



# Western Michigan University Staff Compensation Study

May 2015

Overview of the Staff Compensation Study

Personalized Pay Statements

Implementation Timing

## Staff Compensation Study

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- Aon was engaged by Western Michigan University (WMU) in May 2013 to conduct a Staff Compensation Study
  - Aon proposed the study be conducted in two steps or phases
  - A cross-campus Project Team was designated to assist Aon
- Executive Officials, Deans, Chairs, Directors, Managers, Supervisors and Staff from across Western have provided input into the project
- Implementation of the new Staff Compensation System will occur July 1, 2015

# Thank You!

## Phase I Overview—Completed

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**Timing:** May 2013 to February 2014

- Project Planning
- Leadership Interviews
- Compensation Philosophy (Market Definition)

- Identification of Benchmark Jobs, Matching to Market
- Market Analysis

- Financial and Structure Analysis
- Presentation of Phase I Findings, Recommendations

### **Phase I Findings and Recommendations:**

- The salary structure is no longer aligned with the external market and should be replaced
- Proceed with Phase II

## Phase II Overview—Implementation is Near

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**Timing:** April 2014 to June 2015

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- Continue with Benchmark Analysis
  - New Salary Structure Development
  - Analysis of Admin Support & Marketing Roles
  - Determine Salary Ranges for all Positions
  - Detailed Financial Analysis
  - Administrative Guidelines
  - Final Presentation of Findings and Recommendations
  - Implementation

### Phase II Milestones:

- Major project steps accomplished
- Staff were invited to complete Job Tools
- Titling guidelines were development and job titles were realigned
- Administrative guidelines are being finalized.
- WMU is prepared to move forward with implementation
- Changes to the Staff Compensation System (SCS) will go live July 1, 2015
- Following implementation, a working title request process and a new job revaluation process will be introduced

## Job Tool and Staff Input

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- In November 2014, WMU introduced a Job Content Tool to enable staff to provide up-to-date job information for the Compensation Study
- Over 1000 staff at WMU provided input to the project by completing the Job Content Tool
- Aon reviewed the completed Job Content Tools and provided input into the placement of WMU staff into appropriate levels of work
- WMU leaders made the final decision for placement of staff

## Market-Based Salary Structure

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- The salary structure was developed from the market data
  - Data from more than 30 published salary surveys were utilized
  - The structure was designed to offer competitive pay opportunities
  - There are 10 grades in the new structure
- The salary structure is posted on WMU's web site and is available for staff to review

## Job Evaluation and Financial Costing

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- Over a number of weeks in February/March, Aon guided WMU leadership through the process of job evaluation
- The process was detailed, thorough, and took into account the hierarchy of jobs across all of Western
- Once all jobs at WMU were placed into the structure, a detailed financial analysis was conducted to determine how implementing the structure would impact staff pay levels
  - Would the current pay level of any staff fall below the minimum of the new pay range for their job?
  - Would the current pay level of any staff fall above the maximum of the new pay range for their job?



## Compensation Policy Changes

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- Effective July 1, new compensation policies will go into effect
  - Pay rates for employees must be equal to or greater than the minimum of the pay grade of their position. Adjustments will be made, where necessary, to ensure that employees are paid at least the minimum of their new pay grade
    - **355 staff employees will receive adjustments to the new minimums**
    - **Average increase will be \$3,952/yr**
  - Pay will not be reduced for those with a pay rate greater than the maximum of their position's new grade. However, these employees will not receive future increases to their base rate in their current role (unless the range for the pay grade is adjusted in the future to reflect market changes)
    - **37 staff employees are above the new maximums**
  - In the future, employees whose pay is over the maximum of the grade may be eligible for a lump sum payment in lieu of any base rate increase—to be determined annually by the senior leadership team

## Individual Staff Impact

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- The findings of the financial costing analysis revealed the following
  - The current pay levels of most staff fall within the minimums and maximums of the assigned pay ranges and no increases will be given to those staff at implementation
  - The current pay levels for a number of staff fall below the minimums of the new pay ranges for their positions; those staff will receive “to minimum” increases at implementation
  - The current pay levels of a few staff fall above the maximums of the pay ranges; pay **will not** be reduced for those with a pay rate greater than the maximum

