

**POWER DISPATCH, SEPTEMBER 1999, NEWS FROM HUMAN RESOURCES
PLANT EMPLOYEES GENERATE THEIR OWN FUTURE ⁱ**

It isn't often that employees have the opportunity to define the job requirements that not only establish what they can earn today, but lay out a future path to earning more by increasing their capabilities. But that is exactly what over 75 plant employees from Cedar Bay, Carneys Point, Hermiston, Indiantown, Logan, Northampton, Pittsfield, Millennium, and Scrubgrass did when they participated in a series of meetings to define the job requirements for the large majority of non-exempt (hourly) positions for the non-union workforce. These requirements will be introduced later this year as part of a new plant compensation program that is a collaborative effort between the General Managers of these plants and the Human Resources Department

According to HR's Linda Colon, who has led this effort; "We knew from the focus groups that HR conducted at Northampton, Carneys Point, Selkirk and Indiantown that it was particularly important to involve the plants. Employees told us that they did not understand the link between their capabilities and their pay. We told Gary [Weidinger] and the GMs that the best way to address this issue was to have the plant employees develop requirements for their jobs and they gave us the go-ahead."

Meeting Month	October 1998	January 1999	January 1999	February 1999	March 1999	March 1999	April 1999
Job Family	Carneys Point	Procurement	Operations	Mat. Handling	Plant Chemistry	HR/Plant Admin	Ops & Maint.
Meeting Sponsor		Cedar Bay	Carneys Point	Northampton	Indiantown	Pittsfield	Hermiston
Meeting Participants							
Carneys Point	Troy Wildrick Paul Diedrichson Dave Bowen Greg Leagan Jimmy Dan	Joe Buck	Buss Ryder Greg Myers Donald Cuff	Bill Minix	Stephen Wood	Lori Clark	
Cedar Bay	Ron Joganboeke	Bill Bullen B. Boone-Hensern	Lee Atkins Larry DiAx	Brian Bailey David Guy	Michael Nolting Bill Myers	Jim Ecarius	Ed Ozierski
Hermiston		Dennis Morris	Ben Rogers			Steve Nelson	Tom Davis Michael Stewart Tim Correll Joe Hall Ben Rogers
Indiantown		Gary Daugherty	Tim Bofman	Tim Bofman	Tim Bofman Keith Ye	Mike Pembroke	Tim Bofman
Logan	Glenn Riggs Carl Barker		Bob Bychkowski Ralph Hammond		Lewis Perry		
PG&E Gen NE		Shawn Kiniston	Liv Imset			Sharon Hanrahan Bob Rossi Diane Smith	
Millennium							Sean Spain Ron Eldrich
Northampton Fuel Supply				Michael McKelvy Bob Lopez Jogn Coolbaugh Ed Kresge		Robyn Wheeler	
Northampton Generating	Chris Muscavage	Ken Marsh	Don Rupp Sanford Bowles Tom Coleman	Don Rupp James Haydt David Novogratz	John Clairmont Cliff Heistand	Steve Bodnar Terry Pavlacka	
Pittsfield		Joe Farrigan Sue Wood	Shawn Derby Timothy Eglin			Joe Farrigan Becky Paquette	
Scrubgrass	Ed Gregory Ed Appleby	Ron Otteni Pam DeGroff	Joe Reindl John Moore Shawn Titus	Gary Swartz, Sr. Todd Lawton	Kevin Hoffman	Ron Otteni	John Moore
HR Participants	Patty Moll	David Pasternak	Charlie Horvath Ivy Lyn Tompkin	Ruth Gaccetta	Ron Otteni Charlie Horvath	Bill Sales	Bill Sales

Over a six-month period beginning in October 1998, employees listed in the above table attended seven two-day meetings to develop non-exempt position job requirements for seven of the eleven job families that will comprise the new plant compensation program. These families, which include Operations, Maintenance, Fuel Handling, Plant Chemistry, Operations and Maintenance (gas-fired plants only), Procurement, and HR and Administrative Services, apply mainly to power plants. HR has defined job requirements for the other four job families—Accounting, Environmental, Safety and Health, Engineering and Clerical and Administrative—by working with the responsible Departments. This alternative approach was taken to ensure that the requirements and pay grades for these job families, which encompass both plant and non-plant positions, are aligned.

TARGETING SUCCESS

The full “universe” of job families that will make-up the new plant compensation program is depicted in the “target diagram” to the right. The C-, B-, and A-levels represent progressively increasing work-related requirements and behavioral competencies for non-exempt positions. The task of plant employees was to define the job requirements—education and experience, knowledge, and skills—for the particular job family they represented.

