



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
 County Manager's Office



INFORMATION ONLY

DATE: August 3, 2010

TO: Honorable Board of Supervisors

FROM: Reyna Farrales, Deputy County Manager, 363-4130

SUBJECT: **Information on Management Staffing and Preliminary Response to Final Span of Control Report**

Analyzing all aspects of our organization, including management and span of control ratios, are part of our strategy to address our structural budget deficit with a balanced approach. Your Board was provided with an interim Span of Control report on June 18 prior to Recommended Budget hearings. Management Partners has completed its work and provided a final report to the County. This memo provides a preliminary response to the report. A more detailed response is being prepared by departments and our office for the September 28 Final Budget hearing.

LABOR NEGOTIATIONS WITH AFSCME AND SEIU:

As your Board is aware, we are in active negotiations with AFSCME and SEIU on contracts that expire on August 7, 2010. In the course of these negotiations, several organizational issues arose. This memo provides your Board with information on management staffing, which is a related but separate issue from the review of supervisory span of control. Updated information regarding Management Analysts has also been included.

Management Staffing – Peer Comparisons: Management and attorney positions in San Mateo County are non-represented. About 510 of the County's 5,500 positions are management. This is 9.3% of total positions, compared to 19% among our peers in Alameda, Contra Costa, Marin, and Santa Clara counties. The table below summarizes management staffing as a percentage of total positions:

County	Total Positions	% Management ¹
Alameda	9,048	26 %
Contra Costa	9,413	15 %
Marin	2,045	22 %
Santa Clara ²	17,327	11 %
PEER AVERAGE		19 %
San Mateo	5,459	9 %

¹ Management classifications in San Mateo County are non-represented. Figures do not include 398 supervisor positions that are mostly represented by AFSCME and SEIU. For the selected peer counties, most managers and supervisors are represented by management associations, which could explain the higher management percentages compared to San Mateo County. Data as of July 12, 2010 from Salary Ordinance, budget documents, and contacts with Human Resources departments in peer counties.

² Includes 1,191 unfunded positions, no impact to management %

Management Analysts: Of the 510 management positions in the County, 78 are Management

Analysts. The Management Analyst Series is a broadly defined professional salaried classification, providing general or specific management support in the administrative, financial, or human resources areas. Employees at this level may be responsible for a group of related functions such as the Analysts in Human Resources who coordinate recruitment, classification and employee relations services for service departments. Other Management Analysts are responsible for specialized functions that are required by specific needs of their assigned department, such as management and coordination of programs and services, budget and finance analysis and planning, and/or development and implementation of special projects.

Department	# Management Analysts
County Manager's Office	9
Controller's Office	1
Treasurer/Tax Collector	1
Human Resources	16
District Attorney	1
Sheriff's Office	6
Probation	5
Coroner	1
County Library (JPA)	2
Public Works	3
Health System	20
Human Services Agency	13
FY 2010-11 TOTAL	78

For some comparable counties that do not utilize broad classification concepts, this type of work is performed by specific classifications, such as Personnel Analyst, Administrative Analyst, or Budget Analyst. These classifications can be either non-represented or represented by management groups.

The functions performed by Management Analysts are being studied as part of the Administration and Support Services Review which is currently underway to identify opportunities to cluster or consolidate support functions across departments, such as contracts administration, technology support, purchasing, budget and general accounting. The review will be completed this Fall along with other multi-departmental studies. Recommendations will be brought to the Board in phases over the next two years as part of the County's five-year budget balancing plan.

REVIEW OF SUPERVISORY SPAN OF CONTROL

Over the last year, your Board adopted budget balancing principles and strategies that departments have used to develop solutions toward eliminating the County's structural deficit by Fiscal Year 2013. One of the strategy sets was "Reorganizations and Labor Cost Restructuring", which included a review of supervisor-to-staff ratios (Span of Control) to look for opportunities to restructure and flatten organizational structures, and increase levels of responsibility and accountability among managers, supervisors and line staff.

The County Manager's Office engaged Management Partners to compare San Mateo County's supervisory span of control with peer counties. An Internal Support Services Team with departmental representatives was formed to oversee this benchmarking effort. The final report is attached, as well

as preliminary responses from departments and draft guidelines for ongoing review of span of control. There are two key areas where the County has identified major differences when comparing span of control with selected peers:

Definition of Supervisors Varied Among Peers: For purposes of the study, a supervisor was defined as someone who is responsible for the day-to-day performance of a small group or an individual. A supervisor may reside in a management or non-management classification, and may or may not have hire/fire authority over employees supervised. Two of the peer counties, Santa Clara and Marin, counted only those positions with hire/fire authority as supervisors, while San Mateo and Contra Costa counties also counted positions with no hire/fire authority, such as working supervisors and employees that were assigned supervisory duties as a career development opportunity and to meet succession planning objectives. Adjusting the County's ratios to match the Santa Clara and Marin definition would result in a broader span of control that is more in line with the peer average. The County is considering the recalculation of supervisor-to-staff ratios to reflect the narrower hire/fire definition, so that future span of control benchmarking can be done more reliably.

Differences in Organizational Structure and Service Delivery Models: The County has undergone multiple reorganizations over the last two decades in response to changes in priorities and turnover in leadership positions. Major reorganizations were implemented in the last five years, including the elimination of the Employee and Public Services Department and Environmental Services Agency and restructuring of its functions to report directly to Deputy County Managers; creation of the Housing Department; and consolidation of all healthcare services under a single Health System. These reorganizations have resulted in better coordination across departments and a more system-wide approach to service delivery. They present challenges in conducting span of control comparisons, however, since peer counties have also reorganized to address their own needs over time. These differences are highlighted by departments in their preliminary responses.

Departments also pointed to superior performance compared to their peers, which can in part be attributed to the quality of supervision provided to staff who directly deliver services.

Next Steps: Given the wide array of organizational structures and circumstances associated with county operations, the data contained in the Span of Control report must be recognized as a starting point for learning and determining where opportunities for continuing improvement may exist. The County is committed to achieving high levels of performance compared to its peers, and will actively explore opportunities to restructure and increase levels of responsibility and accountability among managers, supervisors, and line staff

Departments with 50%+ variances from peer averages (Table 8 in report) were requested to submit preliminary responses to the report. These are attached. Departments will conduct additional research and outreach to peers over the next several weeks, and our office will provide a more detailed response to the report for the Board for the September 28 Final Budget hearing.

Please feel free to contact me or the departments directly regarding the preliminary responses to the Management Partners report.

ATTACHMENTS

Attachment 1 - Preliminary Responses from Departments with 50%+ Variance from Peer Average

Attachment 2 - Draft Span of Control Guidelines Provided to Departments for Review

Attachment 3 - Final Report: San Mateo County Span of Control Comparisons (Management Partners)

HEALTH SYSTEM – Preliminary Response

1. Only 6.6% of Health System staff members are managers.

The Board of Supervisors, the unions, and our own staff are interested in the management to staff ratio, not the span of control ratio. The Health System has a very low management to staff ratio of only 6.6%. This ratio is understated as it does not include temporary and extra help positions. Unfortunately, this study confuses management to staff ratios with span of control.

2. Santa Clara County is not a valid comparison county, at least for Health.

The study authors themselves state that Santa Clara's Health Department numbers are an "anomaly." First, Santa Clara County only counted those with hiring & firing authority as a supervisor, significantly decreasing the number of staff they count as supervisors. In addition, Santa Clara (and Contra Costa) employs all their physicians and trains residents, significantly increasing the number of line staff when compared with San Mateo County. (One estimate of the number of employed physicians was 375.)

We do not employ the vast majority of our physicians and we train only a very few residents. This helps explain the extraordinary 1:21.7 span of control at the Santa Clara Medical Center that, the study authors stated, "greatly affects the overall span of control average." Because Santa Clara used a narrower definition of a supervisor and is structured differently, Santa Clara is not a valid comparison county for the Health System.

3. The Health System has a "better" span of control ratio than two out of three comparable peer counties.

The Health System's 1:6.5 span of control is "better" than Marin's (1:4.4), and Alameda's (1:6.2). Contra Costa's span of control is 1:11, though they and Santa Clara run very large hospitals and clinic systems which typically have more staff per supervisor.

4. No analysis of the use of extra help, temporary staff, contractors and/or interns is included.

This County is well-known for its fiscal caution, including the use of temporary and extra help positions, as well as using contractors (such as non-profit service delivery organizations and physicians) where appropriate. The County also has a commitment to succession planning through the use of interns, a program in which the Health System participated. But none of these positions were included in the analysis. Since the Health System uses all of these tools extensively to manage our budget and services, the comparison to other counties is not accurate.

5. No quality data is included – do we really want to emulate other counties if they do not perform as well or better than we do?

This County has made a commitment to performance-based measurement, yet none is included in the study. If data can be provided that show that the counties with a higher span of control perform as well or better than the Health System does, the comparison would be compelling. However, there is no qualitative data in the study at all. In fact, a recent internal review of the Santa Clara Health Department was not complimentary, and Santa Clara is now searching for new health leaders.

