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City of Alexandria

**Preliminary Report of Findings
Classification & Compensation**

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Contents

- Confirmation of Revised Compensation Philosophy
- More detailed example of a Competency Based Classification System
- Sample Toolkit
- Summary of Other Recommendations

Current Compensation Philosophy Overview and Objective

■ Overview

- Provides broad framework to guide decisions that affect pay
- Designed to reflect the importance public employees play in the delivery of services and programs to the community
- Compensation is a clear measure of that importance
- There is fair and equitable treatment of all employees, regardless of race, gender, or disability
- Establishes the commitment and necessity to maintain comparability with jurisdictions who are most like to affect recruitment and retention of employees

■ Objective

- To maintain a competitive compensation program in order to attract, retain, and motivate qualified employees.

Compensation Philosophy: Competitiveness and Comparability

■ Principles:

- Competitive with the average pay of comparator organizations in the primary labor market (Counties of Arlington, Fairfax, Prince William, Montgomery and Prince George's) as well as the Washington DC metropolitan area employers, where appropriate, including regional agencies, Federal Government, and general industry.
- The City Manager may recommend others for attraction/retention purposes.
- Information for an assessment of pay competitiveness will be ascertained through reliably published compensation survey data.
- Every two years, the City Manager will conduct a market study of benchmark positions to determine competitive posture of the organization, and propose a plan of action. City Manager may determine a classification needs review in the interim.
- If an average salary **falls below market** averages to the extent that attracting and retaining qualified employees may be jeopardized, the City Manager will propose action necessary to align the position or classification with the competitive marketplace for implementation at the next fiscal year or sooner, if financially feasible.

How is average salary defined?
(average midpoint, average salary)

Compensation Philosophy – General Salary Adjustments

- Annually, the City Manager will recommend a budget for general salary adjustments that is based upon:
 - Overall competitive posture of the organization
 - **Market rate adjustments**
 - Comparator organizations in the primary labor market
 - Financial affordability

Compensation Philosophy – Pay Scales

- The City Manager will promulgate pay scales for all employees that will provide information on salary increases that an employee may expect from year-to-year if performing satisfactorily. In the public safety classifications, the pay scale schedule will differ from the general employee classifications.
- For City employees, the annual increases in base salaries from year to year will be based on meeting established performance standards. In all cases, employees will know performance expectations to advance in-grade, and career development opportunities to advance to another grade.
- The specific schedules will be competitive at 100% of the average pay levels for the relevant labor market, and will be adjusted whenever necessary to maintain market competitiveness.
- Salary increases from the pay scale are a function of satisfactory performance-merit. Such increases are a recognition of performance that meets and exceeds expectations. Merit increases are not automatic.

Changed

Changed

Notes:

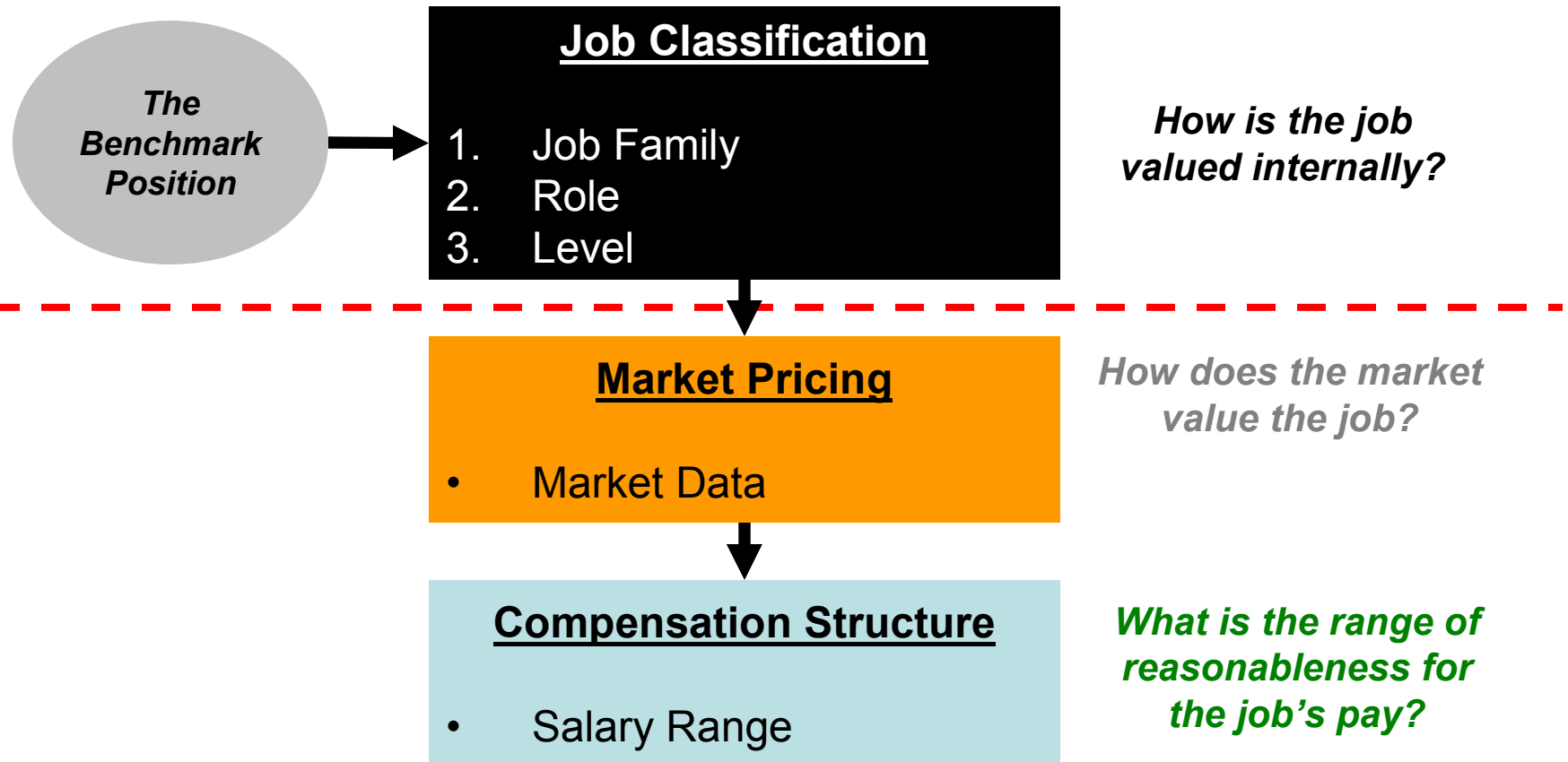
- 1) General agreement in the group against changing competitiveness to be anything other than 100% of market, and among public safety against any variability in pay increases. The rest of the group was relatively silent on this issue, although we already know there are individuals in favor of this approach. 100% of market has implications with regard to whether midpoint or average salaries are used.
- 2) Public safety would like to stop looking at midpoint vs midpoint – the most important thing is what people are actually being paid. Alexandria is falling behind at the bottom and the top of the range, not at the middle
- 3) Interest to include a specific timeframe for the review of competitiveness (i.e. benchmarking), so that employee's pay is reviewed on a regular basis – already covered on slide 4
- 4) There was some conversation about adding language around financially affordable, but that's covered in previous sections

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More Detailed Example of Competency Based Classification System

Process of Assessing Alexandria's Benchmark Jobs



Therefore: Classification ≠ Salary Range

Roles and Levels: The Job Classification Matrix

- The **Job Classification Matrix** is the tool that embodies the job classification language by role and level
 - **Level descriptors** are a “readers digest version” of the Level
 - The meat of the leveling language is in the Matrix itself, not the descriptor
 - Each Level describes a type of contribution – What’s important to Alexandria!
 - There are six varying types of contribution on the matrix (Levels 1-6)
- To enhance the face validity of the job classification methodology, the master matrix is broken down into a number of individual matrices (one for each Role)
 - Technical and Administrative Operations Role: Levels 1-3
 - Scientific, Engineering and Technology Professionals Role: Levels 3-5
 - Legal Professionals Role: Levels 3-5
 - Administrative Professionals Role: Levels 3-5
 - Leadership Role: Levels 4-6
 - Public Safety Role: Levels 1-4

Roles and Levels: The Classification Matrix

Contribution Type →	Contributes through Performance of Routine or Repetitive Activities and Tasks Level 1	Contributes through Support Level 2	Contributes through Experience/ Collaboration/ Problem Resolution Level 3	Contributes through Advanced Knowledge/ Skill/ Expertise Level 4	Contributes through Implementation of Strategic Direction Level 5	Contributes through Setting of Strategic Direction Level 6
Factors Apply to all Levels ↓						
Interpersonal Skills	Technical & Administrative Operations					
Communication Skills	Public Safety					
Accountability & Excellence			Scientific/Engineering/Technology Professionals			
Mission/ Service Orientation			Legal Professionals			
Teaming Skills			Administrative Professionals			
Flexibility					Leadership	
Judgment and Problem Solving					Leadership	

a) The Role narrows the realm of possible Levels for the position
b) The Role creates face validity

Level Descriptors

Level 1: Contributes through Performance of Routine or Repetitive Activities and Tasks

- Performs specific/detailed tasks that are well defined, highly structured, straightforward.
- Follows direction and established procedures.
- Requires limited or no training or prior experience to perform job duties.
- Work is closely supervised.
- Work involves common courtesy, tact, and cooperation with others within and outside ones own work environment

Level 2: Contributes through Support

- Uses understanding of common/general processes, methods, and systems in performing job duties.
- Has basic knowledge and understanding of departmental/unit policies and procedures.
- Work involves common courtesy, tact, and cooperation with others within and outside ones own work environment.
- Performs tasks of limited scope, depth, and variety.
- Makes decisions about own work after gaining input from supervisor.

