

CC Work Session

4. 3.

Meeting Date: 07/09/2013

By: Colleen Lasher, Administrative Services

Title:

Discussion Regarding the Economic Development Manager Position

Background:

The purpose of this case is to summarize the Economic Development Manager recruitment efforts thus far and to identify a future course of action regarding this position.

As the City Council is aware, staff recently went through two recruitment and interview processes in an effort to seek an exceptional economic development professional, the details of which are summarized below:

- Initially, the application period ran from February 20, 2013 through March 13, 2013
- The City received fourteen applications
- Six interviews were scheduled, one applicant withdrew, five interviews were held, followed by three finalist interviews

- Subsequently, the application period was extended beginning May 17, 2013 through June 19, 2013
- The City received eight applications (three of which were new applications and five were duplicate applications received during the first application period)
- Two applicants were interviewed which did not result in a finalist

Advertising efforts were conducted via the following sources:

- League of Minnesota Cities
- Star and Tribune Online - Business/Management/Marketing/Government, as well as outreach to diversity organizations
- MinnesotaWorks.Net
- E.D.A.M. - Economic Development Association of Minnesota
- N.A.H.R.O. - National Association of Housing and Redevelopment Officials
- City of Ramsey website (Employment and In the News)
- City of Ramsey employment email notifications (approximately 2500 subscribers)
- Community Sign on Highway 10
- QCTV Cable Television
- "TUG" list serve (To HR professionals in Metro to pass along)
- In house email sent to employees to pass along to potential applicants
- Emails sent to the City's Firefighters and Reserve Officers

Wages/Position Description:

The Economic Development Manager position was advertised with full pay scale (\$67,753 to \$84,690 D.O.Q.) which is the top pay for this type of position (without supervisory responsibilities) in comparably sized cities. The salary range is equal to that of the previous "Economic Development and Marketing Manager" position. However, the current position description was modified to include regular support from other key staff, less emphasis on marketing, albeit more emphasis on real estate transactions.

Going forward, (option #1 below) the City Council may choose to direct staff to utilize the professional services of Springsted Incorporated, a professional search firm. Springsted Incorporated comes highly recommended and was the firm selected to conduct the recent QCTV Executive Director search. If so directed, Springsted would develop a profile and job announcement for the position, develop a recruitment strategy and provide outreach to prospective candidates. They would emphasize the great sense of opportunity this position offers, to market the City's "A New

Day -- A New Beginning" as a economic development platform which could provide an economic development professional a chance to really shine in the economic development arena; especially with regard to the COR; as well as to reach out-of-state talent.

Observations/Alternatives:

Option 1: Continue recruitment efforts by utilizing the professional services of Springsted Incorporated, clarifying the role of this position, developing a profile and job announcement for the position, developing a recruitment strategy and providing outreach to prospective candidates. As part of this effort, staff would recommend some slight revisions to the Position Description that focus on the management of the Housing and Redevelopment Authority's (HRA) real estate assets in the position's role as HRA Executive Director, while clarifying the many of the housing-related functions that apply citywide (non-real estate transaction related) are currently managed by the Community Development Department.

Option 2: Continue recruitment efforts as described in option #1, to the best of the City's internal abilities and resources, without the assistance of Springsted. This could include a revision to the Position Description related to housing activities as noted in Option #1.

Option 3: Discontinue all recruitment efforts until February or March of 2014; which may allow time for the market to refresh, producing a more viable applicant pool.

Option 4: Direct staff to draft a proposal to fill the role of the economic development manager internally; which would include utilizing brokers to market properties and hiring an employee(s) to back fill. This could include a revision to the Position Description related to housing activities as noted in Option #1.

The City Council could also choose to consider elements and combinations of the four (4) options above.

Recommendation:

Staff recommends Option 1 above.

Funding Source:

Option #1: The funding required to utilize the search firm is estimated to be \$3800 to \$6800 (see page 3 of attachment) and would be funded through the salary savings of the unfilled Economic Development Manager position.

Options #2-4: The funding required for options 2-4 is yet to be determined, based on discussion.

Council Action:

Approve Option 1, based upon discussion, to continue recruitment efforts by utilizing the professional services of Springsted Incorporated, clarifying the role of this position, developing a profile and job announcement for the position, developing a recruitment strategy and providing outreach to prospective candidates.

