

Contra Costa Community College District

Classification and Compensation Study – Results and Market Analysis
February, 2007

Agenda

- Classification and Categorization
 - Job Evaluation basics
- Internal equity analysis
- Market survey results

Compensation Management

- Compensation Management supports the achievement of the organization's strategy by:
 - Managing the cost - one of the biggest costs for an organization
 - Getting value from the investment - probably the biggest recurring annual investment
 - Delivering the right messages - major communication to employees about what the organization values

Compensation is a strategic issue crucial to the success of an organization

Four Goals of Compensation Management

- Internal equity
 - Attract, motivate and retain the “right” employees
 - Be able to determine how to pay employees, fairly and equitably, for the work they do
- Market competitiveness
 - Have the ability to assess the market competitiveness of employee salaries
- Compensation strategy
 - Develop an overall compensation strategy that supports and furthers organization objectives
- Performance management
 - Be able to assess and pay for individual performance

Job Evaluation: A Definition

- Determining the value of work to the organization using measurement scales of common compensable factors
- A process to measure the size of jobs against appropriate and consistent criteria
- Focuses on the content of the job as currently designed
- Factors not considered in the process:
 - Individual qualifications, performance and longevity
 - Job evaluation is about jobs, not people
 - Existing pay
 - External market (e.g., supply and demand)

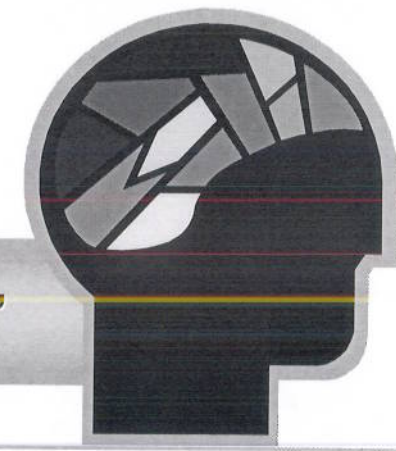
The Basic Premise

- We must first believe that all jobs exist to contribute in some way to the organization
- Job evaluation allows us to measure the contributions of jobs in terms of internal value
- Measure three key aspects of a job:
 - Knowledge required (input)
 - Problem solving involved (throughput)
 - Results expected (output)
- The *Hay Group Guide Chart®-Profile Method of Job Evaluation* is the most widely used process for the measurement of management, professional, and clerical jobs in the world
 - More than 4,000 organizations in nearly 40 countries

The Know-How Factor

- To achieve results, jobs must require a certain level of knowledge, skills, and experience
- *Know-How* is the factor we use to measure the sum total of knowledge required of a job, however gained
 - Formal education - engineering, finance, law, medicine, etc.
 - Education and experience - programming, skilled trades, etc.
 - Experience - sales, supervision, etc.
- Know-How has three dimensions:
 - Technical and Specialized Knowledge
 - Management Integration
 - Human Relations Skills

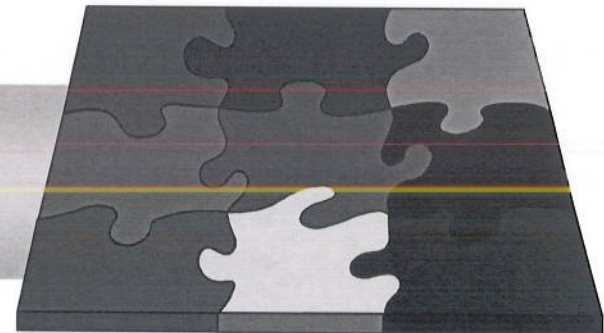
The Knowledge Required of a Job or “Input”



The Problem Solving Factor

- Using Know-How to achieve results, jobs are designed to analyze and resolve problems
- *Problem Solving* is the factor we use to measure the nature and complexity of the problems and challenges that jobs must face
 - The original “self-starting” thinking required by the job for analyzing, evaluating, creating, reasoning, arriving at and making conclusions
- Problem Solving has two dimensions:
 - Thinking Environment
 - Thinking Challenge

