

The Effects of Salary Compression on Law Enforcement Retention: A Research Synthesis of Select Florida and Texas State Agencies

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Abstract

Rewarding seniority through established pay raises over a known period of time is a common practice in law enforcement. Florida state law enforcement officers have not had a structured pay plan since 1995. The state of Texas, similar to Florida in region and politics has a structured pay plan. Both state's highway patrol and conservation officer's salary and retention rates were analyzed for compression and retention problems. A high turnover rate can create many costs to the employing agency beyond training of replacements. A survey of the four agencies reveals that the Florida agencies have a much greater rate of attrition and salary compression when compared with Texas' agencies. Does Florida realize a cost savings with this approach?

Introduction/Literature Review

Beginning in July 1984 and continuing through 1992, the State of Florida had a structured pay plan for State Law Enforcement Officers. (Special Agents of the Florida Department of Law Enforcement; Plaintiffs v. Governor Jeb Bush; Defendant, 2000) After 1992, except for the budget year of 1994-1995 (when the step pay was partially funded), the State of Florida has not had a structured pay plan for its state law enforcement personnel. (Special Agents of the Florida Department of Law Enforcement; Plaintiffs v. Governor Jeb Bush; Defendant, 2000) In the place of the structured pay plan, Florida implemented *Broadbanding* which allows for a salary range within specified classes. More specifically, *Broadbanding* can be defined as "a classification system that replaced the old state classification system by collapsing numerous classes with similar duties into broad occupational categories. Along with the broad categories, broad pay ranges were also created within this system". (Broadband Classification and Compensation Program, 2011) There currently is no mechanism for consistent and predictable movement through the band, however. In direct contrast, the State of Texas has provisions for two raises in the first year of employment and pay raises every four years thereafter up to twenty years. Florida's lack of structured pay raises may lead to salary compression and high turnover rates. The mere existence of salary compression and a high turnover rate does not establish causality so this paper will examine four agencies in order to enhance or negate the notion of causality. The degree of compression between Florida and Texas as well as the rate of attrition are compared by

examining Florida and Texas' conservation law enforcement and highway patrols. The compression and attrition rate will be established using methods contained in W. Dwayne Orrick's book, "RECRUITMENT, RETENTION, AND TURNOVER OF POLICE PERSONNEL Reliable, Practical, and Effective Solutions"(Orrick, 2008). The Criminal Justice Attrition Study by the Florida Department of Law Enforcement will also provide data on attrition rates of Florida's State law enforcement agencies. In addition, James W. Steele's publication, "Paying for Performance and Position, Dilemmas in Salary Compression and Merit Pay"(1982) provides some of the consequences of salary compression and offers some solutions as well. Some of the documented consequences were lower morale and higher turnover. (Steele, 1982) One of Steele's proposed solutions has already been done by the state of Florida, the *Broadbanding* effort mirrors his recommendation to "create fewer job classifications and broaden their pay ranges". (Steele, 1982) Another of Steele's proposed solutions to salary compression is to "establish (or use) a bonus program that instantly rewards good performance or special effort". (Steele, 1982) The costs for replacing employee turnover in law enforcement are higher than those in many other occupational fields because of the training requirements both in the academy and in the field. There are also other, more difficult to measure, costs associated with a high turnover rate such as the effect on morale, inefficiency, loss of institutional knowledge, delinquent behavior and a higher percentage of inexperienced officers to name a few.

My research will determine if the Florida agencies negatively compare to the Texas agencies with regards to salary compression and retention. I will approximate the costs of Florida's turnover rate and compare them with the costs of implementing a structured pay plan with predictable and meaningful raises weighted towards the first half of a full career. According to an article by Paul Stageberg titled, "Why Police Officers Resign: A Look at the Turnover of Police Officers in Vermont" (1990), half of the officers who left their departments did so in the first two years or less. Surveys will be sent to personnel representatives for all four agencies to discern the rate of attrition and range of salaries for the Officer class. In addition, the survey will request the total salary costs for each agency as well as the number of full time Officer positions.

