



Snohomish County, Washington

Compensation and Classification Study Findings

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Agenda

County's Objectives

Project Scope

Methodology

Project Outcomes

Findings

Summary & Next Steps

The County's Goal:

Update, modernize, and make systems and ensure pay structures are more equitable






Underlying Objectives of the County's project are to ensure that:

1. Snohomish County can recruit and retain high performing talent
2. Job Classification structure provides clarity and distinction between jobs and provides internal integrity
3. Career ladders are identified, where applicable
4. Job descriptions accurately reflect work being performed
5. Total Compensation package is competitive with pay ranges/grades/steps market driven
6. Pay administration is user-friendly, equitable, and fair

The primary goal of this project, therefore, is to ensure that the classification and compensation system is:

- ★ Accurate
- ★ Equitable
- ★ Market Sensitive

Project Scope

				
Project Initiation	Classification Analysis	Total Compensation Market Assessment	Recommendations Development	Implementation and Maintenance
Understand current situation and desired outcomes	Position description questionnaire to collect job documentation	Finalize approach and methodology	Update salary structure/grade/step	Finalize recommendations
Gather data and develop work plan and timeline	Review of internal job equity	Validate markets and determine survey jobs and data to be collected	Review job grade assignment in the pay structure	Assist with fiscal impact analysis
Conduct briefings and hold stakeholder listening sessions	An updated Classification Structure	Collect and analyze market data	Validate and confirm changes	Present results to decision makers
Prepare summary of issues and develop communication plan	Job Descriptions that accurately reflect work being performed	Prepare and deliver findings	Recommend placement of each employee within the pay ranges Provide implementation options	Transfer final study documentation

Job Analysis

Determining the County's Job Classification Structure





In development of the Classification Structure, Segal...

- Recommended standardized titling format and nomenclature
- Developed job summaries and minimum qualifications from PDQs
- Developed draft classification structure for County review, feedback and operational alignment
- Conducted review sessions with County department leadership teams
- Conducted internal equity review to understand hierarchy of jobs
- Updated job titles with better linkage to market job titles
- Developed classification structure with all County jobs aligned based on internal relationships in one of 23 levels

Segal Evaluator™





Overview of Compensable Factors

The purpose of the eight (8) compensable factors is to measure job's minimum qualifications, responsibilities, and skill requirements. The ratings are used to refine the job structure and to align internal pay equity among job classifications.

	Formal Education	Measures the minimum formalized training or education that is required for entry into the position. This factor measures minimum requirements, not preferences.
	Work Experience	Measures the minimum level of work experience required for entry into the position, based on the minimum education requirement identified.
	Management & Supervision	Measures the supervisory or managerial role inherent to the job (to what degree is the job responsible for achieving results through other people).
	Human Collaboration Skills	Measures the job requirements of personal interaction with others outside direct reporting relationships as well as the impact of those interactions on the organization.