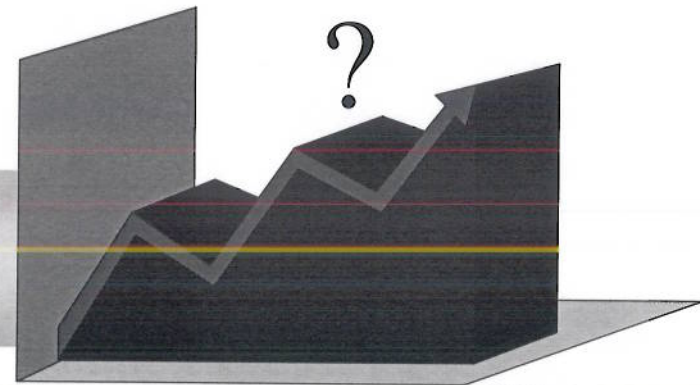
**The Thinking, Processing,
Analyzing or “Throughput” of a Job**



The Accountability Factor

- Based on the premise that all jobs exist to achieve results
- *Accountability* is the factor we use to measure the output of jobs
 - Decision-making authority
 - The answerability for an action and its consequences
 - The measured effect the position has on end results
 - Assume expected outcomes - not “worst case scenario”
- Accountability has three dimensions:
 - Freedom to Act
 - Impact
 - Magnitude

The Accountability or
“Output” of a Job



Categorization of Roles at 4CD

- Examined core job duties
 - Why does the job exist?
 - Re-categorization may lead to job title changes
 - Consider consistency across the District
- Confidential
 - “...means any employee who is required to develop or present management positions with respect to employer-employee relations or whose duties normally require access to confidential information contributing significantly to the development of management positions.”
 - Using judgment on what to share and with whom

Source: California Government Code, §3513

Categorization of Roles *(cont'd)*

- Supervisory
 - “...means any individual, regardless of the job description or title, having authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibility to direct them, or to adjust their grievances, or effectively to recommend this action, if, in connection with the foregoing, the exercise of this authority is not of a merely routine or clerical nature, but requires the use of independent judgment. Employees whose duties are substantially similar to those of their subordinates shall not be considered to be supervisory employees.”

Source: California Government Code, §3513

Categorization of Roles *(cont'd)*

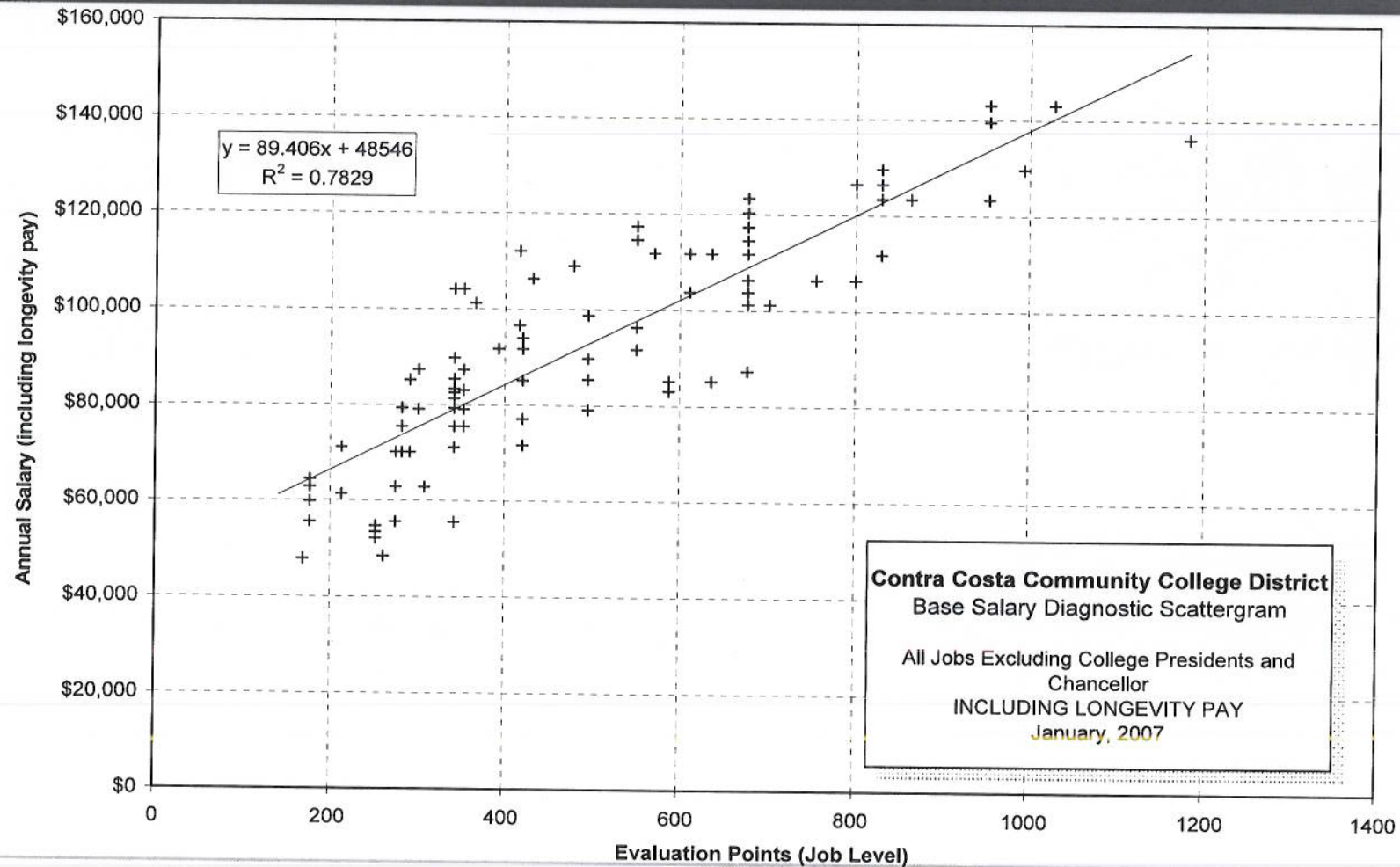
- Managerial
 - “...means any employee having significant responsibilities for formulating or administering agency or departmental policies and programs or administering an agency or department.”¹
 - Also:
 - Plan
 - Lead
 - Organize
 - Control
 - Motivate
 - Innovate

