



DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY

Board of Directors
Human Resources and Labor Relations Committee
Wednesday, March 8, 2017
11:00 a.m.

- 1. Call to Order..... Bradley Frome
Chairman
- 2. Retirement Incentives (Buy-Out) Presentation.....Otho Milbourne
Supervisor, Total Rewards
- 3. 2017 Human Capital Management Presentation.....C. Mustaafa Dozier
Chief of Staff

Roger Brown Jr.
Director, Human Capital Management
- 4. Protocol for Local Union Presidents' Meeting.....Bradley Frome
- 5. Executive Session*.....Bradley Frome
- 6. Adjournment Bradley Frome
Chairman

* The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(1); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10);proprietary matters under D.C. Official Code § 2-575(b)(11); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.



Federal Retirement Incentives

Option to Buy Out

March 8, 2017



Background

- 2003 District of Columbia offered an early retirement option for CSRS employees.

- DC Board of Directors approved a \$30,000 incentive for those who opted for the District's early retirement proposal:
 - 24 positions identified
 - Customer Service, Budget and Finance, Engineering and Technical Services, Facilities, Security, Procurement, Materials Management, Sewer Services, Waste Water Treatment, and Water Services.
 - 18 individuals accepted the incentive
 - 6 declined and continued in their existing role
 - Total cost to the Authority was \$540,000.00



Background

- 2006 District of Columbia offered all CSRS Employees Early Retirement option again:
 - DC Water participated with exclusions on specific jobs
 - See next slide for complete list excluded
 - A letter was sent to 341 CSRS participating employees
 - 11 accepted the early retirement option with no incentive this time from the Authority
 - No cost to DCW



2006 Excluded positions

Electrical Vehicle Repairer/CDL	RW 11
Technician, Power Distribution	RW 12
Electrical Equipment Repairer/CDL	RW 11
Mechanic II, Instrument	RW 11
Field Technician	RW 09
Meter Technician I	RW 08
Meter Technician II	RW 11
Water Services Worker	RW 08/10/11
Water Services Worker/CDL	RW 08/10
Mechanic II, Process Systems	RW 11
Mechanic, HVAC Systems	RW 11
Technician, Process Systems	RW 11
AC Equipment Mechanic	RW 10
Water Facilities Inspector	RW 11
Utility Systems Operator	RW 08/09/10/11
WWT Plant Operator	RW 09/10
Engineering Equipment Operator/CDL	RW 10/11
Foreman, Wastewater Treatment	Grade 15
Foreman, Water Quality	Grade 15
Foreman, Water Services	Grade 15
Foreman, HVAC Equipment	Grade 15
Foreman, Industrial Equipment Mechanic	Grade 15
Foreman, Meter Technical	Grade 15
Foreman, Power Distribution	Grade 16
Foreman, Sewer Services	Grade 15



Background

- March 2015 HR Labor Committee meeting:
 - Unions requested DC Water consider offering buyouts an early retirement incentive under the Civil Service Retirement System (CSRS) with an option for Phased Retirement.
- Phased Retirement:
 - allows full-time employees to work part-time schedules while beginning to draw retirement benefits.
 - During Phased Retirement, an employee will receive a partial annuity and will keep accruing additional service credit toward their final annuity.



Background

- CSRS Early Retirement Requirements are as follows:
 - Age 50 with 20 years of service, or
 - Any age with 25 years of service
 - Agency must demonstrate either a budget shortfall or a major reduction in force and/or major reorganization according to Federal regulations.



Retirement Incentives – Background

- DC Water does not meet the requirements for early or phased retirement.
- Alternate proposal to offer an incentive for voluntary retirement was created.
 - proposal offered retirement incentives for CSRS employees in specific jobs.
 - OPM Authorization was not required.
- To be eligible for optional/voluntary retirement employees must meet the following criteria:

Age 55 with 30 years of service, or
Age 60 with 20 years of service, or
Age 62 with 5 years of service



Retirement Incentives – Background

- DCW communicated with 13 Department Heads who identified 59 positions out of 100 as eligible for the incentive. The remaining positions were considered too critical to offer the incentive.
- A proposal to offer a retirement incentive of 40% of annual salary to employees in selected positions was presented to the HR Labor Relations Committee on November 10, 2015.
- The HR Labor Relations Committee had some concerns regarding the selection eligibility process but requested that proposal be brought to the Finance and Budget Committee for approval.



Retirement Incentives – Background

- The Retirement Incentive Proposal was presented to the Finance and Budget Committee on January 28, 2016.
- Finance and Budget Committee rejected the proposal because it was not sufficiently supported by a business need.
- Unions requested information on the proposed Federal Retirement Incentive at the January 11, 2017 HR Labor Committee Meeting. Chairman Frome asked management to provide background information on the Federal Incentives at the next meeting.
- A Federal Retirement Incentive was developed based on the remaining eligible positions from the 2015 proposal to consist of 42 Federal employees.

Achieving

World-Class



Achieving World-Class Human Capital Management

...,today's HR function has a new set of challenges: A mandate to drive the talent agenda and help attract the best in the market; the need to drive alignment, culture, and performance; the opportunity to better leverage technology and analytics. And the need to support and build a deep leadership pipeline...

Organizations now expect HR not only to be efficient in their delivery of core services but also set the talent agenda and drive performance and engagement. The “traditional” ways of delivering HR capabilities are not getting there.

The High-Impact Operating Model: HR has a mission. Here is the plan

Strategic Human Capital Management

Assess where you are.

Understand who you are and where you want to go.

Learn how to get there.

Make the journey.

Check your progress.

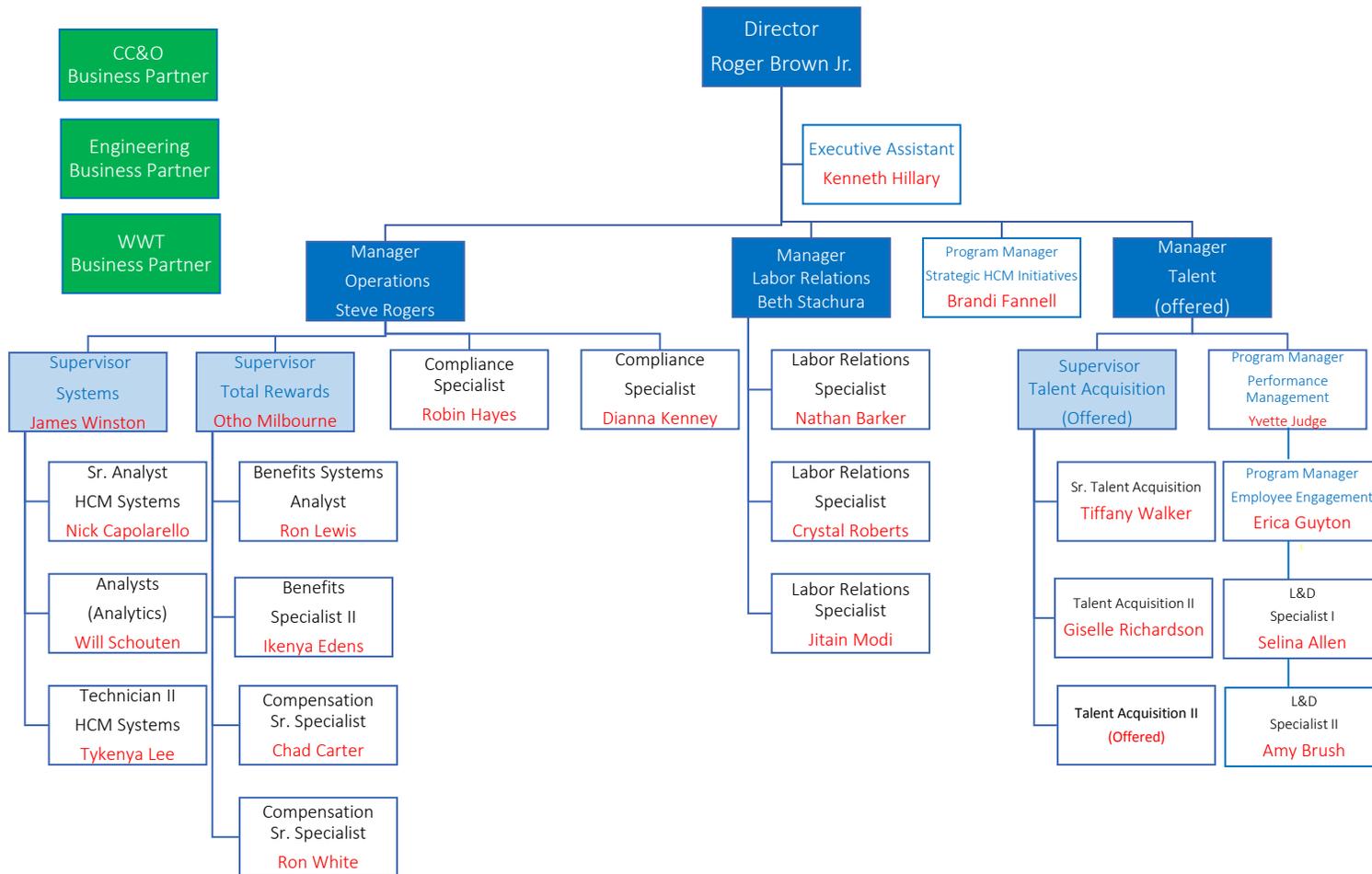
2016 HCM: Maturity Model Project

Objective

To assess current state, identify gaps and develop a plan to achieve world-class HCM performance

Methodology

1. Define key business processes and sub-processes.
2. Document roles and responsibilities (RACI).
3. Define the “current state” of maturity for each process and sub-process.
4. Develop and implement metrics for measuring business process.
5. Defines strategies for advancing business process maturity to “innovating” .



