Case: problem in pay system

1. Are the CCUA department's current pay practices concerning data processor IIs and computer analyst Is externally equitable? Explain your answer. Pay practice in CCUA:

- Data processor II position:
    - $11. 00-$12. 70 per hour.
    - $24, 960 per year based on their 40-hour workweek.
    - Healthand life issuance are provided by the company at a cost of $950 per year per employee.
- Computer analyst I position:
    - Salary range $25, 500-$32, 500.
    - The average salary paid to the eight incumbents is $31, 500.
    - Health and life issuance are provided by the company at a cost of $950 per year per employee.
    - Survey data:

-	CCUA	Average salary	Mfg/ Consumer	Mfg/ Industrial	Banking	Other Financial Services	DP services	Whole distribn
Junior analyst and programm	31, 500	35, 156	33, 750	40, 714	35, 000	32, 143	37, 500	32, 87

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Data processor	24, 960	27, 500	26, 000	29, 000	28, 000	26, 500	26, 000	27, 00

- Data processor II position closely matches the survey's Data processor. The computer analyst position is most comparable with the survey's junior analyst and programmer.
- Both DP II's and CA I's at CCUA are underpaid compared to the market.
- Both DP II's and CA I's at CCUA have $950 health and life insurance.

2. What specific action, if any, do you recommend be taken now? Be specific and justify your recommendations as fully as possible.

- Conduct a wage survey: Who is the relevant labor market? What is the competition paying? What sources for market data? What benchmark jobs should be included? Get the survey done in the rural southwest area more in the locality where the department is situated so that data is more comparable and find the other benefits of the survey companies.
- Choose a pay policy and develop a pay structure: decrease the number of the employee and pay the higher salary. Or hire employees to buy by using fewer recruitment costs and training costs. Hire and pay employees following the policy and the structure.

3. What specific strategy do you recommend for the future so that these types of problems can be anticipated and avoided? Exit interviews:

understand the reason for not staying in the company and find the solution to avoid it.

- Better scanning of local and regional external pay referents, do let employees think you are paying much less than others.
- Better two-waycommunicationwith the employee. Do the employee satisfaction survey once a year before somebody is trying to quit.
- Provide no monetary benefits.
- Provide a larger budget for job categories.

4. What additional information in this situation would have enabled you to improve the quality of your recommendations? Improve the exitinterviewand focus on the questions like:

- What is your primary reason for leaving?
- Did anything trigger your decision to leave?
- What was most satisfying about your job?
- What was the least satisfying about your job?
- What would you change about your job?
- Find some information about pay equity information: http://www. hrsdc. gc. ca/eng/labour/equality/pay_equity/about/guide. shtml
- Conduct the web search O*NET to find if there is any help.

5.

Occupations	Wage & employment trend
Computer systems analysts	• Median wages (2011) $37. 7 hourly,

	$78, 770 annual Employment (2010) • 544, 000 employees • Projected growth (2010-2020) • Faster than average (20% to 28%) • Projected job openings (2010-2020) 222, 500 • Top industries (2010) • Professional, Scientific, and Technical Services (33% employed in this sector) • Financeand Insurance (14%)
Computer programmer	• Median wages (2011) $34. 92 hourly, $72, 630 annual Employment (2010) • 363, 000 employees • Projected growth (2010-2020) • Average (10% to 19%) • Projected job openings (2010-2020) 128, 000 • Top industries (2010) • Professional, Scientific, and Technical Services • Information
Computer and information system manager	• Median wages (2011) $56. 4 hourly, $118, 010 annual Employment (2010) • 308, 000 employees Projected growth (2010-20 • Average (10% to 19%) • Projected job openings (2010-2020) 102, 800

	• Top industries (2010) • Professional, Scientific, and Technical Services • Finance and Insurance
Operations research analysts	• Median wages (2011) $34. 59 hourly, $71, 950 annual Employment (2010) • 65, 000 employees • Projected growth (2010-2020) • Average (10% to 19%) • Projected job openings (2010-2020) 30, 000 • Top industries (2010) • Professional, Scientific, and Technical Services (23% employed in this sector) • Finance and Insurance (22%) • Government (17%)