Developing a Compensation System: The Experience of the Downers Grove Public Library

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ABSTRACT
THIS ARTICLE USES THE EXPERIENCE of one medium-sized public library to survey the steps that might be followed in evaluating an institution, examine the work of its employees, and develop a program to provide equitable compensation to staff at all levels. Consideration is given to analyzing the work of individual employees, creating job descriptions, ranking positions, developing the salary schedule, and maintaining the system.

INTRODUCTION

On March 12, 1985, the Downers Grove Public Library Board of Trustees approved a new compensation system for the library. The development of a new compensation system was undertaken in response to the dramatic changes that took place in the organization during a period of rapid growth in library use, size, and staff.

In the ten years from fiscal year 1976/77 to fiscal year 1984/85, the library grew from a 7,000 square foot facility with thirty-five employees and an annual circulation of 346,000 items, to a 38,000 square foot facility with a staff of seventy-five, circulating 650,000 items per year. This period of growth also included the addition of an automated circulation system and patron access catalog, automated acquisition and cataloging systems, and the division of public services into three separate departments. All of these changes required the staff to learn a variety of skills and assume responsibilities that simply were not recognized in the old system. An examination of the development of the new compensation system provides a general overview of the process of

creating any compensation system and also serves as a practical guide to
the development of a compensation system for a medium-sized public
library.

The first step in developing a new compensation system for an
organization is to determine the goals of the project. In his classic work
Compensation, Robert Sibson (1981) lists six goals for a compensation
program: solve pay problems, help attract and retain needed personnel,
reward excellence, facilitate communication, support achievement of
company objectives, and contribute to organizational development.
The Downers Grove Library addressed all these goals in the process of
creating a new compensation program.

Fairness in compensating employees was the overall concern of the
Downers Grove project. Current management theory states that money
is not the prime motivator for good job performance but is chiefly a
demotivator. According to Peter Drucker (1954): "Financial rewards
and incentives are, of course, important, but they work largely nega-
tively. Discontent with financial rewards is a powerful disincentive,
undermining and corroding responsibility for performance" (p. 303).
Library employees in particular, while often amazingly dedicated to
their work, have always been underpaid, but they do want to be paid
equitably with respect to their co-workers (Wheeler & Goldhor, 1981,
pp. 88-89). A library clerk may wish to be paid more than $4 per hour,
but will still do good work. However, if it is discovered that another
employee, doing the same work and with the same seniority earns $4.25
per hour, the employee will feel cheated and productivity will suffer.
The three areas specifically targeted for attention in the project all dealt
with this issue of fairness.

Before the compensation project the library had only four job
classifications—page, clerk, library assistant, and professional. These
four classes of jobs did not provide enough distinction in levels of pay or
job classification to recognize and compensate the different kinds of
tasks performed by library staff. Nor did these classifications provide
staff with paths for career advancement. Lack of job descriptions made it
difficult for motivated employees to know how to prepare themselves
for other positions within the library.

And finally, the starting pay for most staff was too low. However, as
there were no ceilings on pay, a few long-time employees earned hourly
wages far above the market rate.

The board of trustees wanted a compensation system that would
differentiate between positions and allow the library to pay employees
more fairly for the work performed, a plan that would make budget
planning more efficient by providing definite pay ranges with min-
imum and maximum pay at each level, a system that could be evaluated
and revised easily as needed, and a plan that would facilitate the reward-
ing of good performance. The board also wanted to examine salaries
paid by other area libraries. They decided from the outset that they

wanted to break out of the rut of always trying to catch up to the salaries offered by same-sized libraries, and instead offer salaries that were competitive.

CONSULTANT OR DO IT YOURSELF?

Once the decision was made to undertake the project, the first big decision of the project was whether to hire a consultant or do the project in-house. After a considerable amount of research into planning compensation systems, the administration of the library decided to do the project in-house.

The main reason for deciding to do the project in-house rather than hiring a consultant was the issue of control. A consulting firm normally uses its own standard system for evaluating a client's organization. This means that the consultant will often force the organization to fit the consultant's measures rather than developing tools that best fit the client's specific needs and priorities.

