

# HUMAN RESOURCES

Human Resources (HR) strategically, and cost effectively, recruits, retains, motivates, rewards, and develops Metropolitan’s employees.

## PROGRAMS

The focus of Human Resources is to foster a high performance workplace, management excellence, financial responsibility, integrated talent management, and human resources excellence.

HR services include employee and labor relations, recruitment and selection, equal employment opportunity (EEO), benefits, retirement, leave administration, classification and compensation administration, medical screening, training, organizational development, career development, and Metropolitan’s casualty insurance and risk management programs to minimize exposure to loss.

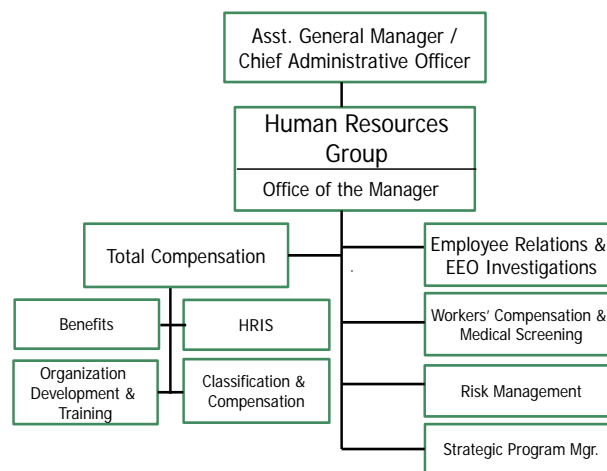
HR accomplishes its mission through the following programs or sections:

**Office of Human Resource Group Manager** provides strategic leadership and direction for Metropolitan’s Human Resources functions. Organizations reporting directly to it include Risk Management and Worker’s Compensation and Medical Screening.

**Employee Relations** is responsible for fostering harmonious labor relations between Metropolitan and its four certified bargaining units, and plays a key role in contract negotiations, including working as a partner with senior management in developing Metropolitan’s collective bargaining strategy. The staff also serve as a resource to managers and supervisors on such matters as grievances, disciplinary actions, and workplace conflicts. Finally, the section provides ongoing training to managers on all facets of employer-employee relations.

The section also has responsibility for investigating internal complaints of unlawful discrimination. EEO investigations staff meets with complainants, interviews witnesses, and issues findings as to whether allegations of unlawful discrimination can be substantiated. This work is critical in ensuring that Metropolitan maintains a workplace free of discrimination and harassment.

**Total Compensation** is responsible for the strategic design and implementation of Metropolitan’s compensation, benefits, and the Human Resources Information Systems programs. The section leads and participates in continuous process improvement and cost optimization studies for all plans. Section responsibilities include job analysis, market assessments, active employee and retiree benefit program administration, responding to union requests, and maintaining the Total Compensation program.



## GOALS AND OBJECTIVES

In FY 2014/15 and FY 2015/16, HR will focus on the following key issues:

### Meeting Challenges of Future Workforce Changes

Based on current workforce demographics, it is a certainty that Metropolitan will face increasing staff turnover over the next decade.

HR will ensure that Metropolitan leadership is prepared to address the business, cultural and people challenges that it will face in the future.

HR will work to expand the capabilities, adaptability and readiness of the workforce to step up to these challenges while continuing to view Metropolitan as a desirable place to work.

### Leadership Development

Continue efforts to align organization skills around core leadership competencies.

Define critical leadership capabilities and experience required for success in senior leadership positions.

Provide focused development opportunities for employees, preparing internal talent to fill future leadership openings.

Expand leadership development approaches and cross-training opportunities to all levels of management.

Integrate critical leadership capabilities, experiences and competencies into hiring and promotional processes.

Address workforce diversity wherever opportunities occur.

Invest in preparing the entire management team to excel in effective management and development of people as well as best management practices in various business functions.

### Workforce Development

Expand efforts to prepare for increased workforce turnover due to retirements and increased competition for scarce talent.

Increase transparency of critical skills, competencies and work experiences required for future roles.

Continue to expand the availability of learning and development opportunities to: develop effective training programs to resolve any identified critical competency or skill gaps; expand use of non-classroom development approaches such as job rotations, mentoring, action learning and other approaches that prepare employees for future roles at Metropolitan; expand the availability of in-house university and college programs at the worksite; improve administrative processes for enrolling in training programs; pilot the use of social media learning communities to energize peer-to-peer learning; increase value-received from Tuition Reimbursement investments in the workforce; and implement tools for individual development discussion.

Increase the use of knowledge sharing tools.

Develop a strategy to encourage both technical and professional career development and growth while building a commitment to Metropolitan as an employer of choice.

### Fostering a High Performance Culture

Assess and recommend optimizations of Metropolitan organizational structure to improve efficiency, productivity and accountability.

Provide management with new tools to improve alignment and quality of goal setting in support of objectives.

Increase business, financial and operational understanding of the workforce to increase employee engagement and alignment with Metropolitan business goals.

