



# Montgomery County Government

## MEMORANDUM

September 2, 1982

TO: County Council

FROM: Andrew Mansinne, Jr., Director, Office of Legislative Oversight *Andrew Mansinne, Jr.*

SUBJECT: Office of Legislative Oversight Memorandum Report: Management Development and Personnel Related Issues and Productivity Improvement

Purpose. To provide the Council with an end of fiscal year update on various activities, programs and initiatives relating to management development, personnel issues and productivity improvement in County government.

Background. Council Resolution 9-1459, FY 82 Work Program of the Office of Legislative Oversight, adopted by the Council on September 15, 1981, included two projects which required OLO to monitor and report on several on-going personnel and management issues and activities. The basic documents which announce these personnel and management actions are as follows:

1. Memorandum, subject: Performance Appraisal for Department Heads, dated June 22, 1981.
2. Memorandum, subject: Management Initiatives, dated July 31, 1981.
3. Memorandum, subject: Management Development Performance Planning and Evaluation, dated July 31, 1981.
4. FY 82 Personnel Management Work Program, dated October 1, 1981, and Revised FY 82 Personnel Management Work Program, dated April 21, 1982.

The following section of this memorandum report is a discussion of several of the fundamental issues and activities as of mid-August 1982. It is emphasized that while the activities are discussed individually, there is considerable interrelationship between these issues.

Discussion: Specific personnel and management issues and activities.

1. Executive's Resource Management Team (RMT)

In July 1981, the County Executive created the RMT to accomplish four tasks:

- Communicate the Management Agenda to department heads;
- Create a Management Development Program;
- Implement the first phase of program planning and performance measurement; and
- Set the stage for implementation of individual performance planning and appraisal in FY 83.

The RMT originally planned to be in existence for six months; however, it was extended until July 31, 1982. During that twelve month period, the RMT accomplished most of its tasks and initiated actions on the remaining ones, which are to be completed by the appropriate department. Specifically:

a) Management Agenda. An agenda has been articulated to include County goals and strategies. These management agenda and strategies will be one of the areas evaluated by OLO as part of its recently initiated evaluation of OMB.

b) Management Development. An overall program has been developed with \$50,000 appropriated in the FY 83 budget to begin implementation. The initial effort will concentrate on contract management instruction for all levels of management. In addition, specialized management courses on skills and functions will continue.

c) Work Program planning and program performance measurement. Almost all departments were put onto work programs in FY 82, with the remainder to be added in FY 83. The development of performance indicators and measurements for departments was less successful with only approximately half of the departments publishing measurements in the FY 83 Operating Budget.

d) Employee performance planning and appraisal. An Executive approved general strategy calls for a flexible program with no single format for all departments and employee groups. Certain core elements of the performance appraisal program will have to be met (e.g. specification of tasks, performance standards, etc.); however, the departments will be permitted to develop their own appraisal format tailored to the individual department needs. OLO is currently evaluating individual performance planning and appraisal County-wide and will report to the Council on this project later this fall.

2. Performance Appraisal for Department Heads. A program for department head performance appraisal was initiated in FY 82. The process calls for each department head to submit to the County Executive and CAO a brief summary of his/her FY 82 performance. That brief summary will address "key results areas" (e.g. work program productivity improvements, personnel management and development, client or user relations).

3. Executive Management Compensation Task Force. The Task Force Report was forwarded by the Executive to the Council February 1982, with the recommendation that Council approve the Task Force's recommendation on a cap for senior-level employees. However, the Executive did not endorse two other Task Force recommendations: pay-for-performance for department heads and Assistant CAOs in lieu of annual COLA; and removing the CAO from the salary schedule. The Council approved a cap for senior level employees. At the present time, Executive and Council staff are discussing future initiatives in the area of compensation.

4. Employee Grievance Procedures. Shortcomings in the current employee grievance procedures were formally commented upon in the report of the Merit System Review Commission and a special report by the Office of Legislative Oversight. The Executive branch has initiated revisions to the administrative procedure on employee grievances, with a completion date scheduled for December 1982.

