



# Classification and Compensation Study

Lake County, IL



## Methodology

# Project Overview

### COMPLETE

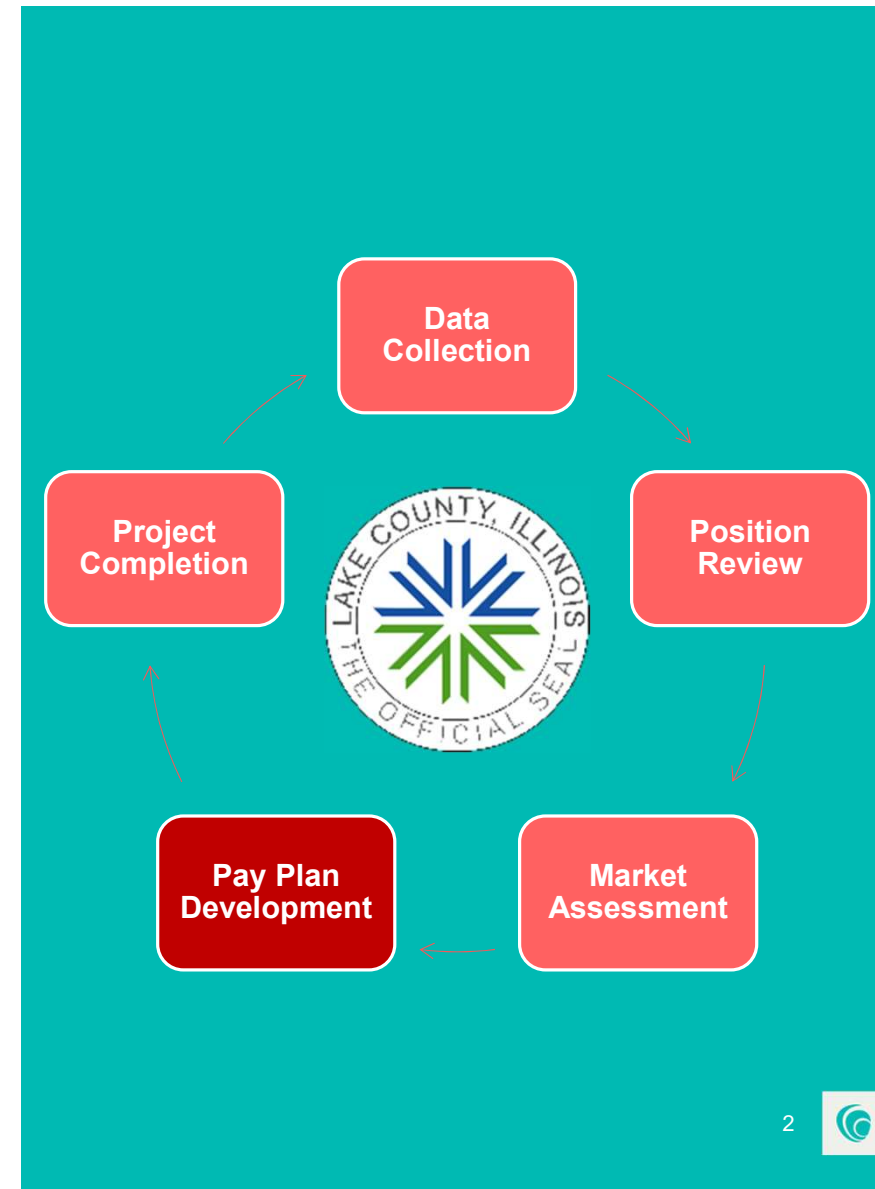
- ✓ **Data Collection:** project planning meetings, data requested from Lake County, Position Analysis Questionnaires (PAQs) completed by employees and reviewed by supervisors.
- ✓ **Position Review:** PAQs used to review titles and conduct job evaluation using our point factor tool, called SAFE®. This process establishes a hierarchy of jobs within the organization that is reflective of internal equity; FLSA analysis.
- ✓ **Market Assessment:** collection of base pay, pay practice, and benefit data from peer organizations.

### IN PROGRESS

- **Pay Plan Development:** pay plan development, grade assignments, and implementation calculations.

