

FISCAL AND EFFICIENCY REVIEW

FINAL REPORT

CITY OF RICHMOND

APRIL 2022



TABLE OF CONTENTS

- 01 Executive Summary
- 02 Identified Initiatives
- 03 Prioritized Initiative Charters
- 04 Current State Findings
- 05 Appendix
 - Approach
 - Peer Benchmarking Results

An aerial photograph of a city skyline, likely New York City, with a prominent purple gradient overlay on the left side. The skyline features various skyscrapers and buildings, with a large body of water visible in the foreground. The text "EXECUTIVE SUMMARY" is centered over the image.

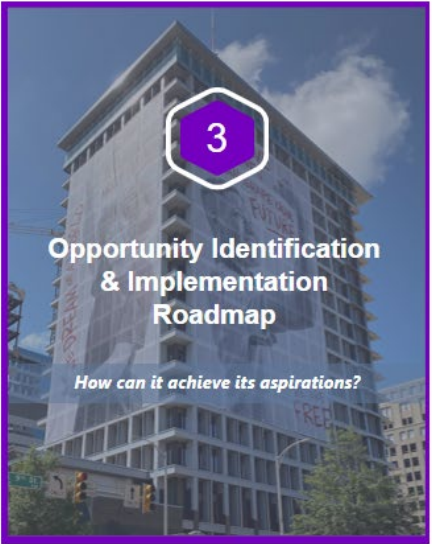
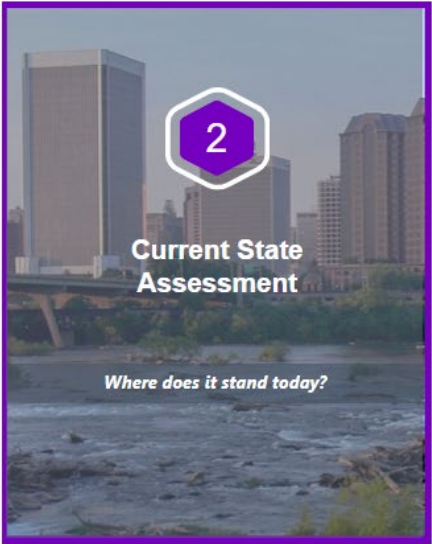
EXECUTIVE SUMMARY

Executive Summary – Visioning

Rising expectations from residents and shrinking resource levels put tremendous pressure on local governments to improve efficiency, effectiveness and quality of service. High performing public service organizations navigate these pressures by being:

Focused	Flexible	Insight-Driven	Measuring
All activities support the delivery of target outcomes that derive directly from the organization’s mission	Management adjusts course as data suggests	Insights are generated into actual performance levels through monitoring, analysis, measures, and scrutinized target sets	Organization utilizes results of measurable outcomes to drive decision making process

- Earlier this year, the City of Richmond embarked on the aspirational journey of improving and promoting efficiencies, services, and resident outcomes.
- As part of that ambition, the City engaged this Assessment Team to conduct a Fiscal and Efficiency Study.
- The first step of this study was a Visioning Workshop where key leaders across the branches of government expressed strong consensus that there are opportunities to better position the organization to provide better services to the community and enable Richmond’s “City of Choice” aspiration.
- A North Star was created to help guide the study to focus on desired outcomes (see subsequent slide).



North Star Building Blocks

“City of Choice” across all dimensions



Public Safety



Infrastructure



Overall Community Health



Affordable Housing



Education



Economic Development

Themes



A nimble organization comprised of an effective workforce delivering across all citizen outcomes in a strategic, efficient, collaborative, and fiscally responsible manner

Outcomes



Strategic and coordinated planning internally & regionally



Dedicated, empowered and skilled workforce



Accountable, open and results-driven culture



Data driven decision making & continuous improvement



Inclusive & positive working environment

Initiatives



Nimble organization structure with defined governance, roles & delegation of authority



Regular inter-department cadence on issues & concerns



Digitalization & Modernized IT infrastructure



Structured Community Engagement



Focus on hiring, retention, diversity, career path / development



Agile, transparent & time-bound processes



Investment on individual & team building activities

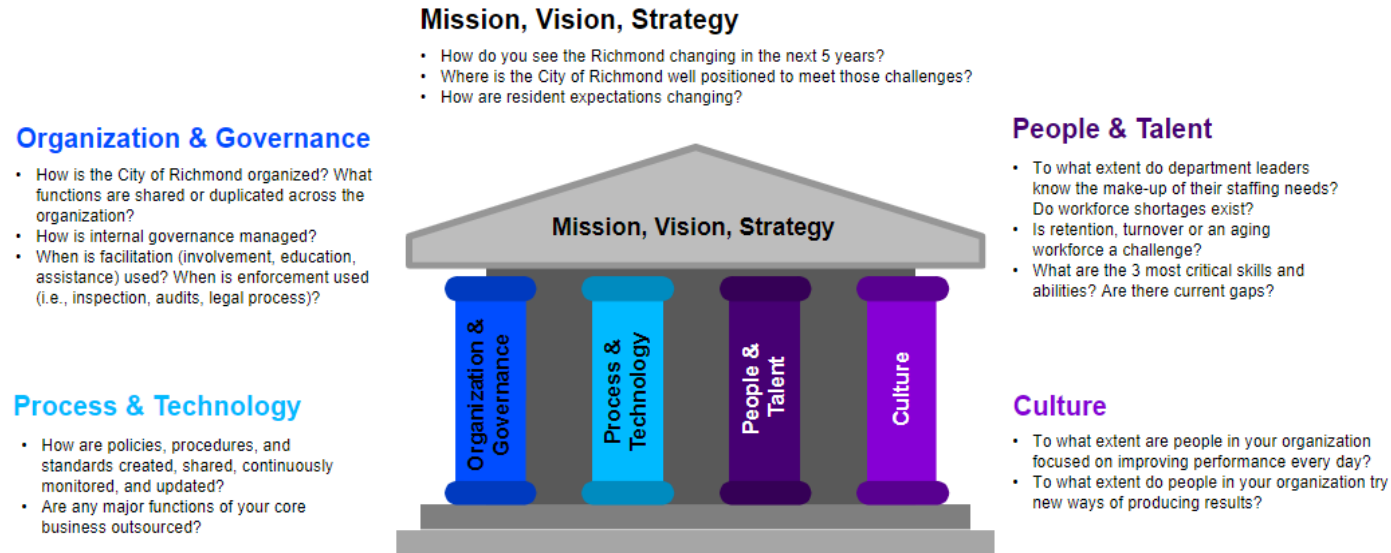


Performance metrics aligned w/citizen expectations

Non-exhaustive

Executive Summary – Current State Assessment

- The Fiscal and Efficiency study including findings and recommendations has been organized using the assessment framework outlined below.



- Following the Visioning discussion, the Assessment Team reviewed existing documentation, performed a peer benchmarking analysis and hosted interviews and focus groups to understand the organization's current strengths, challenges and gaps.
- The Assessment Team met with 60+ stakeholders, including the City Mayor, all City Councilmembers, all administrative and council agencies, and the RPS Superintendent. For more information on the current state assessment approach, please refer to slide 7.
- The Current State Assessment deliverable included in a subsequent section of this report outlines detailed findings from this analysis.

Current State Assessment Approach



1

Interviews & Focus Groups

Hosted discussions with **60+ stakeholders** (including the City Mayor, all City Councilmembers, all administrative and council agencies, and the RPS Superintendent) to better understand what is working well and where there are areas of improvement across the following assessment areas:

- Mission, Vision, Strategy
- Organization and Governance
- People and Talent
- Process and Technology
- Culture



2

Previous Studies / Reports

Reviewed the following studies and reports to refine insights:

- 2021 and 2018 Citizen Surveys
- Annual Follow Up Reviews from The City Auditor's Office, 2020-2022
- Capital Improvement Projects Audit 2020-2021
- Final Report of the Mayor's School Accountability and Efficiency Task Force, 2012
- VCU 2017 Performance Review



3

City of Richmond Documents

Reviewed the following City of Richmond documents to refine insights:

- Master Plan
- All financial reports and annual budgets
- Consolidated Annual Financial Reports from 2014-2020
- 2020 and 2021 Strategic Plans
- Performance Based Budget Report for 2016-2022
- Fleet Unity Plan: Update on Electric Vehicles 2021
- City of Richmond Strategic Action Plans, 2020-2022



4

Benchmarking Documents*

Reviewed the documents for Richmond and peer cities to complete the benchmarking study:

- City Financial Statements
- 2022 Adopted budgets
- U.S Census Bureau Quick Facts
- One Richmond
- Citywide Capital Improvement Projects Audit
- All Capital Improvement Plans
- 2022 Citizens Survey
- VCU 2017 Performance survey

The evaluation team also met with the VCU team focused on Council processes to ensure alignment with that existing initiative.



*Additional sources listed in appendix

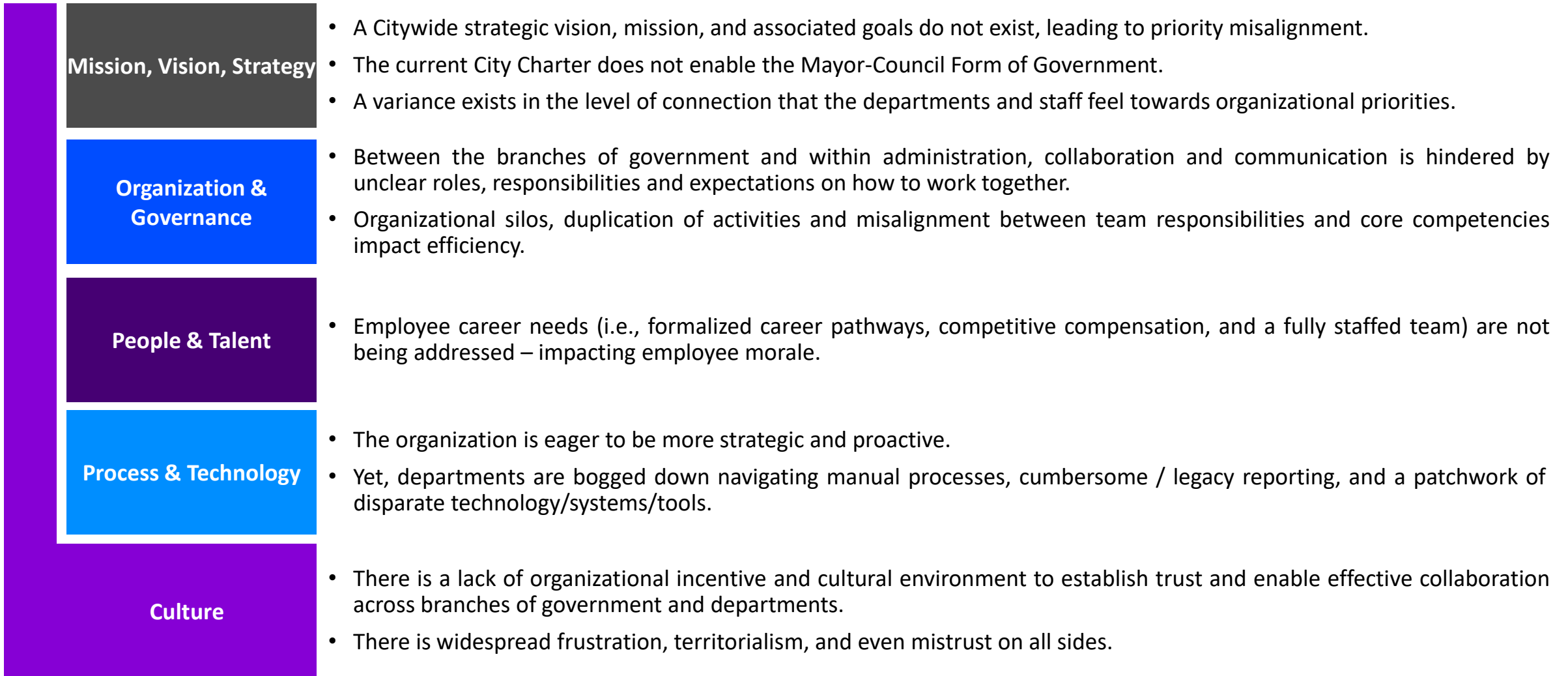
Summary of Current State Strengths

We have identified the following key areas of strength for the City of Richmond.

City of Richmond	• Robust and growing economy • Diverse and changing population • Common recognition that the racial and ethnic diversity of the City must be addressed
Fiscal Strength	• Strong City financials • Departments are finding ways to do more with less
People & Talent	• Director level talent • Leaders and employees are passionate, loyal, and service oriented • Strong intra-department collaboration • Leadership understands a similar need to change and evolve
Delivering on Core Mission	• Strong acknowledgement on the importance of equity and inclusion by the majority of leadership • Ability to serve city in drastically evolving environment

Summary of Current State Challenges

These are the key areas of improvement required to enable the City of Richmond to achieve its strategic priorities and streamline operations in both the short and long term.



Executive Summary – Prioritization and Implementation

- The Assessment Team worked alongside members of the Council and Administration to identify recommendations that address the challenges identified in the current state assessment and adopt leading practices.
- A Prioritization Session was held with the Steering Committee to define which initiatives should be prioritized based on level of benefit and difficulty for inclusion in the implementation roadmap.
- The strategic implementation roadmap targets City of Richmond’s aspirations while taking practical near-term steps to streamline operations in both the short and long term.
- The roadmap also includes Richmond’s current in-flight initiatives and planned milestones. The project team has included initiatives with defined project plans and timelines that have been shared with the team as of 4/1/2022.
- Detailed charters have been created for 10 prioritized initiatives. Charters include key initiative activities, initiative owners, stakeholders involved, rationale for level of benefit and difficulty, and quantifiable outcomes to build the case for change within the organization.
- To successfully execute the implementation roadmap, a clear governance structure including ownership and strategic planning across all branches of local government will be required for each initiative, as well as political sponsorship.
- The intention of this report is to present a clear path forward with measurable success, that will enable the City of Richmond to meet its goal of being a “City of Choice.”
- Given the City’s vision, this is the time to focus on the administrative functions required to get to that next level. The City is staffed with exemplary professionals, who have been focusing recently on a number of these recommendations (ref. slide 91, In-Flight Initiatives and Planned Milestones); however, clear actions plans have not yet been identified, as the City has been historically under-invested in these areas.

Implementation Roadmap

The Implementation Roadmap includes initiatives identified during the fiscal and efficiency review assessment and the organization’s current in-flight initiatives and planned milestones.

Mission, Vision, Strategy

People & Talent

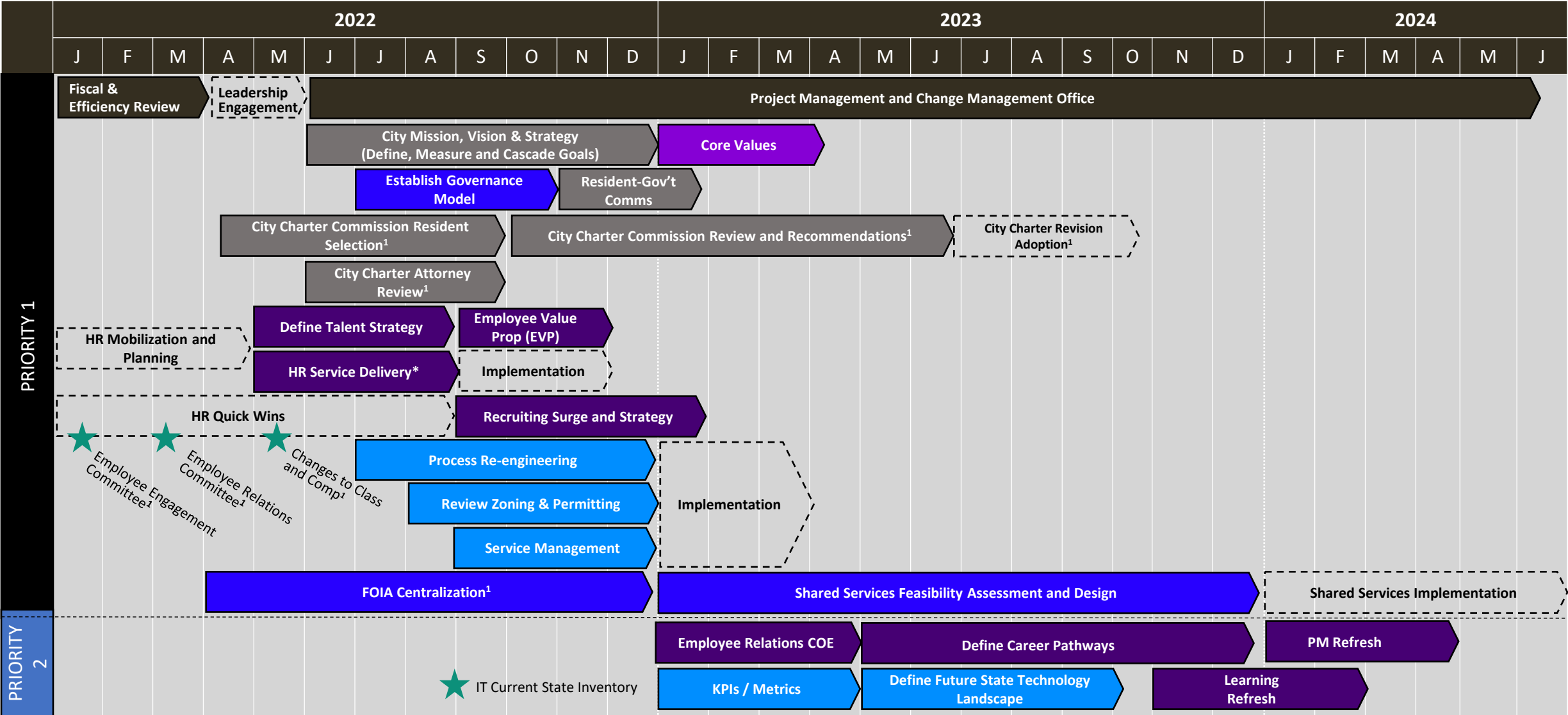
Culture

Organization & Governance

Process & Technology

In-Flight Milestones

Additional scope definition



¹ Existing, documented City of Richmond initiative.

Note: Refer to appendix for list of Richmond’s upcoming initiatives in planning stage

Prioritized Initiatives

Mission, Vision, Strategy (MVS)

Citywide Mission, Vision, and Strategy

Define and communicate a citywide strategic plan for adoption of a unified and actionable mission and vision, including performance metrics.

Resident-Government Communications

Address residents' questions on how government functions and where to go for specific requests. Create or update communication channels (e.g., Council website) and focus on educating and training the residents on these additional ways to form interactions between residents and all branches of government.

Organization & Governance

Shared Services Assessment and Design

High-level assessment based on the prioritization of shared services opportunities with the goal of assessing the feasibility and scope of a shared services model.

Governance Model

Define how the branches of government interact and work together including communication mechanisms, roles, accountabilities, and responsibilities across and within Council, the Administration and the School Board.

Culture

Define and Train on Core Values

Develop and disseminate core values and code of ethics and integrate both into the onboarding process and training curricula.

Prioritized Initiatives

People & Talent

Define Talent Strategy

Identify and align the skills, knowledge, attitudes, and culture required to fulfill the City's vision. Analyze existing talent pools to determine workforce strengths and needs and develop plans to address talent gaps.

Employee Value Proposition

Create a strong and differentiated 'people brand' for the City with targeted engagement campaigns.

Recruitment Surge Support Refresh

Focus on addressing current vacancies and requisitions through recruiting surge support while also identifying continuous improvement opportunities to streamline the process, improve the candidate experience, and embed performance metrics.

Process & Technology

Process Re-engineering

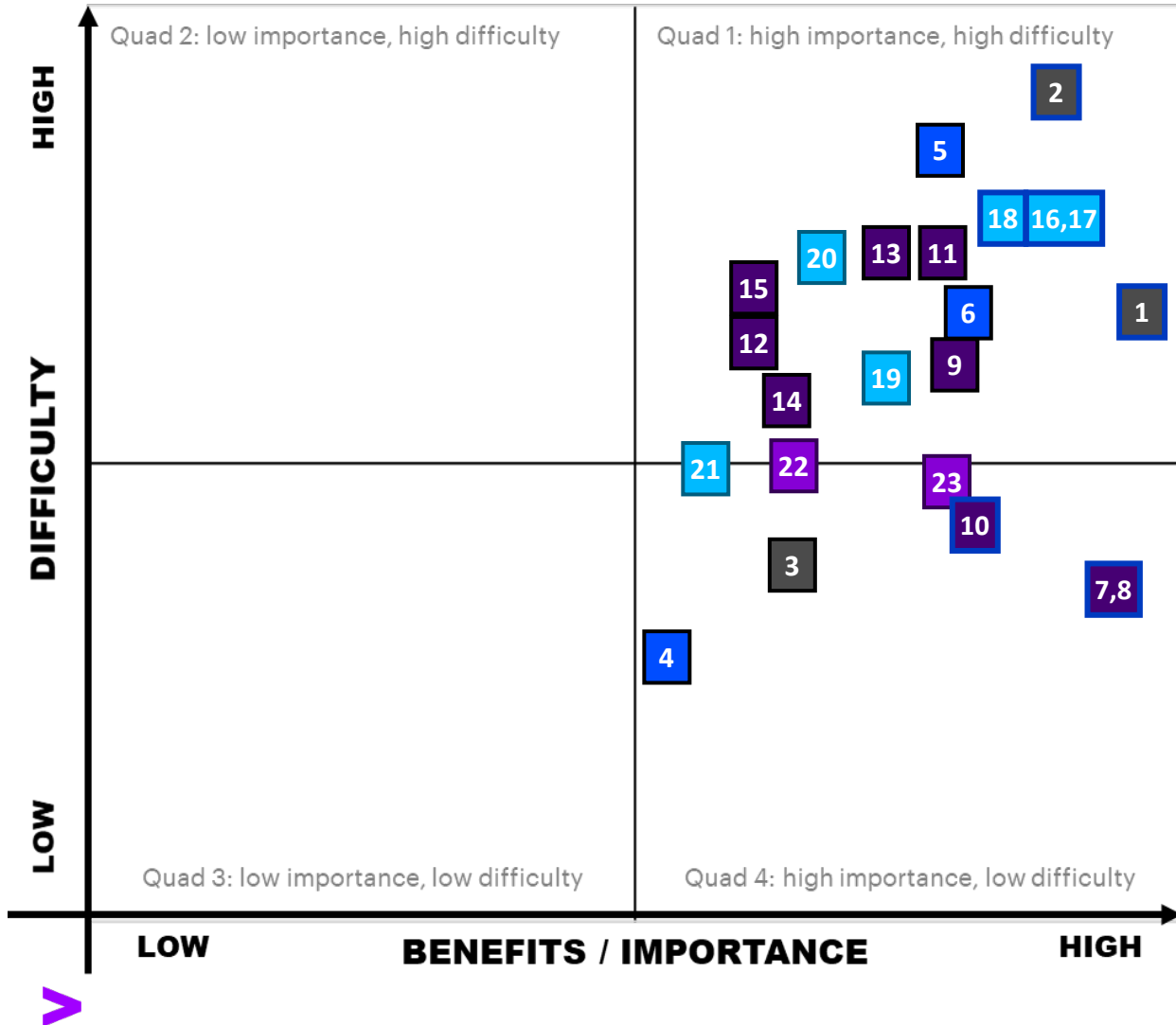
Improve process efficiency and effectiveness by redesigning, digitizing and automating select key processes within budget, procurement, legal, IT and human resources.

