



MEMORANDUM

TO: Mayor and Council
FROM: Joya Hayes, Human Resources & Civil Service Director *JA*
DATE: February 21, 2020
SUBJECT: Family-Friendly Employment Policies Assessment & Report

The purpose of this memorandum is to provide an update on Resolution 20190606-041, which directed the City Manager to conduct an assessment of the City of Austin's employment policies and identify areas in which the City of Austin could improve to become a more family-friendly employer.

The City of Austin, in collaboration with Early Matters Greater Austin, utilized its Family-Friendly Workplace Toolkit, which is used by both private and public employers. This assessment helps employers explore the benefits of family-friendly workplaces, assess current business practices, identify opportunities for potential change, and connect employees with resources. The Assessment measures four key areas: Benefits, Flexibility, Caregiving, and Engagement. As indicated in the table below, the City rated average to excellent in all categories, with opportunities to improve in Caregiving.

VISUAL SCORING MATRIX		
	Benefits Health insurance, core benefits, paid leave.	
	Flexibility Flextime policy, telework, return to work	
	Caregiving Supports for all caregivers including new parents, nursing mothers, and employees caring for family and friends.	
	Engagement Leadership and management support, communication, training & community	
	Total Score:	

The Human Resources Department (HRD) contracted with The McMillion Group, a consultant that provided stakeholder meeting facilitation, analysis, benchmarking, and recommendations to gather information from employees on these topics.

Twenty-three (23) stakeholder meetings were held with over 300 employees in attendance. Attached to this memorandum is the final report from The McMillion Group related to the assessment of the City of Austin's employment policies and how they relate to becoming a more family-friendly employer. Specifically, the report includes benchmarking from other cities, best practices, and recommendations provided through the stakeholder meetings. Hundreds of comments were received, and the full report provides 25 recommendations for consideration. Below are a few highlights that include items that would enhance and expand our current policies in the short term:

- Increase Emergency Leave (currently 3 days)
- Provide Caregiver Leave
- Change the definition of Immediate Family
- Create more opportunities for flexible schedules
- Increase childcare subsidy limits

The Human Resources Department is committed to promoting, supporting, and continuing to improve the City of Austin's commitment to being a family-friendly employer. We will be evaluating the recommendations in the report and working with Early Matters Greater Austin to ensure the City's policies and procedures continue to provide a progressive family-friendly workplace. If you have any questions or concerns, please feel free to reach out to Karen Haywood (512-974-3465) or Sylba Everett (512-974-3473).

Cc: Spencer Cronk, City Manager
Nuria Rivera-Vandermyde, Deputy City Manager

CITY OF AUSTIN'S EMPLOYMENT POLICIES ASSESSMENT

Report Recommendations





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Introduction

The City of Austin Human Resources Department contracted with the McMillion Group in response to Council Resolution No. 20190606-041. City Council requested the City Manager to conduct an assessment of the City of Austin's employment policies and to identify areas in which the City of Austin could improve to become a more family-friendly employer. Input from employees, supervisors, and managers (stakeholders) was considered, and their responses benchmarked against best practices. Below are the topics outlined in the Early Matters Family-Friendly Workplace Toolkit, these topics formed the basis of the input:

- Living Wage
- Paid Leave
- Health Benefits
- Flexible Working Hours
- Career Development
- Support/Childcare Services

This report is in response to the Council Resolution and contains the feedback that was received from the stakeholders who assisted with the development of the following submission.

Scope and Approach

To collect stakeholders' input, the Human Resources Department communicated to stakeholders announcing stakeholders' meetings throughout the City to discuss the aforementioned, City Council Resolution. Twenty-three (23) meetings were held from September 13, 2019, until November 14, 2019. Three hundred (300) employees, supervisors, and managers attended the meetings; meetings lasted between 1-2 hours per meeting, depending on the number of attendees. Meetings were facilitated by myself, Karen Haywood, Deputy Director, HRD (subject matter expert) and Sylba Everett, Chief Administrative Officer, HRD (subject matter expert/scribe). The meetings began with introductions of facilitators, an overview of the purpose/goal and a review of City Council Resolution. After the introductions, the floor was opened for discussion. The discussions focused on the topics outlined in the Early Matters Family-Friendly Workplace Toolkit and in the resolution.

When asked, ***“what would it take for participants to move into the City,”*** most participants indicated they would not move to the City under any circumstance (financial/personal reasons cited). Many employees understood City leaders did not have unlimited resources; therefore, chances of luring employees into the City were negligible.

