



CITY OF WASHINGTON, ILLINOIS
Finance & Personnel Committee Communication

Meeting Date: May 18, 2020

Prepared By: Ray Forsythe, City Administrator

Agenda Item: Non-Union Employee Pay Plan Structure

Explanation: At the May 11th Committee of the Whole Meeting there was discussion on the FY 2020/2021 Pay Plans and it was recommended that the non-police, non-union pay plan system be revised and shifted to a more merit-based system.

Background: From research, I have discovered that the City established a "Merit Based Pay Plan" on 5/1/1990 which included an annual General Wage Increase and a 15-Step Pay Plan. All non-union employees (including Public Works) were placed in the step system based on experience and years of service determined by the City Administrator and Department Directors.

This Plan varied between 15 and 20 steps over the next ten years and in FY99-00, it was reduced to 13 steps and categories were added to show a relationship between the type of position and the corresponding salary ranges. For a few years, the Pay Plan was condensed so that the number of steps to reach the top were in direct relation to the category such that "Semi-Skilled" positions were in a 5-step plan; "Skilled, Technical and Supervisory" were in a 7-step plan and "Department Heads" were in a 10-step plan. The idea was to get employees to the top as fast as possible and then only provide a cost-of-living adjustment once the employee met their "maximum" value to the organization. Within two years, this Pay Plan was once again expanded to minimize the step increases and half steps were added, essentially changing the Plan to a 9, 13 and 19-step pay plan. Department Directors were taken out of the Plan in FY18-19 and moved to a merit-based only system. The Pay Plan changes indicated above did not affect the Sergeants as they had a separate plan; however, P-T officers have been included in the non-union Pay Plan. The Non-Union Pay Plan has always included a General Wage Increase adjusted to all steps throughout the Plan such that any employees at the top of the range would only receive that increase.

The Public Works employees formed a union in 2007 and negotiated their first contract. The pay plan was similar to their former non-union plan. For FY2018-19 the Public Works Union Contract was renegotiated and the Step Plan was reduced to 11 with a freeze in the cell distribution and a 2.5% increase to the base.

The Department Directors are not in a Pay Plan. The City Administrator recommended pay ranges with the revised job descriptions and annual performance evaluations are done and an increase in wages is provided if warranted. I have attached the Performance Evaluation Form and Instructions to this Memo.

I understand that there is a desire by some of the City Council Members to revise the pay system for the non-police, non-union employees to shift towards a merit-based system. The City Administrator, Finance Director and the Human Resource Specialist (once this position is approved and filled) will

Date Prepared: 05/15/2020

work with the Finance & Personnel Committee to develop a process to revise the pay system for the City of Washington to be effective for next budget year. This would include a Staffing Study, and a Compensation & Classification Study which would include identifying the pay systems used by comparable communities.

Fiscal Impact: A cost for the requested studies will be determined and the annual cost for the merit-based increases would be determined and included in the FY Budget process.

Recommendation/

Committee Discussion Summary: The City Administrator is seeking input from the Finance & Personnel Committee.

Direction Requested: Development of a revised Pay Plan System for Non-Union, Non-Police Employees to be implemented in the FY 2021/2022 Budget

Additional Documentation: Department Director Performance Evaluation Form and Instructions

CITY OF WASHINGTON
EMPLOYEE PERFORMANCE EVALUATION
INSTRUCTIONS

INTRODUCTION

Performance evaluation is an important component in a program of sound personnel management. Employees are interested in receiving feedback from supervision on how well they are doing the job. Performance evaluations should be used to ascertain employee strengths and weaknesses. They serve as a starting point to generate serious discussion on how employee performance can improve. Often employees may be unaware that their performance is not what it should be.

The evaluator is to consider the employee's performance as it relates to important areas of the job by providing specific examples of observed behavior. Every attempt is to be made to avoid measuring employee attitudes, largely because attitudes are not directly observable.

EVALUATION DESIGNATORS

NEEDS IMPROVEMENT - Improvement is necessary for employee to perform at the minimally acceptable level. Close supervision is required.

