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Report:

ACDS Compensation Review

HayGroup®



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To:
Alberta Council of Disability
Services





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1. Terms of Reference

The Alberta Council of Disability Services (ACDS) requested the Hay Group to research competitive wages and benefits for six key benchmark jobs found within their member organizations. The benchmark positions were:

- Community Disability Services Worker
- Community Disability Services Practitioner
- Team Leader
- Coordinator
- Program Director
- Specialist/Consultant

This project was undertaken in January 2008.

2. Methodology

In order to relate ACDS roles to the external market and understand the appropriate level of compensation for these jobs, Hay Group has used its proven job evaluation methodology, the Hay Guide Chart – Profile Method which makes the market comparisons much more accurate than simple job matching.

To gain a good understanding of the six benchmark jobs that are in the scope of this review, the Consultant examined up-to-date job profiles for the six roles and interviewed ACDS Human Resource representatives. Through interviewing the Human Resource Managers of ACDS member organizations, we gained the necessary job knowledge of the benchmarks to properly evaluate them using the Hay Guide Chart – Profile Method (refer to Appendix A for an overview).

These evaluations allow us to prove accurately extract data from our compensation databases based on detailed job content in relation to the compensable factors of Know-How, Problem Solving and Accountability.

The Hay evaluations for the six benchmarks are as follows:



Note that two levels of the Specialist/Consultant Benchmark were developed as it appeared that more than one level of work may exist for this particular job.

Benchmark	KH	KH Pts	PS	%	PS Pts	Acc	Acc Pts	Total Pts	Profile
Director	FIII-3	460	F4	50	230	F2+P	350	1040	3
Coordinator	EII3	304	E4	43	132	E2P	200	636	+2
Specialist/Consultant – Bigger Agency	E+I2	230	D4	38	87	D2C	87	404	B
Specialist/Consultant – Smaller Agency	EI2	200	D4	33	66	D2C	76	342	+1
Team Leader	D+I3	200	D3	29	57	D2C	76	333	+2
Community Disability Practitioner	DI2	152	C3	25	38	C1C	43	233	+1
Community Disability Worker	CI2	115	C2	22	25	B1C	29	169	+1

The evaluations can be interpreted as follows:

1040 – Large management or small executive tier job.

636 – An entry to intermediate level manager level.

404 – Seasoned professional level.

342 – Intermediate professional or very senior technical positions.

333 – Similar to 342 level position.

233 – Technical level position.

169 – Experienced level but not requiring much post secondary education.

These evaluations allow us to extract data from the Hay Group compensation database based on Hay job evaluation points.

Hay Group reported on four different compensation elements as follows:



Base Salary Policy: The annual salary an organization is prepared to pay for satisfactory performance by a fully trained and orientated incumbent. This element is also referred to as job rate, salary grade rate, or midpoint.

Total Cash Design: Base Salary Policy plus Bonus Target. For incumbents not eligible for an incentive, Base Salary Policy is used.

Base Salary: The annual salary (exclusive of bonuses, shift premiums, overtime compensation, etc.) paid by an organization to an individual for work performed on a regular, ongoing basis. Base Salary includes skill premiums if applicable.

Total Cash: Actual Base Salary plus Bonus Payout.

Hay Group has also provided information on typical benefits provided by the Broader Public Sector as a percentage of salary. We have also provided some detailed benefit prevalence information broken down by sector in Appendix B.



3. Findings

The following tables provide the detailed compensation and benefits data from the Western Canadian Broader Public Sector. The Broader Public Sector includes organizations from the three levels of government, education, healthcare and crown corporations. These charts show the 90th, 75th, 50th, 25th, and 10th percentiles and the average pay levels, based on standard Hay “pricing points” that relate to Hay Pay Grades.

Position	Total Points	Pricing Point	Base Salary Policy - (\$000)					AVG
			P90	P75	P50	P25	P10	
Director	1040	967	138.2	130.4	115.0	107.6	96.7	117.1
Coordinator	636	674	105.0	98.4	92.1	84.8	75.6	91.6
Specialist/Consultant - Bigger	404	404	76.8	73.5	66.5	62.6	56.7	67.2
Specialist/Consultant - Smaller	342	342	72.1	66.8	59.4	56.5	48.0	60.9
Team Leader	333	342	72.1	66.8	59.4	56.5	48.0	60.9
Community Disability Practitioner	233	248	56.0	51.0	47.6	43.1	41.1	48.1
Community Disability Worker	169	176	49.4	45.1	42.3	38.7	34.8	41.9