Methods

A survey was sent out to appropriate representatives from four law enforcement agencies. The selected agencies are the Florida Fish and Wildlife Conservation Commission (hereafter FWC), the Florida Highway Patrol (hereafter FHP), Texas Parks and Wildlife Department and the Texas Department of Public Safety, Division of Highway Patrol. The agencies were chosen for their similarity in size, mission and political climate over the last decade. The approximate sizes of the agencies are 700, 2000, 550 and 5000, respectively. Information was requested about the costs for salary plus benefits for entry level, academy graduated Officers/Troopers. The exact number of entry level sworn officers was requested so that a total cost of sworn employees could be obtained. The final product aimed to show what the cost per unit employee

was for each agency's entry level position. Another question endeavored to obtain what the salary range was for the non-supervisor sworn position so that the median income can be determined.

Two questions were asked to attempt to determine turnover rates. The first question asked how many non-supervisory, entry level sworn personnel left the respective agencies annually in the last ten year. This was followed by a question of how many total non-supervisory sworn positions the agency in question had each of those ten years to determine the rate of turnover. A follow up question of what are the approximate costs to train a new recruit until they are capable of solo patrol will be considered.

The next question was designed to determine what each agency's median experience is for their non-supervisory entry level sworn personnel. The question was designed to capture experience in five year cohorts. A final question asked if exit interviews are completed and what are the top four reasons listed for leaving employment ranked from first most frequent to fourth most frequent.

All of the data combined should allow for a comparison to see if the two Texas agencies differ markedly from their Florida counterparts given that Texas has consistent, predictable raises in pay for the two selected agencies whereas Florida does not. The primary focus will be on costs, turnover rates, experience levels and salary compression.

The strength of the survey was the fact that it was primarily raw data not subject to interpretation. It consisted primarily of numbers which allow for better comparison across states and agencies. The three greatest weaknesses were my wording on question one whereby the data given was only for persons who had graduated from an academy that year. A second weakness was the wording of the salary range question where I should have provided more clarity with a more specific question such as: "from lowest paid to highest paid, with the number of personnel at each pay rate". Had I done this I am convinced I would have received more meaningful responses. Another inherent weakness of my survey was the limited number of surveys requested. I intentionally limited the surveys to four agencies due to their similarity of characteristics but would have been completely stymied had not all four agencies agreed to complete the survey.

Results

The survey was sent to four selected departments with all four departments responding nearly fully to all of the asked questions. One department was delayed in its response due to a special session of the Texas legislature. When the departments were queried as to their total costs for salary plus benefits for their entire agencies' entry level, non-supervisory law enforcement personnel the results were as follows:

- Florida Highway Patrol (FHP)--\$58, 652,909
- Florida Fish and Wildlife Conservation Commission (FWC)—\$26,349,004.57

- Texas Department of Public Safety, Division of Highway Patrol (THP)—\$3,991,621
- Texas Parks and Wildlife Department (TPW)--\$29,876,474

The second survey question asked for the number of entry level Officer/Trooper positions that were not supervisory or investigatory in nature. The results were as follows:

- Florida Highway Patrol: 1066
- Florida Fish and Wildlife: 469
- Texas Highway Patrol: 1874
- Texas Parks and Wildlife: 72

The salary range portion of the survey drew responses that were quite varied. Although a range was specified only TPW and FHP delivered their responses in a range format. TPW listed the range as \$3938.08 to \$5149.41 monthly (or \$47,256.96 to \$61,792.92 annually). The FHP responded with an Academy pay rate of \$30,178.56, an Academy graduate rate of \$33,977.04 and the highest paid Trooper at \$59,306. FWC simply listed \$1262.93 bi-weekly (\$32,836.18 annually) while THP only listed \$47,221 annually even though they have the same range as TPW.

