



Compensation and Classification Study

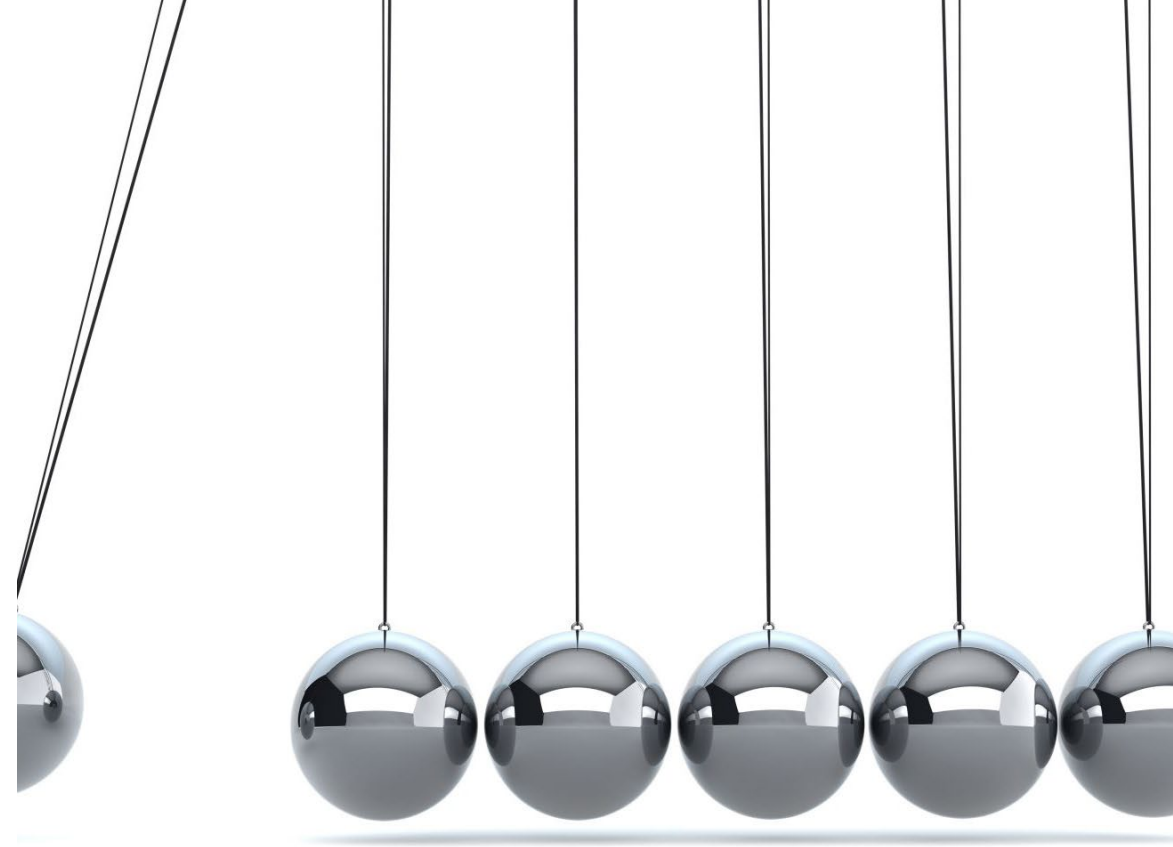
December 15, 2022



About Us

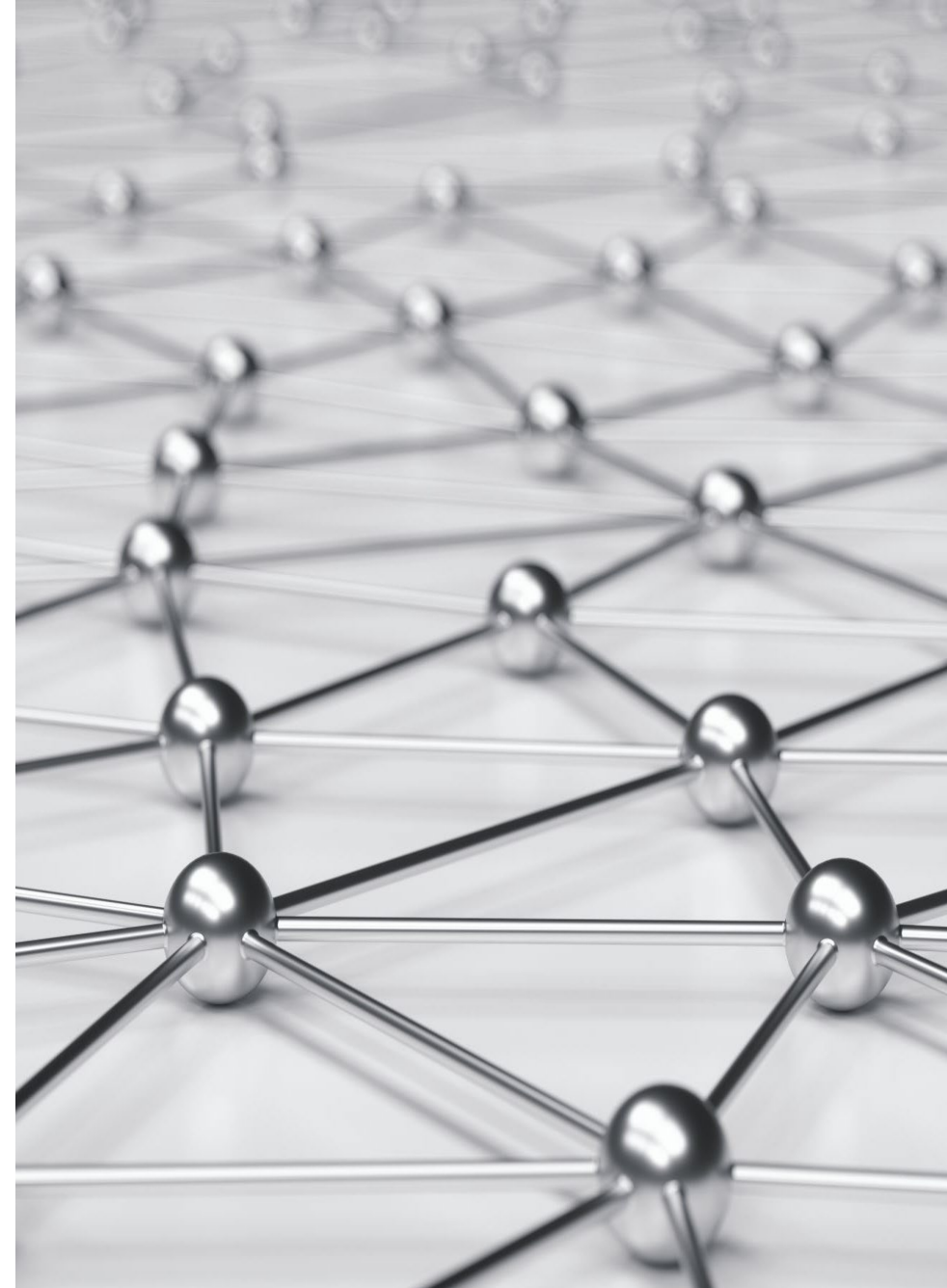
Celebrating 21 Years

- McGrath Consulting Established in 2000
 - Sept 2012 – McGrath Human Resources Group
 - 500 Clients in 42 States Companywide
- Public Sector Consultants
 - Human Resources
 - Public Safety (Police, Fire, EMS, Dispatch)
- Specializing In
 - Compensation Studies
 - Performance Management
 - Development of Policies and Procedures/Handbooks



Study Objectives

- Confirm County's Compensation Philosophy
- Obtain external market data for benchmark positions
- Obtain information on current positions
- Consolidate the various compensation schedules
- Integrate data from external market, internal analysis to update the compensation system
- Assess the County's benefits in relation to the external market
- Provide a plan for on-going maintenance of the compensation system

