

Memorandum



CITY OF DALLAS

DATE October 31, 2018

Honorable Members of the Government Performance & Financial Management
Committee: Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson,
TO Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **2019 Compensation Study**

On November 5, 2018, Nina Arias, Director of Human Resources will brief the Government Performance & Financial Management Committee on the 2019 Compensation Study. I have attached the briefing materials for your review.

Please let me know if you have any questions.

A handwritten signature in blue ink that reads "M. Elizabeth Reich".

M. Elizabeth Reich
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Carol A. Smith, City Auditor (Interim)
Billierae Johnson, City Secretary
Judge Preston Robinson, Administrative Judge

Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Majed A. Al-Ghafry, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
Directors and Assistant Directors

2019 Compensation Study

**Government Performance & Financial
Management Committee
November 5, 2018**

**Nina Arias, (SHRM-CP)
Director, Human Resources
City of Dallas**

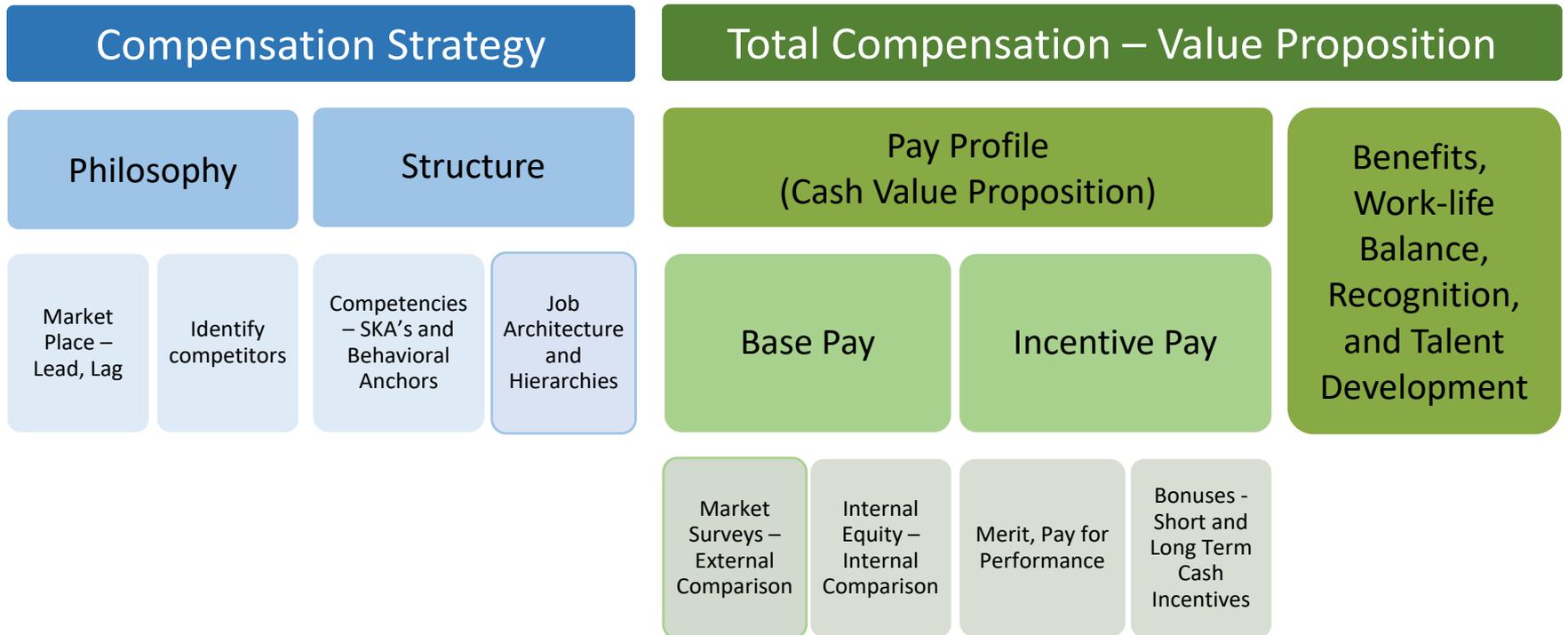


Overview

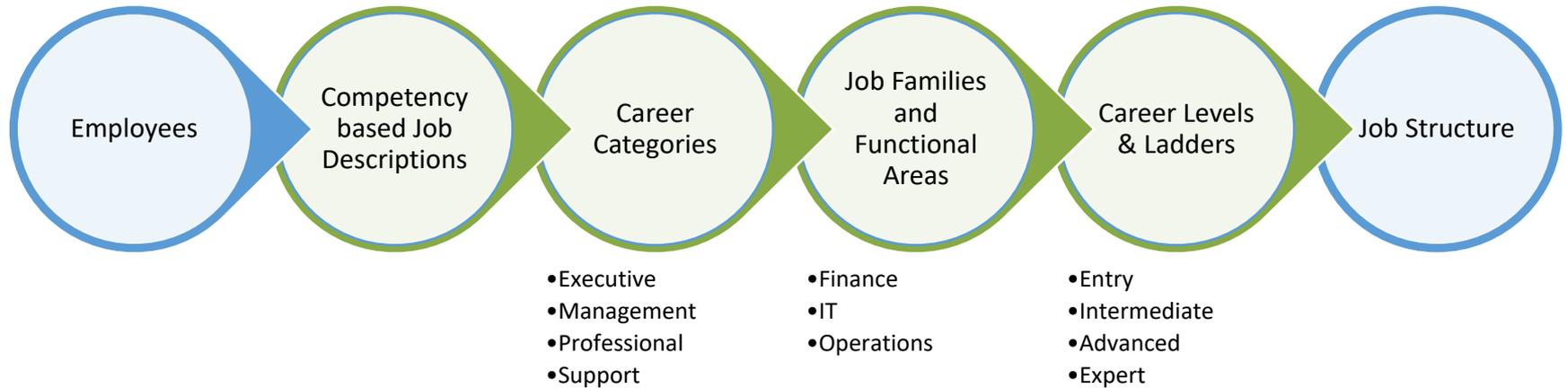
- Provide an overview of current state of our compensation structure
- Review the proposed objectives for the 2019 Compensation Study
- Timeline and next steps



