

Employee Performance Assessment - Compensation

Why do we compensate?

- **To attract, retain, and motivate our employees**
- **Reward desired performance**
- **Encourage improved performance**

Jeppesen's objectives

- **Provide equitable pay for comparable work**
- **Be competitive in the labor market**
- **Retain experienced employees**
- **Provide monetary recognition and rewards based upon performance**



How do we determine compensation?

- **Salary surveys**
- **Job evaluation**
- **Industry practices**
- **Internal and external equity**
- **Ability to pay**

Our expectations of managers

- **Plan compensation for entire staff**
- **Understand Jeppesen's pay structures and bell curve**
- **Accurately evaluate and measure employee performance**
- **Compensate equitably**



Legacy



Salary Schedules

Locations	"J"	"B"	Management
Denver	11	1	V1
San Jose	12	2	M1
Portland	13	3	M2
New York	14	4	M3
	15		M4
	16		M5
	17		MT3
	18		MT4
	19		MT5
	20		
	21		
	22		
	23		

Categorize all jobs!



Regulatory Compliance

EEO-1
Officials and Managers
Professionals
Technicians
Sales
Official and Clerical
Craft Workers (Skilled)
Operative (Semiskilled)
Laborers (Unskilled)
Service Workers

FLSA
Exempt
Non-Exempt

Job Family (Group)
Directors, including VPs
Managers
Supervisors
Information Technology
Business Support
Aviation Technician
Senior Aviation Technician
Publications & Graphic Arts
Sales Workers (all)
Clerical
Craft Workers
Operatives



Making Every Mission Possible



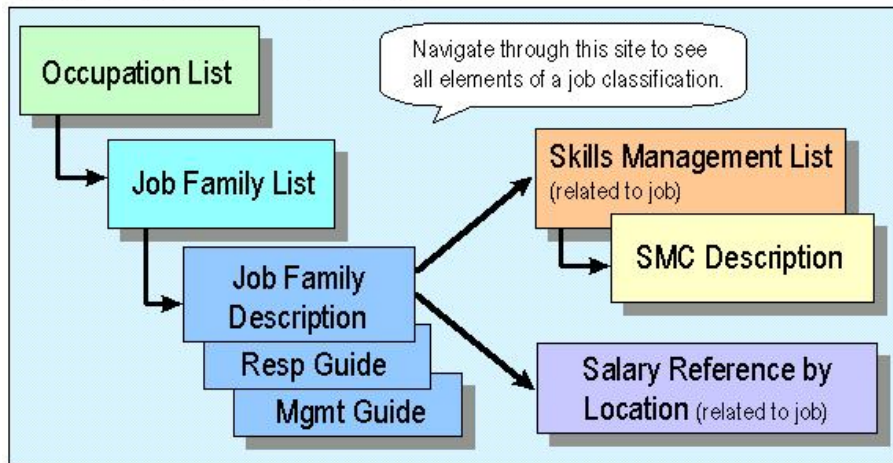
Current



Boeing Salary Schedules



SJC & SMC Structure



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Categorize all jobs!



Salaried Job Classifications and Skill Management Codes



Administrative Services consists of jobs that facilitate and support other occupations across the entire company. These jobs exist within most business units and geographic locations.

Not all jobs are authorized
for use at all locations

DESCRIPTION:

Job Families within this Occupation

- ADMINISTRATIVE ASSISTANT ([MX](#))
- ASSISTANT TO ELECTED OFFICER ([LG](#))
- BUSINESS OPERATIONS SPECIALIST ([MC](#))
- BUSINESS PROCESS ANALYST ([HX](#))
- DATA PROCESSOR ([LD](#))
- EMPLOYEE DEVELOPMENT PROGRAM PARTICIPANT ([NX](#))
- EXECUTIVE DEVELOPMENT PROGRAM PARTICIPANT ([LU](#))
- FOOD SERVICES SPECIALIST ([LE](#))
- INFORMATION PROCESSOR ([MN](#))
- INTERN - BUSINESS ([MR](#))
- INTERN - INFORMATION TECHNOLOGY ([NV](#))
- INTERN - STUDENT ENGINEER ([NW](#))
- INTERN - TECHNICAL DESIGNER ([MG](#))
- JOINT UNION PROGRAM ADMINISTRATOR ([NS](#))
- MULTI-OCCUPATION SPECIALIST ([MQ](#))
- OFFICE ADMINISTRATOR ([ML](#))
- OFFICE ADMINISTRATOR CONFIDENTIAL ([WL](#))
- PROJECT MANAGEMENT SPECIALIST ([MW](#))
- RECEPTIONIST ([MP](#))
- RESOURCE COORDINATOR ([NT](#))
- STAFF ANALYST ([NR](#))
- STORE SALES ASSOCIATE ([NU](#))
- SUPPORTED EMPLOYMENT PROGRAM PARTICIPANT ([LF](#))
- TRANSLATOR / INTERPRETER ([PQ](#))



Salaried Job Classifications and Skill Management Codes



Level A

Exemption Status: Nonexempt

Uses basic features of various computer software to prepare and distribute memos, letters, reports, forms, spreadsheets, and business graphics. Proofreads documents to ensure accuracy. Arranges and coordinates appointments, meetings, schedules, and business travel; gathers and prepares required information and data. Follows administrative processes and procedures. Directs telephone calls and correspondence; assists internal and external customers with answers or information of a routine nature. Procures and maintains inventory of office supplies; maintains records, files, and logs. Prioritizes own responsibilities. Ensures the security of government-classified and company-sensitive information.

