

TOTAL REWARDS PHILOSOPHY & SUPPORTING STRATEGIES

TOTAL REWARDS PHILOSOPHY

The Town of Wickenburg seeks to attract, retain, and engage committed, hardworking, and thoughtful employees who support our shared goals in the areas of service delivery and responsible stewardship of public resources, and who are excited and energized by the possibilities and opportunities that emerge as we strive to build an even better Wickenburg.



PURPOSE

The Town of Wickenburg strives to be a high-performing organization. To that end, it is important for the Town to attract and retain employees who are customer-focused, innovative team players, exhibit initiative and accept responsibility and accountability for their work performance.

To support, encourage and reward employees, the Town has developed a total rewards system that is transparent, fair, and equitable. The Town is committed to recognizing and rewarding employees for their success and continuing professional development by ensuring appropriate training and educational opportunities to retain the most qualified and productive employees.

There are a variety of strategies, as detailed in the following sections, that the Town will employ to achieve the total rewards philosophy.

"The Town of Wickenburg is dedicated to attracting and retaining high performing employees as they are the most important element to the success of this organization."

-Stephen Erno, Town Manager

CLASSIFICATION SYSTEM

The classification system will be flexible while defining the general scope and complexity of the work required. The classification system will also facilitate internal equity across all jobs within all departments of the Town.

Objective 1: Classification Structure Combination of Job Specific and Occupation Specific

The classification structure will reflect meaningful and measurable differences in the level of work within each job family while maintaining the flexibility necessary to ensure acceptable levels of service and efficient management.

Supporting Strategies:

1. The classification system will consist of jobs defined by function, which reflect the essential duties and responsibilities performed by incumbents in each job. This approach will facilitate the Town's ability to recruit talent based on the functional area.
2. In some cases, where the work performed is easily transferrable across different departments within the Town, occupation specific classification structures will be utilized to enhance the Town's ability to move staff across the organization as needed during staffing shortages.
3. Where practical and feasible within each job family group, there will be an opportunity for career advancement. The differences in job levels will be clearly defined and defensible.

Objective 2: Job Evaluation

Supporting Strategies:

1. The Logic Leveling job evaluation methodology will be used to establish the relative internal value and relationship of all jobs within the Town.
2. Logic Leveling uses a classification approach to defining work and internal equity in the form of leveling guides that provide a flexible and scalable internal structure that is designed to address the changing needs of the Town.
3. The Job Architecture Guides found in the Logic Leveling system are tailored to each job type, allowing for easier system maintenance as the Town's needs and job requirements

change over time.

4. Levels within each Guide provide for progressive movement and identify job hierarchy within a particular Job Architecture Guide. The Guides provide an opportunity to understand where within a particular job family or job series current jobs are placed and where an additional or new level of a job could be placed.
5. Standardized titling guidelines are provided for each Level within the respective Guides and will be used when appropriate. Industry standard titles will also be utilized where appropriate.

Objective 3: Classification System Updates

The classification plan will meet the current needs of the departments while providing maximum flexibility to manage and organize the work in a changing environment.

Supporting Strategies:

1. Jobs will be reviewed on a regular basis to ensure that the system is consistent with the Town's goals and objectives and position the Town to be flexible and responsive to change.
2. The job descriptions, including the statements of essential duties, minimum qualifications, essential functions, physical (ADA) requirements, and FLSA classification, will be written to reflect the current needs of the Town. The goal is to ensure that employees understand the job's essential duties and are qualified and capable of performing the work required.

Objective 4: Job Reclassification

The reclassification process will be administered by the Human Resources Department in an efficient, cost effective, responsive, fair, and equitable manner to meet the needs of both the Town and its employees. Because the Town is adopting the concept of broad job classifications, as appropriate, the number of reclassifications should be minimal since the differences between classifications will be clearly defined.

Supporting Strategies:

1. Timetables will be established which will set the time the reclassifications will be reviewed and acted upon. Responsibilities for each step of the reclassification process will be established to include the employee, immediate supervisor, department head, and the

Human Resources Department. The HR Department will respond to department reclassification requests within the job specific or occupation specific class concept, as necessary to meet the on-going operational requirements of the Town.

2. Employees will be notified in writing of the results of the reclassification process.
3. Employees who are reclassified will not receive any adjustment in their base compensation unless the salary range for the job into which they are reclassified has a minimum salary that exceeds the employee's current salary. Reclassification should not be used to circumvent promotions into a higher job classification.

Objective 5: Classification of New Jobs

The classification system will be responsive to organizational and environmental change through the creation of new jobs as defined by the Town and its departments.

Supporting Strategies:

1. The job descriptions will be reviewed by the department upon initiation of the hiring process to ensure they meet current needs. The HR Department is responsible for administering the review process.
2. The HR Department will respond to department requests for the development of new job descriptions within the broad class concept, as necessary, to meet the on-going operational requirements of the Town.
3. The HR Department will conduct a Town-wide job description review process every 5 years.

