


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: October 4, 2023

To: The Honorable Members of the Budget, Finance and Innovation Committee

From: DANA H. BROWN, General Manager 
Personnel Department

Subject: **COUNCIL FILE 23-0420 CIVILIAN HIRING INCENTIVES REPORT
BACK**

RECOMMENDATION

If the City Council would like to further explore incentive programs for civilian employees, it is recommended that the matter be referred to the Executive Employee Relations Committee for discussion.

BASIS OF REPORT

On April 14, 2023, a motion regarding a citywide hiring incentive program was referred to the Personnel, Audits and Hiring Committee. The motion instructed the Personnel Department to report in 30 days on the percentage vacancy rates for each City department and to, in conjunction with the City Administrative Officer, report to the Budget, Finance and Innovation Committee with recommendations to establish an incentive program for hiring non-sworn civilian personnel that prioritizes filling positions in departments with the highest vacancy rates. Furthermore, the motion instructed the City Administrative Officer to identify and report on potential funding to implement the aforementioned program in the Fiscal Year 2023-2024. The Personnel Department worked with the City Administrative Officer to develop this report back.

DISCUSSION

The Personnel Department reviewed the vacancy rates of City departments pulled from the Workday Human Resources and Payroll System. See Attachment. Please note that the CAO is in the process of updating the Workday application to ensure the system accurately represents approved 2023-24 Adopted Budget position authorities as approved by the Mayor and Council. Therefore, the vacancy rates as listed in the attachment should be considered an estimate as they have not yet been reconciled to authorized positions.

To support hiring, the Personnel Department has implemented both department specific and general Citywide strategies:

- Specialized equity hiring pipelines, such as Targeted Local Hire and Bridge to Jobs
- Changing exam types to encourage more talent to apply, e.g. making the Management Analyst exam open in addition to promotional and creating a pathway for part time City employees to become full time with SEIU and AFSCME
- Creating more opportunities for same day hiring via career fairs and targeted hiring events where conditional job offers are made and fingerprinting and medical exams are expedited

Because every department has unique hiring barriers, the Personnel Department needs to work with the department's leadership to develop a specific plan to be most effective. Additional recruitment tools, such as the ones proposed in this report, would assist in addressing departments with high vacancies. Any recruitment incentive strategy that alters the wages, hours, and/or terms and conditions of employment provided to existing City employees is subject to negotiation with the City's employee bargaining units. If the City Council would like to explore these strategies, this report should be referred to the Executive Employee Relations Committee for bargaining instructions.

General Recruitment and Retention Ideas

The City can also implement the following strategies to attract potential candidates and encourage career development for current employees to retain them:

- Finalize a robust Citywide telecommuting policy (in progress)
- Increase brand awareness on social media
- Update job descriptions to simplify language
- Produce short videos illustrating how to complete City applications, discussing benefits of working for the City, answering FAQs regarding City employment, etc.

- Educate current employees on resources and promotional ladders
- Offer cross-training programs to encourage career development
- Establish a mentor program assigning current employees to mentor and guide candidates through the hiring process
- Expand tuition reimbursement programs for employees who do not have access

Civilian Incentive Referral Programs

Separate motions have been introduced related to incentive programs in the Police department (CF 22-1140) as well as specifically for Crossing Guards (CF 23-0304), which may overlap with the discussion in this report.

To further attract applicants, the City could consider the following civilian recruitment incentive strategies:

Cash Incentive Referral Program

- **Goal:** Utilizing a City employee cash incentive referral program that prioritizes filling positions, including hard-to-fill and critical, in departments with the highest vacancy rates.
- **Method:** Offer a one-time referral payment awarding 50% (set value) at appointment and 50% (set value) at completion of probationary period **or** one-time referral payment (set value) awarding 100% at completion of 1000 hours worked following appointment.
 - For example: \$1,000, one-time referral payment awarded 50% (\$500) at appointment and 50% (\$500) at completion of 1000 hours or completion of probationary program.
- **Implementation/Operational Process:** A cash incentive program would require funding, staffing, and an incentive management system for tracking milestones and expenditures. A budget would need to be established to allocate cash to be used for reward payouts. A designated team or analyst would also need to be assigned to manage the incentive program (tracking, follow up efforts, payment distribution). Personnel Analysts could either be assigned to oversee the program citywide **or** departmental liaisons could be assigned to oversee the implementation for their respective department. Finally, an incentive management system would need to be purchased or developed to administer the program. The system would be used for the purpose of tracking referrals, milestones, such as appointment date and probationary completion date, and cash rewards earned. The Administrative Services Division (Personnel) and/or a designated Payroll representative would also have access to the shared system in order to

track and confirm payout. Additional logistics to consider would be eligible participants, exempt participants, when the program will start, parameters on funding (limited funds first come first serve), marketing, and branding of the program.

