

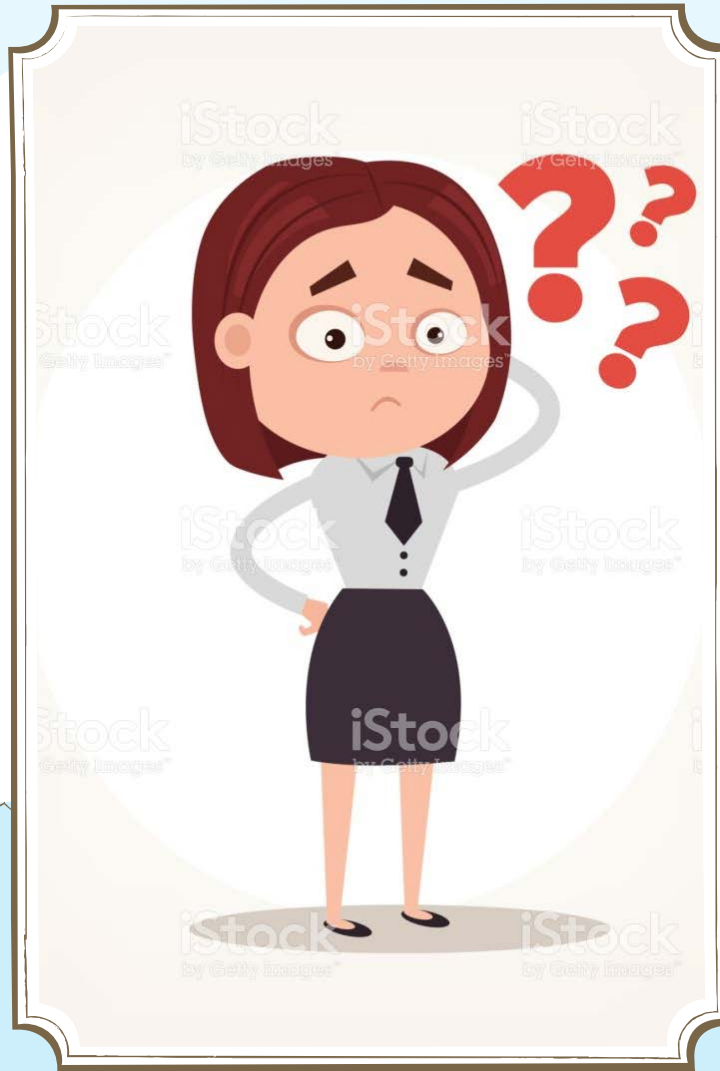
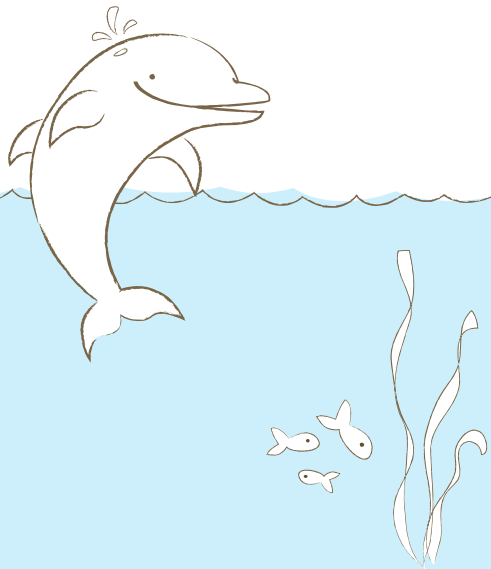
Holly Brooks  
and David Hill  
NC-IPMA  
Conference  
March 2018



What to Expect When You're  
Expecting... A Classification and Pay  
Study.

*What is our Goal?*

To have an equitable  
compensation program.



