

OFFICE OF AUDITS & ADVISORY SERVICES

WORKFORCE MANAGEMENT – RETENTION AND RECRUITMENT PRACTICES

FINAL REPORT



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September 16, 2024

TO: Susan Brazeau, Director
Department of Human Resources

FROM: Juan R. Perez
Chief of Audits

**FINAL REPORT: WORKFORCE MANAGEMENT – RETENTION AND RECRUITMENT
PRACTICES AUDIT**

Enclosed is our report on the Workforce Management – Retention and Recruitment Practices Audit. As there are no findings and recommendations in the report, no audit response is required.

Thank you for the courteousness and cooperation extended to the Office of Audits & Advisory Services during the course of the audit.

If you have any questions, please contact me at (858) 495-5661.

JUAN R. PEREZ
Chief of Audits

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Enclosure

c: Joan Bracci, Interim Deputy Chief Administrative Officer/Chief Financial Officer
Tracy Drager, Auditor and Controller
Brian Hagerty, Acting Group Finance Director, Finance and General Government Group

About the Office of Audits & Advisory Services

The mission of the Auditor and Controller's Office of Audits & Advisory Services (OAAS) is to provide independent, objective assurance and consulting services designed to add value and improve the County of San Diego's operations. OAAS helps the County accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Audit Authority

OAAS derives its authority to conduct audits of County departments and programs primarily from the County Charter, County Administrative Code, Board of Supervisors Policy Manual, and California Government Code.

Statement of Auditing Standards

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing prescribed by the Institute of Internal Auditors as required by California Government Code, Section 1236.



AUDIT OBJECTIVE & SCOPE

The Office of Audits & Advisory Services (OAAS) completed an audit of Workforce Management Recruitment and Retention Practices. The objective of the audit was to evaluate management strategies to recruit talent and assess retention efforts.

The scope of the audit included a review of the hiring process, strategies for hiring, sources of recruitment, diversity in recruiting, the competitiveness of salaries, retention efforts, and compliance with pay transparency legislation.

AUDIT RESULTS

Within the scope of the audit, there is reasonable assurance that management’s strategies for recruiting talent and retaining employees are adequate and effective.

Key recruitment strategies implemented across various departments include offering salary premiums, starting new hires at higher salary steps, and adding steps to existing ranges to address challenges in filling difficult-to-recruit positions. The adoption of a “same day hiring” policy, an employee referral reward program, and a relocation allowance has further enhanced the hiring process. Overall, the average duration of the hiring process aligns with timeframes observed in other public sector organizations, indicating an efficient recruitment cycle.

To ensure competitive compensation, the County Board of Supervisors and labor unions commissioned a comprehensive salary study covering all county classifications. Post-study, salary adjustments were made to meet or exceed market rates to maintain the County's position as a desirable employer.

Additionally, further efforts to boost employee engagement have been prompted by the results of an employment engagement survey. These measures are part of a broader commitment by the County to attract and maintain a skilled and diverse workforce in order to create a high level of employee satisfaction and retention.

BACKGROUND

The recruitment process is essential to an organization’s performance, as effective recruitment and selection ensures that an organization has the necessary knowledge and experience to fulfill its responsibilities and achieve its objectives.

The County has a standard merit-based process for hiring employees in classified positions. This process has defined stages, with a few variations based on the department and position being recruited.

The recruitment stage begins with recruitment periods that are open to the public or limited to eligible County employees. The County accepts applications for a job classification only during these specified recruitment periods. Recruitments may be open to the public or limited to eligible County employees. Most recruitments are conducted to fill current vacancies; however, some recruitments are held to establish an employment list for anticipated vacancies.

The application process involves completing an online application, answering supplemental questions, and submitting any other requested materials. The County accepts only online applications. The evaluation process may include one or more of the following: (i) A rating of information provided in the employment and supplemental application; (ii) A written multiple-choice test; (iii) A written essay test; (iv) An oral interview; (v) A performance test or work simulation; (vi) An assessment center.

When a County department has a vacancy, the Department of Human Resources (DHR) provides the department with a list of the most qualified applicants. The department then determines the most suitable candidate for the vacancy through interviews, reference checks, and other assessments. The hiring process for classified positions is governed by Civil Service Rules II, III, and IV.

The County also has executive and unclassified-level positions that are not governed by the civil service personnel system. Candidates for these positions are not placed on employment lists. Additionally, individuals in these roles do not accrue tenure and serve at the discretion of the appointing authority.

METHODOLOGY

OAAS performed the audit using the following methods:

- Reviewed the time elapsed between each stage of the hiring process to identify bottlenecks and compared the County's average hiring time with the public sector average to evaluate the timeliness of the hiring process.
- Evaluated the County's employee engagement survey, compensation study results, and subsequent actions to assess DHR's efforts in employee retention.
- Examined strategies implemented to attract talent for difficult-to-recruit positions.
- Reviewed the various mediums DHR used to obtain qualified candidates and assessed whether the requisite skills, education, experience and diversity were considered in developing the hiring pool.
- Assessed compliance with pay transparency laws by DHR and selected departments.
- Examined internal and external job postings for pay scale information to determine compliance with California Senate Bill 1162 (SB 1162).
- Inquired with hiring managers about job interview questions pertaining to salary history and examined hiring application to determine compliance with SB 1162.