

State Administration & Veterans Affairs Committee

June 11, 2012

UPDATE: Broadband Pay in Montana's Executive Branch

Presented by the State Human Resources Division

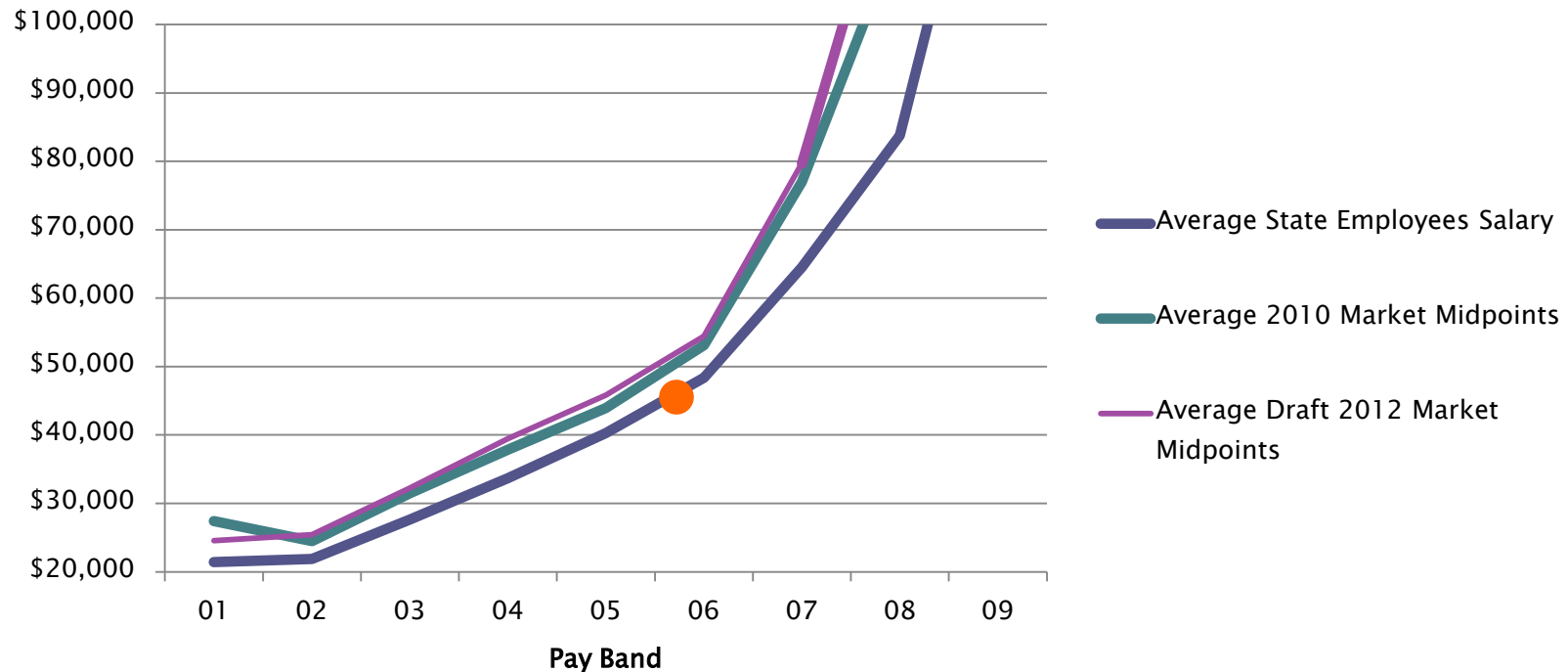
Paula Stoll, Administrator

444-3789

Part 1: Recruitment and Retention Challenges in 2012

Challenge: Montana state government continues to lose overall competitiveness.

(As of May 30, 2012, the average state worker earns 14.9% less than their private and public sector counterparts.)



*0.35% of state employees earn \$100,000 or more
● Average Employee Salary is \$43,680

Challenge: Employee turnover continues to rise.

