



Recruitment and Compensation Strategy for General (Non-Labor Association) Employees

Council Conference Room
Monday, June 21, 2021 | 4:30 p.m.



Agenda

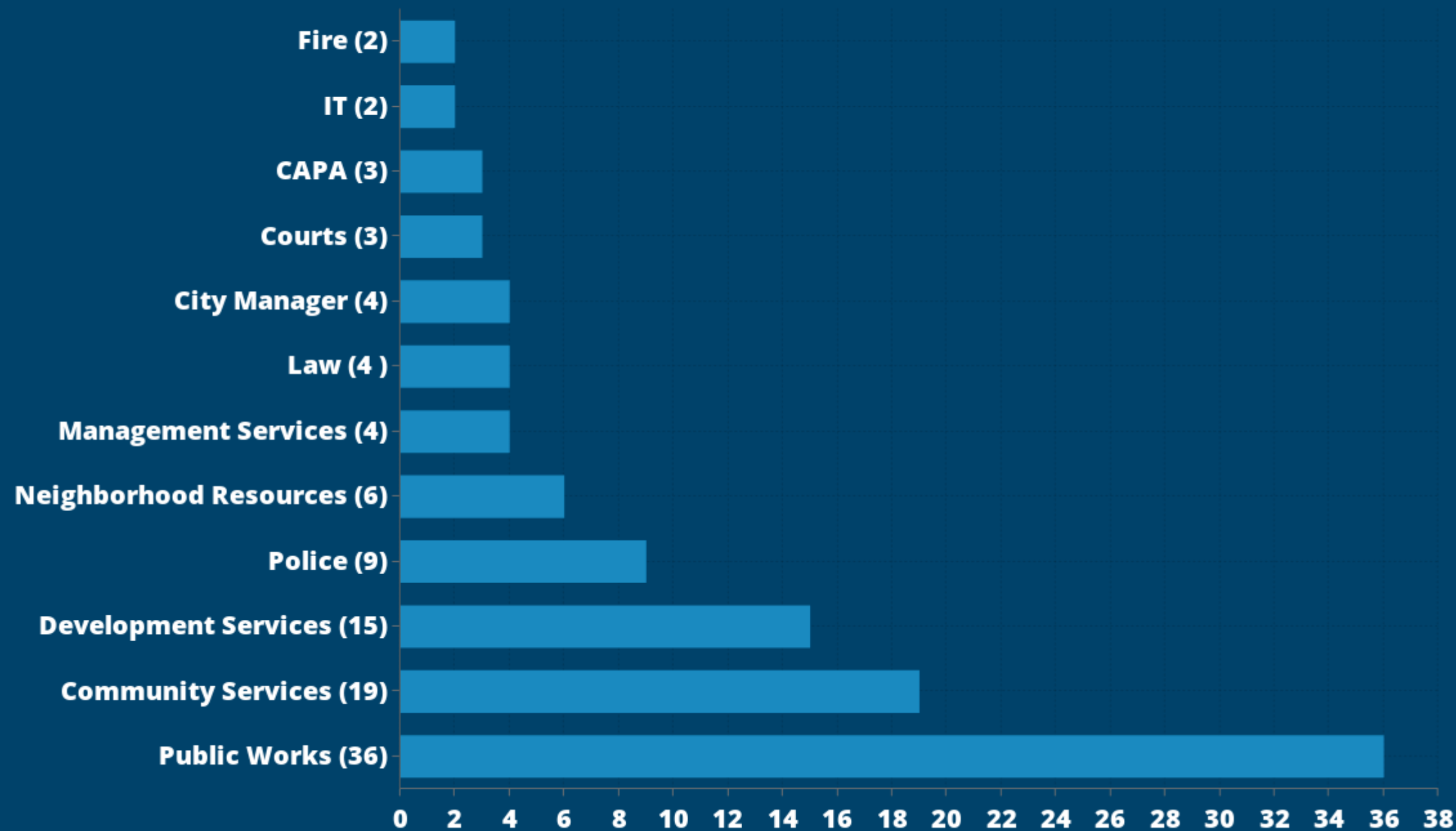
- Workforce Analysis
- Challenges and Initiatives
- Current Compensation Strategy
- Classification and Compensation Study
- Recommendations and Timeline



