

The Hiring Process in the City and County of San Francisco

INTRODUCTION

The City's hiring system is needlessly complex, wasting both time and energy. The extended process required to fill positions impedes the work of City departments in providing necessary services to the general public and frustrates many qualified job candidates, who then decide to look elsewhere for employment.

Nearly twenty years ago, a former Director of City Planning described the City's hiring system as:

...incredibly cumbersome and did nothing to attract top people. The time between the announcement of an opening and appearance of a final list of those who passed was so long that most qualified applicants were likely to have found and taken other positions long before San Francisco concluded its process. The best people were gone. [1]

The problems still exist, but the need for solutions has become even more urgent now under pressure from budget cuts and high expectations from a well-informed public. Job requirements are changing due to technological innovations, organizational changes and new ways of conducting business. The lack of a labor relations strategic plan to address citywide collective bargaining heightens the need to review the hiring process. City departments are poorly served by the current inefficient and archaic hiring system.

The 1996-1997 Civil Grand Jury investigated whether recent voter-mandated charter amendments, intended to remove barriers and modernize the hiring process, have met the voters' objectives.

LEGAL AND ADMINISTRATIVE REQUIREMENTS

The City's recruitment and hiring process is governed by applicable federal and state laws, charter provisions, Civil Service Commission (CSC) rules, court decisions and consent decrees. These are implemented by City departments through CSC and Department of Human Resources (DHR) policies and procedures.

Proposition C, passed in November 1991, transferred most hiring and examination issues from the Charter to CSC. Prior to that time the voters had to approve all changes, including qualification and examination of applicants, protests on written questions and answers, protests of tentative lists of eligibles, duration of eligible lists, limited tenure, and temporary and emergency appointments. These former charter provisions consisting of detailed personnel rules are now CSC rules that can be updated by the CSC, subject to public hearing and requirements to "meet and confer" [2] with the unions representing City employees. CSC now has wide-ranging authority to establish employment policies.

Proposition D, also passed in November 1991, allows hiring consideration of all applicants with the same high score on a civil service list. Prior to this, only three of the candidates with the highest scores could be considered for each vacant position. This amendment also authorizes CSC to adopt rules allowing expansion of the pool of qualified applicants from which departments can make a selection.

In November 1993, San Francisco voters passed Proposition L, which established the DHR, making it responsible for the day-to-day administration of all personnel matters. CSC continues to be an appeals and policy-making board that oversees and regulates

the City's merit system as described below. Under the newly created DHR, the City, for the first time, has various personnel functions consolidated into one central agency. These include labor relations, health and safety, and Workers' Compensation.

Proposition F, also passed in November 1993, and its predecessor, Proposition B, passed in November 1991, allowed collective bargaining on wages, hours and a wide range of personnel issues. These propositions also affected the hiring process.

PROCEDURE

The Civil Grand Jury investigated the role of CSC and DHR in the hiring process. It also reviewed both the negotiation process and the administration of union agreements since they affect most work-related issues, including hiring.

The Civil Grand Jury's investigation consisted of interviews with City staff, analysis of reports and public documents and discussions with staff from both other governmental agencies and the private sector. (See Appendix A)

To increase the Civil Grand Jury's understanding of both specific problem areas and suggestions for improvements, a representative sample of comments was gathered from personnel staff in City departments. (See Appendix B)

The Civil Grand Jury asked several federal agencies how they had streamlined their hiring process to see if their current practices might provide instructive guidelines for the City.

SUMMARY OF MAJOR RECOMMENDATIONS

The Civil Grand Jury's recommendations include those the City has unilateral authority to implement and those that require cooperation of the unions. All of these recommendations are intended to facilitate the reform of personnel administration begun with the charter amendments initiated by the City during the 1990s.

Major recommendations the City could effectuate without union involvement:

1. DHR should continue to delegate recruitment and selection activities to major departments, retaining policy and oversight authority.
2. DHR should develop generic tests for comparable office and clerk jobs, such as clerks, secretaries, computer specialists and accountants.
3. CSC and DHR should streamline the open job application appeals process.
4. The City should develop a blueprint for future labor contracts to take into account the changing needs of the workforce and to provide uniform treatment of employees in similar occupational groupings.
5. The City should establish a separate budget for the development, implementation and operation of a citywide personnel information system that can support labor contract negotiations and personnel policy administration.

Major recommendations which would require union cooperation:

1. CSC has proposed rules to accelerate the hiring process. DHR should meet and confer with the unions as soon as possible to implement these rules.
2. The City should work with the unions to reduce the number of collective bargaining agreements.

3. DHR should develop uniform work rules in contracts with similar occupational groupings of employees to provide consistent treatment and to streamline contract administration.

4. "Coalition bargaining" for similar occupational groupings of employees should be pursued wherever possible. The City and the unions have already used this approach in some instances. Coalition bargaining will provide uniform work rules as well as reduce costs of bargaining and contract administration.

BACKGROUND

Civil Service Commission

Proposition L, passed in November 1993, terminated CSC oversight of the City's Personnel Department and most City and County personnel matters. CSC continues to administer the merit system through its rule-making, appellate and inquiry powers. Day-to-day personnel operations now reside with DHR, the successor to the Personnel Department. CSC, in its new role, has a small staff of six that provides it with administrative and clerical support, makes rules, conducts hearings related to merit system issues, hears appeals to actions of the Director of Human Resources and conducts Unfair Labor Practice (ULP) investigations. With its authority to set rules, CSC plays a major role in the City's hiring process.

Findings

A top priority of both CSC and DHR is to address the City's complex and unwieldy position classification system. In 1991, the City had over 2,000 occupation classes, many of which were duplicative, outdated or obsolete. In 1992, an effort to reduce this number resulted in elimination of almost 400 classes.

Currently, CSC's Coordinating Working Group, which consists of Commissioners, senior CSC staff and senior managers of the DHR, is continuing the task of reducing the more than 1,500 classes to fewer than 1,000. By consolidating classes and eliminating redundancy, the City will be able to reduce the number of examinations required for City jobs.

