

# Response to Statement of Legislative Intent CBO-013-A-002: Citywide hiring incentive impact analysis

## Executive Summary

The Seattle Department of Human Resources (SDHR) reached out to City departments to identify hard-to-fill positions and the factors impacting the City's ability to hire talent. SDHR found many factors that impact the ability to attract front-line workers. The most identified were full-time work, benefits, and pathways from temporary to regular employment.

Hiring incentives are a short-term strategy to attract more applicants, the City began offering incentives in October 2021 for certain public safety positions. The Seattle Police Department (SPD) did not experience an increase in hiring since implementing a hiring incentive into their process in October 2021. The Community Safety and Communications Center (CSCC), however, did see an increase in candidates entering the hiring process since the implementation of an incentive in October 2021. Based on this limited time frame for the incentive there is not enough conclusive data to determine if hiring bonuses were successful in increasing hiring and further exploration would be required.

In addition, based on feedback received from City departments, the largest barrier to attracting, retaining, and promoting internal and external talent is our current job compensation and classification system; however, an update to this system would require significant research, planning, and budget.

## City Recruitment and Retention Challenges

SDHR created a [Recruitment Challenges Survey](#) asking Human Resources Talent Acquisition teams Citywide to list classifications and job titles that have been challenging to fill for their respective departments and identify factors that impact hiring.

The following positions were listed as critical to City business needs and challenging to fill:

Carpenter	HVAC Technicians
Plumber	Skilled Trades
Truck Drivers	Cashiers
Recreation Attendants	Electrical Inspectors
IT Programmer	Public Safety Auditor
Sr. Civil Engineer	Veterinarian
Police Officers	911 Dispatchers

Lack of qualified candidates was the primary factor identified for these hard-to-fill positions. Surveyed departments raised another fundamental issue: the minimum qualifications constraints in the City's outdated classification system continues to be a barrier to attracting, retaining and promoting internal and external talent.

SDHR next engaged City Department Leaders to discuss trends that impact recruiting and retention within their departments. Full-time work, benefits, and pathways from temporary to regular employment were identified as greater incentives than pay incentives to attract front-line workers.

The current minimum qualifications requirements within the City's classification titles create unnecessary barriers to promotion and hiring opportunities. The job duties described in these classification specifications do not always pertain to the work that needs to be completed by today's City workforce. Updating the City's 30-year-old classification and compensation system will improve the City's ability to attract entry-level, skilled trades, and other positions where transferrable skills and lived experience can be substituted for education and rigid requirements of multiple years of work experience. The task to review the job classification system after 30-plus years is significant. An update to this system would require significant research, planning, and budget.

### Hiring incentives

Offering a hiring incentive is a short-term strategy meant induce a prospect to accept a job offer. In the King County area, other local jurisdictions have been offering similar hiring incentives. While some departments in the City of Seattle have observed a clear and positive benefit, this must be weighed against other situations where this approach has potentially inherent drawbacks and equity issues for both the employer and employees.

Once an employee is on board, even a structured sign-on bonus with additional payout tied to time in service has limited impact on retention. The money is a one-time quick fix that may not compensate for uncompetitive wages, difficult or unsupportive work conditions, lack of opportunity to develop career-relevant experience and skills and limited promotion opportunities. Signing bonuses for newly hired external talent can negatively impact employee morale. Employees promoted internally or already working in the job can feel undervalued and unappreciated when their financial package does not match what external recruits receive. The potential for breaking trust is greater now, with many of the current City employees in identified hard-to-fill jobs working on the front line during the pandemic.

### Update on SPD/CSCC Incentives

Both SPD and CSCC have been dealing with decreased frontline staffing, in response the City began offering hiring incentives to attract applicants. While SPD communicated the department did not experience an increase in hiring since implementing a hiring incentive in October 2021, CSCC did see a substantial increase in candidates entering the hiring process. CSCC experienced an approximately 5-time increase, in time-over-time applications. The step-up in the pace of training is certainly due to new management and a renewed emphasis on training since the separation of CSCC from SPD on June 1, 2021, as well as the presence of incentives.

The issue of whether SPD has seen benefits from incentives is incredibly difficult to conclude because the incentives have been offered and removed several times. In addition, these incentives have been offered at a time when police departments around the region and state have been offering hiring incentives. This limits our conclusion of the effectiveness of hiring incentives. The hiring incentive was implemented over a limited time period and based on feedback from departments. The City has seen mixed results with its implementation.