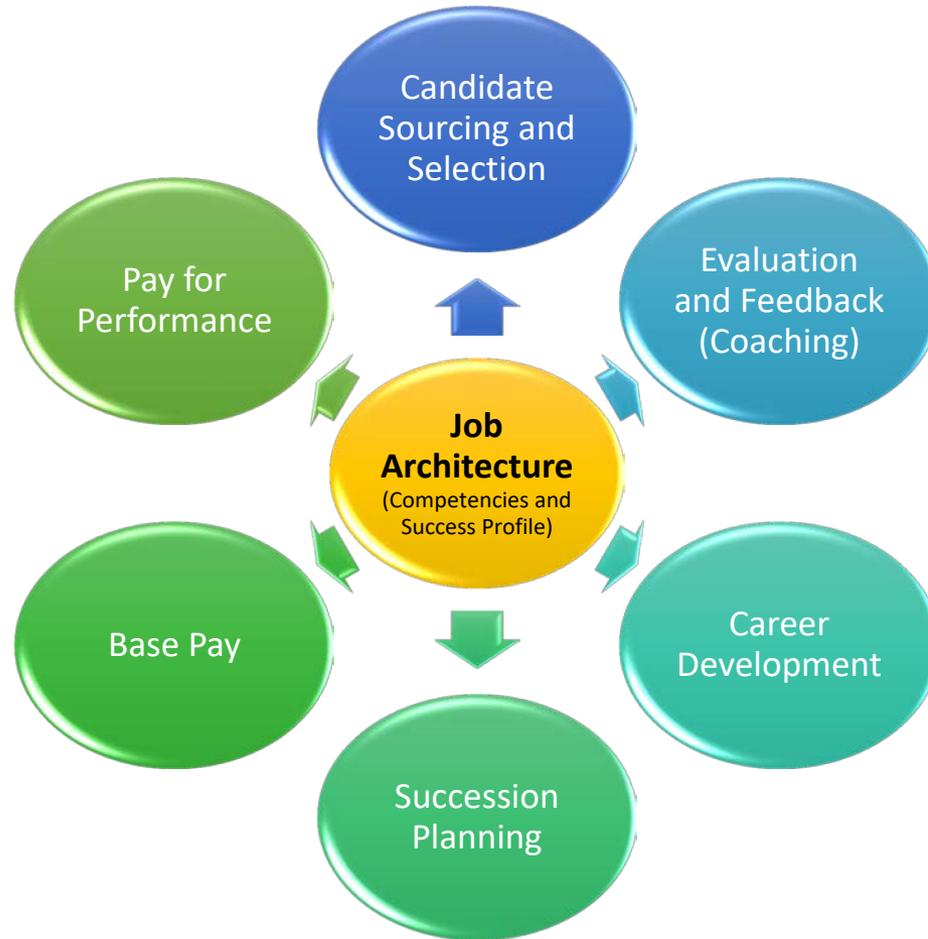
Background – Compensation Structure



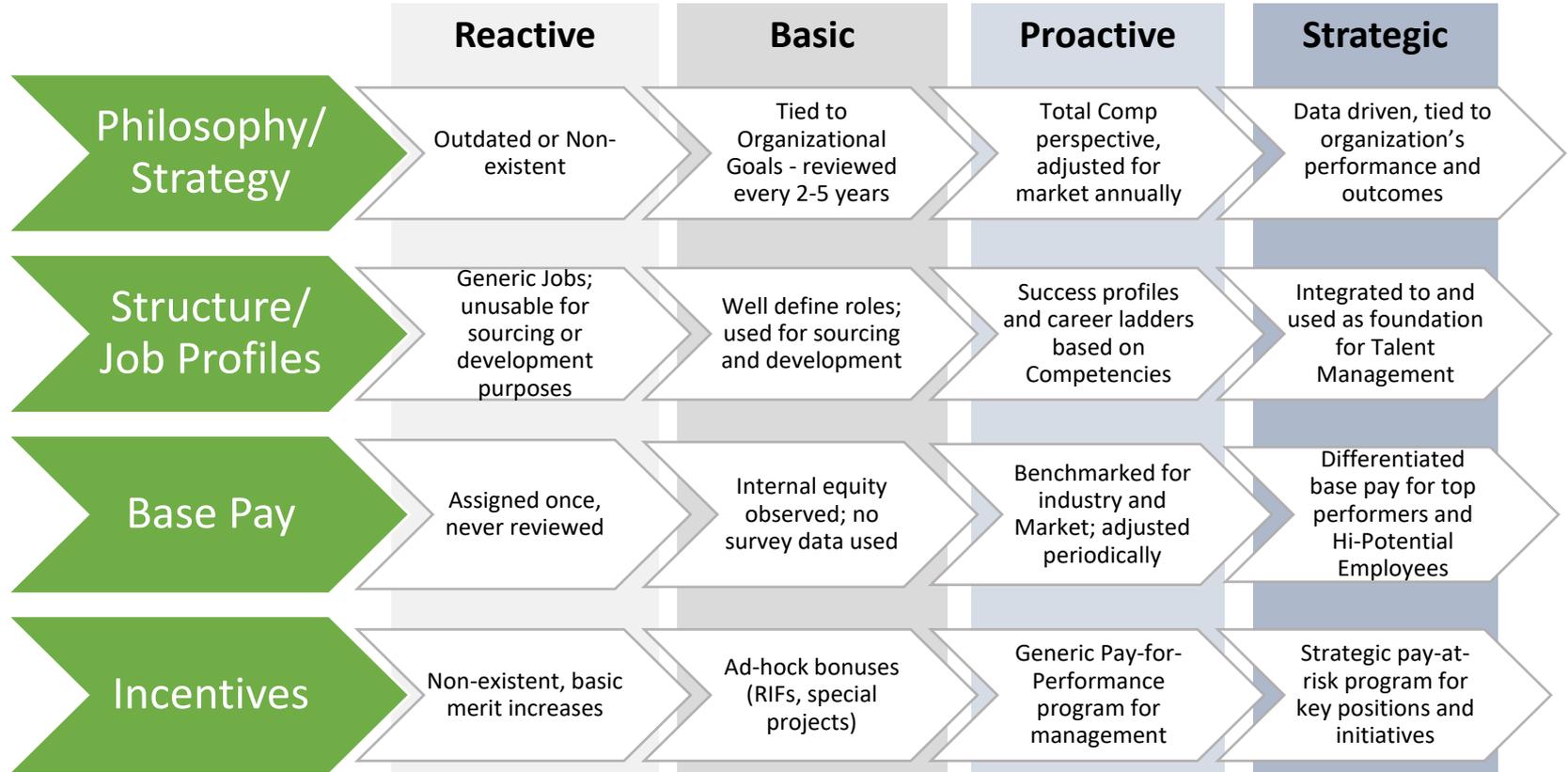
Background – Job Architecture



Background – Talent Management



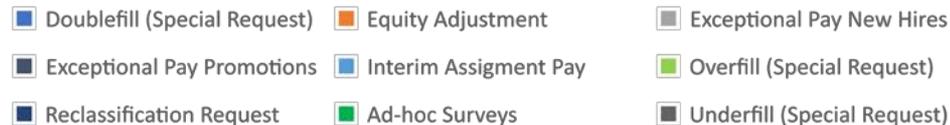
Background – Compensation Maturity Curve



