Salary Data, Compensation Structures, and R&R Metrics

Understanding and Utilizing Region VIII Health Center Market Statistics

Wednesday, December 5, 2012
11:30 am – 1:00 pm Mountain Time

Lara Salazar, SPHR
MPCA Director of Workforce Learning and Development

Learning Objectives

• Understand the history and methodology of the Region VIII health center salary, benefits, turnover, and vacancy survey project

• Be able to utilize the most appropriate salary/benefits data and recruitment/retention metrics as presented in the 2012 Region VIII Health Center Salary, Benefits, Turnover, and Vacancy Survey Report

• Understand how to use a variety of reported salary data to create and update market-based compensation structures

POLL

Which title best fits your role at your organization?
2012 Region VIII Health Center Salary, Benefits, Turnover, & Vacancy Survey & Report
Andrea Martin

Goals – Region VIII Survey & Report

• Provide market data for crafting competitive salary/benefits packages
  – Industry/niche specific; Breakdowns for best fit
• Identify workforce trends
  – Specific to recruitment and retention; useful for health centers and PCAs

Complies with Federal Trade Commission and Department of Justice Statements of Health Care Antitrust Enforcement Policy

Region VIII Project Participation

Historical

<table>
<thead>
<tr>
<th>Year</th>
<th># of Participants</th>
<th>% of Region’s HCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>10</td>
<td>20%</td>
</tr>
<tr>
<td>2006</td>
<td>12</td>
<td>24%</td>
</tr>
<tr>
<td>2008</td>
<td>15</td>
<td>30%</td>
</tr>
<tr>
<td>2010</td>
<td>18</td>
<td>36%</td>
</tr>
<tr>
<td>2012</td>
<td>20</td>
<td>40%</td>
</tr>
</tbody>
</table>

2012 Participation by State

<table>
<thead>
<tr>
<th>State</th>
<th>Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO</td>
<td>30%</td>
</tr>
<tr>
<td>MT</td>
<td>25%</td>
</tr>
<tr>
<td>ND</td>
<td>20%</td>
</tr>
<tr>
<td>SD</td>
<td>15%</td>
</tr>
<tr>
<td>UT</td>
<td>10%</td>
</tr>
<tr>
<td>WY</td>
<td>5%</td>
</tr>
</tbody>
</table>
Report Components

I. Executive Summary
II. Salary and Benefits Information
III. NEW in 2012: Recruitment Metrics, Trends, and Needs
IV. NEW in 2012: Retention Metrics, Trends, and Needs
V. Additional R&R Questions
VI. Appendices

Report Navigation

Salary Data, Compensation Structures, and R&R Metrics – 12/05/12
Salary & Benefits – What We Ask For

- Report for ALL employees
- FTE: Actual annual Full Time Equivalent (FTE)
- Salary: Annual wages and any bonuses or incentive compensation
  - NOT parking reimbursement, continuing education page, dues & licensure payments, relocation costs, etc.
- Benefits: Annual employer contributions to health, dental, vision, life, and disability insurance and retirement/pension plans
  - NO specifics within those parameters

Salary & Benefits Data – What We Do With It

- Data Cleaning and Preparation:
  - All portions of tool completed
  - All salary/benefits data equalized to 1.0 FTE
  - Before and after equalization process, review data to identify possible reporting errors
  - Review positions reported as “Other”

<table>
<thead>
<tr>
<th>Position Titles</th>
<th>FTE</th>
<th>Current Annual Salary</th>
<th>Current Annual Benefits</th>
<th>Date of Hire</th>
<th>Member of Executive Team?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director, executive/CEO</td>
<td>100.00</td>
<td>$153,000</td>
<td>$232,672</td>
<td>10/10/12</td>
<td>✓</td>
</tr>
</tbody>
</table>

Report: Salary & Benefits Information

- Executive Summary – Report Overview
  - 4,700+ FTEs reported in 2012; 5,100+ employees
  - $249.3 million in salary; $54.3 million in benefits

- Salary and Benefits Data Overview
  - Largest groups of employees (MA – 749)
  - Highest paid (Physician – OB/GYN)
  - Benefits as % of Salary: 21.14% overall in 2012