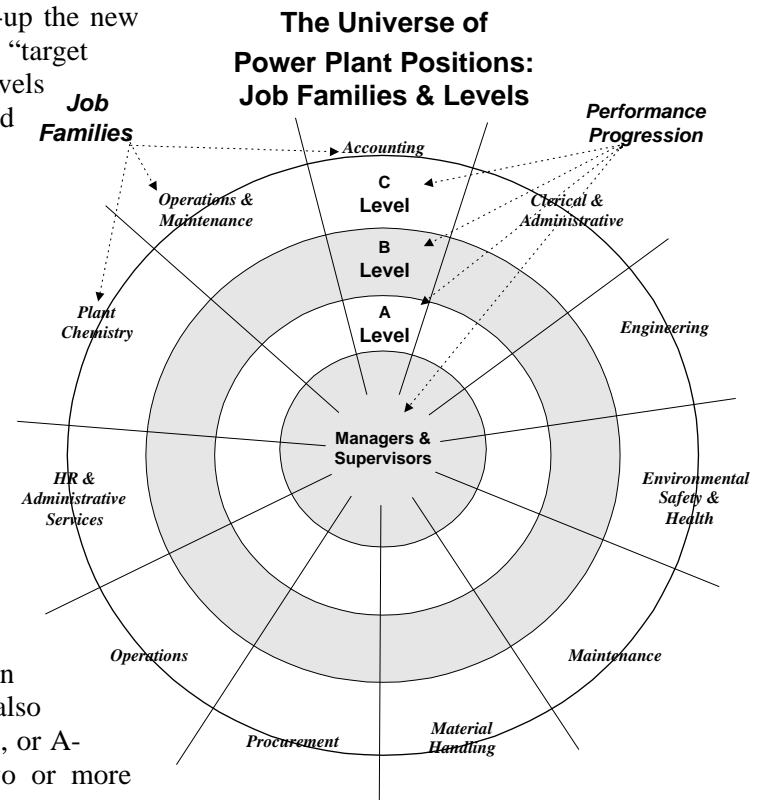
As a starting point, employees were given a summary of the requirements for a fully qualified employee that was based on existing position descriptions. With this defined as the “B-level”, they were asked to develop “entry-level” (i.e. C-level) requirements and “master-level” (i.e., “A-level”) requirements. The A-level represented knowledge, skills and other requirements that would add value to plant operations beyond that provided by someone that was fully qualified. In addition to defining requirements, employees also could combine positions—i.e., define a new, C-, B-, or A-level position by combining requirements for two or more existing positions.

A JOB WELL DONE

Ray Mischkot of Transactive Management, who worked with Colon and other members of the HR staff to facilitate these meetings told us: “I have worked with many companies, both small and large, over the past 25 years but never saw a company ask employees to write their own job requirements. I must admit, I wasn’t sure it could be done. But whatever doubts I had were dismissed after the very first meeting with Maintenance employees. The outstanding job done by this group set the standard for subsequent job requirement meetings”.

Employees, who also admitted initial skepticism, walked away the effort with a positive reaction. Carl Barker, an I&C Technician from Logan who participated in the Maintenance meeting, said his first reaction was; “Oh no; another meeting.” But added, “I was glad I was chosen. We got a lot accomplished in two days. A lot of positive [results] came out of this.”

Tim Bofman, a Shift Supervisor from Indiantown who attended four requirement development meetings, said that during the first day; “I was frustrated that we weren’t getting to the best approach.... But by the second day everyone was more onboard with what we were trying to accomplish. He added; “Overall it [was] a positive move in the right direction to get people up and motivated.”



Ed Gregory, the Scrubgrass Maintenance Manager said; “My first reaction was apprehension that we would miss important items or chose a system which would not be workable.” Gregory said that after the meeting; “I felt the whole process went smoother than I had anticipated and was impressed how everyone worked together.”

David Guy, a Material Handler from Cedar Bay said; “I like the idea of standards and competencies across the board and also that we will have a route to move [to better] positions in the company.”

Glenn Riggs, a Logan Mechanic said; “I feel that it helped clarify...who will be qualified as an A-, B-, or C-level Mechanical Maintenance Technician. The task force came together as a beginning of a competency-based system. When [the results] were shown to fellow workers, they seemed satisfied we had the beginning of a measurable and fair system.”

THE CORNESTONE OF A NEW PLANT COMPENSATION SYSTEM

The new plant compensation program will be introduced during the fourth quarter of this year. In addition to the employee-developed requirements, this program will also include revised pay ranges and qualifications program and a new performance management system.

According to Catherine Leggett, the head of the HR Department, the requirements developed by employees in many respects are the cornerstone of the new plant compensation program. “Because requirements let employees know what is expected of them in their current positions and what it takes to advance, they will be an integral part of the new performance management system.” Leggett added; “Requirements are also the basis for surveys of market-based labor costs used to establish position pay ranges and to adjust these ranges with market changes.”

From the operations vantage point, Bill Stevens, VP-Operations Management, sees the program as fundamental to PG&E Gen’s success as we continue to grow. “Our need for clarity and consistency in the plant compensation program has become increasingly urgent every year. And now, as we’re about to resume adding many more new plants and employees, the excellent work that has been done to improve and integrate the several aspects of this program will be an even greater help to all of us.”

Gary Weidinger, SVP IPP Operations, complements plant employees on their willingness to establish a high standard of performance—an essential part of PG&E Gen’s ability to succeed in an increasingly competitive power market. “The job requirements that were developed, not only define our employees path to future success but, in many respects, the path of the entire company must follow. Operational and environmental excellence will be the hallmark of companies that emerge as winners in the ongoing realignment of the power market. Power plants can only be as good as the people that operate, maintain and support them. The job requirements effort confirms that, when it comes to our employees, we have what it takes to be successful.”

ⁱ Written by Ray Mischkot for publication in the September 1999 of Power Dispatch