



University of Maine System

Classification and Compensation Study UMS Hourly Employees

July 2008

Why a Compensation Study?

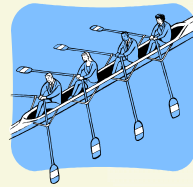
- Review and revise the job titles (classification) system
- Ensure job descriptions properly describe the work being performed
- Establish a competitive labor market position
- Adjust to a rapidly changing work environment as a result of:
 - Technology changes;
 - Positions changes
- Provide a system to achieve greater clarity of career path growth



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A Teamed Approach

- **Project Team**
 - HR and compensation specialists
- **Joint Labor-Management Team**
 - Representatives from labor and management across the University
- **Steering Committee**
 - University HR Directors and Finance
- **Outside Expertise**
 - Fox Lawson & Associates (FLA)



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FLA Introductions

- **Jim Fox, Ph. D.**
 - Partner
 - Fox Lawson & Associates
 - Project Director
- **Heidi Nelson, CCP & CBP**
 - Sr. Consultant
 - 18 years experience
 - Compensation study



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FLA Introductions

- **Beth Ostrem, MA-HR, CCP**
 - Sr. Consultant
 - 12 years experience
 - Classification and Job Evaluation
- **Mike Verdoorn, MA-HR, CCP**
 - Consultant
 - 5 years experience
 - Classification, Job Evaluation, Compensation



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Fox Lawson & Associates

- 25 years of nationwide experience
- Includes extensive experience with colleges, universities, and higher education
- Practical and realistic solutions
- Experience in union and non-union environments
- www.foxlawson.com



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What This Effort is **Not**

- It is NOT a way to cut salaries
- It is NOT a guarantee of a salary increase
- It is NOT a way to cut jobs
- It is NOT a staffing study
- It is NOT an organizational structure study
- It is NOT a strategy designed to cut costs
- It is NOT designed to supplant labor negotiations



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What This Effort **Is**

The purpose is to ensure that

- the essential duties employees are performing are appropriately described,
- employees are assigned the right job group,
- the job is in the right place in the hierarchy, and
- the competitive market rates for these jobs are identified.



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Guiding Principles

The system will be:

- Fair and equitable
- Easy to understand and use
- Competitive with the relevant market
- Compatible with the history and culture of UMS
- Legally defensible
- Fiscally responsible



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Study Phases

- I. Study Initiation and Administration
- II. Classification Study
- III. Job Evaluation Study
- IV. Compensation Study
- V. Final Report



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I: Study Initiation

- Meet with Project Team, Joint Labor-Management Team, Steering Committee
- Review current systems
- Understand issues and needs
- Clarify and confirm pay strategy



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Pay Strategy Issues

- Broad or narrow classification descriptions
- Broad or narrow pay ranges
- Definition of labor market



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Pay Strategy Issues

- Influence of labor market in grade assignment
- Selection of a job evaluation system
- Performance based pay options



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Pay Strategy Issues

- Step system or open ranges
- Maintenance responsibilities



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II: Classification Study

- Employees & supervisors complete Position Description Questionnaire (PDQ)
- FLA interviews a representative sample of incumbents, to clarify PDQ and ensure we understand the job
- FLA revises job title structure based on strategy
- Utilizing current job descriptions, PDQs and interviews, FLA and UMS develop new job descriptions



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III: Job Evaluation

- Purpose of Job Evaluation
 - Establishes a job value hierarchy
 - Determines correct pay grade for jobs when market data is not reliable
 - Helps to grade a new or changed job
- Choices include:
 - Point-factor
 - Decision Band™ Method
- Evaluate new classification descriptions utilizing the job evaluation system



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IV: Compensation Study

- Determine competitiveness of pay and benefits
- Identify public and private organizations in Maine to survey, for example:
 - Hospitals
 - State government
 - Community colleges
 - Public schools
 - Banks, Insurance
 - Call centers
 - Manufacturing



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IV: Job Compensation

- Identify jobs to benchmark for survey
 - Common jobs
 - Job with lots of employees
 - Covers all occupational families
 - Covers the variety of job situations
- Collect and analyze data
 - Throughout the grade (wage band) structure
 - Develop a salary structure for all grades (wage bands)
 - Identify job family differences, if any
 - Identify geographic differences, if any
- Analyze for equity and relation to market



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V: Final Report

- Job descriptions
- Job evaluation ratings
- Compensation recommendations
- Salary administration guidelines
- Presentations to management and employees



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Timeline

Task/Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	
Task I: Study Initiation	■	■	■																				
Task II: Classification				■	■	■	■	■	■														
Task III: Job Evaluation									■	■	■	■											
Task IV: Compensation													■	■	■	■	■	■	■				
Task V: Final Report*																				■	■	■	
<i>* Collective Bargaining as Required</i>																							



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