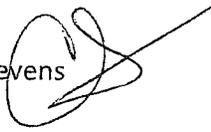


Agenda Item  
2 and 3

## MEMORANDUM

To: Labor Relations Committee

From: City Administrator Charlene Stevens 

Date: January 18, 2013

Re: Responses to RFPs for Organizational Study and Compensation Study.

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Attached please find a summary document of the responses to the requests for proposal for the Organizational Study and the Compensation and Classification study. For each project, there were three responses. Responses were reviewed by myself, Kevin Halliday and Bruce Peterson.

For the **Compensation and Classification Study**, the recommendation is to award the work to Springsted Inc in the amount of \$12,500 with additional expenses not to exceed \$1,250. Springsted offers the lowest cost proposal, the most comparable experience, a understanding and working experience with the current pay and classification system, and perhaps most importantly a solid understanding of the potential pay equity issues faced by the City and its component entities Willmar Municipal Utilities and Rice Hospital.

For the **Organizational Analysis**, I feel there are two well qualified firms, Springsted and Brimeyer Fursman. Some Council Members have expressed concerns with Springsted's other financial work for the City, although the firm indicates the two groups work independently and the work of the organizational consultants would not seek input from the financial advisors. Springsted is also most familiar with the City of Willmar, WMU and Kandiyohi County.

However, Brimeyer Fursman offers an excellent alternative and a sound proposal. Brimeyer Fursman is less familiar with Willmar, but has worked for similar communities in Minnesota and is well versed in organizational analysis.

There is very little cost differential between the two firms.

If the City wishes to undertake the two proposals simultaneously, my recommendation is contract with Springsted for both the Compensation and Classification Study and the Organizational Analysis, as I believe one firm conducting both will minimize overlap and duplication.

If the City Council is willing to first conduct the Organizational Study first, then the recommendation is to enter into a contract with Brimeyer Fursman for the Organizational Study. Once the study is complete and a future structure is determined, it would then be appropriate to engage Springsted in the Compensation and Classification Study. This would avoid having to go back to Springsted and ask for new or revised job descriptions, pay ranges and the like based upon changes made through the organizational study.

The total costs to conduct both studies for the City would be: \$38,250. \$5,000 towards the completion of the Organizational Analysis has been offered by the Moving Willmar Forward Group. The remaining \$33,250 would come from professional services and/or salary savings from currently unfilled positions.

Copies of the lowest cost proposals are also attached.

Responses to Organizational Study	Springsted	Brimeyer-Fursman	Matrix
Cost	\$23,000	\$22,500	\$49,000
Other Expenses	Not to exceed \$1,500	Travel	Travel
Understands Scope of Work	Yes	Yes	Yes
Similar Experience	Yes	Yes	Yes, more limited in MN
Timeframe			12 weeks
Familiarity with City of Willmar	Excellent	Less Familiar	Not Familiar
Project Managers	Dave Unmacht/Sharon Klumpp	Richard and Irina Fursman	Richard Brady/Alan Pennington
Office	St. Paul, MN	Maplewood, MN	Mountain View, CA
Comments	Also, knows Kandiyohi County, MUC having completed those studies. Less ramp up time. Well established in MN. Could also have some synergy if selected for Comp Study.	Less familiar with Willmar, but has worked in similar types of communities, well established in MN.	Firm does not have a MN base. Cost is prohibitive.
Other Firms			
Fox-Lawson	Chose not to respond		
Big River Consulting	Does not perform organizational studies		





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Fax: 651-223-3002  
www.springsted.com

**LETTER OF TRANSMITTAL**

January 8, 2013

Ms. Charlene Stevens, City Administrator  
City of Willmar  
333 SW 6<sup>th</sup> Street  
P.O. Box 755  
Willmar, Minnesota 56201

Re: **Request for Proposal to Provide an Organizational Analysis**

Dear Ms. Stevens,

Springsted Incorporated is pleased to submit our proposal to conduct an Organizational Analysis for the City of Willmar.

Our firm has extensive experience in conducting organizational assessments in Minnesota and the Upper Midwest. We have created an extensive management consulting services practice that provides in-depth study and analysis on a variety of topics. Springsted has the staff, facilities and expertise to furnish the services outlined in the scope of work as identified in the RFP.

The qualifications of our firm are discussed in this proposal along with a detailed scope of services, study methodology, project time frame, resumes of the consulting team and list of client references.

Most importantly, we value our existing relationship with the City of Willmar and look forward to working with you, the City Council and City staff on this important project.

Respectfully submitted,

David J. Unmacht  
*Springsted Incorporated*

kmd

**COPY**

Public Sector Advisors

**City of Willmar, Minnesota  
Proposal to Provide  
an Organizational Analysis**

**I. Project Schedule – Including Key Milestones**

The schedule below identifies major project milestones and outlines an estimated timeframe. The specific steps and timeframe are subject to review and discussion with the City. A typical organizational review process is approximately three to four months in length; however, if the City desires the process to be shorter, we will work accommodate a different schedule.

The timeframe is a reflection of a possible schedule; however, the date used for the notice to proceed is for illustration purposes.

Organizational Analysis Milestones	Timeframe
Contract award; notice to proceed	February 1
Project coordination; discuss details, finalize study process	February 4 – 8
Data request submitted and analysis begins	February 4 – 8
On-site field work, document review and data analysis (two to three trips)	February 11 – March 31
Preparation of preliminary findings	April 1
Briefing on preliminary findings with the City	April 1 – 5
Preparation of draft report	By May 1
Briefing on draft report with the City	May 6 – 10
Prepare report and present to the City	As soon as scheduled

**II. Methodology Used to Gather the Appropriate Information**

The City of Willmar is seeking proposals to conduct an organizational assessment. Elements of this review will include identifying organizational strengths and areas of need. Included in the scope of work will be the following deliverables:

- Review of the existing organizational structure and identification of gaps and/or duplication of services, as well as efficiencies to be gained.
- Propose options for a new organizational structure and recommendations on staffing levels, workload and span of control.
- An assessment of the workplace culture. This assessment must involve soliciting feedback from employees.
- Observations and identification of opportunities for intergovernmental cooperation.
- Succession planning. The succession planning review process will include identification of mission-critical positions, a review of the length of service of current employees and development of a plan for the future.
- Recommendations on the current business practices and processes in place.

- An assessment of the City's customer service. This assessment should involve soliciting feedback from a range of community partners.
- Assistance with implementation of the approved plan.

To comprehensively address the scope of services, we use five specific steps in our process. The methodology used to address the general scope of services will include a combination of on-site field work and interviews, existing document review and analysis and application of best practices and professional standards. If within the course of our review we determine that there are technical components to our analysis that may require outside assistance we will notify the City. The use of outside assistance will be within the budget for the study; any variation from that is solely at the discretion of the City.

Based on our understanding of the scope of work listed in the RFP, we expect five main steps will be necessary to complete the review:

**Step One Project Coordination**

This includes ensuring that the details and logistics of the study are understood and agreed upon. We propose that the logistics and details be completed upon approval to proceed with the study. We encourage the City to identify a project coordinator who can serve as the day to day contact with the Springsted Project Manager.

**Step Two On-site Field Work**

This includes members of Springsted's team on-site conducting extensive interviews and document review. We will work with the City to identify the individuals to interview, including members of the City Council, the management team, staff (supervisory and non-supervisory) and any partners and affiliates of the City that can provide valuable insight into the focus areas of study. We are very respectful and personable in our interactions; we treat each interview in confidence and we earn the trust of the individuals we interact with. This is an important component of our process as our body of work is only as good as the information we can obtain from those we interview.

Based on the size of the City's staff, individual interviews with every member of the staff is not practical. We propose conducting focus group meetings with key line staff members. Line staff members are the most knowledgeable about actual operations and can provide key insight on operational issues and opportunities. In addition, we will utilize an online confidential staff survey to obtain important information in a manner which ensures honest and forthright responses. We will prepare a draft set of questions and seek input from the City before administering the survey.

In order to complete the assessment of the City's customer service we will partner with the City to identify a range of community partners. To the extent possible we will meet with these partners to inquire about the level of customer service, but at a minimum we will have a telephone conversation with the key contacts. We used this same methodology in the Kandiyohi County organizational assessment.

To support the overall analysis, we will work with the City to identify other cities to conduct a comparative survey. The survey will ask pertinent questions pertaining to the study objectives, including levels of staffing, work loads and span of control.

**Step Three Document Review**

At the beginning of the study we will provide a list of information necessary to fully understand the existing conditions and status of the City's culture, structure and operations. This list will include such items as job descriptions, existing organizational chart, the City and department strategic plans, the City's financial plans, previous reports if available, policies, procedures and other documents of record that the City uses as guides and directives. This step actually coincides with the on-site field work, but is completed in earnest after we have gathered all of the interview information.

**Step Four Preparation of Preliminary Findings**

Upon completion of steps two and three, the Springsted team will prepare a set of findings which are based on all of the inputs we have received to date. This set of findings will articulate the facts and will be used as a foundation for our recommendations. A presentation on the findings will be made to key City officials; this provides an opportunity to review and comment on the findings before they are completed. The City's review is critical to confirming the reliability and accuracy of the information we have collected and prepared.

**Step Five Preparation of the Report**

Upon completion of the findings, the team will prepare the report. This report will include all of the tasks within the scope of services and any other information we determine based on our work. The report format will be determined in conjunction with input from the City.

Our commitment is that the City will have a report that will be a practical and useful guide for the future. This report will provide a roadmap for the City to enhance, and improve service delivery efficiency for the long term future. Furthermore, if in our analysis and discovery we identify efficiencies and possible cost savings, we will include them in our work.

We will present the report in any forum or manner the City desires and will provide copies as identified in the RFP.

**Interactions with the City**

One of the important values of Springsted is our flexibility and willingness to be creative in our presentations and interactions with the City. For example, as we proceed through the study we will discuss with the City's Project Coordinator how best to engage the City Council and City staff in timely discussions and share updates on the progress of the study.

### III. Identify and Quantify in Terms of Time, the Nature and Scope of Services to be Provided by City Staff to Assist in the Project's Completion

An organizational assessment is a partnership between the City and the consulting firm and its personnel. The Springsted team takes pride in our commitment to remain in continuous communication with the City's Project Coordinator and keep him/her up to date on the status of the project on a regular basis.

Until the process is finalized it is difficult to accurately predict the quantity of time involved, but our experience reflects that it is never onerous or burdensome. We seek from the City's Project Coordinator support and help for meeting logistics, responding to general questions that arise during the study, information and data requests, contact information for people and general support when on-site. The City's Project Coordinator will also coordinate internal communications with City officials.

### IV. Three References of Similar Organizational Assessments Completed

The references below provide information on Springsted's recent *organizational review* experience:

Kandiyohi County, Willmar, Minnesota  
*Organizational Review (Two Phases)*  
Mr. Larry Kleindl, County Administrator  
320-231-6215, ext. 2108

Willmar Municipal Utilities, Willmar, Minnesota  
*Organizational Review*  
Mr. Dave Baker, Chair of Commission  
320-894-5774

City of Melrose, Minnesota  
*Organizational Review*  
Mr. John Harren, Public Works Director  
(Project Coordinator)  
320-256-1960

### V. Company Profile, Staffing of the Firm and any Potential Statements Regarding Conflict of Interest

Springsted is one of the largest and most established independent public sector advisory firms in the United States. For more than 50 years, we have continually grown in the range of our client relationships, the comprehensiveness of our services and our prominence within the industry. Our managed growth is focused on providing municipal governments with a balance of national perspective and local expertise.

Springsted is a women-owned business and is certified as a Women's Business Enterprise ("WBE") by the City of Saint Paul, Minnesota. Three employee-owners lead Springsted and our 60 staff members. Our headquarters are located in Saint Paul, Minnesota, with additional offices located close to our clients throughout the Midwest and Mid-Atlantic states. Specifically, our regional offices include Milwaukee, Wisconsin; Des Moines, Iowa; Kansas City, Missouri; Richmond, Virginia; and Denver, Colorado.

Springsted's team will consist of two experience professional advisors. Each will have a distinct role and responsibility; however, their work will be seamless and well coordinated.

**David J. "Dave" Unmacht**

*Senior Vice President and Project Manager*

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Mr. Dave Unmacht is director of Springsted's Organizational Management/ Human Resources group and will be the Project Manager and Lead Consultant for the study. Mr. Unmacht brings more than 15 years of county administration experience, having worked for Scott and Dakota Counties, Minnesota. He has also worked as City Manager in Prior Lake and City Administrator in Belle Plaine, Minnesota. He guides clients in organizational and leadership development, staff/elected official relations, human resources, intergovernmental collaborations, comprehensive planning and growth management, communication strategies, facilitation services and strategic planning. He has a master's in Public Administration from Drake University in Iowa and a bachelor's degree in Business Administration and Political Science from Wartburg College in Iowa.

Mr. Unmacht was the recipient of the Minnesota Association of County Administrators (MACA) Joseph F. Ries County Administrator of the Year Award in 2000 and the Minnesota City/County Management Association (MCMA) Manager of the Year in 2007.

**Sharon G. Klumpp**

*Senior Vice President and Consultant*

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Ms. Sharon Klumpp specializes in executive search and organizational and management consulting for public agencies. Ms. Klumpp has extensive government experience, having served as an Executive Director of the Metropolitan Council – the seven-county regional planning agency for the Twin Cities metropolitan area of Minnesota, as the Associate Executive Director for the League of Minnesota Cities, as a City Administrator and as an Assistant City Manager. Her private sector experience includes serving as the chief administrative officer for the Minneapolis office of a major global engineering and design firm. Ms. Klumpp also served as an adjunct instructor at Walden University, where she taught public administration and organizational change in the University's School of Management. She holds a master's in public administration from the University of Kansas and a bachelor's degree in political science from Miami University of Ohio.

**Knowledge of the City of Willmar**

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The Springsted team has the following foundation in place:

**Flexibility** – We are flexible in our approach and methodology. We will work with the City to identify the optimal means to communicate our work, especially at major milestones such as the preliminary findings and final report. For example, instead of using a formal presentation format, depending upon the circumstances, we may want to engage the City Council and staff in an informal working session. These discussions will take place as the study proceeds.

**Knowledge of the City** – We have an excellent working knowledge of the City based on our past work and existing relationships. Together, Ms. Klumpp and Mr. Unmacht have worked on several projects with City. We will have no “ramp-up” time and our familiarity with the City will be useful from the beginning to the end of the search.

**Experience with Elected Officials, Department Heads and Staff** – The team members have spent our careers working directly with appointed and elected officials, department heads and line staff members. We respect and understand each group’s roles and responsibilities and recognize the value each can provide in an organizational assessment.

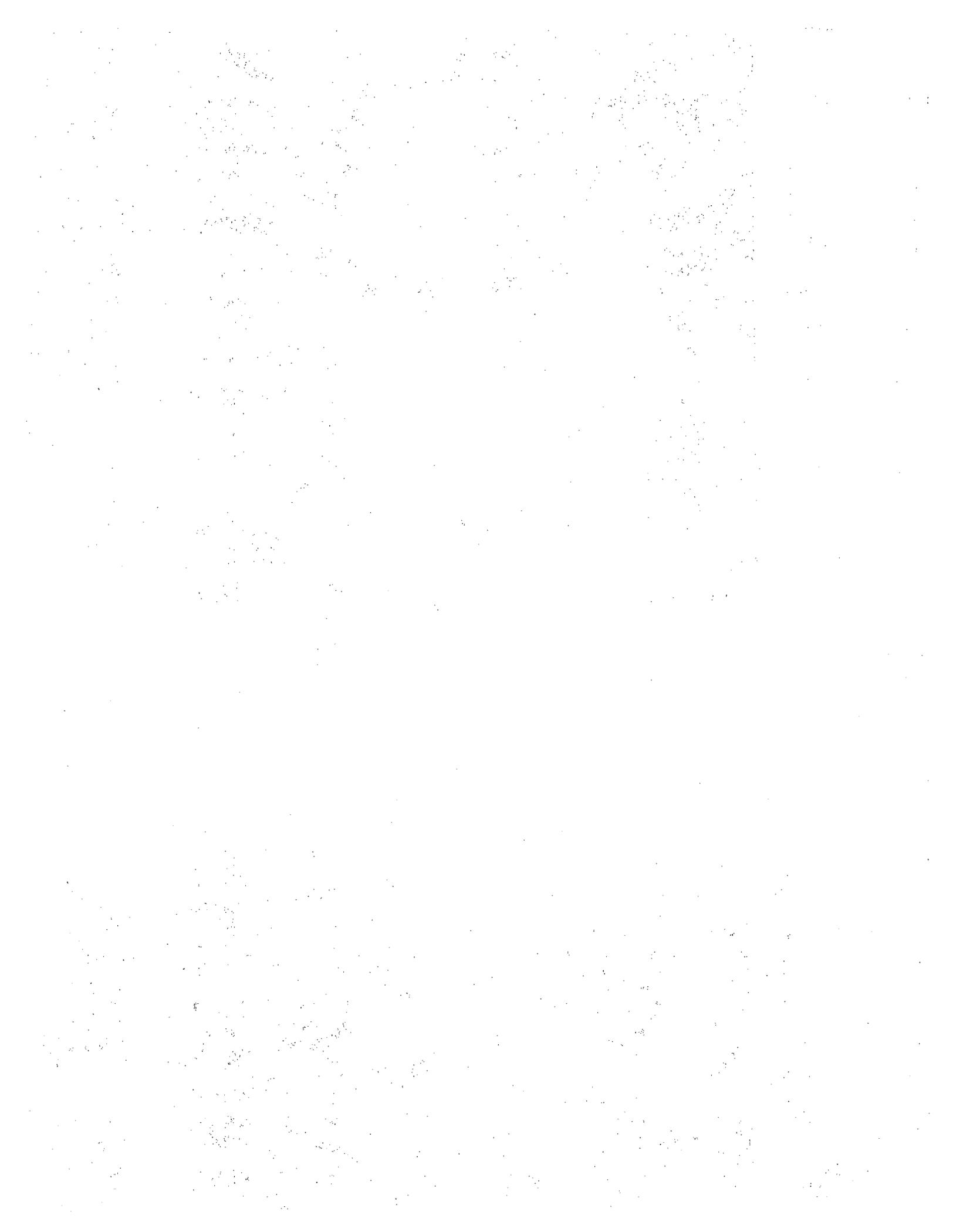
### **Conflict of Interest**

In Organizational Management and Human Resources, we only work for the public entity. We do not do business with employees or specific groups within a public entity. Since Springsted’s founding, clients have relied upon and valued our independent approach on their behalf.

Springsted does business with the City in other areas, in particular with financial services. If we are successful in receiving the work, we will inform our colleagues in Springsted about the work, but we do not engage these individuals in our study. Our work is independent and distinct from the work in the financial services area.

## **VI. Fees**

The estimated cost to conduct the organizational assessment as outlined in this proposal is \$23,000. We estimate that the miscellaneous out of pocket expenses will not exceed \$1,500. We will invoice the City one-half of the cost of the study and expenses incurred to-date following the briefing on the preliminary findings. The balance of the fee and expenses will be billed upon completion of the study.



