

2018 Compression Analysis

Frequently Asked Questions

Updated June 1, 2018

1. What is pay compression?

Pay compression is when employees with significant job experience are paid nearly the same as employees with much less experience in the same job.

2. Where is HR now in the process, and what are the next steps?

After reviewing the prior work experience information collected from employees, HR, on behalf of the Total Compensation Advisory Committee made recommendations to the County Council to begin addressing compression. The County Council approved their recommendations on April 10, 2018. HR finalized the data collected from employees and implemented the recommended pay increases. Pay increases appeared on most employees' May 22, 2018 paychecks, with some in special circumstances delayed to the June 7, 2018 paycheck. The county will continue to make addressing compression a top priority in the budget.

3. When will employee's related prior work experience be applied to their vacation accrual rate?

More information will be provided soon. Vacation accrual rates will be calculated after the compression analysis is completed and implemented. The rates will go into effect retroactively to January 1, 2018. No employee's vacation accrual rate will be reduced as a result of the new policy.

4. When did employees receiving compression money see changes in their paycheck?

Pay changes were included on most employees' May 22, 2018 paycheck and were applied retroactively to January 1, 2018. A small group of employees' pay changes were delayed, and will be included on their June 7, 2018 paychecks.

5. How did employees receive their pay increase retroactive to January 1, 2018?

Employees received their retroactive payment as a one-time lump sum. The amount of this payment is under the line item: *Gross Retro Pay Subject Rtmt* on employees' paychecks. Those who received additional overtime pay will find an additional lump sum payment under the line item: *Retro Ovt – General Sal Plan*.

6. Were employees who are on a Performance Improvement Plan (PIP) or who received a performance evaluation below a 3 (Meets Expectations) included in the compression analysis?

Yes, these employees were included in the compression analysis. If their pay was determined to be compressed, they will be sent an email detailing the amount of their compression pay increase. They will see their first increase on their paycheck on June 7th.

7. Were employees whose jobs are being reclassified included in the compression analysis?

Yes, once an employee's job reclassification was finalized, it was included in the compression analysis. If their pay was determined to be compressed, they will be sent an email detailing the amount of their compression pay increase and when they can expect to see their pay increase on their paycheck.

8. Why did some employees only receive a lump sum compression payment?

Due to a pay raise the employee received earlier this year, their pay was no longer compressed and they were not eligible for a pay compression adjustment at this time. However, their pay was compressed prior to their raise. They received a one-time, lump sum compression payment to account for the time when their pay was compressed between January 1, 2018 and when they received their pay raise,

9. What was the total amount of compression identified in the county, and what was the amount of funds distributed?

HR determined the cost to address all compression issues in the county is approximately \$25.7 million. The county had \$4.4 million set aside for 2018 for addressing compression. Distributing these existing compression funds is just the first step in addressing countywide compression.

10. How were the compression funds distributed to employees?

75% of available compression funds were distributed to employees with the most significantly compressed salaries. The remaining 25% of available compression funds were distributed to all employees with compressed salaries.

11. Of the employees included in the compression analysis, how many were determined to have compressed salaries?

The compression analysis found that approximately 2,459 out of the 2,927 employees included in the compression analysis have compressed salaries.

12. How was the decision for distributing compression funds recommendation determined?

The Total Compensation Advisory Committee reviewed the prior work experience data collected from employees to determine where compression exists. They determined the best approach to use available funds to address the most severely compressed salaries. The analysis was completed without reviewing specific individuals, agencies or departments. Instead it calculated how far employees' current salaries are from what their target salaries should be based on their years of equivalent work experience. This process determined where the most severe pay compression is.

13. Which employees are not included in the compression analysis?

All sworn, temporary and appointed employees are not included in this compression analysis. Sworn employees' pay compression will be addressed independently.

14. Are recently hired employees included in the compression analysis?

New employees hired after September 15, 2017 were included in the compression analysis. Employees hired after January 1, 2018 were not included in this compression analysis. They will have an opportunity to be included as the county continues to address compression.

15. How can employees view their prior work experience?

Employees can view their prior work experience and evaluations page in PeopleSoft. No additional changes can be made at this time.

PeopleSoft > Main Menu > Self Service > Personal Information > View Prior Work Experience

16. What caused Salt Lake County's pay compression issue in the first place?

Compression was caused by many factors over the course of a number of years by the following.

1. Restrictive and ineffective pay policies and practices
2. Market demands that necessitated paying newly hired, less experienced employees at rates that were very close to salaries of our seasoned, highly experienced employees
3. Outdated salary structures that have now been updated and are reviewed annually

17. Who do I contact if I have questions?

Please contact your manager or Angie Pitt at 385-468-7125 or apitt@slco.org.