The process of reducing classes is slowed considerably by the need to meet and confer with employee organizations, including unions. It is especially complex if a permanent employee holds a job in a class being considered for elimination.

CSC has promulgated numerous rule changes which could affect hiring practices. These changes now await DHR action with the City's unions.

Recommendation

1. CSC and DHR should identify and prioritize those changes that can speed the hiring process through CSC's rule-making authority, since a charter amendment has removed previous restrictions on CSC to act independently.

Department of Human Resources

The new DHR administers personnel functions for the City's approximately 27,000 employees, who work in 60 departments and include non-teaching employees in the San Francisco Unified School District and Community College District. Personnel costs constitute about 70% of the City's budget. DHR is headed by a director with a staff of

approximately 200, who administer not only employment functions but also labor relations, health and safety mandates and the City's Workers' Compensation program.

Findings

Staff members at all levels are committed, knowledgeable and want to bring about permanent and long-range improvements in the system. Because City management has not clearly assessed the roles and responsibilities of this new department (DHR), the staff spend much time doing things the same old wasteful way instead of devoting their time and energy to organizing, planning and analysis.

The charter amendments, which dramatically altered the City's personnel system, came "too much, too soon," and put enormous pressure on DHR staff. While DHR was aggregating workers and functions from other City departments to form the nucleus of the department, it also had to grapple with expansion of citywide collective bargaining, which added a major workload. Further charter revisions on collective bargaining increased the burden on the still developing department.

A new personnel computer system, established at considerable time and expense, had failed and left the City without any easily retrievable or reliable personnel data. This failure came just when staff was involved with the complex task of establishing a new department.

The City has not yet adequately staffed DHR to enable it to modernize its archaic personnel system. City officials failed to recognize the staffing level necessary to create a new, improved department. They assumed DHR would require less staff when, in fact, it needed more. The creation of DHR did not lessen the amount of routine work required in the hiring process. As a result of the City's miscalculations, staff had very little time to devote to modernizing efforts.

Prior to the establishment of DHR, a staff of 49 handled classification and examination functions. DHR now has only 30, a reduction of 39% in staffing without any corresponding decrease in workloads. Since DHR does not have any current data on staff utilization, staffing needs or potential efficiencies cannot be accurately assessed.

DHR performs most of the functions of the hiring process, such as recruitment, examination, and certification. Some of these nominally centralized functions are delegated to departments that have the staff and expertise to do their own hiring. The specific delegation of hiring authority to these departments is outlined in Memoranda of Understanding (MOU).

DHR does not have the computer systems capability to retrieve personnel data. The most glaring deficiency is the lack of a central repository for personnel information, which is currently scattered throughout City departments. Accessing data requires contacting individual departments, the Controller's office, the Retirement System and the DHR's limited systems.

DHR staff does its best in responding to the needs of City departments and has prepared some written personnel guidelines. However, many City departments remain unclear on DHR's role and responsibilities. They are also unaware of the range of the work DHR is planning or has already undertaken, though these personnel decisions affect their operations. As a result, there is a perception that DHR itself is a major obstacle in the hiring process. This criticism could be minimized if other department

heads were aware of the many complex legal requirements that DHR must comply with during the job analysis, recruitment, examination and selection process.

To obtain a computer-generated list of eligible candidates for hiring purposes is often difficult.

Recommendations

2. In consultation with CSC, DHR should delegate recruitment and hiring authority to individual departments, the staffs of which are likely to be more familiar with their own job requirements. Some departments, such as the Port of San Francisco, already have such agreements with DHR. Departments to which this authority is delegated should have personnel analysts who are well trained in all phases of employment activities. DHR should maintain oversight responsibility and monitor these delegated functions to ensure proper compliance with policies and procedures. By removing a processing layer, DHR could then concentrate on formulating policy, planning and analysis with the long-range goal of modernizing the City's personnel functions.

Comment: The federal Office of Personnel Management (OPM) has delegated most hiring authority to each federal agency. OPM retains recruitment and examination authority for only a few positions and permits agencies to develop their own qualification standards and examinations on all other positions. The OPM performs on-site audits and will revoke hiring authority if it finds non-compliance.

3. The City should allocate additional staff to DHR to support its 1993 charter amendment promise: "After 90 years, San Francisco needs to enter the 1990s with a modern personnel operation. This means greater efficiency, lower costs, and accountability for administrators." The creation of DHR was necessary and commendable, but the current system could hardly be called more efficient and could be more costly to the City in the future than the previous one.

4. DHR should focus on both short- and long-range planning. Routine day-to-day work must be streamlined to allow time for planning. It should establish and coordinate personnel goals with other City departments.

5. HR should hold periodic meetings with City departments to share information about hiring problems and successes. Some departments appear to be more successful in overcoming hiring and recruitment barriers. Some may be willing to contribute staff to work on projects that will benefit not only their own departments but contribute directly to the City as a whole. Ideally, DHR should act as a clearinghouse of ideas on successful hiring practices.

6. DHR should prepare a simple handbook to detail roles and responsibilities in the hiring process. Some departments are trying to perform personnel functions in which they have insufficient expertise or training. Others do not have a full understanding of the various steps in the hiring process.

The Hiring Process

Types of Positions:

With certain exceptions specified in the charter, City positions are obtained by merit through competitive examinations, usually administered by the DHR. This is known as the merit system.

With the exception of exempt and provisional employees, full-time and part-time employees are selected through the regular merit system process. They are granted all rights and protection provided by the City's Civil Service System.

A provisional appointment is a hiring expedient which permits an individual to be hired temporarily based on less stringent qualification standards. This usually occurs because an official test has not been developed, an examination has not been scheduled or potential appointees on existing eligible lists have indicated no interest in temporary employment. Provisional appointments are comparable to regular competitive appointments in every respect except the appointees have not taken the official tests for the positions. At a future date, these employees must either pass the official examination and be competitively eligible for selection or their employment will have to be terminated.

An exempt appointment is non-competitive. The charter designates these positions and allows the mayor, the Board of Supervisors or department heads to fill these openings.