# CITY OF WILLMAR

Organizational Analysis for the purposes of addressing future concerns of the organization and positioning it for effective decision making and action

Brimeyer Fursman llc

1666 Village Trail E  
Suite 7

Maplewood, MN

55109

651.338.2533

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 PROUD TO BE A  
VETERAN  
OWNED &  
OPERATED  
BUSINESS

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## Introduction and Congratulations

We are delighted to submit a proposal to the City of Willmar to conduct an Organizational Analysis for the purposes of addressing future concerns of the organization and positioning it for effective decision making and action. This proposal takes advantage of a profound, large-scale process designed to scope the organization through internal and external examination including community involvement. I would like to offer “pre-congratulations” to you for taking the time to do a thorough research, assessment, and design before implementing changes to your operations. Aligning with your intent, I propose consulting with the intent to identify the most innovative and successful ways to improve service delivery, efficiency, and effectiveness. To this end, the process is designed to promote key partner involvement and concrete actions through solid research, assessment, and design.

As a local government and corporate organization development consultant specializing in large-scale strategic planning and organization capacity building, I believe that any organization’s future will be based on the discovery and adherence of its shared vision. The involvement of the diverse needs and talent of all key stakeholders is critical to the success of this process and the organization.

## Key Objectives

The call for proposals lists one primary and eight supporting outcomes

### ***Primary outcome***

- Provide information necessary for the City staff and City Council to make decisions on the future of the organization

### ***Supporting Outcomes (deliverables)***

- Review existing organization structure and identify any gaps and/or duplication of services, as well as efficiencies to be gained
- Propose options for a new organizational structure and recommendations on staffing levels, workload and span of control
- Assess the workplace culture including involving employee feedback
- Observe and identify opportunities for intergovernmental cooperation
- Develop a succession review based on length of service of employees with the intent to identify a development of a succession plan for the future
- Make recommendations on the current business practices and processes in place.
- Assess the City’s customer service with the intent of soliciting feedback from a range of community partners
- Assistance with implementation of the approved plan (helping to increase capacity in key stakeholders)

***I would like to propose the following additional outcome the Council and Administrator may wish to consider:***

- Governance modeling for optimal performance from the elected body (facilitated by Dr. Fursman, however, the model is created by the council to reflect their governing principles).
- Design of an evaluation criteria to assess success.

## Project Approach Overview

A key aspect of our approach is the use of participatory processes which engage the members of the organization throughout the project. Research has suggested and our experience has shown that projects are more successful and employee/council/community ownership increases through active participation. Staff and community stakeholders will be encouraged to participate in joint planning and participate in the feedback sessions.

A variety of tools and models will be used during the assessment. All planning efforts and recommendations will be co-developed with the design team and aligned with the objectives of this project and the overall mission, vision and strategic directions of the City.

## Consulting Models

- **Action Research:** The action research model, as described by Rothwell, Sullivan and McClean (1995), will consist of the start-up/planning, assessment and feedback phase, and action planning which will include development of the recommended options to achieve the objective(s) and processes for evaluation.
- **Process Consultation:** We believe that the employment of the process consultation methodology, as developed by Schein (1999), will allow staff the opportunity to become a full partner in the project. This approach requires an awareness and acknowledgement that every interaction is part of the solution.
- **Systems Theory:** This theory provides a “global” view of the organization as a complex, yet adaptive organism of interrelated complex parts. This perspective will guide the development of the assessment efforts, such as interview questions, survey questions, and focus group questions to ensure all facets of the organization have been considered and are in alignment.

## Suggested Phased Approach Overview

The following is a proposed outline for the phases of the process that move from discovery to change management.

- **PHASE 1: Analysis and Process Design:** Obtain an understanding of the current organizational structures and associated challenges, weaknesses and potential improvements.
- **PHASE 2: Participatory Assessment:** Engage city officials, staff and other stakeholders in clarifying the services, and delivery for which the City will maintain responsibility for providing, in order to design the most efficient organizational structure.
- **PHASE 3: Feedback and Alternatives:** Identify the options for administrative and legislative structures required to effectively carry out the functions of the City.
- **PHASE 4: Preliminary Report:** Prepare an Interim Report to the Council, staff, and public to receive comments and answer any questions. The Interim Report will relate the consultant's findings from interviews, records examination, and research.
- **PHASE 5: Final Report:** Deliver a Final Report to the Council and to the public. The Final Report includes structure options, organizational charts, and recommendations to address the issues identified in previous phases, including the implementation plan for the recommendations contained in the report.
- **PHASE 6: Focused Implementation:** Assist with the construction of an implementation strategy and the training of individuals to meet the challenges of the changes.

### Proposed Phased Approach Detail

We understand the critical nature of this project and have developed an approach that will meet the City's needs and complete the project on time. Please note that some of these activities may change after the pre-planning phase has been completed. Our approach currently contains the following features:

#### ***Analysis Planning Meeting***

The analysis phase will be conducted jointly with key stakeholders.

Activities may include:

- Review and confirm/determine project goals, objectives, scope, process and deliverables to set the context of the project and obtain a common understanding of the project.
- Review data collected to date including the current strategic plan or goals.
- Determine decision-making processes.
- Determine data needs and accessibility of that data.
- Conduct exploratory interviews, if applicable.
- Determine data collection methods. The general approach for data gathering will include interviews with the staff, council, and key community stakeholders. Other possible sources will be identified such as commissioners, consultants and County personnel. In some cases focus groups will be used.
- Identify participants of the focus groups and interviews.
- Develop the questions to be used for the interviews and focus groups.
- Develop interview and focus groups schedule logistics.
- Development of a project plan.

### Assessment Phase

The assessment phase consists of data gathering through reviews of existing documentation and survey data, individual interviews, and focus groups. It will also assess the alignment of the organization to its functional needs. It begins with the kick-off meeting with the management team and ends with the delivery and review of a report of findings. The activities in this phase are the following:

- Kick-off meeting preparation and conduct, if applicable.
- Conduct interviews and focus groups with stakeholders identified in the planning meeting.
- Facilitate the understanding of the current state, the ideal state and the existing gap between the current and ideal state (processes, org structures, etc.).
- Review appropriate documentation (flow charts, processes, procedures, policies, job descriptions, employee review processes, strategic plans and initiatives, etc.).
- Capture and analyze documentation and identify common themes.

### Data Findings Report Development

A findings report will be developed, capturing the information obtained through data collection processes. This report will contain both summary and detailed data. The report will be first reviewed with the City Administrator and any designated stakeholders, before being presented to the participants as a whole.

### Feedback & Joint Diagnosis

An important key to obtaining buy-in for any changes hinges on active participation and input into the project, the findings report will be shared with all of the individuals who participated in the focus groups, interviews, and surveys. The feedback groups will have an opportunity to corroborate the data, interpret the meaning of the data, and suggest preliminary recommendations. Following these meetings, a summary feedback report will capture the key themes and suggested recommendations.

### Recommendations Development

Summary feedback information will be used to develop the final recommendations report to be submitted for approval to the appropriate decision makers. Once the report has been reviewed and approved, the information should be communicated throughout the organization.

### Confidentiality & Expectations

- All proprietary information collected during this project will remain confidential.
- All data collected from key stakeholders through interviews, focus groups or surveys will be collated together, and not attributed to any one person.
- It is anticipated that a designated contact will be identified during the analysis phase who will be the main contact for status communication. The purpose of the frequent communication is to check on the status of the assessment and to address any issues or concerns which may arise. The communication can be accomplished by e-mail or via the telephone. If concerns are identified regarding the analysis process, the concern must be communicated to the consulting firm as soon as possible in order to alter the course of action.

### Project Deliverables & Milestones

#### *Project Deliverables*

The following is a list of the major items that are delivered to the customer under this project:

- **Assessment Findings Report** – captures the information from all the data sources (documentation, interviews, focus groups), identifying any gaps, strengths, weaknesses and needs of Willmar’s systems, organization structure, resources and functional relationships.
- **Recommendations Report** – includes recommendations from key stakeholders and Brimeyer Fursman, consultants on next steps needed to optimize systems, organization structure, resources, and functional relationships.

#### *Schedule of Major Milestones*

The project completion will be estimated more closely once meetings with stakeholders are held. The following table estimates the major milestones and dates for this project:

Major Milestone	Date Completed
Project Start	1/28/13
Planning Meetings & Project Plan Completed	2/11/13
Assessment Completed (Interviews & Focus Groups Completed, Documentation Reviewed, etc.)	4/1/13
Findings Report Draft Completed/Reviewed	5/1/13
Recommendations Report Completed	5/21/13
Preliminary Presentation of Recommendations Report	6/1/13
Findings & Recommendations Presented to Council	6/15/13
Implementation (This will be an ongoing process)	

### Critical Success Factors

*Preliminary, critical success factors for this project are:*

- The current state information is accurate
- The ideal state recommendations are creative yet practical based on Mission, Vision, and Strategic Plan (Needs to be buy-in of elected officials, community stakeholders, and staff)
- The gap between the current state and the ideal state is clearly described
- The strategies for transition to the ideal state are well thought out, time tested and useful
- The two reports are produced on time

### Project Management

#### Stakeholders

*The stakeholders are people who will have an interest in its results of this project. Most of the stakeholders will be identified during the planning meeting. The following list contains key roles and responsibilities that are needed in a project.*

### Key Roles & Responsibilities

Role	Person Assigned	Major Responsibilities
City Sponsorship	Administrator City Council	<ul style="list-style-type: none"> <li>• Sets the direction of the project</li> <li>• "Champions" for the project</li> <li>• Ensure the necessary resources are available and issues are resolved in a timely manner</li> <li>• Final project decisions</li> </ul>
Administrative Support	City Staff Person	<ul style="list-style-type: none"> <li>• Main contact to set up the logistics for the interviews and focus groups and documentation sourcing for the consultants</li> <li>• Works closely with the consultants and acts as a conduit between consultants and City for basic support needs.</li> </ul>
Project Manager	Richard Fursman	<ul style="list-style-type: none"> <li>• Responsible for the development of the project deliverables</li> <li>• Staffs the project and assign resources</li> <li>• Coordinates &amp; communicates Project status with the sponsor, stakeholders and customers</li> <li>• Tracks outstanding tasks and issues</li> <li>• Monitors and controls project schedule</li> <li>• Maintains close communication with the project sponsor</li> </ul>
Domain Experts	City Department Heads or Contacts -TDB	<ul style="list-style-type: none"> <li>• Stakeholders who are intimately familiar with operational and business processes within their departments</li> <li>• Responsible for providing the key information about their departments</li> </ul>
Consultants	Richard Fursman, Ima Fursman - TBD	<ul style="list-style-type: none"> <li>• Responsible for evolving and interpreting stakeholder requirements</li> <li>• Resolves conflicts and ambiguities in the project's requirements</li> <li>• Researches, analyzes and builds models</li> <li>• Develops the project deliverables</li> </ul>
Research Advisor	Richard Fursman	<ul style="list-style-type: none"> <li>• Provides advice to the research team based on experience</li> <li>• Reviews results and provides recommendations</li> </ul>

### City of Willmar Participation

Fundamental to the success of any organization change is support from the board and Management. It is anticipated that the City Council will support the process and give the City Administrator every opportunity to explore options that may be in the best interests of the City.

As in any study that requires a characterization of the current state of an organization's service levels and structure, there will have to be significant involvement of the City Staff. Every effort will be made to use existing documentation to minimize intrusion. It might be a good idea for the project sponsor or an administrative person to act as a clearing house for data requests.

After the background research is completed, there will be meetings to confirm our understanding. These will take 1-2 hours but will require little or no preparation on the part of the key stakeholders.

In addition to the involvement in confirming the current state information, the key stakeholders will be involved in meetings or focus groups to determine the ideal state model identification process. This is to ensure that the ideal model can be achieved given any constraints on resources and budget while aligning with the Mission, Vision, and Strategic Plan.

There will also be a presentation meeting at the end of the project for the key participants in the project to review the findings report and create recommendations.

### Communication

The communication planning for this project covers two general areas: communication within the project and communication outside of the project.

*In order to ensure there is good communication within the project the project manager will:*

- Provide status reports to the sponsor and designated stakeholders
- Contact the sponsor immediately if there is a concern that impacts the project

The communication plan outside City Hall will be the responsibility of the City while teaming with the project manager. The communication plan will be outlined in the planning meetings with the sponsor and key stakeholders (Citizens). The goal would be that all of the stakeholders identified earlier get the right information at the right time. There must be clear messages to all stakeholders about the purpose and scope of the project. These people must also be provided avenues for input and be provided with information so that there are no secrets that drive the rumor mill.

*Change happens during the process!*

Change management planning is the conscious effort from the *beginning* and throughout a project to take steps that will minimize the resistance to any changes that may come due to the project. The implementation portion of this will naturally be done after this project is over and the transition begins, but there are still some significant steps that must be taken now to help ensure a smooth transition. Ultimately, there will have to be a good change management plan that includes messaging which:

1. Provides a clear definition of what will be changing due to the study results
2. Communicates the reasons for the change
3. Communicates the story on what will happen if the change is not made
4. Identifies those who will be impacted by the change and what the impact will be on them
5. Develops and maintains strong sponsorship at both executive and other management levels
6. Develops the support of those who are impacted by the change
7. Determines the benefit of the change for those who are impacted by it
8. Creates a strategy for minimizing the resistance to the change by those who are impacted
9. Provides ongoing communication with the sponsors, users and other stakeholders throughout the project and the transition

During the study phase which is this project's focus the key will be to inform the people who might be impacted and keep them tuned in to the what, why and how of this project so they do not view this as a secret effort.

Assumptions

- The City will identify in a timely fashion all of the people on the staff who have critical information and Brimeyer Fursman will have full and timely access to the staff who have the needed information about the current state.
- The City will provide a contact person for timely set up of interviews with key staff and other meetings and presentations.
- The City Management Team will fully support the project to insure its success.
- The external communication effort will be the responsibility of City unless otherwise directed.

## Knowledge Transfer

Retirements and operational changes may result in loss of knowledge that is usually an ongoing concern. The process design is intended to provide the capacity within staff to routinely and effectively draw critical information from exiting employees. This should not be a one-off activity, rather a part of an exit program. The process will begin with a discussion on the following:

- What are the crucial areas of knowledge for our future success as an organization?
  - Of these, which are most valuable?
  - Which are most at risk of loss through staff loss?
  - Which could be easily replaced when lost and which are irreplaceable?"
  
- The second part is to design and train individuals who will be conducting the knowledge retention (KR) program. The building blocks to the program are:
  - For effective knowledge retention, your processes should be integral and supportive of your KM strategy.
  - It's vital to identify exactly what knowledge a person has and high grade it accordingly with their help and input from colleagues.
  - Capturing knowledge from an expert is hard work and it takes skill and practice to uncover the most important knowledge in employees that are leaving.
  - The circumstances under which an employee is leaving will have a direct impact on your knowledge retention capabilities.

## Fees

The following is an estimate of the fees and should be considered to be a close approximation of what the project will cost. A detailed fee structure will be constructed after the initial meeting with the administrator to refine the scope of the project and activities.

Key Activities	Estimated Cost
<b>PHASE 1: Analysis and Process Design</b>	\$2,000
<b>PHASE 2: Participatory Assessment</b>	\$10,000-\$12,000
<b>PHASE 3: Feedback and Alternatives</b>	\$4,500
<b>PHASE 4: Preliminary Report</b>	\$2,500
<b>PHASE 5: Final Report</b>	\$1,500
<b>PHASE 6: Focused Implementation</b>	To be determined based on need and expectations
<b>Other Costs</b>	
Expenses: Additional costs for materials, meals, lodging, travel (mileage) will be billed at cost.	
Fees are estimated using a per hour rate of \$150. Requests for services that are outside the scope described or any activities which require significant time extensions will be billed at an hourly rate of \$150.	

## Consultant Biographies:

### **Dr. Richard Fursman Ed.D.**

Richard is president of Brimeyer Fursman llc. He has conducted several organizational studies for local governments, non-profits, and businesses. Richard has also conducted over 60 executive search assignments which involved organizational diagnosis and skill assessment. Richard has over 25 years of senior management experience in local government, most recently as the City Manager of Maplewood, Minnesota.

Richard earned his Doctorate in Organization Development as well as his Bachelor of Arts in Economics from the University of St. Thomas and his Master of Arts degree in Urban and Regional Affairs from Mankato State University.

Richard is an Adjunct Faculty at the University of St. Thomas. He was awarded the title of Credentialed Manager by the International City/County Management Association. Richard is a past board member of the Minnesota City/County Management Association, a member of Rotary International, and past President of the Minnesota Metropolitan Manager's Association. Richard has conducted numerous strategic planning retreats and consults with municipalities and non-profits on reorganization and change management in the USA and Abroad.

### **Irina Fursman**

Irina Fursman has five years' experience working with government, non-profit and private sector agencies in the United States, where she facilitates visioning, strategic thinking and designs processes to incite change within the organizations and communities. She is an ICA-USA Certified ToP® Facilitator, ICA Qualified Facilitation Trainer and an Associate of ICA-USA. Ms. Fursman belongs to the Minnesota Facilitators Network, International Association of Facilitators, ToP Trainers Network, Minnesota and National Organization Development Networks, and an associate member of Alliance for Innovation.

Irina has been active with several sustainable community development and civic engagement projects where she utilizes her skills to bring multiple perspectives together to create strategic plans and move towards positive action. Some of her clients include communities in Minnesota, Iowa, South Dakota, Nebraska, Wisconsin, Illinois, and Texas along with the Region of Bar, City of Boryspil, Kyiv Region and Kherson Region, Ukraine; as well as non-profit organizations and businesses in Twin Cities (including recent projects with Eureka Recycling, Minnesota Immigrant Freedom Network, YWCA, Ashoka, AmeriPride, Risdall Marketing Group, Hennepin County Medical Center, Hinckley Casino, Medtronic, etc.)

Ms. Fursman holds a M.S. in Mathematics and Computer Science, with the Major in Education from the Tavrida National University, Crimea, Ukraine, and is currently enrolled in a Doctoral Program in Organization Development through the School of Professional Psychology at the University of St. Thomas.

## References

**Professor Volodymyr Salamatov**

Public Administration Professor

*Organization Analysis for City of Vasilkiev (Population 50,000) (2009)*

National Academy of Public Administration

20, Ezhena Pottier St.

