

Recruitment and Retention: New Sick Leave Proposal

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Agenda

- Current Labor Market
- Employee, Turnover, and Vacancy Data
- Additional Sick Leave Proposal
- Recommendation

Why Are We Here

GG 3.1: Strengthen employee recruitment, compensation, retention, and upward mobility.

The HR staff are proposing an enhanced sick leave benefit.

Presented to Board previously:

- Great Government on May 1, 2023
- Board member follow-up in June 2023

Today, staff seek:

- Board's approval on the proposal

Current Employment Market

- Employee Driven Market
- Wake County's current vacancy rate is 11% (percentage of authorized positions vacant)
- 2022 turnover rate is 15.48% (percentage of employees that left the County)
- Wake County continues to research strategies to recruit and retain employees
- Wake must be as dynamic as the market to sustain operations

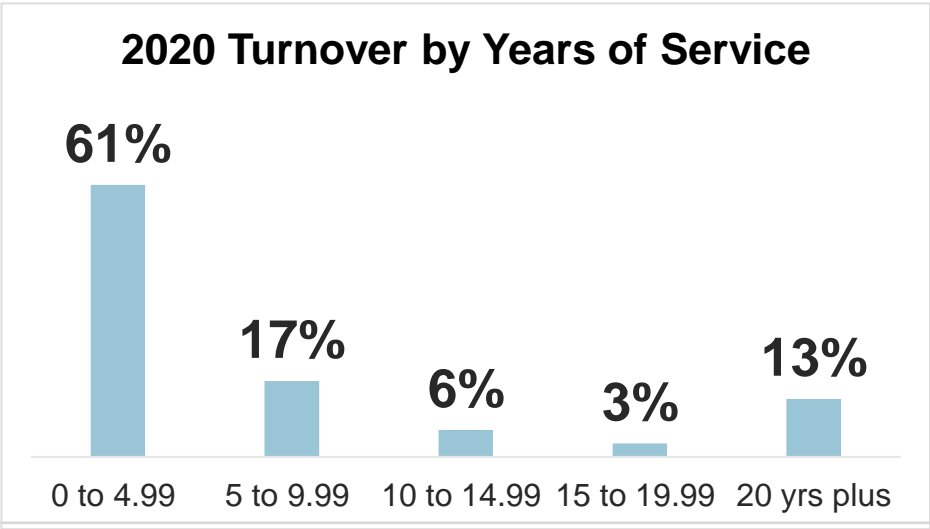
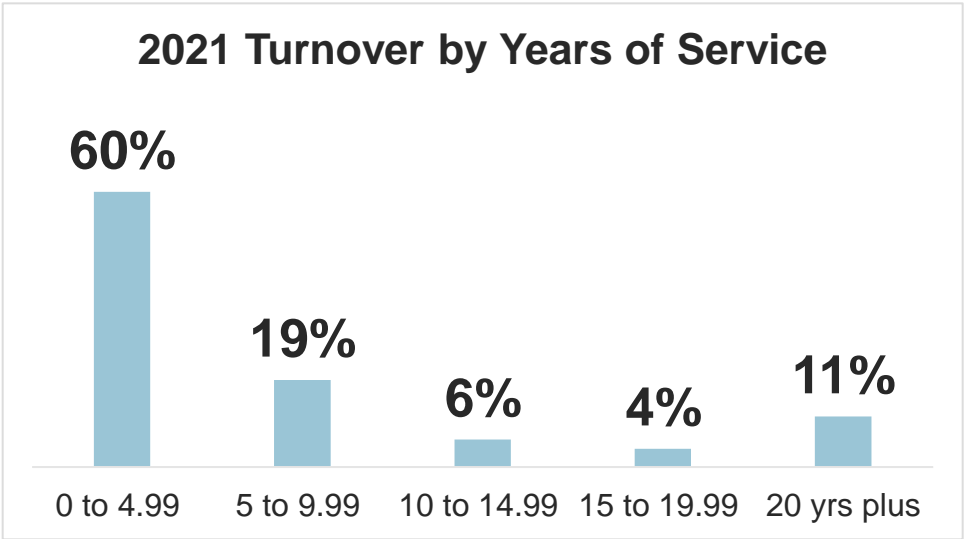
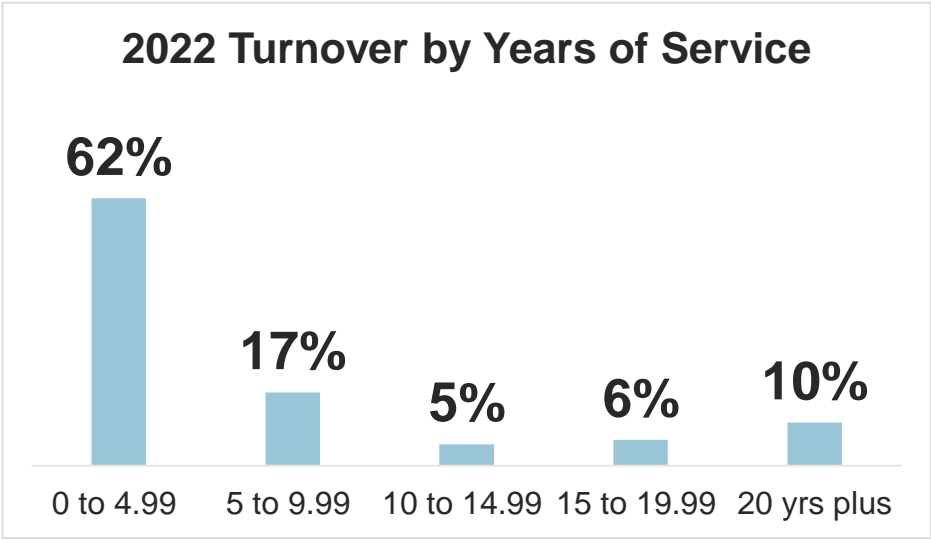
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Wake Employee, Turnover, and Vacancy Data

