

METROPOLITAN LIBRARY SYSTEM Compensation & Classification Study – 2017

Project Findings and Recommendations

Presentation to A&P Committee of the Commission

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Project Overview and Goals - 3 Projects

1. Compensation & Classification Study

Compensation study: Ensure library pay is fair, competitive and equitable both internally and externally; resulting structure will be a strategic tool to achieve overall library mission and goals.

Classification study: review and establish internal equity; resulting in a structure where positions are placed in appropriate grades.



Project Overview and Goals - 3 Projects, cont. 2

2. Performance Development

Create a performance development <u>system</u> that accurately assesses employee performance and promotes professional growth and development.

Ensures alignment of work expectations with Metro's strategic plan.



Project Overview and Goals - 3 Projects, cont. 3

3. Job Specific Competencies

Develop job specific competencies and behavioral indicators for seven (7) public service positions.

Competencies will be incorporated into library job descriptions and will be considered in employment-related decisions, such as selection, performance evaluation, and promotions.





COMPENSATION AND CLASSIFICATION STUDY

PROJECT REPORT

Why Now?

- ☐ Last compensation study was conducted in 2010
 - ☐ library positions have undergone changes since last study was conducted and need to ensure appropriate classification
- Ensure ranges are reflective of the market
- Recent alignment of Metro positions
 - ☐ need to make sure positions are classified appropriately
- ☐ Ensure compensation system can support recruitment and retention
- ☐ Address compression issues



Phases of Work

Classification – how positions
 relate to each other in a
 hierarchy

Compensation – how positions
 are paid





Staff Concerns about compensation study due to recent alignment

Staff felt:

- ☐ They did not have enough time in their new job to give an accurate assessment of their job
- ☐ Received new job descriptions within a couple of weeks of when they began the PDQ process
- ☐ Were performing more work while being compensated at the same level



Adjustments made to project process in light of staff concerns

Our initial timeline and process has been adjusted as follows:

- > Pushed out the project timeline six months.
- Kept Hotline open and encouraged staff to use the it o report changes to their duties as they settled into their new roles and if different from what they had initially reported in their PDQ or during the interviews.

NOTE:

- □ Placement in grade would only be impacted if there were significant/substantial changes in job scope, responsibility, etc.
- Doing more work does not affect grade placement.
- Staff input is not our only source of data. Many other factors are also considered, including:
 - ✓ Job descriptions (we waited until new job descriptions were developed)
 - ✓ Information from supervisors, managers, and HR
 - ✓ Market survey data
 - Our knowledge of library positions and structures

Who was involved

- ☐ Compensation Project Committee (CPC)
- ☐ Leadership Team
- **□**Consultants
- □All staff





Compensation Project Committee (CMC) Members

- Geraldine Adams, Access Manager III, Southern Oaks
- Tindle Arnold, Access Specialist II, Choctaw
- Janet Brooks Collection Anywhere Manager, Downtown
- Albert Brown Maintenance Technician II
- Natalie Currie, Access Manager II, Belle Isle
- Meaghan Hunt-Wilson, Special Projects Librarian, Downtown
- Melody Kellogg, Regional Director
- Ben Mead-Harvey, Library Manager II, Village
- Breck McGough, Youth Engagement Specialist, Downtown
- Mark Schuster, Interim Library Manager I, Del City



Project Steps: Overview

- 1. Project planning conference calls with Project Manager (30 calls)
- 2. Meeting with Leadership Team members (8 members)
- 3. Interviews with Leadership Team (5) and Regional Director (3)
- 4. Staff interviews (total 22 interviews; 69 staff)
 - Member Services (12 interviews; 37 staff)
 - Support Services (10 interviews; 32 staff)
- 5. Meetings with Compensation Project Committee (2)
- 6. Developed Communications Plan
- 7. Employee Communication Meetings and Focus Groups (3 sessions)
- 8. Study hotline (15 responses)
- 9. Staff survey (423 responses; 86% response rate ©)
- 10. Project portal set up by Metro staff; hosts project information including staff survey findings summary report
- 11. Project update letters to all staff (6 letters)
- 12. Bi-weekly communications posted on staff portal (19 updates)





Project Steps: Overview, cont.

- 13. Whole job evaluation, including interview and new job description reviews
 - Position Description Questionnaire (PDQ) review 146 PDQs received; close to 100% response rate for requested PDQs

Moving Organizations Forward

- 14. Drafted an updated compensation philosophy for future consideration
- 15. Conducted a custom market compensation survey
- 16. Developed classification hierarchy and compensation structure
- 17. Employee post-project Communication Meetings (3)
- 18. Meetings with A&P Committee (1) and Commission (1)
- 19. Implementation
 - Cost impact analysis to minimum
 - Recommendations for administering the new system
 - Appeals process



Compensation Philosophy

Used the philosophy approved by the Commission in 2011.

- ✓ Is a clear understanding of your intentions and desired level of competitiveness
- ✓ Ensures that your compensation program supports your culture and goals
- ✓ Creates program objectives
- ✓ Serves as a guideline and communications tool
- ✓ Refer back to when making decisions regarding the compensation program to ensure alignment with goals



Compensation Philosophy

Metropolitan Library System is committed to a compensation system that:

- ☐ Provides competitive and equitable compensation for all positions and leads the market, especially for professional librarians and management staff.
- ☐ Attracts and retains talented and motivated employees dedicated to providing exemplary service to library customers.