¹Source: California Government Code, §3513

Internal Equity Analysis

- The chart on the following page displays 4CD's current base salary practice
 - X-axis is evaluation points (job level)
 - Y-axis is current base salary (including longevity)
 - Regression line of best fit through data array
 - Line equation with correlation coefficient (R^2) shown

District-wide Scattergram



External Analysis - Custom Survey

- Methodology
 - Chose comparator organizations relevant to 4CD on the following criteria
 - Similar positions, organization mission, funding sources, challenges, size, scope, etc.
 - To/from whom does 4CD hire or lose employees
 - Data readily available on an ongoing basis
 - The selected comparator group of organizations needs to be “saleable” and credible to all key stakeholders
 - Board
 - District Office/Colleges
 - Management Council
 - The public

Custom Survey Methodology *(cont'd)*

- The following 19 organizations were invited to participate
 - **BOLD** indicates 13 participants in custom survey (including all of the Bay 10)

California State East Bay
Chabot-Las Positas
Contra Costa County Office of Ed
Chevron
EBMUD
Foothill-De Anza CCD
Kaiser
Los Rios CCD
Marin CCD
North Orange

Ohlone CCD
Peralta CCD
San Diego CCD
San Francisco CCD
San Jose-Evergreen
San Mateo CCD
State Center CCD
West Valley Mission CCD
UC Berkeley