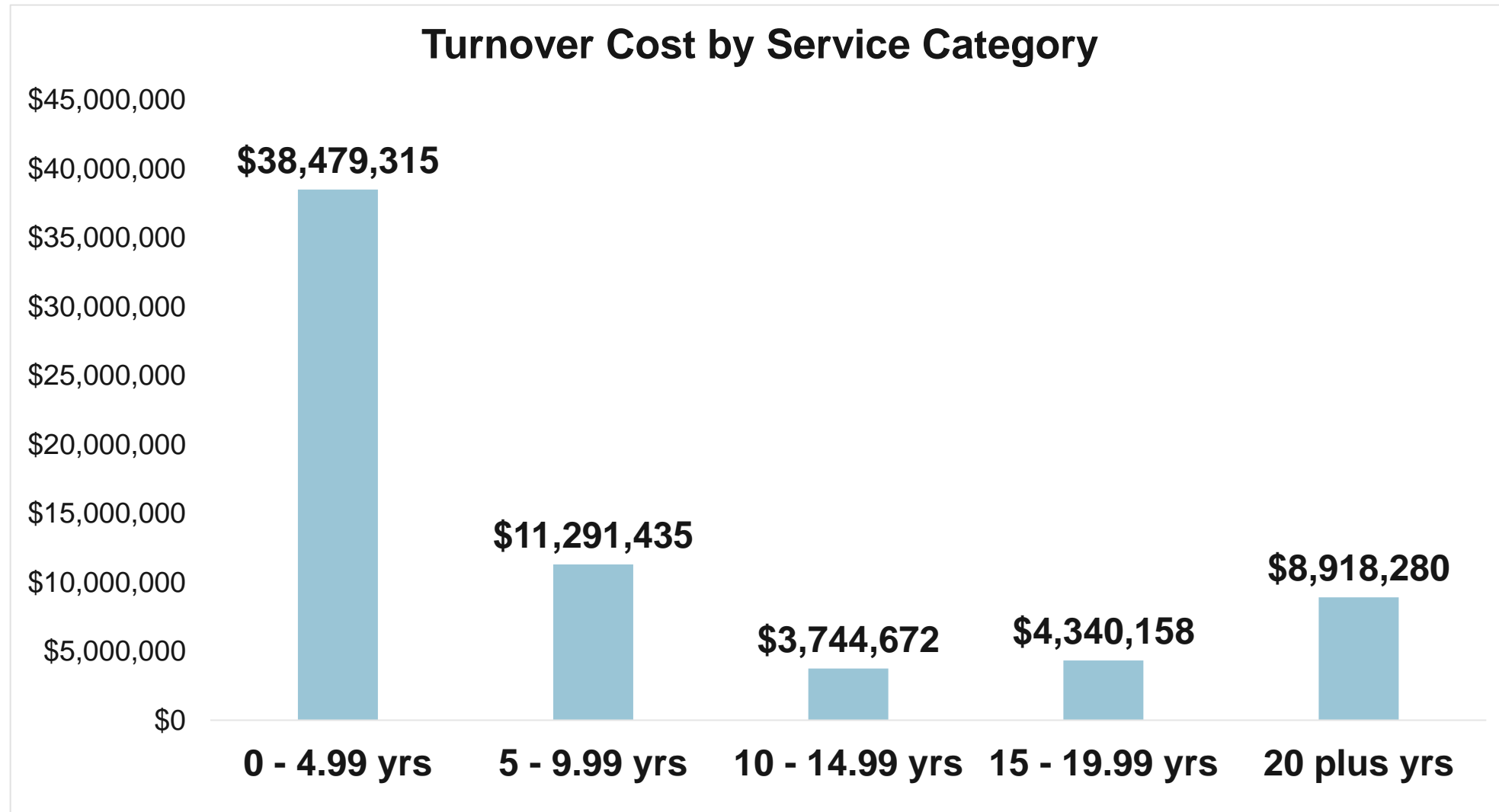
More than 65% of Employees Have 0-10 Years of Service

