



City of Dallas

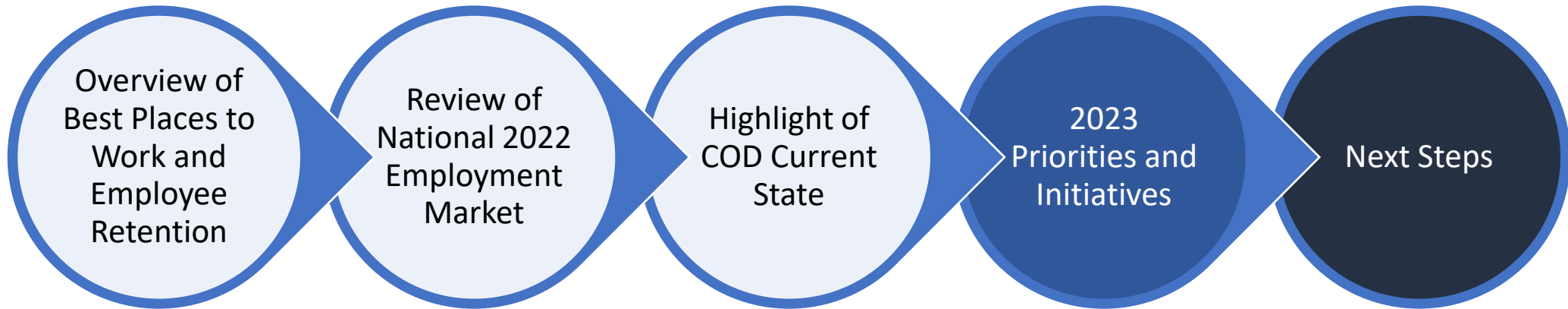
Best Place to Work Employee Retention Strategies

**Workforce, Education and
Equity Committee**

May 8, 2023

Kimberly Bizer Tolbert, Deputy City Manager
Nina Arias, Human Resources Director

Presentation Overview



Driving Success through a Positive Workplace Culture



Best Practices – Best Place to Work Experience



Meaningful Work	Strong Management	Positive Workplace	Health & Wellbeing	Growth Opportunity	Trust in the Organization
Job and values fit	Clear goals with stretch opportunity	Tools, processes and systems to get work done productively	Safety and security in all aspects of work	Open, facilitated job and role mobility	Mission and purpose beyond financial goals
Autonomy and agency	Regular coaching and feedback	Appreciation, recognition, and rewards	Personal fitness, health, and physical wellbeing support	Career growth in multiple paths	Transparency, empathy, and integrity of leadership
Agile teams, supportive coworkers	A focus on management development	Flexible hours and workspace	Psychological and emotional wellbeing and support	Many forms of learning as needed	Continuous investment in people
Time to focus, innovate, and recover	Transparent, simple performance management	Inclusive, diverse, and sense of belonging and community	Family and financial support	A culture that supports learning	Focus on society, environment, and community

Strength of impact

Moderate

Medium

High

Very High

Source: Employee Experience: The Definitive Guide, © Josh Bersin Research, April 2021



Turnover Costs and Incentives



Entry-level employees cost **30 to 50%** of their annual salary to replace

Mid-level employees cost **150%** of their annual salary to replace

Specialized or high-level employees cost up to **400%** of their annual salary to replace

3% is the average raise an employee can expect...



Up to **20%** is the potential salary increase for an employee that leaves...



Source: Forbes

Source: Society for Human Resource Management - SHRM





Review
National
2022
Employment
Market State



Retention Changes and Challenges in the Job Market



About 55% of job seekers on ZipRecruiter are seeking jobs that allow them to work from home (ZipRecruiter)

Last year, almost 48 million workers quit their jobs, an annual record (Bureau of Labor Statics)

93% of US companies are concerned about employee retention (LinkedIn)

Voluntary turnover is now over 20% and could reach 24% or more in the coming years (Gartner)

Tenure for employees 25-34 years is 2.8 years, on average. (Bureau of Labor Statics)

48% of workers leaving their jobs change industries (McKinsey)

Nearly 1 in 5 workers quit in their first year (BambooHR)

73% of remote workers would look for a new job if their company mandates a return to the office (Harris Poll)



Government Talent Exodus and Labor Turnover



Job Openings and Labor Turnover Survey (JOLTS)

U.S. Bureau of Labor Statistics Vs. COD

2022

JOLTS: 20.2%

COD 2022: 13.59%

December 2022

JOLTS: 2.0%

COD 0.9%

Google employee turnover texas 2022

This study was conducted in accordance with Texas Government Code, Section 651.007. The statewide turnover rate for classified, regular full- and part-time employees for fiscal year 2022 was 22.7 percent. That is the highest turnover rate in at least 10 years.

Texas.gov
https://sao.texas.gov › reports › main PDF

Classified Employee Turnover for Fiscal Year 2022

A mass exodus from government work

By McKenna Moore, Editor at LinkedIn News

People have been leaving government administration jobs in the U.S. en masse since the beginning of the pandemic — **many in search of better pay, more flexibility or more exciting positions**. In the last two years alone, there has been a 15.6% decrease in the pace at which workers are starting public sector jobs relative to the level of talent flow in the opposite direction, according to new LinkedIn data.

The trend is most prominent in Sunbelt metros such as Tampa, Fla., Charlotte, N.C. and Dallas-Fort Worth.





City of Dallas Current State



City of Dallas Data Points – 2022 Turnover



Start Headcount	End Headcount	Average Headcount	Total Terminations	Voluntary Terminations	Involuntary Terminations	Total Turnover Percentage	Voluntary Percentage	Involuntary Percentage
12284	12569	12426.5	1,689	1,429	260	13.59%	11.50%	2.09%

Regular Employees - Workday Source Data
Start Date:1/1/2022 | **End Date:** 12/31/2022



2022 Combined Employee Engagement Survey Summary



Scale / Items	2020 Average (Raw Score)	2022 Average (Raw Score)
Purpose and Direction	3.9	3.9
Execution	3.8	3.8
Valuing Diversity (New 2022)	-	3.8
Ethical Items	3.8	3.7
Respect for Employees	3.7	3.7
Leadership and Motivation	3.6	3.5
Overall Engagement	3.4	3.5
Accountability	3.4	3.4
Values	3.4	3.4
Workplace and Resources	3.4	3.4
Communication	3.2	3.3
Empowerment/ Autonomy	3.3	3.2
Personal Expression	3.2	3.2
Respect for Management	3.1	3.2
Teamwork	3.2	3.2
Compensation	3.0	3.0
Trust	2.9	2.9
Fairness	2.7	2.8
Stress and Workload	3.5	2.7

