



**COMPENSATION
UPDATE**

WHAT WE WILL DO TODAY

- / How Today Will Work
- / Background
- / Compensation Assessment and Findings
- / WVU's Compensation Goals
- / FY2018/FY2019 Compensation Efforts

HOW TODAY WILL WORK

- / Hear from Rob, Cris and Bob
- / Open question-and-answer session

BACKGROUND

- / WVU recognizes to attract and retain top talent, we need to focus on the market-competitiveness of faculty and staff compensation.
- / The driving factor in our ability to address pay is our budget.
- / Only ~**16%** to **18%** of WVU's total operating costs are funded by the State.
- / Due to budgetary pressures and reductions in recent years, the University has been unable to provide a regular merit increase program.

BACKGROUND

- / Our overarching goal is to provide a long-term path to more regular pay increases.
- / Achieving this goal is dependent on a number of factors, including the ability of the State to stabilize funding and provide additional revenues for compensation adjustments.

INITIAL ASSESSMENT

- / In FY2017 and FY2018, we assessed the competitiveness of both faculty and staff pay at WVU.
 - / Benchmarked faculty pay by rank, discipline and tenure/non-tenure track.
 - / Benchmarked staff pay to respective pay range.

ASSESSMENT RESULTS

/ The results of this analysis are summarized with a compensation ratio (compa-ratio), which is an employee's salary divided by the market rate or applicable range midpoint.



/ A compa-ratio below **90%** is identified as below market-competitive pay.

/ A compa-ratio **90% – 110%** is considered market competitive.

/ Our FY2017 and FY2018 studies show that a significant number of WVU employees are paid below **90%** of market.

INITIAL FINDINGS

COMPA-RATIO	CLASSIFIED STAFF	NON-CLASSIFIED/AP	FACULTY TENURE	FACULTY NON-TENURE	FACULTY OTHER
<90%	42%	38%	65%	61%	24%
90% – <110%	26%	45%	30%	31%	64%
110%+	32%	16%	5%	8%	12%

- / Since 2015, market data indicates pay ranges have increased ~2% annually and merit budgets in education have averaged ~2.5% annually.
- / As in many organizations, we have examples of compression and inversion resulting from recruiting new employees at pay closer to market rates than current employees.

WVU'S COMPENSATION GOALS

- / Pay fully proficient employees at a market-competitive level.
- / Institute wage-increase programs that approximate market-wage growth.
- / Reward performance.
- / Attract and retain talent.

FY2018 PROGRAM

/ The FY2018 compensation plan included:

/ **Market adjustments** were designed to bring experienced, fully proficient or higher-performing employees who are paid **below 90% of market** value closer to their market pay rate.

/ **Critical retention** increases were designed to retain high-performing employees, difficult-to-fill positions or employees who ensure academic and/or business continuity.

/ The FY2018 pay increases were provided at the discretion of the dean or vice president for each unit.

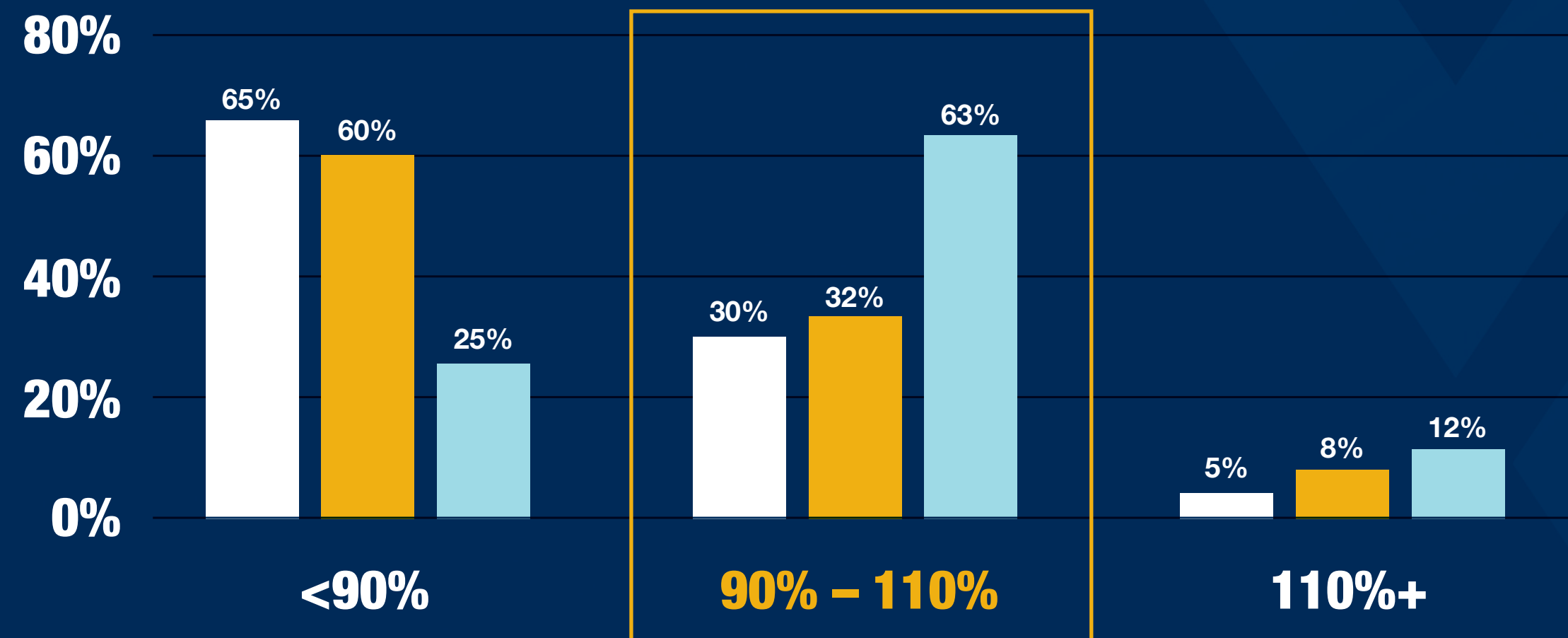
/ WVU also adjusted most **staff pay ranges by 2%**.

