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Human Resources Services, Inc.

HUMAN RESOURCES SERVICES, INC.

Management Consultants to Local Government

Compensation and Classification Study
Town of Shirley, MA

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Project Scope of Work

- To conduct a compensation survey of comparable communities and compare to the Town of Shirley.
- To develop a new compensation structure based on the external market.
- To develop a new classification structure utilizing a job evaluation classification process for internal equity.
- To develop updated job descriptions for all positions.
- Review FLSA, ADA, Pay Equity and other requirements.

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Key Issues Addressed

- Outdated compensation grid; compression.
- Modernization of job descriptions; contemporary tools, equipment, knowledge, ability and skills; law changes.
- Appropriate number of grade classifications for town-wide municipal organization.
- Proper procedures for pay-for-performance system.
- Methodology and tools to maintain the pay/class system in future years.
- Compensation policies; ability to pay.

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Separate Documents:

Job Descriptions

Rating Manual

Position Analysis Questionnaire

Attachments:

Proposed Town Compensation Plan

Proposed Town Classification Plan

Salary Market Data

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The Process

- Orientation sessions with all employees and officials.
- All employees completed position analysis questionnaires. Job audits included review of essential functions, ADA, FLSA, and other state and federal requirements.
- Employees were interviewed; follow-up with Supervisors and Officials as needed.
- Write draft job descriptions for employee/supervisor review and revise descriptions as needed.
- Evaluate each position, two consultants conducted ranking.
- Gather and analyze comparable market data; salary analysis of market.
- Meetings with officials to review draft findings and recommendations.
- Work with Town to develop estimated cost-out of plan; input of Town.
- Develop preliminary classification/compensation plan with recommendations and guidelines for implementation.
- Develop performance evaluation system for Shirley.
- Develop final report for Shirley.
- Presentation of Final Report and Findings to Town.

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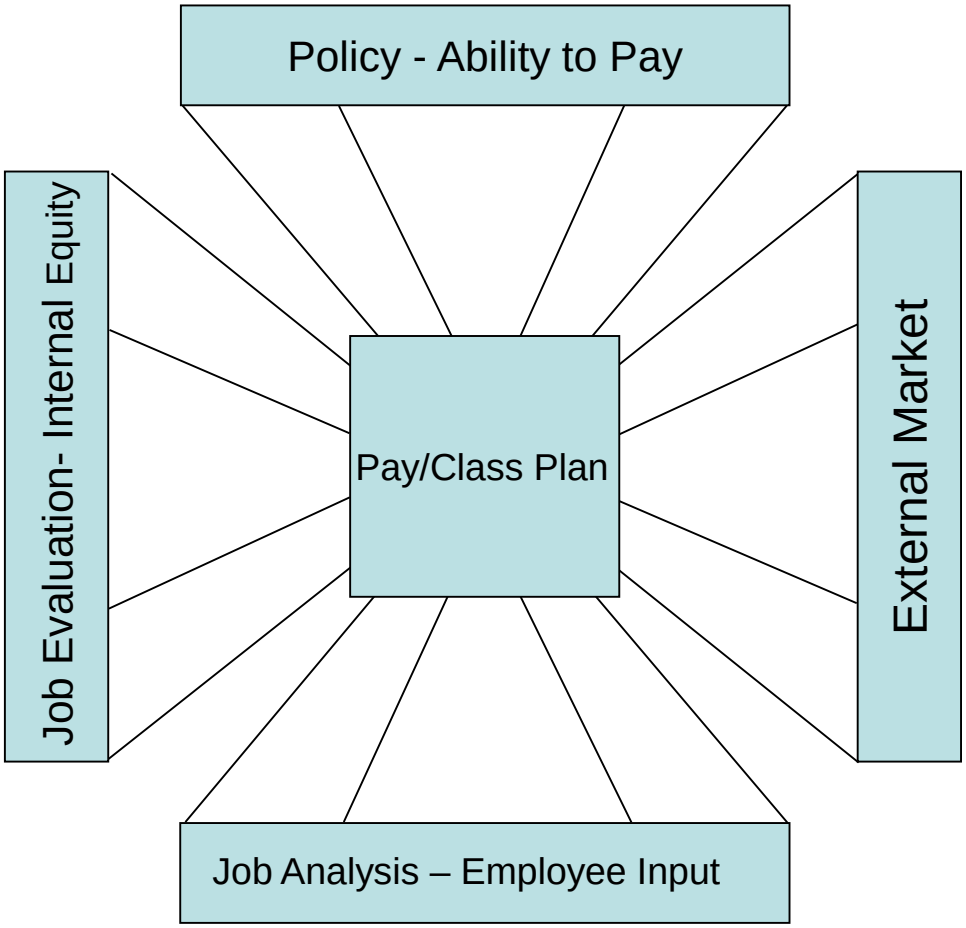
Building the Plan