San Mateo's Health System is considered one of the better managed health departments in the state. Here are just a few examples of how well-regarded the Health System is:

- San Mateo is poised to participate in two pilot programs through the new Medi-Cal waiver, including a very significant long-term care integration project. Few other California counties will participate in even one pilot, much less two.
- San Mateo County is second only to Marin for prenatal and perinatal outcomes.
- The quality of work performed by our Children's Health Initiative has been cited by external researchers as a "best practice."
- Behavioral Health and Recovery Services (BHRS) was identified by the California External Quality Review Organization of all managed Medi-Cal mental health plans, as in the "high performer" top 10% of 58 counties, thus qualifying for an abbreviated review this year. None of the peer counties received this high rating. One was treated as a "good performer" while the three other peer counties included in this analysis were "average" performers.
- BHRS provides services efficiently compared to peer counties: For example for foster care children our average expenditure is \$5,949/per youth, versus \$7,396 for other medium size counties. Our denied claims rate is the 2nd lowest in the entire state at .53% versus 3.86% statewide.
- Over the last five years, the BHRS partnership with Probation and Child Welfare has led to a 50% reduction in out-of-home placements for children and youth, improving their outcomes and reducing expenditures. San Mateo County has a lower out of home placement rate than most other counties in the State.
- SMMC obtained full Joint Commission accreditation with very few findings for improvement, and a request that some of our practices be written up for inclusion as a "best practice."
- SMMC puts a major focus on quality improvement, which relies heavily on management and leadership. One example of how SMMC excels in this area is in chronic disease management outcomes. Each year, the Health Plan of San Mateo (HPSM) measures performance for this using an industry-standard methodology called HEDIS[®]. HEDIS[®] is a tool that is used by more than 90 percent of America's health plans to measure performance on important dimensions of care and service. For 2008, the most recent year for which data is available, HEDIS[®] results for the ACE population exceed the State's minimum performance level in every measured aspect of diabetes care. Moreover, these results exceed the State's high performance level on four measures.

BOARD OF SUPERVISORS (BOS)

There are 20 positions in the Board of Supervisor district budgets, which includes one Board member in each of the five County districts and three staff. Board members supervise their own staff of legislative aides. Board districts have no clerical support staff and handle a wide range of duties including administrative functions, constituent relations, analyzing and preparing position papers, statistical reports, memos, press releases, committee assignments, special projects, event planning, and community meetings.

The workload of peer counties is not clear from the report. In 2006, a peer review was conducted that included Santa Clara, Alameda, Contra Costa, Sonoma, Solano, and Ventura. The review showed that San Mateo County staffing levels were lower than peer-reviewed counties, resulting in the addition of one staff position for each Board district. The current review shows that we continue to operate with less staff than our peers. As an example, Marin County has a total of 21 BOS positions serving a population of 260,651 with total budget of less than \$500 million. San Mateo County has a total of 20 BOS positions serving a population of more than 754,000 with total budget of more than \$1.7 billion. Aside from the disparity in staffing levels, it is not clear from the report how Board members were counted to calculate supervisory span of control. Alameda County is listed in the report as having 36 staff with no supervisors. San Mateo County on the other hand is shown with 20 staff, which includes the Board member as supervisor of his/her staff of three. Further analysis will be conducted with peer counties for a more detailed response to the report in September.

COUNTY MANAGER'S OFFICE (CMO)

Functions in the County Manager's Office include executive leadership (County Manager and three Deputy County Managers) and administrative support, Budget and Performance, Clerk of the Board, Intergovernmental and Public Affairs, and Shared Services (Purchasing/Copy/Mail/Surplus Property), for a total of 38 positions. Span of control increased from 1:3.8 to 1:4.4 with the elimination of the vacant Assistant County Manager position in the budget. There is a wide range of supervisor-to-staff ratios among selected peers, with Marin at 1:1.6 and Alameda at 1:13. The peer average is 1:5.8.

The mix of functions in County Administrator and County Executive offices vary from county to county, which could explain the wide range of spans of control among selected peers. Contra Costa County Administrator's Office includes the Information Technology function, which is a separate department in San Mateo County. Clerk of the Board exists as a separate department in Santa Clara County. Risk Management, Facilities Planning, LAFCo, and special programs (e.g., housing, veterans affairs, women's policy, human relations, emergency planning, sustainability, economic development) are other functions that can be staffed and managed out of County Administrator/Executive Offices in other counties. For San Mateo County, the Second Chance Re-Entry program and Residential Energy Assistance Program are included in the CMO's staffing and supervisory counts. The CMO also manages contracts with CAL FIRE and the San Mateo County Bar Association for the Private Defender Program.

Another general observation is around reporting structure, which also varies among peer counties depending on appointing authority. In San Mateo County, the supervision of appointed Department Heads is provided by the County Manager and Deputy County Managers. This is not reflected in the calculation of County Manager's Office span of control in the report.

Further analysis will be conducted by unit managers with peers in Alameda, Contra Costa, Marin and Santa Clara for a more detailed response to the report in September.

CHILD SUPPORT SERVICES

The San Mateo County Department of Child Support Services operates one of the most effective, efficient and leaner Child Support Agencies in the Bay Area Region. The department followed-up on the information contained in Management Partner’s Span of Control report dated July 2010 and discovered various discrepancies.

The department called each of our peer agencies and requested the following data:

- Total budgeted FTEs FY 09-10
- Number of managers
- Number of supervisors – individuals responsible for activities such as signing time cards, authorizing time off, writing performance evaluations among other duties
- Number of attorneys

Further analysis of the data revealed that one peer county provides Court Collection services overseen by Child Support Services. The FTEs for Court Collections were included in the child support count which further skewed the data.

When we control for variance in definitions and correct for the inaccurate reporting of peer data the peer average ratio for child support agencies is 1:4.6.

Table 7: FY 2009-10 Supervisor to Staff Ratios for Surveyed Counties

Child Support Services	Alameda	Contra Costa	Marin	Santa Clara	San Mateo	Peer Average
Span of Control Report	1:06.9	1:12.0	1:3.9	1:10.7	1:5.1	1:8.4
Interviews Conducted July 26, 2010	1:3.3	1:5.1	1:2.7	1:7.1	1:5.1	1:4.6

As reflected in the table above, San Mateo’s Child Support Services span of control is broader than all but one peer county and is above the peer average. These findings make the information presented on Table 8 inaccurate for comparison.

PLANNING AND BUILDING and HOUSING DEPARTMENTS

In Table 7 of the Span of Control report, the Planning and Building and Housing Departments are consolidated and noted as having a 1:2.8 span of control ratio. This ratio places the consolidated Departments at 66% above the comparator county span of control average of 1:4.7 supervisors to line staff. After doing some research on the comparator counties, we feel the data in the Management Partners report does not accurately compare the span of control for both the Planning and Building and the Housing Departments with other Counties. Our concerns are noted below.

1. The San Mateo County Planning and Building Department has three sections: Current Planning, Long Range Planning and Code Enforcement. The only comparator County that is structured like San Mateo County is Santa Clara. In Santa Clara, the Department of Planning and Building includes the three sections in San Mateo County plus the Fire Marshall. In San Mateo County, the Fire Marshall is co-located in Planning, but staff are CAL FIRE (state) employees. The Santa Clara span of control ratio for Planning is 1:3.5, which is lower than the San Mateo ratio of 1:3.7
2. None of the three other comparator counties have a similar structure to the Santa Clara and San Mateo Planning and Building Departments. All other counties offer more services or are multi-department agencies. Table 6 illustrates this point as the staffing for all counties for Planning and Housing is higher than for San Mateo, even for Marin, which has about half the total employees as San Mateo. In terms of structure, Marin County is the next closest to San Mateo as their Community Development Agency includes Planning and Building and also Environmental Health. In San Mateo County, Environmental Health is a division of the Health System. In Alameda County, the Planning Department is a division of the Alameda County Housing and Community Development Agency. The Agency also includes Agriculture Weights and Measures, Redevelopment, Lead Poisoning, Neighborhood Preservation and Surplus Real Property. In Contra Costa County, the Conservation and Development Department includes transportation planning, which is done by C/CAG in San Mateo County, recycling and conservation programs which are handled by RecycleWorks in San Mateo, GIS, which is an ISD function in San Mateo and Redevelopment. Each of these counties has a significantly different agency/department structure than San Mateo. These differences would affect the span of control numbers and indicate that Marin, Alameda and Contra Costa are not appropriate comparators for a span of control study of the San Mateo Planning and Building Department without further clarification of the data provided. For example, the Alameda Planning Department, not the full Agency, would have been the more appropriate comparator for the span of control analysis.
3. The Management Partners report consolidates Housing and Planning for span of control analysis and states in a note on Table 6, that some Counties call their Planning and Building program Community Development and include housing services. This is only true in Contra Costa and Alameda, not in Marin or Santa Clara. Furthermore, Alameda has a Planning Department within the Community Development Agency, which also has a separate Department of Housing.
4. In San Mateo County, the Planning and Building Department and the Housing Department are two separate entities with individual management structures. By combining the two departments, executive staff was double counted as were possibly other supervisors and managers. When only looking at the Planning and Building Department, the span of control ratio is 1:3.7 compared to 1:2.8 for the combined ratio. The 1:3.7 ratio is greater than the ratio for Santa Clara, which as noted above, has the most similar structure to San Mateo County.

5. In San Mateo County, the Planning and Housing Departments report to the Deputy County Manager for Community Services, who oversees all programs that provide services to residents of the unincorporated area in addition to some countywide services. Therefore, San Mateo County has consolidated executive oversight of Planning and Building and Housing in the County Manager's Office. The report suggests the County should consider coordinated oversight of these two Departments as in Alameda and Contra Costa, but is the current organizational structure in San Mateo County.

6. For the Housing Department, only the 14 Community Development staff are included in the Management Partners report. The Housing Department has two sections, Community Development and the Housing Authority. The Housing Authority has 46 staff, who are Housing Authority employees, but who are overseen by the managers in the Community Development group. A quick review of the other counties indicates that this structure may exist in other counties too. For example, the Housing Authority in Contra Costa County is within the Conservation and Development Department. Therefore, the Housing Authority staff may have been included in the comparator county data, but excluded in the data for San Mateo County. If this is the case, then the 1:1.3 ratio in Table 1 for the Housing span of control is inaccurate. The Housing Authority staff should have been included and the ratio should be 1:3.3. [HCD 6:8, HA 8:38, DOH 14:46]

7. In the Housing Department, the Community Development staff manage over \$5 million in contracts. If the staff of the contracted service providers were included as County employees under the supervision of the Community Development group, and taking into account only the approximately \$1 million of contracts that primarily support contractors' staff costs, we estimate that at least another ten positions are supported, increasing Housing staff from 14 to "24" and increasing the span of control ratio from 1:1.3 to 1:4.0. The County has chosen to use contractors, as it is a less expensive way to provide these services.

