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

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

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
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
REMINDER: PHILOSOPHY OF THE SKILL MATRIX...

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

✗ 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

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

✗ 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

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

- 100% of staff within market ranges, or above
- $5.2M added to staff compensation in FY23 budget
- 86% of staff will receive a raise this year
- 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

<table>
<thead>
<tr>
<th>% of total eligible staff</th>
<th>% FY23 increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% over max</td>
<td>6%</td>
</tr>
<tr>
<td>0% within range</td>
<td>7%</td>
</tr>
<tr>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>2%</td>
<td>8%</td>
</tr>
<tr>
<td>3%</td>
<td>7%</td>
</tr>
<tr>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>5-7%</td>
<td>10%</td>
</tr>
<tr>
<td>8-10%</td>
<td>7%</td>
</tr>
<tr>
<td>11-15%</td>
<td>13%</td>
</tr>
<tr>
<td>16-20%</td>
<td>11%</td>
</tr>
<tr>
<td>21-30%</td>
<td>13%</td>
</tr>
<tr>
<td>31%+</td>
<td>7%</td>
</tr>
</tbody>
</table>
We have also gathered comparative data on FY23 compensation increases...

<table>
<thead>
<tr>
<th>Schools included</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middlebury</td>
</tr>
<tr>
<td>Bates</td>
</tr>
<tr>
<td>Barnard</td>
</tr>
<tr>
<td>Bowdoin</td>
</tr>
<tr>
<td>Bryn Mawr</td>
</tr>
<tr>
<td>Bucknell</td>
</tr>
<tr>
<td>Carleton</td>
</tr>
<tr>
<td>Claremont McKenna</td>
</tr>
<tr>
<td>Colgate</td>
</tr>
<tr>
<td>Davidson</td>
</tr>
<tr>
<td>Hamilton</td>
</tr>
<tr>
<td>Macalester</td>
</tr>
<tr>
<td>Pomona</td>
</tr>
<tr>
<td>Sarah Lawrence</td>
</tr>
<tr>
<td>Smith</td>
</tr>
<tr>
<td>Swarthmore</td>
</tr>
<tr>
<td>Vassar</td>
</tr>
<tr>
<td>Washington &amp; Lee</td>
</tr>
<tr>
<td>Wellesley</td>
</tr>
<tr>
<td>Wesleyan</td>
</tr>
<tr>
<td>Williams</td>
</tr>
</tbody>
</table>

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

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.
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

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.
Faculty average pool is 4.7% across all comparison schools

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.
Staff average pool is 4.29% across all comparison schools.

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.
What happens next year?
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

The approach and structure will remain mostly the same

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**
- Kick off job description update project
- Review and analyze options related to market parameters
- Share details on process and approach

**January**
- Complete job description update project
- New job description library available
- Outreach and training with leaders on skill matrix placement

**March**
- Updated market data available
- Decisions on market parameter adjustments
- Prep for launch of skill matrix and discretion input process in mid-April

**May**
- Market adjustments determined
- Budget finalized
- By end of May, all input gathered from leaders for skill matrix placement and discretion

**July**
- 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...

✗ We have committed to a market-informed approach to staff compensation and will continue to use and refine this structure.

✗ 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.

✗ 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).

✗ The market we have defined is not currently NESCAC 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**
  - Continue to deliver as outlined
  - No significant movement in ownership or impact

- **BUILD SKILLS IN ROLE**
  - Within role, increase level of ownership and impact

- **EXPAND SCOPE/ROLE**
  - Scope and/or role has changed from existing role

- **MOVE TO NEW ROLE**
  - Move within department or across Institution to a new role
  - Promotion to new role requires budget approval

- New role requires new benchmark and skill matrix assessment

- Move within skill matrix, move up in range

- No change to placement, market adjustment if applicable
Let’s revisit our maple sugaring example...
### Previous set of example roles and steps

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

Note: Dean, Supervisor and Coordinator, Sugar on Snow examples use 2080 salary basis, Coordinator, Hiking in Big Sur use 1950 salary basis. These are examples only.
STAY IN ROLE