For example, another suburban library was included in an organizational analysis of its village government. That library's staff was quite concerned that the criteria used to evaluate the library positions were not relevant to much of the work of a library, although the measures appeared perfectly suited for evaluation of the village government employees.

With the decision to do the project in-house, it was then decided that the administrative team (the library director and the assistant librarian) would head the project, involving other staff wherever possible. The brunt of the work would fall on the administrative team, in part because they were the only library employees with time available to carry out the project since they were not regularly involved in direct public service or support services. Once work began, most of the administrators' time for the next three months was devoted to the project.

Since the structure of the Downers Grove Public Library had changed so dramatically over the years, the project was a perfect opportunity to not only look closely at the work that was being done by the library staff, but to consider whether or not this was still the most effective distribution of the work of the organization. This reevaluation of the organization is a step that is often skipped in developing a new compensation system. Organizations often create a new system that catalogs all the work done by the organization's employees without ever considering whether that work is still appropriate or efficiently distributed. The library administration, by actually being involved in the project, had a golden opportunity to fine-tune the structure of the organization to fit the current goals and priorities of the library.

Further, by doing the project in-house, the library had the opportunity to involve the staff in the process and, as the project proceeded, ensure that the staff was informed of what was happening. The administrative team believed that staff acceptance of the new compensation

program was critical to the success of such a project. They believed that
the best way to ensure staff acceptance was to involve them as much as
possible. From an employee's point of view, any project that involves
close examination of the employee's job or pay is threatening. Secrecy,
real or perceived, would wreak havoc on morale. Or as Robert Town-
send (1984) declares in *Further Up the Organization:* "Secrecy implies
either: 1. 'What I'm doing is so horrible I don't dare tell you.' or 2. 'I
don't trust you (anymore)' " (p. 201).

JOB ANALYSIS

The first step of the project was to look at the work performed by
every employee. There are a variety of methods used to evaluate work
performance of employees, usually involving some combination of the
following: work logs maintained by the employee, descriptions of the
employee's work by the immediate supervisor, observation of the
employee's work, and questionnaires.

In the Downers Grove project, each employee kept a log of his/her
work and used it to complete an inventory of the tasks performed. In
completing the inventory, the employee was asked to indicate the per-
centage of work time devoted to each activity. Any activity that required
work time less than 5 percent was listed in a separate section titled
"additional duties." In this way the major components of each employ-
ee's job were isolated. Each employee also described the skills, know-
ledge, and training believed to be required in order to perform the job.

Each supervisor then examined his/her employees' job inventories
and made additions or comments if needed. The supervisor did not
change or remove anything that an employee had written, but only
made comments as to whether the supervisor agreed with the employee's
description or not. It was at this point that the department heads had the
opportunity to consider the work of their departments as a whole and to
determine whether positions needed to be restructured or redefined.

It was the administrative team's job to group "like" job inventories
together and to write the job descriptions. The job description defined
each position and would apply to all employees working in that posi-
tion. Employees considered to be in the same position were those who
performed the same primary tasks for about the same percentage of their
work time.

In addition to a list of the duties of each position, a job description
included the requirements for that position. At this time the administra-
tive team took a close look at the skills, experience, and educational
requirements for each position. The final form of each job description
included the primary responsibilities (requiring 10 percent or more of
the work time) and approximate percentage of work time spent on each,
other duties (those requiring less than 10 percent of the time), the skills
and experience required of employees in that position, and a statement
concerning the training a new employee in that position would be
given.

The final version of the job descriptions for most nonprofessional positions did not include an education requirement. The administrators agreed that, based on the library's actual hiring practices and general satisfaction with the result of those practices, specific job skills and experience should be the determining factors in filling positions. The job descriptions developed in the compensation project became the basis of the performance appraisal tool and also served as the primary tool used for advertising positions and recruiting staff.

