



STAFF COMPENSATION UPDATE TO STAFF | MAY 2022



IN THE MARCH & APRIL PRESENTATION WE COVERED...

- X Employee feedback & market data
- X Project road map—how we got here
- X Goals of the program
- X Fair and competitive pay strategy
- X Preliminary market ranges for new grade structure
- X Details about the new program that includes Step 1: Role and Step 2: Individual



THIS MONTH, WE'LL COVER...

- X Investment in compensation in FY23 budget
- X Individual skill matrix philosophy and updates
- X Discretion—this year and going forward
- X Common questions
- X Scenarios for this year and future years



Investment in Employee Compensation



○ Middlebury Updates <middlebury-updates@middlebury.edu>

To: ○ Middlebury Updates

Wednesday, May 18, 2022 at 12:28 PM

To the Middlebury Community,

We'd like to share news about something that's been on all our minds. At the Board meeting on Saturday, Middlebury's trustees approved a fiscal year 2023 budget that includes an \$8.2 million investment in faculty and staff salaries. This represents a 7 percent increase in the total amount allocated from the operating budget for both the faculty and staff salary pools—our largest investment in compensation adjustments in a decade—and will take effect July 1.

As you know, we have engaged in an extensive benchmarking process this year for staff salaries, and as a result some employees will receive pay increases to bring their salaries closer in line with market rates. All Middlebury faculty in Vermont and California will receive merit raises this year. Our goal is to raise compensation for our lowest-paid employees, including junior faculty in Vermont, to be fair and competitive. Some will receive pay increases of more than 7 percent and some will receive less. Because we are focused on equity, if an employee is above market, a pay increase is less likely. Employee compensation will continue to be a top Middlebury priority next year and beyond.

We have shared information over the last few months about this [new approach to staff compensation](#), and we invite you to review these materials. We will continue to share more as we approach July 1.

Our community discussions have made a significant difference in our efforts to address issues of compensation. We look forward to continuing these open conversations to make even more progress in this area.

With appreciation,

Laurie L. Patton
President



GOALS OF THE NEW APPROACH TO STAFF COMPENSATION

Informed by Market

Rates and ranges are based on market

Includes peer institutions, similar jobs, geography

Collaborative

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

Fair & Competitive

Investment to increase starting wages

Competitive for all

Standard & Simple

Easily explainable and applicable to all staff

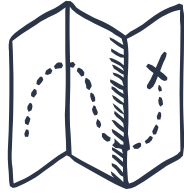
Career Progression

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

Repeatable

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





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

REMINDER PHILOSOPHY OF THE SKILL MATRIX

- 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—but skill matrix will consistently be tied to percentage into range

FROM APRIL PRESENTATION



SKILL MATRIX: OWNERSHIP & IMPACT

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

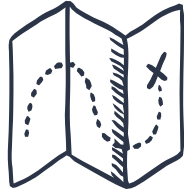


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WE HAVE NOT YET FINALIZED WHAT PERCENTAGE INTO RANGE EACH LEVEL WILL BE—WE EXPECT TO BE ABLE TO SHARE THIS IN JUNE.





