

City of Charlottesville, Virginia
Human Resources Assessment and
Strategic Plan

Report

December 1, 2017



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December 1, 2017

Mr. Maurice Jones
City Manager
City of Charlottesville
605 East Main Street
Charlottesville, Virginia 22902

Dear Mr. Jones:

We are pleased to present this report regarding the City of Charlottesville's Human Resources (HR) Department assessment and strategic plan. Department staff and HR stakeholders were fully engaged in the strategic planning process and provided valuable feedback which informed the recommendations in this report. While the strategic planning framework developed by staff is an important first step, there are additional opportunities to expand and develop the role of human resources in the City organization.

The recommendations included in this report are intended to help the Department grow into a more effective organizational role. Implementing these recommendations will require dedicated leadership from the HR Director and the City Manager's Office, as well as change and adaptation on the part of Human Resources staff. However, we are confident that the recommendations outlined in this report will support the Department's efforts to implement its strategic plan.

Thank you for the opportunity to work with the City of Charlottesville on this project.

Sincerely,

Michelle Ferguson
Organizational Assessment Practice Leader

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Executive Summary

Human resources departments perform critical functions in today's organizations, delivering services that touch staff members each day and throughout their careers. From recruitment and hiring to benefits administration, professional development, and employee relations, HR staff bear the unique responsibility of supporting an organization's most critical resource: its people. Because HR has a direct and lasting impact on organizations and the people who work for them, it is important to align the strategic vision, mission, key performance areas (KPIs), and initiatives of human resources with organizational priorities, and to establish appropriate structures and processes that support these initiatives.

While staff in the Charlottesville HR Department generally categorize their working relationships in a positive manner, the Department's understanding of its role, mission, and performance vary from stakeholder expectations. This disconnect has contributed to a sense among HR stakeholders that the Department lacks consistency and innovation. More significantly, these perceptions and frustrations have prompted some stakeholders to avoid HR and its processes, instead managing its own HR needs internally. These activities are a sign of strain between the HR Department and the stakeholders it is responsible for supporting.

To address the disconnect and improve its service to the organization, the Department pursued a strategic planning process. This process required HR staff to collectively evaluate feedback about the Department, consider the Department's vision, mission, KPIs, and initiatives in the context of stakeholder needs, and develop a strategic planning framework that articulates the Department's intentions to more effectively serve the City organization.

This strategic planning framework represents the first step toward enhancing stakeholder relationships and renewing the Department's focus on service delivery. By itself, however, a strategic planning framework is insufficient to truly transform the Department. Strategic plans supply organizations with guidance and direction towards achievable initiatives, but the actual work of achieving the vision articulated in the strategic plan requires dedicated and consistent leadership, focused direction, and staff support. Organizational transformation does not happen overnight, nor does it occur in a vacuum. Support from City management and other department staff is needed in order for the HR Department to become the resource and trusted business partner that stakeholders desire.

Additionally, it will be important for the City Manager's Office to support the HR Department by providing the Department with the resources it needs to be successful, and simultaneously hold the Department accountable for effectively implementing its strategic planning framework. Implementation will also require a willingness among HR staff to think differently about their role in the organization. Adjustments to the Department's structure, performance management system, and processes will also be needed to ensure staff are appropriately assigned and equipped to implement the strategic plan.

By consistently focusing on the Department's strategic plan, evaluating its progress, and adjusting its structure and processes as necessary, the City will be able to create a more collaborative, effective, and trusted HR Department. The recommendations in this report are designed to further enhance the Department's ability to accomplish its strategic initiatives and support the City organization. These recommendations are listed on the following table.

Table 1: Report Recommendations

Number	Recommendation
Structure and Functional Allocation	
1	Create an Assistant HR Director position.
2	Assign responsibility for Benefits Administration, Recruitment, Compensation and Classification, and Workers' Compensation functions to the Assistant HR Director.
3	Clarify core responsibilities and functions among HR staff.
4	Create cross-training opportunities to improve HR staff capacity.
5	Document current HR procedures and update documentation as procedures change.
Engaged with Our Stakeholders	
6	Build relationships between HR staff and HR liaisons through a formal engagement process.
Trained & Supported Workforce	
7	Create a formal workforce development program.
Updated Policies	
8	Create a permanent Policy Advisory Committee and formalize standards for communicating policy revisions to HR stakeholders.
Streamlined Processes	
9	Coordinate with the Information Technology Department to reduce reliance on paper-based processes, particularly in benefits administration and onboarding.
Focused on Continuous Improvement	
10	Develop comprehensive performance measures for the HR Department's strategic plan.

Background and Methodology

In 2016, the City of Charlottesville engaged The Novak Consulting Group to conduct an organization-wide assessment of City departments and functions. This assessment included an evaluation of the City's HR Department and identified several opportunities for the Department to improve its operations and service delivery, particularly with respect to workforce planning, organizational development and training, and policy reforms. Recommendations included in that report focused on enhancing the Department's relationships with HR liaisons, better supporting supervisors with enhanced management training, developing a formal organizational development policy, creating a workforce planning strategy, adopting best practices for employee retention, streamlining the recruitment and hiring process, improving the annual review process, and conducting a classification and compensation study.

Given these recommendations and the Department's current practices, the City approached The Novak Consulting Group in June 2017 to facilitate the creation of an HR Department strategic plan and further assess the needs of the Department as they relate to successful implementation of the strategic plan. This process included an evaluation of stakeholder perceptions and needs of the HR Department and creation of a strategic planning framework. Additionally, The Novak Consulting Group was tasked with developing recommendations that will enable the Department to successfully implement the strategic plan going forward.

To accomplish this work, The Novak Consulting Group conducted interviews with HR staff and facilitated four focus group sessions designed to gather feedback and perspectives from HR stakeholders. These focus groups were attended by approximately 30 staff members from other City departments who interact closely with the HR Department. The results of these interviews and focus groups were summarized and presented to HR Department staff at an all-day strategic planning retreat, held on September 28, 2017 at the historic Morven Farm in Charlottesville. During the strategic planning retreat, HR staff formulated a framework that articulates the HR Department's vision, mission, KPAs, and initiatives.

About the HR Department

According to the City's FY2018 proposed budget, the HR Department consists of eight authorized full-time equivalent (FTE) staff, including the HR Director. In practice, the Department currently employs 10 staff including the eight authorized full-time employees, one full-time temporary HR Assistant, and one part-time temporary Project Assistant.¹ The Department's current organizational structure is illustrated in the following figure.

¹ According to the City's Office of Budget and Performance Management, these temporary employees are approved, but do not count toward the Department's authorized budget staffing level.

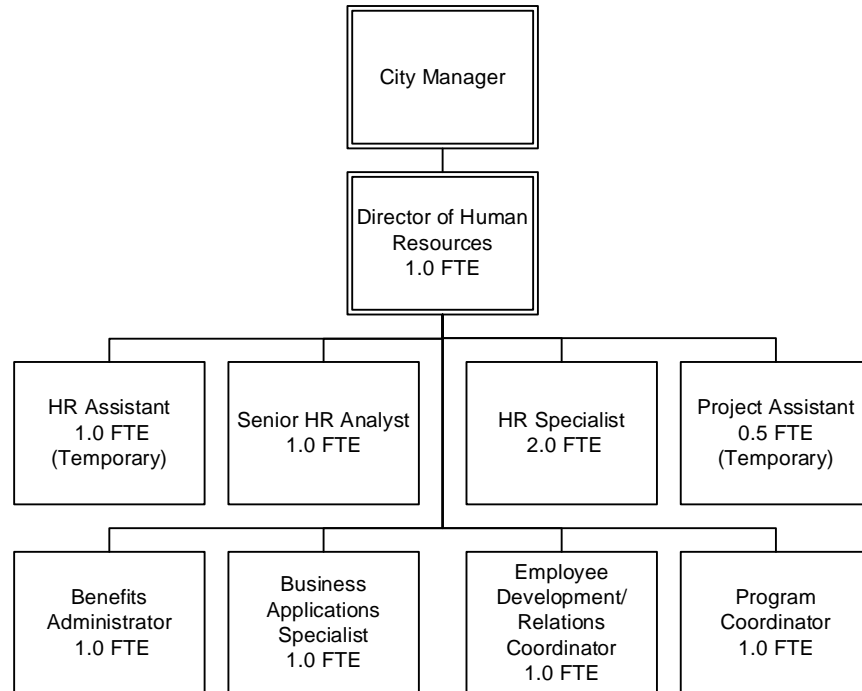


Figure 1: Current HR Department Structure, FY2018

Staff in the Department perform a wide variety of functions and tasks within their specialized areas. The following paragraphs describe core functions and tasks performed by each staff member.

The **Director of Human Resources** is responsible for overseeing day-to-day operations and staffing in HR, assigning workload and projects to HR staff, preparing the Department's budget, and assisting with employee relations investigations and discipline. The Director also develops pay and benefits recommendations for the City's annual budget process and serves as a member of the City's Retirement Commission.

The **HR Assistant** is a largely administrative position that provides stakeholder service support for internal and external inquiries, as well as assisting HR staff. This position's core administrative tasks include responding to stakeholder service inquiries, handling freedom of information requests, coordinating employee appreciation events, and serving on the City's Employee Appreciation Committee. Specific HR tasks performed by this position include supporting recruitment activities by posting job advertisements and responding to applicant inquiries. The HR Assistant also orders food and supplies for City training events and helps process retiree medical payments.

