Human Resources

October 8, 2014

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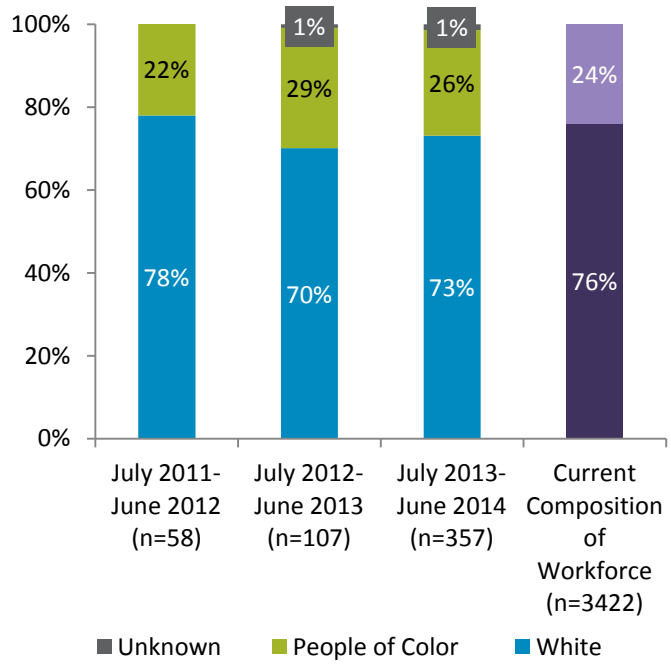
Measures in regular text are "influence" level. *These measures are high-level measures that the department wants to impact with its work. Measures in italics are "supporting" measures. They can add context to the influence level measures, represent the programmatic or operational activities of the department, or be the direct outcomes of the department's work.*

The City Is Supported in Creating an Engaged and Talented Workforce that Reflects Our Community and Is Seen as an Employer of Choice

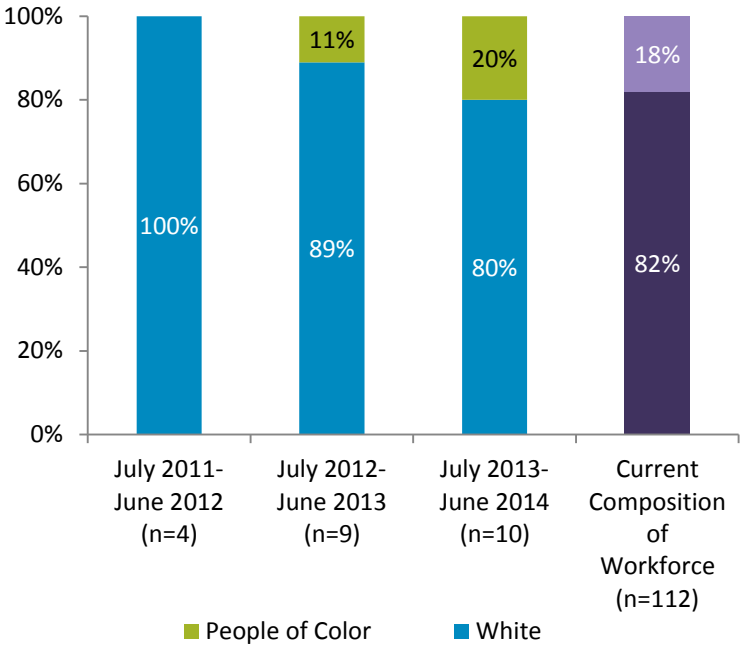
Part I: Talented Workforce that Reflects Our Community

Percentage of People of Color Hired for Classified Positions



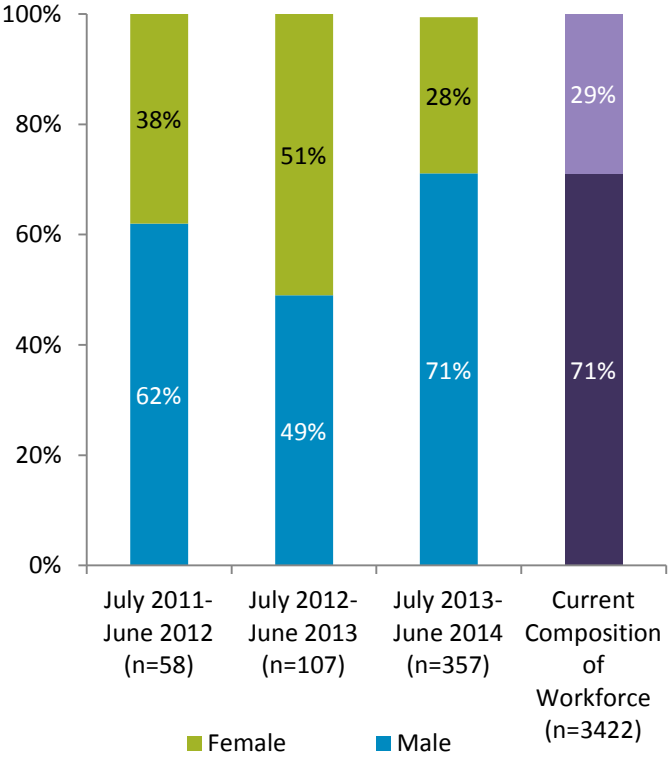
Source: HRIS

Percentage of People of Color Hired for Appointed Positions



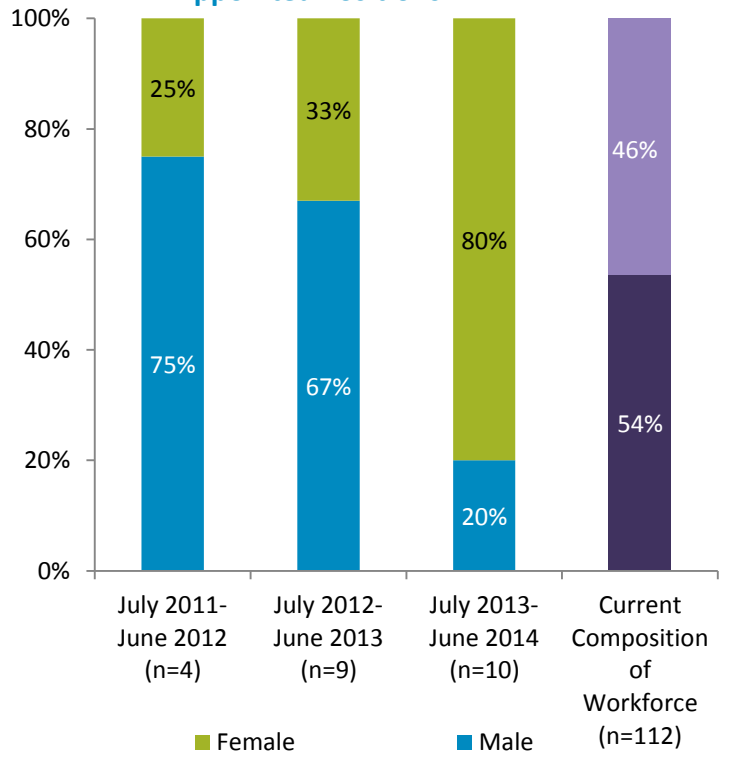
Source: HRIS

Percentage of Females Hired for Classified Positions



Source: HRIS

Percentage of Females Hired for Appointed Positions



Source: HRIS

Additional Narrative on Next Page…

Why is this goal important?

There were 367 new hires in the past 12 months, representing approximately nine percent of the total workforce. For this one-year hiring period, 25.3 percent of new employees hired were people of color. This hiring rate is greater than the current 23.9 percent representation of people of color in the workforce. This increase led to the .5 percent increase in the overall representation of people of color in the workforce – from 23.4 percent to 23.9 percent. While this increase is encouraging and an affirmation of success with specific targeted recruitment efforts, significant increases in the workforce representation will require a long-time effort given turn-over rates of approximately seven percent.

