

CITY OF RICHMOND PERFORMANCE REVIEW UPDATE

James M. Burke, PhD
Linda L. Pierce, MBA
TEOconsulting, LLC
www.teoconsulting.org

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BACKGROUND

- In 2017, Mayor-elect Levar Stoney pledged a performance review of 19 departments and offices under his authority.
- The review, published in May 2017, used a combination of employee surveys that covered 35 departments/offices and, a drill-down to the 19 departments and offices that included the survey plus employee focus groups, leadership interviews, audit reports, and other information.
- The May 2017 report offered 228 recommendations for the 19 departments/offices and some recommendations that spanned all City offices.
- This update provides a follow-up to that report for the benefit of the next administration, City Council, and the residents of Richmond.

Note: Doing a follow-up review is not as common as one might think. We applaud the administration for initiating this and for their positive hands-off approach to our study.

OUTLINE OF THE REPORT

- Pages 1 – 17: A summary of the what we observed in 2017 and in 2024, highlighting successes and areas where more work is needed from a continuous improvement standpoint. We used the same structure that we used in 2017 with some additional notes to clarify our methodology and to guide the reader briefly on organizational change.
- Pages 18 – 130: After a very brief introduction to each department/office that we wrote, we present the responses of the Directors to each of the 228 recommendations. These are self-reports and there can be a demand characteristic that pulls for highlighting one's positive progress. However, we found that each person with whom we spoke was candid about the need for more improvements. In other words, every Director recognized that they are still working to make City Hall more effective and to improve services.
- We encourage all readers to review the report carefully and study the departments/offices in which they are most interested to obtain detailed and specific information. Remember, that we stuck to an evaluation of the recommendations we made in 2017. We did, however, provide the Directors the opportunity to speak on other matters in their responses to the open-ended questions.

A FEW WORDS ON ORGANIZATIONAL CHANGE

- Under the best of circumstances, significant organizational and culture change often takes three to five years. That usually assumes the right people in the right places and that messaging and contingencies stay consistent.
- Over the past four years, every city and locality had to deal with Covid-19 and the great resignation. Some cities like Richmond, also had to shift a large amount of human and other resources to address protests in the wake of the death of George Floyd.
- In much of our work with other organizations, replacing people who left their positions with highly qualified new employees has been a struggle.
- Despite all these factors, the Directors and their teams reported addressing about 90% of the 228 recommendations with full implementation (56.6%), alternative solutions (12.7%), or partial implementation (20.2%).

METHODOLOGY (1)

- After an orientation session that we conducted, each Director received an electronic survey that contained the recommendations for their department or office. (Note that most of the Directors were not in their positions in 2017.) We asked them to identify the degree to which the recommendation was fully implemented, partially implemented, was addressed with an alternate solution, or was not implemented. Several Directors turned to members of their teams to assist with the historical aspects of the department/office.
- We informed the Directors that we understood that not all recommendations from the consultants could or should necessarily have been implemented. Some of the recommendations may not have aligned with the strategic direction of the City, the department, the budget, or external forces.
- For every recommendation, the Directors also had to provide a narrative regarding the implementation of specific initiatives.
- The consultants did not alter the responses except to clarify some acronyms or make minor stylistic edits in some cases. It was the intent of this update to provide an unvarnished report from each Director to the public.

METHODOLOGY (2)

- Each Director also had the opportunity to respond to three open-ended questions to further inform this administration, City Council, the incoming administration, and the residents of strategic initiatives underway or planned:
 - 1) Were there initiatives implemented in your department since January 2017 that were not included as recommendations in the Performance Review? Please specify.
 - 2) Please describe some of the major initiatives currently underway in your department.
 - 3) Are there future initiatives that you hope to implement in the coming years? If so, please briefly describe.
- We met with each Director (and sometimes their leadership team) for an interview after they submitted their electronic responses.