Filling a job vacancy or vacancies in a job classification consists of several steps. In collaboration with the department that has the vacancy, DHR staff members will fill the job as follows: (See Appendix C and D)

Job Analysis - analyze job requirements, including duties, tasks, and responsibilities. This analysis is required for every examination to ensure that the testing is job-related.

Recruitment - announce the vacancy(ies) and seek qualified applicants.

Examinations - prepare and administer a written, performance or oral test or a combination thereof. For some job vacancies where exams have previously been given, there may be existing eligible lists.

Eligible list - rank the candidates who have met the minimum qualifications and other criteria and who could be considered for employment.

Certification - send the list of eligible candidates to the department selection official and notices to the eligible job candidates.

Appointment - hire the successful applicant. The head of the department where the vacancy exists makes the selection.

When a vacancy occurs in a department, a requisition is prepared by the department, routed through the Mayor's Office, then to the Controller's Office, and finally to DHR for review and processing. At any step along this clearance process, the requisition could be held up or returned to the department for additional work or information.

The Mayor's Office reviews the requisition to determine the need for the position, particularly during a hiring freeze or budget crunch. The Controller's Office checks for availability of funds within the department's budget. DHR is the workhorse that performs the mechanics of filling the job. Its staff performs the job analysis, determines the proper classification, announces the vacancy, administers the testing and processes the paperwork for the successful candidate.

Findings

The City's classification and examination processes are complex and confusing. They are a nightmare to administer and cause inordinate delays in the hiring process. The vast number of classifications means numerous examinations must be administered.

The examination process is particularly time-consuming since many of the existing "off-the-shelf" exams are not job-related. They are outdated or inadequate since job duties and requirements change rapidly for many positions. The City needs to develop more tests that are customized. The process requires expertise in so many areas that DHR must rely on help outside the department. The examination process can take months as job duties must first be analyzed to determine specific task requirements. Then a test must be developed before the job can even be announced.

The construction of job-related examinations is time-consuming and arduous. Since examinations have not been developed for a number of positions, the City has overused provisional hiring to expedite filling jobs. However, once a job is filled provisionally, there is a tendency to postpone exams, often for many years, sometimes indefinitely. The number of provisional employees has become excessive.

As of April, 1996 the number of provisional employees had swollen to 2,844, more than 10 percent of the City workforce. The duration of provisional status ranged from less than six months to more than 10 years. By occupation, the Municipal Railway had the highest number of employees in provisional status, 165 Transit Operators. Particularly startling is the high number--over 100--of clerical/secretary positions filled by provisional appointment. Since clerical duties are common throughout public and private industry, there should be no need for that many provisional appointments; tests should be fairly well standardized and readily available. The Board of Education alone had 70 provisional clerical employees.

Under the new Charter passed in November, 1995, effective 7/1/96, provisional appointments for classified positions where no eligible list exists cannot exceed three years. The Board of Supervisors must approve any extension. The DHR must certify that the department was unable to conduct examinations for these positions for reasons beyond its control. The loss of a personnel database because of the unsuccessful migration to a new computer system has materially slowed the efforts of the DHR to meet the charter deadline.

The paper review of job applications to determine qualifications is time consuming. Applications must be screened for minimum qualifications before an examination is administered. Sometimes, over 1,000 applications are received for just one vacancy. As a result of the Job Fair held in January, 1997, which attracted over 30,000 job-seekers, many City departments have been inundated with applications and inquiries.

Several departments have complained about the delay in the certification process. The DHR experienced a computer breakdown that lasted from July 1995 to December 1996. This mishap prevented the generation of a list of eligible candidates, immobilized or delayed the hiring process and created an 18month backlog.

The City has an elaborate and lengthy examination appeals process and there are no limits on what can be protested. Job applicants can appeal on virtually any grounds, from an application being called poorly prepared to disagreement over an exam's format. Appeals are first heard by the DHR. Adverse decisions can be appealed to the

CSC. These protests take time as does the required hearing at each step in the process. In most instances the job vacancy cannot be filled while an appeal is pending. This can sometimes last for as long as two months.

Most of the processes discussed above--classification, examination, appeals--are subject to meet and confer obligations or other union involvement.

Recommendations

7. DHR should review the examination process for the purpose of developing testing that is more generic. It may not be necessary to develop individual tests for many occupations. Generic tests would allow job applicants to become eligible for City jobs with similar requirements by taking a single examination rather than multiple exams.

Comment: Few occupations in the federal government require written examinations. The elements used to determine qualifications and ranking include education, experience and other knowledge, skills, and ability (KSA) factors that are based on individual job requirements.

The federal Office of Personnel Management (OPM) requires a written examination only for clerical jobs. It fills entry-level positions in a wide range of administrative, technical and professional occupations without requiring a written examination. The process used is called Administrative Career With America (ACWA). ACWA has been tested and validated. Since it replaced a written test that was successfully challenged in a lawsuit, it also had to receive court approval.

8. DHR should both monitor and limit the use of provisional hiring and establish realistic time frames for its duration. Provisional status is not fair to the department, which may lose a trained and valued employee, or to the employee, who risks losing a job.

9. The CSC and DHR should review the appeals process and determine how it can be streamlined without compromising due process. In some situations, it may be feasible to build in specific remedies for a successful appeal while allowing a job to be filled without delay.

10. The Mayor's Office should consider allowing some requisitions for positions that have received prior budget approval to bypass further review. Budgetary control for these positions could be monitored at the controller's clearance point and through the automated financial system (ON-LINE FAMIS). The Mayor's Office could then concentrate its attention on positions where an in-depth review of continuing need is most critical.

11. The CSC and DHR should use technology to simplify the hiring process. (This area is discussed in more detail below under Information Technology.)

Collective Bargaining

Federal statutes, the California Labor Code, the City Charter, and the Employee Relations Ordinance govern labor relations in the City.

