

Housing Authority of the City of Milwaukee Organizational Structure Review Findings Report

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Introduction

The Housing Authority of the City of Milwaukee (HACM) has been undergoing significant organizational challenges that impact its ability to meet business and departmental objectives. This report aims to summarize the key findings from stakeholder interviews and provide recommendations for structural adjustments to address these challenges effectively.

Key Findings

1. Organizational Challenges

- HACM is facing both perceived and real challenges, with conflicting priorities. Financial management is highlighted as the most difficult aspect, guiding almost every decision. There is a struggle to be self-governing and to understand what "business as usual" means.

2. Travaux and HACM relationship

- The relationship between HACM and Travaux is complicated, with blurred lines and overcomplicated structures. Travaux is seen as an instrumentality to earn fees, but the shift of employees under it for budgetary reasons has created confusion. The team is looking for clarity about whether the organization values differentiating between the two entities and are looking for purpose of these divisions. The organization should consider removing "Travaux" from job titles for many reasons.
 - The division does not allow for flexibility between roles.
 - Team members express a desire to have SOPs that are built collaboratively across both entities.
 - Teamwork is being negatively impacted by the absence of a clear purpose for the Travaux/HACM differentiation.
- It is suggested that the executive team work together to identify whether the complex relationship between HACM and Travaux can be eliminated, by potentially assigning all staff to one group. See the two possible outcomes for suggestions:
 - a. If the employees can all be moved to one entity; this resolves the complex relationship between the two entities. However, communication and change management is key to the success of this initiative. There may

be many additional tasks required after the decision is made to complete the transition to one group.

- b. If option a. does not occur, further discussions are recommended to review which positions can remove Travaux from their job titles, and which job descriptions and directives can be updated to reduce division among staff.
- Clearly communicate to employees that a review of the HACM/Travaux relationship is being completed, providing timelines, ensuring follow-through with those timelines, and communicating the final decision made along with the reasons why that decision was made.

3. Executive Team

- The COO - Resident Services – He is currently taking on an interim role as Executive Director, however, he plans to retire and align his goal retirement date with the business needs of the organization.
 - When the COO – Resident Services retires, the team believes that the COO – Real Estate Operations and the Sr. Director of Operations will sufficiently be able to handle the workload that was previously split between two COOs.
- It is suggested that the Executive Director (ED) have a Deputy Executive Director to assist with managing day-to-day operations, with the goal of allowing the ED to focus on the agency's strategic vision and decision making in addition to attending to external relations commitments.
- The VP of Asset Management is no longer filled, leaving a gap of knowledge of the Low-Income Housing Tax Credit program (LIHTC). It is suggested that this position be filled, or these skill requirements be added to another existing position.

4. Executive Support Team

- The Administrative Assistant – Housing Management has little interaction with the Housing Operations Team. It might be helpful to improve communications and collaboration suggesting that the Administrative Assistant – Housing Management meet regularly (i.e. quarterly) with the COO to connect on high-level initiatives, strategic goals, accomplishments, and any areas that they can support the success of the organization together.

5. HR Structure

- There have been recent changes in the HR department, moving the reporting structure temporarily to the CFO instead of directly to the Executive Director. It is suggested that the reporting structure for HR be returned to the Executive Director when the CHRO is hired. This ensures that HR has a seat at the Executive Team table, participating in strategic discussions.
- The next level below the CHRO can be supported with two roles. One Sr. HR Business Partner, and one HR Professional. This can be flexible based on the needs of the organization, with the current structure represented by an HR Generalist. This can expand to a Sr. HR Business Partner to grow and retain HR professionals, provided they take on higher level responsibilities and continue to grow relationships within the organization.

6. Accounting/Finance

- Cash liquidity is a significant issue, and there is a need to ensure that books of records are correctly represented. Compliance issues are impacting housing programs, and resident relations need healing.
- Accounting/Finance department is already reviewing roles and responsibilities which will be helpful in determining the current needs of the agency. In this review, temporary positions should be analyzed, and it should be discussed whether they will continue as permanent positions.

7. Resident Services

- Resident Services including Public Safety are currently reporting to the COO – Resident Services. If the COO position is eliminated, it may make sense to move this department under the COO – Real Estate Operations or the Sr. Director of Operations. These roles may need to be reviewed to ensure the workload is still manageable with the addition of these responsibilities.
- Temporary roles should be reviewed to consider permanent status.
- With the changes to responsibility, the COO – Real Estate Operations title should be reviewed to potentially be changed to COO without including departmental distinctions.

