

Pay and Classification Study for Buncombe County, NC



Presentation of Results



Evergreen Solutions, LLC

14 August 2018

Agenda

- Study Process
- Outreach Summary
- Current Conditions
- Compensation Philosophy
- Classification Review
- Compensation Review
- Proposed Pay Plan and Implementation
- Next Steps/Additional Recommendations



Study Process

Completed:

- ✓ Employee outreach.
- ✓ Analysis of conditions of the current pay system.
- ✓ Review of County's Compensation Philosophy.
- ✓ **Internal equity** analysis by reviewing Job Assessment Tool (JAT) input; Management Issues Tool (MIT); recommending proposed class structure.
- ✓ **External equity** analysis by determining market competitiveness of the current pay structure/ranges.



Study Process (cont.)

- ✓ Development of competitive pay structure.
- ✓ Individual classification assignments to a pay grade/range.
- ✓ Development of options for implementing the proposed plan.
- ✓ Estimated annualized salary costs for implementing the new plan.



Study Process (cont.)

Remaining:

- Provide draft and final reports.
- Revise/provide job descriptions utilizing existing descriptions and input from employees' JATs.



Employee Outreach

General Feedback:

- Benefits are viewed as a strength for attracting and retaining employees.
- Need to ensure accuracy between titles and job descriptions.
- While salary ranges may be competitive (not certain) the structure is not known or understood.
- Performance evaluation process has little value since pay is not tied to performance.



Current Conditions

Reviewed the current pay plan:

- One open-range plan
- 48 grades
- Range spreads of 53%

Grade	Minimum	Midpoint	Maximum	Range	Spread
50	\$ 19,187	\$ 24,273	\$ 29,358		53%
51	\$ 20,068	\$ 25,361	\$ 30,654		53%
52	\$ 20,949	\$ 26,499	\$ 32,050		53%
53	\$ 21,875	\$ 27,685	\$ 33,495		53%
54	\$ 22,849	\$ 28,919	\$ 34,990		53%
55	\$ 23,915	\$ 30,250	\$ 36,585		53%
56	\$ 24,981	\$ 31,605	\$ 38,230		53%
57	\$ 26,093	\$ 33,009	\$ 39,924		53%
58	\$ 27,298	\$ 34,508	\$ 41,719		53%
59	\$ 28,503	\$ 36,083	\$ 43,663		53%
60	\$ 29,801	\$ 37,704	\$ 45,606		53%
61	\$ 31,145	\$ 39,397	\$ 47,650		53%
62	\$ 32,535	\$ 41,139	\$ 49,743		53%
63	\$ 34,018	\$ 43,027	\$ 52,036		53%
64	\$ 35,548	\$ 44,963	\$ 54,378		53%
65	\$ 37,123	\$ 46,947	\$ 56,771		53%
66	\$ 38,792	\$ 49,077	\$ 59,362		53%
67	\$ 40,599	\$ 51,302	\$ 62,004		53%
68	\$ 42,407	\$ 53,626	\$ 64,845		53%
69	\$ 44,307	\$ 56,021	\$ 67,736		53%
70	\$ 46,254	\$ 58,515	\$ 70,776		53%
71	\$ 48,386	\$ 61,176	\$ 73,966		53%
72	\$ 50,564	\$ 63,935	\$ 77,305		53%
73	\$ 52,789	\$ 66,766	\$ 80,744		53%
74	\$ 55,199	\$ 69,791	\$ 84,383		53%
75	\$ 57,655	\$ 72,938	\$ 88,220		53%
76	\$ 60,297	\$ 76,227	\$ 92,158		53%
77	\$ 62,985	\$ 79,665	\$ 96,344		53%
78	\$ 65,812	\$ 83,246	\$ 100,681		53%
79	\$ 68,778	\$ 86,972	\$ 105,166		53%
80	\$ 71,883	\$ 90,892	\$ 109,901		53%
81	\$ 75,081	\$ 94,958	\$ 114,835		53%
82	\$ 78,464	\$ 99,242	\$ 120,019		53%
83	\$ 82,033	\$ 103,717	\$ 125,402		53%
84	\$ 85,694	\$ 108,389	\$ 131,083		53%
85	\$ 89,588	\$ 113,276	\$ 136,965		53%
86	\$ 93,620	\$ 118,382	\$ 143,145		53%
87	\$ 97,791	\$ 123,683	\$ 149,574		53%
88	\$ 102,194	\$ 129,248	\$ 156,303		53%
89	\$ 106,782	\$ 135,056	\$ 163,331		53%
90	\$ 111,602	\$ 141,155	\$ 170,707		53%
91	\$ 116,608	\$ 147,470	\$ 178,333		53%
92	\$ 121,891	\$ 154,149	\$ 186,407		53%
93	\$ 127,360	\$ 161,120	\$ 194,880		53%
94	\$ 133,107	\$ 168,354	\$ 203,602		53%
95	\$ 139,096	\$ 175,930	\$ 212,763		53%
96	\$ 145,285	\$ 183,812	\$ 222,338		53%
97	\$ 151,824	\$ 192,083	\$ 232,343		53%



Current Conditions (cont.)