- Salary and Benefits Data Tables
### 2012 Salary/Benefits Tables

**2004 - 2010 Reports**

<table>
<thead>
<tr>
<th>Year</th>
<th>Count</th>
<th>Actual PFTs</th>
<th>Low Salary</th>
<th>High Salary</th>
<th>Trim Mean</th>
<th>Average Salary</th>
<th>Average Benefits</th>
<th>Benefits as % of Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>60</td>
<td>619,680</td>
<td>611,680</td>
<td>614,550</td>
<td>611,069</td>
<td>631,741</td>
<td>8,049</td>
<td>25.36%</td>
</tr>
</tbody>
</table>

**2012 Report**

<table>
<thead>
<tr>
<th>Count</th>
<th>Actual PFTs</th>
<th>10th PCTL Salary</th>
<th>25th PCTL Salary</th>
<th>50th PCTL Salary</th>
<th>Average Salary</th>
<th>75th PCTL Salary</th>
<th>90th PCTL Salary</th>
<th>Average Benefits</th>
<th>Benefits as % of Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>46</td>
<td>41,49</td>
<td>225,614</td>
<td>247,304</td>
<td>321,200</td>
<td>333,677</td>
<td>384,189</td>
<td>44,189</td>
<td>8,970</td>
<td>26.79%</td>
</tr>
</tbody>
</table>

Always Provide Average of All Incumbents (All Individual Reported Employees) NOT “Raw/Simple Average” (Average of Company Averages)

50th Percentile = Median

### 2012 Salary/Benefits Tables

**Tables 5 & 6: Alphabetical Listings of Administrative & Clinical Positions**

<table>
<thead>
<tr>
<th>POSITIONS</th>
<th>Count</th>
<th>Actual PFTs</th>
<th>10th PCTL Salary</th>
<th>25th PCTL Salary</th>
<th>50th PCTL Salary</th>
<th>Average Salary</th>
<th>75th PCTL Salary</th>
<th>90th PCTL Salary</th>
<th>Average Benefits</th>
<th>Benefits as % of Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>LT - All</td>
<td>46</td>
<td>41,49</td>
<td>225,614</td>
<td>247,304</td>
<td>321,200</td>
<td>333,677</td>
<td>384,189</td>
<td>44,189</td>
<td>8,970</td>
<td>26.79%</td>
</tr>
</tbody>
</table>

- Watch for positions grouped into “Other” categories
- Check for skew in sample:
  - >10% difference between median (50th PCTL) & mean (Average)
  - Example: COORDINATOR, OPERATIONS – ALL
    - Median: $32,950
    - Mean: $44,328
    - Difference: 34.5%

### 2012 Salary/Benefits Tables

**Tables 7-27: Breakdowns for Administrative & Clinical Leadership, and selected Clinical Team**

- Breakdowns of data similar to Organizational Profiles:
  - Budget Range, Location, Number of Health Center Sites
  - ALSO includes Number of Years Employed and Executive Team

<table>
<thead>
<tr>
<th>POSITION</th>
<th>Count</th>
<th>Actual PFTs</th>
<th>10th PCTL Salary</th>
<th>25th PCTL Salary</th>
<th>50th PCTL Salary</th>
<th>Average Salary</th>
<th>75th PCTL Salary</th>
<th>90th PCTL Salary</th>
<th>Average Benefits</th>
<th>Benefits as % of Salary</th>
</tr>
</thead>
</table>

- Breakdown by Number of Years Employed
- Breakdown by Executive Team

**Salary Data, Compensation Structures, and R&R Metrics Webcast - 12/05/12**
2012 Salary/Benefits Tables

NEW in 2012 - Tables 28-29: Breakdowns for Select Administrative & Clinical Support Positions
- By Number of Years Employed only
- Those with 100 or more reported employees

**Administrative:**
- Billing Staff/Patient Accounts (148)
- Medical Records Clerk (141)
- Patient Representative/Financial Counselor (127)
- Receptionist/Front Desk/Appointment Clerk (449)

**Clinical:**
- Case Manager (164)
- Dental Assistant (247)
- Licensed Practical Nurse (123)
- Medical Assistant (748)
- Registered Nurse (231)

