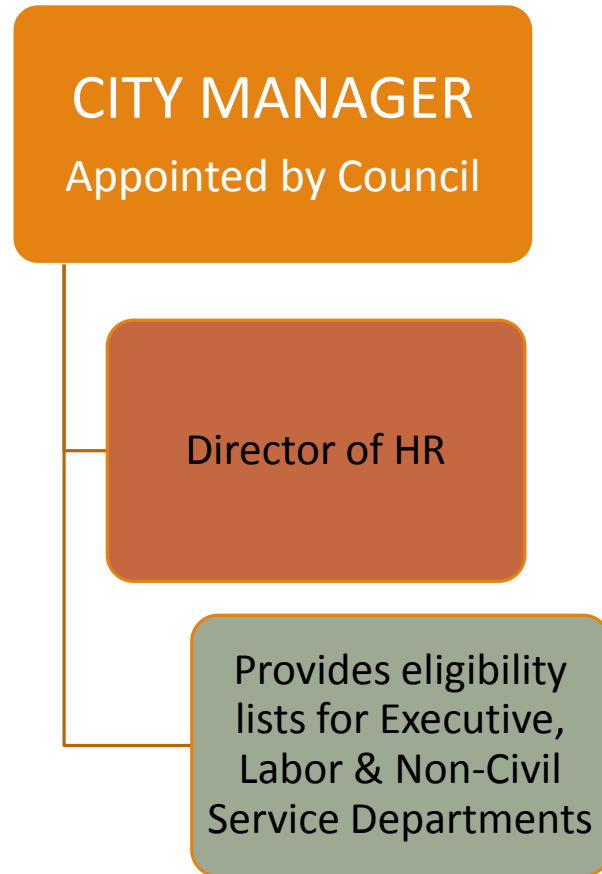
Current Organizational Structure for Hiring

Overview

- Civil Service laws were passed in the City of Dallas in 1930
- Since then, the City has operated with two different departments involved in hiring:
 - Civil Service (CVS)--Responsible for Civilian and Uniform recruitment, application processing, minimum qualifications, employment examinations and hearing procedures. Additional responsibilities include Uniform testing and Reduction-in-Force. The Civil Service Board is responsible for grievance and appeal hearings
 - Human Resources (HR)--Responsible for employee relations and departmental support, classification and compensation, executive recruitment and labor hiring. Additional responsibilities include benefits, training, and meet and confer contract negotiations

