



STAFF COMPENSATION UPDATE

NOVEMBER 2022



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

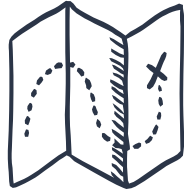
Career Progression

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 (25%)	Thriving in the role (50%)	Leading in the role (60%)
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>



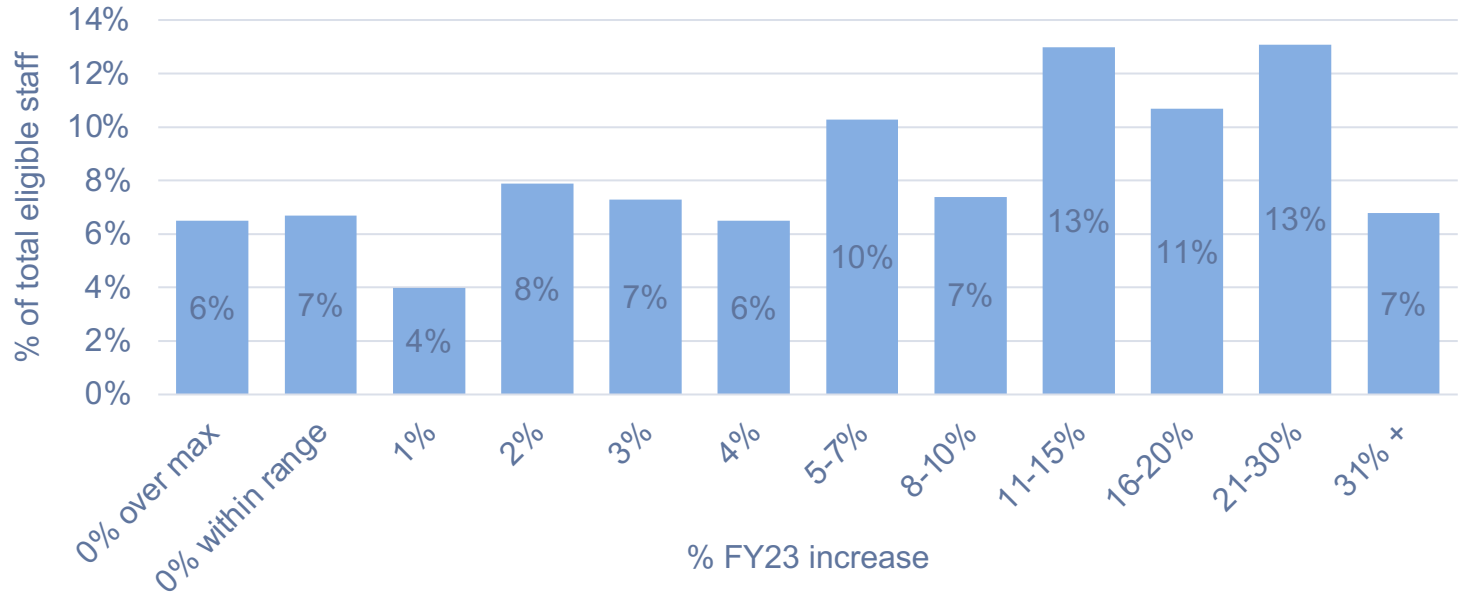
BY THE NUMBERS

- X **100%** of staff within market ranges, or above
- X **\$5.2M** added to staff compensation in FY23 budget
- X **86%** of staff will receive a raise this year
- X **14%** will not—within that group, 48% are above the maximum for their grade range and 52% are already within established range

FROM PREVIOUSLY SHARED MATERIALS



BREAKDOWN OF STAFF BY PERCENT INCREASE RECEIVED



WE HAVE ALSO GATHERED COMPARATIVE DATA ON FY23 COMPENSATION INCREASES...