Years of Service	Percent of EEs	Number of EEs
Less than 1	15%	652
1 to 5	31%	1322
5 to 10	20%	868
10 to 15	10%	436
15 to 20	13%	571
20 and above	11%	467

Nearly 80% of all Turnover Occurs Between 0-10 Years of Service



In 2022, Turnover Cost the County Over \$66 Million



Six Departments Had 15% or Greater Turnover

2022 Departments With 10% or Greater Turnover Rates			
Dept Name	Employee Count	Turnover	Percent
Board Of Elections	37	10	27.03%
Housing	96	18	18.75%
Health and Human Services	1568	291	18.56%
Emergency Medical Services	431	74	17.17%
Sheriff	797	123	15.43%
Fire Services	26	4	15.38%
Environmental Services	177	23	12.99%
City-County Bureau of Identification	79	10	12.66%
Finance Department	24	3	12.50%
Soil & Water Conservation District	8	1	12.50%
General Services Administration	124	15	12.10%
Register Of Deeds	42	5	11.90%
County Manager	19	2	10.53%
Tax Administration	87	9	10.34%

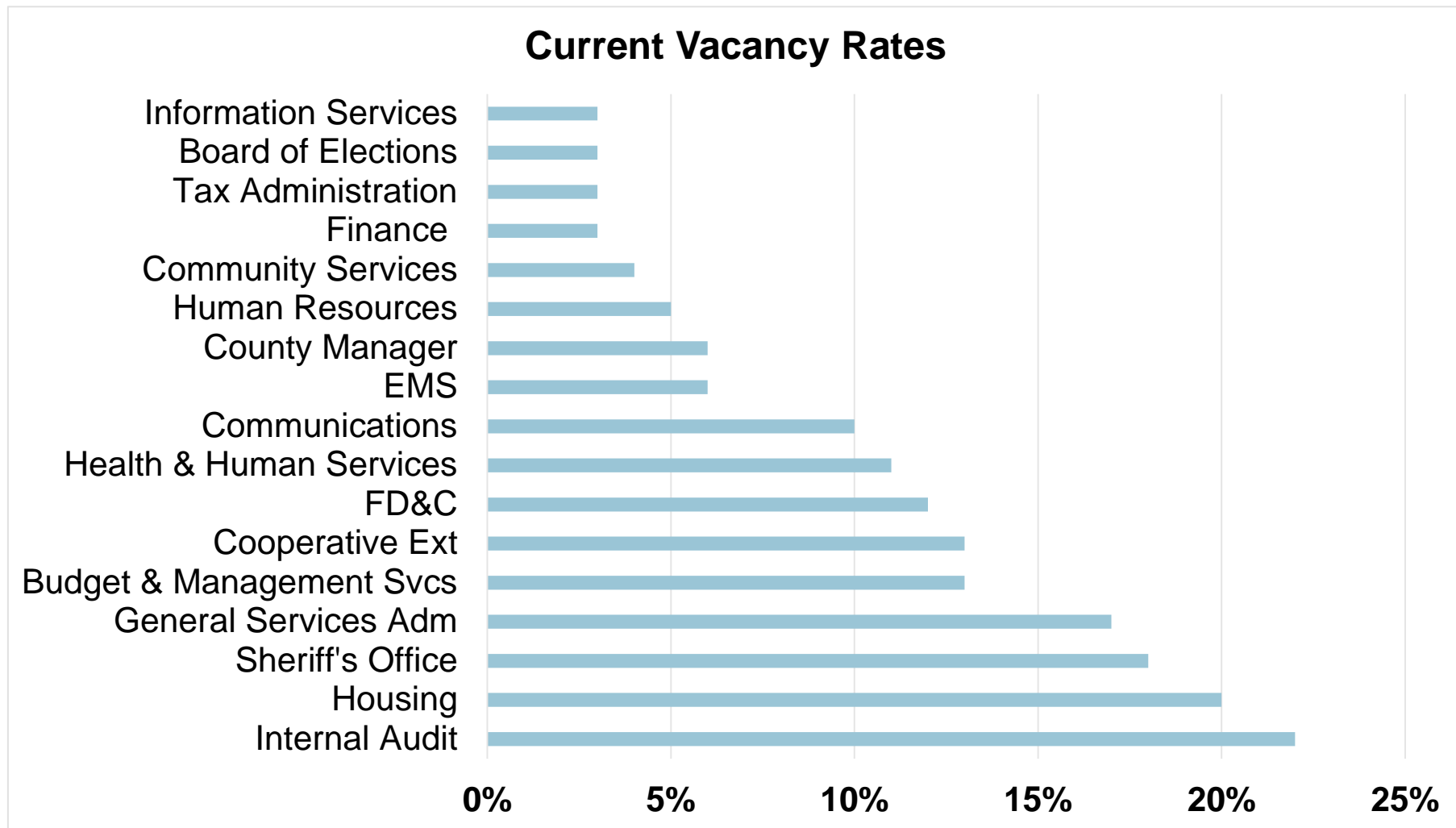
Only Departments with turnover of 10% or greater listed in the chart. Those with 15% or greater turnover are highlighted.

Departments Having Recruiting Challenges

Department	Position Titles with Recruiting Challenges	Total Position Count
Health and Human Services	34	959
Sheriff	4	426
Emergency Medical Services	1	191
Information Services	42	76
Community Services	9	43
Environmental Services	7	30
General Services Administration	8	27
Fire Services	3	12
Finance Department	3	8
Human Resources	3	7
Facilities Design & Construction	1	6
Budget	3	4
Housing	2	2
City-County Bureau of Identification (CCBI)	1	1
Grand Total	121	1792