It was this sentiment that caused many of our discussions to move quickly from employees requesting more money, more time off, free childcare, and a decrease in health care costs; to more personal and qualitative feedback, such as:

“Respect”

“Level the playing field”

“Better leadership”

“Improved relationship between supervisors and employees”

“Let them know we take pride in our work”

“Fairness”

“I can make more money working elsewhere, but because I love my job, I stayed with the City”

“Implement policies fairly across all Departments”

“Train supervisors and managers on programs we currently have”

“Disseminate all pertinent information to all employee”

“Even though we are not highly visible employees, we are just as important as fire and police”

“I got an occurrence for being two minutes late, even though I was standing in line to clock-in”

“My supervisor is strict when it comes to occurrences while other supervisors are not, it’s not fair”

“In order to get a raise, I have to leave my Department to move to another Department and try to return to where I wanted to be in the first place”

The most reoccurring theme was -

“Who you work for should not determine if you succeed or fail within the City”

It was obvious from our discussions that in the minds and hearts of many City employees, being a “More Family-Friendly City where diverse families are able to fulfill their potential” was not limited to Council’s Resolution. It had more to do with employees’ work-life balance, financial assistance, emotional stability, career development, and ensuring policies and procedures were equally applied throughout the City. The crux of their concerns was ensuring that there were no economic or professional advantages or disadvantages because someone worked for one supervisor versus another. Furthermore, employees yearned for a workplace where bonds exist between employees and supervisors, and coming to work was a joy and not a job.

After listening to the options offered, I used the interest-based problem-solving (IBPS) approach to gathering recommendations from employees. This provided assurance that my recommendations were those most important to employees.

IBPS is a method of problem-solving in which the interests of all parties involved are addressed, multiple solutions and creativity are encouraged, and issues are addressed through open dialogue and information sharing. The four stages of IBPS are:

- (1) define the problem;
- (2) determine stakeholders' interests;
- (3) develop options and
- (4) select solutions that resolve the problem.

Since the problem was already defined by Council Resolution No. 20190606-041 and options generated (401 total) by employees during the 23 town hall meetings, it was a matter of selecting the options that best addressed all stakeholders' concerns (City Council, Mayor, City Manager, Employees, Supervisors, Managers, Department Heads, and outside stakeholders).

When using the IBPS approach, options are measured against standards. The pre-selected standards were:

- (1) **practical** (easy to administer and understand)
- (2) **effective** (accomplish the intended goal)
- (3) **cost-effective** (benefits outweigh costs) and
- (4) **consistent** (can the option be consistently applied throughout the City).

If an option met all four standards, it was adopted as a recommendation.

Thirty-three (33) employees from various City Departments (Public Health, Police, Transportation, Austin Energy, Library, Office of Real Estate, Development Services, Municipal Court, Parks and Recreation, Communication and Technology Management, Aviation, EMS and Watershed Protection) were selected to serve on one of six problem-solving teams:

1. Living Wage Team
2. Paid Leave Team
3. Health Benefit Team
4. Career Development Team
5. Flexible Time and location Team
6. Support Services/Childcare Team

Each team was given the options generated for their topic (401 options generated for all categories), as well as, the City Council's initiatives in each of the areas and asked to

priorities the options from the easiest to the most difficult to implement. Teams used the pre-selected standard to evaluate each option. The question teams addressed was:

“What policy modifications will City Council have to make in the areas of Living Wage, Paid Leave, Health Benefits, Career Development, Flexible Hours, and Supportive Services/Caregivers Benefits to make the City of Austin a more family-friendly community where diverse families are able to fulfill their potential?”



After prioritizing up to 10 options in each category, each team out-briefed their recommendations to the other teams to gain buy-in from all team members. The Teams’ prioritized lists formed the basis of my recommendations. **Please note, to stay consistent with and respect the efforts of each team, some recommendations are duplicates.**

Living Wage

Though the City of Austin ranked #1 as the best place to live (U.S. News and World Report 2019), most livable cities in America by AARP and named one of the best places to start a business by Aquila’s Office Market Report, Austin ranked 66 out of 117 as one of the “Most Family-Friendly Cities in Texas.” Austin’s suburbs ranked higher: Cedar Park 13th, Leander 22nd, Round Rock 25th, Pflugerville 29th, Hutto 31st, Kyle 36th, and Georgetown 41st. The rankings were formulated by comparing data in 117 largest Texas cities using four key categories:

- Family life and fun
- Education, health, and safety
- Affordability and
- Socioeconomic environment

In addition, Austin ranked 96 out of 117 in affordability, while the suburbs relatively low cost of living and the close proximity to entertainment options makes the suburbs an attractive choice for City employees. On average, the cost for a single adult to live in Austin is \$3,197.00 per month, according to the Economic Policy Institute’s Family Budget Calculator, which factors in expenses like housing, food, transportation, and health care.

