

# Compensation and Classification Study for Midwestern State University



## Presentation of Results



Evergreen Solutions, LLC

June 13th, 2016

# *Agenda*

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- Study Process
- Outreach Summary
- JAT Summary
- Salary Survey
- Pay Plan Structure
- Implementation



# *Study Process*

- Conducted outreach, which included orientation sessions and focus groups.
- Collect data from all employees.
- Reviewed information submitted by employees and supervisors regarding current work performed
- Developed classification recommendations based on the information and best practices.
- Assessed pay competitiveness compared to market peers.
- Developed new (recommended) compensation and classification structure.
- Created a draft report.



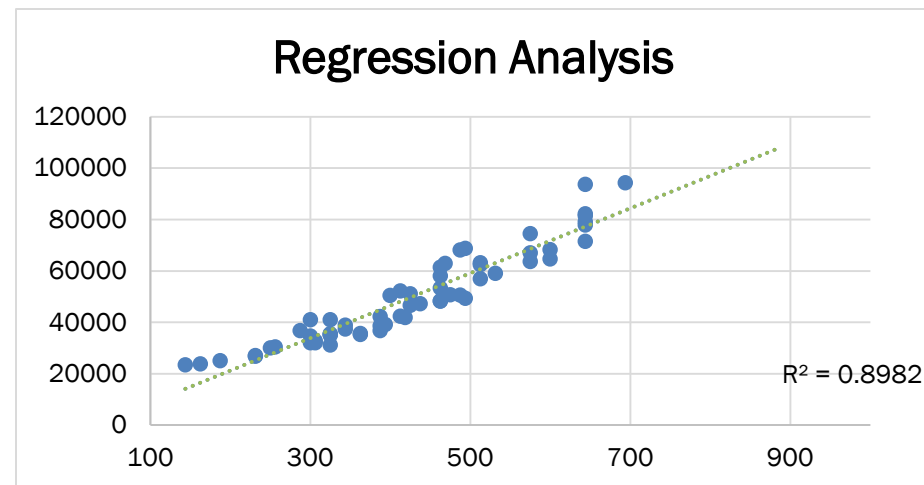
# *Outreach Summary*

- Employees widely cited the work environment, mission, stability, and benefits as positive characteristics.
- They were committed to serving students, appreciated the opportunity to grow and develop, and enjoyed the workplace environment and their co-workers.
- Employees expressed concerns with:
  - Employees cited instances of different level positions which required highly similar work having inequitable pay differences relative to work performed.
  - Employees generally cited that pay is better at other educational institutions.
  - Employees felt that what you make in the beginning is where you stay.



# *JAT Response Summary*

- MSU had strong JAT participation.
- JATs were not only examined for specific duties, but were also analyzed based on factors such as Leadership and Working conditions.
  - A graphical representation of the scores shows that the JAT results are highly reliable.
  - All employees' JAT scores were considered for grading recommendation purposes.



# Salary Survey

- As is the common approach in compensation studies, a representative sample of benchmark positions (63) were submitted to the market for comparison.
- Data was received from 15 respondents, shown on the right and was adjusted for geographical cost of living differences.
- 2015 CUPA data was used for select comparisons that required regional data.

TARGET
ANGELO STATE UNIVERSITY
CITY OF WICHITA FALLS
PRAIRIE VIEW A&M UNIVERSITY
SUL ROSS STATE UNIVERSITY
TEXAS A&M INTERNATIONAL UNIVERSITY
TEXAS A&M UNIVERSITY–CENTRAL TEXAS
TEXAS A&M UNIVERSITY–KINGSVILLE
TEXAS SOUTHERN UNIVERSITY
UNIVERSITY OF HOUSTON–CLEAR LAKE
UNIVERSITY OF HOUSTON–VICTORIA
UNIVERSITY OF NORTH TEXAS AT DALLAS
UNIVERSITY OF TEXAS AT TYLER
UNIVERSITY OF TEXAS OF THE PERMIAN BASIN
WEST TEXAS A&M UNIVERSITY
WICHITA FALLS ISD



# *Salary Survey (cont.)*

- When considering the public market:
  - MSU is approximately 6.4 percent below the market minimum.
  - MSU is approximately 2.0 percent below the market midpoint.
  - MSU is approximately 0.6 percent above the market maximum.