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2012 Salary/Benefits Tables

UPDATED in 2012 - Table 30: Comparison of 2010 & 2012 CHAMPS Region VIII Health Center Salary Data

- 2004-2010: Compared “Trim Mean” figures from year to year
- 2012: Compares 2010 Median (50th Percentile) with 2012 Median (50th Percentile)

<table>
<thead>
<tr>
<th>Position Title</th>
<th>2010 Median</th>
<th>2012 Median</th>
<th>Chg. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title A</td>
<td>$28,080</td>
<td>$27,353</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Title B</td>
<td>$68,307</td>
<td>$63,118</td>
<td>-7.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region Title</th>
<th>LT $30K</th>
<th>MT $30-$70K</th>
<th>HT $70K+</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 Median</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012 Median</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chg. %</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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2012 Salary/Benefits Tables

UPDATE in 2012 – Table 31: Comparison of Region VIII Salary Data with Other Recently Published Data

- 2004-2010: Compared Average and Median data (based on source)
- 2012: Compares Median data for all

**State, Regional, & National Data Sources:**
- Health Centers: CHAMPS (Region VIII), CCHN (CO), NWPCA (Region X), NACHC (National)
- Other: US Bureau of Labor Statistics (Non-Profits), MGMA (Various Medical Organizations)
POLL

Does your organization regularly track any internal recruitment metrics?
(E.g., average length of recruitment, # of vacancies, % of accepted offers, etc.)

Recruitment – What We Ask For

• Positions that are challenging to recruit
• Survey of current vacancies
  — NEW in 2012: Executive-Level and Provider/Mid-Level vacancies
  — Only those vacancies being recruited
  — Whether or not those vacancies are “continuously recruited”
  — Length of current recruitment cycle
• Staff recruitment tools that you would like to implement, and the resources needed to do so

Report: Recruitment Information

• Executive Summary – Report Overview
  — 84% felt one or more positions had been challenging to recruit
  — Recruitment lengths increased from 2010 to 2012
• “Recruitment Metrics”: Introductions, Data Highlights, Tables/Graphs
  — Challenging Recruitment
  — Point in Time Vacancy Survey
  — Recruitment Needs
• Additional R&R Questions
2012: Challenging Recruitment

- Physician – Family Practice without OB
  - Most-often identified challenging position to recruit
- LT $1.5 M budget range:
  - Medical Assistant tied with NP and FP w/o OB
- $1.5M-$7M budget range:
  - Nurse Practitioner tied with FP w/o OB
- MT $7M budget range:
  - Family Practice WITH OB was most challenging

2012: Vacancy Survey

- 1.4 vacancies per organization
- 56% of vacancies were “continuously” recruited
- Recruitment lengths (for “non-continuous” postings) increased between 2010 and 2012

2012: Recruitment Needs

What do you need?
- A - $ for Staff
- B - $ for New Hire
- C - Networking/Outreach
- D - Applicant Tracking
- E - Internet Presence
- F - More Staff
- G - Staff Training
- H - Other
- I - Nothing/Unknown

What do you need to make it happen?
- Money, Buy-In
POLL

Does your organization regularly track any internal retention metrics?

(E.g., tenure, turnover, etc.?)

Retention – What We Ask For

• NEW in 2012: Years of Service (tenure)
• Positions that are challenging to retain
• Survey of turnover by staff type
  – Full-time and part-time permanent employees
  – Calendar year 2011
  – Average number of staff (not FTE) for each type, plus number of separations within each type
• Staff recruitment tools that you would like to implement, and the resources needed to do so

2012: Years of Service (Tenure)

• 5,104 participating employees
  – Longest tenure: Executive Director/CEO (13.71 yrs)
2012: Challenging Turnover

- Reception/Front Desk
  - Most often identified challenging position with challenging turnover
- LT $1.5M budget range:
  - NP and Physician – FP w/o OB tied with Reception/Front Desk
- $1.5M-$7M budget range:
  - Physician – FP w/o OB tied with Reception/Front Desk
- MT $7M budget range:
  - Medical Assistant was the most challenging (followed by Reception/Front Desk)

