COMPENSATION &
CLASSIFICATION STUDY
Beltrami County
Springsted Inc. System
PRIOR SYSTEMS

- **O’Conner system 1985-2005**
  - Personnel Committee was responsible for job evaluation reviews

- **Riley, Dettmann and Kelsey 2006-2013**
  - Job Evaluation Reviews completed by Rod Kelsey (until he retired May 31, 2009)
  - Springsted reviewed positions using Kelsey's study until new study was completed
Why Now?

- 2011 0% increase
- 2012 0% increase
- 2013 1% increase

- Part of 2013 union settlements County Board agreed to conduct study.
REQUEST FOR PROPOSAL

- RFP Issued in January 2013
- Received 6 responses ranging in price from $32,825-$66,300
- Selection Committee interviewed 3 companies
  - Springsted Inc.
  - Fox Lawson & Associates
  - Bjirklund Compensation
- County Board awarded contract to Springsted Inc. for $32,825 on March 19, 2013
WHY SPRINGSTED, INC.?

- Previously used Springsted for County Administrator Search and maintaining Kelsey study
- “SAFE” System was similar to existing system
- Experience in Minnesota
- Staff to support Beltrami County
- Price was favorable
# Project Timeline

## Proposed (5 months)

<table>
<thead>
<tr>
<th>Task</th>
<th>Month 1</th>
<th>Month 2</th>
<th>Month 3</th>
<th>Month 4</th>
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<td>Market Survey</td>
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## Actual (March 19, 2013-?)

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</table>
EMPLOYEE EDUCATION PROCESS

- Kick-off Meetings (May 2013)
  - Explain components of study
  - Position Analysis Questionnaires (PAQs)

- Reconsideration of placement on pay grade (Dec 2013)
  - Held meetings to explain new Title and Pay Grade Assignment
  - Employees submitted Reconsideration Requests
JOB DESCRIPTIONS

- Beltrami County did not have uniform summary job descriptions going into the process
- Created 114 job descriptions
  - Employees completed the Position Analysis Questionnaire,
  - Supervisors added their input
  - Springsted created the job descriptions.
- Employees had an opportunity to review the preliminary job descriptions and submit a Request for Review and Reconsideration (RRR)
- Still waiting for final versions
SYSTEMATIC ANALYSIS AND FACTOR EVALUATION (SAFE®) SYSTEM

- Training & Ability
- Level of Work
- Physical Demands
- Independence of Actions
- Supervision Exercised
- Experience Required
- Human relations Skills
- Working Condition/Hazards
- Impact on End Results

See attached “Components of the SAFE® Job evaluation System” sheet and Position Analysis Questionnaire (PAQ)
MARKET STUDY

Market Study

- 14 Counties selected for the survey based on proximity to Beltrami County, regional hubs, population, # of employees, Etc.
  - 11 Counties responded to the survey

- 67 Positions surveyed 59 were used in the analysis
  - Salary range minimums competitive with market
  - Salary range maximums below the market
  - Internal pay inequities existed within the County
IMPLEMENTATION STRATEGY

- Springsted gave us 4 implementation options costing between $318,000 and 1.3 million
- Option chosen cost $468,558 (Approx. 3% of total payroll)
  - Employees below the new minimum salary moved to step 1 of the new scale
  - Employees within the new salary range moved to the next step.
UNION NEGOTIATIONS

- Beltrami County has 8 unions and the non-union group.
- At the beginning of the study it was decided we would try to implement the study and negotiate the next contract together.
- We have settlements with 4 essential units and the county board adopted the same settlement for the non-union group.
- Currently negotiating with 2 AFSCME Groups, and 1-49ers Group
- Going to Mediation with 1 Teamsters group
MAINTAINING THE SYSTEM

- Contract with Springsted to:
  - Create Job descriptions and place new positions on the pay scale
  - Reconsideration requests will be sent to Springsted for rating.
LESSONS LEARNED

- Communication, Communication, Communication
- Be involved with supervisor input
- Have language in contract to deal with delays by consultant
- Change step numbering system
- Employees take this very personally
- Make sure employees see final job descriptions before the market survey is completed
- Complete study before negotiations start
- Proof, Proof, Proof
History

• County Board goal for Market Study to occur every five (5) years.
• Last Market Study was in 2006
• 2006 Study resulted in
• Compensation program goal = 95% of market
Communication

- HR Worked with Department Heads to focus on hard to fill positions and ensure positions across the pay scale were included.