Schools included

Middlebury
Bates
Barnard
Bowdoin
Bryn Mawr
Bucknell
Carleton
Claremont McKenna
Colgate
Davidson
Hamilton
Macalester
Pomona
Sarah Lawrence
Smith
Swarthmore
Vassar
Washington & Lee
Wellesley
Wesleyan
Williams

This is a different group of comparison schools than the market data we used

We have received feedback that some are concerned that we are not using market data of NESCAC or other similar schools, so this data provides a view into that group

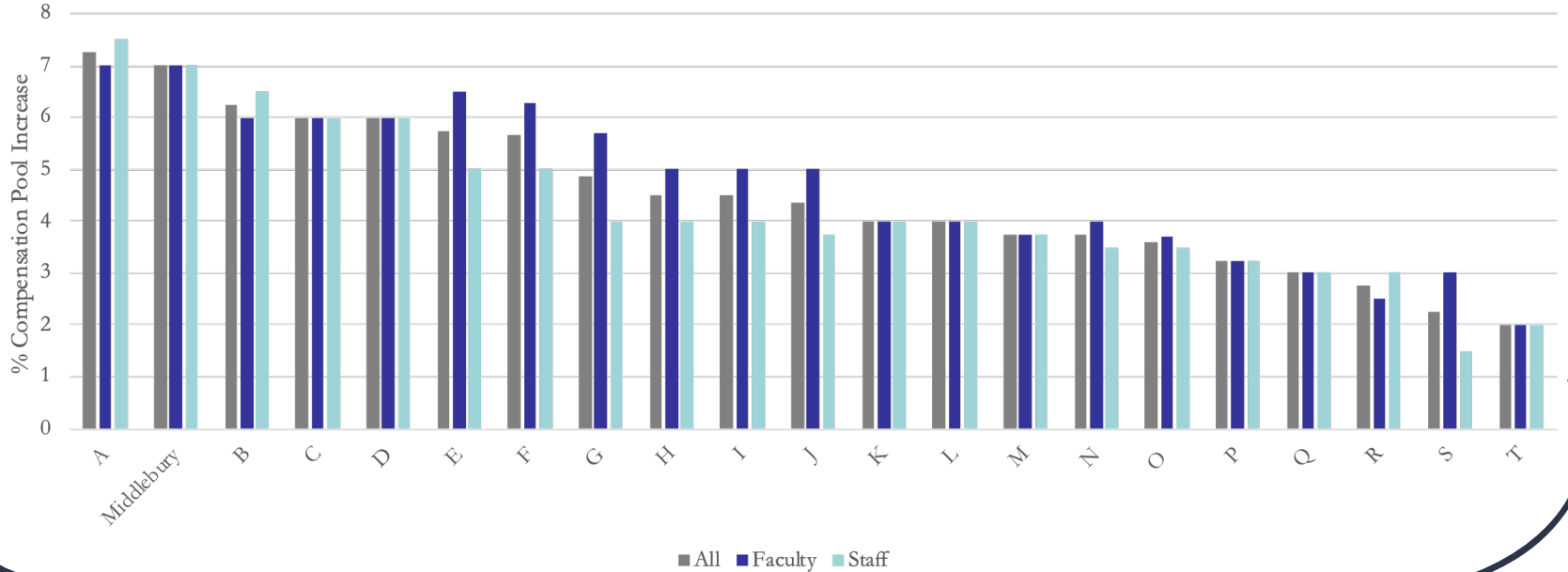
Additional compensation activity not reflected in following slides within compensation pool percentages (each bullet below reflects activity of one individual institution):

- Additional 2.3% for some faculty allocated prior to annual increase
- Staff received across the board increase of +\$800
- All employees received across the board additional increase of Faculty +\$1500 and Staff +\$1000