Position	Total Points	Pricing Point	Total Cash Design - (\$000)					AVG
			P90	P75	P50	P25	P10	
Director	1040	967	152.0	138.2	120.6	110.2	100.9	124.2
Coordinator	636	674	109.9	101.0	95.0	86.2	75.6	94.7
Specialist/Consultant - Bigger	404	404	78.3	74.1	68.1	62.6	59.2	68.6
Specialist/Consultant - Smaller	342	342	73.6	68.3	61.4	56.8	48.0	62.3
Team Leader	333	342	73.6	68.3	61.4	56.8	48.0	62.3
Community Disability Practitioner	233	248	56.1	52.8	49.0	44.8	42.2	49.0
Community Disability Worker	169	176	49.6	45.3	42.7	38.8	36.6	42.6

Position	Total Points	Pricing Point	Base Salary - (\$000)					AVG
			P90	P75	P50	P25	P10	
Director	1040	967	139.7	122.0	111.4	104.3	95.4	114.9
Coordinator	636	674	107.9	97.2	89.7	82.8	75.1	90.4
Specialist/Consultant - Bigger	404	404	76.5	70.9	65.9	59.6	53.3	65.3
Specialist/Consultant - Smaller	342	342	70.9	63.3	58.1	51.6	46.9	58.2
Team Leader	333	342	70.9	63.3	58.1	51.6	46.9	58.2
Community Disability Practitioner	233	248	54.7	51.1	46.1	42.4	38.7	46.8
Community Disability Worker	169	176	48.9	45.2	41.0	36.3	33.2	41.2



Position	Total Points	Pricing Point	Total Cash - (\$000)					AVG
			P90	P75	P50	P25	P10	
Director	1040	967	165.8	132.9	117.0	107.9	96.1	123.9
Coordinator	636	674	113.3	101.4	92.3	84.7	75.6	93.8
Specialist/Consultant - Bigger	404	404	78.7	72.1	66.9	60.6	54.6	66.8
Specialist/Consultant - Smaller	342	342	71.4	64.9	58.7	52.5	47.3	59.4
Team Leader	333	342	71.4	64.9	58.7	52.5	47.3	59.4
Community Disability Practitioner	233	248	56.3	52.3	47.0	43.0	40.2	47.8
Community Disability Worker	169	176	50.1	46.4	41.5	37.0	34.0	41.9

Position	Total Points	Pricing Point	Average Remuneration Distribution (as a % of Base Salary)				
			Group Benefits	Retirement Benefits	Employee Perquisites	Holiday and Vacation	Total Benefit Value
Director	1040	967	8.0	10.4	2.5	3.2	24.0
Coordinator	636	674	8.4	9.3	0.9	3.0	21.7
Specialist/Consultant - Bigger	404	404	9.5	8.9	0.9	2.8	22.1
Specialist/Consultant - Smaller	342	342	9.8	8.8	1.0	2.8	22.4
Team Leader	333	342	9.8	8.8	1.0	2.8	22.4
Community Disability Practitioner	233	248	10.7	8.3	1.2	2.8	22.9
Community Disability Worker	169	176	11.7	8.5	1.1	2.5	23.9

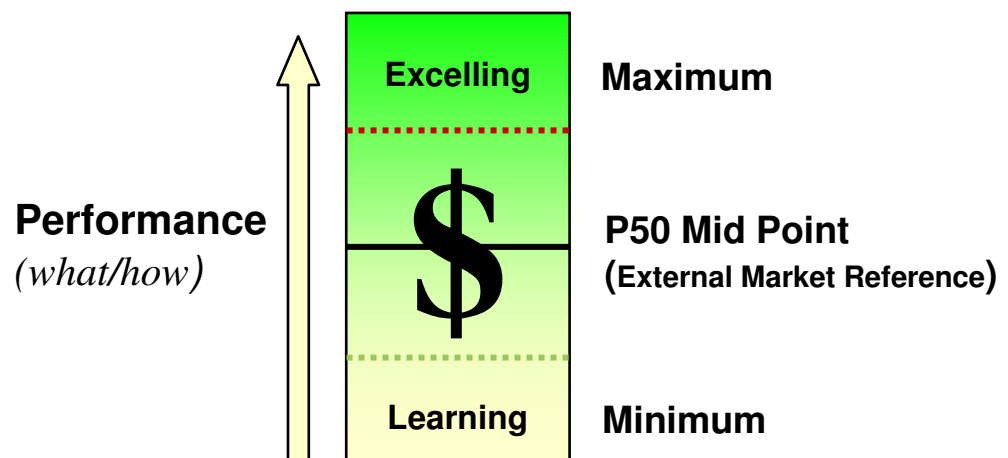
Note: Percentages may not total due to rounding.