03057 Kyiv, Ukraine

Kiev, Ukraine

Email: [v.salamatov@fulbrightmail.org](mailto:v.salamatov@fulbrightmail.org)

Phone: +3 (8044) 456-4258

**City Manager James Verbrugge**

Manager City of Brooklyn Park

*Organization Review and Restructure (2009 – 2010)*

5200 85<sup>th</sup> Ave North

Brooklyn Park, MN 55443

Email: [jamie.verbrugge@brooklynpark.org](mailto:jamie.verbrugge@brooklynpark.org)

Phone: (763)493-8001

**City Administrator Mitch Berg**

Administrator of Bayport, Minnesota

*Organization Review and Restructure (2011)*

294 North Third Street

Bayport, MN 55003

Email: [mberg@ci.bayport.mn.us](mailto:mberg@ci.bayport.mn.us)

Phone: (651)275-4404



### **Organization Development & Community Engagement Clients (2010– 2012) *Partial list***

- City of Vasilkiv, Ukraine – Organization Analysis
- NAUKMA University – Reorganization of Economics Department
- City of Brooklyn Park, MINNESOTA- Organization Alignment, Employee and Civic Engagement
- City of St. Paul: Fire Department Organization Study
- City of St. Anthony, MINNESOTA – Strategic Planning
- Barron County, WISCONSIN – Countywide Visioning Process
- City of Eveleth, MINNESOTA, Economic Development Authority Strategic Planning
- Senior Community Services, Wayzata (non-profit) – Org Review and CFO Recruitment
- City of Falcon Heights: MINNESOTA Human Rights Commission
- City of Edina, MINNESOTA: Environmental Commission Strategic Planning
- City of Norfolk, NEBRASKA – City Strategic Planning
- City of Oak Park Heights, MINNESOTA- Board Governance
- City of Victoria, MINNESOTA: City Council Goal Setting
- City of Roseville, MINNESOTA: Human Rights Commission, Board Development
- City of Medina, MINNESOTA – Leadership Transition Program
- City of West Des Moines, IOWA – Strategic Planning
- City of Boryspil, Ukraine – Civic Engagement and Strategic Planning
- City of Wyoming, MINNESOTA – Strategic Planning
- City of Worthington, MINNESOTA – Community Engagement & Strategic Planning
- City of Montrose, MINNESOTA – Strategic Planning
- City of Crystal, MINNESOTA – Employee Effectiveness and Team Building
- City of Bayport, MINNESOTA – Employee Effectiveness, Strategic Planning, Organization Analysis, Performance Evaluation
- City of St. Cloud, MINNESOTA: Economic Development Authority Strategic Planning
- Hennepin County, MINNESOTA – Medical Center, HR Department Formation
- Ramsey County, MINNESOTA – Health Department , Energy Assistance Initiative – Action Planning
- Geneseo, Illinois – School District – Facilitation Training, Community Engagement
- City of Electra, TEXAS – Strategic Planning, Community Engagement
- City of Robbinsdale, MINNESOTA – Strategic Planning, Board Development
- City of Hopkins, MINNESOTA – Civic Engagement
- City of Chaska, MINNESOTA – Downtown Master Plan, Consensus Building
- City of Golden Valley, MINNESOTA – Human Rights Commission Participatory Assessment
- Medtronic – HR Department Training
- Hinckley Casino – HR Department Training (facilitation and employee engagement)
- Hennepin County, MINNESOTA – HR Department Training (facilitation and employee engagement)
- City of Cloquet, MINNESOTA – Strategic Planning
- City of Prairie City, IOWA – Strategic Planning



Responses to Compensation and Classification Study		Springsted	Public Sector Personnel Consultants	Bjorklund Compensation Consulting
Cost	\$	12,500.00	\$15,000	\$26,200
Other Expenses	\$	1,250.00	\$1,500	Not stated
Project Approach		Through Methodology, Familiar with Pay Equity, Involvement of Employees, Union Reps.	Understands scope of work, good methodology	Similar methodology
Similar Experience		Excellent, multiple projects of similar size and scope	Communities of Marshall, Hutchinson	More experience with school districts that municipalities
Familiarity with City of Willmar		Conducts Pay Equity for City of Willmar, understands relationships of Rice and MUC	More limited, but has worked with similar size communities.	Not familiar
Timeframe		4 months from start up, 3 week ramp up	3 months	4 to 5 months
Project Manager		Ann Antonsen/Becca Edberg	Matthew Weatherly	
Office		St. Paul, MN	St. Paul, MN	Eden Prairie, MN
Comments		Familiar with the City and current pay and class system, understands dynamics of pay equity with other entities.	Larger team working on the project, less familiar with Willmar and component entities, does provide 1 year of support following the study	Much higher cost, less municipal experience.
Other Firms				
Fox Lawson		No Response		
Benjamin HR Consulting		No Response		
Hay Group		No Response		



Springsted

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LETTER OF TRANSMITTAL

January 8, 2013

Ms. Charlene Stevens, City Administrator  
City of Willmar  
333 SW 6<sup>th</sup> Street  
P.O. Box 755  
Willmar, Minnesota 56201

Re: **Request for Proposal to Provide a Compensation and Classification Study**

Dear Ms. Stevens,

Springsted Incorporated is pleased to submit our proposal to conduct a Compensation and Classification Study for the City of Willmar.

Our firm has assisted numerous jurisdictions in Minnesota and throughout the United States in addressing their classification, compensation and human resources issues, and in performing specialized management studies. We have created an extensive management consulting services practice that provides in-depth study and analysis on a variety of topics. Springsted has the staff, facilities and expertise to furnish the services required for this study.

The qualifications of our firm are discussed in this proposal along with a detailed scope of services, study methodology, project time frame, resumes of the consulting team and list of client references.

We look forward to working with the City of Willmar and its employees on this important project.

Respectfully submitted,



Ann S. Antonsen, Vice President  
*Consultant*

kmd

**COPY**

Public Sector Advisors

**City of Willmar, Minnesota  
Proposal to Provide  
a Compensation and Classification Study**

**A. References of Municipalities in the State of Minnesota**

Springsted has completed comprehensive classification and compensation studies for the following cities within the last 5 years.

City of Becker, Minnesota  
Mr. Greg Pruszsinske  
City Administrator  
763-261-4302

City of Sauk Centre, Minnesota  
Ms. Vicki Willer  
City Administrator  
320-352-2203

City of Bemidji, Minnesota  
Mr. John Chattin  
City Manager  
218-759-3565

City of Waite Park, Minnesota  
Ms. Shaunna Johnson  
City Administrator  
320-252-6822

City of Cloquet, Minnesota  
Mr. Brian Fritsinger  
City Administrator  
218-879-3347

City of New Hope, Minnesota  
Mr. Rich Johnson  
Human Resources Manager  
763-531-5115

City of Dayton, Minnesota  
Ms. Erin Stwora  
Assistant to the City Administrator  
763-427-4589

City of Moorhead, Minnesota  
Ms. Jean Thompson  
Human Resource Director  
218-299-5166

In addition, Springsted has conducted studies for the following:

- City of Buffalo
- City of Baudette
- City of Centerville
- City of Grand Rapids
- City of Isanti
- City of Lake Elmo
- Le Sueur County
- City of North St. Paul
- Pope County
- City of Prior Lake
- Waseca County
- Yellow Medicine County

Springsted is in the process of conducting studies for the following:

- City of Coon Rapids
- City of Crystal
- Renville County
- City of New Brighton
- Todd County
- Wabasha County

Springsted Incorporated has been providing classification, compensation and benefits consulting services for approximately 25 years. We work specifically for local government entities, including Cities, Counties, Towns, Public Agencies and some Non-Profit organizations. We have provided these services for a wide range of public sector organizations, from those with fewer than 10 employees to those with more than 3,000 employees. In 2009 through 2011, we completed close to 90 classification and compensation projects and in addition started and completed multiple compensation and classification projects in 2012 in various locations throughout the United States, including Wisconsin, Minnesota, Virginia, North Carolina, South Carolina, Georgia and Tennessee. Springsted can provide a comprehensive listing of classification and compensation projects upon request.

## **B. Names and Relative Backgrounds of Personnel**

Springsted will assign a consulting team with extensive experience in classification and pay, human resources management, organizational and productivity improvement, financial management and municipal operations. All consulting team members have excellent academic credentials and hands-on local government and human resources management experience. A Vice President of the firm will be available throughout the engagement and actively involved in all phases of the study.

**Ann S. Antonsen**  
*Vice President and Consultant*



Ms. Ann Antonsen will serve as the project manager and the City's primary contact for this project. She will coordinate the Springsted project team to ensure that all work products meet the City's needs and objectives. Ms. Antonsen is a consultant with a strong background in organizational management and human resources that she uses effectively in developing position analyses, classification and compensation studies, performance evaluation studies and in conducting executive search efforts for the public sector. She also specializes in performing organizational studies, developing personnel policies and manuals and in conducting organizational management training sessions.

**Rebecca J. "Becca" Edberg**  
*Project Manager*



Ms. Becca Edberg joined Springsted's Management Consulting Group in the fall of 2008. She has a human resources generalist knowledge base, specializing in classification and compensation studies, performance evaluations, executive search and benefits review. Ms. Edberg has a degree in Human Resources Management from Winona State University in Minnesota and is a certified human resources professional.

## C/D. Approach to the Development of the Compensation System and the Facilitation of Employee Involvement

Springsted is pleased to submit this proposal to develop, design and implement a classification and compensation system for the City of Willmar. The City's current job evaluation and compensation system was reviewed and updated in 2001. There have been changes in position classifications in the last several years along with changes in the compensation levels of individual City positions.

Springsted will conduct a study of the City's approximately 58 positions (covering 100 full-time. Plus seasonal employees, both unionized and non-represented employees). Springsted will assist the City in developing a classification and compensation system which meets the goals established by the City and that can be maintained by the City. The system Springsted will develop will:

- comply with Minnesota Statutes 471.991-471.999;
- establish fair and equitable compensation relationships between positions within the City;
- reflect relevant market conditions outside the organization;
- apply to all City positions professionally, consistently and objectively;
- include employee input and participation as an integral part of the study process; and
- provide a strategic plan for implementation and ongoing maintenance in accordance with best practices.

Our experience and project approach takes into consideration two key variables: *process credibility* and *outcome credibility*. Process credibility is the realization to all involved, in particular the staff that the methodology used is credible, reasonable and fair to all concerned. In addition, the information and communication must be transparent, honest and timely. Outcome credibility is the realization that the information and data used to develop the findings and conclusions is comprehensive, complete and applied consistently and appropriately without bias or preference to any particular person, persons or individual agenda. If these two objectives are realized, the recommendations, outcomes and future implementation are on a strong foundation. This distinction is unique in our business and is a contributing factor to the benefits and strengths of the Springsted team.

The proposed project approach and study methodology are outlined below. The scope of services, tasks and staffing necessary to successfully complete this project are discussed in subsequent sections of this proposal. The project approach was developed to include employee and management involvement and communication as requested by the City of Willmar. Springsted is willing to adjust any aspect of this study to respond to the City's needs.

### 1. Project Initiation

The Springsted Project Director will meet with the City designated project manager for this project, and other appropriate personnel to establish working relationships and to finalize a comprehensive work plan and timetable. At this meeting, we will request that the project manager provide us with the background materials necessary to conduct this study, including current job descriptions, classification and compensation documents, a copy of each labor agreement currently in effect, the City's personnel policies, fringe benefit information and other relevant data. This information will be evaluated to determine the status of existing human

resource management programs and to identify apparent issues and opportunities. The purpose of the meeting is to:

1. Introduce the Project Director and the consulting team;
2. Discuss the background and experience of Springsted and the consulting team;
3. Discuss, in detail, the methodology to be used in conducting the study, the role of the consulting team and management and employees and the amount and type of employee participation;
4. Ascertain the major issues the City wants the study to address;
5. Review the project schedule and determine significant milestones;
6. Determine the frequency and content of status reports; and
7. Discuss methods of communicating the status of the study to employees.

In order to assess the existing Compensation Plan, Springsted will meet individually with department heads to become familiar with department structure and service levels, staffing levels, hiring and retention issues, any concerns with the current compensation plan and any other issues that may need to be addressed during the course of the study.

## **2. Data Collection**

Employees play a major role in providing the data needed for this study. Therefore, it is imperative that employees receive information about the study and why it is being conducted, be given opportunities for employee involvement throughout the process, learn the expected outcomes, as well as have the opportunity to ask questions and express concerns.

Springsted will conduct employee informational meetings to introduce the study, explain study procedures and answer any questions employees may have about the process. These meetings will be scheduled and conducted to ensure that all employees have the opportunity to attend and so as not to disrupt the operations of the City. Union representatives will be invited to attend these meetings to ensure that they are familiar with the study and have the opportunity to ask questions regarding the study.

Employees will receive a Position Analysis Questionnaire (PAQ) at this time; an electronic version of the PAQ will also be available. The questionnaire provides an opportunity for each employee to describe their job duties, responsibilities and essential functions in detail, the required knowledge, skills and abilities and provide input on education, training, certifications, licenses and experience requirements of the position and provide input on the various job factors which apply to their position. Employees will also identify the specific physical requirements and working conditions of their position to assist in the consultant's review for compliance with the Americans with Disabilities Act. Springsted will spend time at the meeting reviewing the PAQ and responding to employee questions.

During the informational meeting, we will also explain the supervisors' role in completing and signing off on the PAQs. The questionnaire is designed to allow supervisors to provide information and comment on employee responses without altering employee responses. This allows the consultant to review complete, unedited responses from employees and supervisors. In instances where the employee and supervisor view the position requirements differently, Springsted will

conduct job audits to obtain more information. Audits will be scheduled to minimize disruption to City operations. If necessary, meetings can be scheduled at the beginning or end of a shift to facilitate employee attendance.

### **3. Preliminary Classification and Position Descriptions Review**

Upon receipt of the completed PAQs, Springsted will review the information provided by employees and their supervisors. Based on the information provided, Springsted will make recommendations for any changes in existing job descriptions, creation of new job descriptions and any revisions in the physical requirements and working conditions which may be necessary to assure compliance with the Americans with Disabilities Act. At this time, we will also review each position's designation under the Federal Fair Labor Standards Act.

Revised and proposed job descriptions will be submitted to the City for review and comment. Springsted will make modifications to the descriptions as deemed appropriate. Any disputed content in job descriptions will be presented to the City's project manager for resolution.

### **4. Market Survey and Development of Pay Plan**

In order to determine appropriate salary levels of positions in the workforce and to address the issue of comparable compensation, Springsted will conduct a comprehensive salary and benefits survey to compare City positions with analogous positions in other comparable agencies in the area labor market. By gathering and analyzing information on wages, wage equivalents and benefits, a comparison of total compensation can be reviewed in comparison to the City's established market area. External market comparisons for positions will be based on similar organizational structure, population, geographic location, job responsibilities, scope of authority, financial, socio-economic, growth and other relevant factors. The study team will consult with City management and designated staff in identifying the appropriate sources of survey data. Springsted will develop the salary survey in conjunction with the City.

It is recommended that potential survey data pertain to organizations comparable to City of Willmar, relate to those organizations with which the City is competing for employees and represents the appropriate labor market.

There are different labor markets for positions. Some positions are recruited from the local area, while others are recruited regionally and/or nationally. The consulting team will work closely with the staff in determining the appropriate labor market for positions.

While salary survey data will assist the City in establishing its position in the competitive market, job evaluation is the mechanism that ensures that internal relationships are equitable and in compliance with the Minnesota Local Government Pay Equity Act. The City, along with the Hospital and Utility utilize the Hewitt System for evaluating positions. Under the Local Government Pay Equity Act, all three entities must utilize the same job evaluation system.

Based on the wage and benefits data analysis and the job evaluation system, Springsted will develop a recommended compensation plan. The plan will be developed in accordance with information obtained from the City regarding its pay philosophy as well as goals and objectives established for its compensation program, including the option for a performance based

component. In the development of the proposed compensation plan, Springsted will attempt to equal the market rate for all positions and identify any deviations from the market rate in writing in the Final Report prepared for the City. Springsted will review options with the City to address compensation plan structure, the spread for pay ranges, the relationship between ranges and adjustments needed to ensure that the City remains competitive with the labor market.

## **5. Development of City's Compensation Policy**

A pay philosophy guides the design of a compensation system and answers key questions regarding pay strategy. It generally takes a comprehensive, long term focus and explains the compensation program's goals and how the program supports the employer's long-range strategic goals. Without a pay philosophy, compensation decisions tend to be viewed from a short-term tactical standpoint apart from the organization's overall goals.

Market competitiveness and internal equity are among the most important areas addressed in a pay philosophy. An organization's desired market position involves defining the market and identifying where the organization wants to be positioned within that market. Market position should balance what it takes to attract new employees and retain skilled employees (in other words, eliminate higher pay as the reason employees leave the organization) with the organization's financial resources. Internal equity expresses an organization's desire to provide comparable pay to positions with comparable duties and responsibilities.

A pay philosophy should be developed that establishes a compensation program based on individual employee performance as a key feature of the pay philosophy. Therefore, we emphasize references to performance in the pay philosophy discussion. As part of the study, it is recommended that the City consider these concepts in the adoption of a formal pay philosophy:

- Providing fair and equitable rates of pay to employees;
- Defining the City's market area;
- Developing a system that establishes a "market rate" for each position and states the minimum wage and maximum rates that the City will pay individuals within a position;
- Establishing rates of pay that allow the City to compete successfully for new employees within its market area;
- Establishing a market position that is fiscally responsible with public resources;
- Ensuring that pay rates for existing employees are based on individual performance that meets or exceeds expectations and reflects changing economic conditions;
- Developing a compensation system that allows employees to progress through the pay range as long as their performance consistently meets expectations;
- Developing pay administration policies and procedures that ensure their consistent application between departments; and
- Ensuring that the compensation program is understandable to employees, supervisors, managers, the City Council and the public.

## **6. Employee Communications**

Springsted will develop a communications strategy to inform employees of job evaluation and pay grade assignments. Employee communications will be developed explaining the study methodology, employee input opportunities, study recommendations and the process used for reviewing requests for reconsideration by employees who do not agree with the assigned classification. The consultant will participate in the review of employee requests for reconsideration.

## **7. Implementation Strategy**

Springsted will propose a plan to implement the study recommendations that coincides with the financial and budgetary requirements of the City of Willmar and the needs of employees. An estimate of the cost of implementation will be provided. The consultant will ensure that the new plan is in compliance with the requirements of the State of Minnesota Local Government Pay Equity Act.

## **8. Staff Training**

At the conclusion of the study, Springsted will train members of the staff in the methodology used to develop, maintain and update all aspects of the compensation plan, and how to determine the validity of requests for reclassification. The training program will include the rating, ranking and salary grade assignments of positions. Instruction manuals pertaining to the job evaluation system will be prepared and presented. The Springsted team will remain available to the staff for additional consultation after the study has been completed.

## **9. Final Report**

The final report will be a document containing the following:

- Detailed study methodology;
- Discussion of the consulting team's findings, conclusions and recommendations regarding proposed changes in job descriptions, salary structure, compensation philosophy, pay and compensation mechanisms, estimated cost and implementation plan;
- List of positions and the assignment of each to a salary grade;
- Identification of positions that are exempt from FLSA overtime requirements;
- Salary and benefits survey results; and
- Status under the State of Minnesota Local Government Pay Equity Act.

Springsted staff will meet with designated City officials to present and explain the findings outlined above at a time designated by the Project Director.

Copies of study documents will be provided in both written (in a number to be identified by the City) and electronic form.

## **10. Post Contract Maintenance**

Springsted Incorporated can provide ongoing assistance to clients after completion of a classification and compensation study. Post-contract maintenance services include assisting the City with development of new or revised job descriptions, assignment of positions to the

classification plan, determining the FLSA status of a new or revised position. Springsted can also assist the City in preparation and submission of its next Minnesota Pay Equity report.

Springsted will assist the City in the revision or development of policies and procedures for administering and maintaining the classification and compensation plan, including policies concerning requests for reclassifications, compensation plan administration and adjustments and how employees move through the adopted wages schedule.

## E. Timeline

### Timeline

Springsted takes pride in meeting its time commitments. The schedule to commence this project coincides with Springsted's completion of other studies. This will ensure that the proposed staff members will be available to concentrate on this study for the City of Willmar. Springsted is prepared to initiate the study within three (3) weeks after receiving the official notice to proceed, and will complete the study within four (4) months of the date of award.