Recent charter amendments (described above) greatly enlarged the number of personnel areas subject to collective bargaining. The City's unusually large number of employee organization units and contracts makes administering these charter amendments particularly complex. The City has over 100 bargaining units and sub-units, and 58 contracts with unions covering these units. The number of units continues

to grow, with four more added in just this past year. Los Angeles County, with a workforce almost three times larger than of San Francisco's, has fewer than 20 units.

The labor relations function resides with DHR's Employee Relations Division (ERD). The City Attorney's office acts as legal advisor in the collective bargaining process. It reviews and approves the legal aspects of contracts and ensures that matters reserved to the CSC, such as examination and appointments, are not included. The City Attorney's office also represents the City in both interest and grievance arbitration proceedings.

Staff members of ERD and various City departments form the City's negotiating team. As in the past, the City contracts with private labor attorneys to lead some of the negotiations. The rationale is that this is a more costeffective approach for a cyclical workload. The cost of outside consultants for FY 1996-97 is projected to be between \$500,000 and \$600,000.

The Civil Grand Jury reviewed collective bargaining with City representatives to determine their view of its current and future impact on the hiring process.

The Grand Jury did not interview union representatives. It acknowledges the essential and vital role of the City's employee organizations in representing the interests of their members.

Findings

Collective bargaining is not new in the City, but the scope and complexity of labor relations administration have increased dramatically with the passage of Propositions B and F.

The City does not have a vision and has not formulated a broad strategic labor relations plan to chart its future course. Such a plan would help attract and retain essential employees and improve working conditions and other benefits.

The large number of collective bargaining agreements which, in some cases, have only minor substantive differences, imposes a significant administrative burden on the City's management staff. Department managers must often be familiar with several different contracts that cover employees in their department.

The large number of variances in contract provisions also creates inequities in the treatment of employees who perform the same or similar work, or have the same skills, but receive different compensation because they are subject to different contracts. For example, employees working side by side may have differing numbers of paid holidays or rates for overtime.

The ERD, with a staff of fewer than 10 involved in labor relations, is charged with representing the City's interests in negotiating and administering 58 contracts in a multitude of personnel areas. Prior to Propositions B and F, the Mayor's Office had a staff of seven dedicated to a less complex labor relations system.

Staffing in the ERD is decidedly inadequate to perform the analysis and data-gathering activities to prepare for negotiations and to administer existing contract provisions. Both processes are extremely labor intensive. The ERD staff must perform substantive contract analysis and formulate fact-based strategy and negotiating proposals. Contract administration includes many areas requiring meeting and conferring with the unions.

Staff research is often required to ensure consistency in interpreting and applying the provisions in the 58 City contracts. In addition to the DHR, all major departments have people involved in contract administration.

The lack of consistency in applying CSC rules to employees represented by different unions may lengthen the process for filling job vacancies. For example, some vacancies require union agreement on the number of candidates the department may consider.

Since salary, benefits and working conditions are governed by 58 different contracts, a job applicant exploring City employment will need to research the provisions of applicable labor contracts rather than a single City personnel policy of basic working conditions.

Forty rules changes promulgated by the CSC and referred to the DHR for a determination of meet and confer obligations have not been acted on because DHR had neither the resources nor sufficient expertise to address the wide range of issues in these rules changes. The delays ranged from 12 to 18 months.

The City has neither easily retrievable nor reliable data to cost-out various options for use in the bargaining process. It does not have a reliable personnel system that provides accurate data to determine total compensation for existing employees such as base salary, overtime, leave, medical and dental benefits and pensions. The lack of comprehensive data prevents the City from making meaningful comparisons to formulate its bargaining positions.

The ERD and the unions, in some instances, have used coalition bargaining, a process in which the unions bargain as a single body over common issues. Coalition bargaining minimizes repetitive bargaining, contract inconsistency and loss of time and money to the City.

Recommendations

12. The City should pursue long-term strategic planning, as is done in the private sector, on what kind of compensation package would best serve the employees and the City. This information should be shared with the City's unions and other employee organizations.

13. The City should immediately increase the staffing level of ERD. This will improve the ability of ERD to successfully implement Propositions B and F, which promise "a fair, impartial and fiscally responsible way to determine wages, health benefits and working conditions for City employees."

14. The City, in collaboration with its unions, should initiate a study on the impact of collective bargaining on the City's resources and its future. The study should identify ways to streamline the process of labor relations to ensure equitable treatment of City employees and to provide for ease in administration.

15. The City should initiate discussions with the unions in order to determine whether certain working conditions and benefits of employment should be uniform in all contracts. They might, for example, want to consider that vacation, sick leave, leaves of absence, retirement, Workers' Compensation, holidays, and premium pay differentials for the same work should be uniform. These elements are examples and are not intended to be an all-inclusive listing of such working conditions and benefits of

employment which should be covered by uniform provisions throughout the numerous employer contracts.

16. The City should pursue a long-term goal of encouraging employee organizations to merge their bargaining units.

17. The CSC and DHR should identify areas that are fundamental to the merit system, and ensure that candidates for City jobs will be treated uniformly in a fair and equitable manner in the labor relations process.

Information Technology

The City's dismal lack of a centralized, comprehensive and accurate Human Resources System is not a new issue.

In 1995, the Controller's Office engaged an independent consultant, KPMG Peat Marwick, to conduct a citywide study on information technology. A report issued in June, 1996 listed a Human Resources System as one of three highest-priority projects.

Former Mayor Jordan in his "Seven-Year Strategic Budget Plan," presented in 1995, highlighted a need for a citywide Human Resources Information System. The Plan projected that such a system could save the City approximately \$5.2 million for the FY 1996/97, with a potential savings of \$17 million over three years.

The 1995-96 San Francisco Grand Jury conducted a comprehensive study of information technology and found that the City had failed to craft a citywide master plan for information technology. The report presented a number of recommendations to the City on instituting the necessary changes to correct current deficiencies and modernizing its computer systems.

Findings

In general, CSC and DHR have made admirable progress in moving forward with rules changes, staff training and consensus building with the City's departments. However, due to past shortsightedness in not embracing technology as a necessary tool, the City has not achieved the efficiencies of a well-functioning automated personnel system. The hiring process continues to be primarily a massive paper operation consuming limited resources and causing inevitable delays.

