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Question: We will be starting a project to overhaul our classification and compensation system. We would like to get a team together to guide the project and help communicate the process to the employees. Who should be on this team?

CompDoctor: Every team needs a quarterback, a running back, a center, maybe a kicker if you ever get within 30 yards of the end zone, and a coach or two. Of course, outstanding players who can fill these positions are in high demand and may have other offers...like their normal job. So you will need to entice them with benefits and special multiyear deals.

In our experience, an excellent team starts with the HR department. To be successful, the team also requires strong backing from the top administrator, as well as the governing board. Given that, we have found that the following members usually make up a well-rounded team:

- **A lawyer:** Yes, we know all the lawyer jokes. And so do they. But if your organization has unionized workers—or even if it doesn't—then you will need someone who understands employment law and negotiation rules. You don't want to get to the end zone and have someone like a union lawyer come in and charge you with a penalty. It is better to get legal advice as you work downfield.
- **A finance person:** While HR and finance professionals always seem to look at things a little differently, getting the finance folks' perspective throughout the process can be beneficial. If nothing else, it will spare you the heartbreak of getting to the end of the game only to be told that the organization cannot afford to implement the new compensation plan. As an additional benefit, finance professionals are usually fairly detailed. (Just make sure that they leave the green eye shades in their office when they show up for a meeting. Those visors make them look funny, and people will start talking!)

- **The head of at least one large department:** Large departments have most of the workers who will be affected by changes to the compensation program. They also have a variety of different occupational groups and levels. Whatever changes you decide to make will impact these departments the most, so they had better be on board. If the plans do not accommodate the needs of large departments, how are you going to sell them to a smaller department? Further, while it is not always the case, the heads of larger departments tend to be the stronger managers of people, things and information. Finally, the costs will impact large departments most heavily. See finance person above.

- **The head of the social services/human services function (in counties and states):** This may be a duplicate of the above, unless the department head mentioned above is the head of a department where a lot of blue collar jobs exist. Social services jobs tend to have different rules than blue collar jobs—think of the differences between soccer and football. Employees providing social services are subject to a variety of state and federal rules, procedures and regulations that may not apply to other public sector employees. In addition, they deal with people rather than things, so there is a different set of criteria for determining the value of social service jobs and a different market for new hires and career advancement. It is best to have someone from this side of the organization on your compensation planning team.

- **The head of one small department:** Small departments often see their needs as vastly different from those of large departments. Because your organization probably has several small departments, it would make sense to include the head of one of these departments to provide this perspective. It is important that the smaller agency voice is included in the planning process since it can be very loud following implementation

even though the small departments do not represent a large percentage of the organization's workforce.

- **An employee:** Well, yes, all of the above are employees, but what we are talking about here is someone who is not a supervisor, manager, department head, lawyer or finance or HR person, but just a regular employee, although preferably one who is well known and respected by other employees within the organization. The employee member of the compensation planning team will have a different perspective on what will work with employees than any of the other members, and you will be well served to take this perspective into account. If your organization has unions, the employee member could be a union representative. From our perspective, the most important criteria are that the employee be well respected and able to communicate effectively.
- **A communications person:** At some point in the project, you will need to get your message out. That time is, well, all the time. Someone with communications training will be able to take your technical terms, processes and expected outcomes and translate them into words and presentations that employees will understand. Do not underestimate the impact a well-turned phrase or an effective presentation can have on the acceptance of your efforts. Including people who are trained in communications will benefit your team.
- **One or two members of the governing board:** Lest you think that we have lost all of our marbles (maybe we've lost a few, but clearly we haven't lost them all), we need to stress that there is good reason to include at least one or two policymakers on your team. At some point, you will need to take your results to the governing board. When that time comes, it will be very helpful if you have someone on the board who already understands what you have done and why you did it the way you did. This person can then help champion the

cause when it comes time for board approval.

- *An HR type from outside the organization:* We have found that having someone with a strong HR background from the community at large is helpful. This individual can often bring to the organization a new perspective on how things are done elsewhere and also provide legitimacy to the process in the eyes of governing board members, the media and other potential critics.
- *The HR director of your organization:* The last, but obviously not least, essential member of your team will be the HR director for your organization. As the project owner, leader and sponsor, the HR director absolutely has to be directly involved in the planning process.