Level 3: Contributes through Experience/Collaboration/Problem Resolution

- Uses knowledge and skill gained through work experience or specialized instruction/training in the line of work.
- Work is characterized by a focus on processes, procedures, and problem resolution.
- Work entails collaboration and coordination within and outside one's own immediate work environment.
- Interprets, assesses, and recommends department/unit policy, procedure, and/or solutions related to day-to-day operation.
- May supervise or lead staff.
- Work may involve a broad range of skills and proficiency.

Level 4: Contributes through Advanced Knowledge/Skill/Expertise

- Applies the principles, theories, concepts, and skill in a particular field, discipline, or profession to provide interpretation, analysis, recommendations, and consultation. Delivers a service requiring specialized and concentrated training or education.
- Assignments are broad in nature, requiring originality, ingenuity, and planning.
- Understands issues and implications beyond own immediate work environment.
- Develops, implements, and manages work plans.
- Understands the "big picture" together with breadth and understanding of departmental/organizational goals and direction.
- Contributes through applying individual expertise and/or has responsibility for supervising staff.

Level 5: Contributes through Implementation of Strategic Direction

- Provides policy and strategic input.
- Understands strategic objectives and direction.
- Work is characterized by significant focus on identifying solutions, planning and managing resources, and negotiations to achieve strategic goals.
- Implements strategy across functions and departments.
- Takes managerial or leadership responsibility.
- Manages change and defines excellence for functions and/or departments.
- Applies in-depth knowledge of field or specialization for the successful implementation of complex programs and services.

Level 6: Contributes through Setting of Strategic Direction

- Guides organization by thinking strategically about the future.
- Sets strategy and allocates resources to support strategy.
- Provides leadership and vision, fostering a culture of teamwork and a sense of mission.

Role Definitions

- **Technical or Administrative Operations:** Provide administrative, technical or operational support to staff; May formally supervise however primary value comes from applying individual expertise as a sole contributor or part of a team; Typically gains skills through on-the-job experience, vocational training, and/or 2-year degree courses (Level 1-3)
- **Public Safety:** Provides sworn police, fire or sheriff services to the City. Graduates from the academy and gains specialized skills through training. Is certified in the skills gained. (Level 1-4)
- **Administrative Professionals:** Provide professional services through the application of individual expertise; May formally supervise however primary value comes from applying individual expertise as a sole contributor or part of a team; Requires use and application of principles, theories, concepts (Level 3-5)
- **Legal Professionals:** Provide professional services through the application of individual expertise in the legal field; May formally supervise however primary value comes from applying individual expertise as a sole contributor or part of a team; Requires a law degree and the use and application of principles, theories, concepts (Level 3-5)
- **Scientific, Engineering or Technological Professionals:** Provide individual expertise in a scientific, engineering or technological field; May formally supervise however primary value comes from applying individual expertise as a sole contributor or part of a team; Requires use and application of principles, theories, concepts (Level 3-5)
- **Leadership:** Provide leadership and professional expertise or services by leveraging the knowledge and skills of others; Requires formal supervision of others; May require the application of the highest levels of leadership knowledge (Level 4-6)

The Role should not be confused with the Occupational Groupings

Occupational Groupings

SOCIAL SCIENCE AND WELFARE
 PERSONNEL MGMT AND EMPLOYEE RELATIONS
 ADMINISTRATIVE, CLERICAL & OFFICE SVCS
 BIOLOGICAL SCIENCES
 ACCOUNTING, BUDGET AND FINANCE
 MEDICAL, DENTAL, HOSPITAL & PUB HEALTH
 ENGINEERING AND ARCHITECTURE
 LEGAL, PARALEGAL AND KINDRED
 BUSINESS AND INDUSTRY
 POLICY DETERMINING
 LIBRARY AND ARCHIVES
 RECREATION
 EQUIPMENT, FACILITIES, AND SERVICES
 HOUSING
 PLANNING AND URBAN DEVELOPMENT
 PROCUREMENT AND SUPPLY
 TRANSPORTATION AND ENVIRONMENTAL SVCS
 AUTOMATIC DATA PROCESSING
 MISCELLANEOUS OCCUPATIONS
 INFORMATION AND ARTS

Classifications

SOC WKR I
 SOC WKR II
 SUPRV/CHF SOC WKR
 THERAPIST I
 THERAPIST II
 THERAPIST III
 SUPV/THERAPIST

Roles

Administrative Professionals
 Leadership
 Administrative Professionals
 Leadership

Levels

Level 3
 Level 4
 Level 3
 Level 4

Notes:

- 1) What happens to different levels of jobs (i.e. Therapist) when placed in the same role and level?
- 2) If we keep the same classification, what does the assignment to roles and levels "get us"?
- 3) Who would be doing the work of assigning jobs to roles and levels?