ACCEPTABLE - Employee can perform in this category at an acceptable level. Supervision required is normal. Coaching may be needed for the employee to reach maximum potential in specific, identifiable areas of this category.

OUTSTANDING ACHIEVEMENT - Employee's performance in this category is exemplary. Work is done confidently and thoroughly with minimal supervision.

INSTRUCTIONS

- Review Exhibit I, "Avoiding Bias."
- Read the evaluation category description.
- Select the designator that most accurately describes the employee's expected or typical behavior and record it in the appropriate space provided on the evaluation form (Exhibit II).
 - (A) When "needs improvement" is selected as the designator for the category, a detailed explanation must be given in the comments area.
 - (B) Although an "acceptable" designator does not require justification, evaluators are to comment on areas of the category where an employee may be developing a deficiency, or is showing a notable improvement.
 - (C) When the designator "outstanding achievement" is awarded, a detailed explanation justifying the rating must be given in the comments area.
- Repeat this process for all applicable evaluation categories.
- If a category is not applicable for a particular employee, write N/A on the form.
- Review the evaluation with the employee and require them to check the areas of agreement or disagreement on the form.
- Hold appropriate discussions and obtain necessary signatures.

EVALUATION CATEGORIES

1. Job Knowledge & Skills - Evaluate the understanding of current fundamentals, methods, procedures and policies required for the job; knowledge of information, equipment and techniques required for successfully doing the job.

Needs Improvement	Requires frequent coaching and assistance with procedures, workflow, and organization; demonstrates limited knowledge of, or incomplete skills.
-------------------	---

Acceptable	Shows adequate job knowledge and skills to handle daily duties; understands standard procedures; makes few errors; needs explanation of procedures or assistance for unusual circumstances.
------------	---

Outstanding Achievement	Demonstrates thorough knowledge of the job; shows full understanding of current policies and procedures; expertise is acknowledged by others; able to handle unusual occurrences.
-------------------------	---

2. Quantity of Work - Evaluate completion of the workload.

Needs Improvement	Employee is behind in work or produces an inadequate volume of work.
-------------------	--

Acceptable	Completes expected work and strives to improve productivity.
------------	--

Outstanding Achievement	Maintains a high level of productivity, sets high standards for own work and consistently achieves them.
-------------------------	--

3. Quality of Work - Evaluate the accuracy, completeness, quantity, speed, and follow through of work; consistency of work performance; attention to detail; effective use of work time; and ability to cope with varying work demands.

Needs Improvement	Work is consistently incomplete, inaccurate, and needs to be corrected or redone; careless with details.
-------------------	--

Acceptable	Generates work with a tolerable error rate; work is generally complete, but sometimes needs corrections.
------------	--

Outstanding Achievement	Recognizes and corrects own errors before submitting work and corrects errors of others; seeks feedback to improve individual performance.
-------------------------	--

4. Problem Solving & Decision Making - Evaluate ability to define a problem, collect information, analyze data, formulate alternatives and apply logic in the selection of the best solution.

Needs Improvement	Does not effectively recognize or define problems; overlooks important considerations in making decisions; jumps to hasty conclusions, or is indecisive; reasoning is weak or does not anticipate problems.
Acceptable	Sufficiently considers various factors of a problem before making a decision; demonstrates a mature viewpoint, but may not consider or explore innovative alternatives.
Outstanding Achievement	Determines magnitude of the problem and gathers sufficient information necessary for resolution; evaluates possible solutions, and considers consequences; decisions are logical and effective, based on experience and expertise; anticipates problems and acts accordingly.

5. Communication Skills - Evaluate capacity for communicating effectively in writing and orally, level of basic skills (grammar, spelling, math, punctuation, etc.), and ability to give effective instructions and information to employees and the public.