- **Benefit:** A cash referral program will reward existing City employees while helping the City connect with and hire qualified applicants. A similar incentivized recruitment program for LAPD police officers has been successful.

Employee Point-Based Referral Program

- **Goal:** Utilizing a City employee based points system to recruit and hire for hard-to-fill and critical positions.
- **Method:** A reward program would be created that allows employees to redeem points. Prizes to be considered may include promotional items, gifts, additional time off, increased floating holiday hours, flex hours, flexible schedule, telecommuting/hybrid schedule, etc.
 - For example: Employee receives 1,000 points for submitting a referral. The reward could then rise to a maximum amount of points, such as 5,000, if their recommendation reaches hire. The employee could then redeem their points by selecting a prize that equates to their accumulated point value.
 - Assigned Personnel Analyst will manage referrals, collect and maintain google form submissions and work with the Personnel Administrative Services Division to track payout or purchase of a software system that manages incentive plans and payout.
- **Implementation/Operational Process:** A rewards incentive program would require similar resources as the cash incentive program. Rather than budgeting for cash to be awarded to employees, however, a budget would need to be established for non-monetary rewards and a point system would need to be created in order to assign value to the various types of rewards. Rewards that are both cost-efficient and feasible in regard to how they would be awarded to employees would need to be identified. For example, for rewards involving flexible schedules, an employee's department/division would need to approve the time off and/or alternative scheduling with consideration to MOU and departmental provisions. For rewards such as additional floating holidays or other time off, a department's payroll section would need to adjust an employee's balance of compensated time off. For rewards such as promotional items and other gifts, vendors would need to be identified to purchase these items from and develop a method for tracking and maintaining inventory. Furthermore, Personnel Analysts would be assigned to manage the incentive program using a purchased

and/or existing incentive management system that tracks referrals, referral appointment dates, points earned, and points redeemed. Additional logistics to consider that contribute to the operational process would be eligible participants, exempt participants, when the program will start, parameters on funding (limited funds first come first serve), marketing, and branding of the program.

- **Benefit:** The City uses existing employees to actively recruit. An employee referral program is more likely to work if the organization incentivizes employees for every successful referral that ends up getting hired.

Proposed Targeted Job Classifications for Incentive Referral Programs

The following open only exam job classifications for consideration are based on if the classifications are historically hard-to-fill or if there is a critical need for these positions or those related to current Mayoral priorities, such as the homelessness crisis. As such, they may not apply to the departments with the highest vacancies. Classifications where an alternative means of filling hard-to-fill vacancies through programs, such as Targeted Local Hire, Bridge to Jobs or other established equity hiring pipeline, would not be a part of the proposed classifications.

- | | |
|--------------------------------------|----------------|
| ● Accountant | 78 vacancies |
| ● Environmental Compliance Inspector | 108 vacancies* |

Other positions, such as Helicopter Mechanic, Real Estate Officer, Veterinarian, and the Nurse classifications, have fewer positions and vacancies, but continue to be hard-to-fill and critical. Please note that numbers are updated daily overnight reflecting changes from departments gaining and losing staff and from positions corrections in Workday.

*There is a retention issue with Environment Compliance Inspectors (ECI) as the current duties of working in homeless encampments have not aligned to traditional ECI work. Personnel is working with labor to develop a more appropriate class to address this retention problem.

FISCAL IMPACT

The programs listed above could result in varying costs based on the actual potential amount of incentive payments and the number and types of payments authorized. If an incentive payment structure is approved, it is recommended that it be implemented in the 2024-25 Fiscal Year to ensure appropriate funding can be budgeted in the 2024-25 Adopted Budget for this purpose. If the program is implemented interim in 2023-24, it is recommended departments absorb the costs of these payments.

If the Personnel Department were to be provided additional resources to help support the implementation of civil incentive programs, additional costs would be incurred.