The need for a modern computer system has been in the "talking" stage for several years. It has not moved forward to any degree because of the City's failure to follow talk with action and invest the necessary resources, time and expense in this effort.

In the words of one City management employee, the City's internal computer systems are "worse than awful." There are databases that do not agree with each other in such important employee information as time-in-service, when hired, when moved, address, and ethnic designation. The potential for fraud and abuse exists.

The DHR is still in the process of establishing a citywide personnel information system. An earlier attempt was not successful and the DHR is forced to start from square one. Currently, important decisions are being made without reliable data.

Recently, the Controller's Information Systems Division (ISD), working with DHR, prepared a project proposal for a Human Resources System, but much remains to be done.

In 1996, the City centralized all technology-related functions under a newly created department, Telecommunication and Information Services (TIS). A department head has not yet been appointed; the Controller is serving as acting head.

Many resource-intensive processes, such as requisition tracking, application screening and examination preparation, could be done faster and more accurately through an automated system.

The Civil Grand Jury surveyed a number of federal agencies and one private business to review their use of technology to simplify work.

OPM, the agency responsible for the 2 1/2 million-person federal workforce, has made great strides in automating a number of recruitment and hiring functions. Driven by government-wide downsizing, the agency used technology to achieve increased efficiencies while reducing cost. By automating the hiring and application screening process, OPM was able to cut its manual operation between one-third and one-half. (See Appendix E)

OPM will sell its services to other government agencies and to private industry. Customers have included governments of California, Michigan, New Jersey, and Colorado, the District of Columbia and Portland, Oregon.

The Department of the Interior (DOI) has a dual payroll and personnel processing system and provides computer services for a number of federal agencies.

The Social Security Administration (SSA) in the Western states has had hiring requisitions electronically initiated and processed for more than five years. In 1997, SSA nationwide will convert to the DOI system. DOI's customer roll of 60,000 employees will then grow to 125,000.

The Department of the Navy has an automated classification system that performs many functions of a personnel staffing specialist. It can produce written position descriptions and determine job classification and ranking levels. The system is menu driven and requires only input of the critical job elements.

Chevron, as is true of most large corporations, has a computerized employee personnel file that is linked up with payroll.

Recommendations

18. The City should set aside a separate budget allocation strictly for technology to accelerate the development and implementation of an automated personnel system. The current archaic system has been a serious drain on the City's time and resources. Personnel services affect the delivery of services in all of the departments, and funds invested in a personnel system will benefit the City well into the next century.

19. The DHR in conjunction with the Controller's office should link up payroll with the personnel system during the design period. An interface between these two major functions would lessen the opportunity for fraud and abuse.

20. The DHR should contact or visit other governmental agencies or private companies

which have automated personnel systems to determine if hardware or software could be shared. It could also learn from their problems and successes.

21. Similarly, the Mayor's Office and the Board of Supervisors should conduct on-site visits to organizations that have used and applied technology successfully. This experience would aid them in deliberations on budget decisions involving information technology.

REQUESTED RESPONSES

Office of the Mayor

Board of Supervisors

Civil Service Commission

Department of Human Resources

Office of the Controller

Office of the City Attorney

Office of Telecommunication and Information Services (for Information Systems Division)

DIRECTORY - APPENDIX

A. Civil Grand Jury interviews and reference documents

B. Comments from City department staff on the hiring process

C. Description of hiring cycle - City and County of San Francisco

D. Description of a "Typical" Examination Process

E. Description of Office of Personnel Management automated systems and services

APPENDIX A

Interviews were conducted with staff from:

Office of the Mayor

Department of Human Resources

Civil Service Commission

Office of the City Attorney

Office of the Controller

Documents reviewed:

o Civil Service Commission Rules, City and County of San Francisco, 1996 Edition

o Annual Report, Civil Service Commission, Fiscal Year 1995-1996

o Annual Report, Department of Human Resources, 1994-1995

o Annual Report, Office of the City Attorney, 1996

o Classification Manual, Department of Human Resources, Jan, 1996

o Civil Service Merit System, Human Resources, Employee Relations and Related Provisions of the 1996 Charter of the City and County of San Francisco, Jan 8, 1996

- o City and County of San Francisco, Strategic Plan for Information Technology, June 1996, KPMG, Peat Marwick
- o Overview of KPMG - Financial Systems Products (ON-LINE FAMIS), City and County of San Francisco, 7/16/96
- o Seven-Year Strategic Budget Plan - The City and County of San Francisco, Presented by Mayor Frank M. Jordan, 1995
- o Various DHR departmental reports
- o Consultants Setting the Standard for Excellence, U.S. Office of Personnel Management
- o Personnel Selection Process Guide, Chevron Corp.

APPENDIX B

Sample of Comments and Complaints from City Departments on the hiring process (*denotes more than one reference to the issue)

- o Requisitions are held up in the Mayor's Office *
- o No expertise in the departments to handle personnel functions such as salary setting and classification. DHR returns requisitions for reworking.
- o Waiting for certification to determine if there is a list before taking next action.*
- o When a written test is required and DHR thinks one will be given soon, it will tell the department to wait.
- o Too many levels of appeals*
- o Long delays in certification process*
- o It takes time to pull together job experts to develop examinations. If a similar position is common to more than one department, such as an engineer, need to get representation from all the affected departments to reach agreement on the exam.*
- o Clerical positions are the hardest because they do not necessarily have same duties. There used to be more standard tests that one can pull off the shelf. However, now all jobs are changing because of technology, reorganizations, and new ways of doing business.*
- o Collective bargaining requirements are confusing.*
- o Job specifications are outdated.
- o Technology inadequate or missing. Need more information on line.* (This was a universal complaint)
- o DHR does not have enough resources to do what they should be doing.*
- o Things have been improving since 1991 and getting better all the time, but still a long ways to go.
- o Routing and tracking requisitions take time because of clearance layers. Many calls have to be made just to locate the requisition. This information should be on-line.
- o DHR should take more innovative approaches in the hiring process.