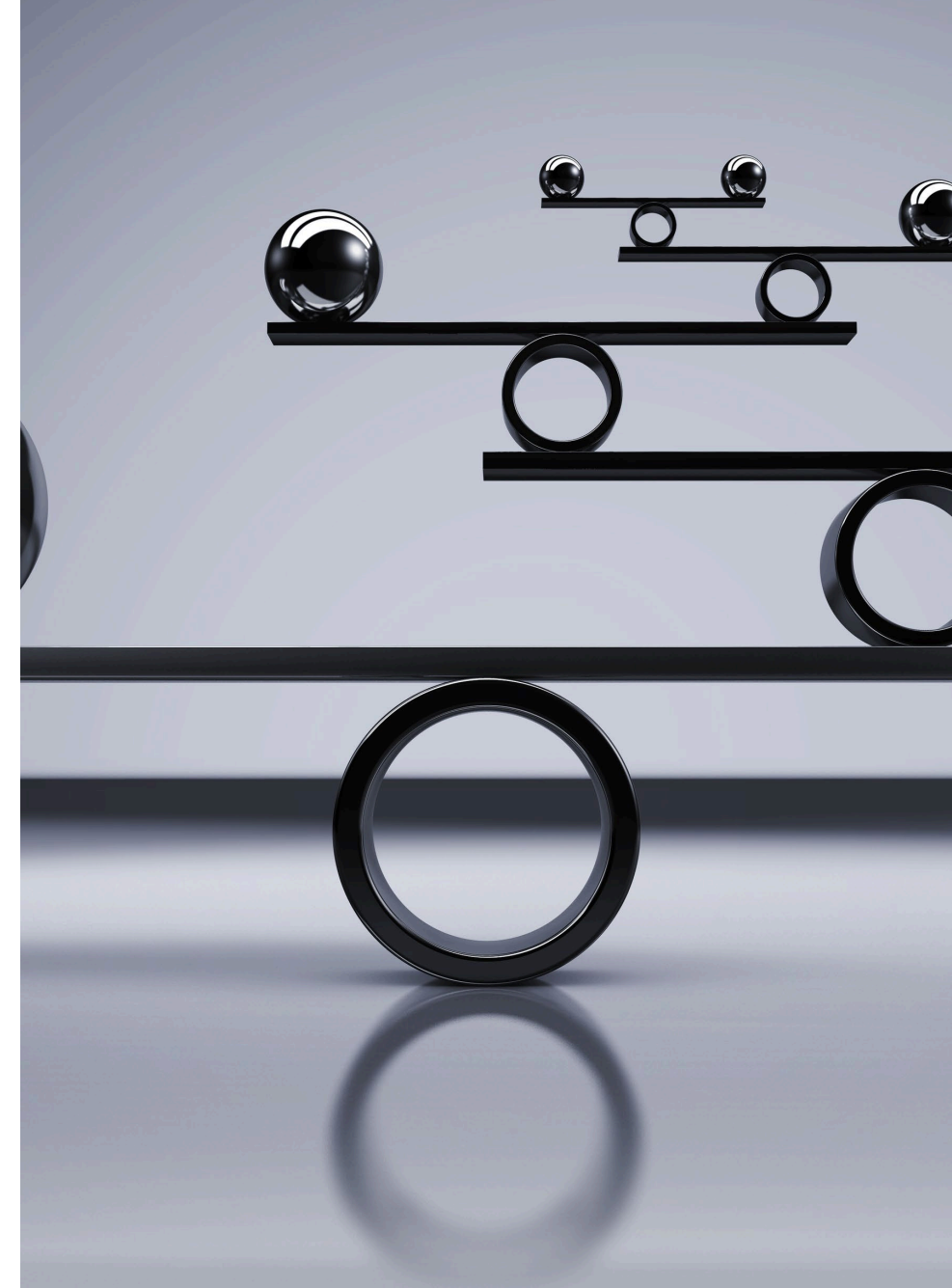


Methodology

- Interviews with County Administration, Human Resources, Department Heads and Managers.
- Review of data from current Compensation System, current job descriptions, and current policies.
- All positions requested to complete a Position Questionnaire (PQ). At least one (1) PQ was required per position.
- Solicited compensation data from 18 public organizations (Minimum, Midpoint, Maximum, and Incumbent Salary).

