Staff Compensation Update

March 2023

What we'll cover in this update

X   Quick review of approach and resources

X   Job description update project and **NEW** library

X   Market increases and **NEW** market verification

X   **NEW** ability to apply discretionary amount to those above range maximum in form of one-time payment

X   Skill Matrix Outreach & Training launched

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Review of approach
Resources

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APPROACH TO STAFF COMPENSATION

Informed by Market

Rates and ranges are based on market

Includes peer institutions, similar jobs, geography

Fair & Competitive

Investment to increase starting wages

Competitive for all

Career Progression

New system not directly tied to annual performance or minor adjustments to role

Focus on development

Collaborative

Opportunity for department leadership to weigh in on market data and how roles are benchmarked

Standard & Simple

Easily explainable and applicable to all staff

Repeatable

Something we can use this year AND going forward on an annual basis

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ROLE → INDIVIDUAL → DISCRETION
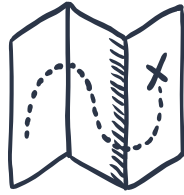
ROLE

Role mapped to market and min/max range established

Agnostic to individual

INDIVIDUAL

Skill matrix based on ownership and impact drives where individual falls into range

DISCRETION

Final layer of discretion based on VP/Manager functional expertise

Guardrails in place

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Job description update project

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Job descriptions

X Job description update project for all roles within the staff compensation structure

X New shortened, consistent format will remove burden of creating and keeping updated, aimed to highlight primary purpose and core responsibilities, not task list

X Move to twice/year review process to align rest of compensation/budget processes-and to build consistent call and review process with transparent outcomes

X Now publicly available on the HR website: https://www.middlebury.edu/office/human-resources/self-service-resources/staff-compensation/our-program/job-descriptions

Position Summary (Limited to 1 page)

Position Title: Click or tap here to enter text.
Position # (or New): Click or tap here to enter text.
Grade: Choose an item.
Date Prepared: Click or tap to enter a date.

Position Purpose: Provide 2 sentences or less summarizing the *primary* purpose of this position.

Core Responsibilities: Provide a bulleted list of no more than 8 core responsibilities of the role; starting with a verb. Focus on those that provide an indication of the scope and impact of the role. Include information that demonstrates the level of responsibility for material, financial, human and information resources.
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Position Prerequisites: Provide a bulleted list of 8 essential skills, abilities, education, or experience needed to be successful in this position. Include any certificates and licenses here.
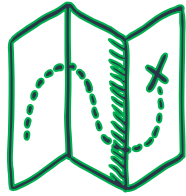-
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Physical Demands & Working Conditions:

Market increases
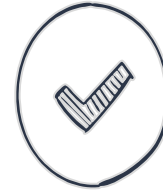# *NEW* Market verification

ROLE ➡ INDIVIDUAL ➡ DISCRETION

Role mapped to market and min/max range established

Agnostic to individual

Skill matrix based on ownership and impact drives where individual falls into range

Final layer of discretion based on VP/Manager functional expertise

Guardrails in place

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ALL ROLES WILL RECIEVE A MARKET INCREASE

This step will be based on the overall market movement *and* may also include specific roles that have shifted significantly and moved from one grade to another. Individuals in range will receive a market increase to remain aligned with the range movement.

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MARKET VERIFICATION

HR will review the market and placement of all roles as a part of the annual market review process. An option has been added for leaders to request a *Market Verification* if there are outstanding questions/issues with a particular role.

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Change to discretionary step with option for one-time payment

ROLE ➡ **INDIVIDUAL** ➡ **DISCRETION**

ROLE	INDIVIDUAL	DISCRETION
Role mapped to market and min/max range established	Skill matrix based on ownership and impact drives where individual falls into range	Final layer of discretion based on VP/Manager functional expertise
Agnostic to individual		Guardrails in place

# Based on feedback, for those that are above range max...

X   This year there will be a *NEW* change so that is it possible to apply discretionary amounts to above range maximum in form of one-time payment

X   This means that STEP 3: DISCRETION can now be applied to anyone, regardless if someone is over the maximum of the range...

X   ...if the individual is over the maximum, instead of it being a base compensation increase, the discretionary amount will be paid as a one-time payment in lieu of increase to base pay

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Skill Matrix Outreach & Training

- February—March
- SLG led, waterfall conversations to reach all staff and gather input from every level of supervisor
- Focused on framing approach/expectations to build shared understanding
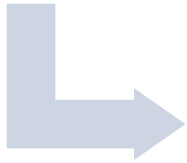
- April
- All data available with market increases already applied
- Apply movement in skill matrix for those that have reached significant career progression

- April—May
- Ensure accuracy and consistency within and across divisions and each decision is explainable
- Expect to have ~10% shift career progression

- June
- Final decisions complete
- Direct conversations with all staff using waterfall approach

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Skill Matrix Philosophy

X   The skill matrix is a tool to place individuals into the range based on career progression—and, specifically, their level of ownership and impact

X   Elevates a culture of high performance and ability to focus compensation conversations on skills and competencies—questions on how to increase pay can tie back to results and are transparent

X   Calibration across the institution on skill matrix—goal is to move people to 'thriving' and have that be at midpoint of grade range

X   Each year, market is reviewed, and ranges may be adjusted—and skill matrix will consistently be tied to percentage into range. This will result in market increases for all staff in the ranges each time there is a market adjustment

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Skill Matrix: Ownership & Impact

	Learning in the role (minimum)	Growing in the role (25%)	Thriving in the role (50%)	Leading in the role (60%)
OWNERSHIP	Requires support and direction Provides consistent delivery of tasks outlined in role	Requires some support while building proactive, independent approach Provides questions and ideas to build in partnership with others	Requires limited oversight and takes initiative in all aspects of portfolio Provides solution focused leadership and delivery	Requires only direction on where the work is going, not how to get there Provides leverage within and across organization
IMPACT	Delivers results with ongoing partnership and support Exhibits openness and willingness to learn	Delivers increasingly consistent results with some support Exhibits emerging expertise and contributions	Delivers strong and reliable results with consistency and limited oversight Exhibits excellent execution on critical projects and priorities	Delivers stellar results, again and again Exhibits the highest level of mastery as an independent, sought-after leader

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Who has achieved significant career progression in the past year in terms of ownership and impact?