KEY AREAS OF IMPROVEMENT FOR WHICH WE WERE LOOKING

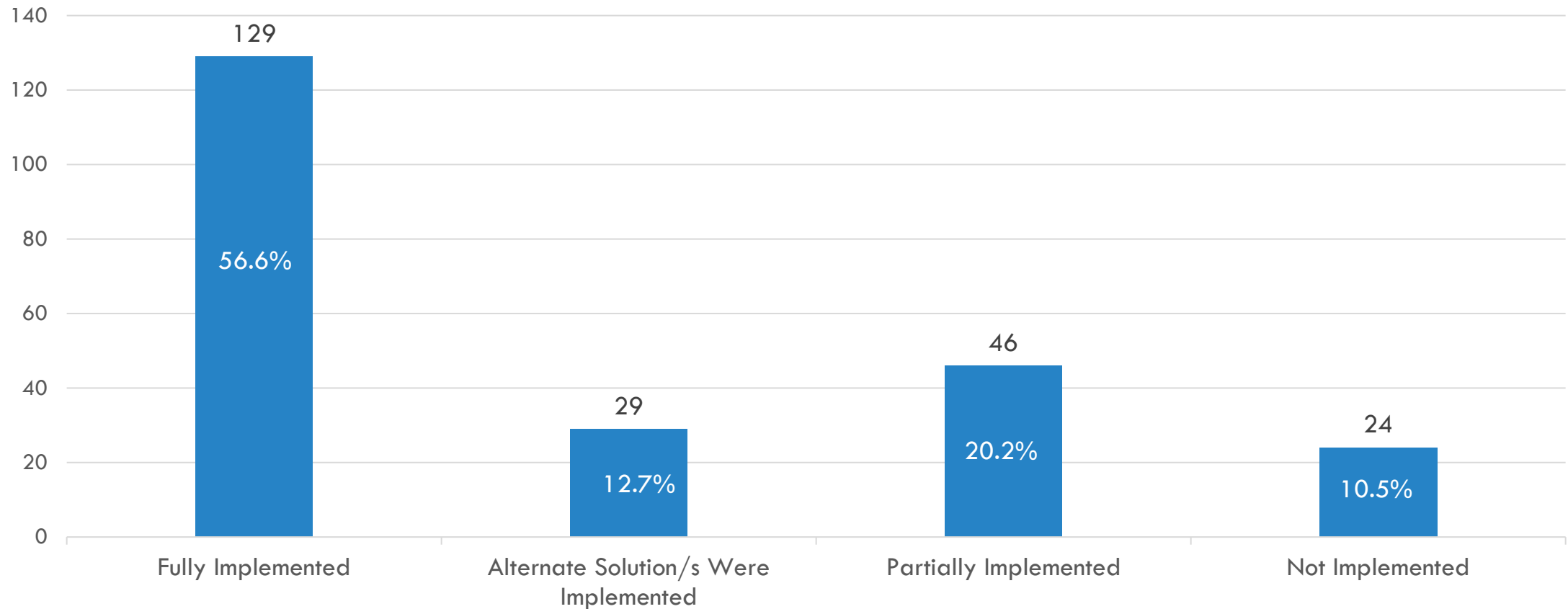
- In 2017, we noted that **Human Resources, Procurement, Finance, and Information Technology** were negatively impacting the functioning of all the other areas within City Hall in various ways. The current heads of each of these departments have taken action to improve the effectiveness of their areas, thereby positively impacting City Hall.
- Several heads of other departments and offices noted that they have seen significant improvement in the response time of Human Resources and Procurement. HR underwent a significant reorganization in 2023. The P-card system has had a positive impact on all departments.
- We heard that Finance and IT are working closely together to make much-needed improvements.
- Finance has increased their staffing levels and is raising the bar on the qualifications for new staff.
- Unlike in 2017, we heard of increased **collaboration** across all areas. This needs to continue and expand, but collaboration is moving in the right direction. This is an important cultural shift.
- Similarly, staff (especially those who have been part of this administration for most or all the time) highlighted the improvement in the **culture and morale** within City Hall since 2017. The City has implemented a number of programs to retain skilled employees and to recruit highly qualified people to City Hall.
- **Read the full report for highlights from all 18 departments/offices.**

