

**LOS ANGELES COUNTY**  
**CITIZENS ECONOMY AND EFFICIENCY COMMITTEE**

ROOM 372, HALL OF ADMINISTRATION / 500 WEST TEMPLE / LOS ANGELES, CALIFORNIA 90012 / 625-3611, ext 64605

April 5, 1967

Raymond Arbuthnot  
John C. Bollens  
Max Candiotty  
Myron J. Carr, Jr.  
P.S. Magruder  
Mrs. Wayne Licher  
Kiyoshi Maruyama  
Edward J. Macke  
Irvin Mazzel  
Maurice McAlister  
Harold C. McClellan  
Ferdinand Mendenhall  
Robert Mitchell  
A.C. Rubel  
Mrs. Benjamin Erick Smith  
J. B. Roche,  
Executive Secretary

Supervisor Frank G. Bonelli  
Chairman, Los Angeles County  
Board of Supervisors  
Supervisor, First District  
856 - Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisor Bonelli:

Enclosed is our final report on Executive Compensation which we have filed with the Clerk of the Board today for consideration by your Board at the meeting of April 11, 1967.

We have asked to have the report placed on the agenda as a set item. Mr. Rubel is planning to make a brief presentation.

We expect to release this report to the press tomorrow morning and have also sent copies of the report to all union and employee representatives.

Very truly yours,

BURKE ROCHE,  
Executive Secretary

BR:lpj

Enclosure

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Mrs. Benjamin Erick Smith  
J. B. Roche,  
Executive Secretary

Honorable Board of Supervisors  
County of Los Angeles  
3833 Hall of Administration  
Los Angeles, California

Gentlemen:

EXECUTIVE COMPENSATION

At the Board meeting on November 29, 1966, your Board approved our Committee's recommendation to hire an outside consulting firm to develop a compensation plan for County executives covering the department head, chief deputy and division chief levels. At that time you specified that your approval was subject to our naming a firm and a fee satisfactory to your Board.

Since that time, we have interviewed a number of consultants in the compensation field and have received twelve proposals. We have evaluated these proposals and have selected one firm whose proposal, we judge, is the most favorable in terms of both study approach and fee. The firm is one of the most reputable in the field. The total cost is \$34,600, involving the assignment of two compensation specialists at full time for approximately four to five months. We believe this to be an extremely good price. A majority of the firms proposed fees between \$40,000 and \$50,000.

This report summarizes the reasons why we think this study is urgently needed.

#### Purpose of the Study

The sole purpose of the study is to develop a systematic and logical compensation plan for your Board to follow in setting executive salaries. Your Board is totally without such a plan now. As a consequence, the executive salary structure is in a state of utter confusion. Documentation supporting this statement is in the Committee files. To avoid prejudicing the proposed study as well as prevent embarrassment to concerned executives, we do not include specific examples of major inconsistencies in this report.

Mr. McClellan, Vice Chairman of our Committee, pointed out to your Board on November 29, that the County has an expenditure in the neighborhood of five million dollars a year invested in these executive salaries. We think their determination should be treated with the same care and attention which your Board gives to the annual expenditure of similar amounts in other budgetary areas.

#### Development of an Effective Plan

To develop an effective Compensation plan involves much more than a random look at the salary levels of Comparable Positions in a few other cities and counties. To do the job properly - as experience in both private industry and public

agencies indicates - will require detailed analysis of the responsibilities of each of the 350 positions, personal interviews with at least 200 to 250 of the concerned executives, the development of accurate job descriptions, the evaluation of internal relationships between positions using appropriate factor measurement, the comparison of the responsibilities of these positions to the responsibilities of similar positions in industry and other governmental agencies, the establishment of a ranking system to place each job in its proper grade and, finally, the assigning of appropriate salary ranges to each grade.

There is nothing radical or new about this approach. Every major corporation in the country has such a plan.

We cannot predict what the results of the study will be, insofar as current salary levels are concerned. We would expect some salary levels to be reduced, some to be raised, some to remain the same. With such a study, however, your Board for the first time will have before it a plan which will systematically evaluate and rank each executives job in the County in relation to all others and assign it an appropriate salary range. Such a plan will not preclude the possibility of your Board rewarding executives who do an outstanding job or denying increases to executives whose performance is marginal.

#### The 1965 Salary Hearings

What can happen when an executive body attempts to operate without a consistent salary plan was illustrated

most forcefully during the 1965 salary hearings. In two successive meetings, on May 25 and May 27, your Board raised the salaries of the Assessor, the District Attorney and the Sheriff three different times.

At the second meeting, your Board also raised the Chief Administrative Officer's salary but voted down a motion to raise the County Counsel and the Director of Charities. A week later at the meeting on June 8, your Board reversed itself and voted the raise for these two officials. Between May 25 and June 8 your Board raised the salaries of these six County officials by a total of \$28,372.

It was difficult for anyone observing these proceedings to understand on what basis your Board was making its decisions. In fact, after the third successive raise had been approved for the three elected officials, one member of your Board stated in the record that this action presented the Board "in a most ridiculous light in the public's eyes."

We should emphasize that we do not imply that these raises were necessarily exorbitant or unwarranted. Comparable raises are not uncommon at this level in private industry. We cannot imagine, however, a private corporation taking such action without benefit of any plan and using only the most elementary ground rules.

#### Why Not a Survey of All Employees?

At the November 29 meeting in which your Board approved the study of executive salaries, the question was raised as

to why we did not include all employees in our recommendation. Why just the top executives? The answer is that in our report to your Board of November 22, 1966, we did recommend a separate study covering all employees. However, such a study will be far more complex and costly than a study limited to executive salaries. We recommended, therefore, that this study be postponed until the new personnel organization is well established and the proposed changes in personnel administration are operating smoothly. We had in mind in particular the establishment of an effective employee relations ordinance covering procedures for negotiation and the orderly settlement of employee grievances and disputes.

We should note here - since some misunderstanding has occurred on this point - that our recommendation for a study of the compensation system covering all employees in no way conflicts with our recommendation to establish an employee relations function in the new Department of Personnel, responsible for negotiating salaries and working conditions with union and employee representatives. However excellent its compensation plan may be, County salary proposals should be subject to negotiation. In other words, County management, whatever its compensation plan, cannot rightfully assume a mantle of infallibility. The better the County's compensation plan is, however, the stronger is the County's position

for demonstrating fairness and validity in its salary proposals and the better the chance for reaching agreement with union and employee representatives.

Need for Unanimous Board Support

If even one member of your Board is opposed to the use of an outside consultant for the executive salary study, the consultant's chances of bringing the study to a successful conclusion are severely reduced - even though a majority of your Board supports the project. Such studies are difficult undertakings at best. They have small chance of satisfying everyone concerned, regardless of how skilled and experienced the outside consultant may be. If the study is criticized from the outset by a member of your Board, it is obvious that those executives who do not like the results will be provided with a base from which to attack the study. Therefore, if this report has not persuaded your Board to give unanimous support to the study, we would hesitate to recommend your spending money to bring in an outside consultant.

In this event, your Board may conclude that the Director of Personnel should then conduct the study using County personnel. We do not favor this alternative. A study using County personnel will take much longer and will place a heavy burden on the Department of Personnel at a time when it is deeply involved in correcting the abuses and red tape in the Civil Service system and working to develop effective and orderly

employee relations procedures. In addition, it will place the Director of Personnel and his staff in a delicate position vis-a-vis their colleagues in other departments.

In contrast, outside consultants cannot be accused of bias or a personal interest in the results. In addition, they bring to the study the experience from similar studies in a wide variety of organizations, both private and public. For these reasons, private industry has found that outside consultants generally achieve much better results in conducting such studies.

Recommendation

For the above reasons, we believe a study conducted by an outside consultant is essential to the early correction of the present chaotic state of executive salaries. It will not interfere with the development of the employee relations ordinance, and will not have any effect on a later study covering all employees.

We therefore recommend:

1. That your Board authorize a contract with the management consulting firm of our selection to develop a systematic compensation plan for a fee not to exceed \$34,600.
2. That your Board give this recommendation your unanimous support.

Very truly yours,

A. C. RUBEL, Chairman



ACR:JBR:lj

## THEODORE BARRY AND ASSOCIATES

### MANAGEMENT CONSULTANTS

December 4, 1967

Honorable Board of Supervisors  
County of Los Angeles  
383 Hall of Administration  
Los Angeles, California

Gentlemen:

In compliance with the stated instructions of the Chairman of the Board of Supervisors and other members, we are submitting directly to the Board our completed Executive Compensation Study.

This study was conducted at your authorization and at the recommendation of the Economy and Efficiency Committee. The purpose of the study was threefold:

1. To impartially, and with professional skills, establish the correct relationships between about 340 County executive positions;
2. to learn the true prevailing wage for these positions; and
3. to develop and recommend an effective on-going salary administration plan with which the County could administer salary matters for this target group.

We used all of the tools of the salary administration and job evaluation disciplines in conducting this study. We evaluated all positions using the point factor system we developed and are recommending for permanent use. We re-evaluated them using other systems, including factor comparison methods, as double and triple checks on our efforts. We assembled all of the salary survey data we could uncover. We searched out and found salary data in a very large sampling of public jurisdictions and were given extensive help by over fifty private sector companies.

Our study was performed with complete independence. These findings are ours alone and have not been influenced by any County department head or other employee group.

The findings have been audited by Sam Leask, Jr., former Los Angeles City Administrative Officer and currently President of the State Personnel Board; and by George Shellenberger, former Executive Director of the Los Angeles Merchants and Manufacturers Association. These men were selected as being among the most knowledgeable men in the state in matters relating to salary surveys and job evaluation. Their reaction to this study was outstanding. Both men commented that they had never seen a more thorough job.

We have kept the Personnel Department posted throughout the study on how we were performing the job, The salary administration practices we recommend herein, and the job evaluation system we have developed, are acceptable to them as workable and as being compatible with other County practices.

The findings of the study are spelled out in detail in the report. Here are some significant highlights:

- Had your Board extended the "usual" salary increase to the 338 studied positions this year, rather than holding off until this study's findings were known, about 83 of the positions would be overpaid, about 54 of the positions would be properly paid, and about 210 of the positions would be underpaid. Having withheld these increases reduces those now overpaid to 18.
- Implementing the recommended salary schedule will cost about \$420,000 for the first year, if those positions now underpaid are moved to the first step of the new range, if those now overpaid and those who are properly paid are granted not increase, and if there is no change in the number of executives filling these jobs.
- We are recommending a merit salary system for department heads, with annual reviews by your Board.

We have enjoyed this assignment very much and come away from this job impressed with the quality of government and administration which this County enjoys.

Sincerely,

Theodore Barry



LOS ANGELES COUNTY EXECUTIVE COMPENSATION STUDY

December 4, 1967

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LOS ANGELES COUNTY

EXECUTIVE COMPENSATION STUDY - 1967

INTRODUCTION

The Los Angeles County Citizens Economy and Efficiency Committee on August 31, 1966 reported to the Board of Supervisors on its overall study of County Compensation policies and practices. The portion of the Committee report devoted to Executive Compensation referred to approximately 350 county positions which were at the department head, chief deputy and division chief level.