Top 3 Items 2022

Bottom 3 Items 2022

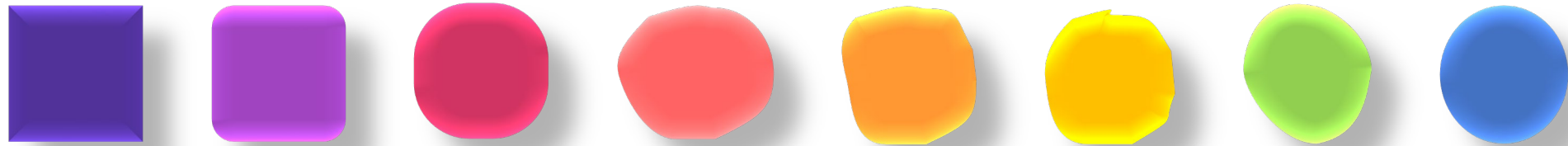




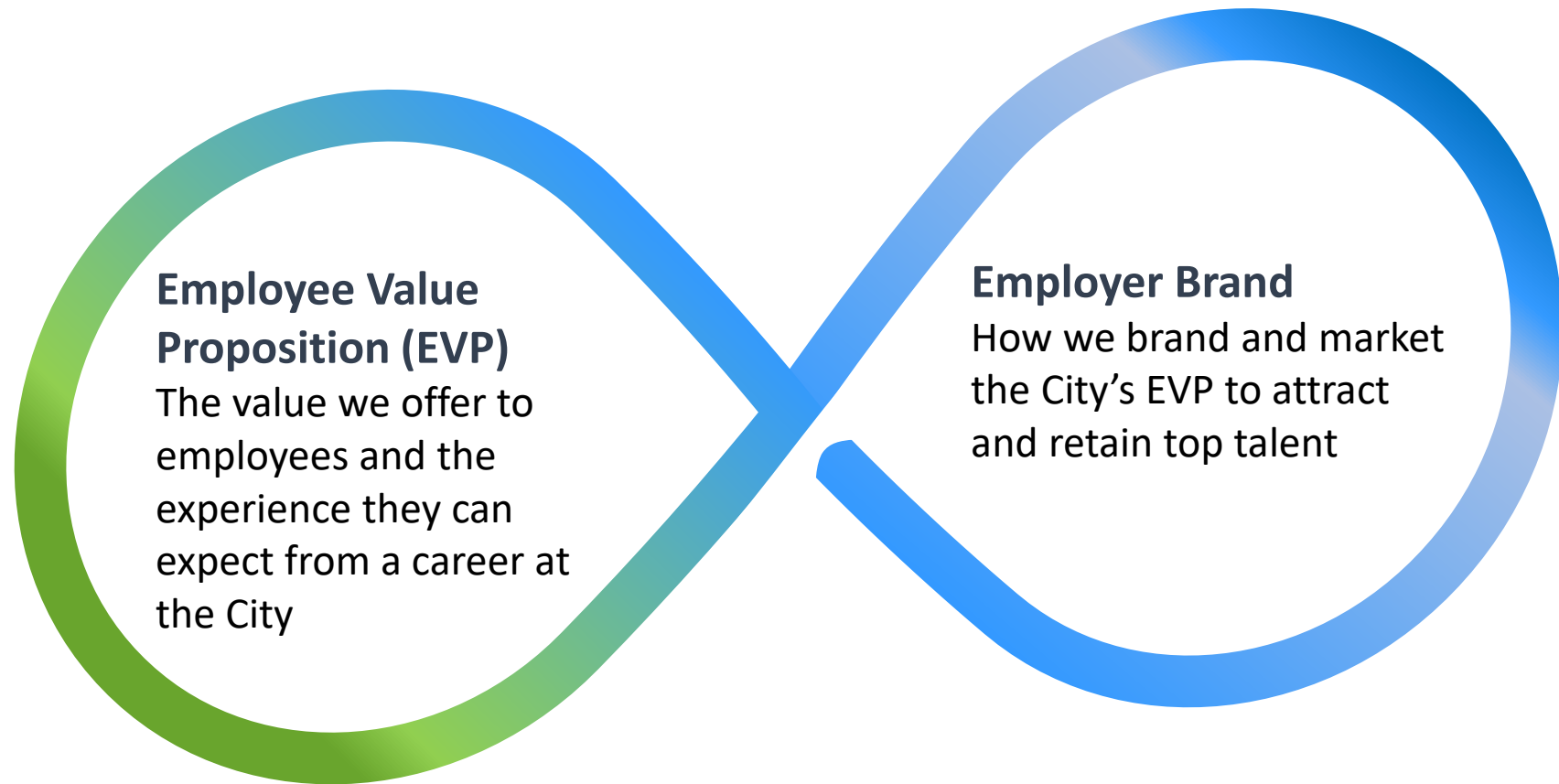
2022/2023
Successes,
Priorities and
Initiatives



To Boost Retention Requires A Paradigm Shift



Employee Value Proposition and Branding in Retention



2022/23 Retention Strategies and Highlights



Compensation & Benefits

- Implemented Phased Comp Study - Adjusted 3,614 employees' salaries, using \$3.4M from the General Fund and \$2.72 from Enterprise and other funds
- Aligned Min Wage to match MIT Living Wage
- Performance and Wellness Incentives
- COD Pension and 457 provide retirement security and options ahead of market
- Tiered premium benefits pricing
- PNC - City of Dallas Workplace Banking

Balance & Flexibility

- City Council approved paid parental leave
- Implemented Mental Health Platform Navigate
- Attendance Incentive Leave (AIL)
- Compassionate Leave
- Quarantine Leave
- Implemented Telework Program
- City Council approved mental health leave put the COD on par with market and ahead of government organizations
- Total Wellbeing Portal

Upskilling & Development

- Career Series Structure
- Added dedicated resource in 2023 to develop and manage formal upskilling program
- Education Partnerships and Discounts
- Tuition reimbursement
- College level internship program
- Linked-In online training on demand available to all employees
- SERVE Leadership Training Program



23/24 Program Continuation and Go Forward



Compensation & Benefits

- Implement pay-for-performance program for executives (approved for 2023)
- Use whole market comparables for competitive and hard-to-fill positions and functions

Balance & Flexibility

- Increase vacation allowance based on position level to match market
- Invest in change management and programs to help managers move to a culture that values work-life balance
- Provide COD managers training and resources to help them move to an employee-centric operations model
- Invest in spaces and systems that support a distributed workforce

Upskilling & Development

- Implement Workday Learning (approved for 2023)
- Expand Educational partnerships (Underway in 2023)
- Implement formal upskilling process (Underway in 2023)
- Increase support for Trade and related certifications



Other 23/24 Goals and Strategies



Strengthen Employer Brand

- Launch employee recruitment campaign
- According to research done by LinkedIn, a strong employer brand can reduce an organization's turnover by 28%.

