



**CITY OF STANWOOD
CITY COUNCIL FINANCE COMMITTEE
AGENDA STAFF REPORT**

| | |
|---|--|
| <p>SUBJECT: Hiring, advancement and promotion policies</p> | <p>FOR AGENDA OF: June 27, 2013</p> <p>DEPARTMENT OF ORIGIN: Executive</p> |
| <p>ATTACHMENT(S): A – Sample hiring policies</p> | <p>DATE SUBMITTED: June 20, 2013</p> <p>CLEARANCES: (check box)</p> <p><input type="checkbox"/> City Attorney _____</p> <p><input type="checkbox"/> City Clerk/HR _____</p> <p><input type="checkbox"/> Community Development _____</p> <p><input type="checkbox"/> Fire _____</p> <p><input type="checkbox"/> Finance _____</p> <p><input type="checkbox"/> Police _____</p> <p><input type="checkbox"/> Public Works _____</p> <p>APPROVED FOR SUBMITTAL BY THE CITY ADMINISTRATOR: _____</p> |
| <p>COST OF PROPOSAL: N/A</p> | <p>AMOUNT BUDGETED: N/A</p> |

ISSUE

The issue in front of the finance committee is to discuss whether the city should establish clear procedures for hiring, advancement and promotion of city employees.

If the finance committee supports moving forward, city staff will return with specific policies for the committee’s review at the July finance committee meeting.

SUMMARY STATEMENT

The city has filled a number of vacant and newly created positions over the last 12 months.

The city's personnel policies state, *"It is the policy of the city to offer employment to the applicant possessing the best qualifications and fit for the position available...The decision to hire competitively or to promote, transfer from within the organization is solely that of the city's."*

The city has competitively filled the finance director position, accounting clerk and public works technician positions. The city is recruiting to fill the newly created deputy clerk II position even though a city employee has been fulfilling the job functions on an interim basis for over six months. The city has advanced (promoted) two employees in the water department without the benefit of competitive hiring.

Although the personnel policies give the city discretion for either promotion or competitive hiring, the lack of specific policies and procedures has caused some stress within the organization.

DISCUSSION

A competitive hiring process is usually in the best interest of the city and the Stanwood community. City residents, business owners and other employees suffer when employees are promoted to positions for which they were untrained or unsuited. However there are cases when requiring a competitive hiring process will not serve either the city or the employee.

Unclear promotion policies can create conflicts and high turnover rates among employees who don't understand why co-workers received a promotion instead of them. Problems may not end there if vague promotion procedures also appear discriminatory. The city can avoid these difficulties by creating a transparent promotion policy and consistently applying that policy's standards to each employee seeking advancement.

The fundamental question for city employees is, "under what circumstances is a competitive hiring process required to fill a position versus a promotion or appointment process?"

The most recent process to promote two employees in the water department was based on the following set of circumstances. The city council may or may not want to use these as the basis for a formal policy:

1. The city council approved creating the positions. The council's intent was to create new positions and vacate the previous positions.
2. With the council's decision to vacate the lower level position, the employee would lose his or her job if a competitive hiring process were held and current employee was not the successful candidate for the new position.
3. The current employees meet all the minimum requirements of the job.
4. The employees had received a satisfactory performance evaluation from the department director and supervisor.

A competitive hiring process was used to fill positions created by retirements or attrition where internal candidates would not lose their current position if the job were filled by someone outside the organization.

FISCAL IMPACT

There is no specific fiscal impact created by this policy.

RECOMMENDATION

Discuss whether the city should establish clear procedures for hiring, advancement and promotion of city employees.

Direct staff to return with specific policies for the committee's review at the July finance committee meeting.

LEAGUE OF MINNESOTA CITIES

HR Reference Manual – Hiring Chapter

SAMPLE HIRING POLICY

(Special thanks to the City of Maplewood for providing the basis for this sample policy.)

Note: This policy was developed for a City Manager form of government. It would need to be adapted to apply to a Strong Mayor form of government.