The **Senior HR Analyst** is a relatively new position (created in 2017) that is responsible for managing the City's compensation system, responding to salary surveys, calculating the impacts of salary increases and cost of living adjustments, screening applicants for minimum requirements, and approving pay for new hires. This position also manages the City's job descriptions, works with hiring managers to revise descriptions, drafts descriptions for new positions, and determines appropriate job classifications.

The Department's two **HR Specialists** perform a variety of tasks for the Department and its stakeholders. One of the HR Specialists is primarily responsible for the City's hiring and recruitment efforts. This position

works closely with hiring managers to post job advertisements, design supplemental questionnaires for applicant screening, work with hiring managers to vet qualified candidates, and administer the City's NeoGov™ recruitment software. Other responsibilities of this position include administering the City's wellness incentives program, which involves enrolling City employees with various gym memberships and managing membership renewals. This position also oversees the City's tuition assistance program, assists the HR Director with developing the Department's annual budget, and assists the HR Program Coordinator with wellness programming on an as-needed basis.

The second **HR Specialist** processes personnel action forms related to new hires, terminations, and pay adjustments, and ensures employee time is entered correctly in the City's software databases. This position also answers stakeholder questions regarding leave and reviews employee leave usage. Other responsibilities of this position include assisting the HR Program Coordinator with Family Medical Leave Act (FMLA) issues, processing administrative components of the City's workers' compensation program, processing unemployment claims, and filing paperwork related to these activities.

The **Project Assistant** is a part-time temporary position that supports various HR activities, including checking benefits administration calculations and assisting with other duties as assigned. This position works approximately 20 hours per week.

The **Benefits Administrator** is responsible for managing the City's self-insurance for medical and dental benefits, as well as administering contracts between the City and other benefits providers. This position staffs the City's Retirement Commission, processes employee retirement requests and statements, and calculates retirement benefits for City staff. This latter activity is particularly time-intensive, as staff enrolled in the City's pension system do not receive statements and all pension benefit calculations must be performed by hand. The Benefits Administrator also responds to stakeholder service inquiries from City staff and retirees.

The **Business Application Specialist** is responsible for troubleshooting benefit and payroll issues in the City's software systems including SAP™, the City's enterprise resource planning software platform. This position also performs a benefits orientation biweekly for new employees, follows up with employees to ensure required paperwork is filed with HR, and enters the data from physical benefits forms into the City's software systems. As a consequence, this position handles most of the City's day-to-day benefits enrollment functions.

The **Employee Development/Relations Coordinator** assists departments with investigations of employee misconduct, and advises employees, supervisors, and managers about employee relations issues. This position is also responsible for providing and coordinating employee training, particularly regarding the onboarding and orientation process. Examples of other training provided or coordinated by this position include employee soft skills, supervisory/management training, personality assessments, and sexual harassment training. Historically, the Employee Development/Relations Coordinator has also been responsible for reviewing job postings and advertisements, responding to inquiries and complaints regarding recruitment, and attending job fairs to represent the City. However, these tasks are now performed by the recently-hired Senior HR Analyst.

The **Project Coordinator** position is responsible for coordinating wellness programs and clinics, assisting with benefits administration (particularly for disability and life insurance claims), coordinating the City's random drug screening program, and serving as a point of contact for all employee FMLA issues.

The Department's authorized staffing level has been consistent over the last five fiscal years. This structure and staffing arrangement has resulted in a specialized HR Department where HR staff are responsible for administering all HR functions in the City and staff positions are organized according to specialized tasks and assignments. However, the Department relies on HR liaisons or staff in other City departments to help gather paperwork and communicate with employees.

HR staff provide services to approximately 1,664 City of Charlottesville employees, including 861 full-time and 803 part-time and temporary employees. This is equivalent to a ratio of approximately 0.48 HR staff for every 100 employees. According to the latest available benchmarking data from the Society for Human Resources Management (SHRM), this ratio places the City of Charlottesville below the 25th percentile regarding HR Department staffing across all industry sectors. The median staffing ratio for HR Departments in SHRM's survey is 1.33 HR staff for every 100 employees.²

In addition to current City employees, the HR Department also supports approximately 600 retirees in the City's pension system and over 100 employees in the Library and other constitutional offices, which presents an additional workload burden for HR staff. Accounting for these employees reduces the HR Department's staffing ratio to 0.34 HR staff for every 100 employees.

The Department's FY2018 authorized budget exceeds \$1.1 million. Of this, approximately 78% of budgeted expenditures are associated with salaries and benefits. Since FY2014, salary and benefits costs have increased approximately 17% due to regular staff salary increases as well as rising employer premiums for health care and retirement benefits. The following table illustrates HR Department expenditures by category since FY2014.

Table 2: HR Department Budgeted Expenditures, FY2014-FY2018

HR Department Budgeted Expenditure	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Budget	FY2018 Budget	Percent Change FY14 to FY18
Salaries and Benefits	\$768,696	\$784,769	\$781,266	\$804,719	\$896,182	17%
Other Expenditures	\$256,096	\$252,725	\$227,858	\$254,260	\$256,042	0%
Total	\$1,024,792	\$1,037,494	\$1,009,124	\$1,058,979	\$1,152,224	12%

² Human Capital Benchmarking Report, 2016. Society for Human Resources Management (SHRM). 2016. <https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/Documents/2016-Human-Capital-Report.pdf>

Stakeholder Input

During the field work process, The Novak Consulting Group gathered information and perceptions from HR staff and department stakeholders regarding the HR Department’s strengths, weaknesses, opportunities, and challenges. These focus groups were attended by approximately 30 participants who provided valuable, candid insights about how various staff perceive HR and its role in the City organization.

Comments and feedback received during these interviews and focus groups were aggregated and organized into two groups: perceptions gathered from HR staff and perceptions gathered from internal stakeholders. This information was then analyzed to evaluate current relationships with the HR Department.

HR Department Staff

HR staff were asked to describe the Department using three to six words or adjectives. The words supplied by HR staff frequently carried positive connotations, such as “Caring” and “Family.” The following word cloud illustrates all words used by HR staff to describe the Department, with more-frequently mentioned words displayed in larger text.



Figure 2: Words That Describe Human Resources - HR Department Staff

When asked about the Department’s strengths, weaknesses, opportunities, and challenges, HR staff focused on the professionalism of existing staff and their experience providing services, while stressing the need to better tailor services to support other City departments. The City’s changing technology

Strategic Planning Framework

HR Department staff met on September 28 at Morven Farm to engage in a strategic planning session facilitated by The Novak Consulting Group. The session began with introductions and expectation setting, followed by a teambuilding exercise. Participants then reviewed stakeholder feedback collected by The Novak Consulting Group as described previously. This feedback informed staff's efforts to develop new vision and mission statements, as well as key performance areas and initiatives for its strategic plan.

The following sections describe the vision and mission statements written by HR Department staff, as well as key performance areas and initiatives that staff identified as requiring consistent focus to guide the Department.

Vision

An effective vision statement describes what an organization aspires to as well as what it wants to be known and recognized for. The Charlottesville HR Department's vision:

The City of Charlottesville Human Resources Department is a trusted partner, committed to creating a City organization where talented individuals serve the community.

Mission

Mission statements describe an organization's role and purpose, and identify who the organization is, what it does, and why it exists. The Charlottesville HR Department's mission:

Our accessible, professional, and knowledgeable staff provide timely support and guidance to our stakeholders by listening with respect and acting with consistency and fairness.

Key Performance Areas (KPA's)

After developing vision and mission statements, HR staff thought about what must go well for the vision of the HR Department to be realized. The group then condensed these suggestions into five KPA's for the Department. Each KPA includes a descriptive statement along with initiatives designed to accomplish these KPA's, as identified by HR staff.

1. Engaged with Our Stakeholders

The HR Department of the City of Charlottesville listens, communicates, and is responsive to the needs of internal City departments and the general public.

Initiatives:

- Engage in consistent but short HR briefings each week.
- Add information and Frequently Asked Questions (FAQs) to the external City website, such as City benefits, pay bands, master jobs list, and City policies.
- Create availability for accepting suggestions, such as a physical box or email suggestion box to collect feedback.
- Distribute fax number for employment verifications.
- Develop a plan for communicating with staff who do not have access to email.
- Post information to City monitors in break rooms.
- Participate in other department staff meetings to create personal contact and solicit feedback from other staff.

- Create a loop for employees to provide feedback about HR services.
- Formally identify and meet with HR liaisons to build relationships with other Department staff. Provide training and support to liaisons as necessary.
- Create an organization chart or staff directory illustrating who's who in each department.
- Create a formal meet-and-greet for new employees to get to know each other.
- Create a handbook to provide all employees with all policies.
- Improve the dissemination of HR information to employees.

2. Trained & Supported Workforce

HR will offer training based on current needs for all City employees.

Initiatives:

- Increase cross-training among HR staff.
- Engage in educational opportunities to understand new trends and practices in the realm of HR, such as webinars, online training courses, and other events. Training courses should include HR best practices, changes in law and administrative requirements, and other direct impacts on HR services.
- Provide supervisory and leadership training for all employees.
- Provide stakeholder service training for all employees regarding soft and hard interpersonal skills.
- Track training opportunities, costs, time, and attendance.
- Provide online training for topics such as sexual harassment.
- Assist trainers within departments who are responsible for teaching supervisors and managers about the performance evaluation process and associated revisions to that process.
- Distribute and support job aids, manuals, and other documentation related to personnel policies and issues to supervisors and managers.
- Create a workforce development program for the City that expands and builds upon the Charlottesville Leadership Academy concept.