Prefer a high school diploma or GED, ability to use necessary office equipment and software, and the ability to pass basic company certification tests.

Level B

Exemption Status: Nonexempt

Level C

Exemption Status: Nonexempt

Level D

Exemption Status: Nonexempt

Level E

Exemption Status: Nonexempt



Salaried Job Classifications and Skill Management Codes



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Occupation: [Administrative Services \(UA\)](#)

Job Family: [OFFICE ADMINISTRATOR \(ML\)](#)

State: City:

Annual Salary Table (Effective 3/4/2005)

Level	Minimum	Market Reference	Market High
A	\$19600	\$28800	\$36000
B	\$23900	\$35200	\$44000
C	\$28200	\$41400	\$51800
D	\$33300	\$49000	\$61300
J	\$44100	\$64900	\$81100

Search Occupations,
Job Families and SMCs

and

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Boeing reached a settlement with the Department of Labor in which it agreed to take steps on a corporate-wide basis to eliminate pay disparities affecting women and minorities, including \$4.5 million in back pay and salary adjustments. The settlement was a result of pay disparity claims brought by the OFCCP against Boeing's facilities in Philadelphia, Huntsville, Ala., and Long Beach, Ca., and to remedy pay disparities at Boeing's Wichita, Ks., Tulsa, Ok., and Seattle facilities for low-and-mid-level executives throughout the company. Additionally, Boeing will continue to self-examine and adjust pay, as necessary, corporate-wide.

Source: World At Work, First Quarter 2001

Must focus on the work

- **Essential functions must reconcile with specific business objectives.**
- **Standards are established to measure the completion of each essential function (timeliness, accuracy, quality, etc.).**
- **Compensation is not generated to meet employee expectations but solely to recognize the value of the work (position).**

Performance Review: Inventory Specialist

EXAMPLE

EXAMPLE

JOB DESCRIPTION		JOB	ABOVE	ABOVE
			STANDARD	STANDARD
ESSENTIAL FUNCTION		STANDARD	LEVEL 1	LEVEL 2
1.	Maintains an accurate inventory of materials, and ensures the delivery of quality service.	A. Logs all receipts/distributions within 8 hours.	4 hours	1 hour
		B. Resolves all customer shipping discrepancies within 8 hours [per acknowledgement from customer].	4 hours	1 hour
		C. Proposes one (1) major operational change to expedite shipping and delivery by no less than 5% each quarter.	8 Proposals 10-15%	16 Proposals 30-50%
		D. Proposes one (1) major operational change to expedite receipt and processing by no less than 10% each quarter.	8 Proposals 10-15%	16 Proposals 30-50%
		Met		
		Expectations	Exceeded Expectations	Far Exceeded Expectations

Perform



PLANNING EXAMPLE

Total Salary Budget: \$500,000

Merit Budget: \$17,500

Employees	Compensation	Plus Merit	Amount Difference	Flat Distribution
John	\$100,000	\$103,500	\$3,500	\$3,500
Paul	85,000	87,975	2,975	3,500
George	75,000	77,625	2,625	3,500
Ringo	100,000	103,500	3,500	3,500
Elvis	140,000	144,900	4,900	3,500
TOTAL	\$500,000	\$517,500	\$17,500	\$17,500

ASSESSMENT SETTING EXAMPLE

	\$3,000 Effective	\$3,250 Highly Effective	\$3,500 Exemplary	
Employees				TOTAL
John	3,000			3,000
Paul		3,250		3,250
George		3,250		3,250
Ringo			3,500	3,500
Elvis			3,500	3,500
TOTAL	\$3,000	\$6,500	\$7,000	16,500

MERIT ASSESSMENT: SUMMARY

EMPLOYEE	RATING	ASSESSMENT	ADJUSTMENT	FINAL MERIT
John	Effective	3,000	100	3,100
Paul	Highly Effective	3,250	175	3,425
George	Highly Effective	3,250	175	3,425
Ringo	Exemplary	3,500	275	3,775
Elvis	Exemplary	3,500	275	3,775
TOTAL		\$16,500	\$1,000	\$17,500



Next Steps

- **Update/create job descriptions to reflect current essential functions or proposed (NNF) essential functions.**
- **Review job standards for relevance and reconcile against (assess) employee performance.**
- **Prepare, review, and submit merit increase recommendations.**