MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: December 13, 2011 - p.m.  
AGENDA NO.: 

SUBJECT: Receive an oral report from the Board of Supervisors Human Resources 
Committee staff regarding the Human Resources Centralization Plan and take any 
other actions deemed appropriate. 

DEPARTMENT: County Administrative Office – Human Resources Division

RECOMMENDATION:

It is recommended that the Board of Supervisors receive an oral report from the Board of 
Supervisors (BOS) Human Resources (HR) Committee staff regarding the Human Resources 
Centralization Plan and take any other actions deemed appropriate.

SUMMARY/DISCUSSION:

On July 26, 2011, the Board of Supervisors approved a three year plan to centralize the HR 
function. Since that time, considerable work has been performed to facilitate the development of a 
detailed implementation plan. This work has been presented to and reviewed by the BOS HR 
Committee. The attached report (See attachment 1) presents a status report on the project which 
includes a recommendation to create a Steering Committee to provide input and assistance to the 
project management throughout the implementation period. The intended goal of reorganizing the 
existing decentralized functions is to focus and integrate the County’s HR services in the most 
efficient manner.

OTHER AGENCY INVOLVEMENT:

This content of this report has been reviewed by the Department Heads and the BOS HR 
Committee.

FINANCING:

None.

Prepared by:  
Kay Breeden  
Principal, HR Project Manager  
Dated: December 8, 2011

Approved by:  
Izetta E. Birch  
Interim Assistant County Administrative Officer

Attachments: Order; Attachment #1 - BOS HR Blended Model Project Status Report
Before the Board of Supervisors in and for the
County of Monterey, State of California

Receive an oral report from the Board of Supervisors
Human Resources Committee staff regarding the Human
Resources Centralization Plan and take any other actions
deeded appropriate........................................

Upon motion of Supervisor ________________, seconded by Supervisor ________________,
and carried by those members present, the Board of Supervisors hereby received an oral report
from the Board of Supervisors Human Resources Committee staff regarding the Human
Resources Centralization Plan and took any other actions deemed appropriate.

PASSED AND ADOPTED on this ________________, by the following vote, to-wit:

AYES:
NOES:
ABSENT:

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby
certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in
the minutes thereof of Minute Book___ for the meeting on ________________.

Dated: ____________________________
Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By ____________________________, Deputy
The Road Ahead

HR Project Status Report to the Board of Supervisors
December 13, 2011
Since the decision at the July 26th Meeting, much has been accomplished to move toward centralization

<table>
<thead>
<tr>
<th>Key Actions</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department HR Needs- Immediate and Long Term</td>
<td>Benchmarked other Counties and surveyed Department Heads and HR personnel to determine desired HR functions, services and current concerns</td>
</tr>
<tr>
<td>HR Scope of Work</td>
<td>Developed draft, detailed HR Scope of Work with roles and responsibilities defined between HR Central, Field HR and Departments</td>
</tr>
<tr>
<td>HR Targets and Metrics</td>
<td>Developed draft HR Targets and Metrics to re-enforce customer service</td>
</tr>
<tr>
<td>Service Level Agreements</td>
<td>Drafted common elements of MOUs to facilitate agreements between Departments and HR</td>
</tr>
<tr>
<td>BOS-HR Committee reviewed the project on 11/3 (Department Heads and Union Representation present)</td>
<td>Committee reviewed report and the input received from various stakeholders and recommended formation of a Steering Committee to support implementation of Blended Model</td>
</tr>
<tr>
<td>Detailed Transition Plan</td>
<td>Developed detailed transition plan to demonstrate 2.5-3 year required timeframe implementation</td>
</tr>
</tbody>
</table>

1 Attachment contains detailed list of results, benchmark information, common MOU elements, HR Targets and Metrics
HR will Build a Customer Service Organization with consistency at its core

To build Customer Service into the fabric of the organization, HR will implement:

- Staff co-located with Departments they serve where possible to provide the right focus, service and speed
- Joint HR and Department Head selection of Department HR senior level personnel
- Department Customer Service Metrics

To promote consistency, HR will implement:

- Standard Operating Procedures and Policies that address customer needs
- Single reporting structure into Central HR
- Audit function to re-enforce consistency and a culture of compliance
Where is Monterey on the path to have more efficient, consistent HR services?

