

# HUMAN RESOURCES

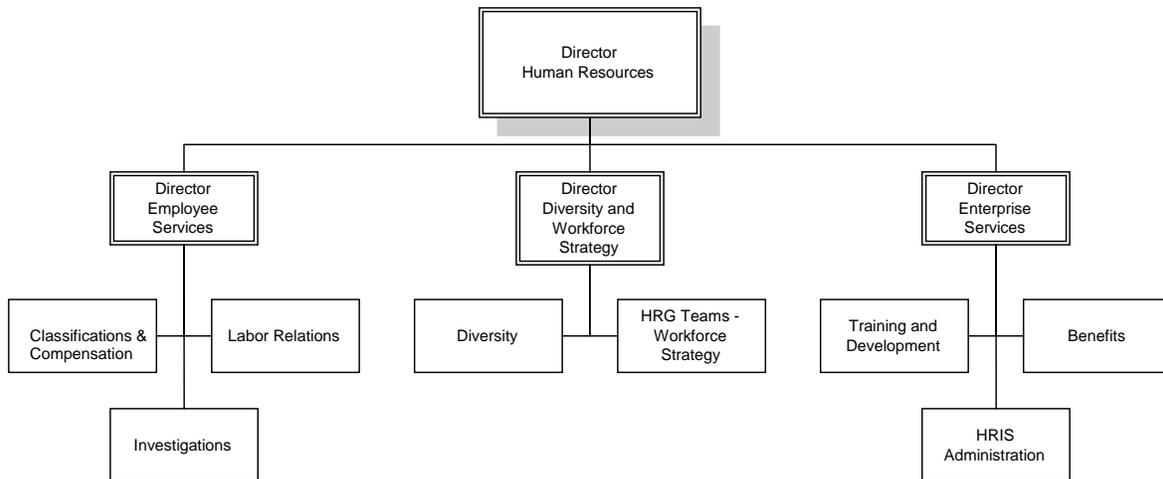
## MISSION

To strategically partner with City departments to hire, develop, and retain an excellent workforce.

## BUSINESS LINES

- **Employee Services:** Provides strategic and operational leadership for all of the City’s collective bargaining. In addition to the collective bargaining responsibilities, the key activities essential to this business line are contract administration, compensation administration, classification administration, complaint investigation, and the implementation of the return-to-work program.
- **Enterprise Services:** The key services associated with this business line are HRIS – employment information management, enterprise-focused training and development, and benefits administration. This includes providing learning opportunities for managers, supervisors, and employees to maximize their development and minimize organizational risk; managing and providing HR information to the City, its independent boards, and agencies for decision-making purposes; and designing, negotiating, and implementing employee healthcare and wellness programs.
- **Diversity and Workforce Strategy Services:** Designs and implements enterprise-focused diversity initiatives to include: developing and implementing an affirmative action plan, targeted recruitment efforts, and strategic direction for workforce strategies. Also important to this business line are the services provided by the HR generalist teams which include customer-focused strategic and operational advice, staffing, and performance management consultation.

## ORGANIZATION CHART



**FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES  
(ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)**

<b>City Goals</b>	<b>Department Goal</b>	<b>Objective</b>	<b>Measure</b>
<b>One Minneapolis</b>  <b>Connected Communities</b>  <b>A Premier Destination</b>	The City of Minneapolis has a work environment and diverse workforce that fosters success.	<ul style="list-style-type: none"> <li>• Create a workforce that reflects the communities we serve.</li> <li>• Work with departments to improve the City’s work environment.</li> </ul>	<ul style="list-style-type: none"> <li>• Percent of job classes in targeted departments where representation is equal to or above the workforce availability numbers.</li> <li>• Percent of protected class members in applicant pools as compared to workforce availability numbers.</li> <li>• Percent of workforce as compared to availability information.</li> <li>• Seventy-five percent (75%) of all complaint investigations will be completed within sixty (60) days of the final intake session.</li> <li>• Number of initiatives HR is involved in to help address enterprise issues identified in the employee survey.</li> </ul>
<b>A Safe Place to Call Home</b>  <b>One Minneapolis</b>  <b>Lifelong Learning</b>  <b>Enriched Environment</b>  <b>A Premier Destination</b>	Provide departments the strategic support and information they need to make informed and timely business decisions.	<ul style="list-style-type: none"> <li>• Streamline hiring process.</li> <li>• HR leaders serve as strategic partners to departments.</li> <li>• HRIS provides accurate and useful information.</li> </ul>	<ul style="list-style-type: none"> <li>• Time to develop eligible list.</li> <li>• Percent of HR leaders that demonstrate added value and strategic contributions to customer departments (<i>HR survey results</i>).</li> <li>• Managers’ utilization rate of the HRIS manager portal and reports.</li> <li>• Employee utilization rate of HRIS eSelf-service options.</li> </ul>
<b>A Safe Place to Call Home</b>  <b>One Minneapolis</b>  <b>Lifelong Learning</b>  <b>A Premier Destination</b>	Assist departments in the hiring and development of a workforce to achieve City, department and individual goals.	<ul style="list-style-type: none"> <li>• Provide strategic recruitment guidance to departments.</li> <li>• Provide training opportunities to supervisor, manager and leadership levels.</li> <li>• Design and implement comprehensive performance management systems</li> </ul>	<ul style="list-style-type: none"> <li>• Percentage of customers satisfied with the recruitment process and applicant pool.</li> <li>• At least 80% of customers agree that we are addressing the most critical training needs.</li> <li>• At least 80% of customers agree that training is making a positive difference in performance on the job.</li> <li>• At least 80% of customers agree that the training content and delivery is very good or excellent.</li> <li>• Number of departments that conduct annual performance reviews with at least 90% of staff.</li> </ul>