## *Is it Time For a Study?*

- Routine; such as every 5 years
- Not competitive in recruiting best candidates/retain current employees
- Compression – new hires on top of tenured staff
- Still catching up from Recession years
- Review, merge, re-classify, re-title existing job classifications
- Create more accurate Job Descriptions
- Compliance concerns with pay equity
- Governing Body willing to spend dollars for pay adjustments as result of study
- Commitment of time involved to conduct study by Senior Management

# Selecting a Vendor Partner

- Formal RFP or more informal interview process
- Cost of study, logistics and associated expenses
- Experience of Vendor
- Timeline for delivery of results
- Scope of Work to be performed
- How much involvement by HR and other municipal personnel
- Deliverable product
- 'Service after the Sale'

# *What to Expect During Site Visit*

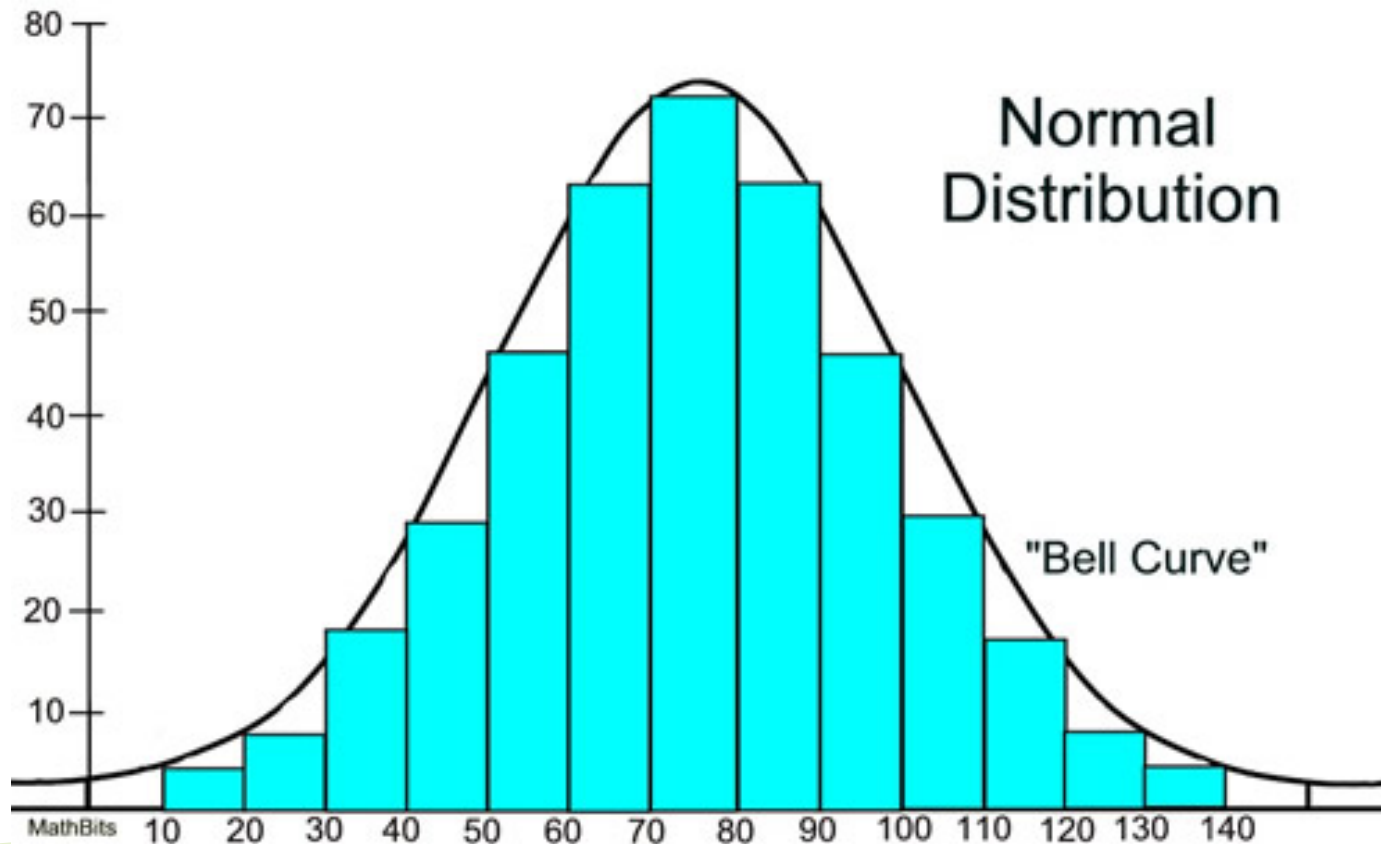
- Pre-arrival logistics
- Kick-off meeting with Management setting expectations for visit
- Vendor bringing a whole team on-site
- Employee meeting logistics: Who? What? When? Where? How Long?
- Strategy sessions with Department Heads
- Daily wrap-up meetings with HR
- End of visit wrap up meeting with Municipal Manager

