

Improving the quality of program
services in JWB funded programs: A
salary analysis and model human resources
compensation and career path strategy.

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Table of Contents

Purpose and limitations		3
Methodology		3
Findings		4
Conclusions		8
Recommendations		9
Other Recommendations		13
Appendices		
A	Standardization of job description terms	23
Tables		
1	CEO/employee ratios	7
2	Proposed Clinician Series and Pay Range	14
3	Proposed Human Services Series and Pay Range	17
4	Analysis of competitive salaries	20
5	Standard job description terminology	23
Figures		
1	CEO/employee ratios by agency budget ranges	7

Purpose and limitations

The purposes of this study included:

- A determination of current pay practices among JWB funded agencies;
- A determination of needed salary adjustments to ensure market competitiveness;
- A determination of other HR practices related to job classification and compensation that might affect program quality and the effectiveness of JWB investments.
- Development of a compensation model and associated strategies that would lead to program quality improvements.

This study was limited to clinical and programmatic positions, exclusive of child care or development programs. It did not examine administrative support functions.

Methodology

The method for this project consisted of the following activities:

- Review of job descriptions. Job descriptions for JWB funded positions were reviewed for job complexity, similarity of tasks and variances in job titles for similar work.
- Review of salary scales. Those agencies which utilize formal salary scales provided those scales.
- Position classification. All JWB funded positions were classified by educational and experience requirements along with any specialized requirements.
- Determination of internal market dynamics and competitive salaries. The HR leaders of each agency were interviewed to validate the above classification but more importantly to determine what actual market rates they had to pay to recruit qualified candidates and whether those market rates were consistent with their formal pay scales.
- Development of a testable model. Based on the above information a testable model was developed. This model organized positions by education and experience requirements.

- Population of model with internal market data. The model was first populated with market data generated from HR leader interviews. Technically, market rate projections were averaged, with significant outliers in either direction removed.
- Population of model with public sector comparables. Job descriptions for public sector human service positions in the urban counties of Pinellas, Hillsborough, Orange, Palm Beach and Broward counties were reviewed. Salary ranges for those positions determined to be most similar to the work of the JWB funded agencies was determined, entered into the model and averaged.
- Population of model with other external comparables. Salaries data from other sources including hospitals, regional surveys, and Tampa Bay non-profits not JWB funded was entered into the model following similar procedures to the earlier population steps.
- Testing of initial findings. The model at this point was populated with three data sources, internal market, public sector and external entities. Based on these sources an initial set of salary ranges was drawn and presented to the HR leaders of JWB funded agencies. Accuracy of the estimates was discussed in depth and adjustments made as needed to reflect a consensual view of a market adequate salary range.
- Preliminary discussion. The revised model was discussed with JWB senior staff along with strategies for implementing the model.
- Draft report. A draft report was developed and circulated to JWB senior staff for review.
- Final report. Based on JWB feedback, the report was finalized.

Findings

- Human Services non-profit sector salaries are lagging other sectors requiring comparable education and experience. This lag is particularly noticeable at the entry BA level which in turns sets compensation levels for other positions. While entry BA salaries vary by agency, they range from \$25,000 to \$31,000 with most clustered in the lower end of that range. BA level entry salaries in public education and local government range in the low 30s. This discrepancy is carried throughout the human services pay scales at positions requiring greater or lesser education. This salary discrepancy is not offset by a better benefit package. Indeed non-profit sector benefit packages, particularly retirement, are significantly below public sector retirement provisions.

- Some jobs or position classes are easier to fill than others. While salaries may be lagging in general, some positions are more difficult to fill than others. Agency HR leaders reported that it is comparatively easier to hire at the lower paid positions than at those positions requiring more credentials.
- Turnover is significant, particularly at lower pay levels. Almost all agencies reported significant levels of turnover at their lower level positions. This of course may offset the comparative ease of hiring. Most accept this as a characteristic of the field. There are several points of significance to be considered in understanding this conclusion. These include:
 - First, all turnover is not necessarily a bad thing for the field. Some turnover is due to people leaving to pursue additional education and some of the more junior positions are filled in part by students or persons in a career exploration stage.
 - Second, there are agencies with relatively low turnover at these position levels. These agencies appear to have the following characteristics:
 - There is a visible career path even if not formally defined;
 - Compensation is competitive for longer term employees with limited educational credentials.
 - Third, people leave positions for a variety of reasons, not all of which include compensation.
- Positions can be filled, but there are quality and operational concerns. Most HR leaders indicated that they are able to fill positions. Their concern is with the quality of applicant and having a range of applicants from which to choose. For more senior positions there is the additional concern with the amount of time the position remains vacant while the search is conducted for someone willing to accept the position at the available compensation.
- Executive salaries are reasonable. When a sector is lagging in competitive pay, the pay of executives can become an issue. This study examined local executive pay and found the following:
 - Executive pay generally correlates with size of agency budget, i.e. the larger the budget, the greater the executive pay. This is consistent with job complexity, scope of responsibility and expectations for performance. A correlation of this nature is to be expected.
 - Executive pay does not excessively exceed the compensation level of the lowest paid workers. The ratio of CEO salary to worker