What will it take to make progress?

What's Working Well

Strategic targeted recruitment of people of color: Year-round, intense targeted recruitment efforts within diverse communities have been the focus of the Police Department for hiring into their feeder programs for Police Officer: Community Service Officer and Police Cadet. Through these direct efforts, the Police Department has increased the racial diversity of applicants and hires into these feeder programs over the past two years.

Hiring Trends: People of Color within the Community Service Officer Program at Each Hiring Step			
Class Year	**Applicants**	**Available to Hire**	**Hired**
Sept, 2012	36%	33%	36%
July, 2013	43%	43%	60%
July, 2014	49%	53%	40% **

Hiring Trends: People of Color within the Police Cadet Program at Each Hiring Step			
Class Year	**Applicants**	**Available to Hire**	**Hired**
Sept, 2013	23%	20%	27%
Sept, 2014	29%	26%	35% **

* Available to hire means that applicant has met all minimum qualifications and testing requirements.
** Hiring from these lists is TBD, this number reflects the candidates in the background check process.

On a smaller scale, 311 had a need to hire Spanish-speaking call center agents. Targeted recruitment efforts within the Latino community were held, and ultimately candidates were hired from those who attended the targeted Job Fairs.

Opportunities to Improve

Increase Female Representation in the Workforce: The percentage of females in the City's workforce has declined annually from 2009 (31.6 percent representation) through the present (29.9 percent representation).

The reasons for this decrease are due, in part, to:

1. The number of budgeted positions in the City decreased 4.6 percent between 2010-2013, resulting in fewer positions to fill

2. Approximately three percent of the budgeted positions remained unfilled during the year
3. The number of employees leaving the City has been significantly greater than the number of employees hired each year. The majority of the female employees leaving the City have been due to retirements
4. Forty-five percent of the hiring over the past 12 months has been in historically male-dominated roles in Police, Fire and Public Works.

Expansion of Targeted Recruitment : The definition of workforce equity goes beyond race to include female representation. However, for the past four years, the focus in targeted recruitment has been on increasing people of color in the workforce to more closely reflect the community we serve. With the limited recruiting resources available, this strategy, while effective in recruiting and hiring people of color, has been detrimental to recruiting and hiring females into those same job titles. Increased targeted recruitment needs to include diversifying female representation.

HR will be hiring a full-time recruiter to replicate and expand upon the successful strategies within Police and 311 on an enterprise scale to recruit a more diverse workforce. Efforts will be focused in areas where the greatest opportunity to hire will be, using retirement data and affirmative action targets.

Significant opportunities will be presented within the next year:

- Continued hiring of Police Cadet, Community Service Officer, and Firefighter Cadet.
- Seventy (70) Public Works Service Worker positions to be hired, including twenty into a Trainee feeder program.
- Anticipating thirty-three (33) new IT positions, many of them in entry-level Help Desk positions.

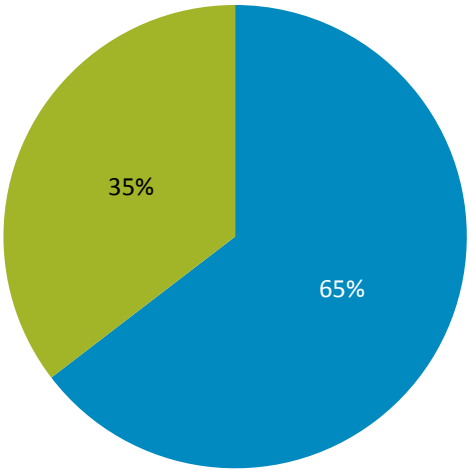
Leverage Partnerships : In partnership with Civil Rights and Minneapolis Employment Training Program (METP), Human Resources is working to strengthen the connection between the Step-up and Urban Scholars programs to prepare youth to be hired into City positions. In addition, the Fire Department is currently working to develop a feeder program involving Minneapolis high school students. Recently, in partnership with METP and Human Resources is working to strengthen connections with the youth and young adults in the transgender community. Public Works, in partnership with Human Resources and various community organizations, has scheduled ten information sessions to promote the service worker positions. Each session will be held in community settings.

Recruit Diverse Leaders: With the retirement projections of leadership positions over the next four years, there is a great opportunity to diversity the officials and administrators category. For those positions that are appointed, the City has greater flexibility in hiring, which positions the City to hire leaders that fully support and engage in diversifying their department's workforce.

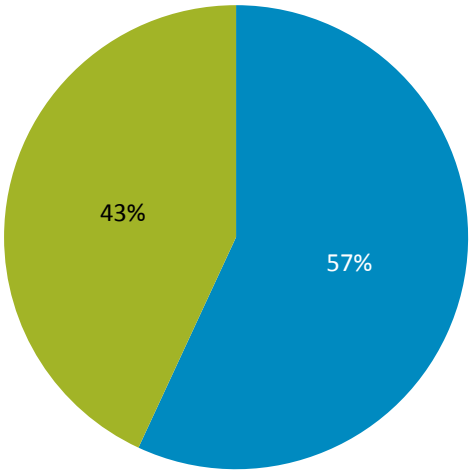
Additional Data on Next Page…

The City Is Supported in Creating an Engaged and Talented Workforce that Reflects Our Community and Is Seen as an Employer of Choice

Gender of New Hires (2010 to 2014) (n=737)



Gender of New Hire Terminations (2010 to 2014) (n=123)

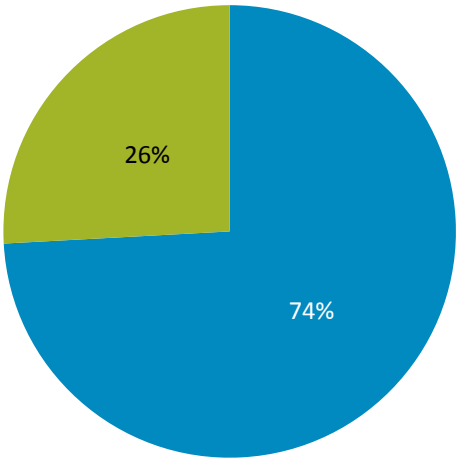


Source: HRIS

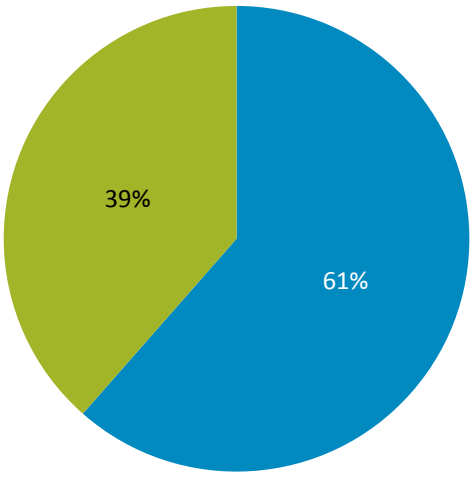
■ Male ■ Female

Note: Of the 261 female hires, 20.3% are no longer with the City. Of the 476 male hires, 14.7% are no longer with the City.