<table>
<thead>
<tr>
<th>Key Indicators</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organization</strong></td>
<td></td>
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<tr>
<td>- Leadership is defined, in place and functional</td>
<td>- Three key management positions vacant</td>
</tr>
<tr>
<td>- HR specific job duties are documented, understood,</td>
<td>- HR Central specific job duties are not documented or well understood</td>
</tr>
<tr>
<td>and HR personnel are held accountable for their</td>
<td>- 3 personnel systems are in place</td>
</tr>
<tr>
<td>responsibilities</td>
<td>- Currently 23 bargaining and employee units</td>
</tr>
<tr>
<td>- Single or simplified personnel systems</td>
<td>- Communication process does not exist and while an advisory team developed a plan to improve communication, it has not yet been implemented</td>
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<tr>
<td>- Consistent terms and conditions across bargaining</td>
<td></td>
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<tr>
<td>and employee units.</td>
<td></td>
</tr>
<tr>
<td>- HR organizational direction is communicated</td>
<td></td>
</tr>
<tr>
<td>frequently and clearly.</td>
<td></td>
</tr>
<tr>
<td><strong>Policies</strong></td>
<td></td>
</tr>
<tr>
<td>- Current policies readily available online.</td>
<td>- Policies are online but out of date</td>
</tr>
<tr>
<td>Documented procedures to support policies</td>
<td>- Most current procedures are not clearly documented</td>
</tr>
<tr>
<td>- Training materials and/or online training for</td>
<td>- Training materials will need to be created/updated</td>
</tr>
<tr>
<td>procedures</td>
<td></td>
</tr>
<tr>
<td><strong>HR Data Management Systems</strong></td>
<td></td>
</tr>
<tr>
<td>- Paper processes are eliminated and all HR-related</td>
<td>- Significant paper processes are in place.</td>
</tr>
<tr>
<td>data is entered into a central repository to be</td>
<td>- Redundant approvals required.</td>
</tr>
<tr>
<td>able to create reports and store records</td>
<td>- Some reports are available and more are needed</td>
</tr>
<tr>
<td>- Reviews and approval of data entered are</td>
<td></td>
</tr>
<tr>
<td>streamlined</td>
<td></td>
</tr>
<tr>
<td>- Data reports can be generated by HR Central and/or</td>
<td></td>
</tr>
<tr>
<td>Department personnel</td>
<td></td>
</tr>
<tr>
<td><strong>Goals, Targets and Metrics</strong></td>
<td></td>
</tr>
<tr>
<td>- HR organization has measurement systems in place</td>
<td>- Measurement systems are not in place</td>
</tr>
<tr>
<td>that are frequently reviewed for progress and</td>
<td></td>
</tr>
<tr>
<td>personnel performance is measured against</td>
<td></td>
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<tr>
<td><strong>Customer Service</strong></td>
<td></td>
</tr>
<tr>
<td>- Sufficient number of trained, experienced</td>
<td>- Experienced personnel but level of customer service has not been</td>
</tr>
<tr>
<td>personnel that address customer issues as top</td>
<td>measured</td>
</tr>
<tr>
<td>priority</td>
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</tbody>
</table>
The Draft Blended Model Plan addresses the County's needs

- Some HR functions will be centralized (majority of tasks performed in Central) where there is general agreement that this will increase HR resource efficiency
- Keep HR resources close to the Departments for customer service – focus, service, and speed

**Central HR Functions**
- Compliance
- HR Staff and Executive Recruitment & Selection
- HR Professional Development
- Labor Relations
- Policy
- Learning & Development
- Benefits
- Classification
- Communications
- Compensation
- HR Information Management and Data Entry
- Leave Management
- Records Management

**Depart/Field HR Functions**
- Employee Recruitment and Selection
- Candidate Testing
- Organizational Development
- Performance Management
- Workforce/Succession Planning Support
- Employee Relations
- Grievances
- Employee & Management Coaching
- Career Counseling
- Discipline
- Investigations
- Position Management
- Americans with Disabilities Act
- Reductions in Force
It is expected that the HR Costs will go down by the end of the three year implementation.