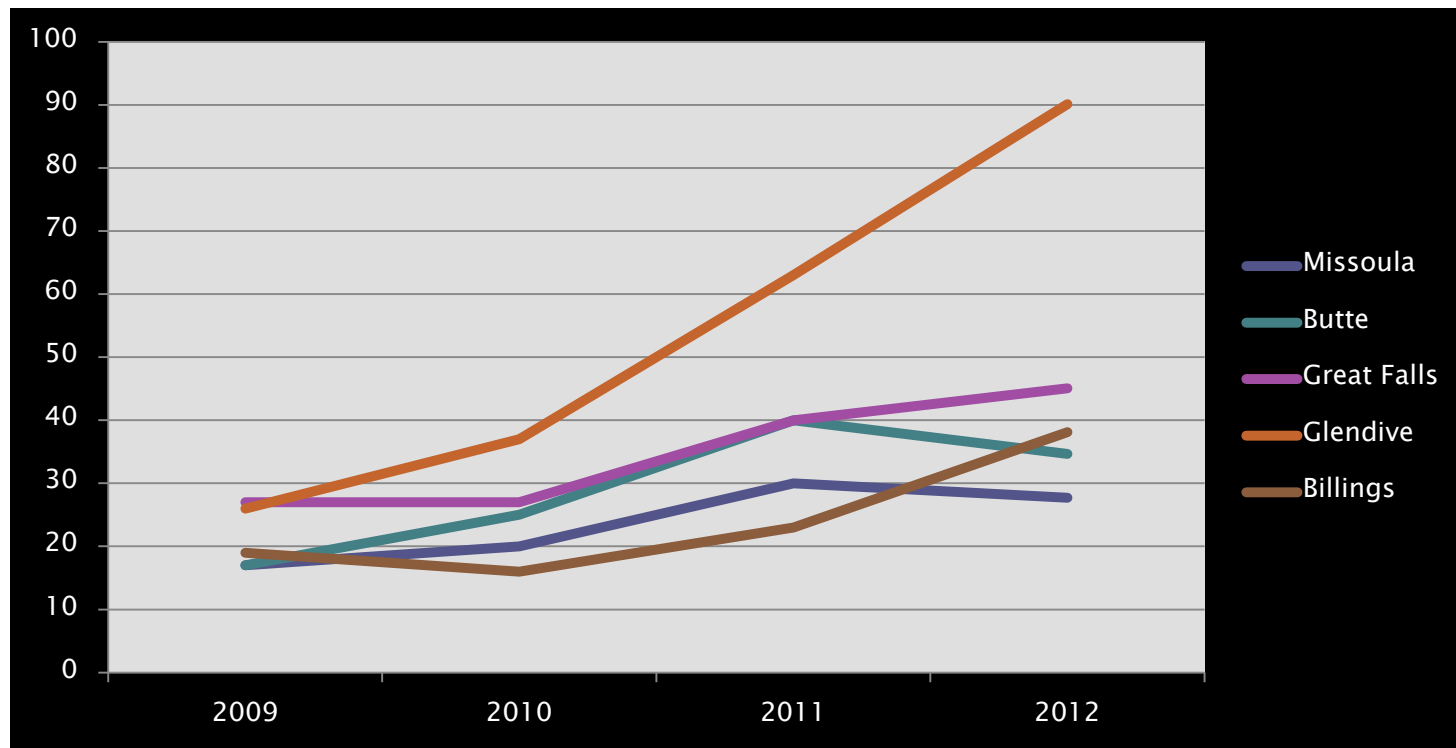


Challenge: Record numbers of state employees are retiring.