In grouping similar descriptions, the administration obviously had some preconceived ideas of employees whose jobs were similar, but there were some surprises. A good example was the old position of clerk that became four distinctly different clerk positions: clerk, interlibrary loan clerk, circulation clerk, and data entry clerk. The clerk performed general clerical functions such as typing and filing. An interlibrary loan clerk was not only responsible for specific computer functions and other duties uniquely related to interlibrary loan work, but, through contacts with other libraries and the public, could have special impact on the image of the library. The data entry clerks have specific technical responsibilities as well as unique responsibilities involved in maintaining the card catalog and shelflist. The considerable amount of public contact and the concomitant impact on public relations distinguishes the job of circulation clerk from that of other clerks. After examining the job inventories of all the staff in these positions, the administrators agreed that the work and skills required of staff members in any one of these positions were different enough from that of any of the other clerk positions to merit a separate job description.

The first version of each job description produced by the administrative team was far from the finished project. The completed job descriptions were returned to the department heads for comment and evaluation. Whenever a job description applied to staff in more than one department, the department heads worked together to create a description that accurately applied to all the relevant employees. Once the department heads were satisfied with a description, it was passed on to the employees in that position for more comments. Any changes in the structure of a particular position were discussed by the department head and staff along with the new job description. Each description was discussed and revised several times at all levels before everyone was generally satisfied with the descriptions.

Job Ranking

The grouping of the seventy-five individual job inventories resulted in twenty-five different job descriptions (for unique positions such as library director, artist, and custodian the description applied to only one person. Most job descriptions applied to a number of employees—e.g., there were nine circulation clerks and thirteen

shelvers). These positions had to be evaluated to determine each position's worth or level of difficulty in relation to every other position. Three possible methods were considered for the project: whole job ranking, a classification system, and a point system.

In whole job ranking, a team of evaluators ranks each position against all the others. No system of measurement is used. The evaluators simply compare two jobs and judge which is more difficult. This method is simple and fairly quick to use. Proponents believe whole job ranking is fair because it is easier to compare two jobs and decide which is more difficult than to measure the absolute difficulty of one job. On the other hand, evaluators tend to look at the major elements of each job and ignore the minor components. The whole job ranking method is used to determine which of two jobs is more difficult, but the system includes no mechanism for determining how much more difficult it is. Also, it is hard to justify to employees because it is a judgment made by individuals with no explanation as to why or how the decision on a particular job was reached.

A classification system compares positions against predetermined descriptions of categories and slots each job into the category that best describes that job. Factors that might be considered in a classification's descriptions are education or qualifications required to perform the work, kinds of work performed, and responsibility. The same pros and cons apply to this as to ranking. It is relatively simple and quick to use, but this system also does not judge the overall worth of each job, and it can be difficult to explain why each position is ranked where it is.

The system chosen by the administrative team for the Downers Grove project was a point system. In this method a series of factors is selected and each factor has a number of levels (see figure 1). Every job is measured against each factor and awarded points depending upon which level of the factor most closely applies to the position. Figure 2 shows one of the factors used by Downers Grove—Responsibility/Accountability. A job description that was best described by level 3 of this factor would receive 180 points. The number of points earned from each factor is added, giving a score for the job. This total score provides a measure of the overall difficulty of the job.

Problems with this system include the difficulty in selecting the relevant factors for measuring the positions and defining the different levels of each factor. However, the point system was chosen because it would determine an absolute score (or level of difficulty) for each job, providing a way to compare positions performing different kinds of work. Also, the factors provided a clear method of explaining why a position was ranked the way it was, an important consideration in helping to ensure the acceptance of the project by the staff.

FACTORS

The most difficult aspect of the project was the creation of the

Factor	Weight	Points
Responsibility/Accountability	30%	300
Complexity of Job	30%	300
Contact with Others	15%	150
Supervision of Others	15%	150
Working Conditions	10%	100
Total	100	1,000

Figure 1. Job evaluation factors

This factor indicates the impact that an employee's error may have on the organization. The error may be in judgment or in processing activities related to job assignments. The error may have financial or human impact, result in loss of materials or data, or cause damage to equipment or facilities.