# Job Title Realignment

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- Aon facilitated a review of job titles at WMU
- The objective of the realignment was to ensure titles were aligned with the overall level of work performed and with the external market
- The process began with development of titling guidelines based on criteria
  - Managerial positions: strategic impact, scope, fiscal authority
  - Individual contributors: nature of work, capabilities, background
- Aon developed title guidelines and initial title recommendations, which were reviewed with WMU leaders
- Final titles were determined by WMU leaders and were normalized across the campus

### **Examples:**

#### **Administrative/Clerical Support:**

Administrative Assistant Senior

Administrative Assistant II

Administrative Assistant I

Clerical Assistant Senior

Clerical Assistant

#### **Marketing:**

Marketing Manager

Marketing Specialist Senior

Marketing Specialist

## Job Title Realignment

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### **Applications Programmer Analyst:**

Applications Programmer Analyst  
Senior  
Applications Programmer Analyst

### **Database Administrator:**

Database Administrator Senior  
Database Administrator

### **Network Administrator:**

Network Administrator Senior  
Network Administrator

### **Systems Programmer:**

Systems Programmer Analyst  
Senior  
Systems Programmer Analyst

### **Systems Specialist:**

Systems Specialist Senior  
Systems Specialist

### **Technician IT:**

Technician IT Senior  
Technician IT

## Working Title Concept

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- WMU will introduce the concept of working titles with the implementation of changes to the Staff Compensation System
- A working title is a “nonofficial title used informally for day-to-day business purposes”
- Most staff will not have a need for a working title, but a few will
- Working title approval process will be available July 1
  - Online request form
  - Completed by department head
  - Working title requests to be reviewed by the appropriate Vice President and Human Resources

## Personalized Pay Statements

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- Personalized pay statements will be mailed May 19, 2015
- The personalized statement will provide the following information
  - Current title, pay grade, pay rate
  - New title, pay grade, pay rate (as of July 1, 2015)
- The statement will also inform you of your status with respect to your new pay range (only one will apply)
  - Your current pay rate falls within the new pay range for your position, and your pay will not be adjusted
  - Your current pay rate falls below the minimum of the new pay range for your position, and your new pay rate reflects an adjustment to that minimum
  - Your current pay rate is above the maximum for your new grade. Your pay **will not** be reduced
- If you have questions after receiving your personalized pay statement, please discuss them with your manager or Human Resources

# Personalized Pay Statements



## Pay Statement

May 19, 2015

Prepared for:

<employee name>

Department: <department name>

Position: <position number>

Exempt (or non-exempt)

	Current (as of June 30, 2015)	New (as of July 1, 2015)
Title	<current title>	<new title (if changed)>
Pay Grade	<Comp 2000 system grade>	<new pay grade>
Pay Rate	<current salary>	<new salary (if adjusted)>

Effective July 1, under our new compensation policy, pay rates for employees must be equal to or greater than the minimum of their position's new pay grade. Adjustments will be made, where necessary, to ensure that employees are paid at least the minimum of their new pay grade.

Pay **will not** be reduced for those with a pay rate greater than the maximum of their position's new grade. However, these employees will not receive future increases to base pay in their current role (unless the range for the pay grade is adjusted in the future to reflect market changes). In the future, employees whose pay is over the maximum of the grade may be eligible for a lump sum payment in lieu of any base pay increase—to be determined annually by the senior leadership team.

Your existing pay rate falls within the new pay range for your position. Therefore, your pay will not be adjusted. Your new pay grade and title will be effective July 1, 2015, and you must be active in your position on July 1 for any changes to take effect.

For additional information and resources, please refer to the staff compensation website at [wmich.edu/hr/compensation](http://wmich.edu/hr/compensation) project.

CC: Employee File  
Division Vice President  
Department Leader



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- **For Staff Compensation System Employees**
  - **For Supervisors and Managers**
  - **Salary Review Committee(s)**

## Staff Compensation System Implementation Timing

Personalized Pay Statements Mailed	May 19, 2015
All Staff Meetings	May 19, 2015
System Implementation <ul style="list-style-type: none"> <li>• New salary structure in place</li> <li>• New titles in use</li> </ul>	July 1, 2015
First Pay Under Staff Compensation System <ul style="list-style-type: none"> <li>• Nonexempt staff</li> <li>• Exempt staff</li> </ul>	Pay date <ul style="list-style-type: none"> <li>• July 14, 2015</li> <li>• July 20, 2015</li> </ul>
Working Title Process	After July 1, 2015
Resumption of Job Reevaluations with New Process	After July 1, 2015
FLSA Job Review	Late Summer/Fall 2015

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# Your questions