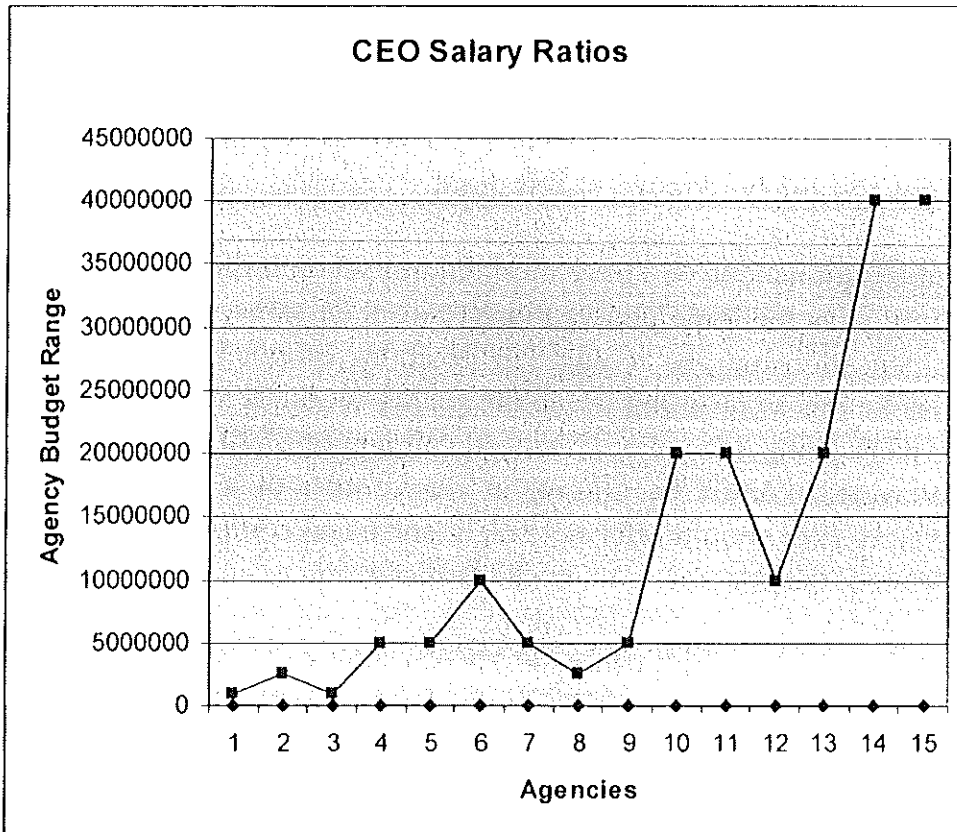
salary can be calculated in a number of ways (lowest paid worker, average worker salary, median worker salary). For this analysis the most extreme ratio (lowest paid workers to CEO) was selected and table 1 shows the results for a sample of 15 agencies which included both the lowest and highest paid CEOs. As the table shows, CEO pay as a multiple of lowest paid worker ranges from 3.3 to 12.6. As figure 1 shows, this multiple is generally related to the size of agency budget. Historically in the private sector the multiple was in the 40s. In recent years the multiple has changed as executive salaries have increased and now ranges from 360 to 411 depending upon calculation factors. Public sector executive multiples range from the low threes in small jurisdictions to low 12 in the larger institutions. By whatever standard of comparison, private or public sector, non-profit executive salaries in Pinellas County among JWB funded agencies are not excessive.