Points	Level	Description of Characteristics
0	0	Error in routine work results in minor inconvenience but has no impact which is obvious to the public.
60	1	Error in routine work will result in inconvenience to coworkers and may cause passing annoyance to the public.
120	2	Technical errors could impair services in this and other libraries or in other agencies in the community.
180	3	Error in work is generally confined in impact to a single public service department, and generally causes sharp criticism by the offended patron.
240	4	Technical or management errors may result in serious misdirection of departmental resources and staff. May cause major disruption in the library or in outside agencies.
300	5	Errors in planning or management may have serious impact on library resources and staff. Error likely to affect all departments. Serious error likely to affect public's perception of the library and affect their resulting level of support.

Figure 2. Responsibility/accountability

factors to be used to rank the job descriptions. The main reason the library administration decided to do the project in-house was to maintain the ability to adapt the project to the Downers Grove Public Library's priorities, hence the selection of factors to be used was critical.

Typical factors that an organization might use to evaluate a job include: responsibility/accountability, supervision exercised, contacts with others, confidentiality, complexity or problem-solving, working conditions, physical effort, and preparation and training (Beatty & Schneier, 1981, p. 479). In considering the possible factors, it was decided that not all were relevant to this organization. The selection of factors for this project was based on the administrator's desire to adapt the process to specific needs of the Downers Grove Public Library.

For example, working conditions and physical effort are factors
that would be important when comparing jobs with work that is very
different, such as janitorial work with that of clerks. Staff working in
bookmobiles are often uncomfortable during extremes of weather, and
this must be considered when comparing their work with that of other
employees. But maintenance service for Downers Grove was contracted
out to a cleaning company, and there were no branches or bookmobiles,
and everyone worked in the same building. Given these circumstances,
it was decided that separate factors for working conditions and physical
effort were not necessary. Instead, one factor (titled working conditions)
was created including elements of both. This factor considered elements
such as the amount of time an employee might spend standing, using a
CRT, or lifting and carrying things.

A separate factor for confidentiality was not found to be necessary.
Basic tenets such as confidentiality of patron records apply to everyone
on the staff, and nearly everyone has equal training in and access to the
computer system containing registration and circulation records.
Within the library's philosophy and written policy, there did not seem
to be room for any gradations in this factor.

Ultimately five factors were identified for evaluating the twenty-
five staff positions: responsibility/accountability, complexity of job,
contact with others, supervision of others, and working conditions.

The value of having the library do this project in-house was most
apparent in the development of the various levels of each factor and in
the *weighting* of each factor. Figure 1 shows the number of points
assigned to each factor.

A position rated at the highest level of every factor would receive a
total of 1,000 points. The allocation of points between the factors
indicates the weight (or relative importance to the organization) given
to each factor. Responsibility/accountability, considered very impor-
tant, increases 60 points each level for a maximum of 300 points for the
highest level. Working conditions, given far less emphasis, increases 20
points each level to a maximum of 100 points for the highest level.

Figure 2 shows the levels of responsibility/accountability, with the
number of points for each level. A position rated at level 1 would have a
fairly low level of impact. Shelvers and most clerical positions were
ranked at this level. Many technical positions, such as data entry clerk or
interlibrary loan coordinator, were ranked at level 2. Level 3, in the
middle, applied to positions with a high degree of public contact. This
score was given to both reference librarians and circulation clerks. The
department heads and the administrative secretary were ranked at level
4, while the library director and assistant librarian were ranked at
level 5.

The factors were tested by having groups of staff use the factors to
rate the new job descriptions. Each employee in a test group was given
the descriptions of the factors, a stack of job descriptions, and a score

sheet for each description. The employee read a job description, decided which level of each factor best applied to that description, and wrote the level and score on the score sheet.

In the first tests, the staff raters' scores for many of the positions varied enormously. After each round of testing, job descriptions and factors were examined to determine where problems existed. Job descriptions were reworked and clarified, and the descriptions of levels of some factors also had to be refined to better recognize the differences between positions. The arbitrary standard selected by the administrative team required that at least two -thirds of the ratings of a position had to agree on one level of each factor. In cases where this standard was not met, the job description was reworked and the position retested.