Participants in this analysis can be found in Appendix C.

While all these compensation elements are meaningful and should be examined closely, it is recommended that ACDS organizations use the Base Salary Policy when designing their salary ranges for positions matching these benchmarks. A typical salary range in the public sector sets the salary maximum to the Market



Reference Point (Base Salary Policy at the level the organization strategically decides to match to such as the 50th percentile) and then create a salary minimum that is about 80% of the maximum. The purpose of a salary range is to recognize the differing skill levels of incumbents. Incumbents new to a position are typically placed at or near the salary range minimum and gradually progress to the mid point as they gain experience over a 3-4 year period. Movement beyond the midpoint is usually reserved for superior performers.



As the actual market reference point an organization adopts to create their salary ranges, it is a highly strategic decision that each organization must itself determine based on criteria such as:

- Recruitment and retention experience,
- Developmental opportunities,
- Promotional opportunities,
- How interesting is the work,
- Work/Life balance, etc.

Generally, the more rewarding the overall job is, the less competitive the compensation needs to be. However, choosing to position an organization at a very high or very low market reference point (i.e. P90 or P10) is problematic as the organization is targeting outlier organizations that totally unrepresentative of the overall market place. Most public sector organizations target at or near the market median (i.e. P50).



BENEFITS PREVALENCE

The prevalence of six employee benefits are analyzed in this report: Survivor Benefits, Income Replacement, Health Care Benefits, Retirement Plans, Holidays and Vacation, and Perquisites (supplementary form of non cost compensation). The following tables illustrate the prevalence among sectors for each type of benefit. Organizations with flexible benefit plans are counted only for their basic (or core) coverage.

This report is based on 228 Industrial, 73 Financial, 247 Private, and 101 Broader Public sector organizations.

Survivor Benefits

Employee Basic Life Insurance

Prevalence	Industrial Sector			Financial Sector			Private Sector			BROADER PUBLIC SECTOR		
	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec
Overall	99%	100%	100%	100%	100%	100%	99%	100%	100%	99%	99%	100%
Premium is 100% employer paid *	78%	78%	82%	81%	81%	84%	80%	80%	83%	64%	67%	71%

*Note: * based on organizations that have a plan*

Employee Basic Accidental Death and Dismemberment

Prevalence	Industrial Sector			Financial Sector			Private Sector			BROADER PUBLIC SECTOR		
	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec
Overall	87%	88%	90%	77%	77%	75%	88%	88%	89%	73%	74%	78%
Premium is 100% employer paid *	79%	79%	81%	73%	73%	75%	78%	78%	80%	68%	72%	73%

*Note: * based on organizations that have a plan*

Dependent Life Insurance

Prevalence	Industrial Sector			Financial Sector			Private Sector			BROADER PUBLIC SECTOR		
	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec
Overall	78%	78%	79%	90%	90%	90%	80%	80%	81%	84%	85%	86%
Premium is 100% employer paid *	29%	29%	32%	24%	24%	26%	26%	27%	29%	27%	27%	30%

*Note: * based on organizations that have a plan*



Dependent Accident Insurance

*Note: * based on organizations that have a plan*

Prevalence	Industrial Sector			Financial Sector			Private Sector			BROADER PUBLIC SECTOR		
	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec
Overall	12%	12%	12%	22%	22%	22%	16%	16%	16%	6%	6%	8%
Premium is 100% employer paid *	27%	30%	36%	13%	13%	13%	24%	26%	28%	33%	33%	50%

Income Replacement

Prevalence of Short Term Disability Plan Types

Plan Type	Industrial Sector			Financial Sector			Private Sector			BROADER PUBLIC SECTOR		
	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec
Salary continuance/sick leave	78%	78%	78%	84%	84%	84%	77%	77%	77%	89%	88%	88%
Insured weekly indemnity	13%	13%	13%	10%	10%	10%	13%	13%	13%	3%	4%	4%
Self insured/ASO	10%	10%	10%	7%	7%	7%	10%	10%	10%	8%	8%	8%

Note: Percentages may not total 100% due to rounding.