Attachments

RFP - Springsted

Form Review

Inbox
Kurt Ulrich

Reviewed By
Kurt Ulrich

Date

07/03/2013 03:37 PM

Form Started By: Colleen Lasher

Started On: 07/02/2013 04:00 PM

Final Approval Date: 07/03/2013



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LETTER OF TRANSMITTAL

July 3, 2013

Mr. Kurt Ulrich, City Administrator
Ms. Colleen Lasher, Human Resources Manager
City of Ramsey
7550 Sunwood Drive, NW
Ramsey, Minnesota 55303

Re: **Request for Proposal to Provide Executive Search Services for an Economic Development Manager**

Dear Mr. Ulrich and Ms. Lasher:

Thank you for requesting a work plan to assist in the recruitment and selection of an Economic Development Manager for the City of Ramsey.

The attached work plan outlines our recommended approach to recruit an Economic Development Manager. Please feel free to call me at 651-223-3053 after you have had a chance to review the work plan. We are open to revising the work plan as needed to ensure a smoothly executed search and adjusting the project schedule as needed to meet the City's needs.

We appreciate the opportunity to work with the City of Ramsey to fill this important position.

Sincerely,

A handwritten signature in blue ink that reads "Sharon G. Klumpp".

Sharon G. Klumpp, Senior Vice President
Consultant

kmd

City of Ramsey, Minnesota
Work Plan to Provide
Executive Search Services for an Economic Development Manager

I. Scope of Services

Objectives

Objectives for the Economic Development Manager search include:

- Develop a profile and job announcement for the Economic Development Manager position
- Develop a recruitment strategy and provide outreach to prospective candidates
- Assist the City in the screening and initial evaluation of candidates

Springsted recommends an eight-step process for recruiting and selecting an Economic Development Manager:

1. **Workshop** — Springsted will conduct a group meeting with individuals designated by the City to learn about the goals and objectives of the City’s economic development program and identify the qualities the City is looking for in its next Economic Development Manager. This meeting will provide an opportunity to review the essential functions of the position, discuss the expectations for this position and identify desired leadership and management capabilities. We will also suggest revisions to the position description for the City’s consideration, if appropriate.
2. **Position Profile and Job Announcement** — Information obtained from the workshop, our review of the position description and other City documents will be used to prepare a position profile. We review salary information for comparable positions in similarly sized communities and in recent placements to assist the City in determining any adjustments that may be required to the salary range to ensure the position is competitive with the marketplace. The completed profile and job announcement will be submitted to the City for approval before recruitment begins. The position and community profile will be central to our recruitment; as well as candidate outreach. Sample position profiles are available upon request.
3. **Recruitment and Targeted Outreach** — Springsted will prepare a job announcement and coordinate placement of the ad with professional associations. We recommend that ads be placed as follows:
 - Websites for the Cities of Andover, Anoka, Champlin and Ramsey
 - League of Minnesota Cities and similar websites in neighboring states
 - International Economic Development Council
 - Economic Development Association of Minnesota (EDAM) similar websites in neighboring states
 - Minnesota City/County Management Association (MCMA) similar websites in neighboring states
 - Minnesota Chapter of the National Association of Housing Redevelopment Officials Public Management Assistants
 - Other publications and websites identified in consultation with the City
 - www.springsted.com

Springsted's recruitment efforts will emphasize personal contacts with qualified individuals to present this position to them and discuss the reasons they should apply for this position. These efforts will ensure that qualified individuals who are not necessarily looking for a job will be aware of the Economic Development Manager position and encouraged to apply.

4. **Serve as Point of Contact** — Springsted will receive and document all applicant materials and handle all inquiries about the position. We will acknowledge each application received and keep applicants informed of their status in the process. Periodic updates will be provided to the project manager and the City throughout the recruitment process to keep officials informed of the response to the job announcement.
5. **Applicant Screening and Evaluation** — Springsted conducts an impartial and objective review of each application to determine those applicants who most closely meet the City's desired qualifications. We recommend that each applicant for the position be required to complete a City application form as well as a supplemental application that can be used to determine each applicant's Training and Experience Rating as required by the Minnesota Veterans' Act. Springsted will develop the supplemental application and ranking criteria in consultation with the City. We rate each application on a T & E Rating spreadsheet and discuss the results with the City to determine the initial group to be reviewed.