UPDATE : OVERARCHING AREAS FOR IMPROVEMENT

2017 Themes	Suggested Areas to Address	2024 Progress Update
Processes and Procedures	Re-engineer and document processes, educate internal users, model customer services inside City Hall	Restructure of the HR department in 2023, P-card launched, IT project management system, documentation of processes in several departments, significant gains in Procurement
Systems and Technology	Develop back-up systems, invest in technology wisely, educate users	New ticketing system in IT, project management requires disaster recovery processes, independent IT audits every two years, expanded use of NeoGov, CORERP, OpenGov
Culture and Communication	Improve culture, emphasize proper communication	Several departments expanded efforts to improve culture and morale, CAO and DCAO focus groups held, training through Reynolds, staff reports vastly improved culture
Change	Prioritize change, make it happen, re-evaluate with another culture survey	New leadership in several agencies are leading efforts to enhance a sense of urgency, develop metrics, and engage the team around mission
People and Relationships	Staffing and workload, workplace improvement, build and nurture relationships, develop the workforce, build career pathways	Increased minimum wage, improved work environment, adopted VRS benefit system, established health clinics for employees, signed three collective bargaining agreements, improved professional development and career opportunities (All of these support a positive culture.)

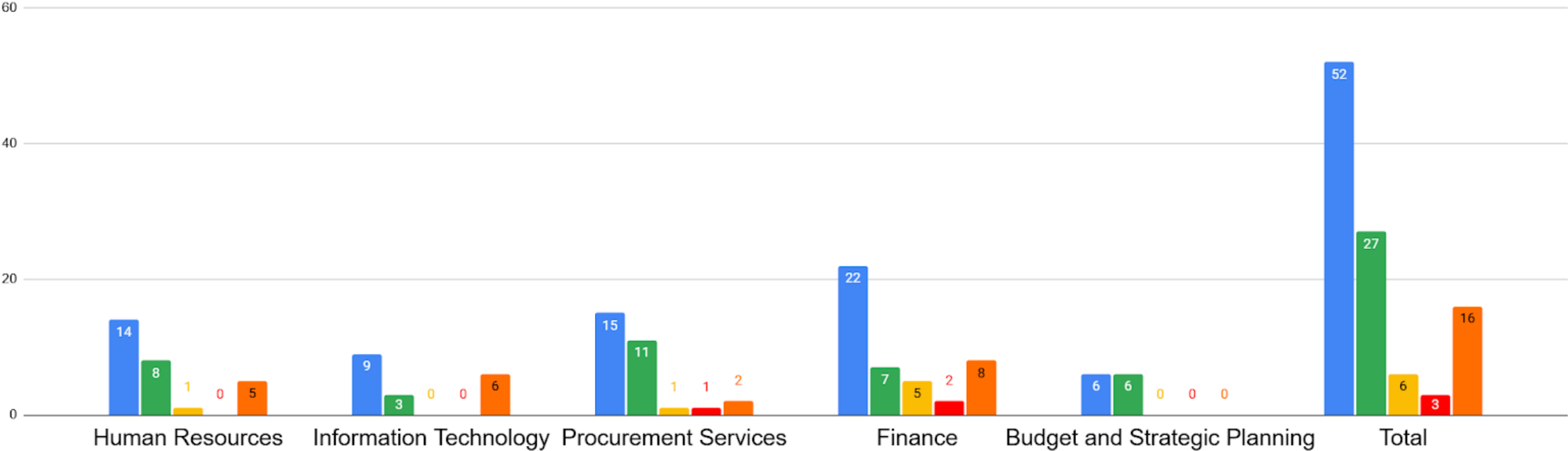
AGENCY SPECIFIC RECOMMENDATIONS

228 Total Recommendations



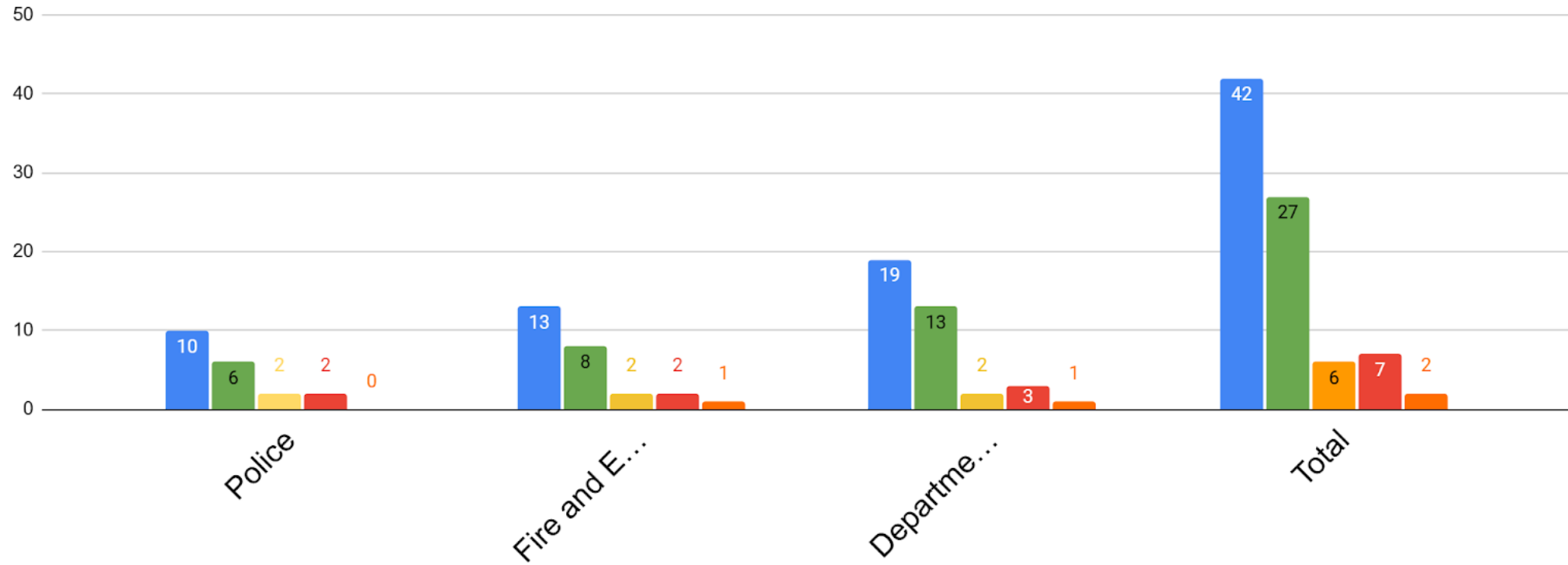
Internal Functions

of Recommendations Fully Implemented Partially Implemented Not Implemented Alternate Solution/s Were Implemented

