Hydraulic Fracturing Water Consultant

Job Summary: The Hydraulic Fracturing Water Consultant will be responsible for delivering water to oil locations for hydraulic fracturing operations. The consultant will work closely with the operations team to ensure that the water is delivered safely and efficiently to the site, while complying with all local, state, and federal regulations. The consultant will also be responsible for managing and maintaining all necessary equipment, including pumps, hoses, and storage tanks.

Key Responsibilities:

* Manage and coordinate the delivery of water to oil locations for hydraulic fracturing operations
* Ensure that all water deliveries comply with local, state, and federal regulations
* Monitor and maintain all necessary equipment, including pumps, hoses, and storage tanks
* Work closely with the operations team to ensure that water is delivered safely and efficiently
* Maintain accurate records of all water deliveries and equipment maintenance
* Provide guidance and training to other team members as needed
* Continuously evaluate and improve the water delivery process to increase efficiency and safety
* Stay up-to-date with industry trends and regulatory changes that may impact water delivery operations

Requirements:

* Bachelor's degree in environmental science, engineering, or a related field
* At least 5 years of experience in water delivery operations, preferably in the oil and gas industry
* Knowledge of local, state, and federal regulations related to water delivery and hydraulic fracturing operations
* Strong communication and interpersonal skills
* Ability to work independently and as part of a team
* Strong problem-solving and decision-making skills
* Willingness to work in a fast-paced and dynamic environment

Pay Scale: The pay scale for a Hydraulic Fracturing Water Consultant can vary depending on factors such as experience, location, and company size. On average, a consultant in this field can expect to earn between $70,000 and $120,000 per year, with opportunities for performance-based bonuses and other benefits.

FSLA

If your employer has classified you as an exempt employee but your job duties primarily involve manual labor, and you are not receiving overtime pay, you may want to speak with your employer or consult with an employment lawyer to determine if your job duties and classification are in compliance with the Fair Labor Standards Act (FLSA).

Under the FLSA, there are specific criteria that must be met in order for an employee to be classified as exempt and not entitled to overtime pay. The most common exemptions are for executive, administrative, and professional employees, and in some cases, outside salespeople.

However, simply being paid a salary does not automatically make an employee exempt from overtime pay requirements. For example, if your job duties involve primarily manual labor, such as operating machinery or performing physical tasks, you may not meet the criteria for the administrative or professional exemption, even if you are paid a salary.

If you believe that you have been misclassified as an exempt employee and are entitled to overtime pay, you may want to speak with your employer or consult with an employment lawyer to determine the best course of action. This could involve filing a complaint with the Department of Labor or pursuing legal action against your employer.

Certified Water Manager - Water Distribution and Maintenance

Job Summary: We are looking for a highly skilled and experienced Certified Water Manager to oversee the water distribution and maintenance activities of our organization. The ideal candidate will be responsible for ensuring the efficient and effective management of the water distribution and maintenance processes, as well as ensuring compliance with relevant regulations and safety standards.

Responsibilities:

* Oversee the operation and maintenance of the water distribution system, including monitoring and maintaining water quality, pressure, and flow.
* Manage and schedule water distribution and maintenance staff to ensure efficient and effective operations.
* Maintain accurate records of water distribution and maintenance activities, including maintenance logs, repair records, and equipment inventories.
* Develop and implement maintenance and repair programs to ensure the water distribution system operates efficiently and effectively.
* Coordinate with other departments and external agencies to ensure compliance with relevant regulations and safety standards.
* Investigate and resolve water quality complaints and other issues related to water distribution and maintenance.
* Ensure the proper and safe use of equipment and materials in water distribution and maintenance activities.
* Monitor and manage budgets related to water distribution and maintenance operations.

Requirements:

* A Bachelor's degree in Civil or Environmental Engineering, Water Resources Management, or a related field.
* A certification as a Water Manager, Water Distribution Operator, or equivalent.
* At least 5 years of experience in water distribution and maintenance operations, including experience in managing teams of staff.
* Knowledge of local, state, and federal regulations related to water distribution and maintenance.
* Experience in budget management and cost control.
* Strong communication, problem-solving, and analytical skills.
* Ability to work well under pressure and meet tight deadlines.

The salary range for a Certified Water Manager - Water Distribution and Maintenance can vary based on several factors, such as location, experience, education, and organization size.

