

Special Ketchikan City Council meeting was called to order by Mayor Williams at 7:00 p.m., February 27, 2012, with the following members present: Sam Bergeron, Dick Coose, Kj Harris, DeAnn Karlson, Robert Sivertsen and Marty West. Councilmember Matthew Olsen arrived approximately 7:15 p.m.

The Pledge of Allegiance was given by all persons in the Chambers.

Staff present were Assistant Manager Martin and City Clerk Suiter.

COMMUNICATIONS – None

PERSONS TO BE HEARD – None

NEW BUSINESS

**Management Review of the Human Resources Division –
Matrix Consulting Group**

Assistant Manager Martin reminded the Council directed a peer review of the Human Resources Division, and staff contracted with Matrix Consulting Group to perform the review. He noted a steering committee was assembled to help provide direction, as well as facilitate in getting information and people to Matrix for interviews and discussion. He stated they had a couple of drafts on the final report for presentation tonight. He introduced Alan Pennington of Matrix Consulting Group.

Mr. Pennington provided a background of the process that was used to conduct the review, stating there was initially a round of interviews with selected staff members, including department heads, other managerial supervisory positions and all the staff in HR, as well as Councilmembers who had expressed an interest. He said they collected data regarding division operations, and did an employee survey to allow all employees to provide input into the study. He outlined some of the subjects covered in the survey. He stated they then compared the City's HR operations with what are termed "best practices," things that would be expected to be in place in other well-functioning HR departments of the same size, things that they have seen with other communities they've worked with, and things that the professional associations in the HR field recommend to be in place. Mr. Pennington continued recommendations were formed based on this information.

He emphasized that not every recommendation can be done at once, and they provided a systematic way to address the recommendations based on what they felt were higher priorities. He also noted they were aware some of the recommendations had a cost attached to them, which they tried to keep to a minimum for less of a financial impact.

Mr. Pennington explained the different sections of the report, stating the executive summary outlines the overarching theme of the bigger issues. He said there are additional

items that fall in the best management practices section, where more of them have to deal with the nuts and bolts of HR administration policies and procedures.

He noted there are many strengths in the current operation, and he highlighted several of them. He went on to describe some recommendations, which fall into three general categories: 1) improve the administration of the HR division, including technical skills and abilities in that area; 2) customer/employee service; 3) future development of the HR program.

In describing improvements in the administration, Mr. Pennington recommended continuing to review job descriptions as they are filled so they are always kept up to date; implementing a desk manual in HR; conducting exit interviews and doing a summary at least on an annual basis; and training of HR staff.

He said there is another group that has to do with future planning and policy issues, some of which are longer to accomplish, often take some funds and aren't going to happen overnight. He outlined workplace succession planning, which includes evaluating turnover and building a workforce within the organization that can fill the positions in the future. He emphasized a well developed supervisory training program would be beneficial because supervisors are a key assistance to the HR program out in the individual departments.

Mr. Pennington said they did not recommend additional staff for the HR Division, but he felt it was beneficial in the long term to upgrade the administrative assistant position to one that is more of an entry-level HR professional position. He also mentioned performance indicators for HR are also needed, part of which involve indicators of how long processes should take and subsequent target levels. He felt having some level of expectation would help provide consistency across the organization.

He addressed the area of customer and employee services, commenting expanding the HR section of the City's website would make it a resource to those looking to come to the City. He also mentioned an annual employee survey was needed, stating the customer service level part of the survey is an area where a disparity was shown between executive staff and managers, and line employees. He said another way that would help is to look at ways to develop the labor management cooperation and cooperative approach. He outlined some difficulties, but felt that ways needed to be explored in this area.

In response to Councilmember West, Mr. Pennington said the one-third response on the survey was typical. He went on to describe the ways surveys can assist the HR division, citing trends, possible perception differences, and he recommended it be done on a semi-annual, annual or bi-annual basis.

In response to Councilmember Coose regarding the difference in the survey responses between line employees and management, Mr. Pennington said he could provide the split between the two, but he didn't feel comfortable providing information by department

because of confidentiality issues. He outlined some of the differences between the two that the survey pointed out, describing possible reasons there may be a difference. He said he would provide a copy of the split to staff for passing along to the Council.