Current Organizational Structure

Hiring Accountability

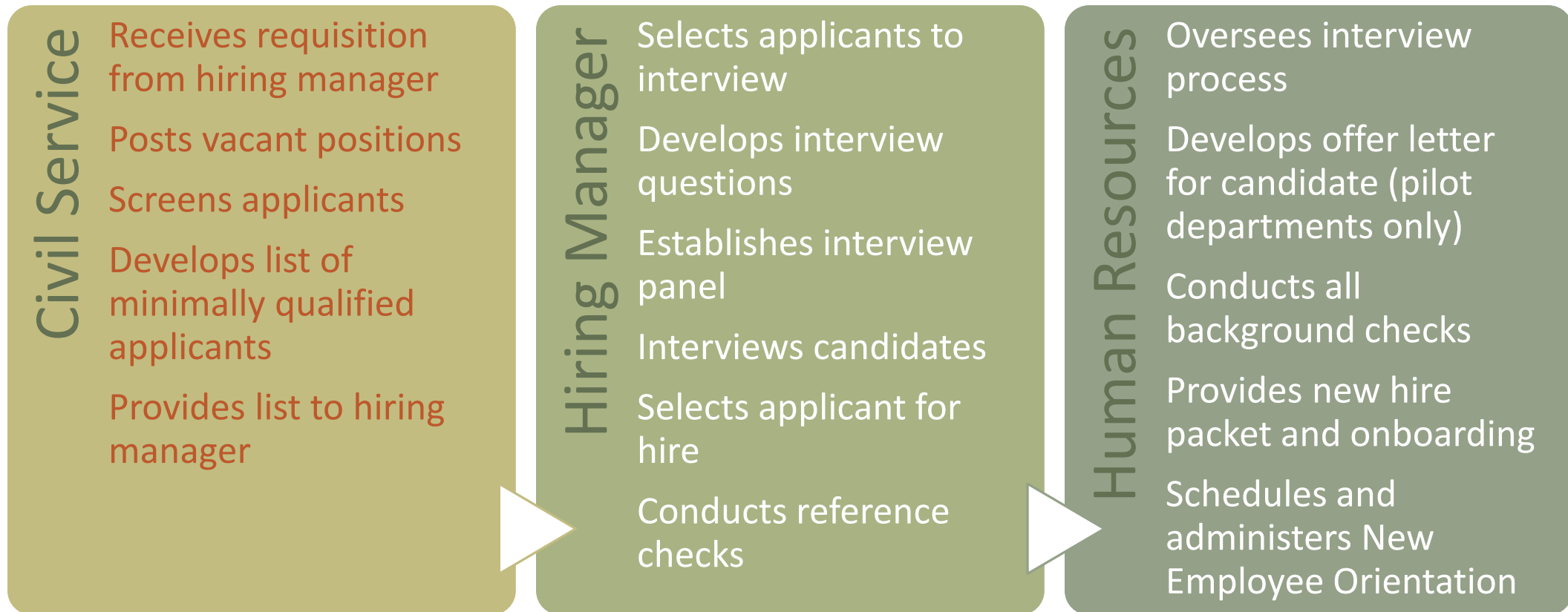


- HR reports to City Manager
- Civil Service Board Secretary reports to Civil Service Board
- Structure results in reduced accountability
- Hiring responsibilities are largely divided between the Civil Service Department and Human Resource Department and sometimes overlap