Following our blueprint will give you a core team—a steering committee, of approximately nine individuals. While you could expand it slightly by increasing the number of employees or department heads, we find that when committees get to be much larger than 11 members, the process becomes a bit unwieldy. It is also tougher to get larger groups together for meetings when needed.

One other thing to consider is whether to allow members of the committee to delegate alternates. You should resist this if at all possible. What happens with alternates is that they show up not knowing all the background on what got you to your present point and a lot of time is spent bringing the alternates up to speed on what has already been accomplished rather than moving forward with new business. In addition, alternates give the members who were picked for specific reasons an easy out when it comes to direct participation. Allowing alternates, then, is contrary to the objective of getting the perspectives and buy in of key people within your organization.

After selecting the team, you need to clearly define the role of the steering committee at the beginning of the process. Since you are beginning an overhaul of your organization's classification and compensation system, you

must ensure that your steering committee members understand that they are advisors rather than decision makers.

The important thing is to make the project as transparent as possible by having key stakeholders involved throughout the project. It also must be stated that the team will not be determining the compensation of each and every person in your organization. Rather, committee members will be talking about structure, process and equity. We have often found that some members, and even those who are not members, think that the steering committee will be deciding pay for each person. That is not, and should not be the case.

Suggested roles for the steering committee are to

- Serve as a sounding board on ways the project team can maximize stakeholders' acceptance of the process. Included in this task would be having committee members discuss how participants in such required studies as occupational panels are selected and how the initial employee orientation sessions on changes to the classification and compensation system are conducted (e.g., groupings, locations).
- Collaborate on the overall classification and compensation philosophy. While it is not a decision-making body, the steering committee should come to some degree of consensus on the new system before it is submitted for formal approval to the city council, county board or other policymaking body. Ideally, the steering committee will endorse the document, which will facilitate formal adoption. Often, it makes sense to include council or board members and senior managers, with an eye toward getting this consensus endorsement, on the steering committee.
- Assist the HR department in reviewing various materials, including communications documents, position description questionnaires, and the market compensation survey instruments.

- Assist the HR department in communicating project status to stakeholders.
- Review and discuss such things as the draft classification structure document and the compensation study report. Committee input is then used by the consulting or HR team to make changes to the deliverables, as appropriate and necessary.

Finally, when selecting steering committee members, you need to think about how they will interact with each other and how they will accept change. After all, what you are planning will change something—hopefully for the better. In any change efforts, some people will become frustrated simply because things will be different from before, and those people may reject changes not because the changes are better or worse, but just because they are changes. So you need steering committee members who are all or most of the following:

- *Reasonable:* We know that all your people are reasonable, but you want some of the most reasonable people on your team. What this means is that they do not reject others' ideas out of hand. The members of the steering committee need to be open to new ideas and different ways of looking at classification and compensation issues. They need to be able to compromise for the good of the organization.
- *Willing to listen to others:* In other words, you want someone who will not dominate discussions but who will talk and offer his or her opinion.
- *Knowledgeable:* This means people who know something about how the classification and compensation systems work, and the differences between the two systems. This is not necessarily someone who feels that his or her last classification request was wrong and has a score that can be settled by being on the committee. It also means someone who has been with the organization for some time and knows its work-

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ings, its departments and its employees.

- *Busy:* We have found that busy people don't have time for committees that exist solely to hash out old stories. Busy people want to get on with the agenda, come to conclusions or provide advice and move on. They are action-oriented and willing to be slightly wrong so long as the process moves forward, trusting that they can always make minor adjustments later.
- *Well-respected:* You want people who other employees respect and whose opinions matter. They will be the ones employees go to when a compensa-

tion study is in process and when it is done. Employees will look to them to explain the decisions made and to gain comfort that the decisions are fair, equitable and address all the important issues.

So, you now have the playbook for putting together a winning team and completing a successful project. However, as with all team efforts, you may fumble the ball on the five yard line, and the other team will carry it into the end zone for the win. Compensation and classification projects can be like that. But with the right team and right amount of time given to the process, the odds of being the one with the most points on the scoreboard are excellent. Good luck!

The CompDoctor is the team of Jim Fox and Bruce Lawson of Fox Lawson & Associates LLC, a compensation and human resources consulting firm that specializes in assisting governments in fixing their compensation and classification systems. They are seriously irreverent about their specialty. You may find them on the Web at www.foxlawson.com.

If you have a question, you would like to have them answer, please write to them at jfox@foxlawson.com or blawson@foxlawson.com. They will try to include it in the next issue of CompDoctor.

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