### NEXT

- **Project Completion:** final report delivered, project documentation delivery, training for HR.



## Internal Equity

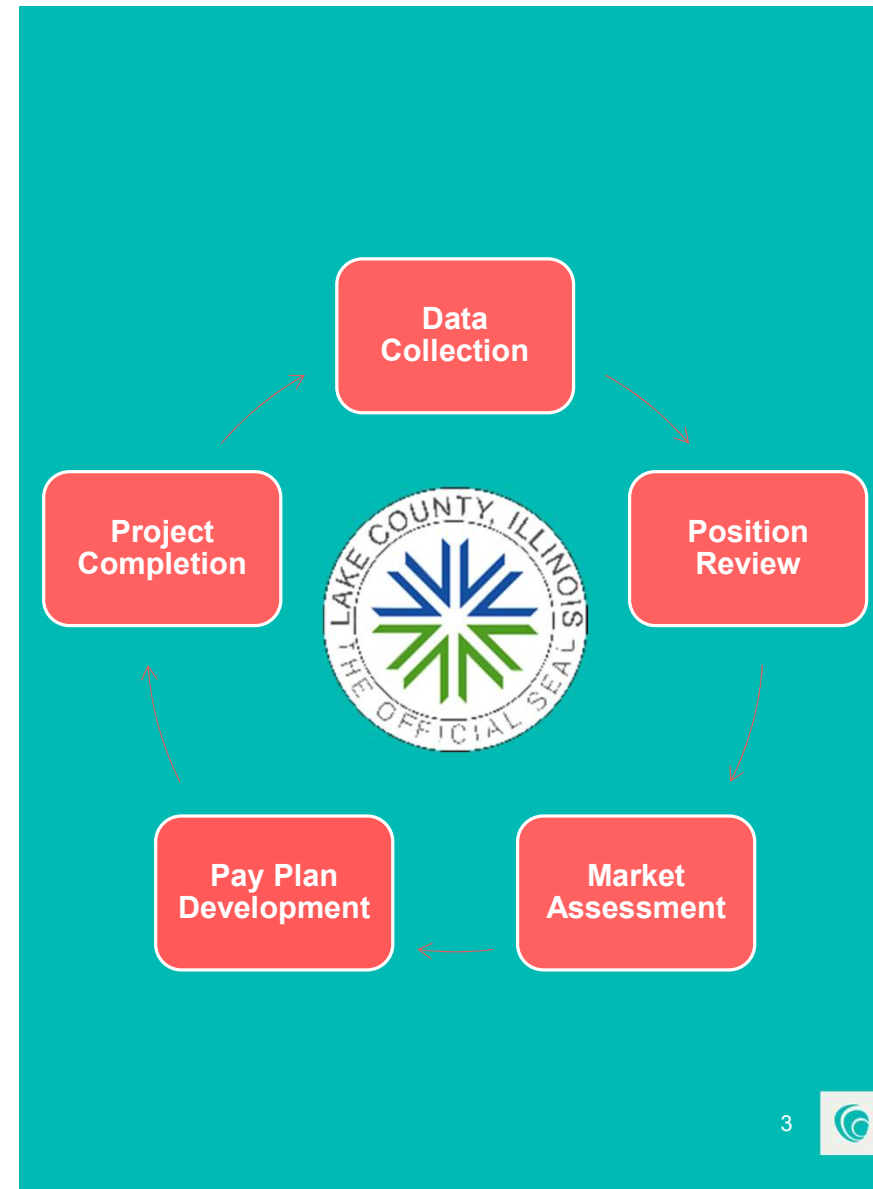
# Position Review

- **Titles:** Using PAQs, we reviewed all titles and made recommendations for adjustments, as necessary
- **Job Evaluation:** We conducted job evaluation using our point factor tool, called SAFE®. This process established a hierarchy of jobs within the County that is reflective of internal equity.
  - ***This was a measurement of the position, NOT the person in the position***

The 9 compensable factors:

- |                      |                               |
|----------------------|-------------------------------|
| 1. Education         | 6. Working Conditions         |
| 2. Experience        | 7. Independence of Actions    |
| 3. Level of Work     | 8. Impact on the Organization |
| 4. Human Interaction | 9. Supervision Exercised      |
| 5. Physical Demands  |                               |