DISTRICT ATTORNEY

The San Mateo County District Attorney’s Office prides itself on operating a lean organization. This is validated through peer comparison and workload performance indicators that were reported to the Board in preliminary budget meetings this spring (shown in the table 1 below) and an updated comparison (shown in the table 2 below) that was completed on July 27, 2010. Span of control ratios differ from the data shown in this table, as span of control reflects only supervisor to non-supervisor staffing ratios and can be affected by organization size and structure.

The data contained in the table 1 was presented to the Board of Supervisors at the March budget study sessions. The data compares peer average benchmarks with San Mateo County for staffing levels, filings per attorney and number of staff per capita. It shows that in San Mateo County, the District Attorney’s Office would need to increase staffing significantly for attorneys, inspectors and support staff to bring the department in line with other counties.

TABLE 1
DISTRICT ATTORNEY STAFFING AND WORKLOAD COMPARISONS - MARCH 2010 FOR FY09-10

Benchmarks	Average of Peer Counties ¹	San Mateo County
Population	1,099,356	734,453
Case Filings 2009	22,091	17,119
Number of Attorneys	113	57
Number of Inspectors	42	12
Number of Support Staff	93	38
Total Attorneys, Inspectors and Support Staff	248	107
Filings per Attorney	196	300
Population per Attorney	9,746	12,885
Population per Inspector	25,928	61,204
Population per Staffing	11,885	19,328

¹ Alameda, Contra Costa, Marin, San Francisco and Santa Clara (data provided by San Mateo County District Attorney’s Office)

² Based on FY09-10 staffing levels

TABLE 2
DISTRICT ATTORNEY STAFFING AND WORKLOAD COMPARISONS - JULY 2010 FOR FY10-11

Benchmarks	Average of Peer Counties ¹	San Mateo County
Population	1,099,356	734,453
Case Filings 2009	22,091	17,119
Number of Attorneys	114	56
Number of Inspectors	42	12
Number of Support Staff	100	36
Total Attorneys, Inspectors and Support Staff	256	104
Filings per Attorney	194	306
Population per Attorney	9,660	13,115
Population per Inspector	26,051	61,204
Population per Staffing	10,961	20,401

¹ Alameda, Contra Costa, Marin, San Francisco and Santa Clara (data provided by San Mateo County District Attorney’s Office)

² Based on current staffing levels

The most recent survey results (shown in table 2) reflect staff increases in attorneys and support staff in the peer counties, at a time when the San Mateo County District Attorney's Office is decreasing staff in the same two areas. This has further widened the staffing gap between the average of peer counties and San Mateo County. When there is a reduced number of line staff the burden on management becomes greater because of the nature of our work. Consistency in the prosecution of criminal cases and equal treatment of criminal defendants can only be guaranteed through adequate management oversight. The San Mateo County District Attorney's Office provides this oversight through working supervisors and managers who not only perform the management duties of the position, but share in the workload.

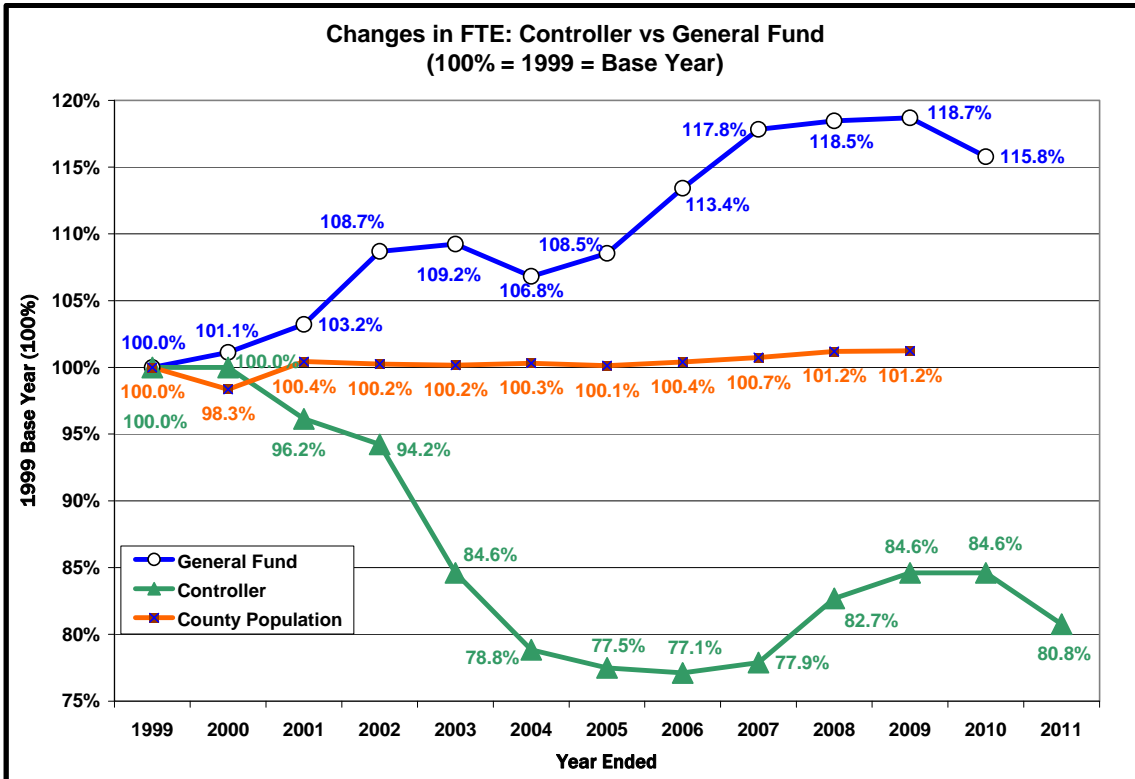
SHERIFF’S OFFICE

Span of control within law enforcement agencies varies based on many factors. These factors include variations in style and structure as they are adapted to environments, nature of work, similarity of activities performed, degree of risk in the work, degree of public scrutiny, burden of non-supervisory duties, qualification and experience of subordinates and geographic locations of subordinates. Another item to consider in comparing the span of control for Corrections is the layout of correctional facilities. When reviewing administration, one must consider that this function provides leadership and management of the entire organization. In comparison to the span of control presented in the report of 1: 2.1, Santa Clara County’s span of control in administration is 1: 0.64. This results in a larger span of control. In addition to administration, San Mateo County Sheriff’s Office has a wider span of control than the peer average when comparing the sworn operational span of control. After reviewing the salary ordinances & budget documents of other agencies presented in the study, we have determined that in sworn we have a wider span of control than that of the peer agencies as presented below.

SWORN OPERATIONAL SPAN-OF-CONTROL											
County	Undersheriff/ Commander:	Captain		Captain:	Lieutenant		Lieutenant: Sergeant		Sergeant:	Deputy & CO	
San Mateo	1	5		1	3		1	3.27		1	7.61
Santa Clara	1	7		1	1.57		1	5.36		1	6.96
Contra Costa	1	2.25		1	3.30		1	2.86		1	5.17
Alameda	1	2.50		1	2.47		1	3.08		1	6.78
Marin	1	3		1	3.67		1	2.55		1	5.54
Peer Average	1	3.69		1	2.75		1	3.46		1	6.11

CONTROLLER’S OFFICE

The San Mateo Controller’s Office has exemplified how continuous process improvement can reduce operating costs while simultaneously increasing productivity. The result provides the taxpayers of San Mateo County with the greatest value per dollar spent. As shown by the graph below, while General Fund employee count has increased by over 15% since 1999, the number of employees in the Controller’s Office has decreased by over 19%; a 34% difference. Additionally this decrease in the Controller’s Office has occurred while the County’s dollars expended have increased by 162% (from \$667 million to \$1.75 billion).



Factors Affecting the Controller's Office's Span of Control:

- One Non-manager supervisor noted in the Controller's April 2010 Span of Control report is no longer performing supervisory duties (Yolanda Bernarte, Senior Accountant).
- Most supervisors perform substantial non-supervisory duties. This is especially the case for the division managers of the Controller Information Systems (CIS), General Accounting / Accounts Payable and Payroll, who are responsible for the Countywide accounting (IFAS) and Payroll systems. The Controller’s Office span of control is not limited to its own staff, as measured in the Span of Control report, but also to all users of its systems. The Controller is responsible for the maintenance, training and daily operational oversight associated with the County’s accounting system (IFAS), which has over 300 users. In essence, the two managing supervisors in the CIS Division and the 3 supervisors in the General Accounting /Accounts Payable Division supervise these 300+ users. The Controller’s Payroll Division (1 manager/supervisor and 1 supervisor) work to manage the payroll and time keeping systems. Their staff can be considered to be all department personnel (over 6,000 employees) and, more closely, all Payroll Coordinators (approximately 20 employees). Measuring span of

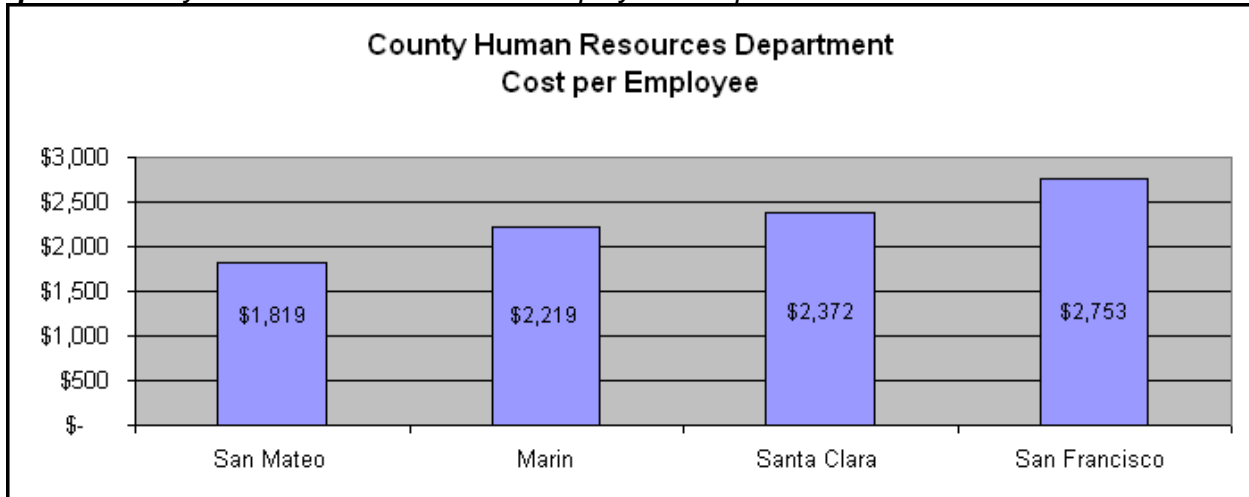
control becomes more complex when the users dependent on the systems controlled are considered, which is not done in the Management Partner Report.

