Action Project

Institution: University of Saint Mary

Submitted: 2007-02-08

Timeline:

Planned project kickoff date: 2007-02-14 Target completion date: 2008-03-01

Actual completion date:

A. Give this Action Project a short title in 10 words or fewer:

Improving Employee Compensation and Benefit Programs

B. Describe this Action Project's goal in 100 words or fewer:

Improving employee compensation and benefit programs will improve recruitment and retention of quality employees. A thorough understanding of current compensation and benefit programs taken with a review of internal and external competitive environments will result in recommendations to improve compensation and benefit programs. Recommendations will provide more internal compensation equity and result in improving our position in the competitive employment marketplace. The recommendations for changes in compensation and benefit programs will also be done in a cost effective manner appropriate to available resources of the university.

C. Identify the single AQIP Category which the Action Project will most affect or impact:

Primary Category: Valuing People

D. Describe briefly your institution's reasons for taking on this Action Project now -- why the project and its goals are high among your current priorities:

Recent feedback, on more than one occasion, from the university community indicated a desire to improve employee compensation and reduce employee turnover. There is also a desire to formulate a more equitable compensation plan that addresses both senior employees and new hires that demand market complensation. Over the past several years, salary increases have been minimal and applied across the board without regard to employee performance. In addition, university employee benefit programs have grown increasingly complex and costly given the number of full-time positions. The university may also have to provide for the possible passage of federal law increasing the minimum wage level over the next few years.

E. List the organizational areas - -institutional departments, programs, divisions, or

units -- most affected by or involved in this Action Project:

The Office of the Vice President for Finance and Administrative Services, including the Human Resources function, and the Payroll and Benefits function will be the most affected due to the areas to be reviewed and modified. However, the university community will be involved during the review and employees in all departments will certainly be impacted by the results of the project.

F. Name and describe briefly the key organizational process(es) that you expect this Action Project to change or improve:

Compensation. A review of compensation levels will provide information on the relationship between both internal and external compensation levels for like positions. Compensation levels for all positions will be better defined.

Employee Benefits. Benefit programs will be reviewed and possibly changed to be more responsive to employee needs.

Employee Performance. Methods of relating employee performance to compensation levels will be explored. Formalizing the employee evaluation process will allow employees to understand what is expected and how those expectations relate to their roll with the university.

G. Explain the rationale for the length of time planned for this Action Project (from kickoff to target completion):

The project will take about one year to complete. It is estimated four months are needed to gather the appropriate information for the project. An additional four months will be necessary to analyze the information and formulate recommendations. The final four months would be used to implement the recommendations through changing procedures, educating employees about the changes, modifying any contractual obligations and providing any change in funding during the budget preparation cycle.

H. Describe how you plan to monitor how successfully your efforts on this Action Project are progressing:

A project plan will be developed outlining each step of the project with an associated time line. The project plan will identify milestones with due dates and reports will be issued at that time. These reports will be evaluated as to the effectiveness of the project. Recommendations arising during the project timeframe may be immediately implemented should there be an immediate benefit to the university and its employees and resources are available.

I. Describe the overall "outcome" measures or indicators that will tell you whether this Action Project has been a success or failure in achieving its goals:

Completion of defined compensation ranges for all positions.

Plan of action to correct any current compensation inequities.

Improved employee benefit programs.

Improved employee evaluation procedures and resulting documentation.

Reduced employee turnover.

Accurate estimates of any change in costs in implementing recommendations.

J. Other information (e.g., publicity, sponsor or champion, etc.):

The Administrative Council, comprised of senior leadership which oversees all university operations, will serve as a sponsor of this project.

Last Action Project Update: 2008-09-08

A. Describe the past year's accomplishments and the current status of this Action Project.

Two factors prevented us from completing this project by the target date we established. First, the Vice President for Administration, who is leading this project, is also in charge of Human Resources, and he had to devote more of his time than anticipated to a significant issue in that office. Second, we learned that the scope of the project was too ambitious for the time we allowed. For example, while we succeeded in gathering the necessary data on salaries, both internal and external to the university, and information on the use of university benefits by faculty and staff, the time spent on this information gathering far exceeded what we anticipated. As a result, we have revised the original work schedule and allowed for sufficient time to complete this project.

We did review compensation levels for our senior faculty members with at least ten years of service. We compared our individual senior faculty salaries with the mean salaries of independent colleges and universities located in Kansas by faculty rank. In almost every case, our salaries were significant less than the mean. We developed a program to "catch-up" the salaries for the senior faculty to the mean within a two to three year period. We have implemented the first year of those increases for the current fiscal year.

We have a full committee, with a revised work program and scheduled meetings for the coming academic year. The completion date for the project has been extended to June 2009.

B. Describe how the institution involved people in work on this Action Project.

The Committee was formed with the intention of appointing members who represent all classifications of university employees and who may have some background in the area of employee compensation and benefits. The Committee is chaired by the Vice President of Finance and Administrative Services, whose duties include performing the Human Resource function for the university. He represents the administration on the Committee. The Committee includes two faculty members, one tenured the other not tenured

The Committee now involves four, instead of three, staff members. One is the Director

of Facilities, whose departments include the majority of hourly compensated staff. The second member is the Controller, whose responsibilities include the payroll and benefits functions. The third member is a representative from Student Life, and the fourth from our extended campus site.

The work of the Committee will utilize the use of employee surveys, particularly in the area of identifying preferred employee benefits.

The Administrative Council receives updates on the results of the progress made by the Committee and, at appropriate intervals; the university community will be informed of the progress made by the Committee.

C. Describe your planned next steps for this Action Project.

We are in the final stages of data gathering and sorting from both internal and external sources. Committee meetings will resume with the beginning of the academic year and the revised work program has specific completion dates.

Employee surveys will also be used to determine preferred benefits. The structure of current employee benefits will be reviewed and changes will be considered. We anticipate using a "pool of resources" approach to the possible revision of benefits. That is, we will identify the pool of resources funding the current benefits and reallocate those resources to improve benefits and/or to be more responsible to employee needs.

D. Describe any "effective practice(s)" that resulted from your work on this Action Project.

We found planning for a project of this scope to be more difficult than anticipated. Accordingly, as future projects are envisioned, we will carefully review the scope of the project to ensure a project will be of manageable size to complete on a timely basis. If necessary, future projects will be divided into smaller pieces to be completed on a serial basis.

E. What challenges, if any, are you still facing in regards to this Action Project?

We continue to be aware that the topic of compensation and benefits can be a sensitive and emotional topic for employees. While the Committee strives to be fair in any proposed plan of action, we know that not all employees may be satisfied with the changes. Our goal is to minimize dissatisfaction by seeking significant input with a closed loop of feedback between the committee and the university community.

We also know another challenge is whether the fiscal resources necessary to fully implement our plan will be available. We may need to consider finding and reallocating financial resources in order to implement any plan of action in improving our compensation and benefits programs.

F. If you would like to discuss the possibility of AQIP providing you help to stimulate progress on this action project, explain your need(s) here and tell us who to contact and

when?