The survey question inquiring about the number of persons who had left the agencies was meant, along with the number of positions for each agency, to determine the turnover rate. From 2001 through 2010, FHP and FWC had average turnover rates of 7.29% and 8.52%, respectively. Neither of the Texas agencies provided complete data on this portion, thus inhibiting the opportunity for more robust comparison. TPW and THP did provide data that overlapped for the time frame of 2006 through 2010, however. During this time period, TPW's turnover rate was 5.95% while THP's was 6.28%.

One of the questions in the survey was designed to elicit a breakdown in agency demographics sorted by experience. The question asked for a breakdown in five year increments of the level of experience in each agency. Three of the four agencies (FHP, FWC and THP) were significantly weighted on the lower end of the experience scale.

The final question dealt with responses to exit interviews conducted with Officers/Trooper departing their agencies. The results in descending order for each agency were:

- Florida Highway Patrol: better pay/job opportunity, retirement, family/personal, other
- Florida Wildlife Commission: better pay/job opportunity, retirement, family/personal, other
- Texas Highway Patrol: retirement, better pay/job opportunity, return to school, other
- Texas Parks and Wildlife: retirement, other and final two omitted.

Discussion

Using the data supplied by the various departments, some conclusions can be determined from the figures above. One example would be that the FHP's salary budget is .08331% of the 70.4 billion dollar State of Florida budget while FWC's percentage is .0374%. When you divide the salary and benefits cost by the number of non-supervisory sworn officers in each agency you find that the FHP spends approximately \$59,546.10 on each Trooper while FWC spends approximately \$56,181.25 on each Officer.

Conversely, the TPW's percent of the 91 billion dollar State of Texas budget comes out to .0328%. TPW's budget for salary and benefits was listed as \$29,876,474 which, when divided by the number of non-supervisory sworn officers comes to \$83,687.60 for each Officer. THP's salary and benefits numerical figure (\$3,991,621 for 1913 positions) delivered in the survey appears to be flawed. Requests for clarification revealed that the question was misunderstood and the results provided were based solely on the salary of academy graduates during fiscal year 2010, which were 120 at the academy pay of \$33,263.51. During interviews with TPW and THP personnel in April of 2011 at Kerrville, Texas, I learned that THP and TPW officers were paid at the same rate (Captain Alan D. Teague, TPW and Sergeant Chris LaLonde, THP). As a result, if you extrapolate the \$83,687.60 sum for each officer and multiply it by the 1913 THP positions, you derive a figure of \$160,094,378.80. This sum would represent approximately .176% of the State of Texas budget.

In analyzing the different response styles of the four agencies regarding the salary range question, I am confident that had I worded the question with a phrase of "from lowest paid to highest paid with the number of personnel at each pay rate" I would have received more meaningful responses. The use of the words "base salary range" may have also sparked some confusion. For the Florida departments, this might be more understandable since there have been no raises given to cohorts separated by experience since the beginning of the analyzed period (2001). The only raises paid to the Florida Officers/Troopers have been across the board raises which simply result in raising the starting pay. For the Texas agencies, two pay raises in the first year and every four years thereafter up to year twenty are standard.

When analyzing the questions designed to determine turnover rates the agencies with structured pay raises came out much better. Not surprisingly, their turnover rate was lower with TPW having an average of 5.95% while THP came in with an average turnover rate of 6.28%. To make a direct comparison, the average turnover rate for FHP and FWC during this same 5 year period was 7.62% and 7.41% respectively. It would have been interesting to note how much experience those persons leaving had as well as separating out the ones retiring from those resigning voluntarily. Exit interviews performed on personnel leaving the agency for whatever reason from both Florida agencies revealed that the top listed reason for leaving was for better pay/job opportunities. Conversely, both Texas agencies exit interviews revealed that the number one reason for leaving their agencies was retirement. Further analysis of the quality of Officers retained by each agency would be beneficial. Enhancing low turnover

is only a tangible benefit if a higher caliber of Officers is remaining with an agency. Some methods of comparing data might be to collect and analyze sustained allegations of internal affairs investigations, employee absenteeism, liability claims paid, worker's compensation claims, et cetera.