- Automation efficiencies allowed the Controller's Office to reduce the number of its staff in the General Accounting / Accounts Payable and Payroll Divisions. There is less manual data entry work in our office today. Ten years ago, in FY 1999-2000, there were 53 positions. In FY 2009-10, this number was reduced to 45 positions, and it is now 42 positions in FY 2010-11.

HUMAN RESOURCES DEPARTMENT

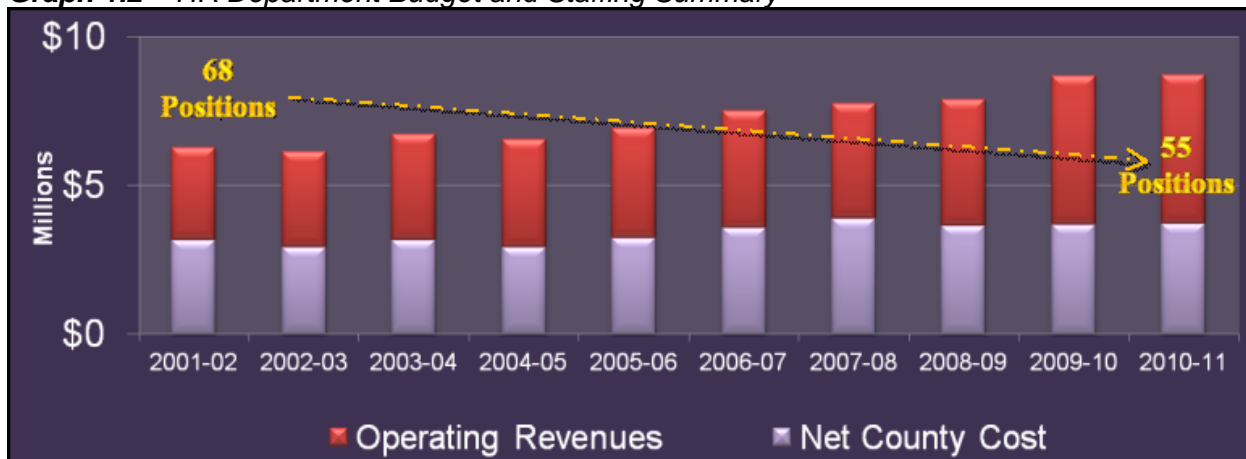
The Human Resources (HR) Department provides a full scope of centralized human resource services to twenty-two departments in San Mateo County. Operating a lean and highly efficient organization, the HR Department is comprised of staff and working managers with specialized technical expertise in one or more areas of human resources and performing full scope of responsibilities with few or no support staff. **Graph 1.1** shows that the cost per employee for the County’s HR Department is the lowest compared to other counties that provide *fully centralized* HR functions. **Graph 1.2** shows that during the last ten years, the department's Net County Cost has reflected minimal increases - an average of 2% per year while HR staffing levels decreased by 19% during the same period.

Graph 1.1 – Fully Centralized HR Cost Per Employee Comparison



Alameda County’s HR functions are decentralized, with larger departments operating their own HR units. Contra Costa County is somewhat decentralized albeit activities in departmental personnel units are coordinated with central HR. Contra Costa County is currently working towards fully integrating their HR functions.

Graph 1.2 – HR Department Budget and Staffing Summary



Span-of-Control

The Management Partners report indicates the FY 2009-10 span-of-control for the Human Resources Department as 1:2.7, which is higher than peer average. This ratio was changed to 1:2:9 in FY 2010-11. Additional research, as recommended by the Management Partners report, supports a conclusion

that the Human Resources Department is within average peer span of control parameters when differences in definition of “supervisor” are considered. For example, when we eliminate temporary one-subordinate supervision offered solely for career development purposes, span of control increases to 1:4.5. Likewise, if we limit the definition of supervisor only to those who have the authority to hire and fire, the HR span of control increases to 1:6.3.

Furthermore, two thirds of the managers in Human Resources carry a caseload as a primary function, and supervise staff as a secondary function, which appears to differ from peer counties. This efficiency reduces overall staffing and cost, and is an example of the type of positive attribute of a lower span of control ratio, also cited by Management Partners as worthy of consideration.

The narrow span-of-control is attributable to the department’s lean and horizontal structure, with employees at all levels performing a wide range of programming and administrative duties. The structure facilitates efficient communication between the inter-related divisions of HR, eliminates unnecessary levels in the flow of work and decisions, and facilitates smooth delivery of service to operating departments (customers). As such, the department operates with fewer support staff and thus reflects a lower span-of-control ratio.

The Human Resources Department is completing an internal study and will meet the September target for submission of a comprehensive report to the Board for consideration.



San Mateo County Span of Control Guidelines (**DRAFT 7/23**)

INTRODUCTION

Goal:

A high-performing organization where individuals are chiefly responsible for making decisions pertaining to their work, and hold themselves and others accountable in providing quality services and outcomes to the community.

Objective:

Whenever a vacancy occurs in any management or non-management position with supervisory responsibilities, department management and work unit shall conduct a review to evaluate the necessity of maintaining that position and consider opportunities to increase its span of control ratio, and reduce the number of organizational layers.

Definition:

Span of control is the ratio of supervisors (managers and non-managers) to non-supervisors (managers and non-managers) in a department or departmental work unit.

Baseline Measure:

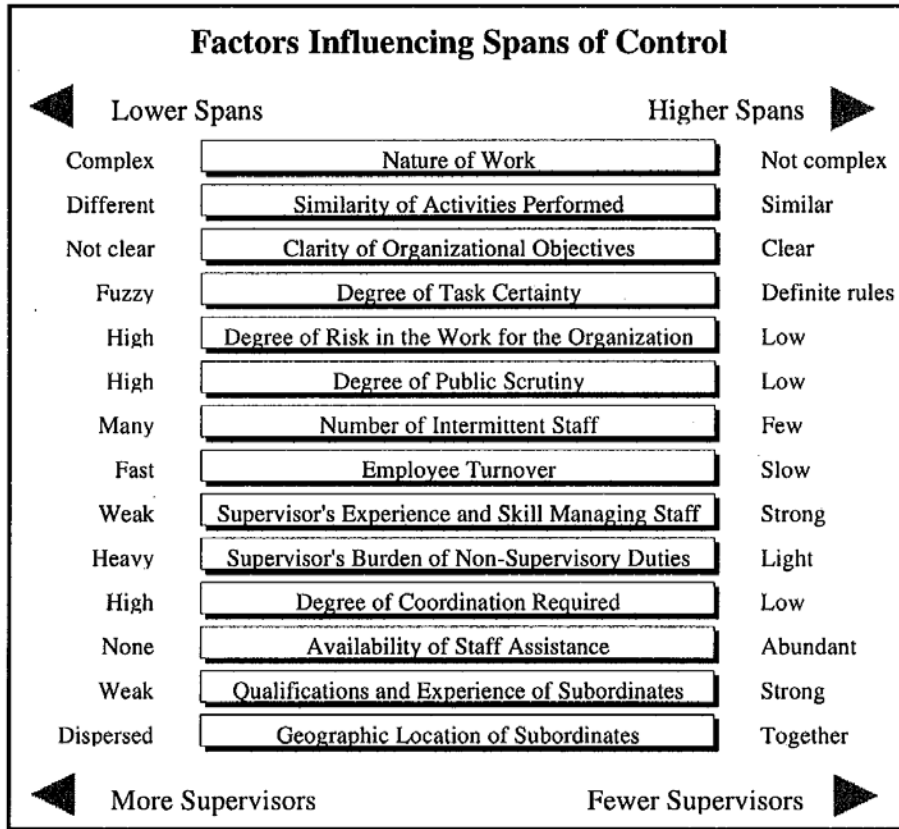
The baseline measure as a starting point for comparison purposes is the departmental “peer average ratio” as contained in Table 7 on page 17 of the Management Partners Study dated July 2010, together with any follow-up studies/reports prepared by the department and/or County.

GUIDELINES

Departments should consider the following guidelines in achieving the organizational objective to increase span of control ratio to more closely align with the relevant peer average ratio.

- Departments that utilize technology and have more systematic and predictable process and where activities are better suited to broad span of control than those that administer highly complex or variable projects and programs. Can you identify opportunities to make your processes more systematic and predictable?
- Extra help, volunteer staff, and contractors were not factored into the county's span of control ratios. If your department/unit utilizes these resources, does the accounting of the same increase the span of control? If yes, is the use of these resources cost effective compared to utilizing regular staff?

Factors Influencing Span of Control



This figure is adapted from the City of Portland Audit Services Division's Span of Control Study, 1994, p. II-3

- Can your department identify supervisors that perform substantial non-supervisory duties, whose supervisory duties could be eliminated or consolidated? What impact will this change have on your department/unit?
- Would a change have a significant effect on performance quality and outcome expectations?
- Does your department have mid-level management positions that could be converted to non-supervisory positions?
- What are the number of organizational layers in your organization and can they be reduced?
- Does your department have employees in traditionally non-supervisory positions that are now supervising on a limited basis as a career development opportunity?
- What training opportunities can you identify to increase subordinate responsibility in terms of self-directed work?
- Can individual accountability be increased without creating inconsistencies in customer service? To what degree can your department replace/increase coordination of activities/tasks by means other than delegation to a supervisor?