Service Management Definition

Empower support functions to strategically partner with and service the City through development of an enterprise-wide service management methodology and application of it to each support function as needed.

Prioritization Output

Each recommendation has a different level of benefit and level of difficulty, which informs prioritization and sequencing



#	Initiative	In-Flight Initiative to Consider*
1	City Mission, Vision & Strategy Initiative	
2	City Charter Commission Review	√
3	Resident-Government Communications	
4	FOIA Representation Office	
5	Shared Services Assessment and Design	
6	Governance Model	
7	Define Talent Strategy	
8	Employee Value Proposition	
9	HR Service Delivery	
10	Recruitment Surge Support / Refresh	
11	Define Career Pathways	
12	Learning Refresh and Leadership Training	
13	Compensation, Benefits and Bonus Updates	√
14	Performance Management Refresh	
15	Employee Relations Center of Excellence	√
16	Process Re-engineering	
17	Service Management Definition and Implementation	
18	Review Zoning / Permitting through citizen lens	√
19	KPIs / Metrics	
20	Define Future State Technology Landscape	
21	Facilities and Equipment Upgrade	√
22	Diverse and Inclusive Workforce	
23	Define and Train on the Core Values	√

An aerial photograph of a city skyline, likely New York City, with a prominent purple gradient overlay on the left side. The city features a mix of modern skyscrapers and older brick buildings. A large body of water, possibly a river or harbor, is visible on the left, with a bridge spanning across it. The text "IDENTIFIED INITIATIVES" is centered over the image in a bold, black, sans-serif font.

IDENTIFIED INITIATIVES

Mission, Vision and Strategy

Focus Areas

- **Citywide strategic vision:** An overarching strategy, mission, and associated goals do not exist, leading to priority misalignment.
- **City Charter Commission:** The current City Charter does not enable the Council-Mayor Form of Government.
- **Unified Stakeholder Communications:** A lack of unified narrative on what the City is doing for its community stakeholders causes confusion.

1

Citywide Mission, Vision, Strategy Initiative

Define and communicate a citywide strategic plan for adoption of a unified and actionable mission and vision, including performance metrics. This should establish a clear, unified and community driven vision for the next 10-20 years. These efforts include alignment and integration of existing issues and department specific plans to focus and prioritize city and resident initiatives in a way that is goal oriented and measurable. Additionally, this plan should address diversity and equity as key factors of success.

2

City Charter Commission Review

Review the charter and policy inconsistencies to identify where the charter dictates a functionally misaligned responsibility, operational bottlenecks and inconsistent roles and responsibilities. This includes the review of and adoption of new City Charter revisions to strengthen the governance process of the Council-Mayor Government.

3

Resident-Government Communications

Address residents' questions on how government functions and where to go for specific requests. Create or update communication channels (e.g., Council website) and focus on educating and training the residents on these additional ways to form interactions between residents and all branches of government.

Organization and Governance

Focus Areas

- **Organizational Silos:** Organizational silos are encouraging inefficiencies, and departments are not aligned with shared objectives.
- **Duplication of Activities:** The duplication of activities, especially between the Richmond Public School System and the City of Richmond creates unnecessary confusion and increased costs and impacts service delivery.
- **Functional Misalignment:** There is a misalignment between the organizational structure and team responsibilities resulting in disorganization of core competencies.



4

Shared Services Assessment and Design

Conduct a high-level evaluation based on prioritization of opportunities for shared services potentially designing a shared services model. Evaluate the administration's capability of taking on potential new tasks and evaluate the cost benefit for consolidation and centralization. Consider change management implications as part of the centralization evaluation. Evaluation areas to include procurement, asset management services, transportation services, fleet services, risk management services, school construction, stormwater management, and custodial services. Additional areas of focus may be identified as well.

**This does not include implementation. Implementation benefit and complexity will need to be determined based on outcome of this design.*

5

FOIA Representation Office

Assign public information responsibilities to delegated personnel within each department reporting to a single person acting as the FOIA Public Liaison or Chief FOIA Officer. Determine roles and responsibilities.



6

Governance Model

Create and align governance model, including the definition of how the branches of government interact and work together, with the strategic goals of the organization. Furthermore, define communication mechanisms, roles, accountabilities, and responsibilities across and within Council, the Administration and the School Board. Provide clarity across the organization on the ownership of decision, policies, and processes.

People and Talent Initiatives (1 of 2)

Focus Areas

- **Undefined Talent Strategy:** The organization lacks a cohesive talent strategy and tactical execution plan to ensure a consistent and positive employee experience.
- **Reactive and Lengthy Talent Acquisition Process:** The talent acquisition process is often passive and reactive and relies on manual handoffs and too many approvals. As a result, the candidate experience and the ability to quickly hire quality candidates suffers and staffing shortages aren’t addressed.
- **Uncompetitive Compensation:** The city offers lower compensation than neighboring counties impacting the City’s ability to attract and retain talent.
- **Unclear Career Pathways:** Employees face unclear career pathways and an absent performance management process, hindering a culture of meritocracy.
- **Ad-hoc Learning and Development:** Absent defined career paths, the City’s ability to identify critical skills and grow its employees in a purposeful, proactive way is limited.

7

Define Talent Strategy

Define City of Richmond’s talent strategy to identify and align the skills, knowledge, behaviors and culture required to achieve the city’s vision. Analyze existing talent pools to determine workforce strengths and needs and develop plans to address talent gaps (upskilling or recruiting).

8

Employee Value Proposition

Develop an employee value proposition and targeted engagement campaigns to create a strong and differentiated ‘people brand’ for the city, including assessing external and market perspectives, as well as those of current and prior employees, to understand what they think, feel, and need from the organization.

9

HR Service Delivery*

Create a model including a new organization structure, roles, responsibilities and skills that outlines HR ownership and interactions to improve quality, customer service and efficiency of HR services provided to employees.

People and Talent Initiatives (2 of 2)

 10	Recruitment surge support/ refresh*	Focus on addressing the backlog of vacancies and requisitions through recruiting surge support. Identify continuous improvement opportunities to streamline the process, improve the candidate experience, and embed metrics to measure efficiency, effectiveness and satisfaction.
11	Define Career Pathways	Define, design and link COR's competency model to jobs and pathways to enable career growth.
12	Compensation, benefits & bonus updates*	Define a compensation philosophy and develop a structure including regular benchmarking with neighboring counties to provide an appealing overall compensation and benefit package to existing and prospective employees.
13	Performance Management Refresh	Develop a strategy and program to drive a culture that values, incentivizes and measures high performance and contributions to city's objectives.
14	Employee Relations Center of Excellence*	Develop an Employee Relations center of excellence that provides dedicated and specialized support to guide and manage employee relations issues.
15	Learning Refresh and Leadership Training	Align the organization's learning strategy, curriculum and training with career paths and competencies to provide employees with relevant opportunities to learn and grow. Develop ethics, compliance and organizational priorities training to ensure all employees understand the organization's vision, goals and expected ways of working.

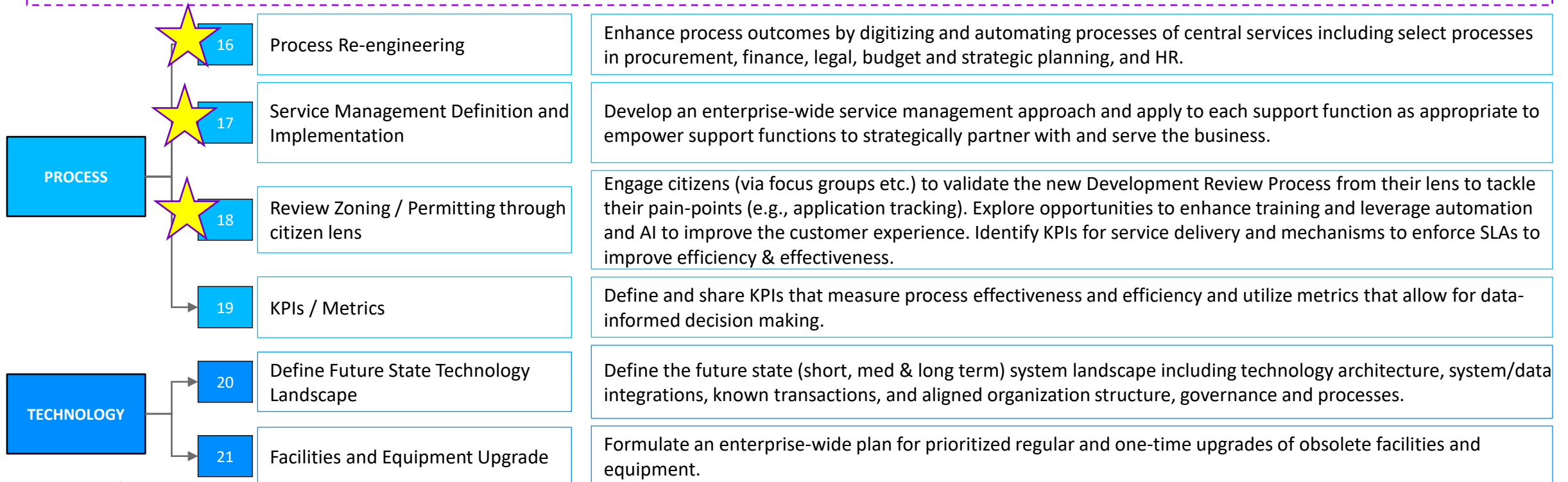


Prioritized for development of project charter (see subsequent slides)

Process and Technology Initiatives

Focus Areas

- **Inconsistent Processes:** The lack of service level agreements and standard operating procedures coupled with policy inconsistencies have resulted in delays and poor customer service.
- **Inefficient Processes:** Current processes are often manual, slow and minimally supported by automation and technology.
- **Operational IT Partnership:** IT is currently engaged by Departments as a technology solutions implementor and fixer as opposed to an empowered strategic partner to pull into solutioning and delivering outcomes.
- **Disparate Technologies:** Disparate systems layered on top of obsolete technology increase the workload on an overburdened workforce and prevent leveraging data for improving citizen services.



>  Prioritized for development of project charter (see subsequent slides)

Culture

Focus Areas

- **Diversity:** While leaders acknowledge the importance of diversity in the workforce, there's no clear owner or action plan to address this.
- **Mistrust:** There is a lack of organizational incentive or cultural environment to establish trust within the City of Richmond.
- **Territorialism:** The culture has resulted in lack of empowerment and misaligned incentives, backing each department into a hoarding mentality.

22

Diverse and Inclusive Workforce

Once the EEO Office is in place, create a workforce strategy that addresses diversity and equity, is goal oriented and measurable, and is included in the City budget process. Incorporate this into the organization's talent strategy and communicate this strategy to the workforce and those in a hiring function.

23

Define and Train on the Core Values

Define and communicate City of Richmond's core values and code of ethics. Embed these core values and code of ethics into the organization's onboarding process and training curriculum.



Prioritized for development of project charter (see subsequent slides)

An aerial photograph of a city skyline, likely Atlanta, Georgia, featuring a mix of modern high-rise buildings and older brick structures. A prominent purple gradient overlay covers the left side of the image, fading into the background. The text "PRIORITIZED INITIATIVE CHARTERS" is centered in the middle of the image.

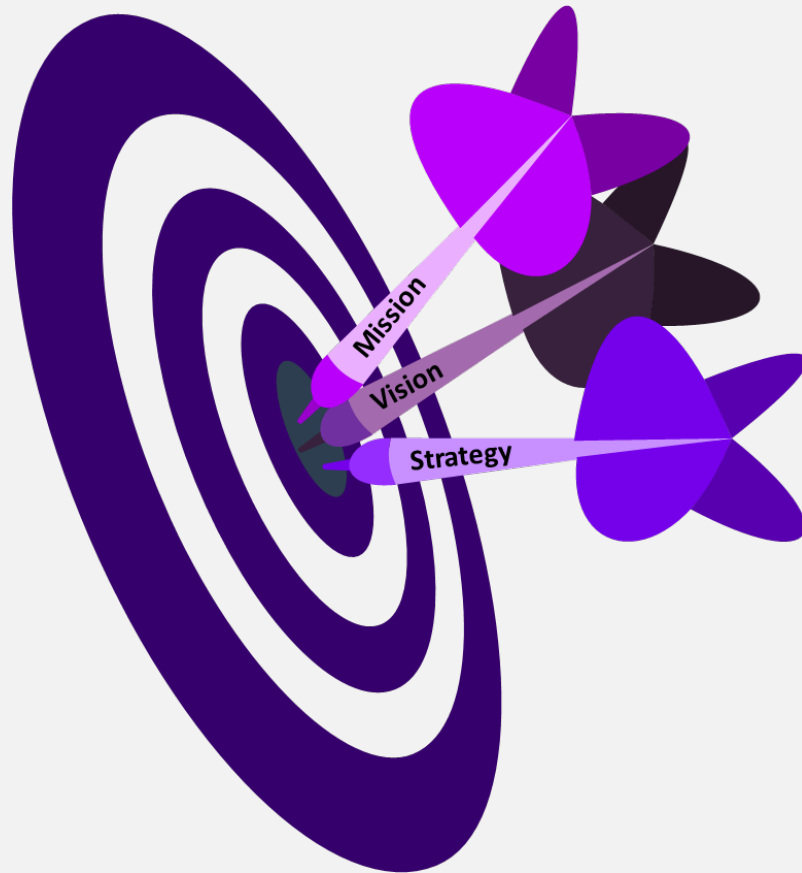
PRIORITIZED INITIATIVE CHARTERS

Citywide Mission, Vision, Strategy (1/2)

This initiative involves the development of a mission, vision, and strategy that work together as a roadmap and provide the big picture for setting and achieving short-term goals while keeping the long-term vision in mind.



Key Activities



1. **Create Steering Committee:** Develop a steering committee to provide direction and oversight and monitor risks, timelines, and quality. The committee should identify executive stakeholders who will serve as support and guarantee the delivery of expected outcomes. Those supporting personnel should inform the established Steering Committee on initiatives and goals.
2. **Identify potential peer strategic frameworks:** Identify peer city strategic plans to determine appropriate model for mission, vision, and key performance indicator requirements.
3. **Gain Stakeholder Input:** Facilitate a visioning session with community members, administration representatives, School Board and RPS members, and Council elected officials to gain comprehensive perspectives that are forward-looking and collaborative, with the purpose of developing a unified mission, vision, and strategy.
4. **Refine Vision:** A strong vision statement answers where the organization plans to be in the next 5-10 years. Revisit existing Vision Statement and include input received from community visioning sessions. Develop a consensus of a forward-looking proclamation of what the City plans/expects to achieve in years to come.
5. **Refine Mission:** A strong mission statement provides the purpose for an organization. Revisit existing mission statement and consider including direct connections to the vision statement. The mission statement should be inclusive and concise with alignment to the vision statement, and outcome oriented with description of how the City expects to achieve the vision.
6. **Update and Align Departmental Strategic Plans:** Once mission and vision statements are finalized, require all departments to revisit their individual Strategic Plans. Ensure the goals of each department is aligned with the citywide mission, vision, and strategy.
7. **Develop and Baseline Key Performance Metrics:** Develop and document relevant key performance metrics. Identify relevant key performance indicators (KPIs) for each department and establish a baseline measure at first inception of the new mission, vision, and strategy. Set a cadence for measurement semi-annually.
8. **Update and Align Employee Performance Plans:** Update employee performance plans based on changes made to the strategic goals. Consider inclusion of performance goals that are measurable and achievable.
9. **Continuously Monitor Key Performance Metrics and Success:** Conduct regular meetings with employees to track the progress of performance improvement goals as well as, potential revision when necessary.

Citywide Mission, Vision, Strategy (2/2)

This initiative involves the development of a mission, vision, and strategy that work together as a roadmap and provide the big picture for setting and achieving short-term goals while keeping the long-term vision in mind.



Initiative Owner

- Steering Committee comprised of a primary lead from each Stakeholder Division



Stakeholders

- All Administrative Departments
- Mayor and City Council
- School Board and RPS
- City of Richmond Employees
- Richmond Residents



Outcomes

- Sets Performance Standards
- Increases transparency for City residents of citywide vision
- Provides stable framework that aids sustainable change
- Empowers a focused and productive work environment
- Improves resident outcomes
- Improves employee productivity
- Attracts new talent

BENEFIT: HIGH

- High community impact
- Enables strategic and coordinated planning
- Creates an accountable, open and results-driven culture
- Enables data driven decision making and continuous improvement
- Promotes inclusive and positive working environment

DIFFICULTY: MODERATE

- Minimal financial investment required
- Requires sponsorship and commitment from leaders
- Moderate change management required



By the Numbers

- Currently **31%** of citizens feel they are informed; the national standard is **78%**¹
- Residents' participation levels – **80%** of communities in the United States have better commercial and residential growth plans than the city of Richmond⁵
- In a national survey of 450 firms that created a mission, vision statement the **high performing firms** had a consistent clearly communicated, widely understood, and collectively shared mission and vision²
- It is essential that the mission, vision statement is **well grounded in community beliefs and values**. Successful organizations assure that there is a **strong two-way communication process**. Most successful organizations conducted "public forums" or "listening sessions" with members of the community to gather ideas, thoughts, and opinions about how they would like to see the community transformed. The resulting mission, vision statement must have a unified consensus from all stakeholders³
- The vision and mission should be separate,. The vision should be worded so that it provides guidance. The mission statement describes **what you do, who you do it for and the benefit** that it provides and should be fulfilled in the defined time period⁴

Resident-Government Communications (1/2)

This initiative involves development of forms of interactions between residents and all branches of government.



Key Activities



- 1. External Facing Website Refresh:** Maintain up-to-date website based on citizen wants/needs.
 - Update website to include a page that details how each department functions and provides direction for specific requests. Use language that is clear, concise, and easy to understand. Communicate updates via visual message, social media, text message, automated calls, and community led gatherings.
 - Refresh the City Council website to include direction of process flows when residents have questions and concerns. This includes a "How Do I..." page to provide clarity on where and who to contact for individual needs, instead of calling Councilmembers directly.
- 2. Citizen Engagement:** Facilitate quarterly Virtual Town Hall meetings to ensure a consistent flow of information to the public on City initiatives and provide access to resources that residents value.
- 3. Two-Way Flow of Information:** Develop methods to interact with residents with intention of co-creating opportunities and communication channels that are regular and on-going.

Resident-Government Communications (2/2)

This initiative involves development of forms of interactions between residents and all branches of government.



Initiative Owner

- Council Chief of Staff
- Chief Administrative Officer



Stakeholders

- All departments
- Residents
- Mayor and City Council



Outcomes

- Enables understanding of resident needs and aspirations
- Empowers access and community engagement
- Develops sustainable decisions that are based on resident input
- Establishes transparency, trust, and reliability within resident-government interactions
- Provides access to information and encourages two-way flow of information
- Reduces Council to Administration Agency urgent individual requests

BENEFIT: MODERATE

- Very high resident impact

DIFFICULTY: LOW

- High political impact
- Moderate level of change management required
- Low financial investment
- Low resource commitment



By the Numbers

- The interaction between residents and the City is the process of building customer service into the operational framework of the mayor/administration and council. The International City Managers Association has developed criteria for successful resident – government communications pathways, based on a heavily attended online discussion on “Building Customer Service into Local Government.”
 - Communication/customer service is about the experience **and how citizens feel after exchanges with their local government.**
 - When citizens reach out, how are they received by your organization.
 - The key in providing excellent local government customer service is simply to make sure employees know that **citizens come first.**
- **42%** of Richmond residents are satisfied with the current public information system. The results are in the lower quadrant of the national benchmark metric¹
- **34%** of Richmond residents feel the job Richmond government does at welcoming resident involvement is adequate¹
- Organizations that develop a centralized communication platform experience a **30%** increase in employee effectiveness; digital collaboration tools improve employee workplace satisfaction by **17%.**¹

Shared Services Assessment and Design (1/2)

This initiative involves conducting an evaluation based on prioritization of opportunities to determine the feasibility of a shared services model



Key Activities

Shared Services Components	Impact and Examples	
Economic Value	Revenue enhancement, cost reduction	Create Evaluation Plan: Assess several shared services between Richmond Public Schools (RPS) and the Administration, determine the scope of effort required to potentially share services, and provide vision and direction for the evaluation. - Identify and engage all stakeholders by developing a list of all services that local government offers and clarify working relationship between each service. Identify and document available resources. - Develop plan to evaluate the administration's capacity to take on potential new tasks and evaluate the cost benefit for consolidation and centralization.
Analytics & Insight	Adoption of applications and tools, unexpected insights to solve specific business problems	Assess Evaluation Areas: Develop a survey with intentions of identifying portfolios that are duplicative, lack in value, and/or inefficient to the short- and long-term goals of the City of Richmond to determine feasibility. - Design survey to acquire data from departmental volume of work, time spent completing services, feedback on improvement of processes, potential areas of complexity and pain points. Evaluation areas to include procurement, asset management services, transportation services, fleet services, risk management services, school construction, stormwater management, and custodial services, etc. Additionally, review financials to determine the longer-term benefit of consolidation. - Analyze survey responses and aggregate data to determine areas that potentially require a substantial amount of staff effort to complete a service. This provides opportunity to identify areas that can be targeted for consolidation. - Conduct interviews with department heads of identified areas to determine readiness and willingness for the department to transfer to a shared services model. - Benchmark models, standard operating procedures, and key performance metrics from similar cities with successful shared services models.
Customer Experience	Simplified and complete customer experience, customer confidence breeds growth	
Operational Excellence	Speed and quality of service, error reduction, core business process improvement, lower operating cost	Shared Services Center: Design a center that standardizes technologies and processes with the goal of achieving expected benefits. Additionally, development of this center eliminates future service duplication and business unit silos inside enterprises and strengthens process performance.
Sustainable Capability	Scalable to be agile and flexible, leadership visibility through metrics management	Design Implementation Plan: Create implementation plan that addresses standard processes to meet potential future business criteria. This plan should also address risk prevention and control, service-level agreements, and procurement. It should also define the goals of the implementation, provide a roadmap for project completion, assign responsibilities and tasks, and allocate flow of resources.
Risk Management	Avoid cost of incurred risk events, speed to insight on control framework, common data controls & transparency	



Shared Services Assessment and Design (2/2)

This initiative involves conducting an evaluation based on prioritization of opportunities for shared services



Initiative Owner

- Chief Administrative Officer
- RPS Superintendent



Stakeholders

- All Administrative Departments
- Mayor and City Council
- School Board and RPS



Outcomes

- Increased efficiency
- Lower cost of labor
- Service standardization / coordination
- Greater span of control
- Ability to measure and improve process quality
- Empowers shared services governance structure

BENEFIT: HIGH

- Enables strategic & coordinated planning internally and regionally
- Enables data driven decision making and continuous improvement

