



# City of Avondale, AZ

## Classification and Compensation Study

Presentation to the City Council

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Presented by:

Ruth Ann Eledge, SPHR  
Vice President and Senior Consultant

# Key Deliverables of the Study

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- Job analysis and update of the classification system
- Employee completion of Job Description Questionnaires (JDQs)
- Compensation survey, including salaries, policies, and pay practices
- Market comparisons
- Development of new classification/compensation plans
- Development of updated class specifications
- Final report documenting project methodology and findings

# Job Analysis

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## A thorough review of job classifications was completed

- Job Description Questionnaires completed by employees and reviewed by Supervisors/Managers
- Thorough review of Questionnaires with follow-up interviews and focus groups for over thirty job titles representing approximately ninety employees
- Identification of key characteristics to understand internal relationships of jobs such as management/supervisory responsibilities, education, experience, technical skills, etc.
- Fair Labor Standards Act (FLSA) review to confirm exemption from overtime status
- Nine jobs recommended for reclassification which represents twelve incumbents in five departments
- Update/development of job descriptions

# Market Assessment

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## Benchmark Job Identification

Selection of benchmark jobs:

- Sufficient number of benchmark jobs to statistically represent all jobs
- Widespread representing all departments
- All levels of the organization represented
- Reflects the workforce composition
- Includes representation of services provided

Resulted in:

- 92 job titles from 14 City Departments
- 69% all incumbents represented
- 45% of all job titles included

# Peer Employers Representative of Labor Market

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Peer Employers
City of Buckeye
City of Chandler
City of El Mirage
City of Glendale
City of Goodyear
City of Mesa
City of Peoria
City of Phoenix
City of Scottsdale
City of Surprise
City of Tempe
City of Tolleson
Town of Gilbert
Town of Paradise Valley

# Private Sector Data Representative of Labor Market

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- Economic Research Institute (ERI)- Data cut: Avondale, Arizona
- Towers Watson Data Services, Compensation Surveys- Data Cut: South Central Region
- Mercer US Benchmark Database Survey- Data cut: South Central Region

# Market Methodology

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- Collected information on salary range minimums, midpoints, and maximums
- Peers received a custom survey with job summaries and minimum qualifications describing each benchmark so matches to actual duties and qualifications, rather than title; Segal Waters followed up with peers to ensure appropriate matches
- **Overall, we found Avondale's pay ranges are at market at the pay range minimum, midpoint, and maximum**

# Summary of Findings- Pay Structure

- Overall, we found that Avondale’s pay structure is at market at the pay range minimum, midpoint, and maximum, as shown below.

**AVONDALE, AZ**  
**MARKET POSITION ACROSS ALL BENCHMARKS – PAY ONLY**

<b>City of Avondale Pay Ranges as a Percent of the Market Average</b>			
	<b>Pay Range Minimum</b>	<b>Pay Range Midpoint</b>	<b>Pay Range Maximum</b>
Private Sector	101%	103%	104%
Public Sector	98%	98%	98%
<b>Overall</b>	<b>99%</b>	<b>99%</b>	<b>99%</b>

# Summary of Findings- Individual Benchmark Jobs

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- The City's market position varies by benchmark job
- Pay range midpoints were used to determine if individual benchmark jobs were at, above, or below market
- Jobs with midpoints below 95% of market were identified as lagging market
- Jobs with midpoints above 105% of market were identified as leading market
- **Forty-five (45)** benchmark jobs have ranges that are **at market**
- **Twenty-one (21)** benchmark jobs have range midpoints that are **below market**
- **Twenty-three (23)** benchmark jobs have range midpoints that are **above market**
- Three jobs did not have sufficient data for analysis

# Summary of Recommendations

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- Overall, we found Avondale's pay range midpoints are market competitive and do not need to be adjusted
- Nine (9) job titles that affect twelve employees should be reclassified
- Twenty-two job title changes
- Fifty-eight (58) job titles including eighty-one (81) incumbents should be moved to a pay range that realigns the job with market data
- Estimated Projected Costs\*: Approximately \$ 48,400.00

\*Base pay only and does not include associated benefits

# Further Questions

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