Milwaukee County Compensation Transformation Project

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Our Combined Strength and Scale

Collectively, we will serve more than 15 million people across the U.S.

Industry Leaders
Complementary business models and capabilities

$700+ billion — Assets under administration

$88+ billion — Cash value corporate- and bank-owned life insurance policies (COLI/BOLI)

140,000+ — Non-qualified retirement plan participant accounts

6.7+ million — Government savings accounts (529, ABLE, and SFRP)

700,000 — Health and flexible savings and COBRA accounts

150,000+ — Retirement plans administered

Project Team

Experience:

- 35+ years combined compensation experience

- Rena has 13 years client projects state-side; 13 international

- Heidi has worked in Healthcare and cross-industry

Specializing In:

- Workforce and Executive compensation analysis & plan design to support organizational goals and objectives

Industry Expertise:

- **Local Government**
- **Healthcare**
- **Not-for-Profit**
- **Education**
- **Manufacturing**
- **Professional Services**

- Organ Procurement Organizations
- Banking & Finance
- Cooperatives
- Distribution & Supply Chain
- Information Technology

- Insurance
- Retail
- Software
- Supply Chain
- Transportation
- Utilities

Rena Somersan, MBA

Managing Principal

Compensation Consulting Services

Heidi Leedle

Associate Consultant

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Current Scope of Work and Accomplishments to Date

Steps	Description
1	Information and Data Gathering
2	Education and Coalition Building with the Cabinet around the Compensation Project
3	Job Analysis and External Benchmarking
4	Consolidation of Salary Schedules
5	Model out the Cost Impact of Fixing Compression Issues

- Market data for the Trades were pulled in 2020 and adjustments were made to be more market competitive
- Pandemic-related pause in late 2020 through 2021
- Administrative and Clerical benchmark roles have been market priced in 2022 and are waiting for next steps

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Our Understanding: Current Structure Situation

- **Milwaukee County currently has ~295 different salary grades**
  - The current salary schedule has grades 1-38 with potentially different variations of each grade 01 versus 01IM or 01P and all have varying numbers of steps
  - There are ~990 unique position titles currently within these grades for ~4300 active employees
- **Movement of schedules/ranges has been inconsistent**
  - Step schedules have been adjusted most (not all) years consistent with the standard increases determined according to County budget each year
    - Non-represented employees HAVE NOT moved consistently since 2014 from step to step over the years (as a step schedule is designed for) This makes having a step schedule irrelevant
      - Employees typically get increases in the step schedule with equity increases which are highly individualized and are perceived to benefit the "squeaky wheel"
    - Verification of range placement using market data has been done on a case-by-case basis

Current Structure Situation (continued)

- **There are varying numbers of steps in each grade but the differentials between steps is inconsistent**
  - Example:

02Z1 - DC	01	$16.75
02Z1 - DC	02	$16.78
02Z1 - DC	03	$17.27
02Z1 - DC	04	$17.75

Step 01 to 02 is $0.03 but
Step 02 to 03 is $0.49 (2.9%)

There are only 4 steps in this schedule, which equate to a difference of $1.00 – this does not allow for much differentiation between employees in the same job to account for years of experience, skill-level, performance, etc.

Current Structure Situation (continued)

- **The inconsistency of employees' step progression creates difficulty when bringing in new employees**

  - New jobs are placed onto the Schedules/Ranges based on market however historically grade assignments may not be properly tied to market

  - New hires are often brought in at advanced steps due to competitive reasons; causing problems (compression) when current employees are still at Step 1 or 2 after several years with the organization

  - This leads to dissatisfied and disengaged employees who may become flight risks. Flight risks can be addressed through urgent salary requests or equity increases, but budget does not allow for the average workers that make up the majority of Milwaukee County employees to receive regular step increases.

- Inconsistent practices put the organization at risk – pay practices legally must be consistent, must not discriminate and must not be arbitrary. A pay philosophy should be established and followed consistently, otherwise employees can feel devalued and may leave the organization, not to mention the legal risks it can pose to the organization

- Milwaukee County Engagement Surveys have consistently identified compensation as a problem area

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Best Practice Structure Development

A structure is like a scaffold that creates an expression of orderly pay progression within an organization.