DIFFICULTY: MODERATE

- High political impact
- Significant level of change management required



By the Numbers

- Implementation of Shared Services will result in efficient use of resources. This may lead to:
 - **Reduction** in costs at the function level **by 10-20%**¹
 - **Improvement** in time to hire by **50%+**¹
 - **Increased efficiency** through **60-80%** reduction in manual transactions¹
- Full redesign and implementation of front-end customer service (approaches / tools / channels) can
 - **Reduce** customer **calls** and **wait time / interaction time** to completion by **50-80%**¹
 - Cut costs by **15-35%**¹
- School District Technology spend per pupil: **\$424** – Additionally City spends **\$91** in technology for every Richmond resident.²
- School District Transportation spend per pupil: **\$763** – Additionally City spends **\$143** in Public Works for every Richmond resident.²
- School District Operations spend per pupil: **\$1,312**, which is quite a bit more than the public resident spend of **\$143**.²
- Percentage of School District budget to city budget **30%**.²

¹ Accenture Research

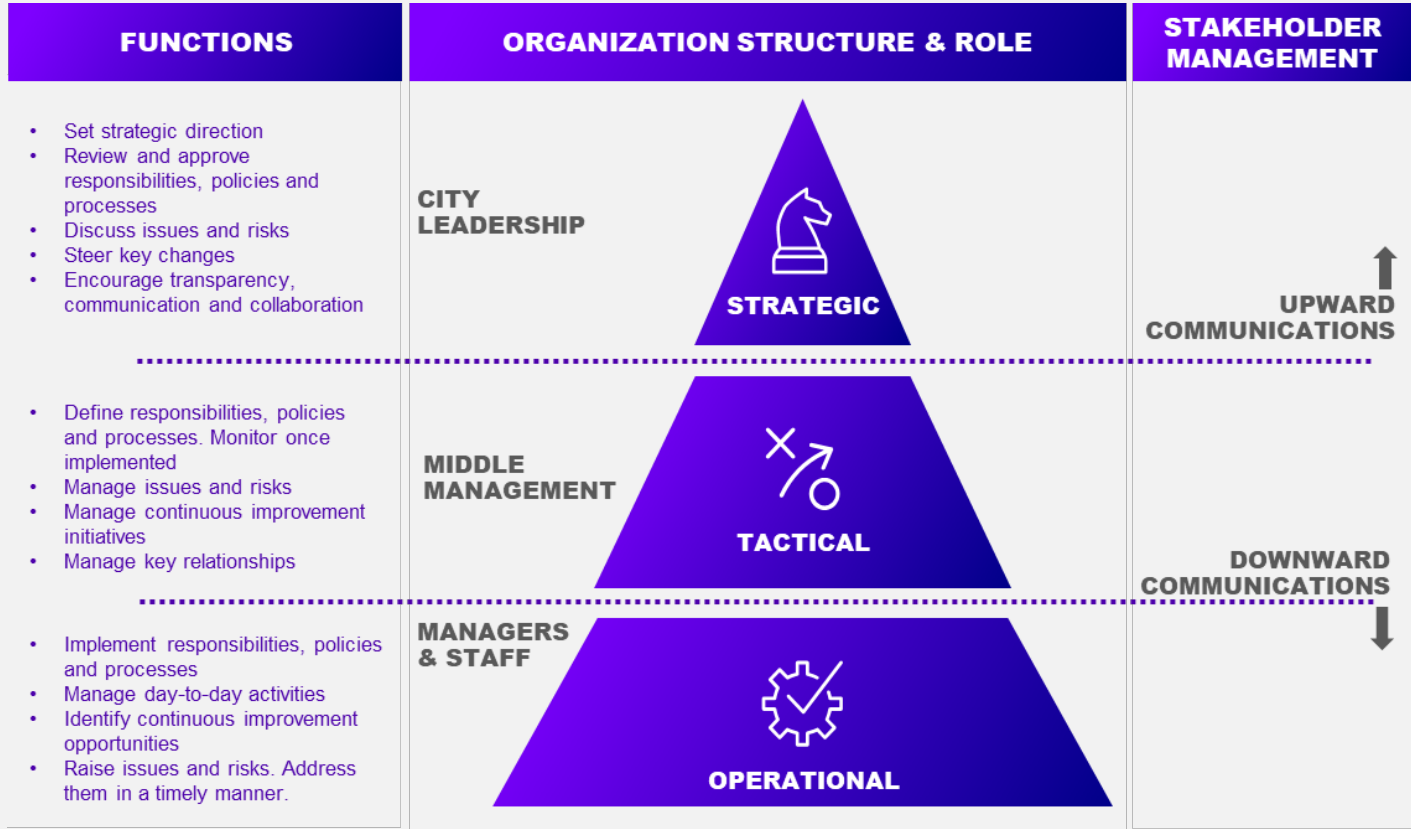
² Richmond Public Schools 2022 Adopted Budget and City of Richmond 2022 Adopted Budget

Governance Model (1/2)

This initiative involves creation and alignment of a governance model that includes including the specification of how the various parts of government interact and collaborate.



Key Activities



- 1. Define scope and governance needs:** Determine strategic priorities and assess the current governance model to identify gaps and strengths
- 2. Identify best practices :** Review peer city governance models to determine aspects that may be included in City of Richmond’s model
- 3. Develop a Governance Model:** Conduct collaborative workshops to define the governance model:
 - Define primary responsibilities, accountabilities, decision rights and collaboration mechanism
 - Define policies and processes
 - Develop communication, information sharing and knowledge sharing mechanisms and protocols, including direction of interactions across Council, Administration, the School Board and RPS
- 4. Implement:** Develop an implementation plan that encourages sustainable governance practices, tracks communications mechanisms, and performance metrics. This plan should include the full process from development of the model to implementation and review
 - Produce change management plan for implementation of the governance model

Illustrative



Governance Model (2/2)

This initiative involves creation and alignment of a governance model that includes including the specification of how the various parts of government interact and collaborate.

 **Initiative Owner**

- Steering Committee comprised of a primary lead from each Stakeholder Division

 **Stakeholders**

- All Administrative Departments
- Mayor and City Council
- School Board and RPS
- Residents

 **Outcomes**

- Provides clarity of roles, responsibilities, accountabilities, guidelines and information flows
- Increases transparency between pillars of government
- Empowers the authority of the compliance, risk, legal, finance, and audit control functions
- Enables more efficient processes and strategic planning, removing duplicate roles
- Provides accountability, visibility of bad practices, and risk management
- Reduces Administration fire drills

BENEFIT: HIGH	DIFFICULTY: MODERATE
- Enables strategic & coordinated planning - Promotes a dedicated, empowered and skilled workforce - Creates an accountable, open and results-driven culture	- Minimal financial investment required - High political impact - High levels of change management required

 **By the Numbers**

- The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) has developed a governance model that supports a successful governance process, including:
 - Participation; Rule of law; Transparency; Responsiveness; Consensus oriented; Equity and inclusiveness; Effectiveness and efficiency; Accountability.
- A process-oriented and collaborative approach results in faster decision making and effective execution. Organizations exceling in the areas generate **6%** better financial results¹
- An effective governance structure can improve the operational performance of the organization:
 - Improve Debt Ratio by **8-10%**²
 - 2x** improvement in liquidity ratio²

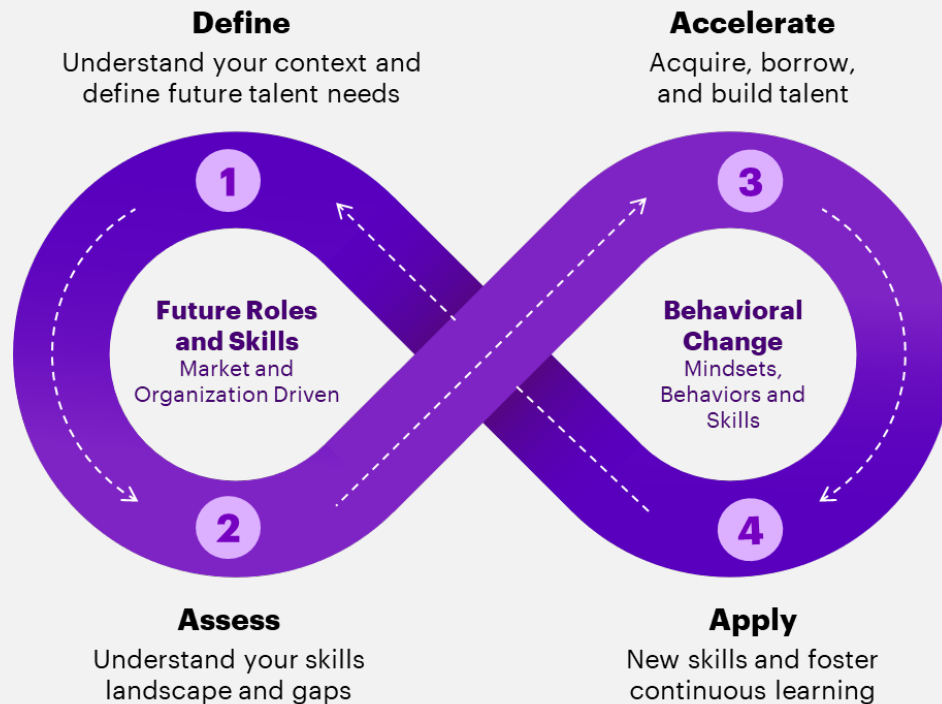
¹Harvard Business Review
²The Tangible Benefits of Good Governance, OECD

Define Talent Strategy (1 of 2)

This initiative includes defining current and future talent needs, assessing current roles and skills and determining a plan and approach to address rapidly evolving workforce needs.



Key Activities



- 1. Define “What do you need?”:** Understand Richmond’s context and future talent needs
 - Perform a labor market analysis including understanding local workforce data and public sector / local government labor trends.
 - Explore talent strategy leading practices (e.g., how to embed digital into your strategy)
 - Identify the future roles, skills (functional and technical), knowledge, and behaviors required to achieve city’s strategic goals
 - Validate priority roles and skills with leadership across the branches of government
 - Develop the high-level workforce plan – build, borrow, buy or bot strategy
- 2. Assess “Where do you stand?”:** Analyze existing talent pools (e.g., talent profiles, proficiencies, digital skills) to determine workforce strengths and gaps (i.e., skills and capacity)
- 3. Determine “What do you need to do?”:** Determine how to close any identified gaps at the enterprise-wide level, department and team level and within the branches of government
 - Define mitigation actions: where to acquire talent, borrow talent or build existing talent
 - Determine upskilling learning approach
 - Determine what additional actions need to be taken at the enterprise-wide level to enable the talent strategy (e.g., compensation impacts, career planning impacts, culture impacts etc.)
- 4. Apply “What do you need to do?”:** Ensure all action owners and stakeholders are informed of the talent ambition / aspirations and actions.
 - Align plan with recruiting strategy and learning strategy
 - Put a learning plan in place, set timelines and schedule regular reviews to measure progress against goals
 - Review and iterate against evolving workforce needs and trends

Define Talent Strategy (2 of 2)

This initiative includes defining current and future talent needs, assessing current roles and skills and determining a plan and approach to address rapidly evolving workforce needs.



Initiative Owner

- Human Resources



Stakeholders

- Chief Administrative Officer
- All Department Leaders



Outcomes

- Increases employee engagement, productivity and performance
- Reduces attrition
- Promotes culture and core values
- Enables strategic workforce planning
- Strengthens people development
- Improves customer experience

BENEFIT: HIGH

- Promotes a dedicated, empowered and skilled workforce
- Promotes an inclusive and positive working environment
- Creates an accountable, open and results-driven culture

DIFFICULTY: MODERATE

- Minimal financial investment required
- Requires sponsorship and commitment from leaders
- Moderate change management required



By the Numbers

- A defined talent strategy impacts employee engagement, productivity and performance. Engaged teams have¹:
 - **10%** higher customer ratings
 - **17%** higher productivity
 - **28%** less shrinkage
 - **70%** fewer safety incidents
 - **41%** less absenteeism
 - **21%** greater profitability
- A defined, measurable commitment to diversity in a talent strategy, can lead to a more diverse workforce.
 - Organizations in the top quartile for gender diversity were **15%** more likely to have financial returns above their national industry median²
 - Organizations in the top quartile for ethnic diversity were **35%** more likely to have financial returns above the national industry median showing the direct financial impact diversity and inclusion can catalyze²

Employee Value Proposition (1 of 2)

This initiative includes defining factors to improve City of Richmond's brand in the talent market to better enable it to compete for talent and make it an 'Employer of Choice'.



Key Activities



Employee Value Proposition (2 of 2)

This initiative includes defining factors to improve City of Richmond's brand in the talent market to better enable it to compete for talent and make it an 'Employer of Choice'.



Initiative Owner

- Human Resources



Stakeholders

- Chief Administrative Officer
- All Department Leaders



Outcomes

- Creates a strong 'people' brand for the city
- Establishes a baseline level of employee satisfaction
- Increases ability to attract and retain talent in a competitive landscape
- Re-engages the workforce and increases employee engagement
- Improves new hire commitment levels
- Decreases unmanaged attrition

BENEFIT: HIGH

- Promotes a dedicated, empowered and skilled workforce
- Promotes an inclusive and positive working environment
- Creates an accountable, open and results-driven culture

DIFFICULTY: MODERATE

- Minimal financial investment required
- Requires sponsorship and commitment from leaders
- Moderate change management required



By the Numbers

- A well executed value proposition can significantly improve the appeal of the city as an employer to candidates and significantly motivate existing employees¹:
 - Improves commitment of new hires by **29%**
 - Decreases annual employee turnover by **69%**
 - Increases the likelihood of employees advocating for the organization as an employer to an average of **47%**
 - Strong EVPs reduce the compensation premiums asked by new-hires by **50%**
- Investment in employee experience has a proven trickle-down effect on the customer (resident) experience²:
 - **82%** employees are engaged at high performing organizations vs 68% at under performing organizations
 - Organizations with higher customer experience scores have their employees engaged **1.5 times** more than those with lower customer experience
 - Business units with employee engagement & connection score in top 25% had **10% stronger** customer metrics

¹ Corporate Executive Board '[Attracting and retaining critical talent segments: Identifying drivers of attraction and commitment in the global labor market](#)'

² Forbes

Recruitment Surge and Strategy (1 of 2)

This initiative aims to execute quick wins to address immediate staffing needs and strengthen / future-proof Richmond's talent acquisition capabilities amidst increased market pressures.



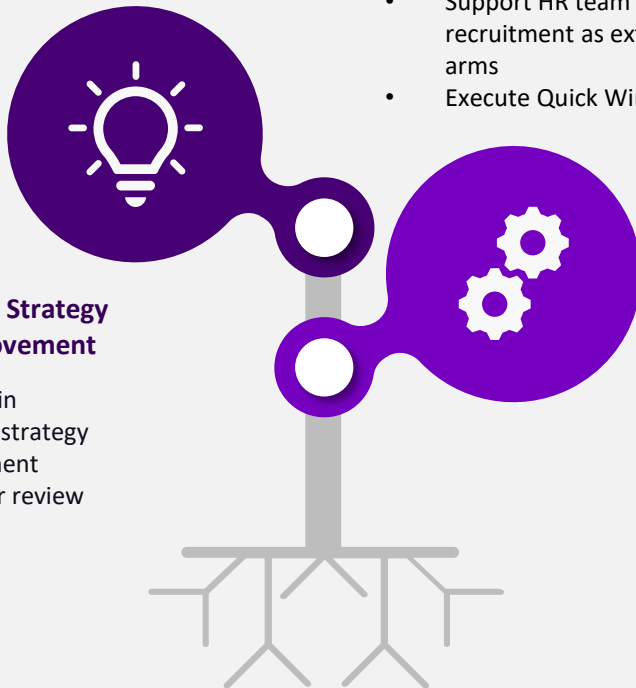
Key Activities

Redesign Recruitment Strategy and Continuous Improvement

- Recruitment strategy in alignment with talent strategy
- Continuous Improvement Framework for regular review and improvement

Recruitment Support

- Support HR team in recruitment as extended arms
- Execute Quick Wins



1. Redesign recruitment strategy and elevate the candidate experience

- Align the recruitment strategy to the talent strategy for Richmond
- Tackle the recruiting approach by focusing on:
 - Formalizing workforce planning to make the overall process more proactive,
 - Simplifying job requirements and postings,
 - Optimizing the current sourcing channel mix and structure (i.e., exploring adoption of task-based sourcing strategies vs. full-time FTEs),
 - Streamlining the recruitment process to achieve the desired candidate experience and improve coordination between HR generalists and hiring managers,
 - Empower the hiring managers to be more active participants in the process (i.e., standardization of interview questions, reference checking guides, trainings etc.),
 - Identifying key metrics to be used to measure efficiency (e.g., time to hire), effectiveness (e.g., quality of hire, offer acceptance rate), and satisfaction (e.g., new hire satisfaction),
 - Exploring tools & technology options to expedite workflows and track and report on KPIs, and
 - Enabling day 1 readiness through efficient and effective onboarding of new hires.

2. Develop a Continuous Improvement Framework for regular review and improvement of processes

3. Execute Quick Wins and Provide Recruitment Support

- Onboard temporary recruiting surge support to address immediate recruiting needs
- Execute identified quick wins to tackle time to hire first

Recruitment Surge and Strategy (2 of 2)

This initiative aims to execute quick wins to address immediate staffing needs and strengthen / future-proof Richmond's talent acquisition capabilities amidst increased market pressures.



Initiative Owner

- Human Resources



Stakeholders

- Chief Administrative Officer
- All Department Leaders



Outcomes

- Improves quality of hires and helps in achieving diversity goals
- Reduces requisition backlog and helps in filling open roles
- Improves insights relating to future workforce skills, competition focus and enables strategic decision making for HR
- Adapts processes, trainings and strategy to firm requirement and candidate expectations
- Reduces 'time to hire' and 'time to start' for current open requisitions without impacting quality of hire (e.g., streamline approval path(s), evaluate offer packages)

BENEFIT: HIGH

- Promotes a dedicated, empowered and skilled workforce
- Promotes an inclusive and positive working environment

DIFFICULTY: LOW

- Moderate financial investment required
- Requires minimal sponsorship and commitment from leaders
- Moderate change management required



By the Numbers

- A targeted recruitment strategy significantly improves performance of the organization:
 - High performers are **400%** more productive than average performers¹
 - Hiring algorithms outperform human judgement by at least **25%** irrespective of the level of vacancy²
 - **25%** firms use of automated prescreening to review job applicant's resume⁴
- It also results in significantly improving departments' performance on key metrics:
 - Improves the ability reduce time to hire to cross industry benchmark of **36 days**⁴
 - Reduces average cost per hire closer to cross industry benchmark of **\$4,425**⁴
 - Increases offer acceptance rate closer to cross industry benchmark of **91%**⁴

¹ Herman Aguinis and Ernest O'Boyle Jr., "The best and the rest: Revisiting the norm of normality in individual performance," *Personal Psychology*, Volume 65, Issue 1, Spring 2012, pp. 79–119, onlinelibrary.wiley.com. ² David M. Klieger, Nathan R. Kuncel, and Deniz S. Ones, "In hiring, algorithms beat instinct," *May 2014*, Volume 92, Number 5, hbr.org.

³ [Shrm](#)

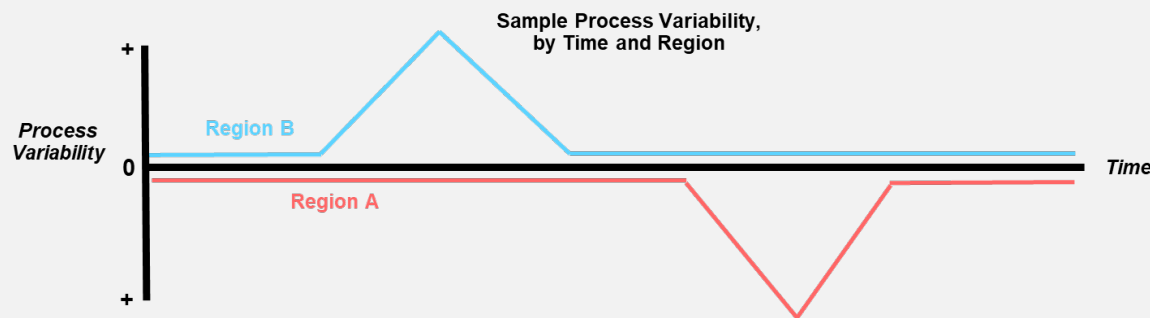
⁴ [Shrm](#)

Process Re-engineering (1 of 2)

Reimagine critical processes with an internal customer lens to improve their efficiency and leverage technology to automate manual and repetitive tasks



Key Activities



Methodology Approach	Description	Impact on Diagram Above
Standardize	Change various parts of the process (that are being executed inconsistently) so there is a uniform, consistent way of executing the process across locations, functions, departments, etc. in the Future State	Lines come together
Optimize	Change various aspects of the process (people, process steps, technology) to affect improved efficiency and effectiveness in the Future State	Lines become shorter
Innovate	Current process is so dysfunctional we will scrap it entirely and start over with a clean sheet of paper	New lines are created

KEY DESIGN QUESTIONS

- Are all activities essential?
- Do all activities add value?
- Did I achieve the outcome established for the process?
- Does the individual have the right capability to perform the tasks?
- Is the sequence efficient? Where is there excessive waiting?
- Are handoffs limited?
- Are approvals streamlined?
- Should the process be automated?
- Is data easily accessible?

