



Staff Compensation System: Market Calibration

Western Michigan
University

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decision and is confidential

September 2022



Meeting Agenda

Project Team and Divisional Representatives

A Total Rewards Perspective for WMU Non-Bargaining Staff

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Staff Compensation System Calibration Project Overview

WMU Market Matrix

Project Parameters

Job Content Tool Update Process

Project Timeline

For More Information

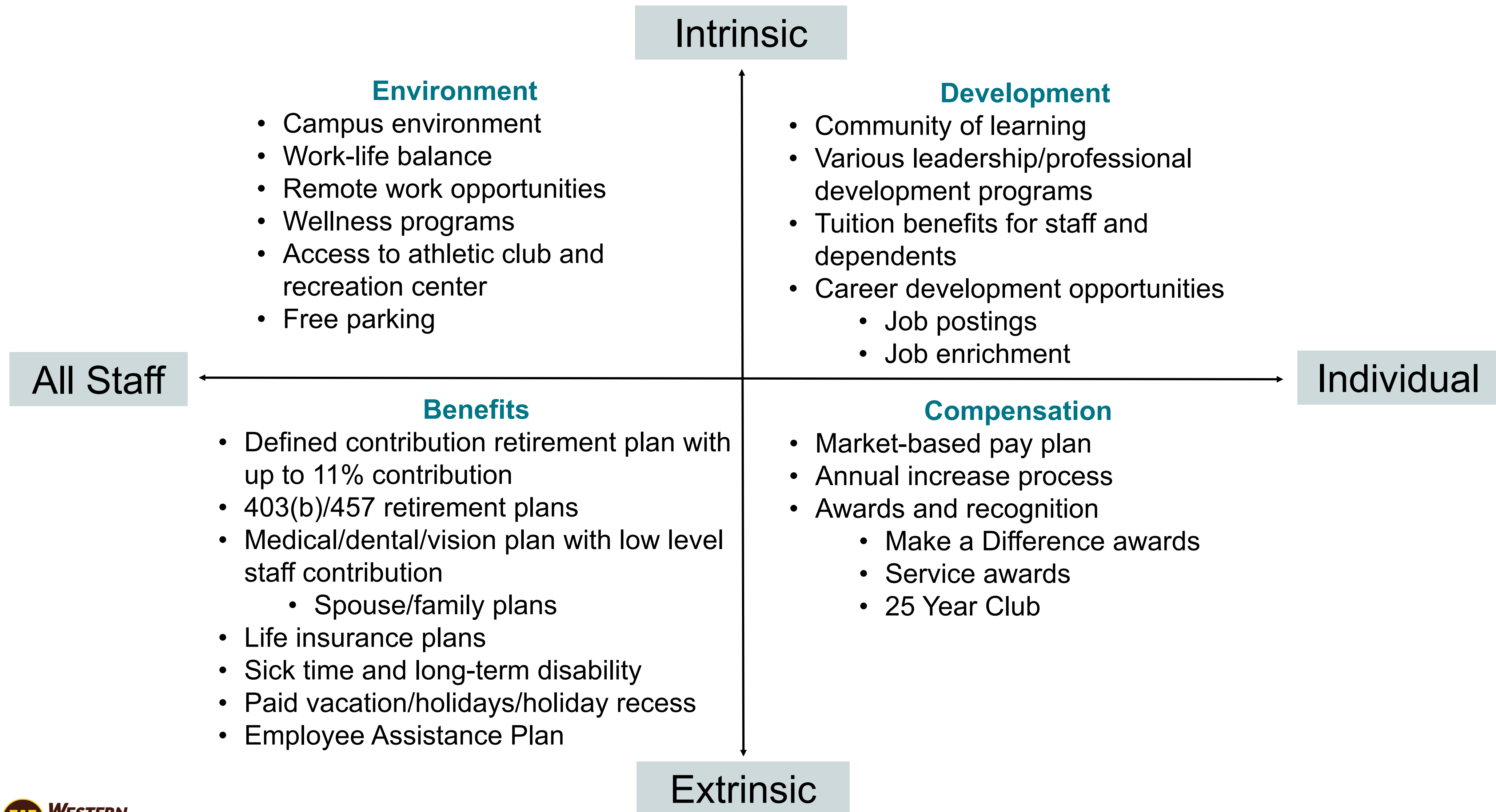
Project Team

- Aon
 - Elizabeth Stevens, Associate Partner
 - John Scott, Director
 - Paula Yu, Compensation Analyst
 - Michelle Knapp, Compensation Analyst
- Human Resources
 - Amy Brimmer, Director Compensation and Benefits
 - Tracy Matthews, Compensation Analyst
 - Amy Moran, Human Resources Representative
 - HR Intern, Haworth College of Business
- Institutional Equity
 - Adam Wall, Associate Director

Project Team — Divisional Representatives

- Divisional Representatives
 - Kelli Bond, Research and Innovation
 - Dace Copeland, Academic Affairs
 - Lisa Garcia, Government Affairs
 - Nicole Kalmbach, Student Affairs
 - Elizabeth Knips, Intercollegiate Athletics
 - Tracie Moored, Business and Finance
 - Deanne Puca, Marketing and Strategic Communications
 - Jamie White, Diversity and Inclusion
 - Evelyn Winfield-Thomas, President's Division

A Total Rewards Perspective for WMU Non-Bargaining Staff



Staff Compensation System (SCS) History — 2015 to Present

New compensation system launched — July 1, 2015

- Aligned with market with consideration for internal equity — seeks to “match” rather than to “lead” or “lag” the market
- Designed to support a merit component in the future
- Shared governance detailed in the SCS Administrative Guidelines
 - Executive Committee (President’s Cabinet), Job Evaluation Committees, and Human Resources
- Commitment to update system every three to five years, based upon Aon’s recommendation
- No pay reductions resulted from the project
- Pay increases to pay grade minimum centrally funded — total budget impact \$2,159,044, including fringes