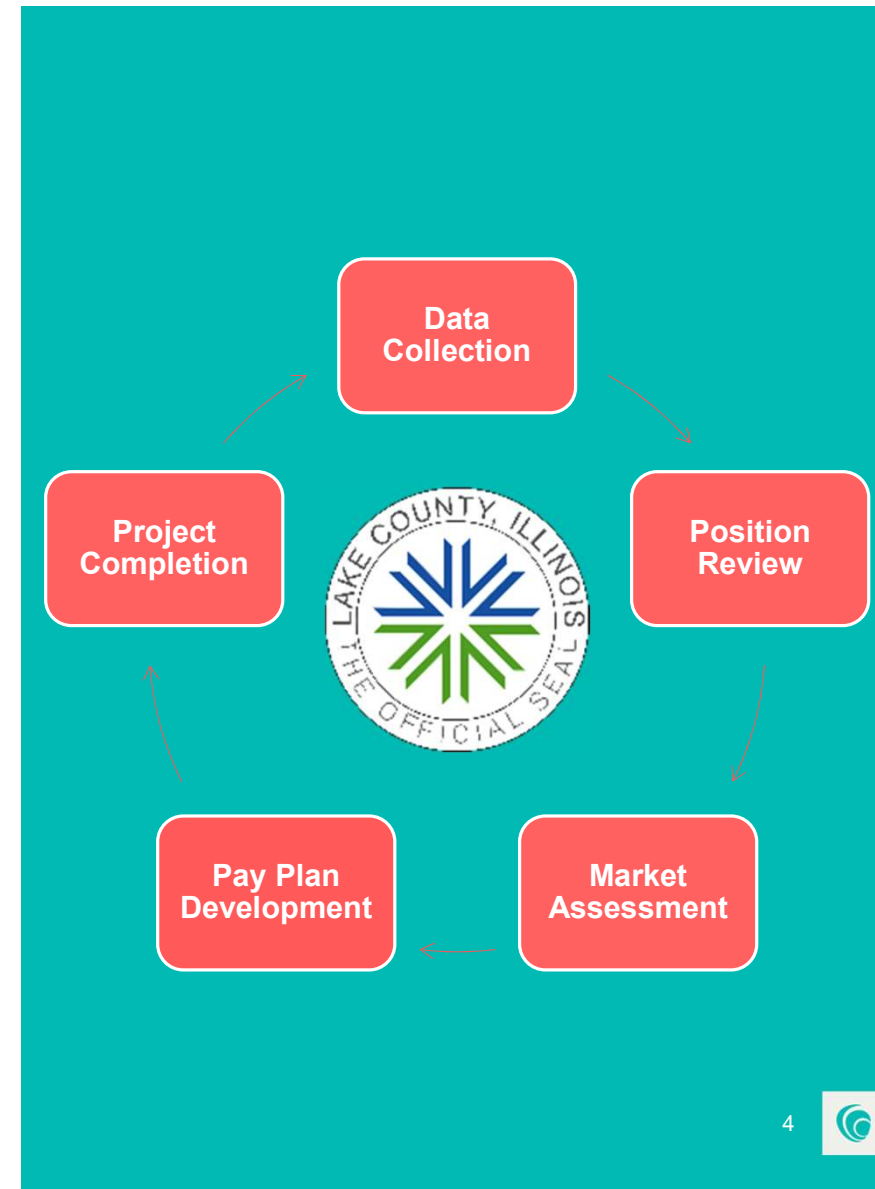
- **FLSA:** We reviewed exempt / non-exempt designations for each position based on guidelines within the Fair Labor Standards Act (FLSA).



## External Equity

# Market Assessment

- **Peer Organizations:** We partnered with Lake County to identify comparable and competitive peer organizations to include in the study. These are organizations that look like and work like the County relative to size (revenue, population served, or number of employees), service offerings, geography, growth, etc.
  - Published salary survey data was incorporated as a private sector comparison.
- **Benchmark Positions:** Positions commonly found in the market and typically represent each department and reflect every level and current pay grade within the organization.
- **Market Survey:** A summary of work + minimum qualifications will be included for each benchmark summary position to assist peers in providing an appropriate match.
- **Adjustments & Quality Control:** Some adjustments were made to collected data to account for differences in work week, fiscal year, and geographic labor cost.
  - Market data was not weighted; no peer's data was given preference over another.
  - Required 3 matches per benchmark position to determine market values.
  - A 75% overlap in duties/responsibilities is considered a "good" match.