Continue Biennial Employee Engagement Survey

- Compare results to previous years' results to identify and recognize progress, trends, and areas for improvement.

Continue to Invest in Supervisor Training and Resources

- Allocate resources, such as time and money, towards developing and improving the skills and knowledge of supervisors and managers.

Leverage Data and Technology

- Implement Workday Phase II for Performance and Development.
- Utilize dashboards and reports to drive decision making.

Embed Internships into Departmental Organizational Structures

- Fund Internship positions through 2023-24 Budget Process.

Develop a Formal Mentoring Program

- Conduct a pilot program to use mentoring to drive professional development and employee retention.



Next Steps



- Receive Committee input and feedback.
- Continue the implementation of 2023 priorities and initiatives using existing resources or by including them in the 2023-24 budget.
- Serve as strategic partner with and other external stakeholders.
- Continue to update the compensation study for hard-to-fill and hard-to-retain positions to align with the job market.
- Complete the branding strategy and marketing campaign and present to the Workforce Education and Equity committee in June 2023.





City of Dallas

Best Place to Work Employee Retention Strategies

**Workforce, Education and
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Appendix



What Is Employee Retention and Why it Matters?



Benefits of Employee Retention*

Cost Savings

Replacing employees is expensive, in particular for management and specialized skilled employees

Customer Satisfaction

Established employees are more likely to build strong relationships with customers, leading to improved customer satisfaction

Improved Productivity

Established employees are generally more productive as they have a better understanding of the organization's culture and processes

Talent Retention

When an employee leaves, others follow

Tenured Employees

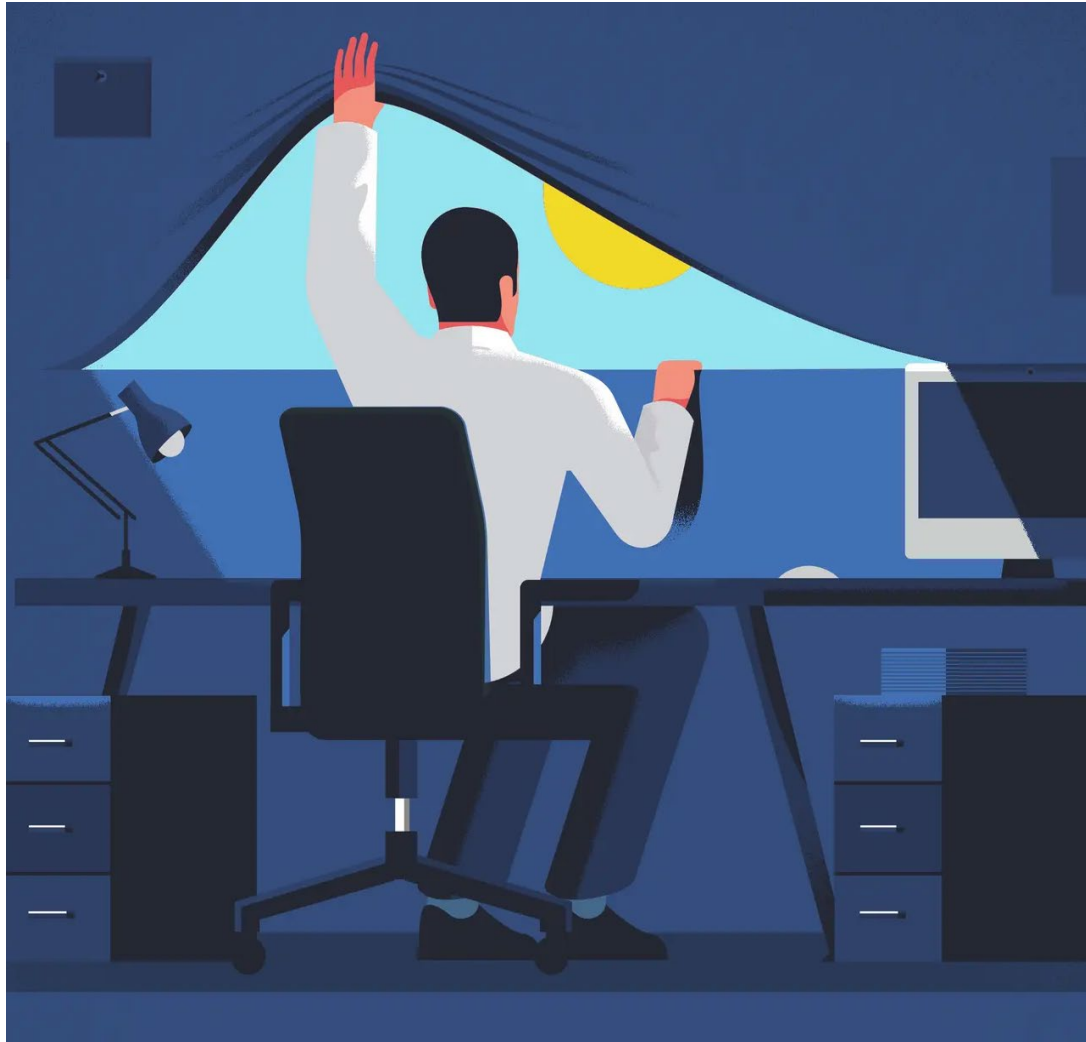
- Institutional Knowledge
- Niche Skills
- Organizational Experience
- Relationships
- Continuity



*Employee retention refers to an organization's ability to keep its employees for an extended period.



Turnover and Retention



Employee Turnover

vs

Employee Retention



Measures movement. Includes new hires.



Can be broken down to calculate voluntary and involuntary turnover, but overall turnover includes both types.



Generally calculated on a monthly basis.



Measures workforce stability. Does not include new hires.