1. Prioritize Processes- “Which processes to target first and where do we stand today?”:

- Identify relevant processes:** From the fiscal and efficiency study, the following processes were mentioned most frequently by staff as “inefficient”: budget transfers, recruiting and hiring, offboarding, and specialized procurement, legal review and zoning / permitting
- Prioritize in-scope processes:** Determine prioritization levers to identify which processes need to be redesigned based on their criticality, ease of implementation and impact

2. Design end to end future process: Conduct collaborative workshop to draft and document detailed to be process flows.

- Leverage industry best practices and design principles to redesign processes from an end-user / customer / resident perspective
- Use “wastes” questions (listed on the left) to guide workshops
- Align future state processes with service management efforts (see separate initiative) to determine roles, responsibilities, service level agreements and metrics on effectiveness, efficiency and quality
- Identify where automation can be leveraged to improve process efficiencies

3. Implementation Planning and Continuous Improvement Approach

- Develop an implementation roadmap considering process dependencies
- Develop training on new ways of working and customer service expectations
- Execute a change management plan for all stakeholders, including communications, training and upskilling, and readiness
- Develop a continuous improvement plan for regular monitoring of relevant KPIs and the process for obtaining feedback

Process Re-engineering (2 of 2)

Reimagine critical processes with an internal customer lens to improve their efficiency and leverage technology to automate manual and repetitive tasks



Initiative Owner

- To be defined by city



Stakeholders

- Chief Administrative Officer (CAO)
- All Department Leaders



Outcomes

- Improves resident outcomes
- Increases efficiency and enhances utilization of resources
- Eliminates redundant, time-consuming and manual tasks
- Accurately tracks organization progress on key impactful metrics for effective resource planning and future strategies
- Enables more strategic workforce

BENEFIT: HIGH

- Improves citizen outcomes and experience
- Enables data driven decision-making and continuous improvement
- Creates an accountable, open and results-driven culture

DIFFICULTY: MODERATE

- Requires sponsorship and commitment from leaders
- Moderate financial investment required
- Moderate change management required



By the Numbers

- Process transformation and a focus on customer experience can result in the following:
 - Reduce cost of compliance by **25-50%**¹
 - **>50% lower costs** for organizations when interacting with the public administration²
 - Rationalize IT spends by **10-15%**¹
 - Save **10-15%** in costs by sharing administrative resources¹
 - **~60% less** case handling effort through automated processing²
 - Improve productivity by **10-20%**¹
 - Reduce lead time / cycle time by **30-50%**¹
- Process automation can further:
 - Reduce cycle time by up to **80%**¹
 - Reduce costs by **20-40%**¹
 - Improve process outcome accuracy to **99%**¹
 - Reduce manual transactions by **60-80%**¹

¹ Accenture Research

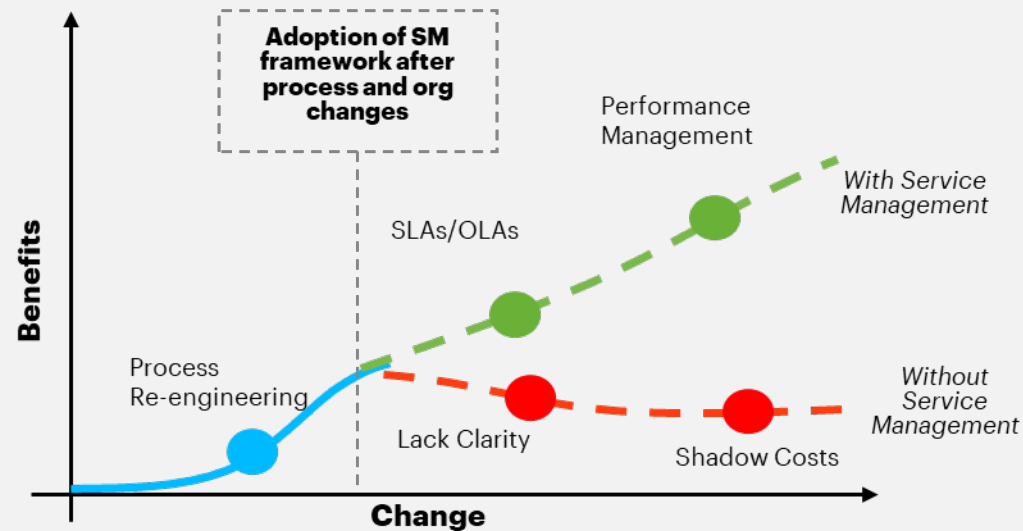
² German National Regulatory Control Council

Service Management (1 of 2)

The Service Management initiative builds a framework that defines how support functions will operate to strategically serve employees and departments and pilots that model for a high-performing department



Key Activities



With Service Management...

- Service excellence culture
- Clear definition of services
- Timely communication
- Measurable performance indicators

Without Service Management...

Benefits of shrink due to lack of shared accountability for performance and increase in shadow cost over time

- 1. Validate processes identified during the assessment that require service management definition**
 - Review current service management approaches in place today
 - Conduct Discovery Workshops to determine processes, amongst those that were re-engineered, that require service management definition
 - Define the core design principles for future state service management
- 2. Draft SLAs.** Conduct collaborative workshops and draft and document the following:
 - Service scope definition including exclusions and limitations
 - RACI (Responsible, Accountable, Consulted, Informed) matrix
 - Timeline and tracking mechanisms
 - Performance standards
 - Performance Indicators (KPIs)
 - Enforcement mechanisms and measurement mechanisms, as required
- 3. Implement Modifications:**
 - Define required team structure and skills to implement SLAs
 - Develop training on new ways of working and customer service orientation
 - Execute a change management plan for all stakeholders, including communications, training and upskilling
 - Setup regular cadence to review and update SLAs based on internal and external stakeholder feedback
 - Pilot key components of new model and deploy with that department

Service Management (2 of 2)

The Service Management initiative builds a framework that defines how support functions will operate to strategically serve employees and departments and pilots that model for a high-performing department



Initiative Owner

- To be defined by city



Stakeholders

- Chief Administrative Officer (CAO)
- All Department Leaders



Outcomes

- Improves how support functions strategically partner with the organization
- Improves in citizen outcomes through transparency and performance standards
- Aids planning by enabling data driven decision through monitoring of relevant KPIs
- Improves the employee experience and received services



By the Numbers

- Service Management definition significantly improves metrics, cost and employee productivity:
 - Well documented processes, SLAs, & KPI have shown that organization can reduce their cost of operation by **20-30%**¹
 - Improve employee satisfaction by **30-40%**¹
 - Increase employee productivity **10-20%**
 - Improve time to hire by **50%**¹

BENEFIT: HIGH

- Enables data driven decision-making and continuous improvement
- Creates an accountable, open and results-driven culture

DIFFICULTY: MODERATE

- Requires sponsorship and commitment from leaders
- Moderate financial investment required
- Moderate change management required

Review Zoning & Permitting

This initiative aims to address issues related to Zoning and Permitting through process re-engineering, service management and citizen review



Key Activities

- Draft a final to-be process flow for 'Development Review Process' along with its authority matrix, accountability, KPIs, timelines, service quality and identify appropriate automation tools
 - Enable application tracking functionality for citizens on the Online Permit Portal
 - Define mechanism for collaboration between DPR, DPU and DPW along with regular cadence to clear pending issues, if any
 - Enforce timeline for review of the request and communication of outcome
- Internally validate the process from SLAs, KPIs and Citizen lens
- Validate the to-be process flow from citizens: Conduct a citizen review of the process by means of collecting response online and through mails and incorporate relevant feedback
- Define required team structure and skills to execute redesign processes
- Develop training on new ways of working and customer service orientation
- Execute a change management plan for all stakeholders, including communications, training and upskilling



Initiative Owner

- Planning & Development Review



Stakeholders

- Chief Administrative Officer (CAO)
- DPR, DPU and DPW
- City Auditor



Outcomes

- Improves on citizen outcomes through increased efficiency and enhanced utilization of resources
- Promotes better coordination between departments (DPR, DPU & DPW)
- Increases citizen satisfaction from the city services and helps in improving the score received for Customer Service

BENEFIT: HIGH

- Improves citizen outcomes and experience
- Enables data driven decision-making and continuous improvement
- Creates an accountable, open and results-driven culture

DIFFICULTY: MODERATE

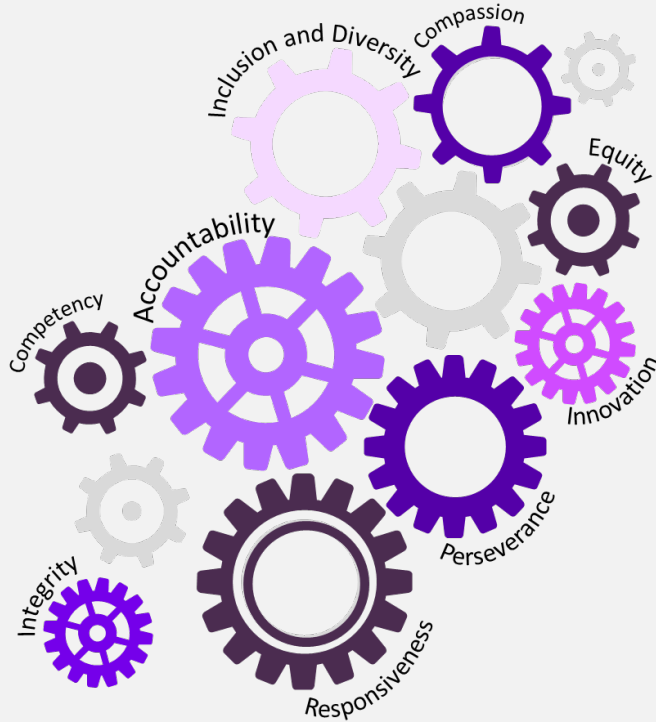
- Requires sponsorship and commitment from leaders
- Moderate financial investment required
- Moderate change management required
- Moderate resource commitment required

Define and Train on the Core Values (1/2)

This initiative involves definition, dissemination, training and integration of core values and code of ethics.



Key Activities



1. **Executive Endorsement:** Incorporate a positive message from the Mayor that expresses Richmond's commitment to the Code of Ethics across all levels. Additionally, the message should entail the importance of the code pertaining to the success of the city.
2. **Revisit Core Values:** Refine and update based on changes made to the Mission, Vision and Strategic Goals.
3. **Revisit Code of Ethics:** Refine and update to ensure inclusion of potential legal issues, regulations and compliance, violations and/or areas of risks, demographic inclusion, internet-use, moral values, punctuality, decision making, remote working, social factors, workplace behavior, protection of City assets, and how an employee would report concerns or risk. Additionally, incorporate Core Values into the updated Code of Ethics to serve as a key factor supporting each item.
4. **Training:** Facilitate training sessions to introduce the updated Core Values and Code of Ethics. During this session, train employees to incorporate the Core Values and Code of Ethics into their daily work life.
5. **On-going Efforts:** Consider biennial updates to Code of Ethics based on change of workplace climate and environment shifts. Training should be at employee hire and annually.

Define and Train on the Core Values (2/2)

This initiative involves definition, dissemination, training and integration of core values and code of ethics.

Initiative Owner

- Human Resources

Stakeholders

- All departments
- School Board and RPS
- Mayor and City Council

By the Numbers

- The code of ethics is the document to guide employee behavior, while the code of conduct provides the backbone to the Code of Ethics.
- National Council on Interpreting in Health Care (NCIHC) has developed code of ethics that is focused on an extensive input gathering process and implementation plan.
- Ethics Resource Center's 2007 National Government Ethics Survey.
 - **60%** of government employees see misconduct in the workplace
 - **30%** percent of misconduct across government goes unreported to management

Outcomes

- Communicates workplace conduct
- Provides competitive advantage in performance criteria
- Encourages a culture based on honesty, trust, ethical behavior, integrity, and performance
- Establishes positive reputation with residents and partners
- Provides guidelines for adhering to rules and regulations
- Attracts new talent
- Upholds strategic mission and vision in everyday practice

BENEFIT: HIGH

- Promotes a Dedicated, Empowered and Skilled Workforce
- Creates an Accountable, Open and Results-Driven Culture
- Promotes Inclusive and Positive Working Environment

DIFFICULTY: LOW

- Moderate financial investment required
- Requires sponsorship and commitment from leaders
- High level of Change management efforts required

An aerial photograph of a city skyline, likely Atlanta, Georgia, featuring a mix of modern high-rise buildings and older brick structures. A prominent purple gradient overlay covers the left side of the image. In the foreground, there are several large, multi-story brick buildings, some with flat roofs and others with more complex architectural details. A tall, thin brick chimney stands out among the buildings. To the left, a large, open area with a grid-like pattern, possibly a sports field or a large parking lot, is visible. The background shows a dense urban landscape with numerous skyscrapers and a hazy sky. The text "CURRENT STATE FINDINGS" is centered in the middle of the image in a bold, black, sans-serif font.

CURRENT STATE FINDINGS

Mission, Vision and Strategy

Mission, Vision, and Strategy

Richmond does not have a Citywide strategic vision, mission, or associated goals. While the Richmond 300 plan provides a common Citywide platform for focus, it is not a strategic vision. Furthermore, the City Charter does not align with the Council-Mayor structure. Together, this results in a variance in the level of connection departments and staff feel towards organizational priorities.

Issue Areas

- **Citywide strategic vision:** An overarching strategy, mission, and associated goals do not exist, leading to priority misalignment.
- **City Charter Commission:** The current City Charter does not enable the Council-Mayor Form of Government.
- **Unified Stakeholder Communications:** A lack of unified narrative on what the City is doing for its community stakeholders causes confusion.



Citywide Strategic Vision

An overarching strategy, mission, and associated goals do not exist, leading to priority misalignment.

- Currently, the Strategic Plan serves as an operational plan, not an overarching 5-10-year strategy.
- Department priorities do not correlate to organizational priorities, mission or vision statements.

Leaders pointed to **different** documents as their "**strategy**," yet there was no single voice or agreement.



Strategic Plan Misalignment

Areas of Misalignment

A vision statement should give purpose to the organization's existence, while defining what the organization hopes to ultimately achieve.

- The existing vision statement for the City of Richmond does not provide a visual of the City's aspirations in a clear and memorable way beyond day-to-day action.

A strong mission statement inspires an organization to work toward a common objective. A mission statement should answer the who, what, and how an organization functions.

- The existing mission statement focuses on answering the how without aligning the current focus and proposed direction.

A comprehensive plan should correspond to the separate departments' strategic goals and the corresponding individual employee performance plans.

- The Strategic Plans do not include key performance measures that quantify and monitor progress and success.

Mayor Bowser's Vision for DC Inclusive Prosperity

→ Vision & Mission Statement

Mayor Bowser's vision is for DC to **become the global model for inclusive prosperity and resilience, showcasing how diversity and innovation can drive equitable economic growth.**

- DC must grow inclusively and not become a city accessible only to those with wealth and privilege.
- DC's diversity is a strength that positions us to innovate, but must also be actively preserved and cultivated.
- DC is in a strong economic position, but we must continue to be proactive and forward-looking to continue our momentum and remain economically vibrant.

→ Measurable Goals

- **Grow a vibrant and resilient economy driven by private sector expansion.** Specifically, grow the DC private sector economy to \$100 billion (by 20%), by the end of 2021. Private sector GDP as of 2Q16 was \$83.4 billion.
- **Foster economic prosperity for all Washingtonians by increasing job opportunities and decreasing employment disparities by the end of 2021.** Reduce unemployment across wards, races, and educational attainment levels, bringing unemployment levels **below 10%** in all segments by the end of 2021.
- This goal translates to the following targets:
 - **Reduce unemployment levels of African-American residents.**
 - **Reduce unemployment levels of high school graduates without a Bachelor's degree.**
 - **Reduce unemployment levels of Wards 7 and 8.**

Fairfax County

Developing strong strategic goals with a clear visible mission and vision

The Challenge: maintain continuity of county operations while simultaneously adapting to an unprecedented emergency, with immediate and wide-ranging impacts on public health, the economy, education, and the sudden inability of many of our residents to meet their most basic needs and support their families.

Structure	Outcome Statement	The aspirational future state for Fairfax County.
	Introduction/Summary	Context about the priority area.
	Challenge Question	Describe the problem/opportunity people are experiencing informed by evidence, data, subject expertise, outside perspectives and realities.
	Indicators	Ways to measure progress, both for the community at large and for county government. They are clear and quantifiable.
	Metrics	Specific data points to track whether Fairfax County is making progress.
	Strategy	Actions that need to be taken to address identified challenges that are measurable.

Example Priorities From Fairfax County Strategic Plan:



Cultural and Recreational Opportunities

Outcome Statement

Fairfax County is a place where all residents, businesses and visitors are aware of and able to participate in quality arts, sports, recreation, and culturally enriching activities.



Economic Opportunity

Outcome Statement

Fairfax County is a place where all people, businesses and places are thriving economically.



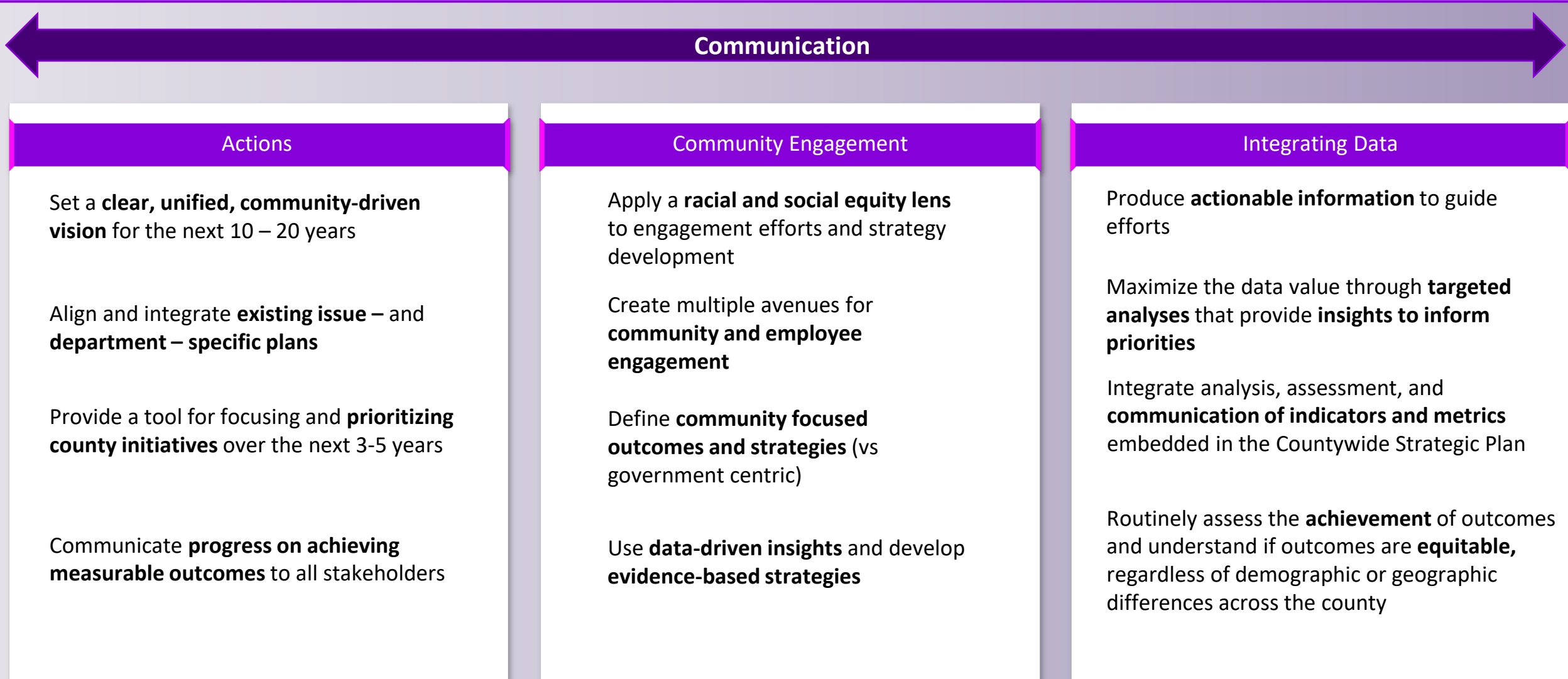
Effective and Efficient Government

Outcome Statement

Fairfax County is a place where all people trust that their government responsibly manages resources, provides exceptional services, and equitably represents them.

Fairfax County – How?

The following actions and guiding principles support the strategic planning work:



Citywide Strategic Vision:

An overarching vision, strategy and associated goals do not exist, leading to priority misalignment.

By the Numbers

- Only 25% of the citizens consider crime prevention as excellent or good.
- 75% of the citizens feel that K-12 education system is underperforming.
- 78% of residents feel they don't get the value of services for the taxes paid and that the availability of affordable housing is inadequate.
- There is **no evidence** of a facilities or aging city infrastructure modernization or replacement plan that prioritizes projects in the Capital Improvement Plan.
- There is **no evidence** that the city of Richmond is participating in the Low-Income Housing Tax Credit (LIHTC) program.

IDENTIFIED ISSUES

	Description	Example
Resident Impact	Residents indicate that the city has failed to focus on key issues that affect their everyday lives.	Residents feel that an effective crime prevention strategy has not been undertaken by the city.
Strategic Planning	The City of Richmond is behind in opportunities of looking at how to operate efficiently.	There is no provision within the Strategic Plan that provides guidelines and resources for capital projects.
Infrastructure Impacts	The aging infrastructure makes the increased demand for service delivery unsustainable.	There is a lack of and a growing need for affordable rental housing units.

Residents' priorities **do not** correlate to initiatives across the entire organization with metrics to measure progress.

City Charter Commission

The current City Charter does not enable the Council-Mayor Form of Government

	Charter Change Commission	Transition to Council-Mayor Impact	Administrative Impacts
Description	- City Council is split on the Charter Change Commission - Example problematic wording from the Charter: "5A.03. Personnel rules and regulations. The council, upon receiving any recommendations submitted to it by the mayor, shall establish a personnel system for the city administrative officials and employees." "6.16. Amendments after adoption:(e) No appropriation for debt service may be reduced or transferred, and no appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of the unencumbered balance thereof. The supplemental and emergency appropriations and reduction or transfer of appropriations authorized by this section may be made effective immediately upon adoption. (1948, c. 116; 1982, c. 658; 1985, c. 22; 1998, c. 711; 2004, cc. 877, 898)"	- The City Charter does not reflect the changes needed to operationally run the City. This leads to unclear roles and responsibilities. - The lack of clarity in the City Charter regarding the Council-Mayor stance creates conflicting processes, misalignment and confusion in roles and responsibilities	- Basic administrative functions are directed by the Charter and Ordinances, limiting the departments' ability to quickly adjust and meet resident needs. - There is no formal discussion of how an operational change/decision proposed by Council impacts funding of other initiatives downstream. - The yearly assessment cycle was changed to accommodate a 2-cycle tax billing system which does not allow for the most recent market valuation data to be incorporated into the yearly assessment decisions. This issue keeps the City's assessment values running behind the current escalating real estate market.
Supporting Data	- The charter does not allow the following, for e.g.: - Personnel rule approval - Inability to create classifications - Inability to create departments and offices as needed - Inability for the budget director to do budget transfers - Inability to change titles in pay bands (see ORDINANCE No. 2021-054)	Paving miles completed by the Public Works department is based totally on CIP funding, which must be approved by City Council	- The city Sales and Use Tax percentage of 5.3% is lower than all the other peer cities with Raleigh being the highest at 7.5% - The city Real Estate Tax Rate of \$1.20 per \$100 of assessed value is in the middle of benchmark cities with the lowest being .97 and the highest being 1.27 per \$100 of assessed value

Unified Stakeholder Communications

A lack of unified narrative on what the City is doing for its community stakeholders causes confusion

By the Numbers

Just 47% of citizens have a positive overall image or reputation of the city.

"5 members of the School Board put forth the construction resolution and indicated a student population of **1600 students**. Demographic data indicates that number is closer to **2000 students**. As a result, funding has not been transferred for all the student population. With increased expenses, children are paying that price."

IDENTIFIED ISSUES

	Description	Example
Internal Communications Processes	The Richmond government personnel need to be better aligned to the City's priorities for maximum impact, effective service delivery and allocation of resources.	Employees do not feel empowered, recognized or appreciated, nor are expectations and responsibilities always clear and concise.
Distinct Goals	Employees might not work with a common vision leading to different agendas while serving the City.	There is a lack of coordination between the administrative staff and Council staff on addressing key initiatives.



*Source: VCU 2017 survey results, Citizen survey, One Richmond

Organization and Governance

Organization and Governance

While intra-department collaboration is evident, inter-department collaboration and communication is hindered by unclear roles, responsibilities and expectations on how to work together both between the branches of government and within administration. This issue has resulted in inefficiencies stemming from organizational silos, duplication of activities and misalignment between team responsibilities and core competencies.

Issue Areas

- **Organizational Silos:** Organizational silos are encouraging inefficiencies, and departments are not aligned with shared objectives.
- **Duplication of Activities:** The duplication of activities, especially between the Richmond Public School System and the City of Richmond creates unnecessary confusion and increased costs and impacts service delivery.
- **Functional Misalignment:** There is a misalignment between the organizational structure and team responsibilities resulting in disorganization of core competencies.

Organization and Governance

While intra-department collaboration is evident, inter-department collaboration and communication is hindered by unclear roles, responsibilities and expectations on how to work together both between the branches of government and within administration. This issue has resulted in inefficiencies stemming from organizational silos, duplication of activities and misalignment between team responsibilities and core competencies.



