

2018

Prepared for the State of Kansas Judicial Branch

APPELLATE AND DISTRICT COURT COMPENSATION STUDY



Table of Contents

INTRODUCTION	3
CLASSIFICATION PLAN	4
JOB EVALUATIONS	5
THE PAY PLAN	7
IMPLEMENTATION RECOMMENDATIONS	9
RECOMMENDATIONS FOR MODERNIZATION	11

INTRODUCTION

The National Center for State Courts (NCSC) was contracted by the State of Kansas Judicial Branch to study and prepare compensation recommendations. The goals of the project were to:

- Review and analyze the job duties of all positions.
- Draft new classifications as needed.
- Develop a compensation structure that incorporates both internal and external equity using an appropriate and easy to implement method.
- Propose appropriate compensation schedules that reflect comparisons to the market and the local business environment.

The study provides the following:

- Recommendations for new classifications (under separate cover).
- An assessment of the relative market with respect to pay including regional, state and local external labor market data and analysis.
- Paygrade recommendations
- Proposed compensation plan expansion.
- Recommendations to modernize the Kansas Judicial Branch compensation and personnel system.

The consultants used by the NCSC for the project, Mindy Masias and Eric Brown are Colorado Judicial Department employees who are employed as the Chief of Staff and Director of Human Resources, respectively.

CLASSIFICATION PLAN

Based upon the information collected and analyzed, recommendations for creation of new job descriptions have been made under separate cover. Modifications and new classifications were created based upon information received by current administrative staff and in comparison, to staffing patterns of similar state courts.

Class specifications were developed within an existing general format that included the nature of work, essential functions, knowledge, skills and abilities needed and minimum education and experience requirements. Specifications represent a general definition of each classification, and are not intended to include all possible duties or necessary elements, or to preclude any duties or necessary elements.

Recommended job descriptions will be provided under separate cover.

JOB EVALUATIONS

In order to achieve the objective of providing equitable pay recommendations, the NCSC used the “Position Benchmark Method” to determine the relative worth of different classes of work.

Position Benchmark Method

The Position Benchmark Method is a factor comparison method of job evaluation. In factor comparison, the importance of jobs is analyzed through a series of defined factors. Jobs of a different nature or in different organizational units are evaluated against all other jobs by comparing similar jobs to factor definitions, not by comparing jobs to jobs. When properly applied, the Position Benchmark Method facilitates the equitable, objective analysis and evaluation of all separate and distinct classes of work.

The consultants evaluated each class by determining the degree of definition for each job factor that best fit the duties and responsibilities of work to that of the external market. Values for all factors were evaluated to assess relative internal worth of a class and determine if the classification was a match to the external benchmarks.

Four factors were used for the evaluation of all classes. These include:

- Functional Responsibilities
- Scope and Effect of Decisions and Action
- Supervision Exercised/Scope of Responsibility
- Problem Solving and Complexity of Job Duties

It should be emphasized that job evaluation is a process or technique designed to assist management in establishing equitable pay relationships between classes of positions. The results of job evaluation must be viewed as guiding and should be balanced with any other legal, institutional and organizational goals and concerns in arriving at decisions on pay.

Using the Position Benchmark Method, all classes of work were fit into distinguishable levels of job duties and responsibilities. Logical breaks were used in the continuum of total points to determine these levels of compensation. Job class descriptions are provided in a separate report.

THE PAY PLAN

The second major component of the project was to develop a compensation structure, which incorporates the recommended classification structure and is capable of maintaining competitive pay rates. The NCSC did so with three fundamental principles in mind: 1) provide an equal compensation structure for work of a similar nature; 2) provide the means for compensating employees for continued service; and 3) establish rates of compensation that will aid in the recruitment and retention of qualified personnel. This section of the report describes the methodology used to develop the recommended pay plan as well as a description of the pay survey data.

Comparison Criteria

In the appraisal and use of pay data, the following considerations deserve emphasis:

- Exact comparisons among organizations as to duties and working conditions of positions are difficult to make. Job descriptions provided are a close proximity match to like positions based on industry job descriptions.
- Pay survey data, if a workable plan is to result, should be analyzed and considered as a measure of tendency in the labor market and must be applied with regard to past pay practices of the court and organizational hierarchy.
- Pay data is at best a general guide as to the appropriate rates of pay for jobs. Consideration should be given to complexity, cultural norms or labor shortages.
- A key consideration in establishing compensation for non-benchmarked positions was the use of internal equity to similar positions in terms of complexity and reporting relationships.