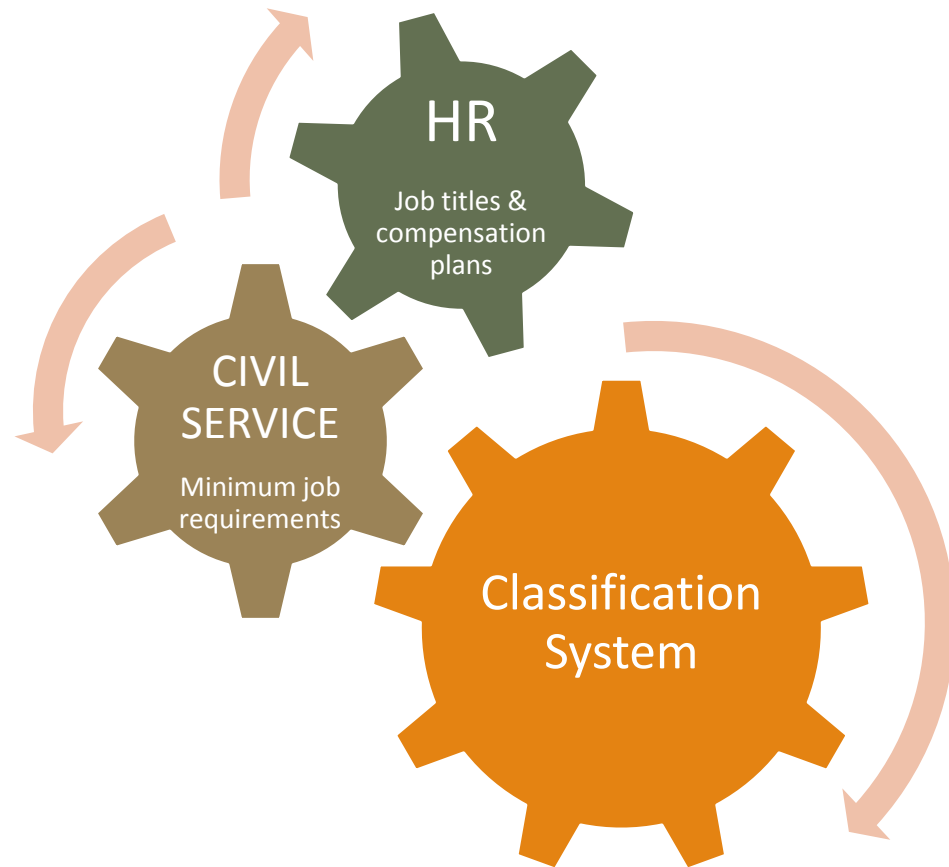
Current Organizational Structure

Hiring Process



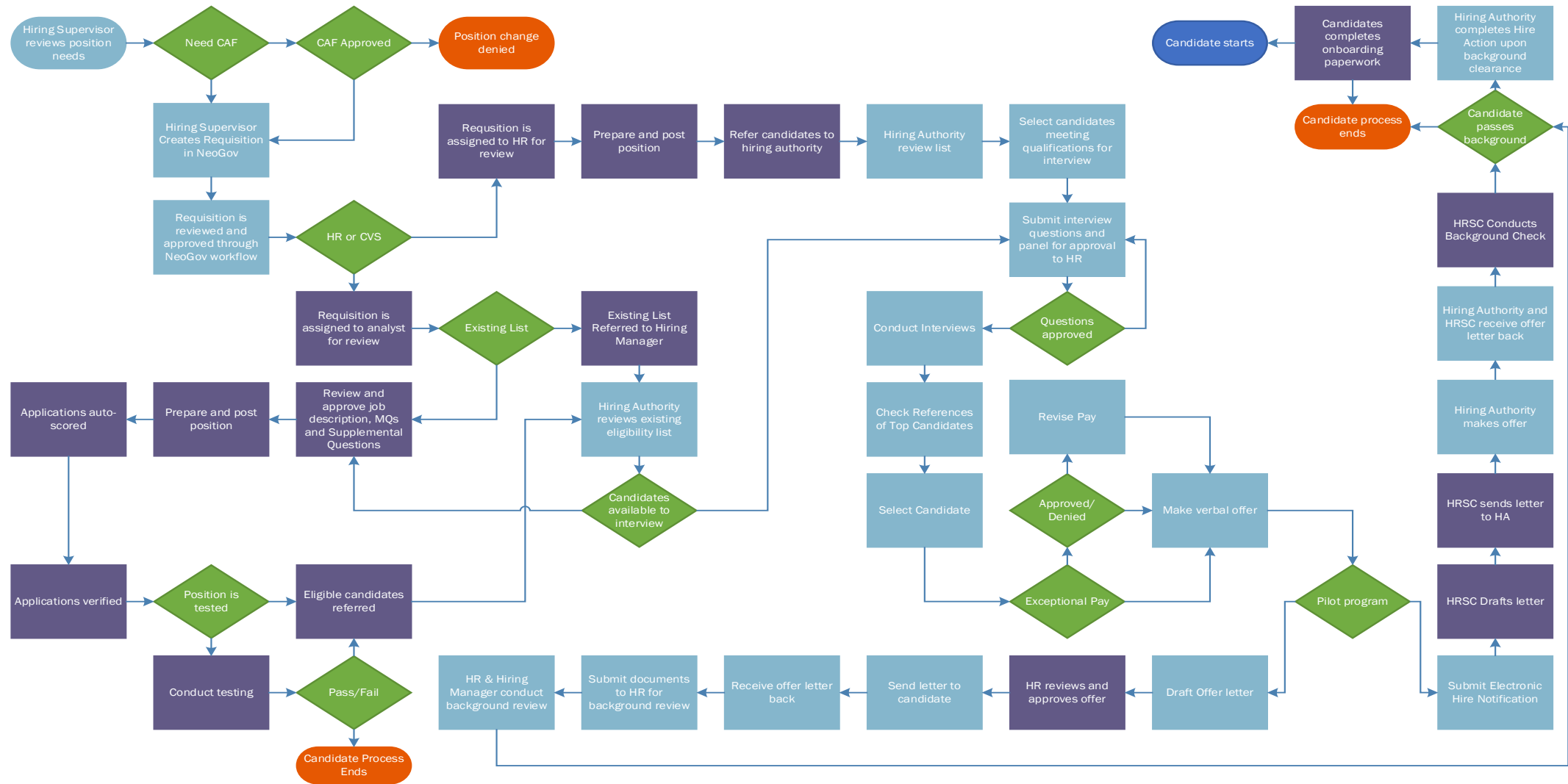
Current Organizational Structure

Overlapping Responsibilities



- Job classification is a system for defining and evaluating the duties, responsibilities, tasks, and authority level of a job
- Both Human Resources and Civil Service have a role in the Classification system
- Job titles and compensation plans are developed by HR with minimum job requirements independently developed by Civil Service

Current Hiring Process



Current Organizational Structure

Issues Summary

Current organizational structure results in:

- Reduced accountability
- Overlapping duties and a complex hiring process
- Confusion among staff and applicants as to who is responsible for various hiring functions
- Delays in hiring
- Poor communication between departments (HR & Civil Service)

Current Organizational Structure

History

- Issues are not new
- Structure has been examined several times over the past twenty years:
 - 2000 “Grading the Cities” report issued by *Governing Magazine*
 - 2004 Joint Civil Service-HR Efficiency task force established
 - 2005 Council briefed on task force recommendations
 - 2014 CPS HR Consulting issued report on hiring practices
 - 2015 Hire Dallas task force established

-See Appendix for detailed background

Current Organizational Structure

Conclusion

- Findings from prior reviews
 - Most public entities do not have two separate departments involved in the hiring function
 - Most cities have one Department (HR) providing all of the human resources services
- Each time the conclusion has been the same
 - A hiring system divided between two departments is not the most efficient way to operate
 - Recommendation has been to consolidate hiring functions into one department
- Prior reviews generated discussion but no action was taken

--See Appendix for full copy of CPS HR Consulting survey results and findings

Options for Moving Forward

