

## **Washoe County Compensation Philosophy**

The compensation philosophy is intended to provide a foundation for the design and administration of compensation plans in Washoe County. It defines *what you pay for and why*. The Washoe County compensation philosophy statement should be written in general terms in order to provide a lasting basis for future compensation design and administration. While plan design and administration may vary over time the underlying philosophy should not vary.

Based on the input provided by the Board at a working session held March 14, 2000, the following sets out a recommended compensation philosophy for Washoe County.

The Compensation Plan will support Washoe County in its mission to "meet or exceed the expectations of the our citizens that Washoe County will remain a compelling place in which to live, work, visit and invest." It will reinforce that one of the means to achieve this mission will be through an employee workforce that is valued, accessible and accountable. The foundation of the compensation plan is a commitment to motivate, recognize and reward employees individually and collectively for their contributions and achievements as the County meets its commitments to its community and citizens. Fiscal responsibility requires that the plan will be consistently administered throughout the County, based on commonly shared and understood principles of fairness and equity.

The basis of the compensation plan will be properly classified employees, utilizing a proven classification methodology, who are paid within salary structures that are internally equitable and externally competitive. It is the County's responsibility to ensure that the salary structures are up to date through the conduct of market surveys. It is the joint accountability of employees and the County to ensure that classifications reflect current job content.

It is the philosophy of the Board of Commissioners that:

1. Compensation plans will be consistently administered throughout the County, yet will be flexible enough to meet current and future human resources needs and changing business, employment and specific labor market circumstances.
2. Employee compensation will reflect both the internal value of the role and the value placed on the role in the defined labor market. The internal value will be measured through the sound and consistent application of the Hay method of job evaluation
3. All aspects of compensation, being salary, lump sum payments, and benefits, as well as non-cash reward and recognition, will be considered as the total reward package for County employees.
4. Total compensation as defined above, will be targeted at a competitive level when compared to the appropriate labor markets to allow the County to attract and retain top talent to achieve its objectives. The aggregate components of the benefits program will be competitive with the appropriate labor market.

5. The primary pay delivery mechanisms will be based on pay for differences in job content, pay for the achievement of pre-determined and mutually agreed performance standards and the demonstration of pre-determined and mutually agreed competencies.
6. The compensation plans will reinforce a climate where employees are recognized and rewarded, while providing the County with the opportunity to meet its "return on human resources investment" objectives
7. Compensation increases must be affordable and in the best interests of the County as an employer and a provider of services to its public.
8. The County Manager will be accountable for oversight of the consistent administration of compensation plans throughout the County, within the framework of these philosophy statements. There will be a planned approach to ensure that internal equity is maintained and that external competitiveness is reviewed at least every two years.
9. Ongoing communication and training will be a critical component of plan administration to ensure that managers, employees and bargaining unit representatives are aware of their roles in the plans and that they can fulfill their commitments and accountabilities.