# Vendor Questions for Employer

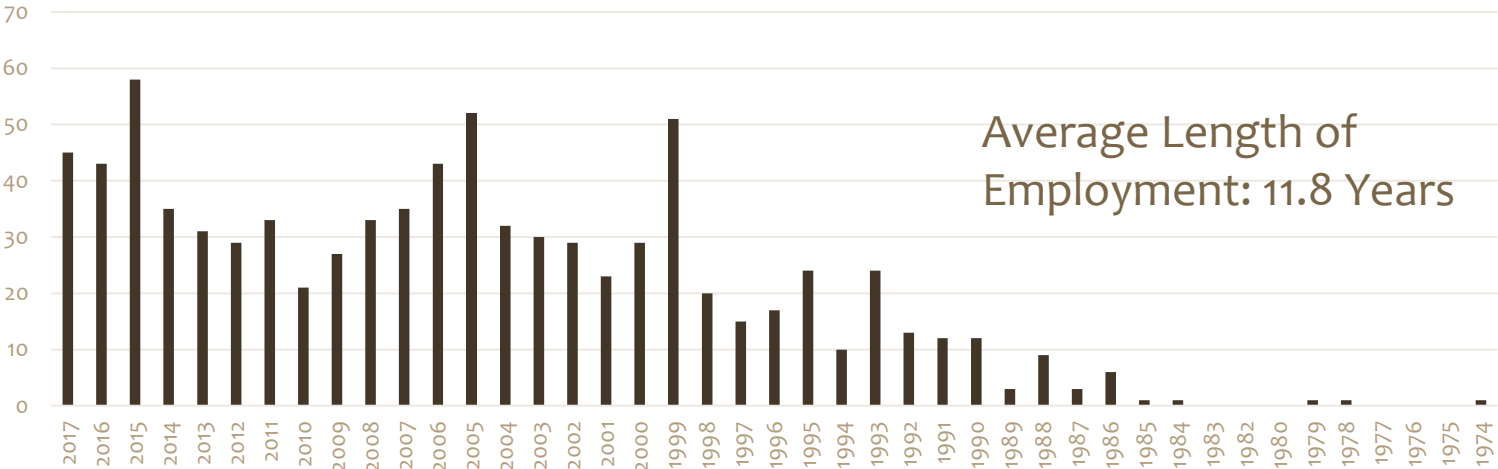
- Who are your direct competitors for talent?
- Do your department directors and supervisors have the same opinion of those as you?
- Where and why is your turnover? Salary Compression?
- Do your personnel policies support your expected outcomes?  
Supported by an established Pay/Benefits Philosophy?
- How far will your employees drive? 90+%
- What is your market rate/value goal? 50<sup>th</sup> Percentile? Overall Average? Median? +/- 1%, +/- 5%, +/- 10%?