3. Updated Policies

The HR Department reviews and updates policies to remain compliant with rules and regulations, and to reflect best practices that are responsive to organizational needs.

Initiatives:

- Continue review of current policies.
- Currently, proposed changes come to the HR Director and are then distributed to employees for feedback using a hearing process. The next step is HR's recommendation to the City Manager for approval. If approved, the new policy becomes effective. Current policies under review include adding clarifications related to sexual harassment and bullying.
- Communicate policy content and changes through FAQs, intranet, and other media.
- Continue updating policies according to relevant legal, administrative, and HR best practices as changes occur.
- Ensure employees acknowledge the receipt of updated policies and that they understand them (perhaps through a signature process).
- Train supervisors and managers on policies relevant to overseeing employees, such as maintaining appropriate documentation, responding to performance and conduct issues, how compensation decisions are made, etc.

- Encourage upper management staff to refamiliarize themselves with existing policies to improve baseline organizational understanding of current policy provisions.

4. Streamlined Processes

The HR Department's work environment is one of efficiency and accuracy.

Initiatives:

- Create online resources for open enrollment and retirement activities. These are currently paper-based and involve thousands of physical forms each year.
- Create linkages to insurance providers to improve efficiency of back-end processes. If possible, create a single portal that can process employee elections and benefits changes while updating SAP and provider information.
- Create a retirement website where staff can gather information about their retirement benefits and where personnel on defined benefit plans can find information about their pension payouts.
- Create a recruitment system where electronic application information is transferred automatically to benefits and other personnel file information when the applicant is hired.
- Process fax/emailed forms (if allowable by federal law).
- Update procedural information and documentation regarding how to perform critical job functions using SAP.
- Digitize existing paper copies and forms, and reduce reliance on paper.
- Publicize more information about what the HR Department does and how it accomplishes its work. Describe how work is accomplished and time constraints involved to increase understanding and awareness of HR's basic responsibilities and procedures. Communicate services that are provided and how they are delivered.

5. Focused on Continuous Improvement

The HR team will continuously evaluate service delivery processes to determine opportunities for efficiency and quality utilizing best practices to meet stakeholder needs.

Initiatives:

- Provide surveys at the end of training events to solicit feedback on different training topics and delivery methods (e.g., online).
- Develop processes for benchmarking against other entities (e.g., recruitment timelines).
- Perform predictive analysis about the Department's workload and requirements to accomplish core functions. Continue to build upon successes using data to improve the Department.
- Determine the cost effectiveness of new HR programs and processes before deciding whether to implement or change a process.
- Encourage exit interviews and evaluate feedback to determine improvements that could be made to the City organization.
- Articulate and formalize deadlines, timelines, and expectations for critical HR processes.
- Incorporate conversation about strategic thinking and future planning into regular team meetings.
- Schedule opportunities to discuss improvements to HR processes and procedures.
- Continue surveying employees on a regular basis to evaluate perceptions about high priority improvements to the City organization.

- Play a leadership role in helping departments address issues that appear on employee feedback surveys. Engage in teambuilding and other activities to increase awareness and address critical issues.

Using the Strategic Plan

The strategic planning framework provides a roadmap for the HR Department. The vision statement reflects the Department's desired future and what it wishes to become. The mission statement will guide staff's efforts to accomplish this vision as they perform functions and tasks. The KPAs describe important focus areas for the Department, and the initiatives under each KPA signify specific actions that will move the Department closer to achieving its vision.

With this framework in place, the next step toward realizing the strategic plan is to prioritize the initiatives identified by staff. In this phase, staff should distinguish high-priority initiatives that should be accomplished most urgently or meet pressing needs. These high-priority initiatives will provide the Department with some indication about where to initially focus its efforts. Other lower-priority initiatives should be identified and prioritized so that they can be addressed after high-priority initiatives have been accomplished.

After prioritizing initiatives, the Department should create specific action plans for each initiative that include staff assignments and deadlines. Action plans are important because they formalize performance expectations regarding the strategic plan and serve as the basis for progress reports regarding the plan's implementation. Individual work plans also serve as important management tools to help hold employees accountable and inform annual performance reviews.

Effective action plans answer several critical questions, including:

- What is the problem being solved or opportunity being seized?
- How will success be measured?
- With whom will coordination be required?
- What specific action items need to be accomplished?

To assist with the development of action plans, The Novak Consulting Group has created draft action plans for each initiative identified by staff (action plans are provided separately). Staff should review, modify, and complete the templates, then use the action plans to manage workload and staffing assignments, and evaluate implementation progress. As the Department continues to review and evaluate the strategic planning framework in the future, these action plans should be revised to reflect accomplishments, changes in organizational priorities, and new initiatives that may better achieve the Department's strategic vision.

Analysis and Recommendations

The strategic planning framework developed by HR staff lays out a path for improving the Department's performance and value as an internal service department to support the rest of the City organization. However, successful achievement of the Department's vision, mission, KPAs, and initiatives will require some changes in its operations, practices, culture, and interactions with stakeholders. To be effective, these changes will require dedicated management support, additional resources, and careful attention to the organization's norms and expectations.

The current organization and management approach utilized by HR is insufficient to achieve its strategic planning initiatives for several reasons. First, achieving this vision will require significant leadership, management oversight, and coordination at the Director level. Because the Director currently supervises all the Department's staff, leadership capacity to focus on strategic priorities is constrained. Second, the Department lacks appropriate mechanisms to measure workload and staff performance in meaningful ways, particularly as they relate to the strategic plan. Developing these mechanisms will require leadership support and a mindset among staff that values comprehensive, data-driven analysis and continuous improvement. Third, there are opportunities to refine and streamline several of the Department's practices and processes that will improve stakeholder service and employee performance.

To successfully implement its strategic vision, HR must pursue structural, performance, and process improvements. Some of these improvements represent a departure from the Department's historical practices. However, implementing these changes will create an opportunity to clarify staff roles, articulate new expectations, and reorient staff's approach to delivering HR services within the context of the strategic planning framework.

The following analysis and recommendations are intended to highlight changes and improvements that the Department can make to help it achieve its strategic plan initiatives. These recommendations are designed to position the Department as a high-performing internal services resource for City departments, while supporting HR's vision as "a trusted partner, committed to creating a City organization where talented individuals serve the community." The following sections present recommendations relevant to the overall structure of HR as well as each KPA outlined in the strategic planning framework.

Structure and Functional Allocation

The HR Department's organizational structure and the assignments of responsibilities among HR staff directly impact how the Department accomplishes its work. Effectively implementing the Department's strategic plan will require creating additional capacity for strategic leadership and streamlining reporting relationships among HR staff. The following recommendations describe changes to the Department's organizational structure and functional assignments that will clarify staff roles, responsibilities, and expectations, while also improving the Department's capacity to implement strategic change.

Recommendation 1: Create an Assistant HR Director position.

Under the HR Department's current organizational structure, all 10 positions in the Department report to the HR Director. The central challenge associated with this flat organizational structure is that it does not provide sufficient leadership capacity to coordinate and execute strategic planning initiatives. The number of positions reporting to the Director creates significant supervisory responsibilities involving day-to-day operations. While this maximizes the Director's control over Department staff, it also focuses the

Director's attention on staff activities and Department transactions, leaving little capacity for strategic thinking and the development of innovative HR solutions.

The need for strategic leadership capacity is especially critical in the HR Department's current context, as it attempts to realign its practices and services with stakeholder expectations and implement its strategic plan. The most appropriate position to guide and coordinate strategic initiatives is the HR Director, and the Director must devote sufficient attention to developing, implementing, and evaluating initiatives in order to achieve the Department's vision. This should be accomplished through systematic, data-driven review and analysis of the Department's staff, operations, and processes, as well as the development and effective implementation of stakeholder driven programs designed to augment HR services and meet organizational priorities. It is unreasonable to expect the HR Director to successfully shepherd these strategic tasks while also supervising all the Department's staff.

To address this issue and create strategic leadership capacity for the HR Director, the City should create an Assistant HR Director position responsible for most of the Department's operations. Assigning most of the Department's processes and core functions to the Assistant Director position will eliminate the need for the Director to become involved in all day-to-day affairs. As a supervisor, the Assistant Director will be responsible for helping the Director evaluate existing processes, develop innovative solutions to Departmental challenges, and measure results and staff performance. The Assistant HR Director will also play an important role in managing staff workload, addressing stakeholder issues, and serving as the Interim Director when necessary.

Creating an Assistant HR Director position will allow the HR Director to focus greater attention on the Department's strategic planning efforts and related initiatives, particularly regarding organization-wide issues such as policy formation and education, workforce development planning, staff responsiveness, and process improvement. It should also be the responsibility of the HR Director to take a lead role in understanding the needs of each of the City's departments and working out in the organization to improve HR's relationship with its stakeholders.

It is recommended that the HR Department conduct a position study to evaluate an appropriate compensation level for the Assistant HR Director position. Since this is a new position, it will be necessary to develop a job description that outlines the Assistant Director's specific responsibilities. The recent classification and compensation study will directly impact appropriate salary ranges for this position. It will be important to identify a salary range that minimizes pay equity impacts with other Department staff.

Recommendation 2: Assign responsibility for Benefits Administration, Recruitment, Compensation and Classification, and Workers' Compensation functions to the Assistant HR Director.

Several of the HR Department's operational functions, including benefits administration, recruitment, compensation and classification, and workers' compensation are closely interrelated and involve processes that do not require the HR Director's daily oversight. Currently, staff involved in these functions include the Project Assistant, both HR Specialists, the Senior HR Analyst, the Benefits Administrator, and the Program Coordinator. These positions and their related functions should be assigned to the Assistant HR Director for three key reasons.