Other Issues

- Modest annual salary increases for over 20 years – COD 2 to 4% Vs. Average 3 to 5%
- Salaries needed to recruit new hires typically exceed that of peers
- Reorganizations and new jobs evaluated without organization-wide or market context
- Spans of control of 1:3 or lower, tied to ambiguity in job descriptions
- Non-competitive salaries result in:
 - Inability to attract, recruit, and retain talent
 - Internal promotions into jobs requiring two, three, and up to four level increases
 - Excessive use of Interim Assignment Pay (IAP) to cover vacancies
 - Excessive and disjointed equity adjustments and exceptions

3,237 Administrative Pay Exceptions - Since October 2017

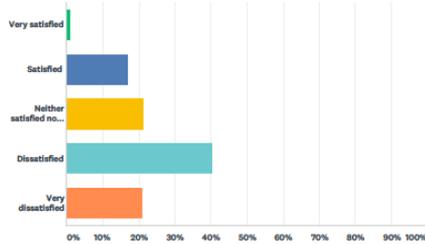


Assessment

Compensation Survey

Q3 Overall, I am satisfied with the organization's pay structure.

Answered: 317 Skipped: 0



ANSWER CHOICES	RESPONSES
Very satisfied	0.95% 3
Satisfied	17.03% 54
Neither satisfied nor dissatisfied	21.14% 67
Dissatisfied	40.09% 127
Very dissatisfied	20.82% 66
TOTAL	317

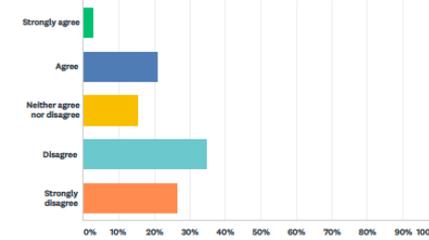
#	COMMENTS	DATE
1	After 32 years my pay should be at least 23 dollars an hour	7/11/2018 4:35 PM
2	In my department, the next promotion (44k/yr) is the highest pay grade I can be at while doing my current work.	7/11/2018 4:03 PM
3	Our grade classification is not inline with other Analyst	7/11/2018 3:48 PM
4	Our organization pay structure is constructed to be similar to one reviewing plans as a plans examiner as opposed to the duties of a fire protection engineer.	7/11/2018 11:21 AM
5	Relative compensation rewards groups that underperform and penalizes groups that excel. Overall it may seem to make sense for the City but individually is unfair.	7/10/2018 3:58 PM
6	I see others that don't put in near the amount of hours that are paid much better, but believe it's because the industry I represent is not well understood and looked at more as a "fun job" rather than the long hours, nights, weekends, travel and actual work it is.	7/10/2018 2:55 PM
7	No because it equal to the year I have been here	7/10/2018 2:52 PM
8	I think the pay scale has a big pay range.	7/10/2018 2:20 PM
9	It should not take 10+ years to reach top pay in your position when scoring exceptional every review period.	7/10/2018 10:10 AM

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Compensation Survey - Management

Q1 I am compensated fairly relative to the local market.

