

Compensation Study Update

In September, 2022 the Library District contracted with Compensation Resources to do a compensation market study. The purpose of the study is to evaluate our pay plan as it compares to the labor market in terms of what other employers are paying their employees for similar jobs. The results of the study are used to update the District's pay plan to ensure that we are able to attract and retain talent.

External factors that are considered in the compensation study include (but not limited to) the type of industry, for-profit/non-profit/public sector, and geographic location. Internal factors include (but not limited to) organizational revenue, job duties and level of responsibility, reporting relationships, education and experience required to perform the job, scope of job across the organization and decision-making authority.

Below are the key milestones in the compensation study process, organized by our progress towards completion.

Complete

- Review and update job descriptions
- Provide updated job descriptions, current pay plan and philosophy, revenue, library comparator pay plans and other documents to Compensation Resources
- Evaluate each job description, establish job matches, and benchmark the data
- Compile results of market study
- Compare market study to current pay plan

The market study revealed that we are currently paying at or above market for some positions and below market for others. The final draft of our pay plan will reflect recommended changes to our pay grades, which will incorporate data being aged to January, 2023 (relative to the market).

In Process

- Create updated pay plan
- Evaluate current pay philosophy/strategy and explore options
 - Pay at the midpoint (50th percentile) of the market (most common strategy)
 - Pay differentials for language
 - Considerations for merit and/or performance-based bonus pay

Next Steps

- Make final decision on pay philosophy/strategy
- Evaluate current employee pay as compared to updated pay plan, philosophy and strategy
- Determine cost to implement minimum/immediate changes
- Determine cost and timing to implement recommended changes in one or more phases
- Present updated pay plan and implementation recommendations to Board for approval
- Build new pay structure in JDE
- Implement new pay plan and begin process for any related market adjustments

Options for annual increases were reviewed relative to the results of the market study. Moving forward with pay increases in January, 2023 helps the Library District align to the current labor market and stay on track with our annual increase cycle. Increases will be applied within the parameters of our current pay plan.

Additional market adjustments to pay may be necessary for some positions in 2023 after the new pay plan is implemented. This will be determined during the final phase of the compensation study process, which should wrap up by the end of January.