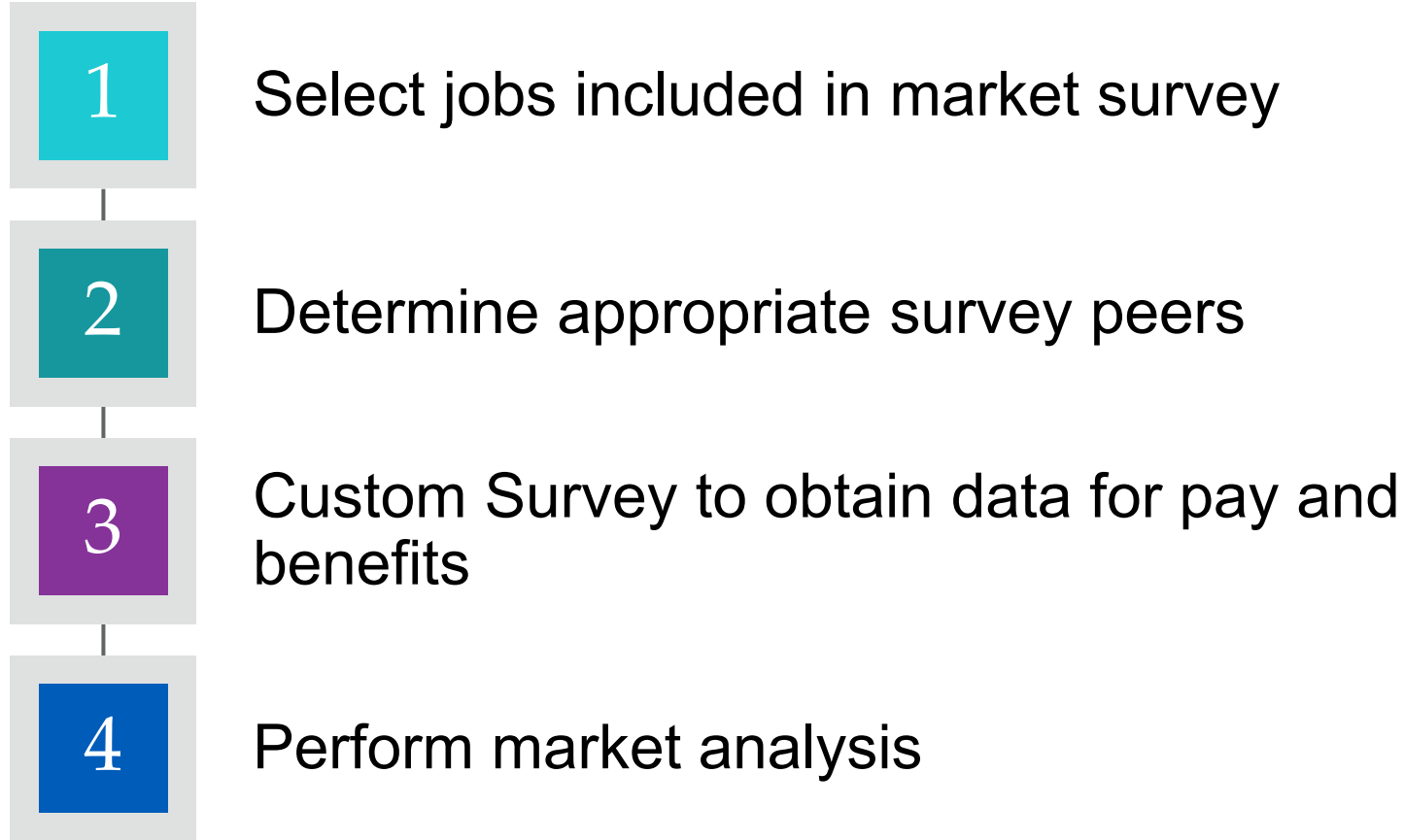
Segal Evaluator™

Overview of Compensable Factors (continued)

 Freedom to Act	Measures the extent the employee is free to act in the absence of supervision or standard operating policies or procedures. Conditions or limitations on independence may include supervisory control, the nature of the work, established procedures or lack thereof, or legal/regulatory constraints.
 Knowledge & Skills	Measures the technical skill requirements of the job, including the level of expertise, complexity, and analytic or problem-solving aspects of the position. Also measures the depth and breadth of knowledge and expertise required when compared to other jobs across RTD.
 Fiscal Responsibility	Measures the accountability and participation, if any, related to financial transactions, purchasing authority, asset management, and budgets.
 Working Environment & Physical Effort	Measures the surroundings under which the work must be performed, including environmental exposures and risks, as well as the amount of physical effort involved.

Market Assessment Process

Determining Market Competitive Wages and Benefits



Market Assessment Process

Guidelines

- Purpose of market assessment is to gather relevant data for making informed decisions in pay structure development- initial focus is **not** on individual employee pay
- Segal and the County identified one hundred twenty-five (125) job titles to be included in the survey (termed benchmark jobs)
- Benchmark jobs statistically represented all County job titles included in the study
- The market data is then mapped to all County jobs included in the study through the internal equity review process

Market Assessment Process

Determining market comparators

- Thirteen (13) public sector employers were identified based on proximity, size, competition for labor, and other similar characteristics
- Three (3) published surveys - private sector data sources: Economic Research Institute, PayFactors, CompAnalyst