ATTACHMENT 2 – Draft Guidelines for Review of Span of Control

- Email, Word processing, Excel, and other software/computer systems have provided opportunities for efficiencies and cost savings. Has your department eliminated secretarial and administrative support positions over the last ten years, contributing to a lower span of control ratio?
- For vacant supervisory positions, is filling the position at the same level justified from a cost/benefit analysis perspective?
- Other factors unique to your department

Departmental analysis may determine that it is not in the business interest of smaller departments or individual units in larger departments to align with the “peer average ratio.” In such instances, the department shall prepare detailed written justification for review by the County Manager. The County Manager will either concur that an exception is warranted or provide additional guidance for the department to advance its span of control to more closely align with the “peer average ratio.”



COUNTY OF SAN MATEO SPAN OF CONTROL

July 2010



MANAGEMENT PARTNERS
INCORPORATED



MANAGEMENT PARTNERS

INCORPORATED

July 22, 2010

Members of the Internal Support Services Team
c/o Ms. Reyna Farrales
Deputy County Manager
County of San Mateo
400 County Center
Redwood City, CA 94063

Dear Ms. Farrales:

Management Partners is pleased to submit this project report that compares San Mateo County span of control with peer counties. Span of control refers to the number of staff assigned to a single supervisor. The purpose of this review was to identify if and where County departments differ in their average span of control and where possible opportunities for achieving organizational efficiencies may exist. It is the goal of this report to present unbiased information that will inform future analysis and more in-depth understanding about span of control.

We look forward to assisting the County with future efforts.

Sincerely,

Gerald Newfarmer
President and CEO

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SPAN OF CONTROL STAFFING DATA FOR THE PLANNING AND BUILDING AND HOUSING DEPARTMENTS ARE COMBINED IN TABLE 8 FOR PEER COMPARISON PURPOSES. THE PEER ORGANIZATIONS COMBINE THESE FUNCTIONS AND THEREFORE DISCRETE STAFFING DATA WAS UNAVAILABLE. TABLE 1 SHOWS THE SEPARATE SPAN OF CONTROL AVERAGES FOR THE SAN MATEO COUNTY PLANNING AND BUILDING DEPARTMENT AND THE HOUSING DEPARTMENT.	19
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EXECUTIVE SUMMARY

An organization's ability to learn, and translate that learning into action rapidly, is the ultimate competitive advantage.

- Jack Welch (former Chairman and CEO of General Electric)

In the spirit of continuous improvement and learning that defines the County of San Mateo, Management Partners was engaged to compare supervisor span of control in County departments to those in selected peer jurisdictions. Span of control analysis seeks to understand the supervisory structure of an organization and how much direct supervision is in place. Benchmarking with peers is a useful exercise to identify where differences exist, to prompt learning about the reasons for differences, and to apply what is learned to achieve organizational efficiencies and maximize effectiveness. The objective of this benchmarking comparison is to gather data that could lead to informed discussions about what constitutes appropriate spans of control for the County of San Mateo.

Conclusive results cannot be established by the data alone. Only by analyzing data in depth and questioning assumptions about current organizational arrangements can recommendations be made. The scope of this project was limited to identifying department-level span of control presented in this report.

Management Partners completed this study under the direction and oversight of the County's Internal Support Services Team. The team was formed to address two of the County's multi-departmental budget strategies that involve a review of administration and internal support services and Countywide span of control. The team is comprised of representatives from the following departments: County Manager's Office, Human Resources, Controller's Office, Health, Public Works and Information Technology. Members of the team were instrumental in defining project objectives, identifying peers, assisting with the compilation of County staffing data, and providing feedback on preliminary data and analysis.

Supervisor Span of Control

The data and analysis contained in this report serve as a *tool for asking questions* and seeking to understand what constitutes appropriate span of control for the diverse County departments. The data were obtained through contacts made with budget offices and human resources departments in the counties of Alameda, Contra Costa, Marin, and Santa Clara. Attempts to gather comparable data from the Counties of Ventura and San Diego were unsuccessful. Ventura County provided high-level data that lacked the specificity necessary for our comparative analysis and San Diego County was non-responsive to repeated requests.

The data that were received were reviewed and validated with the peers. Results are presented in Tables 7 and 8. This should be considered a starting point for more in-depth analysis by County departments. ***Management Partners recommends that department staff contact their peers to better understand the organization structure and reasons for differences, especially in those departments where variances from the peer average are significant.*** In addition, direct contacts with individual department representatives in Ventura and San Diego counties may generate the data that are desired and should be pursued.

Management Staffing Percentages

In addition to span of control data, Management Partners was requested to gather information about management staffing percentages. Peer counties were able to provide span of control data (i.e., supervisory staff compared with non-supervisory staff) for their departments because the information is either tracked centrally through human resources or individual departments could identify the supervisory staff. However, once the data were received, it became clear that the manner in which each county characterizes management and non-management groups varies significantly. There is not a standardized or central system for reporting such information in a consistent and reliable manner. This was unanticipated. Given the availability of peer data, the County directed Management Partners to focus the peer analysis on span of control.

An analysis of San Mateo County management staffing has been included in this report. The results are presented in Table 11. In addition, the Human Resources Department initiated an independent effort to survey and compile management staffing data. The county-wide peer results have been included as Attachment A. Department-level analysis of the distribution of management and non-management staff requires additional effort that may be pursued by either the Human Resources Department or individual departments.

Management to staff percentages are important for understanding the composition of an organization. Lacking a standardized system for reporting management staffing in a consistent manner, a comparison with the peer organizations requires a detailed review of each county's salary

ordinance to determine which and how many positions are at management level.

Management Partners recommends that the County work with colleagues in the peer jurisdictions to define what constitutes management-level staff and develop a means for tracking management percentages to allow for regular comparison. We recommend that departments that show a narrow span of control seek to understand how that analysis compares with a review of management to non-management staffing.

INTRODUCTION

Management Partners was engaged to compare supervisory span of control of County departments with comparable departments from a peer group of counties with the objective of identifying if and where departments differ from peers and whether opportunities to reconfigure or reorganize to achieve organizational efficiencies may reside. Based on the timing of the data request (May 2010) and to ensure consistency across peers, the data used for peer comparison reflects FY 2009-10 staffing levels.

Management Partners reported initial data received from peers to the Internal Support Services Team on May 21, 2010. The team requested that Management Partners analyze and report on changes to staffing reflected in the FY 2010-11 Recommended Budget to show any effect on span of control resulting from recommended budget changes. Given the timing and scope of this project, this additional level of analysis was not completed for the peer counties.

The information contained in this report shows how San Mateo County compares in terms of average department-level span of control. The data that are shown reflects what was provided and validated through the executive and human resources departments of the peer group. Based on the scope of this project, individual departments in the peer counties were not contacted. Management Partners recommends that the County continue to refine and validate the peer data through more in-depth contacts directly with peer departments.

This analysis serves as a *tool for asking questions* and seeking to understand what constitutes appropriate span of control for the diverse departments of San Mateo County. Given the wide array of organization structures and circumstances associated with County operations, the data contained in this preliminary memo must be recognized as a starting point for learning and determining where opportunities for organizational change may exist.

BACKGROUND ON SPAN OF CONTROL

Span of control and the layers of management determine the way an organization delegates tasks among units and sub-units. The optimum span of control for any given agency or department is dependent upon numerous variables; thus, it is not fruitful to identify an “ideal” span of control ratio. Some of the factors on which span of control depend were identified in a 2003 study by the Texas State Classification Office and are listed below.

- Job complexity
- Job similarity
- Geographic proximity of employees
- Amount of coordination to complete tasks
- Employee abilities
- Employee empowerment to make decisions
- Ability of management

The County identifies a number of additional factors that may affect span of control. These include:

- Use of extra help or volunteer staff
- Performance quality and outcomes expectations
- Contract management
- Succession planning objectives

For purposes of this study, a supervisor is defined as someone who is responsible for the day-to-day performance of a small group or an individual. A supervisor may have a management or non-management classification. The supervisor’s job is to guide the group toward its goals, see that all members of the team are productive, provide feedback related to staff performance, and resolve problems as they arise. Although a supervisor may not necessarily have the power to hire or fire employees or to promote them, he or she is usually able to recommend such action to the next level of management. The supervisor generally has official responsibility for activities such as signing time cards, authorizing time off, writing performance evaluations and similar oversight tasks.

This study does not include a review of or provide information about management layers. Layers of management refer to the hierarchy of responsibility in an organization. For example, a department with five layers of management could have a department director, deputy directors, division managers, program managers and individual unit

supervisors or managers. An example of a department with two layers of supervision might have only a department director and individual program managers that report directly to the director. The size of the organization often affects the layers of management. To thoroughly understand span of control in a peer comparison environment, it is important to understand layers of management.

Recommendation 1: Review management layers as part of further span of control analyses to determine how the County's organization structure compares with peers.

SAN MATEO COUNTY SPAN OF CONTROL

San Mateo County provided detailed staffing data for each of the County's departments at two points in time. The first set of staffing data includes the total number of supervisors (both manager and non-manager) and non-supervisory staff as of February 9, 2010. The numbers reflect the mid-year elimination of vacant positions but do not reflect other mid-year reductions made by departments in the spring of 2010. Staff that fall into the categories of temporary or extra help are not included. The second set of data reflects number of positions included in the FY2010-11 Recommended Budget. The Recommended Budget staffing numbers include mid-year changes made after February, as well as any additional proposed staffing changes for FY 2010-11. From this data, Management Partners was able to construct a picture of supervisory span of control ratios for the County. *Note: Span of control peer comparison data must not be confused with a ratio of management to non-management (or represented to non-represented staff).*

Management Partners has high confidence in the integrity of the position data provided by the County. Analysts in the County Manager's Office worked with individual departments to identify supervisors (both management and non-management) and non-supervisors by position. It is sometimes not possible to identify which positions are supervisory based solely on job classification. For example, a management analyst in one department may supervise a team of staff, while a position of the same classification in a different department may manage individual projects or complex contracts, but no staff. Staff development plans and succession planning objectives may also affect supervisory decisions. The process of having departments verify their supervising staff improves the integrity of the data.

