<div align="center">

Commission on Staff Policies and Affairs
Tuesday, October 22, 2024
11:00 am
https://virginiatech.zoom.us/j/83285387815

</div>

Present: Callan Bartel (presiding), Judy Alford, Brent Bowden, Ram Bubby, Gyang Chung, Lacey Doyle, Dwayne Edwards, Amber Hagan, Amanda Hill, Curtis Mabry, James Perkins, Michelle Raines, and Julie Ross.

Absent with Notice: Nikki Gland-Turpin

Absent: Sarah Henderson and Jamie McElfresh.

Guests: Sandee Cheynet, Kari Evans, Sara Lucy, and Lori Rose.

Callan Bartel called the meeting to order at 11:01 a.m. A quorum was present.

1. **<u>Adoption of Agenda</u>**

A motion was made and seconded to adopt the agenda. The motion carried.

2. **<u>Approval of or Announcement of approval and posting of minutes of September 24, 2024</u>**

A motion was made and seconded to approve the September 24, 2024 minutes.

3. **<u>Unfinished Business</u>**

No unfinished business.

4. **<u>New Business</u>**

No new business.

5. **<u>Senate Updates</u>**

Callan provided updates from the Staff Senate. She shared that CSPA's resolution to study non-student wage compensation had passed at University Council and received approval from President Sands. Lisa Wilkes, Vice President of Strategic Initiatives and Special Assistant to the President, has been charged with convening the task force.

6. **<u>Other Items</u>**

- Callan welcomed new members:
    - Gyang Chung – representative from the Graduate and Professional Student Senate
    - Ram Bubby – representative from the Undergraduate Student Senate

- From Human Resources, Sandee Cheynet, Associate Vice President of Talent and Sara Lucy, Compensation Manager, led a discussion about staff compensation practices, emphasizing the importance of understanding the structure and classification of jobs. Sara provided a detailed explanation of the job classification process, the role of the State in defining staff structure, and the use of the Standard Occupational Classification (SOC) system. She clarified that job classifications are based on the minimum requirements for a job, not the qualifications of the person in that job. She also explained the importance of accurate position classifications for benchmarking and market evaluation purposes. Sara concluded by discussing the pay bands assigned to each state role and the internal pay practices that can be implemented. Presentation attached.

7. <u>Announcements</u>

The next CSPA meeting will be Tuesday, February 11, 2025 at 11:00 a.m.

8. <u>Adjournment</u>

There being no further business, a motion was made to adjourn the meeting at 11:55 a.m.

Agenda

- Classifications
- Market Evaluations
  - ○ Staff Structure
  - ○ Selecting Surveys
  - ○ Compensation Philosophy