According to data from Payscale, as of April 2023, the average salary for a Water Manager in the United States is around $81,000 per year, with a range of $52,000 to $124,000. However, this range can vary significantly depending on the specific location and the organization's size and industry.

In general, larger organizations and those in the public sector tend to offer higher salaries, while smaller organizations or those in the private sector may offer a lower salary range. Additionally, candidates with advanced degrees or certifications and more years of experience in the field may be able to negotiate higher salaries.

It's important to note that this is just a general estimate, and the actual salary for a Certified Water Manager - Water Distribution and Maintenance will depend on the specific job requirements and the organization offering the position.

Benefits are not typically included in the salary range provided for a job. However, many employers offer benefits packages that can add significant value to an employee's compensation. Benefits packages may include items such as health insurance, retirement plans, paid time off, and other perks. It's important to research the specific benefits offered by the employer when considering a job offer, as these can impact the overall compensation package and the employee's quality of life.

The merit pay levels for a Certified Water Manager - Water Distribution and Maintenance can also vary based on several factors, including the size and type of the organization, the candidate's experience, and their performance on the job.

Typically, merit pay is awarded based on an employee's individual performance and their contribution to the organization's success. As such, the specific merit pay levels for this job may depend on the organization's performance metrics and evaluation criteria.

Generally speaking, merit pay for a Certified Water Manager - Water Distribution and Maintenance may range from 2% to 7% of their base salary, with higher levels awarded to employees who exceed performance expectations and make significant contributions to the organization's success.

It's worth noting that merit pay is not always guaranteed and may be contingent on the organization's financial performance and budgetary constraints. In some cases, the merit pay may be tied to achieving specific performance targets, such as meeting regulatory compliance requirements or reducing maintenance costs.

Overall, the merit pay levels for a Certified Water Manager - Water Distribution and Maintenance will depend on a variety of factors and can vary significantly between different organizations and locations.

Certified Water Manager Benefits

The benefits package for a Certified Water Manager - Water Distribution and Maintenance may vary depending on the specific organization and industry. However, typical benefits that may be included in this type of job are:

1. Health Insurance: Most organizations provide health insurance coverage for their employees, which may include medical, dental, and vision coverage.
2. Retirement Plans: Many organizations offer retirement plans such as 401(k), pension plans, or other similar plans to help employees save for their future.
3. Paid Time Off: Certified Water Managers may receive paid time off, including vacation time, sick leave, and holidays.
4. Life Insurance: Many organizations offer life insurance coverage to their employees as a benefit, which may include term life insurance, accidental death and dismemberment (AD&D) insurance, and other types of life insurance.
5. Disability Insurance: Some organizations offer disability insurance to their employees, which provides income replacement in the event of an injury or illness that prevents the employee from working.
6. Professional Development: Many organizations offer professional development opportunities to their employees, including training and continuing education programs, conferences, and workshops.
7. Employee Assistance Programs (EAPs): Some organizations provide EAPs that offer confidential counseling, support, and resources to employees and their families to help with personal or work-related issues.
8. Flexible Spending Accounts (FSAs): Many organizations offer FSAs that allow employees to set aside pre-tax dollars to pay for eligible expenses such as medical, dental, or vision expenses.

Overall, the benefits package for a Certified Water Manager - Water Distribution and Maintenance can be an essential part of the overall compensation package and can vary depending on the specific organization and industry.

Underground Utility Locator

An underground utility locator is responsible for locating and marking the location of underground utility lines such as gas, water, sewer, telecommunications, and electrical lines. Their job is to use specialized equipment and technology to identify the location and depth of these lines, so that construction and excavation work can be carried out safely without causing damage to these important infrastructure.

The job description for an underground utility locator typically includes the following responsibilities:

1. Conducting site surveys and identifying potential underground utility locations
2. Marking the location of underground utilities using spray paint, flags or other markers
3. Operating specialized equipment such as ground penetrating radar and electromagnetic locators to identify and locate utilities
4. Maintaining accurate records and reports of all utility locates
5. Communicating effectively with other workers on the job site to ensure that all utility lines are properly identified and marked.

The salary for an underground utility locator can vary depending on their level of experience and location, among other factors. According to the data from Glassdoor, the average salary for an underground utility locator in the United States is around $40,000 to $50,000 per year. However, this can vary based on the employer, location, and the level of expertise of the individual.

