Performance Audit:
Hiring Process
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Amanda Noble, City Auditor
Stephanie Jackson, Deputy City Auditor
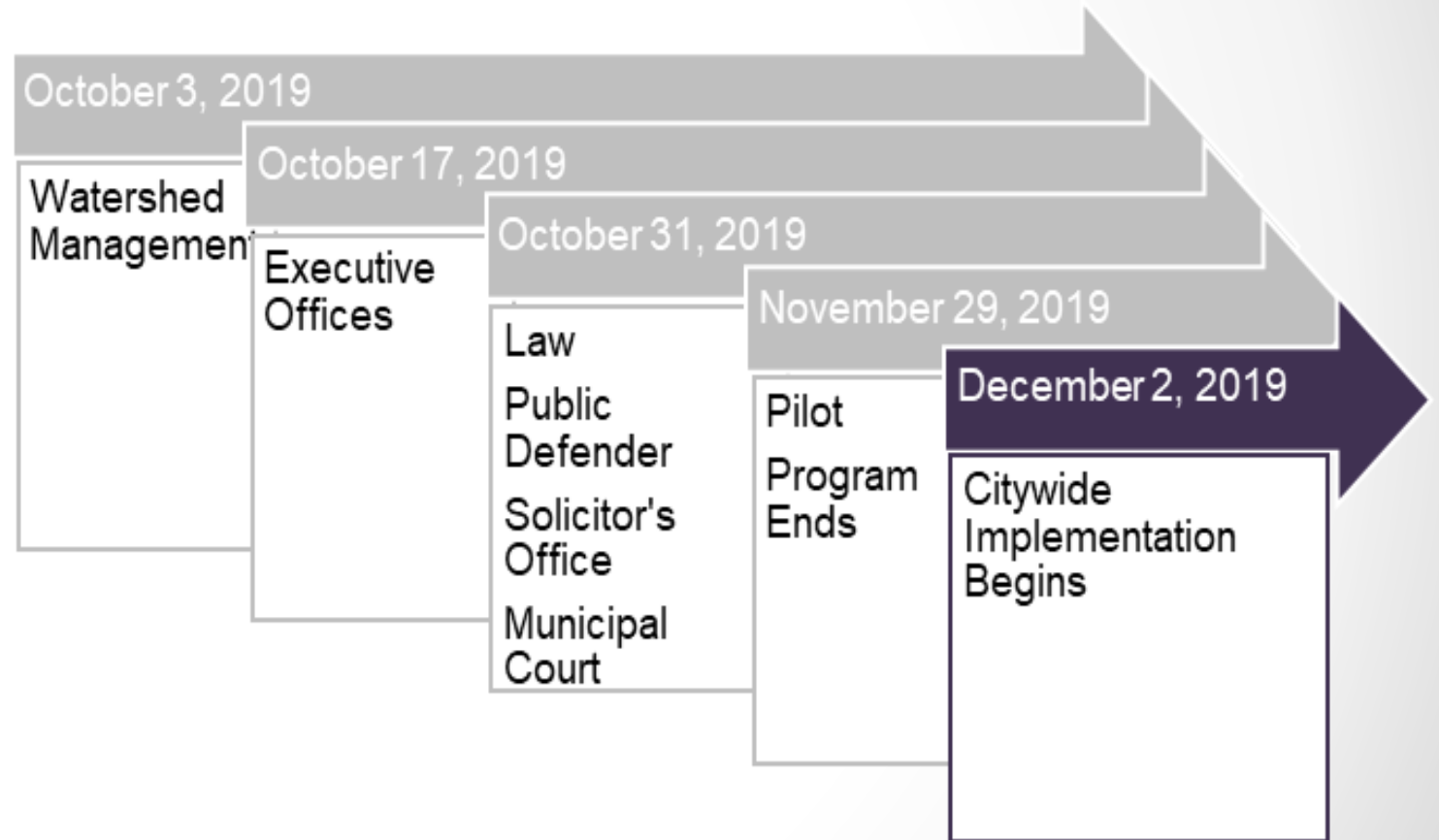**Nia Young, Audit Supervisor**
Myra Hagley, Senior Performance Auditor, & Lindsay Kuhn, Performance Auditor

Objectives

- Is the hiring process clear to all stakeholders?

- Are controls in place to ensure that hiring practices comply with federal and state regulations and city code?