APPENDIX C

The San Francisco Civil Service
"Personnel Cycle"

APPENDIX C

2.0 Background

2.1 Description of Activities & Services

The activities and services provided by the Civil Service Commission Department of Human Resources can be illustrated by using the San Francisco Civil Service "Personnel Cycle" (see the following chart).

Briefly, the "Personnel Cycle" is comprised of:

Position Classification

- a collection of duties is identified as a position that is performed by one person
- the position is reviewed to determine if it can be grouped with other positions under a common descriptive title
- a requisition is issued and approved to fill the vacant position

Recruitment

- examination announcement issued and/or
- targeted groups are identified
- community groups and departments are contacted
- response to recruitment effort; applications received

Examination

- selection device developed and administered
- results of administration are analyzed and performance cutoff score is established

Eligible

- individuals who pass performance cutoff score are placed on a list as eligible to interview for the position

Certification

- notice of inquiry is sent to the eligible regarding vacant positions
- notice of certification is sent to departments identifying eligibles who can interview

Appointment.

- successful interviewee is appointed to be employed in the position

Probation

- appointee serves in the position for a specified probationary period

Employment

- employee is compensated in accordance with the salary specifications associated with the particular classification
- employee receives all employment rights governed by the Charter, Civil Service Rules and provisions of the Labor Agreement that exists between the employee organization that represents the classification and the City

Separation

- employee is no longer employed in the position

The Personnel Cycle begins anew when a requisition is issued and approved to fill the vacant position.

The CSC-DHR provides a range of services to both administer and support the personnel cycle. When viewed with a focus on key work processes that occur to produce these services, eight broad groupings can be identified (see Section 4.9 for a presentation of the CSC-DHR Information Flow Architecture).

Note: these groupings of related processes include services that are currently delivered by the Employee Relations Division of the Mayor's Office which will be part of the organizational structure of DHR with the passage of Proposition L. The groupings also include duties that may move with the Civil Service Commission and may not be part of the DHR.

The eight broad groupings are as follows:

Position/requisition related processes - services provided in this area include providing a systematic process for identifying, describing and grouping positions into classifications on the basis of occupational similarity; performing position auditing functions; preparing reports, letters, memoranda and salary ordinance amendment legislation; processing all requisitions and modification of requisitions; and providing consulting services regarding recommendations on staffing of organizational units.

Selection/examination related processes - services provided in this area include responsibility for development and administration of employee selection programs for most City classes. This process involves all phases of selection from job analysis through announcement posting, exam development and administration, and compiling of a list of candidates eligible for certification to permanent appointments.

Certification/appointment related processes - services provided in this area include maintenance and canvassing of Civil Service eligible lists; validating, recording and processing of all appointments, layoffs and separations (both permanent and provisional); and providing consulting services to eligibles and department representatives regarding the status of eligible lists and the availability of requisitions.

Equal Employment Opportunity/Affirmative Action related processes services provided in this area include administering Affirmative Action (AA) programs to increase representation of women and minorities in the City's workforce to reflect the San Francisco available labor market; ensuring an Equal Employment Opportunity (EEO) to all by reviewing exam plans, announcements and provisional appointments; developing and conducting training for managers, supervisors and employees; compiling workforce reports; and investigating complaints of discrimination or changes in race/ethnicity claims.

Labor/employee relations and compensation related processes - services provided in this area include administering labor relations agreements; assignment of classes to bargaining units or designation of positions as management, supervisory or confidential; investigation of unfair labor practices charges; implementation of the State Disability Insurance program; monitoring and investigating labor complaints and

recommendations for personal services contracts (PSC); administering the pay equity program; reviewing special pay requests; implementing and maintaining the Salary Standardization Ordinance (SSO); performing payroll audit functions; and making salary recommendations.

Management/employee development related processes - services provided in this area include implementation and monitoring of the citywide performance appraisal system, providing training to employees and management, and providing organizational development consulting services to department heads and managers.

Administration/business related processes - services provided in this area include providing administrative services and support to the Civil Service Commission, the Human Resources Director, and DHR divisions; maintaining CSC rules, policies and procedures; providing consulting services regarding CSC rules, policies and procedures and the related provisions of the Charter to employees, employee organization representatives, department managers and general public; processing Civil Service appeals and actions; coordinating the department budget and annual report; processing and monitoring interdepartmental work orders, PSCS, leases, fiscal and purchasing documents; providing payroll and personnel services to CSC/DHR staff; representing the department in meet and confer negotiations with employee organizations; and producing reports on behalf of City departments on provisional appointments, exceptions to the order of layoffs (EOL), holdover rosters and rights, status grants and medical, criminal and/or background rejections.

Employee records maintenance related processes - services provided in this area include evaluating and administering the medical policy; processing requests for fitness for duty, additional employment, disciplinary action, and future employability; processing changes in employment status and transfers; tracking leaves; and maintaining the accuracy and integrity of employee records.

APPENDIX D

STEPS INVOLVED IN A "TYPICAL" EXAMINATION PROCESS

The steps involved in developing an examination are the same regardless whether the classification consists of one position or 200 positions. The following provides a description of the steps generally required in developing and administering an examination using an example which involves only a written and oral test component. There are a number of different approaches not illustrated such as performance tests, assessment centers, physical agility testing, etc.

1. Conduct a job analysis of the position. Job analysis is a systematic method used to identify the functions/tasks involved in performing the job and the underlying knowledge, skills, abilities, and other characteristics (KSAs) necessary to perform those job tasks successfully. The job analysis yields information necessary to determine what the minimum qualifications for the position should be and the type of selection procedure required to obtain an adequate sample of candidate behavior relative to the important aspects of the job. The job analysis process may involve desk audits, surveys, interviews with the incumbents in the position and their supervisors; and reviews of job-related materials, work products, etc. A content-oriented strategy is utilized when conducting job analysis and for test development in compliance with the federal

"Uniform Guidelines on Employee Selection Procedures".

