

IT IS EXPECTED THAT A QUORUM OF THE PERSONNEL COMMITTEE, ADMINISTRATION COMMITTEE AND BOARD OF PUBLIC WORKS WILL BE ATTENDING THIS MEETING; (ALTHOUGH IT IS NOT EXPECTED THAT ANY OFFICIAL ACTION OF ANY OF THOSE BODIES WILL BE TAKEN)

CITY OF MENASHA
Personnel Committee Meeting
Council Chambers 3rd Floor 140 Main Street Menasha, WI
January 15, 2007

8:00 PM

AGENDA

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I. ROLL CALL/EXCUSED ABSENCES

A. Roll Call

II. DISCUSSION

A. Pay plan for non-represented employees

[Attachments](#)

III. ADJOURNMENT

A. Adjournment

"Menasha is committed to its diverse population. Our Non-English speaking population and those with disabilities are invited to contact the Menasha City Clerk at 967-5117 24 hours in advance of the meeting for the City to arrange special accommodations."



City of Menasha • Department of Personnel
Jeffrey S. Brandt, Personnel Director

MEMO

TO: Personnel Committee
FROM: Jeff Brandt JSB
SUBJECT: Salary plan for Non-reps
DATE: January 11, 2007

I am requesting further direction from the Personnel Committee as to the type of merit plan it wishes to evaluate. I would like to focus my energy on the type of plan that will be acceptable to the Personnel Committee. There are several different merit plans that can be used as a template for the City of Menasha. Among them are:

1. A pass-fail type plan where annual percentage increases are dependant upon a positive review by a supervisor. Department heads would be reviewed by the Mayor.

Advantages – simple to implement, easily understood, less dependent on specific job duties, inexpensive since no additional money is committed to anyone with an above average or excellent review

Disadvantages – subjective, non-specific, consequence for failed review, inconsistent among departments, experience and longevity are discounted

2. A plan where evaluations are based on a scale like 1-5 and an increase is pegged at a level compared with the grade

Advantages – City used a plan like this until 1993 and it could be reinstated, understood by most department heads, evaluations can be tailored to fit the current needs of the City of Menasha

Disadvantages – Previous experience was that it was disliked by Department Heads, non-reps, Mayor and the Common Council, expensive, resulted in published increase significantly greater than believed appropriate by the taxpayers, no one received less than average because the plan included termination, subjective, inconsistent among evaluators, appeal went to the Common Council where the evaluation was upgraded in every appeal, has been tried and discarded and not followed in other places (e.g. Neenah, Outagamie County)

3. Pay for performance where a meeting is established with short and long range goals with a follow-up review with the Supervisor, Chief elected official and Human Resources Director to determine whether performance matched the goals

Advantages – Goals are established, evaluation is pegged upon the goals, regular dialogue between Supervisors and non-reps

Disadvantages – complexity, not well understood, public sector goals change based on the will of the electorate or reactively to real or perceived issues, political issues trump daily operations, expensive, inconsistency, fluidity of goals, tried and discarded in other places (e.g. Winnebago County)

4. Pay based on comparison with budget and actual expenditures

Advantages – simple, understandable, establish budget as most important item for operations

Disadvantages – inflexible, does not allow for changed needs, priorities or unforeseen circumstances, inconsistent due to decisions that are controlled by others, weather, State or County action

There are other types, but they tend to be similar to those described. I belong to an informal group called Fox Valley Negotiators that includes Human Resources professionals from cities and counties from Green Bay to West Bend. We have met every 4-6 weeks for the 16 ½ years I have been with the City. Each time a new merit pay plan is implemented, we have frank discussions about the methodology. For a short time, the elected officials are supportive of the plans. The common theme is that they always fail. The single reason they always fail is that individual employees receive more money under the system than elected officials feel is proper.

All of these systems provide a measure of security to the Common Council that the non-reps are performing at an acceptable level. However, that level of security is often an illusion since neither the taxpaying public nor the Common Council has a reference as to whether the non-rep is actually performing at that level. It is only the Department Head who has the training, expertise and day-to-day ability to evaluate the employees. Implementation of any type for merit-based pay system necessitates the trust of the Mayor and the Common Council that those who have the expertise to do the evaluations are doing them properly. I question whether that trust is present given the current makeup of the Common Council.

The usual manner of implementing such a plan is to hire a consultant to prepare a study and recommendation. The cost of those studies tends to be from \$25,000 to \$50,000. If the Personnel Committee wishes to go that route, direction for RFP's is requested. If the Personnel Committee wishes to choose one of the plans I have described, please advise as to which I should concentrate on. I will then formulate specifics for a subsequent Personnel Committee meeting. Since the meeting at which direction was given to me to work on this task, I have had no comments from any Alderman as to the type of plan that Alderman has interest in. The comments from the Mayor have only come in my specific questions or ideas I have given to him.

This task points out the difficulty in attempting to craft such a plan by consensus. I feel that the introduction of a merit based pay plan requires that the Alderman or Mayor who supports such a plan needs to provide Human Resources with more of the specifics as to how they envision the plan. A valid critique of the current plan would help me in bringing back a plan they could gain the support of a majority of the Personnel Committee and a majority of the Common Council.

This is at least the third time the Personnel Committee has talked about this issue. Previous efforts were unrealized because no one could identify the weakness of the current plan nor formulate specifics as to how a new plan would work. The usual criticism merely suggested that certain Aldermen were dissatisfied with one or two employees, feeling those employees did not deserve any compensation increase. However, the lack of specifics and the unwillingness to involve the Department Head or the Mayor stymied any action.

I welcome the comments from the Personnel Committee at the January 15 meeting. I hope the Personnel Committee will be in a position to provide more specific direction by a majority vote.