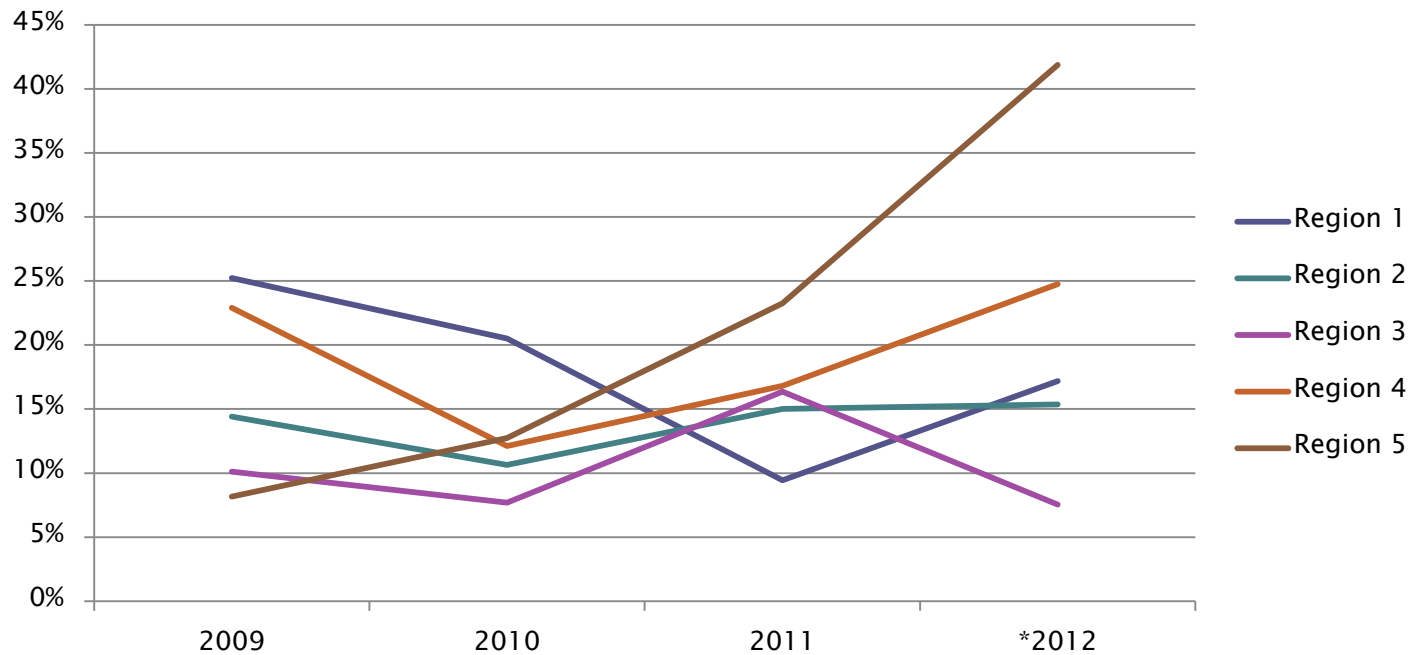
Year	Retirees	Percent Change from Previous Year
2009 (November)	295	-6.1%
2010 (November)	365	23.7%
2011 (November)	433	18.6%
2012 (through May)	230	--

Challenge: Montana state government cannot compete in eastern Montana.

Example: Comparative recruitment data for MDT districts



Challenge: Montana state government cannot compete in eastern Montana. *Example: Comparative recruitment data for DLI regions.*



**Part 2:
Broadband Pay
Adjustments in FY 2012**

Governor's 2013 Biennium Broadband Pay Directives

If agencies can afford to do so, they should:

- 1. Correct their worst pay problems, and*
- 2. Provide for modest adjustments to rank-and-file employees.*