Custom Survey Methodology *(cont'd)*

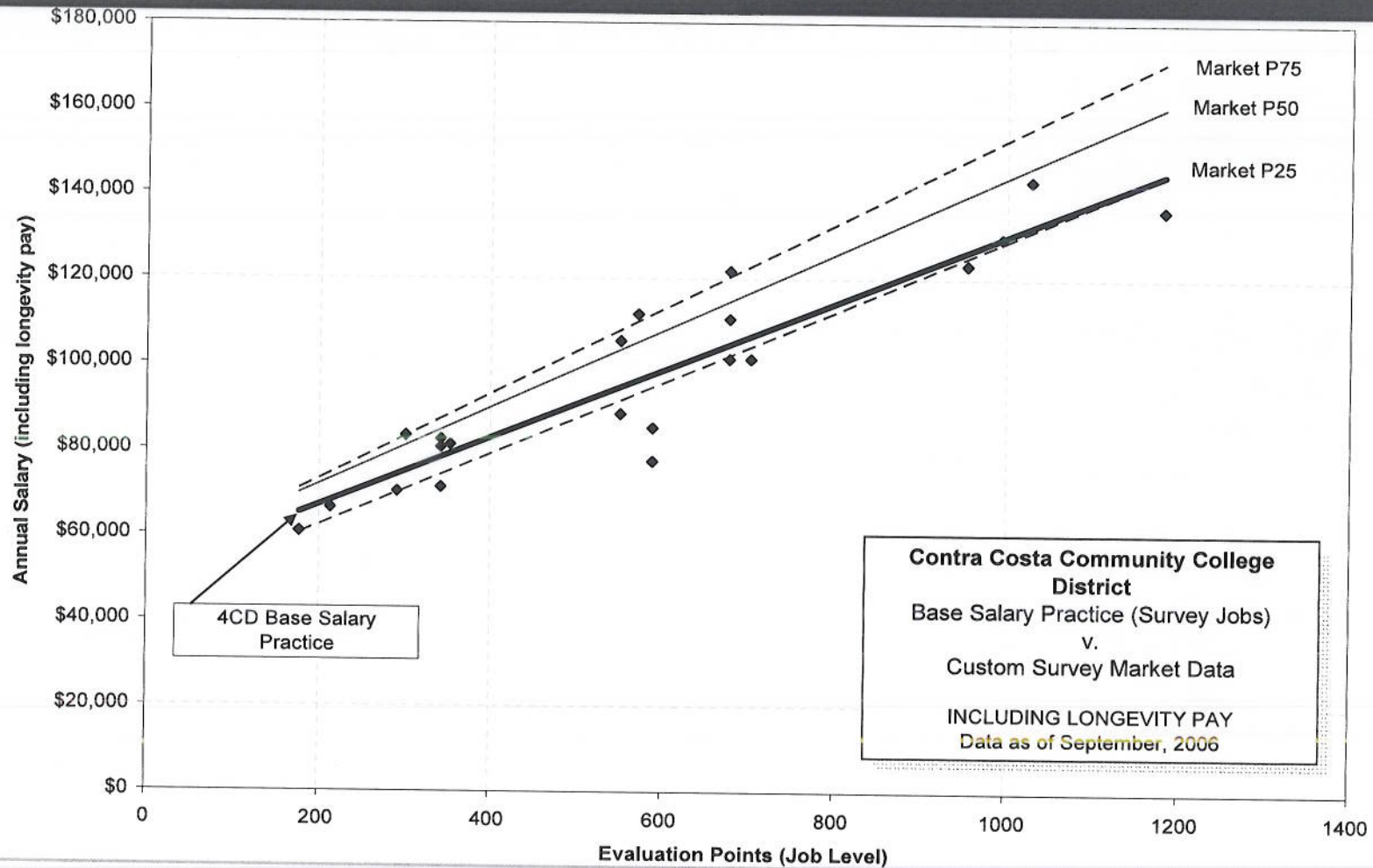
- Data collected
 - We asked for the following organization data
 - Dimension information
 - Operating budget, number of employees, number of FTEs
 - We asked for the following incumbent data
 - Job title
 - Actual base salary (including longevity)
 - Salary range
 - Additives (vehicle allowances, stipends, etc.)
- Jobs were described and surveyed by *content*, not by title
- All data as of September, 2006