The Committee report envisaged that a meaningful study of executive compensation should "include the gathering of prevailing salary data from private industry and from other governmental agencies for positions with similar responsibility. It should also include an evaluation of the relative responsibility of various County executives and recommendations as to proper salary relationships."

The study, as vie conducted it, included the comparisons quoted above (and others discussed in later sections), with the objectives of (a) recommending salaries or salary ranges for all studied executive positions so they can be justified when compared with one another and with outside

salaries, and (b) establishing an executive salary structure which would create incentives for high individual performance.

Because the "prevailing wage" policy exists in Los Angeles County, it is important that the authority be quoted. The Charter of the County of Los Angeles (1967 Edition) states in Article X (Labor), Section 47, "In fixing compensation to be paid to persons under the civil service, the Board of Supervisors shall, in each instance, provide a salary or wage at least equal to the prevailing salary or wage for the same quality of service rendered to private persons, firms or corporations under similar employment in case such prevailing salary or wage can be ascertained."



## SALARY RECOMMENDATIONS

### PROPOSED SALARIES

We recommend the salaries shown in Table 1 as being consistent with our findings, the recommendations of the committee to the Board of Supervisors, and within the intent of Section 47, Article X of the County Charter (1967).

The present 5-step standardization salary schedule has been retained for all studied positions except department heads, where annual salaries with provision for merit increases are recommended.

Our cost calculations are based on the assumption that salaries of those recommended for an increase would be at the 5th step and department heads at the base salary for their position. Furthermore; we assumed that the incumbents of positions recommended for decrease in schedule would not suffer a reduction of their present salary.

### COSTS OF PROPOSALS

The 5th step (or flat salaries) and employee benefits of the studied executives on July 1, 1967, totaled \$7, 325, 923. This represents 1.47% of all budgeted 1967-1968 County salaries and employee benefits. The salaries of all of the studied executives were "frozen" as of July 1, 1967, pending this review. If these salaries had not been held at this time, raises would have been granted

at a probable average increase of one and one-half salary schedules, or 4% (based on the other salary increased granted). This would have represented an approximate annual cost of \$293,000. Our proposals, which are adjustments representing 18 instances of decrease in salary schedule, 30 instances of no change, and 283 instances of increase, represent a maximum cost of approximately \$547,000. This amount represents an average one-time only adjustment of 7.47% for the studied executives.

#### SUPERIOR - SUBORDINATE RELATIONSHIPS

Examination of Tables 1 and 2 will reveal that various department heads have been recommended for salary increases while some executives (primarily) at division, chief deputy, assistant chief deputy and division head levels have been recommended for no change from their current schedule. These recommendations are made with the realization of their being misinterpreted. We also realize that the problems of salary compression between some superiors and their subordinates may not be alleviated and, in some cases, may even be compounded. As to the first point, regarding certain department heads, we recognize in their positions the demand and responsibility to warrant the recommended increases. We could not identify in the chief deputy, assistant chief deputy, and certain division head positions the job demand and responsibility to warrant schedule increases to maintain so-called "traditional" schedule relationships. If the Board considers it important and necessary to

maintain these relationships, the positions should be reorganized to increase the job demand and responsibility. Such a reorganization probably would result in consolidation of functions and elimination of some positions.

Concerning the second point, we carefully examined the problem of salary compression affecting surveyed executives. Our questionnaire, Appendix A, asked for information concerning compression problems. However, for us to make salary recommendations primarily for the purpose of easing the compression problem would imply that we evaluated the hundreds of subordinate positions which were not included in the survey. While our recommendations were made with the knowledge of the compression problem we could not consider it in our evaluation of the surveyed positions.

The compression problem is real and serious. It is a problem that apparently has grown acute due to increases granted annually at the lower levels. The effects on morale, motivation, and recruitment may not be measurable, but this should not deter the County in its attempts to solve the problem. We do not see how such a grave condition can be resolved without an evaluation and reclassification of all County positions that contribute to or are affected by the compression problem.

## CONDUCT OF THE STUDY

### OUR APPROACH

The methods employed in studying salaries and wages are standard, widely accepted procedures. Our approach, basically, was no different from that we have used successfully in industry.

Because we were dealing with top executives of a governmental entity, however, we supplemented, rather than substituted, the procedures normally followed in an industry study. The following sections describe these procedures in detail.

In our work we gave no consideration as to whether a position, function, or department was mandatory or non-mandatory - or whether programs are highly or not at all subvented by State or Federal funds - or whether departments or programs operate under their own tax levy or the general fund - or whether an executive be elected or appointed. We considered, insofar as was humanly possible, the position rather than the man filling the position. In doing so we were impressed with readily identifiable differences in position demand and responsibility even though the positions may now be compensated at the same salary schedule.

We drew heavily, but not solely, from our contacts in business and industry to assist us in determining prevailing wages as well as in evaluating relative importance of selected positions.

We studied relevant ordinances, State laws, Board actions, pertinent County budget messages, and various information (studies, articles, books, etc.) relating to the subject of governmental executive compensation.

On June 13, 1963, the Chief Administrative Officer reported to the Board on the comparability of police, fire, and related classifications in the City of Los Angeles and the County of Los Angeles. We assumed the comparability established by that report was not to affect our procedures, evaluations, or findings.

## QUESTIONNAIRE AND ITS USE

At the outset of the study we met with the affected executives to explain the purpose and approach of the study. At the meeting a questionnaire (Appendix A) was handed to each man to complete the form and return it to us through his department head. The questionnaire was especially designed to provide us some of the information we would need in our individual position evaluation. The questionnaire was designed for general County-wide use and was therefore not intended that the answers be complete in themselves. Instead, the questions and answers provided the basis for in-depth interviews which were later conducted by members of our firm.

## INTERVIEWS

We recognized from the beginning that County operations are complex and, on the whole, considerably varied as between departments as well as within many departments.

In order to gain the necessary understanding of the scope, responsibilities, and demands of the affected positions, we interviewed 70% of the executives. Each department head was interviewed, including those who retired after the start of the study as well as those planning to retire in the near future. Additionally, the newly appointed department heads were interviewed

or reinterviewed in their new positions. To assure ourselves that all facets of a position were being investigated, we held numerous reinterviews or asked that specific additional information be furnished us.

Interviews with department heads ranged in length from two hours to five. All other interviews lasted an average of two hours.

Initial selection of those to be interviewed was on a random basis, except that regardless of the number of affected executives in a department, the department head was selected and, where possible, interviewed first in his department. Department heads were apprised of subordinates selected for interview and their advice solicited as to which additional positions in their department should be interviewed. Their suggestions were heeded in all cases where possible within time limits imposed.

Information sought in interviews was structured to provide us with an in-depth picture of the position as well as "outside" forces, rules, laws, and influences significantly affecting the person, whomever now or in the future he might be, filling the position. Additionally we were interested in learning something about the qualifications, titles, responsibility and authority of the persons, especially in business, industry, or the professions, with whom the affected executives had to deal on a regular basis.

This information helped us gauge the skills necessary to effectively conduct personal contacts on the part of the executive.

#### RANKING

Upon completion of scheduled interviews we began ranking, in effect evaluating the relative job demand and responsibility of the affected positions. We began with the premise that no county position is automatically higher or lower than another, except within a department, where the department head was ranked higher than all of his subordinates. Our initial assumption as we considered each department was that all men with the same title would not automatically be equally ranked. In other words, we would evaluate the relative job demand and responsibility of each of the affected County executives regardless of position title, organizational level, or superior-subordinate relationships.

#### POSITION EVALUATION

Ranking was accomplished employing well-established position evaluation procedures. In evaluating the relative worth of the affected county positions each was gauged against three Master Factors: Knowledge, Position Demand, and Real Responsibility. Each of these Master Factors was subdivided into a schedule of logically related sub-factors designed to bring into sharper focus



the various executive skills upon which the overall relative worth of the executive position could be determined.

To accomplish our objective, points were assigned to each Master Factor, the maximum achievable being as follows:

Knowledge:	up to 100 points (20%)
Position Demand:	up to 200 points (40%)
Real Responsibility:	up to <u>200</u> points (40%)
Maximum possible:	500 points (100%)

Appendix B (Position Evaluation Guide) is a complete description, including definitions and points assigned sub-factors, of the procedure followed in arriving at our recommended rankings.

#### Federal Civil Service Assistance

To provide additional input to our ranking procedure, we asked various classification offices of Federal Civil Service Commission to determine the GS level for selected benchmark positions. We were primarily interested in the relative levels, as expressed in CS classifications. Because we realize that in classification work, especially on positions at the higher levels, much depends on the classifier's evaluation of information provided him, we first asked the local office of Federal Civil Service Commission for their assistance. Then,

for a broader analysis, we repeated the procedure with civil service classifiers in Washington, D. C.; Philadelphia, Pa.; Frankfurt, Germany; Albany, Georgia; El Toro (Santa Aria), and Long Beach, California. Naturally the same positions and data were used in all locations.

#### Cross Check Of Similar Type Positions

During the course of our interviews we became acutely aware of inequities of responsibility and job demand existing in several positions, all with the same or similar titles. This situation is especially acute in Executive Assistant and similar positions existing under other titles. Therefore, prior to setting a final ranking of all positions we reevaluated each position with respect to other positions of a similar demand, responsibility, or title and made adjustments as appropriate.

The positions cross-checked were:

- Department Head
- Chief Deputy
- Medical Positions
- Engineering Positions
- Legal Positions
- Executive Assistant
- Administrative Deputy
- Head, Administrative Services
- Selected Division Chiefs

## EVALUATION COMMITTEE

Although members of our firm conducted the interviews and determined relative rankings of affected positions, we felt the importance of this study warranted an independent review of our work. An evaluation committee of three knowledgeable, well-respected and mature men, selected because of their reputation, competence, and broad understanding of industry and governmental operations, served without pay in this public service.

The men were Mr. Samuel Leask, Jr., President, State Personnel Board, with extensive knowledge and experience in the public sector, and Mr. George Shellenberger, former Executive Director of Merchants and Manufacturers Association of Los Angeles, with broad knowledge and experience in the private sector. Mr. Robert Mitchell, Chairman of the County Economy and Efficiency Committee, sat in on part of the meeting solely as an observer of the operations of the Evaluation Committee.

## SALARY SURVEY

This portion of the study was designed to yield the optimum data on selected benchmark positions shown below. Additional positions were initially included, but sufficient usable salary data was not available to include them as true benchmark positions. Those yielding enough valid data for our purposes were:

General Storekeeper (Purchasing and Stores)  
Chief, Purchasing Division (Purchasing and Stores)  
Chief, Shop and Garage Division (Mechanical)  
Head, Administrative Services, (Flood Control)  
Fiscal Officer II  
Division Engineer (Design), (County Engineer)  
Deputy Director of Personnel (Class. & Comp.)  
Director, Real Estate Management  
Director of Personnel  
County Counsel

In addition to gathering current salary data for benchmark positions, we obtained information on numerous additional positions. These latter positions were those of affected executives who, at our request, indicated positions in the public or private sector as being comparable. (It must be emphasized that we did not take at face value the data available for positions which the affected executives considered comparable. We carefully compared and evaluated the county position with the one(s) suggested by the executive. In many cases we could not accept the suggestion that the positions were sufficiently comparable to be valid and useful to the study but we did investigate each and every position suggested by an executive).