In response to Mayor Williams, he addressed some of the costs associated with the high priority items, stating workforce planning will be a multi-year effort, which is assumed, would be done internally. He said an annual employee survey would be no cost and can be done in-house using several different online survey engines. In discussing supervisory training, he said it could have a cost depending on whether it is developed in-house, which would take longer or contracting it out, for which a good supervisory training program can be obtained for \$20,000 - \$25,000. He emphasized this is not an annual cost, but can be spaced out over multiple years. He went on to say the redefinition of the administrative assistant job is estimated to cost approximately \$10,000, saying it is not a new position but rather allows for an entry-level HR position that will allow a greater role to be assumed in the HR activities. Mr. Pennington said he thought the IPMA-HR certification runs about \$1,000 depending upon several factors, and he said performance indicators cost nothing.

Councilmember Sivertsen said if the Council were to proceed with a re-write of the administrative assistant position, he felt other requests that were made for the same thing should be considered as well. He also discussed evaluations and recommended that supervisors be held accountable for performing evaluations in a timely manner. In discussing succession planning, Councilmember Sivertsen felt we have lacked this in the past and it is important to get employees trained for longevity.

Mr. Pennington emphasized that labor-management relations should be addressed, and cited some possible avenues to accomplish this. He advised the Council to give some flexibility for addressing the priorities he outlined. He said the expectations of staff should be reasonable.

Moved by Sivertsen, seconded by Bergeron the City Council accept the Management Review of the Human Resources Division prepared by Matrix Consulting Group dated December 15, 2011 and direct the city manager to implement the recommendations within the report and with priorities to be set relative to work loads and time tables at a later date

Recommendations that were included in the report consisted of (in priority order):

High Priority

1. The City should support the human resources manager in participating in the IPMA-HR certification program to achieve certification through allocation of sufficient funds for training and travel costs.

2. The City of Ketchikan should implement a formal training policy outlining the annual training requirements for various positions, including required supervisory training.
3. The City of Ketchikan should implement new performance indicators for the Human Resources Division.
4. The City should conduct an annual employee survey to solicit input regarding satisfaction with human resources services and employee satisfaction with their employment with the City of Ketchikan.
5. The City of Ketchikan should implement a standard and formalized supervisory training program for all supervisors that includes a core set of classes, and is supplemented annually with topical items.
6. The Human Resources Division should undertake a workforce planning effort to develop a workforce plan including succession planning.

Medium Priority

1. The City of Ketchikan should expand the information available on the Human Resources section of the website.
2. The Human Resources Division should develop a desk manual for the key duties performed by the Human Resources administrative assistant and safety coordinator.
3. The City should adopt a policy of routine review and updating of job descriptions to ensure review of each description every three to five years.
4. The City should enhance the exit interview process through the compilation of a semi-annual report for administration.
5. The City should conduct a survey of benchmark positions at least every two years to determine the market competitiveness of the compensation program.
6. The HR administrative assistant position should be converted to an HR generalist position over time.

Moved by Coose, seconded by Bergeron to amend by substituting after the words city manager, “to provide a plan within the next sixty days with cost estimates and time frames to implement the 12 priority items over the next two years.”

Motion to amend passed with Bergeron, Sivertsen, Olsen, Karlson, Coose, Harris and West voting yea.

Main motion, as amended, passed with Sivertsen, Bergeron, Coose, Harris, Olsen, West and Karlson voting yea.

MAYOR AND COUNCIL COMMENTS

Councilmember Coose thanked Mr. Pennington, and said it is up to the Council to do something about it.

Councilmember Bergeron said he would like to bring an agenda item forward about single-unit sales tax and taxing certain things. He urged the Council to look for it at some point.

Councilmember Sivertsen thanked the HR Department for the work they do, but he felt the problem for the last eight or nine years we've been in continuous negotiations. He hoped multi-year contracts would help.

Mayor Williams said he would work with the clerk to establish a date for a special meeting to evaluate staff.

ADJOURNMENT

As there was no further business, the Council adjourned at 8:20 p.m.

Lew Williams III, Mayor

ATTEST:

Katherine M. Suiter
City Clerk