



City of Kaukauna  
Finance and Personnel Committee

May 16, 2022

Re: Compensation Analysis

**Background:**

The City of Kaukauna solicited proposals from four consultants to complete a classification and compensation analysis of the City's non-represented employees. The RFP requested that consultants put a plan together to:

- Review all current job descriptions and classifications to determine appropriate classifications based on skills, essential functions, and position specific requirements.
- Develop a classification and compensation system that is competitive, flexible, and easy to maintain.
- Suggest ways in which job evaluation can be incorporated into the compensation system.

The scope of this work was defined as:

- Audit job descriptions and revise as necessary to ensure descriptions are aligned with employee essential functions and duties.
- Make recommendation on an appropriate classification structure and consolidate position classifications where appropriate.
- Conduct a market analysis on the recommended classifications and positions.
- Recommend a compensation and pay grade structure to align classifications with appropriate pay grades. Ensure recommended system will achieve internal equity and external competitiveness, be financially sustainable long term, and provide flexibility and ease of administration.
- Recommend how performance evaluations can be incorporated into the compensation structure.
- Provide support as needed in conducting meetings with employees, department heads and/or council to explain work being conducted and outcomes of the study.
- Present findings and recommendations both written and orally at various meetings including employee groups, department heads and City Council.

RPPs were sent to Willis Towers Watson, Carlson Dettmann Consulting, Human Resources Consulting, LLC, and HRGov. Proposals were received back from Carlson Dettmann Consulting, HR Gov, and Human Resources Consulting, LLC. Willis Towers Watson declined to submit a proposal.

The evaluation team reviewed the three proposals based on the following criteria:

- Relevant experience and qualifications
- Project plan, implementation, and support
- Understanding of the unique circumstances which are present within public sector and local government employers
- Timeline
- Cost

Carlson Dettmann Consulting proposed a project which would span 22 weeks with a cost of \$22,000. They also included additional services of performance evaluation creation and implementation with the compensation plan for an additional \$10,000 - \$15,000.

HR Gov proposed a project with a 15 week like line and a cost of \$23,400.

### **Recommended Action:**

The evaluation team unanimously agreed that the proposal from Human Resources Consulting, LLC, met all the standards and criteria continued in the RFP, and included some additional services which the other two proposals did not.

The proposal from HRC includes a project to be completed by September 30, 2022 with a cost not to exceed \$16,800.

Items which HRC will complete as part of the classification and compensation analysis for the cost not to exceed \$16,8800:

- Job descriptions – review of all job descriptions and update as necessary
- Internal equity analysis – ranking positions based on weighted factors to establish a hierarchy or classification system for positions
- Market analysis – gather data from public and private organizations of similar size to determine external market competitiveness of wages
- Performance evaluations – template creation for performance reviews and management training for *Conducting Effective Performance Reviews*. Additionally, HRC will provide suggestions on how to incorporate elements of performance based merit increases into a new compensation system.

- Fringe benefit market analysis – an analysis to determine the competitiveness of our life insurance, retirement plans, paid time off, and ancillary benefits.
- Communication with employees, department heads, and council throughout

Staff is recommending that the City enter into an agreement with HRC for the completion of a classification and compensation analysis for the City's non-represented employees. If the City is satisfied with the outcome and work completed by HRC, we would propose the committee continue with the analysis of represented employees. A copy of the proposal from HRC is included for review.

