



Position Classification and Compensation Study

December 11, 2023



Today's Agenda

- Meet the Abdo Team
- Benefits of a Strategic Compensation Study
- Project Process and Methodology
- Abdo Position Scoring Methodology
- Project Phases
- Discussion and Questions



Meet the Abdo Team



Leah Davis, CPA
Partner

P. 507.524.2347

E: leah.davis@abdosolutions.com



Michael Mooney, SPHR
SHRM - CP
Manager - HR

P: 952.715.3043

E: Michael.mooney@abdosolutions.com



Brittany Bauer
Senior Associate - HR

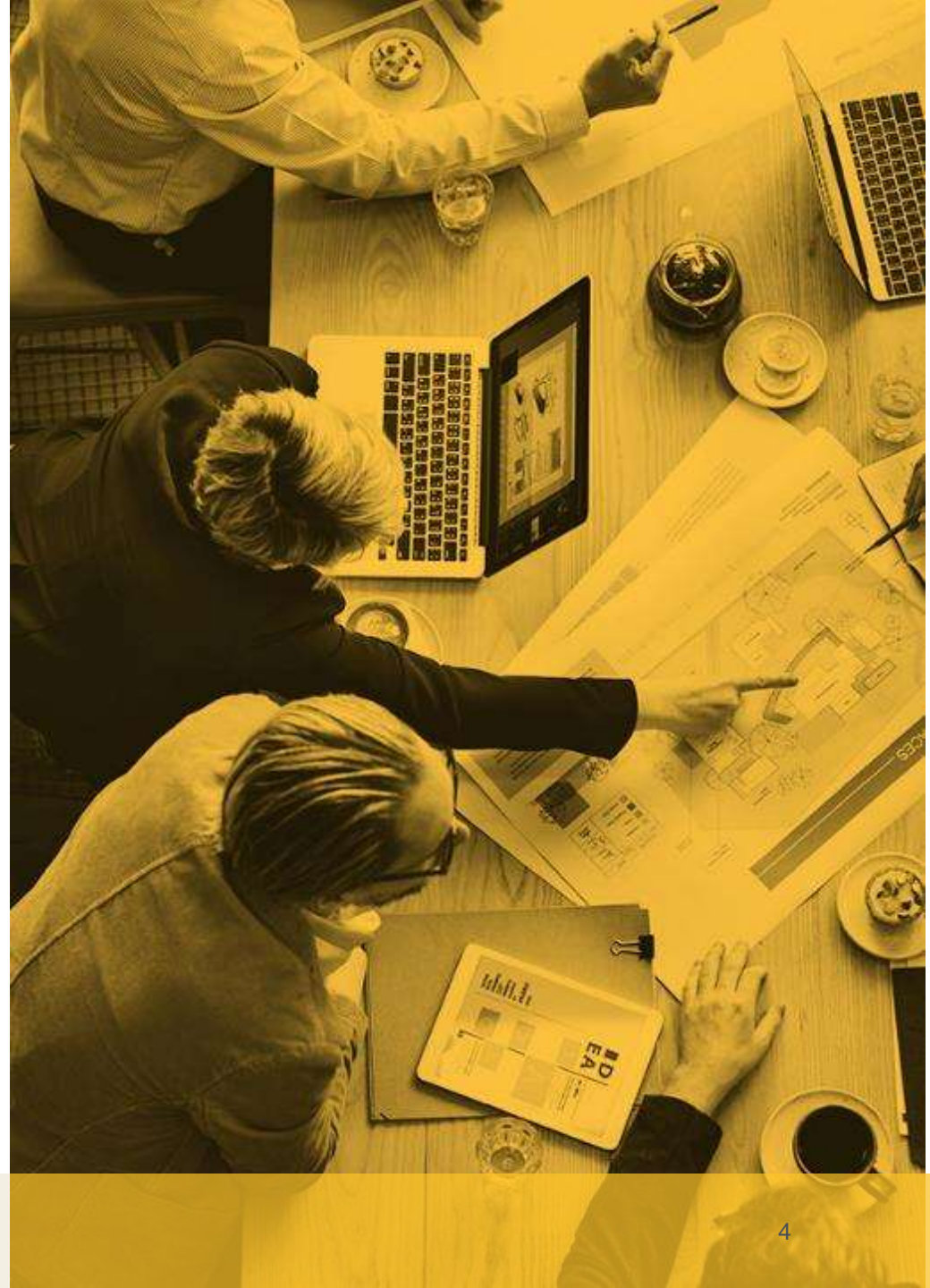
P: 507.304.6836

E: Brittany.bauer@abdosolutions.com

Our Abdo team is comprised of experienced professionals with over 70 years of combined HR experience from a wide variety of internal, external, and multi-industry perspectives. The diverse background and experiences of our staff allows us to offer our clients real-world, people-focused, and best-in-class HR consulting, compliance, process, and talent management solutions.