- 211 is distinctive and requires a separate approach. The 211 function has evolved over time along with the technological requirements of the work. As such, it cannot be reasonably compared to programmatic agencies. Furthermore the marketplace in which it must compete for employees is a different marketplace in which there is both public and private sector competitors. For those reasons the traditional human service funding models do not apply to 211.
- There is significant variance in educational and experience requirements for similar job classes. Because each agency establishes its own job classification system for its distinctive tasks it would be expected that there would be a great deal of variance in job titles. The review of job descriptions proved this expectation valid. As one example, there are job descriptions requiring master's degrees for counselors and others requiring associate degrees.
- HR leaders believe hiring and retention will become more difficult. Given lagging salaries and increased cost of living factors in Pinellas County the HR leaders interviewed believe that future hiring will be more difficult than it is today. While severe workforce shortages are not present today, interviewees envisioned such a possibility given existing trends.

Table 1: Sample CEO/employee ratios by sample agency

3.3053
3.6058
3.8688
4.4192
4.755
5.1
5.4087
5.6241
6.375
7.6923
7.8726
8.1466
9.7882
11.418
12.558

Figure 1: Relationship of CEO/employee salary ratio by size of agency budget*



*Please note: Agency budgets in this chart represent the top of budget ranges, not actual agency budgets. The maximum range for example was 20 million to 39.9. million.

Conclusions

Compensation adjustments are typically made for two reasons. One, the salary has become non-competitive to the point that positions are difficult to fill and program operations are hindered. Second, there is a desire to improve the quality of performance and an enhanced level of compensation is needed to attract and retain higher quality candidates. Several factors of course contribute to program quality and compensation alone or combined with other HR approaches is no guarantor of improved quality. But compensation and other HR strategies contribute to quality and higher performance by promoting competitive salaries for both entry competitiveness and retention of more highly qualified persons.

While salary increases for some human service positions in Pinellas County can be justified solely on market forces, salaries are not so far out of line that most positions cannot be filled. Therefore an across the board market adjustment is not absolutely required at this point.

Enhanced compensation alone will have minimal impact on improved quality because it simply pays the same people more to do their same work. While enhanced compensation may be required if positions cannot be filled, one should not mistake this as resulting in higher quality work. It simply results in the existing work being done. For enhanced compensation to contribute to higher quality work, it must be offered in the context of a broader HR strategy. Therefore JWB should offer not solely enhanced compensation, but rather an HR system that includes enhanced compensation as an element.

In conclusion JWB should adopt a focused Human Resources (HR) strategy, which includes enhanced compensation options that can lead to enhanced program quality. This can be accomplished by targeting credentialing and educational requirements, providing career paths and professional development opportunities, redesigning jobs to offer more challenging work and offering enhanced compensation for those positions in programs that both require those credentials and can document program designs that utilize

those skills. The recommendations of the next section provide specific suggestions as to how this general conclusion can be instituted.

Recommendations

1. Adopt a compensation system with associated Human Resource (HR) practices that in combination are likely improve program quality.

Program quality is a result of a number of features including:

- Adherence to best practices
- Accreditation or certification of the agency
- Appropriate facilities and other infrastructure
- An organizational culture that supports and expects high performance
- Quality control and improvement processes including user or customer feedback
- Skilled and committed personnel with longevity

A number of HR practices contribute to this last feature. They include:

- Highly competitive pay and benefit packages that attract superior candidates.
- Achievable career paths that clearly delineate how the employee can progress.
- Reasonably broad pay ranges that allow for increased compensation throughout a career.
- Pay scales that achieve the mid-point early (8 to 10 years) in a 30 year career model.
- Continuing education requirements
- Job redesign so that skills are actually used and there is the opportunity for continually challenging work.

Rather than simply offer enhanced compensation based on marketplace dynamics, JWB should offer enhanced compensation support in the context of a broader HR strategy that uses additional HR practices (as delineated above) which are also likely to improve program quality. For ease of reference and readability, this approach, in which enhanced compensation is one element, will be termed the "Quality Workforce Initiative" for the remainder of this report.