First, several of the HR Department's KPAs and strategic initiatives reference hiring, compensation, and benefits functions and the need to develop more intentional linkages between them. This is particularly relevant in the context of collecting appropriate performance data and eliminating paper processes. For example, the initiatives outlined under the "Streamlined Processes" KPA describe a need for utilizing an

electronic onboarding system and automating information sharing when new employees enroll for benefits. Grouping these functions and related positions under the supervision of the Assistant HR Director will provide direct management capacity to identify and implement appropriate process improvements.

Second, the HR Director is involved in hiring, compensation, and benefits processes at irregular intervals. For example, the HR Director's approval is required to hire staff outside of recommended salary ranges. However, as indicated in the 2016 Efficiency Study, the HR Director should not exercise final approval over every hire requested by other departments. Hiring managers in other departments play an important role in identifying staffing needs and determining the suitability of candidates to perform required tasks. It is HR's responsibility to consistently and constructively meet these needs and support hiring managers. The Assistant HR Director should provide the oversight necessary to ensure positions are filled in an equitable and consistent manner by supervising and supporting hiring, compensation, and benefits staff.

Third, assigning hiring, compensation, and benefits staff to the Assistant HR Director will significantly reduce the HR Director's current span of control to four positions. By delegating most of the Department's transactional processes to the Assistant HR Director, the HR Director will have capacity to focus on the Department's strategic issues as well as larger initiatives that affect the City organization, such as policy review and the creation of a more sophisticated employee development program.

Importantly, the Director should leverage this additional leadership capacity by engaging more directly with HR stakeholders to understand their needs and ensure HR staff are adequately supporting City departments. Where gaps between department needs and HR capacity exist, the Director will be able to coordinate with the Assistant HR Director and other department leaders to diagnose problems, determine options for remedying issues, and implement the most effective solutions. This effectively positions the HR Director as a relationship-builder in the City organization who can bridge the gap between stakeholder needs and HR services. As previously noted, it is critical for the HR Director to deepen stakeholder relationships and collaborate with other departments to achieve its strategic vision.

Recommendation 3: Clarify core responsibilities and functions among HR staff.

In general, HR services are typically provided using one of two common organizational models. The **generalist model** of HR service delivery usually involves an HR staff member assigned to one or more departments who is responsible for meeting all the HR needs of that department, from recruitment to benefits to employee relations. HR Generalists typically employ a broad array of HR skills and serve as the primary point of contact for their departments regarding HR services and support.

In contrast, a **specialist model** utilizes staff who are highly trained to perform HR functions within a specific service area for all stakeholders in the organization. In specialized HR departments, staff are assigned tasks that relate directly to their area of specialization, such as benefits administration, hiring and recruitment, workers' compensation, employee relations, professional development, and other high-priority HR tasks. Staff provide these services to the entire organization and are not necessarily assigned to work with a single department or group of departments.

Much of the Charlottesville HR Department's services are delivered in a specialized manner, as specific positions are tasked with oversight and administration of HR functions for the entire City organization. For example, the Employee Development/Relations Coordinator develops employee training programs for City staff and handles employee relations investigations City-wide, and the Benefits Administrator oversees benefits policies and contracts for all City employees and retirees. Additionally, the Senior HR

Analyst is responsible for evaluating job descriptions and compensation decisions for all City departments and employees.

However, the assignment of functional responsibilities among other positions is less straightforward. This is particularly evident regarding three key HR functions: hiring and recruitment, wellness programming, and some aspects of benefits administration. To further clarify the roles and responsibilities of staff administering these functions, the following sections outline the recommended task assignments for the Department.

Hiring and Recruitment

Responsibility for hiring and recruitment is currently spread among several positions. Historically, the Employee Development/Relations Coordinator has exercised some oversight of this function by reviewing job postings and supplemental application questions for accuracy and appropriateness, responding to customer inquiries about recruitments, attending job fairs on behalf of the City, and approving exceptions to the hiring process. Some of these tasks, such as reviewing job postings and descriptions, are now the responsibility of the Senior HR Analyst, who is also responsible for screening applications to ensure they meet minimum requirements. Meanwhile, the HR Specialist responsible for recruitment largely interfaces with the City's recruitment platform, NeoGov, to post positions, create eligible applicant lists, forward information to hiring managers, approve selected candidates, and close positions when recruitments are complete.

This distribution of recruitment functions among several positions creates a lack of clarity regarding management of the process overall. There is an opportunity to refocus recruitment tasks in a single position – the HR Specialist responsible for recruitment – which can provide more in-depth customer support and add value to the recruitment process. This position should rely on the Assistant HR Director to perform many of the review and approval functions historically performed by the Employee Development/Relations Coordinator.

This position should be reclassified as a "Hiring and Recruitment Specialist" and be given responsibility for managing the entire hiring and recruitment process. Hiring managers should begin the hiring process by working closely with the Senior HR Analyst to develop appropriate job descriptions and classifications for needed positions. When this work is completed, the Hiring and Recruitment Specialist should work closely with the hiring manager to craft an appropriate job advertisement, design relevant and useful recruitment questions, post the position, identify eligible candidates, conduct supplemental screening, assist with candidate selection and interviews as required, notify applicants who were not selected, and close out the hiring process in NeoGov.

However, in high-performing HR organizations, hiring and recruitment functions involve much more than simply shepherding applicants through the hiring process. The Hiring and Recruitment Specialist should play a more proactive role in identifying a wide array of areas and methodologies for advertising available City positions and recruiting new talent. This will require working with hiring managers to identify relevant trade and industry publications where jobs may be advertised, as well as cultivating a ready pool of applicants using social media and other online resources. Additionally, the Hiring and Recruitment Specialist should be responsible for attending job fairs on behalf of the City and encouraging prospective applicants to work for the City in person.

By developing relationships with professional associations and other agencies, the Hiring and Recruitment Specialist will increase the visibility of the City's job postings and elevate the quality of applications

received. These efforts will assist stakeholders with the rapid and effective selection of qualified candidates who are eager to work in and for the City.

The following table illustrates the current and proposed distribution of tasks regarding hiring and recruitment in the Department.

Table 3: Hiring and Recruitment Task Assignments

Position	Current Recruitment Task Assignments	Proposed Recruitment Task Assignments
Assistant HR Director	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Supervise Hiring and Recruitment Specialist and overall recruitment activities • Review job postings for accuracy and appropriateness • Review supplemental questions for appropriateness • Approve exceptions to the hiring process
Employee Relations/ Development Coordinator	<ul style="list-style-type: none"> • Supervise Recruitment Manager and overall recruitment activities • Review job postings for accuracy and appropriateness • Review supplemental questions for appropriateness • Approve exceptions to the hiring process • Attend job fairs on behalf of the City 	<ul style="list-style-type: none"> • None
Senior HR Analyst	<ul style="list-style-type: none"> • Compose job descriptions • Determine appropriate classification and compensation for positions • Screen applicants for minimum qualifications 	<ul style="list-style-type: none"> • Compose job descriptions • Determine appropriate classification and compensation for positions

Position	Current Recruitment Task Assignments	Proposed Recruitment Task Assignments
<p>HR Specialist (Hiring and Recruitment Specialist)</p>	<ul style="list-style-type: none"> • Create job postings • Design supplemental questionnaires to screen applicants • Open postings to the public • Refer applications that meet minimum requirements to hiring managers • Approve selected applicant in NeoGov and enter information into SAP • Review closed positions and follow up with hiring managers 	<p>Same, plus:</p> <ul style="list-style-type: none"> • Screen applicants for minimum qualifications • Develop comprehensive recruitment strategy and leads in print and online media • Attend job fairs on behalf of the City • Coordinate with hiring managers to create job postings • Assist as needed with interview process • Work with hiring managers to understand future employment needs and rapidly fill positions

Wellness Programming

Wellness programming is a second function that involves several HR positions. Currently, the HR Specialist responsible for recruitment is also responsible for administering the City’s gym membership program. This program is a wellness initiative in which the City subsidizes the cost of monthly gym memberships for interested staff. The HR Specialist is responsible for enrolling interested staff with each gym, tracking employee attendance at gyms, and processing payments to gyms on a monthly basis.

Other wellness programming has historically been the responsibility of the Program Coordinator position. This position has been responsible for developing and administering wellness initiatives for all City staff, such as the City Fit program, which includes wellness challenges, contests, and clinics for employees. The Program Coordinator has also been responsible for tasks such as Family Medical Leave Act (FMLA) administration, which frequently involves employee health and well-being issues.

The administration of wellness programming properly belongs to the Program Coordinator position. Historically, this position has been responsible for developing creative and innovative programs designed to encourage employees to take advantage of their benefits and live healthy lifestyles. While the Program Coordinator position is currently vacant, the staff person hired to fill this position should be expected to perform all tasks related to wellness programming, including the employee gym membership program. This will streamline functional allocations as well as free additional capacity for the proposed Hiring and Recruitment Specialist position.

The following table illustrates the current and proposed allocation of tasks related to wellness functions in the Department.