Occupational Groupings Span Roles

Occupational Groupings → Roles ↓	Technical and Administrative Operations	Scientific, Engineering or Technological Professionals	Administrative Professionals	Legal Professionals	Leadership
SOCIAL SCIENCE AND WELFARE	X		X		X
PERSONNEL MGMT AND EMPLOYEE RELATIONS	X		X		X
ADMINISTRATIVE, CLERICAL & OFFICE SVCS	X		X		
BIOLOGICAL SCIENCES		X	X		
ACCOUNTING, BUDGET AND FINANCE	X		X		
MEDICAL, DENTAL, HOSPITAL & PUB HEALTH	X	X	X		X
ENGINEERING AND ARCHITECTURE	X	X	X		X
LEGAL, PARALEGAL AND KINDRED			X	X	X
BUSINESS AND INDUSTRY	X		X		X
POLICY DETERMINING			X		X

Because occupational groupings span roles, it's more important to focus on the classification itself when assessing the role.

More Examples of Occupational Groupings that Span Roles

Roles Occupational Groupings	Technical & Administrative Operations	Scientific, Engineering or Technological Professionals	Administrative Professionals	Legal Professionals	Leadership
LIBRARY AND ARCHIVES	X		X		X
RECREATION	X		X		X
EQUIPMENT, FACILITIES, AND SERVICES	X		X		X
BIOLOGICAL SCIENCES	X		X		X
HOUSING			X		X
MEDICAL, DENTAL, HOSPITAL & PUB HEALTH	X	X	X		X
PLANNING AND URBAN DEVELOPMENT	X		X		X
PROCUREMENT AND SUPPLY	X		X		
TRANSPORTATION AND ENVIRONMENTAL SVCS	X	X	X		X
AUTOMATIC DATA PROCESSING	X	X			X
INFORMATION AND ARTS	X		X		

Roles v Occupational Groupings: Human Resources Management and Employee Relations

Contribution Type	Contributes through Performance of Routine or Repetitive Activities and Tasks Level 1	Contributes through Support Level 2	Contributes through Experience/ Collaboration/ Problem Resolution Level 3	Contributes through Advanced Knowledge/ Skill/ Expertise Level 4	Contributes through Implementation of Strategic Direction Level 5	Contributes through Setting of Strategic Direction Level 6
Technical & Administrative Operations	HR Clerk I HR Clerk II	HR Asst				
Scientific, Engineering, or Technological Professional						
Administrative Professional			HR Clerk HR Asst Coord. Employee Develop	HR Analyst II HR Analyst III Retirement Specialist Coord Spec Proj Supv		
Legal Professional						
Leadership				Div Chief, HR Srvcs	Dep Dir HR Dir HR Srvces	

Roles v Occupational Groupings: Transportation & Environmental Services

Contribution Type	Contributes through Performance of Routine or Repetitive Activities and Tasks Level 1	Contributes through Support Level 2	Contributes through Experience/ Collaboration/ Problem Resolution Level 3	Contributes through Advanced Knowledge/ Skill/ Expertise Level 4	Contributes through Implementation of Strategic Direction Level 5	Contributes through Setting of Strategic Direction Level 6
Technical & Administrative Operations		Transit Services Asst	Traffic Survey Tech Traffic Operations Tech Recycling Program Specialist Transit Specialist			
Scientific, Engineering, or Technological Professional				Air Pollution Control Specialist		
Administrative Professional			Asst Supt Trans			
Legal Professional						
Leadership				Div Chief, Environmental Quality Div Chief Transit Services Div Chief Transp	Dir, Ofc Environmental Quality Dir, T&ES Dep Dir/T&ES Oprns Dep Dir/T&ES Trans & Transit	

Occupational Groupings will be used in market pricing benchmarks & slotting non-benchmarks