Long Term Disability

Prevalence	Industrial Sector			Financial Sector			Private Sector			BROADER PUBLIC SECTOR		
	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec
Overall	99%	100%	100%	99%	99%	99%	99%	99%	99%	99%	100%	100%
Premium is 100% employer paid *	54%	53%	54%	60%	60%	61%	54%	53%	54%	44%	45%	50%

*Note: * based on organizations that have a plan*



Maternity/Parental Leave Benefit (in addition to Employment Insurance)

	Industrial Sector	Financial Sector	Private Sector	BROADER PUBLIC SECTOR
Overall prevalence	35%	53%	35%	64%
Average duration in weeks *	14	15	12	20

*Note: * based on organizations that have a plan*

Health Care Benefits

Extended Health Care

Prevalence	Industrial Sector			Financial Sector			Private Sector			Broader Public Sector		
	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec
Overall	100%	100%	100%	100%	100%	100%	100%	100%	100%	99%	99%	99%
Premium is 100% employer paid *	76%	76%	77%	59%	60%	62%	71%	71%	73%	66%	68%	68%

*Note: * based on organizations that have a plan*

Dental Plan

Prevalence	Industrial Sector			Financial Sector			Private Sector			BROADER PUBLIC SECTOR		
	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec
Overall	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Premium is 100% employer paid *	79%	79%	81%	60%	62%	63%	74%	74%	76%	69%	72%	72%

*Note: * based on organizations that have a plan*



Retirement Plans

Prevalence of Pension Plan Types

Plan Type	Industrial Sector			Financial Sector			Private Sector			BROADER PUBLIC SECTOR		
	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec
Defined benefit (DB) only	29%	29%	28%	38%	38%	41%	25%	24%	24%	70%	71%	73%
Defined contribution (DC) only	44%	44%	41%	41%	41%	38%	47%	47%	43%	23%	23%	23%
Both DB & DC	20%	20%	23%	21%	21%	21%	23%	23%	27%	5%	5%	3%
No plan	7%	7%	7%	0%	0%	0%	6%	6%	6%	2%	1%	1%

Note: Percentages may not total 100% due to rounding.

Defined Benefit – Definition of Pensionable Earnings

Pensionable Earnings	Industrial Sector			Financial Sector			Private Sector			Broader Public Sector		
	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec
Base salary only	65%	60%	48%	81%	74%	56%	67%	61%	46%	87%	86%	79%
Base plus bonus	33%	38%	51%	19%	26%	44%	32%	38%	52%	13%	14%	20%
Other	2%	2%	2%	0%	0%	0%	2%	2%	2%	0%	0%	0%

Note: Percentages may not total 100% due to rounding.

Defined Contribution – Definition of Pensionable Earnings

Pensionable Earnings	Industrial Sector			Financial Sector			Private Sector			BROADER PUBLIC SECTOR		
	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec	Staff	Prof/ Mgt	Exec
Base salary only	71%	70%	69%	76%	76%	72%	71%	70%	69%	86%	86%	85%
Base plus bonus	28%	28%	29%	24%	24%	28%	28%	28%	30%	14%	14%	15%
Other	1%	1%	2%	0%	0%	0%	1%	1%	2%	0%	0%	0%

Note: Percentages may not total 100% due to rounding.



Holidays and Vacation

Holidays – Average Number of Days per Year

	Industrial Sector	Financial Sector	Private Sector	BROADER PUBLIC SECTOR
Number of days	12	11	11	12

Vacation Schedule – Typical Number of Weeks per Year

Years of Service	Industrial Sector			Financial Sector			Private Sector			Broader Public Sector		
	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec
1 year	2	2	2	3	3	4	2	2	2	3	3	4
5 years	3	3	3	3	3	4	3	3	3	3	3	4
10 years	4	4	4	4	4	4	4	4	4	4	4	4
20 years	5	5	5	5	5	5	5	5	5	5	5	5
30 years	6	6	6	5	5	5	5	5	5	6	6	6

Perquisites

Prevalence of Perquisites

Perquisites	Industrial Sector			Financial Sector			Private Sector			BROADER PUBLIC SECTOR		
	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec	Staff	Prof/Mgt	Exec
Company car/allowance	0%	11%	67%	0%	5%	67%	0%	10%	68%	0%	5%	49%
Parking	55%	58%	68%	41%	51%	78%	52%	56%	70%	48%	55%	70%
Onsite fitness facility	21%	22%	24%	29%	30%	30%	21%	22%	23%	31%	34%	34%
Club membership	16%	20%	41%	12%	18%	58%	13%	17%	45%	17%	20%	30%
Financial counseling	3%	5%	25%	10%	12%	37%	4%	6%	28%	7%	10%	20%
Loan program	11%	13%	15%	47%	48%	49%	19%	21%	24%	19%	19%	19%
Physical examination	9%	9%	39%	4%	4%	41%	8%	8%	41%	4%	4%	19%
Perquisite spending account	0%	2%	7%	1%	4%	30%	1%	2%	13%	2%	5%	10%
No perquisites	25%	21%	9%	18%	16%	5%	23%	20%	9%	32%	25%	13%

Note: Participants are counted for each response given.