Achieving World-Class: Human Capital Management

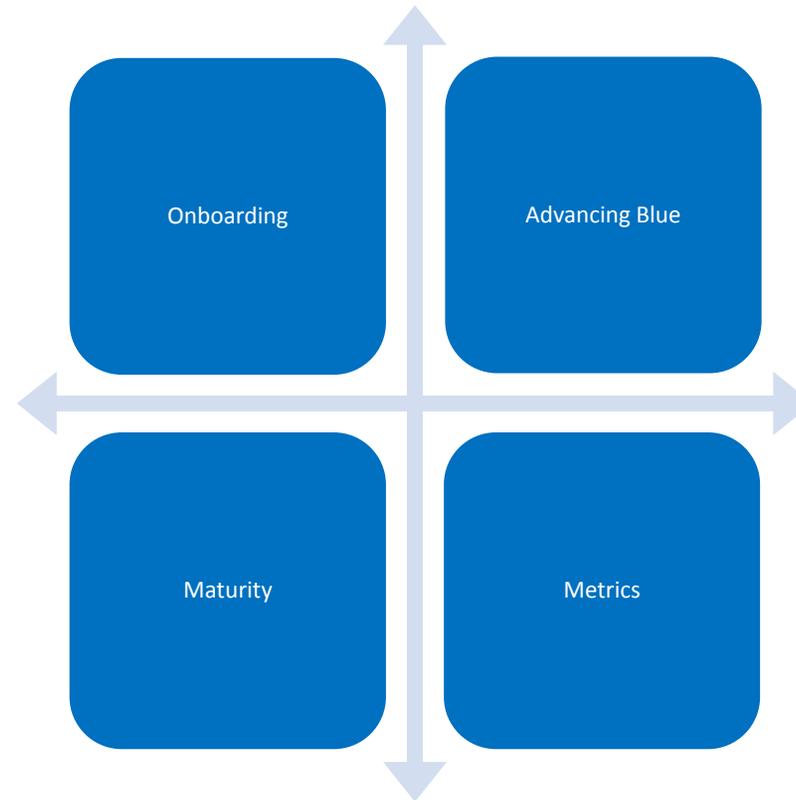


2017

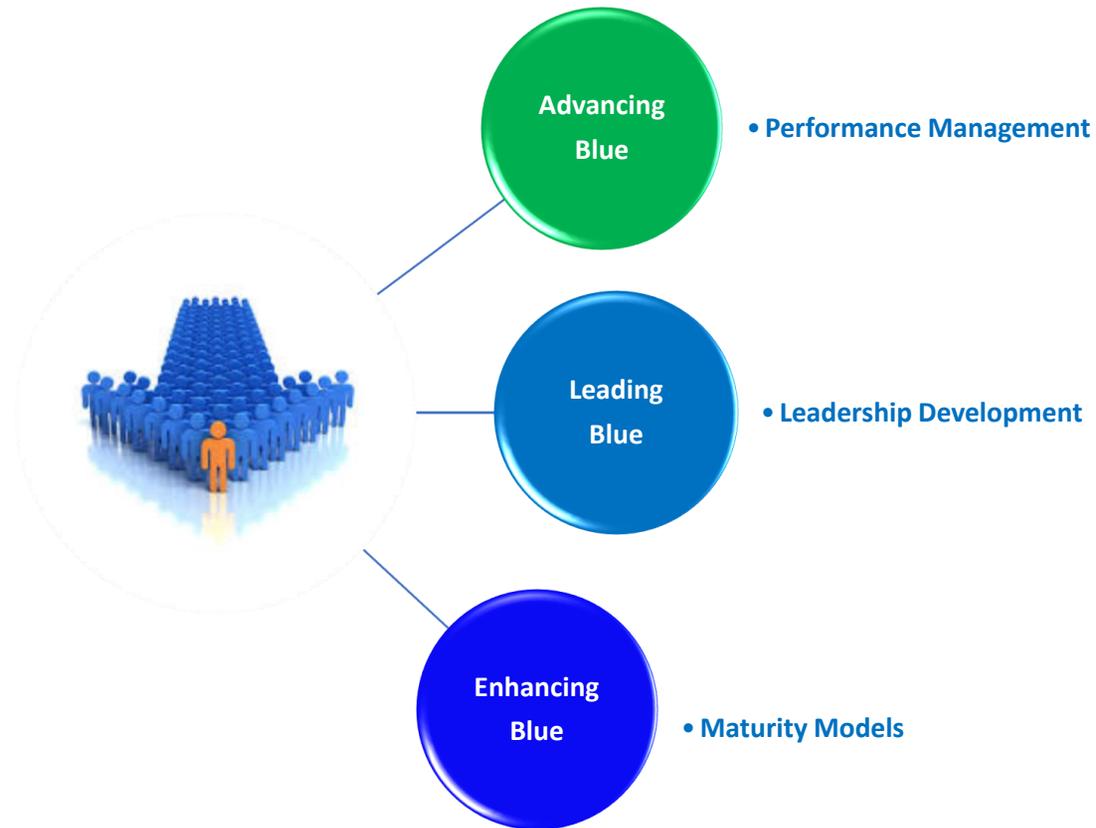




Focus for 2017: HCM Big 4



Achieving World-Class





Irresistible Onboarding









Meh.



Onboarding

Onboarding is the process of integrating and acculturating new employees into DC Water and providing them the tools, resources and development needed to become high performing.

Orientation

vs

Onboarding

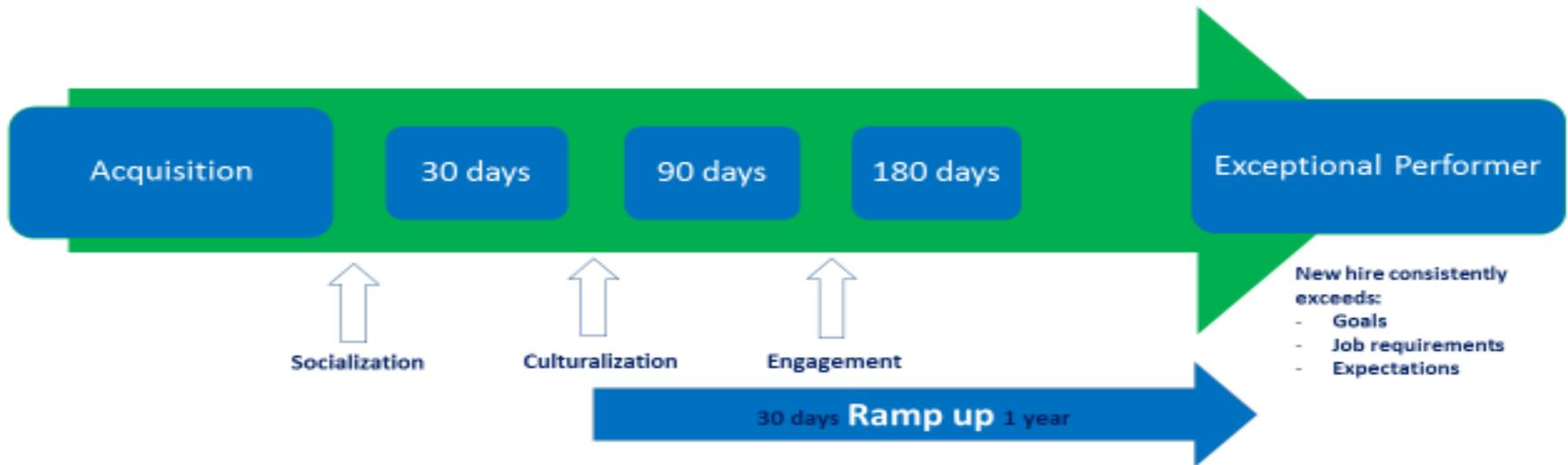
- Disconnected from talent acquisition.
- Event-based. Owned by HCM.
- Transactional.
- Purpose: completing new hire paperwork; reviewing policies; benefits enrollment.
- Results: compliance with policies and procedures.