It is possible that a professional consultant would have been able to write clearer job descriptions and factors in less time. But the involvement of the staff in the testing process contributed to the staff's awareness of the project, hence there was no waste of time in revising and testing the project.

One serious problem with the design of the factors was discovered during the tests. As the library puts great emphasis on public relations, the factor of contact with others was originally weighted very heavily. In the first tests it was discovered that every position with any public contact at all received a total ranking far higher than positions which were far more complicated but which involved less public contact.

In reexamining the factors, it was obvious that elements of public contact were already covered in complexity of job and, to some degree, in responsibility/accountability. Therefore, the weight of the factor "contact with others" had to be reduced considerably with the points redistributed to responsibility and complexity.

The final rating of factors and job descriptions was done entirely by the library staff members. Rating sessions were scheduled in two-hour shifts and all interested staff members' work schedules were arranged to allow them to participate. The administrative team instructed the staff in the rating procedure and tabulated the results but did not take part in actually rating any position. Every job description, from shelver to library director, was included and each was rated by at least eighteen employees. In most cases nearly all raters scored a position at the same level of each factor with a few scores in the next higher or lower level.

At the time of the ranking, none of the job descriptions had been given titles. The descriptions were identified only by a letter code. During the ranking sessions, individual staff members often did not realize they had reached the job description of their own position until they were halfway through it.

DEVELOPING THE SALARY SCHEDULE
The next step in the project was to group positions that had received similar scores. This step demonstrated the usefulness of a point

system. By providing a score, or absolute value, for each position, the
system allowed the comparison of apples and oranges or shelvers and
reference librarians. For example, the positions of data entry clerk
(which received high scores for complexity and responsibility) and
circulation clerk (with high public contact) were rated higher than
other clerk positions, eventually becoming grade 4 positions. The other
clerk positions received lower scores and became grade 3 positions.

The project resulted in sixteen distinct groups, and these groups
became pay grades (see figure 3). The difference between pay grades was
about 40 rating points.

There were some other interesting results. Because of the tradi-
tional bias toward the importance of reference work in libraries, the
library assistants in the reference department had always been paid more

Grade	Job Title	Hourly Min. – Max	Annually Min. – Max.
1	Shelver I	$3.35 – 3.85	–
2	Shelver II Audio–Visual Aide Periodical Aide Processing Aide Custodial Aide	3.70 – 4.63	–
3	Clerk	4.00 – 5.20	–
4	Circulation Clerk Data Entry Clerk Custodian	4.50 – 6.08	–
5	Inter-library Loan Coordinator Cataloging Assistant Library Monitor	5.10 – 7.04	$9,945-13,728
6	Library Assistant	5.45 – 7.52	10,628-14,664
7	Circulation Supervisor Library Associate	5.95 – 8.21	11,603-16,010
8	Administrative Secretary	6.30 – 8.69	12,285-16,946
9	Library Program Coordinator Graphics and Display Coordinator	7.45 – 10.28	14,528-20,046
10	Librarian (part-time) Librarian (full-time)	9.27 – 11.59 9.27 – 13.60	18,077-22,601 18,077-26,520
11	Circulation Services Manager	9.60 – 13.63	18,720-26,579
12	Technical Services Manager	10.38 – 14.74	20,241-28,743
13	Literature & AV Services Coordinator Childrens' Services Coordinator	11.00 – 15.62	21,450-30,459
14	Reference & Information Coordinator	11.55 – 16.42	22,523-32,019
15	Assistant Librarian	13.00 – 18.85	25,350-36,758
16	Library Director	17.95 – 26.03	35,004-50,759

Figure 3. Employment classification and salary schedule for Downers Grove
Public Library

than the library assistants in the literature department or children's department. In fact, the library assistants in the last two departments performed at least as much professional-level work, with less direct supervision, than the reference library assistants. The rating scores of these positions placed all three of the library assistant positions at about the same level or pay grade, ultimately giving the library assistants in the children's and literature departments a significant pay increase.

In another change, high points for supervision put the library assistants in the circulation department (who are regularly scheduled to be in charge of their department) on a higher grade than other library assistants, and this position's title was changed to circulation supervisor.