2. Define the minimum qualifications to ensure candidates will possess requisite KSAs and ensure that there are no artificial barriers which would serve to exclude qualified applicants.
3. Develop recruitment plan based on an analysis of the workforce and relevant labor market. If focused recruitment is necessary, a strategy is devised and implemented. This usually means that the date for filing of applications has been moved forward in order to accommodate the recruitment effort. Recruitment may involve ads in various publications, contact with professional organizations, community-based groups, etc.
4. If the classification is represented by a recognized employee organization, the terms of the announcement are discussed with the relevant union. Although the City is not obligated to meet with the union, specific concerns/issues are solicited prior to posting to anticipate potential delays.
5. The announcement which is the official notice of examination is posted. The terms of the announcement can be appealed within five or seven business days from the issuance date pursuant to CSC Rules 10 and 11.
6. Applications are accepted. Filing period varies. Promotional candidates must be given a minimum of 10 calendar days within which to file.
7. Applications are screened to determine qualified versus not qualified applicants. Some applicants are conditionally qualified pending receipt of additional information. Qualified and rejected candidates are sent written notice notifying them of the status of their application. Applicants may protest their rejection. These protests are responded to and may be appealed to the Civil Service Commission if submitted within 5 days following the mailing date of notification to the appellant.
8. Schedule the written examination. This involves identifying and securing physical facilities, hiring test proctors if it is a test which involves a large applicant pool, preparing the test packages (printing, answer sheets, instructions, etc.), and notifying the applicants. This example assumes that the written test is being developed concurrently with all the other previous steps. The written test generally involves writing of test items with subject matter expert (SME) assistance and often requires review by a different set of SMEs to ensure job relatedness.
9. Conduct inspection of the written test answer key. Candidates may be allowed to view the answer key and submit protests as to the correctness of the key pursuant to CSC Rule 11. After protests have been received, candidates are allowed to inspect the protests and to submit counter-protests to the protests. The staff will then review all protests and counter-protests, run an "item analysis" to determine the item total correlations and reliabilities of the test items. The decision of the HR Director is final.
10. Score the written test, establish a cut off score, and notify candidates of their results.
11. Schedule the oral exam and recruit qualified oral board members.
12. Conduct oral exam. Pursuant to CSC Rule 11 Examinations, Article I and Article II, candidate may appeal personal bias or competence of a rater prior to participation in the exam. If the appeal is sustained, the rating by the challenged person is not computed in the final rating of candidate.

Appeals based on the conduct of the raters may be filed no later than the second business day after the exam is held and must be based on a claim of bias, malfeasance or misfeasance of board members; documented inconsistencies or any questions in conflict with any Federal, State or City and County laws.

13. Compute the oral test scores. Conduct analysis of variance if multiple oral boards were used to determine whether scores need to be standardized according to accepted statistical procedure. Standardize if necessary.

14. There is a two day inspection period of composite ratings for oral examinations. Appeals filed during this period are limited to inconsistencies in exam administration or failure of the raters to apply uniform standards. Current practice is that the inspection and appeal periods for composite ratings and eligible lists are held simultaneously.

15. Aggregate oral scores with written scores and add promotive points for promotive candidates. Develop tentative eligible list and post for inspection for a minimum of three business days. Qualifications of the candidate and accuracy of scores may be appealed during the inspection period pursuant to CSC Rule 12.

16. Adopt the eligible list. Human Resources Director may adopt the list pending resolution of any appeal per CSC Rule 12.

APPENDIX E

COMPETITIVE RATING AND MERIT PROMOTION EXAMINING SERVICES

OPM's Microcomputer Assisted Rating Service (MARS) has reduced human resources program administration costs for competitive and merit promotion actions by 65% to 90%! MARS is modular. Clients can take advantage of individual features or utilize the applications as an integrated whole. The components are continuously enhanced and can be quickly and easily customized to meet your demands.

Organizations can now have OPM service centers use MARS to develop automated evaluation criteria, announce vacancies to the public, process applications, notify applicants of results, certify applicants to selecting officials, and store résumé images. Organizations can even use MARS themselves through a direct network-to-network connection called MARS LAN-Share.

Key Features

Uses the latest in personal computer technology

Maintains constantly expanding libraries of evaluation criteria and customized questionnaires

Uses flexible, job-specific questionnaires

Uses multiple electronic media to collect applicant data

Utilizes pioneering imaging technology and unique text search engines to maintain résumés, applications, college transcripts, etc.

Evaluates over 1,500 applications per hour and provides immediate ratings

Produces ranked lists of applicants and applicant notices of evaluation results

Key Benefits

Full documentation and compliance with personnel regulations
Inexpensive applicant evaluation and rapid turn-around processing
Elimination of a labor-intensive and tedious process
Confidence the best applicants for your position are identified
Adaptability to Federal, state and local governments and other organizations

To obtain detailed information or to arrange a personal briefing, please contact your local OPM Service Center, or phone Rose Leong Keefe, (415) 281-7078.

ASSESSMENT DEVELOPMENT AND VALIDATION SERVICES

With the advent of increased agency responsibility for staffing decisions, valid personnel selection assessments are more critical than ever. OPM'S research and development staff are experts in producing highly valid, defensible selection methods that can be tailored to specific agency needs.

Key Features

Selection methods cover the entire spectrum of job-relevant abilities, including reasoning and social skills, and are offered in a variety of formats:

Multiple-choice tests, either computer-based or paper and pencil

Structured interviews

Suitability assessments

Biodata questionnaires

Job-knowledge tests

Social skills inventories

Executive assessment centers

Language-learning ability tests

Physical performance tests

Professional examinations for managers and executives

Complete documentation of development process and validity analysis

Nationwide network of test administrators can effectively and efficiently administer tests of OPM design

Key Benefits

Increased productivity

Reduced legal challenges

Enhanced diversity of candidates

AUTOMATED PERSONNEL RECORDS MANAGEMENT

OPM has developed a self-service, automated system that provides employees with immediate, electronic access to input amendments to payroll and personnel options over which they have direct control without using forms, the mail system, or visiting their personnel office. Employees interact with the system at their convenience, 24 hours a

day, 7 days a week, from any touch tone telephone or through Employee Express touch screen computer kiosks.