# Vendor Questions of Employer

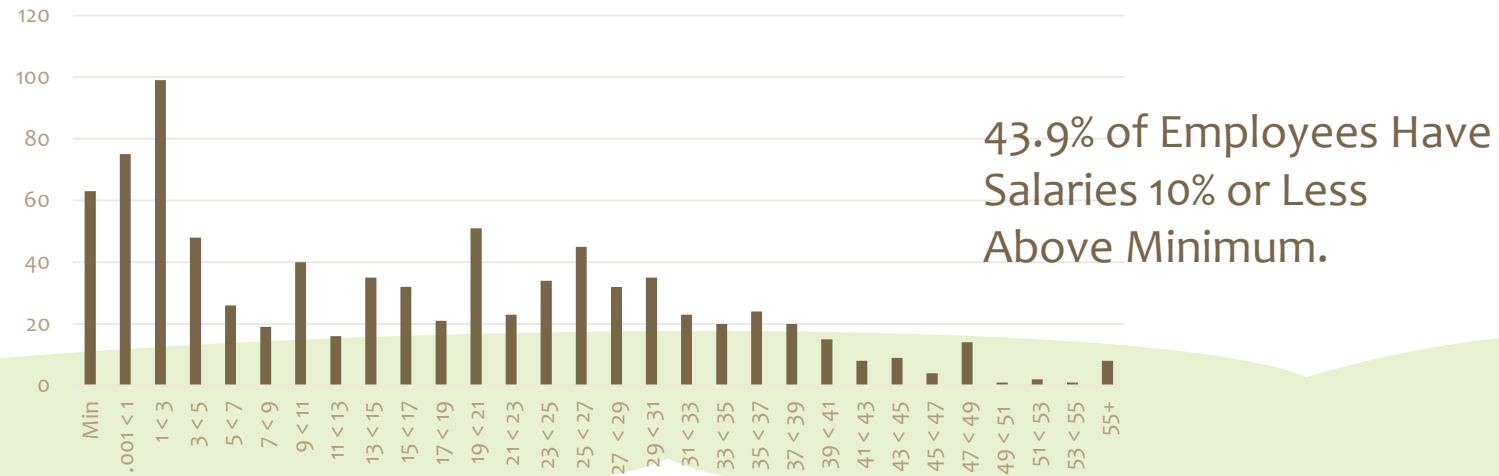
Do you Need a Comprehensive Pay/Class Study; or, Do you Need a Market Study/Analysis?



Employees Listed by Year of Employment



Employee Salaries as % Above Salary Grade Minimum



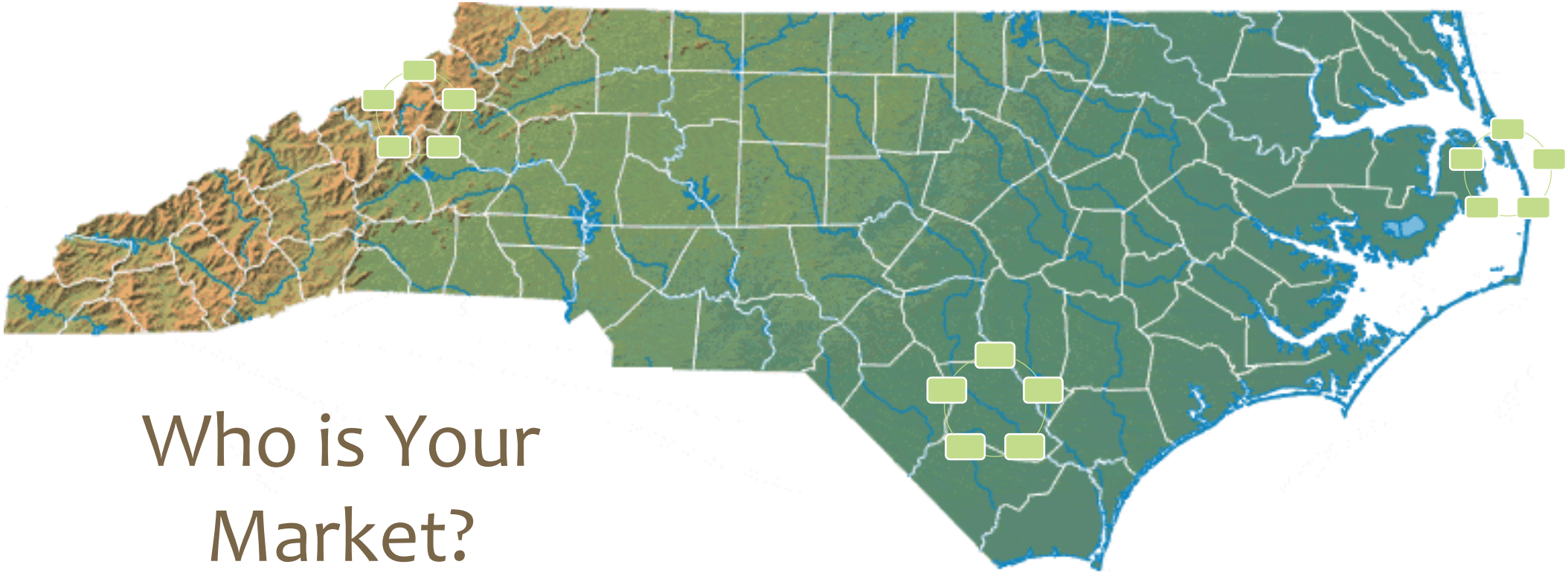


# Vendor Questions of Employer

## Who is Your Market?

The external competitive analysis of your study should be focused on those geographically located peer entities that you and the consultant have identified as being:

- Competitors for talent
- Similar in size and/or services provided
- Similar in job functions
- Employer Identity



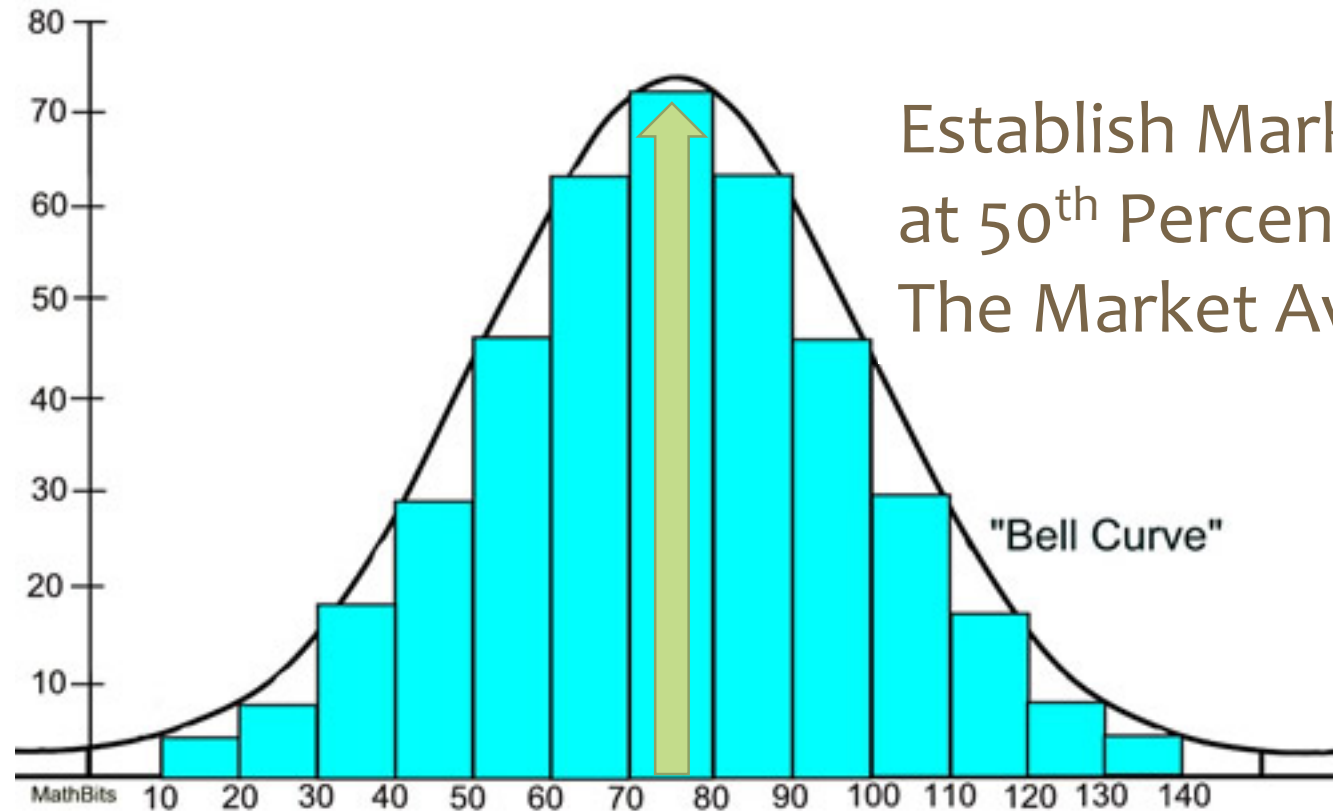
Who is Your  
Market?



Who is Your Market?