Develop methods to provide management with tools to recognize and encourage high performance.

Improve management tools to encourage financial and personal responsibility and accountability, employee empowerment, as well as address low performance.

Continue to use the feedback from the Voices 2014 survey to address improvement opportunities.

### Core Human Resources Efforts

Enlist greater senior management and Board support for HR group initiatives and long-term HR strategic direction.

Develop a new five-year strategic HR plan.

Prepare for 2016 labor negotiations.

Update HR systems of record (e.g. PeopleSoft) to ensure compliance with laws and regulations and offer improved services to management and employees.

Improve HR partnerships and communications with management and bargaining units.

Reexamine key talent management processes to ensure Metropolitan is positioned with the capabilities to competitively hire and retain high quality talent.

Develop metrics to compare HR performance with best-in-class organizations in and outside of public sector.

Strengthen HR/customer partnerships to identify areas for improvement in HR products, services, support and communications.

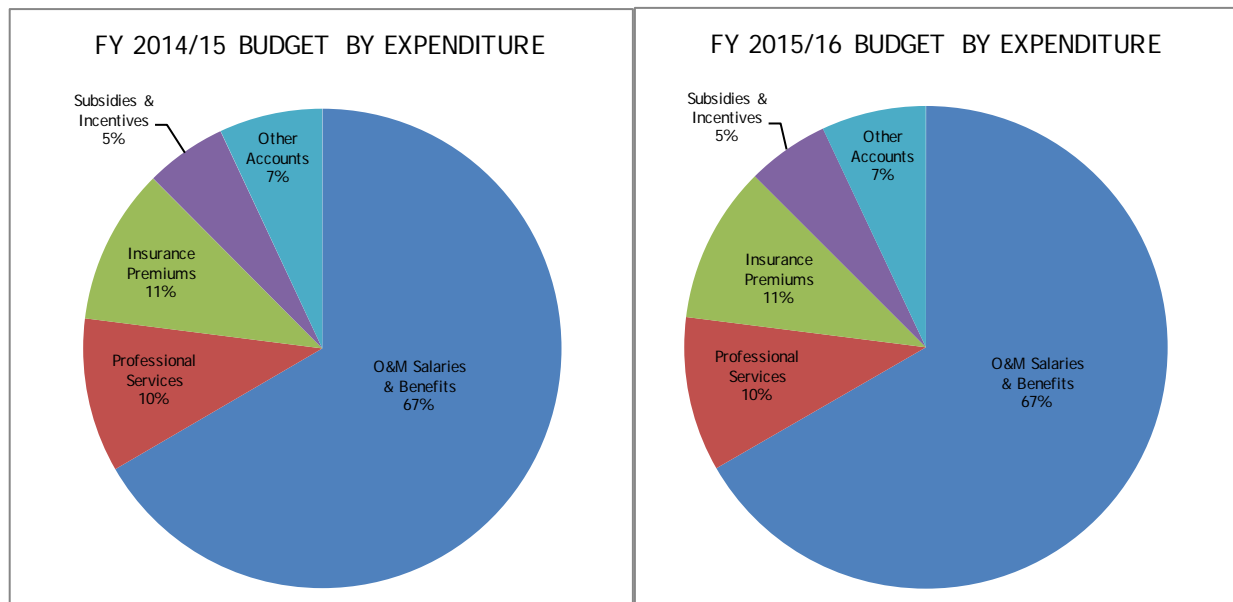
Maintain best practices in Worker's Compensation and Risk Management.

Continue to simplify HR policies, processes, and procedures to reduce the costs of HR administration.

