



COUNTY OF SAN MATEO

County Manager/Clerk of the Board

DATE: March 28, 2006
BOARD MEETING DATE: April 4, 2006
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors
FROM: John L. Maltbie, County Manager
SUBJECT: County Organizational Review

Recommendations

- (1) Accept the report on the County Organizational Review
- (2) Direct the County Manager to prepare plans for implementing the report recommendations

Vision Alignment

The organizational review recommendations contribute to the commitment of a responsive, effective and collaborative government by restructuring the County organization to address changes in the community and changes in key leadership positions due to retirements, and making improvements in the areas of interdepartmental coordination, decision-making for information technology, workforce training and development, and internal and external communications.

Background

On August 9, 2005, your Board approved an agreement with Management Partners, Inc. to conduct an organizational review of the County. The review was done for two primary reasons:

- (1) About 75% of the County's department and division/deputy directors are eligible to retire, all with many years of experience. The study was done to look at how the County could be restructured so that it could continue to be successful after top managers retire over the next five years.
- (2) It had been over 10 years since the last major organizational review was done, so it was time to look at best practices and major issues facing the county in the future, and make recommendations on how our services can be improved.

The study was conducted from September 2005 through January 2006. It included a review of business systems, management span of control, and an examination of policies, practices and programs related to hiring and promotions. "Best practices" in other organizations were also reviewed. Interviews and focus group sessions were held with department/division directors, key program managers, employee organizations and employees from various departments and programs.

In February, recommendations were developed and shared with the Oversight Committee including Supervisors Rich Gordon and Mark Church and County Manager John Maltbie. The recommendations were presented to County department heads at an Executive Council meeting on March 14. An informational website was created for employees regarding the organizational review, and the Executive Summary of the report was posted on the website and provided to labor organizations on March 15. The full report was made available on the website on March 29.

Discussion

Management Partners has identified 79 recommendations for change and improvement. They cover a variety of organization-wide and organization structure issues.

Organization-wide issues include fostering the culture of collaboration and innovation, communications, succession planning, training, hiring and promotional practices, performance feedback, information technology, departmental review process, and organizational names and titles. Management Partners identified opportunities for improvements in each of those areas. Of chief significance is the need to address the anticipated changes in the workforce that will accompany "baby boom" retirements in the next few years. Recommendations have been made for succession planning, hiring, training, evaluating and promoting individuals to ensure continuation of quality services as retirements take place. Additionally, given the current and future investments in information technology, and the importance in considering enterprise-wide issues, several recommendations have been made to improve decision making about technology.

Organization structure issues addressed in the report are staffing for the Board of Supervisors; County Manager/Clerk of Board Office; Employee and Public Services; Public Works; Environmental Services; Housing; Alcohol, Tobacco and Other Drug Services; Children's and Family Services; and Planning and Evaluation functions.

The collaborative nature of the County organization has worked effectively in service delivery. Management Partners came to the basic conclusion that County departments perform well. Given the complexities of county government however, the span of control for the County Manager is significant. Management Partners identified several improvements to coordination and service delivery that could be made with some structural modifications. The analysis indicates even better performance could be achieved with greater coordination of work units that are dealing with inter-related subjects.

Recommendations are made to enhance the capacity and constituent relations of the Board of Supervisors through additional resources. Recommendations are also made to increase the role of the County Manager's Office in multi-disciplinary problem solving and coordination among departments. A larger role for Deputy County Managers is proposed to increase inter-departmental coordination, service integration, and leadership by the County Manager's Office.

Among the changes are a new role for the Assistant County Manager, focusing on complex, multi-

disciplinary policies, and problems that require executive attention and assistance. A new Deputy County Manager for Community Services is recommended to coordinate and provide assistance to a number of aligned services and departments, many of which work with other local government agencies. The proposed Community Services group includes the Office of Public Safety Communications, a new Office of Economic Development/Real Property (incorporating the Real Property unit of the County Manager's Office), and the departments of Public Works (incorporating the Capital Projects unit of the County Manager's Office), Planning and Building, Parks and Recreation, and Housing. Additionally the responsibility for coordinating with the Local Agency Formation Commission and the San Mateo County Library Joint Powers Authority is placed with the Deputy County Manager for Community Services.

Management Partners recommend expanding the role of the Deputy County Manager for Intergovernmental and Public Affairs to improve internal and external communications, and to develop and implement key strategic initiatives. The position of Deputy County Manager for Budget and Performance is proposed to be responsible for a new Administrative Services group. The composition of the new Administrative Services group is Budget and Performance (to include California Department of Forestry contract administration), Internal Services (to include Purchasing, Copy Center, and Mail Center) and the department of Human Resources.

Through the organizational changes recommended in this report, two departments are proposed for elimination: Employee and Public Services Department and the Environmental Services Agency. The remaining functions of those two departments (not incorporated into the Community Services or Administrative Services groups) are proposed to be assigned as follows: Revenue Services to the Tax Collector/Treasurer; Animal Control and Animal Licensing to the Health Department; Agriculture, Weights and Measures to the Health Department, and; University of California Cooperative Extension to the Health Department. Additionally, the Tobacco services section currently within the Human Services Agency is proposed to be transferred to the Health Department.

With the exception of the changes described above, all other County departments are proposed to remain as currently organized. The timing of any of the proposed organizational changes and reporting relationships should be determined by the County Manager based on individual circumstances involving each affected department.

Fiscal Impact

Preliminary budgetary impact includes the net addition of nine positions and additional funds for training, for a cost estimate of \$930,000. Salary surveys are in progress for a number of positions, and transition plans will be prepared for changes in organizational structure and impact to staffing, the movement of staff, furniture and equipment, and infrastructure accommodations. A more defined cost impact will be presented to the Board as part of the implementation and transition plans in the next two to six months.