Benefits are not typically included in the salary range provided for a job. However, many employers offer benefits packages that can add significant value to an employee's compensation. Benefits packages may include items such as health insurance, retirement plans, paid time off, and other perks. It's important to research the specific benefits offered by the employer when considering a job offer, as these can impact the overall compensation package and the employee's quality of life.

Water Utility GIS Facility Locator

A water utility GIS facility locator is responsible for creating and maintaining the locations of pipes, valves, tanks, wells, pumps, and all other utility structures within a water utility system using Geographic Information System (GIS) software. They collect and analyze data from various sources and input it into the GIS software to create accurate maps and models of the water utility system. This information is used by water utility management to make informed decisions about system maintenance, upgrades, and expansion.

Key responsibilities of a water utility GIS facility locator include:

* Collecting data on the location and characteristics of water utility structures
* Inputting data into GIS software to create maps and models of the water utility system
* Analyzing data to identify trends, patterns, and potential issues
* Collaborating with other water utility staff to identify maintenance and upgrade needs
* Communicating GIS information to management and other stakeholders
* Ensuring accuracy and completeness of GIS data through regular updates and maintenance.

The pay scale for this job can vary depending on factors such as location, experience, and qualifications. According to Glassdoor, the average salary for a GIS Specialist in the United States is approximately $65,000 per year, with a range of $45,000 to $92,000. However, pay for a water utility GIS facility locator may differ from this based on the specific duties and responsibilities of the role, as well as the size and complexity of the water utility system they are working with.

Benefits are not typically included in the salary range provided for a job. However, many employers offer benefits packages that can add significant value to an employee's compensation. Benefits packages may include items such as health insurance, retirement plans, paid time off, and other perks. It's important to research the specific benefits offered by the employer when considering a job offer, as these can impact the overall compensation package and the employee's quality of life.

Maintenance Technician

Job Description: The Maintenance Technician is responsible for the upkeep and maintenance of the small water district's vehicles and equipment, including three trucks, a backhoe, and a Ditch Witch Hydrovac. Duties include performing regular maintenance tasks, such as oil changes, tire rotations, and brake inspections, as well as diagnosing and repairing any mechanical issues that may arise. The Maintenance Technician must also keep accurate records of all maintenance work performed and ensure that all vehicles and equipment are in compliance with safety regulations.

Pay Scale: The pay scale for a Maintenance Technician in a small water district will vary based on factors such as the candidate's experience and qualifications, the geographic location of the water district, and the overall budget of the district. According to recent data from the Bureau of Labor Statistics, the median annual wage for maintenance and repair workers, including technicians, is $41,020 per year, or approximately $19.73 per hour. However, actual pay may vary depending on the specific job requirements and the candidate's skill set.

Benefits are not typically included in the salary range provided for a job. However, many employers offer benefits packages that can add significant value to an employee's compensation. Benefits packages may include items such as health insurance, retirement plans, paid time off, and other perks. It's important to research the specific benefits offered by the employer when considering a job offer, as these can impact the overall compensation package and the employee's quality of life.

Web Page Creation and Maintenance

The additional pay for a secretary who is assigned to maintain a web page would depend on several factors such as the complexity of the web page, the level of expertise required to maintain it, and the market rate for web development and maintenance in your area.

In general, web development and maintenance can be a highly specialized skill, and someone who is tasked with maintaining a web page in addition to their regular secretarial duties may require additional training or education to do so effectively. This additional expertise and responsibility could warrant a higher salary or hourly rate.

To determine an appropriate additional pay, you could research the market rate for web developers and maintenance professionals in your area and compare that to the secretary's current salary or hourly rate. You could also consider the time and resources required to maintain the web page, such as software licenses, hosting fees, and ongoing maintenance costs, and factor those into the additional pay.

Ultimately, the additional pay should reflect the value that the secretary brings to the organization by maintaining the web page and should be commensurate with the level of expertise and responsibility required for the task.

Certified Water Distribution Operator

Job Summary:

We are seeking a certified water distribution operator to join our team to ensure the safe and efficient distribution of potable water to our customers. The successful candidate will be responsible for the operation and maintenance of the water distribution system, including water mains, pumps, and storage tanks. They will ensure compliance with state and federal regulations, and respond to customer inquiries and complaints.