Analyzed the distribution of employees' salaries across the current pay ranges:

- Employees' salaries are clustered below the midpoint, with the 2nd quartile having the highest percent

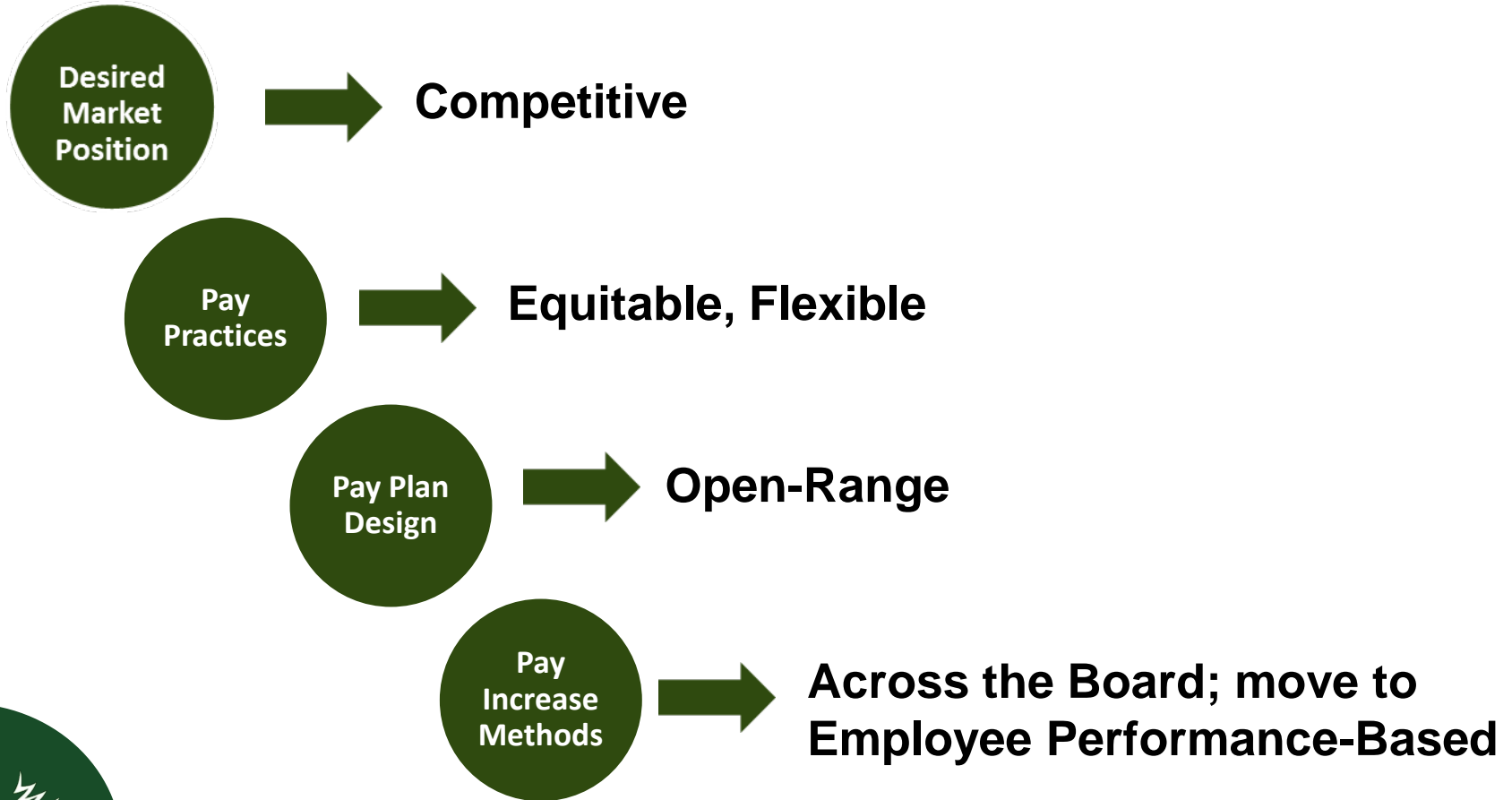
1st Quartile	2nd Quartile	3rd Quartile	4th Quartile
23.8%	40.1%	29.3%	6.9%

