



City of Pittsburgh, PA

Classification and Compensation Study

Overview Briefing

November 8th-9th, 2017

Presented by:

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Today's Agenda

- **Introduction and Overview**
- **Current Issues and Challenges**
- **Classification Analysis**
- **Compensation Analysis**
- **Final Report**
- **Implementation and Knowledge Transfer**
- **Anticipated Project Timeline**

Summary of the City of Pittsburgh Objectives and Situation

Objectives

- An updated compensation and classification program aligned with the City's compensation philosophy and principles
- Market competitive and internally equitable salary rates
- A realistic implementation plan and sustainable maintenance plan
- Effective communication throughout the City

Situation

- The current classification and compensation study dates back to 1978
- The City was declared a financially distressed municipality in 2004 which has limited its ability to provide competitive compensation to employees
- The City employs on average 3,300 employees with nine (9) collective bargaining unions
- Civil Service Rules and Statutes may present obstacles to implementing a new classification system



Project Summary – Classification & Compensation

Overview of Major Work Steps

				
Project Initiation and Discovery	Job Classification Analysis	Total Compensation Market Assessment	Salary Structures	Implementation Roadmap
Understand current situation and desired outcomes	Develop customized Job Description Questionnaire (JDQ)	Finalize approach and methodology	Develop salary structures	Finalize structure
Conduct stakeholder interviews, review data and materials	Create job role definitions and job structure documentation	Define markets, comparable employers, benchmark jobs	Preliminarily assign jobs to structure	Develop recommended pay policies and procedures
Develop work plan, approach, compensation philosophy and timeline	Conduct FLSA Exemption Analysis	Collect and analyze salary and benefit data	Validate and confirm grade assignments	Present results to decision makers
Develop an ongoing communication plan	Develop internal equity approach Develop updated job descriptions	Prepare and deliver findings	Recommend placement of each employee within the pay ranges Estimate cost impact	Draft implementation roadmap

Approximately seven months

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Project Challenges

This study affects approximately 3,300 employees covered by 548 job titles within 9 bargaining units as well as a group of non-union employees

The City has faced numerous challenges since being declared a financially distressed (Act 47) municipality in 2004 including:

- Lack of standardized and consistent competencies and skillsets for comparable roles resulting in pay inequity within similar roles
- Unnecessary single or dual-incumbent positions
- Lack of a central human resources system
- Lack of clear distinction between managerial vs. supervisory roles
- Need for an updated and streamlined format for job descriptions that can also be utilized for job postings
- Lack of job classifications that reflect the level and type of work the incumbents are required to perform
- Difficulty attracting and retaining a qualified and diverse workforce especially for roles requiring advanced education and/or technical expertise in areas such as engineering, construction project management, information technology, urban planning, law, and building inspection
- Real or perceived gaps in diversity in terms of race and gender for overall composition of the workforce and compensation practices

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Classification Analysis Overview

- Develop and distribute to the workforce a customized Job Description Questionnaire (JDQ) which can be completed in groups for multiple incumbent job titles
- Conduct up to three (3) consecutive days of employee presentations (orientation/kick-off meetings at various worksite locations) supplemented by ongoing project updates and FAQs
- For multiple incumbent positions, conduct interviews on a group basis, in addition to interviewing single-incumbent jobs or highly specialized functions that may require one-on-one interviews
- Upon completion of the JDQ by each employee, supervisors/managers will review the content and verify the accuracy of the information provided. Additionally, Segal Waters will validate JDQ content through the employee interview process (approximately 3 days)
- Develop a recommended classification structure and assign individual positions to job titles
- Develop and implement Segal Evaluator™ job evaluation approach (detailed on the following pages)
- Recommend FLSA exemption status of all titles and draft job descriptions for all recommended job titles

Job Description Questionnaire (JDQ) Process

Employees Complete JDQs

Supervisors/
Directors Review
JDQs

Segal Waters
conducts analysis
and develops
recommendations

- **What you do**—your major duties and responsibilities (encompassing at least 2 hours of your workweek)
- The **skills and abilities** needed to do your work
- The **minimum requirements and preferences** for the position—experience, education, certifications

- Provide comments and additions
- Cannot change employee's responses

- Analyze JDQ information
- Recommend job evaluation ratings
- Recommend title assignments
- Update job descriptions



Manager's Role – Oversight of JDQ Completion

- Don't forget to assign responsibility for vacant single incumbent jobs - complete Job Description Questionnaires for vacant positions.
- Allow employees time on the job to complete the questionnaire. Allocate employee time for work on the JDQ.
- One JDQ should be completed by multiple employees performing the same work.
- Reinforce employee deadline of JDQ to Supervisor/Manager by **Wednesday, November 29th**.