# Vendor Questions of Employer

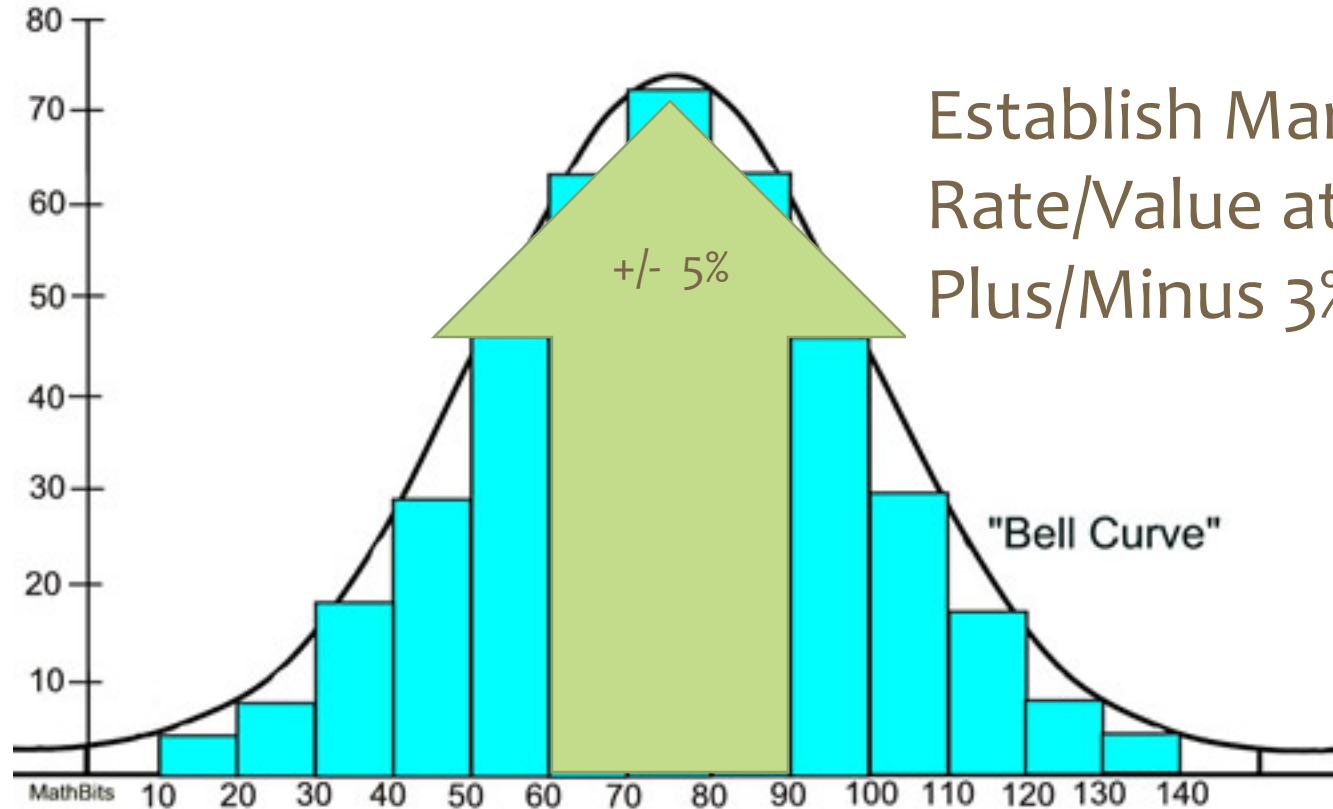
What do You Want Your Market Rate/Value to be?



Establish Market Value/Rate  
at 50<sup>th</sup> Percentile?  
The Market Average.

