

Compensation Study for Non-Represented Employees

Results of Study
Recommendations for Implementation



Introductions

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Employee Population

- Police Union: 77
- Fire Union: 87
- Non-represented employees: 285
 - Includes Police and Fire Supervisors

Current Compensation Plan

- Implemented in 2013
- Government work was highly sought after
- Designed with limited comparables – mainly focused on cities of our size, not many private sector comparables
- Designed to match 50th percentile of the market
- Concept of “pay for performance” implemented for the first time

What's Changed

- Job market, recruitment and the “world of work” has changed dramatically since 2013 and especially since COVID-19
- Competition is everywhere (private and public sector)
- Demographic, wants and needs of employees have changed
- The City's benefits are more aligned with private sector employer

Current Plan Challenges

- Designed to slowly move employees along over a 20 year period
- Plan starts well below market rate (*87% of target market)
- Challenges with hybrid step/performance pay structure
- Plan is confusing and hard to understand
- A comp plan at middle of the market has resulted in significant challenges in recruiting and retention of some positions; required significant policy modifications to be effective
- Due to structure and design, the plan structure* is lagging about 10% behind the market
 - *overall structure is lagging behind, does not mean all positions are paid under market value.

Compensation Study Process

- Competitive RFP
- Employee Meetings
- Job Documentation (JDQ Process)
- Market Research & Benchmarking
- Plan Recommendation
- Administrative Review
- Council Approval
- Employee Communications
- Appeal Process
- 6/16/24 Implementation Goal

New Compensation Plan

- Blend of the median (50th percentile) and the 75th percentile of the market; allows us to recruit a high-performing workforce
- Plan starting (step 1) at 90% of our target market, allows us to be more competitive with room for growth
- Easier to understand, transparent policy of how increases work
- Simplified step system; rewarding high-performing and tenured employees

Comparables

Cities		Villages
Appleton	Neenah	Brown Deer
Beloit	New Berlin	Elm Grove
Brookfield	Oak Creek	Germantown
Cedarburg	Oconomowoc	Greendale
Delafield	Oshkosh	Hales Corners
Eau Claire	Pewaukee	Menomonee Falls
Fond du Lac	Racine	Shorewood
Franklin	Sheboygan	Slinger
Greenfield	South Milwaukee	Sussex
Hartford	Waukesha	Whitefish Bay
Janesville	Wausau	
Kenosha	West Allis	Counties
La Crosse	West Bend	
Manitowoc		Milwaukee
		Ozaukee
Mequon	Regional Cities	Waukesha
Milwaukee		
Muskego		
	Eagan, MN	

Private sector comparison data is from extensive database: Bureau of Labor Statistics; CompData Benchmark Pro; Economic Research Institute; Payfactors; Payfactors Peer; and Willis Towers Watson

Plan Design Comparison

Current Plan

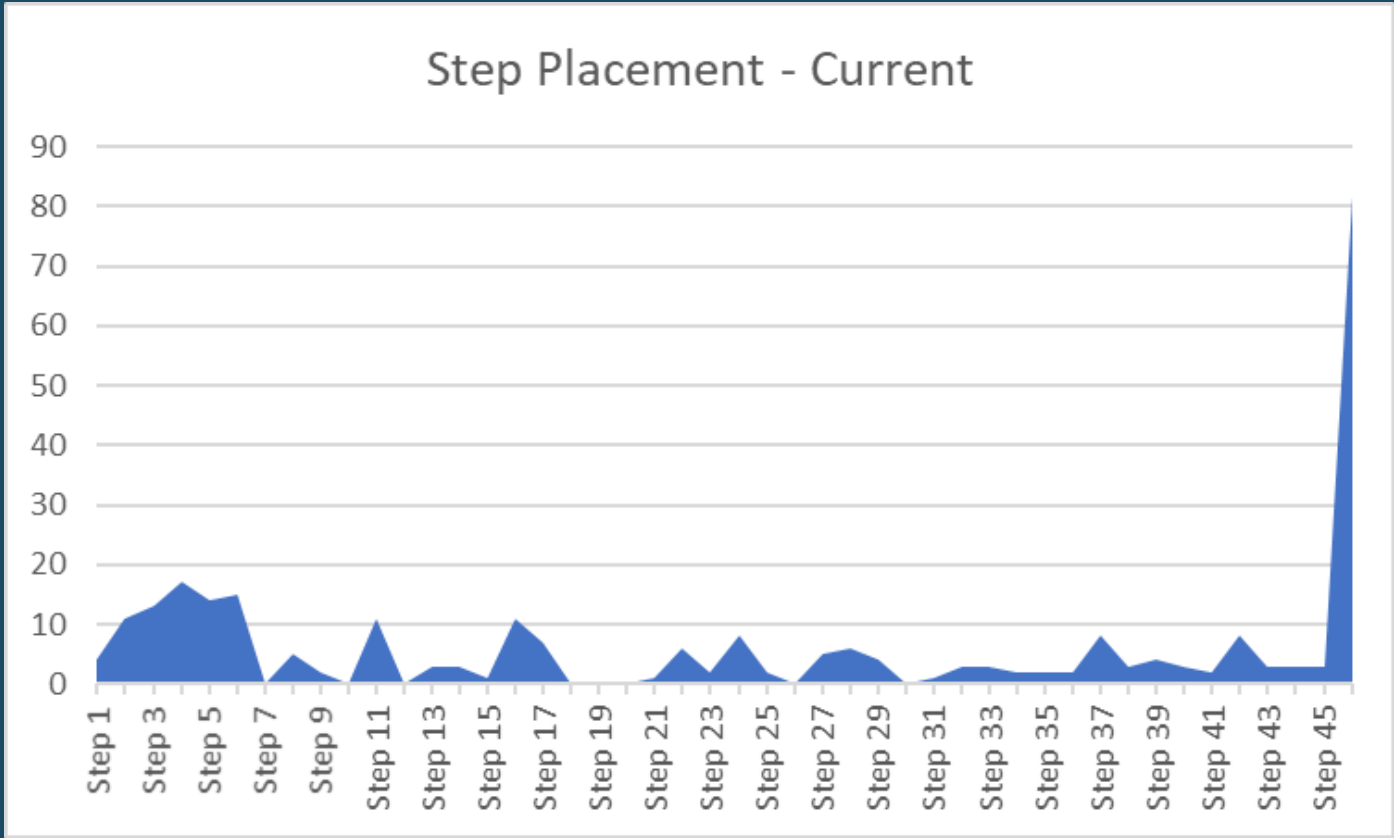
- 50th Percentile of market
- 46 steps: 1-6 control point, 7-40 “performance pay”
- Range is 87.5%-120% of target market