Pay structures allow an organization to align pay with the marketplace and stay competitive with the "going rate" for jobs.

Pay structures allow an organization to control costs by stipulating the "maximum" that an organization will pay for a job.

Pay structures are a good management tool to understand how jobs across the organization align from a vertical and horizontal hierarchical perspective (i.e. internal equity, consistent across the enterprise).

An organization's pay programs, when explained well, enhance employee engagement and the feeling of being paid fairly.

Best Practice Structure Development - Guidelines

Once the range midpoint or "line of best fit" is finalized, salary range design principles are applied to create ranges around the line. Below is a graphical illustration

Grades

9
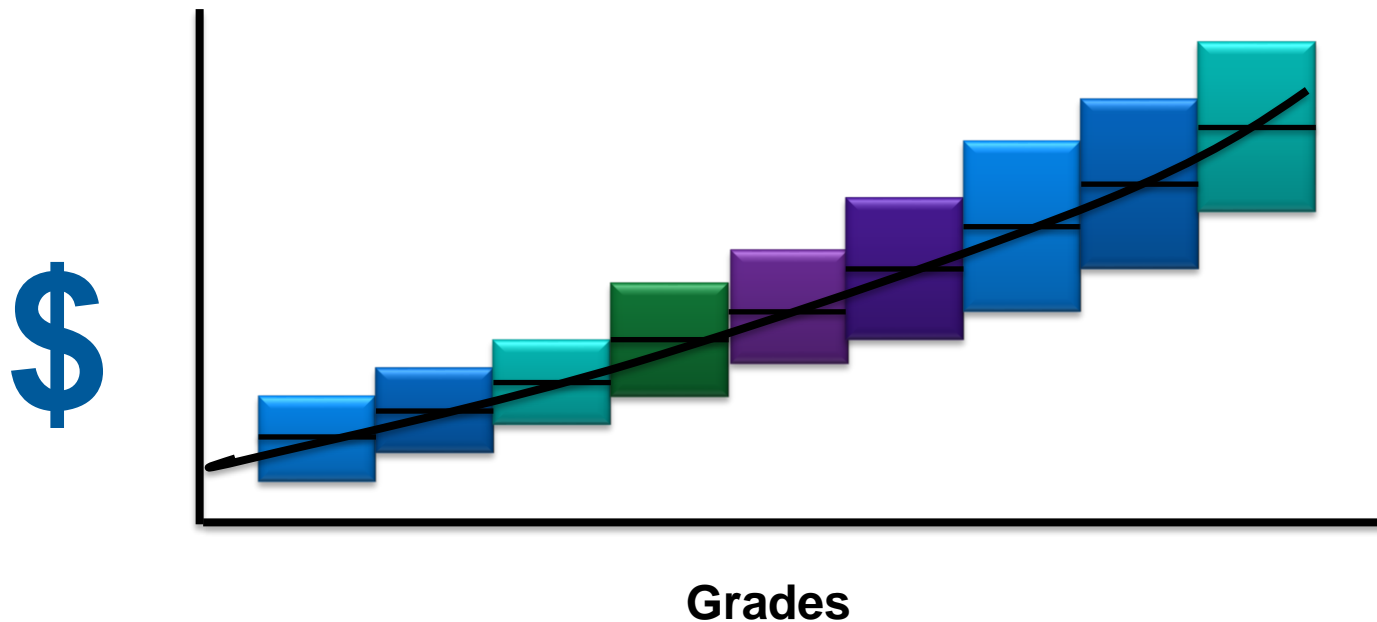
Example Structure

Pay Grade	Minimum	Midpoint	Maximum
1	$24,100	$28,900	$33,700
2	$27,800	$33,350	$38,900
3	$31,900	$38,300	$44,700
4	$35,090	$42,130	$49,170
5	$41,300	$50,600	$59,900
6	$47,500	$58,200	$68,900
7	$54,600	$66,900	$79,200
8	$62,900	$77,050	$91,200
9	$70,800	$88,500	$106,200
10	$81,400	$101,750	$122,100
11	$93,600	$117,000	$140,400
12	$107,700	$134,650	$161,600