Table 4: Wellness Task Assignments

Position	Current Wellness Task Assignments	Proposed Wellness Task Assignments
HR Specialist (Hiring and Recruitment Specialist)	<ul style="list-style-type: none"> • Enroll interested staff in gym membership program • Process payments to gyms monthly • Track attendance for each employee monthly 	<ul style="list-style-type: none"> • None
Program Coordinator	<ul style="list-style-type: none"> • Coordinate CityFit wellness challenges and initiatives for employees • Coordinate wellness clinics • Provide employees with notice of FMLA rights and responsibilities • Administer FMLA training for managers 	<p>Same, plus:</p> <ul style="list-style-type: none"> • Enroll interested staff in gym membership program • Process payments to gyms monthly • Track attendance for each employee monthly

Benefits Administration

Benefits administration functions are currently divided among several staff. The Benefits Administrator is primarily responsible for contract administration and oversight of the City’s benefits providers but also manages the open enrollment process and calculates employee retirement benefits. The Business Applications Specialist enters payroll and benefits information into the City’s various database systems, such as SAP, and provides benefits orientation training to new employees. The Program Coordinator is responsible for administering several benefits-related programs, including long-term and short-term disability and life insurance, and the HR Specialist responsible for recruitment is also responsible for administering the City’s tuition assistance program.

While it is appropriate for the Benefits Administrator to oversee the City’s benefits providers and contractual relationships, other functional responsibilities should be refined. Specifically, the Business Applications Specialist should pivot away from benefits orientation and play a much larger role in streamlining HR operations with the City’s available software platforms. This will involve eliminating existing paper-based processes, particularly regarding open enrollment, to reduce workload and increase the quality of data collected by Department staff as discussed elsewhere in this report.

Benefits orientation and new hire information should be presented by the Program Coordinator in close coordination with the Benefits Administrator. The Program Coordinator should be responsible for developing and disseminating information on optional benefits-related programs for City staff, including disability, life insurance, and tuition assistance programs. The tuition assistance program should not be the functional responsibility of an HR Specialist.

The following table illustrates the current and proposed allocation of tasks related to benefits administration functions in the Department.

Table 5: Benefits Administration Task Assignments

Position	Current Benefits Task Assignments	Proposed Benefits Task Assignments
Benefits Administrator	<ul style="list-style-type: none"> • Manage contract administration and renewals with providers including: Aetna, Cigna, Anthem, MetLife, LDMB Insurance, Sageview, KSPH, CapTrust, ICMA • Ask contractors for estimated renewal rates in time for budget process • Manage information sharing between the City and contracted agencies • Manage City's open enrollment process (March - July) • Calculate estimates for employee retirement 	<p>Same, plus:</p> <ul style="list-style-type: none"> • Work with the Program Coordinator to develop and disseminate information regarding the City's benefits programs
Business Applications Specialist	<ul style="list-style-type: none"> • Provide benefits-related orientation materials and walk employees through orientation • Input open enrollment data into the City's database systems • Troubleshoot payroll and benefits-related issues 	<ul style="list-style-type: none"> • Input open enrollment data into the City's database systems • Troubleshoot payroll and benefits-related issues • Eliminate paper-based processes regarding benefits forms and information • Streamline all HR processes in the context of currently available software and technology
Program Coordinator	<ul style="list-style-type: none"> • Provide employees with enrollment information • Coordinate and process long-term and short-term disability claims and life insurance claims • Communicate with City's providers regarding claims and benefits administration 	<p>Same, plus:</p> <ul style="list-style-type: none"> • Provide benefits-related orientation materials and walk employees through orientation • Administer the City's tuition assistance program, including tracking enrollment and grade achievement for employees who receive tuition assistance
HR Specialist (Hiring and Recruitment Specialist)	<ul style="list-style-type: none"> • Administer the City's tuition assistance program, including tracking enrollment and grade achievement for employees who receive tuition assistance 	<ul style="list-style-type: none"> • None

In addition to these functional and task reassignments, the Department should consider reclassifying two other positions to better align titles with assigned functions. First, the Senior HR Analyst should be reclassified as a Classification and Compensation Specialist. This position is primarily responsible for highly specialized work including creating job descriptions, responding to salary surveys, managing the City's

classification and compensation system, performing position studies and compensation research, and addressing equity concerns regarding employee compensation. While this work is undoubtedly analytical, the position’s current title does not adequately indicate the level of specialization and expertise required to perform these tasks.

Similarly, the Department should reclassify the second HR Specialist as an HR Generalist. This position provides a broad array of support to the Department and its stakeholders in a variety of ways. Key tasks performed by this position include reviewing personnel change paperwork, reviewing employee leave usage, verifying timesheet information, issuing new employee ID cards, providing new hire orientation, processing unemployment claims, and responding to HR-related inquiries. These activities are the hallmarks of broad-based activities performed by HR Generalists who are accustomed to addressing a variety of issues raised by internal and external stakeholders.

The following figure illustrates the recommended structure of HR after implementing Recommendations 1-3, with new positions illustrated in green.

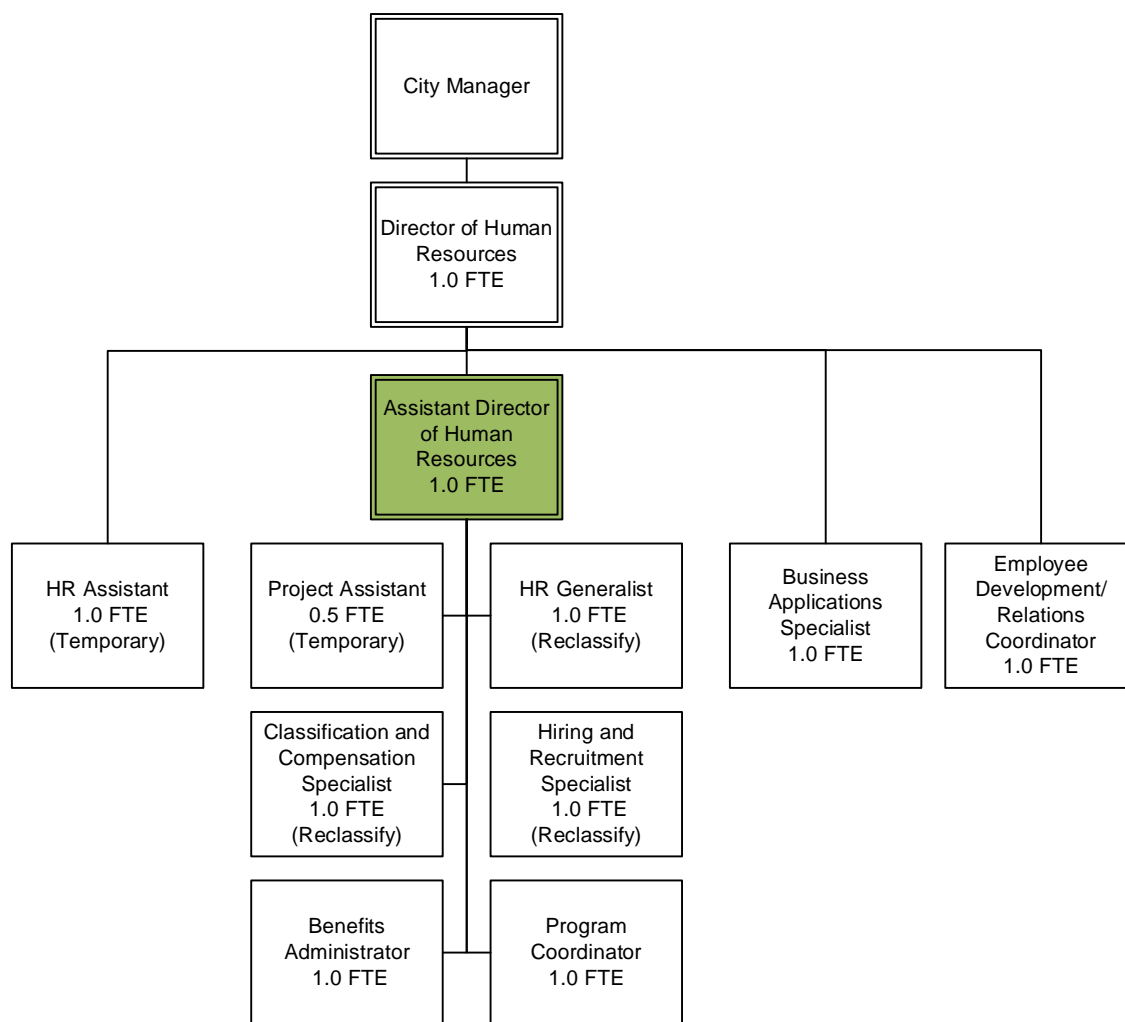


Figure 4: Proposed HR Organizational Structure

By adopting these changes, the Department can more effectively communicate performance expectations in key positions and streamline service delivery. The task reassignments above leverage the strengths of the Department's largely specialized service model and create greater clarity for HR stakeholders regarding programmatic and functional assignments in the Department.

Recommendation 4: Create cross-training opportunities within HR to improve HR staff capacity.

Because the HR Department's staff operate in a largely specialized environment, current skillsets among staff do not readily overlap. As a result, if HR staff take leave or are otherwise unavailable, work related to their specialization often cannot be completed, and staff cannot consistently backfill for each other across HR's service areas. This creates a lack of staff capacity that is further exacerbated by geographic distance. While most HR personnel are located on the second floor of City Hall, at least one HR position (the Senior HR Analyst) is located on the third floor. Additionally, while HR staff categorize their relationships with each other positively, staff meetings among HR Department personnel are reportedly infrequent and sporadic, and staff experience few opportunities to formally check in with each other.

These factors create a disconnect among staff that is corroborated by stakeholder perceptions of the HR Department. During interviews and focus groups for this assessment, HR stakeholders identified a lack of cross-training within the Department as a primary driver of HR's inability to adapt when staff take leave. Additionally, stakeholders described a lack of empowerment among HR staff to make decisions independently of the HR Director, and confusion about holdups with HR issues if staff are unavailable.