There are factors that impact upon meeting the schedule that are beyond the consulting team's control. The proposed time frame is contingent upon a timely decision, the receipt of the data from the survey participants when requested, the availability of employees to complete position analysis questionnaires and participate in interviews and the timely receipt of feedback and comments on the submitted preliminary data.

## F. Proposed Fees

Springsted Incorporated will perform the tasks as outlined in this proposal for the professional fee of \$12,500. In addition to the professional fee, Springsted would bill the City for out-of-pocket expenses such as travel, copying, etc. in an amount not-to-exceed \$1,250. This fee includes 58 positions, employee orientation sessions, individual meetings with Department Heads and one meeting with City Council members, as well as required meetings with City administration and three implementation options.

### Additional Work/Post Contract Maintenance

Additional or expanded work beyond the scope of this proposal requested by the City will be billed at a rate of \$195 per hour. Ongoing contract maintenance, requested by the City, would be billed at our then current hourly rates.

### Payment Schedule

The payment schedule for the services outlined in this proposal will be as follows:

Payment Schedule	
Completion of employee orientations	15%
Delivery of classification and compensation plan	50%
Delivery of final report	100%



**PROPOSAL TO CONDUCT A  
CLASSIFICATION AND COMPENSATION STUDY**

**FOR THE**

**CITY OF WILLMAR**

**JANUARY 2013**

PROPOSAL PREPARED BY:



**PUBLIC  
SECTOR**  
**PERSONNEL  
CONSULTANTS**

Regional Office:  
1043 Grand Avenue #321  
St. Paul, MN 55105  
(888) 522.7772  
[www.compensationconsulting.com](http://www.compensationconsulting.com)

# QUALIFICATIONS TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY FOR THE CITY OF WILLMAR

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**PROPOSAL TO CONDUCT A  
CLASSIFICATION AND COMPENSATION STUDY  
FOR THE CITY OF WILLMAR**

**COVER LETTER**



January 4, 2013

Ms. Charlene Stevens  
City Administrator  
City of Willmar  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201

Dear Ms. Stevens and Selection Team:

Pursuant to your RFP, we are pleased to submit our proposal to assist the City with a Classification and Compensation Study. We specialize in this field, and have implemented similar studies for more than 1,000 public employers throughout the US, including more than 325 municipal governments. Current and recently completed studies include those for the City of Marshall, Great River Regional Library (St. Cloud), the City of West Fargo (ND), the City of Bismarck (ND), and the City of Minot (ND).

We believe our firm, in business for more than 30 years, is uniquely qualified for this study. We will utilize only full-time, certified Human Resources professionals for the study, with combined greater than 100 years of experience in the fields of human resources, compensation, and labor relations.

Our proposed approach will be customized to meet the City's needs. We are confident that our extensive public employers classification and compensation experience, knowledge of public employers in California, large specialized and highly qualified full time staff, proven methods, unique **EZ COMP™** application to ensure your self-sufficiency, and one year of implementation support and assistance at no cost; will achieve all of the City's objectives for an important project of this nature.

We have carefully reviewed and take no exceptions to any stated or implied conditions or requirements. Our proposal remains valid for not less than 90 days.

We appreciate the City's consideration of our proposal. I will be your primary contact for this submittal, act as our firm's responsible agent with authority to bind our firm, and below is my contact information. We would welcome the opportunity to further present our qualifications and interest in person should that assist the City with this important decision.

Sincerely,

Matthew Weatherly  
President

(888) 522-7772 PH  
(480) 970-6019 FX  
[mweatherly@compensationconsulting.com](mailto:mweatherly@compensationconsulting.com)

cc: Wayne Brede, Vice President, PSPC-St. Paul

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**PROPOSAL TO CONDUCT A  
CLASSIFICATION AND COMPENSATION STUDY  
FOR THE CITY OF WILLMAR**

**REFERENCES AND QUALIFICATIONS OF OUR FIRM**

*CLIENT REFERENCES*

*HISTORY AND FACTS ABOUT OUR FIRM*

*LIST OF RECENTLY COMPLETED MUNICIPAL PROJECTS*

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***PUBLIC SECTOR PERSONNEL CONSULTANTS***

## REPRESENTATIVE CURRENT/COMPLETED PROJECT REFERENCES

Following is a sample of local governments that are representative of the more than 1,000 public employers for whom we have provided position classification, FLSA determination, job description, job evaluation, compensation survey, and compensation plan development.

### PSPC References

#### **MARSHALL, CITY OF, MN**

Ms. Sheila Dubs, HR Coordinator  
34 W. Main Street  
Marshall, MN 56258  
(507) 537-6790  
[Sheila.Dubs@marshallmn.com](mailto:Sheila.Dubs@marshallmn.com)

FY 2012-2013 Compensation Study

#### **BISMARCK, CITY OF, ND**

Mr. Terry Czosnek, Human Resources Generalist  
221 N. 5<sup>th</sup> Street  
Bismarck, ND 58508  
(701) 355-1333  
[tczosnek@nd.gov](mailto:tczosnek@nd.gov)

Annual Compensation Survey and Plan Updates  
FY 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013  
2005 – Staffing Needs Analysis Study

#### **BELTON, CITY OF, MO**

Mr. Brad Foster, Assistant City Manager  
506 Main Street  
Belton, MO 64012  
(816) 331-4331  
[brad@belton.org](mailto:brad@belton.org)

Position Classification and FY 2010 Compensation Plan

#### **OAK BROOK, VILLAGE OF, IL**

Mr. Blaine Wing, Assistant Village Manager  
1200 Oak Brook Road  
Oak Brook, IL 60523  
(630) 368-5022  
[bwing@oak-brook.org](mailto:bwing@oak-brook.org)

Position Classification and FY 2012 Salary Plan

#### **BOZEMAN, CITY OF, MT**

Mr. Chris Kukulski, City Manager  
411 E. Main Street  
Bozeman, MT 59715  
(406) 582-2300  
[CKukulski@BOZEMAN.NET](mailto:CKukulski@BOZEMAN.NET)

FY 2012, 2011 and FY 2007 Salary Surveys

### Wayne Brede / Jim Laumeier References

#### **LITTLE FALLS, CITY OF, MN**

Ms. Lori Kasella, Finance Officer  
100 NE 7<sup>th</sup> Avenue  
Little Falls, Minnesota 56345  
(320) 616-5500  
[lkasella@cityoflittelfalls.com](mailto:lkasella@cityoflittelfalls.com)

FY 2008 Classification and Compensation Study

#### **BLUE EARTH, CITY OF, MN**

Mr. Ben Martig, City Administrator (Now at City of Marshall)  
125 W. 6<sup>th</sup> Street  
Blue Earth, MN 56013  
(507) 537-6760 (Marshall, MN)  
[ben.martig@marshallmn.com](mailto:ben.martig@marshallmn.com)

FY 2007 Classification and Compensation Study

#### **MOUNDS VIEW, CITY OF, MN**

Ms. Desaree Crane, Assistant City Administrator  
2401 County Road 10  
Moundsview, Minnesota 55112  
(763) 717-4000  
[DesareeC@ci.Mounds-view.mn.us](mailto:DesareeC@ci.Mounds-view.mn.us)

FY 2006 Classification and Compensation Study

#### **BAUDETTE, CITY OF, MN**

Ms. Tina Rennemo, Clerk-Treasurer  
PO Box 548  
Baudette, Minnesota 56623  
(218) 634-1850  
[tinar@ci.baudette.mn.us](mailto:tinar@ci.baudette.mn.us)

FY 2008 Classification and Compensation Study

#### **HUTCHINSON, CITY OF, MN**

Ms. Brenda Ewing, HR Director  
111 Hassan Street SE  
Hutchinson, MN 55325  
(320) 234-4313  
[bewing@ci.hutchinson.mn.us](mailto:bewing@ci.hutchinson.mn.us)

FY 2011 Classification and Compensation Study

## PUBLIC SECTOR PERSONNEL CONSULTANTS HISTORY AND FACTS ABOUT OUR FIRM

- **HISTORY OF OUR FIRM**

*Public Sector Personnel Consultants (PSPC)* originated in 1972 with the Public Sector Group of the international human resources consulting firm of Hay Associates. *PSPC* was established as an independent firm in 1982. We are a single-owner, debt-free subchapter-S corporation.

- **REGIONAL STAFF**

We have regional offices or affiliates in St. Paul, Chicago, IL, Denver, CO, Tempe, AZ, Los Angeles, CA, San Diego, CA, Sacramento, CA, Austin, TX, Columbus, OH, Dallas, TX, Kansas City, MO, MN, Santa Fe, NM, and Seattle, WA.

- **SPECIALIZED IN COMPENSATION SERVICES**

We are "super-specialists" in compensation, providing services in job analysis, position classification, job content evaluation, compensation, and directly related services. *Over 98% of our classification and compensation studies have been successfully implemented by our clients.*

- **SPECIALIZED IN PUBLIC SECTOR CLIENTS**

We provide services exclusively to public sector employers including municipalities, counties, utility districts, library districts, special districts, state governments, housing and redevelopment agencies, airport authorities, school districts, higher education, and tribal governments.

- **SPECIALIZED COMPENSATION STAFF**

Our staff is comprised of eight (8) full time and an additional five (5) part time senior human resources professionals with very extensive experience as compensation managers and consultants for public employers. Our staff has more than 100 years of combined experience working for and consulting to public sector employers.

- **OVER 1,000 PUBLIC EMPLOYERS SERVED**

Our staff members have provided compensation, human resources, training and related consulting services to more than 1,000 public and 200 private employers throughout the U.S.

- **AMERICAN COMPENSATION ASSOCIATION PARTICIPATION (ACA) (NOW WORLDATEWORK)**

Our consultants are active members of ACA, including serving as instructors for the ACA certification courses.

- **SPECIALIZED COMPENSATION AND RELATED RESOURCES**

We utilize our *EZ COMP™* salary survey and plan program, modified *FES* point-factor job evaluation system, *AEP™* performance evaluation plan, and *SNAP™* staffing needs analysis program.

- **FIRST YEAR IMPLEMENTATION WARRANTY**

We provide our clients with extensive implementation support during the first year, and we will analyze, evaluate, classify, and provide a salary range recommendation for any new or changed position or entire job class, at no additional cost.

## RECENT MUNICIPAL PROJECTS COMPLETED / IN PROGRESS

### Public Sector Personnel Consultants

Alice, City of, TX	Flagler Beach, City of, FL	Palestine, City of, TX
Apple Valley, City of, CA	Fort Collins, City of, CO	Pacific Grove, City of, CA
Ardmore, City of, OK	Fox Chapel, Borough of, PA	Pomona, City of, CA
Balcones Heights, City of, TX	Franklin Park, Borough of, PA	Pearland, City of, TX
Banning, City of, CA	Fresno, City of, CA	Pine, Township of, PA
Baytown, City of, TX	Frisco, City of, TX	Pinetop-Lakeside, Town of, AZ
Benbrook, City of, TX	Galveston, Port of, TX	Pinellas Park, City of, FL
Belton, City of, MO	Georgetown, City of, TX	Port Neches, City of, TX
Berthoud, City of, CO	Gillette, City of, WY	Prescott Valley, Town of, AZ
Bismarck, City of, ND	Glenwood Springs, City of, CO	Prescott, City of, AZ
Bloomington, Borough of, NJ	Grand Forks, City of, ND	Prosper, Town of, TX
Boonville, City of, MO	Grapevine, City of, TX	Provo, City of, UT
Borough of Fox Chapel, PA	Great Falls, City of, MT	Queen Creek, Town of, AZ
Bosque Farms, Village of, NM	Gunnison, City of, CO	Redwood City, City of, CA
Bothell, City of, WA	Haltom City, City of, TX	Rialto, City of, CA
Bozeman, City of, MT	Hemet, City of, CA	Rio Rancho, City of, NM
Brighton, City of, CO	Henderson, City of, NV	Rockwall, City of, TX
Buckeye, Town of, AZ	Hobbs, City of, NM	Rowlett, City of, TX
Burbank, City of, CA	Horseshoe Bay, City of, TX	Sacramento, City of, CA
Calabasas, City of, CA	Huntington Beach, City of, CA	Safford, City of, AZ
Camarillo, City of, CA	Indian Wells, City of, CA	Sahuarita, Town of, AZ
Camp Verde, Town of, AZ	Inglewood, City of, CA	San Angelo, City of, TX
Carrollton, City of, TX	Lake Havasu City, AZ	San Clemente, City of, CA
Carrizo Springs, City of, TX	Lakeway, City of, TX	San Juan Capistrano, City of, CA
Casa Grande, City of, AZ	Lamar, City of, CO	San Luis, City of, AZ
Centralia, City of, MO	Las Cruces, City of, NM	Schertz, City of, TX
Chino, City of, CA	League City, City of, TX	Seaside, City of, CA
Chino Valley, Town of, AZ	Libertyville, Village of, IL	Shaler, Township of, PA
Colleyville, City of, TX	Lincoln, City of, OR	Shavano Park, City of, TX
Colstrip, City of, MT	Longview, City of, TX	Solina Beach, City of, CA
Commerce, City of, CA	Los Lunas, Village of, NM	South Padre Island, TX
Community Assoc. of Woodlands, TX	Marana, Town of, AZ	Spokane, City of, WA (Library)
Compton, City of, CA	Maricopa, City of, AZ	Steamboat Springs, City of, CO
Coolidge, City of, AZ	Marshall, City of, MN	Stockton, City of, CA
Corcoran, City of, CA	Marshfield, City of, WI	Sunny Isles Beach, City of, FL
Corinth, City of, TX	Minot, City of, ND	Surprise, City of, AZ
Cranberry Township, PA	Mountain Village, Town of, CO	Tempe, City of, AZ
Durant, City of, OK	Muskego, City of, WI	Tomball, City of, TX
Eagle Pass, City of, TX	New Braunfels, City of, TX	Tracy, City of, CA
Edmonds, City of, WA	Nogales, City of, AZ	Valdez, City of, AK
El Mirage, City of, AZ	Norco, City of, CA	West Fargo, City of, ND
El Paso, City of, TX	Norman, City of, OK	West Yellowstone, Town of, MT
El Segundo, City of, CA	Oak Brook, Village of, IL	Willcox, City of, AZ
Eloy, City of, AZ	Oak Ridge, City of, TN	Williston, City of, ND
Estes Park, City of, CO	Oakland, City of, CA	Windcrest, City of, TX
Federal Heights, City of, CO	Oro Valley, Town of, AZ	Winslow, City of, AZ
Firestone, Town of, CO	Page, City of, AZ	Yuma, City of, AZ

### Additional Clients Served by Wayne Brede and Jim Laumeier

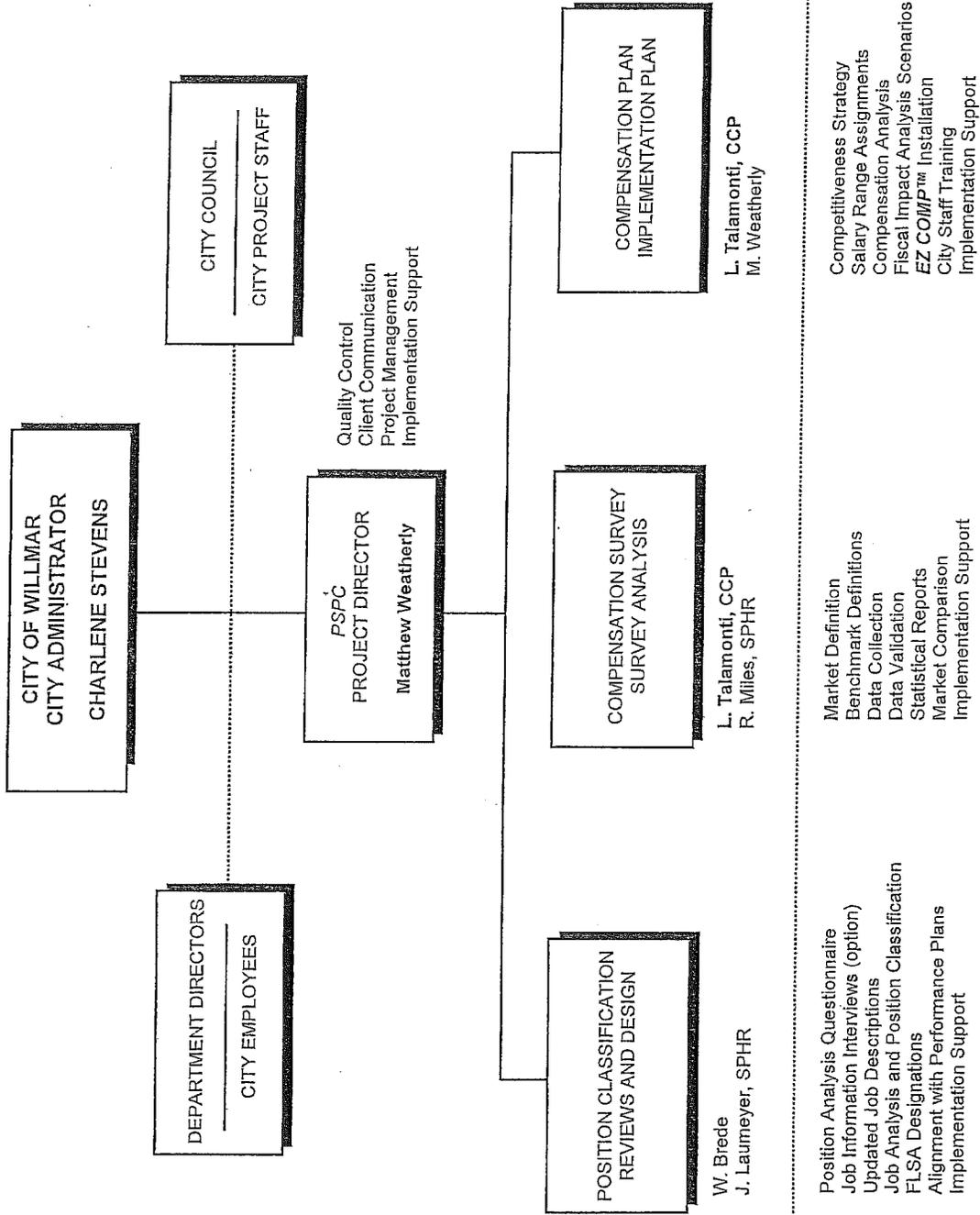
Blue Earth, City of, MN	Eveleth, City of, MN	Mounds View, City of, MN
Chisholm, City of, MN	Hector, City of, MN	Paynesville, City of, MN
Cohasset, City of, MN	Hutchinson, City of, MN	St. Louis County, MN
Cottonwood County, MN	Lake Park, City of, MN	University of MN - Duluth
Duluth Public Schools, MN	Little Falls, City of, MN	Wayzata, City of, MN

**PROPOSAL TO CONDUCT A  
CLASSIFICATION AND COMPENSATION STUDY  
FOR THE CITY OF WILLMAR**

**QUALIFICATIONS OF PROJECT TEAM MEMBERS**

*PROJECT TEAM ORGANIZATION CHART  
RESUMES OF PROJECT TEAM MEMBERS*

# CITY OF WILLMAR PROPOSAL TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY PROJECT TEAM ORGANIZATION CHART



## **MATTHEW E. WEATHERLY, PRESIDENT AND OWNER, PSPC**

Mr. Weatherly has over 15 years of experience as a human resources management professional and consultant, specializing in position classification, compensation, recruitment and selection. He has served as a Human Resources Manager with Employee Solutions, Inc. and Staffing Consultant with Initial Staffing Services.