COMPARISON WITH PEER COMPENSATION POOLS SHOW THAT MIDDLEBURY LEADS IN INCREASES FOR BOTH FACULTY AND STAFF THIS YEAR

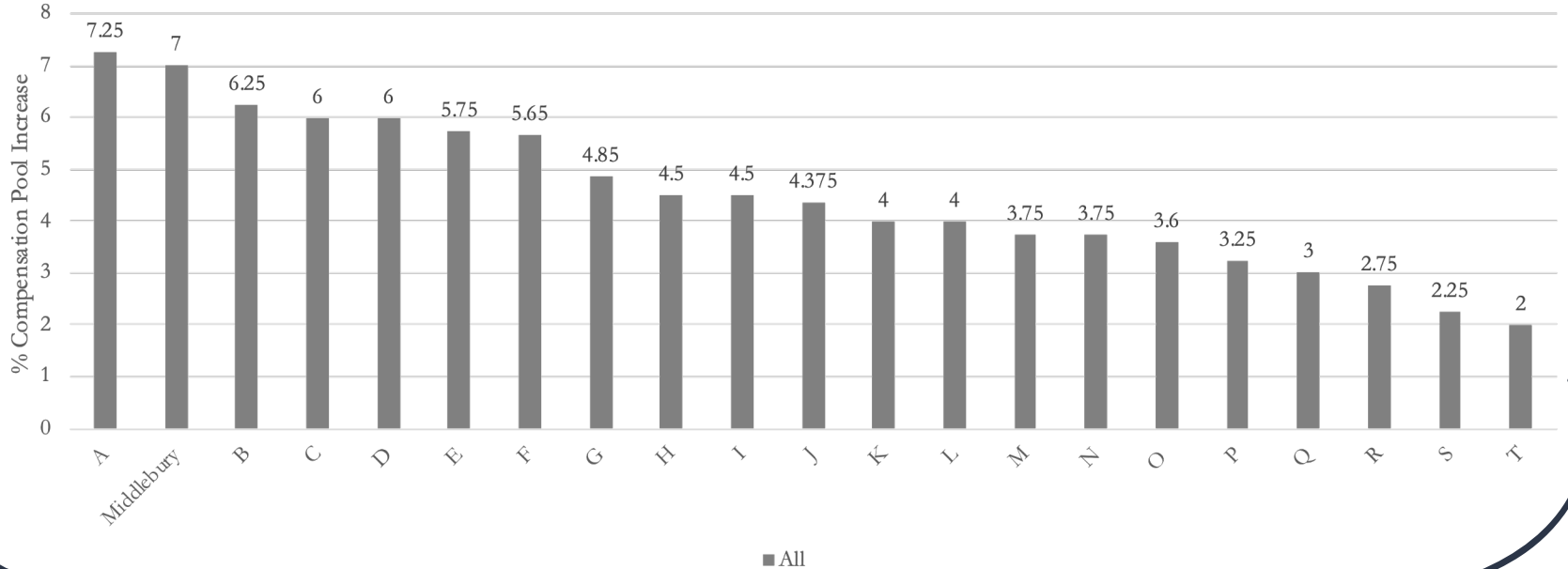
Middlebury vs. Comparison Schools Compensation Pool % Increase for FY23



Note: Based on publicly available information at least 3-6 months old and reflects independent decisions made by individual institutions. Data does not reflect specific details of how allocations were distributed or future plans. Percentages do not reflect other potential compensation activity taken, including bonuses or flat dollar increases.