FY2018 PROGRAM – RESULTS

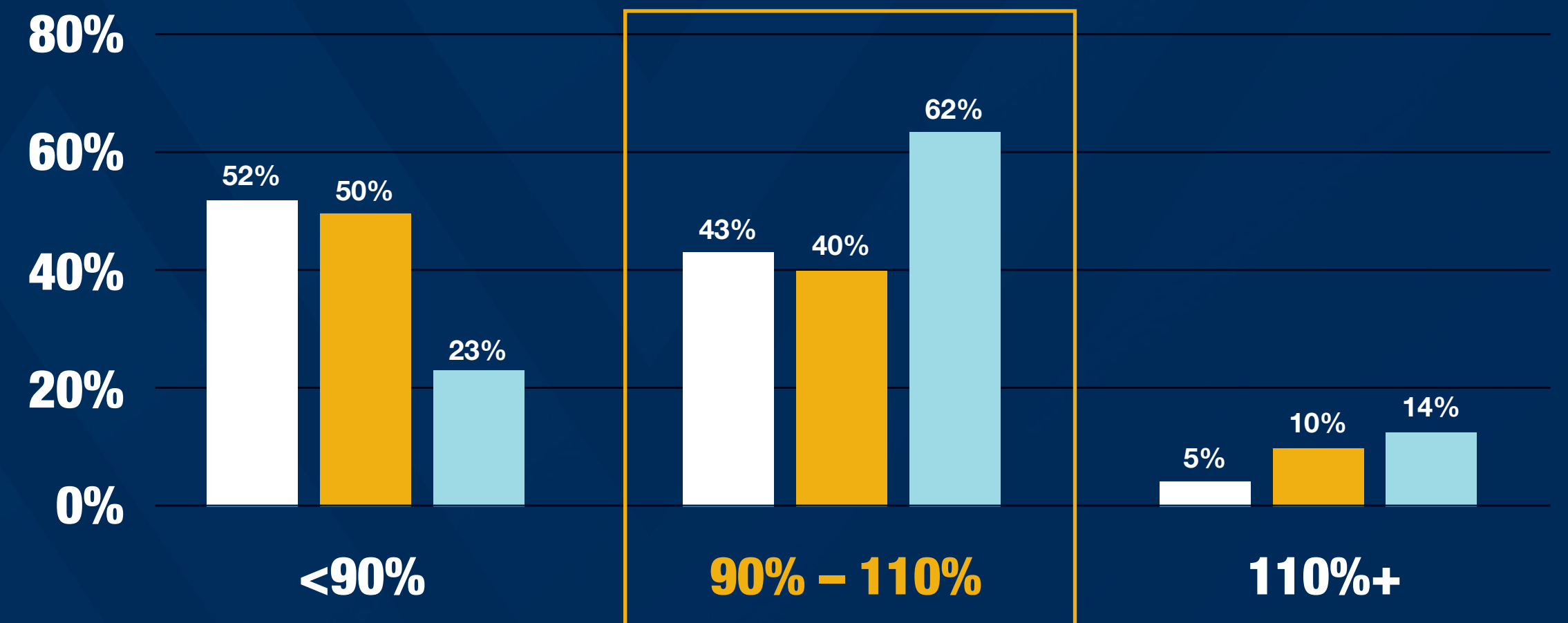
- / Overall, more than one-third of WVU faculty and staff received a pay increase through the FY2018 program.
- / The average pay increase for both faculty and staff was **6%**.
- / Through the FY2018 program, **6%** of staff and **10%** of faculty overall shifted from below **90%** of market to the market-competitive range of **90% – 110%**.