Compensation Study

- External compensation survey
- Define positions and organizations to survey
- Conduct survey
- Compile and analyze data
- All data is effective January 1, 2018
- Combine with internal findings





Multiple Surveys

- □ 69 benchmark library positions surveyed; comprising 70% of Metro positions
- ☐ **Custom survey** (2 surveys library and non-library (Govt., K12, Higher Ed, Nonprofit)
 - ☐ Library Survey **41** positions
 - ☐ Non-library Survey **43** positions
- ☐ Market pricing (published data) 36 positions



Survey Participants (21)

- 1. Carnegie Library of Pittsburgh (PA)
- 2. Dallas Public Library (TX)
- 3. Dayton Metro Library (OH)
- 4. East Baton Rouge Parish Library (LA)
- Harris County Public Library (TX)
- Jacksonville Public Library (FL)
- 7. Oklahoma City Community College
- 8. Oklahoma City Government
- 9. Oklahoma County Government
- 10. Oklahoma Public School District
- 11. Orange County Library System (FL)

- 12. Phoenix Public Library (AZ)
- 13. Pierce County Library System (WA)
- 14. Pima County Public Library (AZ)
- 15. Pioneer Library System (OK)
- 16. Sacramento Public Library (CA)
- 17. Salt Lake County Library System (UT)
- 18. Sno-Isle Libraries (WA)
- 19. Tampa-Hillsborough County Public Library (FL)
- 20. Toledo-Lucas County Public Library (OH)
- 21. Tulsa City-County Library System (OK)

Geographic cost of living adjustments were applied for all non local participants

Published Data Sources

- ☑ Economic Research Institute (ERI) Compensation Survey
- ☑ Human Resources Association of the National Capital Area
 (HRA-NCA) Compensation Survey
- ☑ PRM Nonprofit Compensation Survey
- ☑ Mercer Salary Surveys
 - ☑ Bench National Benchmark; Human Resources Management Survey; IT, SIRS





How did we get the survey data?

- Custom survey
- Brief job descriptions
- Not matching on job title alone
- Reliable and high-quality survey results



Follow-up and quality control



Current System

- ☐ 15 occupied grades
- □ Range spreads (41% 60%)



- ☐ Wider ranges at the higher end of the structure (60%); shorter
 - ranges as you move lower (41%)





Overall Findings

- □ Ranges are generally ahead of the market at all data points surveyed (actual/average, minimum, and maximum)
- ☐ Metro is more ahead for actual salaries paid

This may be due to:

- □ longer tenure at the library
- ☐ ranges starting and ending higher







Variance to Market Detail

Average Variance to Market						
Exempt positions	Metro falls at about the 70 th percentile of market					
Non-Exempt						
positions	Metro falls at about the 60 th percentile of market					

The 50th percentile is considered at market



What do we do with all of this data?

- Metro wants to ensure pay ranges are competitive and internally equitable
 - Adjust pay ranges to reflect market
 - Jobs in grades based on:
 - market and internal findings
 - duties and responsibilities







RECOMMENDATIONS

Structure Recommendations

- ☐ Adjusted ranges so they reflect the market, best practice, and are in line with your compensation philosophy to lead the market.
- Added three (3) more grade levels to accommodate the changes from the alignment and created career ladders for multilevel positions.
- ☐ Kept range spreads similar to the current structure, in line with compensation best practice (lower spreads at the bottom, increasing as you move up the scale).
- ☐ Moved positions into appropriate grades based on changes due to alignment. Due to additional levels in the structure, these changes are not necessarily reclassifications.



Rationale for Grade Assignments

- Market data
- Internal equity review
 - Job family/hierarchy
 - Supervisory relationships
 - Complexity and scope
 - Additional duties
 - Overall fit





Proposed Structure

- ☐ 18 grades
 - ☐ Includes additional new separate grade for Outreach Program Specialists. Position pulled out from the structure as they are paid a flat rate.
 - ☐ 3 new grades
 - NOTE: You are able to implement the new additional grades at such a low cost (see cost impact slide) and continue to retain good talent because you have maintained your current structure so well over the years.
- ☐ Maintained similar range spreads as the current system
- ☐ Implementation date March 12, 2018



Proposed Structure

Current				Proposed			
Grade				Grade			
Level	Min	Mid	Max	Level	Min	Mid	Max
				00	Flat Rate - 25.00		
00	10.23	12.34	14.44	10	10.55	12.71	14.87
50	11.00	13.25	15.50	11	11.42	13.76	16.10
51	11.71	14.11	16.50	12	12.25	14.76	17.27
52	12.86	15.50	18.14	13	13.16	15.86	18.56
53	14.79	17.82	20.84	14	14.79	17.82	20.84
				15	15.55	18.74	21.93
54	17.02	20.48	23.94	16	17.83	21.39	25.10
55	19.54	23.93	28.32	17	20.11	24.64	29.16
56	21.52	26.90	32.27	18	22.70	28.38	34.05
				19	23.65	29.91	35.77
				20	24.33	30.54	36.74
<i>57</i>	23.65	29.91	36.17	21	25.01	31.26	37.81
58	28.04	35.47	42.89	22	29.45	37.55	45.64
59	30.51	38.90	47.28	23	31.69	40.40	49.12
60	33.30	42.46	51.61	24	34.30	43.73	53.17
62	40.50	51.63	62.76	25	41.71	53.18	64.65
63	43.64	56.73	69.82	26	44.95	58.43	71.92