Public Comparable Organizations

COMPARABLE ORGANIZATIONS	
Brown County	Sheboygan County
Dane County	Walworth County
Eau Claire County	Washington County
Jefferson County	Waukesha County
Kenosha County	Winnebago County
La Crosse County	City of Beloit
Marathon County	City of Eau Claire
Outagamie County	City of Janesville
Racine County	State of WI

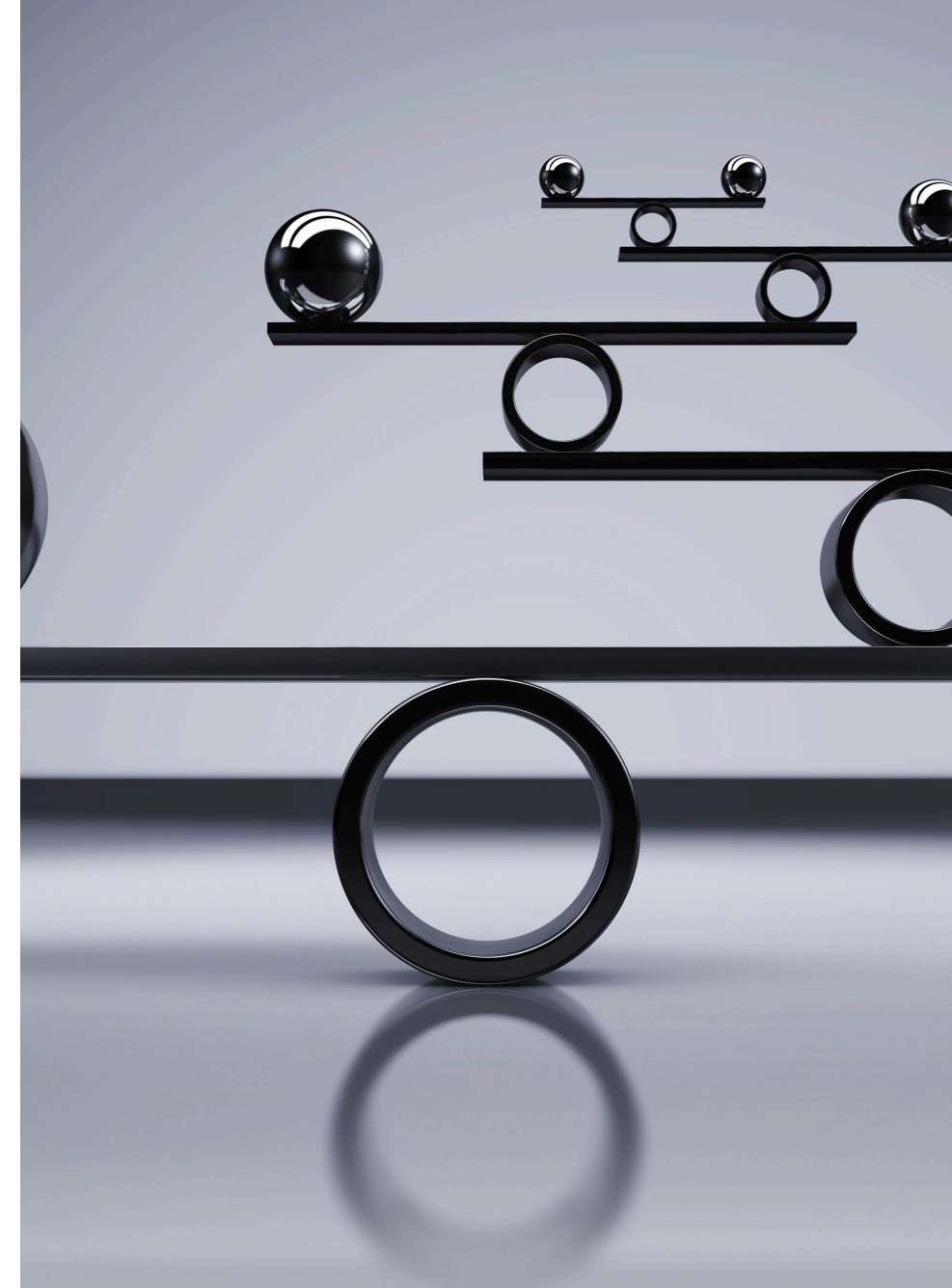


Market Analysis

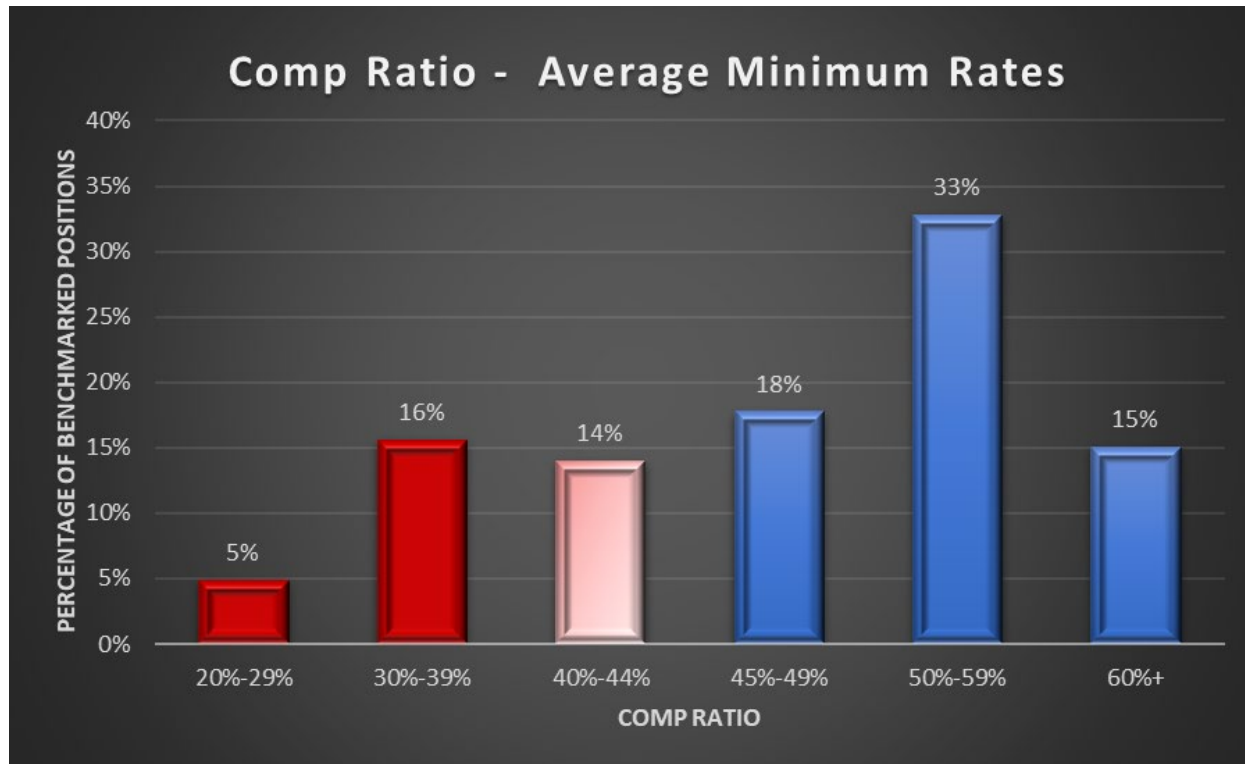
Comp Ratio

- A comparison of the County's Salary Range and/or salaries to the “Market”
- Average Market Rate: 50%
- Acceptable Comp Ratio Range: 40%* - 60%
 - Review positions in lower part of range for risk of falling too low in near future