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

DISCRETION

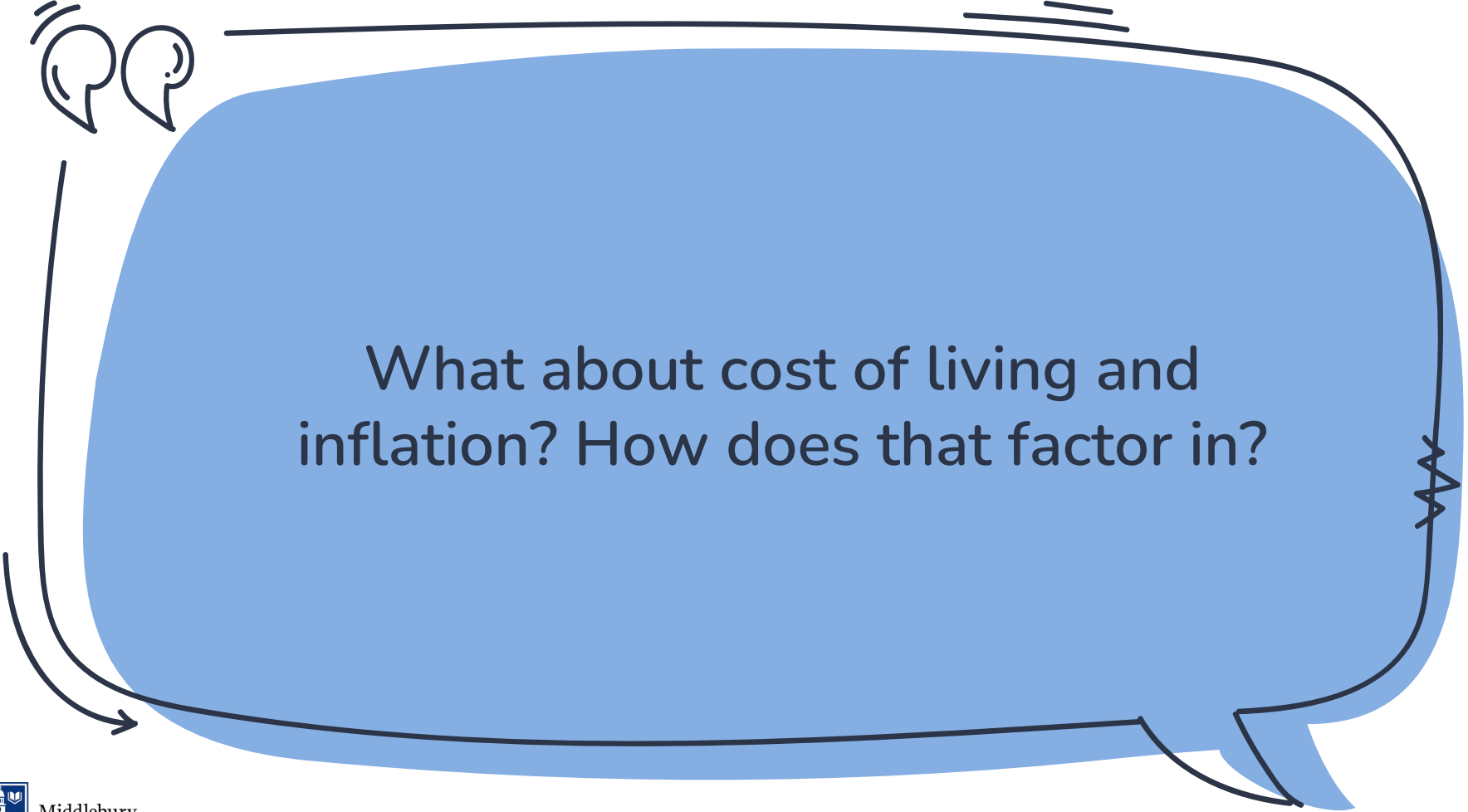
- X This is the final step in the process and will be an opportunity for adjustments up or down based on leadership's discretion
- X This year, our priority is to get all staff to market, so we are not sure yet if we will have funds for this portion
- X We hoped to be able to share in this update, but we still need some time to finalize the institutional review of all role and individual placements
- X If we do have funds for discretion, we will share more details in the coming weeks—it would be a set amount that each VP/Manager could allocate up or down from the final rate after the first two steps
- X If we do not have funds this year for discretion, it will still be part of our approach in future years





SOME OF THE MOST COMMON QUESTIONS WE
ARE GETTING...





What about cost of living and inflation? How does that factor in?





What if my job description is outdated?





Will I have an opportunity to provide input and advocate for myself?





Will everyone get an increase?