He has completed projects in staff development, recruitment, selection, job descriptions, salary survey, and salary plan development. Mr. Weatherly holds a BS degree in Human Resources Management from Arizona State University.

## **WAYNE BREDE, PSPC – ST. PAUL**

Mr. Brede has over 30 years of experience working for the Minnesota Department of Transportation as a Workforce Planning Manager and Staffing Services Manager, and has served as a succession planning and career ladder consultant for nearly 50 public and private employers.

He has conducted projects in workforce development, succession planning, job analysis, position classification, job evaluation, compensation surveys, compensation plan development, employee relations, and recruitment. Mr. Brede holds a BA degree in Mass Communications from the University of Minnesota and holds certificates in Public Sector Personnel Management and Industrial Relations.

## **JAMES A. (JIM) LAUMEYER, MBA, SPHR, CEO LAUMEYER HR SOLUTIONS**

James A. (Jim) Laumeyer, MBA, SPHR, the CEO, has extensive experience as Senior HR Practitioner, Consultant, Teacher, Presenter, Author, Labor Arbitrator, Leader in HR & LR professional associations, to include the Past Chair Of the Society of Human Resources' (SHRM) National Committee for Employee and Labor Relations. Jim's Associates & Affiliates are Subject Matter Experts who also have had extensive experience (20+ years) as Practitioners or Attorneys as well as Consultants.

## **ROBERT A. MILES, SPHR**

Mr. Miles has over 25 years of experience as a human resources manager and consultant for public employers, specializing in position classification and compensation. He has served as Personnel Analyst for the City of Ft. Lauderdale, FL, Personnel Manager for the City of West Palm Beach, FL, Director of Human Resources for the Palm Beach County Sheriff's Department, FL., AND Deputy Personnel Director for the City of Springfield, OH.

He has conducted projects in job analysis, position classification, job evaluation, compensation surveys, compensation plan development, employee relations, recruitment, EEO and affirmative action. Mr. Miles holds a BS degree in Business Administration (cum laude) from Central Ohio State University and the designation as Senior Professional in Human Resources (SPHR) by the Society for Human Resources Management.

## **ELIZABETH J. TALAMONTI, CCP**

Ms. Talamonti has over 30 years of experience as a compensation manager and consultant for public and private employers, specializing in job analysis, salary surveys, and salary plan development. She has served as Compensation Research Associate for Hayes/Hill, Inc., Senior Compensation Analyst for AON Corporation, Compensation Manager for Loyola University, and Project Manager for the American Compensation Association.

She has conducted projects in job audits, job descriptions, salary surveys, compensation database management, compensation plan development, compensation training course development, and compensation trend research. Ms. Talamonti holds a BS degree in Business Administration from Arizona State University. She holds the Certified Compensation Professional (CCP) designation from the American Compensation Association.

**PROPOSAL TO CONDUCT A  
CLASSIFICATION AND COMPENSATION STUDY  
FOR THE CITY OF WILLMAR**

**PROJECT APPROACH AND METHODOLOGY**

*SUMMARY OF SERVICES FOR THE CITY  
PROJECT SCOPE AND APPROACH  
PROJECT ELAPSED TIME CHART – GANTT CHART*

# PROJECT UNDERSTANDING: SUMMARY OF SERVICES FOR THE CITY

*PUBLIC SECTOR PERSONNEL CONSULTANTS (PSPC)* proposes the following program of consulting services and implementation support to achieve all of the objectives stated in the City's RFP.

## Project Planning and Communication

1. Project planning and scheduling meeting with the City Administrator and project designees
2. Policy input and project direction meeting and briefing with Council, Administrator, staff
3. Project briefing presentation for all employees, Council, City officials, City's project leaders
4. Management and employee communication, progress reports throughout all project phases

## Classification Structure Review Project Tasks

5. Occupational familiarization by review of City's current job descriptions and compensation plans
6. Organizational familiarization by review of City organization charts, budgets, and annual reports
7. Position Analysis Questionnaire (PAQ) customized for gathering employee occupation data
8. Meetings to distribute and explain the PAQ and the project for affected City officials and employees
9. Worksite job desk audits / field observations with representatives of each class (*optional service*)
10. Determination of job classification and FLSA Exempt / Non-Exempt designation for each position
11. Recommended title modifications and reclassifications for consideration by department heads
12. Review of position classification recommendations with City's project staff and respective departments
13. Preparation of updated ADA/EEO-compliant job descriptions for each needed job classification
14. Resolution of employee reviews of classification recommendations and draft job descriptions

## Custom and Comprehensive Market Compensation Surveys

15. Confirmation of City's competitive employment areas for compensation surveys, for City approval
16. Confirmation of City occupations to utilize as survey benchmark job classifications – target all titles
17. Solicitation of comparator employers and agencies for participation in external compensation survey
18. Extraction of data from public employer compensation plans, questionnaires, reliable published surveys
19. Calculation of prevailing rates by benchmark job classification for comparison to City plans / ranges
20. Consolidation of data from all sources and calculation of prevailing rates for benchmark jobs
21. Computation of extent City's compensation offerings vary from external prevailing rates and practices
22. Review of competitiveness analysis with City Officials, Administrator, and project designees

## Compensation Plan Development

23. Construction of optional salary range structures for review and selection by City's project leaders
24. Assignment of job classes to salary ranges by internal equity and external competitiveness
25. Assistance with City Council identification of desired, affordable salary competitiveness policy
26. Fiscal impact estimates at various levels of external prevailing rates competitiveness policies
27. Review and critique of draft salary and implementation plans with City Administrator, leadership

## Communication of Results and Implementation Strategies

28. Preparation and presentation of a final project reports for the City Council, staff, and City Officials
29. Development of a plan for the implementation of City's updated classification and compensation plan(s)
30. Uploading of *EZ COMP™* program files on a City computer, staff training for self-sufficiency
31. Development and provision of process for ongoing plan maintenance and subsequent plan updates
32. Assistance with communicating the City's updated plans for all City officials and employees
33. One year classification and compensation plan maintenance assistance *at no cost to the City*

## PROJECT APPROACH AND METHODOLOGY

Following is our overall work plan and approach to achieving the City's objectives for the conduct of compensation and classification studies, and meeting all of the stated objectives from the RFP.

### A. OBJECTIVES OF THE PROJECT

The recommended plans, programs, systems and administrative procedures will meet these ten most important criteria.

- Internally equitable
- Externally competitive
- Readily understood
- Easily updated & maintained
- Legally compliant & defensible
- Financially responsible
- Efficiently administered
- Inclusive of employee input
- Reflective of City's values
- Reflective of prevailing "best practices"

### B. SCOPE OF THE PROJECT

The project includes a management and employee communication plan; partnership with the City Administrator, Council, and project designee(s); occupational, organizational, and operational familiarization; Position Analysis Questionnaire (PAQ) for use in job analysis of included or requested classifications; optional worksite job information interviews; position classification and job title recommendations for included employees and classifications; FLSA designations; updated ADA/EEO-compliant job descriptions; *EZ COMP™*; internal equity and external competitiveness evaluation; salary survey and competitiveness analysis; salary range recommendations; fiscal impact estimates and multiple implementation scenarios; updated classification and compensation plan and one year of classification and compensation plan implementation support for all included or requested positions and classifications.

### C. PROJECT METHODOLOGY

#### 1. Quality Assurance

To ensure a high quality project, we have built in several layers of procedural and statistical controls, in addition to those already in *EZ COMP™*. Internally, we follow a prescribed series of steps in each project phase, which are reviewed by our Project Director. We request that the City's Project Manager(s) review our work to minimize the chance of errors and to ensure that it reflects the City's organizational values.

#### 2. Project Planning Meetings and Communication Plan Development

We will consult City Officials or representatives on a communication strategy, plan, and materials, beginning prior to the project and extending to the post-project information meetings. We plan to conduct group pre-project meetings for all City officials and employees where we will discuss the project's scope, answer questions, and (if needed) distribute and explain the Position Analysis Questionnaire.

See "*Communicating the Project to the Employees*" in the Appendices for additional information regarding our approach to employee inclusion and communication.

## D. POSITION CLASSIFICATION REVIEWS

### 1. Review of Essential Tasks – Current Job Descriptions or Position Analysis Questionnaire

We will review and analyze the current essential tasks, duties and responsibilities, and minimum qualifications of each included position through a review of current job descriptions or using a Position Analysis Questionnaire (PAQ) to be completed by each employee (or group of employees with identical jobs) in print or electronic format. If the information on the PAQ does not clearly delineate the position's scope of responsibilities, we may return the PAQ to the position's incumbent for additional information, or focus on the data gap during a worksite job information interview.

### 2. Employee Worksite Job Information Interviews (optional if needed or requested)

We can conduct a worksite job information interview with a representative incumbent of every job classification. The purpose of these interviews is to verify the data on the PAQ, obtain additional insight into the scope and complexity of the job duties, observe technical processes and working conditions, and to provide employees with an additional method of participation in the project. This process also ensures that we make all internal and external comparisons on the basis of *actual job content* and not merely job title.

### 3. FLSA Status Determination

We will review the essential tasks and minimum qualifications of each of the City's job classifications and subject them to the Fair Labor Standards Act tests to determine their exempt or non-exempt status.

### 4. Position Classification

Each of the City's positions will be analyzed and evaluated to determine their primary characteristics, including:

- Is there a current City occupational job group comprised of job classes with essential functions similar to the subject position; if so:
- To which of the group's job classes, and at what level, are the subject position's essential functions similar to the subject position, and if so:
- Are they sufficiently comparable (+/- 20% guideline) to be allocated to that job class, utilize the same job title, require the same minimum qualifications, and be assigned to the same salary range.
- If the City does not currently have a sufficiently comparable job class, what should be the subject position's occupational job class and title, and:
- What should the recommended occupational classification action be, No Change (N), Title Change (T), Merge With Other Job Class (M), New Job Class (J).
- We may find that a job class is overly broad and encompasses several job activities which are regarded with significant salary difference in the marketplace. In such an instance, we will recommend "splitting" the job class into the current job class and a new job class which encompasses the different job activities.

5. Updated Job Descriptions

We will prepare an updated ADA/EEO-compliant job description in the City's standard or other selected format for each occupational job class. Focus will be on the Essential Functions and Minimum Qualifications. The specifications or descriptions may include (not limited to) the following components:

Job Title – Definition	Education, Training and Experience	Physical Requirements
Distinguishing Characteristics	Licenses and Certifications	Non-Essential Functions
Essential Functions	FLSA Exempt/Non-Exempt Status	Mental Requirements
Desired Knowledge and Skills	Supervision Exercise/Received	Working Conditions

6. Draft Classification Plan Review with Department Heads

We will conduct a review of our initial position classification recommendations and draft job descriptions with the City's Project Team and respective department heads to identify possible errors, obtain feedback, and solicit suggestions for clarification.

7. Resolution of Employees' Classification Reviews

We will provide the City with a process for employees to review our initial occupational job classification of their position, and provide a form for them to complete if they feel that an error has been made or to provide significant additional job content information.

Depending on the action recommended by the respective department heads we may conduct a second job analysis and will inform the project designee(s) of our final recommendation.

8. Various Approaches to Ensure Internal Equity

We can utilize one of several job evaluation systems widely in use, including the Hay Method, Decision Band Method (DBM), and the *Factor Evaluation System (FES)*. *FES* is the most extensively validated and commonly utilized quantitative job evaluation system for public sector occupations, consisting of the following flexible compensable factors.

Knowledge Required	Personal Contacts	Complexity
Supervisory Controls	Scope and Effect	Work Environment
Guidelines Provided	Supervision Exercised	Physical Demands

The job class hierarchy based on job points will reflect the City's relative internal job worth values. The City's annual salary competitiveness policy will be translated into a mathematical formula which, when combined with the job points of each City job class, will determine the proper salary range for each job class and position. This balances internal equity (job points relationships) with external competitiveness (market relationship formula).

- a. **Optional Approach A – FES System** – We will train a task force of representative City employees in the adaptation of the *FES* point-factor job content evaluation system to the City's job worth values, guide them in the evaluation of a structured benchmark of job classes, conduct QC reviews, and evaluate the remaining job classes within the relative job worth structure established by the task force. We can provide the City with manual or automated versions of this system.
- b. **Optional Approach B – Custom Designed System for the City** – We will train and guide a task force of representative City employees in the design of a point-factor system of job content evaluation total reflecting the City's relative job worth values, and proceed as in Approach A. We can provide the City with an automated version of the system once it has been developed with the task force.

## **E. COMPREHENSIVE AND SUSTAINABLE COMPENSATION PLAN**

### **1. City Involvement in Compensation Plan Development**

We will obtain policy direction from the City Council and/or City Officials on the following key components of the salary plan development process:

- Comparator Employer Selection
- Benchmark Job Class Selection
- Compensation Competitiveness Policy
- Salary Structure Selection
- Job Evaluation Method-Salary Plan Linkage
- Draft Compensation Plan Review / Critique
- Compensation Points for Analysis
- Project Implementation Plan

### **2. Comprehensive Compensation Survey**

We do not subscribe to or recommend the use of databases or data warehouses used or hosted by other firms! We will collect the complete pay plans from each of the City's comparators and build a custom survey database to ensure accuracy and completeness, unique to the City's job classifications.

- a. **Data Collection Protocol** will be developed in consultation with the City's project leaders to determine which salary data elements to include, such as:

#### **Salary Information**

- Salary grade/step or open range salary plan structure
- Salary range structure Minimum, Midpoint, and Maximum

- b. **Benchmark Job Selection** will be made by identifying City job classes common to its employment-competitive public and private employers in the immediate area and throughout the region or State, clearly identifiable, and representative of standard occupational job groups.

- c. **Comparator Employers Identification** include at a minimum those listed as approved comparators in the RFP and will be confirmed in consultation with the City's Project Manager(s), City Administrator, and Mayor or City Council. Criteria include their degree of competition to the City in obtaining and retaining high quality staff, their location in the City's traditional recruitment areas, and their organizational size and complexity.

- d. **Compensation Data Collection** will be made by one or more of the following methods.

- Pre-survey contact with the selected comparator employers to solicit participation in the City's compensation survey(s)
- Extraction from the pay plans of designated public employers.
- Customized salary survey requests for local governments and other public and private employers, distributed by mail, fax, and e-mail.
- As desired and approved, additional data extraction from established salary surveys and commercial survey sources such as Watson Wyatt, ERI, etc.

- e. **Data Quality Control** includes editing data for accuracy and proper matching to the City's survey benchmark jobs, and phone/fax/E-mail follow-ups for data clarification and to obtain comparators' benchmark job descriptions.

3. Prevailing Rates Calculation

We will consolidate the compensation data from all sources, enter the information into the *EZ COMP™* program, and compute the prevailing rates, inclusive of cost of living differentials, as the statistical mean of the survey data for each benchmark job class. Data will be projected forward from the date of collection to a common date relating to the City's salary plan year by the annual Prevailing Rate Increase Factor (PRI) applicable at that time.

4. Compensation Competitiveness Comparison

We will provide the City with charts comparing its current salary structures to those of the selected public and private comparator employers. We will calculate the extent that the City's offerings vary from the prevailing rates and practices of other relevant employers.

5. Compensation Competitiveness Policy

We will assist the City to select a compensation competitiveness policy which best fits its compensation strategy and financial resources, by providing fiscal impact estimates at various percentage relationships to the prevailing rates.

6. Salary Plan Structure Development

We will review the City's current employee agreements and wage plans and 1) utilize the City's current wage plan structures to identify internally equitable and externally competitive salary ranges for each City job class or 2) prepare alternative salary range structures and schedules for the City and the Mayor to select the best fit for its competitiveness strategy, with these optional criteria:

- Method of administration, i.e.: measured job performance, longevity, or skill
- Width of the salary ranges, grades, or broad bands, from Minimum to Maximum
- Varying salary range widths for FLSA non-exempt or exempt positions
- Open salary ranges for pay-for-performance or variable compensation plan
- If steps within the salary ranges, number of steps, percentage separation
- Number of salary ranges, grades, or broad bands in the salary schedule
- Percentage of separation between salary ranges, grades or broad bands
- Recognition for longevity, unique assignments, and special skill requirements
- Remuneration for required special licenses, certifications and registrations
- Linkage of performance evaluations to performance increase opportunities

7. Salary Range Assignment Development

We will assign each job classification to a salary range in the City's current or selected new salary structure on the basis of a combination of factors, including:

- the prevailing rates for the benchmark job classes
- its current relationship to similar or occupationally related job classes
- the 15% guideline for salary range separation between sequential job classes
- the 25% guideline for salary separation of a department head job class
- its quantitative evaluated internal job worth value (job evaluation points)

8. Implementation Plan Development

We will consult with the Project Team or Committee on a plan for transition to the recommended plan, including a timetable for the principal activities, employee communication, impact on bargaining processes, and estimates of required financial resources.

## F. FINAL REPORTS AND PRESENTATIONS

### 1. Draft and Final Report Preparation

We will provide the City's project leader(s) with a draft of our report for review and critique, including the classification plan, FLSA designations, compensation market data, salary comparison tables, fiscal estimates, salary range listings, and implementation procedures. We will incorporate their critique into the development of a final report summarizing the project's findings, recommendations, and detailed description of the City's updated position classification and compensation plans.

### 2. Final Report Presentations

We will conduct a workshop or formal presentation of our final report and recommendations to the City Council, City Officials, and employees.

### 3. EZ COMP™ Program Installation

We will install our EZ COMP™ program and project files on one of the City's computers and provide training to key staff in the maintenance and update of the classification and compensation plan.

Please see the illustrative EZ COMP™ applications CD-ROM on the inside front cover of the original proposal or at [www.compensationconsulting.com](http://www.compensationconsulting.com) and the program description booklet in the Appendix.

### 4. Implementation Warranty

To ensure effective implementation of the new plan, we will analyze, evaluate, and provide a salary range recommendation for any new or changed job class, *at no cost to the City* for one year.

## G. ENSURING THE CITY'S SELF-SUFFICIENCY

The City will be self-sufficient in all aspects of maintenance of the updated position classification and compensation plan through these services.

### 1. Procedure Manuals

- PSPC Position Classification Procedure Guide
- PSPC Salary Administration Procedure Guide
- City of Willmar EZ COMP™ Procedure Guide

### 2. Training Workshop – for City staff in position classification, job evaluation, compensation surveys, and compensation plan design and administration.

### 3. Electronic Job Description Library – we will provide the City with all updated ADA/EEO-compliant job descriptions in hard copy and electronic library format for internal maintenance.

### 4. EZ COMP™ – program and project files on one of the City's computers, a custom user's manual, and system training for key City staff.

### 5. Initial Year's Implementation Warranty Support – we will analyze, evaluate, classify, and provide a salary range recommendation for any new or changed position or entire job classification, *at no cost to the City* for one year.