### Salary Sources

Current governmental salary data was obtained from the ten largest counties in California, the State of California, the City of Los Angeles, Cook County (Illinois), New York City and State, and the federal government. Data also were provided by California State Universities, the University of Southern California,

several local small private colleges, Harvard University, Duke University, and various accredited Institutes.

Previous surveys which we investigated and, as appropriate used were those made by the following:

- Merchants and Manufacturers Association
- American Management Association
- California State Personnel Board
- Municipal Year Book
- International Association of Fire Chiefs
- National Recreation and Park Association
- Fort Wayne and Allen County Public Library
- Enoch Pratt Free Library
- Stockton (Calif.) Public Library
- American College of Hospital Administrators
- Washoe Medical Center
- Engineering Manpower Commission
- Alameda County Taxpayers Association

#### Position Descriptions

Special position descriptions were prepared for each of the benchmark positions. The descriptions were expanded to provide sufficient information for a person knowledgeable in salary administration to intelligently price the position. (See Appendix C for sample). In addition to this format, we prepared for six County positions "constructive" position descriptions. Positions selected for constructive treatment were those that, because of their being somewhat unique in government may not be found in industry. For example, there is a high degree of commonalty in the functions and responsibilities of a personnel

officer in government and industry. However, there is little commonalty in government and industry in such positions as the County Engineer, or the Treasurer-Tax Collector, or the Chief Administrative Officer. Therefore, for surveying these latter named positions we devised a different type position description, a sample of which is at Appendix D. It is our conviction that nearly all governmental executive positions can be described in business terms with sufficient accuracy to permit realistic pricing of those positions.

#### How The Survey Was Conducted

The most important and extensive part of the salary survey was conducted in person by members of our firm in Los Angeles, Chicago, Oakland, San Francisco and New York. (Less than 5% of the survey was conducted by mail, although the mail portion resulted in a 90% return of acceptable information).

Private enterprise surveyed consisted of two groups: (a) those companies having positions comparable to that of an affected executive and where suggested by the county executive, and (b) those companies selected by our firm.

Companies selected by our firm were those we have served in consulting assignments or where top management of the company is personally known to us. Companies were selected on the basis of size (as it or its subdivisions relate to the county as a whole or to specific departments); function and product(s) (as they relate to functions within appropriate departments of the county); our

degree of familiarity with top management; and location.

The success of our approach in determining prevailing executive salaries, especially where constructive descriptions were used, rested on our being able to elicit the support of imaginative and cooperative company officials. We asked these men, in effect,

"Assuming your company had a requirement for an executive with the experience, qualifications, responsibility and authority as delineated in this constructive position description, how would he be compensated?"

A partial list of the companies that participated in the survey can be found at Appendix E. Other companies freely participated in this public service but asked not to be acknowledged because of company policy regarding executive compensation. Also included in Appendix E is a table of industry coverage.

#### FITTING SALARY DATA TO RANKED POSITIONS

Our ranking procedure resulted in the relative positioning of each of the affected executive jobs. With a maximum of 500 factor points possible, positions scored between 70 and 375 points. It is important that the reader understand that these points are for determining relative positions only and do not, under any circumstance, mean that a position with, say, 300 points

is twice as valuable as or should be paid twice as much as one receiving 150 points.

As stated earlier, we believe it best to continue with the present standardization salary schedule. Therefore, we took the affected executive position currently on the lowest schedule and extended the salary "curve" upward to reflect the maximum number of ranking points received by an executive. Schedules were separated vertically and at any one step by the standard 2.75%. On the horizontal axis, schedules were grouped by fours into 12 grades each grade representing a ranking point range of 25 points. The four schedules within each grade were then separated from the lower to a higher schedule number, by 6, 6, 6 and 7 points. This was done as a convenience in assigning positions to schedules, but it represented, as is usual in business studies of this type, an approximate differential between schedules of about 6.25%.

Our next step was to select a "key" benchmark position which had an adequate amount of valid salary data. The "prevailing wage" for this specific position was then determined by averaging all salary survey data. (In this case the position was Chief, Purchasing Division, and the average was determined from salary figures from 61 positions in both government and business).



The "key" benchmark position was then pegged to the schedule with a 5th step dollar amount closest to the determined prevailing salary.

The same procedure was used for other benchmark positions for which we had an acceptable amount of valid survey data. - Those positions were Director, Real Estate Management, County Counsel, and Deputy Director of Personnel. In each case the survey data and new schedule position assigned (based on ranking points) closely coincided, thus fully supporting, for these positions at least, the validity of our ranking factors, weights and procedures and of salary survey procedures and data.

We then determined, department by department, the proper salary for each affected executive position. based on the ranking earlier determined. Each executive position was then checked against any salary data available for that position and adjustments made when dictated. Because of the prevailing ~ policy and the effectiveness of our salary survey procedures, we generally gave greater credence to survey information than to our ranking when an adjustment was indicated.

## EXECUTIVES VS. JOURNEYMEN IN TWENTY YEAR PERIOD

It is important to remember the relative size of the group of executives covered in the study. Out of approximately 54,000 employees, the 338 executives represent 0.625% of all those in county public service, while department heads account for only 0.088%! This small group, however, includes those responsible for important policy making and for planning, organizing, directing and controlling the activities of the departments of the County government.

The typical studied executive is a career employee who has come up through the ranks. The average department head has been in the County service for more than 28 years while the remainder of the group have had nearly 20 years service. This group is, on the whole, well educated with four out of five being college graduates. Many have one to three degrees even where such are not required by current civil service class specifications.

In the course of our interviews we heard a great deal about the problems caused by compression of salaries, i.e. the lower level sub-executive with smaller responsibilities and job demands being treated better (from the compensation standpoint) than the executive group. These comments

led us to investigate salary trends for the past 20 years. This period of time was selected because of availability of data but primarily because a large majority of surveyed executives have at least 20 year's County service.

In order to evaluate County salary trends, eighteen departments which have been in existence since 1947 were selected for study. These departments are listed below and<sup>3</sup> for purposes of this study, we believe may be regarded as a representative sample of all County departments.

We studied three groups of individuals: department heads, subordinate managers (those included in the executive compensation study) and journeymen. The departments studied were:

- Agricultural Commissioner
- Assessor
- Auditor-Controller
- Chief Medical Officer-Coroner
- County Clerk
- County Counsel
- District Attorney
- Los Angeles County Flood Control District
- Parks and Recreation
- Pound
- Probation
- Public Defender
- Public Librarian
- Purchasing and Stores
- Recorder
- Registrar of Voters
- Sheriff
- Weights and Measures

For these selected groups we used the 1947-1948, 1957-1958, and 1967-1968 Salary Ordinances and extracted salary data for each of the department heads and their subordinate managers. From the same Ordinances we also gathered salaries for 41 representative journeyman positions. These data, and data obtained from the Budget Messages for the same years, enabled us to consider a hypothetical "average" County department. Figure 1 summarizes some of the statistics computed for this "department".

	1947	1957	1967
Department Head (No.)	1	1	1
Subordinate Managers (No.)	3.8	4.8	5.9
Budgeted Positions	351.0	619.0	990.0
Department Budget	\$1,586,995	\$6,039,129	\$12,741,347
Department Head Salary	\$10,532	\$19,535	\$26,374
Subordinate Manager Salary	6,914	12,288	18,650
Journeyman Wage	3,619	5,999	9,370

Figure 1. Statistics of "Average" county department for years 1947, 1957, 1967.

For each of the three stated years we computed state and federal income taxes in order to detect a relative change in rates between organizational levels since 1947. For simplicity, a man and his wife with no children were used for personal exemptions and the standard deduction was taken. As expected<sup>3</sup> the journeyman "loses" or pays a smaller percentage of his salary in taxes than does the subordinate manager or department head and, consequently, retains a higher percentage as disposable or after-taxes income. These relationships are shown graphically in Figure 2.

We found, as depicted in Figure 3, that the compounded annual increases in salaries for the three types of positions are comparable, as well as the compounded annual increase in taxes as a percent of gross income. Based on Consumer Price Index data provided by the Bureau of Labor Statistics, we calculated the compounded annual growth in the cost of living as 2.0% since 1947. The net annual change in salary position after taxes and cost of living adjustment is a 1.7% increase for the department head and journeyman and 1.9% for the subordinate manager. These figures show that the percentage annual increases in salary, taxes and cost of living are essentially the same regardless of organizational level.

Figure 4 graphically depicts the relationship between salaries using the journeyman as the base in each year. The subordinate manager has remained at a salary level approximately 190 - 210% that of the journeyman, while the department head has varied over a broader range of approximately 280% - 315% of a journeyman's salary and has sharply declined in relation since 1957.

The factor that Figure 4 does not show (but which we feel is extremely important) is the growth in department head and subordinate manager responsibility over the 1947-1967 period. Figure 5 depicts this very dramatically in terms of personnel growth and department budget. From 1947 to 1967 the budgeted personnel in the departments studied increased an average 183% and the department budget 700% while the department heads and subordinate manager's salaries increased 150% and 170%, respectively. Over the same period the journeyman 5 salary increased 158% but his responsibilities, on an individual basis, have increased very little, if any. In other words, the department head and his subordinate manager are responsible for a budget eight times greater and manage a staff 2.8 times greater than in 1947, yet their salaries have remained at essentially a constant multiple of the journeyman's whose responsibility has not significantly increased.

The 700% increase in department budget arises from an average budget of \$1,536,995 in 1947 to an average budget of \$12,741,347 in 1967. These figures are in the same ratio as the total County budget of \$148,087,734 in 1947 and \$1,223,251,469 in 1967 which gives validity to the selection of the sampled departments as representative.



COMMENTS AND OPPORTUNITIES

REGARDING SPECIAL PROBLEMS

POSITION TITLES

We feel that an executive's title is a very important matter to the individual and should reflect, when feasible, the main duties or responsibilities of the individual. In our interviews this point was most frequently expressed by those executives below the Chief Deputy level. In addition, there are numerous positions in the broad "executive assistant" category with seven different titles.

There appears to be little uniformity or relationship of titles between department heads and their immediate subordinate - regardless of the responsibilities or position demands of the subordinate.

There are the position titles of Assistant Chief, Chief Assistant, Deputy Director, Assistant Director, Chief Deputy, and Assistant, Executive Director, all describing the position of the number 2 man of a department. The same situation exists in varying degrees in other positions. We feel it would be a worthwhile project for the County to review all executive position titles to improve inter-departmental job content comprehension.