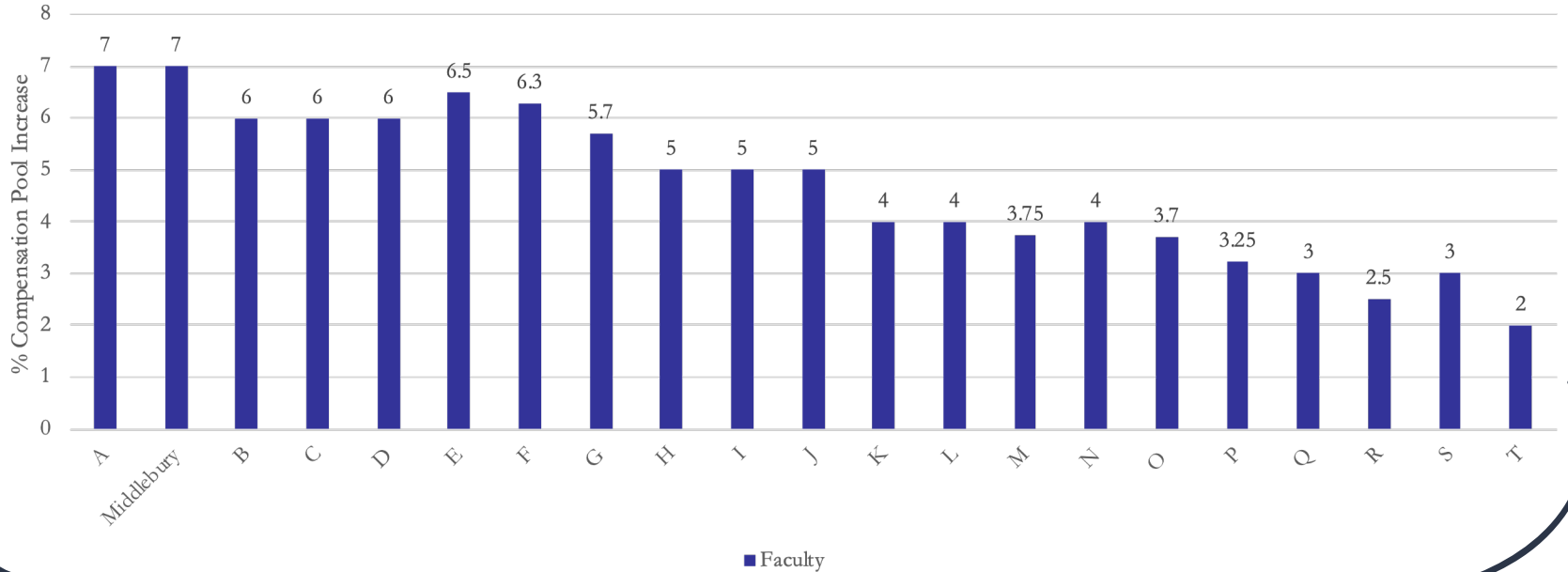
AVERAGE BLENDED POOL IS 4.49% ACROSS ALL COMPARISON SCHOOLS

Middlebury vs. Comparison Schools Compensation Pool % Increase for FY23



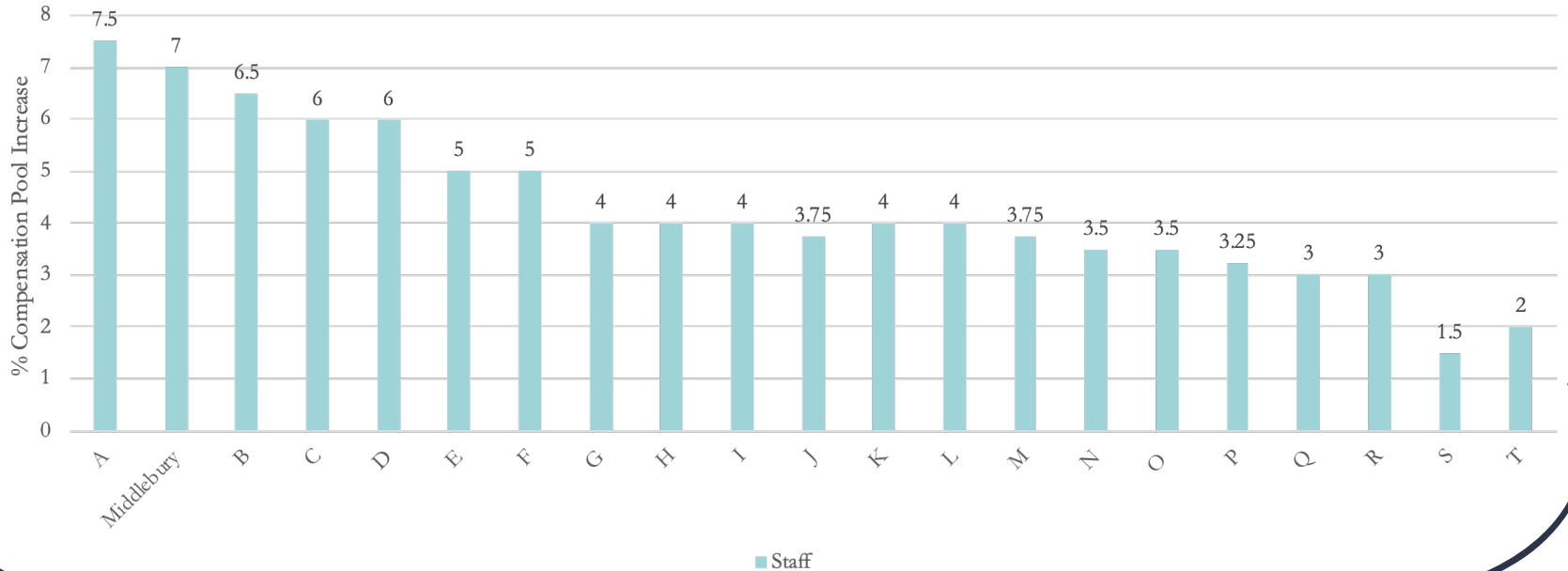
FACULTY AVERAGE POOL IS 4.7% ACROSS ALL COMPARISON SCHOOLS

Middlebury vs. Comparison Schools Compensation Pool % Increase for FY23



STAFF AVERAGE POOL IS 4.29% ACROSS ALL COMPARISON SCHOOLS

Middlebury vs. Comparison Schools Compensation Pool % Increase for FY23



WHAT HAPPENS NEXT YEAR?



WHAT HAPPENS NEXT YEAR?

- X We're not done working on compensation...but we will continue to use the approach we rolled out in July and move to steady state
- X The approach and structure will remain mostly the same
- X We will adjust and improve on the margins, as we would with any new program, including:
 - Review of market—explore options and determine if/how any adjustments will be made to the defined market
 - Review/budget for shift in 'leading' skill matrix placement to move from 60% to goal of 75% in range
 - Update all job descriptions for roles in staff compensation structure and adjust specific role market matching as needed
 - Further define criteria, build guidance and develop comfort with skill matrix
 - Refine and improve process—ensure consistent approach by area and more opportunities for supervisor engagement



TIMELINE

NOVEMBER

JANUARY

MARCH

MAY

JULY

Kick off job description update project

Review and analyze options related to market parameters

Share details on process and approach

Complete job description update project

New job description library available

Outreach and training with leaders on skill matrix placement

Updated market data available

Decisions on market parameter adjustments

Prep for launch of skill matrix and discretion input process in mid-April

Market adjustments determined

Budget finalized

By end of May, all input gathered from leaders for skill matrix placement and discretion

New compensation details communicated to individual employees in June and effective July 1

WE'LL SHARE UPDATES EVERY OTHER MONTH ALIGNED TO THIS TIMELINE





A FEW IMPORTANT POINTS...



THERE ARE A FEW IMPORTANT POINTS TO MAKE CLEAR...

