Exhibit to Agenda Item #1

Board Strategic Development Committee and Special SMUD Board of Directors Meeting
Tuesday, August 6, 2019, scheduled to begin at 5:30 p.m.
Customer Service Center, Rubicon Room
Building a future-ready workforce

Gary King
Chief Workforce Officer

Laurie Rodriguez
Director, Human Resources, Diversity & Inclusion

August 6, 2019
Agenda

1. Workforce trends
2. Insights from a futurist
3. SMUD’s strategies to build a future-ready workforce
4. Q&A
Purpose and key takeaways

Purpose

• Provide the Board with an informational update on trends impacting the workforce of the future – globally and at SMUD

Key takeaways

• Understanding of key SMUD people strategies to successfully respond to industry and workforce disruption
Impact of emerging technologies and automation

• Digitization of everything
• No industry is immune
• Complete transformation:
  – Production
  – Management
  – Governance systems
• Shifting generations
• Haves vs. have nots
• Rapid and exponential pace of change
Video: Future jobs and industry: responding to the speed of change

Work is about to change forever.

In fact, the change has already begun.
Introducing Robert H. Brown
Vice President, Center for Future Work Cognizant
Futurist, Researcher & Author
Key workforce trends

Laurie Rodriguez
Director, Human Resources, Diversity & Inclusion
Key workforce trends impacting SMUD

- Impact of changing technology on work

- Specialized talent and new skills for existing roles

- Enhanced talent acquisition, retention and workforce analysis
  - Increasingly diverse workforce
  - Increased competition for talent

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Artificial Intelligence **can**:
- Automate some tasks (substitute):
  - Apply decision rules
  - Search data
  - Identify patterns

Artificial Intelligence **cannot**:
- Strategize
- Empathize
- Improvise
- Be creative
- Have an aesthetic
Specialized talent

- IT
- Web
- Cyber
- Data analytics
- Telecomm

21st Century skills

- Business acumen
- Collaboration
- Communication
- Strategic thinking
- Inclusion
- Innovation
- Continuous learning
Talent acquisition, retention and analysis

Generational Workforce

% of Full-Time Employees

- Traditionalist 1945 and before
- Baby Boomers 1946 - 1964
- Gen X 1965 - 1976
- Gen Z - Centennials 1996 - TBD

10 Years Ago
- Traditionalist: 2.2%
- Baby Boomers: 61.2%
- Gen X: 26.0%
- Gen Y: 10.6%
- Gen Z: 0.2%

5 Years Ago
- Traditionalist: 0.9%
- Baby Boomers: 46.2%
- Gen X: 33.1%
- Gen Y: 19.8%
- Gen Z: 0.2%

Today
- Traditionalist: 0.0%
- Baby Boomers: 37.2%
- Gen X: 22.7%
- Gen Y: 39.4%
- Gen Z: 0.5%
Talent acquisition, retention and analysis

SMUD Retirements

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Talent acquisition, retention and analysis

Difficult-to-fill positions

• Enterprise Technology Developers and Analysts
• Cyber Security Engineers
• Business Relationship Managers
• High level engineering positions
• Lineworkers (journey)
• Telecommunications Technicians
• User Experience Specialists
SMUD strategies and programs to address workforce trends
Diversity & Inclusion is foundational

Giving leaders tools to recruit, develop and manage diverse talent and embrace diversity of thought.

- Implicit bias training
- Situational leadership
- Emergenetics
- Outward Mindset
- Training for recruitment panel members
Employee development is key

- Sr. staff commitment to workforce development
- Outside formal education (tuition assistance)
- Professional & skill development (conferences, webinars L&D internal courses)
- Experiential learning (programs, on-the-job training; agile teams)
- Mentoring/coaching by peers and supervisor
- Apprenticeships, internships
- Employee Resource Groups
- Self study

Multi-pronged approach
Learning Agility

- Upskill/reskill
  - Technical, 21st Century and diversity & inclusion skills
- Connected learning strategies (external drivers, SMUD priorities and employee skill needs)
- Tailored training
- Overhauled leadership development program
- Leverage technology for recruitment
- Remote work program
Attract, Retain, Engage

- **Recruitment**
  - Leveraging technology to identify talent, interview candidates
- **Total Rewards**
  - Moving to more flexible benefits
- **Learning and Development**
  - New skills and upskill
  - Variety of delivery methods: on-demand, webinar, online and classroom
Attract, Retain, Engage

Expanding talent pools for certain skills and talent
- Using Employee Resource Groups (ERGs), interns, and Career Ambassadors as champions for SMUD
- Developing apprentices and interns through our scholarships
- Seeking candidate diversity

Enhancing talent acquisition approach
- Aligning job names, descriptions and classifications with competitive industry standards (e.g. “Cyber Security” vs. IT)
- Using technology to enhance and streamline application process
- Improved outreach through marketing materials to reach a broader diverse talent pool
- Enhanced smud.org/careers
- Increased focus on learnability and less on credentials
Investing in future talent

95+ interns tackled a range of projects this past year – from data entry and filing to crunching engineering problems and coding.

43 of the 95+ were part of our formal college internship program this year.

12 of them were powering futures scholarship recipients.

7 SMUD sites like the Upper American River Project were toured by interns.

CSU Sacramento – 22
UC Davis – 8
Sac City College – 3
American River College – 3
UC San Diego – 2
Other – 5

~25% of 2017 college interns have found work post-graduation at SMUD.

A variety of events help our interns grow their skills and network.

Spring is when high school interns applications are due.

JAN
OCT

is when college students can apply for paid internships at smud.org/StudentJobs.

12-14 weeks is the duration of the college internship program, 6 weeks for high school interns.

Interns learning about SMUD through the eyes of our leaders.
Q&A