

MICHAEL P. VICTORINO
Mayor



DAVID J. UNDERWOOD
Director

CYNTHIA M. RAZO-PORTER
Deputy Director

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COUNTY OF MAUI

DEPARTMENT OF PERSONNEL SERVICES

200 S. HIGH STREET * WAILUKU, MAUI, HAWAII 96793-2155

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March 6, 2019

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Michael P. Victorino 3/6/19

Mayor Date

For Transmittal to:

Honorable Michael J. Molina
Chair, Governance, Ethics, and Transparency Committee
Maui County Council
200 South High Street
Wailuku, HI 96793

Dear Chair Molina:

SUBJECT: PRE-BUDGET SESSION PRESENTATION (DEPARTMENT OF PERSONNEL SERVICES)
(GET-18(5))

We are in receipt of your communication GET-18(5), which requests that we attend a committee meeting and provide a brief overview of the Department of Personnel Services, its functions, and its budget. The communication also requests that we provide written responses to the following:

- "1. The Department's top three-to-five strategic goals.*
- 2. Tactics to be implemented to meet these strategic goals and the intended results.*
- 3. Funds anticipated to remain unencumbered from the FY 2019 Budget and the reasons why the funds were not encumbered.*
- 4. The Department's fixed costs and discretionary costs.*
- 5. Cost-saving measures the Department has implemented or will be implementing, and the amount saved or that will be saved by these measures."*

Thank you very much for the opportunity to present the overview of our department. We were fortunate to be able to attend the February 26, 2019 meeting of the committee. We hope the presentation was informative, and we much appreciate the committee's gracious welcome and support. We have attached a copy of the materials prepared for that meeting for your reference.

Please find our response to the questions requiring written response below.

The Department of Personnel Services' strategic goals, tactics, and anticipated outcomes are as follows:

- *Attract, value, support, and retain a fully-staffed, qualified, diverse workforce*
 - Tactics include creating an attractive employee value proposition by negotiating a competitive pay and benefits package, maintaining equitable employment policies and hearing complaints/grievances fairly, and maintaining our employee recognition program. Expected outcome is attracting sufficient qualified candidates to fill our vacancies, with below-average turnover.
- *Support and encourage career and professional development*
 - Tactics include implementing a new learning management system to allow greater access to training, adding additional on-line training opportunities, continuing existing classroom training efforts (including supervisor and DPO training academies), and continuing existing policies encouraging internal promotion. Expected outcome is all employees receiving training with excellent reported results, and significant internal career mobility.
- *Create and enhance strategic partnerships*
 - Tactics include providing dedicated staff resources for each department, using Workday to support more data-driven decision-making, and providing more training resources in critical business skills such as management and leadership. Expected outcome is a close working relationship between DPS and departmental staff, and better decision-making and planning.
- *Enhance the quality and delivery of services through technology*
 - Current tactic is the implementation of the Workday HRMS, including HR, learning management, recruitment, performance management, talent management, and succession planning. Expected outcome is a modern, flexible system, accessible by employees and managers, with a toolset to support initiatives in all areas, and improved reporting and communication tools to help drive decision-making.

At this time, we expect to encumber virtually all of our FY2019 funds. We may incur some salary savings due to staff turnover, but we are unable to project the amount at present, as we are still in the hiring process.

The vast majority of the department's cost are salaries and wages, and recurring contractual costs. The bulk of the department's discretionary costs currently consists of a number of one-time salary and professional services costs specific to the Workday project and costs associated with the annual employee recognition program.

We do not have any stand-alone cost-cutting programs at the present time, but we do make every attempt to minimize expenditures when implementing new systems/processes and in day-to-day operations. For example, in implementing Workday we have identified processes where electronic processes/notifications can replace manual log, folders, reports, and notices; in multi-jurisdictional meetings, we have successfully substituted virtual meetings for face-to-face meetings to save on travel costs, etc.

Honorable Michael J. Molina
March 6, 2019
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I hope this addresses your request. If you have any questions, please feel free to contact me at extension 7850.

Sincerely,

A handwritten signature in black ink, appearing to read 'DU', is positioned above the printed name.

DAVID UNDERWOOD
Director of Personnel Services

DJU
Attachments

Department of Personnel Services

PRE-BUDGET SESSION PRESENTATION

FEBRUARY 26, 2019



Mission Statement

The mission of the Department of Personnel Services is to contribute to the attainment of countywide goals by attracting, developing and retaining a professional work force, and by contributing to the establishment of the best possible work environment.

Values

Honesty, Integrity, and Trust: We honor our commitments and conduct business in a manner that promotes fairness, respect, honesty, and trust.

Teamwork: We encourage the diversity of thoughts, experiences, and backgrounds and encourage participation and partnership in all of our endeavors.

Communication: We solicit the input of others and strive for transparency and inclusiveness.

Service to Our Customers: We have a passion for service and are committed to knowing our customers' business, anticipating their needs, and exceeding expectations.

Change and Innovation: We are open to possibility and foster creativity and risk-taking to support continuous improvement.

Employee Development: We are committed to maximizing the potential of every individual and to support and promote the County as a learning organization.

Leadership: We lead by example and advocate equitable treatment in our behaviors, policies, and practices.

Quality Results: We believe those we serve deserve excellent service, a safe, productive, and healthy work environment, and quality results.