Roles v Occupational Groupings: Administrative, Clerical and Office Services

Contribution Type	Contributes through Performance of Routine or Repetitive Activities and Tasks Level 1	Contributes through Support Level 2	Contributes through Experience/ Collaboration/ Problem Resolution Level 3	Contributes through Advanced Knowledge/ Skill/ Expertise Level 4	Contributes through Implementation of Strategic Direction Level 5	Contributes through Setting of Strategic Direction Level 6
Technical & Administrative Operations	Clerk I,II Clerk Typist I,II Records Cntr Clerk Records Clerk Messenger	Clerk Typist III Secretary I	Secretary II, III Legal Secretary I, II Admin Assist			
Scientific, Engineering, or Technological Professional						
Administrative Professional			Admin Cntr I Management Analyst I Supv. Admin Cntr I	Admin Cntr II Program Analyst Supv Admin Ofcr II		
Legal Professional						
Leadership				Div Chief Admin Services Div Chief Network Services	Assoc Dir Admin Services Dep Dir Pub Health	

Occupational Groupings will be used in market pricing benchmarks & slotting non-benchmarks

Roles v Occupational Groupings: Biological Sciences

Contribution Type	Contributes through Performance of Routine or Repetitive Activities and Tasks Level 1	Contributes through Support Level 2	Contributes through Experience/ Collaboration/ Problem Resolution Level 3	Contributes through Advanced Knowledge/ Skill/ Expertise Level 4	Contributes through Implementation of Strategic Direction Level 5	Contributes through Setting of Strategic Direction Level 6
Factors Apply to all Levels						
Technical & Administrative Operations		Horticultural Asst	Horticultural Spec I			
Scientific, Engineering, or Technological Professional			Horticultural Spec II Arborist Naturalist and II	City Arborist Supv		
Administrative Professional						
Legal Professional						
Leadership						

Roles v Occupational Groupings: Information and Arts

Contribution Type	Contributes through Performance of Routine or Repetitive Activities and Tasks Level 1	Contributes through Support Level 2	Contributes through Experience/ Collaboration/ Problem Resolution Level 3	Contributes through Advanced Knowledge/ Skill/ Expertise Level 4	Contributes through Implementation of Strategic Direction Level 5	Contributes through Setting of Strategic Direction Level 6
Technical & Administrative Operations		Museum Aide I and II	Museum Tech			
Scientific, Engineering, or Technological Professional				Archaeologist Conservator		
Administrative Professional			Communication Officer Curator and II Job Info Spec Health and Comm Ed Spec Museum Ed Spec	Director, Museum Supv Community Affairs Supv Graphic Arts		
Leadership					Director, Ofc of Historic Alexandria	

Conceptual Underpinning of the Job Classification Matrix

	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
Primary Focus	Tasks	Individual Goals	Individual & Team Goals	Practice	Organizational Process	Strategy/ Vision
Skill Type	Manual	Semi-skilled	Skilled	Conceptual	Conceptual	Conceptual
Scope	Self	Self	Team/Dept	Division	Multi-Division	Organization
General Nature of Job	Individual Contributor	Individual Contributor	Individual Contributor -or- Day-to-day Supervisor	Individual Contributor -or- Day-to-day Supervisor	Manager	Leader

Conceptual Underpinning of the Job Classification Matrix (continued)

- In terms of progression, the expectations in each subsequent level are meant to encompass and go beyond the preceding level's expectations
- Applies to the position (not the performance of the incumbent within the position)
- Remember that a job is in a level based on the preponderance of skills used on a regular basis.
 - For example, even if a job (which is primarily level 3) has elements that are level 4, the job is assigned a level 3.
 - Helpful to ask: Why does this job exist? What is the primary purpose of the job?

Job Classification

#1 Occupational Grouping

#2 Role

#3 Level

- The Occupational Grouping is as it currently exists
- The Role and the Level are derived from the job classification process and come together in the Job Classification Matrix

Illustration

Position Title:

Budget Management Analyst I

Occupational Grouping:

Accounting, Budget and Finance

Role:

Administrative Professionals

Level:

Level 3

Contributes through Experience, Collaboration, Problem Resolution

Sample Toolkit: Job Classification Matrix

Tool #1 Job Classification Matrix

Sample Toolkit: Layout of a Job Classification Matrix

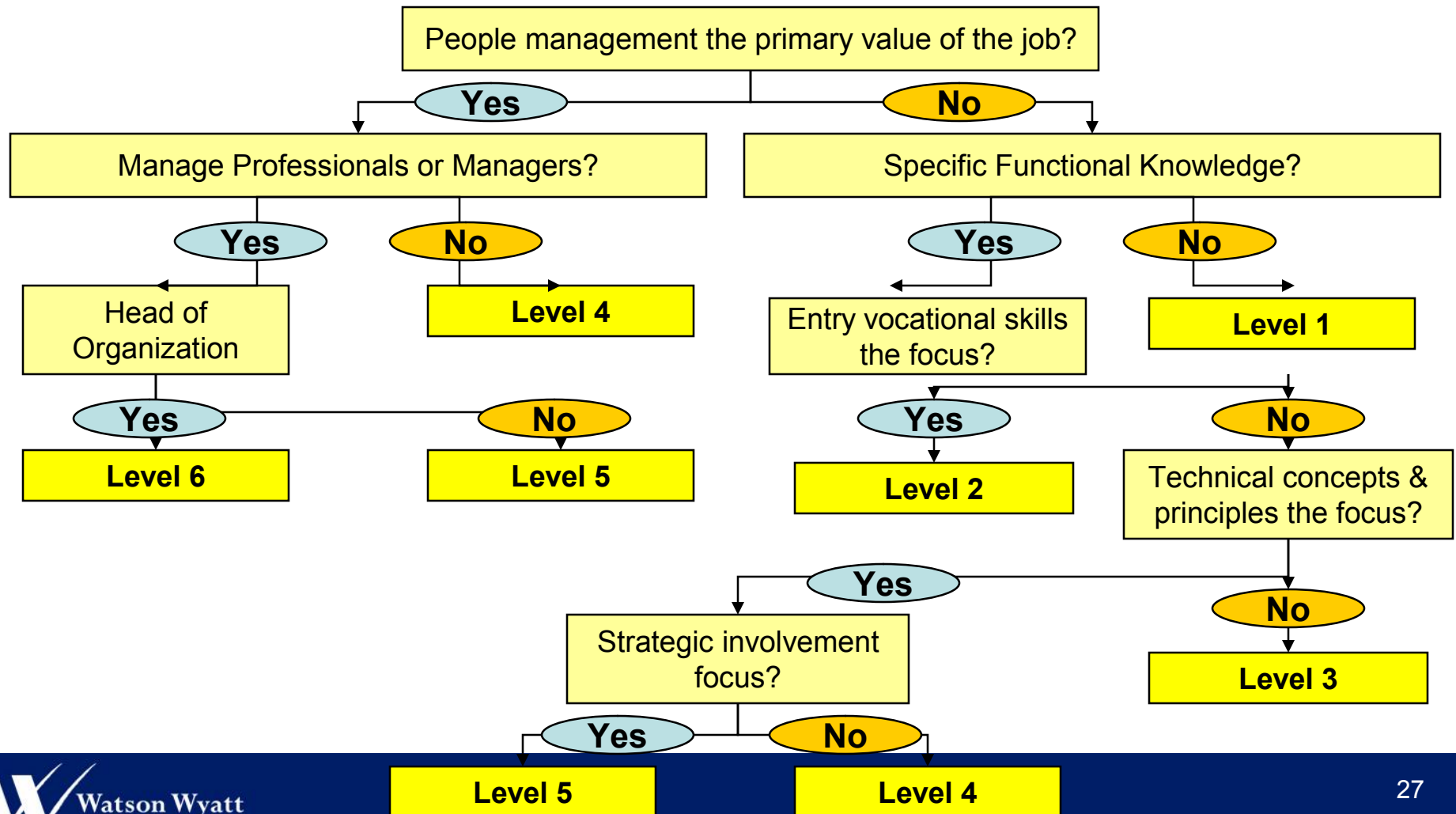
Contribution Type → Factors Apply to all Levels ↓	Contributes through Performance of Routine or Repetitive Activities and Tasks Level 1	Contributes through Support Level 2	Contributes through Experience/ Collaboration/ Problem Resolution Level 3	Contributes through Advanced Knowledge/ Skill/ Expertise Level 4	Contributes through Implementation of Strategic Direction Level 5	Contributes through Setting of Strategic Direction Level 6
Interpersonal Skills						
Communication Skills						
Accountability & Excellence						
Mission/ Service Orientation						
Teaming Skills						
Flexibility						
Judgment and Problem Solving						
Sample Jobs	Manual	Clerical, Support	Administrative, Technicians	Professionals, Supervisors	Experts, Directors	Top Leadership

Sample Toolkit

Tool #2 Job Classification Decision Tree

Sample Toolkit: Job Classification Decision Tree

- Administer the classification flow chart tool to arrive at **preliminary** level
- Confirm level by reading the language in the Job Classification Matrix



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Summary of Other Recommendations

Classification and Compensation: Areas of Opportunity Identified in Focus Groups/Interviews

Benchmarking

Need to increase the number of benchmarks, improve linkages to market, add more private sector comparators, ensure transparency and employee input

Pay Scale

Need to improve alignment of pay scale with competitive market at all levels, provide incentive for employees to supervise, address time it takes to get to top of scale

Classification

Need a process to supplement and be aligned with benchmarking, needs to be simple and transparent, may need to reduce management levels

Promotions

Provide flexibility to adjust pay more than 8.5% when situation warrants to address compression

Notes:

- 1) Will anything be done to address compression caused by the current system?
- 2) Promotions should provide flexibility to adjust pay more than 8.5% when the situation warrants, not if (made change above)