City Goals	Department Goal	Objective	Measure
One Minneapolis Lifelong Learning	Provide the City and its employees a competitive compensation program.	<ul style="list-style-type: none"> <li>Negotiate equitable collective bargaining agreements</li> <li>Establish a health and wellness program</li> </ul>	<ul style="list-style-type: none"> <li>At least 80% of the salaries/wages, by classification title, will be within <math>\pm</math> four percent (4%) of the City's internal equity line. (pay equity status).</li> <li>Ninety percent (90%) of all first time tentative agreement recommendations will be approved by the Executive Committee.</li> <li>Percentage of employees actively participating in the health and wellness program.</li> </ul>

### MEASURES, DATA AND TARGETS TABLE

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
% of female applicants	36.5%	46.9%	38.3%	39%	39%	40%
% of female eligible candidates	35.3%	42.2%	45.3%	40%	40%	40%
% of female hires	34.8%	32.9%	35.7%	36%	36%	36%
% of people of color applicants	35.5%	34.7%	31.7%	33%	34%	38%
% of people of color eligible candidates	34.6%	31%	25%	31%	32%	35%
% of people of color hires	32.3%	34%	28.7%	31%	32%	35%
# of days to complete classification studies/# of studies requested	12/122	10/151	26/238	14/230	14/230	14/230
# of days to create an eligible list	83	65	64	60	60	50
Satisfaction w/staffing services	4.35	4.32	4.33	4.34	4.35	4.5
% of employees w/performance reviews (in HRIS)	5.6%	6.7%	10.1%	30%	30%	90%
Health Insurance cost growth to city & employee	C: -\$712 Ee: -\$592	C: \$869 Ee: \$175	C: \$932 Ee: \$249	C: \$744 Ee: -\$5	N/A	C: \$2,631 Ee: \$1,367

#### ***What key trends and challenges does the department face and how will each be addressed?***

During the environmental scan process, the department identified key issues and trends likely to impact the success of the business lines in the future. The following opportunities and challenges were identified as having the greatest strategic implications for the Human Resources department over the next five years.

**Availability of the Workforce:** Many changes are expected to occur in the composition of the available workforce in the coming years. A significant portion of the workforce is eligible to retire in the next 10 years, leaving a smaller group of younger workers available to fill the vacancies. As the supply of labor tightens, recruitment will become an even more critical issue for the future of the City, particularly for highly skilled, professional, and technical positions.

The City will need to continue to implement strategies that position the department as an attractive employer for potential job applicants as well as existing employees. The use of non-traditional employees (retirees, contingent workers, telecommuters) is expected to increase. A growing immigrant population is expected to expand the available labor pool. Ensuring that the City attracts a more diverse workforce in the future will also require evaluation and changes to the City's current recruiting and testing processes.

Workforce planning remains a critical component of the organizational development if the City is to attract and retain the talent needed to serve the public. The workforce planning process must be evaluated continuously and adjusted in the coming years, as changing economic and demographic conditions require.

Human Resources has set aggressive strategies, objectives, and tactics in the 2007-2011 business strategy for diversity that will address these challenges and lead the City into the next decade as an inclusive, multicultural, gender-fair organization.