Table 1 shows total staff size and the span of control for San Mateo County departments as of February 9, 2010 (following elimination of vacant positions mid-year) compared with the number of positions included in the FY 2010-11 Recommended Budget. The analysis reflects all positions, whether or not they are filled.

TABLE 1: DEPARTMENT SIZE AND CHANGE IN SPAN OF CONTROL FROM FY 2009-10 TO FY 2010-11

Department	Department Size		Supervisor : Staff Ratio		% Change in Span of Control
	2009-10	2010-11 ¹	2009-10	2010-11 ¹	
Agricultural Commissioner/Sealer	32	30	1:5.4	1:5.0	-7.4%
Assessor-County Clerk-Recorder	113	112	1:4.9	1:4.9	-1.1% ²
Board of Supervisors	20	20	1:3.0	1:3.0	0.0% ³
Child Support Services	92	90	1:5.1	1:5.0	-2.6%
Controller's Office	45	42	1:2.5	1:2.2	-9.4%
Coroner's Office	15	15	1:4.0	1:4.0	0.0% ³
County Counsel	40	38	1:5.7	1:5.3	-5.9%
County Manager/Clerk of the Board	38	38	1:3.8	1:4.4	18.1%
District Attorney	129	125	1:5.8	1:5.6	-3.6%
Health	2,264	2,225	1:6.5	1:6.4	-0.9%
Housing ⁴	17	14	1:1.4	1:1.3	-6.7%
Human Resources	56	55	1:2.7	1:2.9	7.1%
Human Services Agency	785	770	1:5.8	1:5.8	-0.2% ²
Information Services Department	161	149	1:5.2	1:5.2	0.3% ²
Parks	57	57	1:4.7	1:4.7	0.0% ³
Planning and Building	52	52	1:3.7	1:3.7	0.0% ³
Probation	444	421	1:6.7	1:7.6	14.1%
Public Safety Communications	56	54	1:3.7	1:4.4	20.0%
Public Works	317	301	1:4.3	1:4.1	-4.2%
Real Property Services	4	4	1:3.0	1:3.0	0.0% ³
Sheriff's Office	635	622	1:6.1	1:6.0	-1.1%
Treasurer - Tax Collector	63	63	1:4.7	1:4.7	0.0% ³
TOTAL	5,435	5,297	1:5.7	1:5.7	0.4%²

¹ FY 2010-11 Recommended Budget

² Percent change in the span of control from FY 2009-10 to FY 2011-12 is calculated based on actual staffing data. Although the ratios in this table are the same, the actual data are not. They have been rounded to the tenth decimal point for brevity in the table.

³ There was no change in the number of either supervisory or non-supervisory positions from FY 2009-10 to FY 2010-11.

⁴ Does not include Housing Authority employees because they are not County employees; however the management structure for the department supports and supervises them.

Overall, five departments show an increase (or broadening) of span of control in the staffing proposed in the Recommended Budget. Eleven departments show a decrease and eight have no change in span of control. When taken as a whole, the County's overall average span of control has held steady with no noticeable change in supervisor to staff span of control.

The type of work undertaken by a department may affect the appropriate span of control. Departments that utilize technology and have systematic and predictable processes and activities are better suited to broad span of control than those that administer highly complex or variable projects and programs. In addition, the use of extra help, volunteer staff, contract employees or contractor agencies, which are not accounted for in this study, may result in a deceptively narrow span of control. For example, the Medical Director in Behavioral Health and Recovery Services clinically supervises many contracted psychiatrists, but those are not factored into the ratios.

Recommendation 2: Identify factors specific to County departments that may affect span of control.

The Health System, Human Services Agency, and Sheriff's Office are the County's three largest departments, constituting 66% of all County employees. Given the size, complexity and the diverse nature of the programs they administer, the County requested that Management Partners show span of control at the program level for these departments. The FY 2009-10 and FY 2010-11 ratios for each of these departments are shown in Tables 2, 3 and 4.

TABLE 2: PROGRAM SIZE AND CHANGE IN SPAN OF CONTROL OF HEALTH SYSTEM PROGRAMS

Health System Programs	Program Size		Supervisor : Staff Ratio		% Change in Span of Control ²
	2009-10	2010-11 ¹	2009-10	2010-11 ¹	
Health Administration	14	13	1:0.8	1:1.2	55.6%
Health Policy and Planning	50	53	1:3.2	1:2.5	-20.0%
Aging and Adult Services - Conservatorship Program	44	44	1:5.3	1:5.3	0.0%
Aging and Adult Services - Community Based Programs	74	73	1:5.7	1:5.6	-1.6%
Behavioral Health and Recovery Services - BHRS Administration	53	51	1:1.7	1:1.6	-6.1%
Behavioral Health and Recovery Services - Mental Health Youth Services	161	160	1:7.9	1:7.9	-0.7%
Behavioral Health and Recovery Services - Mental Health Adult Services	158	151	1:7.3	1:6.9	-5.0%
Behavioral Health and Recovery Services - Alcohol and Other Drug Services	31	30	1:2.9	1:2.8	-4.3%
Emergency Medical Services	5	5	1:4.0	1:4.0	0.0%
Environmental Health Services	73	73	1:8.1	1:8.1	0.0%
Community Health Administration	11	10	1:2.7	1:2.3	-12.5%
Public Health	85	85	1:3.7	1:3.5	-6.7%
Chronic Disease and Injury Prevention	4	4	1:3.0	1:3.0	0.0%
Family Health Services	172	173	1:6.2	1:6.2	0.7%
Correctional Health Services	94	88	1:4.5	1:4.9	7.4%
San Mateo Medical Center - Administrative and Quality Management	153	151	1:2.4	1:2.6	8.1%
San Mateo Medical Center - Patient Care Services	166	166	1:12.8	1:12.8	0.0%
San Mateo Medical Center - Psychiatry Services	78	78	1:12.0	1:12.0	0.0%
San Mateo Medical Center - Clinical Ancillary and Support Services	239	229	1:14.9	1:14.3	-4.5%
San Mateo Medical Center - Long-Term Care Services	256	247	1:11.8	1:12.0	1.7%
San Mateo Medical Center - Ambulatory Services	343	341	1:10.4	1:10.0	-4.2%
TOTAL	2,264	2,225	1:6.5	1:6.4	-0.9%

¹ FY 2010-11 Recommended Budget

² Percent change in the span of control from FY 2009-10 to FY 2011-12 is calculated based on actual staffing data. The ratios have been rounded to the tenth decimal point.

The programs with the broadest span of control in the Recommended Budget for the Health System are:

- San Mateo Medical Center - Patient Care Services
- San Mateo Medical Center - Psychiatry Services
- San Mateo Medical Center - Clinical Ancillary and Support Services
- San Mateo Medical Center - Long-Term Care Services
- San Mateo Medical Center - Ambulatory Services

It is not surprising to find that the administration divisions within the Health System show the narrowest span of control. These support direct client service divisions and have a much smaller staff size. They include the following programs:

- Health Administration
- Health Policy and Planning
- Behavioral Health and Recovery Services - BHRS Administration
- Community Health Administration
- San Mateo Medical Center - Administrative and Quality Management

TABLE 3: PROGRAM SIZE AND CHANGE IN SPAN OF CONTROL OF HUMAN SERVICES AGENCY PROGRAMS

Human Services Agency Programs	Program Size		Supervisor : Staff Ratio		% Change in Span of Control ²
	2009-10	2010-11 ¹	2009-10	2010-11 ¹	
Program Support	59	59	1:3.5	1:3.5	0.0%
Office of the Agency Director	51	49	1:6.3	1:6.0	-4.5%
Eligibility Determination	344	341	1:7.8	1:8.0	2.0%
Employment Services	60	60	1:4.5	1:4.5	0.0%
Vocational Rehab Services	37	32	1:4.3	1:3.6	-16.7%
Child Care Services	9	9	1:8.0	1:8.0	0.0%
Children and Family Services	179	175	1:5.4	1:5.3	-2.6%
Out of Home Placement	12	11	1:5.0	1:10.0	100.0%
Office of Housing (Shelter Services)	34	34	1:3.9	1:3.9	0.0%
TOTAL	785	770	1:5.8	1:5.8	-0.2%

¹FY 2010-11 Recommended Budget

² Percent change in the span of control from FY 2009-10 to FY 2011-12 is calculated based on actual staffing data. The ratios have been rounded to the tenth decimal point.

Table 3 shows that the narrowest span of control is in Program Support and Vocational Rehabilitation Services. Program Support includes complex financial and grant reporting, agency staff support, and budget and performance. Child Care Services and Out of Home Placement have the widest span of control.

TABLE 4: PROGRAM SIZE AND CHANGE IN SPAN OF CONTROL OF SHERIFF'S DEPARTMENT PROGRAMS

Sheriff's Department Programs	Program Size		Supervisor : Staff Ratio		% Change in Span of Control ²
	2009-10	2010-11 ¹	2009-10	2010-11 ¹	
Administrative and Support Services	28	28	1:2.1	1:2.1	0.0%
Professional Standards Bureau	64	57	1:4.8	1:4.2	-13.2%
Sheriff's Forensic Laboratory	30	30	1:5.0	1:5.0	0.0%
Patrol Bureau	103	100	1:5.9	1:5.7	-3.4%
Investigations Bureau	71	71	1:3.7	1:3.7	0.0%
Office of Emergency Services	10	10	1:1.5	1:1.5	0.0%
Maguire Correctional Facility	221	219	1:10.6	1:10.5	-1.0%
Custody Programs	39	39	1:4.6	1:4.6	0.0%
Court and Security Services	69	68	1:12.8	1:16.0	25.0%
TOTAL	635	622	1:6.1	1:6.0	-1.1%

¹ FY 2010-11 Recommended Budget

² Percent change in the span of control from FY_2009-10 to FY_2011-12 is calculated based on actual staffing data. The ratios have been rounded to the tenth decimal point.