Classifications

Structuring Jobs

To help in the administration of compensation plans, most organizations use a formal structure to evaluate employee pay.
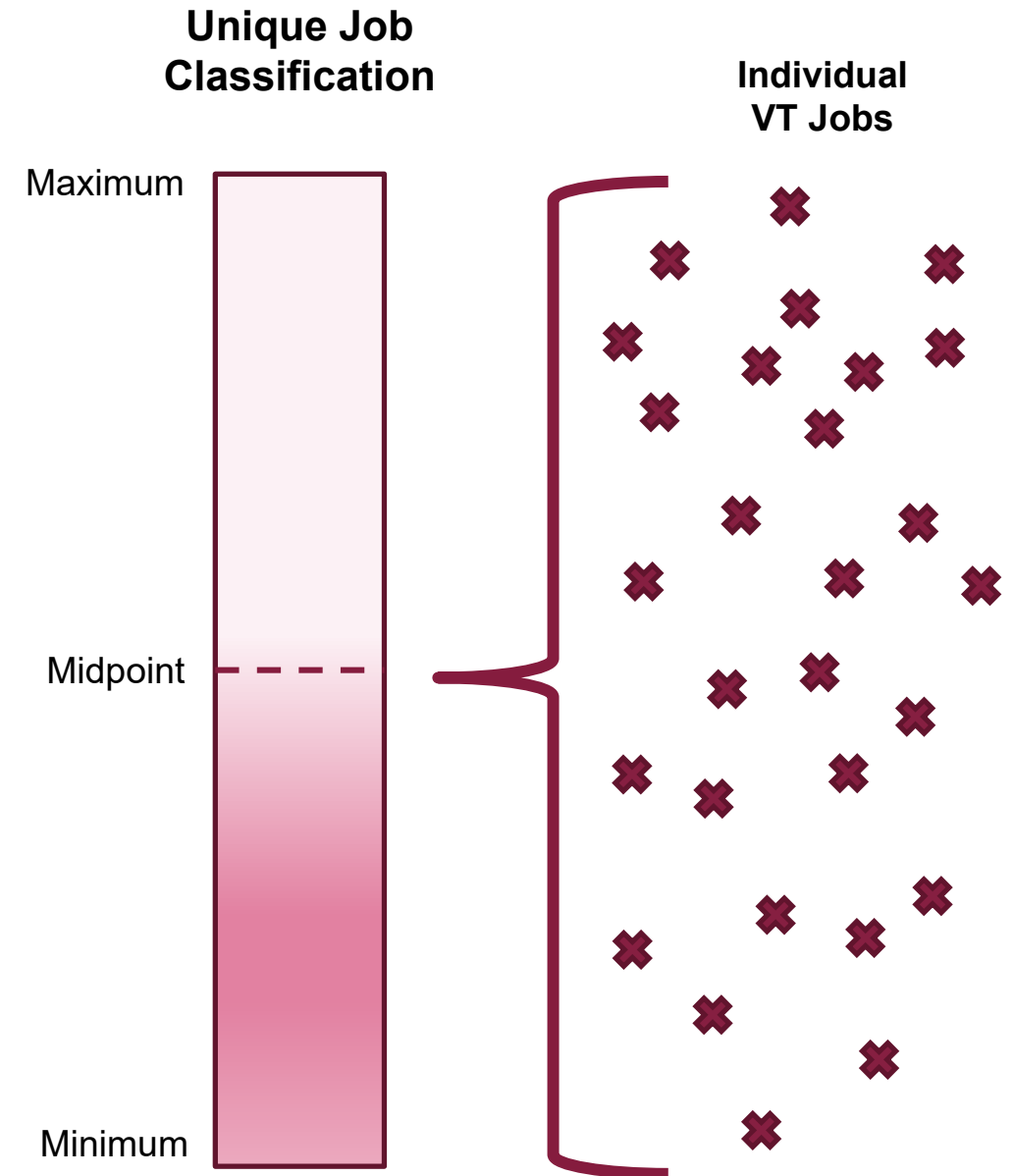
Virginia Tech is no exception.

Job Classification

Job classifications are created by grouping positions by related work at related levels.

It allows us to organize our jobs based on pre-defined descriptions and match them as closely as possible.

Unique Job Classification

Individual VT Jobs

Maximum

Midpoint

Minimum

POSITIONS NOT PEOPLE

Classifications are based on the <u>minimum</u> requirements to be successful in a job.

Classifications are NOT based on the qualifications of the person within that job.

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Staff Position Structure

Part 1: State Staff Structure

Occupational Families

Career Groups

Roles

An **Occupational Family** is a broad grouping of jobs that share similar vocational characteristics. E.g., Administrative Services Family.

A **Career Group** is a sub-group of an Occupational Family. A Career Group identifies a specific occupational field common to the labor market. E.g., Admin and Office Support.

A **Role** describes a broad group of occupationally related positions that represent different levels of work or career progression. E.g., Administrative Office Support III.

DHRM Occupational Families Site

Part 2: U.S. Bureau of Labor Statistics Standard Occupational Classification

- The 2018 Standard Occupational Classification (SOC) system is a federal statistical standard used to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data.

- All Staff are classified into one of 867 detailed occupations according to their occupational definition.

- Detailed occupations in the SOC with similar job duties, and in some cases skills, education, and/or training, are grouped together.

SOC User Guide

U.S. BUREAU OF LABOR STATISTICS

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Each Role has Relevant SOC Options

Not every SOC is available to every Role.

Relevant SOCs are tied to State Roles by related work.

At Virginia Tech, we currently have 310 unique Role/SOC combinations.

*<u>Statistical Reporting</u>

This Career Group includes, but is not limited to, those in the following Standard Occupational Classifications:

43-0	Office & Administrative Support Occupations
43-1011	First Line Supervisors/Managers of Office & Administrative Support
43-3000	Financial Clerks
43-3011	Bill & Account Collectors
43-3031	Bookkeeping, Accounting, and Auditing Clerks
43-3051	Payroll & Timekeeping Clerks
43-3061	Procurement Clerks
43-3071	Toll Collectors
43-4021	Correspondence Clerks
43-4031	Court, Municipal & License Clerks
43-4051	Customer Services Representatives
43-4061	Claims Technicians/Claims Examiners
43-4071	File Clerks
43-4161	Human Resource Assistant
43-4171	Receptionists & Information Clerks
43-5021	Postal Aides
43-5051	Postal Service Clerks
43-6011	Executive Secretaries & Administrative Assistants
43-6012	Legal Secretaries
29-2071	Medical Records & Health Information Technicians

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Why are accurate position structures important?