#### **H. EXTENSIVE EMPLOYEE INCLUSION AND COMMUNICATION**

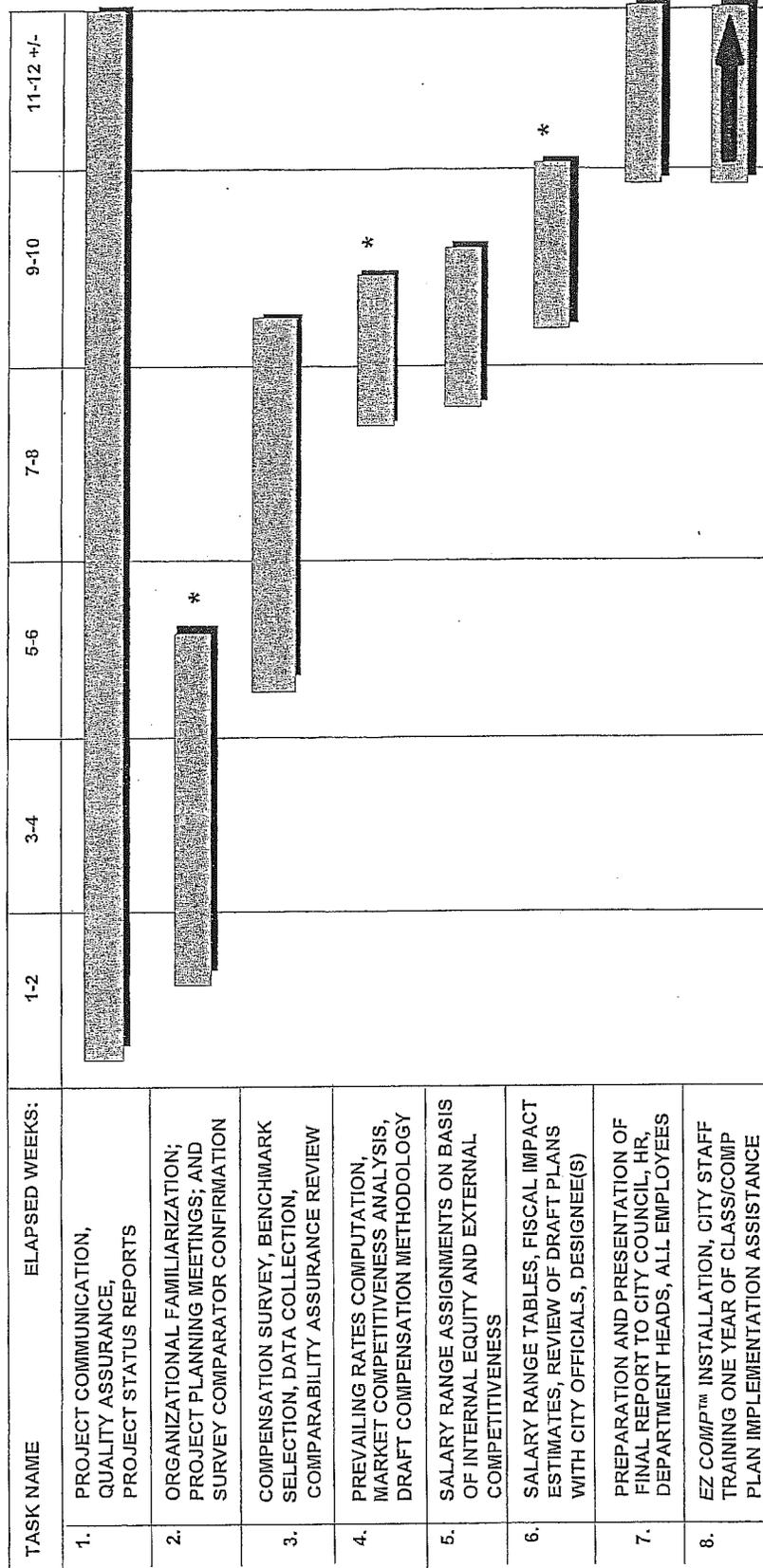
Very important factors for successful implementation of new or updated classification and compensation plans are 1) extensive employee inclusion, and 2) extensive employee communication. City officials and employees will participate in one or more of the following activities:

- Attending pre-project briefings and question and answer sessions
- Completing a Position Analysis Questionnaire (PAQ) describing their position (if needed)
- Elaborating on their jobs in individual or group job information interviews (option)
- Requesting a second review of their position's occupational job classification
- Receiving information pamphlet/booklet describing the updated salary plan

#### **I. MINIMAL CITY SUPPORT REQUIRED**

We are completely self-sufficient in projects of this nature and do not require any substantive staff support from the City other than payroll data, and arrangements for group and individual meetings and interviews. We appreciate, but do not require, any office space, telephone, clerical assistance, computers, or office equipment. We will provide all data entry, data processing, duplicating, and related report preparation functions.

**CITY OF WILLMAR**  
**PROPOSAL TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY**  
**ESTIMATED PROJECT ELAPSED TIME CHART**



\* Progress reviews with the City

**PROPOSAL TO CONDUCT A  
CLASSIFICATION AND COMPENSATION STUDY  
FOR THE CITY OF WILLMAR**

**PROJECT COST**

## PROJECT FEES

### A. PROJECT COST ESTIMATE – FIXED COST

We estimate that the project's total cost, including all fees for professional services and reimbursement for out-of-pocket expenses, *will not exceed* the indicated amounts.

The project includes a management and employee communication plan; partnership with the City Administrator, Council, and project designee(s); occupational, organizational, and operational familiarization; Position Analysis Questionnaire (PAQ) for use in job analysis of included or requested classifications; optional worksite job information interviews; position classification and job title recommendations for included employees and classifications; FLSA designations; updated ADA/EEO-compliant job descriptions; *EZ COMP™*; internal equity and external competitiveness evaluation; salary survey and competitiveness analysis; salary range recommendations; fiscal impact estimates and multiple implementation scenarios; updated classification and compensation plan and one year of classification and compensation plan implementation support for all included or requested positions and classifications.

\$ 15,000

### B. OPTIONAL ADDITIONAL TASKS

- Worksite Desk Audits – Job Information Interviews (per 15)

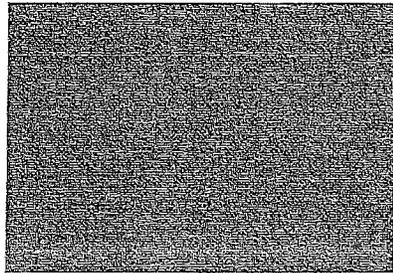
\$ 1,500

### C. FLEXIBLE WORK PLAN, NEGOTIABLE TOTAL COST, TERMS

Our work plan is flexible and total project cost negotiable, and we will discuss, modify, add or delete, any work task to increase the project's responsiveness to the City's needs and financial resources. We will provide the City with monthly invoices for the professional services provided and out-of-pocket expenses incurred during the month. We request that the City pay the invoices within thirty (30) days of their receipt.

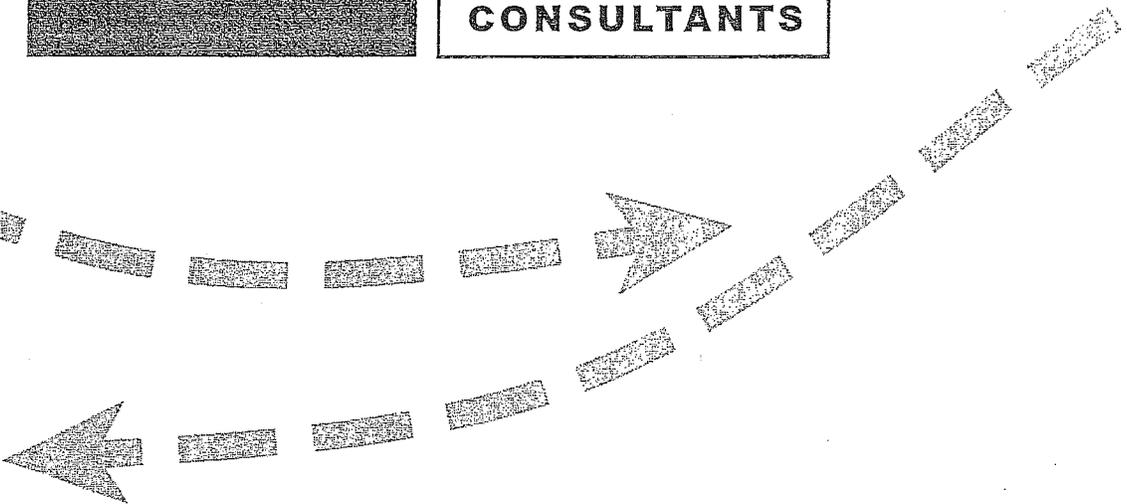


# COMMUNICATING THE PROJECT TO THE EMPLOYEES

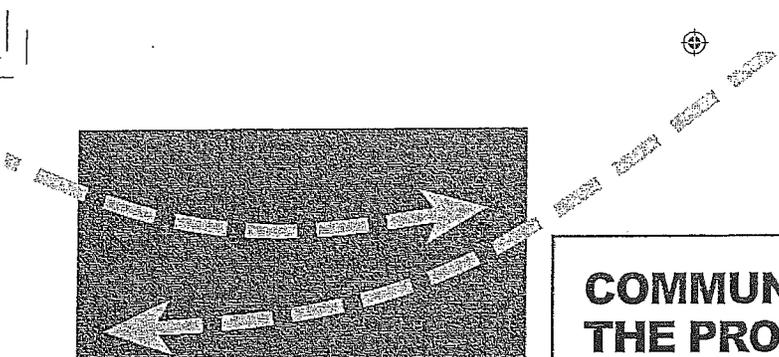


**PUBLIC  
SECTOR**

**PERSONNEL  
CONSULTANTS**



CLASSIFICATION AND COMPENSATION PROJECT PROCEDURE GUIDE SERIES



## COMMUNICATING THE PROJECT TO THE EMPLOYEES

*The factor that is most important in the development and effective implementation of a new or updated position classification and/or compensation plan is not the technical process or even the amount of salary increases. It is the extent to which employees understand the process by which the plan was developed and their acceptance that it was a logical and fair process.*

*To assist you in determining and implementing the best systematic approach to the effective communication of the compensation plan for your organization we have provided this booklet, parts of which are adaptations from the booklet COMMUNICATING COMPENSATION PROGRAMS: An Approach to Providing Information to Employees from The American Compensation Association.*

*We have divided this section of the Guide into Pre-Project, Mid-Project and Post-Project segments.*

### A. PRE-PROJECT EMPLOYEE COMMUNICATION

The maximum amount of information concerning the reasons for the project should be provided at the earliest possible date. There will already be a number of rumors floating around since some employees will have heard about the RFP preparation, consultant selection process, and project approval by the Council/Board.

Following are several pre-project communication activities which are essential to the successful conduct of a classification and/or compensation project.

#### 1. Letter/Memo From the Chief Executive Officer

We suggest that every employee receive a letter or memo from the chief executive officer announcing the project (Figure 1), indicating the reasons for the project, its scope and process, the extent of employee participation, and a guarantee that no one's salary amount will be reduced as a consequence of the project.

#### 2. Project Briefings by Our Consultants

We will conduct a briefing for every employee to explain the scope of the project, summarize the process we will utilize, explain their roles in the project, and respond to questions. A listing of the most frequently asked questions and our responses follows on page 5. At the completion of the Q and A period we will distribute the Position Description Questionnaire (PDQ) and provide an item-by-item explanation.

The briefings last 30 to 45 minutes, and can be scheduled at one-hour intervals. To ensure that attendance does not exceed the facility's capacity, and that the departments can send their employees in shifts, we suggest the following:

- Schedule a minimum of two sessions, and more depending upon the number of employees to be briefed and the facility's capacity.

- Control attendance by scheduling alphabetically by employees' last names such as A-E 9:00am-10:00am; F-J 10:00am-11:00am, etc.

#### 3. Employee Opinion Survey on Salary Administration (OPTIONAL)

If you have requested it as a part of the total project, we will conduct our standard Confidential Employee Opinion Survey on Salary Administration which will provide the employees the opportunity to communicate to you their primary concerns and opinions regarding the current classification and/or compensation plan. Participation is voluntary.

The survey is a multiple-choice questionnaire with space for comments. To maintain confidentiality, we administer the questionnaire immediately after the PDQ explanation and receive the completed questionnaires directly from the employees. We will give you extra questionnaires and self-addressed return envelopes to our office for employees who want to participate but could not attend the briefings.

CITY OF \_\_\_\_\_  
Office of the City Manager

## Memorandum

TO: All City Employees, Supervisors, and Department Heads  
FROM: \_\_\_\_\_, City Manager  
DATE: 4/10/00  
SUBJECT: Position Classification and Compensation Study

I am very pleased to inform you that the City has contracted with a highly qualified outside consultant firm, Public Sector Personnel Consultants (*PSPC*), to update our position classification and pay system to ensure that your position's classification reflects its duties and responsibilities, and that its salary range assignment is internally equitable and competitive within our employment markets.

*PSPC* consultants will conduct briefings on the project for all employees, supervisors and department heads on Monday, April 14. Attendance is mandatory, and you will be informed of the location and time for your briefings. The consultants will also distribute and explain a questionnaire to permit you to describe your duties and responsibilities in your own words. You will have one week to complete the questionnaire and return it to your supervisor.

*PSPC* consultants will be on-site during the later part of May to conduct individual job information interviews with representative incumbents of every job classification at their worksite, to provide you with an additional opportunity to explain the scope and complexity of your position. *PSPC* will provide recommendations as to the correct occupational job classification and title for every position, and update our job descriptions from the information you have provided on your questionnaire and during the worksite interview. **REMINDER:** It is the position that is being studied and classified, not the employee.

*PSPC* will also conduct a salary survey of the public and private employers in the local, regional, and national employment markets where we compete to obtain and retain high quality staff, and recommend a salary plan that is competitive with salaries paid for similar occupations in those employment markets. We cannot promise any salary increases, *however, no salary will be reduced as a consequence of this project.*

We anticipate that the project will be completed within approximately 120 days, and you will be notified of any actions affecting your position's classification and salary range as soon as the City Council has reviewed the recommendations and adopted the updated plans.

I am very pleased that the City Council has authorized this study to update the internal equity an external competitiveness of our position classification and salary plan. Please see the Human Resources staff if you have any questions.

(Figure 1) Memorandum from the chief executive officer announcing the project

Several important considerations if you have selected this service.

- *Extend the scheduling of the briefing sessions intervals from one hour to 1 ½ hours.*
- *Provide a facility that is set up in classroom style with tables, or chairs with writing arms, so that the employees can complete the questionnaires.*
- *Remind the employees to bring pencils or pens to the meeting, and provide these items for the employees who forget.*

An essential component of an employee opinion survey process is feedback of the survey results, to maintain positive employee relations. Since it is the nature of this type of survey to solicit negative comments, you should carefully consider whether your organization's culture is such that you can provide negative survey results feedback to the employees and the elected or appointed officials and Council/Board members.

We will provide a report summarizing the statistical and narrative results, including all of the employee comments verbatim. We will modify the written comments to maintain the confidentiality of the respondents and their departments, delete references to named individuals or their jobs titles, and remove offensive language.

The method and extent of distribution and dissemination of the opinion survey report will be up to you.

**4. Employee Communication Task Force**  
You can leverage pre-project and progress communication through a committee or task force of employees representing the various departments, occupational groups, and/or employee associations. We can provide more intensive and detailed briefings for these individuals, whose role it will be to disseminate this information to their respective departments and employee groups.

This task force can also be utilized for suggestions regarding procedural aspects of the project, such as determination of the employers to be included in the external compensation survey, and serving as the job evaluation task force if a point-factor

method is to be developed and/or used to establish the internal job worth ranking of your various job classifications.

## **B. MID-PROJECT EMPLOYEE COMMUNICATION**

We suggest a minimum of a monthly communication to the employees on the status of the project. There will be a normal level of anxiety among the employees which is to be expected when outsiders are making recommendations regarding job titles and pay ranges. Mid-project communications will reinforce each employee's importance to the organization, emphasize the positive nature of the project, and lessen unwarranted anxieties and concerns.

Following are several mid-project communication activities that will contribute to the successful conduct and implementation of the classification and/or compensation project.

### **1. Employee Newsletter Articles**

If you have an established printed or video employee newsletter, we will provide you with information for articles that indicate the project activities completed to date, and the anticipated activities for the following month.

### **2. Project Information Bulletins**

As an alternative to or supplement for newsletter articles, we suggest a special monthly or occasional bulletin to inform the employees of project activities completed to date, and the anticipated activities for the following month. Such a bulletin should be distributed to all employees, perhaps as a payroll stuffer, posted on bulletin boards, and disseminated by internal e-mail.

### **3. Employee Communication Task Force**

This group should receive a monthly briefing on the project status, and be given the opportunity to ask questions about project issues that concern them or the employees. This dialogue will provide the employees with the latest and correct information, and provide important feedback to the project consultants which may be useful

in increasing the project's quality and acceptance of the results.

### **4. Progress Reports for the Council/Board**

We recommend that you provide a monthly summary of the project's progress to the Council or Board, so that they remain informed and committed, and to assure them that they will make final decisions regarding compensation policy and financial expenditures.

### **5. Project Inquiry "Hot-Line"**

There may be occasions where this technique will be helpful in providing information, dispelling rumors, and obtaining additional information on employee concerns about the project. These "hot lines" take the form of a specific dedicated phone number, or an e-mail address, for the duration of the project, which may be answered by a Human Resources representative during working hours and an answering machine during other times, or an answering machine or e-mail address which is periodically checked for messages and responses provided to the callers.

## **C. POST-PROJECT EMPLOYEE COMMUNICATION**

Once the recommended position classification and/or compensation plan has been adopted by the Council/Board, you will be able to provide a large amount of information to the employees, in a variety of formats. Not all of the following activities will be appropriate, or affordable, for all circumstances. They are provided for you to select, or develop, the communication activities which are best suited to your organization.

### **1. Copies or Extracts From the Final Report**

We suggest that you prepare for employee perusal a number of copies of our final report on the recommended classification and/or compensation plan, after its adoption by the Council/Board. They could be made available for review in the Human Resources and/or line departments' offices. You will probably receive a request for a copy of the report from the media.

The report's table with the employee names and their actual salary amounts should be removed. Some of the material is technical and could be misinterpreted, such as market comparisons, and salary grade/range allocations by multiple salary policy formulae if you utilize a point-factor job evaluation method, and you may want to consider publishing only the new salary grade/range-per job class listings.

## 2. Workshop for Supervisors

We recommend that you conduct a workshop for supervisors on all aspects of the new position classification and/or compensation plan, for the purpose of preparing them to explain the new plan and respond to questions will be a major factor in the employees' positive attitude towards the new plans. Supervisors should then conduct employee meetings to explain the new plan and answer questions concerning its scope and effect.

This workshop is especially important if the new plan contains a new salary schedule, with or without in-grade steps, and/or the method of salary administration is to be changed from longevity to pay-for-performance. The approach selected for the initial year's implementation must be thoroughly explained and understood. The extent to which the supervisors understand and support the new plan will be the essential factor to its successful implementation.

## 3. Classification and Compensation Plan Pamphlet

We recommend that you prepare and distribute to all employees, supervisors and managers, a pamphlet explaining the new position classification and/or compensation plan. The employees will obtain a greater depth of understanding, and retain the information for a longer period, from such written material.

The pamphlet can be used in the supervisory workshops, post-project employee briefings, and new employee orientation sessions. If a new performance evaluation system was a component of your project, a description of that system's linkage to the pay plan should be included in the pamphlet. A separate pamphlet should be prepared explaining the scope and process

of the new performance evaluation plan.