Ethnicity of New Hires (2010 to 2014) (n=737)



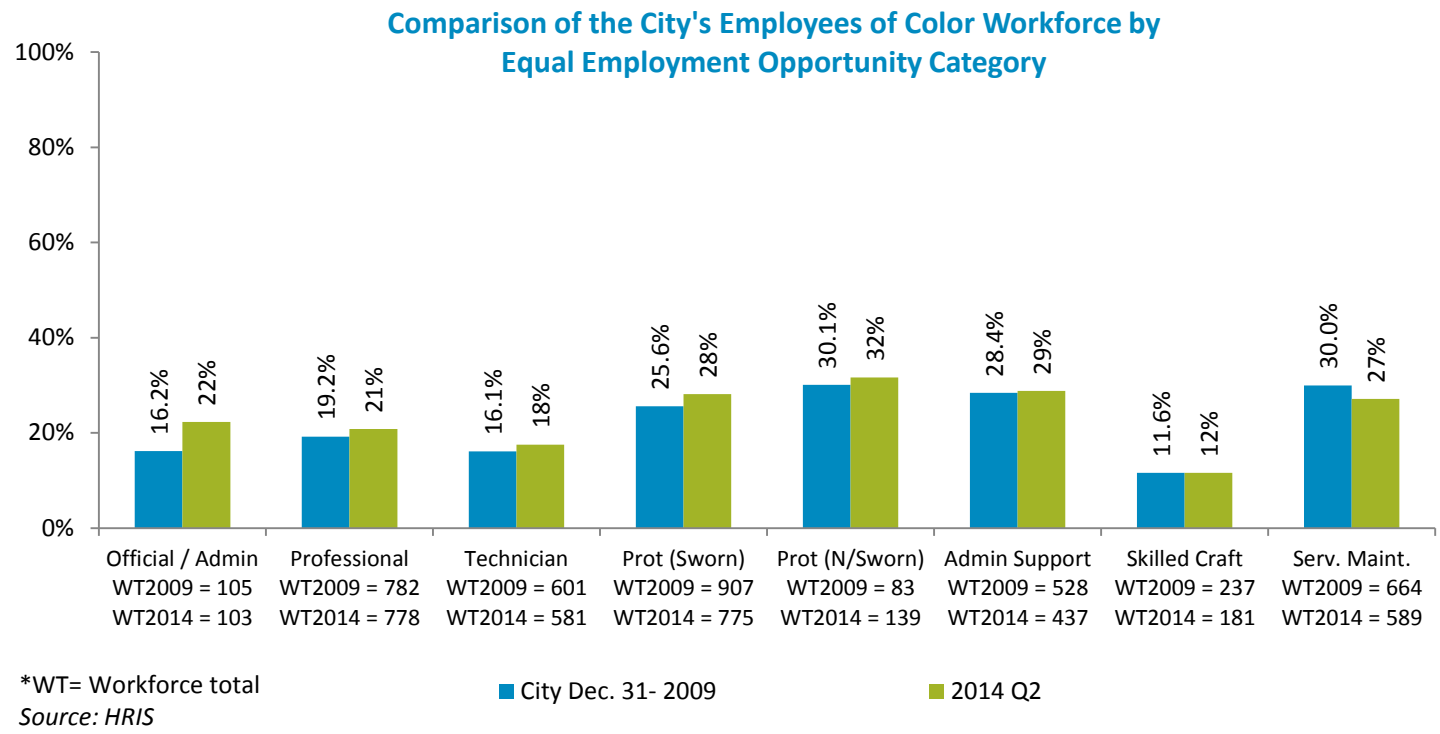
Ethnicity of New Hire Terminations (2010 to 2014) (n=123)



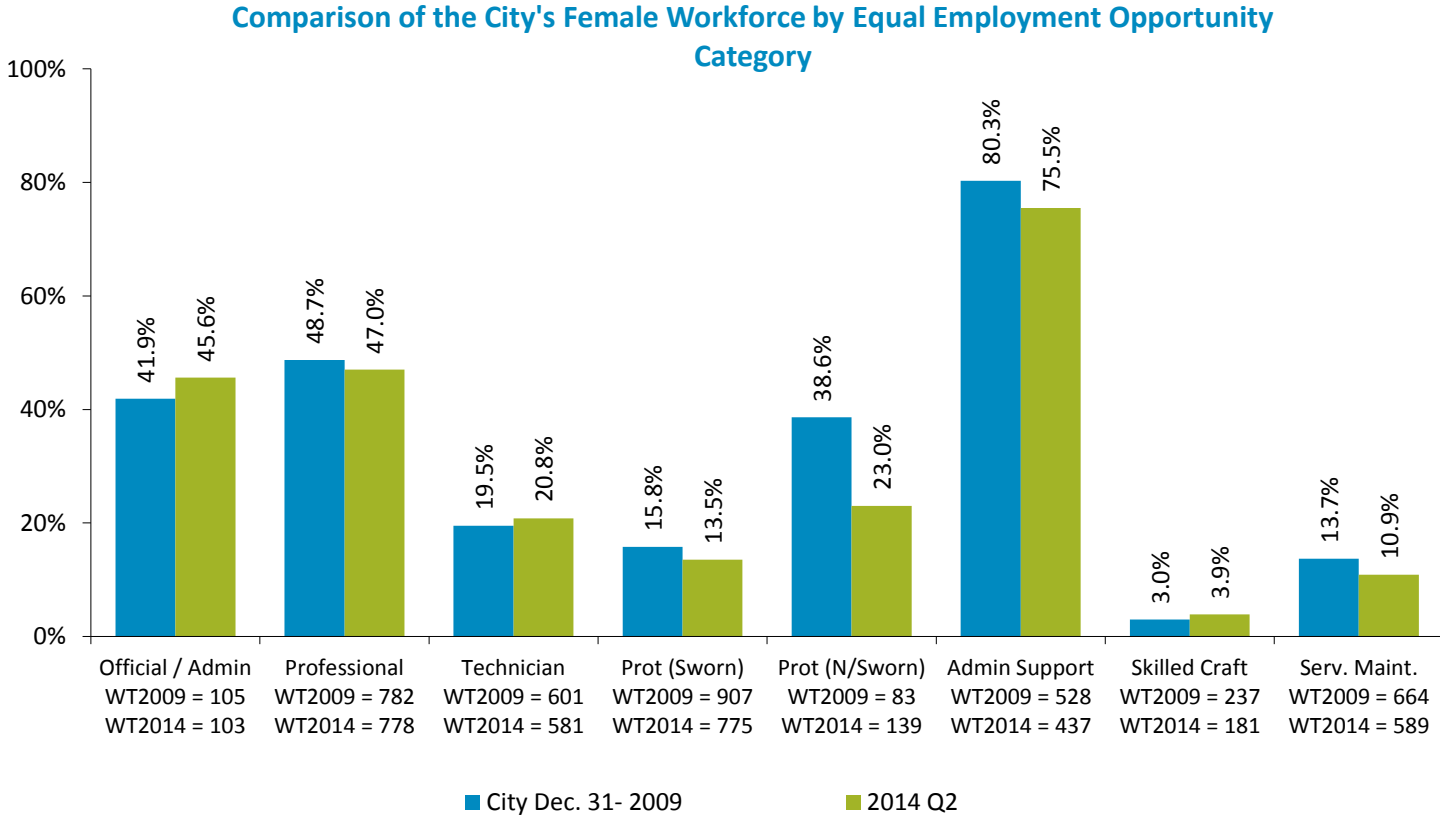
Source: HRIS

■ White ■ People of Color

Note: Of the 189 people of color hires, 24.8% are no longer with the City . Of the 542 white hires 13.8% are no longer with the City.