2012: Turnover Survey

- Reminder: based on 2011 data
- Average Turnover of 20.3% in 2011
  - Lowest: Administrative Exempt (14.4%)
  - Highest: Administrative Non-Exempt (23.8%)

2012: Retention Needs

What do you need?
- A - Improved Salaries
- B - Training
- C - Improved Benefits
- D - Awards
- E - Career Paths
- F - Other
- G - Unknown/None

What do you need to make it happen?
- Money
2012: Additional R&R Questions

- Physician Differentials
  - 37.8% of respondents pay differentials for physicians
- Upcoming Salary Increases
  - 79.5% are planning for increases (5/1/12-4/31/13)
- Bilingual Compensation
  - 20.5% of respondents provide extra compensation
- Retention Bonuses
  - Offered by 15.9% of respondents

Creating a Market-Based Compensation Structure

Lara Salazar, SPHR

Learning Objectives

- Be able to utilize the most appropriate salary/benefits data and recruitment/retention metrics as presented in the 2012 Region VIII Health Center Salary, Benefits, Turnover, and Vacancy Survey Report
- Understand how to use a variety of reported salary data to create and update market-based compensation structures

“Compensation is partly art and partly science.”

From SHRM article “Building a Market-Based Pay Structure from Scratch”, Rajiv Burman (principal author), SPHR, CHRT, CCE, CHRP, PHR, HR Griffith Labs, USA, July 2010
1. Disclaimer!
2. The CHAMPS survey – a beautiful tool
3. Market based compensation method
4. Getting started
5. How to design your compensation grid
6. Implementing, Communicating, and Evaluating
7. Updating your grid in between surveys

Overview

• Senior Professional of Human Resources (SPHR) certified.
• I am not a compensation specialist, but comp. is part of the HR field of work.
• Worked with comp. specialist while HR director in a health center to better understand existing system.
• Studied and practiced designing simple compensation structures.
• With the Montana PCA, have helped several centers to create or update their comp. structures.

How am I Qualified?

Steps:
1. Gather Background Information
2. Selecting Sources of External Market Data and Preparing the Data
3. Conducting the Market Data Analysis
4. Developing the Pay Structures
5. Calculating the Costs of Pay Structures
6. Implementation and Evaluation

Market-Based Compensation Structure Introduction

<table>
<thead>
<tr>
<th>Gather Background Information</th>
<th>Selecting and Preparing Data</th>
<th>Conducting Market Data Analysis</th>
<th>Developing Pay Structures</th>
<th>Calculating Cost of Pay Structures</th>
<th>Implementation and Evaluation</th>
</tr>
</thead>
</table>

Community Health Association of Mountain/Plains States (CHAMPS)
Salary Data, Compensation Structures, and R&R Metrics Webcast - 12/05/12

1. Start by Gathering Background Information

- Defining the compensation philosophy
- What are the organization’s pay and total rewards strategies?
- How will your pay structure support the overall mission, culture, values, and strategies?
- What best supports attracting people to the organization?
- Does compensation motivate or relate to performance?
- What best supports retention?
- What is your organization’s competitive market position?
- What is your ability to pay the salaries you identify?

• Market Lead
  Focuses on the 75th percentile of market
  75th percentile is the mid-point of the range

• Market Match
  Focuses on the 50th percentile of market
  Is the mid-point of the range

• Market Lag
  Focuses on the 25th percentile of market
  Is the mid-point of the range

POLL

Has your organization established a pay philosophy?

Community Health Association of Mountain/Plains States (CHAMPS)
Salary Data, Compensation Structures, and R&R Metrics Webcast - 12/05/12

• Determine your relevant market.
  - Industry
  - Budget
  - Geography
  - Most position matches

• Collect a survey or surveys.