Key Responsibilities:

• Operate and maintain water distribution systems including water mains, pumps, and storage tanks

• Monitor water quality and ensure compliance with state and federal regulations

• Conduct routine inspections and tests of the water distribution system

• Repair and maintain water distribution equipment, including valves, meters, and hydrants

• Respond to customer inquiries and complaints related to water quality or service interruptions

• Maintain accurate records of water distribution operations and water usage

• Implement safety procedures and protocols to ensure a safe working environment for themselves and others

• Train and supervise other water distribution staff, as needed

• Attend training sessions and continuing education courses to maintain certification and keep up-to-date with industry standards and regulations

Qualifications:

• High School Diploma or equivalent

• Valid Water Distribution Operator certification from the appropriate state agency

• Minimum of 3 years of experience in water distribution operations

• Knowledge of state and federal regulations related to water distribution

• Strong problem-solving skills and attention to detail

• Ability to work independently or as part of a team

• Excellent communication skills and customer service skills

• Ability to work in all weather conditions and perform physical labor as needed

Physical Requirements:

The candidate must be able to perform the following physical requirements:

• Stand, walk, and work outdoors for extended periods of time

• Lift, carry, and maneuver heavy equipment, materials, and tools

• Bend, stoop, and crouch to access equipment and perform maintenance tasks

• Climb ladders and work at heights

• Work in confined spaces, such as underground vaults and tunnels

Heavy Equipment Operator:

A heavy equipment operator is responsible for operating various types of heavy machinery, such as backhoes, bulldozers, excavators, and cranes, to move materials, excavate land, and complete construction projects. Some of the key duties of a heavy equipment operator may include:

* Operating heavy equipment according to safety protocols and industry standards
* Maintaining equipment by conducting routine checks and reporting any malfunctions
* Operating equipment to move materials such as dirt, gravel, and other construction materials
* Excavating land and grading sites to prepare for construction projects
* Communicating with other workers to coordinate tasks and ensure safety on the job site

Backhoe Operator:

A backhoe operator is a type of heavy equipment operator who specializes in operating a backhoe, which is a type of excavator that has a digging bucket attached to a two-part arm. Some of the key duties of a backhoe operator may include:

* Operating the backhoe to excavate soil, rock, or other materials
* Moving materials using the backhoe's bucket
* Operating the backhoe to dig trenches or holes for construction projects
* Conducting routine checks and maintenance on the backhoe
* Communicating with other workers to coordinate tasks and ensure safety on the job site

Skid Steer Operator:

A skid steer operator is responsible for operating a skid steer, which is a type of small, maneuverable loader that is commonly used in construction and landscaping projects. Some of the key duties of a skid steer operator may include:

* Operating the skid steer to move materials such as dirt, gravel, or other construction materials
* Clearing snow or debris from a job site
* Conducting routine checks and maintenance on the skid steer
* Operating the skid steer to dig trenches or holes for construction projects
* Communicating with other workers to coordinate tasks and ensure safety on the job site

Hydrovac Operator:

A hydrovac operator is responsible for operating a hydrovac, which is a type of excavation equipment that uses pressurized water and a vacuum to remove soil and other materials. Some of the key duties of a hydrovac operator may include:

* Operating the hydrovac to excavate soil, rock, or other materials
* Using pressurized water and a vacuum to remove materials from a job site
* Conducting routine checks and maintenance on the hydrovac
* Communicating with other workers to coordinate tasks and ensure safety on the job site

CDL Driver:

A CDL driver is a type of truck driver who holds a commercial driver's license (CDL) and is responsible for operating commercial vehicles, such as tractor-trailers, dump trucks, and tank trucks, to transport goods or materials. Some of the key duties of a CDL driver may include:

* Operating commercial vehicles according to safety protocols and industry standards
* Transporting goods or materials from one location to another
* Conducting routine checks and maintenance on the commercial vehicle
* Keeping accurate records of trips, mileage, and fuel consumption
* Communicating with other workers to coordinate tasks and ensure safety on the road

Safety Coordinator

The duties of a Safety Coordinator for a Water Improvement District may include:

1. Developing and implementing safety policies and procedures for the organization.
2. Conducting safety training for employees on topics such as hazardous material handling, emergency response, and personal protective equipment.
3. Conducting safety audits and inspections to identify and address safety hazards in the workplace.
4. Investigating accidents and incidents to determine the root cause and develop corrective actions to prevent reoccurrence.
5. Maintaining safety records and reports to comply with local, state, and federal regulations.
6. Coordinating with regulatory agencies to ensure compliance with safety standards.