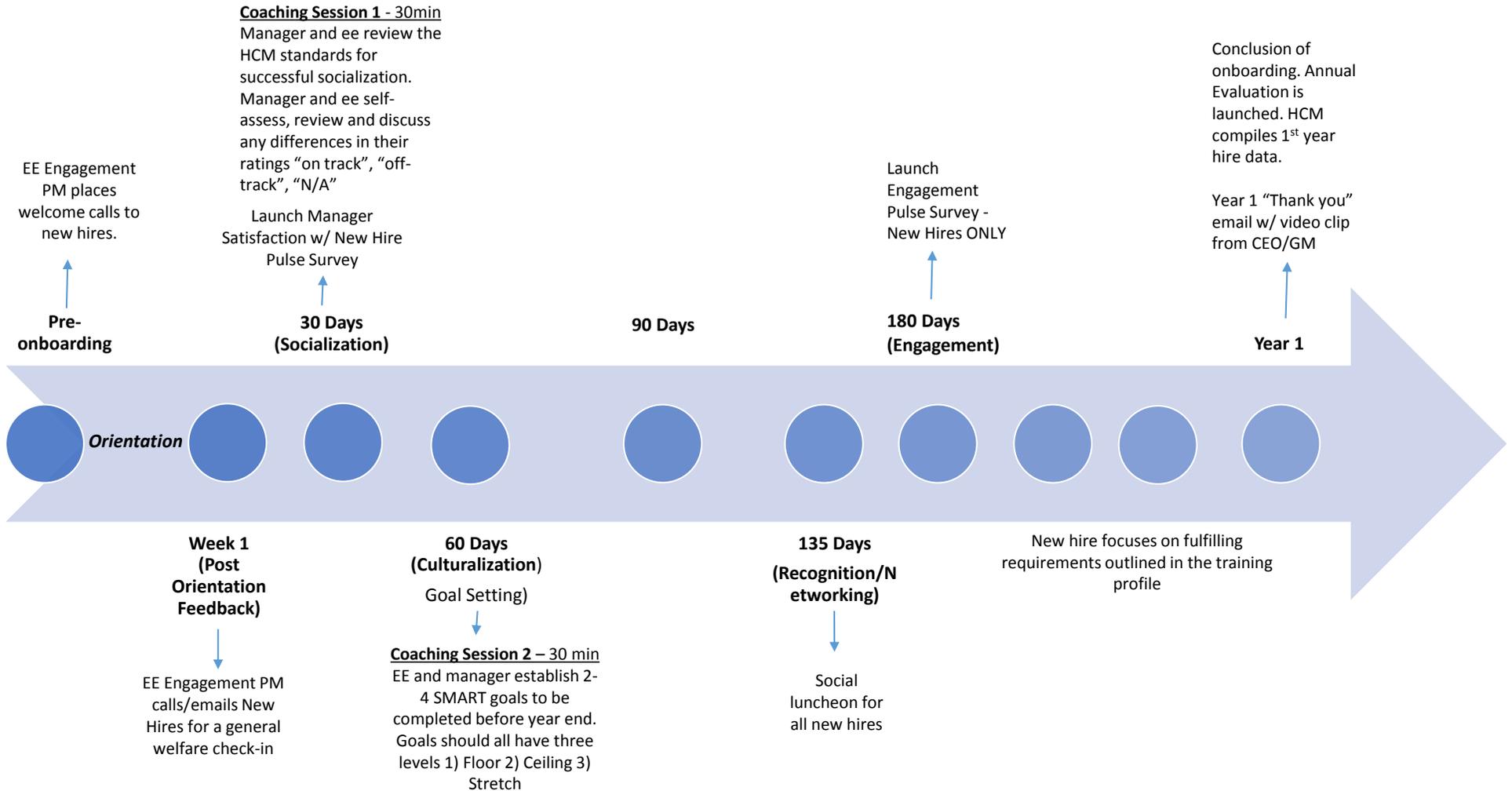
- Last stop in talent acquisition, first step in retention.
- Ongoing process shared between HCM, the hiring manager, and department.
- Purpose: integrating employee into DC Water culture.
- Results: high performing and engaged employee.

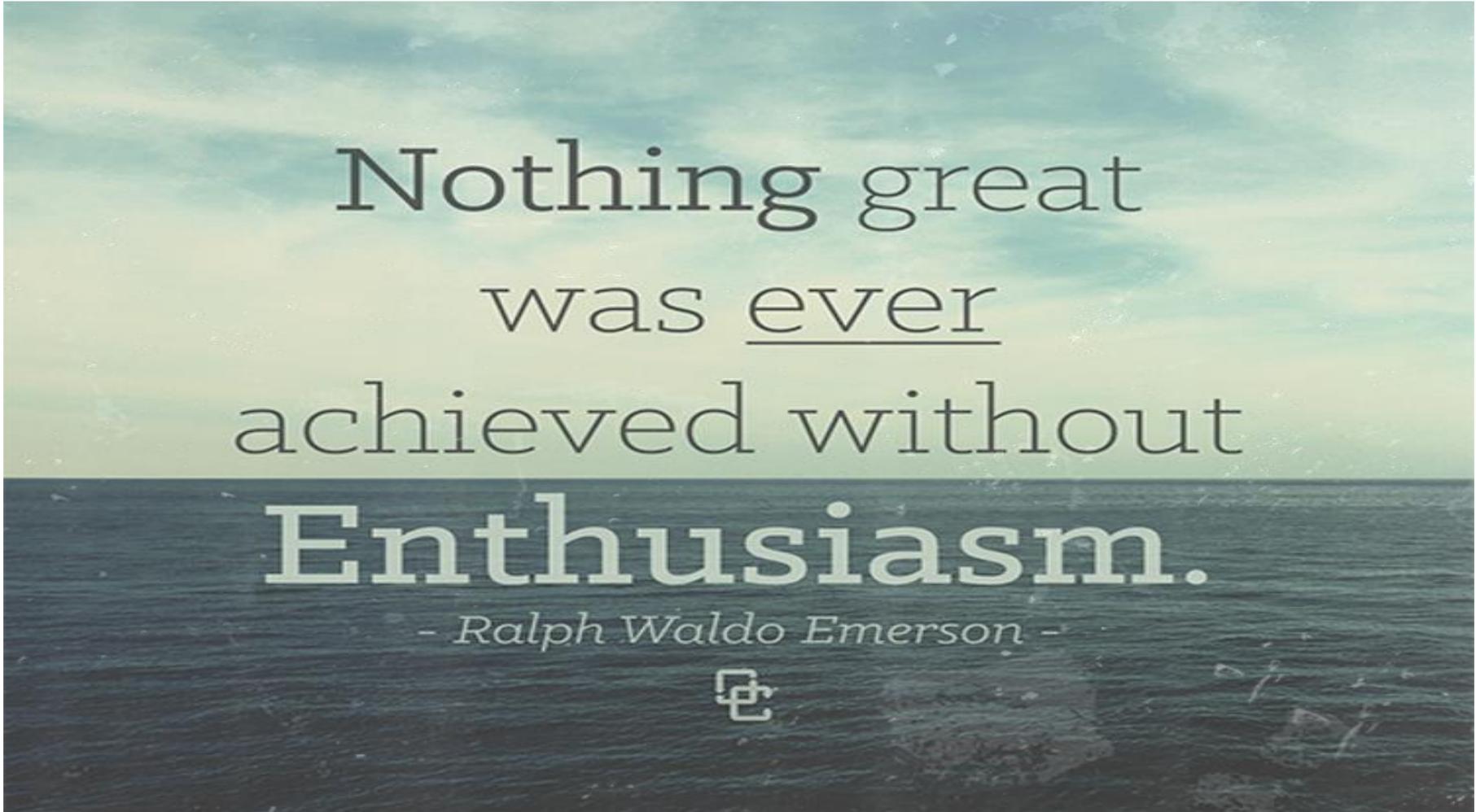
Focus for 2017: Onboarding



Onboarding Assessment & Integration







Nothing great
was ever
achieved without
Enthusiasm.