*WT= Workforce total
Source: HRIS

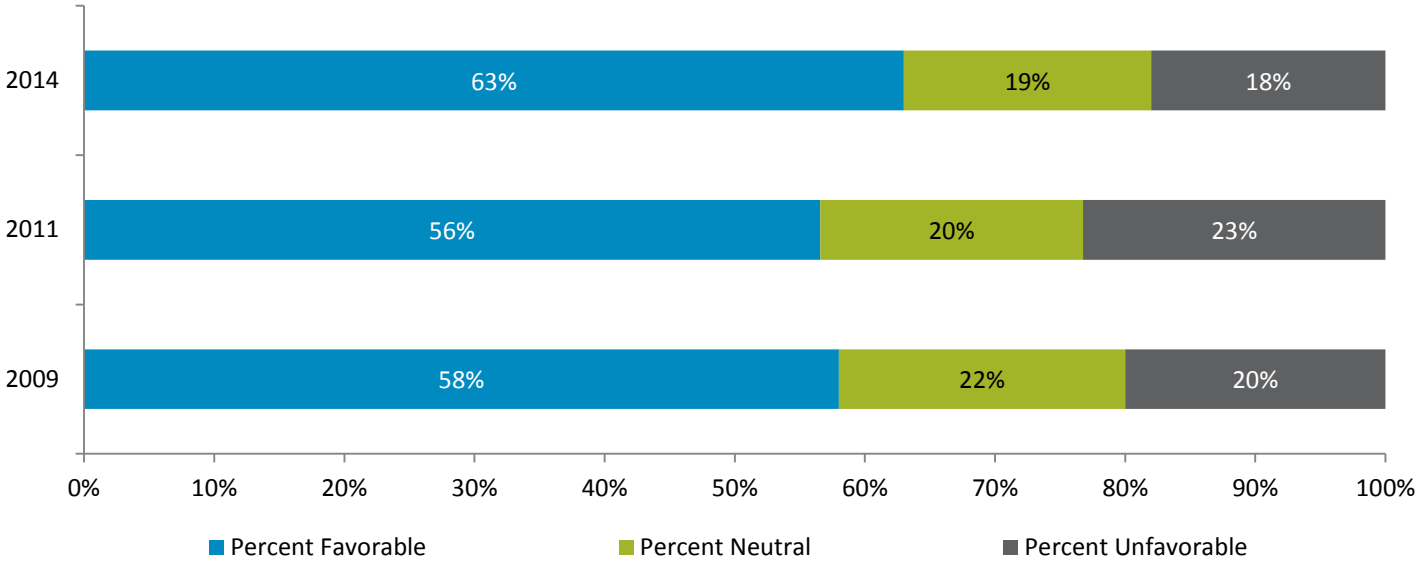


*WT= Workforce total
Source: HRIS

Part II: Engaged Workforce

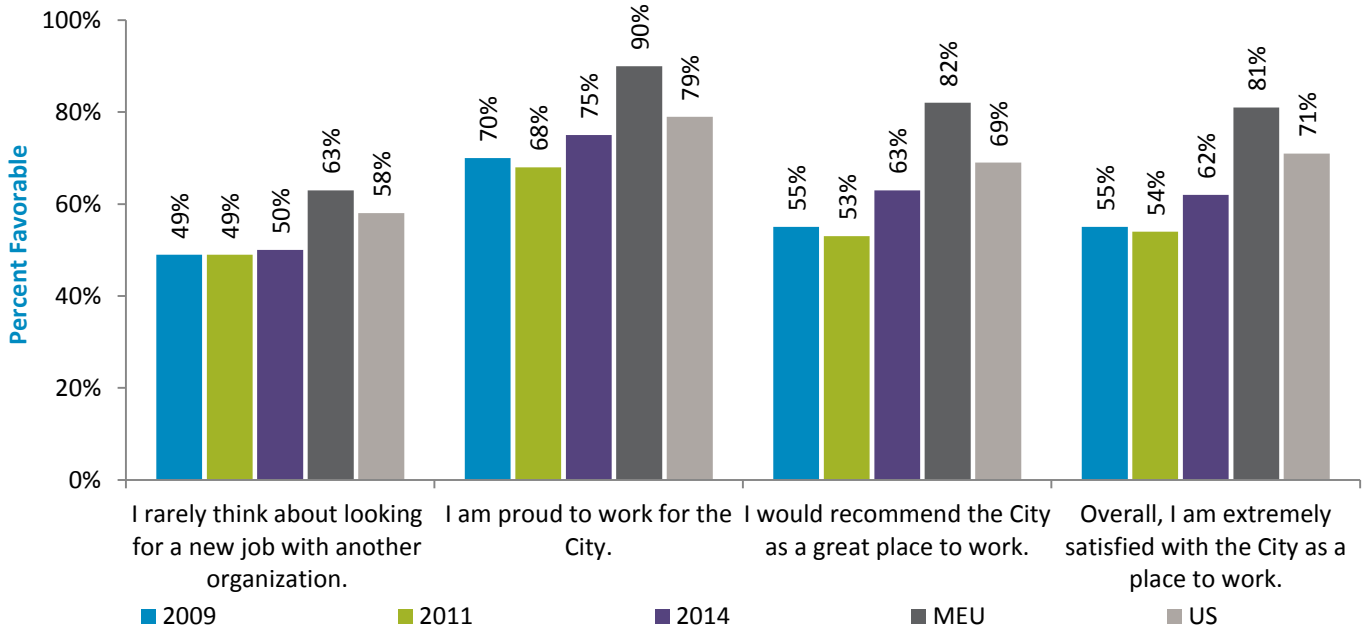
The City Is Supported in Creating an Engaged and Talented Workforce that Reflects Our Community and Is Seen as an Employer of Choice

City-wide Employee Engagement Index (2009 to 2014)



Note: The change must be five or more percent to indicate a true change in engagement.
Source: Employee Engagement Survey

City-wide Individual Employee Engagement Components



Notes:
1. The change must be five or more percent to indicate a true change in opinion.
2. MEU: Most Engaged Units: In order to calculate the "Most Engaged Units" we rank the work units within the City by their Employee Engagement scores; then, we select the top 20 percent.
3. Kenexa US World Norm: The Kenexa US World Norm is a composite of employee responses for US based organizations. It provides comparative results that represent the average scores across multiple organizations. When a value is not displayed in this column, a norm is not available.

Source: Employee Engagement Survey

Narrative on next page…

Why is this goal important?

Engaged employees:

- Put forth discretionary effort
- Fully buy into the organization's vision, goals and values
- Speak positively about the organization to their friends and family---they recommend the organization as a good place to work

In an increasingly competitive environment for top talent, it is critical that that executive leaders continue to review these goals to gauge how effective we are at creating and sustaining a supportive and engaged work environment.

In addition, according to the National Business Group on Health, studies show that engaged employees are healthier and more productive. According to a study conducted by Towers Watson and the National Group on Health, 57 percent of large employers say that a lack of employee engagement is their biggest obstacle to managing employee health. Moreover, employers also struggle to engage employees in their work; studies also found fewer than one in three employees worldwide consider themselves engaged in their jobs---and that healthy employees have lower health care costs, are more productive, creative and resilient, and provide greater intellectual capital to the organization.

With that in mind, the Human Resources Department has worked to develop a comprehensive strategy designed to engage employees in their wellness, health care decisions and job performance. Three strategies are: employee engagement action planning and execution, *PerformMinneapolis,* and Health and Wellness Initiatives.

Given the intense competition for top talent, an increasingly diverse workforce, as well as a shrinking labor pool, the *My Minneapolis* employee engagement measures provide useful information which will help in the development of plans and strategies designed to reinforce our commitment to be seen as an Employer of Choice.

What will it take to make progress?

Employee Engagement Action Planning: 100 percent of department leaders have demonstrated their commitment by their active participation in the action planning process designed by the Human Resources Department related to employee engagement. The development of action plans and strategies are scheduled for October 31, 2014. In addition, the STAR Awards, an enterprise –wide recognition program created in response to the 2012 employee engagement survey, was piloted in July 2014.

PerformMinneapolis

Over the past three years, the Human Resources Department, in partnership with department leaders, has been working to develop strategies designed to strengthen their business processes and practices with employees using business plan goals and objectives.

This process, called *PerformMinneapolis:*

- Focuses on meaningful performance-based conversations
- Leverages the relationship between supervisor and employee
- Focuses on results (versus activities)
- Places a stronger emphasis on employee development

Narrative continued on next page…

As a result, there is a clear line of site to the impact of one's work on the achievement of City goals.

In the 2014 My Minneapolis Employee Engagement Survey, citywide engagement increased seven percent from the 2011 survey. In this survey of all City employees, "performance management" called *PerformMinneapolis* was considered a strength and rose to the top of the list as a positive theme.