Each Grade is a Market Competitive Range

Midpoint

Below market pay

Above market pay

Entry to Competitive Range   Maximum
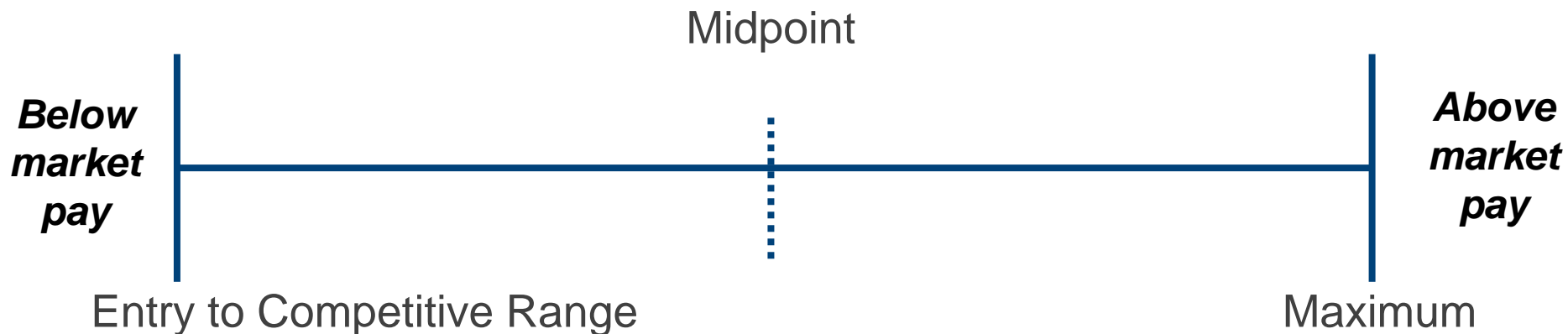
Entry:	The lowest salary that a company should pay for a given job. Typically employees with little to no experience are paid near the entry of the range.
Midpoint:	Rate of pay that a fully qualified, fully competent performer could reasonably expect to earn in the competitive marketplace to perform the exact same job from day one (or one requiring comparable skills/abilities).
Maximum:	The highest salary that a company is willing to pay for a given job. Typically employees who are well seasoned and excellent performers are paid between the midpoint and maximum.

Market Comparison Best Practices

- Jobs have a market value which places the job into a range but once the range maximum is reached, the job does not continue to increase in value.

- Market data should be gathered from a multitude of sources to "represent" the broader marketplace for talent. Published salary survey sources as well as relevant public sector comparators make up a "market rate."

- The surveys describe jobs in generalities with blurbs we call DESCRIPTORS. In matching jobs at the County to the surveys we select matches that would cover approximately 70% of the duties and responsibilities. This is considered a valid market match. (see example below)

- An organization should try to benchmark approximately 50% of their roles and the rest would be SLOTTED

Job Title	Department
Help Desk Technician	

Summary Guidelines for Selecting Survey Matches	Mark each box using the following descriptor feedback instructions:	
1) Choose matches that reflect the position, not the incumbent. 2) Select matches (all that apply) based on duties; look beyond the survey title. 3) The more surveys we are able to use, the more robust your market results will be. 4) Survey descriptors should address the core of the position - the survey descriptors will rarely be exact to your role but should represent the primary duties. 5) Please add notes/comments to better help narrow/specify the data; especially if selecting +/-.	_Good Match_: Adequately covers the **core** responsibilities/majority of the time spent on the job at my organization	Y
	More: Job at my organization has **significantly more** duties and responsibilities	+
	Less: Job at my organization has **significantly less** duties and responsibilities	-
	Not a Match at All	N

1.) Survey: **CompData Benchmark Pro - National - May**
Ref #: 73200 Survey Job Title: **Help Desk Specialist**

Provides technical support, troubleshoots and resolves urgent technical issues, and responds to help requests in person and by phone. Identifies and escalates complex issues to management. Compiles daily or weekly issues log for management. Installs and repairs computer hardware and software, cleans computers, and runs diagnostic programs. Writes user manuals and trains staff as needed. Monitors and maintains the organizational computer system's daily performance. Associate's degree preferred and one year experience. JOB FAMILY: Information Systems.

