

# Case Study: First Community Bank



*"The DBCompensation system has been a valuable tool to manage salaries and total compensation for First Community Bank. In today's fast changing and competitive market, this system has enabled us to stay in tune to the market in each of our regions in Arkansas and Missouri attracting and maintaining top quality employees."*

— **Dale E. Cole**  
Chairman & CEO, First  
Community Bank



## Customer Profile

First Community Bank (FCB) is a billion plus in assets full service bank headquartered in Batesville, AR. First Community has several banking locations in North Central, Central, and NE Arkansas and SW Missouri. Since the creation of the Bank in 1979, their growth has been organic except a small bank purchase that opened the door for the Bank to operate in Missouri.

## Business Situation – January 2011

First Community Bank was looking for an efficient and effective software program to complete officer-level job descriptions, job rating/valuing and an external market pay comparative analysis to determine proper placement of officer positions in the salary grade structure. They wanted the ability to update the current 33 officer job descriptions into a comprehensive and common electronic format for improved job clarity and goal orientation.

FCB wanted to use market salary information to validate the Bank's internal compensation structure's competitiveness with other Commercial Banks of similar size and operation. Chairman/CEO Dale Cole was seeking a structured compensation management software system that would ensure that the Bank was paying its officers fairly from an internal equity and external competitive standpoint.



*In addition to basic compensation issues, the DBC team has assisted us in keeping current and competitive not only in salary but also in short term and long term incentives. We have found this structured approach to compensation worthwhile in building value with all of our employees for the bank and its shareholders.”*

— Dale E. Cole  
Chairman & CEO, First  
Community Bank

He and his HR Director Heather Fulbright desired a foundational system that would tie well to other goals-driven and merit-based performance incentive and deferred compensation programs.

## Objectives

- Provide equitable compensation for all employees based on their particular position and contribution to the Bank's objectives.
- Provide for and maintain internal equity and external competitiveness.
- Administer pay and pay increases in a manner that allows the Bank to attract, motivate and retain highly qualified personnel.
- Comply with applicable laws and regulations.
- Establish a system that is fiscally sound and cost-effective.
- Provide for a system that is understood and accepted by employees.
- Provide for a program that is easy to administer and maintain.

## Solution

FCB and Johanson Group, using the DBCompensation software system completed the Officer Compensation and Classification Study between January, 2011 and March, 2011.

The new compensation structure included 33 officer-level job titles and FCB was able to clearly see where each officer was located within their respective base salary range. In 2012, the review was expanded to all job titles and the Bank continues to use the compensation management software program to manage their pay structure and pay practice decisions.

## Benefits

- Consistent and easy to create job descriptions
- Greater understanding by management & Board of job valuing process
- Integrated internal and external job valuing software program
- Time-saving compensation management software for the HR personnel



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