Benefits of a Strategic Compensation Study

- Updated and compliant job descriptions
- Objective position scoring and classification
- Intentional labor market positioning to align with your City's compensation philosophy
- Compensation structure designed to meet your specific needs, effectively motivate employee performance, and align with your union pay scales
- Pay Equity compliance and management
- Establish clear and consistent position classification and scoring review processes for the future
- Clear decision-making and documentation related to how/if the City intends to apply and administer the compensation structure throughout the organization.



Project Process & Methodology

- Utilize League of Minnesota Salary Survey, Abdo manual surveys, and [Economic Research Institute](#) compensation data.
- Match similar job titles, based on current City job descriptions and brief job data provided by survey respondents.
- Compare average minimum and maximum wages for each position to establish the range of pay within the market for each position.



Abdo Position Scoring Methodology

- **Know-How**
 - Job-Specific Knowledge
 - Integrating Know-How
 - Human Relation Skills
- **Problem Solving**
 - Context & Precedence
 - Thinking Challenge & Complexity
- **Accountability**
 - Freedom to Act/Empowerment
 - Magnitude/Budget
 - Job Impact (direct or indirect) within Organization
- **Special Conditions**
 - Physical Effort
 - Environmental Conditions
 - Hazard Exposure
 - Sensory Attention

****Important Note:** While position scores are consistent with Minnesota predicted pay, they are not intended to be comparable outside of the City.*

For example, an “Accountant” in one city may score differently than the same role in another city due to differences in the calculation and the context of the position within the larger organization. This is acceptable and to be expected.

PROJECT PHASE

TIMELINE

Introduction and Project Orientation

The first step to this project is to review and analyze data provided by the City. This includes the existing job descriptions and current compensation model, and any other data the City has available. After this review, we will meet with the City and Department leadership to discuss overall project expectations, define strategic goals and outcomes, identify current compensation challenges, and discuss project timeline. This is also an opportunity for the City and Department leadership to ask for clarification on the project and address any questions or concerns they may have.

DAY 1 - 15
depending on City availability

Position Classification Evaluation

Using the City's job descriptions and our Abdo Position Scoring Methodology (see Appendix A for more information on the Abdo Methodology), which we have utilized for over 10 years, and in collaborating with City leadership, we will evaluate and assign position point values for each City position and organize positions into hierarchical order, based on point assignment.

DAY 16 - 26

Labor Market Employers Criteria and Selection

Our team will solicit input from City and Department leadership to develop a list of comparable organizations, based on size, geography, and City services, to be used in the wage analysis.

Compensation Analysis

Abdo will complete a full wage/compensation market survey, utilizing aged 2022 Minnesota Local Government Salary and Benefit Survey put out by the League of Minnesota Cities as well as direct wage data surveys and private sector compensation resources, where applicable. This analysis will include recommendations for maintaining marketable wage scales into future years as well as evaluating approaches to longevity recognition.

Analysis will also include a high-level review of the City's employee benefit package, including Vacation/Sick, insurance, and retirement plans, to provide recommendations to increase employee value and marketability.

DAY 27 - 41

Compensation Project Phases

PROJECT PHASE

TIMELINE

Classification & Compensation System Development and Compliance Testing

The overall structure of the compensation study, system structure, compensation and performance management philosophies of the City will be reviewed with City. The review will include identification of current or potential pay compression, pay equity, and collective bargaining issues. We will recommend a compensation structure for the City based on the review. Once the proposed structure is completed, all data will be tested for compliance with Federal and State regulations.

DAY 42 - 51

Final Documents and System Presentation

All documents will be reviewed with the City Management team in draft format before finalization and distribution. Final reporting will include comprehensive project findings, recommendations, description of overall methodology utilized in the project, data analysis, and estimated implementation costs and process. The City will be provided with all tools and resources to administer and maintain the proposed compensation model into the future. Once approved by the City Management team, report findings and recommendations will be presented, in person or virtually, to the City Council for review and discussion.

DAY 52 - 61
depending on City availability

Implementation and System Administration Training/Support

Our team will develop and lead a customized compensation system implementation and maintenance program for leadership and applicable staff. Training will include suggestions for appropriately awarding step increases and documented plan administration best practices.

Develop Position Reclassification and Review Policy

We will work with internal leadership to develop a formal position review and reclassification request policy to consistently evaluate future requests for position scoring or compensation changes.