FY2018 PROGRAM – RESULTS

FACULTY PAY DISTRIBUTION BY COMPA-RATIO



DISTRIBUTION **BEFORE** FY2018 PROGRAM

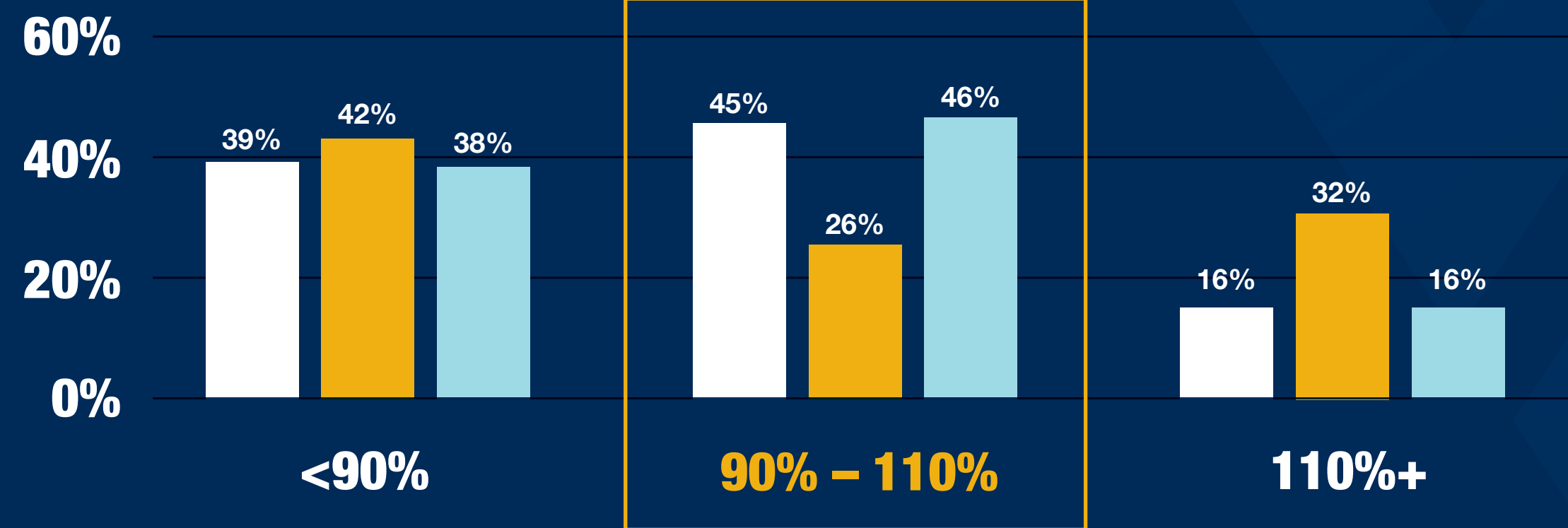


DISTRIBUTION **AFTER** FY2018 PROGRAM

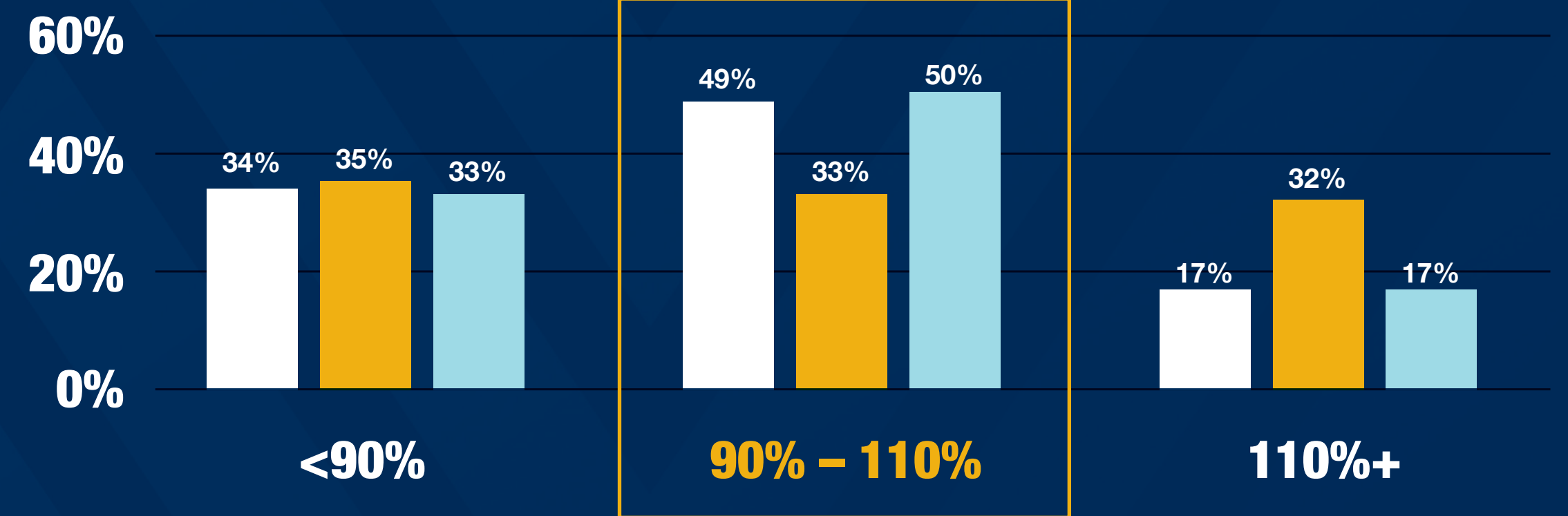
■ FACULTY TENURE ■ FACULTY NON-TENURE ■ FACULTY OTHER *