The proposed Blended Model Plan is intended to:

- Reduce rework in key areas such as HR data entry
- Streamline HR processes to eliminate redundancy
- Organize and staff the HR Department to be more consistent with other Counties’ HR structures
- Current results indicate 62 FTE so to reach the 1/100 benchmark ratio would mean reducing to 39 FTE – However, the 62 FTE estimate is being validated by the Departments and HR Steering Committee.

1 Detailed data to back-up expected savings, available.
2 October 2011 Status report indicated a total HR level-of-effort of 75. The number was lowered as a result of staff departures and removal of payroll and timekeeping efforts.
3 Reflects HR work without Finance, Compliance, Risk, Reception, Payroll, Timekeeping, and other non-HR duties.
A Transition Period is needed to put the essential pieces in place

To avoid major disruption, confusion and inefficient operations, a transition period is needed to do the following:

• Put infrastructure elements in place:
  – Recruit open key HR Leadership positions
  – Update policies
  – Develop/revise processes and procedures for key areas
  – With Departments, assess the expertise and headcount needs

• Re-evaluate personnel systems

• Put MOUs in place

• Select HR metrics and collect baseline data

• Train staff

• Transition HR staff simultaneously beginning of 2013

• Continue to evaluate required adjustments
Projected Blended Model Project Plan\(^1\): Overview

2011

- HR Steering Committee established
- Begin HR process reviews

2012

1. Put infrastructure elements in place:
   - Recruit open HR Leadership positions (Director & Principals)
   - Update policies
   - Develop revised, processes and procedures for key areas
   - Select 1 and 2 level management
   - Assess and select remaining HR staff
2. Re-evaluate personnel systems
3. Put MOUs in place
4. Select HR metrics and collect baseline data

2013

- Transition HR staff at beginning of year
- Determine HR goals, targets and metrics
- Identify key existing gap from performance data and develop performance improvement plan
- Continue HR process reviews/refinements
- Performance assessment of HR organization
- HR customer satisfaction survey

2014

- Determine process stability
- Implement further changes to staffing necessary to meet benchmark ratio

\(^1\)Detailed plan with specific timelines has been developed for 2012 and 2013 and is in the attachment
<table>
<thead>
<tr>
<th>Change</th>
<th>Human Resources Department</th>
<th>County Departments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting Relationship</td>
<td>• All staff reports centrally with strong dotted line to Dept. Heads</td>
<td>• Strong dotted line relationship with HR Field Staff</td>
</tr>
<tr>
<td></td>
<td>• Annual reviews reflect performance metric results</td>
<td>• Joint field staff selection and performance review with Central HR</td>
</tr>
<tr>
<td>Strategic Support</td>
<td>• Field HR address the Dept’s strategic HR needs</td>
<td>• Dept Heads communicate strategic HR needs to Field HR staff and provide Central feedback through the customer satisfaction survey</td>
</tr>
<tr>
<td></td>
<td>• Central HR conducts customer satisfaction surveys to ensure strategic needs are met</td>
<td></td>
</tr>
<tr>
<td>HR Audits</td>
<td>• Joint Central and Field audit teams perform periodic audits</td>
<td>• Dept Heads support audit process and ensures closure of findings</td>
</tr>
<tr>
<td></td>
<td>• Implement tracking system to ensure audit findings are addressed</td>
<td></td>
</tr>
<tr>
<td>Conflicts</td>
<td>• HR staff raise any unresolved conflicts through their chain of command</td>
<td>• Dept Heads address with the HR Director any un-resolvable conflicts with their HR personnel</td>
</tr>
<tr>
<td></td>
<td>• HR Department senior level personnel work to resolve actual or potential conflicts</td>
<td></td>
</tr>
<tr>
<td>Loss of HR Staff</td>
<td>• Central HR recruits capable staff for joint selection with the Dept Heads</td>
<td>• Dept Heads will jointly select HR staff and support substitute staff</td>
</tr>
<tr>
<td></td>
<td>• Central fills critical losses until permanent replacement can be assigned</td>
<td></td>
</tr>
<tr>
<td>Policy Approval</td>
<td>• Central development of Policies with field input including associated procedures, training and communications</td>
<td>• Dept Head review and approve new policies before implementation</td>
</tr>
<tr>
<td></td>
<td>• Formal review and approval process for new policies or major changes to existing policies</td>
<td></td>
</tr>
</tbody>
</table>
A Steering Committee is being formed