Classification and Compensation: Areas of Opportunity – Benchmarking

■ Current system

- Approximately 2300 positions
- 600 job classes describing those positions
- Competitiveness defined as average salaries that are 100% of the average of the comparator midpoints
- In 2006, 85 benchmark jobs identified
- Non-benchmark jobs were linked to a benchmark job
- LGPA Salary Survey

■ Areas of Opportunity

- Increase number of benchmarks
- Review class descriptions for accuracy and update as necessary
- Address non-benchmark jobs through chosen job evaluation method
- Review process for applying market data to pay scale
- Increase the number of salary survey sources

■ Recommendations

- Reduce classifications as a result of job title consolidation during the implementation of a new classification system
- Select benchmarks from reduced set of job titles to represent more than 50% of employees and common among comparator organizations
- Increase the number of salary survey sources to include LGPA and HRA-NCA
- Use custom data collection only for key jobs not represented in surveys
- Use definition to be at least 100% of the average of comparator midpoints when reported, and average pay when not reported (Ex. HRA survey)
- Slot non-benchmarks into roles, levels and ranges using classification system, not linking

Classification and Compensation: Areas of Opportunity – Pay Scale and Promotions

- Competitiveness – the benchmarking process provides the data to ensure the competitiveness of the pay scale with regard to midpoints and range widths
- Other considerations:
 - Treatment at the top of the range
 - Maintain current approach of no merit
 - Consider lump sum equal to a merit reward (not added to base)
 - Time to reach to top of the range
 - To be addressed in range design and movement through range
 - Range widths and range midpoints should be competitive, and merit increases should be competitive
 - Competitiveness at hiring
 - To be addressed with range design – determine appropriate hiring range (typically 1st quartile or 1st and 2nd quartile)
 - Treatment at promotion
 - Current treatment follows typical practices – problem is caused by hiring high into the range
 - Address with range competitiveness
 - Incentive to supervise
 - Address with classification and range design (part of leadership role in example – range associated with it could be higher than non-supervisory roles)

Notes:

- 1) Which of these is most important? Which can be done first without requiring re-work or compromising accuracy?

Pay for Performance: Areas of Opportunity from Focus Groups and Interviews

Pay for Performance

May be possible to have pay for performance if a minimum payout is set for all employees, may be better at leadership level, need to create more rigor around the award of a step increase, tremendous training

Rewarding High Performers

Need a better way to reward high performers either through bonuses, special merit increases or more enhanced annual performance awards

Performance Appraisal Form

Include behavioral categories such as good interpersonal skills, good communication skill, collaboration and teaming, seek learning and improvement opportunities, strong initiative and work ethic, creativity, leadership, number of ratings okay, needs more relevance to the jobs, needs goals and accomplishments, needs staff development piece

Performance Appraisal Process

Provide more extensive, mandatory supervisory and leadership training emphasizing performance planning, coaching and feedback and performance reviews, use highest ratings almost exclusively, may need to stagger timing, evaluate on how well mission is achieved within budget, and how well managers do with getting evaluations done

Pay for Performance: Areas of Opportunity – Pay for Performance

■ Requirements for a Pay for Performance Pay System:

- Rigorous performance management process in place
 - Measures are meaningful and are what drive success within jobs and for the organization
 - Managers/supervisors are held accountable for adhering to the process
 - Oversight of process to ensure fairness across the organization
- Meaningful differentiation in performance results in meaningful differentiation in rewards
- Complete and frequent training and communication