FY2018 PROGRAM – RESULTS

STAFF PAY DISTRIBUTION BY COMPA-RATIO



DISTRIBUTION **BEFORE** FY2018 PROGRAM



DISTRIBUTION **AFTER** FY2018 PROGRAM

■ ACADEMIC PROFESSIONAL ■ CLASSIFIED ■ NON-CLASSIFIED

FY2019 PROGRAM

- / The FY2019 compensation program is designed to continue to move both faculty and staff pay closer to market rates while also recognizing and rewarding high performance.
- / We also have updated faculty and staff compa-ratios to reflect new benchmark data and adjusted pay ranges.

FY2019 PROGRAM

/ Eligibility:

- / All benefits-eligible faculty, non-classified and faculty equivalent employees – as well as all classified staff – employed by the University prior to July 1, 2018.
- / Must not be on active discipline (i.e., at second letter of warning or higher).
- / Must have an overall rating higher than “**Unsatisfactory**” or “**Development Needed**” in most recent performance review.
 - / For staff employees, this means the performance review process currently underway.
 - / For faculty, this means the performance review process completed earlier this spring.

FY2019 PROGRAM

/ Details:

- / **2%** pay increase for all eligible faculty and staff (or a **\$702** minimum increase for staff if it is greater than the **2%** amount).
- / Eligible faculty and staff also may qualify for an additional discretionary merit pay increase.
- / Staff pay ranges will be increased by an additional **1%**.

/ Timeline:

- / September – Communicate final 2018 performance rating and pay decisions.
- / September 30 – Salary increases become effective.
- / October 26 – Salary increases will be reflected in pay statements.

FY2019 PROGRAM

FACULTY COMPA-RATIO / PERFORMANCE-LEVEL MATRIX

PERFORMANCE LEVEL	COMPA-RATIO		
	<90%	90% - 110%	110%+
EXCELLENT	2% - 8%	2% - 7%	2% - 5%
GOOD	2% - 6%	2% - 5%	2% - 4%
SATISFACTORY	2% - 5%	2% - 4%	2% - 3%
UNSATISFACTORY	0%	0%	0%

THE OVERALL BUDGET FOR THE FY2019 PROGRAM IS ~3.5%.

FY2019 PROGRAM

STAFF COMPA-RATIO / PERFORMANCE-LEVEL MATRIX

PERFORMANCE LEVEL	COMPA-RATIO		
	<90%	90% - 110%	110%+
SUBSTANTIALLY EXCEEDS EXPECTATIONS	2% - 8%	2% - 7%	2% - 5%
EXCEEDS EXPECTATIONS	2% - 6%	2% - 5%	2% - 4%
VALUED PERFORMER	2% - 5%	2% - 4%	2% - 3%
DEVELOPMENT NEEDED	0%	0%	0%

THE OVERALL BUDGET FOR THE FY2019 PROGRAM IS ~3.5%.

QUESTIONS?

CONTACT INFORMATION

- / Visit the WVU Talent and Culture website for more information. talentandculture.wvu.edu
- / Contact the Classification and Compensation Administration team at **304-293-5700** ext. 6 or ClassComp-HR@mail.wvu.edu with any questions.
- / An archived version of this Campus Conversation will be available at bureaucracybusters.wvu.edu/campus-conversation.
- / You may continue to submit questions to campusconversations@mail.wvu.edu.
- / Stay tuned for upcoming Campus Conversations.