City of Los Angeles
California

ERIC GARCETTI
MAYOR

October 9, 2014

REF: EXE-318-14

Honorable Members of the City Council
City of Los Angeles
Room 395, City Hall
Los Angeles, CA 90012

Attention: Information Technology and General Services Committee

Subject: **ITA SUCCESSION PLAN/PROPOSED HIRING PROGRAMS**

Dear Councilmembers:

This report is submitted pursuant to FY 2014-15 Council budget hearing instruction, Council File: 14-0600-S127, relative to providing a report to the Innovation Technology and General Services Committee regarding establishing a Student Intern Program for the Information Technology Agency. The scope and recommendations of this report provide a comprehensive strategy for workforce planning to address the high level of attrition anticipated over the next 3-5 years in the department.

BACKGROUND

In 1982, due to employee shortages in the City of Los Angeles, the Information Technology Agency (ITA), formerly known as the Data Services Bureau (DSB), established a professional internship program to address employee staffing level and skill set gaps. A multi-year internship program was instituted to train and develop future City employees. This program operated from 1982 to 1992, and 161 college students completed the internship program. The majority of these interns obtained permanent civil service employment, and 97 out of the 161 were still employed by the City as of 2005. The program was extremely successful, however, it was discontinued in 1992 due to budget cuts.

ITA is currently faced with a significant staffing level and skill set shortage that puts at risk its ability to maintain City IT systems and help further modernize city business operations. This problem is exacerbated by the retirement eligibility of ITA's current workforce. The City's IT Strategic Advisor, Avasant, hired in 2013, has projected, following review of staffing levels and demographics, that the potential retirement impacts are up to 47% for the 1,086 City IT professionals in the City (excludes LADWP) that will be eligible for retirement in 5 years; *this rate is over 60% in the ITA (see*

Figure 1). This represents over 289 ITA positions of which most are at senior and/or expert levels. Avasant identified increased potential for unsupportable systems due to loss of institutional knowledge and skillsets. The effect of this staffing loss is further increased by the high degree of customized and legacy systems operating in the City's IT environment. Avasant recommends establishing programs, such as the internship program, to minimize risks from the retiring workforce and the associated loss of knowledge.

By the end of the calendar year, ITA will have 85 employees who are eligible for normal (undiscounted) retirement and age 60 or older and 11 employees who are age 70 or more.

Figure 1

STAFF RETIREMENT ELIGIBILITY			
Employees Eligible for Retirement	**2014**	**2017**	**2019**
ITA employees	38%	50%	60%
Dept. IT employees	20%	32%	37%
Citywide IT employees	27%	40%	47%

As a result of the recession and downsizing of the city's workforce, the ITA experienced a workforce reduction of 290 positions over the past 6 years *This represents a 40% reduction in workforce.*

The service demand from all departments continues to grow and the complexity of the technology and change is quickening, requiring a more agile workforce. *While the ITA has 441 full-time employees today, only three of them are under the age of 30.* Many of the ITA staff are single points of support with no back up to maintain critical environments after hours and when staff are on vacation.

ITA SUCCESSION PLAN

Traditional City hiring practices have been far from timely and often have not yielded candidates with desired training and skills. Therefore, ITA is proposing two new avenues to address these critical staffing shortages.

1. Student Internship Program
2. Veteran's Outreach Program

ITA proposes recruiting candidates from higher education institutions in the Los Angeles region as well as Veterans from federal hiring programs and private sector sources.

Recruitment is proposed for filling vacancies through a resume submission process leveraging websites from ITA, Personnel Department and partner organizations.

In concert with reviving the previously successful internship program providing recruitment and training for all IT disciplines, the ITA would like to include a Veterans' program that will solicit former military members with skill sets such as radio and microwave that are typically acquired through military service.

The program will also emphasize hiring a diverse workforce that more closely mirrors the ethnic makeup of the City.

This succession program proposes an efficient way for the City to recruit from a pool of experienced, talented, and diverse students, veterans and skilled technology experts that will be trained specifically for the City environment. As a result, the City will be able to be proactive in helping address the large demand for IT professional positions. Further, this program will create opportunities for the residents of the City in the fields of information technology, engineering and sciences. Technical literacy, especially in modern technologies, is critical to continue improving efficiency, increasing savings and providing excellent services to the residents of the city. Outreach efforts through the ITA to local colleges, universities, trade schools, Veteran Service centers and professional services companies, will help recruit and develop qualified individuals to be trained by the City of Los Angeles and in turn the City of Los Angeles will meet the global challenges of information and communications technology and innovation with great success.