Organizational Silos

Organizational silos are encouraging inefficiencies, and departments are not aligned with shared objectives.

By the Numbers

The Government FTE per Resident Served in Richmond is **only 53.56**, which is significantly less than the comparative jurisdictions of Madison (87.02), Raleigh (107.66), Durham (119.56).

The Span of Control for Richmond is **4.43%**, which is **in line with** comparative jurisdictions.

The issue is **not the size of the organization** or the span of control between managers and staff, but rather the **infrastructure of operations** (policies, procedures, technology, vision, etc.).

Administrative Functions and Capabilities

- Departments face challenges following new rules and guidelines after the 2020 liaison centralization of the Human Resources Department.
- A lack of formal ways of working between City Council and Administration leads to an overreliance on resolutions to “get things done”.
- A lack of voice for technology related programs and issues leads to the inability to realize economies of scale.

Example: IT is inconsistently involved in recommending technology solutions to address departments’ business needs. Departments make technology issues without an enterprise-wide view.

Executive Branch

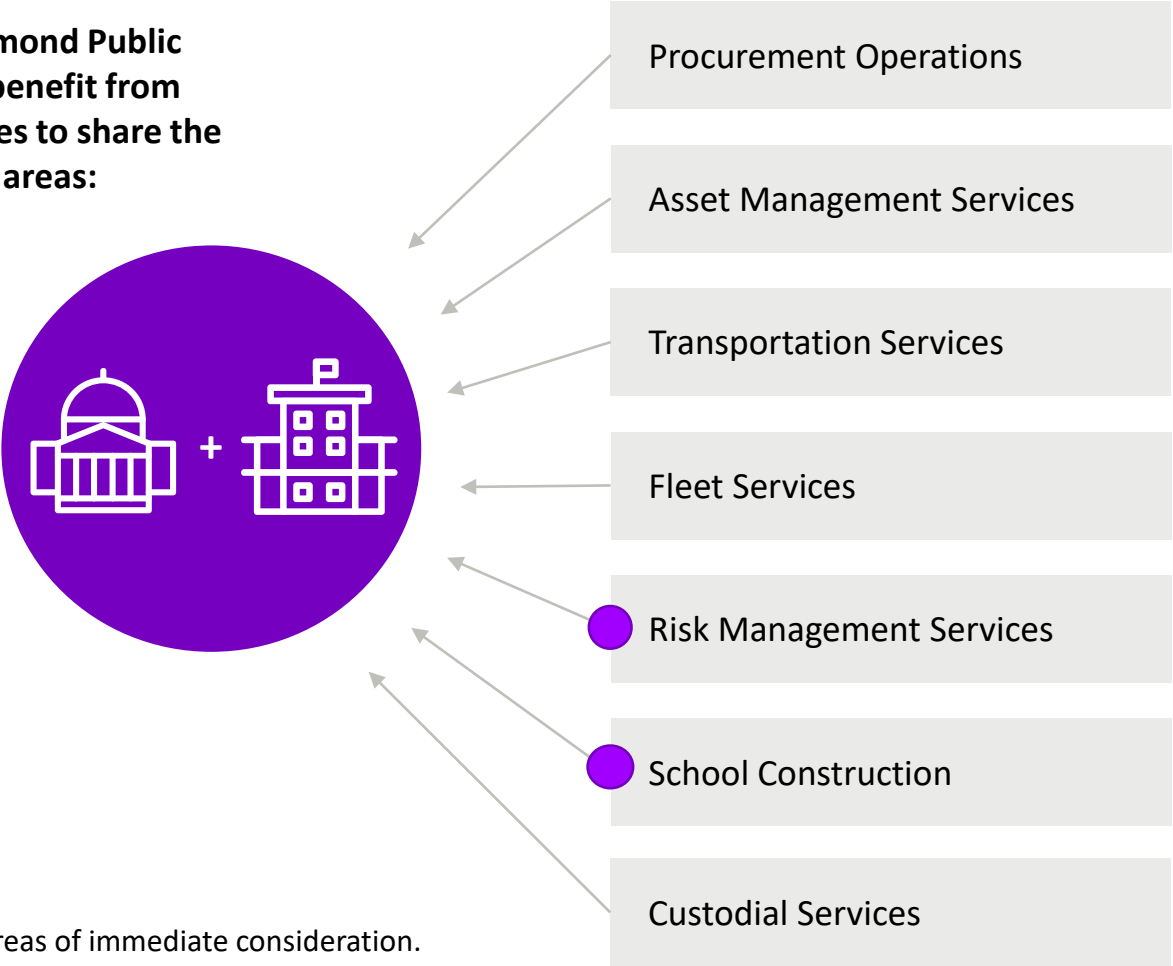
- There is an opportunity to improve collaboration between the Council Chief of Staff Office and the Chief Administrative Office to elevate the Chief of Staff Office beyond an administrative focus (i.e., assisting in drafting ordinance and resolution requests, policy and budget preparation, research, analysis, communications, and compliance).
- All Council Agencies do not currently report to the Chief of Staff.
- Incongruencies in priorities exist between the Executive Branch and the Legislative Branch of the city.

Example: The Council Chief of Staff does not align directly with the Chief Administration Officer daily, which results in Department Heads interacting with Councilmembers directly.

Duplication of Activities

The duplication of activities, especially between the Richmond Public School System and the City of Richmond creates unnecessary confusion and cost and impacts service delivery.

The City and the Richmond Public School System could benefit from exploring opportunities to share the following operational areas:



These are the areas of immediate consideration.

Issue: Department Overlap

Existing department goals are duplicative across departments.

Example: Overlap between the Affordable Housing & Community Development and the Office of Community Wealth Building (e.g., Job Development Training for Entrepreneurs)

RPS should conduct an evaluation of opportunities to save resources and improve services by completing a cost-benefit-analysis managed competition process around many of these areas.

The City of Richmond operations maturity to manage some of these shared services should also be taken into consideration.

Please note, the project team contacted the School Board to participate in this study and met with the RPS Superintendent, however the School Board Chair and Vice Chair decided not to participate.

Functional Misalignment

There is a misalignment between the organizational structure and team responsibilities, resulting in disorganization of core competencies, in turn leading to a loss of trust and satisfaction from the public.

Department Misalignment	1 In addition to the Human Resources Office, the City Attorney's Office has assumed responsibility for handling internal complaints received by employees.	2 Existing roles and responsibilities are ambiguous and demonstrate a lack of accountability.	3 Most department performance measures have no structure or standard and/or are not being utilized.	Gallagher study: Council removed of levels within designation and changed job classifications without assessing readiness of the administration. Consequently, job roles and designation misalign with newly created department's requirement. Additionally, motivation to perform well or get accreditations dropped since levels have been removed.
External Misalignment	1 Misalignment on public priorities and staffing shortages are negatively affecting customer service.	2 Residents express lack of confidence in city economic development activities.	3 No explicit FOIA representation, leading to department employees diverting from daily duties to act as FOIA officers and causing delays in adherence.	57% of residents believe economic development is not effective. 69% of residents believe the city leadership is withholding information regarding issues facing the city.

Example: Delays in the process of getting workers compensation and auto claim information from police

People and Talent

People and Talent

ISSUE AREAS	RECOMMENDATIONS
• Undefined Talent Strategy: The organization lacks a cohesive talent strategy and tactical execution plan to ensure a consistent and positive employee experience. • Reactive and Lengthy Talent Acquisition Process: The talent acquisition process is often passive and reactive and relies on manual handoffs and too many approvals. As a result, the candidate experience and the ability to quickly hire quality candidates suffer and staffing shortages aren't addressed. • Uncompetitive Compensation: The city offers lower compensation than neighboring counties impacting the City's ability to attract and retain talent. • Unclear Career Pathways: Employees face unclear career pathways and an absent performance management process, hindering a culture of meritocracy. • Ad-hoc Learning and Development: Absent defined career paths, the City's ability to identify critical skills and grow its employees in a purposeful, proactive way is limited.	• ★ Define Talent Strategy: Identify and align the skills, knowledge, attitudes, and culture required to fulfill the City's vision. Analyze existing talent pools to determine workforce strengths and needs and develop plans to address talent gaps. • ★ Employee Value Proposition: Create a strong and differentiated 'people brand' for the City with targeted engagement campaigns. • HR Service Delivery¹: Create a model including a new organization structure, roles, responsibilities and skills that outlines HR ownership and interactions to improve quality, customer service and efficiency of HR services provided to employees. • ★ Recruitment Surge Support Refresh¹: Focus on addressing current vacancies and requisitions through recruiting surge support while also identifying continuous improvement opportunities to streamline the process, improve the candidate experience, and embed performance metrics • Define Career Pathways: Define, design and link COR's competency model to jobs and pathways to enable career growth. • Compensation, benefits & bonus updates¹: Define a compensation philosophy and develop a structure including regular benchmarking with neighboring counties to provide an appealing overall compensation and benefit package to employees. • Performance Management Refresh: Develop a strategy and program to drive a culture that values, incentivizes and measures high performance and contributions to objectives. • Employee Relations Center of Excellence¹: Develop an Employee Relations center of excellence that provides dedicated and specialized support to guide and manage employee relations issues. • Learning Refresh and Leadership Training: Align the organization's learning strategy, curriculum and training with career paths and competencies to provide employees with relevant opportunities to learn and grow.

Undefined Talent Strategy (1/2)

The organization lacks a cohesive talent strategy and tactical execution plan to ensure a consistent and positive employee experience. However, in the proposed FY23 budget, initiatives relating to 'Performance Ownership' have been suggested by the administration.

Missing Talent Strategy

- There is no defined Talent Strategy nor a roadmap on how the organization becomes "an employer of choice".
- Without a talent strategy, people, skills and work are misaligned.

→ Employment Brand

- While employees are passionate about Richmond, there isn't a strong 'people' brand for the City of Richmond.
- There is no corresponding employee value proposition to support the attraction, retention and engagement of talent.
- The HR website has no mention of the HR strategy or employment brand. Instead, it is focused on forms, rules and regulations.
- The city, however, does have an Employee Engagement Committee.



Inconsistent Employee Experience

- **There is no consistent employee experience:** Employees experience critical career events and the general work environment differently based on where they sit in the organization and who their leader is.
- Multiple touchpoints across the employee lifecycle are not optimized to evoke a positive employee experience.

→ Onboarding

- The city lacks a holistic onboarding program to ensure that new employees are prepared to be successful in their new roles in the first week.
- This includes ensuring that employees have access to the right resources (i.e., people, technology and documentation) before they begin.

→ Learning and Training

- Learning and training opportunities are dependent on what your department offers.
- There is no training on the Vision of the organization, ethics, compliance, or how the organization works (e.g., form of government).

→ Performance Management

- The inability to reward high performers and provide merit-based incentives hinders a culture of individual accountability.
- There is a slow process to off-board employees due to Charter limitations.

Undefined Talent Strategy (2/2)

The organization lacks a cohesive talent strategy and tactical execution plan to ensure a consistent and positive employee experience.



HR FTE to Total FTE Ratio

(City of Richmond vs Public Sector Benchmarks)

Metric	City of Richmond	Public Sector Benchmark
HR FTE to Employee	1 : 95	1 : 100

In terms of staffing levels, the **City of Richmond HR is currently at the public sector benchmark.** However, once all the established positions are filled, the HR function will move closer to a ratio of 1:85.*

Source:

- Annual Vacancy and Turnover Rates by Department, City of Richmond (As of Dec 31, 2021)
- FY22 Strategic Action Plan, City of Richmond

* Our recommendation is not to reduce HR staffing levels, but rather to prioritize filling leadership positions, explore restructuring the organization and refocus on enabling technology / processes.

IDENTIFIED ISSUES

While the staffing levels are adequate, HR operations are impacted by the following issues:

	Description	Example
Right Structure	The current organization structure does not enable and empower staff to achieve objectives.	• The current hierarchy has Analysts to Division Chiefs reporting directly to Director.
Vacant Leadership Positions	Key leadership and managerial positions are currently vacant in the department.	• 1 of 3 Division Chief positions is vacant. • The department lacks leadership staff to handle employee relations.

The Results: Staff is focused on transactional operations and are compliance driven.

Reactive and Lengthy Talent Acquisition Process

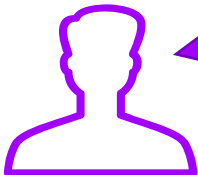
The talent acquisition (TA) process is often passive and reactive and relies on manual handoffs and too many approvals. As a result, the candidate experience and the ability to quickly hire quality candidates suffers and staffing shortages aren't addressed.

25% positions are vacant, including critical high-level positions¹

~\$12M paid in overtime in FY2020²

226 average days to hire a candidate³

7 - 8 different levels of approvals required to move from requisition to hire³



Departments believe the City of Richmond is poorly positioned to meet staffing demands.

IDENTIFIED ISSUES

Staffing Shortages	Employees work beyond regular hours, impacting burnout and turnover.	Employee morale falls as positions continue to remain open.
Reactive Process	No formal succession plans have been identified or implemented.	Departments do not proactively identify or prepare for workplace shortages or gaps.
Manual and Cumbersome Process	Manual screening of candidate application for providing the initial shortlist to the hiring manager	The 'Request for Recruitment' process requires between 5-6 approvers including redundant levels of approval from the Budget team.
★ • A digital approval process for 'Request for Recruitment' has been implemented in NeoGov, reducing the time for approval from 45 days to 4 days. • HR is exploring the following process efficiency opportunities: contingent offer letters to be sent before background checks and the ability to hire up to 15% above the midpoint without HR approval to expedite the process		
Ineffective Segregation of Roles	There is ambiguity of task ownership between departments and HR.	Hiring managers have limited self-service opportunities and should be more active in the hiring process.



1 - Annual Vacancy and Turnover Rates by Department, City of Richmond (As of Dec 31, 2021)

2 - Adopted Annual Budget FY22, City of Richmond (Considered actual figures for assessment. FY21 & 22 figures are in 'adopted' stage)

3 - Human Resources Recruitment & Hiring Process Audit, City Auditor, City of Richmond (May 27, 2021)

Reactive and Lengthy Talent Acquisition Process

Issues within the talent acquisition process negatively impact individual Departments, the Central HR team, as well as candidates. Each group experiences their own pain points and challenges during the recruiting and hiring process.



Department

Already overworked and short-staffed, the Department does not engage in succession planning

Seeks hiring guidance from Central HR but lacks clear delineation of Department vs. Central HR roles

Hiring Manager has limited involvement in candidate journey, instead relies on Central HR

Approvals sent to excessive number of individuals within and across departments



Central HR

Critical HR roles not currently filled

Manages end to end process including steps that should be owned by the Hiring Manager

Unable to elevate to workforce planning or succession planning discussions with Departments

Communication gaps including issues communicating expectations and how to move the process along



Candidate

Submits application which immediately hits bottlenecks given amount on Central HR's plate

Waits while application goes through multiple rounds of approvals, some unnecessary

If it is an internal candidate moving into an expanded role, the process is the same as an external candidate

Candidate removes themselves from the process given 200+ day timeline

Spotlight: Recruiting in Fleet Management

Fleet Management involves employees and the community in its recruitment processes.

BEST PRACTICES



Focus on referrals and create incentives to involve and encourage employees to participate



Recruit actively in the community – leveraging partnerships with local auto mechanic certification programs



Training plan in place for technicians with targets to measure progress



Employees / candidates are engaged actively through social events such as day in life, etc.



Technology for improving daily operations are well adopted

Example: mirror hangers in the rear-view mirror to receive instant feedback from drivers

Responsibilities and Duties

The Fleet Division:

- Provides maintenance, acquisition, repair and replacement services of the City's fleet
- Services more than 2600 units [vehicles, trailers, lawnmowers, etc.]
 - Supporting various equipment ranging from light duty/heavy trucks and fire apparatus
- Completes approximately 1200 maintenance work orders monthly
- Our mechanics have certifications through the following programs:
 - Automotive Service Excellence [ASE]
 - Compressed National Gas [GNG]
 - Hybrid and Electric Vehicles [EV]

Focus on employee training & certification

Service Desk

The Service Desk is responsible for writing all work orders. They schedule services for our customers and is responsible for calling in tows for disabled vehicles. The Service also dispatches technicians for road calls.

Automotive/Light Duty and Fast Line/Body Shop

The Automotive/Light Duty and Fast Line Shops are responsible for all maintenance, repairs, and inspections of automobiles and light duty trucks. The Car shop is high volume fast paced environment processing approximately 20 to 35 work orders a day with preventative maintenance services completed in about 45min. To aid in a quick turnaround time for waiting customers we established a fast lane concept which has a dedicated tech available to expedite quick maintenance or repair items.

Clear expectation from each function

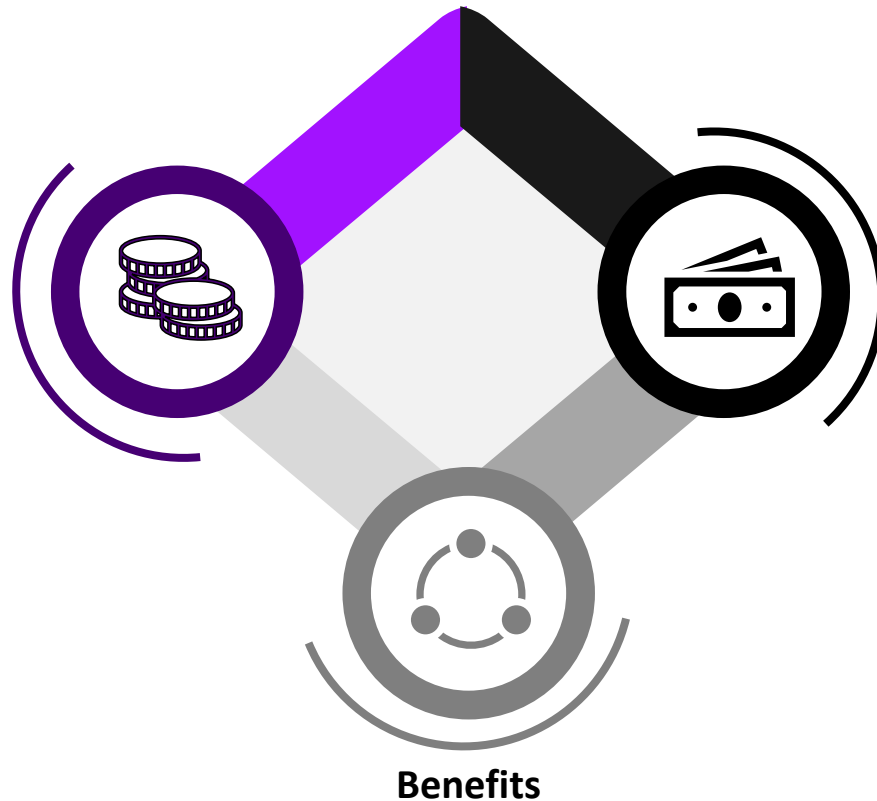
“ They don’t have high turnover because they hire internally through referral. They give folks a reason to work for the city. So, you make the atmosphere really inviting. ” – Feedback from a councilmember

Uncompetitive Compensation

The city offers lower compensation than neighboring counties impacting the City's organization to attract and retain talent.

Uncompetitive Pay

- Uncompetitive pay practices were most often cited as reasons for recruiting and retention issues.²
- The city is competing with neighboring counties and the private sector which offer a better pay.
- The city has also **proposed improvement in compensation in Fiscal Year 2023 budget**³:
 - ★ For Police & Fire:
 - New Step Plan with an average increase of 18% & Promotional rate increase from 5% to 10%
 - New categories for pay differentials/special assignments in Fire and Police
 - Removal of the two five-year period at the same salary level
 - For others: Min. \$17 per hour compensation and 5% Salary increase for those above min. threshold



The city offers several benefits, which are similar to those being offered by neighboring counties.

High Pay Variance

- For employees working at the same designation in a department, there can be a wide variation.
- For instance, an Emergency Communications Officer's pay band lies between \$37,000 and \$67,000 representing a variation of 80%.¹

Source:

1 – FY22 Compensation Plan, Human Resources, City of Richmond, Virginia

2 – Fiscal & Efficiency Study Interview / Focus groups + VCU 2017 survey results

3 - Re-setting the Foundation, Proposed Fiscal 2023 Budget, March 14, 2022

Case Study – Compensation

The City of Richmond offers lower pay in comparison to neighboring counties.

Career Path: Both counties have different career levels within the same designation to encourage employees to enhance their job knowledge and skills.

Pay scale comparison

- Henrico and Hanover County, both offer a higher pay compared to Richmond.
- Henrico county, at the highest level, pays 29% more than Richmond for accountants.

Designation studied – Accountant				
Jurisdiction	Designation	Minimum	Maximum	
Richmond	Accountant	\$ 47,330	\$ 70,995	
Henrico	Accountant I	\$ 47,266	\$ 86,948	^
Henrico	Accountant II	\$ 51,913	\$ 95,496	^
Henrico	Accountant III	\$ 57,016	\$ 100,080	^
Hanover	Accountant I	\$ 43,413	\$ 73,815	^
Hanover	Accountant II	\$ 47,913	\$ 81,457	^
Hanover	Accountant III	\$ 52,878	\$ 89,911	^

Hanover County offers Career Development Program:

- Each designation has up to 4 levels – I, II, III & Senior.
- There are core requirements that an employee needs to fulfill to move to the next level – Training, Hanover County Experience, and a Performance Evaluation Score.
- Advancement from one level to the next will result in a minimum 2.5% increase per grade, based on the employee's actual salary.

Source:

- FY22 Pay scale documents of Henrico and Hanover Counties
- Human Resources Policy, Hanover County

Unclear Career Pathways & Ad-hoc Learning & Development

Unclear Career Pathways:

Employees face unclear career pathways and an absent performance management process. This impacts the organization's ability to drive a culture that values, incentivizes and measures high performance.

▪ Undefined Career Pathways:

- Overall, additional work is needed to better define career levels, tracks, roles and competencies.
- At each career level, there is limited guidance on the key requirements (i.e., responsibilities, competencies and experience).
- *The administration has, however, proposed to remove funding dependent career development option Police & Fire personnel².*

▪ Ad-Hoc Performance Management:

- Despite publicly available Performance Evaluation policies and tools, processes vary by department and are not tracked centrally.

▪ Duration based compensation:

- Although tools exist to quantify employee contributions and assign salary hike bands, merit is not included in the employee compensation plan.



Unstructured Learning and Development (L&D):

Absent defined career paths, the City's ability to identify critical skills and grow its employees in a purposeful, proactive way is limited.

▪ Infrastructure:

- There are only ~3 full-time training FTEs for the City.¹
- The lack of in-city dedicated training facilities impacts training accessibility and prioritization.

▪ Leadership:

- The HR position responsible for driving L&D initiatives is vacant.

▪ Budget:

- There is a shortage of dedicated budget for L&D initiatives. The city spends just .32% of budget on employee training when the high-performance benchmark is ~2%.¹
- Departments need to manage training initiatives within the allocated budget meant for other tasks.

▪ Training Plans:

- There are limited structured trainings to aid pivotal career transitions of new promotes and leaders, to promote ethics and compliance, and to inform employees of the organization's mission and goals.

Source:

1 - FY22 Budget Document, City of Richmond

2 - Re-setting the Foundation, Proposed Fiscal 2023 Budget, March 14, 2022



Process and Technology

Process & Technology

Eager to be more strategic and proactive, departments are bogged down navigating manual processes, cumbersome and legacy reporting, and a patchwork of disparate technology, systems and tools.