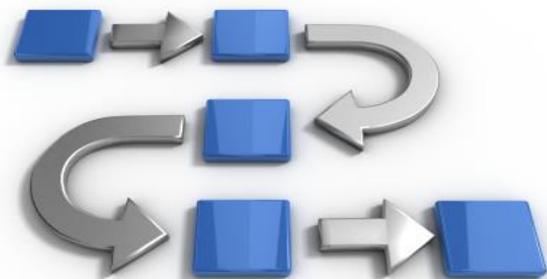
Manager's Role: Reviews

- Questionnaires should be reviewed for content and accuracy and ensure they reflect the job, not the employee.
- Reviews conducted within divisions are time-consuming but critical- two reviews should be sufficient.
- Review significant comments with employees.
- Timelines are important to completion of the project.
- Supervisor/Manager reviews completed by **Friday, December 15th**.
- Project Departmental Liaison should upload all reviewed JDQs to the SharePoint site by **Wednesday, December 20th**.

Segal Evaluator™ Job Evaluation (Internal Equity)

Segal Evaluator™ point-factor job evaluation is a systematic process that defines an easily understood and defensible internal hierarchy which:

- Uses **specific compensable factors** across all departments and positions to create an internal hierarchy of jobs
- Provides an **objective quantitative approach**
- Determines values for each compensable factor and calculates a **total point score** for each position
- Job evaluation scores are **validated by department representatives and human resources**
- Provides an **organization-wide hierarchy** which establishes internal equity
- **Complements and co-exists** with market data structure development



Compensable Factors

Compensable factors should be:

- Defensible
- Exist across departments
- Be easily understood by employees

The following previously validated factors are customized to support the operating environment and organizational structure of the City

Compensable Factor	Measurement
Formal Education	Measures the minimum formalized training or education that is required for entry into the position
Experience	Measures the minimum level of work experience required for entry into the position
Management/Supervision	Measures the supervisory or managerial role of the job and the degree of complexity of work performed by those being supervised
Human Collaboration Skills	Measures the job requirements of interaction with others outside direct reporting relationships
Freedom to Act and Impact of Action	Measures the degree of freedom to exercise authority as well as assesses the impact of actions
Technical Skills	Measures the job difficulty in terms of application of the knowledge required by the job
Fiscal Responsibility and/or Risk Impact	Measures the accountability and participation, if any, as it relates to the fiscal accountability for one's department or assigned area(s) of responsibility
Working Conditions	Measures the surroundings or physical conditions under which the work must be performed

Segal Evaluator™ - Job Evaluation

Job Evaluation

- Segal will complete one evaluation for each **job title**, including vacant single incumbent jobs by **Monday, February 12th**.
- For each compensable factor, one level is selected that best describes what is required of the position based on the completed Job Description Questionnaires
- Ratings represent levels within the relevant pool of jobs
- Segal will provide results for City's review and approval

