

## Independent method needed to settle pay debate

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Are taxpayers getting a good value for their money?

Federal News Radio has been delving into this debate. Senior Correspondent Mike Causey <u>says some of the vitriol against feds</u> has to do with the damaged economy.

Rep. Stephen Lynch (D.-Mass.) was <u>recently on the Federal Drive</u> discussing his problems with the ongoing debate surrounding federal pay.

Tad DeHaven of the Cato Institute <u>voiced his opinion</u> that feds, by and large, are probably paid too much, while Office of Personnel Director John Berry <u>vehemently argued</u> that federal employees are worth their weight in gold.

But how can anyone really compare salaries when, quite often, federal employees and their private sector counterparts each have cheerleaders and detractors crunching the data?

Paul Rowson of <u>WorldAtWork</u> says this is why an independent voice is needed. His organization is a non-profit, non-partisan that examines the issues around compensation, benefits and total rewards.

Rowson explains that comparing the public sector to the private sector is much more complex than most let on.

"You first have to fundamentally look at how value is established. The fact of the matter is, we are really working off of a antiquated job classification system. The methodology by which we're trying to make an apples to apples comparison has been constantly called into question. . . . The fundamental thing to do is to begin at the beginning."

This is where, he says that his organization and other non-profits, can really make a difference. He explains that an entirely new hierarchy needs to be developed in order to make a truly accurate comparison.

"The fact of the matter is, everybody is using their own preferred resource, and everyone is coming with their own set of data and everyone comes with their own agenda and conclusions. The trains are never

going to meet on the track under those circumstances. I think what it's really time to do is to forget about who's right or wrong. Let's sit down and get it right."

He suggests doing this for the federal workforce first in order to build up confidence about the government, both internally and externally.

Part of the reason why the general public sometimes lashes out at government employees has to do with misunderstandings of how feds get paid -- and that is reinforced by the fact that there are a lot of different pay systems within the government.

"You need to make sure the relative worth of your own organization is right. You don't want somebody working side by side with somebody else and doing essentially the same task with a different pay system and a different rate of pay. You don't even have the confidence of your own internal workforce. You get internal equity right, then you go out and you take a look at benchmarking to the external marketplace -- and you do that under standards that are acceptable."

Comparing salaries is important and does serve a purpose, he adds. This not only can help federal employees do their jobs better, but it can also give confidence to the taxpayer.

"In terms of being responsible to taxpayers, you have to have some frame of reference, but that frame of reference might be explained in terms that compensation experts can justify in a completely transparent way."