- X We have committed to a market-informed approach to staff compensation and will continue to use and refine this structure
- X We are not able to share specific market match data by individual role or employee—we do not have the capacity to share and engage at this level of specificity across all our roles
- X All job descriptions will be publicly available, with grades listed, when we launch the new job description library early in 2023 (after job description update project is complete end of Jan 2023)
- X The market we have defined is *not* currently NESAC schools or a small group of other peers—we have shared the market in previous materials and are committed to review the market and determine if we can/will adjust this year or in future





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, 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



New role requires new benchmark and skill matrix assessment





LET'S REVISIT OUR MAPLE SUGARING EXAMPLE...



PREVIOUS SET OF EXAMPLE ROLES AND STEPS

Job	Step 1: Role	Step 2: Individual Skill Matrix	Rate after Step 1 and Step 2	Step 3: Discretion	Final rate
Dean of (Maple) Sugaring	Grade 7	Growing	\$68,400	\$2500	\$70,900
Supervisor, Mud Season Sap Collection	Grade 6	Thriving	\$66,100	\$500	\$66,600
Coordinator, Sugar on Snow Events	Grade 4	Learning	\$40,000	\$0	\$40,000
Coordinator, Hiking in Big Sur	Grade 4C	Thriving	\$53,900	\$1,000	\$54,900



STAY IN ROLE, STEADY PERFORMANCE RE: SKILL MATRIX

STAY IN ROLE

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



No change to placement, market adjustment if applicable

Vermont Hourly Rates
(based on 2,080 hours per year)

Grade	Learning (0%)	Growing (25%)	Thriving (50%)	Leading (60%)
13	\$170,706	\$194,178	\$217,651	\$227,040
12	\$142,210	\$161,756	\$181,303	\$189,122
11	\$118,498	\$134,800	\$151,102	\$157,622
10	\$98,696	\$112,273	\$125,850	\$131,281
9	\$82,306	\$93,631	\$104,957	\$109,487
8	\$68,000	\$78,655	\$87,103	\$90,800
7	\$60,798	\$68,401	\$76,003	\$79,044
6	\$51,756	\$57,750	\$63,791	\$66,791
5	\$46,010	\$51,756	\$57,502	\$59,800
4	\$39,998	\$45,001	\$50,003	\$52,004
3	\$37,440	\$41,652	\$45,864	\$47,549
2	\$35,360	\$39,338	\$43,316	\$44,907
1	\$35,360	\$39,338	\$43,316	\$44,907