## CLASSIFICATION INEQUITIES

Although our study legally was limited to the 338 executive positions selected by the County, we could not, and would not as a matter of professional standards, examine and evaluate these positions in a vacuum. We made it a point to learn where the executive stood, from the salary and organizational standpoint, with respect to his subordinates. Additionally, we were interested in learning of any compensation problems in the department, bureau, division or section reporting to the executive. We realize that the County is aware that such problems exist and probably well aware of the magnitude. However, we are compelled to emphasize the matter. Except in the smallest of the surveyed departments, not a single executive queried failed to cite problems of real concern to them. These invariably were related to inequitable classification and compression of salaries at nearly all levels and having effect on morale, recruitment, promotion, and transfer associated with promotion.

## SETTING THE C.A.O.'S SALARY

The CA0's salary should be periodically and automatically adjusted in such a way that his compensation will not become a "lid" on other County executive compensation. Such lids on top executive salaries have, for the main part, been primarily responsible for problems of compression. While this is not unique in government some relief might be obtained through a formula

arrangement for the County's top paid official.

We have considered various formulae, ranging from those tied solely to compensation of similar business executive positions to combinations of salaries of business leaders, governmental executives, and professional men and educators. We have also considered formulae which include consideration of population changes, tax rate changes, county employment figures, etc. The one we propose would be simple to administer and is relevant because it is a function of salaries of executives whose duties are governmental and at the same time reflects the concept of prevailing wage. We recommend that the C.A.O.'s base salary for any succeeding fiscal year be determined, after other salaries are set for that next year, in this manner:

C.A.O.'s Salary =  $1.02427 \times$  Average of latest approved top step salaries of the ten (10) highest paid department heads

The factor 1.02427 was arrived at by our evaluation and survey process and., we find, properly reflects the prevailing wage" for the position in November 1967. The C. A. O. should be eligible for "above average" and "outstanding" pay, as later described, just as is any other department head.

## KEEPING SALARY PLAN CURRENT

Next to setting adequate salaries, the most important part of a Salary Plan are the procedures adopted for keeping the plan current.

Los Angeles County government is a viable, changing organization, as it indeed must be to keep pace with the needs and desires of a rapidly increasing population.

In government as in business, the executive to a large extent "makes the position". Any significant change in executives, or organization, or objectives or role of a department, or a decision by the Board of Supervisors, or a change in educational requirements usually causes change in emphasis, priorities and relative importance of executive positions. (The proposal to have one man as head of the Registrar of Voters department and the Recorder department is such an example; changing County voting procedures is another). Additionally, forces outside the County government may demand changes in responsibility or emphasis of County positions (Air pollution control problems and public welfare programs, are examples). Continuing inflationary changes in our economy seem to be of such magnitude that wages that prevail today may not be valid in a year.

To keep this plan current, we recommend, first, that position descriptions (Appendix F) be kept up-to-date. We recommend that each executive be



charged with the responsibility of notifying the Personnel Department, through his department head, when significant changes in his position have taken place or have been officially directed. Upon receipt of notification of changes the Personnel Department should re-evaluate the position based on procedures described in Appendix B, Position Evaluation Guide.

Secondly, unless sufficient, current, and valid salary data are available with respect to the positions being re-evaluated, it will be necessary to conduct a special, but limited, salary survey. For governmental executives we feel strongly that a combination of current data from other appropriate governmental agencies, from industry, and from appropriate professional salary surveys should be considered in determining the proper salary level.

Thirdly, because the County is growing rapidly and projections indicate continued rapid growth, there is bound to be constant change, even if very small and hardly discernible, in the operations of the County departments. Changes like these only gradually begin to show their effect on position demand or responsibility. To assure that the new plan, once installed, remains current and responsive to the desires of the populace that prevailing wages be paid, every three or four years all executive positions should be completely re-evaluated and surveyed. (Perhaps 25% every year). If half of the positions are studied in one year and the remainder the following year, it probably would not place an unacceptable burden on the staff of the

Personnel Department.

Furthermore, the value of the Consumer Price Index is high as a tool in keeping the plan current. It can be helpful as a factual basis upon which to make sound judgments, but neither it nor salary surveys should be used as sole sources of data for compensation adjustments.

### INCENTIVES

In a large number of our interviews we discussed the question of incentive, primarily the fundamental differences between those things in business and those in government that create or tend to create incentive, and what properly could be done in government to bring the varying opportunities closer together. Every interviewee agreed that while managers in business and in government do very similar things in performing their jobs, the managers in business must be guided in every decision and action by the need to emphasize economic performance, the need to innovate (whereas in government it is not the primary purpose to innovate change) and the need for profits to offset the costs of risk.

There are several things that could be done within the County that would possibly provide greater incentive to executives:

### Establish a Merit Salary Increase System

The consensus of those executives interviewed about incentives was that it is virtually impossible for a man who is truly outstanding in his performance to be rewarded with greater pay than anyone else. They stated that very obviously not all men were alike in drive, efficiency and general performance, yet the man who just passably performed his duties has, in the past, received periodic schedule increases at the same rate as anyone who performed in an outstanding manner. A spot check by us of 50 positions in two classes confirmed that all the men received identical periodic schedule increases. In governmental organizations, where long and relatively secure tenure exists, we believe that a definite program .to more adequately reward the outstanding executive is needed - and is feasible. Such programs exist in industry and we know of no reason why with proper modification they cannot be made to work in government. We strongly recommend the County study this important opportunity to recognize sustained differential performances of incumbents.

### Extended Step Raises for Department Heads

We recommend placing all department heads on a flat salary, as is now the case with the Chief Medical Officer-Coroner, the County Counsel, and elected officials, but with provision for merit increases. We believe such a change would help solve problems of compression within a department.



We feel there should be the machinery within the County to permit above-the-average and outstanding department heads to be rewarded for sustained above-the-average and outstanding performance. Therefore, we propose two additional salary steps for surveyed department heads. To prevent these additional steps from becoming somewhat automatic or routine (as appears to be the case now, with department heads being advanced to the 5th step after six months in office), we recommend that County regulations implementing this proposal provide for sustained above-the-average or outstanding performance for minimum of one (1) year and the new increase become effective only by a unanimous vote of the Board of Supervisors following annual review and with approval of the Personnel Director, the CAO and the Supervisor who is Chairman of the Department concerned. Since it is natural for human beings to operate at varying levels of interest and efficiency over a period of time, County rules regarding this proposal should provide for annual performance review and for withdrawing the extra compensation when (or if) performance no longer meets the definition adopted for above-the-average or outstanding performance.

Table 2 shows the three steps proposed for department heads. We strongly feel that in County department head positions requiring the high caliber of person now generally found and the high quality of man still to be needed as County government operations grow, the spread at the department

head level is necessary to create and maintain incentive values - especially' in the face of higher income taxes.

#### FRINGE BENEFITS

We have carefully examined the value of fringe benefits of affected County executives and corresponding executives in industry. Our conclusion is that, on the whole, County executives compare favorably with corresponding executives in industry, excluding considerations for stock options and profit sharing. (Incidentally, from an absolute standpoint, the counterparts of most of the surveyed County executives do not qualify for stock options and a smaller number participate in company profit sharing plans). Our salary recommendations have taken this into consideration.

In computing the value of fringe benefits, we used the following: Hospitalization and Major Medical Plans, County Retirement Plan, annual Vacation, holidays (11), sick leave provisions and Workmen's Compensation premiums. Non- safety personnel only were considered.

The "composite" department head mentioned earlier earns \$26,374 per year salary and contributes 7.5% of his salary to his fringe benefits program, while the other surveyed executives (the composite subordinate who earns \$18,650 per year) contribute 8.4% of their salary. This compares to about 4.5% for all executives in industry.

The composite department head receives County fringe benefits valued at 27.2% of his base salary) and other executives, 30.4%. The median and average in surveyed industry was 26%. Taking into consideration the amount of employee contribution, the total approximate value of fringes as a percentage of base salary would be:

Industry	30.5%
Department heads	34.7%
Subordinate executives	38.8%

DIVISION ENGINEER, ASSISTANT CHIEF DEPUTY,  
AND OTHER POSITIONS OF LIKE TITLE

One of the problems of major concern to us was that in our evaluation of positions in engineering departments we did not find that all Division engineers or all Assistant Chief Deputies were of equal rank. We therefore completely rechecked our own procedures, factors and factor weights, and studied in greater depth each of the positions. In addition, we discussed this problem with numerous top executives in industry. The results verified our original conclusions. We are convinced that there is a clear cut difference in the job requirements, the level of skill, and the responsibility among these jobs of like title. We think it is significant that some of the County executives interviewed (including department heads) stated to us that they, too, recognize these differences.

Despite the differences in individual jobs, the practice of rotating individuals

among these jobs requires that rates be "averaged out" and a single salary. range applied for all positions of like title. We are recommending such a single rate in recognition of the operational practice. We conclude that the most feasible alternative at this time is to compensate the above positions at a common rate even though it will result in the under-compensation of some jobs and the overcompensation of others.

#### HOSPITAL ADMINISTRATOR - MEDICAL DIRECTOR RELATIONSHIP

We were asked to examine the salary relationship between Hospital Administrators and Medical Directors of hospitals and to make appropriate recommendations.

The division of the County hospitals into three levels is clear albeit the basic missions are different within institutions of the same level.

In the course of examining the prevailing practices in both private and publicly owned hospitals, we found no consistent pattern with respect to relative basic compensation of lay administrators and full-time medical directors. The inclusion of the value of fringe benefits in the comparison complicated the picture even more.

The College of Hospital Administrators pointed out to us that an increasing number of hospitals are requiring lay administrators with advanced degrees.

A current survey of hospitals indicates that the larger the hospital the greater the educational qualifications of the administrator. This parallels the present trend in other businesses and supports our observation and conclusion that the degree of complexity of administering hospitals escalates rapidly from the small to the very large hospital. Our interviews and observations indicate that the duties of medical directors increase also from the small to very large hospital, but not at the same rate or degree of complexity as for administrators. Our salary recommendations are based on consideration of the above and of the prevailing economic value of both medical directors and lay administrators.