• Salary survey examples:
  - CHAMPS Regional
  - CHAMPS State (additional purchase)
  - Bureau of Labor Standards (free)
  - MGMA
  - SHRM

2. Selecting Sources of External Market Data & Preparing the Data

### Montana Bureau of Labor Standards Wage Data Sample

<table>
<thead>
<tr>
<th>Occupation Group</th>
<th>Employment</th>
<th>Employment per 1000 Jobs</th>
<th>Location Quotient</th>
<th>Median Hourly Wage</th>
<th>Mean Hourly Wage</th>
<th>Annual Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare Practitioners and Technical Occupations</td>
<td>25,240</td>
<td>3.0%</td>
<td>59.381</td>
<td>$25.71</td>
<td>$31.01</td>
<td>$64,500</td>
</tr>
<tr>
<td>Chiropractors</td>
<td>190</td>
<td>8.7%</td>
<td>0.442</td>
<td>$25.97</td>
<td>$28.40</td>
<td>$59,060</td>
</tr>
<tr>
<td>Dentists, General</td>
<td>310</td>
<td>13.5%</td>
<td>0.730</td>
<td>$49.98</td>
<td>$57.50</td>
<td>$119,590</td>
</tr>
<tr>
<td>Dietitians and Nutritionists</td>
<td>190</td>
<td>6.9%</td>
<td>0.438</td>
<td>$21.93</td>
<td>$21.86</td>
<td>$45,460</td>
</tr>
</tbody>
</table>

CHAMPS Region 8 Salary Survey 2012

3. Conducting the Market Data Analysis

• Selecting benchmark jobs
• Creating a market composite for each position
  - Can combine percentiles from more than one survey (from chosen market philosophy) to get a blended average midpoint
  - OR
  - Use the position average salary
### Benchmarking Jobs Example

Using CHAMPS Salary Surveys

<table>
<thead>
<tr>
<th>Job Title</th>
<th>Surveys for CHAMPS 2012</th>
<th>CHAMPS Regional 2012</th>
<th>BLS Time Series Aug 2011+</th>
<th>Average of Budgets (1-7 Mil)</th>
<th>Average of Budgets (5-15 Mil)</th>
<th>Average of Budgets (15+ Mil)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Living Wage for Flathead County</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One Adult, One Child = $17.16 per hour</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One Adult = $7.49</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

You can use the percentiles, the average salary, or a blend of survey salaries.

### POLL

What other types of organizations do you consider part of your market, and with whom do you “compete” for employees?

### 4. Developing the Pay Structures

- Creating job grades
- Using your established market philosophy (lead, match, lag)
- Calculating Range Spread, Ranges and Steps
After evaluating jobs and job descriptions, establish grade structure.

---

### Benchmarking Jobs Example Using CHAMPS Salary Surveys

<table>
<thead>
<tr>
<th>Job Title</th>
<th>Surveys for Comparable Market (BLS for comparison only, not included in aging or averages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receptionist</td>
<td>5200</td>
</tr>
<tr>
<td>Medical Assistant</td>
<td>5500</td>
</tr>
</tbody>
</table>

Recall that we benchmarked salaries for several positions.

### Establishing Pay Grades and Wage Steps

<table>
<thead>
<tr>
<th>Level</th>
<th>Average Salary</th>
<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grade A</td>
<td>Receptionist, Medical Assistant, Medical Assistant (non-certified)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade B</td>
<td>Receptionist/Scheduler, Billing Clerk, Enrollment Clerk, Medical Assistant (certified)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade C</td>
<td>Billing Specialist, Patient Account Rep., Medical Records Specialist, Patient Visit Specialist</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade D</td>
<td>Billing Coordinator, Front Office Coordinator, Medical Records Coordinator, Outreach Coordinator</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Now we can "bundle" positions we have evaluated for similarity in salary into grades.
### Establishing Pay Grades and Wage Steps

**Salary Ranges**

<table>
<thead>
<tr>
<th>Grade</th>
<th>Job Title</th>
<th>Market Philosophy</th>
<th>Entry</th>
<th>Midpoint</th>
<th>High/Cap Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Receptionist</td>
<td>Lag</td>
<td>20,405</td>
<td>24,496</td>
<td>28,587</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>40%</td>
<td></td>
<td>20,405</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>21,224</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>22,042</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>22,860</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>23,678</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>24,496</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>25,315</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>26,133</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>26,951</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>27,769</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>28,587</td>
</tr>
<tr>
<td>B</td>
<td>Coder</td>
<td>Lag</td>
<td>25,759</td>
<td>30,923</td>
<td>36,087</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>40%</td>
<td></td>
<td>25,759</td>
</tr>
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<td></td>
<td></td>
<td></td>
<td>26,792</td>
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<td></td>
<td>27,825</td>
</tr>
<tr>
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<td></td>
<td></td>
<td>28,857</td>
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**Living Wage Adj.**