Impact from Current Structure to New

- No one loses pay at as a result of this study.
- Proposed range has less earning potential for 10 incumbents
 - ☐ Current salaries are within the proposed range 2 incumbents
 - \Box Current salaries are at the maximum of the proposed range -2 incumbents
 - ☐ Current salaries are above the maximum of the proposed range 6 incumbents

Current Structure	New Structure
□ Actual pay is at or above current grade (excluding flat rate staff)− 69 staff	□ Actual pay is at or above new grade (excluding flat rate staff)−8 staff
☐ Limited room for growth – 69 staff	☐ Increased opportunity for growth

Note: Metro pay is competitive at between the 65th and 75th percentiles compared to market



Compa-Ratio

We have prepared a compa-ratio report, comparing the base salaries of current employees to the midpoint of the salary ranges assigned to the applicable grade level for each employee. This report shows where current staff salaries fall within the new ranges.

Overall findings from this report are summarized on the next slide.



Compa-Ratio Analysis

- 437 employees are represented in the Metro employee data provided
- 8 employees fall into specialized role title Outreach Program Specialist, with a flat salary rate not tied to the market. These employees have been removed from the analysis.
- 429 regular FT and PT employees comprise the employee population analyzed
 - 286 employees or 67% of the population are adequately placed within the new range
 - 60 employees or 14% of the population, have <u>base salaries below the minimum</u> of the proposed salary ranges
 - 83 employees or 19% of the population have compa-ratios = 110% or greater.



Compa-Ratio Analysis, cont. 2

Of the **83 employees** with compa-ratios of **110%** or greater:

- 42 will max out of their salary range in less than 2 years
- 24 will max out in 2 years
- 9 of these employees continue to have earning potential within their salary range for at least the next 3 years
- 6 are over the maximum of the new proposed range
- 2 are at the maximum of the new proposed range



Cost Impact to Minimum – Effective 3/12/2018

FY2018 effective March 12 – **\$10,413.14**

(Bringing everyone whose actual pay is below the minimum of the new range)

60 individuals currently below minimum

Smallest annualized increase amount to minimum = \$11.20 Largest annualized increase amount to minimum = \$894.60 Average annualized increase = \$173.55



Implementation Recommendations and Structure Maintenance

- ☐ Bring staff below the minimum to the minimum of the proposed range.
- Annually (if possible) adjust structure using cost of living adjustments reflective of market and budget limitations. Next adjustment – July, 2019
- Every 3 4 years review the structure in light of the compensation philosophy and Library needs to ensure you are still aligned with the market and can accomplish the Library's strategic goals.
- ☐ Consider reviewing the current compensation philosophy in the next year or so and ensuring it is still in line with Metro's goals and where you want to be relative to market going forward.

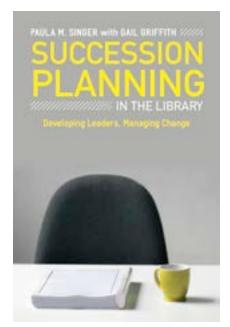


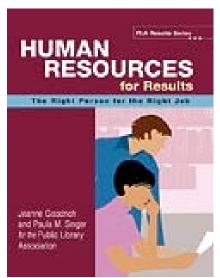
THE SINGER GROUP, INC.

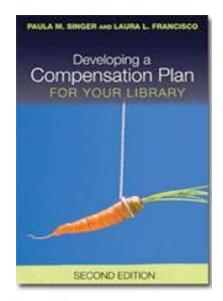
- Managing Change: Creating an Environment Conducive to Change;
 Organizational Effectiveness; Executive coaching; Management Retreats
- Managing the Organization: Organization Assessment; Organization Design and Development; Strategic Planning; Program Evaluation; HR Department Audits; Consulting Skills for the HR Department; Climate/Attitude Studies
- ✓ Managing People: Performance Assessment Programs; Coaching, Training & Developing Managers and Supervisor; Hiring & Selection Guidance; Recruitment & Retention Strategies; Job Analysis & Job Design; Developing Teams
- ✓ Managing Compensation: Pay Structure Design & Implementation; Classification Programs; Traditional & Streamlined Job Evaluation; Internal & External Equity; Market Pricing & Custom Surveys

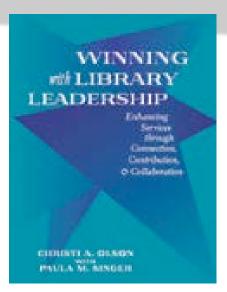


PUBLISHED BOOKS











Questions?



Thank you!!!