2. Tie the Quality Workforce Initiative to broader program quality improvement strategies. Acknowledging above that HR practices are only part of a quality improvement strategy, participation in the Quality Workforce Initiative should require evidence and documentation of a broader program improvement effort. While not attempting to fully specify those requirements, they could include components such as:
 - certification or accreditation practices, including ASSET;
 - the use of quality control practices;
 - the use of quality improvement practices;
 - adoption and use of best practices;
 - use of performance measures;
 - use of performance management systems;

3. Tie the Quality Workforce Initiative to Job Design or Re-design. If JWB is to offer significantly enhanced compensation, there should be greater productivity, quality or ideally both. For a program to be eligible for the compensation support offered through the initiative, it must offer documentation or evidence of how the jobs have been designed or redesigned for enhanced productivity, quality or both. This documentation may take many forms depending upon the job and program so JWB should allow wide latitude in the presentation of evidence. Some evident options include:
 - Provision of additional services;
 - Provision of a service deemed a better practice;
 - Services to more people;
 - Services of greater depth;
 - More efficient services;
 - Greater flexibility in services;
 - More customer friendly services.

4. Make the Quality Workforce Initiative elective for agencies. While the Quality Workforce Initiative will offer a number of benefits (particularly higher salaries), some agencies may find it problematic to have significant variances in their pay system for positions with similar education and experience requirements. Therefore agencies should have the option to participate or not in the Initiative. Non-participation should in no case be interpreted as a lack of agency commitment to quality.

5. The Quality Workforce Initiative should have the following components or elements. The recommended model and pay scale for the initiative is shown in tables 2 and 3. The key features of the Initiative include:
 - a. A recommended set of general job titles. This set of job titles serves to provide a standard terminology and promote "apples to apples" comparisons. While participating agencies may denote job titles as they wish, these general job titles should be included in job descriptions and should be traceable by JWB.
 - b. A minimum entry base salary that JWB would accept without question as long as the employee meets the minimum requirements and the program design has been reviewed to determine that the employee will be operating at the intended level.
 - c. An entry salary range that JWB would support upon provision of a satisfactory rationale for a specific salary higher than the base.
 - d. A requirement that the educational credentials of the position be met by the incumbent and that experience may not substitute for the required credentials.
 - e. Career path steps that are under the control of the employee in that they are achieved based on satisfactory job performance and satisfactory completion of continuing education credits.
 - f. Career path opportunities that may be available to the employee when job openings occur.
 - g. A rapid rise to mid-point pay scale intended to encourage retention.
 - h. Required annual continuing education for the current position
 - i. Additional educational requirements for positions higher in the career path.
6. Adopt the proposed enhanced salary schedule. JWB should commit to the salary schedule of tables 2 and 3 providing similar commitments by agencies and employees.
7. Invest in the Quality Workforce Initiative on a planned schedule. Recognizing that enhanced compensation has budgetary impacts for JWB and must be planned, it is recommended that JWB promulgate the criteria for participation in the Quality Workforce Initiative and survey agencies to determine which programs agencies would be interested in participating in the Initiative. This will provide JWB with an initial cost estimate of the Initiative. Depending upon that initial

estimate, JWB may need to develop selection criteria so that a limited number of programs are eligible each year for participation.

8. Form a partnership with institutions of higher education. The intent and purposes of the Initiative will be facilitated if local institutions of higher education are providing programs designed to prepare students specifically for the field. Since these institutions have their own issues to address in doing so, an early and ongoing dialogue about the Initiative with these institutions should be established.
9. Examine the possibility of a collaborative professional institute between JWB and the larger, national non-profits. Some of the larger, national non-profits may have or may be considering developing their own professional development institutes. Such efforts may offer mutual benefits to JWB and the non-profit(s) and should be examined to determine if a joint effort should be pursued.
10. Present the Initiative to the Administrative Forum. One of the clear barriers for agencies adopting or accepting higher compensation from JWB are the potential internal inequities that could be created in their own pay systems. While each funder has their own issues to address, it would be useful for the funders at a minimum to understand the purpose and approach of the Initiative.
11. Review JWB's training efforts to support the initiative. JWB is a primary provider of continuing education in the field. Its program offerings should be reviewed to determine how they could support the initiative.
12. Strengthen support for tuition reimbursement programs of participating agencies. A number of agencies have tuition reimbursement programs. For agencies which participate in the Initiative, a tuition reimbursement program could be required and JWB should budget support for such a program assuming it is specific enough that the courses would assist the employee to progress through the career paths of the Initiative.