# Current Pay Plan

- The pay plan is equitably designed with alternating range spreads and midpoint progression.
- The plan included lower level positions in the pay plan.

Current Pay Plan					
Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression
1	\$17,292.00	\$22,272.00	\$27,252.00	58%	-
2	\$17,832.00	\$22,884.00	\$27,936.00	57%	2.7%
3	\$18,360.00	\$23,514.00	\$28,668.00	56%	2.8%
4	\$18,840.00	\$24,084.00	\$29,328.00	56%	2.4%
5	\$19,332.00	\$24,708.00	\$30,084.00	56%	2.6%
6	\$19,812.00	\$25,338.00	\$30,864.00	56%	2.5%
7	\$20,340.00	\$26,016.00	\$31,692.00	56%	2.7%
8	\$20,916.00	\$26,700.00	\$32,484.00	55%	2.6%
9	\$21,444.00	\$27,612.00	\$33,780.00	58%	3.4%
10	\$22,020.00	\$28,380.00	\$34,740.00	58%	2.8%
11	\$22,632.00	\$29,160.00	\$35,688.00	58%	2.7%
12	\$23,220.00	\$29,922.00	\$36,624.00	58%	2.6%
13	\$23,880.00	\$30,762.00	\$37,644.00	58%	2.8%
14	\$24,564.00	\$31,638.00	\$38,712.00	58%	2.8%
15	\$25,284.00	\$32,544.00	\$39,804.00	57%	2.9%
16	\$25,980.00	\$33,492.00	\$41,004.00	58%	2.9%
17	\$27,084.00	\$34,632.00	\$42,180.00	56%	3.4%
18	\$27,912.00	\$35,676.00	\$43,440.00	56%	3.0%
19	\$28,728.00	\$37,386.00	\$46,044.00	60%	4.8%
20	\$29,604.00	\$38,268.00	\$46,932.00	59%	2.4%
21	\$30,444.00	\$40,362.00	\$50,280.00	65%	5.5%
22	\$31,380.00	\$41,580.00	\$51,780.00	65%	3.0%
23	\$32,304.00	\$43,614.00	\$54,924.00	70%	4.9%
24	\$33,300.00	\$45,780.00	\$58,260.00	75%	5.0%
25	\$34,296.00	\$48,090.00	\$61,884.00	80%	5.0%
26	\$35,316.00	\$50,514.00	\$65,712.00	86%	5.0%
27	\$36,924.00	\$53,370.00	\$69,816.00	89%	5.7%
28	\$38,520.00	\$56,358.00	\$74,196.00	93%	5.6%
29	\$40,416.00	\$59,622.00	\$78,828.00	95%	5.8%
30	\$42,300.00	\$63,030.00	\$83,760.00	98%	5.7%





# Proposed Pay Plan

New structure recommendations include:

- Create one unified pay plan for employees
- Utilize uniform range spreads and midpoint progressions
- Add an executive sub-plan
- Accommodates a living wage at entry
- No reduction in salary range minimums

Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression
101	\$19,178.00	\$24,451.95	\$29,725.90	55%	-
102	\$19,868.41	\$25,332.22	\$30,796.03	55%	3.6%
103	\$20,583.67	\$26,244.18	\$31,904.69	55%	3.6%
104	\$21,324.68	\$27,188.97	\$33,053.26	55%	3.6%
105	\$22,092.37	\$28,167.77	\$34,243.18	55%	3.6%
106	\$22,887.70	\$29,181.81	\$35,475.93	55%	3.6%
107	\$23,711.65	\$30,232.36	\$36,753.06	55%	3.6%
108	\$24,565.27	\$31,320.72	\$38,076.17	55%	3.6%
109	\$25,449.62	\$32,448.27	\$39,446.92	55%	3.6%
110	\$26,365.81	\$33,616.41	\$40,867.01	55%	3.6%
111	\$27,314.98	\$34,826.60	\$42,338.22	55%	3.6%
112	\$28,298.32	\$36,080.36	\$43,862.39	55%	3.6%
113	\$29,317.06	\$37,379.25	\$45,441.44	55%	3.6%
114	\$30,372.47	\$38,724.90	\$47,077.33	55%	3.6%
115	\$31,465.88	\$40,119.00	\$48,772.11	55%	3.6%
116	\$32,598.65	\$41,563.28	\$50,527.91	55%	3.6%
117	\$33,772.20	\$43,059.56	\$52,346.92	55%	3.6%
118	\$34,988.00	\$44,609.70	\$54,231.40	55%	3.6%
119	\$36,247.57	\$46,215.65	\$56,183.74	55%	3.6%
120	\$37,552.48	\$47,879.42	\$58,206.35	55%	3.6%
121	\$38,904.37	\$49,603.08	\$60,301.78	55%	3.6%
122	\$40,304.93	\$51,388.79	\$62,472.64	55%	3.6%
123	\$41,755.91	\$53,238.78	\$64,721.66	55%	3.6%
124	\$43,259.12	\$55,155.38	\$67,051.64	55%	3.6%
125	\$44,816.45	\$57,140.97	\$69,465.50	55%	3.6%
126	\$46,429.84	\$59,198.05	\$71,966.25	55%	3.6%
127	\$48,101.32	\$61,329.18	\$74,557.04	55%	3.6%
128	\$49,832.96	\$63,537.03	\$77,241.09	55%	3.6%
129	\$51,626.95	\$65,824.36	\$80,021.77	55%	3.6%
130	\$53,485.52	\$68,194.04	\$82,902.56	55%	3.6%
131	\$55,411.00	\$70,649.02	\$85,887.05	55%	3.6%
132	\$57,405.79	\$73,192.39	\$88,978.98	55%	3.6%
133	\$59,472.40	\$75,827.31	\$92,182.22	55%	3.6%
134	\$61,613.41	\$78,557.10	\$95,500.78	55%	3.6%
135	\$63,831.49	\$81,385.15	\$98,938.81	55%	3.6%
200	\$69,256.98	\$93,496.92	\$117,736.86	70%	5.0%
201	\$72,719.82	\$98,171.76	\$123,623.70	70%	5.0%
202	\$76,355.82	\$103,080.35	\$129,804.89	70%	5.0%
203	\$80,173.61	\$108,234.37	\$136,295.13	70%	5.0%
204	\$84,182.29	\$113,646.09	\$143,109.89	70%	5.0%
205	\$88,391.40	\$119,328.39	\$150,265.38	70%	5.0%



# *Implementation Options*

## *Bring to Minimum –*

All employee salaries are brought to the minimum of their proposed salary range. If the employee's current salary exceeds the proposed minimum, no adjustment is made. First year maximum to be 10% or \$3,600, whichever is more for those below minimum. If adjustment exceeds this amount, a second adjustment will be made in year two of implementation.

## *Class Parity Capped at Midpoint –*

Years of service in current position gives credit for class parity up to 30 years to reach the maximum of the pay range. However, a maximum of midpoint (or 15 years) of class parity credit will be given. The plan is adjustments for class parity will be made in years two through four.



# *Costs of Implementation*

Option	Estimated Cost	Employees Impacted
Bring to Minimum	\$471,780.64	188
Class Parity Capped	\$1,404,029.68	311

## \*Assumptions

- No employee salary lowered
- Date of implementation 9/1/2016
- Incorporates 10.0% pay differential for critical classifications



# Multi-Year Option

Bring to minimum adjustment in first year for those below minimum (capped at a maximum of 10% or \$3,600 in year one), and remaining adjustment with parity capped at midpoint evenly distributed in years two through four.

Multi-Year Option (Bring to Min 1st)					
Option	Year 1 Cost	Year 2 Cost	Year 3 Cost	Year 4 Cost	Total
Class Parity - Capped at Midpoint	\$353,966.84	\$350,020.95	\$350,020.95	\$350,020.95	\$1,404,029.68



# *Next Steps*

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- Submit draft and final report
- Submit updated job descriptions
- Communication with employees



*Thank You!*

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**Evergreen Solutions, LLC**

2852 Remington Green Circle, Suite 101

Tallahassee, Florida 32308

850.383.0111

[www.ConsultEvergreen.com](http://www.ConsultEvergreen.com)