Post Contract Support Services

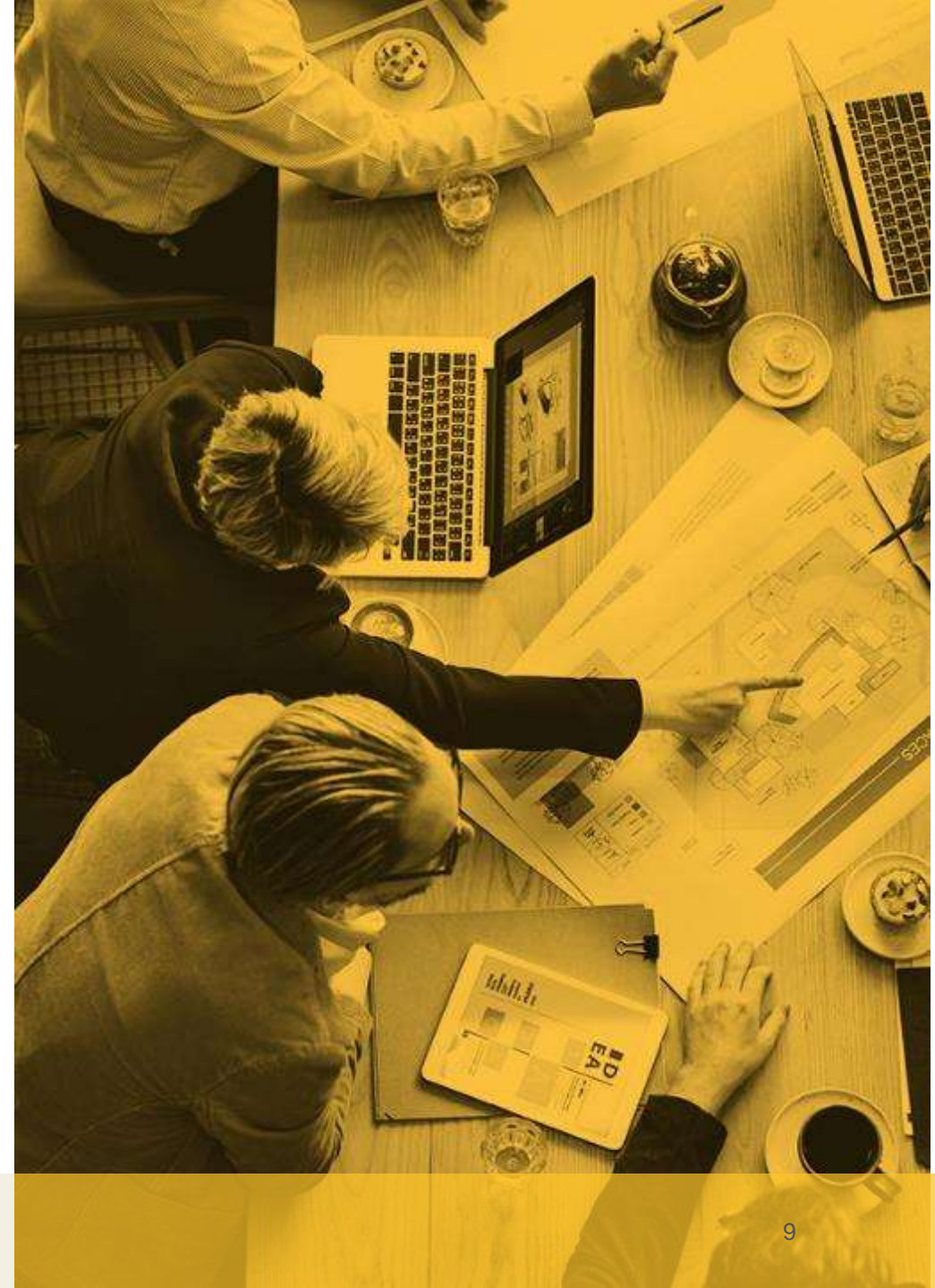
On an as needed basis, Abdo will be available to review new or significantly altered job descriptions, including determination of points and salary ranges for the position, as well as provide documentation support for future pay equity reporting to the Minnesota Department of Management.

Optional & as directed by the City

Compensation Project Phases

Discussion for Council

- What is the City's overall compensation philosophy?
 - Remain equal to market averages or is there a need or benefit to position wages above the market for maximum and/or minimum pay?
- What is the primary employee behavior to be motivated?
 - Attraction, retention, performance, development, etc.?
- How does the City wish to be seen in the marketplace and how does that align with budgetary considerations?
- What cities or entities do you believe are comparable?





Questions?