List of Peer Employers

City of Everett, WA	Pierce County, WA
City of Marysville, WA	Port Authority of Seattle
City of Seattle, WA	Snohomish Public Utility District
Clark County, WA	Sound Transit
King County, WA	Spokane County, WA
Kitsap County, WA	State of Washington
Multnomah County, OR	

Market Assessment Process

Analysis

- Job purpose statements were written for each benchmark job title and provided to peers for matching purposes
- Jobs are matched base on job content and not job titles, which can vary significantly from organization to organization
- Use of “70% match” rule where predominance of core responsibilities are matched and a minimum of four matches required for use in analysis
- Each market segment’s data was equally weighted at 50% (Custom Survey and Published Surveys)
- Raw data was adjusted to reflect differences in Cost of Labor using Economic Research Institute’s national index
- Market matches were vetted through Segal’s quality review process and County Human Resources staff

Market Assessment Process

Benefits Surveyed

The County Custom Market Survey included comprehensive questions on benefits. Benefits surveyed include information on:

- Paid Leave
- Vacation/Annual Leave (PTO)
- Vacation Carry Over/Cash Out
- Sick Days/Carry Over/Cash Out
- Holidays and Personal Days
- Tuition Reimbursement
- Medical Plans/Premiums
- HSA/FSA
- Dental Plans/Premiums
- Vision Plans/Premiums
- DB & DC Retirement
- 457 Retirement, etc.

Sample* Results for Medical Plans

PPO/POS PLAN MONTHLY COSTS

Peer Employer	Employer \$		Employee \$		Employer %	
	Single	Family	Single	Family	Single	Family
Peer Name	\$485	\$1,209	\$508	\$1,270	49%	49%
Peer Name	\$708	\$2,115	\$85	\$266	89%	89%
Peer Name	\$609	\$1,703	\$41	\$118	94%	94%
Peer Name	\$623	\$1,755	\$0	\$378	100%	82%
Peer Name	\$611	\$1,346	\$25	\$150	96%	90%
Peer Name	\$569	\$1,681	\$145	\$600	80%	74%
Peer Name	\$600	\$1,044	\$85	\$485	88%	68%
Peer Name	\$469	\$1,457	\$56	\$170	89%	90%
Peer Name	\$615	\$1,559	\$63	\$238	91%	87%
Peer Name	\$863	\$1,401	\$85	\$170	91%	89%
Peer Name	\$411	\$1,217	\$72	\$215	85%	85%
Market Average	\$597	\$1,499	\$106	\$369	86%	81%
Client	\$xxx	\$x,xxx	\$xx	\$xx	xx%	xx%

* For illustrative purposes only, not actual

Market Assessment Process

Pay Practices Surveyed

The County customized Market Survey also included comprehensive questions on pay and pay practices for both Represented and Non-Represented employees. Pay practices surveyed include:

- Pay Progression
- Pay Ranges
- Longevity Pay
- Shift Differentials
- Bilingual Pay
- Commuter/Parking Allowance
- Education/Tuition Assistance
- Personal Automobile Reimbursement
- Professional Membership Reimbursement
- Retention Bonus
- Sign-on bonus
- Tool Allowance
- Relocation
- Wellness Program



Market Assessment Findings

Base Pay and Pay Practices

- County's pay practices and pay policies are generally competitive with the market
- Prior to the recent 8% adjustment, Segal found County's pay structures were competitive at entry but lagging at mid and top step
- Recent adjustments have improved the County's market competitiveness

Overall Pay Range Market Comparison as a % of Overall Market Average

	Base Pay Range		
	Minimum	Midpoint	Maximum
Custom Survey	95%	92%	91%
Published Data Sources	101%	92%	84%
Overall Market Average	97%	93%	90%

Figures shown in **red** are below market (less than 95% of the market average)

Figures shown in **black** are within the market range (95% to 105% of the market average)

Figures shown in **blue** are above market (more than 105% of the market average)

Market Assessment Findings

Health Benefits Costs

County's Average Weighted Employer Annual Health Contribution	Market Average Weighted Employer Annual Health Contribution
\$17,577	\$12,980

Average annual County employer contributions to total health benefits (including medical premiums; other contributions; and prescription, dental, and vision premiums) **exceed the market weighted average.**