# Market Assessment: Peer Organizations

- The County identified 16 peer organizations to be included in the study.
- Data was collected or compiled from 15 of those, **shown in bold below**.
- Data from **4 published surveys** included to represent the “private sector”.

- 1. City of Evanston**
- 2. City of Lake Forest**
- 3. City of Waukegan**
- 4. DuPage County**
- 5. Johnson County, KS**
- 6. Kane County**
- 7. Kenosha County, WI**
- 8. Madison County**
- 9. McHenry County**
- 10. Milwaukee County, WI**

- 11. Village of Buffalo Grove**
- 12. Village of Gurnee**
- 13. Will County**
- 14. DuPage Public Health**
- 15. Cook County**
16. Howard Brown Health
17. **Comp Analyst**
18. **Economic Research Institute (ERI)**
19. **Bureau of Labor Statistics (BLS)**
20. **Pay Factors**



## Market Assessments: Results

- In total 488 positions were included in the market survey as benchmark positions.
- Overall, the study yielded market values for 80.1% of the County's benchmark positions.

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- Average minimum, midpoint, and maximum results were prepared for the 391 benchmarks with sufficient data.
  - A comparison of current midpoints vs. the market average midpoint was also prepared. Additional market thresholds demonstrating 5% above and 5% below market were also prepared for consideration.

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- On average, the County is 7.8% **below** market at the minimum, 1.4% **below** market at the midpoint, and 0.6% **above** market at the maximum.
  - **Draft pay plans were aligned to 100% of market at the midpoints.**

## Pay Plan Development

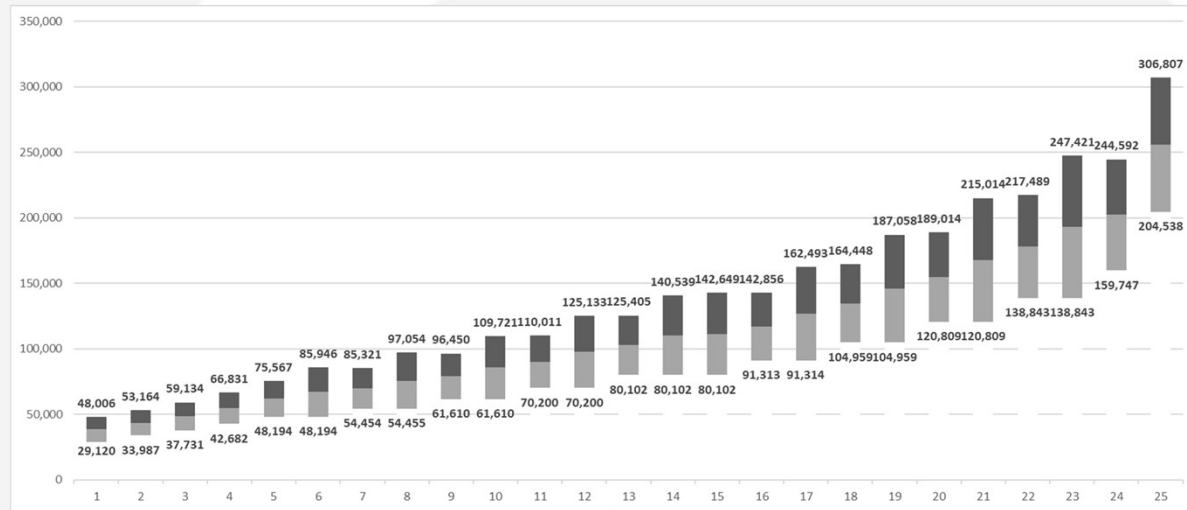
- Baker Tilly led discussions with the County's leadership team with regards to the number of pay plans, type of pay plans, and design of pay plans.
- Determination for the number of pay plans an organization needs may be influenced:
  - the diversity of jobs
  - diversity in grading procedures
  - internal equity versus external competitiveness
  - organizational culture
- Based on the data collected, Baker Tilly developed one pay plan.
  - *Proposed pay plan is aligned to 100% of the market at the midpoint.*