*Note: Today's market 40 – 44% considered under market



Minimum Rate Analysis



34% under Market

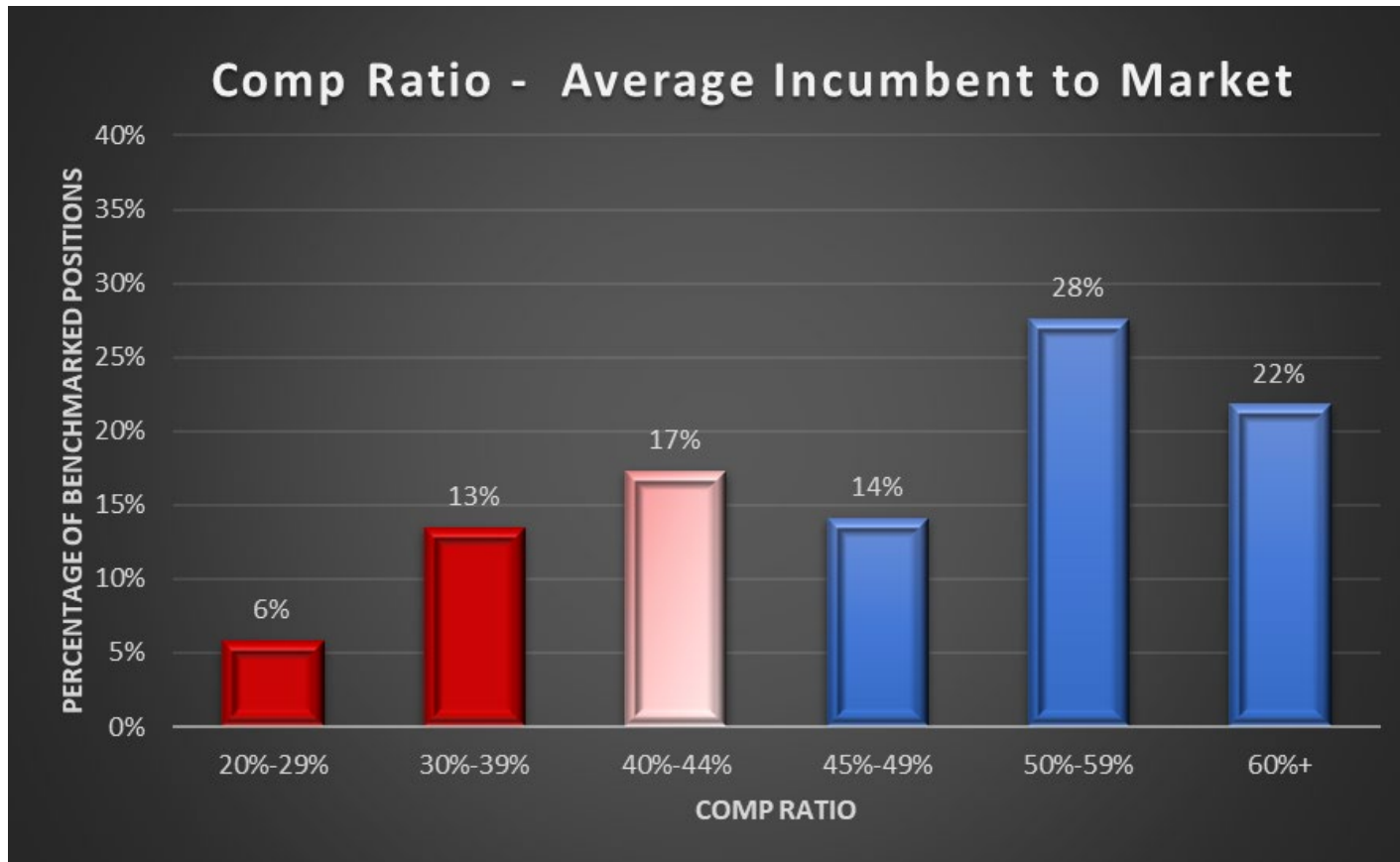
66% aligned with Market
14% at risk to fall under Market

County is often hiring above minimum and so are comps
May not be reflective or aligned with the market