Specifically, in the 2014 *My Minneapolis* survey, employees rated the following three items as more favorably:

- I understand how my work links to the goals of the City (14 percent increase)
- My immediate supervisor clearly communicates what I am expected to do (3 percent increase)
- My immediate supervisor gives me useful feedback on how well I'm doing my job (6 percent increase)

The HR department expects to have 100 percent participation by all departments by the end of 2015.

We believe, and research supports, that aligning day-to-day work activities to the achievement of broader organizational goals is key to engaging employees and providing meaning to their work. The *PerformMinneapolis* participation rates are an additional measure that directly ties performance management and employee development to an engaged and talented workforce.

Health and Wellness Completion Rates

A strategy to contain health care costs and improve employee engagement is to utilize targeted wellness programs. Program completion is an important measure of employee engagement. Over the last few years we have evolved our program by adding options for participation to better meet the needs of our diverse workforce. As the requirements for completion evolve, the program becomes more relevant for those who participate.

An individual's health risk score, as determined by the Adjusted Clinical Group (ACG) predictive model developed by Johns Hopkins University, is directly related to health care utilization and resulting health care costs. Making healthy lifestyle changes and receiving proper medical care can positively impact members' health and their ACG risk scores. The chart on page 13 shows that the percentage of health plan members with low risk scores has increased each of the past five years and is now at 85 percent. Maximizing the number of plan members with low and moderate risk scores is crucial to controlling health care costs. Average claim costs of plan members vary widely based on their risk level. Health claims for plan members with low risk scores average $1,763 per year compared to $9,865 per year for those with moderate risk scores and $42,591 per year for those with high risk scores.

We also track gaps in care for health plan members with chronic conditions such as high cholesterol, high blood pressure and diabetes. A gap in care occurs when a member does not receive the care recommended for their condition. Care gaps have decreased over the last few years and we will continue to follow this measure as we monitor the health engagement of our population.

In 2015 our wellness program will move to a new platform that focuses on employee engagement and health behavior change. This will further increase personalization and include elements of socialization and technology integration that we expect will greatly improve member engagement.

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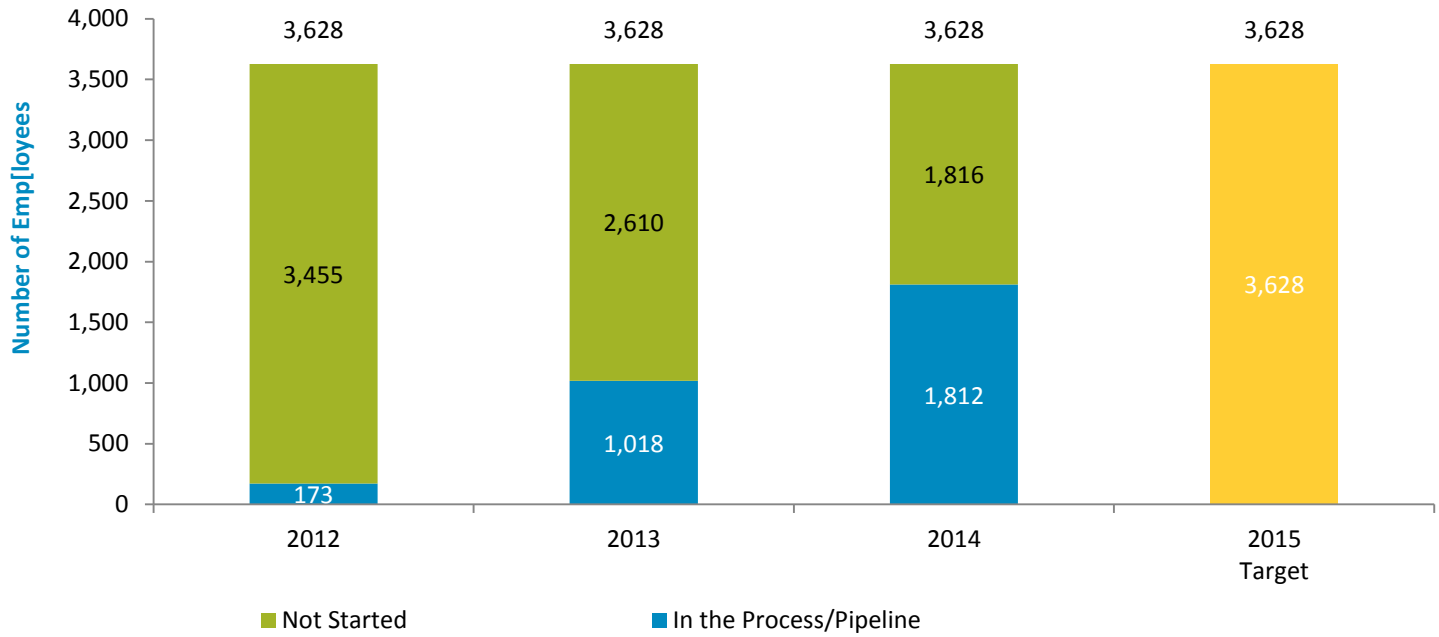
Employees' *PerformMinneapolis* Status

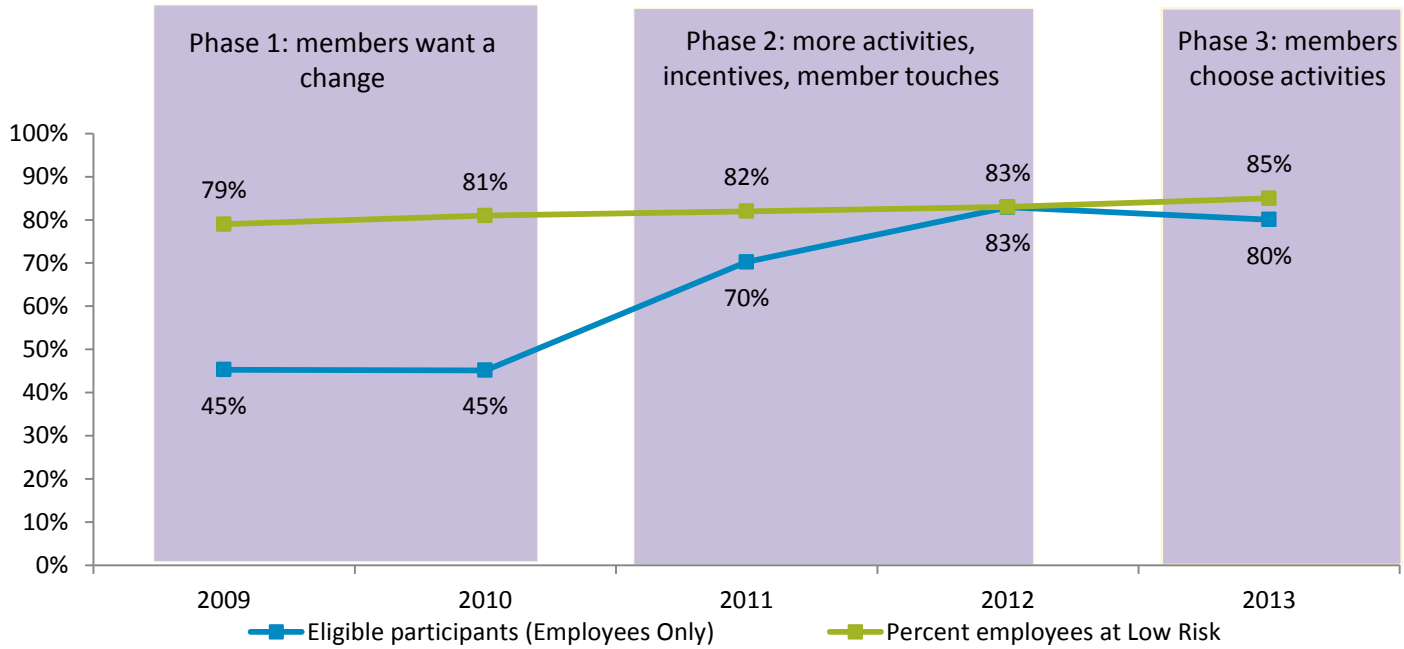


Note:

1. *PerformMinneapolis* is the City of Minneapolis' individual employee's performance management system.
2. "In the process/pipeline" means an employee has, at a minimum, started the process of setting goals or are in the appraisal process with their supervisors.