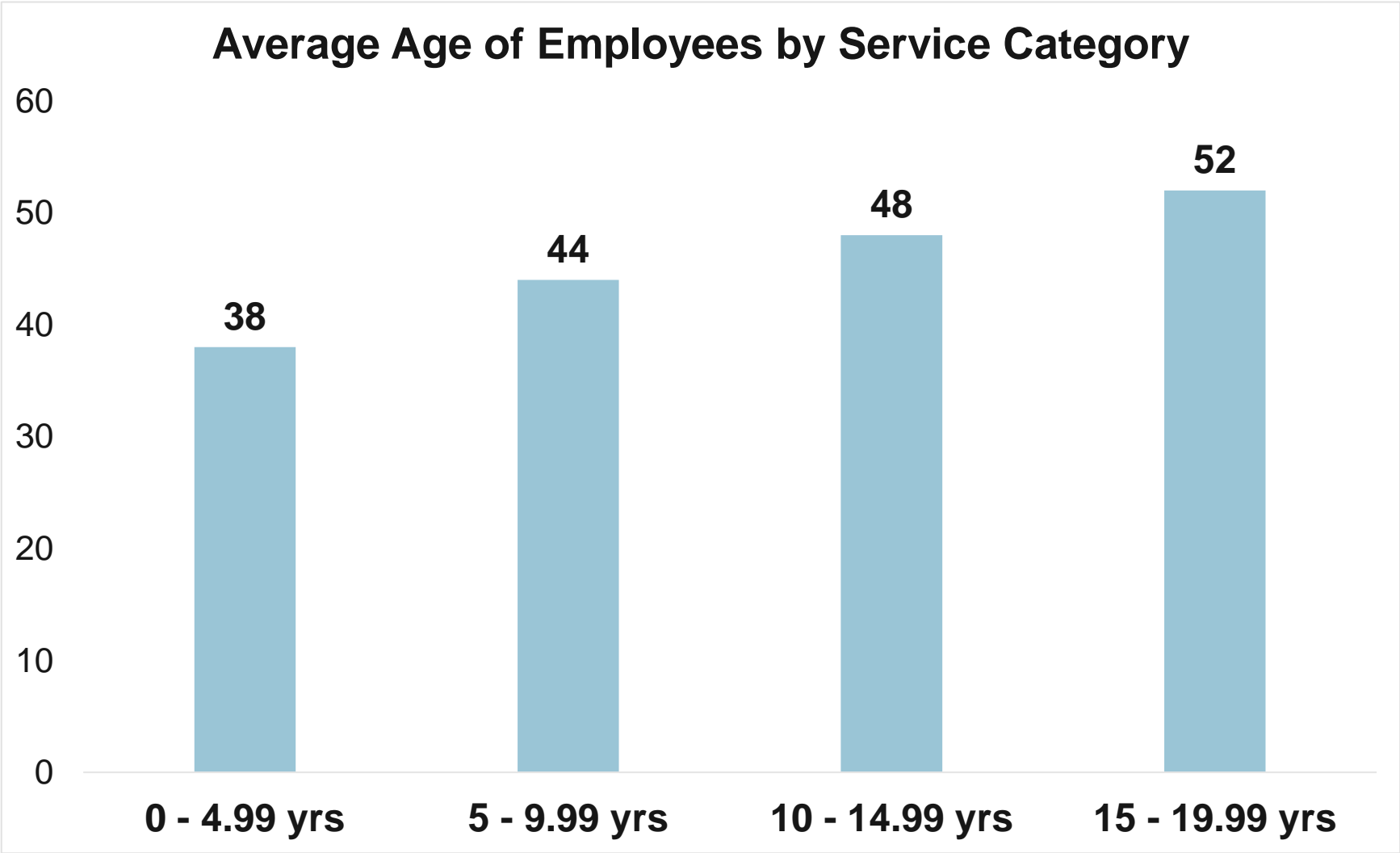
Not all departments shown. Only those having significant recruiting challenges.