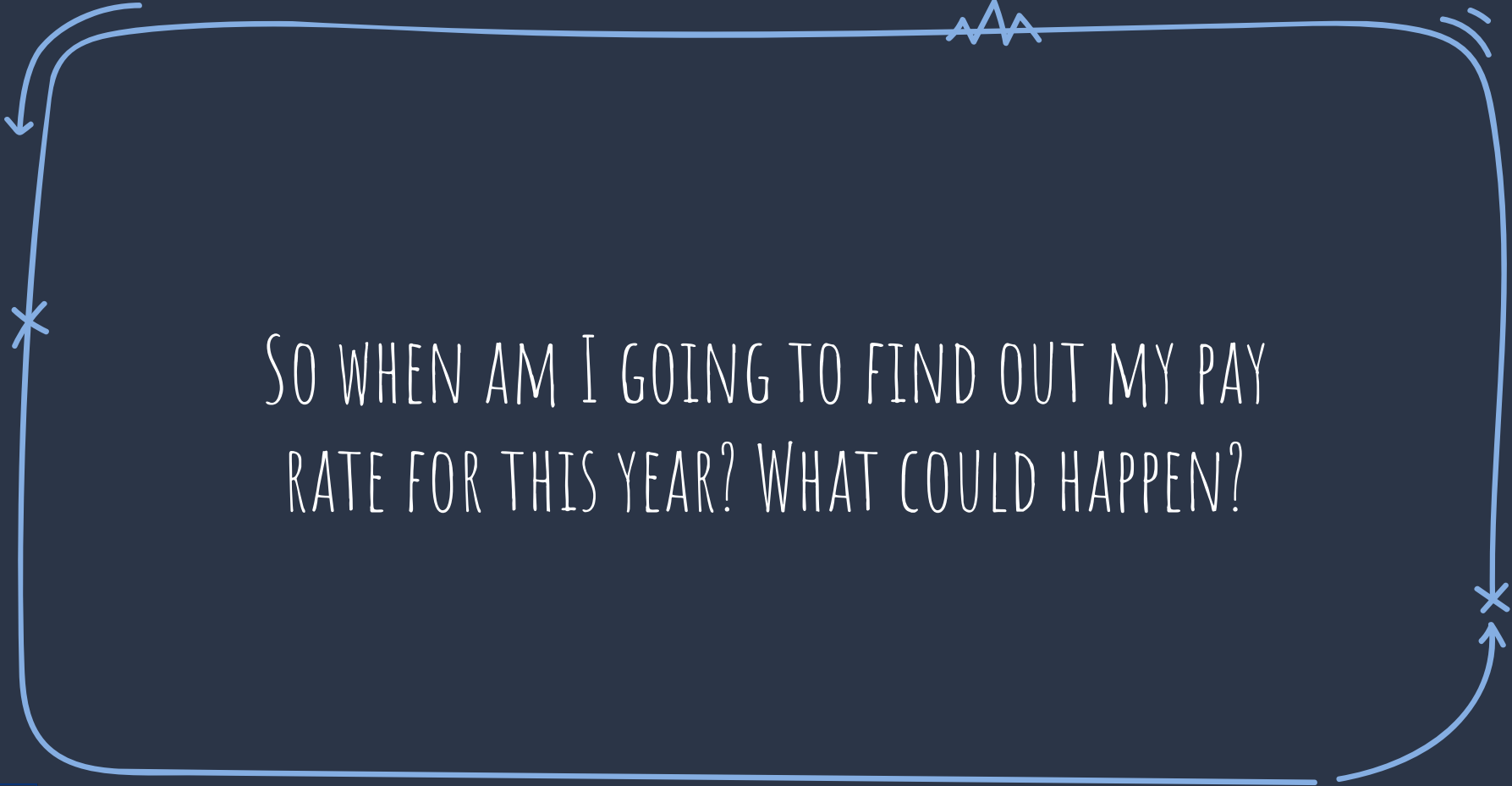
What if my current pay is over max
of the new grade?