ISSUE AREAS

- **Inconsistent Processes:** The lack of service level agreements and standard operating procedures coupled with policy inconsistencies have resulted in delays and poor customer service.
- **Inefficient Processes:** Current processes are often manual, slow and minimally supported by automation and technology.
- **Operational IT Partnership:** IT is currently engaged by Departments as a technology solutions implementor and fixer as opposed to an empowered strategic partner to pull into solutioning and delivering outcomes.
- **Disparate Technologies:** Disparate systems layered on top of obsolete technology increase the workload on an overburdened workforce and prevent leveraging data for improving citizen services.

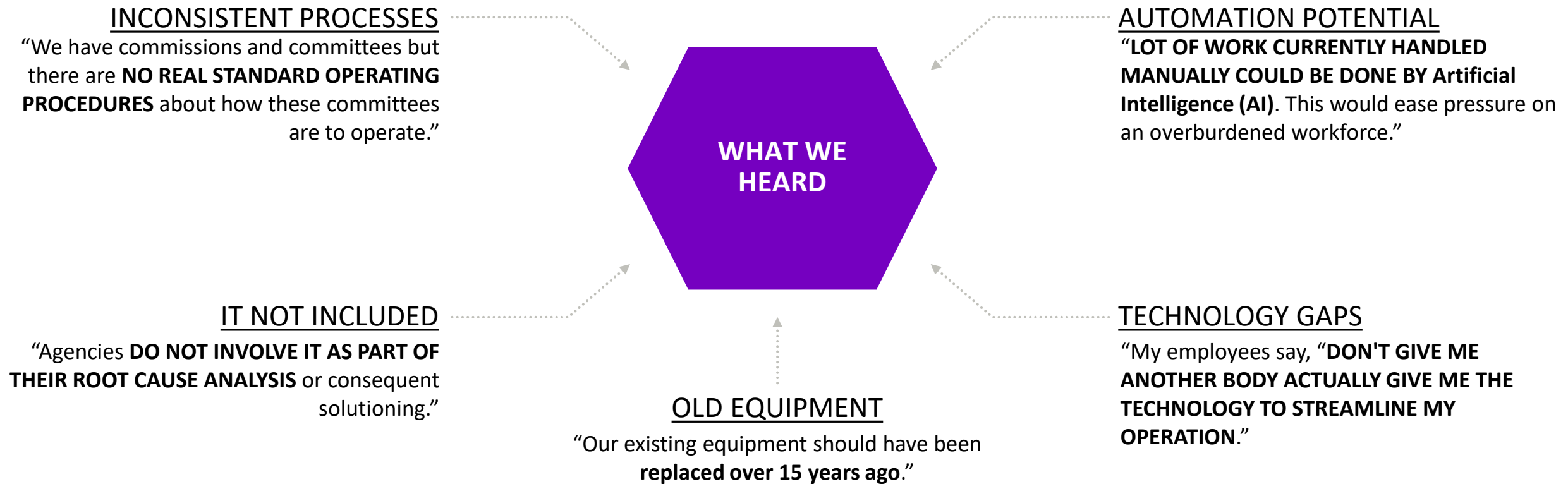
IN-FLIGHT & PROPOSED INITIATIVES¹

- **Information Technology:** As a part of reinvesting in core services and building internal capacity, the city has proposed to on-board website developers and considered technology upgrades.
- **Equipment Upgrade:** The city has proposed an investment of \$10M each (Total \$20M) for upgrade of vehicles and equipment and for planning (courthouse, public safety campus and city hall).
- **Maintenance:** A provision for \$15.7M for maintenance of assets like boilers, fire station aprons, parks, roofs, etc. has also been proposed.

Process & Technology

Eager to be more strategic and proactive, departments are bogged down navigating manual processes, cumbersome and legacy reporting, and a patchwork of disparate technology, systems and tools.

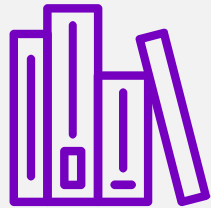
“Inconsistent and inefficient processes and obsolete technology hinder our ability to deliver” – Multiple Depts.



Inconsistent Processes (1/2)

The lack of service level agreements and standard operating procedures coupled with policy inconsistencies have resulted in delays and poor customer service.

1

**Lack of SLAs**

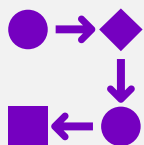
There is a lack of internal SLAs (service level agreements) and associated documentation to establish performance standards such as timelines, expected outcomes, and requirements for all involved parties.

Critical processes related to Procurement, HR, Finance, IT and Legal do not have agreed upon / shared SLAs

As a result, customers (employees) express frustration on the service levels received (timeline, responsiveness), while these functions lack structure to push back on requests, set realistic expectations and help balance workload of staff.

For e.g., Department of Information Technology (DIT) isn't notified when a personnel joins or leaves. Hence, there is lag between employees' first day and getting the required technology to start working. Likewise, there is a lag between employees' last day and their technology being deactivated, which poses a security risk.

2

**Absence of SoPs**

The lack of cross-department Standard Operating Procedures (SOPs) prevents a systematic approach to performing necessary operational activities:

The absence of protocol for formal consultation between the administration and Council before passing an ordinance causes confusion and creates risks.

The city lacks a change management process to ensure an effective implementation of initiatives.

The city lacks formal procedures on how commissions and committees operate or interact with City Council and/or the Mayor's Office.

Inconsistent Processes (2/2)

The lack of service level agreements and standard operating procedures coupled with policy inconsistencies have resulted in delays and poor customer service.

1

Contradictory and outdated policies on critical matters lead to decisions being taken inconsistently and/ or departments taking up unnecessary responsibilities. Examples include:



Policy Inconsistencies

The City Code allocates stormwater review responsibility to DPR.

Some employee benefits such as family medical leaves are a part of the policy area instead of the benefits area

Charter clause **“5.03 Involvement of mayor and council in appointment and removals.”** empowers the council to (i) communicate publicly or privately their approval or disapproval of the performance of any particular city employee, (ii) recommend persons to the chief administrative officer for consideration for hiring or promotion, or (iii) request of the chief administrative officer that he remove or take other disciplinary action against any particular city employee, as they may see fit.¹

The City Attorney’s Office receives internal complaints by employees as well as Human Resources.

The charter includes minutia on how to create a budget (down to the column level).

2

Performance metrics do not align with citizen outcomes

- Metrics used to measure a department’s performance do not align with expected nor prioritized citizen outcomes.
- **For example, one of the performance evaluation metrics for DPR** is the number of permits issues in a month, which does not reflect how much time it took to approve the application. The latter metric would impact customer satisfaction.

¹ –Section 5.03, Charter of the City of Richmond
<https://law.lis.virginia.gov/charters/richmond/>

Inefficient Processes (1/2)

Current processes are often manual, slow and minimally supported by automation and technology.

Key inefficiencies observed

Complex and slow processes	Too many approvals	Manual intervention and paper-based documentation	Inadequate delegation of authority	Unenforced or documented timelines	Limited reliance on data to make informed decisions	Lack of transparency and tracking
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How it is impacting city operations

Department/ Council wants to..	So, it interacts with...	And faces these issues...
Hire staff	Human Resources	• Too many approvals • Multiple back and forth between HR, Departments and Candidates • Limited manager / employee self-service options
Offboard non-performers	Human Resources & Review Board	• Rigid, outdated policy that requires excessive, paper-based documentation • Long time before the case is taken up by the review board who can re-instate such individuals
Procure/ upgrade equipment	Procurement Services	• Lack of technical writers leads to multiple back and forth between departments • The process requires approval from multiple departments such as Finance, DIT etc. • For procuring new technologies, emphasis is given on the departments having to prove that it is a new technology • Policy impact – Procuring additional items under existing contract requires re-writing of contract

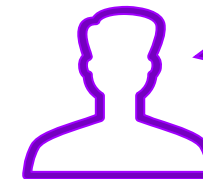
Inefficient Processes (2/2)

Current processes are often manual, slow and minimally supported by automation and technology.

Department/ Council wants to..	So, it interacts with...	And faces these issues...
Move funds between initiatives	Budget and Strategic Planning and Council	- Complex and time-consuming process to move funds including involvement of Council - Requires too many approvals - Only allowed to freely move funds when a state of emergency is declared - No delegation of authority, no thresholds
Prepare budget (Department)	Budget and Strategic Planning	- Due to outdated systems, manual entry in excel is done instead of RAPIDS budgeting module - Complex budget structure due to Charter (e.g., presence of lengthy and complex tables in the operating section impacting overall readability)
Review budget (Council)	Budget and Strategic Planning	- Lack of transparency relating to budgetary requirements of the departments - Late involvement of Council (The budget process starts in September, but Council is not involved until March)
Focus more on critical tasks	But it also generates reports that aren't reviewed	- Examples: grass cutting report, monthly professional services report (2.5 hours every month) - Annual emergency procurement report (Min. 2 hours) - Annual procurement violations report (Min. 2 hours)

How it is impacting Citizen Outcomes

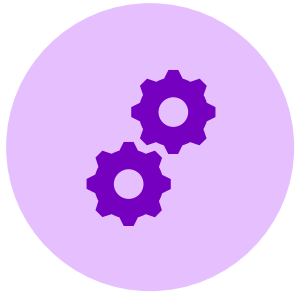
Citizen Applies for...	Associated Process	And faces these issues...
Permit for Single Family Homes	Multiple permits as required (incl. building plan)	- No certainty on when he/ she will hear back from the department - Is aware of the process but has no clarity on where his/her/their request is - Gets no update and eventually, follows-up with administration to know the current status



Only 52% of residents rate customer service as good or excellent which is below peer city benchmark*



Technology Considerations (1 of 2)



Operational IT Partnership: DIT is currently perceived as a technology solutions provider rather than a strategic partner for setting and enforcing an enterprise-wide strategy.

- There is a need for an overarching technology strategy that links to the organization's mission.
- IT is involved inconsistently in recommending technology solutions to address departments' business needs.
- While all IT purchases require approval of DIT, there is no mechanism to enforce compliance and identify non-compliance².



IT Landscape Issues: There is limited integration across technology solutions. Departments procure “shiny IT solutions” without a consideration to the enterprise-wide IT landscape, resulting in standalone systems with limited interoperability.

- Systems are inconsistent across City offices necessitating slow manual excel based workarounds¹.
- Finance systems do not communicate with systems used by other departments impacting efficiency¹.
- Budget systems see data loss due to crashes, lack of automated reporting and inability to use e-mail¹.
- There is a perceived preference to spend money on visible public facilities over internal technology updates.

Note: The city administration is planning to on-board website developers and consider technology upgrades³

Automation Opportunities: Current processes lack automation which impacts efficiency of operations. Some areas where automation could be leveraged include:

- Auditing systems and areas where audit is conducted²
- Revenue management system with additional automation modules²
- Zoning and permitting process and customer support
- IT help desk

Sources:

1 - VCU 2017 survey results

2 – FY22 Strategic Plan, City of Richmond

3 - Re-setting the Foundation, Proposed Fiscal 2023 Budget, March 14, 2022

Technology Considerations (2 of 2)



Obsolete Tech & Facilities: Legacy technology and facilities increase workload on an overburdened workforce.

- Obsolete technology is one of the drivers causing departments to rely on manual workarounds.
- Critical systems are operating on aging technology and customized code increasing risk of failure.
- Aging facilities are also a concern.
- Departments largely operate out of old facilities that hinder departments' ability to deliver on their mandate.
 - Example: The slow pace of equipment and facility repairs violates the Fire department's need for code-approved equipment.
 - The lack of facilities to accommodate needs of a diverse workforce hinders the city's diversity agenda.
- The lack of in-city dedicated training facilities to conduct training – depend on Henrico County's facility.

Note: The city administration is planning to commit \$20M to upgrade vehicles, equipment and facilities and another \$15.7M for maintenance of various assets ³

Sources:

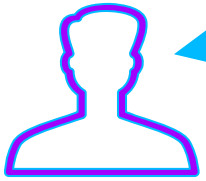
1 - VCU 2017 survey results

2 – FY22 Strategic Plan, City of Richmond

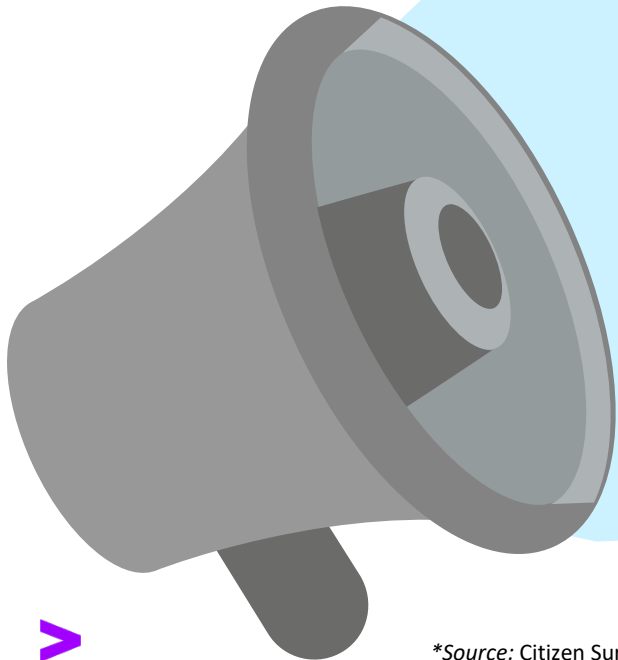
3 - Re-setting the Foundation, Proposed Fiscal 2023 Budget, March 14, 2022

Spotlight: Inefficiencies in Development Review Process

Note: A new process for 'Development Review Process' is being developed which may address some of these challenges



Only 52% of residents rate customer service as good or excellent which is below peer city benchmark*



Collaboration: The process requires review and approval by DPR, DPU & DPW. Currently, there is limited transparency and review timeline enforcement.



Transparency: Citizens who have filed applications do not have visibility into the stage at which their application is and when they'll hear from the department. The city spends a considerable time responding to queries from citizens regarding progress on a request.



Tools & technology: There is a system – Energov which enables centralization of review comments and includes a view of how much time has passed since the application filing date. If a department does not respond in 21 days, follow-up is done manually using e-mails.



City Code: The code delegates certain responsibilities to DPR, such as stormwater review, which are not under DPR's purview.



Timeline for review: The process currently does not have a mechanism to enforce review timelines for all the involved departments. There are no performance metrics to evaluate how reviewers are performing.



Accountability: There are reviewers across multiple agencies. The respective deputy directors need to be accountable for timely review by resources reporting to them.

Culture

Culture

The City of Richmond is a story of two cultures – the people and the organization. The city's leaders and employees are passionate, loyal, and service oriented; yet they are stymied by a lack of organizational incentive or cultural environment to establish trust and enable effective collaboration across branches of government and within departments. The result, despite common interests, is widespread frustration, territorialism, and even mistrust on all sides.

ISSUE AREAS

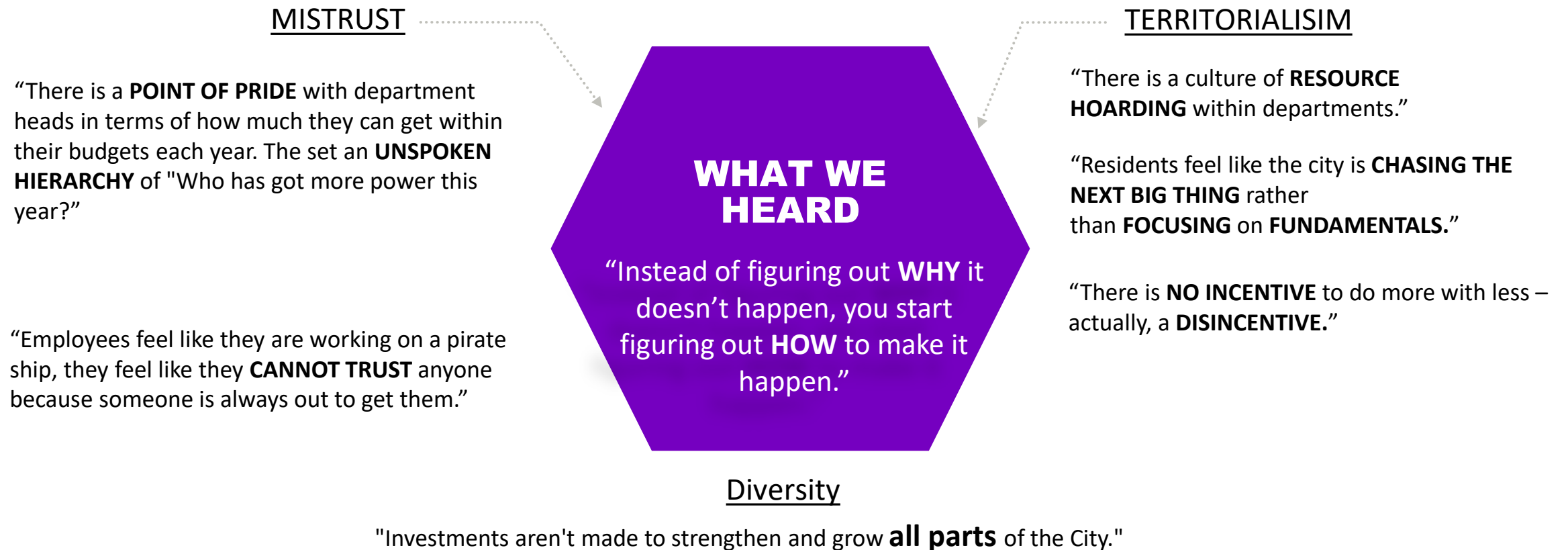
- **Diversity:** While leaders acknowledge the importance of diversity in the workforce, there's no clear owner or action plan to address this.
- **Mistrust:** There is a lack of organizational incentive or cultural environment to establish trust within the City of Richmond.
- **Territorialism:** The culture has resulted in lack of empowerment and misaligned incentives, backing each department into a hoarding mentality.

The Chief Administrative Officer has commissioned a consultant as of late March to assist with value prioritization. Additionally, the administration intends to create an employee committee to address some of the cultural disadvantages.

The recommendation is to help ensure the new Mission, Vision, and Strategy align to the Talent Strategy, and combine to guide the cultural shift, as they both impact the work of the consultant and employee committee. See slide 27, Initiative D, for more information.

Culture

The City of Richmond is a story of two cultures – the people and the organization. The city’s leaders and employees are passionate, loyal, and service oriented; yet they are stymied by a lack of organizational incentive or cultural environment to establish trust and enable effective collaboration across branches of government and within departments. The result, despite common interests, is widespread frustration, territorialism, and even mistrust on all sides.



Diversity in the Workforce

While leaders acknowledge the importance of **diversity** in the workforce, there's no clear owner or action plan to address this.

Workforce



Diversity of Current Workforce: The City's employee base should reflect the community, including the Richmond 300 equity priorities and implications.

- White: 40.8%
- Black: 46.9%
- Hispanic: 6.9%
- Asian: 2.1%

**Source: 2020 United States Census*

***Example:** It doesn't appear that diversity of the workforce is embedded within HR's hiring strategy altogether.*

The City of Richmond is **one of 24** cities involved in a **guaranteed basic income** pilot. Richmond Resilience Initiative is the guaranteed basic income pilot. There are **18 to 45** families in pilot.

Equity is at the top of the Mayor's list in budget priorities in the 2023 proposed budget. Currently, there is no existing program or strategy that addresses workforce equity in the city budget process.

The city has received the approval to hire an EEO officer, the responsibilities of the position needs to be clarified.

Mistrust

Mistrust across and within leadership has an external community impact.

Only **27%** of the residents have confidence in the government.

78% of residents feel the city is not being open and transparent to the public.

44% of residents have an excellent or good connection and engagement with their community.

55% of residents have an openness and acceptance of the community toward people of diverse backgrounds.

Leadership

- Verbal disagreements between administration and council members happen publicly.
- Distrust between the Richmond School Board, the City Council, and the Office of the Mayor impacts the ability of the organization to deliver on resident outcomes.

Example: Leadership has not provided a strategy to address the culture of territorialism, silos and favoritism.

Community Impact

- There is a lack of community engagement to enable better comprehension of community needs and aspirations.
- Based on the Citizen Survey responses, it appears the community is not engaged in setting strategic priorities for the City.

Example: Citizens appear to be unaware of department functions and the services provided by those specific departments.

Currently, there is no evidence of solutions being discussed to address the mistrust within the organization.

Territorialism

The culture has resulted in lack of empowerment and misaligned incentives, backing each department into a hoarding mentality. **Territorialism** originates from the first issue, internal mistrust in city government.

The total FTE between the Adopted FY 22 budget and the proposed FY 23 budget is

831 positions. A **reduction** from **5,076** to **4,245**. The root cause of the reduction is the elimination of including administratively frozen positions in the budget.

75% of residents feel the city is not being honest.

Budget Impacted



Budget inflexibility does not allow for a nimble workforce, which creates a departmental hoarding mentality.



Projects are approved while still unfunded, creating a budget shortfall for the administration to manage through with limited support.

Example: Projects are legislated to appease constituents; however, budget and department workload are not allocated during this process. The lack of this awareness leads to downstream territorialism.

Human Resource Implications



Funding reserved for headcount backfills and replacements is reallocated if not immediately spent, creating no budget for temporary assistance or creating unfunded FTE openings.

Example: When an employee leaves, the funding for that new vacancy is pulled quickly. This means that departments cannot temporarily staff needed operations until the position is filled again with a newly hired employee. This leads to territorialism by departments who are concerned about their now diminished ability to deliver.

Culture of High-Performing Organizations

Our research shows that high-performing organizations have one out of these 5 different types of cultures:



Talent Focused

Talent-focused cultures are best on **People** and **Agility**, with top quartile scores on Growth & Rewards and Innovation Climate.



Innovative

Innovative cultures are best on **Leadership** and **Agility** with top quartile on Innovation Climate and Strategic Alignment.



Values-Driven

Values-driven cultures are best on **Leadership** with top quartile scores on Strategic Alignment and Trusting Leadership.



Entrepreneurial

Entrepreneurial cultures are best at **Agility** with top quartile scores on Entrepreneurism and Velocity & Adaptiveness.



Collaborative

Collaborative cultures are best at **People** with top quartile score on Ethics & Collegiality.