May not result in 100% due to rounding

Incumbent Analysis

Is most reflective of the County to current market



36% under Market

64% aligned with Market

17% at risk to fall under Market

Tenure and frequency of salary adjustments impacts these findings

May not result in 100% due to rounding

12 Different Salary Schedules

SALARY SCHEDULE DESCRIPTION	UNIQUE PAY RANGES	LISTED TITLES	SEPARATION BETWEEN PAY GRADES	NUMBER OF STEPS	STEP PERCENTAGES	YEARS TO MAX
1077	7	15	1%-4%	6	1%-5%	20
1258	27	18	less than .5%-4%	8	2%-7%	20
Unilateral	36	155	2%-19%	5	5%	4
Unilateral Command	4	4	6%-50%	5	5%	4
2489	18	50	.5%-8%	7	1%-6%	20
AMHS - HS	9	9	3%-10%	12	2%-5%	20
AMHS - RH	3	2	17%-19%	12	2%-4%	20
Appendix J	8	8	3%-30%	3	2%-11%	2.5-4
Attorney Association	1	1	NA	10	2%-13%	20
Pool	5	5	1%-30%	3	3%	2.5
SEIU	1	1	NA	8	1%-5%	15
YSS	1	1	NA	9	1%-10%	20

- 3 – 12 number of steps
- 1% - 13% step increases
- 2.2 – 20 years to reach the maximum
- Many have similar job titles/duties – but paid differently
- Internal compression among the salaries

Identified Issues

Salary Structure

- Salary Structure competitive with the market?? Not competitive to the private sector
- Market rate is not known
- Internal Equity
 - Multiple compensation system
 - Similar positions paid differently

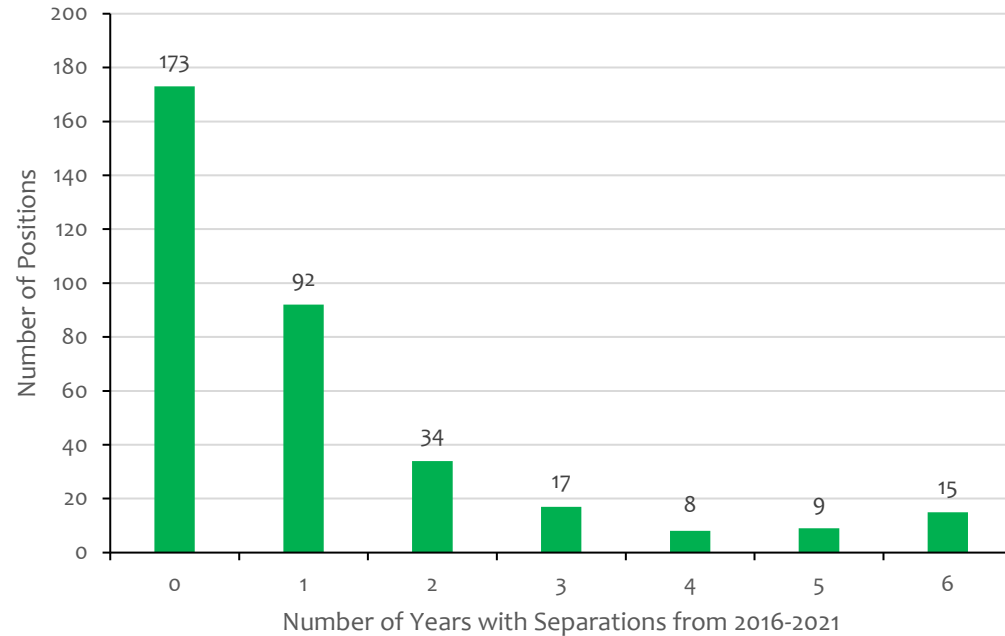
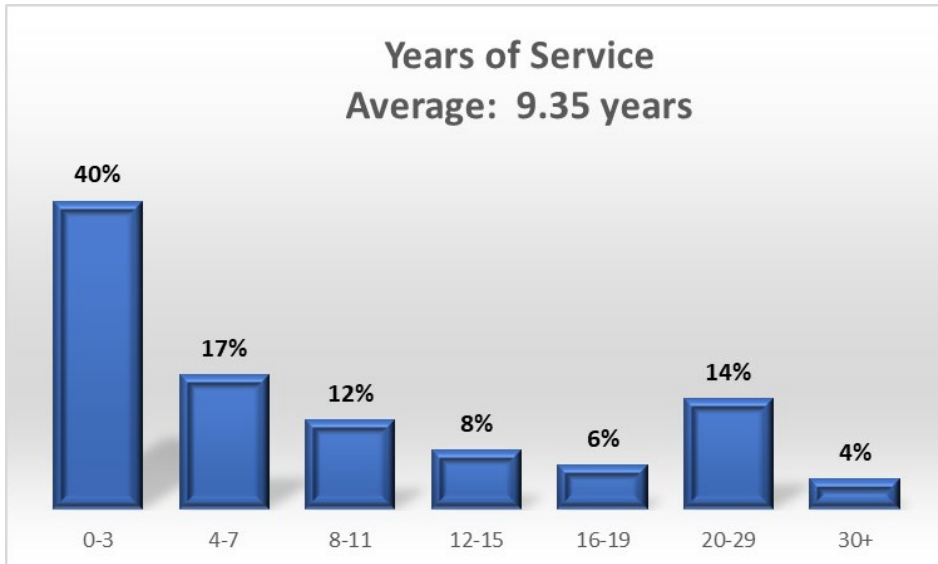
Recruitment Trends

