Total Rewards Market Study – Leadership Webinar

PRESENTED BY CBIZ HUMAN CAPITAL SERVICES

SEPTEMBER 6, 2016
Introduction

• CBIZ Human Capital Services
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Overview

• Review objectives and methodology
• Discuss next steps
• Answer your questions
Project Objectives
Project Objectives

- Develop compensation philosophy
- Create a classification system that better organizes jobs
- Develop job families and career ladders
- Benchmark K-State jobs to market
- Create a total rewards system that allows K-State to administer compensation into the future
- Document jobs and positions
- Determine FLSA status of each position
Why Compensation Professionals?

• Impartiality
  – No consideration of demographics
  – Independent consultants do not have “favorites”
• Consistency
• Access to valid salary surveys
• Expertise and experience
  – Compensation plan design
  – Administration
  – Market influences
Project Methodology Summary
Project Methodology

Initiated Project
• Conducted project kick-off meetings with key K-State staff
• Established project goals
• Collected organizational, job and employee information

Evaluated job documentation
• Developed a job analysis questionnaire (JAQ) and obtained additional up-to-date employee duties, responsibilities and qualifications – 82% response rate
• K-State employees completed JAQs and supervisors provided input
Project Methodology

Developed Compensation Philosophy

• The primary benchmark for the University in this study was the market 50th percentile

Identified Comparable Entities and Relevant Markets

• Identified benchmark jobs and appropriate labor market characteristics
  – Industry – Public Higher Education Institutions and the General Labor Market, as appropriate
  – Location – Manhattan, Salina or Olathe, Kansas
  – Organizational Size
Project Methodology

Classification Plan

• Based on the evaluation of all job documentation, proposed reclassifications

• Recommended new job titles and career progression

• Identified job families and drafted definitions

• Proposed a new titling structure to enhance consistency across departments
Project Methodology

External Market Analysis
- Assessed market competitive compensation levels for K-State’s positions
  - Database with over 1,900 published survey sources
  - CUPA-HR Data Including Selected Peer Institutions:
    - Auburn University
    - Clemson University
    - Colorado State University
    - Iowa State University
    - Louisiana State University
    - North Carolina State University
    - Oklahoma State University
    - Oregon State University
    - University of Massachusetts – Amherst
    - Washington State University
- Compared actual skills, duties and responsibilities to market data rather than merely matching job titles
- Revised Salary Structures
# Project Methodology – Salary Structure Design

*Illustrative Purposes Only*

**Title:** Job XYZ

**Market Benchmark:** $35,455

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Project Methodology

Financial Impact Analysis

• CBIZ modeled preliminary implementation costs and identified employees above or below the proposed ranges

FLSA exemption analysis in coordination with K-State Legal Counsel
Project Implementation Meetings

- Five open fora
- 44 department meetings
- Three meetings with the Student Executive Leadership Committee
- Two meetings with USS Senate
- One meeting with Faculty Senate
- One Meeting with Unclassified Professional Staff Affairs
- One meeting with K-State’s affinity groups
- Three Dean’s Council Meeting
- Six Cabinet Meetings
Next Steps
Next Steps

• Adopt the revised market-based salary structures.
• Increase the compensation of all employees to the minimum of their respective salary ranges.
• Maintain pay for employees above maximum of their respective grade.
• Update the pay structures annually. CBIZ will provide salary increase and structure adjustment recommendations to K-State for five years to keep the system up-to-date.
Questions