EMPLOYEE RECRUITMENT AND SELECTION

SCOPE

The Human Resource Director will manage the hiring process for all regular positions within the City. All applications for regular full-time and part-time employment shall be submitted to the Human Resource Department for consideration. The Human Resource Director will utilize department resources to assist in the process as appropriate.

FEATURES OF THE RECRUITMENT SYSTEM

A. Regular Position Vacancy Announcements: Position vacancies, for regular full-time and part-time positions, shall be published by posting announcements on official City bulletin boards for at least ten (10) days. Such postings will normally specify the title and salary of the positions; the nature of the work to be performed; the minimum and essential requirements of the position; the time and place to apply; the closing date for receiving applications; and other pertinent information.

B. Application Forms: Application shall normally be made on application forms provided by the Human Resource Department. Supplemental questionnaires may be required in certain situations. All candidates must complete required application materials with original signatures, and ensure they are submitted by the application deadline, in order to be considered for the position. The Human Resource Director may extend the deadline for application after consultation with the appropriate department head.

C. Appointments and promotions in the City service shall be made according to merit and fitness related to the position being filled. Vacant positions will be filled on the basis of a regular, part-time casual, paid-per-call, intermittent, seasonal, or temporary appointment.

Appointments may be made on a full or part-time basis. Part-time employees may be hired into a benefit-earning (over fourteen (14) hours per week) or non-benefit-earning (fourteen (14) or fewer hours per week) status.

D. Position vacancies may be filled on an “acting” basis as needed prior to filling a position through the normal process. The City Manager will approve all acting appointments for regular positions. If a current employee is appointed to an acting position and is later hired to fill the regular appointment, with no break in service in the new position, the effective date of the regular appointment will be considered to be the

date on which the acting appointment was made. Pay rate adjustment for acting appointments will be determined by the City Manager.

E. Employees who have left City service in good standing are eligible for reinstatement at the City's option. The City Manager may reinstate seniority for benefit accrual purposes, under special circumstances.

EXAMINATIONS

A. Applicant qualifications will be evaluated in one or more of the following ways: a training and experience rating; written test; oral test or interview; performance or demonstrative test; physical agility test, or other appropriate job-related exam.

B. Tests for appointment in the City service shall be competitive tests which shall be open only to applicants who meet the minimum qualifications as stated on the job posting or qualifications determined to be equivalent by the Human Resource Director. The City Manager and Human Resource Director will determine whether to post the position as a promotional or open competitive opportunity.

C. Positions designated as promotional only will normally be open to any City employee who has successfully completed their initial probationary period. Temporary, intermittent and seasonal employees are not eligible to apply for promotional-only positions. Employees who serve in a part-time casual or paid-per-call status will normally be eligible to apply.

D. Examination results: The examinations and results of examinations are confidential. Each person taking an examination shall be entitled to obtain their final score and may request an exam review with the Human Resource Director to obtain summary information on the results.

Applicants who fail an exam will normally not be eligible to retake the exam within the following six months.

E. Method of Rating: Sound measurement techniques and procedures shall be used in rating tests and determining the individual and/or relative ranking of the candidates.

F. Candidates are required to attain at least a passing score on each component of the test in order to continue in the selection process. Access to the testing process may be limited to the top candidates based on job-related qualifications. Applicants who do not receive a passing score will not be eligible to retest for the same classification for a six-month period.

G. The Human Resource Director shall establish minimum qualifications for each position with input from the appropriate department head. All candidates must meet the minimum qualifications to be eligible to participate in the selection and testing process.

SELECTION

A. The selection process will be a cooperative effort between the Human Resource Director and the department head, subject to final hiring approval of the City Manager. For regular full-time and part-time positions, the department head will normally recommend the top candidate or candidates to the City Manager who has final authority

on all hires and promotions. The City Manager may elect to interview any or all of the candidates.

B. Hiring of seasonal, part-time (casual), intermittent and temporary employees may be delegated to the department heads or their designee upon approval of the City Manager. The supervisor may terminate these latter appointments at any time, subject to department head approval.

C. Relatives of current employees may be hired only if they are the most qualified and there will be no supervisory reporting relationships between them as a result of the hiring. The City Manager and Human Resources Director must approve all such appointments.