Market Assessment Findings

Retirement Benefits for Employees

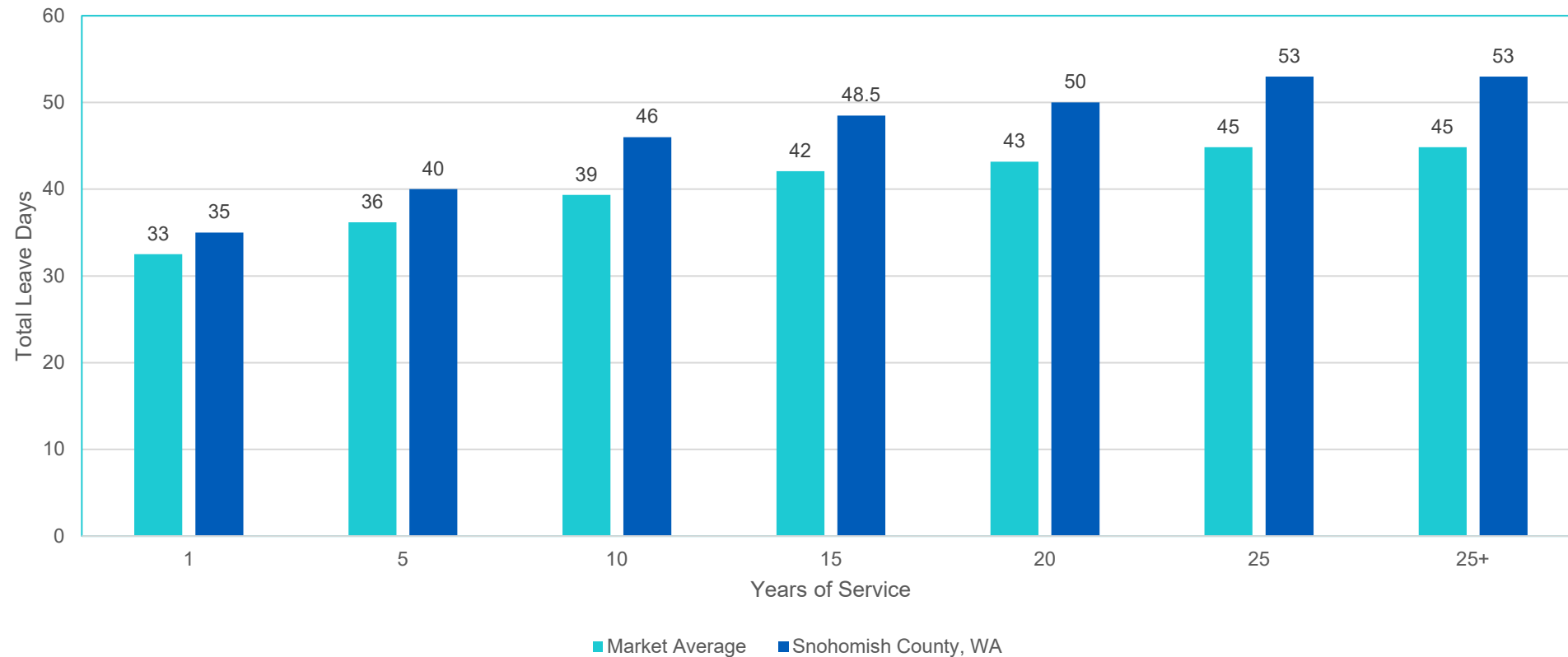
County Total Annual Employer Contribution (% of Base ay)	Market Average Total Annual Employer Contribution (% of Base Pay)
18.70%	15.29%

The total annual County employer retirement contributions made to defined benefit, defined contribution and deferred compensation plans are ***highly competitive with the average peer employer retirement contributions.***

Market Assessment Findings

Paid Leave

Total Leave (including Vacation/PTO, Sick, Holiday, and Personal Leave)



