



Compensation Decision Support Tool

CONFEDEX – Abbreviated Presentation
Original Presentation - December 2018



Current Tools

- Pastor phase launched in 2016
- Parish Professionals phase launched in 2018
- Education tool launched fall of 2018
 - The tool was originally requested by the HR subcommittee of the Joint Business Managers
 - The tool is actively being used by congregations in compensation discussions



Current Tools (As of fall 2018)

- Total estimates run to date: 6100+
- Total logins during 2018: 2400+ *(includes duplicates)*
 - Most active months: Oct, Sept, Aug, May
- Congregations in all 35 districts have used tool
- Some districts have formally adopted this tool and replaced their district guidelines with it and others are currently considering adopting it in the near future



Data Overview

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- Analyze LCMS data
 - Required data review and clean up i.e removed antiquated data, salaries below legal minimum wage
- Gather external market data
- Analyze trends in both LCMS and external data on compensable factors (size of ministry, experience of candidate, geographic differentials, education level etc.)
- Data is refreshed annually



External Market Analysis

Labor Markets



GEOGRAPHY

- National data for all positions



INDUSTRY

- Educational Entities
- Religious Entities



SIZE

- Employee Headcount



Project Methodology – Completed Steps

EVALUATE MARKET DATA

- External Market Analysis
 - Reliable Data
 - Published survey data
 - Major consulting and surveying firms
 - Statistically validated
 - Unreliable data examples:
 - Self-reported
 - DOL
 - Most free internet data



Published Survey Sources Utilized

- **CompAnalyst Market Data**
 - The world's largest compensation database with 600 million data points and growing.
 - Data is collected from hundreds of professionally-conducted surveys run by corporate HR departments every year.
- **MinistryPay – Full-Time Employee Reports**
 - Contains data for more than 100 ministry job titles from churches representing a wide range of locations, denominations, budgets, and membership sizes.
- **CBIZ - Public School District Compensation Survey**
 - Contains a compilation of recent public school custom surveys, primarily in the Midwest.
 - Only used to supplement data for a few positions not found in other surveys.
- **Economic Research Institute –Salary Assessor**
 - A highly-reputable survey with data on over 7,000 positions; 9,000 locations; and 1,000 industries.
- **WorldatWork –Total Salary Increase Budget**
 - The predominant survey for salary increase trends.
 - Represents multiple industries and geographies
- **Bureau of Labor Statistics - Occupational Employment Statistics**
 - National government survey data

Market Pricing Methodology



- CBIZ documented market compensation data for several positions using a number of published surveys.
- All market data is adjusted to a common effective date of January 1, 2019.

Market Pricing Results

- 25th percentile
 - The point at which 75% of organizations pay more and only 25% pay less
- 50th percentile
 - Also known as the median, this is the middle point of the market.
 - By definition, half of organizations pay more and half pay less
- 75th percentile
 - The point at which only 25% of organizations pay more and 75% pay less

