

Compensation and Classification

Professional & Scientific (P&S) Administration

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Topics to be Covered

- Compensation and Classification Purpose
- P&S Compensation Philosophy
- P&S Classification System
- P&S Pay Structures
- Career Development Planning
- Salary Adjustments
- Flexible Pay Program



Comp/Class Purpose

- Establishes the framework for staff positions
- Maintains classification systems, pay structures and the policies and procedures for career development and pay practices
- Positions are reviewed for appropriate placement
- Administers compensation programs for all non-faculty employees
- Adheres to laws, policies and procedures established in external regulations, contracts, the Operations Manual and the Merit Rules

Comp/Class Purpose

- Maintains a market analysis program using salary surveys
- Provides the resources and expertise used in the determination of appropriate salaries based on compensable factors
- Analyzes pay structures and individual salaries
- Maintains the Career Status system for P&S staff and assists/advises P&S staff that have been furloughed

P&S Compensation Philosophy

- Foster and reward excellent job performance
- Achieve and maintain competitive salaries in the relevant labor markets
- Recognize career development and provide opportunities for salary advancement, consistent with changing responsibilities and the University's current and future staffing needs
- Recognize equity and relevant experience as reflected in individual levels of responsibility and performance
- Comply with federal and state regulations, including equal pay and comparable worth
- Provide flexibility to meet a variety of organizational objectives with multiple funding sources
- Web site: <https://hr.uiowa.edu/pay/compensation-classification/professional-scientific-compensation/philosophy>

P&S Classification System

- Implemented in July 2011
- **18** job functions and approximately **425** classifications
- Includes job families and unique classifications
- Designed with the following principles:
 - Help the University recruit, develop and retain talent
 - Provide a market competitive compensation program
 - Recognize and reward individual performance



P&S Compensation System

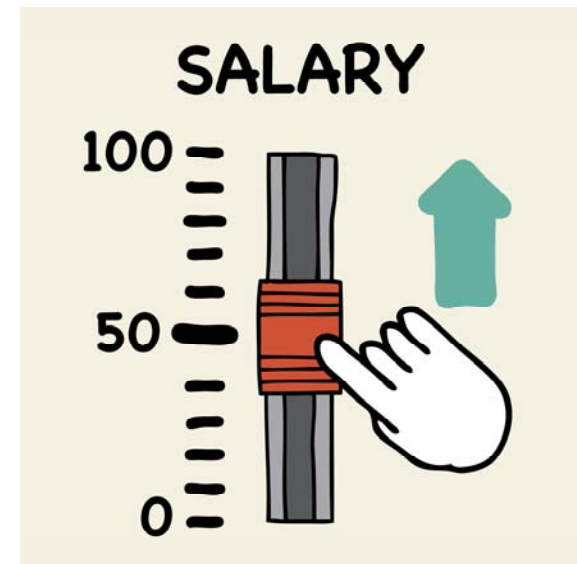
- Implemented in October 2011
- Two pay structures driven by market analysis
- Pay structures are calibrated annually
 - Adjusted by individual pay level/structure
 - Follow a defined process involving calculations

Structure A
~63% of staff

Structure B
~37% of staff

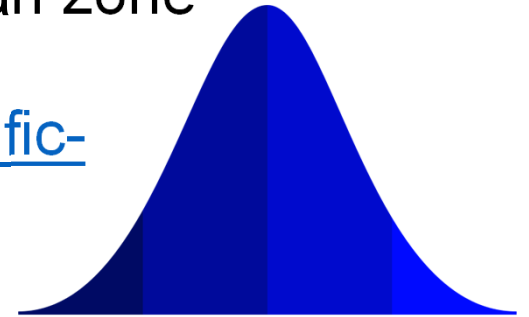
P&S Structure Development

- External markets
 - Salary.com's CompAnalyst
 - Other external salary surveys
- Internal markets
 - Merit
 - SEIU
- Budget



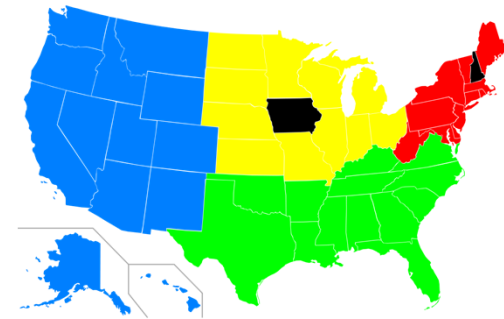
Median Zone and Market Range

- Benchmark jobs in each pay level are used to define midpoint
- Median zone is built around the midpoint based on a formula that accounts for the different market values of classifications
- Market range is an extension of the median zone to account for salaries needing to be above or below the median zone
- Glossary of pay related terms:
<https://hr.uiowa.edu/pay/professional-and-scientific-compensation/glossary-pay-related-terms>



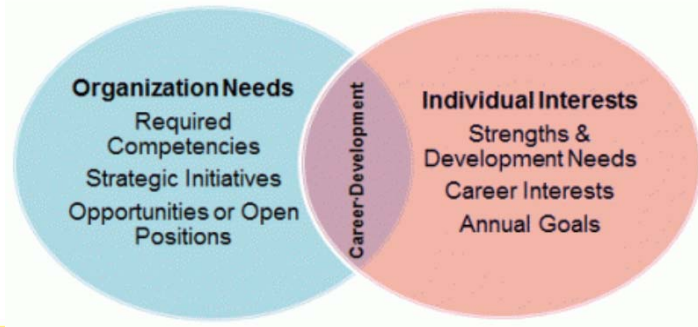
Market Definition

- The University competes for talent in multiple markets in multiple geographical locations, among differing industry sectors, and with different types of employers
- The definition of market for any individual position will depend upon the skills required for a position and the availability of talent, as necessary to recruit and retain the employees needed for the university to be successful
 - Accountant = Iowa
 - Accounting Manager = Midwest
 - Budget Officer = National