<table>
<thead>
<tr>
<th>Grade</th>
<th>Job Title</th>
<th>Market Philosophy</th>
<th>Entry</th>
<th>Midpoint</th>
<th>High/Cap Range</th>
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<tbody>
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<td>Lag</td>
<td>35,713</td>
<td>42,213</td>
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<td></td>
<td>49,895</td>
</tr>
</tbody>
</table>

### Calculating Range Spreads

**Appropriate for Position Type**

- **40%** = Support, service, labor = Non-exempt/hourly positions, the job descriptions of which do not require significant or specialized education or experience
- **50%** = Executive and management = typically Exempt/salary positions requiring specific education levels and experience
- **60%** = Professional = Licensed, Exempt/salary position requiring minimum of Masters or Doctorate level education

### Implementation and Evaluation

**Gather Background Information**

- Selecting and Preparing Data
- Conducting Market Data Analysis
- Developing Pay Structures
- Calculating Cost of Pay Structures
- Implementation and Evaluation

**Bring to Minimum:** Amount to bring employee from current to minimum of pay range

<table>
<thead>
<tr>
<th>Employee</th>
<th>Position</th>
<th>Current Wage</th>
<th>Minimum of Range</th>
<th>Amount to Bring to Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Astrud Bingham</td>
<td>Medical Asst.</td>
<td>$10.05</td>
<td>$10.85</td>
<td>$.80</td>
</tr>
<tr>
<td>Alistair Crumbucket</td>
<td>Coder</td>
<td>$12.95</td>
<td>$13.83</td>
<td>$.88</td>
</tr>
<tr>
<td>Balthazar Sodababy</td>
<td>Coder</td>
<td>$14.50</td>
<td>$13.83</td>
<td>$0.67</td>
</tr>
</tbody>
</table>

**Compa-Ratios:** Percentage from the midpoint

<table>
<thead>
<tr>
<th>Employee</th>
<th>Position</th>
<th>Current Wage</th>
<th>Midpoint of Range</th>
<th>Compa-Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Astrud Bingham</td>
<td>Medical Asst.</td>
<td>$10.05</td>
<td>$10.85</td>
<td>79%</td>
</tr>
<tr>
<td>Alistair Crumbucket</td>
<td>Coder</td>
<td>$12.95</td>
<td>$13.83</td>
<td>87%</td>
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<tr>
<td>Balthazar Sodababy</td>
<td>Coder</td>
<td>$14.50</td>
<td>$13.83</td>
<td>105%</td>
</tr>
</tbody>
</table>
POLL
Are your pay increases based on flat increments each year, or are they tied to performance?

6. Implementation and Evaluation

- Policy development
- Communication
- Transparency
- Training
- Evaluation
  - Employee and manager feedback
  - Ability to attract and retain
  - Exit interviews
  - Sustainability of wages over time

Placement: 2.5% “credit” for each year of additional education and years of experience

Movement along your grid depends on your policy.
  - Flat increase not associated with performance
  - Performance, based on your formula for increasing based on achievements.
• Wise not to use data more than 2 years old

• Research showed in 2007 that wages were moving, on average, about 4% per year.

• Economic factors arose in 2008, so can gauge by COLA and market data

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• Compensation Philosophy
• Relevant Market
• Salary Surveys in Relevant Market (CHAMPS)
• Benchmarking
• Constructing Pay Ranges and Grades
• Implementing, Communicating and Evaluating

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• CHAMPS: www.champsonline.org
  (include example of state data)
• Medical Group Management Association: www.mgma.com
• American Society of Healthcare Human Resources Administration: www.ashhra.org
• Society for Human Resource Management: www.shrm.org
• Salary.com: www.salary.com
• “How to Build a Market-Based Compensation Structure From Scratch” SHRM Article, July 2010: www.mtpca.org/PublicAccessResources.htm

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Questions?

Thank You for Joining Us!

Your opinions are very important to us.

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Each person should fill out their own Evaluation/Credit Survey.

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