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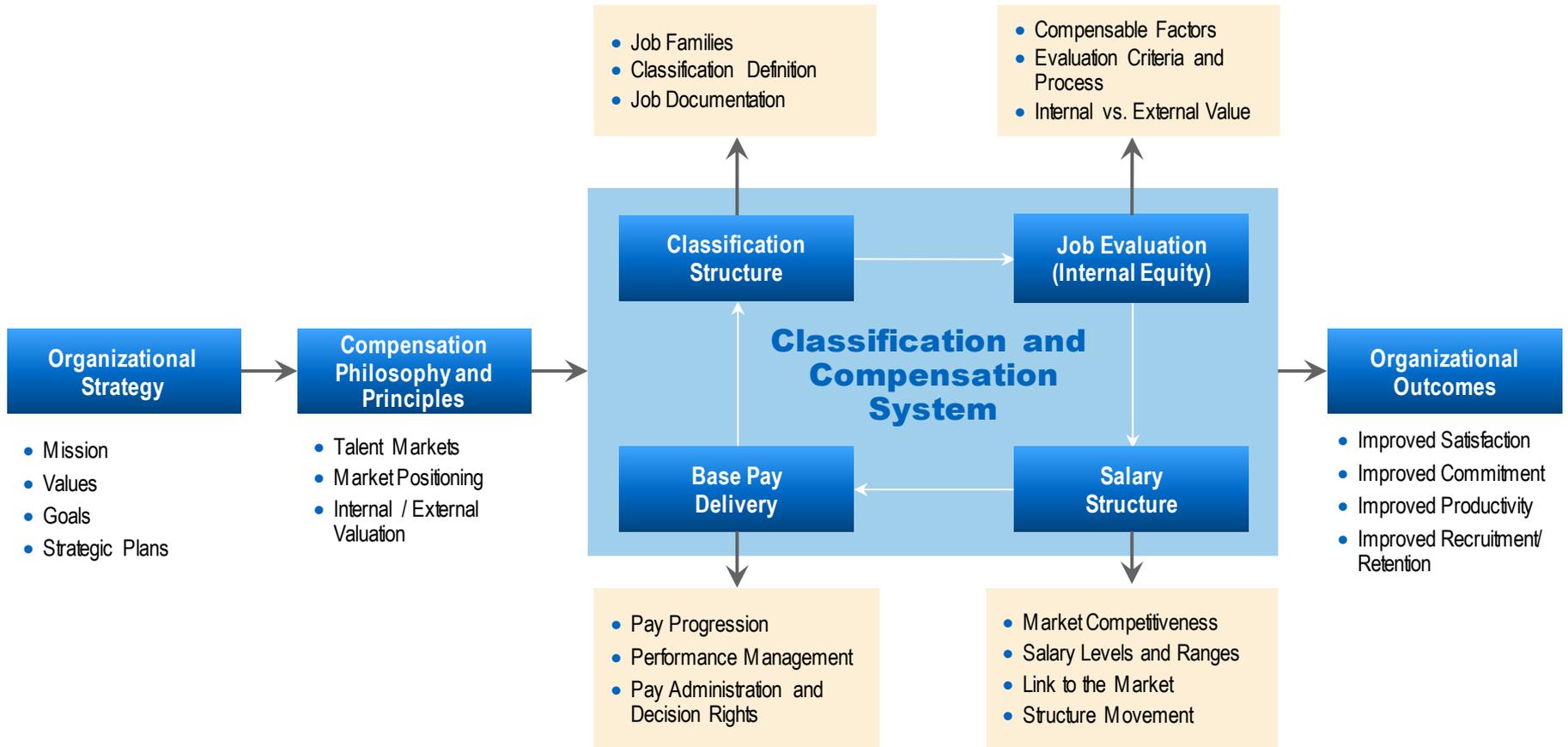
Compensation Analysis Overview

- Develop a market study methodology to validate the competitiveness of total compensation
 - Elements of total compensation include pay, pay practices, paid time off, and the cost and value of health and retirement benefits
- While this project covers approximately 548 job classification titles, we will work with the City's Project Team to identify up to 100 benchmark jobs representative of all occupational groups, departments, and pay levels throughout the City
- Identify up to 12 public sector entities for survey distribution and include private sector data from up to three published survey sources
- Collect and analyze the market salary and benefits data and develop recommendations based on the findings of the market study