When analyzing the experience cohorts for the agencies, the FHP answers showed that fully 62% of the current Troopers have 10 years or less experience. In fact, nearly one-third of the FHP Troopers (31%) have less than 5 years of experience. When you examine the FWC, the situation is even more pronounced with nearly three-quarters (73.3) of the agency's Officers having 10 years or less experience. Almost half (44.7%) of the Officers currently working for FWC have less than 5 years of experience. TPW is also weighted towards the same end of the experience scale but not as pronounced. 57.5% of TPW Officers have 10 years or less experience compared to 62% for FHP and 73.3% for FWC. THP's responses also depict an agency heavily weighted with Troopers with little experience. Fully 48.9% of THP's Troopers have less than 5 years of experience. Three quarters of the Texas Troopers (75.5%) have 10 years of experience or less. For the 10 year period of 11 to 20 years of experience, FWC seems particularly bereft at 9.8%. By comparison, TPW has 21.8% of its Officers in this same experience cohort while THP and FHP each have approximately 18%. Another interesting component of this question was that for three of the responding agencies, the experience cohort with the least representation was the 16 to 20 year segment with 5.7%, 3.7% and 5.9% for FHP, FWC and TPW, respectively. THP had a similar percent at 4.9% but had even lower numbers for the 21 to 25 and over 25 years of experience cohorts. On the highest end of the experience scale, those with over 25 years, FHP had 12.9%, FWC had 8.2%, TPW had 6.2% and THP had just 2.9%. Since the Florida Officer/Troopers make quite a bit less money than their Texas peers, this might be explained by the need for the Florida Officers to work longer careers to obtain a more palatable and comparable retirement salary.

According to SunshineReview.org, the State of Texas' per capita spending on taxes is ranked 50th out of 50 states. Even though Texas is ranked last it still out spends Florida on its state troopers and wildlife officers. The combined percentage of the Texas budget devoted to salaries and benefits for Texas troopers and wildlife officers is .2088%. Florida currently spends .12071% of its budget for the troopers and wildlife officers. Were Florida to decide to match Texas's commitment, it would have to devote another .08809% of its budget to FHP and FWC officers. This is the equivalent of \$62,015,360.00. If you were to add that amount to the current Florida expenditures for salary and benefits of FHP and FWC officers it would come to \$147,017,273.57 or \$95,776.73 per individual for salary and benefits. The percentage comparison may not be as persuasive due to the total number of Texas personnel being 2270 compared to Florida's 1454. If you simply replicated the salary and benefit value of Texas officers (\$83687.60) in Florida the required amount to effect the change would be \$36,679,856.83 or expressed in other terms, .0521% (52.1 thousandths of one percent) of the budget.

Many would ask, what would that do to benefit the state? Although more research is needed, there can be no doubt that Florida's turnover rate at FWC and FHP

are higher than the comparative Texas agencies. Turnover cost agencies a great deal of money simply to recruit, select, hire and train replacements. For FWC, the costs to replace an Officer have been quantified at \$68,637.90 (email FWC training Major Mark Warren 8/3/11). These costs don't even quantify the lost productivity of an Officer knowing he is leaving, the costs of administrative out-processing, the costs of travel and salary for interview panels for hiring replacements, the value of on the job knowledge gained, et cetera.

In addition to turnover costs, agencies that retain more of their employees have a larger spread of experience cohorts. More examination into the rate of complaints, internal affairs investigations and liability concerns for agencies heavily weighted with inexperienced officers needs to occur. At the very least, an agency with a higher percentage of experienced officers represents more of a cross-section of the community it serves. It also allows for Officers with a larger knowledge and experience base to be the field training officers for the incoming replacements that do occur. Having a larger percentage of your personnel remain with your agency also creates a more competitive pool of persons seeking promotions. The quality of an agency is often no better than the quality of its leaders and its first level of leaders are those line Officers/Troopers working with the newer Officers and citizens every day.