Needs Improvement	Difficulty expressing self clearly and understandably; documentation and reports require editing and rewriting by supervisor; omits important information, making communications difficult to interpret.
Acceptable	Generally expresses self clearly and concisely; adequately prepares and completes written communications; asks pertinent questions to gain effective understanding.
Outstanding Achievement	Information is clear, concise, well organized and easy to understand; communications cover important elements; effectively voices opinions; statements are sound and credible.

6. Customer Service & Interpersonal Skills - Evaluate ability to effectively interact with the public, elected and appointed officials, and employees, and to project a positive, courteous image.

Needs Improvement	Unwilling or unable to effectively interact with others; does not fully recognize the importance of customer service; appears discourteous or not helpful; tends to create dissension; experiences difficulty working in a team environment.
Acceptable	Relationships are friendly, communicative and productive; is patient and courteous but does not reach out to provide assistance every time.
Outstanding Achievement	Recognizes the importance of customer and employee relations; actively assists others; goes out of way to be courteous and polite; resolves complaints with the appropriate people and through the proper channel.

7. Initiative - Evaluate ability to initiate action without suggestion or direction from others; willingness to take risks and attack problems; ability to energetically push or urge activities forward.

Needs Improvement	Demonstrates a lack of interest and involvement in work; completes work only under direct supervision; requires instruction on each step in work assignment; refuses new or different work assignments; deals with only one or two tasks at a time, when more could be handled; fills in time by doing personal business.
Acceptable	Shows an active interest and involvement in work; completes work with minimal outside direction; goes beyond the obvious in work assignments; accepts new or different work assignments; accomplishes multiple tasks; initiates action; produces a high volume of quality work.
Outstanding Achievement	Actively interested and involved in work; self-directed; goes beyond the obvious in work assignments; actively seeks new or different work assignments; accomplishes multiple tasks; initiates action; consistently produces a high volume of quality work; assumes responsibilities above job requirements.

8. Reliability & Personal Efficiency - Evaluate ability to thoroughly complete an assigned project and reliability in meeting commitments.

Needs Improvement	Avoids being accountable; inconsistently meets commitments and deadlines, often needs follow-up or reminders; fails to follow procedures; minimally acceptable attendance; occasionally unreliable when expected.
Acceptable	Accountable for own actions; generally meets commitments and deadlines conscientiously, sometimes needs reminders; follows procedures; average attendance; rarely unavailable when expected.
Outstanding Achievement	Shows personal accountability; establishes high credibility with others; consistency in meeting commitments; often suggests improvements in procedures; excellent attendance; available when expected.

9. Knowledge of Department Policies & Procedures - Evaluate ability to put into effect and follow rules and procedures, to recognize situations where new rules and procedures are needed, and to use departmental rules and procedures to enhance department operations.

Needs Improvement	Fails to adequately follow policies, procedures, and memoranda; does not attempt to learn, or to ask questions; does not retain information; fails to apply knowledge once learned; does not follow rules.
Acceptable	Familiar with most policies, procedures and memoranda; makes an effort to improve by asking questions; performance indicates understanding of commonly used policies and procedure; follows rules.
Outstanding Achievement	Exceptional working knowledge of policies, procedures, and memoranda; readily locates appropriate information in policies and procedures; offers ideas for new or improved rules, policies and procedures.

10. Organization & Planning - Evaluate ability to arrange and structure work in meeting department goals and objectives, and to outline and schedule work.

Needs Improvement	Work marked by lack of organization or by poor planning; unable to identify and use resources necessary to complete tasks and answer questions; disorganized approach to work.
Acceptable	Consistently uses planning supported by good organization and scheduling of time, materials and resources; work plans are based on a systematic approach for completing tasks; sometimes seeks

cost-saving alternatives.

Outstanding Achievement	Establishes priorities; develops plans to accomplish desired results; optimally uses resources; adapts plans to include unexpected changes; continually seeks cost-saving alternatives.
-------------------------	---

11. Adaptability - Consider flexibility, versatility, and ability to adjust to new conditions and accept change; capacity to handle special assignments or to take on extra work; ability to handle emergencies or crises.

