By Michael Coleman

EPIC BATTLE: hourly vs. salary

The debate over how to pay full-timers is often as much about compliance as it is about preference.

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Compensation is a simple matter of economics," says superintendent Alpha.

"Your club may see it that way," replies superintendent Beta. "But at my municipal course, we use benefits like a pension and great medical plan as incentives for our assistants and mechanics."

"Don't forget the human element," says superintendent Kappa. "My guys jump at our training opportunities and they really appreciate the flexibility our comp time program gives them."

"I'm sure they do," says Alpha. "But comp time doesn't spend like summer overtime pay."

You may have had a conversation like this a time or two. Approaches to compensation, hourly vs. salary for starters, vary like the nature of one hole to the next.

FINDING BALANCE AND THE LAW

Local and federal labor laws have been established to help balance employees' need to be paid fairly for their work with business' need to manage payroll. Carrie Riordan, senior director of member programs with the GCSAA, says that balancing act is one of the biggest areas superintendents struggle with in budgeting.

One of the most common questions, Riordan says: "Can my assistant be salary, because my assistant is working a lot of hours and it's more cost effective for the facility to have the job salary vs. hourly?"

The answer is consistent: "Maybe."

Positions like first assistant, second assistant and equipment manager are different in the eyes of the law. Federal law has key guidelines that help determine whether an employee can be exempt from the Fair Labor Standards Act, according to the U.S. Department of Labor Web site. This law requires overtime be paid at the rate of one and a half times the employee's regular rate for hours worked over 40 in a work week.

In the golf industry, the most common exemption granted under the law is in section 13(a)(1), where an employee must be paid on a salary basis no less than \$455 per week for work that directly involves management of the business and also requires specialized academic training. For more information on state

HR ISSUES

law consult your state department of labor or the GCSAA.

Riordan says job titles add confusion. "The title really doesn't have anything to do with whether you pay hourly or salary. It's completely based on the job duties," she says. She encourages superintendents to have written job descriptions to spell out each position's duties. That analysis and documentation can help eliminate problems early.

Many superintendents rely on their assistants to supervise the crew, and that supervisory role satisfies a key component of federal law. But that's only one driver behind having an assistant on salary, according to Bill Maynard, CGCS, at Milburn Country Club in Shawnee, Kan.

"I have always salaried my assistant superintendents," Maynard says. "It's just the number of hours that I demand from them, it becomes more beneficial to the club. He's usually here 30 minutes prior to the shift and stays 30 minutes to an hour after the shift. The guy is always on call." Superintendent Chris Carson of Echo Lake Country Club in Westfield, N.J., sees two viewpoints in the debate over assistants' pay.

"One is take advantage of these guys and in the

process they get a boost up and get a chance at a superintendent's job," says Carson. "And the other is pay them for the hours they work. I'm more in that camp, I guess."

Kriz

At Echo Lake, the assistants and equipment staff are paid hourly and everyone, including seasonal staff, qualifies for benefits like 401(k), sick pay and medical. The average tenure for seasonal staff is 12 years.

Charles Passios, COO at the Golf Club of Cape Cod in North Falmouth, Mass., notes that what may be a lot of responsibility doesn't automatically mean an employee is exempt.

"One of the biggest myths, at least in Massachusetts, is the mechanic position," Passios says. "Even though they are directly responsible for one of the biggest asset pools (golf equipment) a course has, they typically do not manage staff as part of the job and therefore do not qualify for salary."

Some issues, like a mower that breaks down mid-morning, can really hurt a day's productivity. That kind of equipment crisis often means overtime.

Equipment manager Mike Kriz, Arrowhead Country Club in Rapid City, S.D., is the current president of the International Golf Course Equipment Managers Association. He says employees seek the best kind of compensation to fit their lives. Most equipment managers in the association are hourly employees, but that varies. Some people have busy lives outside work and would rather not work many extra hours.

"It's what's important to you," Kriz says. "There are people out there who live off overtime."

CONSIDERING THE BIG PICTURE

One goal for Dave Pease, general manager and





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director of agronomy at Monmouth County Parks in New Jersey, is to use approaches in compensation that help everyone. One strategy that achieves that is providing inexpensive housing to assistants.

"It's important to us because we get 24hour coverage, security and logistical support," Pease says. "So it's a win-win for us. We actually benefit from it as much as an organization as the employee benefits from the fact that his housing cost is reduced."

With a superintendent, one assistant and a mechanic at each of his primary courses, Pease also uses a compensation time program in his operation. He feels that the pension, health care and prescription plans all make for an attractive package that draws top personnel. They also can attend training out of state and even take their family along.

Another factor for assistants is building skills for their next position, so advancement potential is an unpaid type of compensation. Carson, who teaches budgeting and planning in the Rutgers short course, says he prefers to pay staff overtime vs. a flat salary. He says the drive to land a superintendent position fuels the efforts of many young people in the industry and means they are willing to work harder for less money, especially at top-notch courses.

"It becomes easier for the superintendents at those clubs to attract the very best candidates," Carson says. "And those candidates typically have lots of ambition and as a general rule they're more inclined to work whatever it takes to get that next step to make them a superintendent."

Many large golf operations keep this approach in mind as they try to balance payroll and internal talent pools. For some assistants,

pay isn't necessarily the deciding factor in job satisfaction.

One other consideration is compliance, which is always important, industry veterans say.

"In this economy, filing Pease



for everything from suspected harassment to compensation violations is up nationwide and employers really need to understand their requirements under the federal and state statutes as any infraction taken to action can be a costly and long process," Passios says.

While superintendents are not required to put anyone on salary, there can be other benefits besides saving overtime for the facility that puts an assistant on salary, Maynard notes.

"When you're on salary you think, 'Okay, I'm management now, let's look at it from a management perspective,' "Maynard says.

"I had a tendency to make more money if I was an hourly guy," Maynard says, but he preferred being on salary. "I feel more empowered. I think the salary aspect of that really does help. It kind of gives you a stronger work ethic." GCI

Michael Coleman is a freelance writer based in Kansas City. He can be reached at irishladkc@att.net.

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