What about this approach...that
approach...?





SO WHEN AM I GOING TO FIND OUT MY PAY
RATE FOR THIS YEAR? WHAT COULD HAPPEN?



BETWEEN NOW AND JULY 1, THIS IS WHAT YOU CAN EXPECT...

- X Step 1: ROLE—we have asked for input from SLG/functional leadership and are now doing a final institutional review to ensure equity and consistency. HR will finalize this in the next week.
- X Step 2: INDIVIDUAL—the deadline for SLG/functional leadership to submit where individuals fall in the skill matrix was last week (May 18) and we are reviewing and finalizing that in the coming weeks.
- X We have asked leaders to *not* share tentative role placement into grades or individual skill matrix placement with individual employees right now. All placement information will be shared completely once final.
- X If there is money left in the budget, we will move to the last step DISCRETION. TBD if we will have funds to support this year, but it will remain part of overall plan. We will share more in June.
- X In June update, we will share final grades and percentages into range for each skill matrix placement.
- X Individual compensation letters will be shared with individual employees in mid/late June.



COMMON SCENARIOS: LET'S USE OUR MAPLE SUGARING EXAMPLE

Coordinator, Sugar on Snow Events—Grade 4: \$40,000 (min) to \$60,000 (max)

	CURRENT RATE IS BELOW MARKET	CURRENT RATE IS CLOSE TO/AT MARKET	CURRENT RATE IS ABOVE MARKET	CAREER PROGRESSION NOT ACCURATELY SHOWN
ROLE	<p>Current rate is \$17.00</p> <p>Will automatically move to minimum of \$19.00</p>	<p>Current rate is \$19.00</p> <p>Will not go down</p>	<p>Current rate is \$19.25</p> <p>Not adjusted because within established range</p>	<p>Current rate is \$19.25</p> <p>Not adjusted because within established range</p>
INDIVIDUAL	<p>Based on placement in skill matrix, rate would move farther into range</p> <p>Will not exceed \$28.85</p>	<p>Based on placement in skill matrix, rate would move farther into range</p> <p>Will not exceed \$28.85</p>	<p>Individually will still be placed in skill matrix but rate will not be adjusted</p> <p>If ranges adjust year to year, will be eligible to move</p>	<p>Individual is beyond 'learning' in career progression and will move farther into range because of level of ownership/impact</p>

WE WILL BUILD THIS OUT MORE IN JUNE ONCE WE HAVE DETAILS ON INDIVIDUAL SKILL MATRIX AND DISCRETION





WHAT HAPPENS NEXT YEAR? HOW DO I MAKE
MORE MONEY OVER TIME?



PATHWAYS TO INCREASE INDIVIDUAL COMPENSATION

STAY IN ROLE

- X Continue to deliver as outlined
- X No significant movement in ownership or impact



No change to placement, only market adjustment if applicable

BUILD SKILLS IN ROLE

- X Within role, increase level of ownership and impact



Move within skill matrix, move up in range

EXPAND SCOPE/ROLE

- X Scope and/or role has changed from existing role
- X Promotion to new role requires budget approval



New role requires new benchmark and skill matrix assessment

MOVE TO NEW ROLE

- X Move within department or across Institution to a new role



PATHWAYS: BACK TO THE MAPLE SUGARING EXAMPLE...

STAY IN ROLE

- X Continue to deliver as outlined
- X No significant movement in ownership or impact



\$19.23 rate moves to \$19.71 because market increases minimum to \$41,000

BUILD SKILLS IN ROLE

- X Within role, increase level of ownership and impact



Move from Learning to Growing, so would move farther into range

EXPAND SCOPE/ROLE

- X Scope and/or role has changed from existing role
- X Promotion to new role requires budget approval



Promoted in department and function = Senior Coordinator, Sugar on Snow Events
Move to entirely different role = Coordinator of Hiking in Big Sur

MOVE TO NEW ROLE

- X Move within department or across Institution to a new role



SO, LET'S RECAP...