General Parameters for 2012 Broadband Pay Adjustments

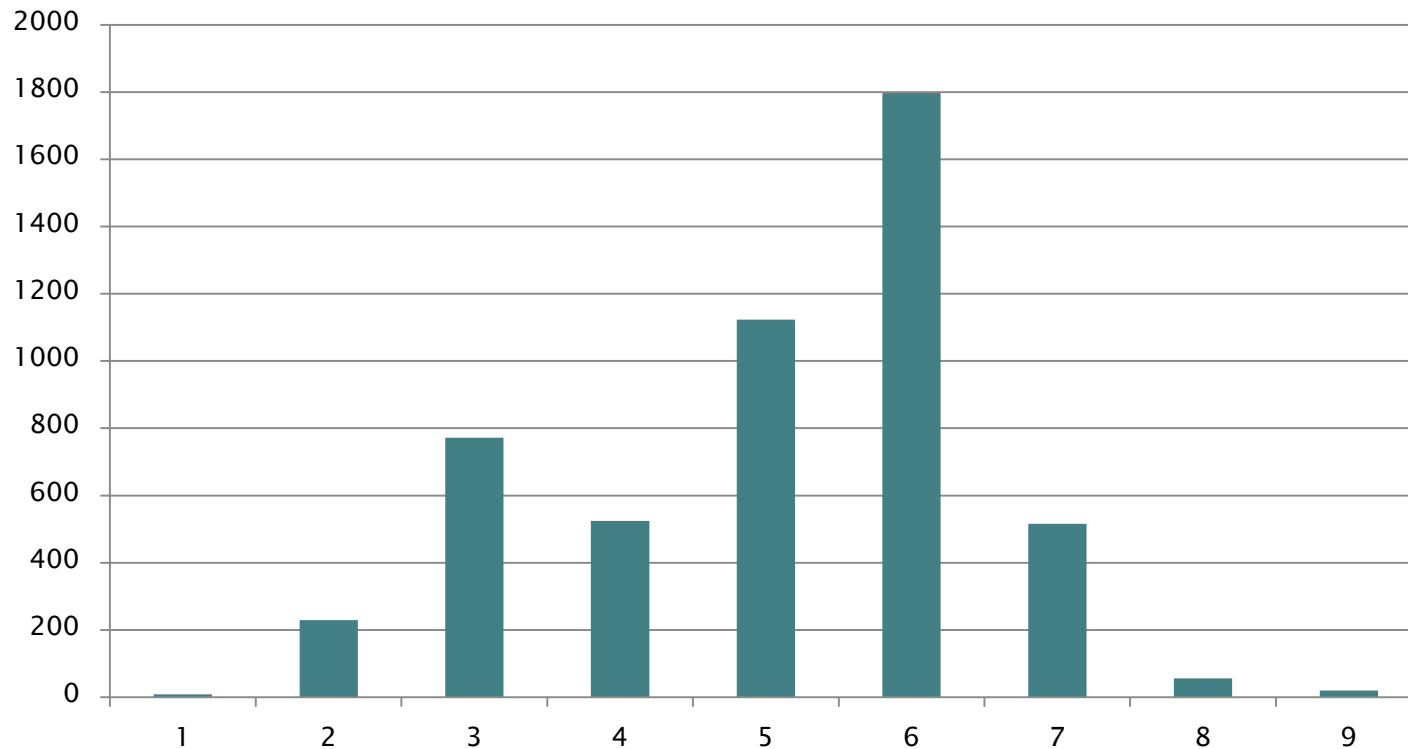
1. Adjustments must conform to agencies' pay plan rules.
2. Agencies are required by law to negotiate pay adjustments with employees' exclusive representatives.
3. Agencies cannot exceed their budgetary appropriations as a result of these pay adjustments.