2.) Survey: **ERI April 2019**
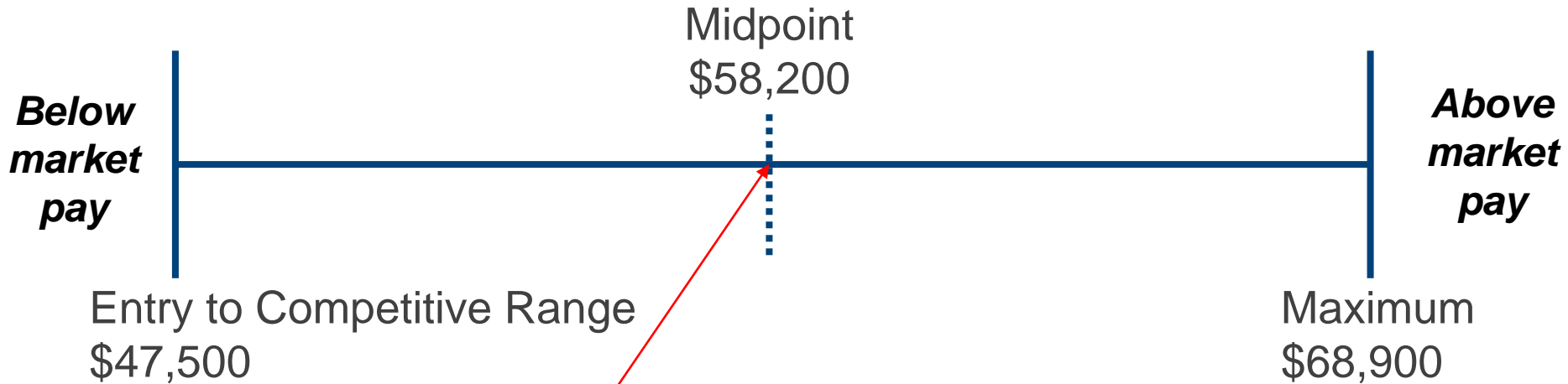Ref #: 5061 Survey Job Title: **Help Desk Representative**

Assesses and troubleshoots computer support problems and applies understanding of computer software and hardware products and services to resolve problems of users. Receives telephone calls and e-mails from users having problems using computer software and hardware or inquiring how to use specific software, programming languages, electronic mail, or operating systems. Ascertains from computer user the nature of problem, determines whether problem is caused by hardware, such as modem, printer, cables, or telephone, formulates diagnosis, and assists users through problem solving steps.

3.) Survey: **WTW General Industry Information Technology**
Ref #: AIT020-T2 Survey Job Title: **IT Help Desk Support - Intermediate (Technical Support)**

Provides technical support to the organization's internal users of computer applications and hardware (e.g., PCs, servers, mainframes). Answers questions regarding system procedures, online transactions, systems status and downtime procedures and is typically located within a call center. Collaborates with network services, software systems engineering and/or application development in order to restore service and/or identify problems. Maintains a troubleshooting tracking log ensuring timely resolution of problems. LEVEL: Intermediate (T2). Has working knowledge and skills to perform a defined set of analytical/scientific methods or operational processes. Applies experience and skills to complete assigned work within own area of expertise. Works within standard operating procedures

Positioning Jobs Into a Grade

Grade 6

Midpoint
$58,200

Below market pay

Above market pay

Entry to Competitive Range
$47,500

Maximum
$68,900

For example, let's say that the market 50th came in at $57,500 or $60,000, those are closest to the midpoint of **$58,200** so the job would be placed in pay grade 6.

Next Steps

Develop salary structure with grades and pay ranges and build-out job families that allow the market data to "place" the jobs in the correct / consistent grades

Gather Market Data to determine pay in the marketplace.

Move and consolidate jobs to an appropriate placement on the new salary structure, remaining as COST NEUTRAL as possible

Start prepping communication and implementation plan

Utilize the structure to pinpoint true problem areas

Questions?

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