- HR did initial study of target positions to get an idea of status

- Personnel Committee met to discuss extent of study (Full compensation? Market?)

- Took recommendation for Market Study to Board for approval

- Collected bids from two (2) vendors for Board approval
Selecting a Consultant

- Obtained bids from two (2) vendors.

- Choose Bjorklund despite higher bid:
  - Long standing relationship
  - Had done previous studies
  - Currently does rating and review of job descriptions
Scope of Study

Positions to be evaluated:

- Coordinator
- County Engineer
- Heavy Equipment Operator (union)
- Director of Nursing
- Highway Maintenance Supervisor
- Public Health Nurse
- Registered Nurse
- Appraiser
- Finance Officer
- Office Support Specialist, Sr.
- Building Maintenance Supervisor
- County Assessor
- Veterans Service Officer
- Human Resources Officer
- Information Systems Administrator
- Engineering Technician, Sr.
Scope of Study (cont.)

Agencies Used for Comparison:

- Freeborn
- Mower
- Steele
- Waseca
- Rice
- Wabasha
- Nicollet
- Olmsted
- Fairbault
- Dodge
- Winona
- Goodhue
- Le Suer
- Houston
- City of Winona
Study Timeline

• Personnel Committee Met
• Board Approval
• Bjorklund Hired to Complete Study
• Bjorklund Report to Board
• Plan Approved
• Plan Put Into Effect
### Results