Employee Population

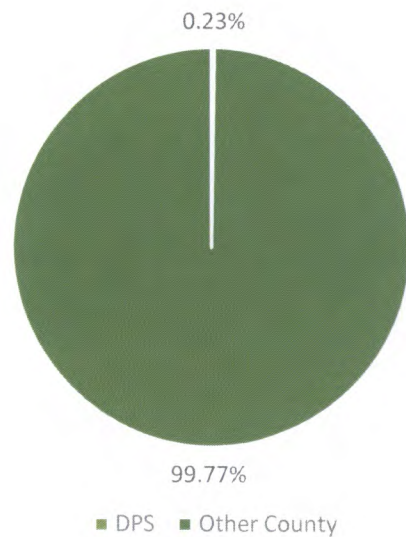
- Approximately 2600 employees
- 85% unionized
- 90% covered by civil service
- 9% turnover
- 700-800 hires per year
- 700-800 terminations per year

DPS FY 2019 Budget

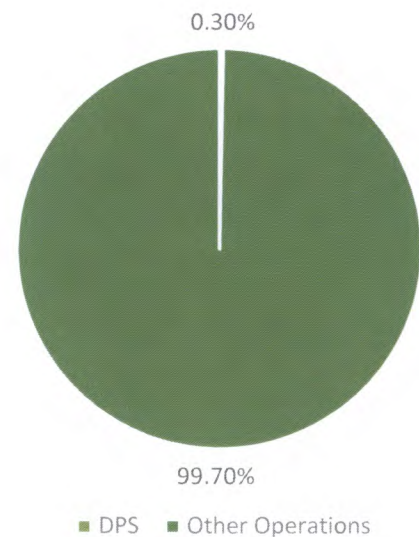
- Total Budget: \$1,780,093
 - Salaries: \$1,272,203
 - Premium Pay: \$50,750
 - Operations: \$449,340
 - Equipment: \$7,800
- 18 equivalent personnel (EP) authorized
 - Director, Deputy Director, Private Secretary, Administrative Assistant, 10 Human Resource Specialists, 4 Human Resource Technicians
- No CIP, grant, or special funds

DPS Budget as Part of County Budget

TOTAL BUDGET

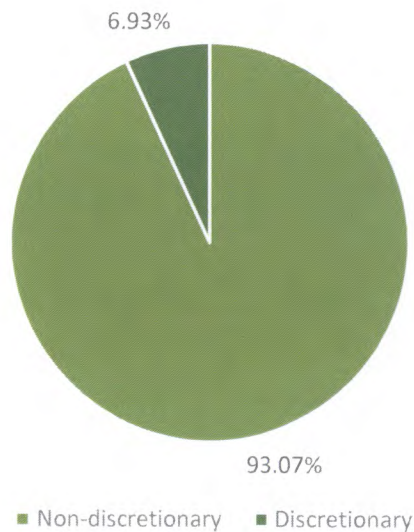


OPERATIONS BUDGET ONLY

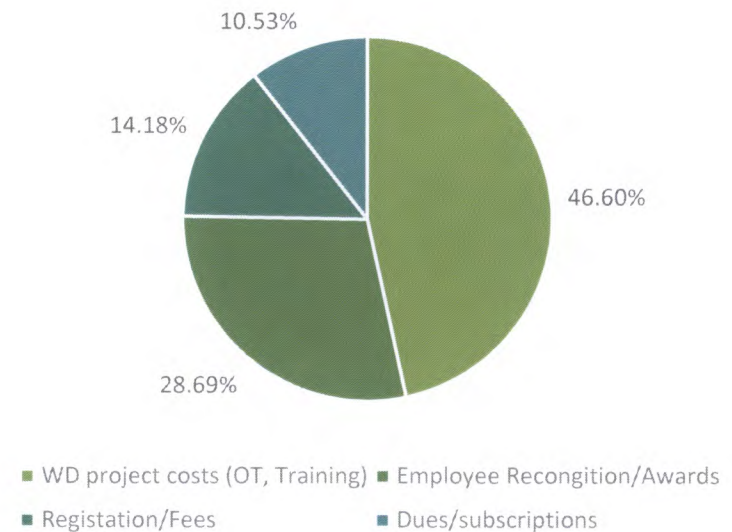


Discretionary Spending

DISCRETIONARY VS NON-DISCRETIONARY



BREAKDOWN OF DISCRETIONARY SPENDING



Staffing/Budget Benchmarks

HR to employee ratio: 0.7 per 100 employees

HR Budget as percentage of total operating budget: 0.3%

HR Budget as cost per employee: \$693

Vacancies

Total authorized staffing is 18 (previously 20)

Stable staffing

- Average tenure: 13+ years

Currently 1 vacancy

- Due to retirement of incumbent
- Impact has been increased OT and degradation of service; some savings in current year
- No known impact on upcoming budgets, as attempting to fill at current level
- Current recruitment closes March 5. Anticipate interviewing shortly thereafter.

(78,420)

Budget Program Overview

Only one budget program – Administration and Management Support Services Program

Five major functional areas:

- *Recruitment and selection* - provides fair and consistent recruitment and examination services to county departments, employees and job applicants.
- *Employee training and development* - promotes and fosters individual and organizational effectiveness by developing and offering an array of programs in support of employee development.
- *Position classification* - provides and monitors a competitive and equitable compensation system and maintains a standardized classification plan.
- *Labor relations* - provides guidance, training and recommendations on labor issues, helps resolve complaints; and negotiates timely and fiscally responsible agreements.
- *Strategic support* – provides strategic and staff support to County departments, including advising and counseling on human resource issues, analysis and reporting, and Human Resource Systems and support services.

Strategic Goals

The goals of the Department of Personnel Services are to:

- Attract, value, support, and retain a fully-staffed, qualified, diverse workforce
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