- *Ralph Waldo Emerson* -



High Performer



Advancing Blue

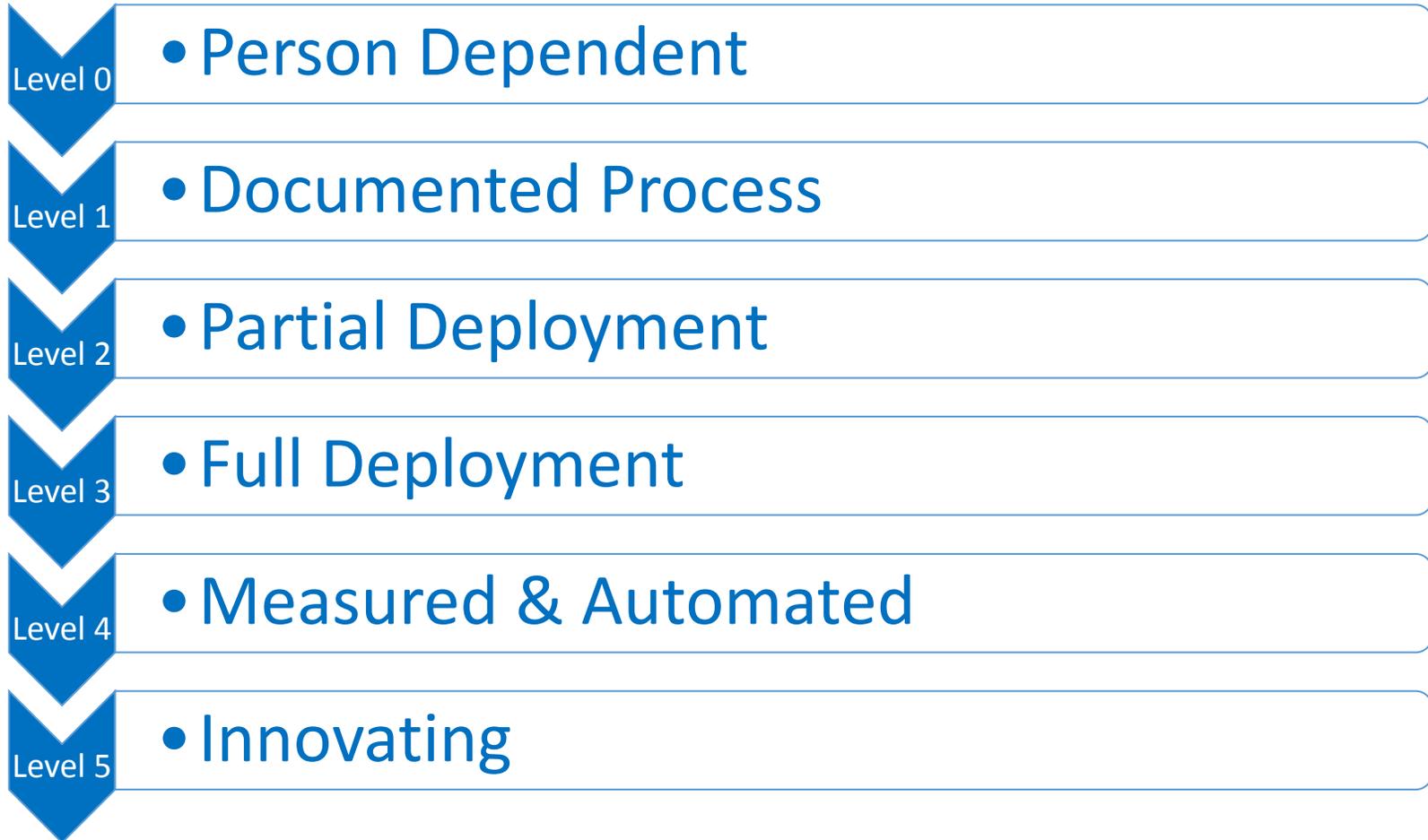
- Alignment between strategy and performance
- Building a Culture of Coaching
- High-Performing, Results-Oriented and Engagement
- Recognizing and Rewarding High Performers



Aligning DC Water's Performance



Enhancing --- Blue



Metrics

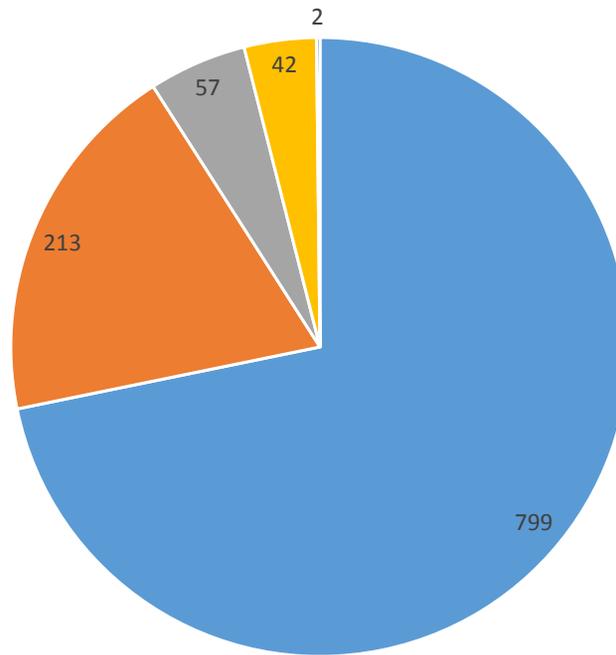
“What gets measured, gets managed.”

Intended Measures

- *Advancing* Blue performance ratings; performance trends
- Promotions, internal transfers, workforce stability
- Training offerings, enrollment, completion rates
- Quality of hire, time to fill, recruitment effectiveness
- Absenteeism
- Attrition
- Overall engagement and engagement by department
- Demographics