**FILLMORE COUNTY - SALARY SURVEY**

**Exhibit 1**

**Analysis of Benchmark Salaries by Benchmark**

**Benchmark Comparison of Median Salaries**

<table>
<thead>
<tr>
<th>Benchmark Title</th>
<th>Internal Minimum Salary</th>
<th>Median Market Starting</th>
<th>% Diff</th>
<th>Internal Average Salary</th>
<th>Median Market Salary</th>
<th>% Diff</th>
<th>Internal Maximum Salary</th>
<th>Median Market Maximum</th>
<th>% Diff</th>
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<tbody>
<tr>
<td>Human Resources Officer**</td>
<td>$18.34</td>
<td>$22.16</td>
<td>17.2%</td>
<td>$19.62</td>
<td>$30.17</td>
<td>35.0%</td>
<td>$24.73</td>
<td>$32.31</td>
<td>23.5%</td>
</tr>
<tr>
<td>County Coordinator</td>
<td>$29.94</td>
<td>$32.81</td>
<td>8.7%</td>
<td>$41.69</td>
<td>$43.96</td>
<td>-7.9%</td>
<td>$47.44</td>
<td>$45.70</td>
<td>8.8%</td>
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<tr>
<td>County Engineer</td>
<td>$31.10</td>
<td>$31.31</td>
<td>0.7%</td>
<td>$47.44</td>
<td>$43.96</td>
<td>-7.9%</td>
<td>$47.44</td>
<td>$45.45</td>
<td>-4.4%</td>
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<tr>
<td>Heavy Equipment Operator</td>
<td>$17.30</td>
<td>$16.39</td>
<td>-5.6%</td>
<td>$20.28</td>
<td>$20.43</td>
<td>0.7%</td>
<td>$20.78</td>
<td>$22.13</td>
<td>6.1%</td>
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<tr>
<td>Engineering Technician</td>
<td>$19.62</td>
<td>$18.42</td>
<td>-6.5%</td>
<td>$26.49</td>
<td>$24.82</td>
<td>-6.7%</td>
<td>$26.49</td>
<td>$25.03</td>
<td>-5.8%</td>
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<tr>
<td>Director of Nursing</td>
<td>$28.81</td>
<td>$28.80</td>
<td>0.0%</td>
<td>$35.59</td>
<td>$39.90</td>
<td>10.8%</td>
<td>$40.11</td>
<td>$42.55</td>
<td>5.7%</td>
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<tr>
<td>Highway Maintenance Supervisor</td>
<td>$21.83</td>
<td>$22.25</td>
<td>1.9%</td>
<td>$26.63</td>
<td>$30.34</td>
<td>12.2%</td>
<td>$29.82</td>
<td>$31.35</td>
<td>4.9%</td>
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<tr>
<td>Public Health Nurse</td>
<td>$21.83</td>
<td>$21.51</td>
<td>-1.5%</td>
<td>$25.35</td>
<td>$28.09</td>
<td>9.8%</td>
<td>$29.82</td>
<td>$29.77</td>
<td>-0.2%</td>
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<tr>
<td>Registered Nurse</td>
<td>$20.69</td>
<td>$20.77</td>
<td>0.4%</td>
<td>$27.04</td>
<td>$28.44</td>
<td>4.9%</td>
<td>$28.24</td>
<td>$28.61</td>
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<tr>
<td>Appraiser</td>
<td>$18.34</td>
<td>$18.58</td>
<td>1.3%</td>
<td>$20.47</td>
<td>$23.24</td>
<td>11.9%</td>
<td>$24.73</td>
<td>$26.84</td>
<td>7.9%</td>
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<tr>
<td>Finance Officer</td>
<td>$19.52</td>
<td>$21.90</td>
<td>10.9%</td>
<td>$26.49</td>
<td>$30.71</td>
<td>13.7%</td>
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<td>$33.84</td>
<td>21.7%</td>
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<td>Office Support Specialist, Sr.</td>
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<td>$15.19</td>
<td>1.9%</td>
<td>$18.84</td>
<td>$19.48</td>
<td>3.3%</td>
<td>$19.84</td>
<td>$21.49</td>
<td>7.7%</td>
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<tr>
<td>Building Maintenance Supervisor</td>
<td>$18.34</td>
<td>$19.98</td>
<td>8.2%</td>
<td>$22.17</td>
<td>$27.33</td>
<td>18.9%</td>
<td>$24.73</td>
<td>$29.87</td>
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<td>County Assessor</td>
<td>$25.33</td>
<td>$24.99</td>
<td>-1.4%</td>
<td>$31.15</td>
<td>$36.09</td>
<td>13.7%</td>
<td>$35.03</td>
<td>$36.23</td>
<td>3.3%</td>
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<td>Accounting Technician</td>
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<td>$16.09</td>
<td>0.2%</td>
<td>$19.75</td>
<td>$20.43</td>
<td>3.3%</td>
<td>$21.49</td>
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<td>Veteran Service Officer</td>
<td>$16.05</td>
<td>$20.21</td>
<td>20.6%</td>
<td>$17.14</td>
<td>$26.85</td>
<td>36.2%</td>
<td>$21.49</td>
<td>$29.87</td>
<td>28.1%</td>
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<td>IS Systems Administrator</td>
<td>$24.15</td>
<td>$24.76</td>
<td>2.5%</td>
<td>$31.37</td>
<td>$32.60</td>
<td>3.8%</td>
<td>$33.18</td>
<td>$35.39</td>
<td>6.2%</td>
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<tr>
<td>Engineering Technician, Sr.</td>
<td>$20.69</td>
<td>$20.14</td>
<td>-2.7%</td>
<td>$27.46</td>
<td>$25.40</td>
<td>-8.1%</td>
<td>$28.24</td>
<td>$27.33</td>
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**Totals:**

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<tr>
<th>Minimum Rates</th>
<th>Median Average Rates</th>
<th>Maximum Rates</th>
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<tr>
<td>364.5</td>
<td>423.7</td>
<td>499.6</td>
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<tr>
<td>374.1</td>
<td>458.1</td>
<td>533.2</td>
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</table>

