

Infusino, Norman
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New Human Resources System

To: John Smith,

Executive Director, The Presidio Trust

Subject: Proposals for Changes of Some Human Resources Functions

The Mission

The mission of the Presidio Trust is (NAPA, 2004)“To preserve and enhance the natural, cultural, scenic, and recreational resources of the Presidio for public use in perpetuity, and to achieve long-term financial sustainability.”(Pg. xii)

The Law

On November 12, 1996, Congress passed Public Law 104-333, which created a wholly owned, and independent government corporation-The Presidio Trust-to manage a large part of the Presidio grounds “in a manner which is consistent with sound principles of land-use planning and management and which protects the Presidio from development and uses which would destroy the scenic beauty and historic and natural character of the area and cultural and recreational resources.”(Sec. 101 Findings. (5))

Within that law is section 103(c)(7) Staffing-“The Trust is authorized to appoint and fix the compensation and duties and terminate the services of an executive director and such other officers and employees as it deems necessary without regard to the provisions of Title 5, United States Code, or other laws related to the appointment, compensation or termination of Federal employees.” And herein lies the authority and opportunity to create the new human resources department.

Main Factors For Our Design of Human Resources

Our organization has tremendous need of skilled crafts persons to rehabilitate and maintain over 650 historic structures and over 600 non-historic buildings. We also have natural resources that need protection such as endangered species, so we need skilled natural resource management. We need to plan how building will be occupied and what kind of operations will be allowed. And we will be dealing directly with the public and differing government agencies, so we need people skilled in public relations. In short we will need a diverse workforce.

Since we need to be financially self-sufficient in a relatively short period of time, we need the flexibility to hire as we see fit to meet the mandated mission. External environmental factors to be considered are a very politically active and culturally diverse community, so we need to be accessible by many different types of people and in a number of different ways (e.g. Internet, phone, and in person). There is a strong union presence and history in San Francisco so we need to be aware of the requirements of the Davis-Bacon Act (paying the prevailing wages).

Internal environment demands will come from the Board of Directors that will guide the direction of the Trust Act. Once they appoint an executive director, then the whole organization will follow this person's vision for interpretation of the Board because she/he will be managing the day-to-day operations.

Federal law is followed with the exception of the Title 5 merit system in regard to federal employees (103(c) (7)). Davis-Bacon and Service Contract Acts have also been incorporated within the Trust Act.

Weaknesses and Strengths of the current system

Classification

I think the area of classification is our strongest area. We have three categories of employees: They would be the non-skilled or Tier I, the technical or journey level skilled Tier II, and the professional and supervisory Tier III. We have just three different areas of classification. Within those areas are different job positions such as; laborer or office administrative assistant in the Tier I; plumber or project coordinator in Tier II; and architect or department director in Tier III. The job groupings are similar in this system although we still have different class series within each classification (i.e. painter, carpenter, electrician within the Tier II classification)

Compensation

The area of compensation is our biggest weakness. Within each of the classification groups there is a wide variety of job series, but there is no set standard for compensation. When I say compensation I mean wages. The benefits are in line with the rest of the federal workforce. Better in some cases. There are three paid personal days each calendar year that compliments the paid holidays (i.e. Forth of July, Labor Day, etc.) and the accrued sick and annual leave. But when we discuss hourly wage or salary there is a problem. There can be no expected increase due to 103(c)(7). When it is hard to recruit people this flexibility of wages can be a big advantage, but when anyone has been in the organization more than a year they see that major disparities occur. The means for a “merit increase” is by performance. But even if you perform to a level of consideration, you might not get an increase because of external economic considerations. This is not good for morale. And there is no transparency of why a wage does not occur.

Recruitment and Hiring

Recruitment and hiring is middle of the road. There are definitely strengths and with those strengths there are obvious weaknesses. With the absence of prescribed wages as in the majority of the public sector, this makes it easier for human resources to recruit and hire. Add to that the flexible benefit packages and housing allowances, and you have a good environment for most recruiting and hiring. The weakness is that people in authority can hire friends, relatives or in-laws. The Title 5 provision of hiring “among qualified individuals from appropriate sources in an endeavor to achieve a workforce from all segments of society”, can get lost.

Performance Appraisal

The appraisal system is somewhat complex than others I have been subjected to. The performance appraisal has six critical elements and you are rated on a scale from 1 to 5 (1 being unacceptable and 5 being outstanding). There are 6 elements as listed: productivity/accomplishment of objectives, job knowledge and skills, quality of work, teamwork/communication/customer service, judgment/decision-making/problem solving, and safety.

Employee Relations

The Trust Act makes everyone at-will employees. Depending upon your point of view it could be considered very flexible and it gives management the right to hire and fire with a minimal due process procedure. There are no MSPB requirements. At this time there is little recourse for an adverse action other than talking to your federally elected representative.

Labor-Management Relations

The state of labor-management relations while still viewed as cool has begun to thaw over the last few years. It will become stronger as time goes by. There is a union, but there is no contract. The 103(c)(7) part of Trust Act gives management most of the rights. Something's will not be bargained. Implementation is bargained and soon there will be an alternative dispute resolution. That will assist in most of the problems that arise. Something in writing that both labor and management can refer to has strength.

The Changes

There are a number of changes that I would make for my new Human Resources System:

Classification as I stated earlier I thought this area was our main strength and there is not too much I would change except in the Tier III area. I would create one more Tier and move up the supervisory/management functions and separate them from the professional functions. In many cases the professionals are not supervisors and even though their pay is comparable to the supervisor they have none of those responsibilities. The professional still has to have certain degrees and certifications, so I would not place them in Tier II.