When asked, *“What would it take for participants to move into the City”*, City employees believed that there were some changes and/or modifications to City policies in the area of living wages that City leaders could make to alleviate some of their financial burdens and improve their work-life balance. It is in that spirit the following recommendations are made.

Recommendations

1. Expand Service Incentive Pay (SIP) and add more levels – This will incentivize new employees and more tenured employees by offering SIP sooner and then continuing to increase the allocated amount.
 - 3yrs \$100.00 to \$300.00 (new)
 - 5yrs \$500.00 (currently 5yrs to 7yrs)
 - 7yrs \$1000.00 (currently 7yrs to 15yrs)
 - 15yrs \$2,000.00 (currently 15yrs or more \$1500.00)
 - 20yrs \$2,500.00 (new)
 - 25yrs \$3,000.00 (new)
 - Eliminate continuous service requirement
2. Satellite Offices – (around Austin’s perimeter)
 - Employees have the ability to work from satellite office one day per week
 - Wifi, phones, copiers, fax, skype available
 - Badge entry for security
 - Location manager (not employee’s manager)
3. Telework – All Departments (where possible)
 - Great tool for retention
 - Reduce traffic congestion
 - Supports City’s Carbon Neutral Goals
 - List projects employees have to work on each day
 - Going paperless will assist in allowing more teleworking
 - Change culture – many supervisors/managers resist teleworking
 - Set-up supervisors/managers’ performance measures to see what % of employees are allowed to telework by Departments
 - Address perception that telework is for higher-level employees only (for customer service type jobs, be creative in finding ways to allow employees to telework)
4. Compensation – Hazard Pay (dirty job stipend)
 - Identify areas for hazardous pay
 - AAR
 - Sanitation
 - Right of way (ROW) jobs
 - Violet Bags Program – sharp items, feces, etc.
5. Emergency Leave
 - Increase from 3 days to 5 days
 - Change criteria for how employees use the leave
 - Change the definition of family
 - Guardian

- Someone you are living with (grandchild, mother, nephew, etc.)

6. Child Care Voucher Program

- Raise limits and lower barriers for entry into the program
 - Family Size:
 - (2) \$68,800.00 change to \$77,400.00
 - (3) \$77,400 change to \$86,000.00
 - (4) \$86,000.00 change to \$92,900.00
 - (5) \$92,900.00 change to \$99,750.00
 - (6) \$99,750.00 change to \$106,600



7. Parks and Recreation Camps

- Increase the capacity of summer recreation centers to allow more COA employees to participate and/or
- Create an enhanced space for COA employees

Paid Leave

The best cities in the U.S. for paid family leave are **Washington State**, employees are offered a standard 12 weeks off for paid leave and medical leave, up to 16 weeks of paid leave after giving birth or if they have a personal medical event and a family caregiving event in the same year and up to 18 weeks if someone experience complications in pregnancy; and **Washington D.C.**, where eligible employees are offered 8 weeks of paid time off to care for a newborn or adopted child, 6 weeks to care for a sick family member and 2 weeks to care for a personal illness.

Most stakeholders liked Austin’s paid leave programs; hence, their options centered around educating employees and managers on the current leave policy, changing the catastrophic leave policy, and redefining how “occurrences” are defined.

Recommendations

1. Provide more education regarding the leave programs currently offered by the City. This will ensure that all employees understand the leave benefits available and how to apply/qualify for them.
2. Revise “occurrence policy” to look at attendance issues and patterns of abuse – not leaving work early when you are sick. Disparate impact on large families with sick children.
3. Expand Catastrophic Leave policy to include:
 - Floods, fires, terrorism
 - Other catastrophic events
 - Remove “one-week unpaid’ requirement

4. Bring back early release program or staggered release and teleworking for Austin's events, holidays, and/or severe weather days. This will allow employees to avoid heavy traffic due to events without utilizing leave they can use needed.
5. Teach supervisors/managers how to manage the staggered start and release times. Employees are more productive if they are spending less time worrying about traffic.