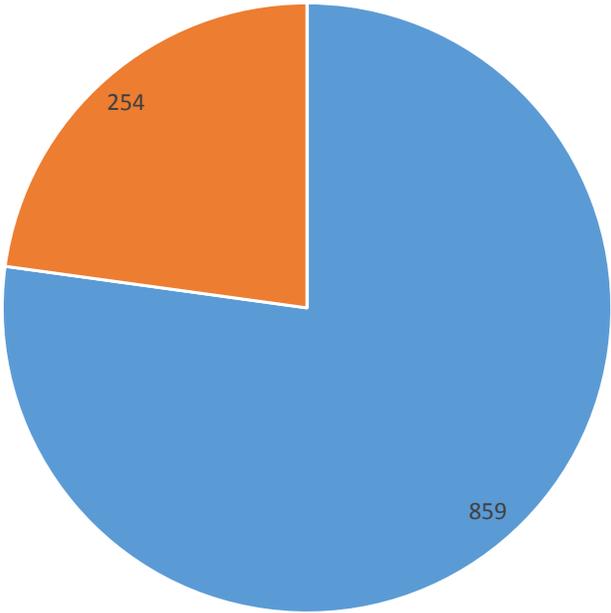
Snapshot of Workforce

Racial Makeup of DC Water

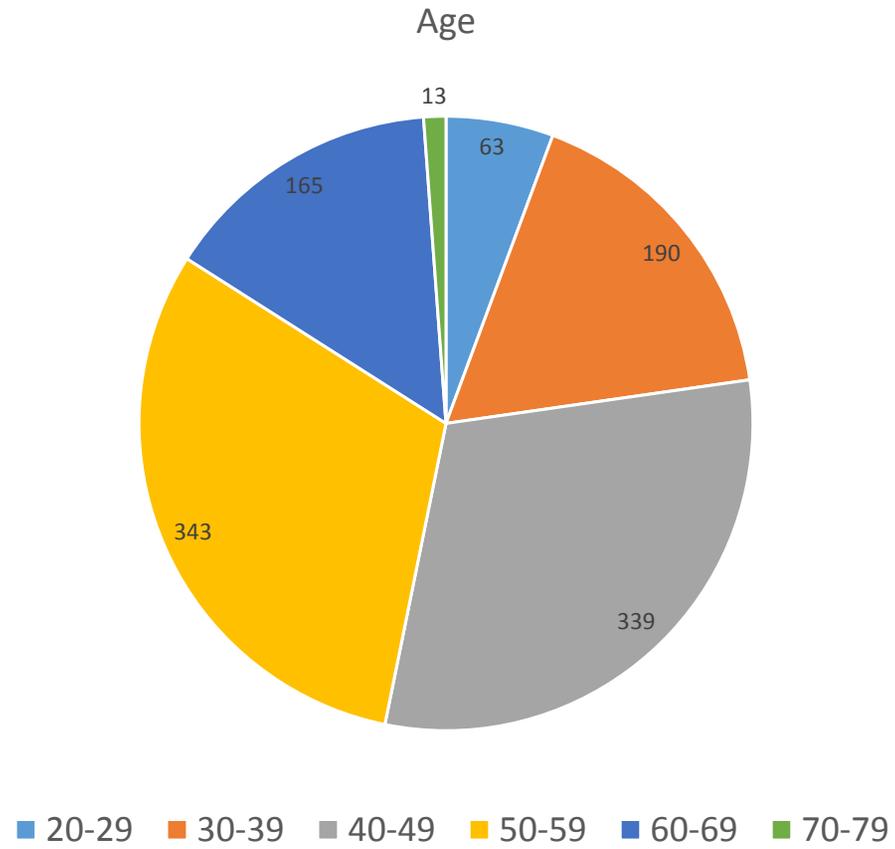


■ African American ■ White ■ Asian ■ Hispanic/Latino ■ American Indian

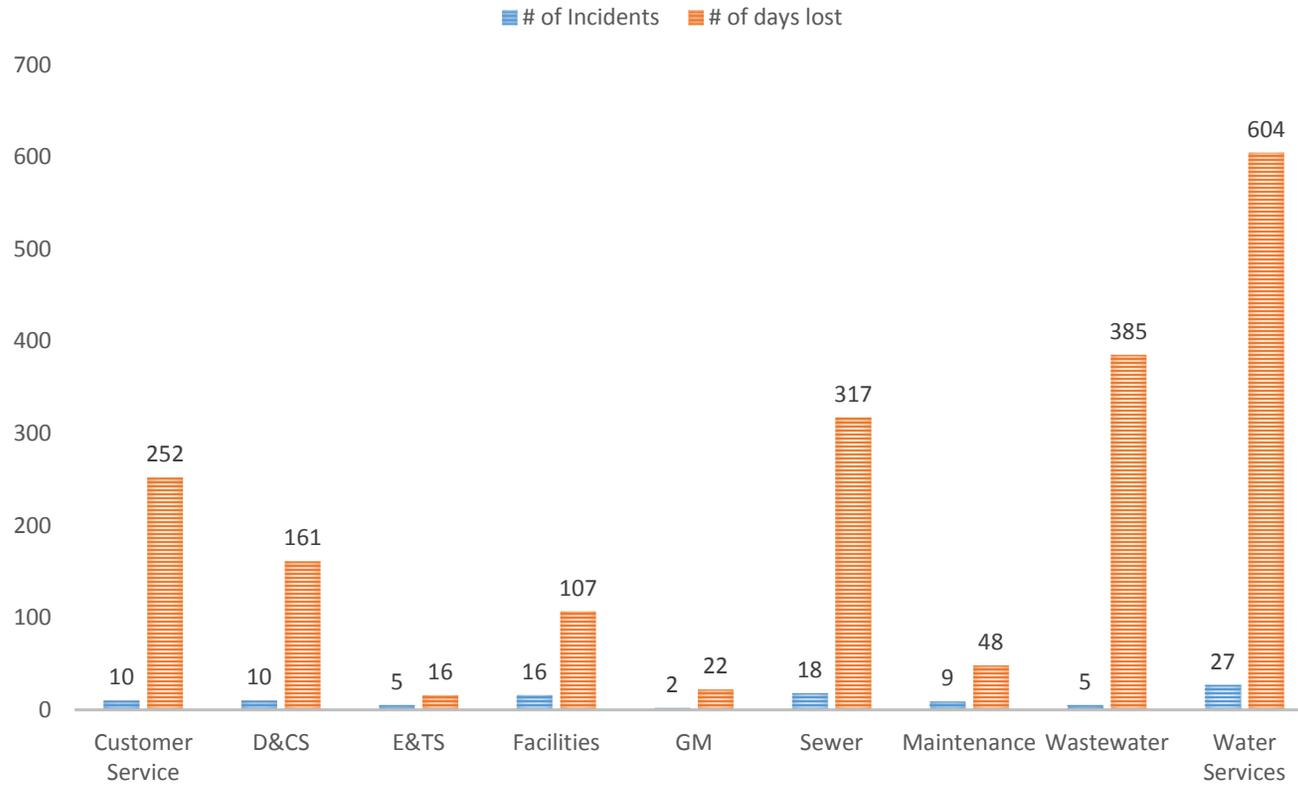
Gender

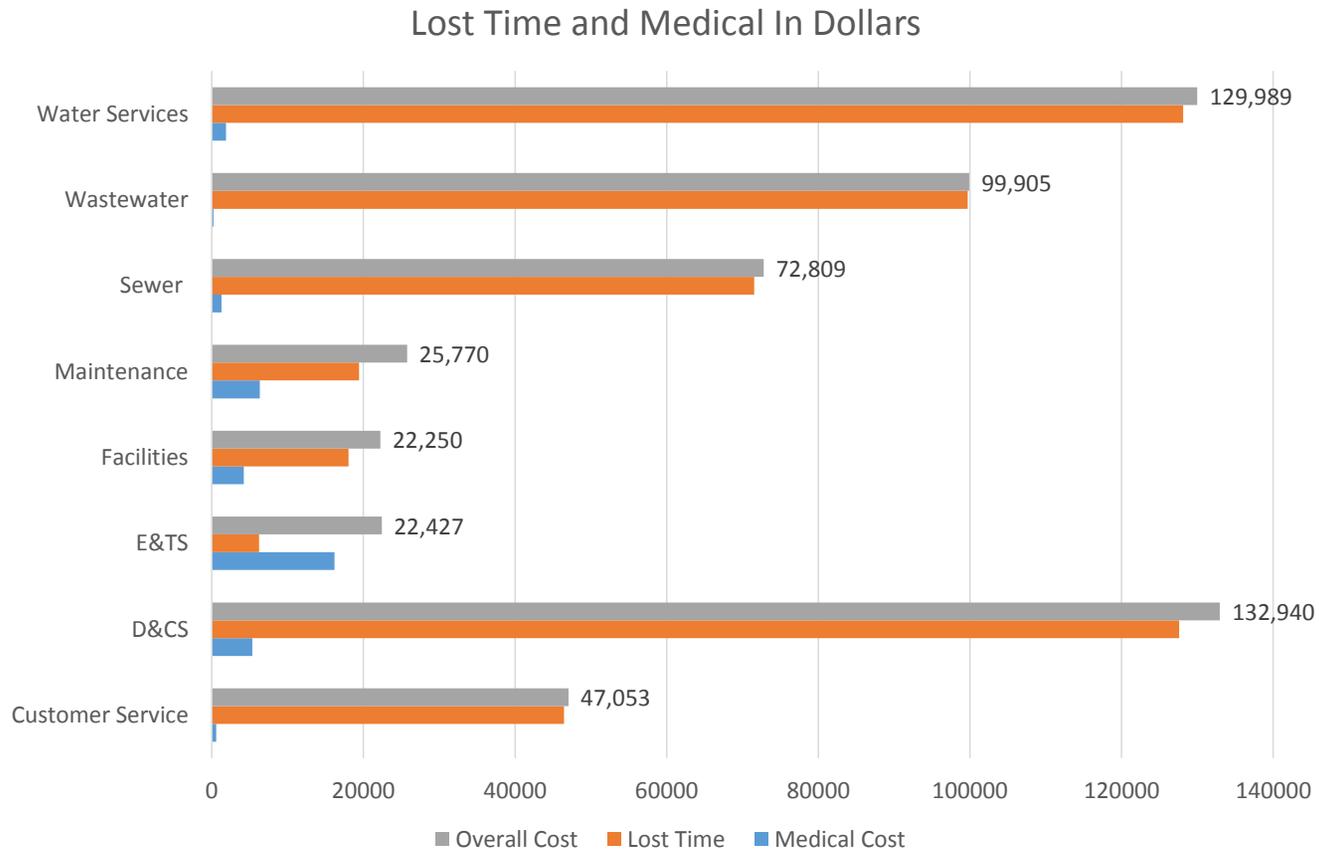


■ Male ■ Female

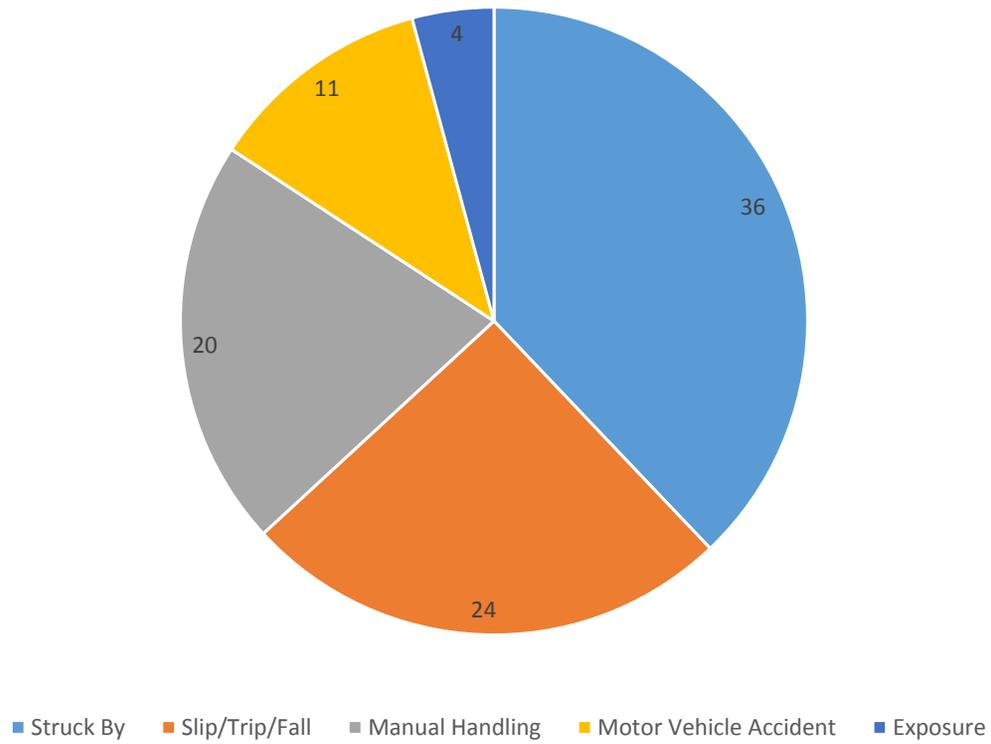


WORKERS COMP INJURIES

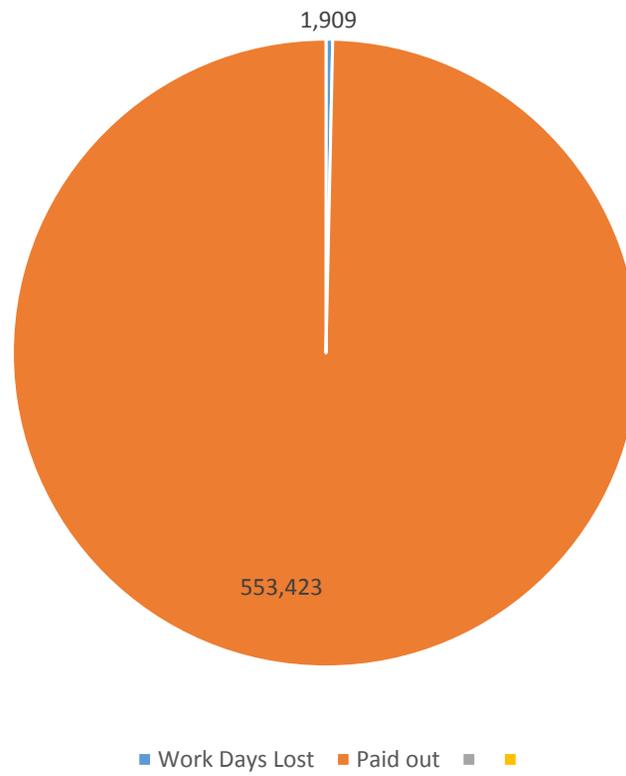




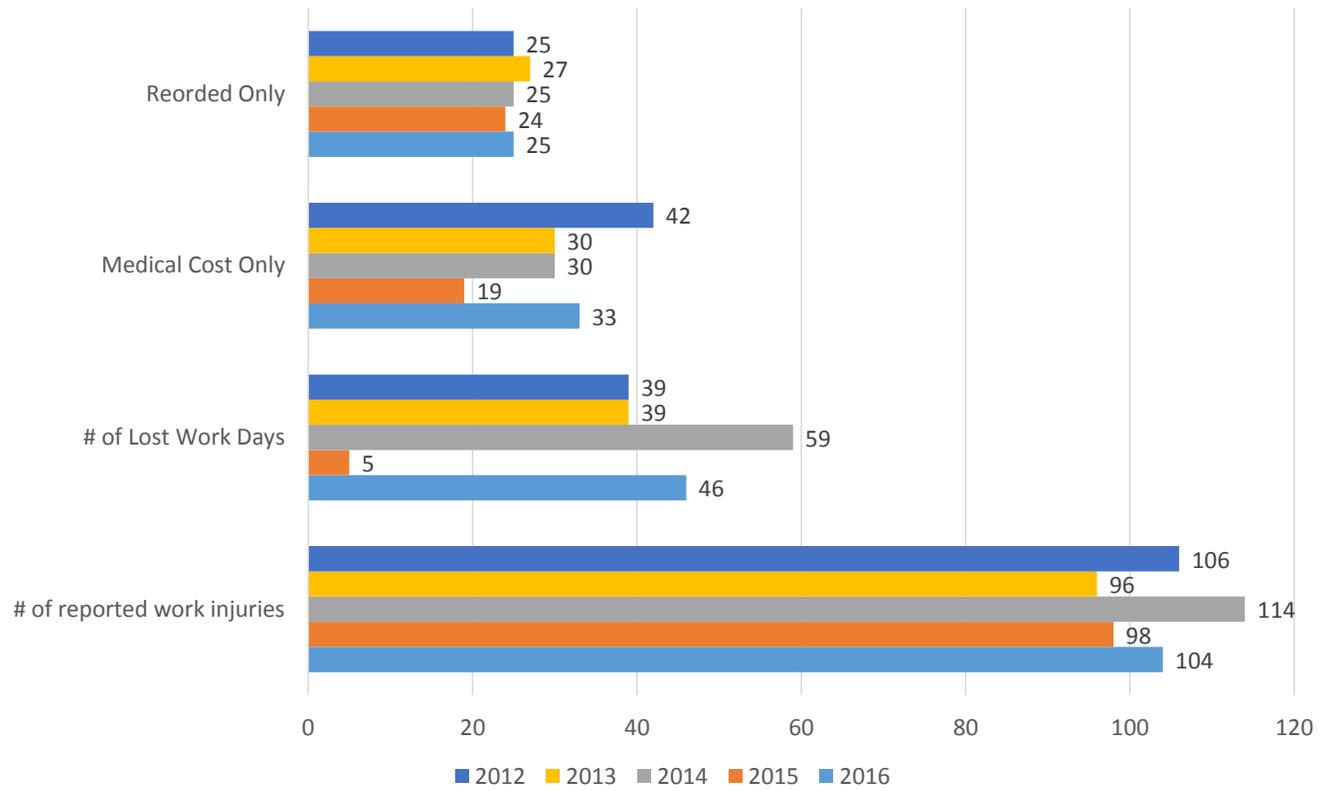
Type of Incidents



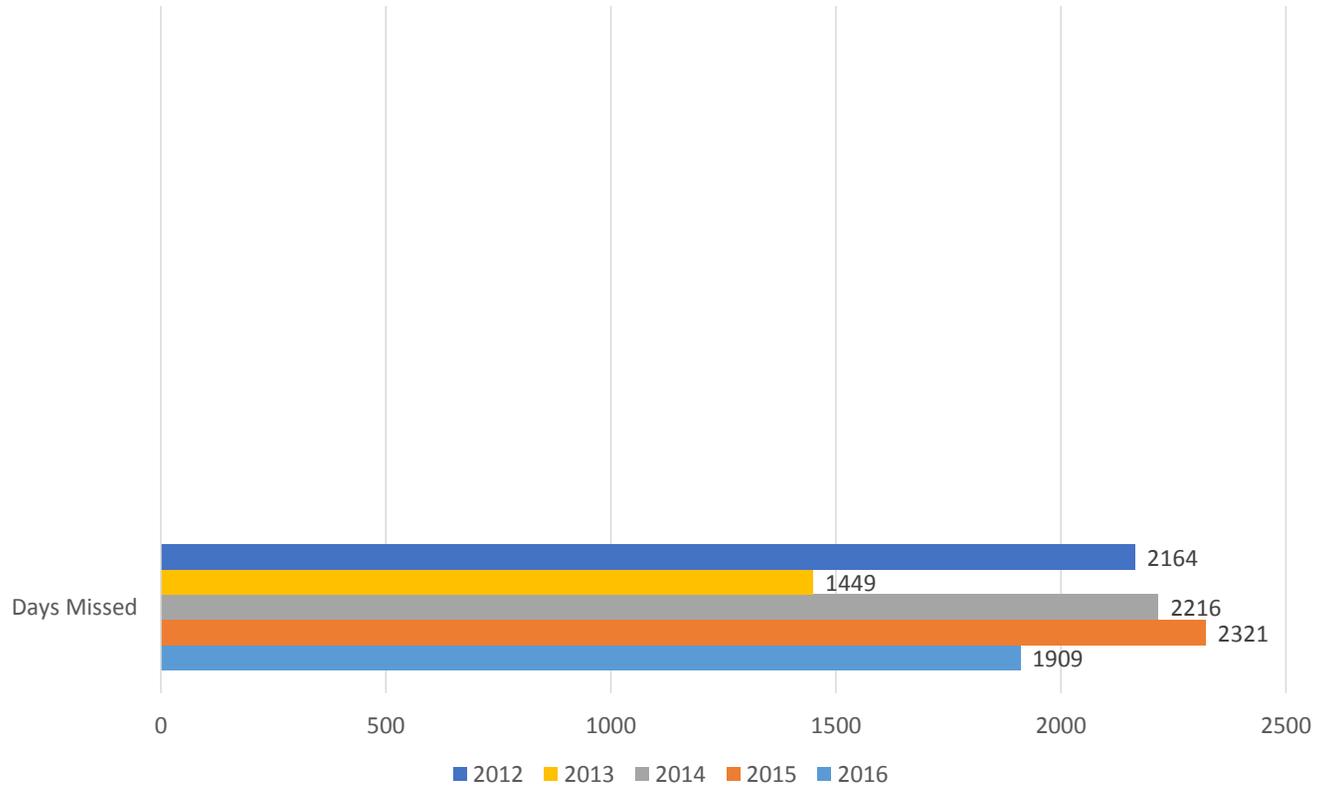
Lost Days to Overall Cost



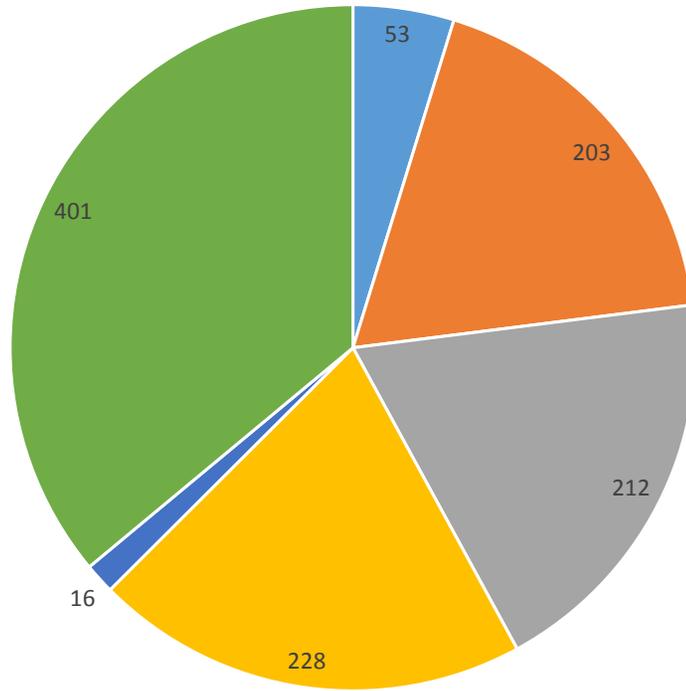
Trended Reported Cases



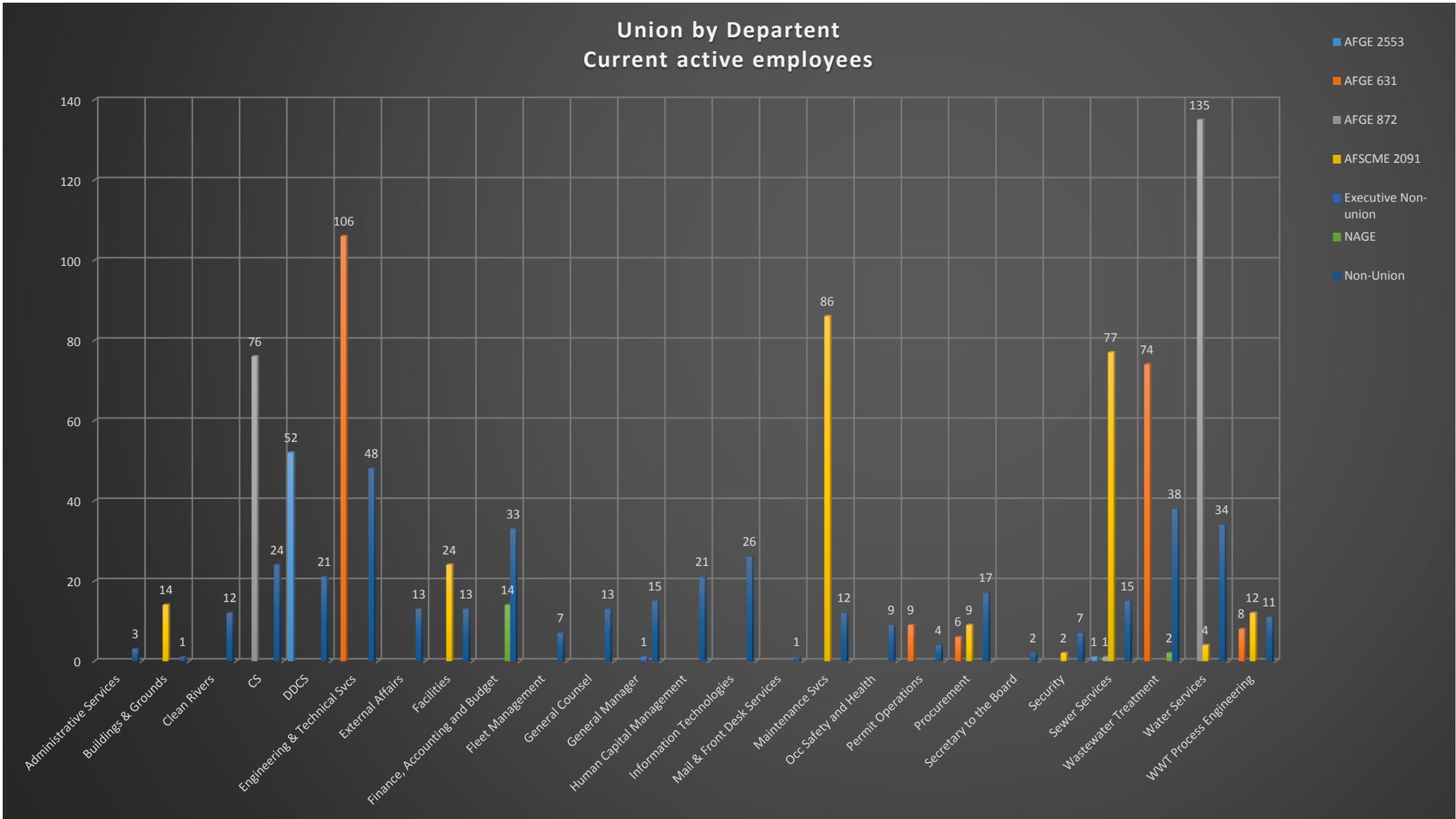
Total Lost Working Days

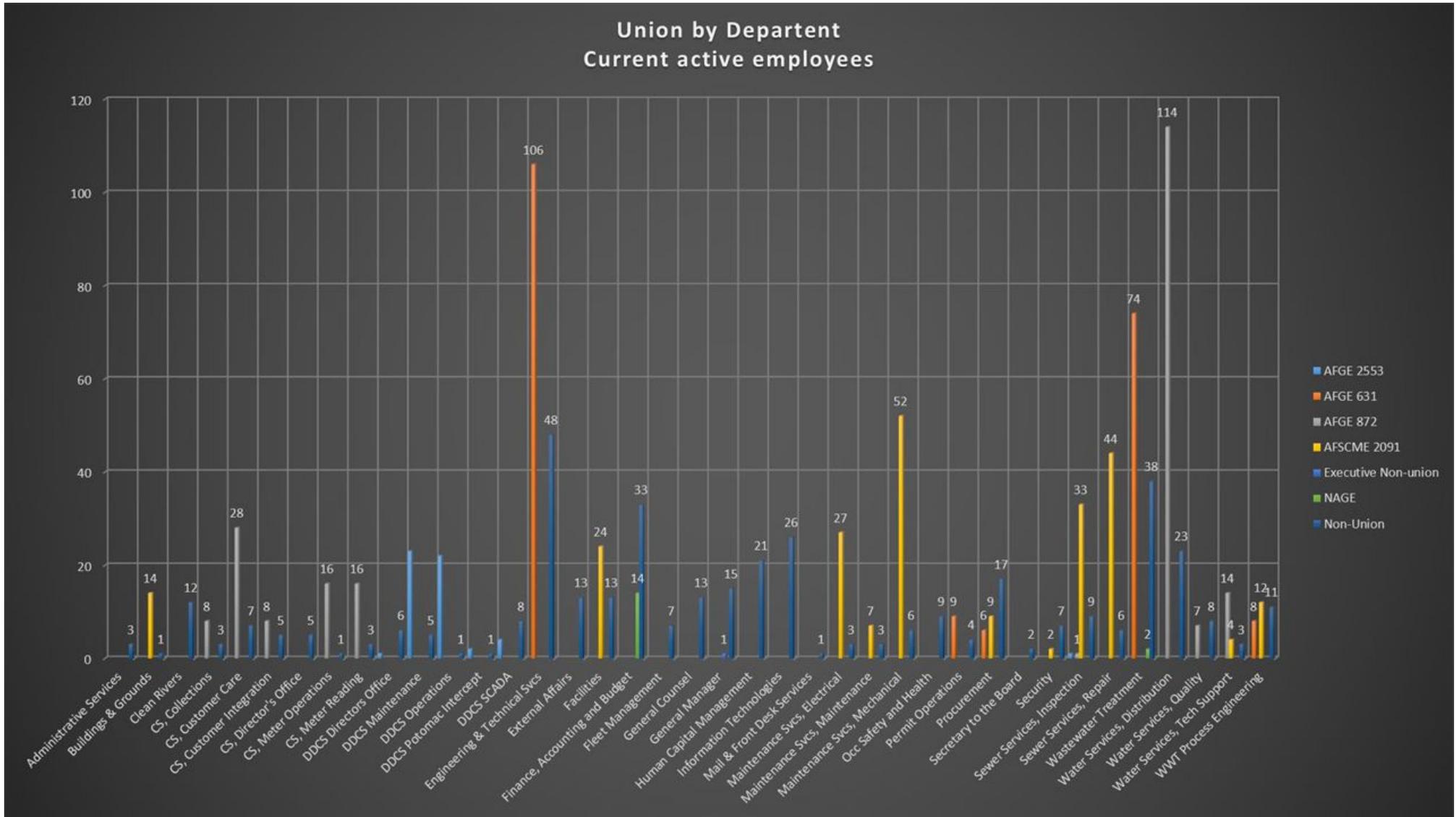


Union Representation