Half of the Departments Have a 10%+ Vacancy Rate

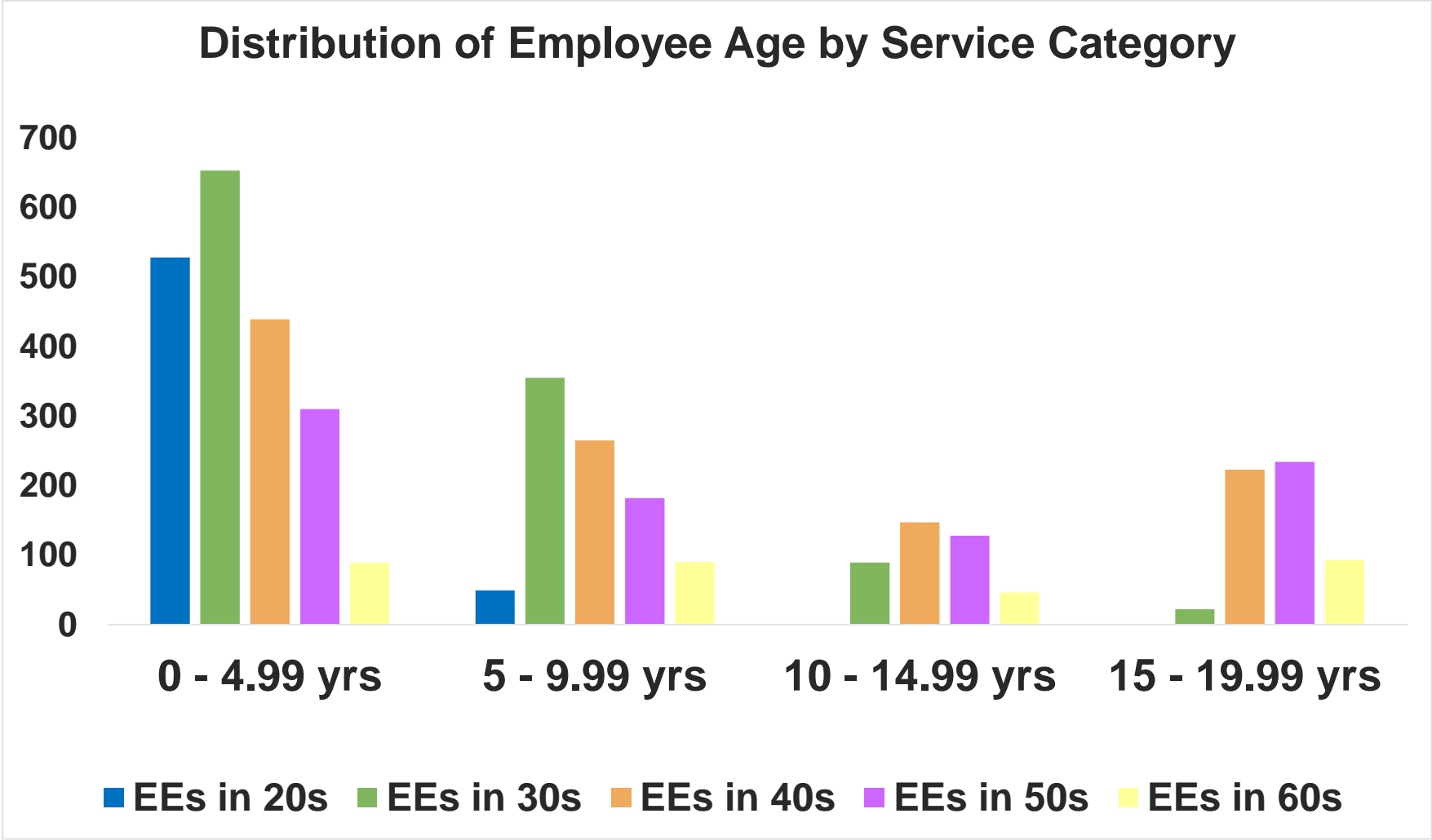


Not all departments shown. Includes only those with vacancies at the time of reporting.

Average Age by Service Category



Age Distribution by Service Category



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Wake Proposal

Wake County Proposal

Additional Sick Leave		
Years of Service	Monthly Contribution	Annual Contribution
5	5 days	60 days
10	5 days	60 days
15	5 days	60 days
20	5 days	60 days
Total		240

Wake County Proposal

- Policy effective December 1, 2023, as an employee reaches each service milestone
- Accrual would start beginning on the anniversary year and month
- Would accrue per pay period for the entire anniversary year
- If the employee separates, the additional sick leave accrual stops
- Would not retroactively apply leave amounts, effective going forward
- As part of implementation, would have a catch-up accrual of 120 days for employees that have 20 or more years of service with Wake County during calendar year 2023

Other Additional Sick Leave Information

- Can be used for the same reasons as regular sick leave
- Not paid out upon separation of service and does not accrue on County financial statements like annual leave
- Upon retirement, unused sick leave:
 - Counts as service time for pension calculations under NC's local government retirement system
 - Counts as service time for Wake County retiree health insurance benefits

Why Current and Future Employees Want this Benefit

- In a survey conducted by Purdue Global, most generations including Baby Boomers, Millennials, and Generation X said they value paid sick leave as a benefit
- Sick leave counts toward an employees' years of service for retirement
- Applicants review an organization's benefits before deciding to join the organization
- An organization that supports sick leave and encourages employees to take it when needed can foster a culture of empathy and understanding
- Makes Wake County competitive in attracting employees who want local government careers
- Proposal may incentivize employees to stay at points in their career where they may have considered a job change

Recommendation

Effective December 1, 2023, benefit eligible employees will accrue additional sick leave based on total years of service in a Wake County benefit eligible position, as follows:

- Upon achieving 5 years of service, a benefit eligible employee will accrue 60 days of additional sick leave over the next 12 consecutive months
- Upon achieving 10 years of service, a benefit eligible employee will accrue 60 days of additional sick leave over the next 12 consecutive months
- Upon achieving 15 years of service, a benefit eligible employee will accrue 60 days of additional sick leave over the next 12 consecutive months
- Upon achieving 20 years of service, a benefit eligible employee will accrue 60 days of additional sick leave over for the next 12 consecutive months