While creating an Assistant HR Director position will help to create additional capacity for performing critical functions if staff are on leave, it is unreasonable to expect the Assistant HR Director to consistently backfill every position. Rather, the Department should create a cross-training program designed to improve internal capacity to assist stakeholders if staff take leave.

Effective cross-training programs involve identifying synergies among staff skillsets and training staff to perform tasks outside of their usual job functions. This creates capacity for staff to perform multiple functions during peak workload periods and/or to backfill when necessary for other positions. It is not necessary to create a highly formal program for cross-training to be successful; a productive cross-training program could consist of teaching willing HR employees processes outside of their usual functional area, and then periodically assigning the cross-trained employee work to maintain a basic skillset. For example, the Department may benefit from reassigning willing and capable staff from other functions to benefits administration during open enrollment periods, or to recruitment functions during seasonal hiring periods. This flexibility will allow the Department to more efficiently utilize staff capacity and encourage the development and retention of new skillsets among staff.

Additionally, cross-training programs provide staff with more opportunities to interact on a professional basis. This is especially important in organizations like Charlottesville HR, where staff do not routinely interact with each other on work-related matters. In this sense, cross-training serves as an opportunity for employees to get to know each other and build a sense of teamwork and camaraderie.

Continuous encouragement and support from the HR Director will be required for cross-training to be successful. It will be important for the Department's leadership to articulate clear guidelines about cross-training expectations and to evaluate the potential salary impacts associated with training staff to perform additional work. The Director will need to balance the Department's workload demands against employee desires for specific cross-training, and ensure that traditional functional work is accomplished effectively

while cross-training occurs. However, with sufficient attention and time, the cross-training program will allow staff to expand their skillsets while creating a deeper pool of resources to accomplish HR tasks.

Recommendation 5: Document current HR procedures and update documentation as procedures change.

The HR Department does not currently maintain written documentation regarding core HR procedures. New hires in the Department must independently determine how best to accomplish their assigned tasks, with little instruction regarding historical practices and Department norms. While the Department recognizes a need to improve available documentation about how to perform tasks in SAP, there is a need to document and describe critical job tasks involving other procedures and software.

Documenting job procedures is increasingly important for many organizations. As technologies change and personnel rotate more frequently through positions, preserving institutional knowledge about how core tasks are accomplished is key to successfully training new staff and providing seamless services. It is recommended that the HR Department establish a manual of procedures across all functions, including benefits administration, classification and compensation, employee relations, recruitment and hiring, and workforce development. Processes and procedures regarding key activities in each of these areas should be documented in an easily editable electronic format, and regularly updated as circumstances and procedures change.

There are several key ingredients for documenting procedures and workflow in a concise and consistent manner. For each process, staff should compile a list of major milestones and provide a narrative description of the process at each milestone. Additionally, milestones should be accompanied by information about performance targets and expectations, such as turnaround deadlines and other requirements. Second, tasks associated with each milestone should be described in chronological order, including sufficient detail to enable a new trainee to accomplish the task with minimal oversight. These tasks may be represented as checklists to enable staff to more easily verify they have completed each step associated with a task. Additionally, it is often helpful to include process maps that illustrate milestones and indicate staff responsibilities for achieving each of them. This is particularly useful for processes that involve significant interactions with other departments, such as hiring and recruitment.

Process and procedure documentation should be reviewed by a supervisor (the HR Director or Assistant HR Director) to ensure the process is clearly and concisely described. The process should be retained in an electronic format and should be made available to staff as part of new hire orientation and cross-training efforts.

Creating and regularly updating this information will preserve the HR Department's institutional knowledge, allow new hires to rapidly acclimate to the Department's work practices, and help the Department ensure staff perform tasks in a consistent manner.

Engaged with Our Stakeholders

The first KPA identified by HR staff is "Engaged with Our Stakeholders." Staff described this engagement as listening, communicating, and being responsive to the needs of internal City departments and the general public. In order for the HR Department to render effective services, it is important to create avenues for communication and understanding between the Department and its customers. The following recommendation is intended to highlight a particular focus area between HR and its stakeholders: the relationship between HR staff and departmental HR liaisons. Developing and cultivating these

relationships presents HR with an opportunity to grow business partnerships and play a more supportive role in the City organization.

Recommendation 6: Build relationships between HR staff and HR liaisons through a formal engagement process.

The HR Department currently works with a variety of HR liaisons in other departments. HR liaisons are usually business analyst or administrative positions within a department who are assigned ancillary duties as an HR liaison. While the specific tasks performed by liaisons vary, they typically serve as paperwork handlers and processors for HR-related functions, such as initiating the hiring and recruitment process with HR; completing new hire paperwork; processing personnel status changes related to payroll, leave, and benefits; and assisting with the open enrollment process. Notably, HR liaisons remain departmental staff and are not funded through HR's budget.

A persistent issue related to HR's current relationship with liaisons is a lack of formal relationship-building efforts and training regarding liaison roles and expectations. This issue was noted as part of the 2016 Efficiency Study and resulted in a recommendation to enhance liaison capacity through a dedicated training program. During interviews and focus groups related to this strategic planning assessment, HR liaisons reported a continued lack of training, uncertainty regarding their organizational function, and inefficient process requirements. Specifically, liaisons reported a lack of appropriate controls regarding the confidentiality of employee paperwork, as well as an abundance of paper-based processes that consume significant amounts of staff time.

These ongoing concerns point to a continued disconnect between the HR Department and its liaisons across the City organization. The HR Department has identified this disconnect as an opportunity area through its draft strategic planning framework. A key initiative under the "Engaged with Our Stakeholders" KPA describes meeting with liaisons to build relationships and identify opportunities for improving staff interactions. However, this initiative represents a first step towards creating more engagement between HR and internal stakeholders.

In order for HR to truly embrace its role as a supportive business partner for stakeholders, it is imperative to appropriately grow and leverage relationships with departmental liaisons. To accomplish this, HR should expand connections with and reliance upon HR liaisons using a multi-step process.

First, HR should compile a list of HR liaisons in each department across the City organization. This list should indicate contact information for the liaison, as well as the liaison's typical functional interactions with HR (e.g., initiating recruitments, forwarding personnel change information). Formalizing this list will provide HR with standardized information about contacts in each department and create a preliminary understanding of how HR interacts with various departments.

Next, HR should meet with liaisons to more fully understand how they interact with HR staff, the kinds of questions department staff pose to them, and how HR liaisons perceive the current working relationship between HR and departments. This phase can easily be integrated with a "meet-and-greet" process consisting of individual interviews, focus groups, or another small-scale event designed to introduce HR staff and HR liaisons to each other. The list of HR liaisons and their scope of interactions should be revised and updated based on the outcomes of these conversations, and circulated among all HR staff.

Third, the HR Director should meet with other department directors and HR liaison supervisors to inquire about how liaisons may be better leveraged to meet departmental needs. This is particularly relevant for

larger departments and/or departments involved in significant HR-related operations on a regular basis, such as hiring public safety personnel or seasonal, temporary employees.

The HR Director should then review feedback gathered from liaisons and department supervisors to identify specific steps that may be taken to strengthen the relationship between HR and its liaisons. These steps may include, but are not limited to, codifying liaison processes and procedures in a formal HR liaison handbook, developing a specific training/internal certification program for HR liaisons, adjusting HR processes to better meet liaison needs, and/or changing the role liaisons play in each department.

The engagement process with HR liaisons should conclude with meetings between HR and departments to share findings and deliverables developed during the process. Additionally, the HR Director should meet with HR liaisons and their supervisors annually (at a minimum) to evaluate relationships between HR staff and departments, inquire about stakeholder needs, and test ideas and concepts for improving HR service delivery in the organization.

It must be emphasized that the initial focus on meeting with and understanding HR liaisons is merely the start of building better relationships between HR and stakeholder departments. While the engagement process described above will lay an effective foundation for more consistent interactions between HR and its liaisons, growing these relationships into mutually beneficial, open, and honest encounters will require demonstrated commitment, leadership, and regular interaction.

Trained & Supported Workforce

Workforce development and professional training are core HR functions and represent an area of key interest for Charlottesville HR stakeholders. The following recommendation is intended to help the Department address training gaps using a formal workforce development program designed to inventory current offerings, identify outstanding needs, and develop a formal program that will better position the Department to deliver on its strategic training initiatives.

Recommendation 7: Create a formal workforce development program.

One of the Department's core strategic KPAs includes creating a trained and supported workforce. The Department currently provides and/or coordinates some training opportunities for City staff, including new hire orientation, personal relationship-building and other soft skills (such as communication, decision-making, and teambuilding skills), supervisory and management training, and sexual harassment training.

In addition to these training opportunities, the City Manager's Office has expressed interest in creating a more comprehensive training program modeled on Chesterfield County, Virginia. In 2003, the County created an internal department, Chesterfield University, focused on providing training and professional development to County staff. Chesterfield University was renamed The Learning and Performance Center in 2014 and continues to function as an internal services department in Chesterfield County. The Learning and Performance Center currently offers over 200 instructor-led courses and 350 online courses to County employees.³

While the example set by Chesterfield County may serve as a long-term goal for the City of Charlottesville, the HR Department currently lacks the budget and staffing capacity to implement a comprehensive program of this size and scope. Further, the Department's current training efforts are also perceived as

³ More information is available on the County's website at <http://www.chesterfield.gov/content.aspx?id=102>

insufficient by HR stakeholders. During interviews and focus groups, stakeholders characterized current training offerings as lacking depth and applicability to their specific circumstances, and described the frequency of training as sporadic or conflicting with other staff priorities. HR indicated that they have provided supervisory training, but some sessions have been canceled due to lack of participation. Additionally, as noted during the 2016 Efficiency Study, the HR Department does not currently utilize a formal workforce development policy or centralized training program to guide employee professional development.