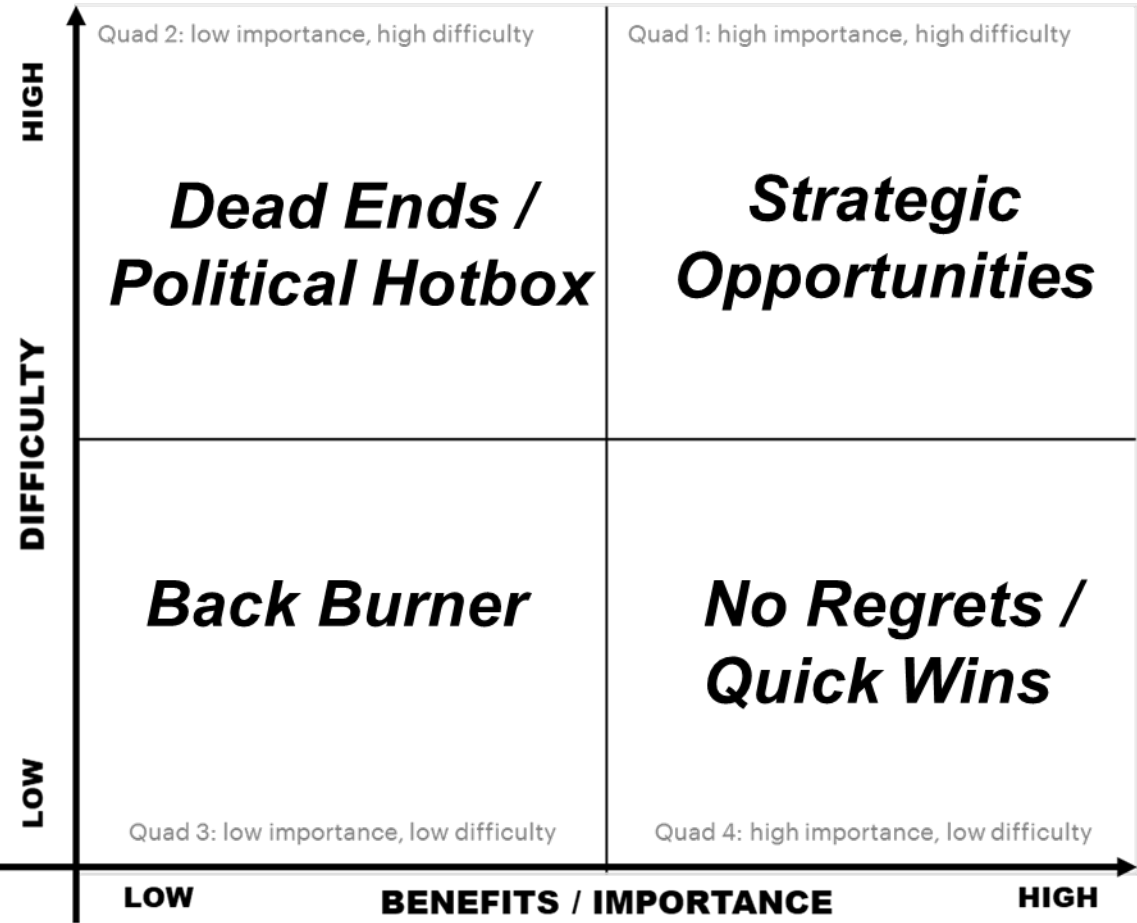
Where does the City of Richmond want to be?

An aerial photograph of a city skyline, likely Atlanta, Georgia, featuring a mix of modern high-rise buildings and older brick structures. A prominent red brick building with a tall chimney is in the center. To the left, a large body of water, possibly a reservoir or lake, is visible. The sky is overcast. A semi-transparent purple gradient overlay covers the left side of the image.

APPENDIX

Prioritization Criteria

The level of benefit / importance criteria and the level of difficulty criteria will provide a framework to prioritize recommendations.



Benefit Levers

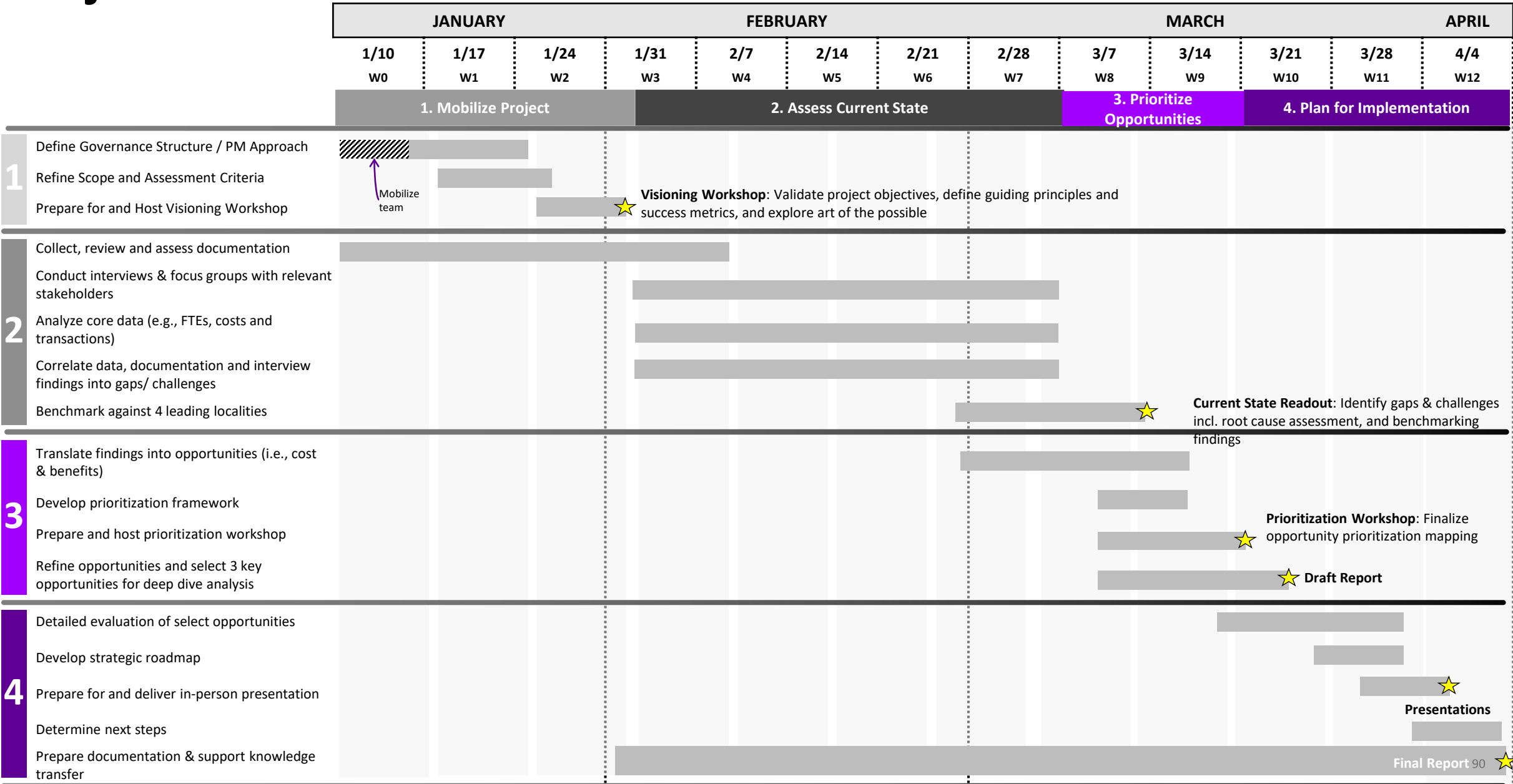
- Resident Impact
- Enables Strategic & Coordinated Planning Internally and Regionally
- Promotes a Dedicated, Empowered and Skilled Workforce
- Creates an Accountable, Open and Results-Driven Culture
- Enables Data Driven Decision Making and Continuous Improvement
- Promotes Inclusive and Positive Working Environment

Difficulty Levers

- Resource Commitment Required
- Financial Investment Required
- Change Management Required
- Political Impact



Project Timeline



In-Flight Initiatives and Planned Milestones

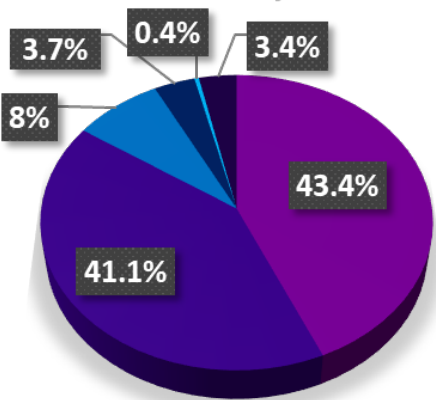
The Implementation Roadmap includes initiatives identified during the fiscal and efficiency review assessment as well as the organization's current in-flight initiatives and milestones, as of April 01, 2022.

#	Initiative	Comment
1	Centralization of FOIA	- Currently meeting internally to discuss. The cities who have already centralized FIOA requests are being researched as potential models. - Timeline April – December 2022.
2	Employee Feedback Groups	Included in FY23 budget overview
3	Changes to Class and Compensation	- Public safety - New Step Plan with an average increase of 18% - Public safety - Promotional rate increase from 5% to 10% - Others - 5% Salary increase - Included in FY23 budget overview
4	HR Service Delivery	- External firm to come in and review HR's service delivery model and org structure - Pending feedback on scope of the assessment/ review
5	Talent Acquisition Strategy	- Empowering Department Directors to be more active in the recruiting process and providing contingent offer letters before background checks - Ability to hire 15% above the midpoint without HR approval
6	Formation of Employee Relations Committee	- Forum for employees to communicate, engage and build trust - Provides platform to discuss issues with leaders - Members are peer elected - Included in FY23 budget overview
7	Formation of Employee Engagement Committee	- Plans employee engagement activities throughout the year - Garners ideas from other employees - Included in FY23 budget overview
8	Leadership and Apprenticeship Programs	- Embedded in broader learning refresh initiative - Pending feedback on timeline
9	Improving HR's organizational structure	Splitting Total Rewards responsibility into two roles
10	Zoning / Permitting Progress	Embedded in broader Zoning / Permitting Redesign
11	IT Current State Inventory of Systems and Tools	- Considered a key input / dependency for the Future State IT initiative - Pending feedback on timeline
12	Technology and equipment upgradation and asset maintenance	- Technology: Reinvestment in core services and building internal capacity; proposed to on-board website developers and has considered technology upgrades. - Equipment Upgrade: The city has proposed an investment of \$10M each (Total \$20M) for upgrade of vehicles and equipment and for planning (courthouse, public safety campus and city hall). - Maintenance: A provision for \$15.7M for maintenance of assets like boilers, fire station aprons, etc. has also been proposed. - Included in FY23 budget overview
13	Culture Initiatives (i.e., EEO, DEI, Branding)	External consultant has been hired to review culture related aspects

Peer Locality Demographic Data (1/3)

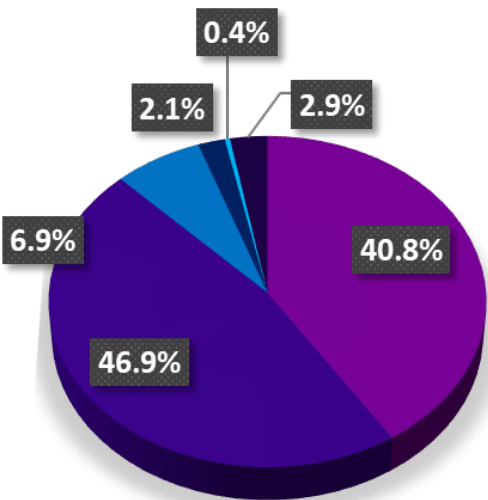
The charts on this slide represent that demographic population of the City of Richmond and four peer locality cities.

Norfolk, VA



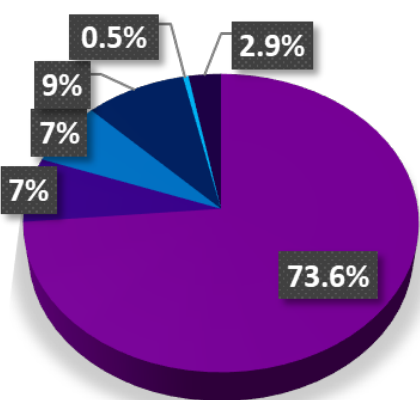
Population in 2020 – 238,005

Richmond, VA



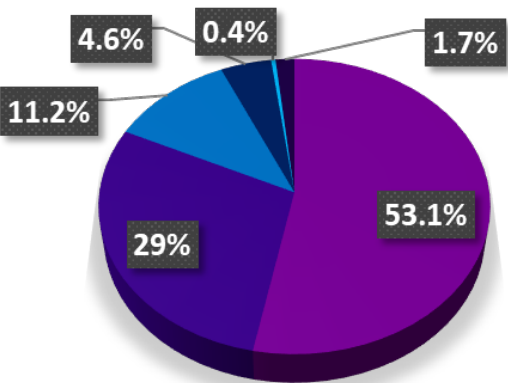
Population in 2020 – 230,306

Madison, WI



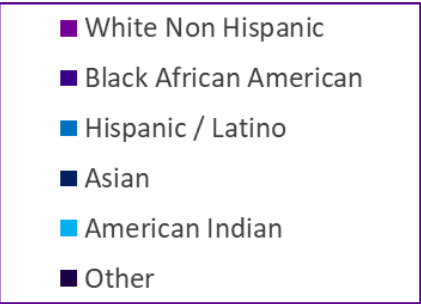
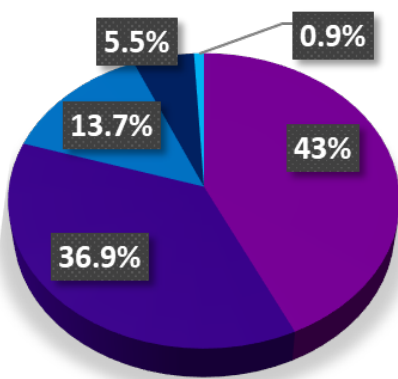
Population in 2020 – 269,840

Raleigh, NC

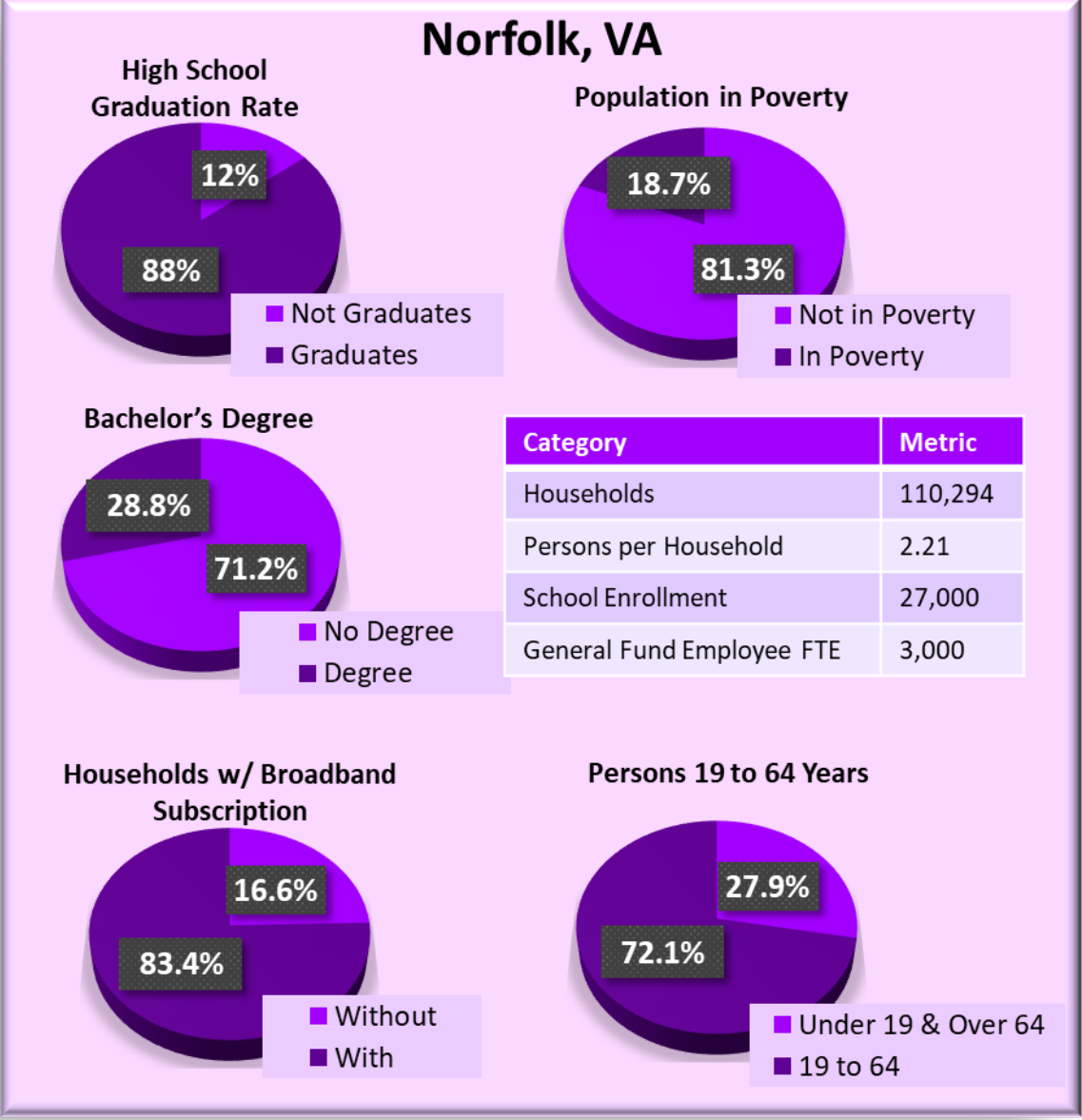
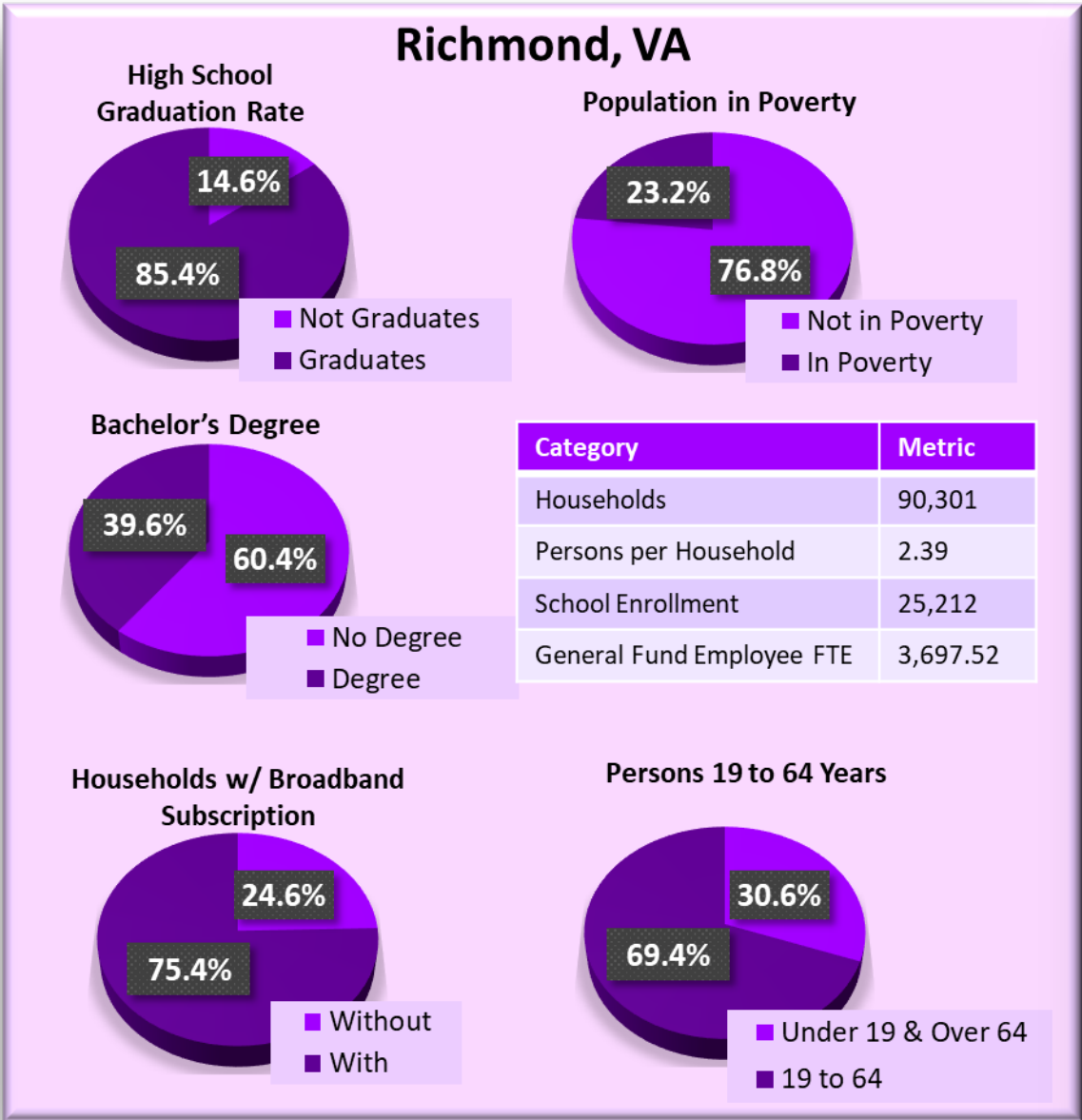


