

To: Phil Ginsberg, HR Director, City and County of San Francisco
From: Tracey Helton, Color Blind Consulting
Re: Expanding Diversity in CCSF Employment
Date: October 14, 2006

Problem

The City and County of San Francisco is facing huge challenges in the planning for the future of the workforce. The city is expected widespread attrition in the workforce and will need to develop creative policies to respond to the growing crisis. CCSF will need to expand beyond traditional “diversity” with consideration of seniors and ex-offenders as a growing source of talent.

Evidence

According to the May 2005 Report “*Civil Service Reform: Preserving the Promise of Government*”, 43% of CCSF employees are 50 and older (CCSF 2005). One of the core recommendations of the report is reform to create policies to respond to the changing workforce. The Bureau of Labor Statistics estimates that by 2015 there will be 31.8 million older Americans in the workplace age 55 and older (Purcell 2000). This is an increase of 4% annually starting in 2000 (Purcell 2000). Among current employees, 18% percent of the workforce that is 50 years of age or older will retire within the next 10 years (CCSF 2005). Succession planning is critical to future of San Francisco government. To respond to the growing crisis, the City and County of San Francisco will find it necessary to draw upon creative policies.

The City and County has recognized the need and has been to attempting to retain older workers. Older workers have a pool of institutional knowledge that cannot be replaced. By retaining older workers to assist in a longer -term transition, CCSF expects

it could save in turnover, separation, and training costs. In the report *Preserving the Promise of Government* it states that “there is always a need to fill highly targeted technical or managerial pool where the targeted candidate pool is very small or the job market is very tight ”(CCSF Report, p. 19). However, CCSF will need to look at expanding recruitment efforts beyond executive level positions. Older workers can contribute at all levels of an organization. This would require dedication and policies that foster change.

The City and County of San Francisco has also taken a small step towards retention and recruitment of ex-offenders. According to All of Us or None, a group dedicated to assisting ex-offenders the San Francisco Bay area is well known for having a large population of ex-offenders. "Employment discrimination against people because of their past criminal records means thousands of people can't get jobs, can't pay rent or provide food and health care for their families," says Dorsey Nunn, Program Director of Legal Services for Prisoners with Children and All of Us or None. Securing a job is the best predictor that an ex-offender will not return to prison (Mendlin). In 2005, CCSF worked with All of Us or None in the “ban the box” campaign. The CCSF agreed to phase out the box on employment applications that asks if a person is convicted of a felony. The box will remain on applications that require aspects of a background check such as programs working with children and law enforcement. This was a step forward for CCSF in diversifying and strengthening the pool of available workers.

Criteria

The criteria for evaluation of alternatives includes: cost, potential resistance from existing employees, and feasibility.

Alternatives

The CCSF has three alternatives to be evaluated: do nothing, change programs dealing with older workers, and change policies related to ex-offenders. First, let's take a look at the do nothing approach. In the short term, the cost to CCSF is low but the cost becomes higher in the long-term view. As of the spring of 2005, 43% of the workforce were 50 or older and 18% were expected to retire in the next 10 years (CCSF 2005). Losing this human capital over the next 10 years could create chaos in city management. Traditional hiring patterns will not fill the gaps. The potential resistance from employees is low in the short-term but could be higher in the long-term. Unfilled positions mean a larger workload for career staff that will shoulder the burden during staff shortages. Finally, the question arises- is it feasible to ignore the problem. The answer is yes in the short-term but that would cause a long-term human resources crisis and an inability to provide city services.

Secondly, is the proposal to create policies that recruit and retain older workers. In terms of cost, the short term costs for retention can be high as the workers may be receiving higher salaries due to their years of service. The long-term cost is low as dollars are saved in turnover, training, and costs associated with pensions. In terms of resistance, in the short term extending the tenure of older workers may cause friction by workers who feel they are being denied their opportunity for advancement. In the long term, the resistance would be low due to the advanced age of the current workforce. Senior employees can share duties, reduce hours, and train their replacements. Finally, in the short term the program is feasible. It is feasible in the long term, although CCSF would

need to rework benefits, compensation, and work arrangements to accommodate the changes.

A final analysis can be done on a policy to expand recruitment and retention of ex-offenders. In terms of cost, both the short term and long terms cost are low. Organizations such as the Northern California Service League already have programs in place to assist in placing ex-offenders with employers. The NCSL alone places 800 ex-offenders per year with jobs and is ready to work cooperatively with CCSF. In terms of resistance by existing employees, it may be high in the short term but should dissipate as the program becomes institutionalized. Finally, it is feasible in the short and long term to create policies to recruit and retain ex-offenders

Policy Recommendations

The City of San Francisco needs to take a twofold approach. The City and County of San Francisco should begin to create a comprehensive policy to both recruit older workers into existing positions and retain existing workers beyond the traditional retirement age. CCSF should also partner with ex-offender programs to recruit new employees. The City and County has the advantage of excellent benefits, including healthcare and pension.

The two policies are effective ways of addressing the issue of workforce attrition. Workers are spending 4-5 more years in retirement and are looking for ways to earn extra income through part-time employment and flexible work scheduling (CED 1999).

Ex-offenders are looking for opportunities in employment, with benefits and salaries that allow them to contribute to society. By implementation of new diversity policies, CCSF will address workforce attrition while positively impacting the life of people in need.

All of Us or None . Press release September 27, 2005.

City and County of San Francisco. “ Civil Service Reform: *Preserving the Promise of Government*”, May 2005

Committee for Economic Development. “New Opportunities for Older Workers”, Washington, DC, October 1999

Mendlin, Ron and Polonsky, Mark “Double You-The Person You Are and The Person You Want to Be”. JIST works 2000

Purcell, Patrick J. “Older Workers: Employment and Retirement Trends.” Monthly Labor Review, U.S. Department of Labor Bureau of Labor Statistics (BLS) , October 2000.

Outcome Matrix

Criteria- Short and Long Term

	Cost	Resistance	Feasibility
<u>Alternatives</u>			
Do nothing	+/-	+/-	-/-
Change policies for Older Workers	-/+	-/+	+/+
Change policies for Ex-offenders	-/+	-/+	+/+

Recommendations/Conclusions;

First, let's take a look at the do nothing approach. In the short term, the cost to CCSF is low but the cost becomes higher in the long-term view. The potential resistance from employees is low in the short-term but could be higher in the long-term. Finally, the question arises- is it feasible to ignore the problem. The answer is yes in the short-term but that would cause a long-term human resources crisis and an inability to provide city services.

In terms of changing policies related to older workers, the initial cost is high due to turnover costs. The long-term cost is low. The idea may cause resistance in the short-term but should be more widely accepted after implementation. The idea is feasible in both the long and the short term.

Changing policies towards ex-offenders has high costs initially but they will decrease as programs are put in place through the county hiring system. Resistance may be high in the short-term but should decrease with time and buy-in from employees. Finally, the idea is feasible in the short and long term.

I recommend a two-part approach of revising hiring practices for older workers and ex-offenders as they are equally attractive solutions.