# Current Pay Plans

Grade	Minimum	25th Percentile	Midpoint	Maximum	Range Spread	Mid Diff
1	29,120.00	33,662.34	38,204.68	47,289.36	62.4%	
2	33,987.20	38,781.60	43,576.00	53,164.80	56.4%	14.1%
3	37,731.20	43,082.00	48,432.80	59,134.40	56.7%	11.1%
4	42,681.60	48,718.80	54,756.00	66,830.40	56.6%	13.1%
5	48,193.60	55,036.80	61,880.00	75,566.40	56.8%	13.0%
6	54,454.40	62,171.20	69,888.00	85,321.60	56.7%	12.9%
7	61,609.60	70,319.60	79,029.60	96,449.60	56.5%	13.1%
8	70,200.00	80,152.80	90,105.60	110,011.20	56.7%	14.0%
9	80,100.80	91,426.40	102,752.00	125,403.20	56.6%	14.0%
10	91,312.00	104,197.60	117,083.20	142,854.40	56.4%	13.9%
11	104,956.80	119,828.80	134,700.80	164,444.80	56.7%	15.0%
12	120,806.40	137,857.20	154,908.00	189,009.60	56.5%	15.0%
13	138,840.00	158,501.20	178,162.40	217,484.80	56.6%	15.0%
14	159,744.00	180,954.80	202,165.60	244,587.20	53.1%	13.5%
15	183,726.40	208,098.80	232,471.20	281,216.00	53.1%	15.0%

Grade	Minimum	25th Percentile	Midpoint	Maximum	Range Spread	Mid Diff
2*	33,987.20	40,664.00	47,340.80	60,694.40	78.6%	
3*	37,731.20	45,115.20	52,499.20	67,267.20	78.3%	10.9%
4*	42,681.60	51,017.20	59,352.80	76,024.00	78.1%	13.1%
5*	48,193.60	57,631.60	67,069.60	85,945.60	78.3%	13.0%
6*	54,454.40	65,104.00	75,753.60	97,052.80	78.2%	12.9%
7*	61,609.60	73,637.20	85,664.80	109,720.00	78.1%	13.1%
8*	70,200.00	83,933.20	97,666.40	125,132.80	78.3%	14.0%
9*	80,100.80	95,737.20	111,373.60	142,646.40	78.1%	14.0%
10*	91,312.00	109,106.40	126,900.80	162,489.60	77.9%	13.9%
11*	104,956.80	125,481.20	146,005.60	187,054.40	78.2%	15.1%
12*	120,806.40	144,357.20	167,908.00	215,009.60	78.0%	15.0%
13*	138,840.00	165,984.00	193,128.00	247,416.00	78.2%	15.0%



- Open Range Plans
- 25 Grades
- 53.1% - 78.6% Range Spreads (*minimum to maximum*)
- 11.1% - 15.1% Midpoint Differentials





