State of Alaska 2009 Salary Survey Fact Sheet

Overview

Fox Lawson & Associates was selected by the State of Alaska to conduct a comprehensive salary survey. The results of this survey represent a starting point for reviewing wages. Further analysis is required prior to any implementation. At this time no decisions or recommendations have been made to either increase or decrease salary rates as a result of this survey.

Data Adjustments Necessary for Consistent Comparisons

- All salary data were adjusted to reflect annual salaries based on 1,950 hours per year/37.5 hour workweeks. Exceptions for specific job classes which have different workweeks are noted in the report.
- Data reported by the Federal government was adjusted to account for the 23% Alaska cost of living allowance.
- A geographic wage (cost of labor) differential adjustment was applied to data reported by employers from outside the State of Alaska.

Market Percentile Definitions

- Market median (or 50th percentile) represents the salary figure where 50% of the rates are below and 50% of the rates are above.
- Market 60th percentile represents the salary figure where 60% of the rates are below and 40% of the rates are above.
- Market 65th percentile represents the salary figure where 65% of the rates are below and 35% of the rates are above.
- State of Alaska comparisons are made at the 65th percentile.

Industry Standard Market Competitiveness Definitions

- Within +/-5% of market is considered highly competitive
- Within +/-10% of market is considered competitive
- Within +/-10-15% of market suggests a possible misalignment with market
- Greater than +/-15% from market suggests a significant misalignment with market

Final Report and Executive Summary

The final report and executive summary are located on the Department of Administration, Division of Personnel & Labor Relations website at: <u>http://dop.state.ak.us/</u>

Next Steps

The pay plan, as defined in AS 39.25.150(2), must provide for fair and reasonable compensation for services rendered, and reflect the principle of like pay for like work (internal alignment). Therefore, based on industry standards, job classifications which are more than 10% below market will be the first priority for review in conjunction with the other benchmark classifications surveyed to determine if a salary adjustment is warranted. Subsequently, the remaining job classifications where a variance exists will be reviewed.

Questions

Questions regarding the survey can be emailed to: <u>doa.dop.salarysurvey@alaska.gov</u>.