Options for Moving Forward

Option 1: No change to department structure- Continue to improve hiring time

Option 2: Consolidate all hiring functions in Civil Service

- a) Civil Service would be responsible for the entire hiring lifecycle from recruiting to onboarding
- b) Civil Service Board would continue to conduct grievance and appeal hearing
- c) Secretary to the Civil Service Board would continue to report to Board and coordinate hearing activities
- d) HR would retain Executive hires

Option 3: Consolidate all hiring functions in HR

- a) HR would be responsible for the entire hiring lifecycle from recruiting to onboarding
- b) Civil Service Board would continue to conduct grievance and appeal hearings
- c) Secretary to the Civil Service Board would continue to report to Board and coordinate hearing activities

Option 4: Consolidate all Civil Service activities in HR, including Civil Service Board

- a) Civil Service Board would become a division of HR
- b) Would move the grievance and appeal process into HR

Options Matrix

#	Description	Increases CM accountability?	Streamlines hiring process?	Places hiring in one department?	Increases communication on hiring between HR & CVS?	Allows CVS Board to focus on grievances and appeals?
1	No Change					
2	All Hiring in CVS		✓	✓	✓	
3	All Hiring in HR	✓	✓	✓	✓	✓
4	Consolidate all CVS into HR	✓	✓	✓		

Recommendation

- Option 3 - Consolidate all hiring functions in HR
- This proposal would not:
 - Eliminate the Civil Service system
 - Eliminate an employee's rights to Civil Service protection
 - Eliminate hiring by merit and fitness
 - Eliminate the employee grievance process
 - Eliminate the Civil Service Board or the Secretary

How Do We Get There?

- Civil Service Board action
 - Civil Service Board votes on delegating hiring responsibilities to the City Manager
 - City Manager would in-turn delegate hiring responsibilities to HR
- Amend City Charter
 - Next opportunity to amend Charter will be May 2017

How Do We Get There? Cont.