SHRM offers significant best practices guidance to organizations that are interested in growing their workforce training and development programs. In a recent article titled “7 Key Steps for Better Training and Development Programs,” SHRM describes aspects of systematic workforce development programming that should be adopted by the City of Charlottesville.⁴

First, to create a more effective development and training program, the City must understand the full scope of its current offerings. This requires creating an inventory of recent and upcoming training programs, including the training topic, mode of delivery (e.g., online or in-person training), whether the training is offered by HR staff or external consultants, and frequency of training. Once completed, the Department will have a better indication of topic areas that drive its current workforce development efforts.

Next, it is important for the HR Department to evaluate and understand training needs and desires within the City organization. During field work for this analysis, stakeholders indicated a need for training related to employee onboarding, supervisory/management issues, and policy interpretation. The HR Department should systematically evaluate stakeholder satisfaction with current training offerings and identify training topics desired by the organization that are not currently provided, or that should be expanded to fulfill stakeholder needs. This could be accomplished through stakeholder surveys, interviews and focus groups with staff in other departments, and/or through satisfaction surveys following current training events.

Another way of identifying training needs in the organization is through the employee performance appraisal process. The Department is currently deploying a new Employee Performance Evaluation Initiative and is training supervisors and managers on the technical aspects of conducting performance appraisals using updated tools. Effective performance appraisals identify an employee’s strengths and weaknesses, as well as opportunities for training and developing the employee’s skillset to better accomplish work goals. As supervisors and their employees create individual training and development plans (IDPs), the HR Department should analyze the types of training included in each IDP to determine appropriate technical, interpersonal, and specialized professional development opportunities. This analysis should be performed each year to ensure the HR Department’s proposed training goals adequately address employee needs.

After identifying current offerings and stakeholder training needs, the Department should develop a comprehensive list of desired training opportunities and determine whether these opportunities should be provided by in-house staff, external contractors, via online systems, or through other methods. The approximate cost of implementing this training program should be determined, and the HR Director

⁴ 7 Key Steps for Better Training and Development Programs. SHRM. 2016.
<https://www.shrm.org/resourcesandtools/hr-topics/organizational-and-employee-development/pages/key-steps-for-better-training-development-programs.aspx>

should work with the City Manager's Office to ensure appropriate funds are available to provide more in-depth professional development opportunities to City staff.

Once the training program has been created, HR should creatively market training opportunities to City staff. At the same time, the HR Director and the City Manager's Office should work together to foster a management culture that supports and enables employees to participate in training offerings. One way to accomplish this is through a formal organizational training policy as described in the 2016 Efficiency Study, which formalizes expectations and goals regarding the number of annual professional development training hours each employee is expected to complete.

Finally, the Department should accurately measure relevant outcomes, such as employee satisfaction with training sessions, the cost effectiveness of training, and the occurrence of behaviors the training is designed to prevent or correct (such as sexual harassment incidents). The HR Department should leverage this information to adjust the workforce development program on a regular basis by emphasizing training topics and issues that are currently relevant to the organization.

Effective workforce development programs are not stagnant; they meet the needs of stakeholders and continually adapt to support the organization's employees. A well-designed, effectively implemented workforce development program will provide staff with consistent information, utilize a variety of media and methods to creatively reach staff, ensure relevant and pertinent issues are addressed, and create opportunities for staff to take charge of their own professional development. With consistent management, creative oversight, and budgetary support, a comprehensive workforce development program will enhance the Department's efforts to communicate with staff and support departmental efforts to develop employees and engage in succession planning efforts.

Updated Policies

Policy administration represents another core HR function performed by the Department. As part of its strategic plan KPAs, the Department intends to review and update policies to remain compliant with rules and regulations, and to reflect best practices that are responsive to organizational needs. The following recommendations are intended to help the Department maximize the effectiveness of the policy formation and review process, as well as provide timely and consistent advice regarding policy interpretation.

Recommendation 8: Create a permanent Policy Advisory Committee and formalize standards for communicating policy revisions to HR stakeholders.

As the Department responsible for shepherding a wide variety of employee affairs, HR plays a critical and central role in personnel policy formation, administration, and interpretation. High-performing HR organizations take a proactive approach to policy review by regularly communicating with stakeholders, evaluating proposed policy changes, and revising policies to help departments manage their staff in a consistent and effective manner. This level of detailed, knowledgeable policy review is not a static function but must continually adapt to changes in the workplace, the organization's strategic goals, and other employment issues.

According to interviews with staff and stakeholders, the Department has previously utilized a Personnel Policy Review Team consisting of staff from several departments. This team was responsible for evaluating the City's personnel policies and suggesting revisions to the HR Director. The HR Director in turn was responsible for reviewing the team's proposed policy changes, collecting feedback from City staff about the proposed changes, and forwarding policy recommendations to the City Manager for formal adoption.

While the use of stakeholder groups, such as the Personnel Policy Review Team, to inform policy development is commendable and mirrors best practices described by SHRM,⁵ stakeholders report broad dissatisfaction with HR's role in the policy review process. This dissatisfaction manifests in two primary concerns. The first concern is that HR does not leverage the existing process appropriately. Stakeholders report that many revisions proposed by the policy review team have not been forwarded to the City Manager in a timely manner for approval.

Second, stakeholders perceive contradictions in HR policy interpretation and report that HR often provides conflicting advice to different departments regarding personnel policy issues. Specific examples cited by stakeholders included discrepancies related to new hire salaries and enforcing employee dress codes. While it is possible that HR is providing accurate policy interpretations to various stakeholders, the perception that HR contradicts itself indicates that, at a minimum, the Department is not effectively communicating the rationale behind its policy interpretations.

These concerns contribute to stakeholder perceptions of HR as a roadblock and an inconsistent resource for important personnel policy questions. This lack of consistency creates confusion among employees and supervisors alike, potentially fosters resentment between employee groups, and could expose the City to varying levels of risk depending on the policy violated and how HR responds to each violation. These perceptions discourage stakeholders from engaging with HR and run counter to HR's strategic vision as a trusted, knowledgeable, and consistent advisor to other departments.

To address these concerns and begin improving trust relationships between HR and stakeholder departments, HR should create a formal process for regularly evaluating City personnel policies and communicating policy revisions to stakeholders. This should be accomplished by creating a permanent Policy Advisory Committee and improving internal communications regarding policy revisions.

The Policy Advisory Committee should be composed of a representative subset of the City's management team and meet on a regular basis, such as quarterly or biannually. The Committee's main purpose is to review proposed changes to the City's personnel policies with the HR Director. These meetings will build upon the previous work of the informal policy review team. To effectively launch the Policy Advisory Committee, the HR Director should expedite the review of any pending personnel policy proposals, including internally reviewing policies for clarity, language flexibility, and conciseness. The results of these reviews should be summarized and presented to the Policy Advisory Committee for discussion. The minutes of each Policy Advisory Committee meeting, along with proposed written policy revisions, should then be reported to the City's management team and the City Manager for further action.

Creating a formal Policy Advisory Committee with regular meeting dates will result in several positive opportunities for the Department and its stakeholders. First, a regular schedule creates accountability for participants, including the HR Director, to give feedback, discuss policies, and draft language. Investments of time and energy will be required of all participants to ensure the policy revision process moves forward and addresses relevant concerns. Because the results of these meetings will be forwarded to a higher authority (the management team and the City Manager), all participants will be incentivized to act in good faith and demonstrate their willingness to cooperate to achieve the Policy Advisory Committee's goals.

⁵ How to Develop and Implement a New Company Policy. SHRM. 2015.
<https://www.shrm.org/resourcesandtools/tools-and-samples/how-to-guides/pages/howtodevelopandimplementanewcompanypolicy.aspx>

Second, the HR Director and Policy Advisory Committee members should leverage their regular meetings to discuss policy implications, interpretation, and future policy goals. While policies will impact departments differently, all departments should implement policies as uniformly as possible. The Policy Advisory Committee represents an ideal mechanism to discuss operational concerns regarding proposed revisions, as well as how to achieve consistent policy interpretation and application. This will allow the HR Director to more effectively describe how policies should be implemented by stakeholders under various circumstances, and enable Committee members to understand the nuances associated with policy administration. Engaging in these conversations on a regular basis effectively forges a new line of communication regarding personnel policies and related practices that does not currently exist in the City organization.

However, creating the committee and regularly revising the City's personnel policies is just the start of a robust policy administration program. When policy changes are approved, it will be essential to notify department managers and City staff in a timely manner. All approved policy changes should be immediately communicated to department directors and supervisory staff along with supporting examples, documentation, and other interpretive guidance from HR. The HR Director should also ensure that policies approved by the City Manager are uploaded to the intranet within a reasonable timeframe, such as three business days after approval. Each policy should also be accompanied by the date it was last updated to provide staff with some context about the policy's age.

In addition to immediately updating upper management about policy changes, the Department should periodically advise all City staff about relevant policy changes, as required under the current policy revision process. The HR Director should work with the Policy Advisory Committee to brainstorm ideas for disseminating policy information in the City organization, such as through training events, seminars, online courses, or other venues. While it is important to consistently disseminate policy information to all staff, some departments may be more affected by policy revisions than others, and engagement strategies should take these impacts into account. The Policy Advisory Committee, as well as the City's management team, will be a valuable resource for identifying creative, effective ways to engage and educate City staff.

