

COMPENSATION PHILOSOPHY

SESSION VI:
Workforce Issues



A compensation philosophy is designed to:

- **Reflect the importance public employees play in delivery of services and programs to the community**
- **Reflect compensation as a clear measure of that importance**
- **Insure there is fair and equitable treatment of all employees**
- **Establish the commitment and necessity for the City to maintain a defined level of comparability**

Elements of compensation philosophies include:

- **Recruitment and retention**
- **Base compensation structure and it's maintenance**
- **Benefit package**
- **Employee accountability for performance and results**

Where are we?

- No compensation policy
- Four year review of all classifications is complete going into FY 2010
- Revised performance evaluation process is going into third year in FY 2010
- Appropriate time to define how to go forward and develop framework for compensation and benefits structure

What needs to be decided?

- **How and when salary adjustments are determined**
- **How is financial affordability determined**
- **How the market competitiveness position is determined and what the comparative market is**
- **Determine Columbia's preferred position in the market**
- **Develop appropriate pay structure**
- **Determine other variables to consider – performance, cost of living, skill/knowledge enhancement, appreciation/recognition, other benefits, etc.**
- **Communicate philosophy**

Council direction needed today

- Determine market position goal – where do we want to be?
 - At least at the average
 - A defined percentage or percentage range above average (60-75%, 65%, 75%, etc.)
 - Top 5 or Top 10 in Missouri municipalities
 - Employer of choice in Boone County
- Determine elements to include in policy

Next steps

- Draft policy for council review – HR staff
- Communicate policy elements to employees – CM/HR
- Adopt policy with FY 2010 budget
- Pay plan revision for FY 2011 – HR/consultant