It was reassuring to the administrative team to observe that, while interesting differences between some jobs surfaced during the ratings, similar jobs generally did receive similar scores. The job descriptions for children's librarian and adult service librarian received the same score, for example. These positions are essentially equivalent; however the job description for children's librarian contained a much greater emphasis on programming, while the job description for adult services librarian emphasized patron assistance.

DETERMINING PAY

After the ranking process determined that job classifications fell into sixteen distinct levels, appropriate salaries had to be assigned to each. The method used by Downers Grove was a usage survey, the most common method for determining salaries. This requires selection of benchmark positions and surveying the job market to discover what comparable organizations pay for the same work.

The benchmark positions used for comparison were: clerk (grade 3), library assistant (grade 6), librarian (grade 10), and library director (grade 16). These positions are found in nearly every public library and employees in these positions generally have similar responsibilities in any library. The duties of individuals in many of the other positions would be likely to vary considerably from library to library and could not be used so easily for comparison.

Northern Illinois is fortunate to have the LACONI (Library Administrators Conference of Northern Illinois) salary survey. This is an annual survey of the salaries paid by public libraries and library systems. The survey includes minimum, maximum, and highest salary actually paid for each position surveyed. This survey was used to determine which libraries would be used for comparison of salaries of the benchmark positions.

In considering the makeup of the Downers Grove Public Library staff, it was known that almost all of the nonprofessional positions were part-time, from twelve to thirty hours per week. As is the nature of most part-time jobs, candidates for these positions came almost exclusively

from the immediate vicinity. Therefore, the salaries of most interest to the purposes of the survey were those paid to clerks and library assistants by libraries located fairly close to Downers Grove.

On the other hand, most of the professional positions were full-time and the library wanted to attract qualified applicants from beyond the immediate area. The salaries of all the larger libraries in the survey were considered. As many of the larger and better paying libraries in Illinois were located in the Chicago suburbs, Downers Grove was, in effect, considering the salaries of the highest paying libraries in the entire state.

After the specific libraries to be studied were identified from the salary survey, each library was then contacted to verify that the actual work performed was close to that of the same position at Downers Grove and to verify the current salary paid by each library.

The board of trustees had determined, at the beginning of the project, that their goal was to offer salaries that were competitive with those of other libraries of similar size in the Chicago suburbs. Any organization planning a new compensation program has to make the decision of how competitive they want to be with the market. The decision could just as easily have been made to offer average salaries or even below average salaries. A survey of the market simply provides the information on which to base that decision. At any rate, once the pay range (minimum and maximum pay) of each benchmark position has been determined, the other grades are balanced in between.

Pay Ranges

One of the goals of the project was to develop a salary range with a minimum and maximum pay for each grade. In planning salary systems, pay ranges generally vary with a more narrow range for lower level positions and broader ranges for higher level positions. This reflects the investment in training time, the difficulty or complexity of the work, and degree of difficulty in replacing an employee at that position if he/she leaves. Increases from the minimum to the maximum of each range are often in equal steps.

The Federal Civil Service General Schedule is a typical example of a step salary schedule (see figure 4) (Krannich & Krannich, 1986, p. 237). The two lowest ranges, GS-1 and GS-2, have slightly narrower ranges of 25 percent from minimum to maximum pay. Each of the other ranges increases about 30 percent from minimum to maximum pay. Each step on any range is the same amount of money as every other step of that range. For example, each step of GS-3 is an increase of $382.

In a step system, raises are generally received annually (or on some other regular basis) as long as the employee's work is satisfactory. This is easy to administer and does not require any particular effort to be made to evaluate employees. A step system like this is very common in organizations that have developed a formal compensation system.