## 4. Employee Briefings

Briefings for all employees, conducted by the Human Resources staff, is one of the best methods to ensure that everyone obtains accurate information about the new plans, and obtains answers to questions from an expert source. We recommend a series of small group meetings to establish the best atmosphere for communication and understanding.

These meetings provide an excellent opportunity to distribute materials describing the new plans, such as a classification and compensation pamphlet, updated employee handbook, and updated personnel policy manual pages. If a video describing the new plans has been produced, that would be the introductory part of these briefings.

## 5. Salary Administration Video

A professionally produced video is not always necessary or affordable for very organization. It is however a very powerful tool for communicating the scope and components of the new plan in modern media which ascribes a high degree of state-of-the-art quality to the new plan. It is also included in new employee orientations. We have provided you with a sample copy of such a video.

The salary administration video is best suited for organizations with employees at many locations and on varying shifts, who can be shown the video at times that are convenient to their work hours. This video need not be costly if your organization has an internal video production capability or access to an educational institution or television station who might produce video as a public service.

## 6. Update Employee Handbook and Personnel Policy Manual

We recommend that you update the sections of your Employee Handbook and Personnel Policy Manual that describe the position classification and compensation plan to reflect any changes required by the new plan. Those updated pages are excellent handouts at the supervisory workshop and employee briefings.

## 7. Individual Salary Plan Implementation Statements

The employees need to be informed of the impact of the new plan on their base salary amount and salary opportunity. We recommend that each employee be provided with a personalized statement including the following information.

- *Effective date of the new plan, and date of salary change if different*
- *Job class title of their position*
- *Salary grade/range number to which their position's job class is allocated*
- *Minimum, Midpoint, and Maximum amounts of the salary grade/range.*
- *Salary amount prior to the effective date of the new plan*
- *Amount of increase to Minimum of the new grade/range, if applicable*
- *New salary amount according to the initial implementation protocol*
- *Relationship of new salary to the Midpoint of the grade/range (comparatio)*
- *Merit increase opportunity at various levels of future job performance*
- *Amount of supplemental pay, such as for longevity, assignments, certifications*
- *FLSA status and hourly rate for overtime*

## THE QUESTIONS MOST COMMONLY ASKED BY EMPLOYEES

Following are the questions that employees most frequently ask us during the employee project briefing meetings, and our responses.

**Q:** 1. Who are we going to be compared to for salaries?

**A:** If the client has made this determination prior to the briefing meetings, we provide the names and locations of the employers to the employees. We also indicate that not all jobs will be surveyed at all of the comparator employers, and that

some may be compared only to local employers, while other jobs may be compared on a regional or national basis.

If the client has not yet determined who the comparator employers will be, we tell the employees that the process of identifying the employers to be surveyed depends to a great extent on where the client is currently obtaining the majority of its employees and for which occupations. A second factor is the identification of employers to whom the client regularly loses current employees.

**Q:** 2. What will the Council/Board do with your report?

**A:** We uniformly respond that we do not know what the client's Council/Board will do with our report. We tell the employees that in the over 1,000 times that we have provided compensation services that we have experienced 98% implementation, and we have no indication that this project will be an exception.

We credit our 98% implementation record to the fact that, in our experience, employers do not plan projects, retain consultants, raise employee expectations, and expend funds, with the intention of doing nothing. The only modification we are sometimes requested to make to our original recommendations is the option for a multi-year implementation plan if the cost to where the client wishes to place its salary policy exceeds the available funds.

**Q:** 3. Will we get to see a copy of the report, and when?

**A:** Yes. We recommend that when the final report has been adopted by the Council/Board that it be made public and that extra copies be made available for perusal by the employees and department heads. The reports may not contain the tables with specific salary amounts recommended for each employee, as that is confidential, but it will include the tables indicating the salary range dollars recommended for each job classification.

**Q:** 4. When will the study be completed?

**A:** We provide this information in general terms, such as: "within ninety days."

**Q:** 5. Will you make recommendations regarding (longevity, cost-of-living, benefits, etc.)

**A:** We tell employees if a benefits analysis and which salary administration items are included in the scope of the project.

**Q:** 6. How much are you being paid for this study, and wouldn't it be better if that money was given to the employees?

**A:** We anticipate this question by dividing the total project cost by the number of employees and providing the employees with a per-employee amount.

For example, if a project costs \$45,000 for 450 employees, the per employee cost would be \$100. We tell the employees that if the client distributed the project cost to them, each employee would receive a one-time payment of \$100, minus taxes, instead of a possible raise from the study, which might be more substantial, and which would be paid every year.

**Q:** 7. What will happen if the survey shows that a job classification is priced over the market rate?

**A:** The job classification will be allocated to the salary range that most closely matches the prevailing rate at the salary competitiveness policy selected by the employer, which may be lower (or the same, or higher) than the current salary range/grade. This will not impact the salary amount paid to an incumbent if that amount is within or above the new salary range for his/her position's job class.

**Q:** 8. What will happen if an employee's salary amount exceeds the Maximum of the new salary range/grade for their position's job class?

**A:** No one's salary will be reduced as a direct consequence of this project. There may be a few employees whose current base salary exceeds the Maximum of the new salary range/grade recommended for their position's job classification. In such instances, the employee's base salary amount will not be reduced, but the amount will be frozen until such time as their position's job class is re-allocated to a higher salary range/grade whose Maximum exceeds their current base salary amount.

**Q:** 9. Will salaries be increased?

**A:** That is a determination to be made by the Council/Board on the basis of their compensation philosophy, competitiveness policy, and the organization's financial resources. We merely make recommendations. The final decisions are 100% within the authority of the Council/Board. There is no guarantee that any salaries will be increased.

Depending upon the Council/Board's final policy determination, a new salary plan may result in uneven increases during the initial implementation year, resulting from the need to bring the salaries of all individuals to the Minimum of the salary range/grade, take into account each individual's current position in the new salary range and possibly their varying length of service.

**Q:** 10. Who will be selected for the job information interviews, and how is the selection made?

**A:** Unless every employee is to receive a job information interview at their work site, the minimum number of interviews is one representative incumbent of each occupational job classification. We

will make the interview selection at random. If an employee is the only incumbent of a job class, that person will be scheduled for an interview.

**Q:** 11. *What if my supervisor does not agree with what I wrote on the Position Description Questionnaire (PDQ)?*

**A:** Supervisors are not permitted to change anything that an employee has written on their PDQ. The purpose of the supervisory review of the PDQ is to ensure that its content accurately reflects the duties and responsibilities performed by the incumbent, to the extent that the consultants can readily determine its occupational classification. If the supervisors do not agree with any part of the PDQ content, they may comment and indicate their opinions.

In virtually all of the instances where we see supervisory comments (approx. 2% - 5% of the PDQs) they indicate that the employee has forgotten to mention an important item, or they may differ on the percentages of the position the employee has allocated to its major functions. No one is an expert in completing a PDQ about their position, and it is quite common to forget an essential item.

We will communicate with both the employee and supervisor in the rare instances of significant difference of opinion regarding a position's job content, and form an independent opinion.

**Q:** 12. *Will there be changes in job titles and classifications?*

**A:** That is a distinct possibility. Our task is to make sure that each position's job classification and the job class titles reflect current duties and responsibilities. It is possible that some positions may be re-allocated to a different job classification if their duties and responsibilities are now more commensurate with another than their current job class.

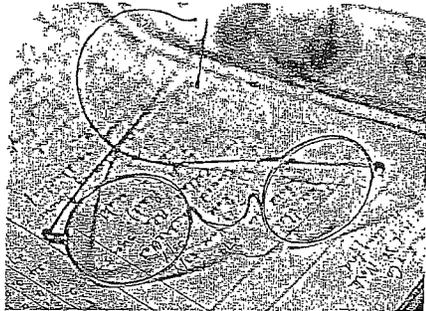
We may recommend that some job class titles be changed to more accurately reflect their occupations, to account for more or less job classes within a sequential group, or to recognize new occupational assignments.

**Q:** 13. *What if I do not agree with your classification of my position?*

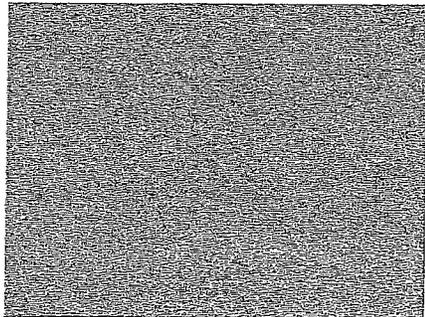
**A:** Our response will depend on whether the client's rules and/or the scope of the project permit employee appeals to their position's recommended classification. If they do not, we will indicate that every position's classification will be reviewed with the respective department head for errors and that changes may be made in our initial recommendations.

If appeals are permitted, we inform the employees that they will be notified by their employer of our initial occupational job classification recommendation for their position, after the quality control reviews with the department heads. If they feel that we have made an error and that significant job content information has been overlooked, they may complete a form and request that we conduct a second review and notify the client of our final recommendation for each appealed position.

NOTE: We stress to the employees that the appeal process relates only to the occupational job classification and titles of positions, not salary range/grade assignments.



**EZ COMP™**  
**PROGRAM**  
**DESCRIPTION**



**PUBLIC**  
**SECTOR**

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**PERSONNEL**  
**CONSULTANTS**

# **EZ COMP™ PROGRAM DESCRIPTION**

*As the name implies, EZ COMP™ is an easy method of developing and maintaining the databases which comprise a new or updated base salary plan. This booklet describes the principal files that are interrelated during a salary plan project.*

*EZ COMP™ is an interactive series of files and tables, which are described in this booklet. We do not charge for our software which we update periodically for our clients at no cost.*

*The trademark name EZ COMP™ describes both the PSPC consultants' process of compiling the data files and the product which is installed on the client's computer upon the project's completion.*

## **EZ COMP™ TABLES AND CHARTS**

The program includes the following standard files, tables, and charts.

Primary Client Data File

1-Schematic of Occupational Job Classes

2-Index of Current to New Job Titles

3-Position Allocation Register

4-External Prevailing Rates Comparison

A-Sources of External Data Table

\$-Permanent Salary Range Schedule

B-Job Content Evaluation Profiles\*

C-Internal Equity Analysis Scattergram\*

D-Current Salary Practice Lines of Central Tendency (LCT)\*

E-External Prevailing Rates LCTs\*

F-LCTs Comparison Chart\*

5-Per-Job Class Salary Range Assignment Table-Class Order

6-Per-Job Class Salary Range Assignment Table-Range Order

7-Non-Benchmark Linkage Table

8-Per-Position Compa-Ratio Table

9-Fiscal Impact Estimate Table

10-Implementation Cost Analysis

Optional Additional Tables

*\*for salary plans utilizing point-factor job evaluation*

**PRIMARY CLIENT DATA FILE**

*Primary Client Data File* consists of all the combined per-position and per-employee data accumulated and created during the project. It is initially established from data provided by the client, such as:

Employee Name	Current Job Class Title	Base Salary Amount
Department	Job Class Code	Salary Range Number
Initial Hire Date	EEO Designation	\$ Range Midpoint
Performance Score	FLSA Designation	\$ Range Min/Max

Additional per-position information added or superimposed on the current data by the PSPC consultants during the project may include:

New Job Class Title	New Job Class Code	Salary Range Number
\$ Range Minimum	\$ Range Midpoint	\$ Range Maximum
Job Evaluation Points	Benchmark Status	\$ Policy Group
Amount to Minimum	Implementation Amount	New Salary Amount
Above Maximum	Certification Pay Code	Assignment Pay Code
Compa-ratio	Amount to Midpoint	Supervisory Differential

**TABLE 1 - SCHEMATIC OF OCCUPATIONAL JOB CLASSES**

*Schematic of Occupational Job Classes* is a file established at the completion of the job analysis and position classification phase of the project, with all of the organization's job classes, designating:

Job Class Series	Job Class Groups
Job Class Titles	Job Class Codes
FLSA Designation	EEO Designation

Class Code	Occupational Job Families and Job Classes
1400	Public Works Series
	Facilities Maintenance and Craft Group
1431	Maintenance Supervisor
1432	Parks Supervisor
1433	Senior Skilled Craft Specialist
1434	Skilled Craft Specialist
1435	Maintenance Technician
1436	Maintenance Technician Assistant
1437	Parks Maintenance Specialist

This file will be "stripped" of job titles and class codes for other *EZ COMP™* files.

**TABLE 2 - INDEX OF CURRENT TO RECOMMENDED JOB CLASSES**

*Index of Current to Recommended Job Classes* is an alphabetical listing of all job classes currently used by the client and the recommended disposition of each of those job classes and titles. Current data is from the payroll, class specifications and/or job descriptions, classification plan and PDQs. New data includes job class title and transaction codes.

D = Deleted                      J = New Job Class  
M = Merged with other Job Class  
N = No Change                  T = Title Modification  
S = Split into Several Classes

Transaction Codes:  
M = Merge Into Other Class      S = Split into Two or More Classes  
T = Title Modification            N = No Change  
D = Delete Class Title            J = New Job Class

Current Job Class	New Job Class	Trans Code
Superintendent of Printing	Printing Supervisor	T
Support Services Project Mgr.	Delete	D
Survey Party Chief	Survey Party Chief	N
Surveyor I	Surveyor	M,D
Surveyor II	Surveyor	S,N
Switchboard Operator	Utility Locator	J
Systems Analyst	Clerical Assistant	M,D
	Systems Analyst	N

**TABLE 3 - POSITION ALLOCATION REGISTER**

*Position Allocation Register* strips the following per-position information for the Primary Client Data File:

- Current Job Class Title
- Name of Incumbent
- Department

and adds the following information from Table 1, based on the PSPC consultants' determinations as to which job class the position is allocated:

- Recommended Job Class Title
- Job Class Code
- Transaction Code: N = No Change R = Reclassification; T = Title Modification

Transaction Codes: N = No Change  
R = Reclassification T = Title Modification

Incumbent	Current Job Class	New Job Class	Trans Code
Moss, R	Accountant	Accountant	N
Warner, K	Accountant	Programmer	R
Plummer, J	Accountant	Accountant	N
Favre, B	Senior Accountant	Senior Accountant	N
Ditka, M	Senior Accountant	Senior Accountant	N
Ruud, E	Accounting Clerk III	Accounting Clerk	T
Drukker, H	Accounting Clerk III	Accounting Clerk	T

**TABLE 4 - EXTERNAL PREVAILING RATES COMPARISON**

*External Prevailing Rates Comparison* compares The client's current salary structure Midpoint for each of its salary survey benchmark job classes from the Primary Data File to the external prevailing rate indicating the dollar and percentage variance of the client's rates to the prevailing rates.

Benchmark Job Class	Current Midpoint	Aged Survey Midpoint	Variance	
			\$	%
Public Works Director	\$49,686	\$77,269	-\$27,583	-35.70%
Police Chief	\$49,686	\$77,102	-\$27,416	-35.56%
Human Resource Director/City Clerk	\$37,080	\$57,062	-\$19,982	-35.02%
Police Lieutenant	\$35,310	\$42,344	-\$7,034	-16.81%
Building Inspector	\$32,028	\$33,438	-\$1,410	-4.22%
Human Resource Specialist	\$23,898	\$24,961	-\$1,063	-4.28%
Laborer	\$21,678	\$20,721	\$957	4.62%
Comptroller	\$37,080	\$32,465	\$4,615	14.22%

**TABLE 5 - SOURCES OF EXTERNAL SALARY DATA**

*Sources of External Salary Data* identifies the source of each rate comprising the external prevailing rate for the client's salary survey benchmark job classes. This table may be updated annually to compute the new prevailing rate for each benchmark job class.

If the external data was obtained through a special salary survey questionnaire, this table will indicate, for each benchmark job class, the name of every employer who reports a comparable job to the benchmark, their job class title, and current salary data.

If the external data was extracted from an existing salary survey report which identifies the employers and their data, this table will indicate the same information as in the previous paragraph. If the report provided only merged data for each of their benchmarks matched to the client's benchmark, this table will only indicate the name of the survey, the survey benchmark job title, and the salary data.

**TABLE 6 - PERMANENT SALARY RANGE SCHEDULE**

*Permanent Salary Range Schedule* indicates the Salary Range Number, Minimum, Midpoint and Maximum amounts for each salary range in the client's base salary plan. If the client utilizes a grade/step system, this table indicates the Salary Grade Number and the number and amount of each step within every salary grade.

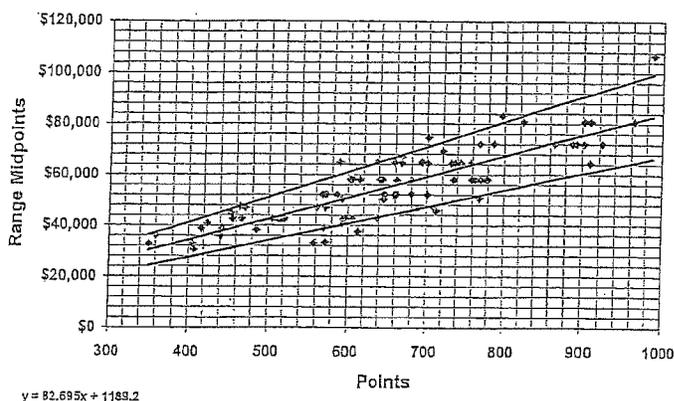
Salary Range	Minimum	Midpoint	Maximum
63	\$60,093	\$75,116	\$90,139
64	\$61,595	\$76,934	\$92,393
65	\$63,135	\$78,919	\$94,703
66	\$64,713	\$80,892	\$97,070
67	\$66,331	\$82,914	\$99,497
68	\$67,990	\$84,987	\$101,984
69	\$69,689	\$87,112	\$104,534

**TABLE B - JOB CONTENT EVALUATION PROFILES**

*Job Content Evaluation Profiles* lists all of the job class titles and codes from Table 1, the evaluated job levels and points for each of the compensable factors, and the total points for every job class.

**CHART C - INTERNAL EQUITY ANALYSES SCATTERGRAM**

*Internal Equity Analyses Scattergram* consists of a scatter diagram for each primary group of job classes (i.e.: Clerical/Office, Labor/Trades, Professional/Technical, Management/Executive), cone dispersion analyses, and current salary practice lines of central tendency (LCT) and formulae, by combining the Salary Range Midpoint amounts from the Primary Client Data File and the total job points from Table B through the graphical statistical capability of standard PC software.



**CHART D - CURRENT SALARY PRACTICE LINES OF CENTRAL TENDENCY (LCTs)**

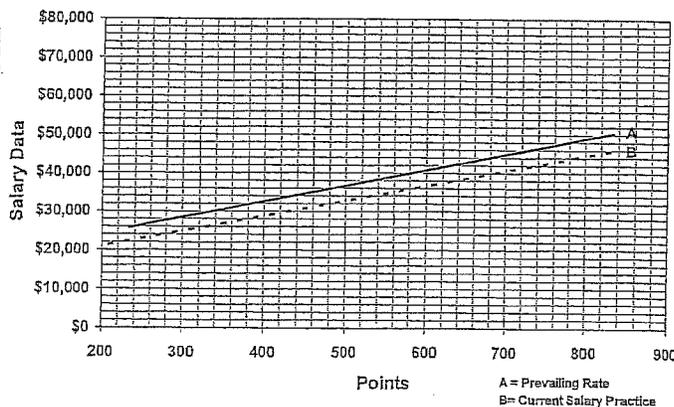
*Current Salary Practice Lines of Central Tendency (LCTs)* translates the combination of the client's current salary Midpoint practice dollars for various job classes from the Primary Client Data File with their respective job evaluation points from Table B into a mathematical per-job point formula which, when plotted on a \$/Points graph, constitutes a definitive graphic line. This table may contain more than one LCT to represent a number of the client's major occupational job groups.

