

Request 63: A description of Grayson’s pay philosophy that addresses where it wants to pay employees relative to the market. How does the new salary structure and pay levels match that philosophy?

A study was conducted in 2017 by Mr. Dan Bruning of NRECA. His report was to establish the distribution of salaries across and within established pay ranges, for the purpose of determining internal and external pay equity and adjusting the current pay plan. Actual pay was compared to market rates within the local and Rural Electric Cooperative Community using a combination of local, state and regional market data. A benchmark model was created and regression analysis was used to establish the ranges.

The study was based on the following assumptions:

1. Data for all positions is for base, cash compensation only. Bonuses and overtime have been excluded.
2. Evaluations were based on job descriptions and evaluations.
3. No specific factors were assigned to account for years of service.
4. The study did not estimate internal value; or what the overall contribution is to the mission of the organization
5. Salary figures were based on regional, state and local data for the Ashland, Kentucky area.
6. The position of General Manager is not included.
7. Grayson has identified the “market” point as the mid-point of the range.

The focal point of the Wage and Salary plan is to:

1. Ensure internal equity –that jobs requiring the same level of education, experience, knowledge and responsibility are compensated consistently throughout the organization.
2. To ensure external equity –that the Cooperative’s jobs are compensated fairly with similar jobs in the appropriate job market.

Based on the results of the study and Grayson’s COMPA ratio, we believe that our salary levels match our philosophy and have Grayson in a good position in regards to competitive wage and salary.