THE GENERAL SCHEDULE
Effective through 1986

	1	2	3	4	5	6	7	8	9	10
GS-1	$ 9,339	$ 9,650	$ 9,961	$10,271	$10,582	$10,764	$11,071	$11,380	$11,393	$11,686
2	10,501	10,750	11,097	11,393	11,521	11,860	12,199	12,538	12,877	13,216
3	11,458	11,840	12,222	12,604	12,986	13,368	13,750	14,132	14,514	14,896
4	12,862	13,291	13,720	14,149	14,578	15,007	15,436	15,865	16,294	16,723
5	14,390	14,870	15,350	15,830	16,310	16,790	17,270	17,750	18,230	18,710
6	16,040	16,575	17,110	17,645	18,180	18,715	19,250	19,785	20,320	20,855
7	17,824	18,418	19,012	19,606	20,200	20,794	21,388	21,982	22,576	23,170
8	19,740	20,398	21,056	21,714	22,372	23,030	23,688	24,346	25,004	25,662
9	21,804	22,531	23,258	23,985	24,712	25,439	26,166	26,893	27,620	28,347
10	24,011	24,811	25,611	26,411	27,211	28,011	28,811	29,611	30,411	31,211
11	26,381	27,260	28,139	29,018	29,897	30,776	31,655	32,534	33,413	34,292
12	31,619	32,673	33,727	34,781	35,835	36,889	37,943	38,997	40,051	41,105
13	37,599	38,852	40,105	41,358	42,611	43,864	45,117	46,370	47,623	48,876
14	44,430	45,911	47,392	48,873	50,354	51,835	53,316	54,797	56,278	57,759
15	52,262	54,004	55,746	57,488	59,230	60,972	62,714	64,456	66,198	67,940
16	61,296	63,339	65,382	67,425	69,468*	71,511*	73,554*	75,597*	77,640	
17	71,804*	74,197*	76,590*	78,983*	81,376*					
18	84,157*									

*The rate of basic pay payable to employees at these rates is limited to the rate payable for level V of the Executive Schedule, which would be $68,700.

Figure 4. The general schedule (effective through 1986)

Downers Grove chose not to use steps but instead to establish a range with a minimum and maximum pay for each position with raises geared to a merit pay system. An employee's percentage increase would be based on his/her annual performance evaluation. This would allow the library to meet the goal of rewarding good performance of employees.

To implement the new system, each current employee had to be placed somewhere within the pay range of their new pay grade. Although it would be convenient to place every employee at the bottom of the pay range for their position's grade, particularly in positions where the minimum pay was being increased considerably, such a move would be neither popular with the staff nor fair. Placing employees on the new salary range for their positions required considering each person's length of service, job performance, and current pay. One of the promises made to staff at the beginning of the project was that no employee would lose pay. Staff were warned that some employees might end up at the top of their salary ranges, but no one's pay would decrease.

In general, employees who had been in their present position for three to four years and whose performance was good were placed at about the midpoint of their salary range. Newer staff, who were not yet

expected to be up to full speed, were placed about a quarter of the way up the range to place them ahead of new hires. The more experienced employees with longer service were placed proportionally (by length of service) throughout the top half of the range.

Because one of the library's goals was to be competitive with the market, the starting pay of nearly every position was raised, giving every employee, even new employees, an increase in pay. Professional salaries were particularly low, so librarians received about a 12 percent increase in salary the first year. The library assistants in the literature and childrens' departments, who had been paid significantly less than those in the reference department, received a considerable increase to bring them on par with others. The reference department's library assistant, relatively highly paid already, received only a small increase. Many other positions received sizable raises, bringing their salaries up to a competitive level.

Problems and Appeals

Initially, there were problems with several employees who had held their positions at the library for many years and who were already paid more than the maximum for their grade. These employees were frozen at their current pay until the salary schedule was adjusted upward enough to catch up. The library director had met, individually, with each of these employees to explain the situation.

At the time the new salary schedule was released to the staff, there was a review period. Any employee who felt that his/her position had been unfairly rated could appeal the rating. The first step in the process was to meet with the assistant librarian. At that point the employee and assistant librarian would review the job description and the factors used to rate the position, and discuss how the rating had been determined. If the employee still believed he/she had been unfairly treated, a staff committee would again rate the job description.

