

Date of Meeting: November 15, 2016

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**BOARD OF SUPERVISORS
FINANCE/GOVERNMENT OPERATIONS AND
ECONOMIC DEVELOPMENT COMMITTEE
INFORMATION ITEM**

SUBJECT: Phase 1 Classification and Compensation Study Update

ELECTION DISTRICT: Countywide

STAFF CONTACT: Jeanette Green, Director of Human Resources

PURPOSE: To update the Finance/Government Operations and Economic Development Committee (FGOEDC) on the planned approach and activities in Phase 1 of the County's classification and compensation study and to seek input from the FGOEDC on the timing and frequency of subsequent updates.

BACKGROUND: On May 19, 2016 the Board of Supervisors voted (8-0-1, Randall absent) to approve the recommendation of the FGOEDC to authorize staff to move forward with Phase 1 of a classification and compensation study (the study). The work of Phase 1 of the study is to analyze the county's compensation philosophy and competitive market as well as the county's policies and procedures related to job classification and pay. The purpose of this information item is to provide an update describing the planned project phases and timeline.

Staff completed a request for proposal process and awarded a contract to perform the study to Evergreen Solutions, LLC (Evergreen) on October 11, 2016. Evergreen is a human resources consulting firm with expertise in performing compensation and classification consulting services to public sector organizations and local governments nationwide. Jeff Ling, PhD, Executive Vice President, is leading the study for Evergreen. Dr. Ling has extensive experience conducting classification and compensation studies for public sector clients across the country.

ISSUES: Phase 1 of the study will be conducted in four stages over an eight (8) month period. The four stages include a kickoff, assessment, findings and recommendations, and a final report. The kickoff is currently underway and includes activities such as project planning and document gathering. In November the study will begin the assessment stage, which is planned to last approximately five (5) months ending in March 2017. The assessment includes an all employee survey, several focus groups comprised of employees at various levels and within various functional areas throughout the organization, extensive data gathering and analysis, and a comparison of information with benchmark organizations and with best practices of public employers. The findings and recommendations stage is planned to be conducted during March

and April 2017. During this stage Evergreen will compile the findings and begin to draft recommendations and action plans for possible inclusion in the final report.

Staff proposes the next update for the FGOEDC be done in the March/April timeframe to share the findings of the study. The last phase of the study is the report phase, which is planned for May 2017. In this last phase Evergreen will draft and finalize its comprehensive study report. Staff will bring the final report and recommendations to the FGOEDC for its review and action in the May/June 2017 timeframe. At that time the FGOEDC may vote to forward appropriate recommendations to the Board of Supervisors for approval. Any actions approved by the Board of would be implemented in Phase 2 of the study, which is planned to commence in early FY18.

FISCAL IMPACT: The cost of Phase 1 of the study is \$126,000. The cost of Phase 2 of the study is unknown at the present time, because it depends on what recommendations the Board approves for staff to implement. It is possible that extensive changes could be approved by the Board, which would make Phase 2 a multi-year implementation project. The Department of Human Resources plans to request \$500,000 in the FY18 budget proposal for Phase 2 of the study.

ATTACHMENT:

I. Summary of Project Approach and Methodology PowerPoint



LOUDOUN COUNTY CLASS AND COMP STUDY

SUMMARY OF PROJECT APPROACH AND METHODOLOGY



OVERVIEW

- Project Scope
- Project Approach and Timeline
- Assessment Components
- Technical Assessment
- Perceptual Assessment
- Report

PROJECT SCOPE



PROJECT APPROACH AND TIMELINE



METHODOLOGY

Kickoff

Project Planning

Work Plan

Document Request

Assessment Criteria

Assessment

Technical

- Leadership Interviews
- Element Review
- Measurement

Perceptual

- Focus Groups
- Employee Survey

Findings and Recommendations

Findings

Recommendations

Action Plans

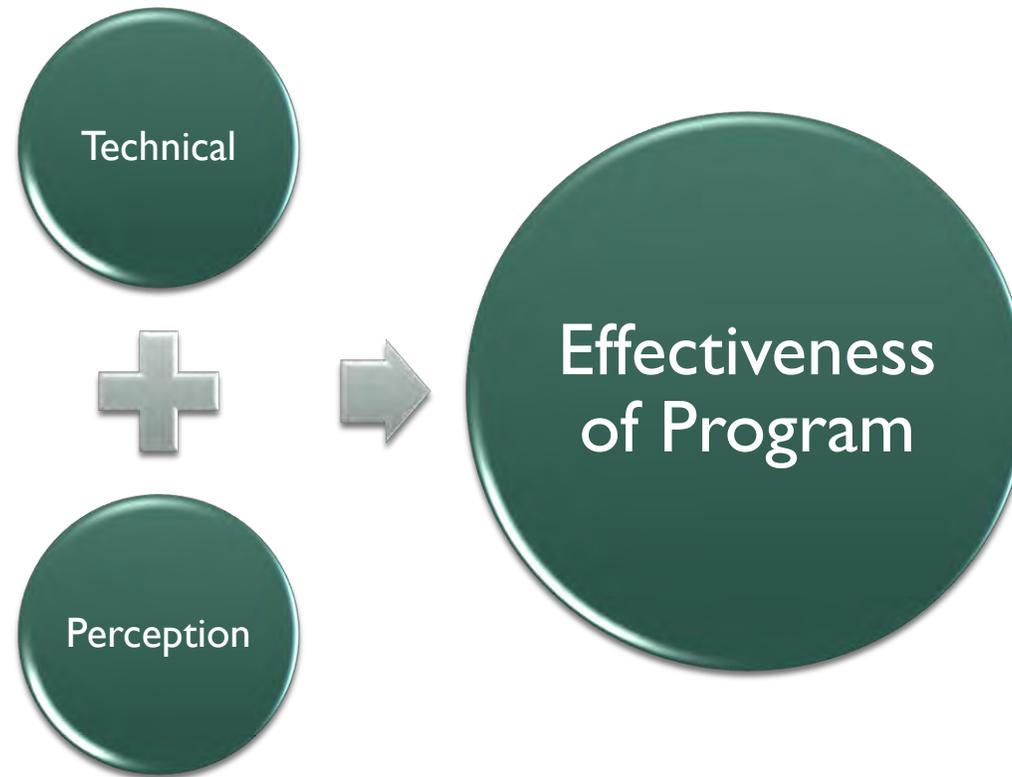
Report

Draft Report

Final Report

Presentations

ASSESSMENT COMPONENTS



TECHNICAL ASSESSMENT

- Strategic Interviews
- HR Factors (questions)
- HR Measures (results, processes, compliance, and documentation)
- Peer Comparison
- Best Practices

PERCEPTION ASSESSMENT

- Employee Focus Groups
- Employee Perception Survey (satisfaction, understanding, fairness/equity)
- Comparison to Benchmarks

REPORT

- Executive Summary
- Summary of Objectives and Methods
- Technical Assessment
 - Executive Interviews
 - External Analysis
 - Internal Program Reviews
- Perception Assessment
 - Focus Groups
 - Employee Survey
- Findings and Recommendations
 - Findings
 - Compensation Philosophy
 - Classification System
 - Compensation System
 - Recommendations
 - Strategy Revisions
 - Program Revisions
 - Administrative Policy
 - Communication and Training