Issue	Civil Service Board Action	Amend City Charter
Timeframe	Goal would be to include item on agenda for December or January Board meeting	Goal would be to include any Charter amendments as part of the May 6, 2017 General Election. Ordinance calling election must be approved by Council by February 8, 2017
What would be amended?	Civil Service Rules	City Charter and Personnel Rules (Ordinance)
What vote would be required?	Majority vote by Civil Service Board. Council approval	Council approval of amendments and Ordinance calling election. Voter approval
Permanence of changes	Could be undone by future Civil Service Board action	Would require citizen vote to change
Autonomy	Civil Service Board would retain authority over hiring	Would provide City Manager with accountability and authority over entire hiring function

Draft Timeline: Charter Amendment

- Dec-Jan 2017 CAO/staff identifies all Civil Service Rules, Charter and Personnel Rules which will require amendment
- Dec-Jan 2017 Civil Service Board briefed on proposed Civil Service Rule changes
- Feb 8, 2017 City Council briefed on Civil Service Rule changes, corresponding Charter, and Personnel Rule changes
- Feb 8, 2017 City Council votes on proposed Ordinance to call election
- May 6, 2017 Charter changes appear before voters as item under General Election
- Summer 2017 Proposed departmental consolidation included in budget planning for FY 17-18
- Oct 1, 2017 Department officially begins operating under new structure

Today

- Determine Council direction
 - Change or no change to hiring structure?
- If change, determine option
 - Option 2 (Consolidate all hiring functions in CVS)
 - Option 3 (Consolidate all hiring functions in HR)
 - Option 4 (Consolidate all Civil Service activities in HR, including Civil Service Board)

Looking Ahead

- Continue to implement the Hire Dallas Recommendations
 - Civil Service positions expected to be filled early 2017
- Increase support within departments in the hiring process
 - Strengthen recruiting function on departmental side
- Review grievance and appeals process city-wide
- Conduct HR and Civil Service Sunset Review

Questions?

Appendix

Background	pg. 25
Summary of Departmental Hiring Responsibilities	pg. 30
Current Civil Service & HR Departmental Responsibilities	pg. 32
Proposed Departmental Responsibilities	pg. 33
Civil Service Categories	pg. 34
Civil Service in the City of Dallas	pg. 35
Staffing Resource Comparison	pg. 39
CPS HR Consulting Peer Cities Review	pg. 40

Background

- Organizational structure has been examined many times over the years
- In 2000, *Governing Magazine* published an article titled “Grading the Cities” in which they evaluated 47 municipalities
 - Report noted City of Dallas had a “peculiar personnel system, in which two departments—Civil Service and Human Resources—share the overall responsibility for recruitment and hiring”
 - “There is no simple logic that explains which applicants are handled by which department”
 - “Applicants seeking City employment have to go through two different hiring departments, sometimes for virtually identical jobs”

Background Cont.

- In August 2004, a joint Civil Service-HR Efficiency task force was established
- Goals were to:
 - Seek employee input regarding two-department system regarding hiring
 - Identify and compare City's organization structure with other comparable cities
 - Consider the impact of consolidating the two departments
 - Identify pertinent rules and regulations that may require amendment, i.e., City Charter, Code, Personnel Rules, and/or Civil Service Rules

Background Cont.

- Recommendations of the task force:
 - Consolidate all hiring functions into HR
 - Retain Civil Service Board to provide an independent employee hearing process for Civilian and Uniformed employees
 - Streamline the appeal process and training employees
- Recommendations supported by the majority of the Uniformed Associations
- Council briefed on February 16, 2005 and September 21, 2005
- Only the last recommendation dealing with the appeal process was implemented

Background Cont.