# Proposed Pay Plan

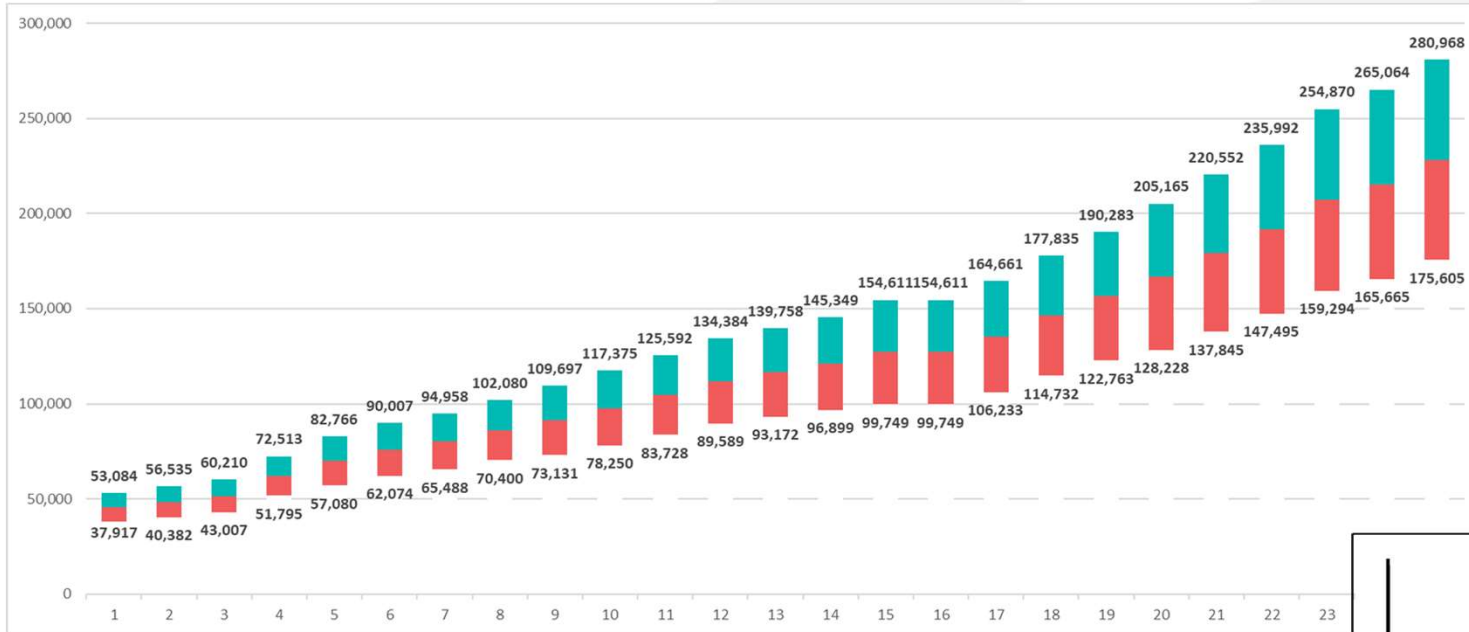
Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Differential
1	\$37,917	\$45,500	\$53,084	40%	
2	\$40,382	\$48,458	\$56,535	40%	7%
3	\$43,007	\$51,608	\$60,210	40%	7%
4	\$46,663	\$55,995	\$65,328	40%	9%
5	\$51,795	\$62,154	\$72,513	40%	11%
6	\$57,080	\$69,923	\$82,766	45%	13%
7	\$62,074	\$76,041	\$90,007	45%	9%
8	\$65,488	\$80,223	\$94,958	45%	6%
9	\$70,400	\$86,240	\$102,080	45%	8%
10	\$73,131	\$91,414	\$109,697	50%	6%
11	\$78,250	\$97,813	\$117,375	50%	7%
12	\$83,728	\$104,660	\$125,592	50%	7%
13	\$89,589	\$111,986	\$134,384	50%	7%
14	\$93,172	\$116,465	\$139,758	50%	4%
15	\$96,899	\$121,124	\$145,349	50%	4%
16	\$99,749	\$127,180	\$154,611	55%	5%
17	\$106,233	\$135,447	\$164,661	55%	7%
18	\$114,732	\$146,283	\$177,835	55%	8%
19	\$122,763	\$156,523	\$190,283	55%	7%
20	\$128,228	\$166,697	\$205,165	60%	7%
21	\$137,845	\$179,199	\$220,552	60%	8%
22	\$147,495	\$191,743	\$235,992	60%	7%
23	\$159,294	\$207,082	\$254,870	60%	8%
24	\$165,665	\$215,365	\$265,064	60%	4%
25	\$175,605	\$228,287	\$280,968	60%	6%

- Open Range Plan
- 25 Grades
- Aligned to 100% of market at the midpoint
- 40% - 60% Range Spreads
  - **As a best practice, the range spread should be tailored to the size of the job or the learning curve of the job.**
- 4% - 13% Midpoint Differentials

