



**DATE:** December 14, 2017

**TO:** Programs and Administration Committee

**FROM:** Pat Cabrera, Administrative Services Director

**SUBJECT:** Classification Review and Compensation Study: Comparator Agencies

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### **SUMMARY**

At the December 14, 2017 Programs and Administration (P&A) Committee meeting, staff will recommend that the Committee approve the proposed comparator agencies and job measurement approach developed by Rewards Strategy Group (RSG) prior to initiating the compensation survey for WMA employees.

### **DISCUSSION**

As outlined in the Human Resources Manual, the WMA is required to conduct a total compensation study periodically but no sooner than every three years to enable the Board to assess whether compensation remains consistent with the local employment market. The last compensation study was conducted in February 2013. At its April 13, 2017 meeting, the P&A Committee approved release of the Request for Proposal (RFP) for Human Resources Consulting Services. These services included a salary survey based on total compensation, a classification review to ensure that employees are working in the proper job classification, and recommendations if needed for modifications to the current classification system to support the changing needs of the organization.

As a result of the RFP process, staff selected RSG to provide the aforementioned services. Consistent with the commitment that staff made to the Committee, Allan Crecelius, President of RSG will be presenting recommendations (see attached report) regarding comparator agencies as well as discussing overall compensation philosophy and the quantitative job measurement approach RSG will undertake to help determine salary range and classification placement.

Staff concurs with the consultant's selection and rationale with respect to both the comparators selected and the methodology that will be used to determine salary ranges and placement.

### **RECOMMENDATION**

Staff recommends that the P&A Committee approve the recommended comparator agencies and job measurement approach. RSG will begin surveying the selected agencies, analyzing the data and preparing recommendations for any salary adjustments or classification changes. Staff will present these findings to the P&A Committee prior to the FY18/19 budget process. Any salary adjustment will require WMA Board approval.

Attachment: Reward Strategy Group Report

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## **STOPWASTE COMPENSATION ANALYSIS**

**Achieved through Market Surveying and  
Quantitative Job Evaluation for Internal Relationships**

**November 27, 2017**

Prepared by:



REWARD STRATEGY GROUP

12707 High Bluff Drive, Suite 200

San Diego, CA 92130

858 259-3800 | Fax 858 792-7465

[www.rewardstrategy.com](http://www.rewardstrategy.com)

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## RECOMMENDED COMPENSATION SURVEY COMPARATORS

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RSG recommends we survey StopWaste’s member agencies, plus the five additional organizations shown below.

### Alameda County Waste Management Authority Member Agencies (n=17)

City of Alameda  
City of Albany  
City of Berkeley  
City of Dublin  
City of Emeryville  
City of Fremont  
City of Hayward  
City of Livermore  
City of Newark  
City of Oakland  
City of Piedmont  
City of Pleasanton  
City of San Leandro  
City of Union City  
Alameda County  
Castro Valley Sanitary District  
Oro Loma Sanitary District

### Other Agencies to Survey (n=5)

East Bay Municipal Utility District  
Metropolitan Transportation Commission  
Dublin San Ramon Services District  
Alameda County Water District  
Zone 7 (Alameda County)

We believe we will be able to identify, in this survey group, a reasonable number of jobs comparable to the StopWaste classifications we will attempt to *benchmark*. We should be able to build a relevant market survey database that can be utilized — in conjunction with our internal job content evaluations — to provide the information needed to make thoughtful recommendations on salary range allocations for all StopWaste positions.

## COMPETITIVE POSITIONING IN THE SURVEY MARKET

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RSG will want to discuss with the StopWaste Programs and Administration Committee:

- ◆ Compensation philosophy
- ◆ Competitive positioning of the new salary structure
- ◆ Survey data as information, not “the answer”
- ◆ “Real” quartiles/percentiles of market compensation practice

## OUR QUANTITATIVE JOB MEASUREMENT APPROACH

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As noted, we will be using internal job content relationships, as well as market survey data, to make informed decisions on salary range/salary grade placement. Following is a brief overview of the job evaluation process.

### THE THREE FUNDAMENTAL ASPECTS OF JOBS/COMPENSABLE FACTORS

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**Know-How.** This is the sum total of every kind of knowledge and skill, however acquired, needed for job performance at a fully competent level. It has both *breadth* (comprehensiveness) and *depth* (thoroughness). Thus, a job may require some knowledge about a lot of things, or a lot of knowledge about a few things. The total Know-How is the product of breadth times depth.

Using this concept, we can weigh and compare the total Know-How content of different jobs in terms of *how much* knowledge about *how many* things, **and how to apply this knowledge appropriately and strategically.**

Know-How is specifically comprised of:

- ◆ **Specialized and Technical Know-How.** An understanding of both the technical aspects of the job, such as information technology, grant accounting, program budgeting, environmental regulations, and the less tangibly defined Know-How derived from experience, such as public relations savvy and/or in-depth knowledge about organization governance and committee processes.

Some kinds of Know-How can be obtained only formally (e.g., a law degree), some can be obtained either by formal education or by practice, and some may be obtained primarily by on-the-job experience.

- ◆ **Breadth of Managerial Know-How.** Management Know-How can be exercised:
  - Executively — Direct line and program management of a unit or project.
  - Consultatively — About management, across the organization.
  - Both ways

“Management” has to do with the following:

- Organizing
  - Structuring
  - Staffing
  - Developing people
- Planning
- Policymaking
- Directing
- Reviewing and controlling
- Prioritizing and allocating resources
- Integrating functions and harmonizing results

Requirements for *breadth* of managerial skills needed in a job assignment relate closely to the size and complexity of the group(s) and function(s) managed. A unit supervisor's responsibilities may be focused on day-to-day work planning, staff assignments and execution. On the other hand, the manager of a large department may be personally involved with problems of organization, policy and review to such an extent that execution must be almost totally delegated.

- ◆ **Human Relations Skill.** The interpersonal skills required to carry out assigned accountabilities in a fully competent manner.

Different situations call for different interpersonal skills and capabilities, different degrees of skill in their use, and different degrees of dependence on them for competently carrying out job responsibilities and using human relations skill to deal effectively with people.



**Problem Solving.** This is the amount of original, self-starting thinking required in the job for analyzing, evaluating, creating, reasoning, arriving at and making conclusions. It has two dimensions: the *environment* in which thinking takes place and the *thinking challenge* itself.

Problem Solving uses Know-How. "You think with what you know." Knowledge of facts, principles and means is the raw material. Ideas are put together from something already there. Therefore, Problem Solving is treated as a percentage of utilization of Know-How and is determined by assessing a job's problem-solving environment and the type of thinking required.

To the extent that thinking is circumscribed by standards, covered by precedents or referred to others, the requirement for Problem Solving diminishes and emphasis on Know-How increases correspondingly.



**Accountability.** This is the measured effect of the job on an organization's end results. It has three interrelated dimensions:

- Freedom to act
- The job's impact on end results
- The magnitude of the end results the job clearly affects

At the heart of the concept of *freedom to act* is the authority to approve, make decisions and take action. Freedom to act is measured by the degree of personal or procedural control and guidance that is exercised over a jobholder's work. The job's impact on end result is examined by type: Remote, Contributory, Shared and Primary.

The final dimension, magnitude, represents the size of a job's accountabilities; the level of impact the job has on the results of the organization.

