

Classification & Compensation Final Report

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Purpose of the Study

- Conduct an external market analysis
- Conduct an internal analysis of positions
- Make recommendations to current compensation system
- Develop a system that is 'fair'
- Conduct an external market analysis of benefits



Purpose of the Study

- Other Projects
 - Develop employee handbook
 - Develop performance evaluations
(still in process)
 - Training
(to be determined)
 - Develop Job Descriptions
(still in process)



Methodology

- Data collection & questionnaires
- Interviews
 - All department directors
- Collected data from 37 organizations (from Town/DH) (Min, Mid, Max, Incumbent salary)
- Surveyed 28 Town positions



What is a Classification System

- Schedule of job titles (positions):
 - Hierarchy of the organization
 - Based on skills, qualifications, education, etc. needed to perform the POSITION
 - Assigns the worth of the position – Min-Max
 - May outline a career path
- It is NOT:
 - Reward individual behavior/performance



Current System

- 1 salary schedule
- Salary range – no tie to market
 - No real method to place positions
 - A lot of unused positions
- System is 'merit' based



Comp Ratio

- A comparison of the Town's salary range and/or salaries to the 'Market'
- Average market rate: 50%
- Comp ratio range: 40 – 60%



Minimum Salary

- 20 positions were surveyed for minimum salaries
- 60% of positions below average market minimum (12 of 20)
- Schedule needs some adjustment



Average Market Analysis

- 65% of positions under average market rate
- Concern
 - No positions over 50% comp ratio

AVERAGE MARKET RATE COMP RATIO	NUMBER OF BENCHMARK POSITIONS	PERCENTAGE OF POSITIONS
50 and above	0	0.0%
45 – 49%	2	10.0%
40 - 44%	3	15.0%
30 – 39%	8	40.0%
20 – 29%	2	10.0%
No Data/Incumbent	5	25.0%
Total	20	100.0%



Recommended Schedule

- Maintain salary range
- Align positions to 'average' market rate
- Position Point – represents 'average' market
- Re-aligned positions
 - Clerical
 - Public works
 - Police



Implementation

- Placed positions in appropriate pay grade
 - Moved employees to minimum
 - If above minimum – no pay increase



Success of System

- January – adjust salary schedule
- Employees move through schedule
 - Market adjustment + merit
- Periodically review the external market (3 – 5 years)



Benefit Review

- Health Insurance
 - 100% of single; 85% of family
 - Mkt:
 - Few at 85-100% of single
 - 35-80% of family
- Recommend
 - Education – Copay and consumerism
 - Continue to monitor plan against Cadillac tax



Dental & Sick Leave

- Berwyn provides 100% single; 85% dependent.
 - No changes recommended
- Sick Leave
 - Accrual is comparable to market
 - Consider prorated payout of unused sick leave



Vacation

- Vacation accruals have 3 levels & not in alignment with market
 - Recommend
 - Update schedule
 - Dept Director

YEARS OF SERVICE	ANNUAL LEAVE DAYS	ANNUAL LEAVE HOURS
<4 years	13 days	104 hours
4 – <9 years	15 days	120 hours
9 – <15 years	20 days	160 hours
15 + years	25 days	200 hours

YEARS OF SERVICE	ANNUAL LEAVE DAYS	ANNUAL LEAVE HOURS
< 4 years	15 days	120 hours
4 – <9 years	20 days	160 hours
9 - <15 years	25 days	200 hours
15+ years	30 days	240 hours



Employee Handbook

- Reviewed 'old' handbook
 - Discussed policy, what was happening, & what should happen
 - Legal compliance
- Rewrote the entire handbook
- Reviewed with dept directors-revised & finalized



Summary

- Compensation is below market
- Benefits are in line, vacation needs adjustment
- Benefits are within market, but vacation needs to be improved
- Rewrote entire employee handbook
 - Now in compliance
- Finalizing evaluation forms & JD's





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