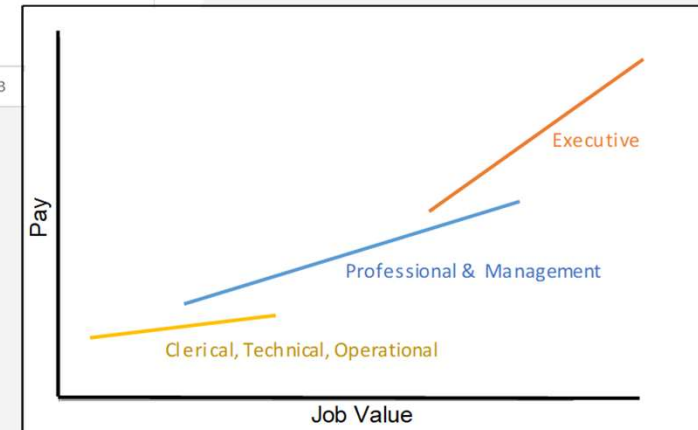


Lake County, IL

# Proposed Pay Plan



Demonstrating progression of Lake County positions across job families by consolidating positions into one pay plan and still accommodating various job levels, accomplished through tailored midpoint differentials.



# Pay Plan Development

**Pay Grade assignments:** Determined based on internal and external results (SAFE® evaluation scores and market midpoints). We used a regression to test the relationship between this information and to identify outliers.

**Positions were assigned based on the following:**

- Internal equity (job evaluation scores)
- External equity (market midpoints)
- Existing equity (current midpoints and grade groupings)
- Career progressions
- Supervisor / Subordinate separation

**The following information is NOT considered:**

- The person in the position
- Performance
- Length of service
- Existing employee salary

**Implementation Cost:** We have prepared draft implementation calculations. Once grade assignments are finalized, we will prepare implementation calculations that will assist Lake County in adopting the new classification and compensation system.



# Implementation Scenarios

**Option 1:** Move to Minimum if current salary is below; all others would retain existing salary. This is to get all employees onto the pay plan.

**Option 2:** Greater of 'Move to Minimum' if current salary is below OR a 2% adjustment. Ensures eligible employees receive no less than 2% adjustment.

**Option 3:** Move to Minimum + 1.0% x Years of Service (Capped at 10 years). If that adjustment is less than their current salary, employee retain existing salary (Option 1).

*In the scenarios if an employee's current salary is greater than the calculated salary, the employee would retain their existing salary.*

Option 1 - Move to Minimum					
	# of Staff	Current Salary	Proposed Salary	Difference	% Increase
Totals	1674	\$119,093,838.15	\$120,568,597.65	\$1,474,759.50	1.2%
Employees Below Minimum	461	\$22,577,232.78	\$24,051,992.28	\$1,474,759.50	6.5%
Employees Within Range	1174	\$92,386,928.81	\$92,386,928.81	\$0.00	0.0%
Employees Above Maximum	39	\$4,129,676.56	\$4,129,676.56	\$0.00	0.0%
Option 2 - Greater of Minimum or 2%					
	# of Staff	Current Salary	Proposed Salary	Difference	% Increase
Totals	1674	\$119,093,838.15	\$122,346,514.94	\$3,252,676.79	2.7%
Employees Below Minimum	461	\$22,577,232.78	\$24,093,981.49	\$1,516,748.71	6.7%
Employees Within Range	1174	\$92,386,928.81	\$94,122,856.89	\$1,735,928.08	1.9%
Employees Above Maximum	39	\$4,129,676.56	\$4,129,676.56	\$0.00	0.0%
Option 3 - Move to Minimum + 1% per Years of Service (Capped)					
	# of Staff	Current Salary	Proposed Salary	Difference	% Increase
Totals	1674	\$119,093,838.15	\$121,793,516.37	\$2,699,678.22	2.3%
Employees Below Minimum	461	\$22,577,232.78	\$24,767,250.65	\$2,190,017.87	9.7%
Employees Within Range	1174	\$92,386,928.81	\$92,896,589.16	\$509,660.35	0.6%
Employees Above Maximum	39	\$4,129,676.56	\$4,129,676.56	\$0.00	0.0%

# Project Overview

## NEXT STEPS

- **Pay Plan Development:** review proposed grade assignments with department directors to receive feedback and adjust, as necessary; finalize implementation costing; review pay policies and provide recommendations, as needed.
- **Project Completion:** final report delivered, project documentation delivery, training for HR.
- **Pay Equity Analysis**