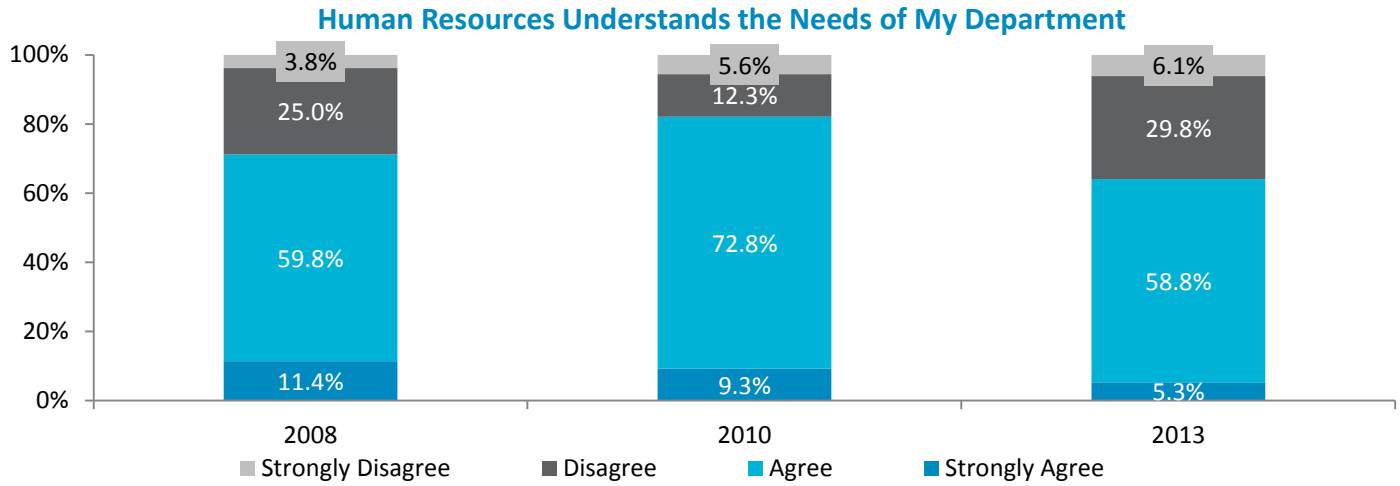
Source: HRIS

Health and Wellness Completion Rates and Impact on Risk Profile

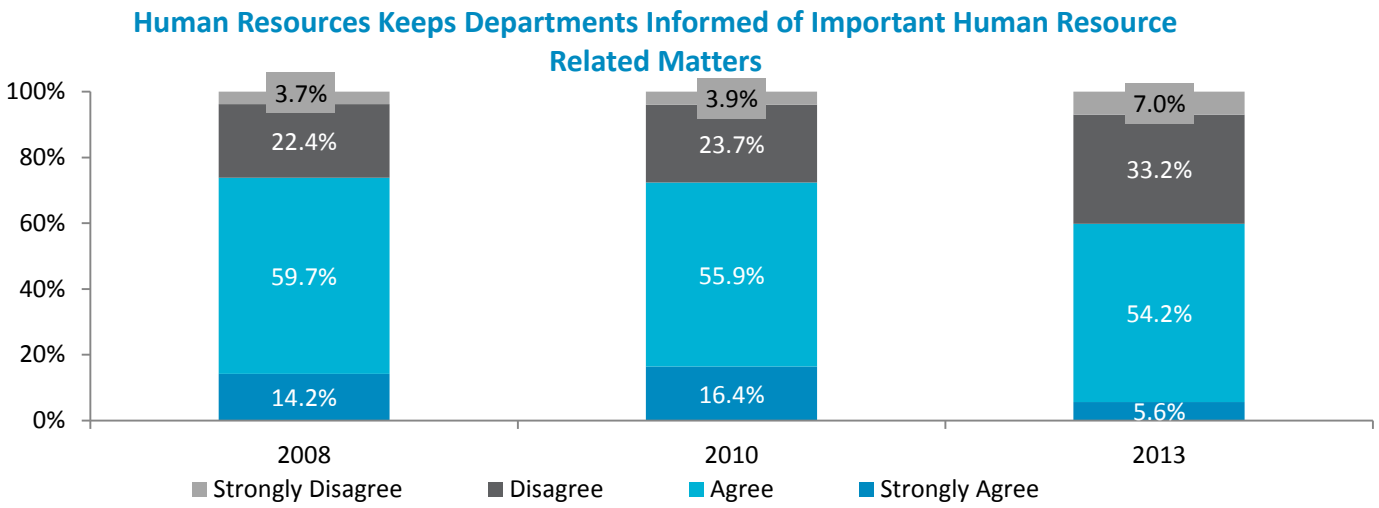


Source: Medica 2013 Health and Wellness Performance Report.

Human Resources Works Seamlessly and Strategically with Each Other and with All Other City Departments



Source: Management Services Survey



Note: The data shown refer to the questions of "Human Resources keeps you informed of important Human Resource-related matters including the status of personnel action requests and relevant workplace trends and issues", in the management services survey.

Source: Management Services Survey

Why is this goal important?

The Human Resources team continues to involve customer department in the initiatives and processes that impact their day-to-day operations. Listed below are examples of involvement in 2014 HR initiatives:

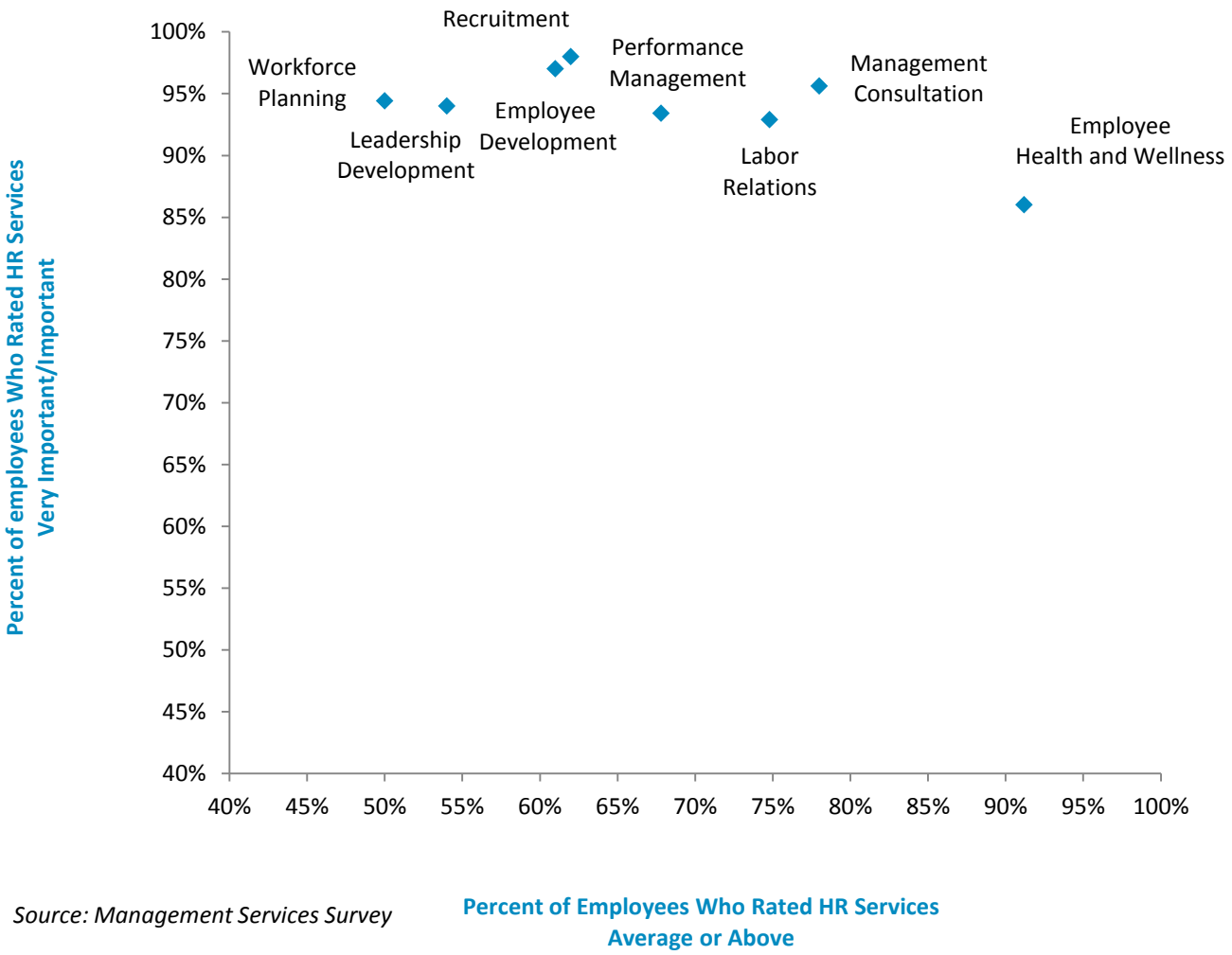
- There has been enterprise-wide participation in discovery sessions designed to gain information regarding ineffective systems, business requirements and areas of improvement as we move to upgrade the Human Resource Information Technology systems.
- 70 Hiring managers participated in a series of feedback sessions during the applicant tracking design process.
- A cross-departmental advisory group worked with HR in the design , communication and branding of Leadership U program. The advisory group currently is participating in the pilot phase of the program.
- A cross-departmental committee has been established to oversee the design and implementation of the STAR employee recognition program.
- The creation of a enterprise workgroup was established to gain additional information and provide recommendations regarding how the City supports, trains and develops interns.

