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Boston Starts Employee Classification and Compensation Overhaul

Modification of employee job descriptions and salary levels will be phased in over several years

The City of Boston has begun what will become a multi-year study of employee job classifications, job descriptions, and compensation grades to ensure salary equity and position competitiveness for union and non-union positions. The process started in FY12 in two of the smaller departments: Elderly Affairs and Veterans' Services which have 67 and 16 employees, respectively. The program continues in FY13 with the Treasury and Auditing Departments, with other departments to be added each year.

The City has not undertaken a comprehensive personnel analysis for at least 40 years, though the Research Bureau has been recommending such a study since the 1980s. The City's previous reluctance to embark on this initiative was primarily due to the concern that it would result in a significant increase in cost if implemented at one time.

Why Now? Over the last decade, the City has been in a tight fiscal position which has resulted in an overall reduction in funded positions and in some cases the need for employees to assume more responsibilities, in part, due to technological advances. Additionally, annual salary increases have recently been smaller than in previous years. Consequently, job descriptions in many departments are out of date, do not reflect current job responsibilities, and salary grades have not kept pace with actual responsibilities. Unsatisfied, employees have made efforts to increase their salaries by appealing for a higher position grade. Since 2010, 54 employees have appealed for a higher job grade; 20 of those appeals were submitted in 2012 alone.

Process The City's Human Resources Department (HR) is the lead agency in this effort and through a competitive RFP process, HR selected the Minneapolis consulting firm, Fox Lawson, to perform the analysis and to prepare the recommendations for the first two departments. The scope of the contract involves four phases:

- Review existing classification plans through an employee survey
- Prepare revised job descriptions
- Conduct a market study in comparable cities to ensure positions and related compensation are internally equitable and externally competitive
- Prepare departmental manuals for classification and compensation

Once this work is completed, Fox Lawson must present the results to HR, which will decide how to proceed, and then negotiate any changes in each job description with the appropriate union.

First Year Status Currently, Fox Lawson has completed the employee survey in the Elderly and Veterans' Departments and is drafting new job descriptions. For the next phase, a new RFP has been posted for the study of the Treasury and Auditing Departments with bids due on November 6.

Conclusion The City of Boston is a \$2.5B operation that is labor intensive, which makes a functioning, modern personnel system important in order to efficiently deliver services. This initiative will take years to complete, so it will be important for HR to keep the improvements made in completed departments up to date.