



Classification and Compensation Study

City of Tacoma | Human Resources Department

City Council / Public Utility Board Study Session

May 14, 2019



Agenda



- Background
- Purpose, Philosophy and Goals
- Study Phases
- Current State and Next Steps



Background



- City Manager's 2018-2019 performance goals included a request by City Council to conduct a classification and compensation study.
- 10 years since last comprehensive study was completed



Background



- Classification and Compensation Study / Scope
 - Focuses on **non-represented** employees
 - Components of the study apply to all employees (i.e. structure, total compensation analysis, system administration)
 - Excludes review of classifications for public safety, Municipal Court judges, elected officials and represented classifications
- City staff met with Joint Labor to inform them of the study prior to posting request for proposal.



Background - Timeline



●●● Purpose of Study



The classification and compensation study is **not**:

- An organizational structure study
- A strategy designed to cut costs
- A strategy to eliminate positions
- A strategy to reduce or raise pay

●●● Purpose of Study



The classification and compensation study **is** to ensure that:

- Jobs are appropriately documented and classified
- Pay and benefits are competitive and fairly structured
- Policies and procedures are appropriate to keep the system up-to-date, consistent, transparent and fair

●●● How and What



Using a qualified contractor through City's request for proposal process to:

- Review duties and responsibilities of non-represented jobs
- Recommend changes to classification structure and job descriptions as appropriate
- Identify City's competitive position in market through compensation data for benchmark jobs
- Recommend possible new or revised compensation system

● ● ● Compensation Philosophy



“The City of Tacoma’s classification and compensation philosophy is to attract and retain employees with the competencies, skills, knowledge and dedication to meet our high performance standards while striving to be an employer of choice in the Puget Sound region.”

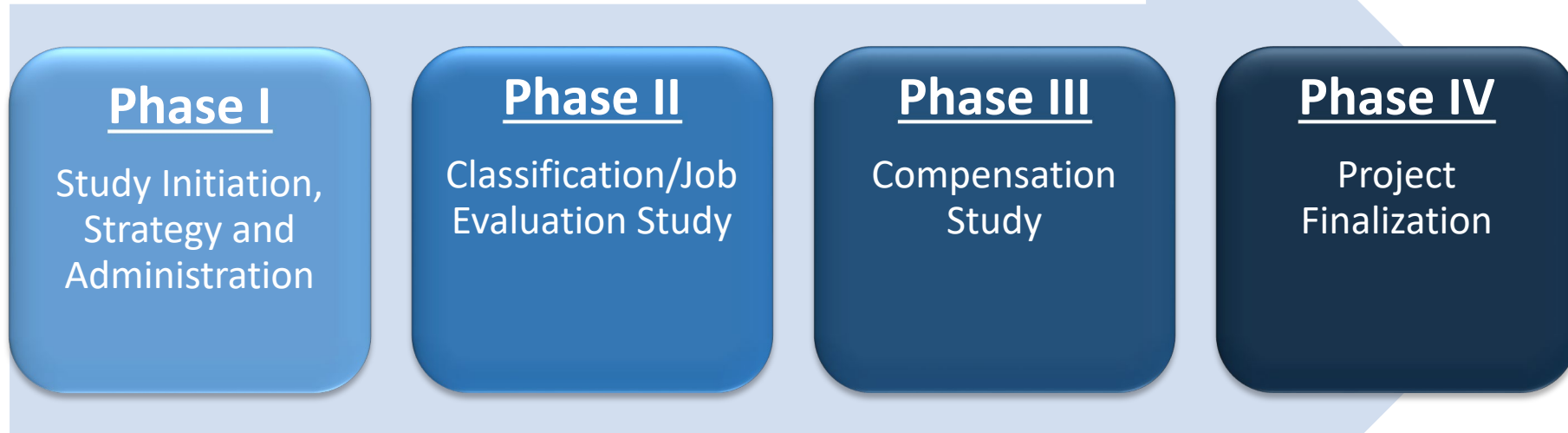


Project Components





Study Phases





Phase I:

Study Initiation, Strategy and Administration



- Meet with project team, management teams, and project resource teams
- Review systems, including current compensation philosophy
- Understand issues, needs, and City's overall classification and compensation strategy
- Provide outreach/communication to employees
- Disseminate of Position Description Questionnaires (PDQs) to ***non-represented*** employees

Phase II:

Classification/Job Evaluation Study



- Position Description Questionnaires (PDQs) completed by employees and reviewed by two levels of management
 - PDQ process used to identify possible recommended changes to classification structure and job descriptions
- Select interviews conducted for clarification of duties

Phase III: Compensation Study



- Identify competitive pay.
 - Identify jobs/organizations to survey.
 - Collect and verify salary data.
 - Complete a diagnostic review of salary data.
- Assess City's competitive position in the marketplace.
 - Compare market data to current pay and salary ranges.
 - Develop/update compensation system and pay schedules.
 - Develop transition plans and costs.
 - City review of implementation plans.