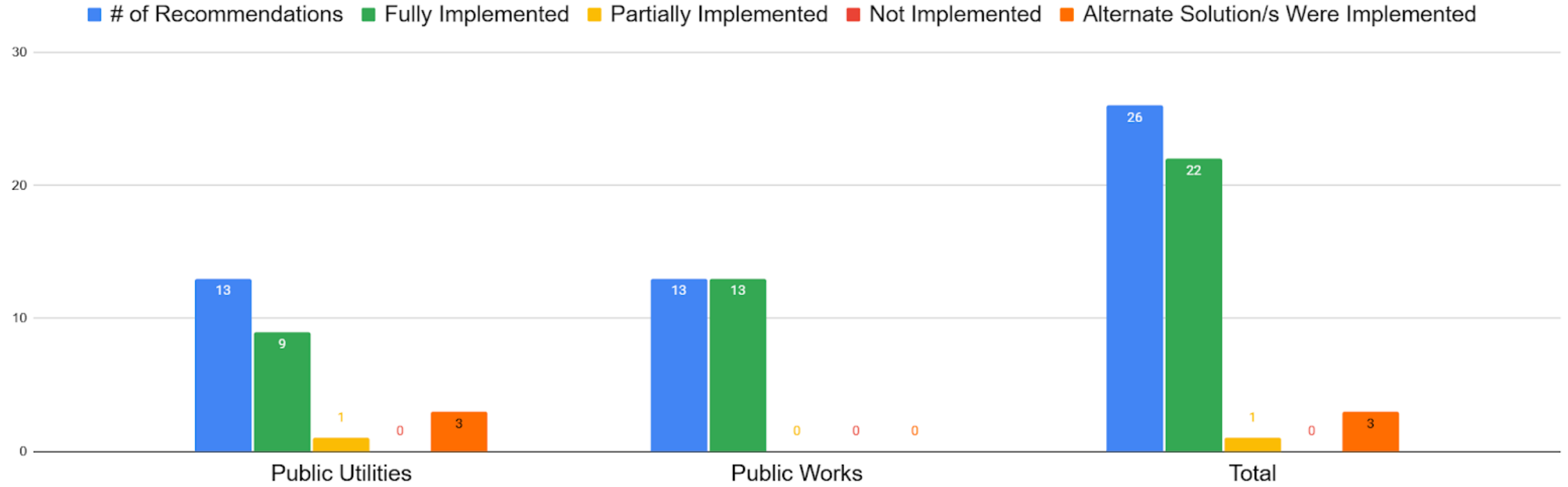


Public Safety

■ # of Recommendations ■ Fully Implemented ■ Partially Implemented ■ Not Implemented
■ Alternate Solution/s Were Implemented