- In 2014, the City hired CPS HR Consulting to analyze hiring
- CPS noted that the structure was “an impediment to accountability, efficiency, clarity of roles and internal customer service”
- CPS recommended that the City:
 - “Assign all tasks and responsibilities for human resources-related activities within the City, including all of the recruitment and selection activities, into one consolidated Department led by one executive-level Director. In this way, true responsibility and accountability can be assigned, clear expectations can be set for a new vision of efficiency and service, and the total staff complement can be aligned to the most appropriate and important tasks”

Background Cont.

- In November 2015, the City Manager created the Hire Dallas task force to address hiring issues in the City
- Recommendations from the Hire Dallas task force were presented to Council June 1, 2016
- 5 positions dedicated to hiring were included in the FY 16-17 budgeting process and approved by Council (4 in CVS and 1 in HR)

Summary of Hiring Responsibilities

Civil Service – Provides candidates who meet requirements of the job

- Develops qualifications for the position
- Posts the positions being filled
- Coordinates position recruitment as requested
- Conducts tests as appropriate for the position
- Evaluates applicant qualifications
- Provides eligible candidate list to department

Hiring Department – Makes decisions on who to hire and when

- Submits requests to fill (requisitions) when ready to hire
- Reviews eligible candidates for interview selection
- Develops interview questions and establishes panel
- Organizes and conducts interviews
- Makes offer and conducts pre-employment screening

Summary of Hiring Responsibilities

Human Resources – Ensures adherence to City’s hiring process and on-boards new employees

- Reviews and approves interview questions and panelists for legal and best practices
- Reviews and makes recommendations on hiring exceptions (exceptional pay or classification actions)
- Processes New Hire On-boarding paperwork
- Conducts New Hire Orientation
- Responsible for Labor and Executive hiring

Current Civil Service & Human Resources Major Department Responsibilities

Civil Service Department

- Employee Civil Service Board, Trial Board and Administrative Law Judge hearings
- Employment Center operations –screening & evaluating applications
- Written exam development for competitive uniformed & civilian job titles
- Assessment center development & administration for Police & Fire promotional ranks
- Physical Abilities Testing for entry-level firefighter applicants
- Reduction-in-force (all layoff & outplacement activities)

Human Resources Department

- Departmental Support (Generalists)–Employee Relations–Investigations–FMLA administration
- Employee and retiree benefit programs:–Health, Life Insurance–Voluntary Benefits–Contract Administration
- Departmental Payroll (all departments)
- HRIS management
- Performance Management
- Compensation
- Employee development/training
- Executive recruitment & labor hiring
- Employee records–Open records request–EEOC responses–Citywide Personnel records
- New hire physical exam & drug testing
- Unemployment claims
- Criminal background checks for new civilian hires
- Motor vehicle checks for primary drivers

PROPOSED Civil Service & Human Resources Major Departmental Responsibilities

CIVIL SERVICE DEPARTMENT

Civil Service Board, Trial Board and Administrative Law Judge hearings

HUMAN RESOURCES

Requisition posting and applicant assessment (results in development of lists of minimally qualified candidates)

Written exam development for complete uniformed and civilian job titles

Test development and administration for Police & Fire promotional ranks

Physical abilities testing for entry-level firefighter applicants

HUMAN RESOURCES CONT.

Departmental support (Employee relations, investigations, FMLA administration)

Benefits administration

Payroll

Performance Management

Classification and Compensation

Executive recruitment and labor hire

New hire onboarding

Unemployment/Workman's Comp

Reduction in Force

Civil Service Categories in Current System

Non-Civil Service Employees and/or exempt departments	Unclassified	Classified Civil Service Employees
<p>City Attorney's Office City Manager's Office Mayor & Council Office Municipal Court Judges WRR Radio Library Park and Recreation*</p> <p>*Park Board members provide employee hearings</p>	<p>All other department Executives (Directors, Assistant Directors and Third-Tier Executives) City Auditor City Secretary Civil Service Board Secretary Unskilled Laborers*</p> <p>*Laborers are the only "unclassified" employees with hearing rights</p>	<p>All remaining employees (further divided into the "competitive" and "non-competitive" classes, with competitive requiring a written exam and non-competitive requiring defined levels of education, experience or certifications/licenses)</p>

Civil Service

- What is Civil Service?—A system of protection for employees
- What documents govern Civil Service?
 - The Dallas City Charter (Ch. XVI)
 - The Civil Service Board Rules
- Who is covered by Civil Service?
 - Most departments fall under the Civil Service system
 - About 85% of all current employees are covered under the Civil Service system

Civil Service Cont.

