



PARK & RECREATION ASSOCIATION

Learn. Connect. Inspire.

A&F Section

February 2012

*A&F Business Meeting will begin at 9:30 am. Followed by an Educational Workshop  
Members are encouraged to attend both the Business Meeting and the Workshop  
Members are welcome to stay for lunch and network after the Educational Workshop  
There will be a fee for the luncheon*

**Wednesday, March 7th 9:30am**

Wooddale Park District  
Salt Creek Golf Club  
701 Thorndale Ave  
Wooddale, IL 60191

TOPIC– Unemployment Strategies for Seasonal  
Employees

**Wednesday, September 5th 9:30am**

Palatine Park District  
250 E. Wood Street  
Palatine, IL 60067

TOPIC–Electronic Communication and FOIA Requirements

**Wednesday, June 6th 9:30am**

Bartlett Park District  
Bartlett Community Center  
700 S Bartlett Road  
Bartlett, IL 60103

TOPIC–Update on Sexual Offenders and Parks-  
what should your district be doing

**Wednesday, December 5th 9:30am**

Location– To be determined

TOPIC– What you should be doing now before the IRS  
comes knocking at your door

**A WORD FROM THE A&F SECTION DIRECTOR**

**Don Miletic**

The Administrative & Finance Section would like to thank the staff of IPRA for a successful 2012 State Conference and look forward in working with them on the 2013 Conference schedule. A new educational component is one of the changes to the Administrative & Finance Section and each section is encouraging all members to come out to attend a section meeting to learn about the latest hot topics that face managerial staff. I also ask all IPRA members to take some time to go the IPRA website [www.ilipra.com](http://www.ilipra.com) to update their profile and select any sections they are interested in receiving information about. There is no longer a restriction to how many sections a member can be affiliated with. In addition, the Administrative & Finance Section will have elections later this year and encourage member involvement by professionals interested in becoming a board member. Remember to take time to network and share ideas as it is the basis for us to make new connections and build a better tomorrow for all recreational professionals.

## **The 2012 Compensation Dilemma**

**Submitted by: Joyce Grenis, Senior Vice President of Human Resource Consulting Services, Sikich LLP**

In speaking with organizations about compensation and retention, Sikich has found 3 common themes and concerns which we will address in this article.

Pay compression,

Pay for performance, and

Alternative rewards.

Pay compression happens when organizational pay structures are not updated regularly based on the competitive marketplace. We find ourselves having to hire new employees at rates that may be at or even above the rates of current employees. Pay compression has several causes. We've mentioned an inability to adjust the current pay structure to match the movement of pay in the market. We also see pay compression when we are not attentive to new hire pay rates. Inadequate pay administration also causes compression because we are not watching internal equity, both from the standpoint of where positions are classified in the pay structure and where individual employees are paid. Pay compression is exacerbated by across-the-board adjustments and an overall inability to make adjustments due to limited resources.

Strategies to avoid pay compression include:

- Having updated job descriptions and then making sure that your positions are properly classified within your pay structure.
- Analyzing where you have internal equity issues with specific employees and then identifying your top performers in that group.
- Using limited resources to make equity adjustments to specific employees and focusing your resources on your top performers.
- Regularly reviewing your pay structure against the market; even if you can't make changes, it is important that you know if your pay structure is lagging.
- Freezing compensation for low-performers; again, focus your resources on those individuals who provide the results.

The last strategy tends to raise eye brows, especially in situations where employees have the expectation of increases. You are well within your rights to use your limited resources to reward those who are performing. This obviously assumes that you are not in a union setting or have other dictated increase schedules. Like many areas of human resources, we find a lot of moving parts and many interrelationships. For example, in order to have an effective compensation program, it is critical to have a performance evaluation system that can appropriately distinguish levels of performance as well as supervisors who are comfortable and competent in providing performance feedback.

The second area of concern, pay for performance or merit pay, is also high on organizations' lists of concerns. Again, most organizations are faced with limited resources. It rarely makes sense to take those limited resources and give everyone 1 or 2%. By the time you take out taxes, no one sees any increase and top performers are demoralized because their hard work is not recognized. Eventually your stars wonder why they should be working hard at all and will seriously think about leaving.

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As we said above, it is critical to have a good performance evaluation system that is grounded in the competencies of the organization and focused on specific measures of performance. Too often performance appraisal tools are focused on intangibles such as teamwork, flexibility, initiative and the like. Unless these words are defined in terms of specific behaviors, we have a difficult time accurately ranking performance because these terms are open to interpretation. Supervisors should understand how to create and communicate performance standards that are specific to the position and the individual. Well-conceived and communicated performance standards also allow employees to manage their own performance throughout the year.

Lastly, let's take a look at alternative rewards or cash/non-cash rewards. To be most effective, alternative rewards tend to be personal, focused on the specific situation of the employee you want to recognize. For example, you have a top performer with a family who has had to work a lot of weekends and evenings lately. As long as this is allowable by your personnel manual/policies and/or is approved at the appropriate level, think about providing this employee with a day off or movie tickets/pizza for the employee and his/her family. You are sending a message to this employee that you value their contribution and recognize his/her time away from their family. Again, emphasize the personal. Recognition does not have to be expensive. A thoughtfully written card of thanks also pays big dividends. What you do for alternative rewards is limited only by your imagination. Please do remember that consideration should be given to the possible tax implications of providing both cash and noncash rewards.

Unfortunately we don't have any easy solutions to your compensation issues and all of us will continue to be challenged with making our limited resources go as far as possible. Maximize those resources by focusing on your top performers. Use your performance appraisal system to truly identify top performance.

If you have any newsletter suggestions, additions, questions, etc.

Please contact me at

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Thank you for reading this newsletter

Annette Curtis