Health Benefits

In an article written by Laura Lorenzetti in Leadership 100 Best Companies to Work for, Laura explains that with the implementation of the Affordable Care Act, 90% of workers at S&P 500 companies who currently receive insurance through their workplace will enter government exchanges by 2020, according to S&P Capital IQ. She goes on to say, "that would end up saving the biggest U.S. companies, nearly \$700 billion between 2016 and 2028. Thus, it is all the more surprising to find major corporations that are still willing (and able) to cover 100% of their employees' health care premiums. Companies like - Kimley-Horn and Associates, Arthrex, Ultimate Software, and Twitter". Here is how one executive explains why they do it.

Barry Barber, Executive Vice President of Human Resources at Kimley-Horn, wrote:

"We like to communicate to our employees that this is a great place to spend a career. It's just one more example of why this is a great place to be, and we believe it shows employees that we are a company that is really looking out for them and their families".

Employees selected the following options focusing on Austin being a great place to work, and the belief that City leaders are looking out for them and their families.

Recommendations

1. Provide safety shoes
 - \$200 shoe voucher
 - Employees purchase shoes with the voucher amount
 - If costs are over the amount, the employee pays the difference
 - If under the amount, extra used for additional equipment
2. Modify the retirement age to reflect eligibility with 30 years of service at any age
3. On-site childcare
 - Drop-in services for sick kids
 - 4 locations to cover – north, south, east and west
 - Mobile pods if the buildings do not have space



4. Bereavement Leave
 - Increase from 3 days to 7 days
5. Provide work-out time for employees
 - 30 minutes to workout
 - Must be a city facility
 - Daily benefit—no need to flex

Flexible Hours

According to a study by PGI;

- 82% of telecommuters reported lower stress levels
- 80% of employees reported higher morale when working from home
- 69% reported lower absenteeism

These findings were confirmed by data from Gallup, Stanford University, SurePayroll, and ConnectSolutions. Also, worth noting is the advantage workplace flexibility offers when it comes to attracting and retaining Millennial talents. According to a “Freelancing in America” study, *“the majority of the U.S. workforce will be freelancers within a decade (by 2027)”*.

With the City Council’s focus on taking care of employees by creating a more family-friendly work environment and attracting the best talent in the future; to most employees, flexible working hours were a must.

Recommendations

1. Consider increasing parental leave
 - Currently six weeks
 - Get employees’ input plus cost study before final decision made
2. Change culture: many supervisors/managers resist flexible working hours and teleworking
 - Open dialogue with managers regarding the benefits of teleworking
 - Consistent alignment of telework policies throughout the City
 - % of employees mandatory telework per Department (supervisors must apply for exception)



Support Services/Caregivers Benefits

A recent report from Harvard Business School (HBS) found that 55% of family caregivers are less likely to progress in business at the rate of their peers, despite the amount of effort they put in. In addition, 32% of caregivers leave jobs that do not support their caregiving

needs, a loss that costs businesses money in having to find and train new workers to replace them.

In an article in the Statesman entitled: “Child care is one more thing Austin Families can’t afford, Texas Department of Health and Human Services was quoted as ***“benchmarking affordable childcare at no more than 10% of a family’s median income, which is roughly \$650.00 per month in the Austin area for a family making \$77,800.00 per year”***.”



The median household income for an Austin resident is \$55,216 a year, according to Sperling’s Best Places; thus, affordable childcare should be around \$460.00 per month. A Raising Austin article, entitled “Millennial parents, your daycare for one child is like paying college tuition every year,” reports the cost of childcare in the Austin area as being around \$900.00 per month. With the median pay for City workers coming in at around \$59,914.00 and the average salary around \$63,411.00, many city employees are paying well over 10% of their income on child care.

According to Senior Living Blog, better family caregiving policies can bring about three important business benefits:

1. Makes business more competitive
2. Improved productivity
3. Increase employee loyalty and retention



Recommendations

1. Childcare Assistance Program: raise limits and lower barriers for entry into the program
 - Family Size:
 - (2) \$68,800.00 change to \$77,400.00
 - (4) \$77,400 change to \$86,000.00
 - (5) \$86,000.00 change to \$92,900.00
 - (6) \$92,900.00 change to \$99,750.00
 - (7) \$99, 750.00 change to \$106,600
2. Caregiver leave
 - Evaluate the definition of family (sandwich generation)
 - Revise policy in light of the new definition

Career Development

At AmeriCorps, professional development isn’t just a perk – it’s a job requirement. AmeriCorps employs an 80/20 rule, stating that “up to 20% of AmeriCorps members’ time should be spent on personal and professional development”. In addition, Walgreens offers a number of development programs for both retail and corporate employees. Their learning program, Walgreens University, offers online and in-person classes on subjects such as leadership, merchandising, beauty and more- some classes even provide college credits

COA employees believe the City should do a better job of providing professional development and cross-training for employees.