Other Recommendations

13. Conduct a special study for 211 in collaboration with other funding partners. The job functions of 211 are so distinctive that the findings of this study cannot be appropriately applied to it. However it is clear that the same need for professionalization and quality improvement applies and that 211 can greatly contribute to an improved overall system of services. However, given the partnership funding of 211, JWB by itself cannot address employee compensation. Therefore it is recommended that JWB request its other 211 partners to agree to a separate salary analysis for 211.
14. Formalize job titles to be more descriptive of qualifications and functions. In the course of reviewing job descriptions it was determined that there was great variability in the educational requirements for various job titles, particularly the term counselor. While each agency has the right to its own terms, such a wide variance does create confusion and does not serve to promote the professionalization of the field itself. JWB should encourage the agencies it funds to adopt a more consistent set of terms such as the ones illustrated in table 5 in appendix A.
15. Make a market based adjustment for licensed professionals with post-graduate degrees. As noted in the introductory comments, pay adjustments can be made for either competitive reasons to attract candidates or to improve program quality. While this report has emphasized enhanced compensation as part of an overall quality initiative, a market adjustment is needed simply to attract candidates in one case, that of licensed post-graduate clinicians (MSW, Masters, etc). It is recommended that JWB support an entry minimum of \$39,000 per year with an adjustment range of up to \$44,000 per year in the event of special job requirements.
16. Post a recommended salary scale as guidelines for agencies. Not all agencies will wish to participate in the enhanced salary schedule. For those agencies JWB should post the recommended salary schedule shown in table 4. This schedule provides guidelines as to market competitive salaries and serves to assist agencies in their HR planning.

It is not the salary schedule JWB is prepared to support financially but it is a salary schedule that JWB deems reasonable.

Table 2		Recommended Compensation System for Quality Improvement in Clinical Services							
Clinician Series	Degree Rqts	Licensure Rqts	Experience Rqts	Annual CEU Requirements	Advancement CEU Requirements	Series Base Salary	Adjustment Range	Series Mid Point	Maximum
Explanation	This is the academic degree level required for the position		This is the minimum number of years of experience required for this level	This is the minimum amount of CEU hourly credits acceptable to JWB. If professional licensure requires a greater number JWB will accept that.	This is the minimum number of CEU credits that must be accrued to be eligible for the next highest position in the series	This is the recommended base salary for each level of this position.	This is the entry salary range that JWB will accept up to on the basis of justification for distinctive work.	This is the salary range mid-point using the base entry and maximum without adjustment.	This is the maximum salary JWB would support for the position, including adjustment.
Broadband Range						\$34,000		\$53,625	\$73,250
Titles:									
Clinician V	Same as Clinician I	License	Eight years (internship is credited)	16	N/A	\$54,000	\$59,000		
Clinician IV	Same as Clinician I	License	Five years (internship is credited)	16	48	\$48,000	\$53,000		
Clinician III	Same as Clinician I	License	Three years (Internship is credited)	16	32	\$44,000	\$49,000		
Clinician II	Same as Clinician I	License	One year (internship is credited)	16	32	\$39,000	\$44,000		

Clinician I	Post-graduate degree specializing in the human services field as social work administration, social work therapy, mental health counseling, substance abuse counseling, marriage and family counseling or other specialized forms of therapy.	Zero experience, must be registered intern where such is established.	16	16	\$34,000	\$38,000		
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Table 3 Human Service Series Requirements and Recommended Ranges									
Human Services Series	Degree Rqts	Specialized Credentials	Experience Rqts	Annual CEU Rqts	Advancement CEU Rqts	Series Base Salary	Adjustment Range	Series Mid Point	Maximum
Explanation	This is the academic degree level required for the position	Credentials appropriate to a sub-specialty.	This is the minimum number of years of experience required for this level	This is the minimum amount of CEU hourly credits acceptable to JWB. If professional licensure requires a greater number JWB will accept that.	This is the minimum number of CEU credits that must be accrued to be eligible for the next highest position in the series	This is the recommended base salary for each level of this position.	This is the entry salary range that JWB will accept up to on the basis of justification for distinctive work.	This is the salary range mid-point using the base entry and maximum without adjustment.	This is the maximum salary JWB would support for the position, including adjustment.
Broadband Range						\$24,000			\$65,526
Technician Series						\$24,000	\$28,000	\$34,800	\$49,600
Specialist Series						\$30,840	\$34,840	\$44,718	\$62,596
Senior Specialist Series						\$32,382	\$36,382	\$46,954	\$65,526
Titles:									
Human Services Senior Specialist V	Same as senior specialist I	As appropriate to sub-specialty	Eight years	16	N/A	\$46,954	\$50,954		
Human Services Senior Specialist IV	Same as senior specialist I	As appropriate to sub-specialty	Five years	16	48	\$43,392	\$47,392		
Human Services Senior Specialist III	Same as senior specialist I	As appropriate to sub-specialty	Three years	16	32	\$39,830	\$43,830		
Human Services Senior Specialist II	Same as senior specialist I	As appropriate to sub-specialty	One year	16	32	\$35,620	\$39,620		