The pay range for a Safety Coordinator for a Water Improvement District can vary depending on factors such as location, experience, and education level. According to salary data from Payscale.com, the average salary for a Safety Coordinator in the water treatment industry is around $59,000 per year, with a range of $40,000 to $87,000 per year. However, it's important to note that these figures may not reflect the specific pay range for a Safety Coordinator for a Water Improvement District in your area, and additional research may be necessary.

Water Meter Reader

A water meter reader is responsible for reading water meters and recording usage for residential and commercial properties. They also perform routine maintenance on meters, which may include cleaning, testing, and replacing worn or damaged parts. Additionally, they troubleshoot any issues with equipment or meters and make repairs as needed.

The pay range for a water meter reader varies depending on the location and the employer. In the United States, the median annual salary for a water meter reader is around $35,000 to $40,000, with an hourly wage ranging from $15 to $20 per hour. Some employers may offer additional benefits, such as health insurance, retirement plans, and paid time off.

To qualify for this role, a high school diploma or equivalent is typically required, as well as a valid driver's license. Candidates should have the ability to walk long distances and carry equipment, basic computer skills, and the ability to communicate effectively with customers. Additionally, experience with meter maintenance and repair is preferred.

Water District Office Administrator

Job Summary: The Water District Office Administrator will be responsible for overseeing administrative tasks and providing support to the Water District team. The candidate will be responsible for billing, preparing meeting minutes, maintaining maps and records, updating agendas, answering the telephone, cleaning the office, handling payroll, and website maintenance.

Responsibilities:

* Prepare and maintain accurate records of water usage, customer accounts, and billing statements.
* Maintain and update maps and records related to water distribution and infrastructure.
* Prepare agendas and minutes for Water District meetings.
* Answer phone calls and provide assistance to customers, contractors, and other stakeholders.
* Manage and maintain the cleanliness of the Water District office.
* Manage payroll for Water District staff.
* Maintain and update the Water District website and social media accounts.
* Assist with special projects and perform other duties as assigned.

Qualifications:

* High school diploma or equivalent.
* Proficient in Microsoft Office and basic computer skills.
* Excellent communication and organizational skills.
* Ability to multitask and prioritize tasks effectively.
* Knowledge of water distribution systems and infrastructure is preferred.
* Experience in administrative support is preferred.

Pay rate: The pay rate for this position is $20-30 per hour, depending on experience and qualifications.

Philosophical approaches to pay scales, salary banding, and merit pay increases.

There are different philosophical approaches to pay scales, salary banding, and merit pay increases. However, here are a few common ones:

1. Equity-based philosophy: This philosophy focuses on ensuring that employees receive fair and equal pay for comparable work, regardless of factors like gender, race, or other personal characteristics. Pay scales and salary banding are developed based on job responsibilities, experience, and qualifications, and merit pay increases are awarded based on objective performance metrics.
2. Market-based philosophy: This philosophy focuses on paying employees what they are worth in the job market. Pay scales and salary banding are developed based on industry benchmarks and market research, and merit pay increases are awarded based on how an employee's performance compares to industry standards.
3. Performance-based philosophy: This philosophy focuses on rewarding employees based on their performance. Pay scales and salary banding are developed based on the level of responsibility and job complexity, and merit pay increases are awarded based on an employee's individual performance and contributions to the organization.

Ultimately, the best approach to pay scales, salary banding, and merit pay increases will depend on an organization's specific goals, values, and priorities. It is important to establish clear criteria for determining pay and to communicate those criteria effectively to employees. It's also crucial to ensure that the pay system is transparent, fair, and consistent to promote employee satisfaction, engagement, and retention.

Philosophical approaches to pay scales, salary banding, and merit pay increases.