- Are resources in place to ensure the process is implemented efficiently and consistently?

Audit Scope

- Excludes Public Safety and City Council

- Employees hired Jan. 2019–Apr. 2020
  - Pre-pilot: Jan. 2019–Oct. 2019
  - Pilot: Oct. 2019–Nov. 2019
  - Post-pilot: Dec. 2019–ongoing

October 3, 2019
Watershed Management

October 17, 2019
Executive Offices

October 31, 2019
Law
Public Defender
Solicitor's Office
Municipal Court

November 29, 2019
Pilot Program Ends

December 2, 2019
Citywide Implementation Begins

Methodology

- Interviewed staff from HR, user departments, and City Council

- Reviewed federal, state, and municipal regulations and internal policies & procedures

- Tested hiring software controls

- Reviewed 75 files of employees hired or promoted from Jan. 2019–Feb. 2020

- Determined time to fill for positions in scope from Jan. 2019–Apr. 2020

Findings Overview

- **Improved time to fill vacant positions after implementing pilot program but fell short of targets**

  - Pre-pilot hiring process not standardized or transparent to city departments; comprehensive procedures still needed

  - Process changes shortened median hiring time by 35%, but reliable data are unavailable

  - Improved system controls could decrease risks

- **Controls are in place to mitigate risk of discriminatory hiring**

- **Inconsistent compliance with record retention and vacancy announcement requirements**

  - Files missing from employee file sample

  - Vacancy posting announcements missing some required information

Time to Fill Improved but Slightly Short of Goals

Comparing Similar Timeframes, Total Median Time to Fill Dropped from 44 to 32 Calendar Days

Period	No. of Offers Accepted	Max. Time to Fill	Median Time to Fill	Over SHRM Goal (30 days)
Pre-Pilot (4 Month Comparison)	88	115 days	44 days	14 days
Post-Pilot	85	134 days	32 days	2 days

Source: Oracle Report of Candidate Details from January 7, 2019, to April 2, 2020.

- Time to fill improved by about 35% from pre- to post-pilot
- Post-pilot time to fill was 32 days, slightly over the industry best practice median of 30 days
- HR streamlined hiring approvals through the Request to Fill (RTF) form and the Vacancy Review Board

Recommendations

- Use the industry methodology for measuring time to fill positions

- Require recruiters to create new requisitions rather than adding new position numbers to existing requisitions

- Automate requests to fill for Board review and approval

- Add a control in Taleo for hiring managers to confirm that they have all necessary paperwork prior to submitting for approval

- Use Dept. of Finance's budget analysts to perform the budget validations to fill all vacant positions.

Pre-Pilot Process Not Standardized or Transparent; Comprehensive Procedures Needed

- Pre-pilot
  - o Policies & procedures last updated between 2003–2008
  - o Did not define roles, approval requirements, or timeframes
  - o Interviewees stated process was unclear and inconsistent pre-pilot

- Post-pilot
  - o Created 6 reference guides that still were not comprehensive and had some conflicting guidance

Recommendations

- Develop one comprehensive policy and procedure manual that clarifies roles and responsibilities for the hiring process

- Document policies for hiring bonuses and update controls in the hiring software consistent with the procedure

Improved System Controls Could Decrease Risks

- Manual steps outside of Taleo
- Lack of segregation of duties for some recruiter tasks
- Some areas lack clarity, efficiency and transparency

Recommendations

- Work with departments to capture all candidate transactions in Taleo

- Use existing automated forms within Taleo

- Separate requisition editing and approval duties

- Determine how to prevent, detect and monitor bypassing and offer changes

- Check for duplicate profiles and merge them before extending an offer

- Establish performance expectations for staff in recruiting positions and provide training

Controls in Place to Monitor Hiring-Related Legal Compliance

Equal Employment Opportunity and Americans with Disabilities Act compliance

- o Website statement
- o Taleo confidentiality controls
- o ADA physical regulations
- o Separation of files
- o Legally required forms filled out online

Risks Exist in Record Retention and Vacancy Announcements

- 30% of the 75 files missing from employee file sample
- Five of 10 vacancy posting announcements reviewed missing some required information

Recommendations

- Create a quality assurance process for creating and maintaining personnel files, including a list of which documents are legally required, which need to be maintained separately from the personnel file, and the location of files

- Develop a standardized posting template for classified positions

Questions?

Full Report:

http://www.atlaudit.org/audit-reports.html