Table 1

Present and Proposed Salaries or Schedules

<u>Department</u>	<u>Position</u>	<u>Present Salary Schedule</u>	or	<u>Proposed Salary or Schedule</u>
<u>Chief Administrative Officer</u>				
	Chief Administrative Officer	\$35,000		*
	Assistant Chief Administrative Off	78		84
	Division Chief, Budget	70		73
	Division Chief, Mgt Services	70		73
	Division Chief, Capital Projects	70		73
	Division Chief, Special Services	70		73
	Legislative Representative	72		75
<u>Adoptions</u>				
	Director	70		*
	Deputy Director	60		63
	Administrative Deputy	56		57
<u>Agricultural Commissioner</u>				
	Agricultural Commissioner	68		*
	Chief Deputy	58		62
<u>Air Pollution Control District</u>				
	Air Pollution Control Officer	82		*
	Chief Deputy	72		73
	Deputy	60		57
	Dir, of Enforcement	65		66
	Dir. of Engineering	66		66
	Dir, of Technical Services	66		66
	Chief Air Pollution Analyst	66		66

\*See Table Z for department head salary recommendations

Table 1

Present and Proposed Salaries or Schedules (Continued)

Arboreta and Botanic Gardens

Director	72	*
Assistant Director	59	60
Executive Assistant	48	56

Art Institute, Otis

Director	70	*
Dean	58	60

Assessor

Assessor	\$35,000	*
Chief Deputy	25,704	\$27,924
Assessor's Chief Field Deputy	1,499	1,343
Assistant Assessor, Appraisals	70	70
Asst. Assess, Assess Standards	70	70
Dir., Administrative Services	56	60
Chief, Technical Services	63	63

Auditor -Controller

Auditor-Controller	80	*
Chief Deputy	70	71
Executive Assistant	58	61
Chief, Accounting Division	60	62
Chief, Aids Division	56	59
Chief, Audit Division	60	62
Chief, General Claims Division	56	59
Chief, School Claims Division	56	60
Chief, Special Claims Division	56	59
Chief, Tax Division	55	60

Board of Supervisors

5 Supervisor's Chief Deputy	\$ 1,499	\$ 1,673
Clerk of the Board of Supervisors	74	*
Chief Deputy Clerk of the Board	62	62
Executive Asst, Clerk of Board	56	56

Table 1

Present and Proposed Salaries or Schedules (Continued)

Building Services

Superintendent	61	*
Assistant Superintendent	49	52

Communications

Director of Communications	70	*
Executive Assistant	57	60
Chief Electronics Engineer	60	62
Chief Telephone Engineer	56	59

Community Services

Director	66	*
Assistant Director	54	56

Chief Medical Examiner - Coroner

Chief Med Examiner - Coroner	\$27,720	*
Executive Assistant	56	59
Chief Dep Med Exam - Coroner	72	76

County Clerk

County Clerk	74	*
Chief Deputy	64	64
Assistant Chief Deputy	59	59
5 Division Chief, County Clerk	56	57

County Counsel

County Counsel	\$32,880	*
Chief Assistant County Counsel	78	86
Sen. Assistant County Counsel	76	82
7 Assistant County Counsel	72	75



Table 1

Present and Proposed Salaries or Schedules (Continued)

County Engineer

County Engineer	82	*
Chief Deputy	74	74
3 Assistant Chief Deputy	70	71
Division Engineer, Construction	66	68
Advance Planning	66	68
Survey	66	68
Sanitation	66	68
Mapping	66	68
Water Works	66	68
Design	66	68
Ind. Waste	66	68
Chief, Aviation Division	59	68
Chief Architect	66	68
Superintendent of Building	68	70
Accounting Officer III	56	57

District Attorney

District Attorney	\$35,000	*
Ch. Deputy District Attorney	25,704	32,820
Assistant District Attorney	24,324	28,692
DA's Chief Field Deputy	1,499	1,343
Head, Admin. Services	53	58
Chief, Bureau of Investigation	1,719	1,816
Ch, Complaint and Cty Prelim	71	75
Chief, Child Support	67	71
Chief, Major Frauds	70	75
Chief, Trials	73	78
Chief, Branch and Area Offices	73	78
Chief, Appellate	70	75



Table 1

Present and Proposed Salaries or Schedules (Continued)

Hospitals

Administration		
Director of Hospitals	\$32,880	*
Chief Deputy Director of Hospitals	77	83
Medical Director, Hospitals	80	85
Personnel Officer, Hospitals	60	60
Special Assistant, Hospitals	56	58

Medical Social Service

Director1 Medical Social Work	58	60
Assistant Director	54	57

Crippled Childrens' Services

Director	59	61
Assistant Director	44	50
Medical Director	69	74

Resources and Collections

Director	58	60
Assistant Director	52	55

General Hospital

Hospital Administrator III	75	80
Assistant Hospital Administrator III	69	74
Medical Director III	74	78
2Assistant Hospital Administrator II	60	64
2Assistant Hospital Administrator I	56	60
Director, Nursing Svcs arid Education	69	72
Fiscal Officer II	60	60

Long Beach El Cerrito Hospital

Hospital Administrator I	67	70
Assistant Hospital Administrator I	56	59
Medical Director I	68	73

Table 1

Present and Proposed Salaries or Schedules (Continued)

Hospitals (Continued)

Harbor General Hospital

Hospital Administrator II	70	74
Assistant Hospital Administrator II	60	64
Assistant Hospital Administrator I	56	57
Medical Director II	70	75

John Wesley County Hospital

Hospital Administrator I	67	70
Assistant Hospital Administrator I	56	59
Medical Director I	68	73

Long Beach General Hospital

Hospital Administrator I	67	70
Assistant Hospital Administrator I	56	59
Medical Director I	68	73

Mira Loma Hospital

Hospital Administrator I	67	70
Assistant Hospital Administrator I	56	59
Medical Director I	68	73

Rancho Los Amigos Hospital

Hospital Administrator II	70	74
Assistant Hospital Administrator II	60	64
Medical Director II	70	75

Olive View Hospital

Hospital Administrator II	70	74
Assistant Hospital Administrator II	60	64
Medical Director II	70	75

Rehabilitation Centers

Director	54	64
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Table 1

Present and Proposed Salaries or Schedules (Continued)

Hospitals (Continued)

Harbor General Hospital

Hospital Administrator II	70	74
Assistant Hospital Administrator II	60	64
Assistant Hospital Administrator I	56	57
Medical Director II	70	75

John Wesley County Hospital

Hospital Administrator I:	67	70
Assistant Hospital Administrator I	56	59
Medical Director I	68	73

Long Beach General Hospital

Hospital Administrator I	67	70
Assistant Hospital Administrator I	56	59
Medical Director I	68	73

Mira Loma Hospital

Hospital Administrator I	67	70
Assistant Hospital Administrator I	56	59
Medical Director I	68	73

Rancho Los Amigos Hospital

Hospital Administrator II	70	74
Assistant Hospital Administrator II	60	64
Medical Director II	70	75

Olive View Hospital

Hospital Administrator II	70	74
Assistant Hospital Administrator II	60	64
Medical Director II	70	75

Rehabilitation Centers

Director	54	64
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Table 1

Present and Proposed Salaries or Schedules (Continued)

Human Relations Commission

Executive Director	66	*
Assistant Executive Director	52	53

Mechanical

Director	74	*
Superintendent, Mechanical Services	64	65
Administrative Deputy	64	65
Chief, Construction and Maintenance	\$1,350	\$1,501
Chief, Mechanical General Services	56	57
Chief, Power Plant	53	56
Chief, Office Machine Repair	48	54
Chief, Shops and Garages	58	60

Mental Health

Director, Mental Health Services	75	*
Deputy Director	72	78
Head, Administrative Services	56	58
Chief, Mental Health Cntr Prev. Svcs	58	60
Chief, Mental Health Regional Services	71	77

Military and Veterans Affairs

Director	56	*
Assistant Director	46	49

Museum of Art

Director	72	*
Assistant Director	60	60
Chief, Art Museum Operations	55	52

Museum of Natural History

Director	72	*
Assistant Director	64	64

Table 1

Present and Proposed Salaries or Schedules (Continued)

Parks and Recreation

Director	78	*
Chief Deputy	65	67
Executive Assistant	60	60
Parks Superintendent	60	62
Golf Director	51	53
Park Construction Superintendent	55	56
Roadside Tree Superintendent	50	51
Chief, Grounds Maintenance	52	52
Chief, Park Planning	55	60
Chief Lifeguard	57	54
Recreation Superintendent	60	61

Personnel

Director of Personnel	82	*
Deputy Director, Class. & Comp.	70	73
Employment & Trng	70	73.
Employee Relations	70	73
Division Chief, Classification	66	67
Selection	66	67
Employee Development	66	67
Technical Services	66	67
Recruitment	66	67

Pound

Poundmaster	60	*
Chief Deputy	49	52

Probation

Probation Officer	82	*
Chief Deputy	70	74
Division Chief, Administration	67	69
Field Services	67	69
Juvenile Services	67	69
Medical Director	71	75
Director, Employee Services	60	60







Table 1

Present and Proposed Salaries or Schedules (Continued)

Purchasing and Stores

Purchasing Agent	78	*
Chief Deputy	68	69
Chief1 Purchasing Division	56	61
Chief, General Purchasing Services	52	58
General Storekeeper	51	55

Real Estate Management

Director	78	*
Assistant Director	64	67
Executive Assistant	53	58
2 Division Chief	61	63

Recorder

Recorder	70	*
Chief Deputy	58	55

Regional Planning Commission

Director of Planning	78	*
Chief Deputy Director of Planning	69	71
Principal Regional Planner,		
Regional Planning	62	63
County Planning	62	63
Subdiv & Highways	62	63
Plan Administration	62	63

Registrar of Voters

Registrar	70	*
Assistant Registrar	62	56

Table 1

Present and Proposed Salaries or Schedules (Continued)

Road

Road Commissioner	82	*
Chief Deputy	74	74
Asst Chief Deputy	70	71
Division Engineer		
Highway	66	68
Construction	66	68
Traffic & Lighting	66	68
Field Engineering	66	68
Structures & Stds.	66	68
Program Development	66	68
Maintenance	66	68
Engineering Services	66	68
Chief, Road Services	63	63
Executive Assistant	58	56
Fiscal Officer II	60	62

Senior Citizen Affairs

Director	54	*
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Sheriff

Sheriff	\$35,000	*
Undersheriff	24,252	\$26,424
Assistant Sheriff	25,704	30,276
Sheriff's Field Deputy	1,499	1,499
Division Chief, Patrol	73	74
Detectives	73	74
Jail	73	74
Administration	73	74
Corrections	73	74
Technical Services	73	74
Civil	73	74
Medical Director	69	75
Fiscal Officer II	60	59

Table 1

Present and Proposed Salaries or Schedules (Continued)

Superintendent of Schools

Asst. Supt., Finance & Bus.	66	68
Admin. Admin.	66	68
Services Special Services	66	68

Treasurer - Tax Collector

Treasurer - Tax Collector	80	*
Chief Deputy	70	74
Executive Assistant	56	63
Retirement Systems Manager	57	63
Chief, License	49	57
Chief, Redemption and Street Bonds	55	59
Chief, Real Estate Tax	55	59
Chief, Personal Property Tax	49	57
Chief, Tax Cashiering	49	57
Chief, Tax Accounting	55	59