Recommendations

1. City-wide Career Development Day
 - One day for joint department training
 - One day for individual departmental training
 - Shut down City (except for essential services)
2. Create Career Counselors for -
 - New employees' orientation
 - Help current employees navigate benefits
3. Cross-Training
 - Make training available to employees outside their department
4. Create Flextra-Plan for Education: Help with upfront costs
 - Tuition reimbursement
 - Employees put in money, either
 - Upfront or
 - Throughout the year

Closing Remarks

Out of the 401 options available to the problem-solving teams (from \$50.00 per hour for a living wage to free utilities), the options selected were thoughtful, reasonable, and considerate of all stakeholders' interests. The sentiment of the problem-solving teams seemed to be that if City leaders are serious about making Austin a more Family Friendly Community, the problem-solving teams would do their part in recommending options that fell well within the means and capabilities of City leaders. Because of the passion and emotions brought to this effort by City employees and a belief that the outcome will improve employees' work-life balance, it is critical that City leaders adopt as many recommendations as feasible and disseminate their efforts to all employees as soon as possible.

A few of the options recommended (satellite offices, teleworking, redefine "occurrences, flex-time, and workout times) will require a culture change throughout the COA's chain-of-command. Factors that motivate employees have changed over the years, and the COA's leadership team must embrace the change. It is not enough to merely pay employees more money, though money is important, but according to a Salesforce Study:

“70% of employees would work harder if they were recognized for their work”

Work-life balance is one of the biggest predictors of happiness in the workplace, according to the 2017 World Happiness Report. Work-life balance means different things to different people, from flex-time, working from home, satellite offices, setting your own time off, to

exercise facilities and on-site childcare. Regardless of the meaning attached to the definition, supervisors/managers must change their method of motivating employees and embrace out-of-the-box motivators. To ensure compliance with this change in culture, City leaders must codify processes and procedures that encourages and reinforces a change in behavior, as well as, a method to ensure individuals who hold on to the past are held accountable.

Note, there were 401 recommendations received from employees across the City. Only about 25 (give or take) were recommended today. That leaves 376 recommendations still on the table. Not all recommendations were viable, but with some reworking and thoughtful analysis some of them could become options that would improve the work-life balance of City employees. Recommend City leaders continue this process until all recommendations are exhausted. In addition, create problem-solving teams to oversee the process and to evaluate the impact of each initiative.

Finally, I would like to express my sincere appreciation to all problem-solving team members and the two facilitators (Karen Haywood and Sylba Everett) who worked tirelessly and diligently to provide their input and suggestions for the benefit of all City employees. Without their valuable insight and support, this report would not have captured the heart and soul of the City.

Problem-Solving Team Members:

- Karen Haywood, Deputy Director, HRD
- Sylba Everett, Chief Administrative Officer HRD
- Crescentia Alvarado, Austin Public Health
- Nathan Brown, Austin Transportation
- Marcia Brooks, Austin Police Department
- Ana Carlin, Austin Public Health
- Erika Cenicerros, Austin Public Health
- Sarah Crouchet, Austin Energy
- Toya Dixon, Austin Police Department
- Sharon Edwards, Austin Public Library
- Leal Ellison, Austin Public Library
- Amy Garza, Austin Public Health
- Deborah Gass, Austin Water Utility
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Joann Hooks, Office of Real Estate
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Christie Larks, Municipal Court
Adrienne Levitch-Potvin, Austin Public Health
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Edward Mokarzel, Parks and Recreation
Carmen Morgan, Public Works
Patricia Muniz, Communication and Technology Management
Aaron Nesiony, Aviation Department
Lupe Perez, Austin Transportation
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Cindy Steffen, Austin Energy
Janet Thomas, Aviation Department
Kristina Weston, Watershed Protection
Anne Whitlock, Communication and Technology Management
Tina Graves, Emergency Management Services
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