During the review period, two employees met with the assistant librarian to discuss the rating of their positions. One employee simply wanted the process explained again. The other case was more complicated. The question was not with the ranking of the employee's position but with the fact that the employee was often asked to help out in another service area when the department was shorthanded. The position that she was helping out in was ranked and paid at a higher grade than the employee's regular position. This was resolved by cautioning supervisiors that, barring emergency situations, staff should not generally be required to perform the duties of a higher pay grade. While this episode brought to mind horror stories of union shops that require six different employees to change a light bulb, the complaint was legitimate and the resolution fair. An employee should not be required to regularly perform tasks for which he/she is not paid. On May 1, the beginning of the next fiscal year, the new salaries went into effect.

THE END OF THE PROJECT?

The compensation program is ongoing. Policies needed to be developed to maintain the system. Every year the board examines the salary schedule in order to determine if changes to the overall schedule are needed, based on current surveys of the job market, to discover changes in the salaries paid the benchmark positions.

This evaluation of the salary schedule is done as part of the budget planning process and is separate from the performance appraisal process, although increases made to the salary system overall obviously reduce the amount of money available for merit increases. This evaluation and change in the overall system keeps the salary schedule viable and enables the library to continue to meet its goal of offering competitive salaries. This overall change in the schedule will also allow the maximum pay for any particular grade to eventually catch up with the veteran employees whose salaries were frozen by the limits of their grade's pay range.

In early 1987, as performance appraisals for the first increase based on the merit system were being completed, the salaries of several employees were still above the maximum for their grade. These employees were looking at the second round of raises for the rest of the library staff with no increase possible for them. The board of trustees was concerned that these veteran employees were being unfairly treated. The problem of "the top step" is universal, occurring wherever there is a maximum salary for a position. The problem has been discussed over and over, but no solution has yet been discovered that is completely satisfactory.

On February 24, 1987, the Downers Grove Board of Trustees approved a policy change that allows an employee whose salary has been frozen at the top of a pay grade for one year 50 percent of the raise that the employee's annual performance appraisal score would otherwise have earned. The administration believed that this policy was workable, particularly in consideration of the nature of the community. A large part of the potential job market for the library is made up of spouses of business and technical professionals employed in the area. This population is highly transient, reducing the possibility of accumulating a large number of staff earning wages far above the top of their salary ranges (according to the Annual Citizen Survey of the village of Downers Grove taken in August 1987, 25.5 percent of the population surveyed have been residents for five or fewer years and 42.9 percent have been residents for ten or fewer years). The board believed the risks of adopting this policy were worth taking to offset the negative effects on staff morale of not giving raises to these employees.

To ensure that the individual job descriptions remain viable, whenever an employee leaves the library the job description for that employee's position is examined by the assistant librarian and the department head. Is it still accurate? Does the description still fit all of

the other employees who hold the position? If the job has changed significantly (and they do) what should be done? In most cases a change in the job description is adequate but not always.

To avoid straining the budget, positions are not upgraded easily. However, job descriptions with major changes are rated to make sure they still belong to the same pay schedule. If not, either job duties are reassigned appropriately or the position upgraded.

The updated job descriptions are used to advertise and hire the replacements for the positions. This avoids the trap of hiring new people who are qualified for the old job and then discovering that the job has changed over time.

Whenever a department proposes a new service, the proposal must include the job description for the staff who will be performing the work. If it is a responsibility added to an existing position, that job description must be reworked to include the new responsibility. The new job description must be rated to determine if the place of the position on the pay schedule should change. If the service requires the creation of a new position, a new job description must be created and then rated to see where it falls in the pay scale.

The administrators really believed the project was a success when several new staff positions were proposed and new job descriptions were created and rated. The ratings placed the positions on the salary schedule at levels that appeared reasonable both in comparison with the other positions in the library and in looking at comparable positions in the market.

COMMENTS

There are several reasons the Downers Grove project worked so smoothly. First, it was probably easier to start almost from scratch and build a new system than to try and restructure an existing system. There was almost nothing that wouldn't have been an improvement.

Second, the commitment from the beginning of the project to involve the employees, meant that it was their project too. It is likely that the main reason that there were so few requests for reconsideration of a position's ranking was because the staff helped write the job descriptions and did the ranking themselves. That this project was a library project resulted in a smooth transition and a successful project.

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