

Salary Survey Results

Executive Director Recruitment
Fresno Council of Governments

SUBMITTED BY:

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Summary

The current range for Fresno Council of Governments Executive Director was reviewed. Based on the current range spread (15%) and reviewing it against comparable agencies, applying industry standards and best practices, an increase to the range spread (max) of at least 5% is recommended. This would result in a new range of \$197,735 - \$237,839 and a 20% range spread.

Background and Methodology

Fresno COG is a voluntary association of 16 local governments and one of California's 38 regional planning agencies. This agency has 23 employees.

There are many factors that go into reviewing the elements of a salary range. The elements include the minimum salary, midpoint salary, maximum salary and overall range spread which is the total % between the minimum and maximum of the range. Salary ranges are highly visible and are often the driving factor in attracting and retaining quality talent in an organization. Candidates and employees will also expect that the max of the pay range is available to them upon hire, promotion or achievable through established pay strategies. Additionally, ranges also help organizations budget for personnel costs.

CPS HR first reviewed the comparable agency data that accompanied the request which included other similar agencies. They included the following:

- San Joaquin COG
- Western Riverside COG
- Coachella Valley AOG
- San Gabriel Valley COG
- San Luis Obispo COG
- Santa Barbara CAG

Additionally, we looked at these agencies available salary schedules and found consistencies in range spreads across levels such as, entry level positions, mid-level/professional positions and executives – executives defined as those typically department director level and above. This is a standard practice when developing or revising salary structures in the public sector. SHRM (Society for Human Resource Management) and Economic Research Institute suggests the following “ideal” range spreads:

- Admin/Operations 40%
- Prof/Management 50%
- Executives 50-65% (Directors and Above)

The philosophy behind range spreads includes the ability to move through a range. For example, entry level or lower level jobs have less flexibility in job duties but often include

career ladders, allowing employees to move from one range to another. These opportunities may become less frequent for mid-level/professional and management positions as they typically do not include career ladders and become broader, include supervision of staff and have increased anonymity.

Having consistent range spreads is ideal, however isn't always affordable and depends on many factors, including the organization's compensation philosophy regarding range movement and recruitment and retention strategies. Past studies have shown ranges varying anywhere from 25% to 70%. Our past practice has been to recommend increases (trending ranges, both the min and max) based on market changes so that the midpoint aligns with, or at least is closer to, the market average, with ranges then built around that number. This can be expensive, depending on current range placement of staff (aka range penetration), so small incremental changes to the min and the max are made.

Consistency in range spreads also makes salary structure development easier to both create and explain. It also supports concerns with pay equity and transparency. Again, when the comparable data was reviewed, we found that in most cases there is consistency, not just within each organization but also between cities and the county in which they reside. This isn't coincidental, logical methodologies and industry standards are used by HR experts when establishing ranges. It is true we see greater variation with appointees that have employment contracts without established ranges.

Range Analysis

The following table includes the comparable agencies, details of the source data and their corresponding range spreads.

Data	Notes/details	Range Spread
Fresno COG	Sal Schedule UTL (from job posting search)	35%-53%
City of Fresno	Directors and Above	60%-73%
Fresno County	Directors and Above	28%
Fresno County Cities	Directors and Above	22%-28%
San Joaquin County	Director and Above, including Chief Counsel/Med Director	22%
Lathrop (DCM)	(no range for CM)	22%
Stockton (DCM)	(no range for CM)	27%
San Gabriel Valley COG	Directors and Above	38%
San Luis Obispo COG	Directors and Above	28%
San Luis Obispo County	Directors and Above	28%

Market

The primary element and consideration when reviewing or developing any salary range is market. When developing ranges, it is standard to build these ranges around a desired market

or market average. Although the midpoint is typically this data point, it is not uncommon for the max of a range to represent the market, especially with executives or appointees with employment contracts.

When reviewing the range spread, it was observed that the current salary of the Fresno COG Executive Director is 6% behind the comparable market. This may or may not be a concern but worthy of pointing out.

Fresno COG	226,514.00
San Joaquin COG	236,576.00
Western Riverside COG	260,000.00
Coachella Valley AOG	294,841.00
San Gabriel Valley COG	216,744.00
San Luis Obispo COG	182,871.00
Santa Barbara CAG	250,073.00
AVG	240,184.17
Mkt Variance	-6%

Conclusion/Recommendation

Based on the analysis above of the current range spread (15%), reviewing it against comparable agencies, applying industry standards and best practices, a minimum increase to the range spread (max) of 5% is recommended.

If it is budgetarily feasible to increase the max and potential salary by at least 5% (up to 20%) that would align better with industry standards, taking the max pay from \$226,514 to \$237,839. Additionally, this would also support attraction and retention strategies by placing it closer to the market average of \$240,184.

Fresno COG	237,839.70
San Joaquin COG	236,576.00
Western Riverside COG	260,000.00
Coachella Valley AOG	294,841.00
San Gabriel Valley COG	216,744.00
San Luis Obispo COG	182,871.00
Santa Barbara CAG	250,073.00
AVG	240,184.17
Mkt Variance	-1%