Segal's Approach to Compensation

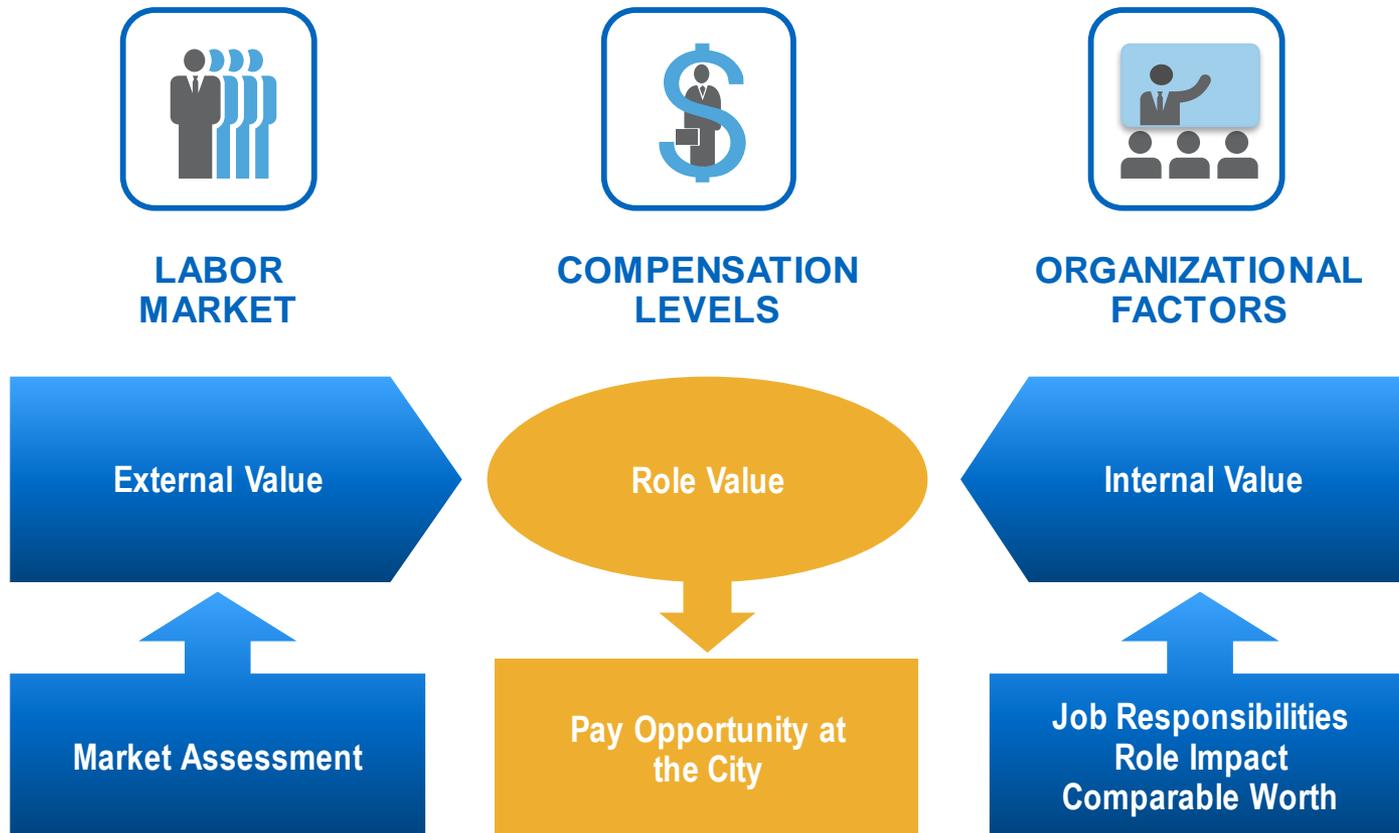
Four Key Elements

We will develop a compensation and classification program that supports the City's organizational strategy and compensation philosophy.



Balance Between Internal and External Equity

- Market data provide a reference point for compensation decisions. The data do not represent the definitive answer as to how the City should compensate a job or a specific employee
- When making its compensation decisions, the City needs to identify the appropriate balance of the external and internal value for each position



Total Compensation Survey

- Segal Waters will draft brief job summaries for each benchmark title based on the results of the classification analysis to assist the survey participants with matching jobs consistently and appropriately
- The total compensation survey will be distributed, via email, to the selected peer organizations
- The survey will include:
 - Benchmark job base pay ranges (minimum and maximum annual pay rates)
 - Pay policies regarding pay progression (e.g., pay progression, promotion, hiring)
 - Supplemental pay practices (such as additions for special skills, bilingual pay, performance bonuses, etc.)
 - Paid time off accrual rates (vacation time, sick leave, and holidays)
 - The prevalence, cost, and cost-sharing arrangements for medical plans and other benefits (prescription drugs, dental, vision, etc.)
 - The prevalence and costs associated with retirement programs

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Final Report

- Fiscal impact analysis provided on implementation scenario(s) for consideration
- Salary projections on an individual and division/department basis
- Pay administration guidelines review and recommendations
- Training and communications
- Formal presentation to the City

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Implementation Assistance

- Segal will provide an implementation schedule that takes into consideration potential phased approaches, based on the City's operational priorities, culture, and availability of funding
- Develop check list of the items that will need to be addressed prior to implementing the recommended changes
- Assist the City with supporting or defending the study results and recommendations with key stakeholders or officials
- Assist with developing employee communication materials
- Provide a training session with the City's Human Resources staff to transfer the tools, methodologies, and recommendations - including a description of the analytic processes that we used to conduct the study, as well as assist with defining the operational needs that result from the potential changes in policy