- Who is not covered by Civil Service?
 - Per the Charter, the following departments are not covered under Civil Service system: City Attorney's Office, City Manager's Office, Mayor and Council Office, Municipal Court Judges, WRR Radio, Library, Park and Recreation, City Auditor and City Secretary
 - Employees in these departments are exempted from provisions of the Civil Service system

Civil Service Cont.

- Does the Civil Service system afford any rights to employees?
- Yes. The Civil Service system establishes:
 - A disciplinary appeal and grievance process
 - Seniority for retrieval rights and Reduction-In-Force procedures
- These rights apply to any employee covered by Civil Service

Civil Service Cont.

- What does Civil Service mean for employees?
- It is a system of protection for employees
 - With regard to hiring and promotions, it means that positions should be filled on the basis of “merit and fitness” (Dallas City Charter Ch. XVI Sec. 13)
 - Employees are protected from discrimination
 - Employees are protected from coercion for partisan political purposes
- It is important to note that these protections apply to all employees, whether covered by Civil Service or not

Staffing Resource Comparison

City	Population	Total number of employees	Total HR Staff (HR & CVS)	Staff to Employee Ratio	Civilian Time-to-Hire (calendar)
Fort Worth	812,958	6,161	98	1:63	100 days
Austin	912,791	12,000	195	1:62	unavailable
Phoenix	1,537,058	14,000	156	1:90	95 days
San Antonio	1,436,697	9,145	102	1:90	60 days
Houston	2,239,558	21,083	176	1:120	115 days
Dallas	1,281,047	13,000	89	1:146	125 days

- Dallas has fewer HR staff per employee than comparison cities
- Dallas time to hire is higher than comparison cities

Appendix D: Comparative Cities: Civil Service Roles and Structure

Following the presentation of our draft report findings to the City Manager and his staff, the City of Dallas HR Director asked if CPS HR could provide some options or suggestions that the City might consider to address the constraints of the organizational structure issue we identified in our report. Consequently, we conducted some additional research of the Civil Service roles and structures within a comparable group of cities.

Methodology: Using a website, www.infoplease.com, which ranks cities by population, CPS HR included five cities of population higher than the City of Dallas and five with populations lower than the City of Dallas. We also restricted our choices to those in Texas and Western cities, eliminating cities on the East Coast for this comparison.

CPS HR did online research to determine if the cities have Civil Service Departments, what the Commission/Board structure is, the roles/responsibilities, and the reporting structure within the City related to support of Civil Service and the provision of human resources services.

The chart below outlines a summary of our findings.

Name of City	Population as of 7/1/12	Civil Service	Structure
Los Angeles, CA	3,857,799	Yes	Broad Civil Service Rules – General Manager of Human Resources has all personnel responsibilities and attends Commission meetings; Commission has an Executive Director that provides administrative support to the Commission. Human Resources Director is appointed and reports to Mayor’s office.
Houston, TX	2,160,821	Yes	Two Commissions: a Firefighter and Municipal Employee Civil Service (three commissioners) and a Police Civil Service Commission (12 members) – the HR Director acts as the Director and Secretary to both Commissions and is appointed/works for the Mayor. Human Resources provides all human resources services. The Commission administers Civil Service Rules and handles all appeals.