Classification - Benchmarking

The process of comparing position descriptions to…

- The State Role descriptions (Part 1)
- The SOC descriptions provided by BLS (Part 2)

… and then comparing the Role/SOC descriptions to the job descriptions provided in salary surveys to find the best survey matches.

How do we market benchmark staff positions?

Staff positions' salary survey matches are benchmarked based on their Role/SOC description.

State Role 19012 Administrative & Office Support Specialist II: The Administrative and Office Specialist II role provides career tracks for operational and administrative support specialists such as office support assistants and secretaries who perform a wide variety of journey-level office/program and administrative support duties based on agency business needs. Duties are performed within specific guidelines using established policies and procedures. The range of duties includes, but is not limited to, general office, secretarial, fiscal, and support activities.

BLS SOC 43-3031 Bookkeeping, Accounting, and Auditing Clerks: Compute, classify, and record numerical data to keep financial records complete. Perform any combination of routine calculating, posting, and verifying duties to obtain primary financial data for use in maintaining accounting records. May also check the accuracy of figures, calculations, and postings pertaining to business transactions recorded by other workers.

Pay Structure Basics

Part 1: Roles and Pay Bands

Each role is associated with a <u>Virginia state assigned and created</u> Pay Band that provides general guidance for pay for that position.

PAY BAND	PRACTITIONER ROLES	ROLE CODE
1	Administrative and Office Specialist I	19011
2	Administrative and Office Specialist II	19012
3	Administrative and Office Specialist III	19013

Staff Pay Bands

Part 1: Roles and Pay Bands

Virginia Tech cannot:

- Change the PB assignment of a Role
- Change the value of the state PB

Virginia Tech CAN:

- Recommend where a position should fall within the PB based on the market
- Have pay policies that affect where a can fall in the Pay Band

  E.g. Virginia Tech's minimum starting salary for full-time Staff is $15 per hour. The state's minimum starting salary for Staff is $13.24.

  $15 per hour still falls in Pay Band 1, it's just higher than the state minimum for Pay Band 1.

Band	Virginia Tech Pay Bands eff. June 10 2024 Minimum	Virginia Statewide Pay Area (SW) Pay Bands eff. June 10 2024 Minimum	Maximum	National Capital Region Maximum NCR Max
1	$ 31,200	$ 27,534	$ 63,719	$ 80,058
2	$ 34,450	$ 29,622	$ 78,519	$ 99,299
3	$ 36,501	$ 32,843	$ 90,832	$ 115,307
4	$ 42,905	$ 42,905	$ 113,942	$ 145,347
5	$ 56,051	$ 56,051	$ 144,131	$ 184,592
6	$ 73,226	$ 73,226	$ 183,568	$ 235,864
7	$ 95,665	$ 95,665	$ 235,099	$ 280,268
8	$ 124,972	$ 124,972	$ 302,413	$ 361,044
9	$ 163,268	$ 163,268	Market	Market

Virginia Tech Pay Band for Full Time Staff

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Market Evaluations

What is a Market Evaluation?

Position Structure	Data Sourcing	Market Research	Internal Comparisons
Role/SOC Benchmarking	Where do we get our external data and why?	How do we use the data?	What are we paying internally?

A market salary evaluation is a process used to determine the appropriate salary for a specific job role based on various market factors.

This evaluation helps the university ensure that our pay practices are competitive, equitable, and aligned with industry standards.

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Selecting Surveys

Compensation Research Practices

Understand Data Sources

Understand where compensation data can come from.

Ensure Data Accuracy and Integrity

Assess the methods used by each source when evaluating data source options.
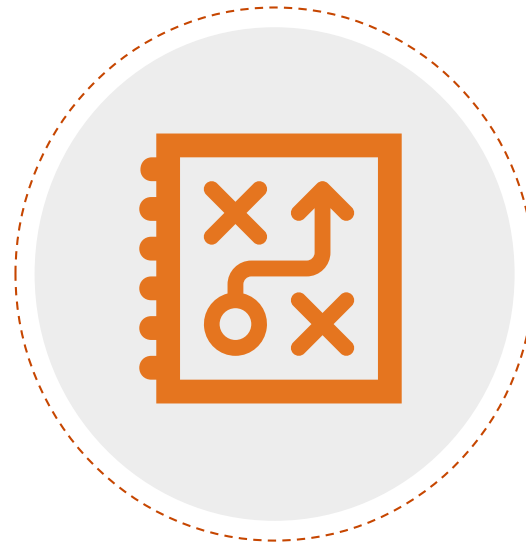
Benchmarking

Identify how our positions align with the salary survey data.