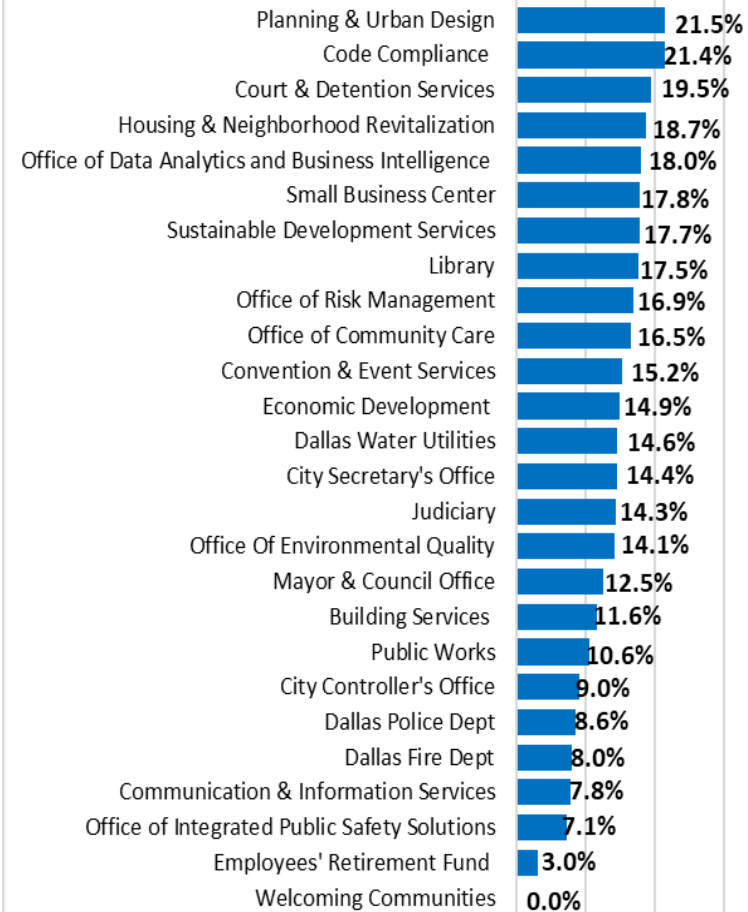
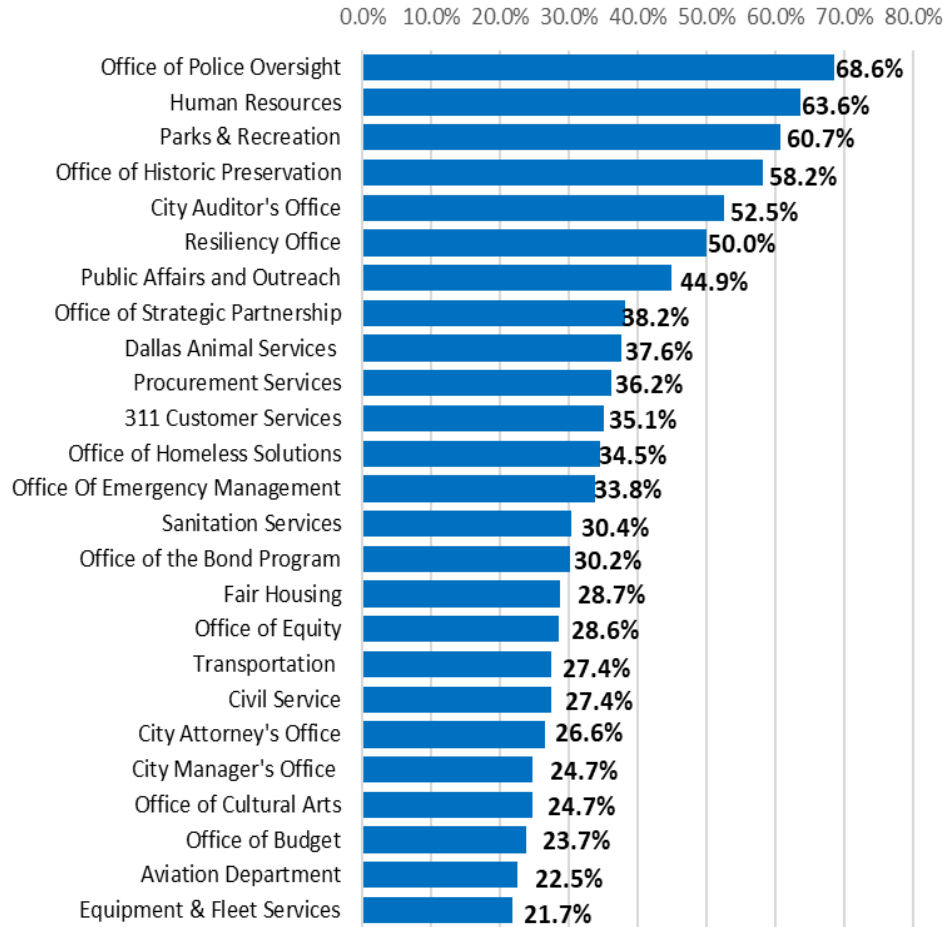
May exclude involuntary turnover – people who are terminated for performance reasons or behavioral reasons, as part of a seasonal layoff or RIF.



Generally calculated on an annual basis.



City of Data Points – 2022 Turnover by Department*



Data Source: Workday

* **Note:** Some factors may significantly affect Turnover percentages including department size (*Office of Police Oversight and Office of Historic Preservation*) and seasonal/temp employees (*Human Resources Interns and Parks & Recreation Summer Staff*)



Engagement and Retention: The Power of Managers



Managers and supervisors **have the power** to unlock employee potential and **drive engagement and retention**



Employees rated managerial support as the most important aspect of company culture.



Employees are 5 times more likely to stay with the organization if their manager regularly acknowledges their good work.



qualtrics^{XM}

76% employees say their managers create the culture at work.



SIRM



70% variance in team engagement can be accorded to the quality of the manager.

GALLUP®



Happy employees are 91% more likely to describe their relation with the manager as good.



83% experienced their work environment as positive when they could trust their manager.