 - 355 employees

Staff Compensation System History — 2015 to Present

Market recalibration project completed — July 1, 2019

- Goal continued to be to “match” rather than “lead” or “lag” the market
- Pay structure remained aligned with market — number of pay grades, differential between pay grade midpoints and breadth of pay ranges remained appropriate to capture market rates of pay
- Administrative guidelines remained aligned with best practices
- Continued to defer conversations about merit pay until a future time
- Majority of jobs remained in the same pay grade — representing 86% of the SCS employee population
- No pay reductions resulted from the project
- Market-based pay increases funded by executive areas — total budget impact of \$851,624, including fringe benefit rate
 - 116 employees

Staff Compensation System Calibration Project Overview

Why now?

- Aon's recommendation and WMU's leadership commitment to review staff compensation system every three to five years
 - Conducting the project in 2022–23 will be year four of our current cycle
 - Key to fostering both the integrity of the market-based system and confidence in the system on behalf of employees, supervisors, managers, and leaders
- Dramatic changes in WMU staffing from 2020 to present, along with resulting changes to work design
- Volatile labor market, including recruiting and retention concerns for WMU

Staff Compensation System Calibration Project Overview

What will the SCS calibration project look like?

- Cross-functional project team involved through-out project, with multiple opportunities for key stakeholders to provide input
- Validate compensation philosophy and market matrix
- Gather information about WMU and the work of SCS employees:
 - Organization charts for all executive areas, including all staff
 - All employees will be given the opportunity to update their job content tool and supervisors given the opportunity to review

Staff Compensation System Calibration Project Overview, Continued

What will the SCS calibration project look like?

