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Ohio University is committed to designing and implementing new compensation and rewards programs for Classified and Information Technology (IT) Staff that support the university's strategy more effectively and reward employee development and contributions. In order to ensure successful implementation, three additional projects were initiated: communication, performance management, and training.

We are committed to keeping you informed. This newsletter is designed to update you on the progress of the project. In addition, the project website www.ohiou.edu/comp is available for you to access current project details. Please take a moment to read this newsletter so you have a better understanding of the project and visit our website for additional information and updates.

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Market-based Pay Structure

A market based pay structure uses the market to drive the ranges and pay grades of the structure. The job information questionnaires (JIQs) were used to match Ohio University jobs to the market. Jobs were matched based on content, not job title. This time consuming process included analyzing JIQs, compiling JIQs to represent jobs with similar duties, consolidating job titles, and matching jobs to thirteen survey sources covering relevant labor markets.

Matching to Market

Ohio University jobs were compared to reliable, third-party published surveys.

The job descriptions used for market comparison are broad, which optimizes survey participation and sample size.

Considerations in the market comparison process were: geographic (local, regional, national), based on the type and size of an institution (# of students, Education or Public sector, general industry)

Market comparisons will be analyzed on an annual basis by the Compensation Office in UHR.

Survey Sources

General Industry Surveys

- Compdata Survey Ohio
- Metropolitan Benchmark Compensation
- Survey for North Central Region
- Watson Wyatt
 - Office Personnel Compensation
 - Supervisory Management
 - Technician and Skilled Trades
 - Human Resources Management
 - Information Technology

Industry Specific Surveys

- Mercer Information Technology Survey
- Industry Specific Surveys
 - Watson Wyatt Healthcare
 - Professionals Survey
 - College and University Personnel Association
 - Administrative Compensation Survey
 - Mid-level Administrative Compensation Survey
 - Warren HMO Survey
 - Library FY00-01 Compensation Plan by Class Title Order
 - Ohio Higher Education Computing Council Compensation Survey of IT Positions
 - Inter University Council (Classified)

Why a Market-based Pay Structure?

A Market-based Pay Structure:

- Allows Ohio University to be competitive with the marketplace by ensuring the ability to attract talent
- Shifts focus from “cost of living” to “value”
- Provides a new approach to recognizing employees by updating job titles and descriptions
- Provides a consistent benchmark to help guide internal equity

Ohio University’s New Pay Structure

A new pay structure for classified and IT staff will be effective on July 1, 2001. The pay structure will be managed by reviewing data on salary budgets and cost of living to decide how much the structure should move each year. Administrative staff may be incorporated into this structure. The new structure will differ from the current structure in the following ways:

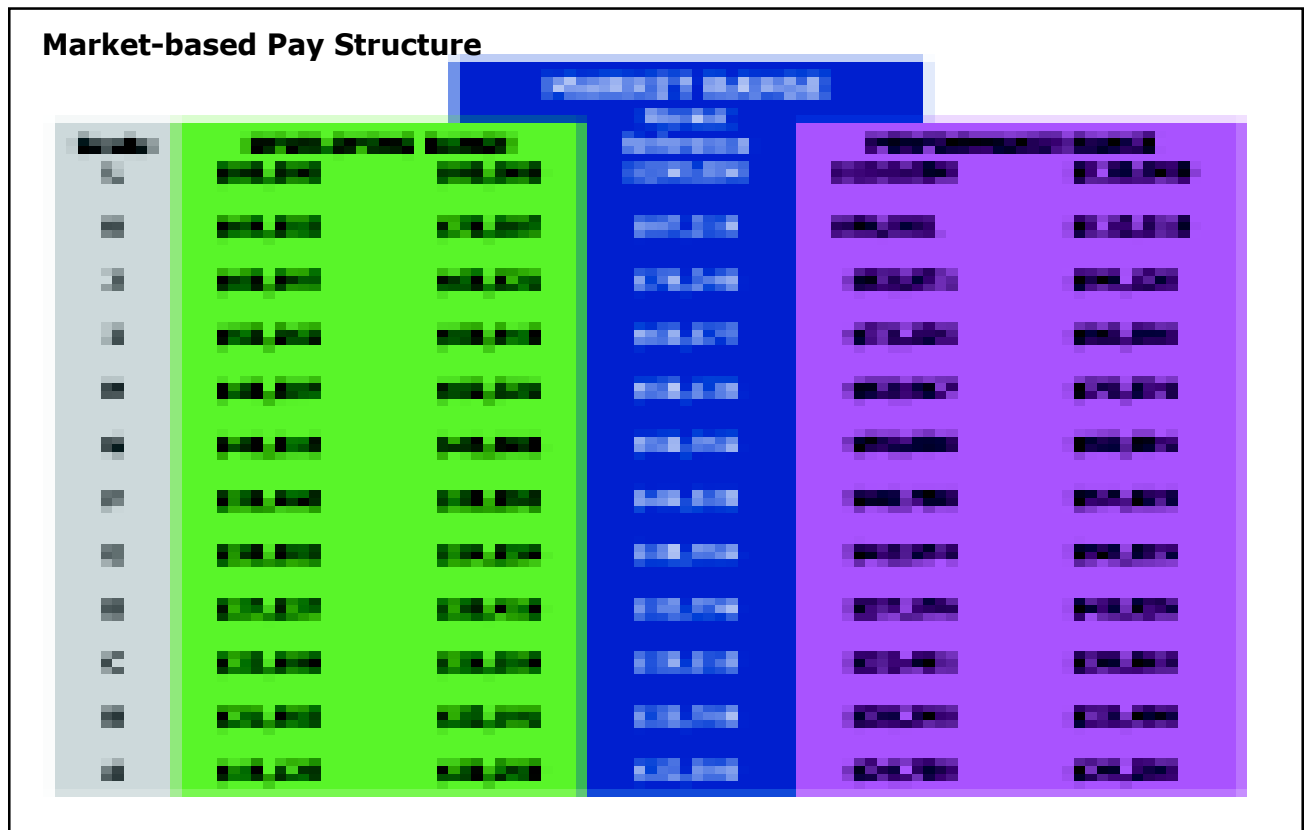
<i>Current Structure</i>	<i>New Structure (Beginning July 1, 2001)</i>
• Two separate structures	One structure for both classified and IT positions
• 36 job families	9 job families for classified and 10 for IT positions
• 26 pay grades (14 classified and 12 administrative)	12 pay grades
• 14 classified pay ranges	5 pay ranges for classified, 10 pay ranges for IT
• 130 classifications (classified structure)	70 classifications for classified
• 4% difference between pay grades (classified structure)	15% difference between grades (classified)