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POSITION RATING FACTORS

Physical Environment

Basic Knowledge, Training and Education

Problem Solving Skills and Effort

Physical Skills and Effort

Experience

Interactions with Others/Customer Service

Confidentiality

Occupational Risks

Complexity

Supervision Received

Supervision Given

Supervision Scope

Judgment and Initiative

Accountability

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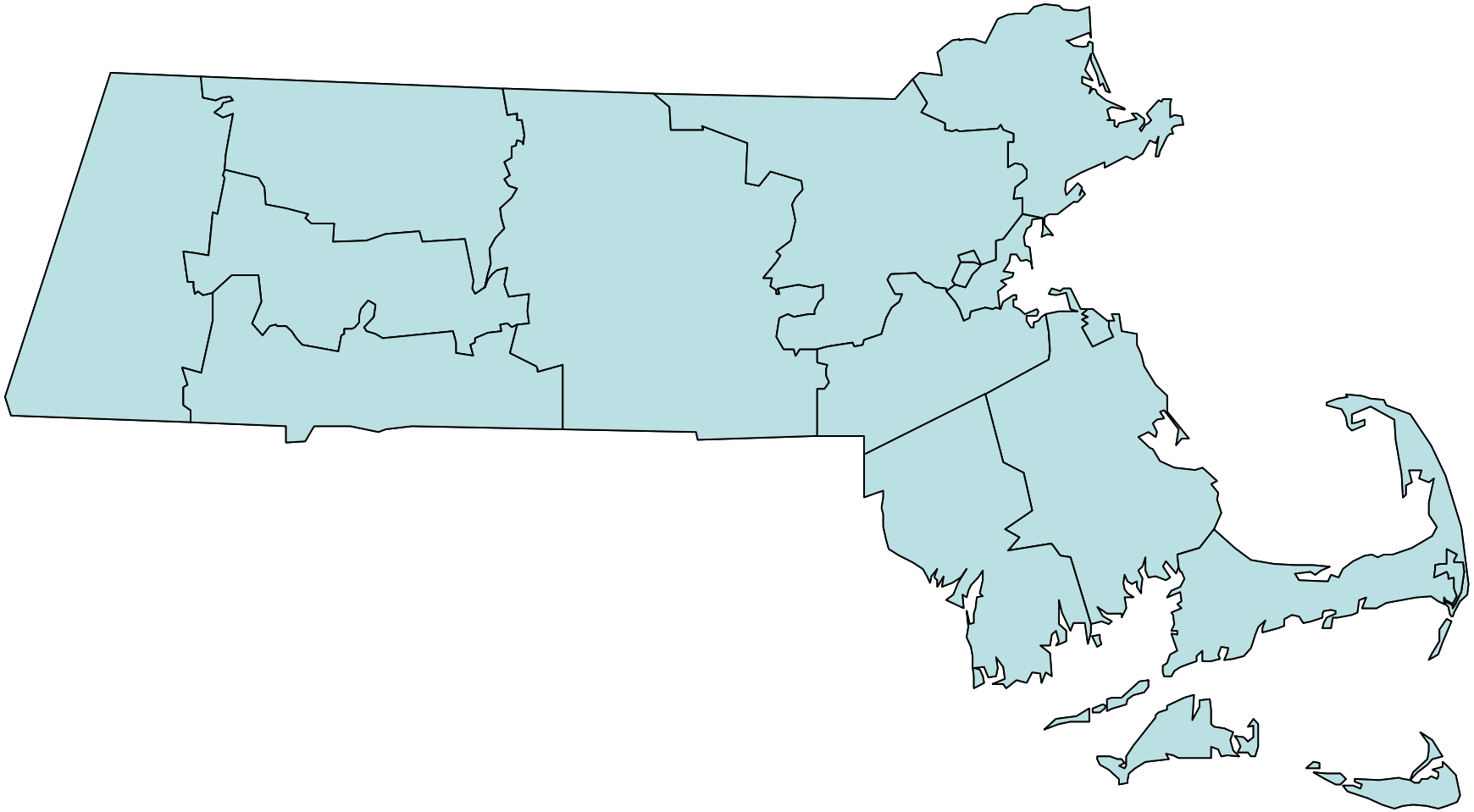
Custom Survey in Massachusetts



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COMMUNITIES SURVEYED FOR SHIRLEY

Ashburnham

Ayer

Boylston

Groton

Harvard

Lancaster

Leicester

Lunenburg

Pepperell

Sterling

Stow

Templeton

Tyngsborough

Westminster

West Boylston

(also some additional communities for certain titles)

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Action Plan

Plan Findings/Recommendations
Implement the proposed compensation and classification plan for the Town of Shirley immediately for the next fiscal year. Continue implementing the steps for ease in administration and compensation management; better uniformity of movement. Proposed Plan has 16 Grades, and 9 Steps. Total increase from minimum to maximum within each grade is approximately 22%. Overall there is 10% between Grades. This is a base salary plan and does include, special pay, benefits, or other compensation. Based on the Town's method of implementation, the cost will be approximately $70,342 placing incumbents on the minimum step or $111,461, placing employees based on longevity and/or performance.
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Action Plan

Recommendation
Maintain a commitment to remain at the Market Average or Median.
Employees should progress through the steps based on performance; and the recommended HRS performance system should be adopted.
Market Surveys should be done periodically and the entire salary schedule should be adjusted at least every other year to reflect cost-of-living.

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Action Plan

Recommendation
Ensure that job descriptions are continuously and regularly updated and maintained by the Town.
Review classification of positions when duties change significantly. Regularly review positions to ensure internal equity in relationship to other Town classifications.
Ensure that sound policies for compensation administration program are in place.
Do not cut the pay of “red-circle” employees; however maintain the lower rates of pay for the grade ranges when hiring new employees.

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Action Plan

Recommendation
When a vacancy develops, review the position through job analysis, job description, and market pricing.
Have labor counsel review the FLSA status for borderline positions. The laws in this area are continuously changing.
HRS will remain available to answer any procedural questions Shirley may have.

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Policy Choices for Shirley to Consider:

- To maintain a commitment to remain at the market; market surveys needed at least every four years.
- To review classification of positions when duties change significantly.
- To maintain “pay ranges” that are competitive for recruitment and performance purposes to allow flexibility.
- To consider performance based pay.
- To consider how competitive Shirley wants to be with regard to compensation: average, median, 75% Percentile, 90% Percentile?

Final Report:

- Position Descriptions
- Final Report & Market Analysis
- Evaluation Manual © HRS, Inc.
- Methodology
- Some Electronic Tools to Maintain Class/Comp Plan

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THANK YOU

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