This is the list of people who will shift up a level in the skill matrix. All others will remain in the same place but will still be eligible for a raise through Step 1: ROLE (based on market) and Step 3: DISCRETION (as available).

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10%

OF POPULATION TO SHIFT EACH YEAR

X We expect roughly 10% of staff will shift in career progression and therefore skill matrix placement each year

X This will be tracked/monitored when SLG members complete skill matrix placement in Axiom leading up to final decisions—and this will be reviewed institutionally by SLG and HR

X No department or area will be able to be a significant outlier

X This is not intended to calibrate or hold people back in a pre-defined way, but rather is a realistic and necessary target to name and check ourselves to ensure consistency within and across divisions and not over inflate movement in a way that risks the overall approach

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Let's Focus On Moving our mindset from
Annual Performance Review
to Career development Skill Matrix

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	Annual Performance	New approach: Skill Matrix
Time Frame	Looks back one year	Reflects the entire arc of your career, cumulatively
Variability from year to year	Can move in either direction (up or down from year to year)	Only moves forward as career progresses
Impact on pay	Only source of increases. Small annual incremental changes based on annual budget pool	One of three possible increases (others being market and discretion). Large increase (10-25% in range) representing movement within your pay grade, *only* applied at major milestones in your career

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TIMELINE

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Timeline

November	January	March	May	July
~~Kick off job description update project~~	~~Complete job description update project~~	Updated market data available	Market adjustments determined	New compensation details communicated to individual employees in June and effective July 1
~~Review and analyze options related to market parameters~~	~~New job description library available~~	Decisions on market parameter adjustments	Budget finalized	
~~Share details on process and approach~~	~~Outreach and training with leaders on skill matrix placement~~	Prep for launch of skill matrix and discretion input process in mid-April	By end of May, all input gathered from leaders for skill matrix placement and discretion	

We'll share an update every other month aligned to this timeline

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More details

EXPLORE OUR FRAMEWORK.

Take a deeper dive into each step of our compensation program.

Role

Each role is placed into a grade based on market benchmarking and internal review. This sets the min/max range for a role.

Individual

The skill matrix is a tool to place individuals into the range based on career progression.

Discretion

When funds are available, department leadership can distribute supplemental increases.

To learn more about how this program was developed, you can see materials that were shared with our community leading up to the rollout here.

Visit the *Staff Compensation* section of the HR website for more information including ranges, skill matrix tables, previous presentations and FAQs...

...and we'll be back in May with another update!

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FAQS

Doesn't the skill matrix really reflect performance?

Skill matrix placement reflects:

- Where you are in terms of your overall career progression, it is about the arc of your career, not one year.

- Your skill development and your level of ownership and impact in role over a proven, consistent period of time.

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How do we center ongoing hope, learning, and recognition for outstanding folks?

Base compensation is important, we all know that. We need to get this right and ensure that we are paying fair and market informed rates that reflect the role and the level someone is at in their career.

But, there is so much more to it! We should be celebrating the small and the big things because we know that people want and need to feel valued, appreciated and seen in their jobs. We have lots of tools for this—from a quick email or thank you chat, to using our emerging rewards and recognition programs, to investing time, energy and resources into development conversations and professional growth.

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How will the skill matrix be applied?

Leaders and supervisors should ask themselves and their teams this question:
Who on your team has achieved significant career progression in the past year in terms of ownership and impact?

Once you have this list, pressure test it. Does each person stand out as achieving a significant career milestone this year? Or were they put forward because of a specific, annual contribution that should be recognized but not through the skill matrix? Refine the list.

Once refined, check again. Can you explain why this individual or these individuals should move? Can you speak to why others are not moving?

Finally, are you aligned with your leadership and supervisors? It is critical that you are working WITH your leaders and not in a vacuum.

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Who has the final responsibility/authority for skill matrix placement?

Responsibility and authority sits with the SLG member who is completing the Step 2: INDIVIDUAL in Axiom as part of the compensation process.

It is critical that SLG members work with and align with leaders/supervisors in making decisions. SLG members have final authority but should be able to explain if there is a difference of opinion. It's important we use this waterfall approach to ensure that clear and consistent messages are communicated from leadership to individual employees.

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Pathways to increase individual compensation

STAY IN ROLE	BUILD SKILLS IN ROLE	EXPAND SCOPE/ROLE	MOVE TO NEW ROLE
X Continue to deliver as outlined	X Within role, increase level of ownership and impact	X Scope and/or role has changed from existing role	X Move within department or across Institution to a new role
X No significant movement in ownership or impact		X Promotion to new role requires budget approval	

↓ No change to placement, market adjustment if applicable

↓ Move within skill matrix, move up in range

↓ New role requires new benchmark and skill matrix assessment

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