# University of Southern Indiana

# Employee Meeting FAQ's

### Q: What was the reason for the total rewards study and what is its goal?

- The University wants to retain quality employees. One of the ways the University looks to do this is by providing employees with appropriate compensation packages.
- Salary is just one piece of a total rewards (compensation and benefits) package, but certainly an important one. At this time, the University has decided to review the compensation structure for support staff positions.

### Q: Is anyone losing their job or receiving a pay cut as a result of the study?

• No.

### Q: What was the role of the steering committee?

• The role of the steering committee was to represent the views of support staff; provide advice, guidance and counsel; and advocate for resources.

### Q: Why was a vendor selected to complete the study?

• The University engaged the services of a consultant, Lockton Companies, based in St. Louis, MO, to study our support staff salaries and total reward structures. Lockton is a leader in consulting on high quality workforce solutions that strengthen the organization's ability to attract, develop, retain and engage the best and brightest talent. Their vast experience combined with their expertise in titling and compensation strategies were the primary reason why the steering committee recommended an outside vendor for this engagement.

### Q: Which USI employee positions were included in the study?

• All of the University's full- and part-time benefits eligible support staff as well as regularly scheduled part-time support staff positions were reviewed as part of this study.

### Q: Why has the study taken so long?

- The study showed that the University's current compensation philosophy and structure needed some adjustments. It is important to note that the study involved comprehensive, time-intensive reviews of 350 position descriptions. This included:
  - o identification of market matches for benchmark positions;
  - position slotting;
  - o calculation of recommended salary adjustments, and;
  - development of a new compensation philosophy and salary guidelines to ensure that USI is competitive within the marketplace.

### Q: What is changing as a result of the study and when?

• A new salary structure has been created for support staff positions. It was necessary to set up a new structure, rather than try to update the old structures. The new structure will be effective February 24, 2018 for most employees. Individual letters were sent to each employee identifying their salary grade, pay and title as a result of this project. The letters were mailed to the employee's home address on February 9, 2018.

### Q: How were individual employee positions evaluated relative to similar positions in the marketplace?

- In a general sense, the first step was to establish a thorough and accurate understanding of the job responsibilities assigned to each position. Updated, accurate job descriptions that describe what employees are doing within their respective roles were requested in April 2017.
- The next step was to find similar positions in the marketplace that matched at least 60 percent of the job responsibilities. Market data collected by Lockton was scoped to either general industry or higher education/private universities. The appropriate scope is considered to reflect who USI would "lose to" and "draw from" in the market for your position.
- Once position matches were in place, market data was analyzed.
- Using the market data, a decision was made regarding proper slotting. The midpoint of the salary structure that most closely represented the market rate indicates which grade a job should be slotted. All positions where market data wasn't collected and/or available, were slotted based on a comparison to similar jobs with varying levels of responsibility across the University.

#### Grade Minimum Midpoint Maximum 1 \$9.25 \$10.36 \$12.02 2 \$9.99 \$11.19 \$12.99 3 \$10.66 \$12.15 \$14.39 4 \$11.62 \$13.24 \$15.68 5 \$17.09 \$12.66 \$14.43 6 \$13.51 \$15.68 \$18.92 7 \$17.24 \$14.87 \$20.81 8 \$16.35 \$18.97 \$22.89 9 \$17.62 \$20.79 \$25.55 10 \$19.38 \$22.87 \$28.10 11 \$21.71 \$25.61 \$31.48 12 \$24.31 \$28.69 \$35.25

### Q: What is the new salary structure?

### Q: How will the salary structure be reviewed in the future?

- The salary structure will be reviewed on an annual basis to ensure that pay levels continue to align with the external labor market.
- Q: If my position has been assigned a new salary grade and I am not currently being paid at the minimum salary level, when will my salary be adjusted?
  - Employees will receive a one-time salary increase to raise their compensation to their new grade's minimum. The increase will be effective either February 24, 2018 or July 1, 2018, and employees who receive an increase will be notified in writing on February 9, 2018.

# Q: If my current base pay is above the maximum of my new salary grade, will my base pay be decreased? Will it be capped?

• No one's base pay will be decreased as a result of this project. The University recognizes that the current base pay of a limited number of employees is over the maximum of the salary grade for their position. If you are in that situation, your pay will not be capped and you will still be eligible for fiscal year increases in future years.

### Q: If my title changes will my salary change?

• Not necessarily. An employee's title could change without an accompanying change in salary. The reasoning behind a title change is to incorporate a title that more accurately reflects the actual duties and responsibilities of the position.

### Q: Will the salary structure be used for new hires?

• After all cost to minimum adjustments have been distributed (ending July 1), the new salary structure and respective minimum rates will be used for all new hires.

### Q: Was shift differential and educational increase amounts evaluated?

• Shift differential and educational increase amounts were not evaluated. However, Lockton did consider education increases in cost to minimum calculations for each individual employee who was eligible.

### Q: How will this affect 1-, 5-, 10-, and 20-year service increases?

• 1 and 5-year service increases are no longer applicable and will be eliminated. Pay adjustments reflecting an employee's increasing skill set and years to proficiency were considered within the into range calculation and will be considered moving forward based on available budget dollars and institutional priorities. 10- and 20-year increases, however, will remain intact as a way to reward employees for their longevity with the University.

### Q: How will this affect 90-day introductory increase?

• Similar to what is mentioned above, introductory increases will be eliminated.

### Q: Was salary compression evaluated?

• Salary compression occurs when salaries become minimally differentiated from those with more experience. Lockton looked at the amount of time an individual has been in their current position and the length of time it takes to gain proficiency in that job. Strategies to address salary compression will be considered based on available budget dollars and institutional priorities.

### Q: Will my benefits change as a result of the study?

• Benefits will not be changed as a result of this study.

### Q: Will fiscal year increases be impacted by the outcome of the study?

• The University will follow its normal process for determining fiscal year increases.

### Q: When will future market adjustments be made?

• The University will consider future market adjustments on an annual basis. These adjustments will be based on several factors including gap to market and available budget dollars.

### Q: What if my job description has changed since it was provided for the study?

• Please connect with your supervisor to discuss a reclassification request. A reclassification may be necessary when there is a substantive change in the duties and responsibilities of a job. Human Resources (and Lockton too, if necessary) will analyze the job description and determine if the duties and responsibilities have changed significantly (more than 60%). If this is the case, your position will be re-evaluated to determine if a new classification is necessary.

### Q: What should I do if I still have questions about the study?

• Employees with questions or concerns about the study and recommended actions should contact Human Resources at 812-464-1815.