There are several philosophical approaches to pay scales, salary banding, and merit pay increases, and which one is "good" depends on the values and goals of the organization in question. Here are some common approaches:

1. Equity: The equity approach emphasizes that employees who perform the same job should receive the same pay, regardless of their individual performance or other factors such as seniority or negotiation skills. This approach can help prevent discrimination and promote fairness, but it may not incentivize exceptional performance.
2. Merit: The merit approach links pay to individual performance, with high performers receiving higher pay than average or low performers. This approach can incentivize employees to strive for excellence, but it may also create a competitive and individualistic culture that undermines teamwork and cooperation.
3. Market: The market approach sets pay levels based on the external market, benchmarking against other companies in the same industry or region. This approach can help ensure that the organization attracts and retains top talent, but it may also lead to high turnover if the company cannot offer competitive salaries.
4. Hybrid: Many organizations use a hybrid approach that combines elements of the above philosophies, such as setting a baseline salary band for each job level and allowing for performance-based bonuses or promotions within that band. This approach can balance the competing goals of fairness, incentivizing performance, and attracting top talent.

Ultimately, the "good" philosophy for pay scales, salary banding, and merit pay increases depends on the specific context of the organization, including its culture, values, and goals. It is important to regularly review and adjust the approach to ensure it remains effective and aligned with the organization's strategic objectives.

Salary Ranges

Salary ranges help employers control their pay expenses and ensure pay equity among employees. It is critical that employers have rational explanations for why they pay their employees a certain rate, and defined salary ranges help accomplish that.

The purpose of this guide is to provide a basic set of steps for creating compensation grades and salary ranges. It is intended for general use and should be tailored to meet an organization's specific needs and goals. Employers and HR professionals without experience and knowledge of compensation design principles should consult with an expert for help as developing a compensation structure is a critical element within every organization.

**Step 1: Determine the Organization's Compensation Philosophy**

Before creating salary ranges, the organization must first determine what its approach or philosophy is to compensation. What is the mindset that drives pay decisions? Determining the compensation philosophy requires an in-depth look at the company's beliefs regarding  compensation. The key is to create a philosophy and be consistent in its application regarding pay practices.

An employer can choose to [lead, lag or match](https://www.shrm.org/ResourcesAndTools/tools-and-samples/hr-qa/Pages/compensation-strategies.aspx) the market when compensating employees.  Being a market leader means that the organization pays more for jobs than its competitors. Typically, an organization does this to gain an advantage or attract talent away from its competitors. If an employer decides to match the market, it pays roughly the same as its competitors, and if an employer lags the market, it is paying less than market rates. Generally, an employer rarely chooses to lag the market as a conscious pay strategy. It is often either discovered after market research reveals the practice, or it may be the result of a limited compensation budget. In rare circumstances an employer's brand may be so attractive (e.g., Disney, Google) that the employer can pay lower-than-market wages without a negative impact on recruitment and retention.

A company's attitude toward compensation will drive its decisions through the rest of this process. Therefore, it is critical to know the employer's pay philosophy and have executive buy-in from the outset.

**Step 2: Conduct a Job Analysis**

A job analysis is a process for gathering, documenting and analyzing information about a job to determine the activities and responsibilities it includes, its relative importance to other jobs, the qualifications necessary for performing the job and the conditions under which the work is performed. This can be done by observing employees, conducting surveys or interviewing employees doing the job, or using a combination of these methods. The end result of a job analysis is a clearly defined job description. *See* [Performing Job Analysis](https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/performingjobanalysis.aspx)

**Step 3: Group into Job Families**

Once an employer has developed current and accurate job descriptions, it should determine whether to group the jobs into separate job families or have one pay grade system for all positions throughout the organization. For example, an organization may have an administrative job family, technical job family, management job family and executive job family. It may have different job families based on geographic locations (different countries or regions) or different divisions.

**Step 4: Rank Positions Using a Job Evaluation Method**

A job evaluation is the process of rank-ordering jobs—not the people in them—based on job content to demonstrate the relative worth and level of responsibility of all jobs to one another. There are several job evaluation methods; the two most common methods are explained below.

***Point method***

The content of jobs can be described in terms of factors. Factors are qualities of a job that are common to many kinds of jobs, such as skill, effort or working conditions. Each factor is assigned a weight, or points, according to how much of that particular factor is present in the job. Simply stated, the more points assigned to a job, the more worth the job has to the organization. Jobs with more worth are compensated more than jobs with lesser worth. There may be a group of factors to apply to all jobs or different factors for distinct functions or a combination of companywide and function-specific factors. One example is the Hay point method system, which uses only three factors and measures the degree that these three factors are required for each position. The Hay system factors are know-how, problem-solving ability and accountability.