**Summary Statistics:**

- **Average % Difference:**
  - Minimum Rates: 2.6%
  - Median Average Rates: 7.5%
  - Maximum Rates: 6.3%

**Notes:**
- **Excluded from summary:** poor benchmark
Recommendations

1. Adjust four (4) positions found to be out of line with market
   a. VSO - 2 Grades
   b. Building Maintenance Superintendent - 1 Grade
   c. Fiscal Officer - 1 Grade
   d. Human Resources Officer - 2 Grades

1. Once noted positions adjusted, new salary statistics:

<table>
<thead>
<tr>
<th>Summary Statistics</th>
<th>Minimum Rates</th>
<th>Maximum Rates</th>
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<tbody>
<tr>
<td>Average % Difference</td>
<td>1.6%</td>
<td>5.1%</td>
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# Costs

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<tr>
<th>Position</th>
<th>Current Grade</th>
<th>New Grade</th>
<th>Diff. Per Hour</th>
<th>July 1 Effective</th>
<th>1 Grade July 1</th>
<th>1 Grade (if app.) Oct. 1</th>
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<td>Bldg. Maint. Super</td>
<td>7</td>
<td>8</td>
<td>$1.5304</td>
<td>$1,591.62</td>
<td>$1.5304</td>
<td>$1,591.62</td>
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<td>VSO</td>
<td>5</td>
<td>7</td>
<td>$2.4765</td>
<td>$2,060.45</td>
<td>$1.2826</td>
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<td>Finance Officer</td>
<td>8</td>
<td>9</td>
<td>$1.7510</td>
<td>$1,821.04</td>
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<td>$1,821.04</td>
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<td>HR Officer</td>
<td>7</td>
<td>9</td>
<td>$2.4055</td>
<td>$2,501.72</td>
<td>$1.2984</td>
<td>$1,350.34</td>
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<td><strong>Total Cost</strong></td>
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<td><strong>$7,974.82</strong></td>
<td><strong>$5,830.12</strong></td>
<td><strong>$1,076.27</strong></td>
<td><strong>$6,906.38</strong></td>
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Lessons Learned/
Looking Forward

What Helped Make the Process Work Smoothly:

1. Long standing relationship with consultant
2. Strong participation by County Officials
3. Systematic approach (Not just “squeaky wheel” positions)

What Will Keep the System Current and Pertinent:

1. All positions on five (5) year review rotation
2. Reviewing compensation goals with Board on a regular basis
Compensation Study
Nicollet County
Jamie Haefner
Human Resources Director
Why a Comp Study now?

- No study in 20 years
- Hay system
- 20 steps - 3%
- Range spread too large
- No step increases for 4 years
- Small COLA’s
- No incentive to be a top performer
Process

- Formed Committee
- Developed RFP
- Interviewed top consultants
- Selected Final Consultant
Project Scope

- Classifications
- Job Descriptions
- Market Study
- New pay system (merit based)
- Performance Evaluation System
- Training

Project Scope diagram with overlapping circles.
Core Criteria

Wanted something completely different

Strong knowledge of Merit based pay

Strong public sector background
Fox Lawson – Decision Band

- Value related to importance
- Importance related to decision making
- All jobs require some level of Decision making
- Decision making is measurable
- Difficulty
- Complexity
- Diversity
- Supervisory/Non Supervisory
- Working conditions
- Labor market
Project Timeline – $53k project

- Job Descriptions – July 2012
- Classifications – October 2012
- Market Study – November 2012
- Results – December 2012
- Implementation (Phase in) – April 2013
- Performance Evaluations – August 2013
Communication

- Kick off with all staff in April
- Employees involved in JD process
- Department Heads reviewed first pass at classifications
- Communicated all meeting minutes to Department Heads
- Sent regular emails to all staff with updates
Results...