**Building/Retaining a Competent Workforce:** In the soft job market of the current economy, many City employees are opting to stay in jobs to ensure security. However, the brightest and best of these employees will continue to have options and alternatives to remaining with the City. In the short and long term, building a high-quality, results-driven workforce will be a challenging and critical task. With an aging and retiring population, and fewer available younger workers, retention of strong performing current employees and their organizational knowledge should remain an important priority.

Younger employees have increasingly different expectations from their employers than traditionally expressed by more senior employees. Additionally, changes in family demographics will increase demands by employees for more flexible work arrangements, and a greater focus on work/life balance policies and practices.

With the projected retirements of the longer-term employees, the potential “knowledge drain” will require the City to develop succession-planning with cross-training strategies and technology solutions that will build and inform the current workforce.

Finally, a greater focus on employee investment and development will be critical in ensuring the stability and competence of the workforce. Managers will need to recognize the importance of their role in building and retaining a results-driven workforce. As managers and supervisors take on greater roles in leading and developing their staff, there will be a corresponding need to build supervisory and managerial competencies in leadership, finances, human resource management, customer service, and project management.

**Diversity as a way of life:** Minneapolis is more racially, ethnically, and culturally diverse than at any time in its history, and the expected trend is that this diversity will continue to increase with the immigrant population. Accessing this population means that there may be many employees at the City whose first language is not English or who have limited English-speaking proficiency. Building a more diverse workforce is a business opportunity to create a broader source of employee talent and expand its ability to meet the needs of its constituents.

These changes in the racial, cultural and ethnic diversity of Minneapolis, combined with our aging workforce, will transform workplace demographics significantly. Increasingly diverse backgrounds of employees will drive the need for acceptance and understanding of others' contributions, work styles, differences in beliefs, communication styles, etc.

A culturally diverse population will require continued training in diversity education, awareness, and appreciation of cultural differences, increased focus on bilingual communications as well as harassment and hostile work environment prevention. To succeed, the City will need to make diversity leadership and management an integral part of the managerial practices throughout the organization.

**Technology (use and future role):** One of the most significant impending challenges will be the need to upgrade the HRIS in 2011-2012. The City's current practice of requiring individual departments to fund enterprise technology initiatives will have a significant impact on the department's budget. In the past, the department was able to reserve enough money to support upgrades through budgeting. However, with continued reductions expected through the implementation of the five-year financial direction, this will mean an additional \$220,000 each year that HR will have to reserve for the upgrade on top of the \$100,000 the department has to reduce. This will impact the service delivery.

In order to realize its goal of building strong managers and supervisors, efficient and streamlined processes will need to be implemented for HR transactions. As technology emerges, the Human Resources profession will continue to focus on reducing the cost of delivering services, particularly through web-based technology. A move to real-time management of data and increased focus on employee self-service will allow the department to utilize technology effectively, enhance transactional efficiency and improve customer service throughout the organization.

**Heightened legal & regulatory complexity:** As a profession, HR will continue to operate in an environment of increasing legal and regulatory complexity. With workforce diversity constantly increasing, demand for claims investigation and defense for harassment, discrimination and hostile work environment charges are inevitable. The HR department will keep abreast of trends and changes in the law, addressing related policy development, implementation, training and reeducation issues. Human Resources expects that this will become an even more critical function within the organization in the future.

**Fewer resources, higher expectations:** Funding for local government will likely continue to shrink, while demands for more government services challenges the Human Resources department to devise more innovative and efficient methods of service delivery. The department will purposefully work its business plan and implement strategies and tactics that allow it to provide the best customer service possible within the resources allocated.

***What actions will the department take to meet five-year financial direction?***

If the financial direction remains stable over the next five years, the HR Department will continue to defer inflationary increases to non-personnel line items to reach target budgets. In 2008, the department's growth was below expectations and a reduction was not needed to meet the financial direction.