Population in 2020 – 467,665

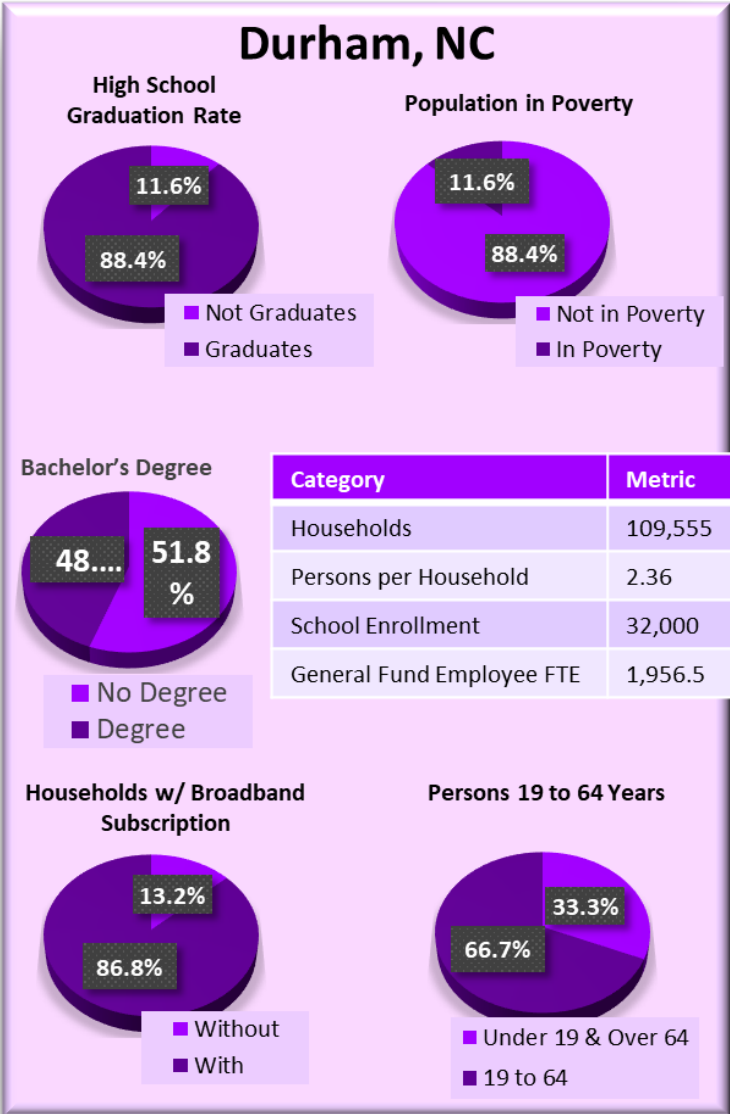
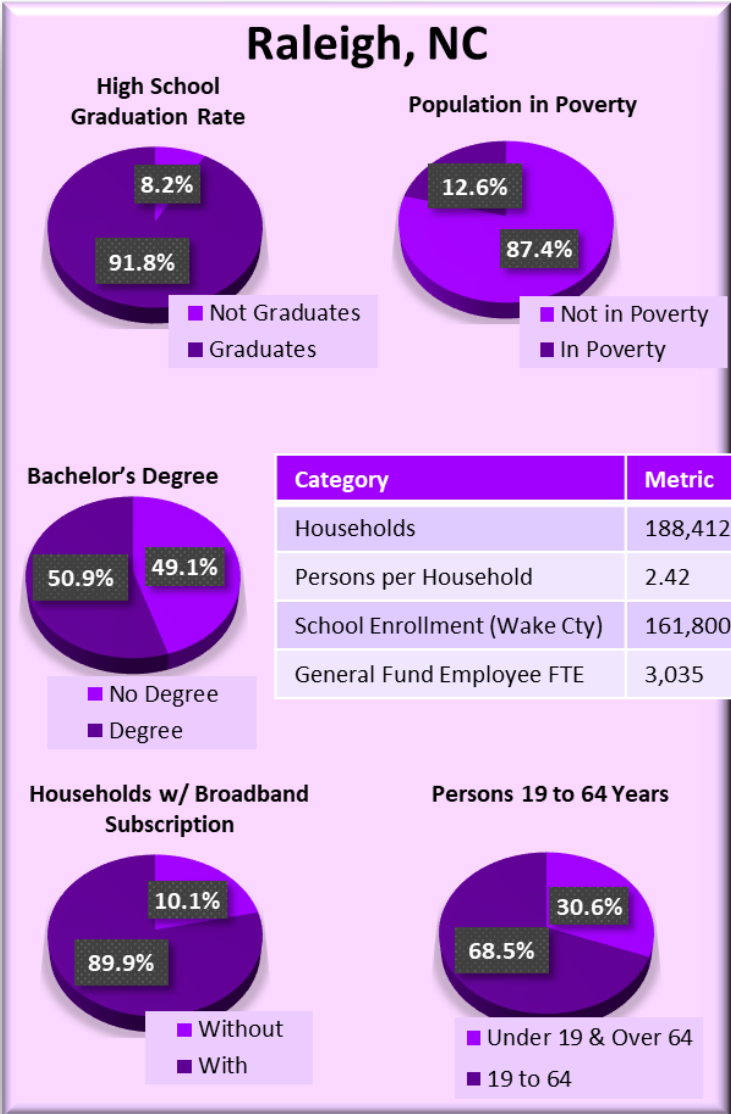
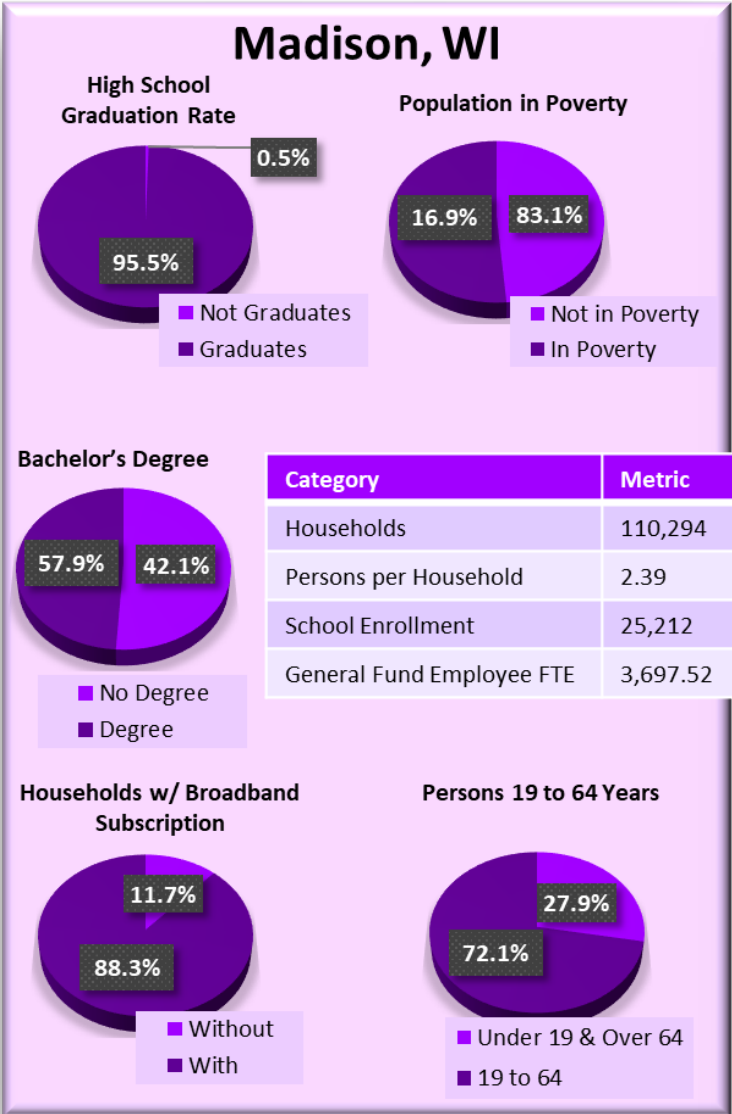
Durham, NC



Peer Locality Demographic Data (2/3)



Peer Locality Demographic Data (3/3)



KPI Benchmarking Data (1/7)

S.No	Category	Benchmarking KPI	Formula	City of Richmond	City of Norfolk	City of Madison	City of Durham	City of Raleigh
1	Administration	Administration Workforce	Funded FTEs All Funds	4,306	4,844	3,101	2,717	4,344
2	Administration	Government FTE per Resident Served	Number of residents served per funded city FTE	53.56	49.13	87.02	119.56	107.66
3	Administration	Span of control	% of total number of managers and supervisors to total full-time equivalent staffing	4.43%	5.08%	4.64%	4.67%	Not Available
4	Administration	Local government structure efficiency* (City of Richmond is an independent city with both city and county obligations)	Expenditures All Funds per Resident	\$7,041	\$5,354	\$2,808	\$1,800	\$2,288
5	Administration	Local government structure efficiency* (City of Richmond is an independent city with both city and county obligations)	Expenditures All Funds per Funded FTEs	376,628	263,084	244,312	215,195	246,279
6	Administration - HR	Workforce retention	Average years of employment	6.0 average years of employment	5.9 average years of employment	4.8 average years of employment	5.1 average years of employment	Average years not available (8.9% turnover rate)
7	Administration - HR	Workforce assessment & support	Human Resources spend as a % of total budget	0.30%	0.31%	0.24%	0.58%	0.43%
8	Administration - HR	Workforce assessment & support	Human Resources spend per FTE	\$1,113	\$809	\$546	\$1,273	\$1,057
9	Administration - HR	Workforce hiring & development	% of HR budget to total organization personnel budget	1.46%	1.01%	0.67%	1.37%	1.12%
10	Economic	Cost of citizen living	% of household income to median price of owner-occupied homes	20.50%	25.00%	26.50%	27.30%	27.10%



KPI Benchmarking Data (2/7)

S.No	Category	Benchmarking KPI	Formula	City of Richmond	City of Norfolk	City of Madison	City of Durham	City of Raleigh
11	Economic	Minority businesses in city	% of minority businesses in the city	37.00%	39.93%	13.51%	38.91%	30.10%
12	Economic	Cost of living	Median gross rents	\$1,025	\$1,059	\$1,118	\$1,058	\$1,121
13	Economic	Resident Wealth	Per capital personal Income	\$56,306	\$42,996	\$63,615	\$51,713	\$57,851
14	Education	Public Education	K-12 Enrollment	25,212	30,000	27,000	32,000	161,800 (Wake County Public Schools)
15	Education	Education levels	% residents with a bachelor's degree (25 years and older)	21.90%	21.20%	31.80%	25.70%	32.00%
16	Education	Education levels	% residents with a post-secondary (masters & higher) degree	14.80%	15.60%	24.60%	22.60%	17.20%
17	Education	Supporting academic achievement	% full time high school students graduating on time	85.40%	88.00%	95.50%	88.40%	91.80%
18	Education	Public Education Pupil Transportation Support	Transportation spend per pupil	726	450	Non-Compatible Data	Non-Compatible Data	Non-Compatible Data
19	Education	Public Education Operations & Maintenance Support	Operations spend per pupil	1,249	1,353	Non-Compatible Data	Non-Compatible Data	Non-Compatible Data
20	Education	Public Education Technology Support	Technology spend per pupil	404	453	Non-Compatible Data	Non-Compatible Data	Non-Compatible Data
21	Education	Public Education Commitment	Public Education spend per resident	2,089	1,968	Non-Compatible Data	1,426	Non-Compatible Data
22	Education	Public Education Commitment	Percentage of Public Education budget to city budget	29.67%	36.76%	Non-Compatible Data	Non-Compatible Data	Non-Compatible Data

KPI Benchmarking Data (3/7)

S.No	Category	Benchmarking KPI	Formula	City of Richmond	City of Norfolk	City of Madison	City of Durham	City of Raleigh
23	Education	Public Education Commitment	Public education spend per public school FTE	\$138,872	\$113,640	Non-Compatible Data	\$90,763	Non-Compatible Data
24	Education	Public Education Pupil Transportation Support	Transportation spend per public school FTE	\$5,293	\$3,284	Non-Compatible Data	Non-Compatible Data	Non-Compatible Data
25	Education	Public Education Pupil Transportation Support	Percentage of transportation FTE to public school FTE	6.70%	7.30%	Non-Compatible Data	Non-Compatible Data	Non-Compatible Data
26	Education	Public Education Operations and Maintenance Support	Operations & maintenance spend per public school FTE	\$9,101	\$9,876	Non-Compatible Data	Non-Compatible Data	Non-Compatible Data
27	Education	Public Education Operations & Maintenance Support	Percentage of operations & maintenance FTE to public school FTE	8.35%	10.14%	Non-Compatible Data	Non-Compatible Data	Non-Compatible Data
28	Education	Public Education Technology Support	Technology spend per public school FTE	\$2,942	\$3,308	Non-Compatible Data	Non-Compatible Data	Non-Compatible Data
29	Education	Public Education Technology Support	Percentage of technology FTE to public school FTE	1.23%	2.16%	Non-Compatible Data	Non-Compatible Data	Non-Compatible Data
30	Finance	Revenue enhancement	% Real Estate collection rate	96.00%	94.04%	99.65%	99.60%	98.86%
31	Finance	Bond Rating	Rating issued by agencies	Fitch: Aa1 Standard & Poor's: AA+ Moody's: AA+	Fitch: AA+ Standard & Poor's: AAA Moody's: Aa2	Moody's: Aaa	Fitch: AA+	Standard & Poor's: AAA Fitch: AAA

KPI Benchmarking Data (4/7)

S.No	Category	Benchmarking KPI	Formula	City of Richmond	City of Norfolk	City of Madison	City of Durham	City of Raleigh
32	Finance	Debt burden capacity	% of general long-term debt to total budget	51.54%	79.93%	72.62%	106.95%	56.46%
33	Finance	Debt burden capacity	% of public utility long term debt to total budget	54.58%	20.31%	33.39%	2.78%	100.36%
34	Finance	Tax Burden	Real Estate Tax Rate	\$1.20 per \$100	\$1.25 per \$100	Mill Rate of 2.25197% times Property Value	County = .7222, City = .5517. Total \$1.2739 per \$100	County = .6 City = .3730. Total \$.9730 per \$100
35	Finance	Tax Burden	Sales and Use Tax	4.3% Commonwealth and 1% Local = 5.3%	4.3% State and 1.7% Local = 6%	5% State and .5% Local = 5.5%	4.75% State and 2.75% Local = 7.5%	4.75% State; 2% County; .5% Special = 7.25%
36	Finance	Revenue Sources	Total Assessed Value of all Property in Billions	30.49	24.64	30.94	45.61	77.76
37	Finance	Price of Government	Amount of total property taxes collected per resident	\$1,438	\$1,357	\$958	\$637	\$620
38	Finance	Financial operations effectiveness	% of finance budget to total organization non-personnel budget	1.01%	1.65%	1.03%	2.00%	2.39%
39	Finance	Price of Government	% of taxes collected to total personal income	4.36%	4.80%	1.68%	1.73%	1.49%
40	Finance	Code Enforcement	Amount of code enforcement budget per resident	\$11.04	\$6.30	\$3.27	\$18.06	\$16.93
41	Finance	Spending priorities	% of finance budget as a percent of total budget	0.63%	0.44%	0.55%	1.01%	0.62%



KPI Benchmarking Data (5/7)

S.No	Category	Benchmarking KPI	Formula	City of Richmond	City of Norfolk	City of Madison	City of Durham	City of Raleigh
42	Finance	Revenue enhancement	% Real Estate collection rate	96.00%	94.04%	99.65%	99.60%	98.86%
43	Health	Access to health	% of residents without health insurance	13.60%	13.00%	4.40%	13.90%	11.40%
44	Infrastructure	City of attributes	Parks & Recreation spend per resident	\$119.22	\$64.18	\$70.52	\$57.05	\$116.60
45	Infrastructure	Utility Infrastructure Sustainability	Public Utility costs per FTE	\$84,808	\$32,495	\$37,694	\$62,571	\$66,739
46	Infrastructure	Utility Debt	% of Public Utility long term debt to total budget	54.58%	20.31%	33.39%	2.78%	100.36%
47	Infrastructure	Parking Management	Amount of parking budget per resident	\$79.11	\$94.26	\$55.40	\$85.33	\$34.76
48	Infrastructure	Asset maintenance & development	Capital Improvement allocation as a % of total budget	11.46%	14.71%	43.60%	44.90%	21.00%
49	Infrastructure	Affordable housing	% households (renters) spending more than 30% of their income on housing	43%	56%	50%	50%	30%
50	Infrastructure	Parks and open spaces	% of park square miles to city total square miles	3.92%	2.43%	12.21%	2.60%	6.67%
51	Infrastructure	Employment transportation convenience	Mean travel time to work (minutes)	21.80	21.30	19.60	22.70	24.00
52	Infrastructure	Road condition	% road lane miles with a condition of "good" or better	35%	Reliable information not available	60%	56%	Reliable information not available
53	Others	Fleet vehicle availability	# of FTEs per vehicle	2.39	2.42	2.22	1.51	2.22



KPI Benchmarking Data (6/7)

S.No	Category	Benchmarking KPI	Formula	City of Richmond	City of Norfolk	City of Madison	City of Durham	City of Raleigh
54	Others	City Operated Utilities	Use this information for above KPI	Gas; Water; Wastewater; Stormwater	Water; Wastewater; Stormwater	Sewer; Water; Stormwater	Water & Sewer; Solid Waste; Stormwater	Water; Solid Waste; Stormwater
55	Others	Form of Government	Strong Mayoral-Council or City Manager-Council form of government	Strong Mayoral-Council form of government	City Manager-Council form of government	Strong Mayoral-Council form of government	City Manager-Council form of government	City Manager-Council form of government
56	Others	Employee Benefits	Please note that Henrico County information is in the City of Madison information column	Heath & Vision; Tuition Assistance; Prescription Drug; Legal Resources; Deferred Compensation; FMLA;	Health; Dental; Vision; Flexible Spending; Retirement Savings; Wellness; Employee Assistance; Life Insurance; Sickness & Disability	Health; Dental; life insurance; Deferred Compensation; Flexible Spending; FMLA; Employee Assistance	Health, Dental, Vision, Life Insurance, Disability, Employee Assistance, deferred Compensation	Health, Dental, Life Insurance, Flexible Spending, Disability,, Employee Assistance, Retirement
57	Public Safety	Fire & Emergency Services	Amount of fire & emergency services budget per resident	\$274.30	\$216.25	\$233.32	\$119.77	\$150.58
58	Public Safety	Public Safety Services (City of Richmond has both a Police and Sheriff's Departments)	Amount of police services budget per resident	\$425.56	\$335.02	\$320.23	\$216.37	\$249.13
59	Public Safety	Safe neighborhoods	Violent crimes per 100,000 residents	479	546	254	756	415
60	Public Safety	Safe neighborhoods	Property crimes per 100,000 residents	3,383	3,568	3,432	3,399	2,134
61	Social	Population Growth (Decline)	2010 Population	204,214	242,803	233,209	267,587	403,892
62	Social	Population Growth (Decline)	2020 Population	230,306	238,005	269,840	324,833	467,665
63	Social	Population Percentage Change	Growth or (Decline) 2010 to 2020	12.78%	-1.98%	15.71%	21.39%	15.85%

KPI Benchmarking Data (7/7)

S.No	Category	Benchmarking KPI	Formula	City of Richmond	City of Norfolk	City of Madison	City of Durham	City of Raleigh
64	Social	Recreation Open Space	Total Park Acreage	2,844	633	5,700	3,000	10,018
65	Social	Poverty levels	% median household income to USA median household income	69.98%	76.41%	96.76%	87.24%	99.62%
66	Social	Diversity	% of population African American	46.90%	41.10%	7.00%	36.90%	29.00%
67	Social	Diversity	% of population foreign born	7.00%	7.20%	12.10%	15.00%	13.40%
68	Social	Veteran residents	% of population veterans	5.20%	11.30%	3.53%	3.69%	4.23%
69	Social	Senior residents	% of residents over 65 years of age	12.80%	10.90%	11.60%	11.60%	10.60%
70	Technology	Digital operations	IT budget as a % of total budget	1.72%	1.40%	1.33%	2.03%	2.17%
71	Technology	Internet connectivity	% households with broadband Internet subscription	75.40%	83.40%	88.30%	86.80%	89.90%



Peer Local Financial and Economic Raw Data (1/2)

Category	Richmond, VA	Norfolk, VA	Madison, WI	Durham, NC	Raleigh, NC
General Fund Revenues	\$772,831,959	\$929,181,090	\$358,622,967 (Capital budget is separate)	\$ 240,668,269	\$522,108,775
Real Estate Taxes Revenue	\$417,778,087	\$269,387,500	\$258,650,891	\$ 114,655,823	\$290,006,010
General Fund Expenditures	\$772,831,959	\$929,181,090	\$358,622,967 (Capital budget is separate)	\$ 240,668,269	\$489,379,904
Total: General Fund Capital Funding (CIP)	\$63,205,881	\$99,543,000	\$142,797,362	\$431,617,668 (All funds)	\$43,893,901
Debt Service Fund	\$89,929,552	\$75,705,398	\$56,108,323	\$ 43,213,894	\$71,073,983
Total: Non-General Fund Capital Funding (CIP)	\$122,438,280	\$87,965,200	212,455,700	See GF CIP	\$180,829,668
Enterprise Fund Business & Budget:	Electric Gas Water Wastewater Stormwater Parking Facilities \$398,347,528	Parking Facilities Water Wastewater Stormwater \$179,851,885	Golf Enterprise Convention Center Parking Utility Transit Utility Sewer Utility Stormwater Utility Water Utility \$208,666,668	Water & Sewer Solid Waste Transit Storm Water Parking \$213,785,734	Public Utilities Solid Waste Public Transit Parking Facilities Stormwater Convention Center \$335,585,863
Median Household Income	\$47,250	\$51,590	\$65,332	\$60,958	\$67,266
Per Capita Income	\$33,549	\$29,830	\$38,285	\$35,398	\$38,494
Median Price of Owner-Occupied Houses	\$230,500	\$206,700	\$246,300	\$223,000	\$248,300
Median Gross Rents	\$1,025	\$1,059	\$1,118	\$1,067	\$1,121
Real Estate Tax Rate	\$1.20 per \$100	\$1.25 per \$100	Mill Rate of 2.25197% times Property Value	County = .7222, City = .5517. Total \$1.2739 per \$100	County = .6 City = .3730. Total \$.9730 per \$100



Peer Local Financial and Economic Raw Data (2/2)

Category	Richmond, VA	Norfolk, VA	Madison, WI	Durham, NC	Raleigh, NC
Sales and Use Tax	4.3% State and 1% Local = 5.3%	4.3% State and 1.7% Local = 6%	5% State and .5% Local = 5.5%	4.75% State and 2.75 Local = 7.5%	4.75% State; 2% Wake Cty; .5% Wake Cty TR = 7.25%
Unemployment Rate	3.3% (6/30/2021)	3.5% (12/31/2019)	4.8% (12/31/2021)	4.3% (9/30/2021)	4.5% (12/31/2021)
Credit Rating	Fitch: Aa1 Standard & Poor's: AA+ Moody's: AA+	Fitch: AA+ Standard & Poor's: AAA Moody's: Aa2	Moody's: Aaa	Fitch: AA+	Standard & Poor's: AAA Fitch: AAA
Form of Government	Strong Mayoral-Council form of government	City Manager-Council form of government	Strong Mayoral-Council form of government	City Manager-Council form of government	City Manager-Council form of government
Five Largest Employers	MCV Hospital; HCA Virginia Health System; BB & T Corp; University of Richmond; Federal Reserve Bank, Richmond	U.S. Department of Defense; Sentara Healthcare; Norfolk City School Board; City of Norfolk; Old Dominion University	State of Wisconsin; University of Wisconsin; UW Health; Epic Systems; SSM Health Care	Duke University and Medical Center; International Business Machines; Durham Public Schools; Cisco; Blue Cross Blue Shield of North Carolina; Fidelity Investments; Pfizer (3 tied for 5 th largest)	State of North Carolina; Wake County Public School System; Wake Med Health and Hospitals; North Carolina State University; UNC Rex Healthcare
Points of Interest	Virginia Museum of Fine Arts- e largest public Fabergé collection outside Russia; The only urban U.S. city with Class IV white water rapids running through downtown; James River Park system, with 550 acres; Seven Fortune 500 firms; Fifth District Federal Reserve Bank, one of 12 Federal Reserve Banks,	The City lies at the mouth of the James, Elizabeth and Nansemond Rivers and the southern shores of the Chesapeake Bay; The world's largest naval station and the Port of Virginia, one of the busiest ports on the east coast; Norfolk Botanical Garden; Attucks Theatre, the Harrison Opera House, Chrysler Museum and Hall, Jeanne and George Roper Theater	University of Wisconsin 45,000+ students; Warner Park Beach Shelter; Olbrich Botanical Gardens; Monona Terrace Community and Convention Center	The City surrounds the Research Triangle Park (RTP)-over 7,000 acres, more than 300 organizations; Raleigh-Durham International Airport;	Proximity to the Research Triangle Park; Centered between the sandy Atlantic beaches and the Great Smoky Mountains; 3rd in Happiest Cities in America (January 2021, Men's Health); 5th best-performing economy in the United States (February 2021, Milken Institute) ;
Area -Square Miles	59.81	54.12	76.79	285.98 (County)	142.90

Data Sources

The team researched the following documentation in preparing the prior data.

- City budget information from the FY 2022 Adopted budget
- City finance information from FY 2021 Consolidated Annual Financial report
- School district budget information from the FY 2022 Adopted Budget
- School district finance information from FY 2021 Consolidated Annual Financial Report
- Various data points from the US Census Bureau
- Updated Richmond funded FTEs based on the FY 2023 Proposed budget
- Various resident responses based on 2021 Richmond citizens national survey
- One Richmond Strategic Action Plans 2020