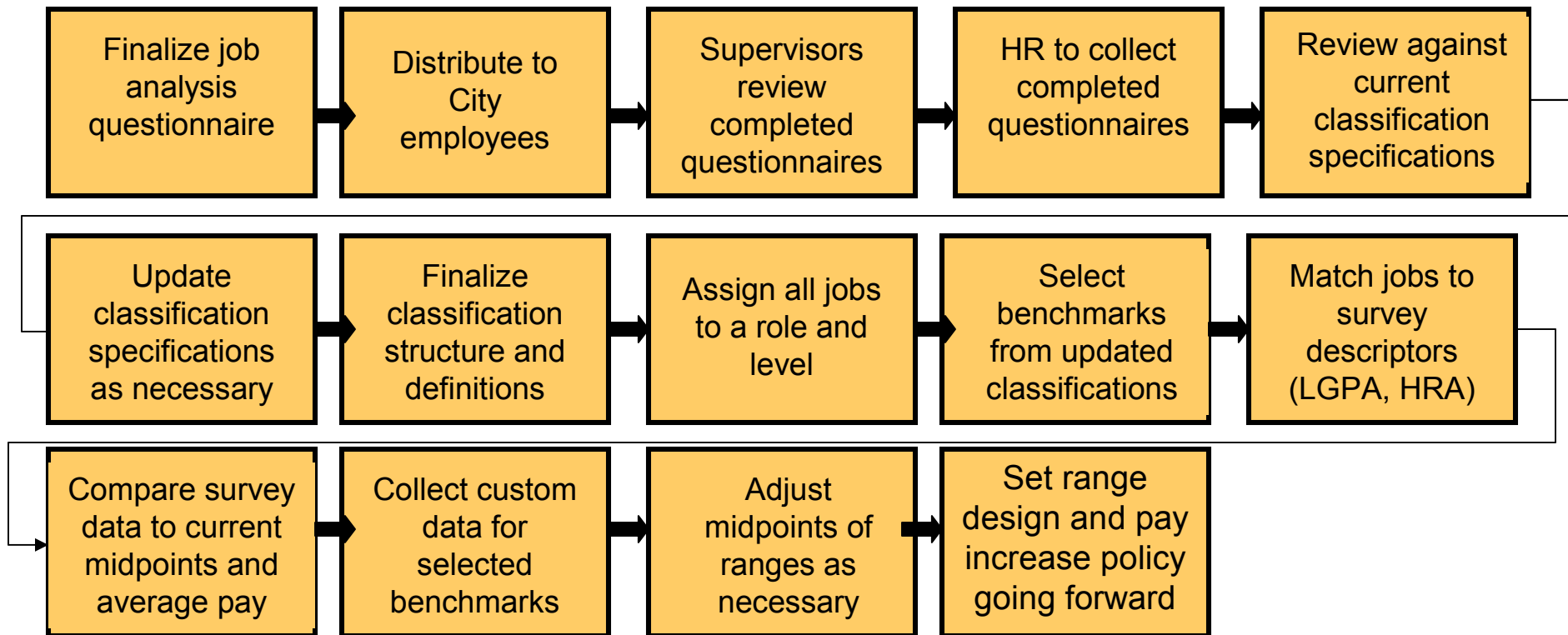
■ Recommendations

- Update performance management system to include new form and categories:
 - Interpersonal skills
 - Communication skills
 - Accountability and Excellence
 - Mission Service Orientation
 - Teaming Skills
 - Flexibility/Adaptability
 - Judgment / Problem Solving
 - Additional categories specific to a department
- Begin with senior management by cascading the Managing for Results Initiative to performance management goals and objectives
Integrate with new classification system
- Train managers, supervisors and employees in the process and hold them accountable for implementing the process
- Incorporate employee input into performance feedback process

Step One: Update current pay scales using most recent benchmarking results

- Recommendations have been made for adjustments to classifications that have been benchmarked in the recent past.
- Conduct benchmarking using the current process for those jobs that have not been benchmarked recently
- Advantages
 - Addresses lack of competitiveness in pay that has already been identified
- Concerns
 - Current jobs may be misclassified, which would result in adjusting jobs that don't need to be adjusted, or not adjusting jobs that need to be adjusted
 - Current budget constraints limit the funds available to make adjustments to the current pay scale

Step Two: Update Classification System, then Conduct Benchmarking Using Updated Approach



- Lengthy process
- Ensures jobs are correctly classified prior to making pay adjustments

Address Compression for Public Safety

- Option 1: Redesign pay scales based on most current benchmarking so that midpoints, minimums and maximums are competitive. Place employees into pay scales based on length of service
- Concerns
 - Assumes that length of service is the best factor upon which to base pay decisions
 - Current budget constraints limit the funds available to make adjustments to the current pay scale or in moving employees to different steps in the scale
- Option 2: Keep current pay scales and place employees into ranges based on length of service
- Concerns:
 - Assumes that length of service is the best factor upon which to base pay decisions
 - Does not address compression issues with current pay scales
 - Current budget constraints limit the funds available to move employees to different steps in the scale

Priority Setting

Step One	Step Two	Step Three	Step Four
Step One: Use Most Current Benchmarking and Conduct Benchmarking Using Current System to Determine Alignment with Market: Finalize Compensation Philosophy	Step Two: Update Classification Standards and Design New Classification System; Assign Updated Classifications to Roles and Levels; Conduct Benchmarking Using New Approach	Step 3: Address Total Compensation	Step 4: Update Performance Management Form and Process

Current research in public sector pay programs suggest that the most effective organizations don't wait until they have the perfect system. Make small changes and evolve system over time.



Draft Timeline for Priorities

Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20 - 25
Use most current benchmarking and conduct benchmarking using current system to determine alignment with market	■	■	■	■																
Finalize compensation philosophy	■	■																		
Update classification specifications			■	■	■	■														
Design new classification system							■	■	■	■										
Assign updated classifications to roles and levels											■	■								
Conduct benchmarking using new approach													■	■	■	■				
Address Total Compensation Issues																	■	■	■	
Update Performance Management Form and Process																				■