FY 2012 Broadband Pay Adjustments: Key Facts

- ▶ 22 of 26 executive branch agencies implemented adjustments
- ▶ 5,460 (50%) employees received adjustments for these main reasons:
 - 65% market
 - 15% performance
 - 10% competency/career ladder
- ▶ Most (88%) employees receiving adjustments occupy band 6 or lower-banded positions
- ▶ Average base salary is now \$43,680, 2.2% higher than 2011

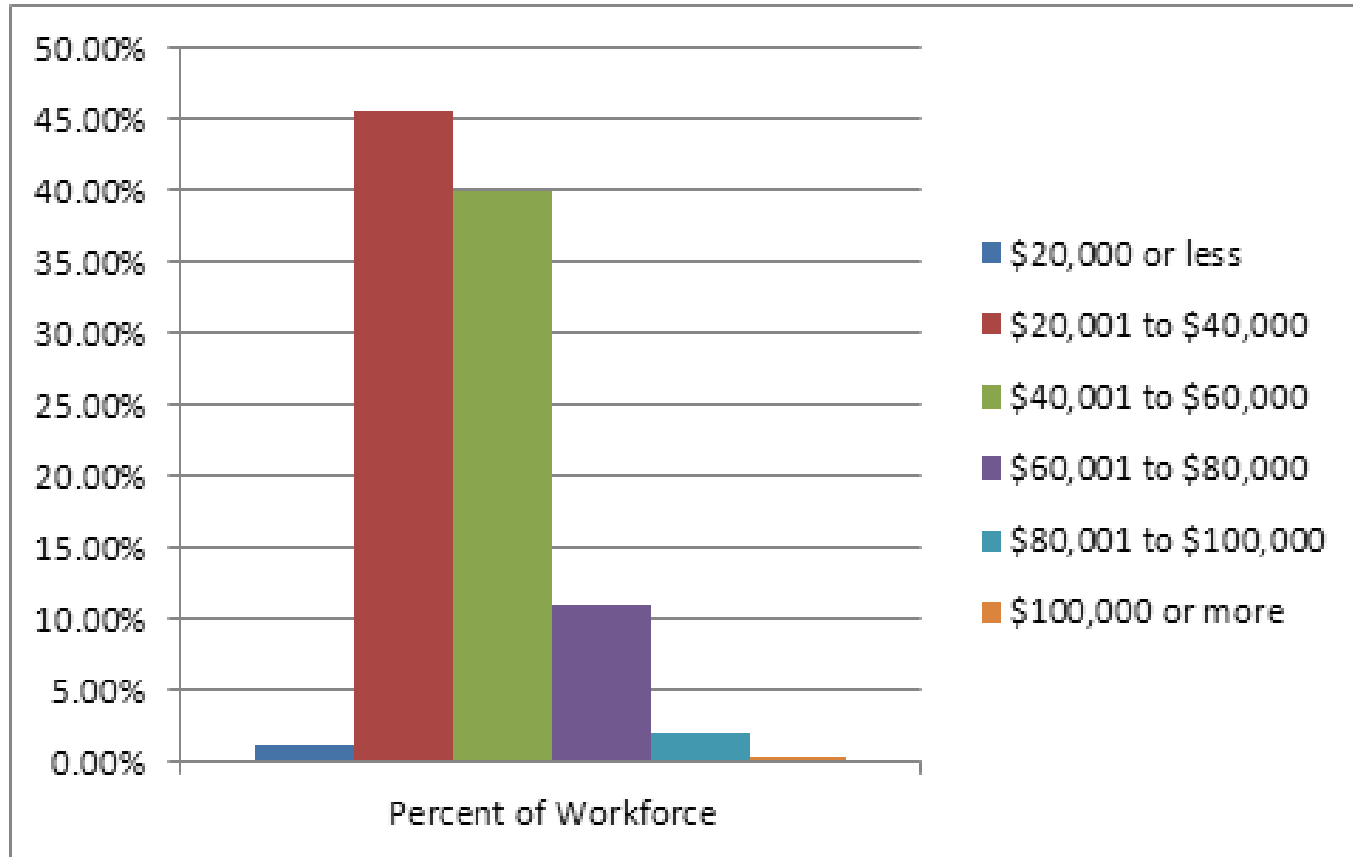
FY 2012 Broadband Pay Adjustments: Distribution by Pay Band