Veterinarian

County Veterinarian	64	*
Chief Deputy	54	60

Weights and Measures

Director	64	*
Assistant Director	54	56

Table 2

Proposed, Salary Ranges for County Department Heads

<u>Department</u>	<u>Base Salary for Position</u>	<u>For Sustained Above Average Performance</u>	<u>For Sustained Outstanding Performance</u>
C.A.O.	\$41,760	\$44,052	\$46,476
Adoptions	20,076	21,204	22,404
Agricultural Commissioner	19,524	20,628	21,792
Air Pollution Control District	25,704	27,156	23,692
Arboreta and Botanic Gardens	20,076	21,204	22,404
Art Institute	20,076	21,204	22,404
Assessor	39,576	41,760	44,052
Auditor Controller	27,156	28,692	30,276
Clerk of Board of Supervisors	21,204	22,404	23,676
Building Services	16,116	17,028	17,988
Communications	20,628	21,792	23,028
Community Services	17,028	17,988	18,996
CME-Coroner	29,484	31,104	32,820
County Clerk	20,628	21,792	23,028
County Counsel	40,644	42,876	45,240
County Engineer	31,104	32,820	34,620
District Attorney	39,576	41,760	44,052
Flood Control District	31,104	32,820	34,620
Forester and Fire Warden	32,820	34,620	36,516
Health	37,500	39,576	41,760
Hospitals	37,500	39,576	41,760
Human Relations Commission	18,996	20,076	21,204
Mechanical	21,792	23,028	24,324
Mental Health	32,820	34,620	36,516
Military and Vet. Affairs	14,040	14,832	15,672
Museum of Art	22,404	23,676	25,008
Museum of Natural History	22,404	23,676	25,008
Parks and Recreation	25,008	26,424	27,924
Personnel	31,104	32,820	34,620
Pound	15,672	16,560	17,496
Probation	31,104	32,820	34,620
Public Administrator	23,676	25,008	26,424
Public Defender	29,484	31,104	32,820

Table 2

Proposed Salary Ranges for County Department Heads (Continued)

Public Library	\$22,404	\$23,676	\$25,008
Public Soc. Services	36,516	38,520	40,644
Purchasing and Stores	24,324	25,704	27,156
Real Estate Management	24,324	25,704	27,156
Recorder	20,076	21,204	22,404
Regional Planning Commission	27,156	28,692	30,276
Registrar of Voters	17,988	18,996	20,076
Road	31,104	32,820	34,620
Senior Citizens Affairs	13,656	14,436	15,252
Sheriff	39,576	41,760	44,052
Treasurer-Tax Collector	29,484	31,104	32,820
Veterinarian	17,988	18,996	20,076
Weights and Measures	16,116	17,028	17,988

APPENDIX A

LOS ANGELES COUNTY EXECUTIVE COMPENSATION STUDY

POSITION DESCRIPTION INFORMATION - 1967

Position Title	Do Not Write in this Box:
Department	Dept. No.
Division/Bureau	Position No.
Your Name	Sched. No.
Your Telephone No.	

I. Describe the extent and limits of responsibility of your position (75 words or less).

2. Group your personal functions and duties into 10 or fewer categories. List the categories in order of importance and show estimated % of your time devoted to each. (It is recognized that your most important duties may not require the largest % of your time).

	%
a.	(    )
b.	(    )
c.	(    )
d.	(    )
e.	(    )
f.	(    )
g.	(    )

- h. ( )
- i. ( )
- j. ( )

3. What is the annual budget of the organization reporting directly to you?
4. Give general description and approximate dollar replacement value of public equipment, vehicles, buildings, and other resources or funds for which you are responsible.
5. How many people work in the organization reporting to you?
6. What is the salary range of your immediate subordinate(s)?
7. What formal schooling and licenses are prerequisites for your job?
8. What knowledge other than that gained in formal schooling and what prior experience is necessary to perform your duties?
9. Must your knowledge be updated by study outside of the normal working day? If so, how many hours per week on the average are required for this?
10. What is the typical chain of promotion to and from your present position?

To: (High Position) (Department heads do not answer).

From: (Lower Position)

11. Give typical examples, if any, of policies you draft - of policies you set.



12. Give typical examples, if any, of plans you prepare.
  
13. Give typical examples, if any, of your personal involvement in implementing policies and plans.
  
14. Other than your subordinates and immediate supervisor, with what people, in both public and private life, must you personally work to accomplish your duties. Give titles of positions rather than personal names. Show typical examples of matters which you must influence, make judgements upon and coordinate. These take \_\_\_\_\_% of your time.

Answer to 14:

Instructions for Completing Position Description Information Questionnaire

The accompanying questionnaire is designed to provide basic information to assist in the County Executive Compensation Study. Additional information required will be obtained through interviews with selected executives.

Two sets of questions have been provided. One may be used as a work copy and retained.

You are requested to type the answers on the other set.

Obviously not all questions apply to every position being studied. If a question is not applicable, enter N/A.

Completed questionnaires should be forwarded to your department head for review. Upon completion of the review, and by June 2, 1967, department heads should mail all questionnaires to the following address using the County Mail System:

Theodore Barry and Associates  
c/o Robert Leonetti  
Room 579, County Administration Building  
Los Angeles, California

In the event of questions, telephone one of the consultants, Bill Bendix or Randy Wood at their office in the Los Angeles County Administration Building, telephone number 625-3611, Extension 64605.

LOS ANGELES COUNTY  
EXECUTIVE COMPENSATION STUDY  
1967

POSITION EVALUATION GUIDE

THEODORE BARRY AND ASSOCIATES

November, 1967

TABLE OF FACTORS

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POSITION EVALUATION GUIDE

In evaluating the relative worth of the approximately 340 County executive positions included in this study, each individual job will be gauged against three Master Factors: Knowledge, Position Demand, and Actual Responsibility. Each of these factors, in turn, is subdivided into a schedule of logically related sub-factors, designed to bring into sharper focus the various executive skills upon which the overall relative worth of the executive position can be determined.

The maximum achievable point awards within the three Master Factors is as follows:

Knowledge:	100 points (20%)
Position Demand:	200 points (40%)
Actual Responsibility:	200 points (40%)
Maximum Possible:	500 points (100%)

I. KNOWLEDGE

This Master Factor measures the knowledge and experience necessary for the performance of the executive position.

A. Educational Requirements (0-50 points)

In awarding points in this factor, the consultant shall base his decision on his own evaluation of what is required for the position and not necessarily upon what may now be required by the County Civil Service Commission.

<u>Degree Definitions</u>	<u>Point Award</u>
1. No educational requirements	0
2. High school graduation	2
3. 2 years' college (no degree)	6
4. AA or trade school completion	10
5. College equivalency (4 yrs. - no degree)	12
6. Bachelors degree	16
7. Masters degree	24
8. Law degree	35
9. Doctorate degree	40
10. Medical degree	48

B. Special Licenses (1-7 points)

Only those licenses actually required for the position by code, ordinance, law, or other such legal statute are to be given credit in this factor. In addition, physicians may receive credit for only one of the two special medical licenses shown below.

<u>Degree Definitions</u>	<u>Point Award</u>
1. FCC radio license	1
2. Certified Social Worker	1
3. Accredited Librarian	2
4. Agricultural Inspector Certificate	2
5. Inspector of Weights and Measures Certificate	2
6. Registered Nurse	4
7. Registered Architect	4
8. Registered Professional Engineer	4
9. State Bar Examination	5
10. Medical License	5
11. Medical Boards	7

C. Necessary Experience When NO Formal Education is Required  
(5-35 points)

This factor awards points for the amount of experience necessary to perform in a position which requires no formal education as a prerequisite to appointment (i.e., no points were awarded to the position in the previous Factor "A. Educational Requirements"). It should be kept in mind that those positions requiring no formal education are probably less difficult than those with such requirements, hence it follows that less time is necessary to reach an adequate level of competence.

<u>Degree Definitions</u>	<u>Point Award</u>
1. Apprenticeship program	5
2. 1 - 3 years	10
3. 3 - 5 years	20
4. 5 - 7 years	30
5. 7 - 10 or more years	35

D. Necessary Experience IN CONJUNCTION With Required Formal Education (5-20 points)

Since a prerequisite to an award of points in this factor is formal education, the amount and complexity of that education shall be closely considered before deciding upon one of the degrees in order to avoid overlapping credit.

<u>Degree Definitions</u>	<u>Point Award</u>
1. 1-3 years	5
2. 3-5 years	10
3. 5-7 years	15
4. 7-10 or more years	20

E. Special Knowledges (1-25 points)

This factor is composed of five parts, each of which is to be scored separately. The knowledges encompassed here are those deemed to be specialized enough to demand credit above and beyond points awarded for general training and experience.

Each of the five parts may receive from one to five points, but only if the position actually requires any of these knowledges in order to adequately function. Hence, if a department head position, for example, has line authority for a departmental function requiring one of the specialized knowledges, this does not automatically necessitate an award of points. It is only when the position incumbent must personally possess the knowledge himself that credit is to be given.

Two considerations should determine how many of the points should be awarded to a position in any one of the five parts: First, the level and degree of this specialized knowledge required; thus, in degree definition 1, Legal Knowledge, an executive position dealing with law would receive more points than an executive position concerned only with departmental codes and policies. Secondly, the frequency of occurrence of situations requiring the use of these specialized knowledges should also be considered; thus, for example, if an executive position is called upon only once a year to exercise his specialized knowledge, this would tend to limit the number of points to be awarded.



Degree Definitions

Point Award

- 1. LEGAL KNOWLEDGE: Requires knowledge of laws, ordinances, codes, legal opinions, statutes, policies, or formal procedures in order to perform the duties and responsibilities of the position (i.e., those statutes, etc., which govern or limit the activities of the function in which the executive position operates). 1-5
  
- 2. TECHNICAL KNOWLEDGE: Requires knowledge necessary for the solution of technical problems likely to occur within the position's organizational unit and demanding his personal response (i.e., engineering, scientific economic, medical, etc. - those areas in which there exists recognized concepts and principles and which demand the application of such in order to solve relevant problems). 1-5
  
- 3. PERSONNEL KNOWLEDGE: Requires knowledge 1-5 relating to personnel direction, human nature, or labor relations in order to adequately supervise the activities of a large work force (i.e., at least 50 subordinates must be in the executive's immediate organizational unit to rate points in this factor, or else the executive position must function in a personnel officer capacity for his department).

Degree Definitions (Continued)

Point Award

1-5

4. TREND KNOWLEDGE: Requires knowledge of trends, in either the public or private sectors, likely to affect the function in which the executive position is directly engaged (e.g., positions in purchasing must be aware of price trends; positions in legal or police work must be aware of judicial trends; positions in personnel must be aware of labor relations trends; positions in welfare must be aware of program trends, etc. The significant consideration here is that the executive must be intimately aware of these trends if he is to adequately function in his job).

1-5

5. SUBVENTION KNOWLEDGE: Requires a knowledge of federal, state, and local regulations relevant to subvented funds available to or from County departments, a knowledge of what functions can be reimbursed through such funds, and a knowledge of the various processes which must be implemented to receive or award such subvented funds.

II. POSITION DEMAND

This Master Factor measures the application of the executive position's knowledge and experience to his work functions. It consists of three factors: Scope and Complexity, Contacts, and Judgment.

A. Scope and Complexity (1-50 points)

This factor gauges the range and degree of complexity of the basic functions to which the position's assigned; however, it is the position's actual participation in the function which is guiding. Thus, if a position performs only routine duties as part of a complex work activity, it is those routine duties which are to be analyzed and awarded points, and not the complex function.

Furthermore, the executive position's immediate subordinates - their required qualifications and assigned duties - are to be considered when analyzing the executive position in this factor. If the executive is supported by highly qualified personnel who actually perform all of the difficult duties of the work function, leaving the executive in a role as coordinator only, this would detract from the strength of the executive's participation in the function, and hence would result in less points being awarded than might otherwise be given if the position were actually involved in the day-to-day technical problems of the work function. This factor has three parts, each of which is to be scored separately.