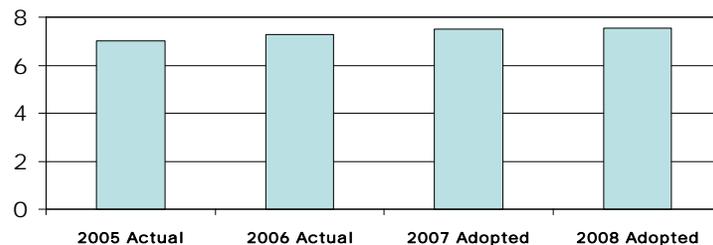
**FINANCIAL ANALYSIS**

**EXPENDITURE**

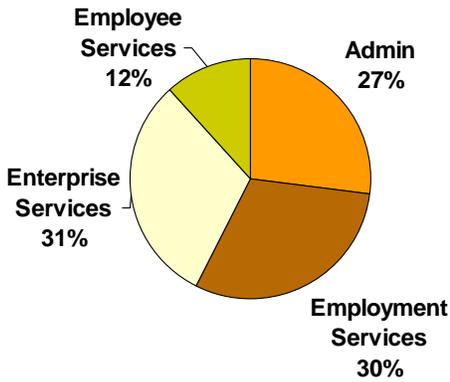
The Human Resources 2008 budget is \$7.5 million, a 0.5% or \$34,000 increase over the 2007 adopted budget. The budget includes a general 13.4% increase to operating expenditures that is offset by a 8.6% decrease in contractual

services. The budget reallocates a director position (\$120,000) from the general fund to internal service funds for technology (\$40,000) and self-insurance (\$80,000).

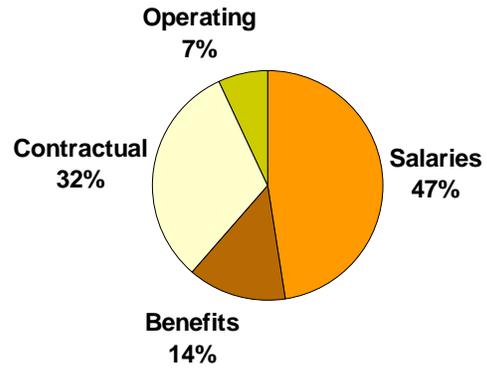
**Expenditure 2005-2008  
(\$7.5 million)**



**Expenditure by Division (\$7.5 million)**



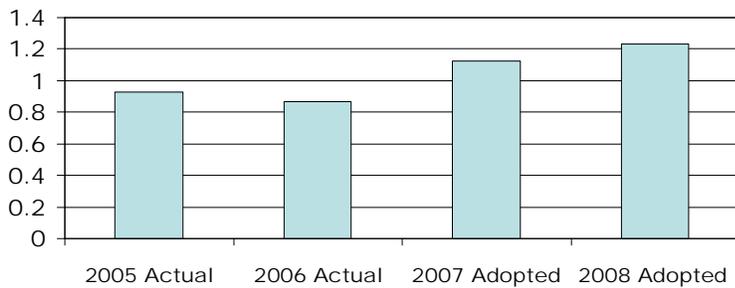
**Expenditure by Type (\$7.5 million)**



**REVENUE**

There is a 9.5%, or \$107,000 increase in the Human Resources department’s revenues from 2007 to 2008, attributable to the benefits administration fee that is charged to customer departments through the self-insurance rate model.

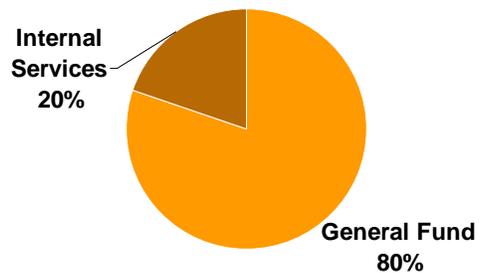
**Revenues 2005-2008**



**FUND ALLOCATION**

The majority (80%) of the department’s budget comes from the general fund. The department also operates the benefits administration function out of the self insurance fund (20% of the total). The department receives \$10,000 annually from the special revenue fund through a grant to promote employee health awareness activities and for employee recognition.

**Expenditure by Fund (\$7.5 million)**



MAYOR'S RECOMMENDED AND COUNCIL ADOPTED BUDGET

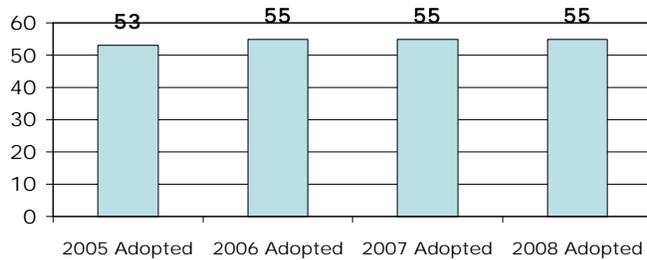
The Council accepted the Mayor's recommendation to allow the Human Resources budget to remain at the current service level. Its growth was less than anticipated, so an additional reduction was not needed to reach the 2008 financial direction.