Key Features

Operates as a front-end system for existing agency personnel/payroll systems

System accessed by individually assigned Personal Identification Numbers (PIN)

Allows changes for Federal tax withholding, direct deposit of paychecks and other voluntary allotments, and home address

Key Benefits

Gives employees immediate, electronic access to amend options

Eliminates paper-laden, manual processes with convenient, direct, electronic interaction

Available 24 hours a day, 7 days a week

Quick and user-friendly

FEDERAL EMPLOYMENT INFORMATION (TOUCH SCREEN) COMPUTER KIOSK

The Federal Employment Information (Touch Screen) Computer Kiosk is a PC-based system which uses touch screen technology to provide job seekers with daily updated Federal employment information at the touch of a finger. OPM can also customize the kiosk to help agencies better publicize internal job opportunities, inform greater numbers of qualified job candidates, and assist with employee outplacement.

Key Features

Current employment information worldwide, updated daily

Full text vacancy announcement print capabilities

Applicant material print capabilities

Facts on the Federal hiring process print capabilities

Employment programs information print capabilities

Agencies can customize recruitment message for unique, targeted nationwide recruiting

Federal salary information

Key points are emphasized by a synthetic voice component

Easily customized to agency job announcements and other needs

Customer satisfaction survey to support continuous improvement

Key Benefits

Self-contained--Touch screens can be placed wherever agency customers are

Applicants can receive all necessary forms and announcements at point-of-contact

Menus can be customized to suit agency needs

Job information is centrally managed and updated daily

Assist with employee outplacement

CAREER AMERICA CONNECTION TELESERVICE CENTER AND RECRUITING MESSAGES

The Career America Connection is a nationwide automated telephone system that provides quick, easy-to-use, current Federal employment information 24 hours a day, 7 days a week. The Career America Connection Teleservice Center provides callers the option of live operator assistance. In addition OPM can customize an automated telephone system for individual agencies.

Key Features

Current worldwide employment information, updated daily

Facts on the Federal hiring process

Facts on Federal salaries and other benefits

Information on special employment programs

Live operators to handle individual inquiries

Agencies can customize recruitment messages for unique targeted nationwide recruiting

Voice mail to request application materials

Key Benefits

Easy to follow

Immediate access to job and employment information

Job information is updated daily

Supports agency downsizing/outplacement efforts

Broad publicity of job vacancies

AUTOMATED APPLICANT REFERRAL SYSTEM

OPM provides rapid access to applicant inventories with the Automated Applicant Referral System (AARS). AARS is a user-friendly system that provide Federal managers and human resources management specialists referral lists and certificates of qualified, rated, and ranked applicants in minutes. This system operates using any touch tone telephone and fax machine. Enter information on job series, grade level, occupational specialty, duty location, etc., and a referral list or a certificate is on its way in as little as 30 minutes!

Key Features

Uses any touch tone telephone to process requests for referral lists or certificates

Transmits a list of referrals to caller's office via fax machine in 30 minutes or less

Provides managers and human resource specialists with names, addresses, telephone numbers, and ratings

Key Benefits

Fast and user-friendly

No special investment; uses ordinary office equipment

Great for high-volume, high-turnover and critical shortage occupations

Save time, money and resources

TELEPHONE APPLICATION PROCESSING SYSTEM (TAPS)

The Telephone Application Processing System (TAPS) provides service to both agencies and applicants. TAPS turns any touch tone telephone into an application device. It provides the capability for applicants to be rapidly referred to agencies for selection through OPM's automated staffing systems network.

Key Features

Provides a simple effective means of applying for job vacancies

Uses telephone to apply for Federal employment

Processes information in less than 15 minutes

Applicants available for employment consideration virtually immediately

Can be used to file applications for OPM's MARS applicant evaluation system, providing faster turnaround

Key Benefits

Available 24 hours a day, 7 days a week

Inexpensive

Quick turnaround time

Hiring time reduced

Screens for qualified applicants

NATIONWIDE TEST ADMINISTRATION

OPM has a nationwide network of test administrators and central test storage and distribution center meet all types of testing needs. OPM test administrators are highly trained in both test administration and test security. OPM's distribution center stores, inventories, and distributes all types of test materials. This testing network has provided ongoing testing services to the Department of Defense Recruitment Command since 1976, and has provided testing service to the Immigration and Naturalization Service, the Health Care Finance Administration, the U.S. Marshal Service, and the Internal Revenue Service.

Key Features

Uses a network of more than 900 highly-trained, experienced test administrators

Provides test administration services nationwide or in specific geographic areas

Provides for storage and nationwide distribution of test materials

Nationwide network of test administrators can efficiently administer any tests of OPM design

Key Benefits

Inexpensive -- eliminates the need for hiring and training a permanent testing staff

Provides flexible geographic coverage

Provide one-time or continuing testing service

AUTOMATED TEST SCORING & APPLICATION PROCESSING AND RESULTS NOTIFICATION

Automated test scoring and application processing coupled with results notification provides a high-speed process of agency-developed application and written test exams. The system saves customers significant time, money and resources and accelerates the screening and evaluation of applicants. A well-trained, highly-skilled staff provides on-line error correction, quality assurance, and machine-assisted distribution at the test site.

Key Features

Offers telephone application entry

Provides next-business-date results

Includes high speed scanning, on-line error resolution, quality assurance, and machine assisted distribution

Electronically transmits automated records to agencies

Offers alternative of producing Notices of Results that can be mailed directly to each applicant

Provides long and short term data storage and retention

Key Benefits

Economical

Fast evaluation of applicants

Great for high-volume testing situations and critical occupations

Saves valuable staff time, money and resources

Easily maintained electronic records

Footnotes

1. Jacob, Allan B., "Running the San Francisco City Planning Department." Ed. Rosabeth Moss Kanter & Barry A. Stein, Life in Organizations. New York: Basic Books, Inc., 1979.

2. "Meet and confer" is a labor term for the process of making and exchanging proposals in an attempt to reach agreement.