City of Data Points – Vacancy Rates*



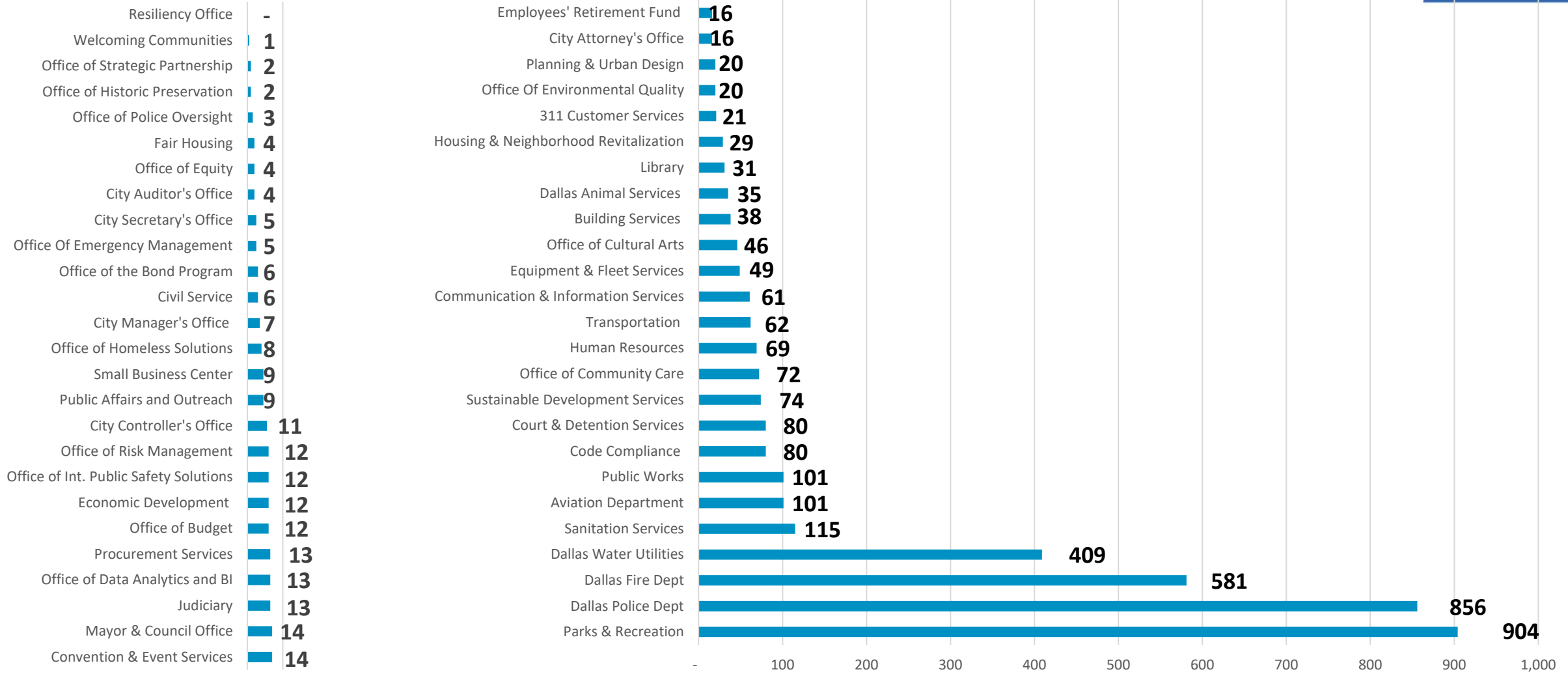
Dept Name	Filled	Open	Grand Total	Vacancy Rate
311 Customer Services	96	21	117	18%
City Attorney's Office	173	16	189	8%
City Auditor's Office	16	4	20	20%
Aviation Department	259	101	360	28%
Office of Budget	47	12	59	20%
Building Services	159	38	197	19%
City Controller's Office	68	11	79	14%
Code Compliance	380	80	460	17%
Convention & Event Services	18	14	32	44%
City Manager's Office	60	7	67	10%
Judiciary	23	13	36	36%
Court & Detention Services	176	80	256	31%
Civil Service	18	6	24	25%
Dallas Animal Services	152	35	187	19%
Office of Data Analytics and BI	23	13	36	36%
Sustainable Development Services	271	74	345	21%
Dallas Fire Dept	2,107	581	2,688	22%
Dallas Police Dept	3,716	856	4,572	19%
Communication & Information Services	193	61	254	24%
Dallas Water Utilities	1,433	409	1,842	22%
Economic Development	32	12	44	27%
Equipment & Fleet Services	224	49	273	18%
Office of Equity	9	4	13	31%
Employees' Retirement Fund	35	16	51	31%
Fair Housing	7	4	11	36%
Housing & Neighborhood Revitalization	45	29	74	39%
Office of Int. Public Safety Solutions	27	12	39	31%

Library	374	31	405	8%
Mayor & Council Office	43	14	57	25%
Office of the Bond Program	9	6	15	40%
Office of Cultural Arts	47	46	93	49%
Office of Community Care	205	72	277	26%
Office Of Emergency Management	11	5	16	31%
Office Of Environmental Quality	86	20	106	19%
Office of Historic Preservation	5	2	7	29%
Office of Homeless Solutions	39	8	47	17%
Office of Police Oversight	2	3	5	60%
Office of Risk Management	42	12	54	22%
Office of Strategic Partnership	5	2	7	29%
Public Affairs and Outreach	19	9	28	32%
Public Works	506	101	607	17%
Human Resources	61	69	130	53%
Parks & Recreation	668	904	1,572	58%
Planning & Urban Design	42	20	62	32%
Procurement Services	27	13	40	33%
Resiliency Office	6		6	0%
Sanitation Services	504	115	619	19%
Small Business Center	12	9	21	43%
City Secretary's Office	21	5	26	19%
Transportation	147	62	209	30%
Welcoming Communities	2	1	3	33%
	12,650	4,087	16,737	24%

* Data from Workday system as of January 12, 2023 – Department data may include seasonal vacancies



City of Data Points – Vacancies by Department*



* Data Source: Workday as of January 12, 2023 – Department data may include seasonal vacancies



Other City Data Points



Attrition Data

Retirement Rate

- 3.2% (2021)
- 2.4% (2022)

Turnover Rate

- 13.59% (2022)



Employee Feedback

Employee Engagement Survey

- Compensation

Exit Interviews

- Salary
- Flexibility
- Balanced Culture



System Reports

Workday Vacancy Rate - 94% Posted*



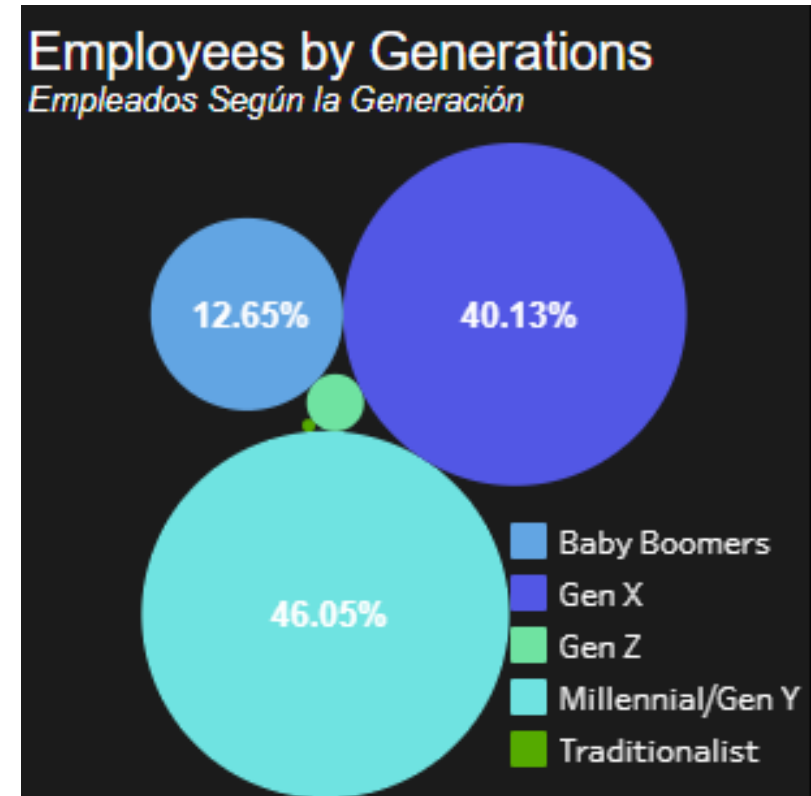
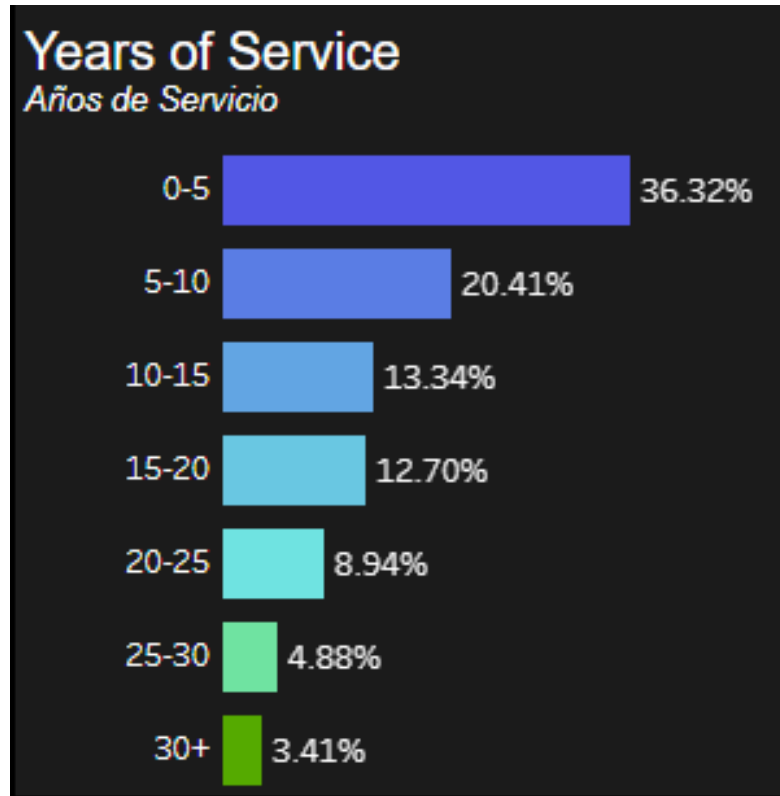
Survey Feedback