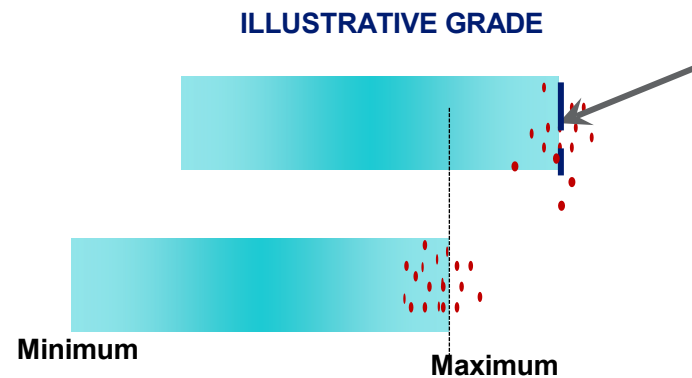
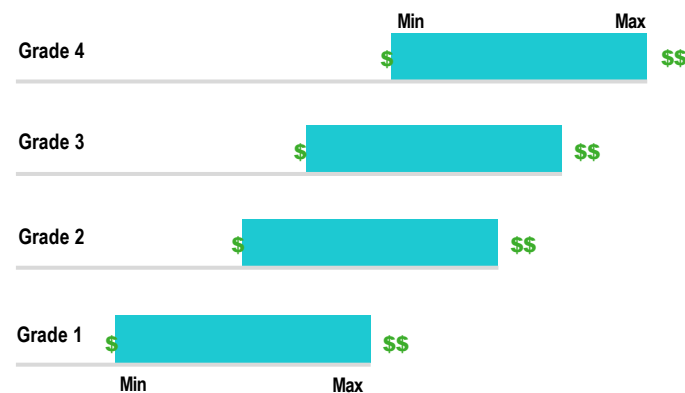
Overall, the County's Total Paid Leave offerings are slightly higher compared to the market over a 25+ year career.

Pay Structure Development

Developing Ranges and Assigning Jobs

The following approach was used to develop ranges and assign jobs to a pay structure:

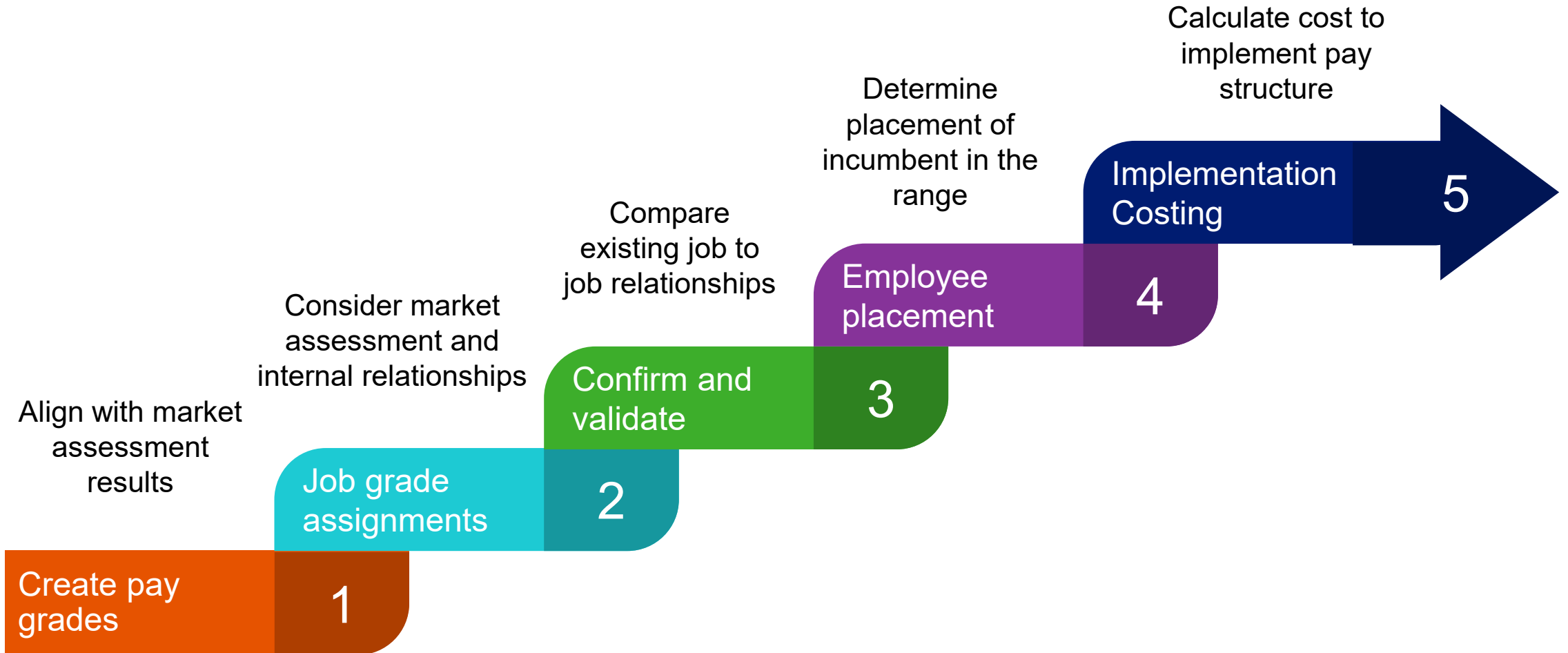
- **Referenced external market data** at range **maximum** to develop a market-based compensation structure, translating the client desired market position to the maximum rate of each salary grade
- **Assigned jobs to the salary grade** with the grade maximum that is closest to the market average maximum for the job while also maintaining existing internal relationships.
- **Added steps to the ranges** beginning at the top step and establishing steps at 5% intervals for seven steps. Ranges will be broader (34%) to reflect average spreads in the market data.