Compensation is the biggest problem as I see it. There is no transparency to the system. There are pay bands in each classification for a total of three pay bands, but the mechanism for a determination of pay is not clear. Also, raises are strictly determined by performance appraisals. Appraisals are too subjective to be giving wages and salary increases. Good appraisals should have merit bonuses or merit awards given. I believe that a graduated increase should be given based on time with the organization along the lines of the GS or WG system. If you want to motivate people give them bonuses do not withhold wage increases for reasons that are not objective. If someone meets the goals of the performance appraisal and they do not

get a merit increase, it is not reasonable that they should not be recognized. It is especially divisive in the workforce when people in your same work group, doing the same kind of work but with different supervisors, received an increase the prior year but did not meet the same goals that you did for the current year, but you do not get the increase and you both are doing the same kind of work. Another aspect of compensation that needs to be addressed is the benefits packages. I would make the retirement and health contribution sacrosanct. They are already tied to the rest of the federal sector, but according to 103(c)(7) that can be changed because the Trust Act gives them the authority to fix compensation, and benefits are parts of compensation.

Another benefit I would introduce is a program that pays for a college education if the employee finishes and receives a degree within a given time. It would not matter what the major course study was because many of the functions in the work environment use multiple skills that ones acquires through higher education (i.e. typing, research, math, and English skills).

Recruitment and hiring in most cases is strength. But I can see where there could be problems from an EEO employment standpoint. If there are no developmental programs, then there might be a problem with hiring under represented groups. And there are no developmental programs at present. Our organization believes in hiring at full performance levels. I believe that outreach into targeted communities needs to be a focus. One way to do this is through local community papers and cultural publications. If we can advertise nation wide for a Chief Operating Officer, then we surely can advertise locally for administrative assistants. Also with no fixed salary and wage schedule there could be abuses of pay equity. There are no Bona fide occupational qualifications (BFOQ) or business necessities that I am

aware of, but if the first line supervisors are given the most decision weight of the hiring procedure, then we are open to discrimination complaints if there is not a representative section of the surrounding community.

Performance appraisals for the most part are adequate. They need to be given annually. If we continue to tie compensation increases to performance appraisals then we cannot change them (the 1-5 rating system) too much. If we went to a pass-fail system then there is not enough of an incremental gauge to determine the differences of equitable pay adjustments. The difference between a 1% and 2% pay increase or bonuses for example would be hard to determine with a pass-fail system. There should be an informal midterm check-in to see how the employee is performing or the areas that might need to be strengthened. If we change our wage and salary structure then we could change to a pass-fail system.

Employee relations need some work. The workplace needs to be a place that employees can feel safe to perform their jobs. There needs to be more education of the workforce of what is acceptable behavior and what is not. Many of the employees that work here are from a construction background and do not know what is acceptable behavior in a large stationary workforce. They are used to being transitory so the importance of a safe and free from hostile work environment is a new concept to them. I am suggesting diversity training.

Workplace safety is a place we need to change. We have high workers compensation claims and we have a hard time keeping a safety manager. Getting people back to work by offering light duty programs and perhaps training them to do other activities is a place to start. We have an EAP program. It can offer employees wide variety of services for their concerns outside or inside the work environment. I would like to see it advertised more. I think it is underutilized and not well understood.

Since we are considered an at-will agency, there are times when employees are not given the opportunity to precede through a due process proceeding. When someone is given a notice that in essence says 'we are an at-will agency and either the Trust or the individual can terminate their employment at any time,' it is hard to dispute unless there is a truly egregious situation. I would like to see a real alternative dispute resolution process put in place so that both sides could plead their respective cases.

Labor-management relations in the past have been confrontational. In the beginning there was open hostility towards the representative union. There was distrust on both sides. In the past two years there has been more co-operation between both organizations. The main thing that I think is essential is to have a complete Collective Bargaining Agreement (CBA). The Trust and the Union have tried the traditional or position based bargaining approach to contract negotiations. This did not go well. After training, the parties have begun and continue to develop their interest based bargaining concepts and this is making the atmosphere less hostile and the communications seem to flow easier. Does it favor one side or the other? It favors whoever can make it benefit both sides. The key trait in any organization is the integrity of the individuals. You have to be able to trust or at least know they will treat matters with the same kind of diligence time after time. I feel that a whole CBA could be negotiated here. Since Congress gave the Trust 103(c)(7), which eliminates most protections of federal employees and gave The Trust the opportunity to make and keep its own income, I do not think it unreasonable to be able to negotiate any and all items that one would find in any private sector CBA.

I would like to see a labor-management committee or partnership formed and meets at least monthly. There is a well of untapped knowledge here and we do not need to hire or pay some person every time something needs to be done. It could be done as ancillary duties or

temporary reassignment. There are many projects that people would like to take ownership of, but there is no avenue to access that knowledge. I think that the committee would help develop this untapped resource.

Conclusion

I believe these changes are necessary to maintain a loyal and productive work force, while accomplishing our mission. Flexibility is still maintained without our agency having to play a draconian part with our employees. We are stewards, so we also want to build trust within our Presidio Trust community. If our workforce is turning over or are dissatisfied with our management, we cannot keep telling them to go look for work where they might find something better. That will become transparent to the community in a short period of time and then we lose the trust of those that we serve.

References

National Academy of Public Administration. (January 2004). The Presidio Trust: Developing a National Park While Attaining Self-Sufficiency. Washington D.C.: National Academy of Public Administration

The Presidio Trust Act

(as amended through December, 28, 2001)

16 U.S.C.ξ 460bb appendix

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