Due to the magnitude of the Avasant study's projected IT brain drain in the City, the ITA suggests that this program run at a minimum of 5 years with the possibility of extending it 10 years based on the economy and stability of the City workforce. The ITA, based on its current shortages in particular divisions and estimated retirements over the next 5 years, requires a staffed program of up to 50 resources comprised of a combination of student interns (full time), Veterans and contract resources to be able to maintain critical ITA infrastructure during this vulnerable period.

The following is a brief description of each element of the succession plan:

I. STUDENT INTERNSHIP PROGRAM

OBJECTIVE: *To recruit and retain top students from technical schools, junior colleges, undergraduate and graduate local colleges and universities who will commit to participating full time in a one to two year internship program where they will receive on-the-job training from experienced ITA employees.*

The ITA will partner with educational institutions that agree to provide resumes of qualified student or graduates at no cost to the City. Each selected student will work for 1-2 years in one or more divisions or across one or more projects and will be mentored and trained. In addition, the ITA can facilitate employment seminars for participants that

can include basic tips in resume writing, business etiquette, interviewing skills, and the civil service process. Upon successful participation and completion of the program, the student interns will be better prepared to step into IT positions throughout the department as they become vacant. This program will target entry level positions:

- Will consist of both paid and unpaid positions
- Prepare Student Interns for City Careers
- One -Two year program

REQUIREMENTS: ITA is requesting funding to hire up to 10 additional Student Professional Workers and $347,776 in funding for their salaries. This will allow for 10 new interns to work 40 hours per week for 26 weeks at the current Student Professional Worker rate of $16.72. ITA will be requesting funding to expand the number of student interns from 10 to 25 in Fiscal Year 2015-16.

REQUIREMENTS: None.

II. VETERANS OUTREACH PROGRAM

OBJECTIVE: *To hire qualified veterans with technical skills compatible with ITA's needs, and to recruit and prepare them for a City career and to step into vacant positions throughout the department.*

- Veterans with specific job qualifications
- Paid Positions
- Prepare veterans for City careers Job Classifications will span across all ITA positions where previous military training and experience provide technical skills needed

The department has Hiring Hall position authority to hire in the classifications of Communications Electrician II, Electrical Craft helper and Assistant Communications Electrician. However, ITA requires additional funding in the Hiring Hall account to cover any additional workers. The department will work with the Mayor's office to seek grants for training and employing veterans to reimburse the General Fund for this expense.

REQUIREMENTS: The department requires funding for up to ten Hiring Hall personnel authorities in the above classifications. Funding in the amount of $354,120 ($34.05/hr X 8 hrs/day X 5 days/wk X 26 wks X 10 workers) is requested for ten full-time Communication Electricians for 26 weeks.

TOTAL FUNDING REQUESTED

$571,480

ALTERNATIVES

If this program cannot be funded this fiscal year, ITA's goal will be to propose funding in Fiscal Year 2015/16. Without expertly trained and available staff to supplant projected attrition, ITA will not be able to adequately maintain systems; outages should be expected and impacts to employee productivity and public safety will be at risk.

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:
1. Approve the proposed Information Technology Agency Succession Plan as presented in this report.
2. Receive and File Motion, Council File: 14-0600-S127, inasmuch as the proposed Plan meets the goals and objectives of the Motion.
3. Authorize funding for ITA to hire up to 10 Student Professional Workers and appropriate funding for salaries as follows:
Appropriate $217,360 to Fund 100/32 Account 001070 As-Needed Salaries
4. Authorize funding for ITA to hire up to ten veterans as Communication Electricians through the Hiring Hall and appropriate funding for salaries as follows:
Appropriate $354,120 to Fund 100/32 Account 001100 Hiring Hall Salaries

FISCAL IMPACT

This request requires an additional General Fund appropriation of $571,480 less Senior Personnel Analyst appropriation. If you have any questions, please feel free to contact Mark Wolf at (213) 978-3311.

Respectfully submitted,

Steve Reneker
General Manager

Honorable Mayor Eric Garcetti
Dan Caroselli, Office of the Mayor
Rick Cole, Office of the Mayor
Peter Marx, Office of the Mayor
Honorable Councilmember Blumenfield
Stephanie Magnien, Council District 3
Honorable Councilmember Bonin
Laura McLennan, Council District 11
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