What will it take to make progress?

Recruitment, workforce planning and employee and leadership development are areas that have been identified in our business plan for focus. The data collected from the 2013 management services survey confirms that employees find these areas very important and believe there is room for improvement (See matrix below). Strategies have been developed to support these areas. For example, Leadership U, the City's leadership development program is currently being piloted. One hundred leaders will participate in this program by the end of 2015.

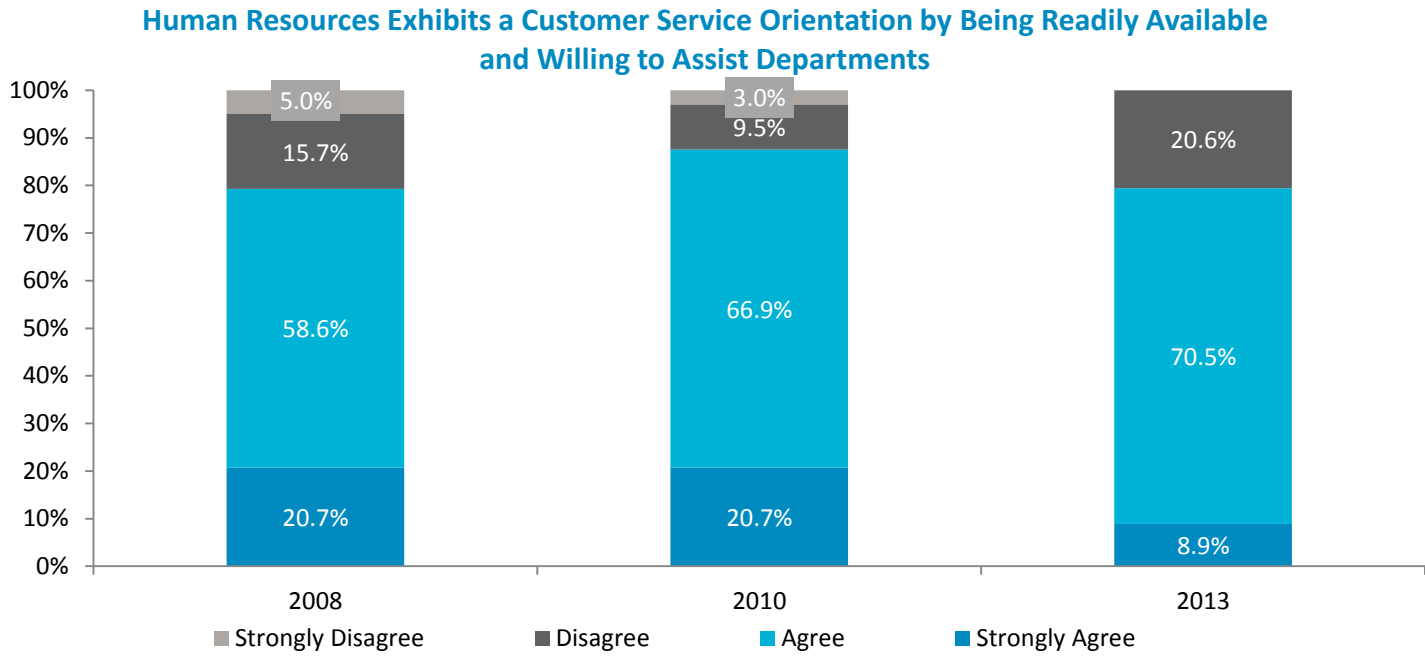
There has been a realignment of the HR department to better align with City vision, values and goals and to facilitate a more seamless approach in working with each other and with departments. In addition, to facilitate communication and to promote a more seamless and strategic approach in working with each other, monthly meetings have been established for the entire department.

2013 Departments' Rating of Human Resources Provided Services (Importance/Quality of Service)



Source: Management Services Survey

Human Resources Operations Are Efficient, Effective, Results Driven and Customer Focused Enterprise-wide



Source: Management Services Survey

Why is this goal important?

As an HR department, the Human Resources Department strives to provide leadership and guidance that fosters a work environment designed to meet the needs and challenges of a vibrant, world class city. Team members strive to work hand in hand with leaders by providing innovative, value added-Human Resource Solutions. Identifying key measures helps the department to identify areas of strengths, determine gaps in services, and provide opportunities for continuous improvement.

What will it take to make progress?

There are individual strategies related to each area of focus within this goal: to increase effectiveness, become more efficient and results driven and to improve our service delivery. Below are a few of the strategies that we have employed.

Process improvement – Customer Service HR Action Planning Process

In the results of the My Minneapolis Survey, Human Resources employees identified customer service as a top priority in its action planning process. This will include defining customer service (both internal and external) and the creation of strategies. Information will be integrated into the HR business plan.

Training and Development tools and support for hiring managers and HR staff:

In 2015, there will be a stronger emphasis on the development of training, support and tools for hiring managers and HR staff. Examples include: Interview training, additional support on new technology applications, and a continued emphasis on one-on-one support by HRG teams.

Levering Enterprise-Wide HR Technology:

In 2015, The HR department, through the implementation of various technologies will leverage the functionality provided to support HR related operations enterprise-wide. Examples include:

- Auditing of key HR functions processes , procedures and systems for effectiveness by the end of 2015

Data and narrative continued on next page…

- Through the Implementation of a new applicant tracking system and an upgrade to the existing Human Resource Information System, new reporting systems will be identified and used with the goal of a more efficient and effective and customer-focused HR service delivery.

Managing Health Insurance Costs:
It is critical that we minimize future health care cost increases. Starting in 2018, the Affordable Care Act imposes a 40 percent excise tax on plans with annual costs exceeding $10,200 for an individual or $27,500 for a family. To avoid this tax, we must limit future health care costs increases. Assuming five percent annual increases from 2015 through 2018, the annual cost in 2018 for the City's health plan (medical and HRA/VEBA) will be approximately $9,300 for individual coverage and $25,400 for family coverage.