- X We are finalizing input from leadership and HR's institutional review over the next couple weeks
- X In June update, we'll share final grades, percentages into range by skill matrix and if we'll be using the discretion step this year
- X Common scenarios this year range from significant increase, modest increase, no increase or adjustment within range based on skill matrix
- X Over time, this new approach has several pathways for compensation to shift and grow—but there are not necessarily guarantees or any one path



NEXT STEPS & TIMELINE

APRIL

Share details on how
ROLE and
INDIVIDUAL sections
work in new program

Share approach and
details on fair and
competitive wages

*HR/Managers begin to
work on specifics*

MAY

Share details on how
DISCRETION section
works in new
program

Go over pathways for
growth year over year

*Department and
institutional review*

JUNE

Share examples of
common scenarios

Preview what is to
come, grade and
skill matrix details

Discuss this year vs.
future years

Finalize details

JULY

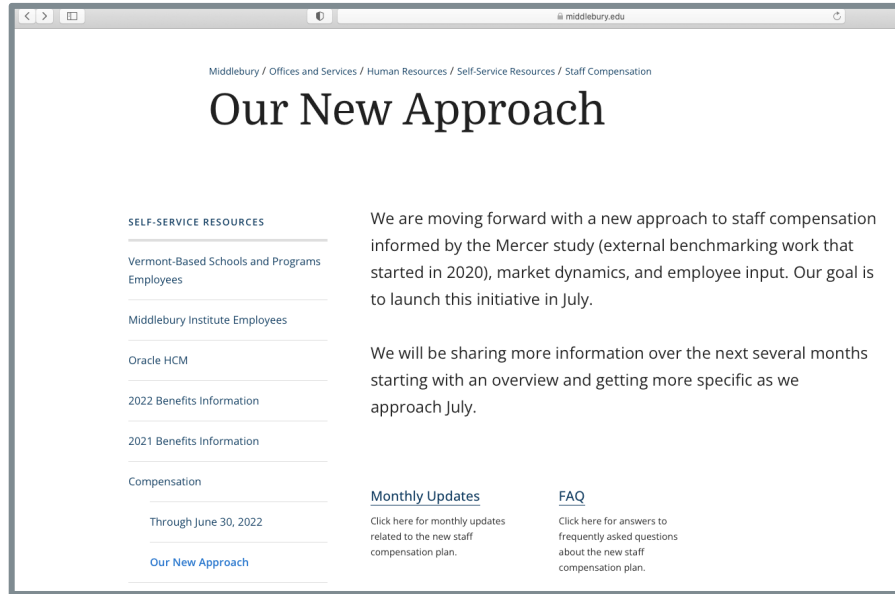
Effective July 1

Share options and
pathways for
discussion going
forward

Action!



QUESTIONS AND ANSWERS



The screenshot shows a web browser window with the URL middlebury.edu. The page title is "Our New Approach" under the breadcrumb "Middlebury / Offices and Services / Human Resources / Self-Service Resources / Staff Compensation".

SELF-SERVICE RESOURCES

- Vermont-Based Schools and Programs Employees
- Middlebury Institute Employees
- Oracle HCM
- 2022 Benefits Information
- 2021 Benefits Information
- Compensation
 - Through June 30, 2022
 - [Our New Approach](#)

We are moving forward with a new approach to staff compensation informed by the Mercer study (external benchmarking work that started in 2020), market dynamics, and employee input. Our goal is to launch this initiative in July.

We will be sharing more information over the next several months starting with an overview and getting more specific as we approach July.

Monthly Updates
Click here for monthly updates related to the new staff compensation plan.

FAQ
Click here for answers to frequently asked questions about the new staff compensation plan.

Visit the New Approach section of the HR website under Compensation and submit a question, we'll get back to you and post answers to new questions for all.

