Non-Academic Staff Compensation Program
What is this project?

An evaluation of each **non-academic** job to ensure the university offers an **externally competitive** and **internally equitable** salary package at all university locations.

- Piloted in 2010
- Kicked off full project in 2011
- Implemented beginning in 2012
- Expanding to all campuses throughout 2013
Global Groups*

The evaluation process has been completed for each Global Group of positions across the organization:

– Administrative and Support Services
– Advancement
– Business Administration
– Communications
– Craft Service Maintenance
– Executive
– Information Technology
– Student Support Services
– Research and Engineering

*This list is not in order of evaluation.
Why is the project important?

This compensation project allows the university to **Recruit, Retain** and **Reward** valuable employees, like you!
What is the compensation project philosophy?

UM’s compensation philosophy is…

• Supportive of the university’s mission and objectives
• Fairly and consistently administered
• Internally equitable
• Externally competitive within the appropriate labor market and the higher education industry (comparison organizations to which we gain or lose employees)
• Performance-based
• Structured system-wide but flexible to fit campus/hospital strategic priorities
What was the goal of the project?

The goals of the project were to:

• Evaluate each position
• Potentially change position titles
• Place evaluated positions within salary grades
• Create updated position documentation
• Create internal equity for salaries
• Create a basis for comparing salaries
• Create external competitiveness for similar positions
• Create a platform for comparing our jobs to those in competitor organizations
What will this project NOT do?

This project will not:
• Reduce employee pay
• Change position duties
• Change the organizational structure
• Eliminate positions or cause layoffs
• Evaluate employee performance
How am I impacted?

You can develop along one of two career paths:
- Individual Contributor
- Management

**Individual Contributor**
- Functional Knowledge
- Independence in applying professional expertise
- Role

**Supervisor or Manager**
- Type and level of positions supervised
- Influence upon functional or business strategy
- Role
How is the job level decided?

7 specific job factors are assessed to determine the **level** of the job within each **role**:

- **Functional knowledge**: The knowledge required to perform the work
- **Business expertise**: The expertise in the job, the related areas affecting the job, and areas which the job affects
- **Leadership**: The leadership required to perform the job
- **Problem solving**: The independence with which the job operates
- **Nature of impact**: The influence of the job on other entities within the department, division and campus
- **Area of impact**: The impact of the job – both the type of impact and the scope of impact on the work team, department, division and campus
- **Interpersonal skills**: The interpersonal and communication skills required for the job
Summary of the process

- The project uses an internationally known evaluation tool called the Global Grading System (GGS)
- HR staff across all campuses have been trained in the use of GGS
- Positions are evaluated by a cross-campus group of GGS trained evaluators
- Once a global group is evaluated, it is then validated by a larger group of cross-campus HR staff
- Once evaluated, leadership reviews and validates salary grade assignments
- Following evaluation, placement of a global group into the salary structure and titling, the global group is validated with managers who have employees in that group
How do jobs fit in the structure?

After establishing a career path and determining the role within that path, a **grade** is assigned for salary administration purposes based on the job level within that role.
What if I disagree with the evaluation?

- If you believe your position has been placed incorrectly:
  - Review your position description to ensure that it fairly states the primary accountabilities and requirements for your job
  - Schedule an appointment with your manager to review the how your job was evaluated

- Note: any requests for re-evaluation must be made by your manager and local HR
How does the salary range work?

- **Salary Range**: a market-based compensation range with a minimum, midpoint and maximum salary.

  - **MINIMUM**: Employees with little or no experience.
  - **MIDPOINT**: Seasoned, well-performing employees. The midpoint is the “market rate” for the job.
  - **MAXIMUM**: Top-performing employees; the most we pay for a particular job.
What does a salary structure do?

- There are several objectives for a salary structure
  - External competitiveness – defining the market and aligning the salary ranges with the market
  - Internal equity – aligning positions of common value in the same salary grade
  - Create a hierarchy of jobs in the organization from entry level positions through the President’s position
  - Serve as a basis for communicating to employees how salary is determined, a path for career development and a process for increases and promotions
  - Allow employee growth and development to be rewarded
How is the salary structure maintained?

• Salary structure is assessed about every two years
  – The structure is adjusted according to program objectives and the university’s ability to make the market adjustment
• Benchmark positions are used to test the structure vs. the market
  – A benchmark position can be matched to a similar position in the external market
• External market data is used for comparison
  – “The Market” is defined as the areas from which the university competes for employees
• Range adjustment
  – Ranges may be adjusted if there is evidence that the university has fallen behind the external market
  – Range adjustment may or may not impact employee pay
What happens now?

- All non-academic, non-union positions have been evaluated by internal HR staff trained in how to use the Global Grading System (GGS)

- Employees will perform their regular duties and receive their regular pay as usual

- You will receive information about your placement in the Global Grading Structure this fall.

- Your supervisor will discuss any changes with you prior to any implementation:
  - Your position title may change
  - Your salary could possibly increase if it is below the minimum of the new salary range, but it will NOT decrease
What happens now?

✓ Leadership Education – June
✓ Share information with VP’s – July
✓ Employees receive information about Global Grade assignment – August/September
✓ All System employees brought within new salary ranges – September
A few reminders…

- The Global Grading Project only impacts non-academic positions (not students, faculty or union positions)
- Every position has been evaluated, one global group at a time
- The project creates a basis for communication, visibility and transparency that will help address both employee and organization compensation issues over time
- The project ensures the UM compensation program is administered in a fair and equitable manner
- Position titles may change
- The project is not being done to impact salary; however,
  - It could increase salary for employees below the minimum of the new salary range for their position
  - It will not decrease salary
- Staffing levels and budgets are not a part of the project
- Performance assessment is not a part of the job evaluation process
- Employees will be able to identify and select a career path if they choose