Needs Improvement	Requires frequent instruction in new situations; unable or unwilling to transfer skills to new environments or to adjust to change; overwhelmed by perceived emergencies and crises.
-------------------	--

Acceptable	Utilizes skills and knowledge effectively when working on various assignments and adjusts to different environments and changes; properly identifies and reacts to emergencies and crises.
------------	--

Outstanding Achievement	Brings expertise to committees and work teams; learns quickly how to function in new environments; reacts calmly in emergencies and capably handles crises.
-------------------------	---

12. Professional Development - Evaluate effort to keep current with issues in the profession.

Needs Improvement	Seems unaware or uninterested in significant developments within the field or does not apply current information to job duties.
-------------------	---

Acceptable	Applies major new technology or changes in information concerning the field and anticipates the potential impacts on the organization.
------------	--

Outstanding Achievement	Self-directed in remaining up-to-date on trends in the field; uses a variety of resources; works to integrate new programs and systems
-------------------------	--

<p style="text-align: center;">ADDITIONAL PERFORMANCE EVALUATION CATEGORIES FOR SUPERVISORS</p>
--

13. Goal Setting & Development of Others - Evaluate ability to recognize employee strengths and weaknesses and to develop employee potential, ability to effectively set realistic and achievable goals for subordinates, and ability to delegate and direct the workflow to meet objectives.

Needs Improvement	Unwilling or unable to set achievable goals and workable objectives; employees lack direction and operations are disorganized; does not effectively plan work or delegate job assignments; fails to assess employee strengths and weaknesses; does not actively support the development of employees.
-------------------	---

Acceptable	Uses goals and workable plans to attain objectives; delegates work logically; gives emphasis to very important areas; understands the need to develop others; recognizes employee strengths and weaknesses.
------------	---

Outstanding Achievement	Establishes goals in line with those of the organization; delegates in a way that is easily understood and measured; develops employees by spending an appropriate amount of time giving feedback and encouragement; composes evaluations that accurately identify and develop employee strengths.
-------------------------	--

14. Leadership - Evaluate ability to lead others to achieve desired results.

Needs Improvement	Reluctant to take the lead; does not secure cooperation of others; avoids situations requiring accountability.
-------------------	--

Acceptable	Usually effective in leadership roles; takes lead in difficult situations, but sometimes with assistance; generally receives cooperation from others.
------------	---

Outstanding Achievement	Demonstrates the ability to lead without being dictatorial; innovative and takes necessary risks; generates enthusiasm in others; communicates high expectations for others.
-------------------------	--

15. Employee & Labor Relations - Evaluate ability to understand and follow the provisions of labor agreements and other personnel rules and policies, administer discipline, coach and train employees, schedule employees, document employee performance.

Needs Improvement	Fails to display knowledge of labor agreements and other personnel rules and policies; fails to train, coach, and discipline employees; fails to document personnel activities.
Acceptable	Familiar with frequently used provisions of labor agreements and other personnel rules and policies; researches the unknown; administers discipline for flagrant abuse; trains, coaches and counsels employees when requested; documents personnel activities, but could expand.
Outstanding Achievement	Clearly familiar with provisions of labor agreements and other personnel rules and policies, researches unknown; administers discipline consistently for infractions; actively trains, coaches and counsels employees; provides thorough documentation of personnel activities.

Created April 22, 2020

AVOIDING BIAS

When raters are general or vague, the opportunity for bias occurs. When bias occurs, employee performance is rated inaccurately. Some common errors that may occur are described below.

Halo Effect. Halo effect is the tendency to evaluate an employee favorably or unfavorably in all categories because of a general impression regarding one aspect of the employee's performance. For example, if an outstanding achievement rating is given to "quantity of work" there is the tendency to give excellent ratings to all other factors. This, in effect, reduces the intended independence of the various categories being rated. The independent criteria become something other than what the designator states.