Benchmark average data is a typical reference point for building salary ranges in a market-based structure

Pay Structure Development

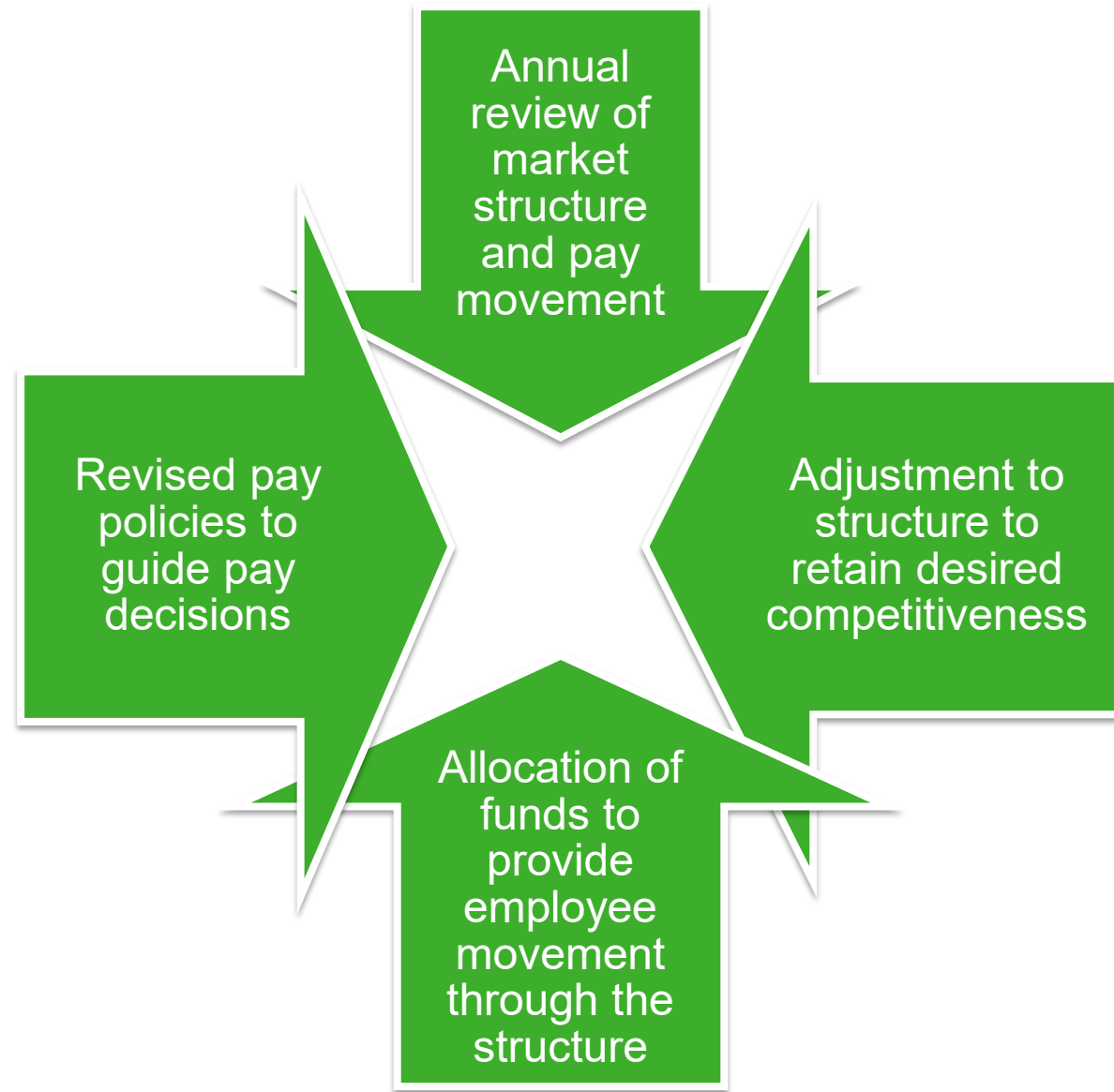
Developing Ranges and Assigning Jobs



Proposed General Structure

Proposed General Pay Range - 5% Steps Aged by 5.875% to January 1, 2024									
NEW Grade	Steps							Range Spread	Grade Maximum Progression
	1	2	3	4	5	6	7		
G09	\$46,404	\$48,724	\$51,160	\$53,718	\$56,404	\$59,224	\$62,185	34%	107%
G10	\$49,680	\$52,164	\$54,772	\$57,510	\$60,386	\$63,405	\$66,576	34%	107%
G11	\$53,187	\$55,846	\$58,639	\$61,571	\$64,649	\$67,882	\$71,276	34%	107%
G12	\$57,165	\$60,024	\$63,025	\$66,176	\$69,485	\$72,959	\$76,607	34%	107%
G13	\$61,441	\$64,514	\$67,739	\$71,126	\$74,682	\$78,417	\$82,337	34%	108%
G14	\$66,295	\$69,610	\$73,091	\$76,745	\$80,582	\$84,612	\$88,842	34%	108%
G15	\$71,533	\$75,109	\$78,865	\$82,808	\$86,948	\$91,296	\$95,861	34%	108%
G16	\$77,484	\$81,358	\$85,426	\$89,698	\$94,183	\$98,892	\$103,836	34%	108%
G17	\$83,931	\$88,127	\$92,534	\$97,160	\$102,019	\$107,119	\$112,475	34%	109%