New Plan

- 50th/75th Percentile blend of market
- 16 steps
- Range is 90%-116% of target market

Current Plan: Employee Placement

Step	# of EE's	Percentage
Step 1	4	1%
Step 2	11	4%
Step 3	13	5%
Step 4	17	6%
Step 5	14	5%
Step 6	15	5%
Step 7	0	0%
Step 8	5	2%
Step 9	2	1%
Step 10	0	0%
Step 11	11	4%
Step 12	0	0%
Step 13	3	1%
Step 14	3	1%
Step 15	1	0%
Step 16	11	4%
Step 17	7	2%
Step 18	0	0%
Step 19	0	0%
Step 20	0	0%
Step 21	1	0%
Step 22	6	2%
Step 23	2	1%
Step 24	8	3%
Step 25	2	1%
Step 26	0	0%
Step 27	5	2%
Step 28	6	2%
Step 29	4	1%
Step 30	0	0%
Step 31	1	0%
Step 32	3	1%
Step 33	3	1%
Step 34	2	1%
Step 35	2	1%
Step 36	2	1%
Step 37	8	3%
Step 38	3	1%
Step 39	4	1%
Step 40	3	1%
Step 41	2	1%
Step 42	8	3%
Step 43	3	1%
Step 44	3	1%
Step 45	3	1%
Step 46	82	29%



New Plan: Employee Placement

Step	# of EE's	Percentage
Step 1	61	22%
Step 2	19	7%
Step 3	22	8%
Step 4	13	5%
Step 5	11	4%
Step 6	21	8%
Step 7	8	3%
Step 8	16	6%
Step 9	11	4%
Step 10	19	7%
Step 11	18	6%
Step 12	24	9%
Step 13	9	3%
Step 14	13	5%
Step 15	0	0%
Step 16	5	2%
Above	7	3%



AFFORDABILITY



SHORT-TERM

- Implementation date of 6/16/24
- Parameters:
 - Employees placed at closest step that provides an increase (nominal for most positions)
- 1st Year Implementation Cost:
 - Full Year: \$345,431 (1.5% of total non-represented salary budget)
 - Half Year: \$172,715

LONG-TERM

- Steps are defined
- Work to keep plan up to market through COLA's

NEW PLAN | ISSUE RESOLUTION



DPW & TECHNICAL
POSITIONS



COMPETITIVE PLAN



EASY TO UNDERSTAND



PUBLIC SAFETY
COMPRESSION
REVIEW



BEST PRACTICES



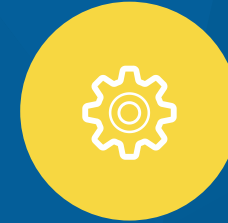
EASE OF
ADMINISTRATION



TRANSPARENT AND
CLEAR POLICY



PLAN TO GROW
INTO



HIGH-PERFORMING
WORKFORCE



Questions?