Custom Survey Methodology *(cont'd)*

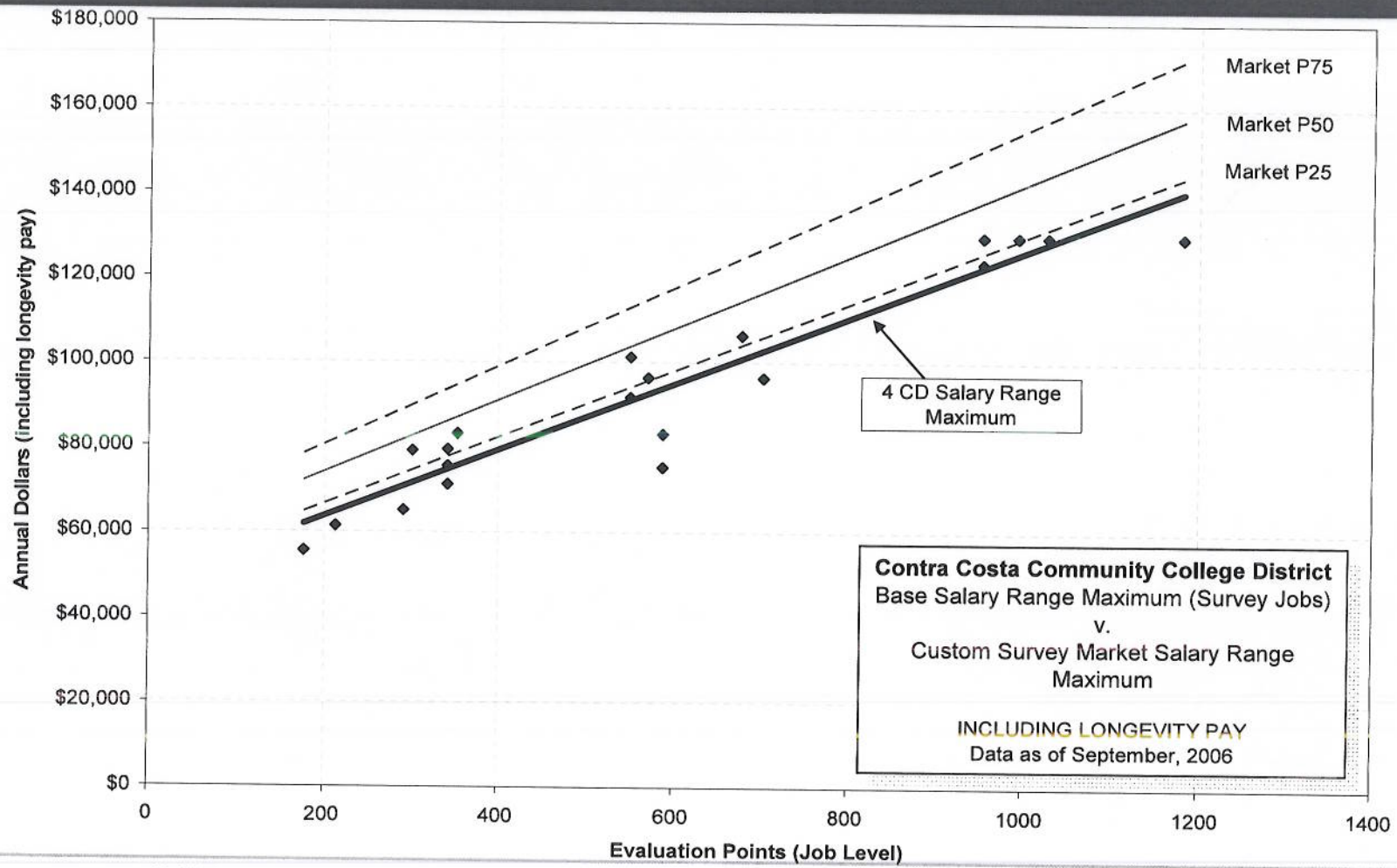
- 22 Positions surveyed

Head of Finance (District)	Head of Payroll (District)
Head of Information Systems (District)	Head of Admissions and Records (College)
Head of Facilities (District)	Head of Financial Aid (College)
Head of Human Resources (District)	Academic or Student Services Program Mgr
Head of Student Services (College)	Computer and Network Supervisor
Head of Purchasing (District)	Human Resources Generalist
Head of Business Services (College)	Principal Accountant
Instructional Dean I	Custodial Manager
Controller	Police Sergeant
Head of Marketing (College)	Administrative Assistant to a College
Internal Auditor	President-level Administrator

Custom Survey Analysis - 4CD vs. Market



Custom Survey Analysis - 4CD Max vs. Market Max



Custom Survey Results – by Position

- The table below excerpts market data results for two survey positions:
 - Instructional Dean
 - Administrative Assistant to a College President-level Administrator

Survey Position	Number of Orgs	Number of Incumbents	Annual Base Salary (incl longevity pay)					
			P25	P50	P75	Average	4CD Base (Avg)	4CD vs. P50
Instructional Dean	9	67	110,828	123,368	127,837	119,192	110,648	90%
Administrative Assistant to a College President-level Administrator	8	22	62,507	65,662	74,230	68,013	66,294	101%

Questions