Workforce Analysis

As of June 2021

ASRS Retirement Eligible Employees as of March, 2021



Total Workforce by Retirement Group



ASRS 1,072
PSPRS 538

Department	Total	Manager/Supv.	Non-Supervisory
Fire	2	1	1
IT	2	1	1
CAPA	3	0	3
Courts	3	1	2
City Manager	4	2	2
Law	4	3	1
Manaegment Services	4	1	3
Neighborhood Services	6	2	4
Police	9	3	6
Development Services	15	2	13
Community Services	19	7	12
Public Works	36	10	26
Total	107	33	74

Current Recruitment Challenges



Ability to Attract and Retain Qualified Workforce

- Private sector companies competing for same talent
- Other cities attracting talent

Recruitment Challenges Based on COVID & Market

- Candidate expectations have changed
- Alternative work schedules at surrounding cities
- Residency requirements for Department Directors

Hold on Positions Due to Pandemic

- Largest vacancy rate across the City
- Currently 103 vacancies
- High 123/Normal average 70

Large Retirement-eligible Workforce

of Applicants vs # Positions Available



New Hire, Separation, Recruitment & Turnover

Current Vacancies
103

	New Hires	Separations including Retirements	Recruitments	Turnover
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2018	77	157	268	2017-2018 4.4%/7.5%
2019	135	167	275	2018-2019 5.1%/9.8%
2020	102	135	157	2019-2020 6.6%/11.4%
YTD	89	81	161	2020-YTD 5.8%/10.5%

Exit Interview Analysis

- Retirement
- Opportunities to Advance
- Pay



Current Compensation Challenges



Compensation strategy

Full classification and compensation study has not been completed since FY 06-07

- Administrative series and IT classification study was completed in FY 13/14

Pay ranges and compensation structure need to be updated and better aligned with market and workforce

Candidates expecting higher wages-internal equity issues

- Retirement costs for ASRS employees:
Pension value

Reclassification, Market & Equity Adjustment History

	2018	2019	2020	YTD: 2021
Incumbent	36	34	18	39
Vacancy	25	25	13	19
Total	61	59	31	58

Current Recruitment Initiatives



Established Hiring Incentives for Police Sworn, Dispatch, and Detention Officer positions beginning July 1, 2021.



Enhanced marketing strategies through outreach and technology.



Leveraging technology to streamline recruitment and hiring processes.



Mobility initiatives and updated telework regulation to allow for more flexible work arrangements when appropriate.

Current Compensation Initiatives

■ Exceptional performance one-time award given to all full and part time employees who met criteria on April 15, 2021.

■ Market adjustment of 1.5% for general employees in July, 2021.

■ Decision package for a full classification and compensation study approved in FY 21-22.

■ Merit increases of up to 3.25% in FY 21-22 for merit-eligible employees. Up to 5% for those covered under an MOU.

■ Flexibility to hire up to the mid-point of the range with Director approval.

Current Professional Development Programs

5 Professional Development Programs
58 Employees Participated

7 Mentoring Programs
554 Employees Participated

Additional personal and professional development courses are available; sample titles include:

- Emotional Intelligence
- Career Path
- Public Speaking
- Communication
- IT Technical Topics



CUSTOMER CONNECTION



EVERYDAY ETHICS



VALUING AND
MANAGING DIVERSITY

Current Compensation Strategy



4th market strategy

Total Cash Compensation measures include:

- Base pay
- City contribution to deferred compensation
- Retirement Health Savings contribution
- Longevity (Public Safety only)
- Additional Retirement Health Savings contribution (Fire only)

Current market is 8 cities:

- | | |
|------------|--------------|
| ○ Chandler | ○ Peoria |
| ○ Gilbert | ○ Phoenix |
| ○ Glendale | ○ Scottsdale |
| ○ Mesa | ○ Tempe |