STEERING COMMITTEE ROLE
To provide input and assistance to the HR Blended Model Project Management through the implementation period to facilitate a smooth transition.

PROPOSED COMMITTEE COMPOSITION
- Facilitator: Yvonne Walker, Management Analyst III
- Three Representatives from HR: Kim Moore, Principal Personnel Analyst; Diane Dinsmore, Principal Personnel Analyst; Dannie Ryan, Management Analyst II
- Three Dept Heads: Eric Lauritzen, Agricultural Commissioner; Sheriff Scott Miller, Office of the Sheriff; Elliot Robinson, Director of Department of Social and Employment Services
- Three Union Representatives: Roger Van Horn, Bargaining Team- Unit H; Diego Quevedo, Vice President-Unit K; Jay Donato, Executive Officer of SEIU 521

COMMITTEE RESPONSIBILITIES
1. Provide strategic advice and information regarding the HR Blended Model implementation steps to the HR Project Management.
2. Provide support where possible to the HR Blended Model efforts.
3. Provide communication to respective groups and departments regarding the HR project progress.
How will the work get done?

- Over the next two years, a significant amount of work must be accomplished.
- HR Central does not have enough staff to accomplish the actions within the project period:
  - Will look to leverage support across the Department HR staff.
  - Continue temporary staff support.
  - Schedule is dependent on no major other initiative launched during this period.
- Will need BOS, Union and County Management support to keep project work moving ahead:
  - Eliminate constraints.
  - Understand and support streamlined procedures.
  - Remove unnecessary review and approval processes.
  - Track HR project status and encourage continued progress.
ATTACHMENTS

1. HR Project Results To Date
2. Proposed Blended Model Plan Addresses Department Head Concerns
3. Draft Common Elements of Service Level Agreements (MOUs) (DRAFT)
4. Draft Goals, Metrics, and Targets to Define Joint Agreement Satisfaction (DRAFT)
5. Common HR Functions designated in other County Organization Charts
6. Detailed Transition Plan (DRAFT)
1. HR Project Results To Date

- Department Heads- surveyed and interviewed (76% response rate)
- Human Resources Staff- surveyed and conducted employee interview
- Convened Six “Advisory Teams” and completed assigned work
- Performed benchmarking project with 10 California County Human Resource Departments
- Identified issues of immediate concern and developed a corrective action plan
- Developed Mission, Vision and Values statements
- Developed a Communication plan
- Worked with CPS to evaluate Merit implications of our current plan
- Assembled and updated current policies and put them on the intranet
- Selected initial performance measures and targets
- Created a new section in HR committed to developing and implementing a plan to address information and record management needs, and to address the current customer interface issues with Advantage System
- Identified HR staff Training needs
2. The Proposed Blended Model Plan Addresses Department Head Concerns

<table>
<thead>
<tr>
<th>Concern Raised</th>
<th>Response</th>
</tr>
</thead>
</table>
| Central HR must partner with Departments with the Departments having input on performance | • Will create Service Level Agreements with Departments  
• Will implement HR performance measures and targets  
• Will create annual performance survey tool |
| Increased cost to centralize                                                    | • Based on other counties’ experience, the cost will go down                                  |
| Fully analyze HR situation before making a recommendation                      | • Internal studies and benchmarking have been conducted and continue to indicate the blended approach to Blended Model |
| Single point of accountability might be lost when functions are moved away from operations | • HR Central and Field will be held accountable through joint HR performance measures and targets  
• Joint selection and performance review of HR Field Staff |
| Current level of support cannot be reduced, service costs increased or other service/support impacts | • Plan is to improve services (both quality and amount) and decrease cost over time  
• Create customer service desk to ensure Departments’ requests are met |
3. Draft Common Elements of Service Level Agreements (MOUs)

Purpose:
An agreement made between the County Central Human Resources group and the Departments defining responsibilities between the two organizations.