The new pay structure has three zones: Developing, Market, and Performance. The following are definitions for each of the zones. These zones are designed to guide the performance management process which begins tentatively for IT staff in October of 2001 and Classified staff in July of 2002.

Developing Zone: The targeted range for new hires, and for employees who are still developing or are not fully proficient in their job.

Market Zone: The targeted zone for employees who are fully proficient in their job and consistently meet performance expectations.

Performance Zone: The targeted zone for highly skilled and consistently high performing employees.



How Does This Work?

Informational packets will be mailed to project plan sponsors. The plan sponsor will forward the packets to the supervisor of the employee. Each supervisor will meet with their employee to discuss the contents of the packet. Packets will include:

- role assignment
- competency expectations
- pay structure
- classification plan listing
- classification description (Classified employees)

All classified and IT positions will be in grades A-L. Your pay will not change as result of the new plan with the exception of those who received a market adjustment.

If you disagree with your new classification, there is an appeal process to the State Personnel Board of Review. All classified employees will receive a letter notifying them of this right.

What's Next

All IT and classified employees and their supervisors should have attended an orientation session during the month of June. This session provided an overview of the new compensation plan including an explanation of the role-based competency framework and market-based pay structure.

Orientation sessions focusing on the Performance Management plan will take place prior to implementation.

Questions?

Questions from the orientation sessions have been added to the *Frequently Asked Questions* list on the project website. Due to the large volume of questions, we were unable to send individual responses as was originally intended. We will continue to add to this site until all of the questions have been addressed.

If you would like to submit a question, visit the project website at www.ohiou.edu/comp and click on *Contact Us*.

Myths

There's nothing wrong with the current system.

The system used to pay classified employees at Ohio University was implemented in 1989. The new compensation plan is designed to support employees developing in their current positions, and being rewarded for that instead of the current system that puts pressure on the audit process to reward performance. For this to work, the performance management program must be in place.

Longevity and seniority will not be recognized with this new system.

The university will continue to reward classified employees with the 5, 10, 15 year, etc. longevity bonuses.

I will receive little or no raise this year.

Classified employees will receive the across-the-board increases for this year and next. The percentage of raises for Ohio University employees will be determined by the budget and Board of Trustees. This project will not effect the raise pool for this fiscal year.

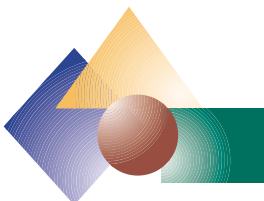
The 'market' will determine my pay.

The determination of the raise pool each year will continue to be based on the same considerations as in the past: the State of Ohio budget, the university's financial circumstances, cost of living information, and projected salary budget information from the market. The project does not impact this decision process.

The market, along with the value you bring to your job, may affect your pay in the future. The market was used to develop the pay structure. It's important that Ohio University is competitive with the market for attracting and retaining employees. Analysis of the market in relation to the jobs at Ohio University is an important process. The Compensation Office in UHR will review market comparisons on an annual basis.

Everyone in my classification will be paid the same.

Your pay grade assignment is not based on your personal hourly pay rate. It is based on the estimated market value (EMV) for your position. For example, everyone currently in the Secretary classification would move to the same new pay grade, and everyone will keep their pay rate. There will continue to be people at different points along the pay range just as there are now.



Who's Who

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