The Recommended Budget figures in Table 4 show the narrowest span of control in Administrative and Support Services and Office of Emergency Services (OES). The Maguire Correctional Facility and Court and Security Services have the broadest span of control.

SPAN OF CONTROL BENCHMARKING RESULTS

Peer Counties

The County and Management Partners initially agreed to survey the counties of Alameda, Contra Costa, San Diego, Santa Clara and Ventura to compare span of control. These counties were selected as peers based on the following attributes: location (predominately Bay Area), population size, resident demographics, budget size, hospital and clinic operations and, in the case of San Diego, maturity of the performance management system. San Diego was unresponsive to requests for information. Because of this, Management Partners requested and received span of control data from Marin County based on the characteristics outlined above. Ventura County provided summary level data that lacked sufficient specificity to validate and compare with the peer group. Attempts to obtain the source documentation for ratios that were provided were unsuccessful.

Table 5 shows the scale of peer counties and San Mateo County in terms of overall population, budget and positions. The information is intended to provide context to the span of control comparisons that follow. It is important to note that Table 5 shows positions as full-time equivalents (FTEs) employees. The span of control analysis that follows shows authorized positions rather than FTEs.

TABLE 5: PEER COUNTY GENERAL INFORMATION

County	Population¹	Budget²	Full-time Equivalent (FTE) Positions³
Alameda	1,574,857	\$2.4 Billion	9,047.9
Contra Costa	1,073,055	\$1.2 Billion	8,142.0
Marin	260,651	\$437.1 Million	2,105.5
Santa Clara	1,880,876	\$4.0 Billion	15,381.8
San Mateo	754,285	\$1.7 Billion	5,228.5

¹ California Department of Finance January 1, 2010 estimates

² FY 2010-11 Recommended Budget

³ Total County FTEs as reported in the FY 2010-11 Recommended Budget. The number of authorized positions was not consistently available. Position count differs from the number included in the span of control tables where only positions for comparable functions have been counted.

Departments Analyzed

Each county organizes its programs and services in a slightly different way. For example, a Human Resources Department sometimes contains the risk management functions (as is the case in San Mateo County), while in other organizations it may reside elsewhere (e.g., County Administrator's Office, or its own department). For the purposes of this analysis, functions in peer departments were grouped to correspond to the organizational structure of San Mateo County to allow for reasonable comparison. In instances where it was not possible to isolate the staffing for distinct functions, differences are identified in the footnotes or have been excluded. The functions of each department do not align perfectly from one county to another, but the overall result allows for reasonable comparison and serves the purpose of informing further questions and best practice learning. The departments that are included are shown in Table 6.

TABLE 6: FY 2009-10 TOTAL STAFF PER COMPARISON DEPARTMENT

Department	Alameda	Contra Costa	Marin	Santa Clara	San Mateo
	Total Staff in Department				
Agricultural Weights and Measures	-- ¹	46	11	183	32
Assessor-Clerk-Recorder-Elections	173	115	73	364	113
Board of Supervisors	36	26	21	40	20
Child Support Services	206	156	34	292	92
Controller	280	46	30	80	45
Coroner	-- ²	-- ²	6	19	15
County Counsel	54	44	24	126	40
County Manager/Exec's Office	56	112 ³	13	139 ⁹	38
District Attorney	372	157	80	494	129
Health	1,238 ⁴	2,685	563 ⁵	6,345	2,264
Human Resources	65 ¹⁰	38 ¹⁰	47	150	56
Human Services	2,191	1,502	563 ⁵	2,575	785
Information Services	158	-- ⁶	100	199	161
Parks	-- ¹	-- ⁷	62	206	52
Planning and Building/Housing ⁸	165	181	80	86	69
Probation	628	266	100	871	444
Public Works	316	237	208	563	317
Sheriff	1,648	949	301	1,863	635
Treasurer-Tax Collector	62	24	35	157	63

¹ This function is in the Community Development Department, which is shown in this table as Planning and Building/Housing to correspond with SMC structure; therefore, the data were not provided as a separate function.

² Function is in the Sheriff's Department.

³ Department includes information technology function.

⁴ Does not include a county medical center, which is run by the Alameda County Hospital Authority.

⁵ Health and Human Services are in a combined department. The local medical center, Marin General, is a Sutter Health affiliate and is not a part of the County.

⁶ Function was reported in the County Administrator's Office; however the Recommended Budget identifies 75 FTE for this function.

⁷ Function is in the Public Works Department.

⁸ Department is called Community Development for some counties and includes Housing. Therefore, for San Mateo County, the separate housing department is included in these figures. Housing Authority staff are not included.

⁹ Further review is required to determine reasons for this staff size outlier.

¹⁰ Risk Management staff is not included.

Peer Comparison of Span of Control

The surveyed counties were given the description of a supervisor that is included in the first section of this report. In short, a supervisor is defined as someone who is responsible for the day-to-day performance of a small group or individual. *A supervisor may reside in a management or in a non-management classification. A supervisor may be exclusively assigned supervisory responsibilities or may be a “working supervisor” with direct line service responsibility.* The supervisor generally has official responsibility for activities such as signing time cards, authorizing time off, writing performance evaluations and similar oversight tasks.

Based on the timing of the data request (May 2010) and to ensure consistency across peers, the data used for peer comparison reflects FY 2009-10 staffing levels.

Santa Clara County reports that they designate supervisory staff as those staff with hiring and firing authority. This differs from the definition provided to all peers and may affect their span of control ratios. San Mateo County departments that show an inconsistency when compared with Santa Clara County are encouraged to seek clarification from department peers.

Table 7 compares the ratios of supervisors to staff as reported by peer counties to those of San Mateo County departments. The column on the far right of the table displays the peer average span of control.

TABLE 7: FY 2009-10 SUPERVISOR¹ TO STAFF RATIOS FOR SURVEYED COUNTIES

Department	Alameda	Contra Costa	Marin	Santa Clara ²	San Mateo	Peer Average Ratio
	Supervisor : Staff Ratio					
Agricultural Weights and Measures	--	1:6.7	1:2.7	1:6.3	1:5.4	1:5.2
Assessor-Clerk-Recorder-Elections	1:5.2	1:4.0	1:3.6	1:5.4	1:4.9	1:4.5
Board of Supervisors	-- ³	1:4.2	1:2.5	1:7.0	1:3.0	1:4.6
Child Support Services	1:6.9	1:12.0	1:3.9	1:10.7	1:5.1	1:8.4
Controller	1:6.4	1:4.1	1:5.0	1:2.6	1:2.5	1:4.5
Coroner	--	--	1:2.0	--	1:4.0	n/a
County Counsel	1:5.0	1:6.3	1:7.0	1:10.5	1:5.7	1:7.2
County Manager's Office	1:13.0	1:5.6	1:1.6	1:3.1	1:3.8	1:5.8
District Attorney	1:10.3	1:9.5	1:6.3	1:14.9	1:5.8	1:10.2
Health	1:6.2 ⁴	1:11.3	1:4.4 ⁵	1:17.2	1:6.5	1:9.8
Human Resources	1:4.7	1:6.0	1:6.3	1:3.5	1:2.7	1:5.1
Human Services	1:9.5	1:7.6	1:4.4 ⁵	1:6.9	1:5.8	1:7.1
Information Services	1:7.3	-- ⁶	1:4.0	1:6.4 ⁷	1:5.2	1:5.9
Parks	--	--	1:2.1	1:6.9	1:4.7	1:4.5
Planning and Building/ Housing	1:4.7	1:6.0	1:4.7	1:3.5	1:2.8	1:4.7
Probation	1:7.8	1:7.3	1:4.9	1:7.8	1:6.7	1:7.0
Public Works	1:6.9	1:4.8	1:3.2	1:6.1	1:4.3	1:5.3
Sheriff	1:18.2	1:10.3	1:3.9	1:10.6	1:6.1	1:10.8
Treasurer-Tax Collector	1:4.6	1:3.0	1:3.4	1:5.5	1:4.7	1:4.1

¹ A supervisor may or may not be in a management classification.

² Santa Clara County defines a supervisor as anyone who has hiring or firing authority.

³ No supervisors were reported in department.

⁴ Does not include a County medical center, which is run by the Alameda County Hospital Authority.

⁵ Does not include a County medical center. The local medical center, Marin General, is a Sutter Health affiliate. Health and Human Services is a combined department.

⁶ Information technology data were provided as part of the Chief Administrator's Office. From that data it is not possible to determine the number of supervisors to staff for the department. The County's recommended budget reports 75 FTEs for the department.

⁷ Information technology data excludes IT staff housed at Valley Medical Center, which operates separately from the IT department. San Mateo Medical Center IT staff are reflected in the total for San Mateo County.

The far right columns in Table 7 show how departments in San Mateo County compare to the peer average ratios.

Table 7 shows some anomalies among the data provided. For example, in Santa Clara County, the span of control for Health is considerably broader than all other peers and San Mateo County. The figure consists of several departments that were combined for comparison purposes. These departments are Public Health, Mental Health, Custody Health, Drug/Alcohol Services, Community Health, Valley Health Plan, and the Medical Center. Span of control varies greatly among these departments, ranging from one supervisor to between 6.7 and 21.7 staff. The ratio in

the Medical Center (1:21.7) greatly affects the overall span of control average.

The Sheriff's Office in Alameda County also shows a significantly broader span of control than do the others included in the peer group. The number of total staff reported for the Alameda County Sheriff's Office is 1,648, making it the largest in the peer group. Detailed position data for the divisions within the Alameda County Sheriff's Office was not provided. The San Mateo County Sheriff's Office may wish to clarify reasons for this anomaly through direction discussion with the peer department.