- Gather updated market data for approximately 500 benchmark jobs, using higher education, not for profit, and general industry data as appropriate
- Overlay market data on the current pay structure to identify and make necessary changes to the pay structure
- Assign jobs to grades within pay structure based upon market and internal equity
- Evaluate necessary market adjustments and the financial impact based on revised pay structure and pay grade assignments
- Review administrative guidelines, job title guidelines, and career pathways to ensure alignment with market best practices

WMU Market Matrix

Staff Group	Industry	Geography	Base Pay
• Directors, managers, supervisors, and professional – Academic Affairs, Student Affairs, Diversity and Inclusion, and Intercollegiate Athletics	Higher Education	Regional/National	Median
• Development/Fundraising	Higher Education Not for Profit Health Care	Regional/National	Median
• Aviation • Directors – Accounting, Finance, Budget, Business, Information Technology	Higher Education General Industry	Regional/National	Median
• Directors and managers - Clinical, Allied Health, and Direct Patient Care	Higher Education Health Care	Regional/National	Median
• Managers, supervisors, and professional – Dining Services, Facilities, Accounting, Finance, Budget, Business, Information Technology, Engineering, Libraries, Marketing, etc.	Higher Education General Industry	Local/Regional	Median
• Supervisors, professional, and support - Clinical, Allied Health, and Direct Patient Care	Higher Education Health Care	Local/Regional	Median
• Administrative and Clerical Support	Higher Education General Industry	Local/Regional	Median

Project Parameters

- Compensation philosophy: Maintain a market-based staff compensation system, with the goal to “match the market” as opposed to “lead” or “lag” the market
- Merit pay is outside the scope of the project
- No employee will experience a pay cut as a result of this project
- Any changes arising from the project are tentatively effective July 1, 2023

Project Parameters, Continued

- Job evaluation process will continue as normal during the project, with priority given to vacant positions and significant job changes
 - In the final stages of the project, we may hold on individual reviews on a case-by-case basis, with final decisions about whether to proceed with a given review to rest with the divisional vice president
- Decisions surrounding the funding source for any market-based pay increases arising from this project will be deferred until we have a better idea of the potential financial impact

Job Content Tool Update Process

Employees

- Obtain your current Job Content Tool (JCT) to use as a reference
- Download the new JCT template from the HR website under the Forms > Staff Compensation link: <https://wmich.edu/hr/forms/compensation>
- Inside the JCT form, you will find comprehensive instructions and a link to a PowerPoint presentation to aid in completing the JCT
- Collaborate with your supervisor to complete each tab on the JCT form
- After you have finished, follow directions at the bottom of the template to save and forward a copy to your supervisor and HR Compensation (hr-compensation@wmich.edu)

JCT Template



Job Content Tool Update Process, Continued

Helpful Tips

- Employee ID and job title can be found on your pay advice, found via GoWMU
- To find the position number please talk to your supervisor or business manager.
- To review other job descriptions to help you find comparable jobs, click on the “Job descriptions” link on the Staff Compensation Systems page:
<https://wmich.edu/hr/staffcompensation>

Position List and Job Descriptions



Job Content Tool Update Process, Continued

Supervisors

- Ensure each of your employees is aware of the option to complete a new JCT form
- Review the content of the employees' JCT
- Collaborate with the employee on any necessary changes to the JCT content
- When finished with your review, complete the Supervisor Review section
- Annotate any comments in the Feedback/Comments box
- Forward the approved JCT to HR Compensation: hr-compensation@wmich.edu

Additional Review

- Executive divisions may choose to have additional levels of JCT review. If this is the case, your divisional leadership will let you know

Project Timeline

- ✓ President's Cabinet briefing – August
- ✓ Validate/update market matrix – August
- ✓ Project team appointed – August
- Town hall meeting – September 27, 2022
- Project team briefing with Aon – September 27, 2022
- Listening sessions with key stakeholder groups – September 28, 2022
- Employees update job content tools and review with supervisor – September 28 through October 21, 2022
 - Employees submit JCT to supervisor and HR by October 14
 - Supervisors review JCT and submit to HR by October 21

Project Timeline, Continued

- Review market benchmarks and salary structure – February through March 2023
- Financial impact analysis – April 2023
- Final approval of pay grade changes and any pay adjustments – April/May 2023
- Town hall meeting and notice to impacted employees – May/June 2023
- Tentative effective date of changes – July 1, 2023

For More Information

- Presentation slides will be posted on the project website: <https://wmich.edu/hr/scs-market>
- Contact one of the divisional project team members