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

No change to placement, market adjustment if applicable

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

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

Represents just over 3% increase to salary
BUILD SKILLS IN ROLE

Within role, increase level of ownership and impact

Move within skill matrix, move up in range
** Expand scope/role, so adjust grade & skill matrix**

EXPAND SCOPE/ROLE

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

New role requires new benchmark and skill matrix assessment

<table>
<thead>
<tr>
<th>Grade</th>
<th>Learning (0%)</th>
<th>Growing (25%)</th>
<th>Thriving (50%)</th>
<th>Leading (60%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>$170,706</td>
<td>$194,178</td>
<td>$217,651</td>
<td>$227,040</td>
</tr>
<tr>
<td>12</td>
<td>$142,210</td>
<td>$161,756</td>
<td>$181,303</td>
<td>$189,122</td>
</tr>
<tr>
<td>11</td>
<td>$118,498</td>
<td>$134,800</td>
<td>$151,102</td>
<td>$157,622</td>
</tr>
<tr>
<td>10</td>
<td>$98,696</td>
<td>$112,273</td>
<td>$125,850</td>
<td>$131,281</td>
</tr>
<tr>
<td>8</td>
<td>$69,909</td>
<td>$78,655</td>
<td>$87,402</td>
<td>$90,900</td>
</tr>
<tr>
<td>7</td>
<td>$60,798</td>
<td>$68,401</td>
<td>$76,003</td>
<td>$79,044</td>
</tr>
<tr>
<td>9</td>
<td>$50,587</td>
<td>$59,747</td>
<td>$69,315</td>
<td>$72,977</td>
</tr>
<tr>
<td>5</td>
<td>$46,010</td>
<td>$51,756</td>
<td>$57,502</td>
<td>$59,800</td>
</tr>
<tr>
<td>4</td>
<td>$39,998</td>
<td>$45,001</td>
<td>$50,003</td>
<td>$52,004</td>
</tr>
<tr>
<td>3</td>
<td>$37,440</td>
<td>$41,652</td>
<td>$45,864</td>
<td>$47,549</td>
</tr>
<tr>
<td>2</td>
<td>$35,360</td>
<td>$39,338</td>
<td>$43,316</td>
<td>$44,907</td>
</tr>
<tr>
<td>1</td>
<td>$35,360</td>
<td>$39,338</td>
<td>$43,316</td>
<td>$44,907</td>
</tr>
</tbody>
</table>

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

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

Role shifts from Dean of Sugaring to Dean of Sugaring & Winter Adventure and is now grade 8, placed at growing in skill matrix

FY24: grade 8, growing = $78,600 x 1.05 = $82,500

Represents approximately 16% increase to salary

** Promotions are reviewed twice a year for January and July implementation
What does the Dean of Sugaring example show?

✗ There are various options for increases to compensation in FY24, depending on the specific situation of the market, skill matrix placement and discretion.

✗ From the example, hopefully it becomes more clear to see that...

✗ 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%

✗ This will cascade to all and be applied to the adjusted rate at the ROLE step

✗ 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

✗ Promotions or new roles will result in moving through the process from the start
Looking at it from our overall Model

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

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

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

**STAY IN ROLE**
- Continue to deliver as outlined
- No significant movement in ownership or impact

**BUILD SKILLS IN ROLE**
- Within role, increase level of ownership and impact

**EXPAND SCOPE/ROLE**
- Scope and/or role has changed from existing role
- Promotion to new role requires budget approval

**MOVE TO NEW ROLE**
- Move within department or across Institution to a new role

- 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
EXPLORE OUR FRAMEWORK.
Take a deeper dive into each step of our compensation program.

<table>
<thead>
<tr>
<th>Role</th>
<th>Individual</th>
<th>Discretion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each role is placed</td>
<td>The skill matrix is a tool to place individuals</td>
<td>When funds are available, department leadership</td>
</tr>
<tr>
<td>into a grade based</td>
<td>into the range based on career progression.</td>
<td>can distribute supplemental increases.</td>
</tr>
<tr>
<td>on market benchmarking</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and internal review.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>This sets the min/max</td>
<td></td>
<td></td>
</tr>
<tr>
<td>range for a role.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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!