1. Scope And Complexity Of Assigned Functions (1-30 points)

	<u>Degree Definitions</u>	<u>Point Award</u>
(a)	The assigned work function is comparatively simple in nature, as most subordinates are engaged in only one occupational activity which requires little or no skill to perform. The limits of the function are probably stated explicitly, with established methods and controls already in existence as guidelines. Little discretion is afforded the executive	1 - 5

<u>Degree Definitions (Continued)</u>	<u>Point Award</u>
position in carrying out his duties and responsibilities, and he probably checks the work of subordinates only upon its completion.	
(b) Although the assigned work function is comparatively simple in nature, the executive position's subordinates are deployed in several occupational activities, some of which might require semi-skilled work. The framework of the job functions are probably less rigid than in degree (a) above, and the executive has more discretion with which to act. Although he reviews completed work, he may be asked for assistance in difficult work-in-process.	6-10
(c) The assigned work functions are diversified in nature, encompassing a number of separate occupational activities which require skill on the part of subordinates to perform them adequately. The executive must have a knowledge of the activities in order to properly coordinate functions, supervise work, and evaluate results. Although standard methods and procedures are available to subordinates, the particular method in which the work is to be accomplished is at the discretion of the executive, who assists in difficult work-in-process.	11-15
(d) The assigned work function is complicated in nature, requiring professionally trained subordinates to perform it. Most assignments are made in terms of the overall objectives only, without detailed specifics to follow. The executive position is available for resolving difficult problems as they occur, reviewing work-in process, and evaluating final results before giving his approval.	16-20

Degree Definitions (Continued)Point Award

- (e) The assigned work function is very complex in nature, requiring highly trained professional employees to adequately understand and carry out the work activities. The executive must have a comprehensive knowledge of the full occupational area and be sufficiently familiar with its problems and the County policy regarding them to direct subordinates in their work, answer difficult questions, evaluate results, and take final action on unresolved problems. The most complex positions in the County fall within this degree. 21-30

2. Budget Involvement (1-10 points)

Points are awarded here only if the executive position is personally involved in budgetary matters regarding his organizational unit, such as departmental budget requests, federal or state subvention applications and justifications, and the like. If the executive position is concerned only with budgetary matters within the department (e.g., requesting the departmental budget analyst to seek funds for new positions or programs in the executive's unit), up to five points can be awarded. If the executive position is concerned with budgetary matters requiring him to go outside of his department (e.g., to the CAO for annual budget requests), up to ten points can be awarded. In all cases, it is the degree and type of involvement which is controlling, and not necessarily the size of the budget.

3. Technical Involvement (1-10 points)

Points are to be awarded if the executive position is personally involved in technical matters requiring the application of advanced or specialized techniques, such as electronic, chemical, EDP, medical, CPS, scientific, OR, etc. processes. The position must truly be technically involved, not simply administratively involved on-e subordinates perform the technical work. The number of points to be awarded is based upon the complexity of the involvement, its significance, and the frequency of its occurrence.

B. Contacts, Influence, and Exposure Demanded By The Position  
(1-50 points)

This factor measures the skills necessary to effectively conduct personal contacts on the part of the executive. It encompasses those day-to-day contacts demanded by the position, the persuasive elements which an executive must exercise in order to achieve work goals, the influence which he must exert on others in order to gain approval of decisions and policies, and the public relations skills necessary to his achieving and sustaining public trust and cooperation in himself and his work.

The factor is composed of three parts, each to be scored separately. In evaluating the position, the following guidelines should be kept in mind: what is the level of the position's contacts?; what is the frequency of exposure of his important contacts?; for what purpose and of what significance are the contacts?

1. Day-To-Day Interface (1-10 points)

In determining a point award in this factor, take into consideration only those contacts which occur to the executive on a daily or near daily basis. "High points", or those high-level contacts which occur only at infrequent intervals, are not to be considered here.

Degree Definitions

Point Award

- |   |     |
|---|-----|
| (a) Contacts are made primarily with departmental superiors and subordinates, or occasionally with outside officials (including the public) on matters of average interest which are easily understood; these normally require only average tact, skill, and persuasion on the part of the executive. | 1-3 |
| (b) Contacts are made primarily with outside agencies, the public, and officials on matters of above-average interest, requiring substantial tact, skill, and persuasion by the executive.  | 4-7 |

Degree Definitios (Continued)Point Award

- (c) Contacts are made primarily with outside agencies, the public, or special groups on matters of unusual interest, involving major departmental policy matters or controversial questions, and requiring a high level of persuasiveness, tact, and skill in order to win support or overcome opposition to the executive's point of view.

8-10

2. Contact With Governmental Officials (1-15 points)Degree DefinitionsPoint Award

- (a) The executive's contact with governmental officials is limited primarily to personnel within his own department on matters of a departmental concern only.
- (b) The executive's contact with governmental officials is regularly with personnel from other County departments (including the judicial system) on matters of concern to the County governmental structure or a segment thereof.
- (c) The executive's contact with governmental officials is frequently with personnel from other governmental jurisdictions within the County (such as contract city officials) of matters of concern to County citizens.

1-3

4-6

7-9

Degree Definitions (Continued)Point Award

- |     |  |       |
|-----|--|-------|
| (d) | The executive's contact with governmental officials includes a substantial amount with state and federal government personnel on matters requiring mutual agreements on regional policies and the like.  | 10-12 |
| (e) | The executive's contact with governmental officials includes a heavy amount with local, state <sup>3</sup> and federal governmental personnel on matters involving the eventual transfer of significant sums of money or services to or from the County. | 13-15 |

3. Contact With The Public (1-25 points)Degree DefinitionsPoint Award

- |     |  |       |
|-----|--|-------|
| (a) | The executive's contact with the public is restricted, being primarily limited to maintaining general goodwill when necessary. | 1-3   |
| (b) | The executive's public contact is infrequent (usually less than monthly) and generally covers non-significant matters.         | 4-7   |
| (c) | The executive's public contact is occasional (probably monthly) and concerns routine, non-controversial matters.               | 8-12  |
| (d) | The executive's public contact is regular (more than monthly) and frequently concerns important matters of public interest.    | 13-18 |



<u>Degree Definitions</u> (Continued)	<u>Point Award</u>
(e) The executive's public contact is frequent (probably weekly) and covers matters of a controversial nature of unusual concern to the public.	19-25

### C. Judgment (1-100 points)

This factor measures the; skills necessary to the executive position's evaluation of significant work a~ata, resolution of problems into component parts, comparison and discrimination between the parts, and the subsequent drawing of valid conclusions which are prerequisite to the formulation of decisions. In sum, the factor gauges the relative worth of the judgment required by the position.

The factor has three parts, each to be scored separately.

#### 1. Decision-making (1-60 points)

This part of the factor has been designed to compare the difficulty of the decisions to be made with the amount of ingenuity required to reach a sound solution, the point of conjunction of the two determining the point award to be made. Although specific points have been designated at conjunctions on the following chart, the consultant may interpolate to more or less points from the fixed figure, as long as the new number does not go above or below the fixed figures to the right or left, respectively, of the number to be altered.

In determining the level of "kinds of decisions" which the position calls for, "high points" - although they should be observed - are not to be given sole attention. Rather, the consultant should determine what level of decisionmaking is demanded by the position under normal circumstances widim any given full year (or full cycle of work). Thus, an extremely important and difLcult decision which an executive position must make only once in ten or fifteen years (for example) should be appropriately tempered since the time lag between such decisions is so long. In short, "once-in-a-lifetime" decisions arc not to be given disproportionate weighting.

In choosing the level of "Kinds of Decisions", the following definitions should be consulted:

Degree Definitions

**SIMPLE:** The decision requires little analysis or discrimination, approaching a mechanical degree of simplicity in order to make it.

**ORDINARY:** The decision requires judgment in selecting one fairly easily obtainable choice from several routine alternatives.

**DIFFICULT:** The decision requires an analysis of fairly complex data from which a choice cannot easily be discerned.

**COMPLICATED:** The decision requires the application of various principles, concepts, and laws to complex data which results in intricate and involved alternatives.

**HIGHLY COMPLEX:** The decision requires the application and synthesis of unrelated abstract data in order to develop a choice that is both new and unique to the matter at hand.

In selecting the degree of Ingenuity required in making the decision, the consultant should ask himself the following questions before making his choice:

-Does the decision call for any ingenuity at all, or is the choice obvious?

-Is the ingenuity involved actually produced by the executive position, or by his subordinates?

-Could anyone else in the organization have made the decision with less effort?

-Is the ingenuity involved truly "original" and does it call for innovation on the part of the executive?

In addition, the following criteria should be applied to the three Ingenuity alternatives:

Degree Definitions

NONE BEYOND ROUTINE: Precedents are so obvious that the matter is general knowledge.

SOME: Precedents do exist, but are not obvious.

CONSIDERABLE: Precedents do not necessarily exist.

DECISION CHART

	<u>Kinds of Decisions</u>		<u>Ingenuity Required</u>	
	(A)	None Beyond Routine	(B) Some	(C) Considerable
			POINTS	
1.	Simple	0-6	12	18
2.	Ordinary	12	18	24
3.	Difficult	18	24	36
4.	Complicated	24	36	48
5.	Highly Complex	36	48	60

2. Decision Impact On The Policies Of The Governmental Structure (1-20 points)

This factor measures the significance and scope of executive decisions on the policies of all levels of the governmental structure. In determining the point award, the consultant should keep uppermost in his mind the importance of the decision and the policy that it affects rather than the range of its application, and should interpolate between degrees accordingly. In addition, the frequency of occurrence of significant decisions is to be considered.

<u>Degree Definitions</u>	<u>Point Award</u>
(a) The significant decision primarily affects and binds the policies of the executive's own organization unit.	1-5
(b) The significant decision affects and binds the policies of other County departments.	6-10
(c) The significant decision affects and binds the policies of other governmental jurisdictions in or near the County.	11-17
(d) The significant decision affects and binds the policies of governmental jurisdictions at the state and federal levels.	18-20

3. Influence Of Decisions On The Public (1-20 points)

This factor gauges the reaction of the public to the executive's decisions, much as the previous factor measured the reaction of other governmental bodies. The same guidelines apply here, namely, Significance of the Decision, Range of Influence, and Frequency of Occurrence.

<u>Degree Definitions</u>	<u>Point Award</u>
(a) The decision is of such a nature that although the public is affected, it is to such a passive degree that it is generally unaware of the effect.	1-5
(b) The decision is such that its implications are definitely made known to a fairly large segment or specialized group of the public.	6-10
(c) The decision is such that most County citizens are aware of it and it has some effect, though not overwhelming, on them all.	11-15
(d) The decision is such that it is probably known by all County citizens and it has a direct, almost regular, effect on their actions.	16-20

### III. ACTUAL RESPONSIBILITY

This Master Factor measures the ultimate accountability, responsibility, and consequences for which the executive position is liable concerning his application of those skills and abilities measured in the previous factors. It consists of five parts, each to be scored separately.