Human Services Senior Specialist I	Master's degree specializing in a sector of the human services field such as mental health, substance abuse, family support, etc	As appropriate to sub-specialty	Zero	16	16	\$32,382	\$36,382		
Human Services Specialist V	Same as Specialist I	As appropriate to sub-specialty	Eight years	16	N/A	\$44,718	\$48,718		
Human Services Specialist IV	Same as Specialist I	As appropriate to sub-specialty	Five years	16	48	\$41,326	\$45,326		
Human Services Specialist III	Same as Specialist I	As appropriate to sub-specialty	Three years	16	32	\$37,933	\$41,933		
Human Services Specialist II	Same as Specialist I	As appropriate to sub-specialty	One year	16	32	\$33,924	\$37,924		
Human Services Specialist I	Bachelor's degree specializing in the human services field as described in technician I description.	As appropriate to sub-specialty	0	16	16	\$30,840	\$34,840		
Human Services Technician V	Same as technician I	As appropriate to sub-specialty	Eight years	16	N/A	\$34,800	\$39,000		
Human Services Technician IV	Same as technician I	As appropriate to sub-specialty	Five years	16	48	\$32,160	\$36,000		
Human Services Technician III	Same as technician I	As appropriate to sub-specialty	Three years	16	32	\$29,520	\$33,000		
Human Services Technician II	Same as technician I	As appropriate to sub-specialty	One year	16	32	\$26,400	\$30,000		

Human Services Technician I	Associate degree specializing in the human services field including human interaction skills, individual and group psychology, case management systems and a general understanding of the human services arena.	As appropriate to sub-specialty	0	16	16	\$24,000	\$28,000		
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Reference Pay Ranges - Market						
Table 4:						
Class		Education	Yrs of Experience	Levels	Entry	Adjustment Range
Licensed Clinical Supervisor		MA				
			5	III	52000	57000
			3	II	48500	53500
			2	I	45000	50000
Senior Supervisor		MA				
			5	III	45000	50000
			3	II	40000	45000
			1	I	36000	41000
Supervisor		BA				
			5	III	44000	49000
			3	II	39000	44000
			1	I	35000	40000

Technical Supervisor						
			5	IV	35000	39000
			3	III	31000	35000
			2	II	29000	33000
			1	I	27000	31000
Non-Supervisory Positions						
Licensed Clinician		MA				
			5	IV	48000	53000
			3	III	44000	49000
			2	II	41500	46500
			1	I	39000	44000
Senior Counselor		MA				
			4	IV	40000	44000
			2	III	35000	39000
			1	II	33000	37000
			0	I	31000	35000

Counselor		BA				
			4	IV	36000	40000
			2	III	33000	37000
			1	II	31000	35000
			0	I	29000	33000
Technician		AA or Spec trng				
			4	IV	29500	34000
			2	III	27000	31000
			1	II	25500	30000
			0	I	24000	28000
Service Worker		HS/GED				
			4	IV	24000	27000
			2	III	21000	24000
			1	II	19500	22500
			0	I	18000	21000

Appendix A: Standardization of Job Description Terms

Term	Definition
Counselor	Should be limited to those jobs which require professional graduate degrees in counseling.
Social Worker	Should be limited to those jobs which require a degree from an accredited social work program.
Case Manager	General functional title not tied to academic credentials.
Technician	To be used with positions requiring an associate degree.
Associate	To be used with positions requiring an associate degree.
Specialist	To be used with positions requiring a specialized Bachelor's degree.
Therapist	To be used with positions requiring licensure.
Clinician	To be used with positions requiring licensure.
Worker	To be used with positions requiring High School Diploma or GED.
Supervisor	To be used with positions that supervise line staff.
Manager	To be used with positions that manage supervisors,
Clinical Supervisor	To be used with positions that require licensure and are supervising licensed personnel
Clinical Manager	To be used with positions that requires licensure and are supervising clinical supervisors.