CLASSIFICATION AND COMPENSATION REFORM PROJECT
AGENDA

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• Project Stakeholders
• Employee Role
• Project Overview
• Project Scope
• Project Outcomes
• Current vs. New System
• New System Compensable Factors
• New Job Consolidation Methodology
• Job Titles
• Job Specification Format
• Classification Interface with Compensation
• District Resident Benefits
• Next Steps
The District currently uses the Federal classification system and corresponding compensation methodology for its workforce. The use of the federal system dates back prior to the Home Rule Act, when the District workforce was part of the federal system. Since Home Rule, the authority to adopt a new system more suitable to the District government rests with the Mayor.

Reform of the classification and compensation system was initiated by the Mayor together with the Labor organizations representing Comp Units 1 and 2 and outlined in the Collective Bargaining Agreements.

The Labor-Management Task Force on Classification and Compensation Reform (LMTF) was established, made up of management and labor representatives, for the purpose of recommending a new classification and compensation system to the Mayor.

Deloitte Consulting, LLP is working with the District and LMTF on this project.
PROJECT STAKEHOLDERS

New Classification and Compensation System

- Mayor
- City Administrator
- Deputy Mayors
- District Agency Leadership
- LMTF Members
- Council of the District of Columbia
- Labor Leadership
- Employees
Agency and Employee Collaboration

Throughout the Classification and Compensation Reform Project, District employees have been engaged in the design and development of the new system.

In the beginning...
- Employees completed Job Analysis Questionnaires (“JAQs”)
- Managers had opportunity to review JAQs to ensure accuracy and completeness

Then...
- SMEs from the District (labor and management) reviewed each draft job specification and provided recommendations for modifications as appropriate to finalize the job specifications

And now...
- Agencies will participate in job verification and employee allocation efforts, ensuring that all employees are assigned to the correct jobs
- Employees, in collaboration with their supervisors & labor representatives, if requested, will be given the opportunity to review their new job specifications
The purpose of the Classification and Compensation Reform Project (Project) is to replace the District government’s current job classification and compensation system with a new and modern system that supports the District’s strategic goal to recruit, manage and retain a well-qualified and diverse workforce. The Classification and Compensation Reform Project is composed of five major work streams: Classification; Compensation; Information Technology; Policy; and Training.

The new system will:

• Be independent of the federal classification system;
• Be easier and more flexible to administer;
• Maximize the use of PeopleSoft by automating the job evaluation (classification) system;
• Use a simpler format that reflects the work performed by District employees;
• Identify career paths within agencies and throughout the District government;
• Ensure District compensation is competitive, equitable, and fiscally sound.
PROJECT SCOPE

Project covers: Approximately 18,000 employees

• All agencies under the personnel authority of the Mayor with the exception of sworn metropolitan police officers, firefighters, and personnel in DC Public Schools.

• Independent agencies that have employees covered by the Collective Bargaining Agreement for Compensation Units 1 and 2 are included.

• Independent agencies currently using the District pay schedules for non-union employees are included.
As a result of the Classification and Compensation Reform Project, employees will get:

- New job specifications (formerly position descriptions);
- Modern job classification processes for valuing the external and internal equity of jobs;
- Identification of career ladders and career paths;
- Redesigned salary structures to complement the new classifications;
- Updated classification and compensation program practices, policies, and procedures that will make the new system easier to understand and administer;
- Automated job evaluation (classification) system that will improve efficiency, transparency and ease of access; and
- Training on the administration of the new system.
<table>
<thead>
<tr>
<th>Current System</th>
<th>New System</th>
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<tbody>
<tr>
<td>• System is slow to respond to the pace of organizational change</td>
<td>• Support line management in the realization of organizational goals and</td>
</tr>
<tr>
<td>• Significant salary compression issues exist</td>
<td>Improve organizational effectiveness</td>
</tr>
<tr>
<td>• Numerous job classifications have lead to inconsistencies in selections,</td>
<td>• Be market competitive, fiscally responsible &amp; ensure fair differences in</td>
</tr>
<tr>
<td>pay grade assignments and pay within and across agencies for comparative</td>
<td>pay</td>
</tr>
<tr>
<td>type work</td>
<td>• Greater consistency in how positions are classified and paid and reflect</td>
</tr>
<tr>
<td>• Career paths are not known to employees, once employees reach the top of</td>
<td>the skills the employees need to do the job</td>
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<tr>
<td>the level of their grade, they must go into management in order to advance</td>
<td>• Allow employees to grow and assume greater responsibility in a job without</td>
</tr>
<tr>
<td>• System is not automated and there is no linkage to PeopleSoft</td>
<td>encountering undue restrictions inherent in the current classification</td>
</tr>
<tr>
<td></td>
<td>system</td>
</tr>
<tr>
<td></td>
<td>• Will be automated and allow for better utilization of PeopleSoft HRIS</td>
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<tr>
<td>Current System Compensable Factors</td>
<td>New System Compensable Factors</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td><strong>FES (White Collar)</strong></td>
<td><strong>Leadership Responsibility</strong></td>
</tr>
<tr>
<td>Knowledge</td>
<td>Communications/Customer Service</td>
</tr>
<tr>
<td>Supervisory Controls</td>
<td>Decision Making</td>
</tr>
<tr>
<td>Guidelines</td>
<td>Impact of Decisions</td>
</tr>
<tr>
<td>Complexity</td>
<td>Work Complexity</td>
</tr>
<tr>
<td>Personal Contacts</td>
<td>Education</td>
</tr>
<tr>
<td>Purpose of Contacts</td>
<td>Work Experience</td>
</tr>
<tr>
<td>Physical Demands</td>
<td>Working/Environmental Conditions</td>
</tr>
<tr>
<td>Work Environment</td>
<td></td>
</tr>
<tr>
<td><strong>FWS (Blue Collar)</strong></td>
<td></td>
</tr>
<tr>
<td>Skill and Knowledge</td>
<td></td>
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<tr>
<td>Responsibilities</td>
<td></td>
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<tr>
<td>Physical Effort</td>
<td></td>
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<tr>
<td>Working conditions</td>
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</table>
New Job Consolidation Methodology

Organizations view jobs differently depending on their culture and industry/organizational type. The District is moving away from employee centered, agency-specific job descriptions to a job centered specification that captures “the essence” of the job, essential duties, and clearly describes the nature and purpose of the role throughout the District government.