Knowledge Transfer

Job Classification Analysis

- Upon completion of the project, Segal Waters will provide the City with our Segal Evaluator™ job evaluation tool, at no additional cost
- The City can continue to use the tool to adapt, modify, and change in the future as jobs are added, removed, or changed
- Updated job descriptions will be provided to the City in Microsoft Word so that you can easily edit the documents as necessary in the future

Compensation Analysis

- Segal Waters will provide the City with the Microsoft Access database, containing all of the information collected from the surveys including any private sector data from published sources for the City's future analyses

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Anticipated Project Timeline

ANTICIPATED TIMELINE IN MONTHS

Step	Nov	Dec	Jan	Feb	Mar	Apr	May
Step 1: Project Initiation	■						
Step 2: Civil Service Review		■ ■ ■					
Step 3: Classification Analysis		■ ■ ■	■ ■ ■ ■ ■ ■ ■ ■				
Step 4: Total Compensation Market Assessment			■ ■ ■ ■ ■ ■ ■ ■				
Step 5: Recommendations Development						■ ■ ■ ■ ■	
Step 6: Implementation Assistance							■

Project Departmental Liaisons

Department / Bureau	Departmental Project Liaison	Title	Phone	Email
City Council	Bill Urbanic	Budget Director	412-255-2147	bill.urbanic@pittsburghpa.gov
City Clerk	Brenda Pree	City Clerk	412-255-2138	brenda.pree@pittsburghpa.gov
Mayor's Office	Sheri Rolewski	Budget Analyst	412-255-2640	sheri.rolewski@pittsburghpa.gov
BNE	Sheri Rolewski	Budget Analyst	412-255-2640	sheri.rolewski@pittsburghpa.gov
OMB	Sheri Rolewski	Budget Analyst	412-255-2640	sheri.rolewski@pittsburghpa.gov
Innovation & Performance	Stacy Hill	Administration Manager	412-255-2150	stacy.hill@pittsburghpa.gov
Commission on Human Relations	Carlos Torres	Director	412-255-2600	carlos.torres@pittsburghpa.gov
City Controller	Doug Anderson	Deputy Controller	412-255-2051	douglas.anderson@pittsburghpa.gov
Finance	Ed Barca	Assistant Director	412-255-8600	edward.barca@pittsburghpa.gov
Law	Maureen Sommers	Paralegal	412-255-8835	maureen.sommers@pittsburghpa.gov
Ethics Board	Linda King	Executive Manager	412-255-8882	linda.king@pittsburghpa.gov
OMI	Erin Bruni	Manager	412-255-2810	erin.bruni@pittsburghpa.gov
Personnel	Janet Manuel	Deputy Director	412-255-8889	janet.manuel@pittsburghpa.gov
City Planning	Janice Abate	Chief Clerk 1	412-255-2215	janice.abate@pittsburghpa.gov
PLI	Liz O'Neill	Personnel & Finance Analyst 1	412-255-8905	elizabeth.oneill@pittsburghpa.gov
Public Safety Administration	Claire Mastroberardino	Business Administrator	412-255-2101	claire.mastroberardino@pittsburghpa.gov
EMS	Ron Romano	Deputy Chief	412-622-6932	ronald.romano@pittsburghpa.gov
Police	Lee Schmidt	Business Administrator	412-323-7898	lee.schmidt@pittsburghpa.gov
Fire	Maxine Anthony	Business Administrator	412-255-2869	maxine.anthony@pittsburghpa.gov
Animal Care & Control	Claire Mastroberardino	Business Administrator	412-255-2101	claire.mastroberardino@pittsburghpa.gov
DPW-Administration	Marcelle Newman	Assistant Director	412-255-2488	marcelle.newman@pittsburghpa.gov
DPW-Operations	Marcelle Newman	Assistant Director	412-255-2488	marcelle.newman@pittsburghpa.gov
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DPW-Facilities	Marcelle Newman	Assistant Director	412-255-2488	marcelle.newman@pittsburghpa.gov
Parks & Recreation	LouAnn Horan	Operations & Admin Manager	412-255-2761	louann.horan@pittsburghpa.gov
Mobility & Infrastructure	Jeff Skalican	Assistant Director	412-255-2373	jeff.skalican@pittsburghpa.gov
CPRB	Beth Pittinger	Executive Director	412-765-8060	beth.pittinger@pittsburghpa.gov

Project Departmental Liaisons will upload all completed JDQs to the project SharePoint site no later than December 20th.

Questions?