X FY23: grade 7, growing = \$68,400 + \$2,500 (discretion) = \$70,900

X FY24 = overall market shifts by 5% so all rates move up 5%

X Growing = \$68,400 x 1.05 = \$71,800

X FY24: grade 7, growing = \$71,800 + \$2,000 (discretion) = \$73,800

X Represents just over 3% increase to salary



BUILD SKILLS IN ROLE, MOVE UP IN SKILL MATRIX

BUILD SKILLS IN ROLE

- Within role, increase level of ownership and impact



Move within skill matrix,
move up in range

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- FY23: grade 7, growing = \$68,400 + \$2,500 (discretion) = \$70,900

- FY24 = overall market shifts by 5% so all rates move up 5%

- Growing = \$68,400 x 1.05 = \$71,800
- Thriving = \$76,000 x 1.05 = \$79,800

- FY24: grade 7, thriving = \$79,800 + \$0 (discretion) = \$79,800

- Represents approximately 12.5% increase to salary



EXPAND SCOPE/ROLE, SO ADJUST GRADE & SKILL MATRIX**

EXPAND SCOPE/ROLE

- X Scope and/or role has changed from existing role
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New role requires new benchmark and skill matrix assessment

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10	\$98,696	\$112,273	\$125,850	\$131,281
9	\$82,894	\$94,746	\$106,497	\$110,882
8	\$69,909	\$78,655	\$87,402	\$90,900
7	\$60,798	\$68,401	\$76,003	\$79,044
6	\$52,107	\$58,125	\$64,757	\$67,491
5	\$46,010	\$51,756	\$57,502	\$59,800
4	\$39,998	\$45,001	\$50,003	\$52,004
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- X FY23: grade 7, growing = \$68,400 + \$2,500 (discretion) = \$70,900
- X FY24 = overall market shifts by 5% so all rates move up 5%
- X Role shifts from Dean of Sugaring to Dean of Sugaring & Winter Adventure and is now grade 8, placed at growing in skill matrix
- X FY24: grade 8, growing = \$78,600 x 1.05 = \$82,500
- X Represents approximately 16% increase to salary



WHAT DOES THE DEAN OF SUGARING EXAMPLE SHOW?

- X There are various options for increases to compensation in FY24, depending on the specific situation of the market, skill matrix placement and discretion.
- X From the example, hopefully it becomes more clear to see that...
 - X Each year, we plan to update the overall ranges based on the market and anticipate shifting at an overall, aggregate level—which will mean that if the labor market increase 5% in a given year, the ranges would shift up 5%
 - X This will cascade to all and be applied to the adjusted rate at the ROLE step
 - X Then, on top of this, individuals will be eligible for adjustment in skill matrix placement and/or discretion up to the maximum of the range
 - X Promotions or new roles will result in moving through the process from the start



LOOKING AT IT FROM OUR OVERALL MODEL



ROLE

The market will be reviewed, this can result in the three changes:

- 1) All ranges adjusted to market and everyone in range receives a market increase
- 2) A limited number of positions may have market movement well beyond the general market resulting in a grade change and an additional market increase
- 3) No change to overall market and ranges remain the same



INDIVIDUAL

Functional leaders, managers, supervisors will have input on the career progression of each staff member which may result in additional changes:

- 4) If someone moves up in the skill matrix, there will be an additional increase in pay



DISCRETION

If the budget can support it, senior leaders will be given a discretionary allotment which may result in additional changes:

- 5) Discretionary adjustments

MARKET INCREASES IMPACT ALL STAFF WITHIN THE UPDATED RANGES,
OTHER INCREASES ARE SPECIFIC TO INDIVIDUAL AND MAY NOT OCCUR EVERY YEAR

PATHWAYS TO INCREASE INDIVIDUAL COMPENSATION

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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 January 2023 with another update!

