

Legislative Employee Compensation Issues

CSG-West LSA/RD

Boise

Sept. 24-26, 2014

Montana Legislative Pay

- * 1995 study – good beginning on job descriptions, pay plan
- * Base salary, longevity, health insurance, pension (equal employer/employee contribution)
- * Change to Broad Band 2007 – Levels 3 through 9
- * Median determined = market salary
- * Target is market: time in position, performance, occupational wage range.

Montana Legislative Pay, cont.

- * Standards Occupational Classifications (SOC)*
 - * Difficult to match, often use a combination
- * Establish a mid-point to determine market:
 - * Occupational Employment Statistics – public and private – 700 occupations
 - * Kenexa* – private company centralizes 3rd party benchmark job surveys online
 - * Salary survey of state legislatures: ID*, WY*, ND*, SD*, AZ, CO, NV, OR, UT, WA.
- * 2014 Pay band spread changed from 20% all position to 16.7% for pay band 3 to 23.1% pay band 9*. Lower bands require less time to get to proficiency.
- * Anchor points within and between bands for different positions within occupation (i.e., researcher, attorney, fiscal analyst I, II, III)

*Executive branch uses same



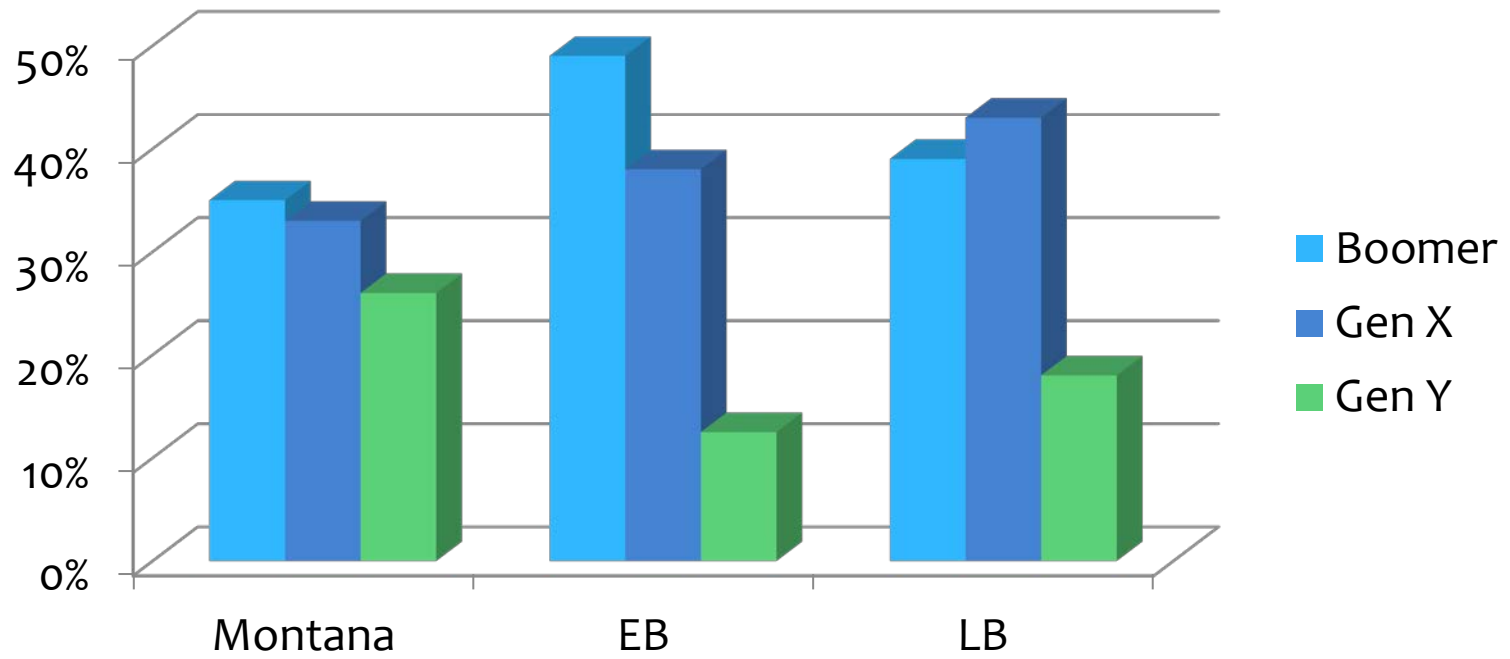
Challenges

- * Need a compensation philosophy – but how can you make sure the Legislature knows, understands, and will follow?
- * 3 divisions, 1 with longstanding merit pay--how to get there from here if that's where you want to go
- * Unstable funding: pay freezes, 2013 first session not tied to executive negotiations
- * Performance appraisal process overly complicated for what it gets you – cost-benefit analysis. For merit pay or just good management?
- * Market analysis is awkward – private sector vs. public sector
 - * Benefit packages
 - * Market motivation v. public service
- * 2-year cycle and dramatic changes, lag time (i.e., programmers, attorneys)
- * Legislative data is hard to obtain – timing, matching positions

Challenges

- * Recruitment – who do you want, need?
- * Retention – how do I keep staff, help them thrive and perform?
- * Motivation, work schedules, oversight and feedback
- * Services – what does the public need?
- * How to succession plan and transfer knowledge
- * By 2025, 75% of the workforce will be Millennials born 1982-2000