Attachment - Department Vacancy Rates

Department	Vacant Positions	Vacant Civilian Positions	Vacant Sworn Positions	All Positions	Vacancy Rate
AGING	9	9		52	17.31%
AIRPORTS	1346	1244	77	4286	31.40%
ANIMAL SERVICES	79	79		394	20.05%
BUILDING AND SAFETY	189	189		1132	16.70%
CANNABIS REGULATION	7	7		60	11.67%
CITY ADMINISTRATIVE OFFICER	17	17		196	8.67%
CITY ATTORNEY	103	103		1080	9.54%
CITY CLERK	22	22		128	17.19%
CITY EMPLOYEES RETIREMENT SYSTEM	38	38		224	16.96%
CITY ETHICS COMMISSION				43	0.00%
CITY PLANNING	116	116		558	20.79%
CIVIL AND HUMAN RIGHTS COMMISSION	7	7		42	16.67%
COMMUNITY INVESTMENT FOR FAMILIES DEPARTMENT	10	10		99	10.10%
CONTROLLER	64	64		210	30.48%
CULTURAL AFFAIRS	25	25		96	26.04%
DISABILITY	5	5		33	15.15%
ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT	58	58		177	32.77%
EL PUEBLO DE LOS ANGELES HISTORICAL MONUMENT AUTHORITY	2	2		11	18.18%
EMERGENCY MANAGEMENT	2	2		29	6.90%
EMPLOYEE RELATIONS BOARD				3	0.00%
FIRE	785	108	677	4602	17.06%
GENERAL SERVICES	243	243		1557	15.61%
HARBOR	199	178	21	1049	18.97%
INFORMATION TECHNOLOGY AGENCY	97	97		457	21.23%
LIBRARY	194	194		1031	18.82%

LOS ANGELES CITY TOURISM DEPARTMENT	4	4		12	33.33%
LOS ANGELES HOUSING DEPARTMENT	113	113		753	15.01%
NEIGHBORHOOD EMPOWERMENT	6	6		40	15.00%
OFFICE OF FINANCE	52	52		368	14.13%
PENSION	37	37		151	24.50%
PERSONNEL	67	67		661	10.14%
POLICE	2473	727	1746	14073	17.57%
PUBLIC ACCOUNTABILITY	6	6		9	66.67%
PUBLIC WORKS - BOARD OF PUBLIC WORKS	25	25		135	18.52%
PUBLIC WORKS - CONTRACT ADMINISTRATION	106	106		410	25.85%
PUBLIC WORKS - ENGINEERING	156	156		950	16.42%
PUBLIC WORKS - SANITATION	804	804		3875	20.75%
PUBLIC WORKS - STREET LIGHTING	95	95		390	24.36%
PUBLIC WORKS - STREET SERVICES	362	362		1527	23.71%
RECREATION AND PARKS	562	561		2056	27.33%
TRANSPORTATION	313	313		1847	16.95%
YOUTH DEVELOPMENT DEPARTMENT	3	3		19	15.79%
ZOO	41	41		281	14.59%
Grand Total	8842	6295	2521	45106	19.60%

Department	Vacancy Rate
PUBLIC ACCOUNTABILITY	66.67%
LOS ANGELES CITY TOURISM DEPARTMENT	33.33%
ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT	32.77%
AIRPORTS	31.40%
CONTROLLER	30.48%
RECREATION AND PARKS	27.33%
CULTURAL AFFAIRS	26.04%
PUBLIC WORKS - CONTRACT ADMINISTRATION	25.85%

PENSION	24.50%
PUBLIC WORKS - STREET LIGHTING	24.36%
PUBLIC WORKS - STREET SERVICES	23.71%
INFORMATION TECHNOLOGY AGENCY	21.23%
CITY PLANNING	20.79%
PUBLIC WORKS - SANITATION	20.75%
ANIMAL SERVICES	20.05%
HARBOR	18.97%
LIBRARY	18.82%
PUBLIC WORKS - BOARD OF PUBLIC WORKS	18.52%
EL PUEBLO DE LOS ANGELES HISTORICAL MONUMENT AUTHORITY	18.18%
POLICE	17.57%
AGING	17.31%
CITY CLERK	17.19%
FIRE	17.06%
CITY EMPLOYEES RETIREMENT SYSTEM	16.96%
TRANSPORTATION	16.95%
BUILDING AND SAFETY	16.70%
CIVIL AND HUMAN RIGHTS COMMISSION	16.67%
PUBLIC WORKS - ENGINEERING	16.42%
YOUTH DEVELOPMENT DEPARTMENT	15.79%
GENERAL SERVICES	15.61%
DISABILITY	15.15%
LOS ANGELES HOUSING DEPARTMENT	15.01%
NEIGHBORHOOD EMPOWERMENT	15.00%
ZOO	14.59%
OFFICE OF FINANCE	14.13%
CANNABIS REGULATION	11.67%
PERSONNEL	10.14%
COMMUNITY INVESTMENT FOR FAMILIES DEPARTMENT	10.10%
CITY ATTORNEY	9.54%

CITY ADMINISTRATIVE OFFICER	8.67%
EMERGENCY MANAGEMENT	6.90%
CITY ETHICS COMMISSION	0.00%
EMPLOYEE RELATIONS BOARD	0.00%
Grand Total	19.60%