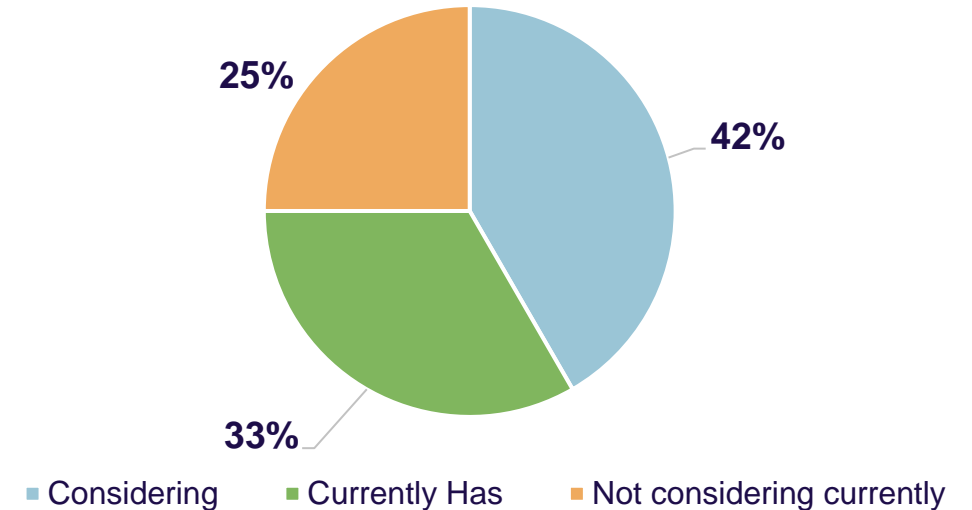


Appendix

Other Wake Municipalities

Jurisdiction	Response
City of Raleigh	Has Additional Sick Leave
Town of Apex	Has Additional Sick Leave
Town of Cary	Has Additional Sick Leave
Town of Fuquay-Varina	Not considering currently
Town of Garner	Working on a proposal, employees have been asking
Town of Holly Springs	Proposed in FY25 budget
Town of Knightdale	Not considering currently
Town of Morrisville	Considering
Town of Rolesville	Not considering currently
Town of Wake Forest	Has Additional Sick Leave
Town of Wendell	Maybe FY25
Town of Zebulon	Considering but not this year

Additional Sick Leave for Wake Municipalities



75% either have or are considering this initiative

Current Leave Benefits

- Sick Leave - 8 hours per month
- Community Involvement Leave - 16 hours per year
- Bereavement Leave - 40 hours per year
- Wellness Leave - 2 days per year
- Paid Parental Leave - 8 weeks per rolling 12 months
- Paid Family Illness Leave - 3 weeks per rolling 12 months
- Wake County provides 13 paid holidays per year
- Annual Leave - accruals are based on years of employment with Wake County Government

Staffing Model and Productivity

- Previous year annual leave usage is a factor Departments use in determining staff scheduling
- Departments do not use previous year sick leave usage as a major factor to determine expansion requests because sick leave is unpredictable
- As part of the expansion request process, departments and budget analysts consider state and federal mandates, employee safety, consequences for not sufficiently staffing all days and shifts, seasonal or weekly variation of workload, and workload surges

Studies Showing the Value of Sick Leave

- **2022 Survey by Employee Benefits Research Institute** - found that when it comes to attitudes toward employee benefits, there are differences by employee age. Older workers were, unsurprisingly, focused on retirement benefits. And younger workers highly valued help with day-to-day bills, student loan debt assistance, and career advancement opportunities.
- **2022 SHRM Employee Benefits Survey** - found that benefits are now individually viewed as more important for businesses to offer than they were prior to the pandemic. Benefits can play an instrumental role in this competition for talent and, in some cases, may determine success or failure. Of the survey respondent's, 82% selected leave benefits as very important.
- **2021 Workhuman Survey** - found that 66% of respondents are waiting to review their company's benefits offerings before deciding to stay or leave their job. Offering competitive benefits may just be the deciding factor for an employee with one foot out the door or an employee considering joining your company.
- **2020 Bersin Group Study** - revealed that productivity at companies with good benefits and incentive schemes was 14% higher than those companies without, with the potential for up to a 43% improvement in productivity. If employees feel appreciated at work through rewarding benefits, they will be more motivated and perform higher volume of better-quality work.