# Vendor Questions of Employer

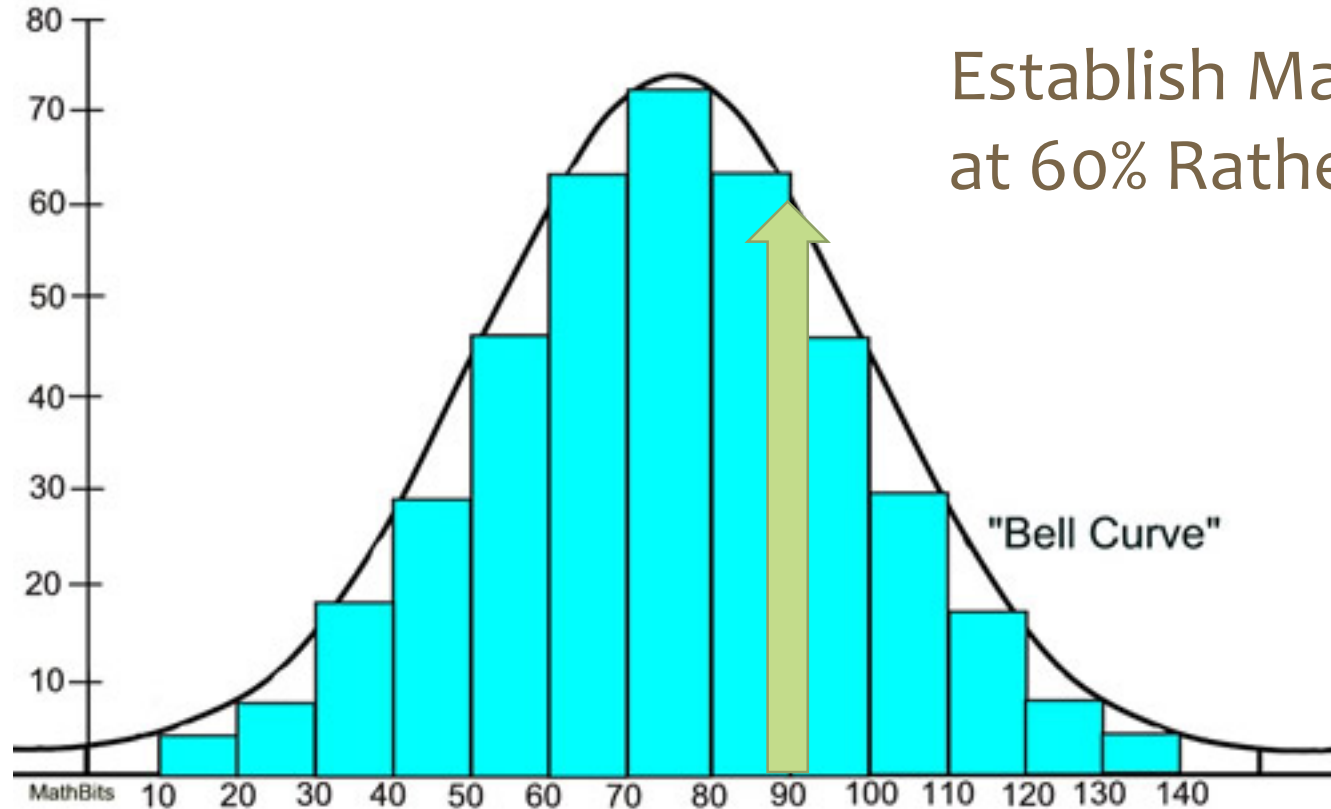
What do You Want Your Market Rate/Value to be?



Establish Market  
Rate/Value at  
Plus/Minus 3% or 5% ?

# Vendor Questions of Employer

What do You Want Your Market Rate/Value to be?



Establish Market Rate/Value  
at 60% Rather Than 50% ?

# Vendor Expectations of Employer

You Know as Much About the Pay and Class study as I do. So...

- I expect you to know, or we will discuss, that pay/class studies are both subjective and objective. That any component of the study can/should be questioned. That there are no classifications with 100% comparable matches. 85% match is very good.
- I expect you to question my methodologies, finding and recommendations.
- I expect you to press me and have me support my findings and recommendations.
- I expect you to trust me.

## *Delivering the Results*

- Work with Management Team throughout so there are no surprises.
- Deliver results to Department Heads? To employees? Before or after presentation to elected Board/Council/Commissioners?
- Best if first delivered to elected officials in a less formal work session then follow later with formal presentation at official meeting.



# Implementation and Beyond

- Implementation strategies to address salary compression.
- Implementation strategies to achieve/maintain market competitiveness.
- After implementation, how can you sustain your market competitiveness? Your RFP should include a request for a “sustainability report”.

*Bask in the glow of successful study!*



Holly Contact Info: [holly.brooks@carolinabeach.org](mailto:holly.brooks@carolinabeach.org)

910-458-9530

David Contact Info: [dhill@ptrc.org](mailto:dhill@ptrc.org) 828-758-7532

<https://www.surveymonkey.com/r/ExpectClassComp>