- Hiring Manager Survey
- New Hire Survey
- Applicant Survey (Q3 2023)

* May be due to seasonal work or funding



Retirement Prospects



Baby Boomers and Traditionalists (born before 1964) could retire at anytime and account for 12.66% of COD employee population.



Summary:



A company's reputation plays a vital role in attracting and retaining top talent



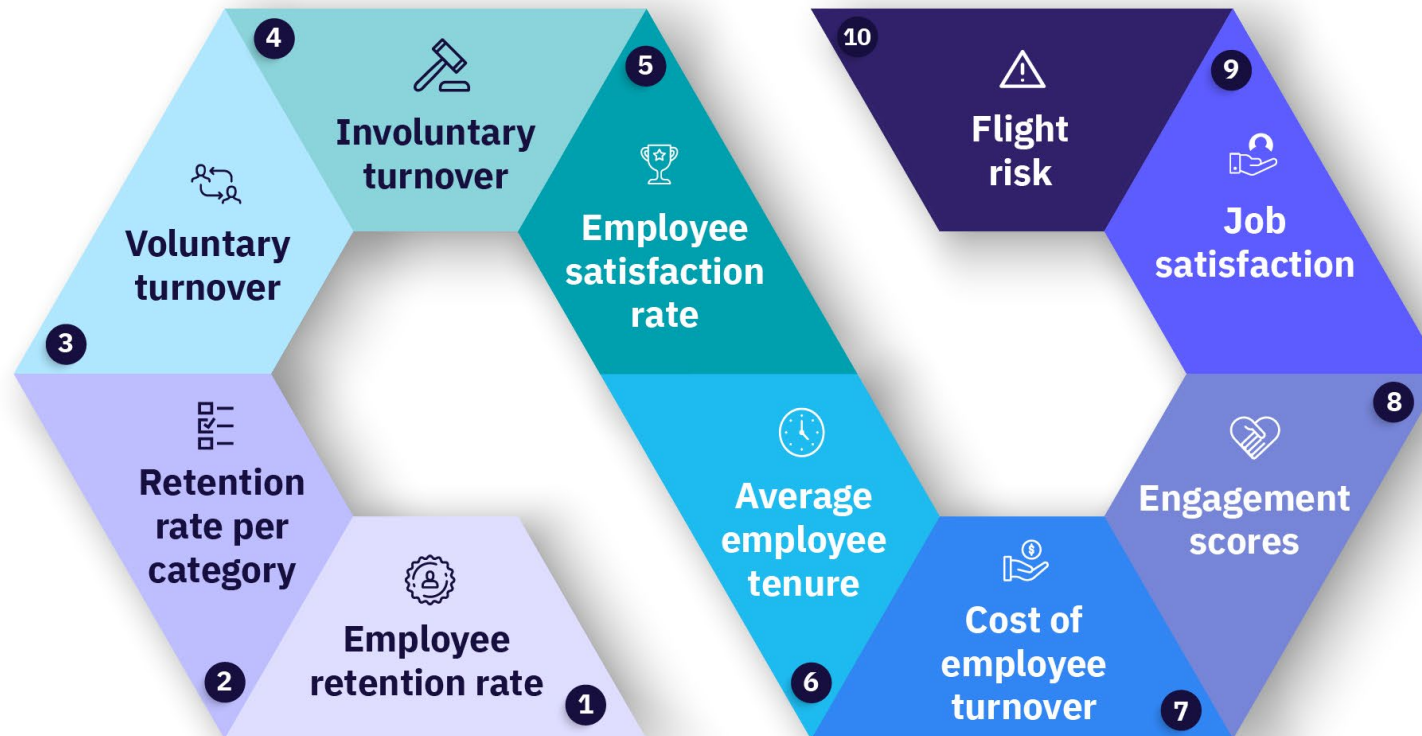
AIHR ACADEMY TO INNOVATE HR



Summary:



Employee Retention Metrics



Summary:



**Which benefits
attract and retain
good employees?**

 PeopleKeep



Benefits Enhancements for Retention



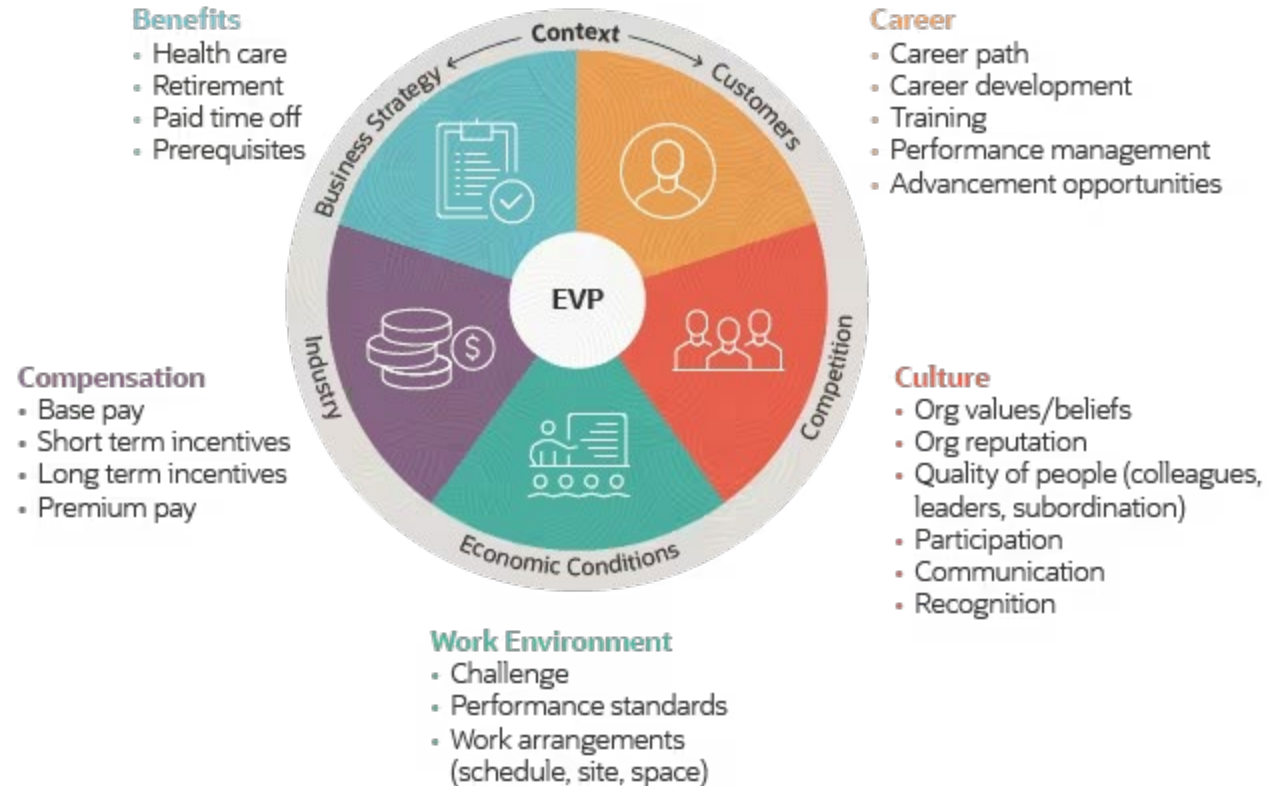
Moved to BC/BS saved approximately \$10M in PY 2021	Offered enhanced dental network with change to Delta Dental	Added compassionate leave	Offered enhanced vision plan option with Davis Optical	Simplified wellness incentive activities 2021 - 3,107 EEs
Added Catapult for virtual biometric option	Enhanced Basic life Benefit from \$50,000 to \$75,000 in 2020	Offered \$2000 childcare subsidy for FT active employees earning less than \$66,000 annually	Implemented City paid long term disability plan in 2022	Added mental health leave for uniform and civilian
Preventive Medications Free Reduced Cost Diabetic/HBP Med	Increased enrollment in Kannact diabetes Program by 8% to 1,461	Rolled out Comeback provision for retirees	Implemented 6 weeks Paid Parental Leave policy	Moved to BC/BS Medicare Advantage Plans
Offered narrow and broad network options	Expanded Virtual Health Access in response to COVID-19	2021 Virtual Health Fair and 2022 Health Expo	Critical Incident Onsite Counseling	Procurement of additional voluntary benefits (Pet Insurance)



Summary:



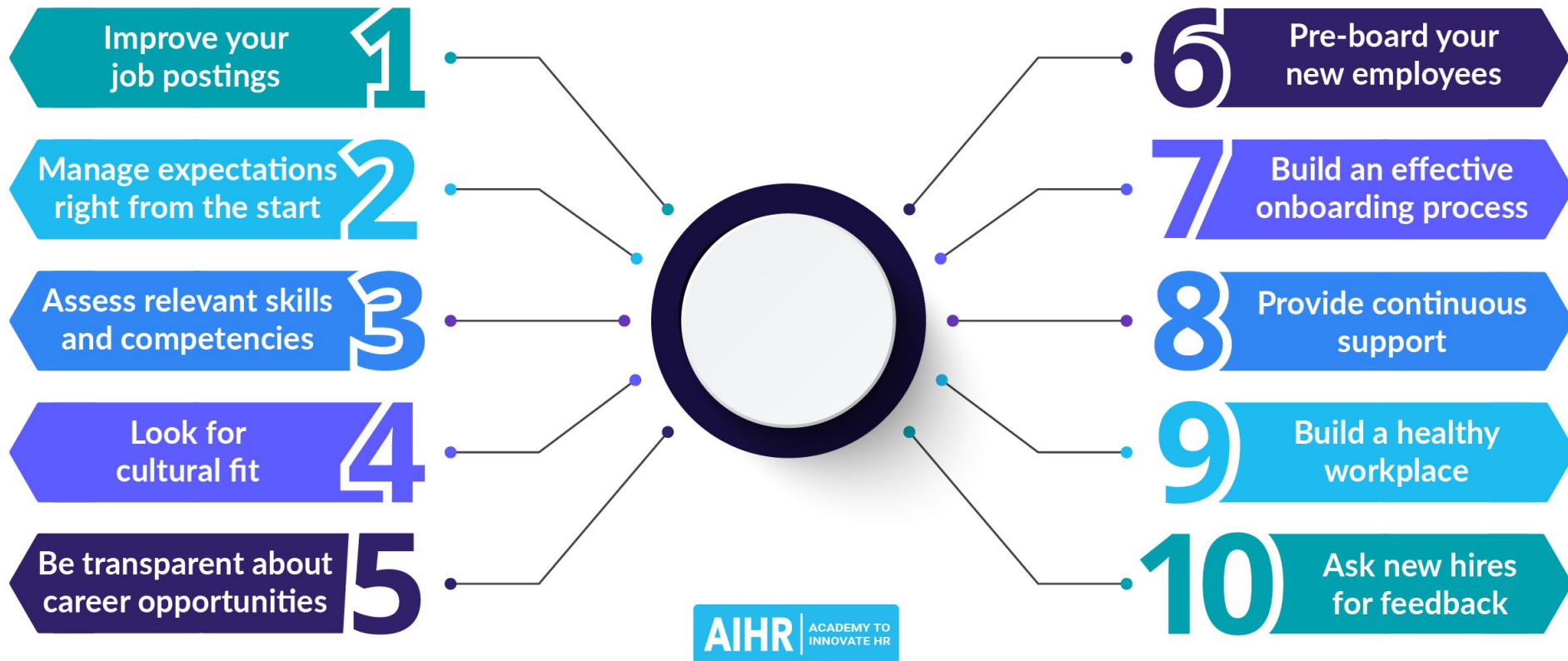
Employee Value Proposition



Summary:



How to Reduce New Hire Turnover



Summary:



Reasons employees are leaving and what to do



For the most part, executives have a good grasp on why employees are leaving

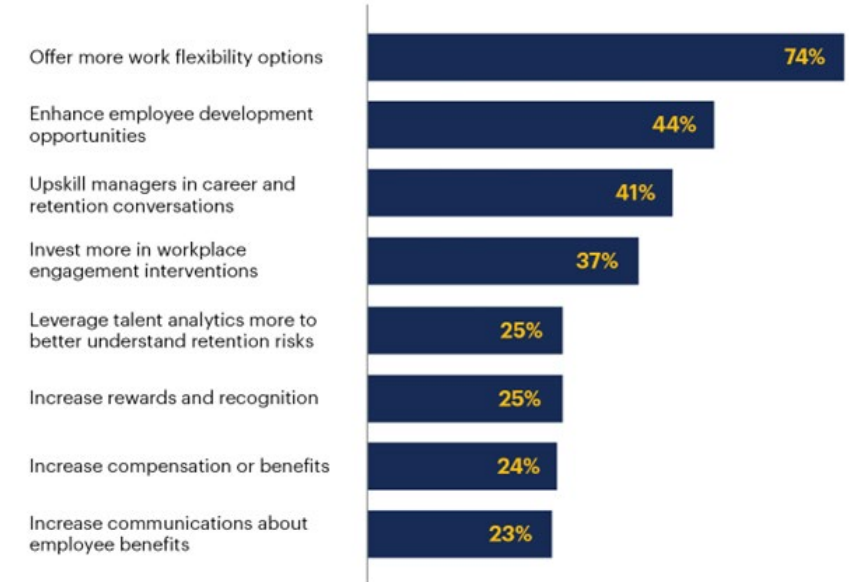
Employees (Rank of reason for looking for new job)		Employers (Percentage of executives saying this is a reason employees are leaving)
#1	Wages/salaries	41
#2	Benefits	23
#3	Career advancements	33
#4	Flexibility	34

Note: Graphic omits 12 answer options that were picked by less than 20% of employees as a top-3 reason. Employee Q: Which of the following are the top reasons why you are looking for a new job? (Please select up to three.) Employer Q: Data shows that turnover has increased in many industries. Why do you think more employees are leaving your company right now? (Select all that apply.) Source: PwC US Pulse Survey, August 19, 2021; base of 651 full-time and part-time employees looking for a new job and 661 business executives that report higher-than-normal turnover at their company.

Source: PwC US Pulse Survey - 2021

What Is Your Organization Doing, or Planning to Do, to Address Employee Turnover?

Percentage of HR leaders, selecting all that apply



gartner.com

n = 156 HR leaders
Source: Gartner Attraction and Retention Strategies in a Hybrid World Webinar Poll (30 June 2021)
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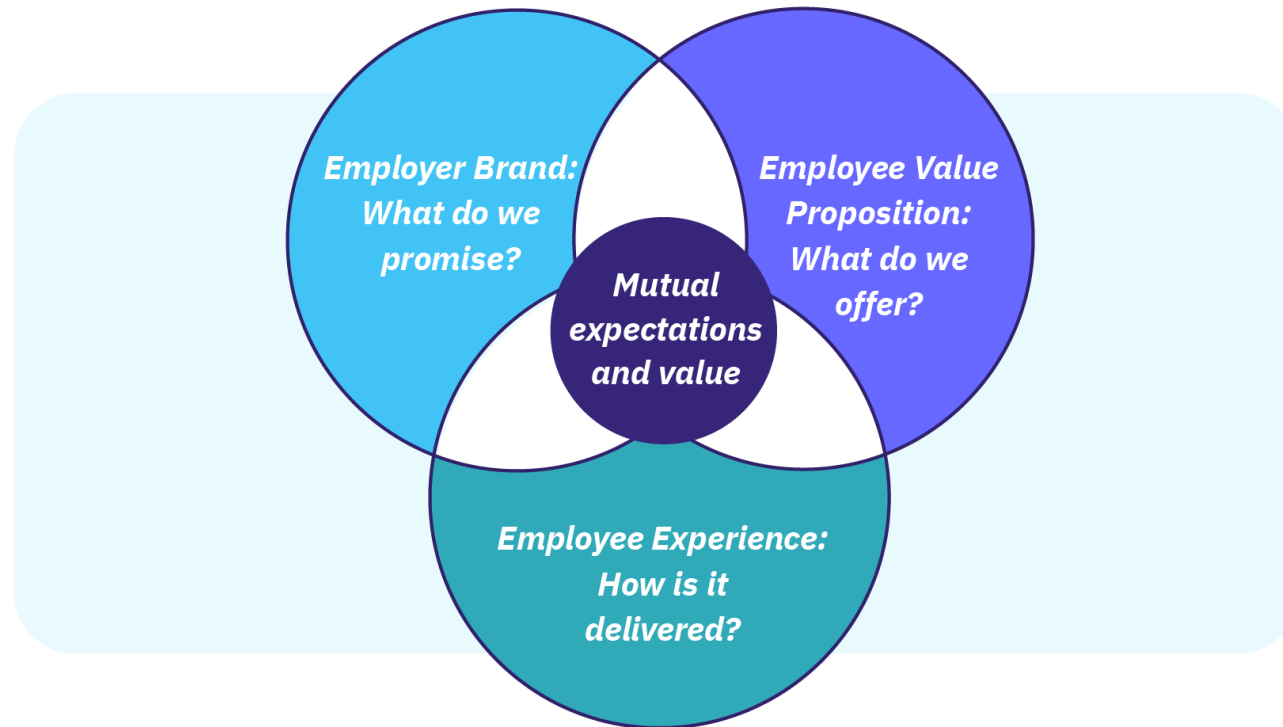
Gartner



Summary:






The 3 Es of the Employee-Employer Relationship



Summary:



Figure 4. Factors that contribute to a positive employee experience

Simply Irresistible Organization™ model				
				
Meaningful work	Supportive management	Positive work environment	Growth opportunity	Trust in leadership
Autonomy	Clear and transparent goals	Flexible work environment	Training and support on the job	Mission and purpose
Select to fit	Coaching	Humanistic workplace	Facilitated talent mobility	Continuous investment in people
Small, empowered teams	Investment in development of managers	Culture of recognition	Self-directed, dynamic learning	Transparency and honesty
Time for slack	Agile performance management	Fair, inclusive, diverse work environment	High-impact learning culture	Inspiration
Cross-organization collaboration and communication				

Deloitte University Press | dupress.deloitte.com



Summary:

