

An overview of the  
City of Greeley workforce  
and changing demographics.

# The View From 10,000 Feet



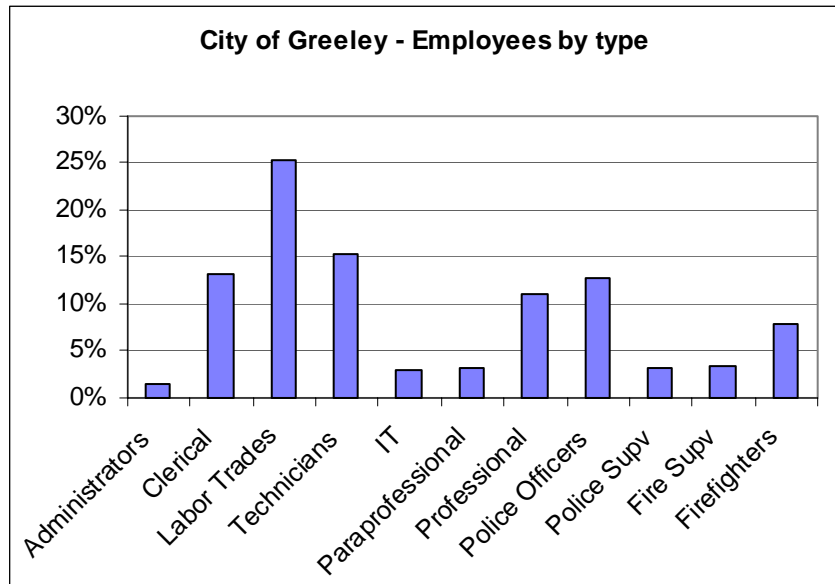
## Workforce Overview:

The leadership team of the City of Greeley is taking first steps toward a structured succession plan. A succession plan is a systematic effort and process of identifying and developing candidates for key leadership and professional positions over time to ensure the continuity of management and leadership in an organization.

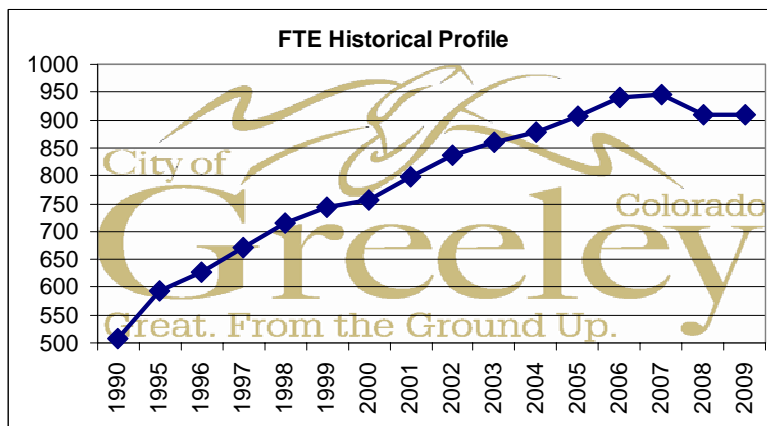
The ultimate goal of both workforce and succession planning are the same – to have the right people in the right place at the right time. However, succession planning involves having the right leadership in place at every level of the organization. The place to begin this plan is to know and understand our current workforce.

The workforce of the City of Greeley is comprised of 272 positions for 908.75 FTE (full-time equivalent) employees.

Job functions in our organization fall broadly into 12 categories: Administrator, Clerical, Labor Trades, Technician, IT, Paraprofessional, Professional, Managers, Police Officers, Police Supervisors, Fire Supervisors, Firefighters<sup>1</sup>



Given the nature of the services provided by the City of Greeley, it is not surprising that the largest percentage of our positions (25%) are classified as Labor Trades positions. Our organization experienced significant growth in the last 20 years, growing from 500 employees in 1990 to a high of 938 in 2006. In 2009 there are 908.75 authorized FTE.



The information presented here gives an overview of the City's workforce as of April 1, 2009 and does not include the 500+ hourly and seasonal employees hired each year. On April 1, 2009 there were 894 benefited employees working in 13 departments.

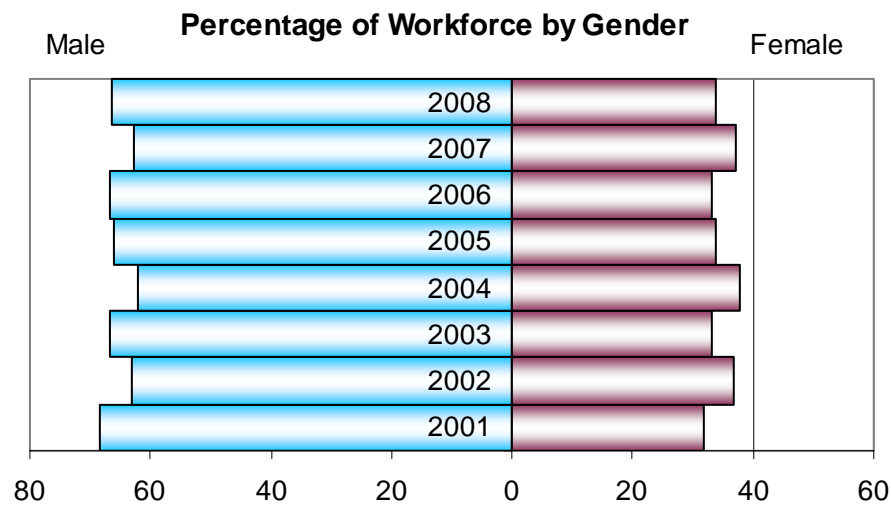
This workforce profile examines the distribution of our workforce in the following areas:

- |                        |           |
|------------------------|-----------|
| Gender                 | Ethnicity |
| Education              | Attrition |
| Stability              | Age       |
| Retirement Projections | Tenure    |

## Gender:

In April 2009 the distribution of the City's workforce was 66% male and 34% female. This is consistent with the average distribution over the last nine years. This is due in part to the nature of the positions in our organization wherein fully 50% of the City of Greeley positions are those traditionally held by males: labor/trade positions, police officer and firefighter.

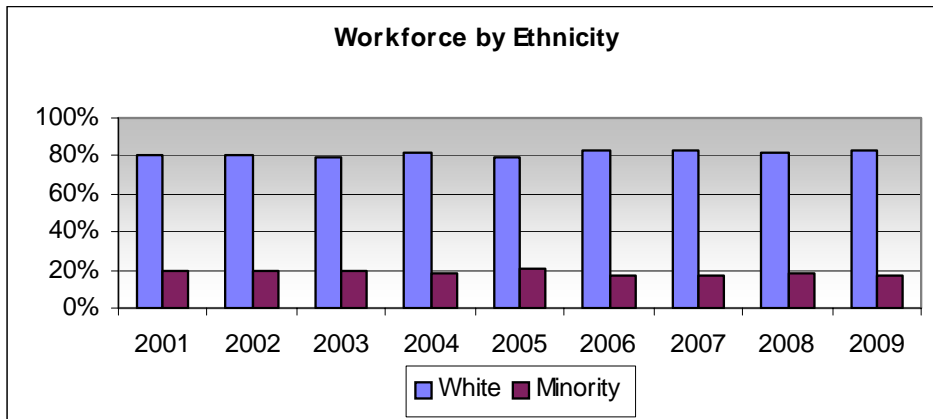
It is the City's desire to have our employee workforce mirror that of the available labor force in our community, which is approximately 50% male and 50% female.



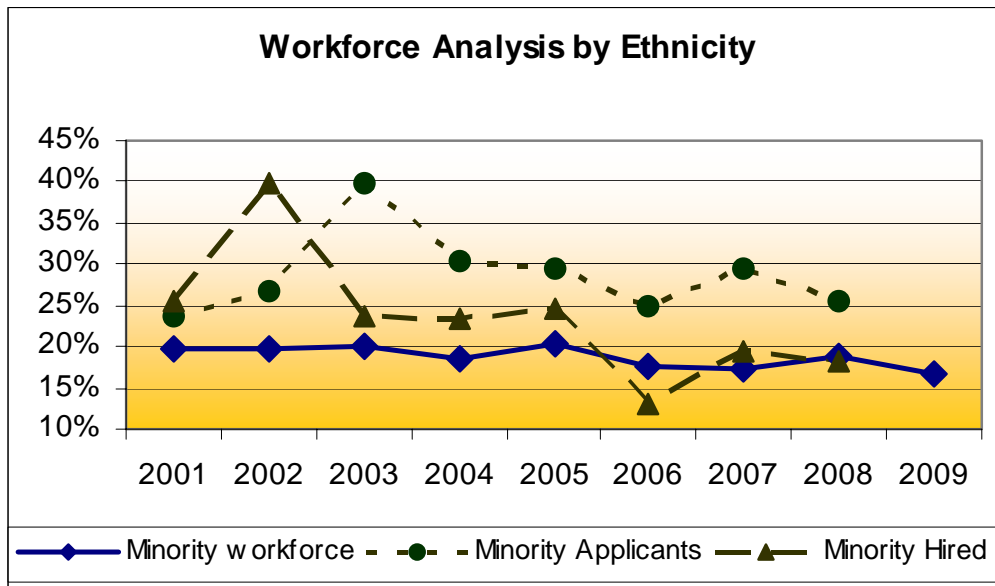
## Ethnicity:

Racial diversity is another area in which the City desires the workforce to mirror our community demographics. Minorities comprise approximately 30% of the labor force in the Greeley area, however this is not reflected in the City of Greeley workforce.

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It is interesting to note that despite the fluctuations in the number of minority applicants, the overall percentage of minorities in our workforce has held steady at approximately 18%.

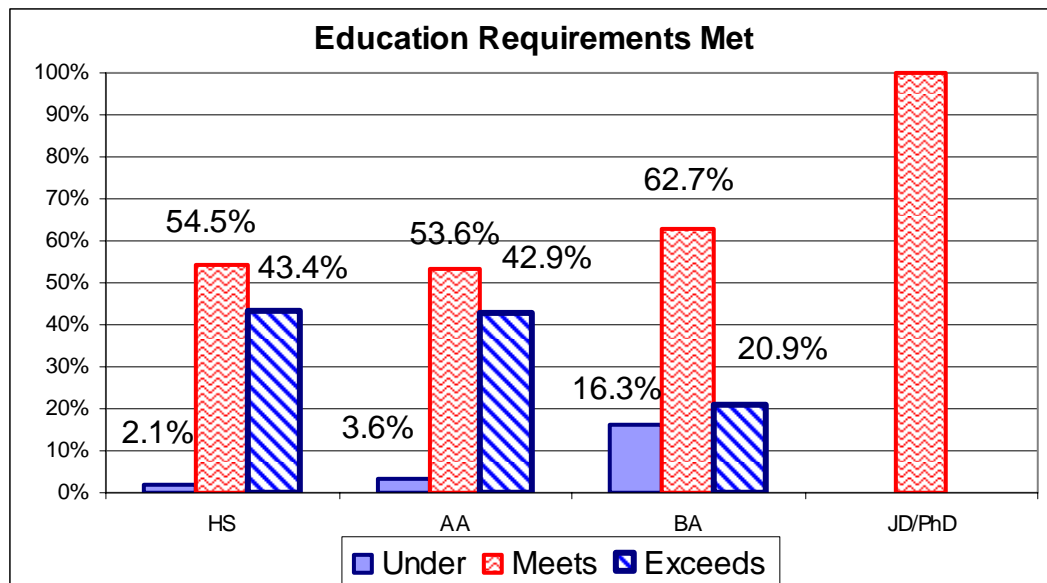


## Education:

In March 2009, a comprehensive survey of the City's employees was conducted to collect information regarding level of education. Eighty-four percent (84%) of employees responded to the survey. The remaining 16% were given two additional opportunities to respond but told that if they did not respond we would assume they had completed high school but did not have any higher level education.

Overall, our workforce generally exceeds the minimum education required for our positions. Represented in the following graph is the percentage of employees that meet the education requirement for their position, exceed the requirement, or do not meet the requirement. Those employees who have less education than is required for a position are typically those who have "grown into" their jobs and their experience has equipped them to do their job. If the position were to be filled now, a higher level of education would be required.

Detailed information is available for individual departments/divisions upon request and may be helpful in workforce planning.



## Attrition:

Attrition, also known as turnover, is a measure of the number of employees that leave employment with the City as a percentage of the total number of employees budgeted in a given year. The reason for termination is not a consideration in this calculation.

As expected, when the local economy is healthy and jobs are plentiful turnover tends to increase. When the opportunities to find a better job, make a lifestyle change, or go to school are reduced due to economic factors, employees are more likely to stay in their jobs, whether they are happy or not, and turnover drops.

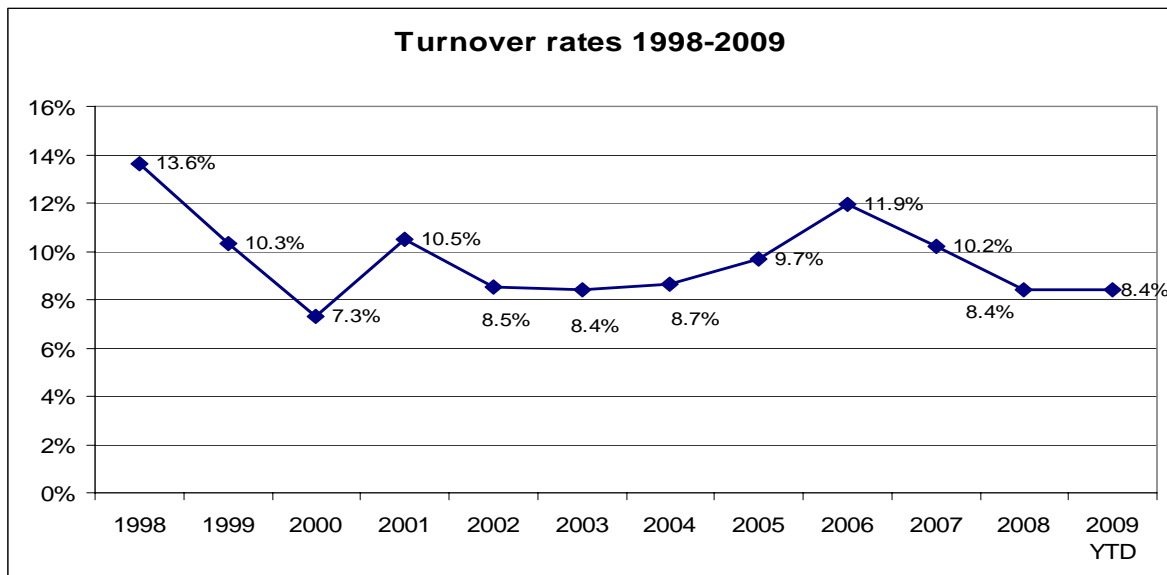
While supervisors lament the challenges that they encounter as a consequence of employee turnover, the truth is that not all attrition is detrimental. Some attrition is desirable and necessary for organizational growth and development.

The term “healthy attrition” is used to signify the importance of less productive employees voluntarily leaving the organization. Vikram Bhardwaj, Managing Director, Redileon Executive Search believes that the criteria is performance. “In the performance analysis of the ones who have left, if the proportion of high performers leaving is higher, the attrition is not good or healthy. Plain numbers and attrition figures do not signify anything without a deeper analysis of the above,” said Bhardwaj.<sup>2</sup>

Although some attrition is healthy, certainly there is undesirable attrition. As a step toward increasing retention of good employees, exit interviews are conducted. Information obtained in exit interviews can be used by supervisors to evaluate employee satisfaction, effective management practices and may help to develop management practices that may produce a more effective and satisfied workforce.

Supervisors can maximize the opportunity that attrition presents by evaluating, reprioritizing, and fine tuning work distribution among remaining employees and examining work processes.

An examination of the historical turnover rates reveals that the City’s turnover has ranged from a low of 7.3% in 2000 to a high of 13.6% in 1998. More recently the turnover rate has ranged between 8.4% - 11.9%. Turnover follows the local economy. When jobs are plentiful and the economy is good people tend to move from job to job, or go back to school or stay home with children. When the economy is less favorable, employees tend not to leave their jobs.



## **Stability / Instability:**

Stability is measured by the number of employees hired in a given time period who remain for a specified time period. Since the highest risk of leaving is in the first year of employment, the stability rate allows us measure to how many new employees remain for more than one year. Conversely, the reciprocal instability rate measures the percentage of employees who leave employment within the first year.

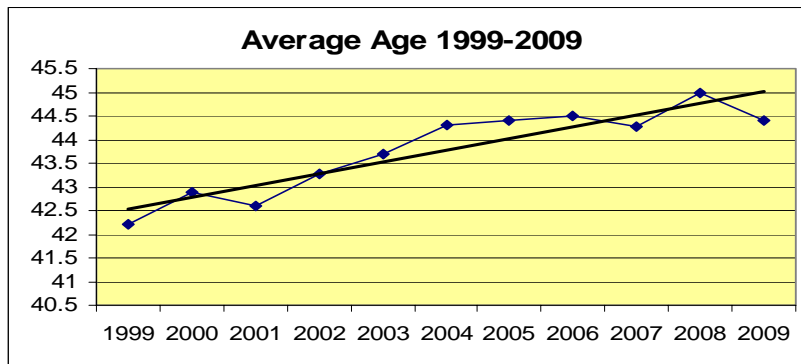
The stability rate can be an indication of many factors, two of which are effective hiring practices and an effective onboarding process. The first step toward employee retention is hiring the employee who fits the organization and the position. Once the employee starts work, supervisors can further increase retention by developing a process that includes structured on-the-job training, communicating expectations, setting goals, and measuring progress.

Stability is a management concern because of the direct costs associated with employees who leave within one or two years of employment. Conducting exit interviews can assist managers in examining the real reasons people leave which can lead to better onboarding/orientation programs for new employees that will increase retention and decrease undesirable attrition. This table shows that of the employees hired in 2007, nearly 85% were still employed one year later, in 2008.

Hired	1 yr later	Instability	Stability
2003	2004	13.9%	86.1%
2004	2005	16.6%	83.4%
2005	2006	15.8%	84.2%
2006	2007	16.2%	83.8%
2007	2008	15.4%	84.6%

## Age:

The average age of City employees has been climbing over the last 10 years and the current average of a City of Greeley employee is 44.4 years.



Demographic information on the average age of the public workforce is difficult to obtain, but there is information from a variety of sources that, when viewed together, gives a good picture of the general workforce.

For example:

- A workforce research report for the state of California states that the average age of a state worker is 43 while the average age of managers is 51 and the average age of the technical and professional staff is 44<sup>3</sup>.
- A report generated by our health insurance carrier, Great West, indicates that the average age of the available workforce in Colorado is 44.4 years of age.
- A 2005 report on The Convergence of the Aging Workforce and Accessible Technology<sup>4</sup> projected that by 2010 more than 51% of the workforce will be age 40 or older – a 33% increase since 1980.
- A March, 2007 report by the Congressional Budget Office reports that the average age of Federal Civilian Workers was 45<sup>5</sup>.

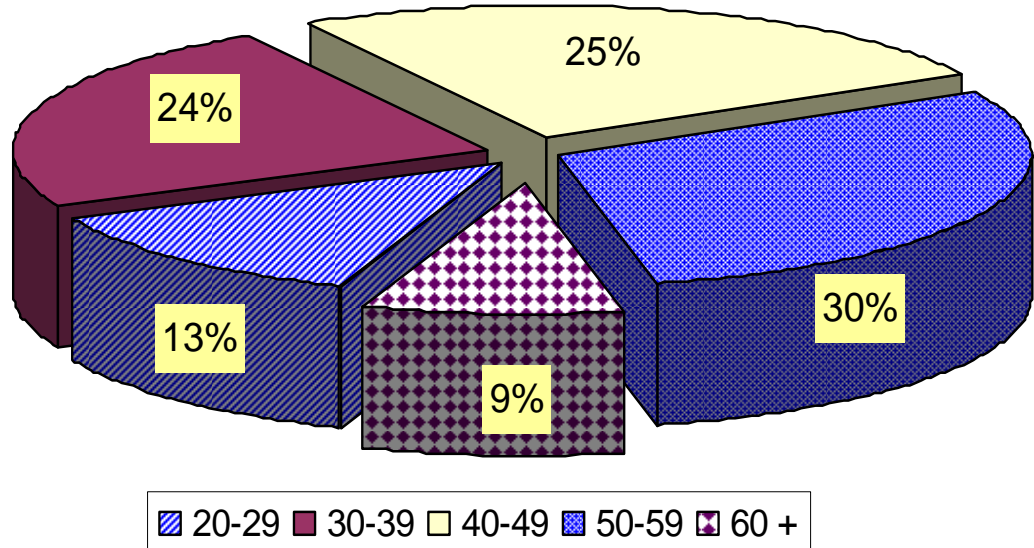
This research is reflected in the demographics of the City's workforce where 64% of our current workforce is age 40 or older.

Fortunately for employers nation-wide and specifically for the City of Greeley, survey after survey finds that many workers want or need to work past normal retirement age, lessening the likelihood of a large-scale retirement among U.S. workers<sup>6</sup>. This is further compounded by the current condition of our country's economy.

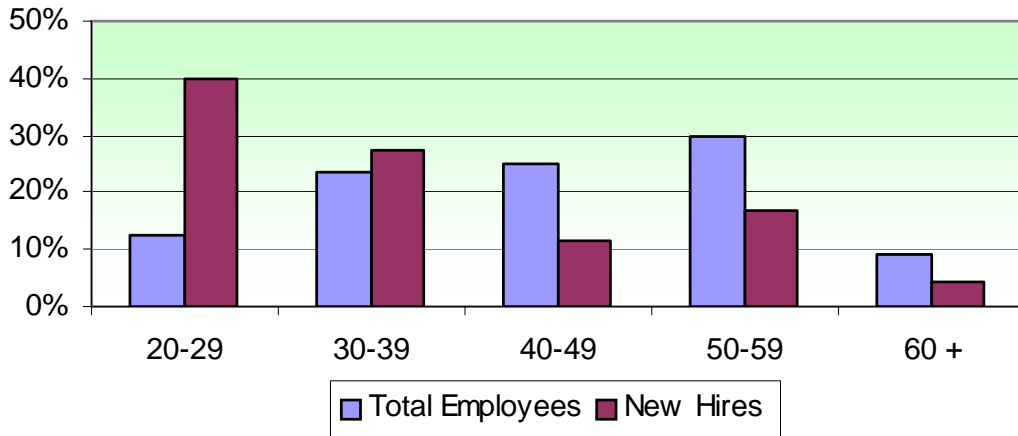
Meanwhile, as expected, younger employees are filling vacated positions. Of the employees hired in 2008, 40% were in their twenties. It is also interesting to note that 21% of the employees hired in 2008 were over the age of 50.

Age:

Age Distribution of City Workforce

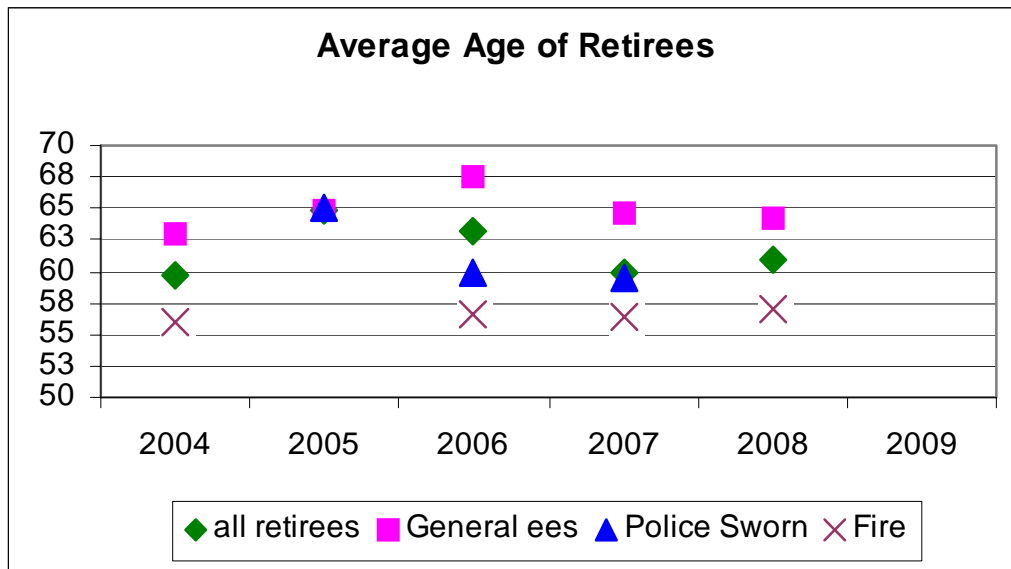


Age distribution of Total Workforce and New Hires



## Retirement Projections:

General Employees: General employees are those employees who are not eligible for membership in either the Police or Fire Union. Since most non-police and fire employees rely on a combination of their 401k funds and Social Security to fund their retirement years, retirement age means something different for general employees. Tracking the retirement age of City of Greeley employees suggests that although employees are eligible for a reduced Social Security benefit at age 62, most employees elect to wait until they are eligible for full benefits. Since 2004 the average retirement age for general employees is 65.3 years. Therefore, when we refer to “retirement age” for non-police and fire employees, we will use age 65.



NOTE: There were no Fire retirees in 2005

Fire and Police Employees: Fire employees are eligible to retire at age 55 with 20 years of service under FPPA rules. The Police Pension Plan allows sworn police employees to retire at age 55 with no requirement for a minimum number of years.

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The average age of retiring employees does not mean that everyone who reaches that age will retire. Based upon historical data and taking into account current economic conditions, we project that between 17-20% of the employees who are eligible in any given year will actually retire.

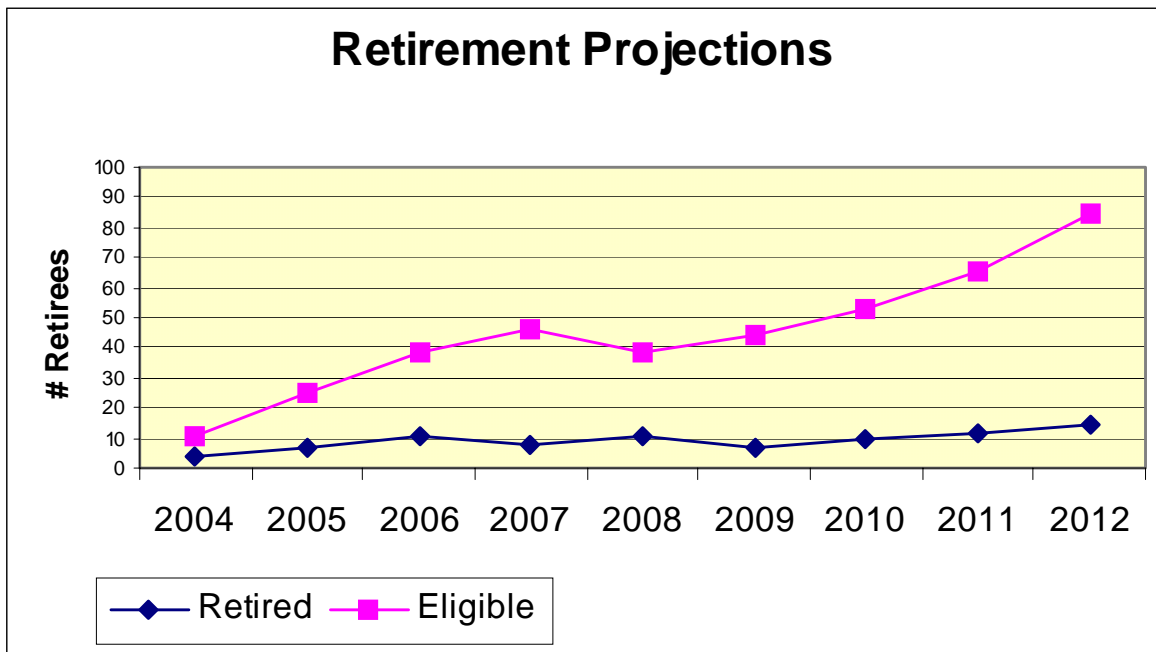
The April 13, 2009 edition of Mountain States Employers Council “Hot Topics”<sup>7</sup> reported the following:

“Most everyone is feeling the effects of the economic crisis, although there is one particular group that may be feeling it more than others. According to a survey by CareerBuilder, 60% of workers over the age of 60 say that they are delaying their retirement plans because of the impact of the financial crisis on their long term savings. So what does this mean for employers? Out of that 60%, one in ten workers (11%) say that the decrease in their savings might cause them to never retire, 73% think it will take them up to six years of additional work to recoup their lost savings, while the other 24% believe that they can make their money back by working an additional year or two.

## Retirement Projections:

This can be a significant impact to employers for a variety of reasons. If you weren't actually prepared for these employees to retire and for all of that knowledge to walk out the door, then this impact could be a positive one in your organization, other than the fact that those who planned on retiring might not see it the same way. Other considerations might be those employees who planned on taking over the positions being left behind by those retiring may not be getting that opportunity now and may be dealing with what could be a negative impact on their morale.”

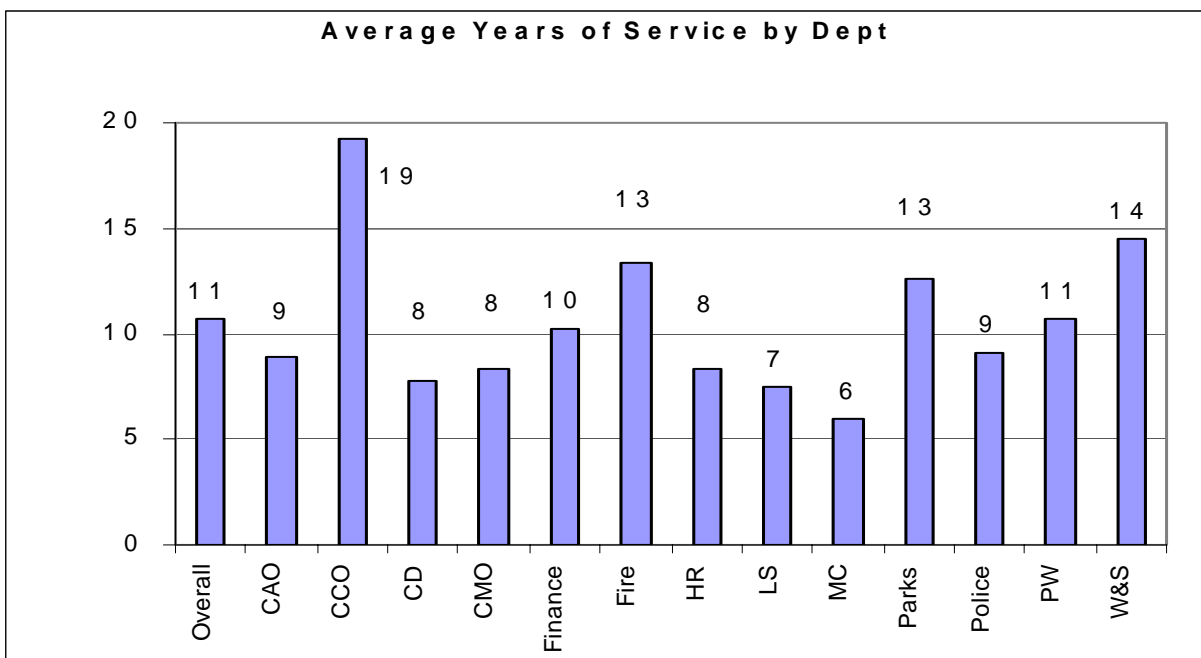
The effect of reduced retirements can be clearly seen when we graph our projections that compare anticipated retirements with the number of eligible City employees.



## Tenure:

Employees with the City of Greeley have an average of 11 years of service. Eighty-three employees have less than one year of service while the highest tenured employee celebrates 51 years of service in May 2009.

In an overview tenure is interesting but without significant meaning. However, when examining the tenure distribution of a specific department, division or work group, tenure begins to take on meaning in terms prioritizing succession planning activities, protecting or ensuring institutional knowledge and identifying future leaders.





## ***Summary***

Planning for the future of our organization is a sizable task. It requires knowing who we are and having a clear understanding of our mission and our philosophy of management.

Although economics, politics and technology may change the way we do our work, our employees will remain our greatest strength in accomplishing our mission:

### **SERVING OUR COMMUNITY IT'S A TRADITION**

We promise to preserve and improve the quality of life for Greeley through timely, courteous and cost-effective service.

## Endnotes

1. Clerical: Performs clerical functions; no requirements for education or certifications  
Labor Trades: Performs physical labor functions with no requirements for higher education or professional certifications.  
Technical: Job requires higher level of knowledge, often requires certification or specialized training  
IT - All IT positions except CIO  
Para-professional: Job requires AA/AS degree or equivalent and is not a physical labor related position  
Professional: Job requires BA/BS degree  
Manager: Division manager - reports directly to Department Director  
Administrative: Department Directors, City Manager, Judge and City Attorney  
Firefighters: Firefighter, Engineer
2. Sudipta Dev, "Is Attrition Always Bad For An Organization?", (October 29, 2007)Expresscomputeronline.com.
3. Judi McClellan, Richard Holden, (est 2002), The New Workforce: Age and Ethnic Changes, California Employment And Development Department, Labor Market Information Division
4. Jim Emerman, Elen Mosner, Craig Spiegle, (2003) The Convergence of Aging Workforce and Accessible Technology, Microsoft, Inc.
5. Characteristics of Pay of Federal Civilian Employees, (2007) Congressional Budget Office
6. See results of the National Retirement Survey reported in "Survey Sketches New Portrait of Aging America" by the National Institute on Aging; "Baby Boomers Envision Their Retirement: An AARP Segmentation Analysis," Robert Starch and Worldwide, Inc for AARP, February 1999; and Watson Wyatt Worldwide Inc. Press Releases for 1999 and 2000 Employer Retirement Surveys at [www.watsonwyatt.com](http://www.watsonwyatt.com).
7. *Older Workers Are Delaying Retirement*, Hot Topics (April 13, 2009), Mountain States Employer Council