Generations



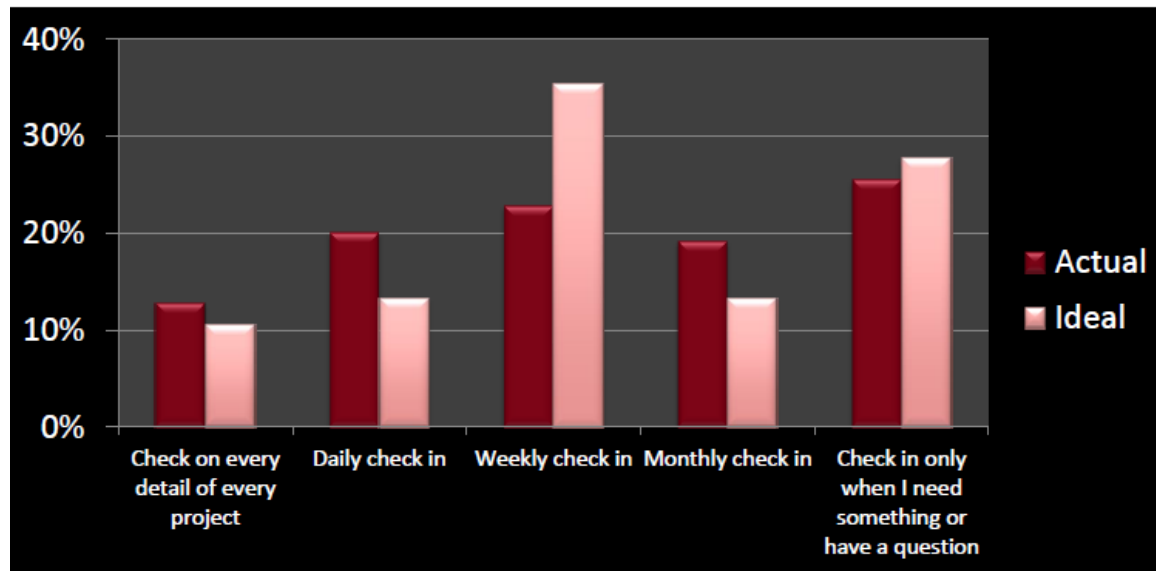


Legislative Staff Comparisons

- * Montana:
 - * Average age=45 (LB), 47 (EB)
 - * Average years of service= 9.2 years(LB)/10.9 Years (st gov); 12 years (EB)
 - * 87% hold bachelor's degrees or higher (LB)
 - * 69% bachelors or equiv (EB)
 - * 17% workers in state
- * Retirements: Since '09: 19.5%
- * FY2014 – 11 eligible. FY15-20 – 21 eligible.

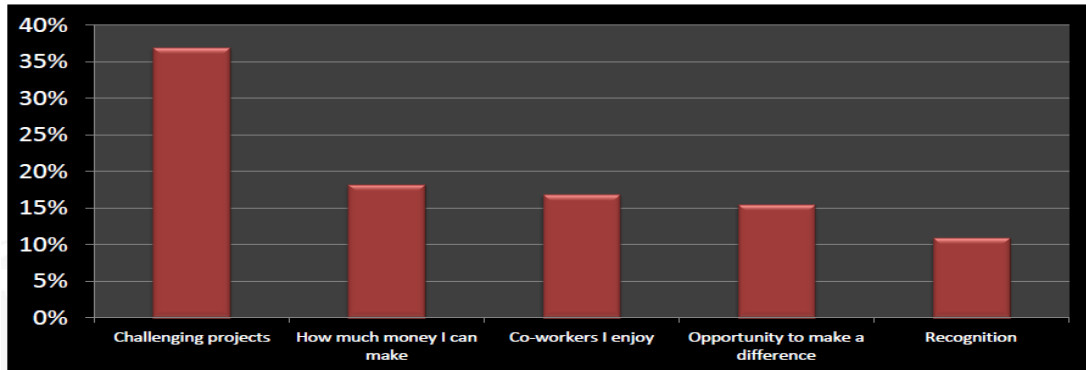
Millenials: Oversight

Oversight: Actual vs. Ideal

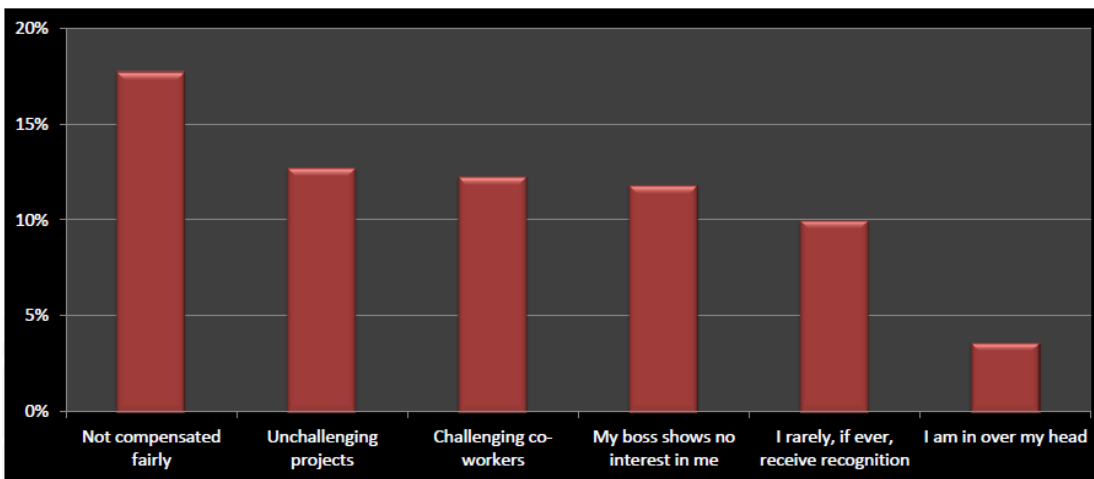


Millenials: Motivate

Most Exciting Part About Coming to Work



Biggest Challenge to Motivation



Millenials: What is most important?

On a Daily Basis, What is Most Important For You to Receive?