- Decrease in national applicant volume by 37%
- Increase in government sector positions – 56%

Other Factors

- Geography
- Public Sector competition
- Great Resignation of 2021
- Need for New Recruitment/Retention Tactics
 - Higher pay
 - Flex Work Schedule/Work from home
 - A job with value

Employee Demographics



- Average years of service – 9.35% compared to the national average of 6.5 years
- 40% of the employees have less than four (4) years of service
- 76% of turnover has occurred within the first year of employment. Consider 1.5 – 2.5 times employee salary in turnover costs!

Compensation Philosophy

An organization's commitment of compensation for its employees. The goal of a compensation philosophy (and practice) is to attract, retain, and motivate qualified people. A consistent philosophy sets the direction for determining the compensation package to offer employees and should align with the overall Mission of the organization.

- ❖ Lead the local market for competitive recruitment/retention by setting the ranges over average market. *Can the County afford to lead the market?*
- ❖ Meet the local market by aligning the ranges to the average market. *Most organizations strive for average.*
- ❖ Follow the local market by not reaching average. *This typically only happens for financial purposes, and fiscal resources will then be allocated to recruitment and turnover.*

Compensation structure based on the 'AVERAGE' market rate

Recommended Salary Schedule

Average Market Compensation Philosophy

14 Step system- all schedules combined

- 25 Pay Grades
- Steps 1 – 6 = 2.5%
- Step 6 represents the average market rate
- Steps 7 – 9 = 2.3%
- Steps 10 – 14 = 2%
- 33% Range (Minimum to Maximum)
- Steps do NOT equate to years of service



Schedule + Annual Increase Recommendations

New Pay Grade	2022	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6M
B		\$12.53	\$12.84	\$13.16	\$13.49	\$13.83	\$14.17
B		\$26,056.72	\$26,708.14	\$27,375.85	\$28,060.24	\$28,761.75	\$29,480.79

New Pay Grade	2023	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6M
B		\$12.70	\$13.01	\$13.34	\$13.67	\$14.01	\$14.36
B		\$26,408.49	\$27,068.70	\$27,745.42	\$28,439.05	\$29,150.03	\$29,878.78

January 2023: Increase the entire grid – example 1.5%

July 2023: Step Increase (with acceptable performance)

Placement of Positions - Methodology

Utilization of several factors used to place positions:



2022 Implementation Recommendation

- Positions placed within appropriate Pay Grade.
- Employees placed on the step closest to the current salary without a decrease.
 - Note: Steps do not equate to years of service

Use and Maintenance of the Salary Schedule

1. Created plan to move employees further within the salary range
 2. Salary Schedule Adjustments
 - Annual adjustments based on predetermined economic indicator (COLA)
 - Allows Schedule to maintain overall competitiveness with the Market
 3. Annual Step Increase
 - Annual adjustment (with adequate performance)
1. Periodic Review of the External Market (Every 3-5 years)

What's Next

1. Back in January for consideration and action
2. Finalize placements of positions in the schedule
3. Place employees in the right pay grade and step
 - Step closest to current salary without a decrease
4. Develop a plan to minimize in-range compression



Questions