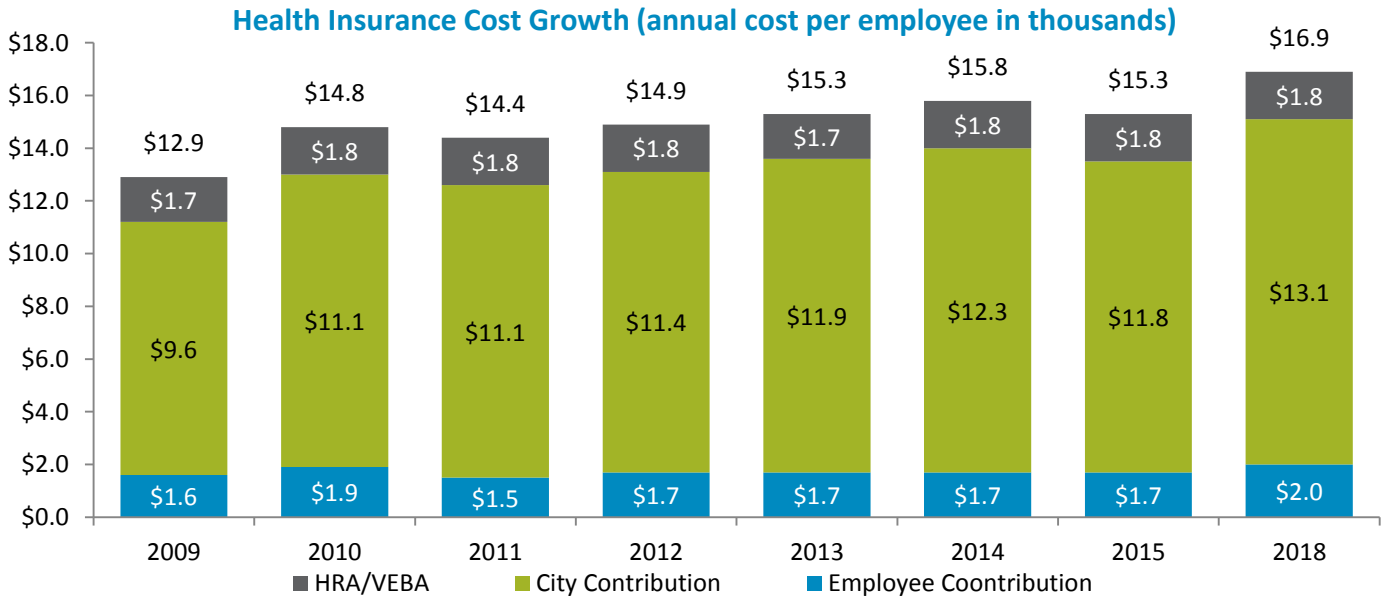
After a decade of double-digit increases, the City health care costs are moderating. The current three-year contract with Medica provides for a 3 percent premium decrease in 2015 with rate caps of five percent for 2015 and 2016.

These results were achieved due to our comprehensive strategy that includes:

- Plan design changes
- A focus on narrow, more efficient provider networks
- Increased management of high cost claimants
- Tighter integration among medical, EAP and disability plan vendors
- Programs to engage plan members in their health and wellness.

We will continue to refine and evolve our health care strategy in order to contain costs, maintain access to quality healthcare coverage and improve member health over the long term. In addition to evolving our wellness programing, future focus areas will include:

- Funding alternatives, including direct contracting for certain high volume procedures
- Management of behavior health, specialty pharmacy, chronic conditions and high cost claimants
- Methods to provide pricing transparency
- Employee education



Source: COMET (COMPASS and HRIS)

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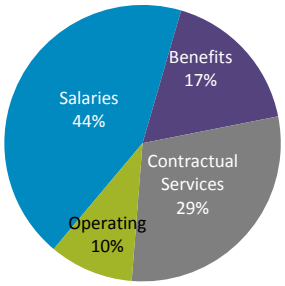
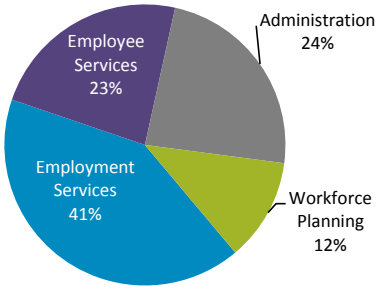
Management Dashboard: Human Resources

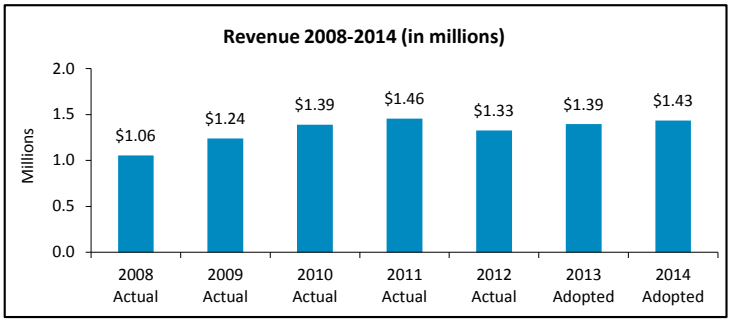
10/1/2014

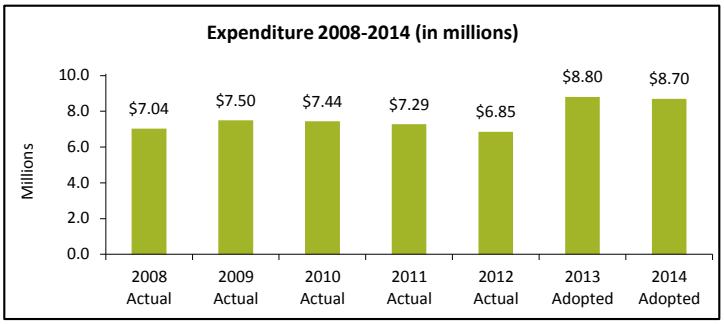
2014 Expenditures by Category: $8.7 million



2014 Positions by Division







Loss Prevention Data					
Year	2009	2010	2011	2012	2013
Workers Comp	$0	$0	$0	$0	$0
Liability Claims	$27,445	$30,010	$15,017	$51,486	$124,159

Average Sick Days Taken per Employee				
Year	2010	2011	2012	2013
Days	6.9	5.9	5.1	4

Workforce Demographics		
Year end	31-Dec-12	31-Dec-13
% Female	71%	76%
% Employee of Color	27%	29%
# of Employees	41	45

Overtime Costs					
Year	2009	2010	2011	2012	2013
Hours	32.0	-	8.0	14.5	74
Cost	$1,215	$0	$323	$ 485	$ 2,756

Employee Turnover and Savings				
Year end	2010	2011	2012	2013
Turnover	0.0%	6.6%	17%	19%

Positions Vacancies				
Year end	2010	2011	2012	2013
Percent of Total	2%	8%	11%	4%

Performace Completed Appraisals	
2013	80%

Retirement Projections										
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Number	4	1	2	2	2	1	1	2	1	1

Notes:

Average Sick Days taken per Employee

A) Based on the payroll calendar year not the calendar year.
B) Does not include employees who were in a suspended ("S") Pay Status at the end of a given payroll year.
C) Includes employees who are in a paid ("P") Leave of Absence status and an unpaid Leave of Absence status ("L").

Overtime Costs

A) OT amount - Fiscol. Reconciled with CRS and Data ware house queries.
B) Hours - based on HRIS management reports with payroll data.

Workforce Demographics

A) Includes employee counts at year's end for 2003 and 2008.
B) Only includes active FT regular employees.

Employee Turnover and Savings

A) Turnover Savings= $Budgeted (personnel) - $Actual (personnel)

Position Vacancies

A) Includes only budgeted positions.

Retirement Projections