Answered: 72 Skipped: 0



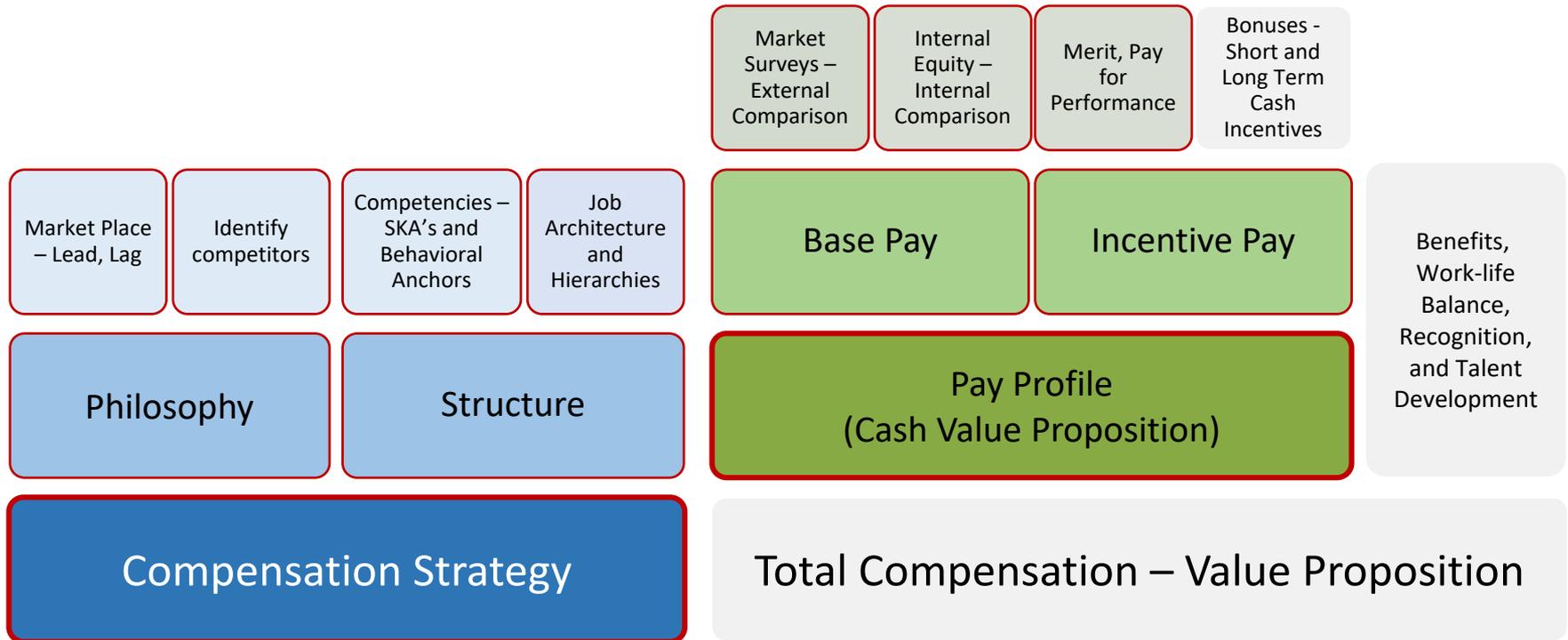
ANSWER CHOICES	RESPONSES
Strongly agree	2.78% 2
Agree	20.83% 15
Neither agree nor disagree	15.28% 11
Disagree	34.72% 25
Strongly disagree	26.39% 19
TOTAL	72

#	COMMENTS	DATE
1	Not really compared to the number of hours that are required to protect the lives of citizens' and their properties from flooding. This position and many other positions in this division are on-call 24 hours a day, seven days per week. we are not able to reward employees effectively for the efforts that they are required to put in.	6/25/2018 6:51 PM
2	an attorney in my position for a private corporation makes roughly double what I make and other municipalities pay roughly 30% more than what my current salary is	6/22/2018 3:47 PM
3	Per Glassdoor - Market rate for IT Project Manager is \$106k	6/22/2018 12:39 PM
4	I feel the salary along with the high cost of insurance for a family greatly reducing the city competitiveness in compensation.	6/21/2018 10:38 AM
5	The pay in suburban cities is noticeably higher than that offered in Dallas for comparable qualifications and duties.	6/21/2018 9:44 AM
6	Our proximity to the other Commercial Airport which is partially owned by the City is a clear example	6/21/2018 9:20 AM
7	We are under paid in comparison to other local cities in the metroplex	6/21/2018 8:58 AM
8	I always factor in the value of the long term pension.	6/20/2018 5:31 PM
9	Agree if this was my first job; disagree based on my years of experience	6/20/2018 5:11 PM

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RFP Goals and Objectives



Timeline

Task Name	Duration	Start	Finish
Compensation Study - RFP & Implementaton	TBD	Tue 10/23/18	TBD
Define Project - Seek feedback	3 wks	Tue 10/23/18	Mon 11/12/18
Document Requirements	2 wks	Tue 11/13/18	Mon 11/26/18
Research and Target Vendors	1 wk	Tue 11/27/18	Mon 12/3/18
Develop and Write RFP	TBD	Tue 12/4/18	TBD
Distribute RFP to Vendors	TBD	TBD	TBD
Select Vendor and Develop Contract	TBD	TBD	TBD
Conduct Compensation Study	6 mons	TBD	TBD
Issue and Implement Recommendations	0 days	TBD	TBD

Next Steps

- Seek Council's feedback on proposed strategy
- Issue RFP – Q1 2019
- Bring back recommendations to Council for implementation in FY2020



2019 Compensation Study

**Government Performance & Financial
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November 5, 2018**

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Director, Human Resources
City of Dallas**