16% behind market!!
- 30% behind on minimums
- 2% behind on maximums

3 months Board buy-in
- Don’t give up!
- Get creative
- Ask what would be feasible not just what wouldn’t

3 phase implementation over 1 year
- April 1, 2013
- October 1, 2013
- April 1, 2014
Pay System

- MERIT BASED PAY - #1 Goal
- 6 step to midpoint system
- Open Range after that
- General Wage and Merit set each year by Board
Example C 41

<table>
<thead>
<tr>
<th>Minimum</th>
<th>Step 2</th>
<th>Step 3</th>
<th>Step 4</th>
<th>Step 5</th>
<th>Midpoint</th>
<th>Open Range</th>
<th>Maximum</th>
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<td>$47,689.54</td>
<td>$49,835.57</td>
<td>$51,981.60</td>
<td>$54,127.63</td>
<td>$56,273.66</td>
<td>$58,419.69</td>
<td>Open Range</td>
<td>$69,149.84</td>
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Performance Evaluations

**Two Components**

1. Core Competencies

2. Goals
   - Linked to County Strategic Plan

4 level system – points assigned
Final Steps

- Developed a Compensation Plan
- Training
- Union Buy-in
- First Reviews conducted
- Ongoing maintenance
Lessons Learned

- Personality match
  - Consultant and Culture
- Interviews for Job Descriptions
- Union representation
- Employees talk!
- Other counties will hear...
- Communication – don’t assume
- Keep employees involved
Lessons Learned

- Educate
- Train
- Be prepared to explain results
- DON‘T WAIT 20 YEARS!
Wright County
Classification Study
Lee Kelly
County Coordinator
Wright County circa 2010

- 7 Bargaining units, 8 Salary tables
- 685 Employees
- 154 Classifications
- Contracts settled through 12/31/11
- “Historic” Job descriptions
Selection Process

- RFP Issued February 2010
- 8 responses
- Board and Staff Selection Committee

Selection Criteria
- Personnel, Experience and References
- Job Evaluation System and Implementation
- Timeframe
- Cost
The Study

- Employers Association
  - a/k/a Trusight
  - a/k/a MRA
- Classification Study only—NO Market Study
- $48,370 not to exceed cost
- 6 month timeline
- To be completed prior to negotiations
The System

- Knowledge, Skills, and Ability used on the job
- Qualifications:
  - Education
  - Experience
  - Licensure or certification
- Working Conditions:
  - Effort – physical and mental
  - Hazards – driving, lifting, exposures
  - Environment – office, field, normal, extreme
# Weighting of Factors

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<thead>
<tr>
<th>Factor</th>
<th>Weight</th>
<th>Max Points*</th>
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<tbody>
<tr>
<td>Qualifications</td>
<td>30%</td>
<td>304</td>
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<tr>
<td>Decisions</td>
<td>20%</td>
<td>201</td>
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<tr>
<td>Problem Solving</td>
<td>17.5%</td>
<td>175</td>
</tr>
<tr>
<td>Relationships</td>
<td>17.5%</td>
<td>175</td>
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<tr>
<td>Effort</td>
<td>5%</td>
<td>50</td>
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<tr>
<td>Hazards</td>
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<td>50</td>
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<tr>
<td>Environment</td>
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<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>1005</strong></td>
</tr>
</tbody>
</table>

* Few jobs reach the maximum in any factor. The effective range of points is typically about 130 to about 700 for public sector jobs.
The Process for Employees

- Employee Information Sessions
- Job Description Questionnaires
- Employee Interviews
The Tasks of the Consultant

- Write New Job Descriptions
- Apply New System
- Review FLSA status
- Conduct Appeals Process
- Recommend implementation strategy
Implementation

- Establish implementation date for new points
- +/-5% Corridor
- Adjustments phased in over 3 year period
- Applied adjustments to existing salary tables
Recommend phased adjustments to the jobs that trend low compared to other job classes.
Outcomes

- New Job Descriptions
- 128 Classifications, down from 154
- Expanded salary tables
Lessons Learned

- Designate the “Keeper of the Files”
- Less is More
- Be clear on expectations and desired outcome
- Class and Comp are inseparable
Lessons Learned

- This will take longer than anticipated
- Manage employee expectations
- There will be “winners and losers”
- Employees will “look across the hall”
- Communicate, Communicate, Communicate
Good Luck....