**CHART E - EXTERNAL PREVAILING RATES LCT**

*External Prevailing Rates LCTs* depicts one or more LCTs representing the external prevailing rates, which are constructed by combining the client's job content points from Table B with the external prevailing rate from Table 4 in the same manner as for Chart D.

**CHART F - LCTs COMPARISON CHART**

*LCTs Comparison Chart* consists of the graphic comparison of the lines of central tendency and formulae of the client's current salary practice for its primary job groups from Table D to those of the external prevailing rates. The prevailing rate LCTs and formulae are constructed and computed by combining the client's job content points from Table B with the external prevailing rate amounts from Table 4.



**TABLE 5 - PER JOB CLASS SALARY RANGE ASSIGNMENT TABLE (CLASS ORDER)**

*Per Job Class Salary Range Assignment Table (Class Order)* assigns each job class to a salary range within the Permanent Salary Range Schedule (Table \$). The process is different for salary plans based on direct market pricing than for those based on quantitative evaluated job content.

Class Code	Occupational Job Families and Job Classes	-- Recommended --			
		Salary Range	Minimum	Midpoint	Maximum
<b>1400</b>	<b>Public Works Series</b>				
	Facilities Maintenance and Craft Group				
1431	* Maintenance Supervisor	59	\$54,441	\$68,051	\$81,662
1432	* Parks Supervisor	59	\$54,441	\$68,051	\$81,662
1433	Senior Skilled Craft Specialist	35	\$30,099	\$37,624	\$45,149
1434	Skilled Craft Specialist	29	\$25,954	\$32,449	\$38,932
1435	* Maintenance Technician	30	\$26,603	\$33,254	\$39,905
1436	Maintenance Technician Assistant	25	\$24,101	\$30,127	\$36,152
1437	Parks Maintenance Specialist	25	\$23,513	\$29,392	\$35,270

\* Salary Survey Benchmark

For plans based on direct market pricing, this table is initially created by assigning each benchmark job class to the salary range on Table \$ whose Midpoint amount most closely matches the external prevailing rate from Table 4. Non-benchmark job classes are assigned to their salary ranges by reference to the Non-Benchmark Linkage Table (Table 7). Flexibility for subsequent internal equity adjustments to Table 5 is provided on the basis of professional judgment.

For plans based on quantitative job evaluation, this table is created by multiplying the job points for each job class from Table B by the client's salary competitiveness policy formula for each primary job group from Table F. The process then looks up Table \$ for the Midpoint amount on the Permanent Salary Schedule closest to the product of the calculation, which designates the proper salary range.

Class Code	Occupational Job Classes	-- Recommended --			
		Salary Range	Minimum	Midpoint	Maximum
1714	Director of Planning, Zoning, and Building	65	\$60,510	\$75,762	\$90,915
1133	* Internal Auditor	65	\$60,510	\$75,762	\$90,915
1112	Assistant City Administrator	64	\$59,131	\$73,914	\$88,697
1620	* Director of Recreation	63	\$57,689	\$72,111	\$86,534
1279	* Fire Chief	63	\$57,689	\$72,111	\$86,534
		62	\$56,262	\$70,353	\$84,423
1243	* Assistant Chief of Police	61	\$54,909	\$68,637	\$82,354

\* Salary Survey Benchmark

TABLE 6 provides the same information in low to high salary range order.

**TABLE 7 - NON-BENCHMARK LINKAGE TABLE**

*Non-Benchmark Linkage Table* for non-quantitative plans, indicates the class titles of the job classes which are not salary survey benchmarks, the class title of the benchmark or reference job classes to which they are linked. The process automatically adjusts the salary range for the non-benchmark class by the current salary range differential when the salary of its linked benchmark or reference job class is adjusted on Tables 5 and 6.

This table is to be utilized as a guide during annual salary plan updates, permitting non-benchmark job classes to be adjusted by the same number of salary ranges as the salary survey benchmark job class to which they have been linked.

Non-Benchmark Job Title	Benchmark Job Title
Accounting Manager	Accountant
Adult & Info Services Manager	Librarian
Building Monitor	Office Assistant
Building Maintenance Supervisor	Building Maintenance Worker
Building Permit Specialist	Executive Secretary
Bus Driver	Light Equipment Operator
Business Manager	Accountant

**TABLE 8 - PER-POSITION COMPA-RATIO TABLE**

Employee Name	Dept Code	New Job Class	Current Salary	-- Recommended --			Compa-Ratio	\$<Min	\$<Mid	\$>Max	
				Salary Range	Minimum	Midpoint					Maximum
Simon, N	A	Administrative Assistant	\$21,330	26	\$24,101	\$30,127	\$36,152	70.80%	\$2,771	\$8,797	\$0
Taylor, J	A	Director of Real Property	\$85,685	67	\$66,331	\$82,914	\$99,497	103.34%	\$0	\$0	\$0
Garcia, J	A	Chief Deputy of Operations	\$56,815	46	\$39,493	\$49,366	\$59,239	115.09%	\$0	\$0	\$0
Crow, S	A	Program Manager	\$51,385	44	\$37,590	\$46,987	\$56,385	109.36%	\$0	\$0	\$0
Ioml, A	M	Medical Investigator	\$69,716	70	\$71,432	\$89,289	\$107,147	73.03%	\$1,716	\$19,573	\$0
Reidle, J	M	Forensic Technical Specialist	\$77,123	55	\$49,321	\$61,651	\$73,982	125.10%	\$0	\$0	\$3,141
Young, N	M	Principal Secretary	\$24,354	26	\$24,101	\$30,127	\$36,152	80.84%	\$0	\$5,773	\$0

*Per-Position Compa-Ratio Table* provides the following information, which is added to the Primary Client Data File, from Table 3, \$, and 5.

Job Class Title	Incumbent's Name	Incumbent's Current \$
Job Class Code	Salary Range Number	Amount Below Minimum
Department	Salary Range Midpoint	Amount Below Midpoint
Compa-Ratio	Salary Range Min/Max	Amount Above Maximum

The Compa-Ratio (short for Comparative Ratio) is a calculation which expresses the percentage relationship of the incumbent's current base salary amount to the Midpoint of the salary range for their position's job class.

**TABLE 9 - FISCAL IMPACT ESTIMATE TABLE**

*Fiscal Impact Estimate Table* provides, on a department or cost center basis, the estimated annualized cost to bring the salaries of all employees to the Minimum of the salary range for their position's job class. The table combines the department designations from the Primary Client Data File with the total amounts of current salaries and salaries below the Minimum from Table 8, for alternative salary competitiveness policies.

Number of Employees	287
Total Payroll	\$10,684,333
Number of Employees Below Minimum	77
As % of total employees	26.83%
Total \$ below Minimum	\$121,099
As % of total payroll	1.13%
Average amount below Minimum	\$1,573

**OPTIONAL TABLES**

EZ COMP™ can be expanded to include and actively integrate any number of custom-developed tables, or tables constructed from various combinations of the standard tables, such as the following:

- Initial Implementation Protocol Guide
- Initial Implementation Compression Tempering Guide
- Merit or Longevity Salary Increase Guide
- Performance Reviews Due/Overdue Report
- Departmental, Job Class, or Longevity Compa-Ratio Report
- Supplemental Pay Table for Special Assignments, Certification, License or Language Proficiency
- Longevity Recognition Supplement
- Supervisory Differential
- Trainee on In-Training Rates
- Out-of-Class or Acting Capacity Differentials
- Individual or Group Incentives

NOTE: Not all of the preceding tables will be present in the EZ COMP™ for every salary plan.



## MEMORANDUM

To: Labor Relations Committee

From: City Administrator Charlene Stevens

Date: January 18, 2013

Re: **Charter Commission Recommendations on City Administrator and City Attorney Ordinances**

The Charter Commission has requested that the Labor Relations Committee review the current City Administrator Ordinance to see if it accurately reflects the duties of the City Administrator.

The current ordinance is attached as well as a copy of the suggested duties from the League of Minnesota Cities handbook. As you can see the current ordinance reflects the model from LMC, thus staff recommends no changes to the current ordinance.

The Charter Commission has also requested that the Council consider adopting an ordinance to outline the duties of the City Attorney. Currently no ordinance exists. Attached is sample language from the Charter Commission. If the Council feels it necessary to proceed with such an ordinance, staff's recommendation would be to ask the current City Attorney to draft such an ordinance for review.

## RELEVANT LINKS:

See Handbook, Chapter 9.

Minn. Stat. § 412.111.  
See Part II-B -Powers and  
duties.

*Jewell Belting Co. v. Bertha*,  
91 Minn. 9, 97 N.W. 424  
(1903).  
A.G. Op. 471-F (Oct. 24,  
1961).

A key issue in the creation of the city administrator position is the level of authority, particularly supervisory authority over other city staff, that will be vested in the position. In some cities, the responsibilities may be essentially an expansion of the city clerk's duties. Other cities may give the administrator broader powers.

Cities must make sure that only ministerial duties are delegated to a city administrator. The courts will not permit the delegation of any administrative power that calls for judgment or discretion.

### A. Form of government

No form of government requires a city administrator. It is most common, however, in Plan A cities. The position is usually created by ordinance or resolution. Sometimes the administrator position exists in addition to a separate city clerk position, but often the duties are merged into a combined clerk-administrator position. Because a Plan B city has a city manager, it would be unlikely to also have a city administrator. Home rule charter cities should consult their city charters for provisions addressing their city administrator.

### B. Powers and duties

Since state statutes do not specifically provide for a city administrator, or define the powers of the position, duties can vary greatly from city to city. Generally, the council delegates day-to-day responsibilities of city administration. But when the position is combined with that of the city clerk, the position will include all the duties of the city clerk as well.

Duties delegated to the administrator should only be ministerial. The council cannot delegate any administrative power that calls for judgment and discretion, such as the authority to enter into a contract, or hiring and firing city employees.

The following responsibilities are among those often assigned to city administrators:

- **Administration direction.** Direct the administration of the city as provided by council action, and state and federal statutes.
- **City affairs.** Coordinate with the city council in administering city affairs.
- **Policy recommendations.** Recommend adoption of policies that will further goals of the city council and generally improve the quality of city administration.

RELEVANT LINKS:

- **Local improvements and city projects.** Prepare reports and summaries relating to proposed municipal projects/improvements and submit them with recommendations as may be required to the council for study and subsequent action.
- **Budgets.** Prepare a recommended budget for consideration by the city council.
- **Financial statements.** Prepare the annual financial statement and perform other duties as required by statute.
- **Meetings.** Attend and participate in all council meetings. Attend (at administrator's discretion or by invitation) other committee and commission meetings.
- **City programs.** Coordinate city programs and activities as authorized by the council.
- **Financial reports.** Submit quarterly reports to the council on the financial condition of the city's accounts.
- **Elections.** Supervise the administration of local elections in accordance with prescribed laws and regulations.
- **Supervision.** Supervise and have day-to-day oversight over the activities of all city department heads and administrative staff.
- **Employment.** Provide recommendations to the council regarding employment and removal of city staff.
- **Cooperate with professional staff.** Work in cooperation with the city attorney and city engineer.
- **Public relations.** Prepare news releases, and develop and discuss public relations materials. Maintain effective public relations with the local media and general public.
- **Consultation.** Consult with appointed officials and other public or private entities as may be required.
- **Other public programs.** Stay informed of all federal, state, and county programs that affect the city.
- **Labor negotiation.** Negotiate or delegate the negotiation of the terms and conditions of employee labor contracts.
- **Other duties.** Perform all other duties required of administrator by ordinances or resolutions adopted by the council.

Cities should consult their city ordinances for a list of the administrator's job duties. Home rule charter cities with administrators should consult their charters for similar information.

Subdivision 2. [City Attorney.] The City Council shall appoint an officer of the City who shall be called the City Attorney. The City Council may, as an alternative, contract for legal services with an individual or law firm. The City Attorney shall:

- (A) Prosecute City Ordinance violations.
- (B) Prosecute Petty Misdemeanors, Misdemeanors, and Gross Misdemeanor violations of State Statutes as required by Minnesota law.
- (C) Review agreements and contracts involving the City.
- (D) Draft Ordinances and Resolutions.
- (E) Review licenses, bonds, and insurance certificates.
- (F) Provide legal advice to Mayor, Council, Department Heads, Boards and Commissions.
- (G) Pursue civil actions on behalf of the City including collections; condemnations and contract enforcement.
- (H) Act as legal representative of Rice Memorial Hospital and Municipal Utilities Commission.
- (I) Enforce the City charter and advise the Mayor and Council when the Charter is not being followed or the duties of an office are not being carried out.
- (J) shall perform such other duties as the City Council may, from time to time, direct.

~~Subdivision 2-3. Votes required for appointments. All appointments, except City Department Heads, shall require the affirmative votes of at least five (5) members of the Council. The appointment of the City Administrator and City Attorney shall require the affirmative votes of at least five (5) members of the Council.~~  
(Ord. No. 1027, § 1, 7-15-92)

Subdivision 4. Except for purposes of inquiry, the City Council must contact and control direct the administrative branch activities solely through the City Administrator. The City Council shall not, publicly or privately, give an order to the City Administrator subordinates. A single member or group of Council members less than a majority shall not give an order to the City Administrator.

### **Section 2.09. Independent audit and Financial Reporting.**

The Council shall provide for an independent annual audit of all City accounts and may provide for such more frequent audits as it deems necessary. The <sup>30</sup> accounts of Rice Memorial Hospital and the Willmar Municipal Utilities Commission shall be audited at least annually. Such audits shall be made by a certified public accountant or firm of such accountants who have no direct interest in the fiscal affairs of the City government or any of its officers. The annual audit of the City, the Willmar Municipal Utilities and Rice Memorial Hospital shall be certified by the accountant preparing the annual audit. Except as provided herein with respect to audits of Rice Memorial Hospital and the Willmar Municipal Utilities, the Council may, without requiring competitive bids, designate such accountant or firm annually ~~or~~ for a period not exceeding three (3) years, provided that the designation for any particular fiscal year shall be made no later than thirty (30) days after the beginning of such fiscal year. If the State makes such an audit, the Council may accept it as satisfying the requirements of this Section. The Rice Memorial Hospital Board and the Willmar Municipal Utilities Commission may select their respective certified public accountant ~~on approval of the City Council.~~ Rice Memorial Hospital and the Willmar Municipal Utilities shall each pay their own audit fees incurred for the audits required by this Section. Copies of each annual audit of Rice Memorial Hospital and the Willmar

(b) Elected officials shall be allowed to apply for and receive certain benefits through standard city employee benefit programs. Through December 31, 1991, the city shall contribute six hundred dollars (\$600.00) towards the purchase of any optional benefit programs. Effective January 1, 1992, costs for any optional benefit programs shall be deducted entirely from annual salaries. In the event the benefits selected by the mayor or councilmember shall exceed their salary, the amount of the excess shall be paid to the city by the mayor or councilmember within thirty (30) days of being billed for the excess amount.

(c) When meeting as the board of review, each member of the board shall receive twenty dollars (\$20.00) per hour of actual service with the board, which shall be in addition to the salary above set out.

(d) The council member serving as mayor pro tempore shall receive additional compensation of five hundred dollars (\$500.00) a year, payable quarterly.  
(Code 1978, § 053.01; Ord. No. 742, § 1, 10-1-80; Ord. No. 791, § 1, 9-15-82; Ord. No. 811, § 1, 8-3-83; Ord. No. 831, § 1, 9-19-84; Ord. No. 934, § 1, 9-21-88; Ord. No. 985, § 1, 9-19-90; Ord. No. 988, § 1, 10-17-90; Ord. No. 1066, § 1, 6-21-95; Ord. No. 1243, §§ 1, 2, 10-2-06)

State law reference—City council authorized to fix salaries of council and mayor, M.S.A. § 415.11.

**Sec. 2-27. Mayor's contingent fund.**

The mayor shall have placed at his disposal a contingent fund each year in the sum of one thousand five hundred dollars (\$1,500.00), which he may expend as he may deem necessary and proper in the public interest.

(Code 1978, § 053.02; Ord. No. 870, § 1, 2-19-86)

**Secs. 2-28—2-35. Reserved.**

**DIVISION 3. CITY ADMINISTRATOR**

**Sec. 2-36. Position established.**

The position of city administrator is hereby established in the city.  
(Ord. No. 989, § 1, 10-17-90)

**Sec. 2-37. Duties and responsibilities.**

The city administrator shall have the following duties and responsibilities:

- (1) Exercise supervision, authority and control over all departments and divisions of the city, except Rice Hospital, Willmar Municipal Utilities and the legal department.
- (2) Oversee and supervise the hiring, discipline and removal of all employees of the city, except hiring, discipline and removal of municipal utilities employees, Rice Hospital employees and employees of the legal department. Hiring, discipline and removal of departments heads shall be subject to approval of the city council. His duties under

- (2) Oversee and supervise the hiring, discipline and removal of all employees of the city, except hiring, discipline and removal of municipal utilities employees, Rice Hospital employees and employees of the legal department. Hiring, discipline and removal of departments heads shall be subject to approval of the city council. His duties under

this subsection shall be subject to applicable civil service regulations and other city ordinances.

- (3) Insure that all laws, regulations and ordinances of the city are enforced.
  - (4) Attend all meetings of the city council, and such committee meetings of the council as requested.
  - (5) Make recommendations to the council for adoption of such ordinances and resolutions as are in the best interests of the city and to insure and provide for the welfare and well-being of the residents of the city.
  - (6) Monitor and oversee all contracts which the city is party to, to insure that they are performed in accordance with their terms.
  - (7) Cause financial statements of the city to be prepared on a regular basis to keep the mayor and council advised of the financial standing of the city.
  - (8) Within the time parameters established by the city charter and state statute, coordinate the preparation and submission to the council of the annual budget.
  - (9) Along with the mayor, execute all contracts in the name of the city.
  - (10) Be responsible for the negotiation and settlement of all labor contracts of the city.
  - (11) Coordinate all municipal programs and municipal activities of the city.
  - (12) Coordinate the relationship between the city and the news media.
  - (13) Make application for all state and federal funds available to the city through grant programs.
  - (14) Perform such other duties as the city council may, from time to time, direct.
- (Ord. No. 989, § 2, 10-17-90)

**Secs. 2-38–2-45. Reserved.**

### ARTICLE III. BOARDS, COMMITTEES AND COMMISSIONS\*

#### DIVISION 1. GENERALLY

**Secs. 2-46–2-60. Reserved.**

\***Charter references**—Members of boards and commission in charter appointed by mayor and approved by the city council, § 3.03; boards and commissions, art. IV; oath of office, § 9.01.

**Cross references**—Liquor committee, § 3-121; board of fire code appeals, § 6-36 et seq.; housing code appeals board, § 6.5-72; park and recreation board, § 11-26 et seq.

**State law reference**—Open meetings law, M.S.A. § 471.705.