Point Method Example:

|  |  |  |  |
| --- | --- | --- | --- |
| Job Title: | Machine Operator I | Machine Operator II | Machine Operator III |
| **Factors** | **Points** | **Points** | **Points** |
| Skill (max pts 50) | 10 | 30 | 50 |
| Education (max pts 25) | 5 | 5 | 10 |
| Working conditions (max pts 10) | 5 | 5 | 5 |
| Independent judgment (max pts 15) | 3 | 8 | 15 |
| **Total Points (max 100)** | **23** | **48** | **80** |

***Ranking method***

The ranking method is a much more simplistic approach to rank-ordering the value or worth of each job in comparison to other jobs within the same job family. Job ranking places jobs in a hierarchy of their value to the company. This method is an estimated approach rather than a formal calculation as described in the point factor method. The less-rigorous ranking method is often used in smaller organizations that have fewer jobs to compare.

**Step 5: Conduct Market Research**

Conducting market research ensures that wages paid to employees are comparable to similar positions in the marketplace.

When conducting salary market research, employers should consider the following:

* Job titles vary between organizations. Employers should read the descriptions of the jobs surveyed to make sure that the related tasks, functions and levels of responsibility match the positions at their organizations.
* To obtain current, accurate salary information, employers will typically need to purchase salary data. A few resources, such as the U.S. Bureau of Labor Statistics (BLS), offer free data, but the data may be older and too broad in terms of industry, geography or other factors.
* Whenever possible, employers should try to obtain information from more than one market survey resource, at least for benchmark positions.
* Professional organizations sometimes offer data at a discounted price. For example, if an employer wants to hire a large group of engineers, it could check with the local engineering association to see if the association conducts salary research and offers  price breaks to members.
* To avoid violating antitrust laws, employers should not contact other organizations directly for compensation information. Using information from a vendor that is in writing, that uses averaged pay rates and aggregate data received from various sources, and that does not directly identify survey participants is in the best interest of the organization.
* When collecting market data, employer-reported data are generally more reliable than employee-provided salary information. Avoid Internet searches for free salary data, which often contain compensation that has been self-reported by employees.
* Employers should realize from the outset that each organization has jobs that are unique and that it will be impossible to find exact matches for all jobs. Organizations may need to consider jobs that closely fit the principal aspects of a particular job and consider salary data for more than one type of job.

**Step 6: Create Job Grades**

Job grades are groupings of positions with similar worth. Organizations can either use their job evaluation data to group positions into job grades or use their market data to band together positions based on similar salary survey data. This guide uses the market banding method.

An employer can have as many or as few pay grades as it wants. A startup or small organization may have only three or four pay grades. The federal government, by contrast, uses 15 pay grades based on the level of difficulty, responsibility and qualifications required. Individuals with a high school diploma and no additional experience typically qualify for GS-2 positions; those with a bachelor's degree for GS-5 positions; and those with a master's degree for GS-9 positions.

|  |  |  |
| --- | --- | --- |
| **​Job Family** | **​Job Category** | **​Job Title** |
| Human Resources | Comp and Benefits | Total Rewards Manager Compensation Specialist Benefits Specialist |
|  |
|  |
| Talent Acquisition | Talent Acquisition Manager Senior Recruiter |  |
|  |
| Employee Relations | Employee Relations Manager Training Specialist Culture Specialist |  |
|  |
|  |
| Support | Payroll Coordinator HR Systems Analyst HR Administrative Assistant |  |
|  |
|  |
|  |  |  |

**Step 7: Create a Salary Range Based on Research**

Employers should note the range of pay in the salary surveys and other information that may be relevant when establishing an average salary. For each pay grade, an organization will need to establish minimum, midpoint and maximum pay ranges. Often employers consider their midpoint of a salary range to be somewhere between the 25th percentile and the 75th percentile. Some employers will use the 50th percentile, the median, mean or mode if they want to meet the market. If a company's philosophy is to lead the market, the salary point will be above the 50th percentile for most positions. A simple way to establish a proposed midpoint is to average the market data between the different positions grouped in a grade. There is no hard and fast rule on creating salary ranges. In this guide, we use the midpoint as the base for developing the salary range. Other methods also are available, such as using the minimum salary as the base.

