Compensation & Classification Study

Building a new framework for organizational success
Why are we doing this study?

- Update compensation and classification systems in order to:
  - Help Willamette recruit and retain the best possible staff
  - Make both systems more easily understood
  - Identify and work toward appropriate market competitiveness
  - Re-establish appropriate differentiation within job and pay levels
  - Provide increased transparency and consistency
  - Create a framework for change as budgets allow
Background

- RFP developed (summer/fall 2012)
- Committee formed to review vendor submissions
- Presentations by two finalists (fall 2012)
- Selection of Sibson
  - Experience and depth of knowledge
  - Industry expertise – work with other local universities
  - Collaborative – not forcing preconceived perspective
  - Tools to make process /study more efficient
  - Proactive
  - Will leave us with tools to manage new program going forward (rather than costly ongoing relationship)
Sibson’s approach
Sibson’s Approach

Institutional Strategy

- Mission, vision, and strategic goals

Compensation Philosophy

- Purpose of pay and fit within the EVP
- Internal/external value
- Management process
- Communication
- Competitive positioning
- Pay progression
- Pay components
- Performance Criteria
Sibson’s Approach:
Elements of a Compensation Program

<table>
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<th>Job Structure</th>
<th>Pay Delivery</th>
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<td>Classification structure</td>
<td>Pay progression</td>
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<td>Reporting relationships</td>
<td>Pay opportunity linked to level</td>
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<td>Job levels/families</td>
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<td>Job/work design</td>
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<td>Titles</td>
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Sibson’s Approach:
Elements of a Compensation Program

Job Analysis and Evaluation

- Job documentation
- Evaluation factors
- Internal vs external emphasis
- Evaluation process

Salary Structure

- Salary levels, bands, and ranges
- Control mechanisms
- Link to the market
- Structure movement
Sibson’s Approach: Elements of a Compensation Program

Outcomes

- Strategic compensation program to attract/retain qualified staff
- Foundation for other human capital initiatives
- Credible within internal community
- Understandable by leadership, administrators, and staff
Project coordination

Stakeholder Input
(Employees, Leadership)
Project outline/process

- PHASES OF PROJECT

<table>
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<th>Phase</th>
<th>Description</th>
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<td>Project Planning and Compensation Philosophy Development</td>
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<td>Phase B</td>
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<td>Salary Structure, Job Leveling Methodology, and Pay Guidelines Development</td>
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- COMMUNICATIONS THROUGHOUT
  - WEBSITE
  - EMAIL
  - MEETINGS
Current Phase

- Collecting data/information and organizing
- Conducting stakeholder meetings
- Developing proposal around compensation strategy for Willamette
- Building web-based position description questionnaire (PDQ)
What’s next? My role?

- Accuracy and completeness of job descriptions is critical to making appropriate evaluations
- Incumbents and supervisors will complete online PDQ
- Steering committee and advisory committee will review proposal from Sibson for comp/class strategy
- Steering committee and advisory committee will consider program design options and recommendations
Thank you. Questions?