Career Development Planning

- Career development is the overlap of the organization's needs with the individual employee's abilities and career interests
- It is an ongoing process of gaining knowledge and improving skills that allows an employee, when in alignment with the organization's needs and individual career interests, the opportunity to advance in their career



Career Development Planning

- The key areas of responsibility (KAR's) defining the job classifications and the competencies that are necessary to carry out these responsibilities will help individuals and their supervisors in setting goals and planning for career development to meet the needs of the unit
- University pay practices will also support career development by providing the opportunity for salary adjustments to recognize significant changes in responsibility



Types of P&S Position Reviews



- **Career Promotion:** Change in classification to a higher pay level due to significant changes in responsibilities
- **Career Shift:** Change in classification to the same or lower pay level based on an assessment of responsibilities
- **Career Advancement:** Salary increase without a change in classification based on new duties, new skills, additional key areas of responsibility, expanded scope and/or advanced competency

Career Development Examples

- An Accountant is hired into the University and as time goes on the position evolves. This could lead to various career development results. Three examples of possible actions taken:
 - Increases knowledge of GAAP accounting standards and adds multiple units to the scope of work = possible **career advancement**.
 - Increases focus on financial analysis, statistical analysis and financial survey participation = possible **career shift** to Financial Analyst.
 - Completes complex reconciliations, develops templates, serves as lead accountant for a department = possible **career promotion** to Senior Accountant.

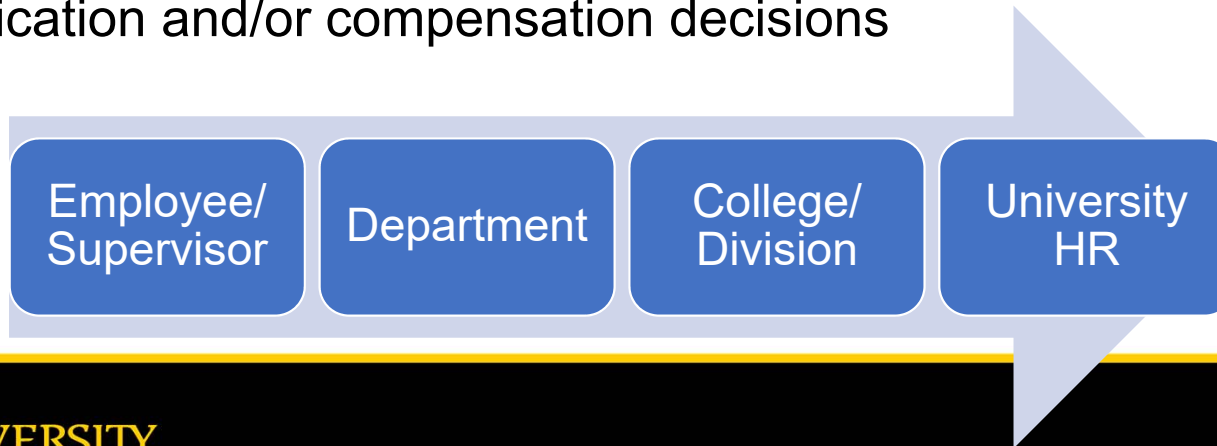
P&S Position Review Documentation

- Documentation of Career Development – **Classification Change**: Used for career promotion or career shift
 - 5 sections (demographics, responsibilities, employee recommendation, supervisor section, signatures)
- Documentation of Career Development – **Career Advancement**: Used for career advancement requests
 - 4 sections (demographics, responsibilities, supervisor section, signatures)



Career Development Review Process

- Requests may be initiated by an employee, supervisor or departmental rep
- Documentation must confirm sustained performance of new duties for enough time to evaluate the employee's performance and continuing success in the role
- The new responsibilities must not have been recognized in previous classification and/or compensation decisions



P&S Position Review Process

- Classification change requests are either approved or denied at the college/division level and are subject to appeal
- Career advancement requests fall under the Administrative Review section of the Operations Manual
- Final decisions are made by University HR
 - Classification changes (formal process)
 - Career advancement (formal process if certain criteria are met)
 - New salary above median zone
 - Multiple advancements in the same fiscal year
 - Decentralized IT staff



P&S Salary Adjustments

- Performance (annual) increase: Determined by college/division
- Classification change
 - Career promotion: Typically 1-10%
 - Career shift: Typically 0-5%
- Career advancement: 1-5%
- Market adjustment: Variable
- Counter offer: Up to amount of new job offer
- Race/gender equity adjustment: Variable



Effective Dates



- Performance (annual) increase →
 - 7/1 for Health Care, Athletics, VP Research, Hygienic Lab
 - 1/1 for remainder of campus
- Classification change → 1st day of the month following UHR approval
- Career advancement → 1st day of the month following Org approval
- Market adjustment → 1st day of the month following UHR approval
- Counter offer → The date the new position would have started
- Race/gender equity adjustment → 4/1, 5/1 or 6/1

Flexible Pay Program

- The flexible pay policy is a Board approved special compensation program designed to reward staff with lump sum payments
- Exceptional Performance Award
 - Given to a limited number of staff who exhibit sustained superior performance and/or complete major initiatives
 - Total fiscal year payment maximum is 10% of salary
- SPOT Award
 - No limitation on the number of staff who can receive an award
 - Employees can receive up to 4 awards per fiscal year
 - Awards must be at least 30 days apart





Questions