G18	\$91,266	\$95,830	\$100,621	\$105,652	\$110,935	\$116,482	\$122,306	34%	109%
G19	\$99,243	\$104,205	\$109,416	\$114,886	\$120,631	\$126,662	\$132,995	34%	109%
G20	\$108,334	\$113,750	\$119,438	\$125,410	\$131,680	\$138,264	\$145,178	34%	109%
G21	\$118,257	\$124,170	\$130,379	\$136,897	\$143,742	\$150,929	\$158,476	34%	110%
G22	\$129,586	\$136,066	\$142,869	\$150,012	\$157,513	\$165,388	\$173,658	34%	110%
G23	\$142,001	\$149,101	\$156,556	\$164,383	\$172,603	\$181,233	\$190,294	34%	110%
G24	\$156,201	\$164,011	\$172,211	\$180,822	\$189,863	\$199,356	\$209,324	34%	110%
G25	\$171,821	\$180,412	\$189,432	\$198,904	\$208,849	\$219,292	\$230,256	34%	110%
G26	\$189,003	\$198,453	\$208,376	\$218,794	\$229,734	\$241,221	\$253,282	34%	110%
G27	\$207,903	\$218,298	\$229,213	\$240,674	\$252,707	\$265,343	\$278,610	34%	110%
G28	\$228,693	\$240,128	\$252,134	\$264,741	\$277,978	\$291,877	\$306,471	34%	110%
G29	\$251,563	\$264,141	\$277,348	\$291,215	\$305,776	\$321,065	\$337,118	34%	110%

On-going Maintenance



Thank You