Need for agreement:
To ensure understanding of roles and responsibilities regarding Human Resources requirements and services for the blended model organization structure.

Agreement details
- HR Central Responsibilities
- Field HR Responsibilities
- Department Head Responsibilities
- Reporting Relationships
- Joint Goals, Metrics, and Targets to define agreement satisfaction
4. Draft Goals, Metrics, and Targets to Define Joint Agreement Satisfaction

As developed by the HR Metrics Advisory Team:

**Employee Relations**

Workload Measures:
- Number of grievances
- Number of performance evaluations

Effectiveness Measures:
- % grievances resolved before arbitration
- % performance evaluations given on time

**Recruitment**

Workload Measure:
- Number of recruitments

Effectiveness Measures:
- % new hires selected from eligibility list
- % new hires that pass probation

**Policy and Development**

Workload Measure:
- Number of Managers and Supervisors trained in key HR policies that demonstrate proficiency in policies/procedures

Effectiveness Measure:
- % Managers and Supervisors that received training in key HR policies

**Classification and Compensation**

Workload Measure:
- Number of classification specifications review and revised
- Number of new and re-classification studies performed

Effectiveness Measures:
- % classification specifications approved
- % of new and re-classifications approved
5. Common HR Functions designated in Other County Organization Charts

- Training & Development
- Risk Mgmt
- Recruitment
- Labor Relations
- HR IT
- Finance & Accounting
- Employee Relations
- EEO
- Classification
- Benefits

Functions present in greater than 50% of benchmark Counties (Sonoma, San Mateo, Orange, Riverside, San Joaquin, Imperial, Honolulu, Alameda)
6. Projected Blended Model Project Plan: 2012 Details

- Recruit and select 2 HR Principals and Leader
- Process map HR data entry
- Develop and submit a proposal to move to one Personnel system
- Update policies
- Process map 28 HR functions
- Determine Centralized Data Entry and staffing needs
- Determine baseline data needed for metrics and system to collect data
- Develop HR goals and targets for FY2013
- Recruit, select, and train Centralized Data Entry staff
- Develop procedures, update PSM, initiate approval process for new policies
- Implement information gathering/required changes if proposal to move to one Personnel system is approved
- Develop comprehensive HR Data Management plan
- Centralize HR data entry
- Evaluate Leave Mgmt, Personnel Information and Benefits for data efficiency improvements
- Document specific job duties for HR Central staff
- HR Principals recruit/select staff for newly defined HR Central and Field HR senior level positions
- Develop orientation program for new HR positions
- Implement HR goals and targets
- Assess/place for Central and Field staff positions
- Put in place MOUs with Departments
- Develop/provide training for new/updated policies and procedures for staff that is not transitioning
- Conduct orientation/training for new HR positions
- BOS HR Committee updates (monthly HR update through the HR Link, Bimonthly Dept Head updates)
6. Projected Blended Model Project Plan: 2013 Details

- Transition all HR staff simultaneously (except Centralized Data Entry which already transitioned)
- Implement information gathering/required changes if proposal to move to one Personnel system is approved
- Complete process maps for remaining 28 HR Functions
- Develop HR goals, targets and metrics
- Evaluate Records Mgmt for data efficiency improvements
- Implement HR goals, targets and metrics
- Conduct assessment of HR organization
- Conduct customer satisfaction survey
- Identify key existing gaps from performance data and develop a performance improvement plan
- Provide BOS HR Blended Model Updates (monthly HR update through the HR Link and Bimonthly Dept Head updates)