These efforts to communicate policy revisions should be interwoven with other strategic initiatives identified under the "Engaged with Our Stakeholders" KPA described above, such as posting information in breakrooms and utilizing HR liaisons to improve communication with department staff.

Regular communication and outreach about policy issues and revisions will help keep City staff aware of current policy practices and avoid inconsistent policy application when new issues arise. Careful attention and dedicated leadership on policy issues, particularly through the use of a permanent advisory committee, will help the Department achieve its strategic planning initiatives while simultaneously elevating the role of HR in the City organization.

Streamlined Processes

The HR Department's "Streamlined Processes" KPA describes the Department's work environment as one of efficiency and accuracy. Successfully achieving the initiatives outlined in the Department's strategic planning framework will require utilizing all the tools at the Department's disposal to improve processes and provide more effective services to stakeholders. The following recommendation is intended to help the Department work closely with Information Technology to better leverage existing digital assets while identifying technology improvements that will streamline HR workflow.

Recommendation 9: Coordinate with the Information Technology Department to reduce reliance on paper-based processes, particularly in benefits administration and onboarding.

The Department's open enrollment process for benefits is currently paper-based. Each year, the Benefits Administrator and Business Applications Specialist process paper enrollment forms for each of the City's personnel. Information from these forms must be entered multiple times in several locations, including on provider websites and in the City's software systems. This process creates a significant drain on staff time and introduces opportunities for error when transcribing enrollment information.

Employee onboarding and personnel changes represent additional processes that are heavily dependent on paper and currently require duplicate data entry. The City's online application system, NeoGov, cannot currently interface with the City's benefits software. While the Department has experimented with onboarding software that can automatically transfer new hire information into the City's software systems, no solution has been implemented. As a result, new hires and staff interested in changing personal information must utilize paper forms.

These problems represent a gap between the technology assets currently at the Department's disposal and the process utilized to implement personnel status changes. To effectively implement a technology solution and eliminate reliance on paper, HR should coordinate closely with the City's IT Department to determine whether additional software or customizations to existing software can facilitate digitized open enrollment, onboarding, and personnel action form changes.

HR staff have begun the process of articulating a vision for how a revised, digital process for open enrollment and onboarding could work, particularly in the "Streamlined Processes" Key Performance Area. Exploring solutions to these challenges in conjunction with the City's IT Department will facilitate the creation of streamlined, digital processes that benefit both the HR Department and City staff, and applicants of City positions.

Focused on Continuous Improvement

The Department's strategic planning framework commits the Department to continuously evaluate service delivery processes to determine opportunities for efficiency and quality utilizing best practices to meet stakeholder needs. Much like the "Streamlined Processes" KPA, this aspect of the Department's strategic framework is focused on ensuring services are provided in an efficient and effective manner. However, the following recommendation is designed to provide the Department with a baseline set of performance measures and accompanying data that will lay the groundwork for effective analysis of HR's workload and outcomes.

Recommendation 10: Develop comprehensive performance measures for the HR Department's strategic plan.

The HR Department currently lacks a comprehensive performance measurement program that can be used to accurately measure how well the strategic plan is being implemented. In order to know whether the Department is truly meeting its strategic goals, it is important for the HR Director and the City Manager to closely evaluate staff performance using data-driven measures and analysis. Adopting formal performance measures and tracking relevant data will complement the recent adoption and deployment of new employee evaluation tools for the City organization.

The first task is to develop performance measures that accurately measure staff outputs and outcomes related to the strategic planning framework. These measures will require capturing data related to core HR activities, including labor hours, costs and expenditures, workload processed, and other information

that can be evaluated to help analyze performance trends. While the use of appropriate software systems can automate much of the data collection and reporting required by these measures, it is important to reiterate that the purpose of performance measurement is not to achieve a minute-for-minute accounting of each staff member’s time. Rather, performance measures should be targeted to help the Department understand how effectively its processes and procedures achieve the vision, mission, KPAs, and initiatives outlined in its strategic plan.

The following table lists example workload and performance measures by KPA as outlined in the Department’s strategic planning framework. These measures do not represent an all-inclusive list, but merely provide some context for appropriate data collection and analysis. In addition to these measures, the Department’s action plans for strategic initiatives should also include discrete performance measures that will define success for each initiative.

Table 6: Example Performance Measures by Key Performance Area and HR Function

Key Performance Area	HR Function	Example Measure
Engaged with Our Stakeholders	HR Administration	Amount of time (days, hours) between stakeholder inquiries and HR response
		Percentage of stakeholder inquiries answered within acceptable response time
		Number of HR satisfaction surveys distributed to stakeholders
		Percentage of stakeholders who respond to satisfaction surveys
		Average stakeholder satisfaction rating with HR (overall and for specific core services)
		Percentage of stakeholder satisfaction ratings that meet HR service targets (overall and for specific core services)
		Percentage of HR liaisons who are satisfied with HR
Trained & Supported Workforce	Workforce Development	Number of training events offered by category
		Number of attendees at training events
		Percentage of City workforce participating in training events
		Percentage of employees invited to training who participated in training
		Labor, supply, and other external costs associated with training events
		Percentage of authorized training budgets expended
		HR staff labor hours associated with training events
		Training costs per participating employee
Participant satisfaction with trainings offered		

Key Performance Area	HR Function	Example Measure
		Percentage of satisfaction ratings that meet HR targets
		Trends in participant satisfaction rates year over year
		Staff training goals (as described in annual performance evaluations)
		Percentage of staff training goals met (individually and Department-wide)
		Trends in percentage of staff training goals met year-over-year
		Percentage of HR employees eligible for merit increases due to annual performance review
Updated Policies	HR Administration	Number of policies targeted for review
		Number of policies reviewed
		Staff labor hours associated with policy review
		Date policy review was initiated
		Date policy review was completed/approved
		Average length of policy review process
		Percentage of policy reviews completed on time
	Workforce Development	Percentage of City staff participating in policy-specific training
Streamlined Processes	Benefits Administration	Number of open enrollments processed
		Staff labor hours associated with open enrollment processing
		Error rate associated with open enrollment entries
	Recruitment	Dates associated with each phase of the recruitment process, from hiring manager contact with HR to new hire start date
		Number of days associated with each recruitment process
		Percentage of HR Recruitments completed within an acceptable timeframe
		Number of applicants by source (e.g., directly through City website, through other referral, in-person)
		Labor hours associated with core recruitment functions
	Employee Relations	Dates associated with each phase of the employee investigations process, from complaint filing to resolution
		Staff labor hours associated with each investigation
		Number of employee investigations initiated

Key Performance Area	HR Function	Example Measure
		Percentage of City staff subject to investigation
Focused on Continuous Improvement	HR Administration	Target and actual number of strategic plan initiatives completed
		Percentage of strategic plan initiatives completed
		Number of strategic plan initiatives revised
		Number of new strategic plan initiatives created and undertaken
		Percentage of HR services delivered within acceptable timeframes
		Percentage of HR services delivered within acceptable expenditure limits

These measures should be reviewed and approved by the City Manager’s Office to reinforce a culture of performance measurement and accountability in the HR Department. The City Manager and HR Director should meet monthly to discuss progress tracking each measure, evaluate HR’s performance, and create accountability regarding the Department’s ability to execute on its strategic plan.

It is also important to create a management culture within the Department that values and prioritizes continuous performance improvement. This will require the HR Director to demonstrate, in word and deed, that improving the performance of the HR Department’s staff is a high priority for the organization. According to a recent article on performance management published by the International City-County Management Association (ICMA), executives can demonstrate “the importance of performance management by frequent pronouncements praising data-driven decision making, by taking the time to review performance information regularly, and by letting subordinates know that he or she is doing so.”⁶

It is incumbent upon HR leadership to regularly evaluate the performance measurement data gathered above with HR staff to determine where, when, and how process improvements can be made to maximize stakeholder service efficiencies. This does not mean that the Department should attempt to achieve unreasonable performance goals. Quality work often takes dedicated staff time; a simplistic focus only on data reporting or achieving unrealistic process times will undermine the management culture associated with continuous performance.

The true efficacy of performance management lies in analyzing performance data to gain a better understanding of the Department’s current capabilities, identify areas where staff can improve processes or performance, and apply data-driven solutions to improve stakeholder service. The HR Director should accomplish this by regularly reviewing and adjusting performance measures to assess critical HR processes, and utilize this analysis to support changes and investments in the HR Department. Over time, these changes will move the Department closer to achieving its strategic vision.

⁶ “Getting Real About Performance Management”. International City-County Management Association. 2015. <https://icma.org/articles/getting-real-about-performance-management>

Conclusion

The Charlottesville HR Department's strategic planning framework represents an initial step toward improving services and strengthening stakeholder service relationships. While the initiatives described by staff as part of the strategic plan are useful, changes to the Department's organizational structure, performance management practices, and processes are also necessary in order to achieve the strategic plan. Implementing the recommendations contained in this report will help the Department more effectively achieve its strategic planning initiatives and position it to provide services in a more effective and efficient manner.

The strategic planning framework is a management tool that Department and City leaders can utilize to improve HR's practices and services. However, the importance of dedicated, accountable, and consistent leadership is critical. Without clear and demonstrated support from the HR Director and City Management, efforts to increase HR's strategic value to the organization will not be effective. It is essential for managers to cultivate a work environment that values and measures continuous improvement in order for the strategic planning framework and the recommendations provided in this report to bear fruit.