Central Tendency. This error reflects the rater's inability or unwillingness to use the extremes of the scale. This result is that employees are designated "acceptable" in most, if not all, of the categories with almost no difference between the best and the worst employee. The reason for this error may be: 1) the rater is not familiar with the performance dimension being evaluated, or 2) raters wish to be conservative if they have to document ratings of "needs improvement" or "outstanding achievement." When this error occurs, it renders the evaluations practically useless.

Leniency. Another type of error is leniency - the tendency to give evaluations higher than actual levels of performance. On the other hand, some raters give evaluations lower than the true level of performance (negative leniency). Leniency errors occur due to the rater's personality makeup and to a lesser extent experience. Personality makeup is reflected in a person's management style and many other areas. Because the evaluation process can lead to unpleasant consequences for the employee, many raters are reluctant to give negative evaluations. Leniency also occurs because supervisors may not want to disadvantage their employees when ratings are compared to employees in other departments.

Interpersonal Bias. One of the most common, yet least controllable, biases that the rater brings to the workplace is his or her own value system. This value system is the result of all of a person's experiences. Often an individual may not even be aware of these biases. They may include such things as sex, race, ethnic origin, appearance, religion, social standing, verbal skills, height, weight, interests - all of which are unrelated to performance of the job.

Recency Effect. Most appraisals are provided once a year and are intended to represent the performance of an individual over this time span. There is a tendency, however, to rate people on their most recently observed behavior, which may not reflect performance during the total period. Some employees may exert more effort in the weeks immediately before their appraisal to favorably affect it.

CONFIDENTIAL
CITY OF WASHINGTON
PERFORMANCE EVALUATION FORM

APPRAISAL FROM TO

NAME (LAST, FIRST, M.I.)	DEPARTMENT
DUE DATE	EVALUATION DESIGNATORS: NI = NEEDS IMPROVEMENT A= ACCEPTABLE OA = OUTSTANDING ACHIEVEMENT

RATER	EMPLOYEE	
A	A	1. JOB KNOWLEDGE & SKILLS -
A	A	2. QUANTITY OF WORK -
A	A	3. QUALITY OF WORK -
A	A	4. PROBLEM SOLVING & DECISION MAKING -
A	A	5. COMMUNICATION SKILLS -
A	A	6. CUSTOMER SERVICE & INTERPERSONAL SKILLS -
A	A	7. INITIATIVE -
A	A	8. RELIABILITY & PERSONAL EFFICIENCY -
A	A	9. KNOWLEDGE OF DEPARTMENTAL POLICIES & PROCEDURES -
A	A	10. ORGANIZATION & PLANNING -
A	A	11. ADAPTABILITY -
A	A	12. PROFESSIONAL DEVELOPMENT -
A	A	13. GOAL SETTING & DEVELOPMENT OF OTHERS (FOR SUPERVISORY EMPLOYEES ONLY) -
A	A	14. LEADERSHIP (FOR SUPERVISORY EMPLOYEES ONLY) -
A	A	15. EMPLOYEE & LABOR RELATIONS (FOR SUPERVISORY EMPLOYEES ONLY) -

ADDITIONAL COMMENTS:

EMPLOYEE ACKNOWLEDGMENT: I REALIZE THAT, IF I WISH TO DO SO, I MAY SUBMIT A WRITTEN STATEMENT ABOUT THIS EVALUATION AFTER DISCUSSION WITH THE RATER.

 X I AGREE WITH THIS EVALUATION X I DISAGREE WITH THIS EVALUATION

EMPLOYEE SIGNATURE	DATE
RATER SIGNATURE	DATE



CITY OF WASHINGTON
PERFORMANCE EVALUATION FORM
GOALS ADDENDUM

APPRAISAL PERIOD FROM: _____ TO: _____

Name: _____ Department: _____

The following goals are those where significant emphasis and progress are desired. They are not meant to represent a complete list of projects or priorities to be undertaken by the employee. Progress on these goals, as well as the overall performance of the employee, will be used as the basis for future performance evaluations.

Personal goals for the next year	
Goal 1	
Goal 2	
Goal 3	
Goal 4	
Goal 5	