

CBIZ Total Compensation Report — January 2019 Frequently-Asked Questions

Prepared by the Office of Administration

What is CBIZ?

CBIZ is a provider of “professional advisory services, focused on accounting, benefits and insurance, Human Resources, and payroll solutions.”¹ CBIZ provides total compensation solutions and has a background in compensation and benefits.

Why did the state conduct the CBIZ study?

The 2016 CBIZ study had become outdated. The state wanted to update the study to compare state salaries with the current market value. Market-based salary adjustments found in the Governor’s Fiscal Year 2020 Recommended Budget are based on recommendations in the CBIZ study. These market-based salary adjustments and the new pay plan outlined in the recommended FY2020 budget show the state’s continued commitment to investing in our most valuable asset — our employees.

How did the study factor in geographic location?

CBIZ primarily utilized data specific to the Missouri statewide average market compensation. The state is prohibited by statute to base pay on geographic location per section 36.140, RSMo.

Was the cost of living a factor in the CBIZ study?

While the cost of living may influence salaries and the labor costs within the various states or within more local geographic areas, the CBIZ study focused on salary data and labor costs instead of cost-of-living data.

Did benefits factor in the CBIZ study?

Yes, the CBIZ study factored in the cost of benefits for state employees. The analysis is based on the employer-related costs. Medical insurance premiums, long-term disability, prescription drug coverage and life insurance are among the benefits reflected under the fixed costs for medical related payments. Retirement plans and the cost of paid time off for holidays, annual leave, sick leave, and other leave with pay were the also considered in the study.

How many positions are below minimum?

The CBIZ study found that 6,760 employees whose job titles were included in the study are paid below the recommended new range minimum for their job class.

How did CBIZ determine comparisons to market?

CBIZ matched each job class included in the study to similar jobs in the market used by other employers. CBIZ then used market salary data to determine the market median for each job class and recommend new pay ranges.

¹ <https://www.cbiz.com/>

Are the positions identified in the CBIZ study high turnover positions for the state?

The recommendations provided by CBIZ did not consider turnover information. There may be connections between turnover data for particular job classes and their pay relative to the market, but turnover did not influence the pay ranges that were recommended.

What is the state’s turnover rate?

The overall employee turnover rate is 21.8 percent. The voluntary turnover rate is 15.2 percent. These turnover rates reflect data from the 2018 calendar year.

What are the highest turnover positions?

The chart below shows the job classes with the highest turnover during 2018. The chart includes only those job classes with at least 10 filled positions.

POSITION	TOTAL TURNOVER PERCENTAGE
NURSING ASST I	117.7%
YOUTH SPECIALIST I	80.4%
EQUIPMENT TECHNICIAN	80.0%
FOOD SERVICE HELPER I	77.1%
PROCESSING TECHNICIAN I	69.6%

How do the Department of Corrections and Department of Transportation pay plans fit in with the CBIZ study?

Many job classes used by the Department of Corrections and Department of Transportation were included in the CBIZ study. However, due to unique circumstances faced by each of these departments, the Governor’s FY2020 Budget recommendations included department-specific pay plan proposals for these two departments.

Will recently-hired employees receive the same as tenured employees with the new salary adjustments?

It depends. The market-based salary adjustments recommended by the CBIZ study are based on the difference between each employee’s salary and the minimum rate of the newly-proposed range for the employee’s particular job class. In some cases, less-experienced employees may be paid lower and may receive an increase to move to the minimum of the new range, while higher-paid employees may already be paid within the new range.

How did Missouri rank compared to other states?

While the CBIZ study notes that as of March 2017, Missouri ranked last in average pay among 50 states, it is not an accurate depiction. As the study states, “average pay is not an apples-to-apples comparison because different states provide different services.” The State of Missouri may be responsible for services that other states either don’t administer or they contract with private vendors to administer, such as veterans homes, prisons, or mental health institutions.

What is the next step to making the state more market competitive?

The Governor’s FY2020 Budget recommendations are an important first step in moving compensation for Missouri state employees toward market competitiveness. **The Governor’s FY2020 budget recommendations would bring employees to the market minimum for their job classifications. These increases are capped at 15 percent. This will result in bringing approximately 4,100 positions up to the market minimum.** For the state to keep pace with the market is dependent on legislative approval.