**Move from...**

**Agency-specific Job Descriptions**
- Multiple job descriptions across the city for the same work.
- Job titles and grades may vary for essentially the same work.
- Narrow view of job parameters; looking for the perfect match.
- Administratively complex.
- Difficult to create meaningful career paths.

**To...**

**City-wide Job Specifications**
- Standard job specifications across the city for the same type of work.
- Represents industry standard
- 80% rule applies to work performed
- Broad job descriptions
- Career paths easily identified and defined.
In addition to developing new job specifications, a consistent titling methodology has also been applied:

- For non-management jobs: where there are multiple levels or progressions, distinguish using a numeric title such as I, II, III, etc.
- Movement from multiple Maintenance Workers and Accountants in either the same title or different title with different grades to Maintenance Worker I, II, III, IV or Accountant I, II, III, IV in different grades
- A consistent application of terms such as Analyst, Coordinator, Representative, Specialist, Technician, etc. will be applied

![Job Titles Diagram]
Populated with basic job. There may be multiple levels of a job and each level would have a distinct job specification created.

Describes the overall purpose and “essence” of the job in a few brief sentences.

Identifies distinctive attributes of this position that differentiate it from other positions in the same job specification.

Most jobs consist of four to six essential job responsibilities. This list is not meant to be “all inclusive,” but should document those duties that are considered basic, indispensable and absolutely necessary.
Job Specification Format (cont’d)

(sample description for illustration purposes only)

- Key competencies captured in the JAQs such as communication, customer service, decision making, leadership, and work complexity
- Leadership is covered under the competencies
- There are various levels spanning from jobs with no supervisory to oversight of an agency

- Minimum requirements for education and work experience
- Working environment conditions associated with the essential duties of the job

Job title and code repeated on the second page

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**Sample**

District of Columbia Job Specification

<table>
<thead>
<tr>
<th>Job Title: Secretary I</th>
<th>Job Code: AS0011</th>
</tr>
</thead>
</table>

**Applied Knowledge and Skills**
- Basic knowledge of Microsoft Office, basic math skills, typing skills

**Typical equipment used**
- Office equipment such as computers and photocopier/fax machines and basic knowledge of department-specific databases and administrative tools.

**Competencies**

<table>
<thead>
<tr>
<th>Leadership</th>
<th>Communications &amp; Customer Service Relationships</th>
</tr>
</thead>
<tbody>
<tr>
<td>No supervisory responsibilities. May provide occasional work guidance, technical advice and training to staff.</td>
<td>Completely responds to basic and simple customer inquiries, requests and complaints. Forwards difficult and non-routine inquiries or requests to appropriate level for resolution.</td>
</tr>
</tbody>
</table>

**Decision Making**
- Decisions are made on routine matters affecting few individuals and usually within the confines of the job. Specific job activities and results are typically reviewed closely. There are limited requirements for developing new ideas or changes in methods, procedures or services.
- Follows rules and procedures. Decisions can have minimal or no impact, errors can be readily detected, usually by the employee, and, if made, would result in minor expense for correction.

**Work Complexity**
- Work and tasks are most often straightforward, routine, structured and guided by established policies and procedures. Little, if any, independent judgment is required. Outside of making basic choices in the selection and application of established methods. The job requires frequent ongoing supervision.

**Licenses, Certifications, and Other Requirements**

**Education**
- High School Diploma or GED

**Work Experience**
- 1 to 3 years

**Working/Environmental Conditions**
- Work is normally performed in a typical office environment which does not subject the employee to any hazardous or unpleasant elements. (You would select this if you work in a normal office environment.)

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Date Last Revised: 2/16/2010

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Classification Interface with Compensation

**Job Documentation and Analysis**

- Employees complete job analysis questionnaires (JAQ)
- JAQs analyzed and draft job specifications, title recommendations developed, and career paths determined
- Briefings held with leadership and managers to further understand jobs, discuss titling, and further identify career progressions by job family

**Reconcile Internal and External Value**

- Develop Job Hierarchy
- Develop Base Salary Structure and Determine Cost Impact

**Job Content**

- Compensable factors evaluated for each job (e.g., education, experience, leadership, work complexity, problem solving, impact of decisions, communication, etc.)

**Employee Mapping**

- HR and Managers map employees to jobs based on job content

**Market Data**

- Determine benchmark jobs, match jobs to survey sources, and determine the competitive positioning of jobs
District Resident Benefits

• A library of District job specifications will be available on line allowing for easy access to the public as well as District employees;

• Qualifications for jobs will be transparent and available on the job specs which will be on line

• The recruitment process will be streamlined and faster because the classification time for a job will be significantly reduced due to automation
Next Steps

• Revised District policies and regulations will be forwarded to the Council and Mayor for approval.
• District employees will receive notification of proposed job specification.