#### A. Department Head Accountability (30 points)

This factor is to be administered evenly to all County department heads; therefore, all of them will receive the full 30 points. No other positions are to receive any credit here.

#### B. Safeguarding Funds, Records, And Property (1-30 points)

This factor measures the executive position's responsibility for guarding and protecting entrusted public (or private) funds, public (or significant departmental) records, and public or private property (other than assigned office space or buildings and usual office equipment). In awarding points, the consultant should first determine if the position has real responsibility for such safeguarding, and secondly, what the probability of such losses are. The lower the probability under normal circumstances, the lower should be the point award.

<u>Degree Definitions</u>	<u>Point Award</u>
(1) Negligible to small loss; enough checks exist to preclude any but the slightest losses.	1-10
(2) Moderate to considerable losses; the position's functions (or those of his immediate subordinates) are not necessarily subject to check, allowing considerable losses through inefficient safeguards by the executive.	11-20
(3) Large to heavy losses; the position's responsibility is of such a nature that large losses could occur through a lack of positive action by the executive.	21-30

C. Conducting Research With Subvented Funds (1-10 points)

Points are to be awarded in this factor if the position has responsibility for the conduct of research or related programs with grants, subvented funds, loans, gifts, etc. In selecting a specific point award, consideration should be paid to both the size of the grant and the position's independence from audit or other financial check over the funds. Thus grants which are closely monitored by the donor result in less responsibility on the part of the executive for their proper use.

D. Maintaining The Safety, Health, And Welfare Of The Public (1-30 points)

Up to 30 points can be awarded in this factor for the position's responsibility for establishing, maintaining, or operating programs and procedures which affect the health and safety of the County citizenry. The significance of the program, the scope of its effect, the consequences of error should the position fail to perform the duties properly, and the frequency of occurrence of crises in the program all should play a part in deciding upon the point award.

<u>Degree Definitions</u>	<u>Point Award</u>
(1) The position is responsible for programs and procedures which only <u>passively</u> (or indirectly) affect health, safety, and welfare.	1-8
(2) The position is responsible for programs and procedures which <u>actively</u> (or directly) affect health, safety, and welfare.	9-30

E. Ultimate Actual Responsibility (1-100 points)

This factor considers the ultimate, real or actual responsibility for the work activities of the entire organization which are either answerable directly to the public (such as elective positions) or to their representatives' (appointive positions). This embraces controllable fiscal matters, direct commission (or omission) of acts affecting public health, safety, and welfare, operating policies and procedures, knowledge of and compliance with pertinent local, state, and federal regulations and legislation, safeguarding equipment and resources (both public and private), and responsibility for information management, research, services, cultural aspects of departmental programs, and justice and legal activities.

In determining points, subordinates are not to be considered more accountable than their line superiors, although in certain instances a division head (or equivalent) may be more accountable than an assistant department head, depending of course upon the organization and assignment of functions.

In determining the relative degree of accountability of all positions, the size of the departmental budget and the number of budgeted positions are not the primary factors to be considered.

In arriving at a specific point award, two primary considerations should be made: the significance of the function for which the executive position is held accountable, and the scope or range of its implications on the County and its citizens.

The Significance of Real Executive Responsibility has four levels:

(1) MINOR SIGNIFICANCE: Failure to adequately execute the position's work function's would result in little, if any, loss in money (including time), welfare, or "County prestige."

(2) AVERAGE SIGNIFICANCE: Failure to adequately execute the position's work functions would result in losses of money (including time), welfare, or "County prestige," yet not to any degree that would upset County operations or public actions.



(3) ABOVE-AVERAGE SIGNIFICANCE: Failure to adequately execute the position's work functions would result in losses of money (including time), welfare, or "County prestige" to a degree that would noticeably affect County operations or public actions.

(4) MAJOR SIGNIFICANCE: Failure to adequately execute the position's work functions would result in losses of money (including time), welfare, or "County prestige" to such a degree that County operations or public actions would be dramatically or substantially affected.

The Range of Real Executive Responsibility has three levels:

(1) EXECUTIVE'S OWN UNIT: His division or department only.

(2) COUNTY GOVERNMENTAL STRUCTURE: All County departments, including the judicial system, or a major portion thereof.

(3) THE PUBLIC: The County citizenry, or its welfare (including tax funds, services, and the like).

#### REAL RESPONSIBILITY CHART

SIGNIFICANCE	RANGE		
	Executive's Own Unit	The County Govt'al Structure	The Public
	<u>POINTS</u>		
MINOR SIGNIFICANCE	1-10	10-20	20-40
AVERAGE SIGNIFICANCE	10-20	20-40	40-60
ABOVE-AVERAGE SIGNIFICANCE	20-40	40-60	60-80
MAJOR SIGNIFICANCE	40-60	60-80	80-100

IV. MINUS FACTOR (1-30 points)

This factor allows for a deduction of points from the position's overall score when mitigating elements such as duplication of work or responsibility are present. Thus the Building Services Department might receive minus points in this factor because it is not solely responsible for the maintenance of all County buildings; or the Communications Department because it does not have full authority in all departmental communications systems; or the Shops and Garages Division of the Mechanical Department because it does not procure, service, and maintain automotive equipment in all County departments. Hence in those cases where the consultants have found a single definable function to be performed to a significant degree by a department other than the one with normal or usual responsibility points are deducted. This permits the overall evaluation to take into account the effects of over- lapping duties in County functions.

The amount of points to be deducted (not to exceed 30) depends upon the degree to which the function is performed by another organizational unit) the actual point deduction to be determined by the consultant.

SAMPLE STANDARD POSITION DESCRIPTIONGENERAL STOREKEEPER

Has immediate charge of the Stores Division of the County's Purchasing and Stores Department with particular responsibility for the receiving, inspecting, storing, and shipping functions of the central stores and four branch stores facilities. Directs the taking of special physical inventories and preparation of reports. Directs shipping operations to other County departments. Coordinates the stores operation with other functions, such as purchasing, standards, surplus, and inventory control. Plans storage layout, needs for expansion, and resolves special storage problems.

General Information:

Central Storage Area	-	240, 000 sq. ft.
Value of Annual Stock Handled	-	\$18,000,000
Average Inventory on Hand	-	\$ 3,500,000
Staffing	-	105 positions, including 20 truck drivers, 5 supervisory storekeepers, and related storekeeping clerical and stockman positions.

Exclusions:

Does not have responsibility for testing, standards, inventory control or purchasing activities.

SAMPLE CONSTRUCTIVE POSITION DESCRIPTION

PROPOSITION: Assuming that your company had a requirement for an individual with the following qualifications and responsibilities, what salary would be appropriate and what fringe benefits would he be entitled to?

REPORTS TO: Equivalent of Board of Directors.

EDUCATION & QUALIFICATIONS: B.A. in Business Administration or related.

EXPERIENCE: Fifteen years of progressively responsible management experience in fiscal and program management, five years of which must have been in an executive or administrative capacity involving the planning and execution of large scale administrative programs, budgeting and control of sizable expenditures, the coordination of diverse activities and the exercise of skill in public relations.

NO. OF PERSONNEL REPORTING TO HIM: One hundred fifty management analysts, systems analysts, budget analysts, legislative analysts, and various consulting and support personnel.

AUTHORITY: Exercises continuous review of revenues and expenditures and maintains budgetary control over all departmental expenditures, exercising administrative supervision over all departmental programs and operations as delegated by the Board. Initiates comprehensive reviews of operations and makes recommendations to the Board. Hires, fires, and disciplines employees in his department within prescribed limitations.

GENERAL DESCRIPTION OF FUNCTIONS: Acts as chief of staff, advising, assisting, and acting as agent for the Board of Directors, supervising the administration of all departments or supervising directly departments placed in his charge by the Board. Analyzes and makes

recommendations on a variety of administrative and technical problems. Reviews and evaluates program proposals from all departments and prepares a comprehensive annual operating program to the Board for its approval. Directs the analyses of management problems throughout the firm and initiates methods to increase departmental efficiency of operation through the use of various management tools and techniques including budget and program performance review, work measurement, systems and procedural studies<sup>3</sup> electronic data processing, records management techniques, space and equipment allocation and utilization, etc. Supervises the firm's management trainee program.

Programs under his administrative supervision and budgetary control - \$1.2 billion annual budget, 54,000 employees in 50 major operating departments, with a wide variety of public service programs, serving a population of 7.2 million.

COMPANIES AND INSTITUTIONS PARTICIPATING IN COUNTY EXECUTIVE  
COMPENSATION

SURVEY

(Partial List)

TWR Systems  
First Western Bank & Trust Co.  
Title Insurance & Trust Co.  
Sears, Roebuck and Co.  
Cyprus Mines Corp.  
Arden, Mayfair, Inc.  
Safeway Stores, Inc.  
Lockheed Aircraft Corp.  
Douglas Aircraft Co.  
Norris Industries, Inc.  
Metro-Goldwyn-Mayer, Inc.  
Columbia Broadcasting System, Inc.  
Walt Disney Productions  
North American Aviation, Inc.  
Northrop Corp.  
Western Gillette, Inc.  
Southern California Edison Co.  
Southern California Gas Co.  
Singer Co.  
Southern Pacific Co.  
Pacific Telephone & Telegraph Co.  
General Telephone Co. of California  
Capitol Records, Inc.  
Kaiser Aluminum & Chemical Corp.  
Holmes & Narver, Inc.  
Bechtel Corp.  
Fluor Corp., Ltd.  
The National Cash Register Co.  
Western Air Lines, Inc.  
Eastern Air Lines, Inc.  
Litton Industries, Inc.  
Union Oil Co. of California  
Albert C. Martin & Associates  
Adrian Wilson & Associates  
Scientific Data Systems, Inc.  
American Potash & Chemical Co.

Janss Corporation  
 American Pipe & Construction Co.  
 Bladgett Memorial Hospital (Michigan)  
 Bellevue Hospital Center (New York City)  
 Kaiser Foundation Hospital  
 U.C.L.A. Medical Center  
 Santa Monica Hospital  
 Veterans Administration Hospitals

INDUSTRY DISTRIBUTION IN SALARY SURVEY

Air Transport - 2  
 Electronics Manufacturers - 2  
 Petroleum - 1  
 Office Equipment Manufacturers - 4  
 Retail Food and Drug Chains - 2  
 Public Utilities - 6  
 Food Products - 1  
 Paper and Packaging - 1  
 Building Materials and Equipment - 1  
 Aircraft and Missiles - 7  
 Machinery 1  
 Railroads - 1  
 Department Store Chains - 1  
 Chemicals - 3  
 Electrical Equipment - 3  
 Non-ferrous Metals - 2  
 Home Appliances - 1  
 Industrial Metal Products - 3  
 Steel and Iron - 1  
 Transportation - 2  
 Entertainment - 6  
 Banking and Insurance Institutions - 4  
 Educational Institutions - 10  
 Construction and Construction Service Industries - 6  
 Hospitals and Hospital Groups - 6  
 Welfare Agencies - 5  
 Governmental Agencies - 18

Los Angeles County Executives

Position Descriptions

APPENDIX F, in two Volumes  
has been issued separately