8. Housing Operations

The Housing Operations team has many challenges that have not allowed them to be as efficient as they could be. Below are suggestions to improve efficiency, consistency, and flexibility that will help them define their goals and achieve results.

- JOB TITLES – It is suggested to review job titles for consistency.
 - There are two Directors of Property Management and an Assistant Director of Property Management; The Assistant Director does not assist the other Directors, they have a different scope of responsibilities, where the Assistant Director has support from a Lease and Compliance Team and the Directors of Property Management oversee their own department's compliance functions. Consider reviewing these titles. These might be better defined as Sr. Directors vs. Director, indicating the additional responsibilities and knowledge required for the role.
 - The team is using Sr. *Property* Managers interchangeably with Sr. *Housing* Managers. The same is true for Housing/Property Managers. Consider changing the title to Sr. *Property* Manager and *Property* Manager for consistency.
 - Consider removing work locations from employee titles for flexibility and with the intent that employees will be cross-trained to support other locations within their branch of the team. This will provide better support for Housing (Property) Managers and clear directives for back-up support on the team.
- WORKLOAD DISTRIBUTION – It is suggested to review the workload in relation to the number of Housing (Property) Managers reporting to the number of Sr. Housing (Property) Managers and number of Sr. Housing (Property) Managers reporting to Directors/Assistant Directors. Each Sr. Housing (Property) Manager has a different number and type of direct reports. This should be reviewed in depth with the purpose of level-setting workloads, responsibilities, and agency/location needs. In this workload review, consider recommendations in Section 10 to remove maintenance from directly reporting to Housing (Property) Managers.
- RECYCLING PROGRAM – Review whether the Recycling Program needs to have two positions specific to Recycling. This may be an opportunity to ensure a program is created with the intent to train all Custodians on the program. Consider changing the title of the Recycling Program employees to Custodian when all employees know the program and are actively performing duties related to the Recycling Program. This will provide more flexibility and cross-training on the team.
- THEORETICAL CHART - The theoretical chart created on slide 10 of PowerPoint provides a structure that should not be taken literally but considered to reevaluate

location/agency needs. Factors to consider would be scope of responsibility, number of units, age of units, concentration of units in one area/region, and other relevant factors.

- Example A: One Housing (Property) Manager may comfortably be responsible for 100 units, with the support of an Assistant Property Manager or Administrative support, as well as a designated custodian.
- Example B. One Housing (Property) Manager may have scattered sites with a smaller number of units per site; It would not be reasonable to hold Manager B responsible for 100 units with the same employee support.
- Sr. Housing (Property) Manager should have equity in distribution of leadership over Housing (Property) Managers. In a perfect world, each Senior Housing (Property) Manager would have the same number of Housing (Property) Managers, however, based on the above recommendation, equity for scope of responsibility does not mean equal numbers. This will require a more in-depth analysis, since a “cookie cutter” approach will not yield the results the organization is seeking.
- The participants in this analysis are suggested to include the COO, the Interim Executive Director, Sr. Director of Operations, Assistant Director of Property Management and the two Directors of Property Management.
- Sr. Housing (Property) Managers should continue to have one area of specialty that they focus on to support the agency’s success. By reviewing the Housing (Property) Manager and Sr. Housing (Property) Manager workload and reporting structure, the Sr. level role should have a general guidance of how much time they should spend on their specialty. (i.e. 20% of their time being spent on specialty focus)
- The Housing (Property) Managers should be able to support their peer Housing (Property) Managers that fall under the same Sr. Housing (Property) Managers in order to provide back-up for scheduled and unscheduled time off, allowing the Sr. Housing (Property) Managers to continue with their high-level work load, providing *guidance*, only.

9. Lease and Compliance Directors

- It is suggested the agency perform a job analysis of the two Lease and Compliance Directors. One incumbent does not have direct reports, and the other has 10 reports. Although both roles are important to the success of the organization, a more in-

depth review of the roles, responsibilities, and compensation would most likely uncover that these should be different job titles.

10. Maintenance Team and Recruitment Issues

- RETENTION - The maintenance team is experiencing Recruiting and Retention issues. The skill set is hard to find, and turnover numbers are higher for maintenance employees at the agency.
- REPORTING STRUCTURE - The suggested structure change is to have all maintenance employees directly report to the maintenance department.
 - Currently, the Maintenance Director is not consistently being contacted with performance concerns and it's unclear to all parties who should be involved in these discussions. See on the slides, the addition of Property Management arm of tree in Maintenance. Each employee should have a dotted reporting line to the Housing (Property) Manager they report to each day. The goal is to reduce/eliminate inconsistencies in performance management at the property/site level. All maintenance individuals should know they all have the same expectations and standards of execution no matter what facility they spend their day(s).
 - With these changes in reporting, consider the workload for the Maintenance Director, and discuss adding an extra layer of responsibility, specifically a potential lead in the newly suggested Property Management arm of maintenance.
- RECRUITING - The Maintenance Director should be involved in the recruiting process to ensure hired employees are placed at the facilities that match the KSAs necessary for the location and pay, in addition to providing training and mentorship as appropriate. There also seems to be a number of temporary employees and it's not clear to the team when a temporary employee will become a full-time employee. These expectations should be clearly defined and communicated for transparency and consistency.
- TRAINING AND LOCATION PLACEMENTS – Some locations can be seen as having more challenges than others resulting in higher turnover at certain locations. To address this, it is suggested for the Maintenance Director to regularly rotate employees to create a more flexible, well-rounded, cross-trained workforce which allows employees to gain more diverse experience and build relationships and teamwork. This approach will support the goal of improving all sites, create mentorship relationships and provide sites with the appropriately skilled individuals

to overcome challenges, without losing skilled employees. The Maintenance Director would ideally be able to provide a high-level, global approach to maintenance daily placements, keeping in mind individual KSAs, career pathing, performance, and property needs.

- PERFORMANCE MANAGEMENT – The Maintenance Director should be involvement in annually scheduled performance management as well as throughout the year as performance conversations are needed. This means that the Maintenance Director should be contacted regarding employee performance conversations. Human Resources should be contacted when conducting formal corrective action.
- JOB AND COMPENSATION ANALYSIS - It is suggested that the agency perform a job analysis and compensation analysis for the maintenance department; reviewing titles, roles, responsibilities, pay structure, and the potential for pay ladders, mentorship, and succession planning. The goal of this is to reduce turnover and create consistent job titles, pay, and employment experiences.
- HOUSING (PROPERTY) MANAGER ROLE – The role of the Housing (Property) Manager regarding maintenance employees will be to guide individuals through their day-to-day tasks, providing communicating with the Maintenance Director about the employee's performance.
- NUMBER OF POSITIONS – The number of positions in this department should reflect the needs of the organization allowing for flexibility.

11. Communication

- Overall, the communication of the agency seems to be suffering. The Interim Executive Director is currently transversing responsibilities of the Executive Director and as the COO – Resident Services. Once structural changes are implemented, and all areas are receiving the support they need, it is anticipated that the communication will improve, and the Executive Director will have the ability to fulfill the extent of their duties successfully, which includes being the face of the organization, providing motivation and clearly communicating defined initiatives that align with the mission, vision, and values of the agency.

12. Decision-Making and Responsibility

- There is a struggle in understanding roles and responsibilities at every level, leading to hesitation in decision-making. Defining and communicating roles and responsibilities will be helpful for the team to function effectively, reduce miscommunications and improve decision-making. Key roles have been specified in this report to review; however, it is best practice in any organization to regularly

perform job and compensation analysis on all roles to stay abreast all factors that could impact an organization's success.

Additional Analysis Factors

FLAT STRUCTURE - The current state of the Agency has a flat structure.

1. Pros of a Flat structure:

- **Improved Cost Structure:** Eliminates multiple layers of middle management, saving significant costs.
- **Increased Independence:** Workers experience more independence and less dominance in the workplace.
- **Promotes increased employee engagement:** Foster's direct communication, decentralized decision-making and provides a stronger sense of ownership.

2. Cons of a Flat structure:

- **Role Confusion:** Can create confusion within highly structured teams, leading to unhappy employees and residents.
- **Limited Career Paths:** May offer fewer advancement opportunities, which can impact employee retention.
- **Potential for Inefficiency:** Without middle management, front-line staff may struggle with decision-making, heavy workloads and coordination within and across departments.

OVERVIEW: The suggestions in this report address the areas that can be updated to overcome role confusion, limited career paths, and inefficiencies. For most of the agency, continuing a flat structure will allow for agility and employee empowerment. In the Housing Operations department, there are suggestions to add layers to distribute high work volume, clarify roles and back-up support, increase the team's efficiency and add options for career growth. The changes in this report also aim to improve compliance and resident relations. When all areas of the agency are running smoothly, the resident experience naturally should improve in alignment to the overall mission, vision, and values of the organization.