May 31, 2012



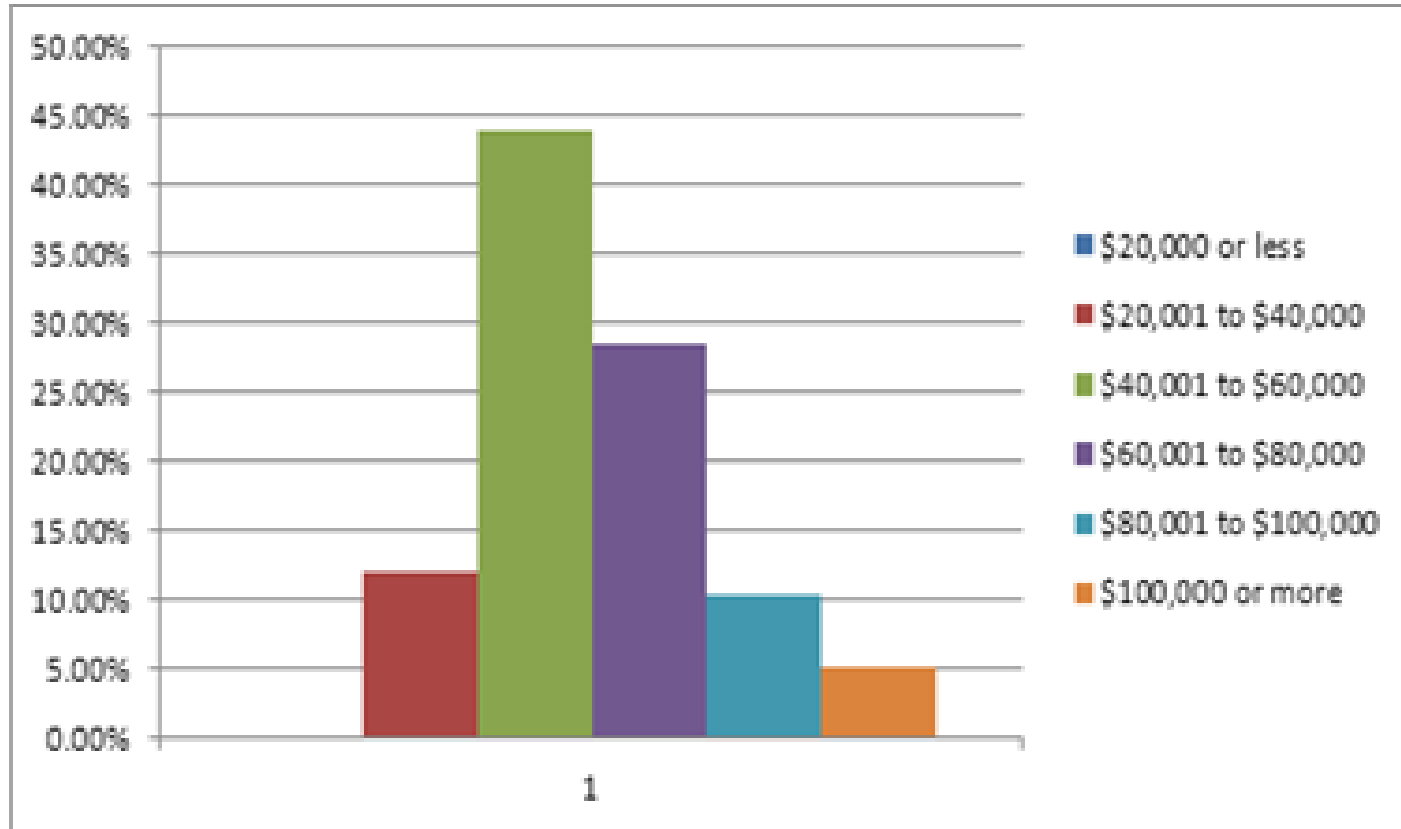
Pay Distribution in the Executive Branch

May 31, 2012



Pay Distribution in the Legislative Branch

May 31, 2012



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