Market Comparisons

Pay grade recommendations were derived from a review of several sources of data. The salary ranges for job classifications similar to those found from the following entities were given significant consideration when establishing grade recommendations:

- Bureau of Labor Statistics
- City of Kansas City

- City of Lawrence
- City of Olathe
- City of Overland Park
- State of Colorado Judiciary
- State of Iowa
- State of Missouri

Data Equalizer

It should be noted that ERI survey data, a third-party survey, was used for the purpose of equalizing data from state to state. For instance, if the State of Kansas economy is lower or higher in comparison to other states' economies, the other states' compensation figures are adjusted by an equal percentage difference.

The following considerations were used in attempt to create continuity in the pay plan:

- Midranges were matched to market data for benchmarked positions.
- Non-benchmarked positions were linked to benchmarked jobs to ensure internal consistency. Internal equity was a consideration in establishing pay for non-benchmarked positions.

IMPLEMENTATION RECOMMENDATIONS

A total of 107 of the 108 job classes studied were found to be 2.4-18.6% out of alignment. Timely implementation of the pay recommendations is necessary in order to be competitive with the market salary.

Progress toward implementation of market salary has been made since the 2016 compensation study. Base pay is the foundation of any compensation package and includes health, retirement, and other non-tangible benefits. How well the Kansas Judicial Branch base pay program is designed and administered will have a major impact on the organization's ability to attract and retain the skills needed for success. If base pay is administered in a manner that is viewed as equitable and competitive, it will facilitate meeting organizational objectives. The NCSC recommends a pay increase for all employees where the study indicates midranges fell below market. If recommendations cannot be implemented in full due to lack of resources, it is recommended that incremental effort toward implementing the study results be made as funding becomes available that attempts to treat all similarly situated employees equitably.

Prioritization

On average, it is recommended grades be adjusted by 8%. Some classes are recommended for higher than an 8% increase, while others require less than an 8% increase, dependent upon market.

It is recommended that those job classes which are 8% or more out of market alignment receive first priority for compensation increases.

Several job classes are less than 2% out of alignment (one grade difference). In these instances, no more than the recommended increase is recommended, even if an across the board increase is awarded. Compensation above market is not recommended.

Pay Plan Expansion

The attached recommendations in some instances exceeded the current pay plan. The FY19 Pay Plan includes salary ranges from 1-58. The compensation recommendations include expansion of the pay plan that include up to grade 63 in some instances. Without expansion to the FY19 Pay Plan, the State of Kansas Judicial Branch will be unable to achieve market value pay.

RECOMMENDATIONS FOR MODERNIZATION

The privilege of working with the staff of the Kansas Judicial Branch has allowed the National Center for State Courts to understand the State of Kansas Judicial Branch compensation system and personnel practices. With great respect for the progress that has been made over the last several years, and in recognition of the talent and energy of current administrative staff, the following recommendations are provided in order to aid the State of Kansas Judicial Branch to modernize compensation practices.

Compensation Philosophy

As a basic foundation of an advanced compensation program, it is highly recommended the State of Kansas Judicial Branch develop and maintain a compensation philosophy. A compensation philosophy provides greater transparency and predictability for staff, management and outside stakeholders such as the legislature and budget analysts.

At minimum, a compensation philosophy will provide guiding principles on the methodology for setting compensation and define principles and rules surrounding compensation practices.

Open Compensation Ranges

It is recommended the Judicial Branch consider eliminating pay grades and steps and develop open compensation ranges to allow for increased agility to respond to market conditions. Open ranges are in line with prevailing compensation practices.

Accuracy in setting compensation is difficult to achieve with grades and steps. For instance, if the study revealed a class lagged the market by 4.1%, but grades are 2.5% apart, the recommendation to round up or down is needed.

Pay for performance

The Judicial Branch is encouraged to consider implementing some form of pay for performance. Studies reveal pay for performance decreases the typical entitlement mentality often associated with large workforces where pay increases are provided regardless of performance.

Additionally, when management must address performance issues with an employee, but a pay increase is provided, it is confusing not only for the employee but any outside arbitrator in an employment settlement dispute.

Compensation Manager

Finally, it is recommended the Kansas Judicial Branch consider hiring a compensation manager. Given the centralization of the Kansas Judicial Branch for the entire court system, a compensation manager to establish and maintain a classification and compensation system that keeps pace with modern practices would benefit the Judicial Branch. Maintaining a classification and compensation system increases the independence of the Judicial Branch.