Benchmark surveys completed annually

Job Title	City	Grade	Min.	Mid.	Max.	City Paid Def. Comp.	City Paid RHS	Total Cash Comp.	Diff.
Accounting Specialist	Chandler	16	\$39,229	\$46,104	\$52,978	\$461	\$390	\$46,955	N/A
No Match	Gilbert		No Match	No Match	No Match	No Match	No Match	No Match	No Match
Accounting Specialist	Glendale		\$36,899	\$46,124	\$55,349	\$0	\$0	\$46,124	1.77%
Accounting Specialist I	Mesa		\$34,932	\$42,124	\$49,317	\$211	\$0	\$42,335	9.84%
Accounting Tech I	Peoria		\$35,878	\$42,065	\$48,252	\$390	\$0	\$42,455	9.58%
Accounting Clerk III	Phoenix		\$35,027	\$43,025	\$51,022	\$693	\$1,800	\$45,517	3.06%
Accounting Specialist III	Scottsdale		\$39,957	\$49,015	\$58,074	\$0	\$0	\$49,015	-4.39%
Financial Services Technician I	Tempe		\$37,643	\$44,231	\$50,818	\$988	\$639	\$45,858	2.34%
Accounting Specialist	Average		\$36,723	\$44,431	\$52,139	\$380	\$407	\$45,217	3.70%

Job Title	City	Grade	Min.	Mid.	Max.	City Paid Def. Comp.	City Paid RHS	Total Cash Comp.	Diff.
Sr. Management Analyst	Chandler	24	\$62,497	\$74,534	\$86,570	\$745	\$390	\$75,669	N/A
No Match	Gilbert		No Match	No Match	No Match	No Match	No Match	No Match	No Match
Admin, Dept. Support Services	Glendale		\$69,576	\$86,970	\$104,364	\$0	\$0	\$86,970	-14.94%
Management Assistant II	Mesa		\$65,964	\$81,800	\$97,635	\$409	\$0	\$82,209	-8.64%
Sr. Management Analyst	Peoria		\$60,897	\$75,435	\$89,973	\$390	\$0	\$75,825	-0.21%
Management Assistant II	Phoenix		\$61,859	\$78,031	\$94,203	\$5,072	\$1,800	\$84,903	-12.20%
Management Analyst, Sr.	Scottsdale		\$68,307	\$83,814	\$99,320	\$0	\$0	\$83,814	-10.76%
Management Assistant II+	Tempe		\$67,267	\$79,039	\$90,810	\$988	\$639	\$80,666	-6.60%
Sr. Management Analyst	Average		\$65,645	\$80,848	\$96,051	\$380	\$407	\$82,398	-8.89%

Classification vs. Compensation

Classification Study

- Define scope and nature of job assignments
- Organizes jobs into formal job categories
- Creates a classification structure
- Revise, update, or create job descriptions
- Recommendation system hierarchy and ensure work being performed is in alignment with each classification

Compensation Study

- Determine City's pay philosophy
- Determine appropriate market of positions
- Survey market according to City's pay philosophy
- Recommend market placement or changes if appropriate based on classification system

Classification vs. Compensation Study Deliverables



Review and Update Current Classification System

- Benchmark positions
- Update class specifications
- Evaluation of positions or group of positions



Analysis of Compensation System including Salaries, Policies and Pay Practices

- Analyze current pay practices to determine if we are competitive



Market Comparisons Best Practices

- Where does City want to be in the market to remain competitive and attract top talent?
- Does the current compensation methodology need to change?
- Does our market need to change?

Recommendations

Perform a Classification and Compensation Study as requested through the FY21-22 budget process.

Begin nationwide recruitment campaign.

Continue to look for more innovative ways to offer more flexible work environments as appropriate by position.

Continue to aggressively reduce the vacancy rate.

Continue to market jobs in a more appealing and creative way to attract talent.

Consider additional non-compensation strategies to attract and retain employees.

Continue professional development initiatives and outreach to educational partners.

Update personnel rules and policies to enhance recruiting timeliness.

Timeline

Action	Timeline
Issue RFP for third-party to perform study	August 2021
Present contract to City Council for award	Fall 2021
Begin communication process city-wide	Fall 2021 and continuous through process
Brief City Council and receive additional direction	At appropriate points in study
Implement classification and compensation study changes	Present as part of the FY 22-23 budget process

Thank You