■ AFGE 2553 ■ AFGE 231 ■ AFGE 872 ■ AFSCME 2091 ■ NAGE ■ Non-Union

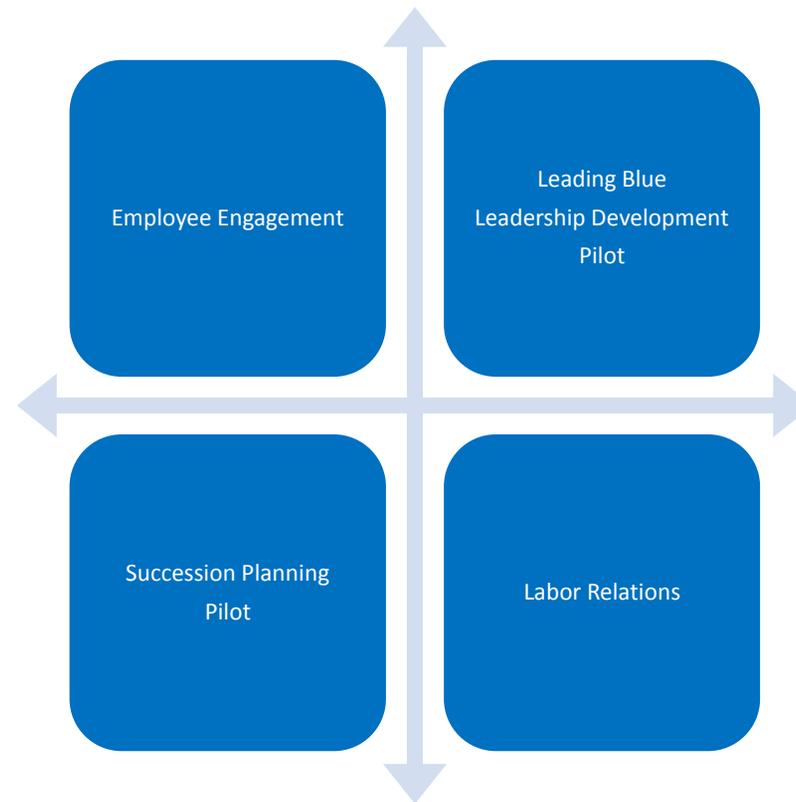




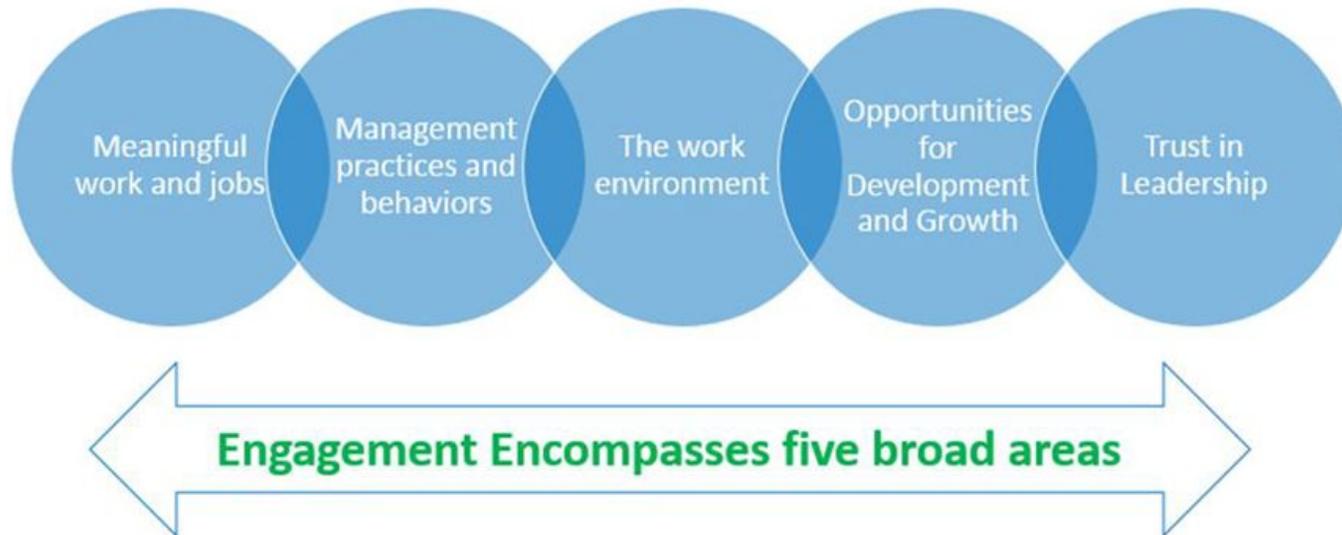
Dashboard

- Yearly or YTD Voluntary & Involuntary Attrition by Level
- YTD Voluntary & Involuntary Attrition by Quarter
- YTD Attrition: Voluntary & Involuntary
- Yearly or YTD Attrition by Business Unit
- Involuntary & Voluntary Attrition by Tenure
- 2017 Hire by Business Unit
- 2015 - YTD Net Hires
- YTD Promotions and Transfers by Month
- 2015-YTD Headcount, Terms and Hires (Vacancy Baseline)

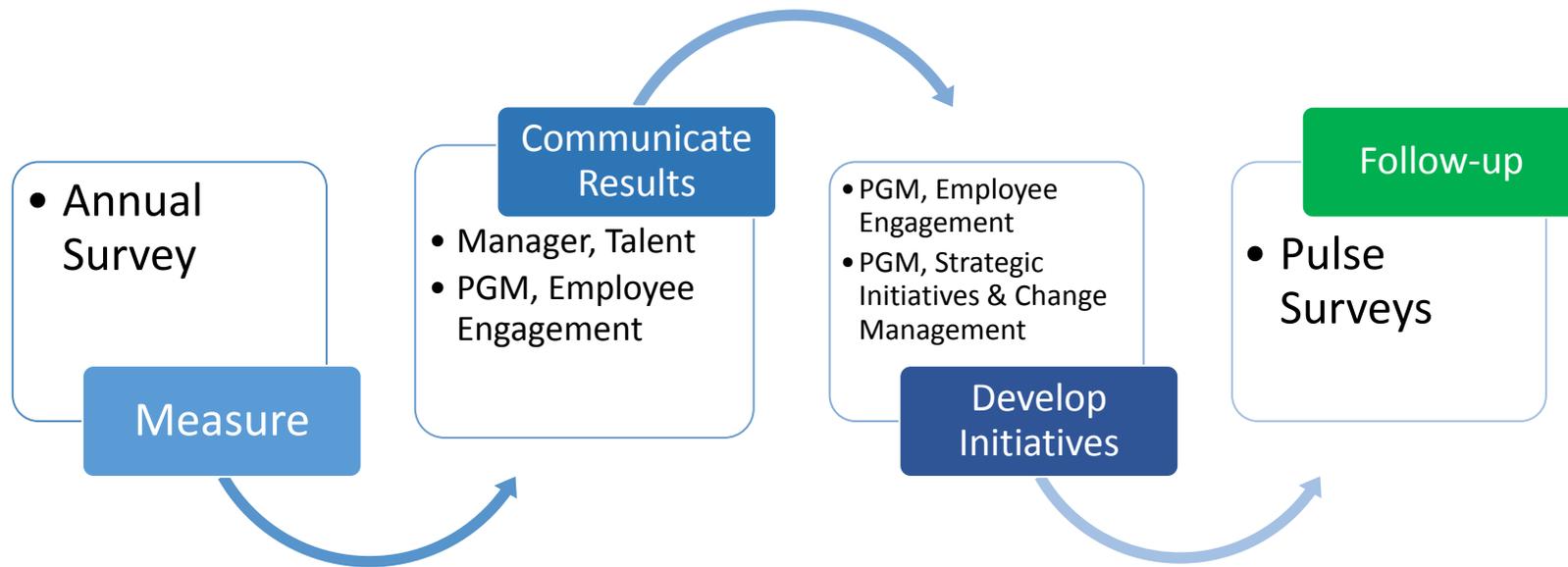
Focus for 2017



Employee Engagement



Employee Engagement



Leading Blue

What is leadership development?