**HUMAN RESOURCES**

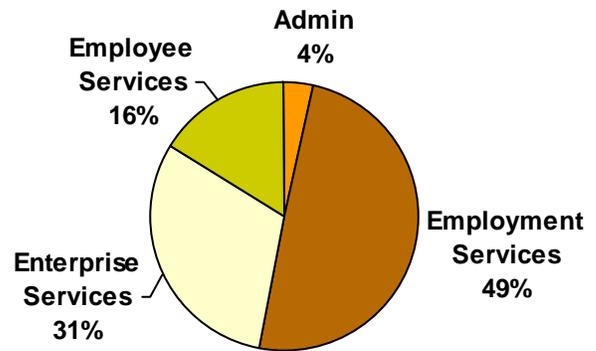
**Staffing Information**

	<b>2005 Adopted Budget</b>	<b>2006 Adopted Budget</b>	<b>2007 Adopted Budget</b>	<b>2008 Adopted Budget</b>	<b>% Change</b>	<b>Change</b>
<b>FTE's by Division</b>						
Administration	2.00	2.00	2.00	2.00	0.00%	-
Employment Services	27.00	26.00	27.00	27.00	0.00%	-
Enterprise Services	17.00	17.00	17.00	17.00	0.00%	-
Employee Services	7.00	10.00	9.00	9.00	0.00%	-
<b>Total FTE's</b>	<b>53.00</b>	<b>55.00</b>	<b>55.00</b>	<b>55.00</b>	<b>0.00%</b>	<b>-</b>

**Staffing Summary 2005-2008**



**Positions by Division (55)**



**HUMAN RESOURCES  
EXPENDITURE AND REVENUE INFORMATION**

	<b>2005 Actual</b>	<b>2006 Actual</b>	<b>2007 Adopted</b>	<b>2008 Adopted</b>	<b>Percent Change</b>	<b>Change</b>
<b>Total Expenditures All Funds</b>	7,014,935	7,264,579	7,508,936	7,543,383	0.46%	34,447
<b>Total Revenues All Funds</b>	929,110	866,756	1,126,384	1,233,772	9.53%	107,388
<b>General Fund - City</b>						
Salaries and Wages	2,689,438	2,775,672	2,951,000	2,997,440	1.57%	46,440
Contractual Services	2,163,648	2,135,550	1,909,092	1,744,996	-8.60%	-164,096
Operating Costs	308,209	311,790	417,002	472,958	13.42%	55,956
Fringe Benefits	665,373	689,100	814,951	854,783	4.89%	39,832
Equipment			806	823	2.11%	17
<b>Total Expenditures</b>	<b>5,826,668</b>	<b>5,912,112</b>	<b>6,092,851</b>	<b>6,071,000</b>	<b>-0.36%</b>	<b>-21,851</b>
Other Misc Revenues	10,834	8,837	5,000	5,000	0.00%	0
<b>Total Revenues</b>	<b>10,834</b>	<b>8,837</b>	<b>5,000</b>	<b>5,000</b>	<b>0.00%</b>	<b>0</b>
<b>Special Revenue Funds</b>						
Salaries and Wages	43,626	47,515	45,588		-100.00%	-45,588
Operating Costs	1,104	1,347	10,846	10,000	-7.80%	-846
Fringe Benefits	16,339	18,643	20,222		-100.00%	-20,222
<b>Total Expenditures</b>	<b>61,069</b>	<b>67,505</b>	<b>76,656</b>	<b>10,000</b>	<b>-86.95%</b>	<b>-66,656</b>
Other Misc Revenues		196	10,846	10,000	-7.80%	-846
<b>Total Revenues</b>		<b>196</b>	<b>10,846</b>	<b>10,000</b>	<b>-7.80%</b>	<b>-846</b>
<b>Internal Service Funds</b>						
Salaries and Wages	354,405	397,796	494,847	582,470	17.71%	87,623
Contractual Services	656,697	758,518	652,690	656,635	0.60%	3,945
Operating Costs	26,784	21,552	34,877	35,610	2.10%	733
Fringe Benefits	89,312	107,096	157,015	187,668	19.52%	30,653
<b>Total Expenditures</b>	<b>1,127,198</b>	<b>1,284,962</b>	<b>1,339,429</b>	<b>1,462,383</b>	<b>9.18%</b>	<b>122,954</b>
Charges for Service	918,259	857,723	1,110,538	1,218,772	9.75%	108,234
Interest	17					
<b>Total Revenues</b>	<b>918,276</b>	<b>857,723</b>	<b>1,110,538</b>	<b>1,218,772</b>	<b>9.75%</b>	<b>108,234</b>