Name of City	Population as of 7/1/12	Civil Service	Structure
Phoenix, AZ	1,488,750	Yes	Five-member Civil Service Board – Human Resources Director manages all Human Resources activities for City, reports to the City Manager, and is the Secretary to the Civil Service Board. The Board hears appeals of discipline and appeals on interpretations of Civil Service Rules.
San Antonio, TX	1,382,951	Yes	Municipal Civil Service Commission with three members and have added a Firefighters and Police Commission (also of three members) – the Commissions are supported by Human Resources and hear appeals of discipline primarily and/or investigate personnel administration as necessary. The Human Resources Director reports to the Chief Financial Officer who reports to the City Manager and handles all HR activities for the City.
San Diego, CA	1,338,348	Yes	Independent Civil Service Commission of five members appointed by Mayor and approved by Council – Personnel Director is appointed by and reports to the Civil Service Commission. Director ensures compliance with Civil Service Rules and runs the Personnel Department for the City, providing all Human Resources services.
Dallas, TX	1,241,162	Yes	Civil Service Commission appoints and oversees a Civil Service Director – responsibilities include providing recruitment services for 90% of positions, developing and administering examinations, and providing an impartial hearing process. Human Resources Department is a separate Department and has a Human Resources Director appointed by the City Manager. Human Resources handles portions of recruitment and selection and other human resources activities for the City.

Name of City	Population as of 7/1/12	Civil Service	Structure
San Jose, CA	982,765	Yes	Civil Service Commission of five members appointed by Council as advisory body – Civil Service works with Human Resources, but is supported by the City Clerk’s office and City Attorney’s Office. Human resources functions are split between Employees Relations, which handles all labor/bargaining aspects and Human Resources, which handles everything else. Both of those Departments report to the City Manager. Civil Service mostly serves as the body to hear disciplinary appeals.
Austin, TX	842,592	Yes	Civil Service Commissions: one for municipal employees and one for Police and Fire – Human Resources staff support Civil Service Commissions with two separate staff assigned from mid-management level of the Human Resources Department. The Human Resources Director reports to the Assistant City Manager. The Human Resources Department handles all aspects of human resources services for the City and ensures compliance with Civil Service Rules.
San Francisco, CA	825,863	Yes	Five-member Civil Service Commission acting as a policy making, auditing, and appeals Board, as well as carrying out other administrative functions – the Human Resources Department manages all human resources functions and administers the Civil Service Systems and Rules. The Human Resources Director is appointed by the Mayor.
Fort Worth, TX	777,992	Yes	Three-member Commission appointed by the City Manager and approved by the City Council Administers Chapter 143 of state regulations pertaining to personnel matters of the Fire and Police Departments – appoints a Director of Civil Service, who acts as Secretary to the Commission and/or Chief Examiner of tests and test appeals. The Human Resources Director manages all human resources activities for the City and also acts as Civil Service Director.

Name of City	Population as of 7/1/12	Civil Service	Structure
El Paso, TX	672,538	Yes	Nine-member Commission: one per District and one from the Mayor – duties of Civil Service include providing recommendations, the adoption of rules, investigations concerning enforcement of rules, and hearing and determining appeals. Human Resources handles human resources activities and provides support to the Civil Service Commission. The Human Resources Director is appointed and reports to the City Manager.

Observations:

- All major cities have Civil Service Commissions and Rules in place. A few cities have separate Civil Service Commissions for police and/or fire (e.g., City of Austin and City of Houston) or just police/fire Civil Service (e.g., City Fort Worth).
- There are variations in the scope of the Civil Service Commission responsibilities, but the most common is to hear appeals of discipline and interpretations of the Civil Service Rules, and make policy recommendations.
- Most cities have one Department providing all of the human resources services and support to the Civil Service Commission and ensuring compliance with Civil Service Rules. The only exception from our research, the City of San Jose, has its labor relations/bargaining functions separately managed from Human Resources; however, both Departments report to the City Manager.
- One agency in our research, the City of San Diego, has an independently organized Civil Service Commission who appoints and oversees the Civil Service Director; however, even in this situation, the Civil Service Director is also the Human Resources Director and manages all human resources functions for the City.