An approach to creating a results driven performance culture by developing the ability of leaders to serve others, equipping them with the training, tools, and emotional intelligence necessary to realize their full potential.

Leading Blue

Leading Blue includes eight (8) competencies that represent the core skills we believe each leader must possess to lead the workforce of the future: **the ability to lead teams; maximize results; and lead self.**



Leading Blue: Pilot

- Two cohort groups of twelve (12);
- Assess cohort competency
 - Behavioral interviews
 - 360 Feedback surveys
 - Review of performance reviews
 - Diagnostic inventories
 - Simulations (i.e. role plays, group exercises, etc.)
 - Other assessments as appropriate
- Begin with focus on Management vs Leadership
- Foundational competencies: 1) Relationship Management; 2) Coaching; and 3) Communication

Succession Planning: Pilot

- 20 – 25 key positions;
- Identify skills and abilities needed to succeed in role;
- Assess bench strength
- Identify high potential employees and high performers
- Create individual development plans
- Leverage Leading Blue and Learning and Development Program
- Monitor Results

Labor Relations 2017

- Complete negotiations for successor agreement on compensation
- Negotiate 5 working conditions agreement
- Impact and Effects Bargaining:
 - Personnel Policies
 - Advancing Blue
- Develop and administer training
 - CBAs
 - EEO
 - Updated Policies





The greatest waste in the world is the difference between what we are and what we could become.

- Ben Herbster

Questions