COMPENSATION SYSTEM

The compensation system will reflect both internal equity and external parity within the specified labor markets in which the Town competes. Ongoing indexing of the external market incorporates the concept of “cost of labor” diminishing the need for separate job adjustments. The system will also reward employees who perform at an acceptable level within their respective job.

Objective 1: Competitive Labor Market

Compensation levels should reflect the public sector labor market in which the Town competes for talent. The value of compensation offered to Town employees shall be consistent with that offered by the public and private sector. Specific public sector agencies are identified below.

Supporting Strategies:

1. The competitive labor market will include municipalities with which the Town competes for labor in Arizona. The competitive labor market will include the following Town organizations:

All Positions:

- City of Avondale
- City of El Mirage
- City of Goodyear
- City of Peoria
- City of Surprise
- City of Tolleson
- Town of Buckeye

Fire Positions (in addition to 'All Positions' listing):

- Arizona Fire and Medical
- Blue Ridge Fire District
- Central Arizona Fire and Medical
- Highlands Fire District
- Sedona Fire District
- City of Prescott
- City of Sedona

Management Positions (in addition to 'All Positions' listing):

- City of Prescott
- Town of Chino Valley
- Town of Cottonwood

- Town of Prescott Valley
- Town of Sedona

There may be case-by-case instances where the Town may look outside this defined labor market when necessary to achieve recruitment objectives. Examples where this might be necessary include: 1) executive management jobs and/or 2) jobs where the supply of a specific skill set is rare and/or in short supply.

Objective 2: Benchmark Jobs

A sufficient number of jobs will be compared with the Town's competitive labor market to ensure a pay system that meets the Town's overall objectives with regard to market position.

Supporting Strategies:

1. Jobs benchmarked will be representative of all departments at the Town.
2. Jobs benchmarked will be representative of all job families.
3. Jobs benchmarked will span the hierarchy of jobs within the organization.

Objective 3: Job Value

Job value will include a combination of external market parity and internal job equity.

Supporting Strategies:

1. Data obtained from the competitive market through the benchmarking process will be evaluated and aligned with the results of the job evaluation process.
2. Jobs for which there is no available market data or are not used in development of the salary structure (e.g., specialized jobs without peers in the marketplace) should be placed in the relevant salary structure based upon their internal relationship with other jobs within the job family as determined through the standardized job evaluation process, Logic Leveling.

Objective 4: Pay Ranges

On average, pay grade midpoints will align with the median of actual salaries in the defined labor market as reported in salary survey results in order to recruit and retain the most qualified employees as outlined in the purpose and philosophy statement.

As a result, some jobs may be paid at a higher level relative to the market while other jobs may be paid a lower level in relation to the market based on the Town's ability to recruit and retain the desired level of talent. For general jobs, pay range midpoints will be established from survey results and the corresponding range minimums and maximums will be calculated based on the range midpoint values and in alignment with the market. For sworn public safety jobs, a combination of market range minimums and maximums will be utilized to determine appropriate salary ranges for each rank, with the exception of sworn management jobs which will follow the methodology utilized for general jobs.

Supporting Strategies:

1. Range spans will be developed based on the average or median range spread identified among the labor market comparator organizations.
2. Job rate progression between salary ranges will be at least five percent.
3. The length of time for progression from the bottom of the salary range to the job rate (salary range midpoint) will vary based on the level of the job, the range width, and Council approved merit increases.
4. The hiring range will be from the range minimum to the job rate (salary range midpoint), based on new hire qualifications and dependent on market conditions. Appointment above the job rate, but not to exceed the maximum, will be allowed subject to the approval of the Town Manager.

When necessary and appropriate, the Town may use recruitment and/or retention incentives to compete for skills that may be in limited supply and are necessary in order to recruit and/or retain an individual into a position defined as a critical need by the Town Manager.

Objective 5: Supplemental Pay

When necessary and appropriate, a variety of supplemental pay offerings may be available for targeted positions. Supplemental pay encompasses additional payments made to an employee outside of and in addition to regular wages. Examples of supplemental pay offerings that may be available, based on position, may include: shift differentials, pay for working on a holiday, bilingual pay, temporary assignment pay, on-call and call out pay, hiring incentives, retention incentives and/or other applicable pay items

Objective 6: Link between Pay and Performance

Salary advancement shall be based on acceptable performance in the job as determined through a valid performance evaluation system.

Supporting Strategies:

1. Employees who are hired below the job rate and have acceptable performance may be eligible to receive a salary increase following successful completion of any Town designated probationary period.
2. Thereafter, all salary increases are granted annually, based on Council budget approval, classified status, and satisfactory performance.
3. Employees may receive salary increases until they reach the maximum of the salary range for satisfactory performance.
4. Employees who perform at less than acceptable should not receive any in-range pay adjustment.
5. Where necessary and appropriate, extra compensation may be provided for the attainment and maintenance of job-related certification and/or licensure not specifically required for the job.

Objective 7: Communication

The Town will provide employees with a total compensation statement, on an annual basis, which summarizes individual employee total compensation, including pay, benefits, professional development, and related total rewards items.

Supporting Strategy:

1. The Town may annually issue a statement to each employee reflecting the total value of the employee's compensation and benefits package.