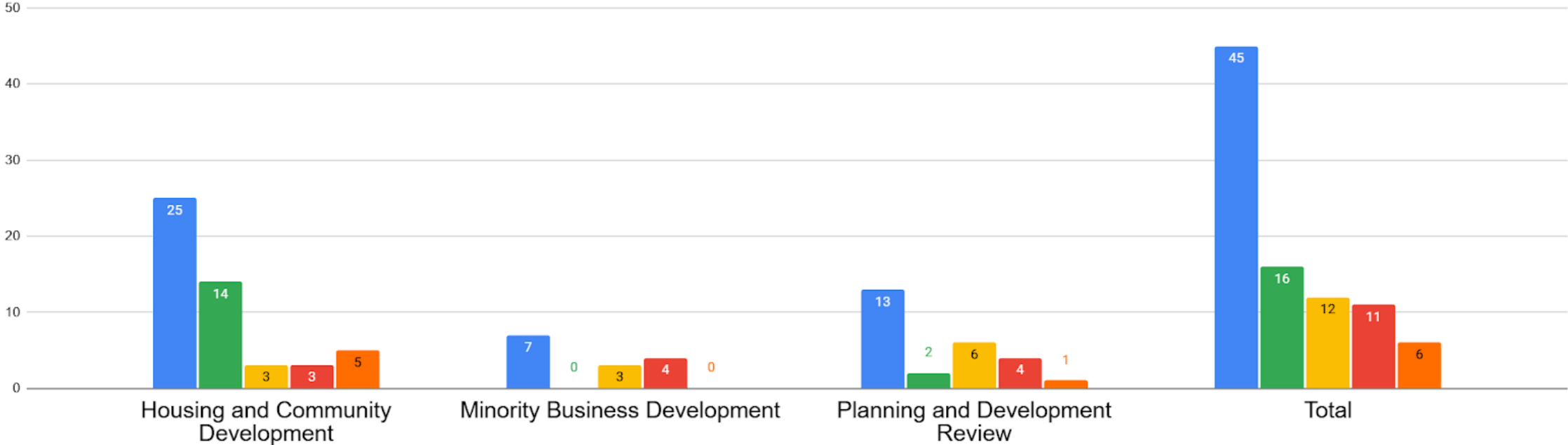


Operations

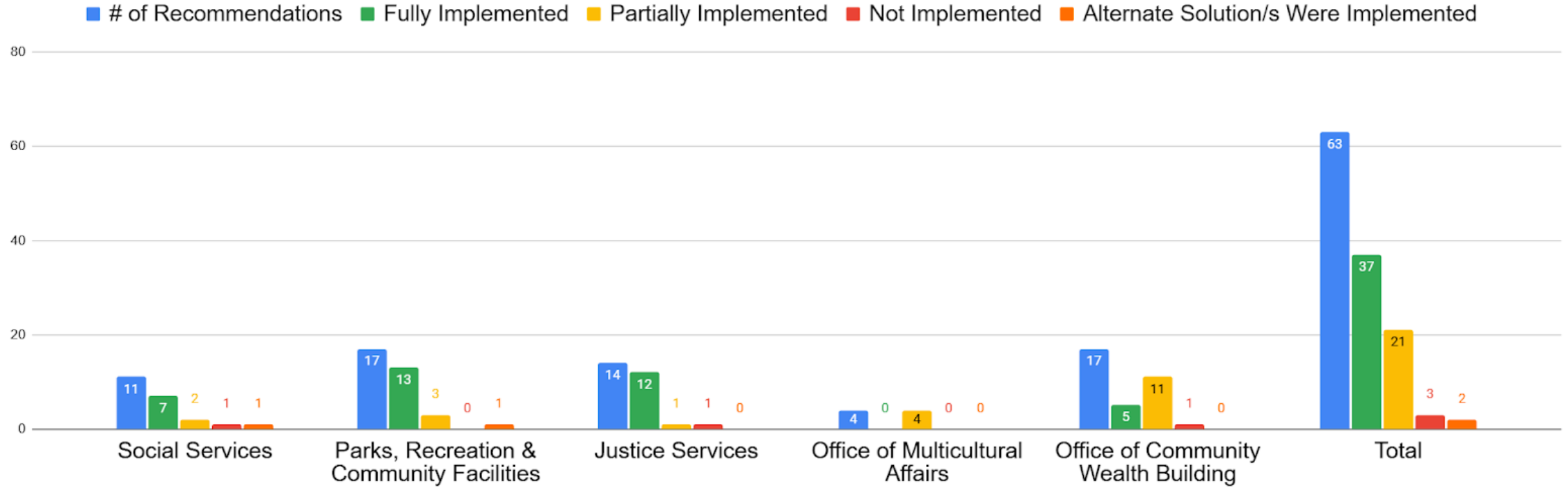


Economic Development and Planning

■ # of Recommendations ■ Fully Implemented ■ Partially Implemented ■ Not Implemented ■ Alternate Solution/s Were Implemented



Human Services



SOME KEY AREAS FOR CONTINUED PROGRESS

Keep expanding collaboration among City departments/offices

Getting teams in small groups to engage in problem-solving fosters greater effectiveness and responsiveness.

Continue updating processes and procedures

Several departments/offices have made progress in this area and additional formalization would benefit all.

Focus on customer service

Ex., Finance is launching a focus on customer service and those who provide it.

Keep setting new goals/metrics and share those with residents

Residents should know what initiatives are underway at City Hall; we were surprised by all the changes.

Keep making the City an appealing employer for existing talent and new talent

Focus on retaining a stable and valued workforce to preserve the knowledge.

Re-administer a culture survey to all employees and share a summary of the results widely

This should be done within the first year of the new administration.

The thing is, continuity of strategic direction and continuous improvement in how you do things are absolutely consistent with each other. In fact, they're mutually reinforcing.

Michael E. Porter