Phase IV: Project Finalization



- Gather and analyze market data findings.
- Recommended changes and transition plan.
- Present to City leadership.

... Estimated Timeline



PHASE	DESCRIPTION	MONTH					
		1-2	3-4	5-6	7-8	9-10	11-12
I	Study Initiation, Strategy and Administration						
II	Classification Study/Job Evaluation				*		
III	Compensation Study						
IV	Project Finalization						

*Phase II – Months 7 and 8 involve preparation of job descriptions



Current Status



- Phase I and II happening simultaneously
- Consultant conducted management and employee meetings in April
- Position Description Questionnaires (PDQs) process underway (non-represented employees)



Communications



- Dedicated intranet page and branding developed
- Distinct email address created for all communications
- Frequently Asked Questions (FAQ) documents created, to be updated throughout study phases
- Special assist days provided to employees as they completed their Position Description Questionnaires (PDQs)

● ● ● Communications



The screenshot shows the "Class & Comp Study" website. At the top is a banner with a mountain landscape and the "Gnet" logo. Below this is a dark navigation bar with a colorful icon and the text "Class & Comp Study". A sidebar on the left lists various links: EEO, Employee Benefits, Comp & Benefits, Class & Comp Study (highlighted), ADA/Reasonable Accommodations (External Page), FMLA (External Page), Mandatory Paid Sick Leave (External Page), Paid Family & Medical Leave (External Page), Labor Relations, Talent Services, OrgPlus, Safety, and 3 Steps Examples. The main content area has a teal header with the "Class & Comp" logo. Below the header, it says "Welcome!" and provides information about the study: "The City of Tacoma has authorized a classification and compensation study which is scheduled to be completed by March 2018." It then lists the study's goals: "The study, which will be conducted by Gallagher Benefit Services, Inc., will: • Assess the City's existing classification system and recommend modifications to it that improve and streamline processes for attracting and retaining employees with the competencies, skills, knowledge and dedication needed to meet the City's needs. • Analyze how our non-represented classifications compare to the market, and measure the benefits that we offer for all employees."

Class & Comp Study

Class & Comp

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The City of Tacoma has authorized a classification and compensation study which is scheduled to be completed by March 2018.

The study, which will be conducted by Gallagher Benefit Services, Inc., will:

- Assess the City's existing classification system and recommend modifications to it that improve and streamline processes for attracting and retaining employees with the competencies, skills, knowledge and dedication needed to meet the City's needs.
- Analyze how our non-represented classifications compare to the market, and measure the benefits that we offer for all employees.



Concurrent Study



Workforce Equity Study

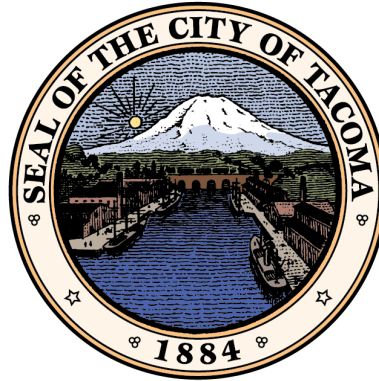
- Ongoing communications throughout classification and compensation study with project manager/consultant engaged in the workforce equity study
- Purpose of workforce equity study is to determine whether there are:
 - Disparities in hiring, promotions, performance management and termination, retention and salary and wages
 - Disparities in City employment compared with the workforce availability within Tacoma city limits and the local recruitment area
 - Potential causes and remedies for any disparities based on analysis of City governing documents, practices, federal and state legal constraints, and other factors



Next Steps



- Phase I to be completed by next month
- Phase II a 7-8 month process
- Consultant to begin select employee interviews on Position Description Questionnaires (PDQs) in June/July
- Regular communications to be provided to City Council quarterly (at minimum)



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