Table 8 shows the percentage difference in span of control for San Mateo County from the peer average. Note that the peer average does not include San Mateo County's figures.

TABLE 8: FY 2009-10 AVERAGE PEER SPAN OF CONTROL ALIGNMENT WITH SAN MATEO COUNTY

Department	San Mateo County	Peer Average	% Difference from SMC ¹
Treasurer-Tax Collector	1:4.7	1:4.1	-12.5%
Assessor-Clerk-Recorder-Elections	1:4.9	1:4.5	-8.4%
Parks	1:4.7	1:4.5	-3.9%
Agricultural Weights and Measures	1:5.4	1:5.2	-3.4%
Probation	1:6.7	1:7.0	4.6%
Information Services	1:5.2	1:5.9	13.5%
Human Services	1:5.8	1:7.1	21.7%
Public Works	1:4.3	1:5.3	22.9%
County Counsel	1:5.7	1:7.2	27.0%
Health ²	1:6.5	1:9.8	50.9%
Board of Supervisors	1:3.0	1:4.6	52.2%
County Manager/Exec's Office	1:3.8	1:5.8	55.2%
Child Support Services	1:5.1	1:8.4	62.9%
Planning and Building/Housing ³	1:2.8	1:4.7	66.5%
District Attorney	1:5.8	1:10.2	76.7%
Sheriff	1:6.1	1:10.8	77.7%
Controller	1:2.5	1:4.5	84.0%
Human Resources	1:2.7	1:5.1	87.7%

Note: The Coroner's Office is not included in the above table because a peer average was not available for comparison.

¹ Percent difference is calculated based on actual staffing data. The ratios have been rounded to the tenth decimal point.

² The peer average for Health includes the Santa Clara Valley Medical Center, which reports an average of 1:21.

³ In some counties, this is called Community Development and includes Housing. Therefore, for San Mateo County, the separate Housing Department is included in these figures. Housing Authority staff are not included. Combining Planning and Building and Housing affects the average for San Mateo County. See Table 1 for individual department averages.

The first eight departments listed in Table 8 are fairly close to peer averages (within 25% difference). These departments include:

- Agricultural Weights and Measures
- Assessor-Clerk-Recorder-Elections
- Human Services
- Information Services
- Parks
- Probation
- Public Works
- Treasurer-Tax Collector

Departments that appear toward the bottom of Table 8 show a greater than 50% variance from the peer average. This indicates that for those departments, San Mateo County has significantly fewer staff per supervisor on average than does the peer group. Departments are structured based on a variety of factors. To adequately understand the reasons for the large variances, County departments should consult with their peers to determine what is different and whether opportunities for improved efficiency exist. Some reasons for a narrower span of control include job complexity or requirements, the contracting of functions, use of extra help or volunteer staff, providing supervision opportunities for staff development and department size.

Recommendation 3: Evaluate and report on reasons for variances greater than 50% when compared with the peer averages for span of control.

The departments with a difference greater than 50% from the average include the following:

- Health
- Board of Supervisors
- County Manager's Office
- Planning and Building
- Housing (average does not include Housing Authority staff)
- District Attorney
- Sheriff
- Controller
- Human Resources

Span of control staffing data for the Planning and Building and Housing Departments are combined in Table 8 for peer comparison purposes. The peer organizations combine these functions and therefore discrete staffing data was unavailable. Table 1 shows the separate span of control averages for the San Mateo County Planning and Building Department and the Housing Department.

County-Wide Comparisons

Table 9 shows the County-wide span of control for the peer counties and San Mateo County and factors in all county staff members, including those in departments not analyzed in this study.

TABLE 9: FY 2009-10 COUNTY-WIDE SPAN OF CONTROL

County	Total Staff	Supervisors	Supervisor : Staff Ratio
Contra Costa	7,133 ¹	730	1:8.8
Alameda	9,429	934	1:9.1
Marin	1,940 ²	230	1:7.4
Santa Clara	15,525	1,469 ³	1:9.6
San Mateo	5,435	812	1:5.7

¹ Total staff is 7,894 in Contra Costa County. Table data is limited to departments where supervisor information is known.

² Total staff is 2,045 in Marin County. Table data is limited to departments where supervisor information is known.

³ Santa Clara County defines a supervisor as anyone with hiring or firing authority.

Table 9 shows that on a County-wide level, San Mateo County has a narrower span of control than the peer counties included in this study. This observation is not enough to draw specific conclusions about San Mateo County's span of control in individual departments or units, but it does indicate that San Mateo County has a greater proportion of supervisors than do the peer counties. These results should be considered within the context of organizational structure decisions, performance outcomes and succession planning objectives.

MANAGEMENT STAFFING PERCENTAGES

Span of control refers to the direct supervision of staff and may or may not reflect management status. It is only one piece of a complex puzzle for understanding the composition of an organization. San Mateo County recognizes the importance of understanding both supervisory levels as well as the ratios of management to non-management employees. Management Partners sought to gather peer data pertaining to management to staff ratios for peers at both the department and county-wide levels in order to determine how San Mateo County compared.

Instructions to the surveyed counties requested that they provide data about the composition of non-represented employees and represented employees by department. In San Mateo County, non-represented employees reflect the management group, which includes classifications that supervise employees and other professional classifications that may or may not supervise employees. This did not prove to be the case in other counties.

Recommendation 4: Develop a means for tracking management percentages that allows for regular and consistent comparison with peers.

Recommendation 5: Include a peer review of management to non-management staffing as part of future span of control analyses.

Recognizing the distinction between span of control analysis and the percentage of management positions compared to non-management positions, the County directed Management Partners to include this analysis for the County organization. Table 10 shows the percentage of positions that are management classifications (non-represented) in departments for San Mateo County and the percentage change from mid-year 2009-10 to the FY 2010-11 Recommended Budget.

TABLE 10: CHANGE IN PERCENTAGE OF MANAGEMENT STAFF FY 2009-10 TO FY 2010-11

Department	Department Size		Percent Management		% Change
	2009-10	2010-11	2009-10	2010-11	
Agricultural Commissioner/Sealer	32	30	12.5%	13.3%	6.7%
Assessor-County Clerk-Recorder	113	112	8.8%	8.9%	0.9%
Board of Supervisors	20	20	100.0%	100.0%	0.0%
Child Support Services	92	90	5.4%	5.6%	2.2%
Controller's Office	45	42	22.2%	23.8%	7.1%
Coroner's Office	15	15	20.0%	20.0%	0.0%
County Counsel	40	38	7.5%	7.9%	5.3%
County Manager/Clerk of the Board ¹	38	38	47.4%	50.0%	5.6%
District Attorney	129	125	7.8%	8.0%	3.2%
Health	2,264	2,225	6.6%	6.6%	0.4%
Housing ²	17	14	23.5%	28.6%	21.4%
Human Resources	56	55	53.6%	54.5%	1.8%
Human Services Agency	785	770	6.8%	6.6%	-1.9%
Information Services Department	161	149	10.6%	10.1%	-4.7%
Parks	57	57	8.8%	8.8%	0.0%
Planning and Building	52	52	13.5%	13.5%	0.0%
Probation	444	421	12.2%	10.5%	-14.1%
Public Safety Communications	56	54	23.2%	20.4%	-12.3%
Public Works	317	301	13.2%	13.6%	2.8%
Real Property Services	4	4	25.0%	25.0%	0.0%
Sheriff's Office	635	622	5.5%	5.6%	2.1%
Treasurer - Tax Collector	63	63	12.7%	12.7%	0.0%
Total for Departments	5,435	5,297	9.2%	9.1%	-1.1%

¹ One manager was added and one non-manager position was eliminated in the Recommended Budget, resulting in no change to position count but a slight change to the management percentage.

² Does not include Housing Authority staff.

The overall percentage of San Mateo County positions that are classified as management in the FY 2010-11 Recommended Budget is 9.2%. This reflects a 1% decrease from mid-year. The Sheriff's Office and Child Support Services have the lowest percentage of management positions (5.6% for each) and the Board of Supervisors, Human Resources, and County Manager's Office have the highest percentages (100%, 54%, and 50%, respectively). The Board of Supervisors and County Manager's Office provide leadership and overall management to the County, affecting management level staffing. The Human Resources Department utilizes fewer line staff by contracting services like the administrative processing of risk management services, and employing information technology tools like the learning management system that would otherwise increase the percentage of non-management staff. Staffing decisions such as this can be financially advantageous to the County and may result in misleading ratios when considered in isolation.

CONCLUSION

San Mateo County recognizes and values the importance of continually looking at operational effectiveness and outcomes as well as organization structure and efficiency to best align with current environmental factors like the economy, service level demands, and staffing strengths and capacity. In the spirit of continuous improvement and learning, the County hired Management Partners to execute this span of control comparative analysis. The data contained in this report can be used to inform budget discussions and identify areas for further analysis and understanding. The County's practice of regularly seeking to understand how it compares with other county organizations in performance, structure and delivery of services is commendable and represents local government best practice.

ATTACHMENT A - PEER COUNTY-WIDE MANAGEMENT PERCENTAGES

The San Mateo County Human Resources Department initiated an independent review of management and non-management staff. The department surveyed peers to gather salary ordinance data which shows the number of positions in all classifications. It was necessary to conduct a detailed review of salary ordinance data to identify management and non-management positions for each County. The results are shown below.

MANAGEMENT AND NON-MANAGEMENT STAFF PERCENTAGES

County	Management	Non-Management
Alameda ²	26.3%	73.7%
Contra Costa ¹	15.1%	84.9%
Marin ²	21.9%	78.1%
Santa Clara ¹	11.4%	88.6%
San Mateo³	9.3%	90.7%

¹ Data were run at time of request (July 2010), reflecting staffing data for FY 2010-11

² Staffing data for 2009-10

³ Staffing data for FY 2010-11. Includes all county authorized positions.