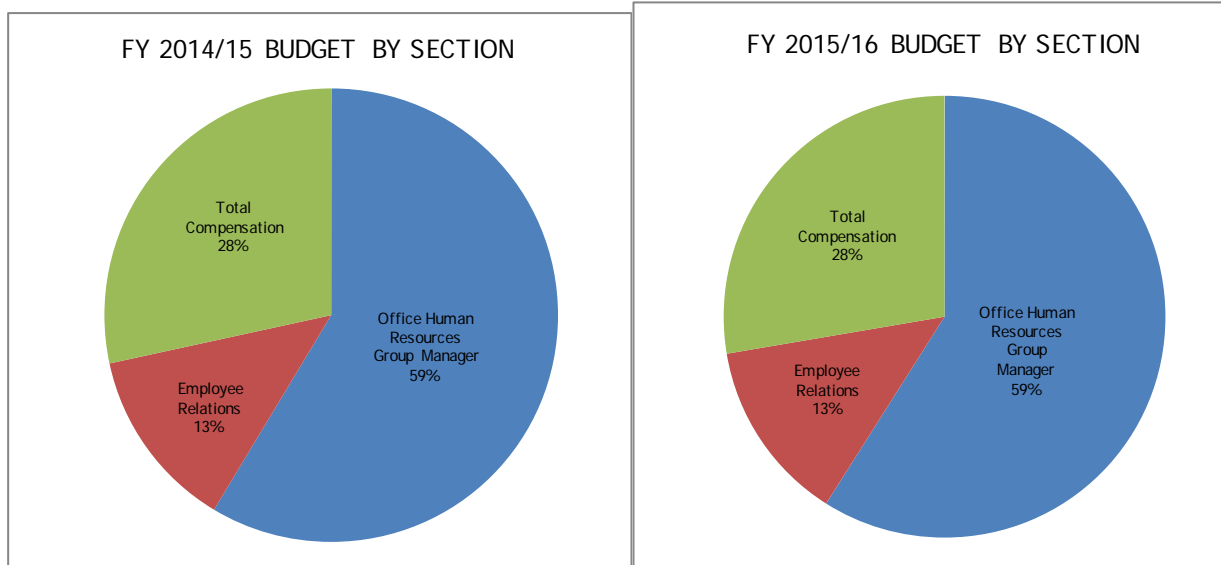
## O&M Financial Summary

	2012/13 Actual	2013/14 Budget	2014/15 Budget	Change from 2013/14	2015/16 Budget	Change from 2014/15
Total Salaries and Benefits	7,761,800	7,793,600	8,237,500	443,900	8,254,300	16,800
<i>Direct charges to Capital</i>	0	0	0	0	0	0
<b>O&amp;M Salaries &amp; Benefits</b>	7,761,800	7,793,600	8,237,500	443,900	8,254,300	16,800
% Change		0.4%		5.7%		0.2%
Professional Services	939,800	1,260,500	1,283,600	23,100	1,279,600	(4,000)
Insurance Premiums	1,041,900	1,425,000	1,300,000	(125,000)	1,300,000	0
Subsidies & Incentives	693,700	633,700	680,000	46,300	680,000	0
Outside Services – Non Professional / Maintenance	87,000	265,000	276,000	11,000	277,000	1,000
Advertising	123,000	120,000	150,000	30,000	165,000	15,000
Other Accounts	321,500	367,400	437,600	70,200	424,800	(12,800)
<b>Total O&amp;M</b>	<b>10,968,700</b>	<b>11,865,200</b>	<b>12,364,700</b>	<b>499,500</b>	<b>12,380,700</b>	<b>16,000</b>
% Change		8.2%		4.2%		0.1%

Note – Totals may not foot due to rounding.



## O&M BUDGET BY SECTION



	2013/14 Budget	2014/15 Budget	Change from 2013/14	2015/16 Budget	Change from 2014/15	Personnel Budget		
						13/14	14/15	15/16
Office Human Resources Group Manager	7,301,800	7,249,900	(51,900)	7,303,600	53,700	20	19	19
Employee Relations	1,119,200	1,601,200	482,000	1,650,200	49,000	6	7	7
Total Compensation	3,444,200	3,513,700	69,500	3,426,800	(86,900)	17	16	15
<b>Total O&amp;M</b>	<b>11,865,200</b>	<b>12,364,700</b>	<b>499,500</b>	<b>12,380,700</b>	<b>16,000</b>	<b>43</b>	<b>42</b>	<b>41</b>

Note - Totals may not foot due to rounding.

## Personnel Summary

	2012/13 Actual	2013/14 Budget	2014/15 Budget	Change from 2013/14	2015/16 Budget	Change from 2014/15
Regular	42	43	42	(1)	41	(1)
O&M	42	43	42	(1)	41	(1)
Capital	0	0	0	0	0	0
Temporary	0	0	0	0	0	0
O&M	2	0	0	0	0	0
Capital	0	0	0	0	0	0
<b>Total Personnel</b>	<b>44</b>	<b>43</b>	<b>42</b>	<b>(1)</b>	<b>41</b>	<b>(1)</b>
O&M	44	43	42	(1)	41	(1)
Capital	0	0	0	0	0	0

Note - Totals may not foot due to rounding.

## SIGNIFICANT BUDGET ISSUES

HR's biennial budget is \$12.4 million in FY 2014/15 and \$11.9 million in FY 2015/16 or an increase of 4.2% and 0.1% respectively from the prior budget years. The increase is due primarily to four factors.

- Salaries and Benefits costs related to merit increases for qualified employees and an increase in retirement-related benefits costs is the primary factor.
- Insurance Premiums are anticipated to decrease by approximately 7% partially offsetting the overall budget increase.
- Replacement of personnel throughout Metropolitan has increased recruitment advertising costs.
- An expanded effort in workforce development has necessitated the increase of Tuition Reimbursement (Subsidies & Incentives) costs.

The following are the significant changes by budget year.

### FY 2014/15

#### Personnel-related issues

The increase in Salaries and Benefits is partially offset by the elimination of one position.

#### Professional Services

The increase is due to a management forum included in the FY 2014/15 budget.

#### Other

### FY 2015/16

#### Personnel-related issues

The increase in Salaries and Benefits is partially offset by the elimination of one regular position and the elimination of agency and district temporary services.

#### Other