Midpoint



Compensation Philosophy

Reviewed the County's compensation philosophy:



Classification Review

- Reviewed employee input;
- Determined internal equity;
- Made appropriate title change recommendations e.g.,
 - Developed broad titles for administrative support:

Title	Administrative Support Specialist I	Administrative Support Specialist II	Administrative Support Specialist III
Job Summary	Provides routine clerical support including word processing, data entry, ordering supplies, opening/sorting mail, copying, filing, faxing, answering phones, greeting visitors, providing basic information, scheduling meetings...	Provides non-routine clerical support including drafting correspondence, reports, charts, graphs, spreadsheet, database, or presentation software; basic bookkeeping, screening calls/visitors; preparing agendas, travel or meeting arrangements; and managing department's calendar...	Provides clerical support including creating & maintaining associated documents, databases, meetings, special events; updates supervisor of critical issues; provides responses to requests for information; and processes financial and/or procurement documents...

Title	Administrative Assistant	Office Manager	Executive Assistant
Job Summary	Coordinates activities & provides administrative support; requires an understanding of complex processes, data, & operations of a department; coordinates meetings, special events; updates supervisor of critical issues; provides detailed responses to requests for information; prepares and files required metrics & regulatory reports; & serves as administrative coordinator for annual budgeting...	Supervises the activities of support personnel in the performance of duties for a department or office. Typically interviews, hires, plans, directs, trains, & reviews subordinate employees; monitors & reviews work on a regular basis; researches and analyzes data pertinent to work tasks, assists in budget preparation, & monitors budget throughout budget cycle. May serve on committees & provide liaison services...	Coordinates activities & provides senior level administrative support for an executive which requires an understanding of complex processes, data, & operations of a department; creates & maintains associated documents and databases, arranges meetings, special events; updates supervisor of critical issues; provides detailed responses to requests for information; reviews and updates administrative procedures; prepares and files required metrics and regulatory reports; and serves as administrative coordinator for annual budget process...



Compensation Review

Conducted a salary survey; collected salary range data from 18 peers; analyzed external (market) equity:

Peer Data Collected
City of Concord, NC
City of Durham, NC
City of Fayetteville, NC
City of Gastonia, NC
City of Greensboro, NC
City of Hickory, NC
City of Raleigh, NC
City of Wilmington, NC
Cabarrus County, NC
Catawba County, NC
Cumberland County, NC
Durham County, NC
Gaston County, NC
Guilford County, NC
Mecklenburg County, NC
New Hanover County, NC
Union County, NC
Wake County, NC



Compensation Review (cont.)

Compared the data for 85 benchmarks at a competitive position (average of the market):

Benchmark Classifications	Differential at the Range Minimum	Differential at the Range Midpoint	Differential at the Range Maximum
Overall Average	9.0%	5.1%	2.7%

Midpoint is typically considered “market” as employees receiving pay at this point should be proficient and satisfactorily performing the duties of their classification.

* *Results do not indicate that all benchmarks (classifications) were ahead or behind.*



Proposed Pay Plan

Redesigned the open-range plan:

➤ Pay grades:

Current: 48

Proposed: 46

➤ Range spreads:

Current: 53%

Proposed: 65%

Grade	Minimum	Midpoint	Maximum	Range Spread
50	\$ 19,187	\$ 25,423	\$ 31,659	65%
51	\$ 20,068	\$ 26,590	\$ 33,112	65%
52	\$ 20,949	\$ 27,757	\$ 34,565	65%
53	\$ 21,875	\$ 28,985	\$ 36,095	65%
54	\$ 22,849	\$ 30,275	\$ 37,700	65%
55	\$ 23,915	\$ 31,687	\$ 39,459	65%
56	\$ 24,981	\$ 33,099	\$ 41,218	65%
57	\$ 26,093	\$ 34,573	\$ 43,053	65%
58	\$ 27,298	\$ 36,170	\$ 45,042	65%
59	\$ 28,503	\$ 37,767	\$ 47,030	65%
60	\$ 29,801	\$ 39,486	\$ 49,171	65%
61	\$ 31,145	\$ 41,267	\$ 51,389	65%
62	\$ 32,535	\$ 43,109	\$ 53,683	65%
63	\$ 34,018	\$ 45,074	\$ 56,130	65%
64	\$ 35,548	\$ 47,101	\$ 58,654	65%
65	\$ 37,123	\$ 49,189	\$ 61,254	65%
66	\$ 38,792	\$ 51,399	\$ 64,007	65%
67	\$ 40,599	\$ 53,794	\$ 66,989	65%
68	\$ 42,407	\$ 56,189	\$ 69,971	65%
69	\$ 44,307	\$ 58,707	\$ 73,107	65%
70	\$ 46,254	\$ 61,286	\$ 76,319	65%
71	\$ 48,386	\$ 64,111	\$ 79,836	65%
72	\$ 50,564	\$ 66,997	\$ 83,430	65%
73	\$ 52,789	\$ 69,945	\$ 87,101	65%
74	\$ 55,199	\$ 73,138	\$ 91,078	65%
75	\$ 57,655	\$ 76,393	\$ 95,131	65%
76	\$ 60,297	\$ 79,893	\$ 99,489	65%
77	\$ 62,985	\$ 83,455	\$ 103,925	65%
78	\$ 65,812	\$ 87,201	\$ 108,590	65%
79	\$ 68,778	\$ 91,131	\$ 113,484	65%
80	\$ 71,883	\$ 95,245	\$ 118,607	65%
81	\$ 75,081	\$ 99,483	\$ 123,884	65%
82	\$ 78,464	\$ 103,965	\$ 129,466	65%
83	\$ 82,033	\$ 108,694	\$ 135,355	65%
84	\$ 85,694	\$ 113,545	\$ 141,396	65%
85	\$ 89,588	\$ 118,704	\$ 147,819	65%
86	\$ 93,620	\$ 124,046	\$ 154,473	65%
87	\$ 97,791	\$ 129,573	\$ 161,355	65%
88	\$ 102,194	\$ 135,407	\$ 168,620	65%
89	\$ 106,782	\$ 141,486	\$ 176,190	65%
90	\$ 111,602	\$ 147,873	\$ 184,143	65%
91	\$ 116,608	\$ 154,505	\$ 192,402	65%
92	\$ 121,891	\$ 161,506	\$ 201,120	65%
93	\$ 127,360	\$ 168,752	\$ 210,144	65%
94	\$ 133,107	\$ 176,367	\$ 219,626	65%
95	\$ 139,096	\$ 184,302	\$ 229,509	65%



Implementation

- Individually assigned a pay grade (range) for each classification at a competitive position based on both internal and external equity results.
- Some pay ranges increased, some remained relatively the same, and some decreased.
- Of the grade changes; 75 classifications were increased, 78 were decreased; however, no employee salary was recommended for decrease.



Implementation (cont.)

Multiple options were developed/presented to the County; the most appropriate was selected:

Bring Employees' Salaries to New Minimums:

A calculation is performed so that each employee's salary is adjusted to the minimum of their classification's proposed pay grade. If his/her salary is already within the proposed pay range, no adjustment is made.

- Total annualized salary cost **\$127,731**
- # employees who would receive adjustments = 74

** Cost estimates are salary only and do not include the cost of benefits.*



Implementation (cont.)

When implemented, the revised plan will continue to allow for flexible pay practices, and new pay increase method(s).

- When compared at market competitive position, the plan will be slightly ahead of peers:

Benchmark Classifications	Differential at the Range Minimum	Differential at the Range Midpoint	Differential at the Range Maximum
Overall Average	4.3%	4.7%	5.0%



Implementation (cont.)

Analyzed the distribution of employees' salaries across the proposed pay ranges:

- Employees' salaries heavily concentrated in the first two quartiles with the 2nd quartile still having the most.

1st Quartile	2nd Quartile	3rd Quartile	4th Quartile
32.4%	52.7%	8.6%	6.4%

Midpoint



Next Steps

County:

- Communicate study results to employees.
- Review pay practices; revise as necessary to align with compensation philosophy, be fiscally responsible, and competitive with peers.
- Develop plan to move to employee evaluation process linked to performance-based pay increases.
- Administer and maintain the new plan; make pay grade/range adjustments as necessary.
- Conduct a comprehensive study every three to five years.



Next Steps (cont.)

Evergreen:

- Provide draft and final reports.
- Provide draft revised job descriptions.
- Provide training to County HR staff regarding methodology, maintenance of plan.



Discussion

- Questions?