A traditional salary range is commonly 30 percent to 40 percent. It is common that top salary grades (i.e., for executives and top management) have a wider range (sometimes greater than a range of 40 percent) and that the lowest salary grades often have the narrowest range (sometimes smaller than 30 percent). Broadbanding occurs when employers decide to have very few salary grades and to make those ranges much wider.

The formulas for a 30 percent range using the midpoint as the base are:

Maximum = Midpoint x 1.15                           Minimum = Midpoint x 0.85

The formulas for a 40 percent range when the midpoint is known are:

Maximum = Midpoint x 1.20                           Minimum = Midpoint x 0.80

Pay grade ranges will usually overlap. The more overlap, the more cost-effective it will be for career progression; less overlap will require a larger pay increase for internal promotions. Each job family can have its own pay grades and pay ranges that are established independently from other job families.

Examples:

|  |  |  |  |
| --- | --- | --- | --- |
| Proposed Ranges | **Min** | **Mid** | **Max** |
| **Grade I** | **$11.48** | **$13.50** | **$15.53** |
| Maintenance I | (market salary = $13.00) | | |
| Administrative Asst. | (market salary = $14.00) | | |
| **Grade II** | **$15.09** | **$17.75** | **$20.41** |
| Mechanic I | (market salary = $17.50) | | |
| Machinist | (market salary = $18.00) | | |

**Step 8: Determine How to Deal with Salaries Not Within Range**

At this stage in the process, an employer can look at what it is paying its employees in comparison to the data it has collected and the proposed salary grades and ranges for positions. The organization may need to make some adjustments, but overall the employer can rely on market data and its pay philosophy to set these ranges.

|  |  |
| --- | --- |
| **Grade I​**​ | |
| Maintenance I | Administrative Asst. |
| ***$11.00 (green circle rate)*** | $13.72 |
| $11.50 | $14.18 |
| $12.22 | $15.00 |

|  |  |
| --- | --- |
| **Grade II​**​ | |
| Mechanic I | Machinist |
| $18.00 | $17.65 |
| $18.20 | $18.20 |
| $18.30 | $19.35 |
|  | $19.60 |
|  | ***$20.45 (red circle rate)*** |

After the salaries for current employees have been placed into the range, several employees will inevitably not be in line with the guidelines and ranges the employer has established.

"Red circle rates" are salaries/wages that are above the maximum rate the organization has established for the position's salary range. Strategies to rectify red circle rates include the following:

* In lieu of base salary increases, offer star employees a bonus that is roughly the amount of what the pay increase would have been. This allows for recognition of an employee's outstanding performance without raising his or her base pay even more.
* Explore developmental opportunities to facilitate promotion into the next pay grade.
* Restrict further salary increases by freezing pay.
* Lower an employee's base pay to bring it in line with the range. This option will likely lower employee morale and may motivate an employee to start job hunting. For this reason, it is important to encourage valuable employees to seek developmental opportunities that could lead to promotion.

"Green circle rates" are salaries below the minimum rate the employer has established for the position's salary range. Green circle rates are equally as problematic as red circle rates in that they do not follow established guidelines. A solution is to provide pay increases up to at least the minimum in the range. An exception may be if an employee has been performing below expectations. In this case, the employer may want to consider requiring successful completion of a performance improvement plan prior to receiving a pay increase.

**Step 9: Updating and Aging**

Compensation rarely remains static. The rate of pay is constantly changing with external market and economic activity.

Aging is the activity of increasing salary grades with the market without the cost of purchasing new salary survey data each year. One way to do this is by using the Employment Cost Index (ECI). The ECI is a component of the [National Compensation Survey](http://www.bls.gov/eci/), which is produced by the BLS. It measures changes in the cost of total compensation, which includes wages, salaries and the employer's cost of employee benefits. Another option is to use the annual [Cost of Living Adjustment](http://www.ssa.gov/OACT/COLA/colasummary.html), published each year by the Social Security Administration.

Ultimately, salary survey data should be gathered and reviewed every two to three years so that appropriate adjustments can be made to the organization's salary ranges.