Research at a Glance

Technical Brief

BUREAU OF RESEARCH

NJDOT Compensation Scan and Retention Study

Principal Investigator

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The New Jersey Department of Transportation (NJDOT) engaged Cambridge Systematics (CS) to conduct the Compensation Scan and Retention Study to identify current and best practices related to employee compensation for the NJDOT employment series: Automotive Mechanic, Highway Operations Technician, and Electrical Mechanic. This scope of work is focused on researching and collecting information on compensation and retention of employees utilized by municipalities and county transportation agencies, but was expanded to private transportation agencies and state DOTS. Specifically, this scope includes the development of a data summary identifying relative levels of compensation utilized by transportation agencies to retain employees, qualitative interview summaries, and final recommendations. The study findings aim to ensure that the Department's practices and procedures for compensation and general employment practices are aligned and competitive with nearby agencies as well as nationally.

Research Problem Statement

NJDOT has a long history of employing individuals in the Automotive Mechanic, Highway Operation Technician, and Electrical Mechanic series. However, recent labor market and global shifts have caused an accelerated downturn in the hiring and retention of individuals within these employment classifications. This research was spurred by noticeable increased turnover at NJDOT, especially post-pandemic. Despite State employee benefits and access to overtime, the increased compensation of parallel positions among private and public transportation agencies is believed to be a major contributor. NJDOT understands setting competitive compensation rates is a key component of retaining and meeting the satisfaction of employees, especially those with invaluable experience gained working at NJDOT.

Research Objectives

The objectives of this research was primarily to better understand compensation for the positions of interest in order to support and provide proper justification for internal adjustments. This manifested as conducting research into compensation and employment best practices and procedures at state DOTs and New Jersey agencies via primary and secondary resources, reviewing current practices at NJDOT, developing a survey for human resources staff nationwide, and interviewing stakeholders to ultimately provide recommendations for NJDOT to develop and augment its current practices related to:

- Salary and compensation

- Hiring and retention strategies

- Promotions and advancement opportunities

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Methodology

An extensive desk scan was conducted and comprised of materials from national research organizations like the Bureau of Labor Statistics and American Association of State Highway and Transportation Officials (AASHTO), secondary employment sites like Glassdoor and Indeed, as well as primary sources including the Civil Service Commission of New Jersey, multiple state DOTs, New Jersey transit agencies, and all 21 New Jersey county agencies. Accompanying the desk scan was a 45 question survey (15 questions per employment series), which was developed and distributed to over 50 invitees. Following the collection and synthesis of survey data, six stakeholder interviews were conducted to complement the quantitative data collected in the *Compensation Desk Scan* with the qualitative experiences and programming conducted by these agencies. An interview was also conducted with NJDOT Human Resources to seek clarification on NJDOT practices to best tailor recommendations. Finally, the desk scan, survey data, and stakeholder findings were encapsulated in a final research report that enhanced understanding of compensation and employment practices in relation to these employment series while also providing examples and recommendations to NJDOT.

Results

The findings of the research activities, stakeholder interviews, and data analysis produced various outputs, including a set of 29 recommendations and considerations across three memorandums. Some highlighted topics and deliverables include:

- *Desk Scan and Survey for Transportation Agency Compensation Practices*

    o Global considerations about the state of trade positions in the U.S and challenges being created for public agencies by the private sector and by competing local agencies (e.g. cities and counties).

    o Comparisons of compensation schemes in New Jersey and nationally.

    o Data collected from 18 survey responses including one New Jersey transportation agency, one New Jersey county agency, and 16 state DOTs.

- *Agency Interviews*

    o Findings from six stakeholder interviews including one New Jersey transportation agency and five state DOTs.

    o These findings spanned topics such as organizational structure, compensation/benefits, employee development, work culture, and the hiring and retention context.

- *Compensation Study Memorandum*

    o Recommendations focused on compensation and salary adjustments, including salary increases, career ladder and promotional adjustments, and alternative compensation adjustments schemes.

    o Hiring and retention recommendations including, recruitment, training and professional development, and supplemental employee benefits.

    o Recommendations to agency practices including surveying, accessibility, employee integration and betterment programs, along with external advocacy and diversity initiatives.