



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager's Office



Date: February 28, 2013

Board Meeting Date: March 12, 2013

Special Notice / Hearing: None

Vote Required: Majority

To: Honorable Board of Supervisors

From: John L. Maltbie, County Manager

Subject: Creating an Agile Organization

RECOMMENDATION:

Accept report and provide direction on initial steps to create an Agile Organization.

BACKGROUND AND DISCUSSION:

During the June 2012 budget hearings, I introduced the Agile Organization initiative to better prepare the County for the future. As we have learned from the last five years, our world can change overnight (e.g., Lehman bankruptcy), and uncertainty and volatility are here to stay. If we want to serve the community effectively, as we have with leadership from your Board, Department Heads and our hard working employees, then we must utilize all available resources in the community to be more agile in the ways we deliver services, and more vigilant about reaching financial sustainability. What we do today will ensure a better future for the children and families of San Mateo County.

An Internal Practices Committee was created in July, and a Task Force comprised of twenty-three internal and external members representing cities, school boards, private sector and legal communities, StarVista (nonprofit youth and family services), Youth Commission, Mills Peninsula, Sheriff's Office, Health System, County Counsel's Office, Human Resources, Information Services Department, and County Manager's Office. The Task Force spearheaded a best practices/systematic review of private and public agencies to identify successful staffing models: an internal and external survey was conducted; a review of literature/best practices was initiated; and several organizations were contacted to gain insight into their respective staffing strategies. I want to specifically thank Donna Vaillancourt for her leadership in working with this task force and developing the ideas behind an Agile Organization.

Recommended Work Delivery Options for Future Staffing - To become more agile in how we respond to changes in community needs, the following work delivery options are being recommended. These would solely be applicable for future staffing and would not impact current employees, and would be used by the County to determine how to

provide a service (1) when vacancies occur and (2) when new programs/projects are initiated:

1. Regular-- Similar to current "regular" employment type; fewer employees would likely fall in this category given that they would need to meet set criteria such as: work must involve high risk, policy development, or critical decision making
2. Term -- Limited term employment, with benefits (similar to classified) except a defined contribution plan, rather than a defined benefit pension
3. Temporary/Extra-Help/Fellowships/Interns -- Short term assignment/internship, with benefits
4. Contractors -- Community-based organizations, independent contractors, or freelancers conducting work that involves expertise, unique competence with a target organization or service area
5. Volunteers -- Citizens providing services ranging from office support to maintenance (clean-ups), non-paid status
6. Self-Help -- Web-based/on-demand services that connect the public to County services conveniently and efficiently, e.g., vote by mail
7. Shared Services -- Sharing of resources with local organizations (cities, schools, special districts, non-profits) to provide cost-effective and efficient services

Changes and Investments Required - Implementing the options above will require the County to make changes that involve:

- Revisions to the County Charter, Civil Services Rules, County Ordinance, and other personnel policies and processes;
- Legislative changes to implement a defined contribution plan;
- Continued investment in training/development to keep employee skill sets current;
- New recruitment strategies to attract a more diverse workforce; and
- Investment in new technologies and infrastructure to expand efficiencies.

Next Steps - Upon your Board's approval of the recommendations in "Creating an Agile Organization", the proposed implementation schedule would be as follows:

Engage stakeholders in discussion of recommendations (March/April 2013)

Meet with all labor organizations and other stakeholders to discuss the relevant implications and changes necessary to implement the recommendations.

Enact rule and policy revisions (April – August 2013)

Begin the process of revising the County Charter, Civil Service Rules, County Ordinance and County Employee/Employer Relations Policy to allow for the implementation of the work delivery options.

Ramp-up pilot projects (September 2013)

Begin the pilot projects (all eligible for Measure A funds with measurable community impacts) to determine the organizational, operational and employee-related impacts of the application of the work delivery options.

Evaluate pilot changes and make appropriate adjustments (February 2014)

In addition to evaluating the pilots, the review may involve evaluating the feasibility of a performance based compensation structure, for all work delivery options.

Expand changes and apply across the County (September 2014)

Other efforts will involve convening an external task force comprised of County citizens to help advocate for the changes associated with this initiative and to identify methods for engaging the community in other County governance issues; and sponsoring a forum to involve leaders from education, community organizations, business and local government to explore ideas and opportunities for partnerships with local schools.

FISCAL IMPACT:

Cost estimates for implementing these changes and conducting the pilot projects are being developed and will be included for your Board's consideration as part of the two-year budget process. Funding sources would include Measure A and reserves, as these initial efforts are short-term and would be evaluated before any ongoing commitments are recommended for Board consideration.