Evaluation of the top candidate will also include an Internet search and a telephone screening interview with a Springsted consultant. Written summaries of the screening interview will be prepared and submitted to the City. Springsted will assist the City in selecting candidates who will be invited to interview with the City.

6. **Reference and Background Records Checks** — Springsted will verify past employment and conduct reference checks, for all candidates who have accepted the invitation to interview for the position; the City will be provided with a supplemental report outlining information obtained from references. We will coordinate the background records check with Setter & Associates, a company that specializes in pre-employment screening. The background records check consists of a review of driver's licenses and criminal histories, educational verification, a credit check and a review of civil judgments. Background checks may be conducted for all of the candidates prior to their interviews with the City or the City can make its hiring decision contingent upon a satisfactory background records check.
7. **Develop Interview Process** — Springsted will develop interview questions in consultation with the City. Interview questions will be structured to learn more about the candidate's experience, his/her understanding of the City of Ramsey's economic development goals and objectives as well as current projects and issues, his/her approach to building effective working relationships with stakeholders and his/her management style. Springsted will also be responsible for scheduling candidate interviews.

Springsted will not be in attendance at the interviews unless the City requests this additional service.

8. **Employment Offer** — After the City has identified its top candidate, Springsted will assist in developing an employment offer, if requested. We will present the employment offer to the successful candidate in accordance with direction received from the City. Springsted will continue to keep all candidates apprised of this last phase of the selection process. This step in the process becomes extremely important if, for any reason, the top candidate declines the offer. Once the successful candidate has accepted an employment offer, Springsted will notify all other candidates of the appointment.

II. Project Schedule

A tentative project timetable is provided below to illustrate the time allowed for each step of the process. We are happy to revise this schedule as needed to meet the City’s needs.

Project Milestone	Proposed Date
Notice to proceed	July 9, 2013
City Workshop	Week of July 22, 2013
City approves profile / announcement	Week of July 29, 2013
Recruitment and candidate outreach	July 31 – September 4, 2013
Applicant screening	September 3 – September 13, 2013
Written candidate report submitted to the City	Week of September 16, 2013
Selection of candidates to be interviewed	Week of Septembers 23, 2013
Springsted conducts reference checks	September 23 – September 30, 2013
City interviews candidates	Week of September 30, 2013
City authorizes employment offer contingent on background report	Week of October 7, 2013
Effective start date (estimated 14-30 day notice to current employer)	October 21 – November 12, 2013

III. Professional Fee and Out-of-Pocket Costs

Springsted will provide the executive search services listed above in Items 1-8 for a professional fee of \$9,000, excluding out-of-pocket costs. Out-of-pocket costs, which include miscellaneous expenses for such things as advertising, mileage, postage, overnight delivery and copying, are estimated to be approximately \$1,200. The cost for a background records check is \$400 each.

Two pricing options are also provided. Under **Option 1**, Springsted would perform Items 1-4 for a professional fee of \$3,800 and up to \$1,200 for advertising and other miscellaneous costs. **Option 2** includes Items 1-4 for a professional fee of \$3,800 and Item 5; the professional fee for Item 5 will be \$500 for each candidate screening interview that the City asks Springsted to conduct. For

example , if the City requests screening interviews for six candidates, the professional fee would be \$3,800 plus \$3,000 for the six screening interviews.

IV. Search Team

Sharon G. Klumpp

Senior Vice President and Consultant



Ms. Sharon Klumpp, who specializes in organizational and management consulting for public agencies, will be the lead consultant on this project. Since joining Springsted eight years ago, she has conducted over 60 public sector executive searches and a broad array of organizational management studies. In addition, Ms. Klumpp has extensive government experience, having held a variety of positions including Executive Director of the Metropolitan Council, Associate Executive Director for the League of Minnesota Cities, City Administrator for Oakdale, Minnesota and Assistant City Manager in St. Louis Park, Minnesota and Saginaw, Michigan. Ms. Klumpp is a member of the International City/County Management Association (ICMA) and has served as the chair of the Ramsey County Charter Commission. She holds a master's in public administration from the University of Kansas and a bachelor's degree in political science from Miami University (Ohio).