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Appendix

SURVEY

Question 1. What are the total costs (for the entire agency) for salary plus benefits for your academy graduated Officers/Troopers—please do not include any investigator or supervisory positions? Responses: FHP--\$58,652,909; FWC--\$26,349,004.57; THP--\$3,991,621; TPW--\$29,876,474.

Question 2. How many entry level Officers/Trooper positions does your agency have—please do not include any investigator or supervisory positions? Responses: FHP—1066; FWC—469; THP—1874; TPW—72

Question 3. What is the base salary range for your Officer/Trooper position—please do not include salary additives, investigators, or salaries of positions above that of the non-supervisory Officer/Trooper? Responses: FHP—Academy \$30,178.56, graduate \$33977.04, highest Trooper \$59,306; FWC—1262.93 bi-weekly; THP--\$47221; TPW—3938.08-\$5149.41 monthly

Question 4. From 2001 to 2010, how many non-supervisory, non-investigative, Officers/Troopers have left your agency each year? Responses from 2001 to 2010 decending:

| | FHP | FWC | THP | TPW |
|------|-----|-----|-----|-----|
| 2001 | 59 | 48 | NR | NR |
| 2002 | 69 | 40 | NR | NR |
| 2003 | 96 | 30 | 67 | NR |
| 2004 | 82 | 22 | 91 | NR |
| 2005 | 60 | 45 | 109 | NR |
| 2006 | 77 | 42 | 112 | 9 |
| 2007 | 68 | 42 | 127 | 22 |
| 2008 | 93 | 47 | 150 | 36 |
| 2009 | 64 | 46 | 126 | 22 |
| 2010 | 79 | 32 | 74 | 20 |

Question 5. How many non-investigative, non-supervisory Officer/Trooper positions did your agency have:

| | FHP | FWC | THP | TPW |
|------|------|-----|------|--------|
| 2001 | 1023 | 420 | 1640 | NR |
| 2002 | 1031 | 454 | 1627 | NR |
| 2003 | 1037 | 459 | NR | NR |
| 2004 | 1075 | 470 | NR | NR |
| 2005 | 1084 | 472 | 1914 | NR |
| 2006 | 1025 | 472 | 1955 | 379.75 |
| 2007 | 1008 | 472 | 1922 | 389.5 |
| 2008 | 972 | 469 | 1743 | 360.75 |
| 2009 | 1013 | 468 | 1850 | 343.75 |
| 2010 | 985 | 469 | 1913 | 357.50 |

Question 6. How many of your current non-investigatory, non-supervisory Officers/Troopers have:

| | FHP | FWC | TPW | THP |
|--------------------------------------|-----|-----|-----|------|
| Less than 5 year's experience? | 293 | 191 | 99 | 1069 |
| Between 6 and 10 year's experience? | 293 | 121 | 114 | 582 |
| Between 11 and 15 year's experience? | 116 | 26 | 59 | 284 |
| Between 16 and 20 year's experience? | 54 | 16 | 22 | 107 |
| Between 20 and 25 year's experience? | 65 | 38 | 53 | 83 |
| Greater than 25 year's experience? | 122 | 35 | 23 | 63 |

Question 7. If your agency conducts exit interviews for non-supervisory Officers/Troopers leaving employment what were the top four reasons given for leaving in numerical order?

(options were: Health, Family/personal circumstances, Better pay/job opportunity, Supervisor deficiencies, Return to school, Retirement or Other)

Responses: **FHP**—1. Better pay/job opportunity 2. Retirement 3. Family/personal circumstances 4. Other **FWC**—1. Better pay/job opportunity 2. Retirement 3.

Family/personal circumstances 4. Other **THP**—1. Retirement 2. Better pay/job opportunity

3. Return to school 4. Other **TPW**—1. Retirement 2. Other last two reasons omitted.