5. Quarterly Personnel Reports. In FY 81, the Executive initiated quarterly reports to the Council on affirmative action, performance awards and employee grievances. While the reports have been helpful in reviewing activities in those three areas, some of the reports have been delayed in distribution for as long as two months after the end of the quarter.

6. Handbooks and Manuals. The following are personnel related handbooks and manuals:

a) Employee's Handbook. In July 1982, a 42 page handbook was distributed to all full-time and permanent part-time County government employees. The handbook was printed at a cost of approximately \$6,000.

b) Personnel Manual. Also in July 1982, a source book on all pertinent personnel laws, regulations and procedures was distributed so as to place one at every location where County employees work. A total of 200 manuals were published at an approximate cost of \$3,000.

c) Comprehensive Staffing Manual. This is an internal operating procedure of the Division of Employment covering recruitment, examination, appointment and other employee-related actions. The manual is approximately 20% completed and is scheduled to be completed in FY 83.

d) Supervisor's Handbook. This manual will be oriented toward managers and will contain information and references relating to employees which a manager should know (e.g. employee relations, labor relations, etc.). The handbook, a part of the overall management development program, is scheduled for distribution in FY 83.

7. Individual Employee Performance Awards. One section of the Quarterly Personnel Report (see 5 above) lists the name, grade and department of all employees receiving performance awards for that quarter together with the type and amount of the award. An Administrative Procedure is to be published in FY 83 which will organize into one document the various references and procedures on performance awards. (Note: OLO Report 82-3 recommended that policies and procedures relating to employee awards be clarified and updated).

8. Revision of Personnel Regulations. In FY 82, an Executive task force reviewed the current personnel regulations (published in December 1980) to determine if any major changes were required. The task force concluded that no immediate changes were necessary.

9. Senior Executive Service. The Executive branch examined the feasibility of a senior executive service, to include requesting comments from the Merit System Review Commission. In its July 1981 Report, the Merit System Review Commission recommended against the creation of a senior executive service at this time. Currently, the idea of a senior executive service is not actively being considered.

10. Sick Leave Bank. After receiving comments from department heads and employees, the Executive branch is completing a final version of an administrative procedure on a sick leave bank. The AP is scheduled to be published in early FY 83.

11. Personnel Management Work Program. The basic planning document for all personnel related issues is the Personnel Management Work Program. First published in early FY 82, the program was revised in April 1982. The document is an integrated product of the Personnel Department, the Office of Management and Budget and the Office of Chief Administrative Officer. The basic objective of the work program is to display in one document all personnel related requirements and programs which require planning, organization, development and implementation. The FY 83 Personnel Management Work Program is to be published shortly, and I will be recommending that OLO monitor the program as part of our FY 83 work program.

Summary/Conclusions. The above discussion reflects only the fundamental issues addressed by the Executive branch in FY 82 in the broad areas of personnel and management. As stated earlier, a Personnel Management Work Program has been developed to identify and track all personnel related activities. The major departments/offices involved with these activities are Personnel, OMB and CAO.

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Some criticism has been made that the Personnel Management Work Program is too ambitious. In point of fact it is quite ambitious. However, I believe the myriad personnel and management related issues, many interrelated, require and justify the present effort.

For too long many personnel items and almost all management issues received little attention. Lately, the Executive branch has internally generated many activities to fill this void. Likewise, there has been several externally generated actions to which the Executive branch is responding (e.g. Report of the Merit System Review Commission; the Merit System Protection Board's report on hiring of the deputy director, DLC; and an OLO memorandum on manager development).

FY 83 should see a continuation of the emphasis on personnel and management. The Office of Legislative Oversight will be examining these two issues as part of its work project to evaluate the Office of Management and Budget. In addition, we will recommend that OLO monitor the FY 83 Personnel Management Work Program as part of its FY 83 OLO Work Program.

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