Analyze Position in Market

Leverage data to make informed decisions on compensation strategies

Understanding Data Sources:
Levels of Compensation Data Quality
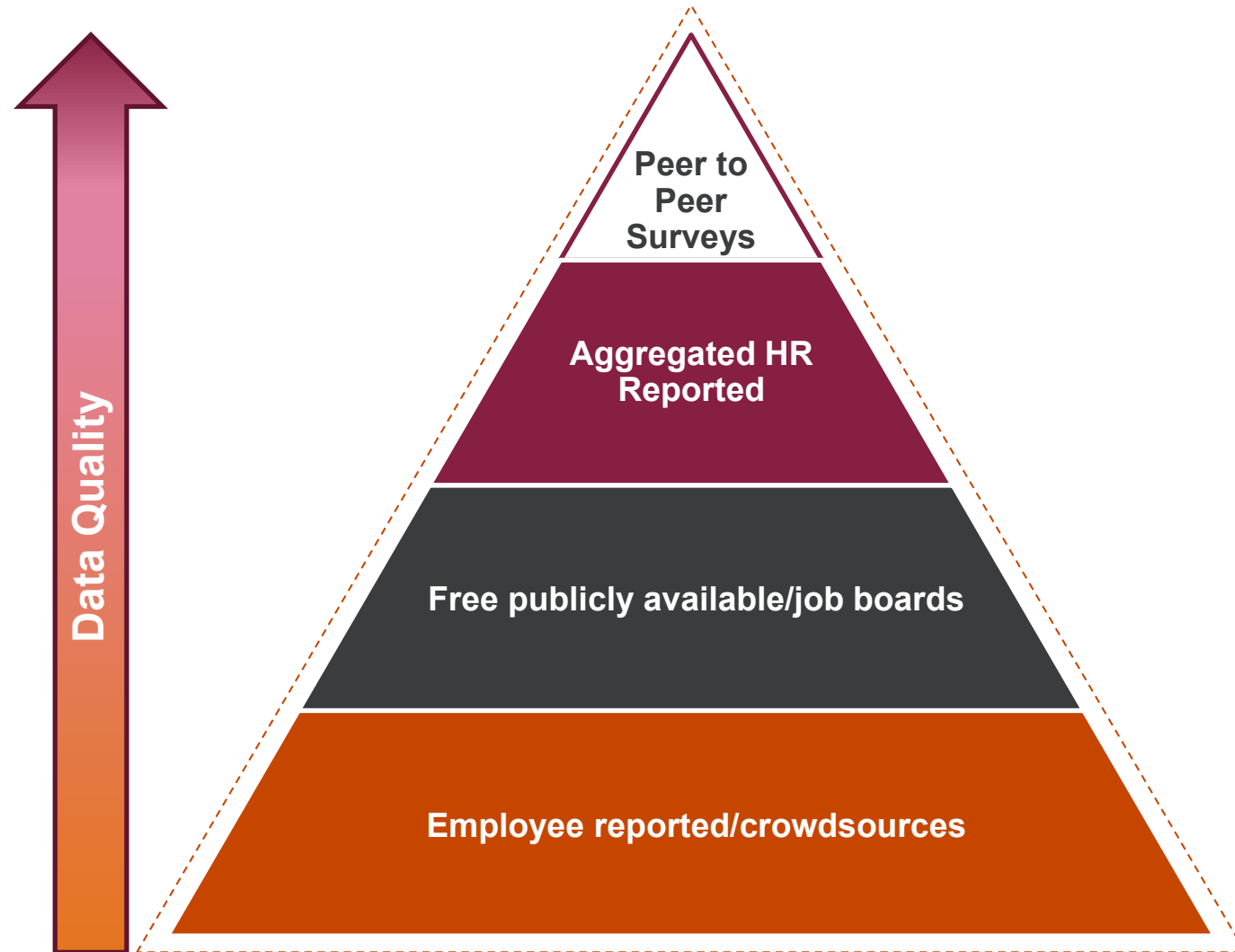
Higher levels mean more target matches to the university positions.

Closer matches and more data points mean better decisions

Understanding Data Sources:
Levels of Compensation Data Quality


Data Quality

Employee reported/crowdsourced
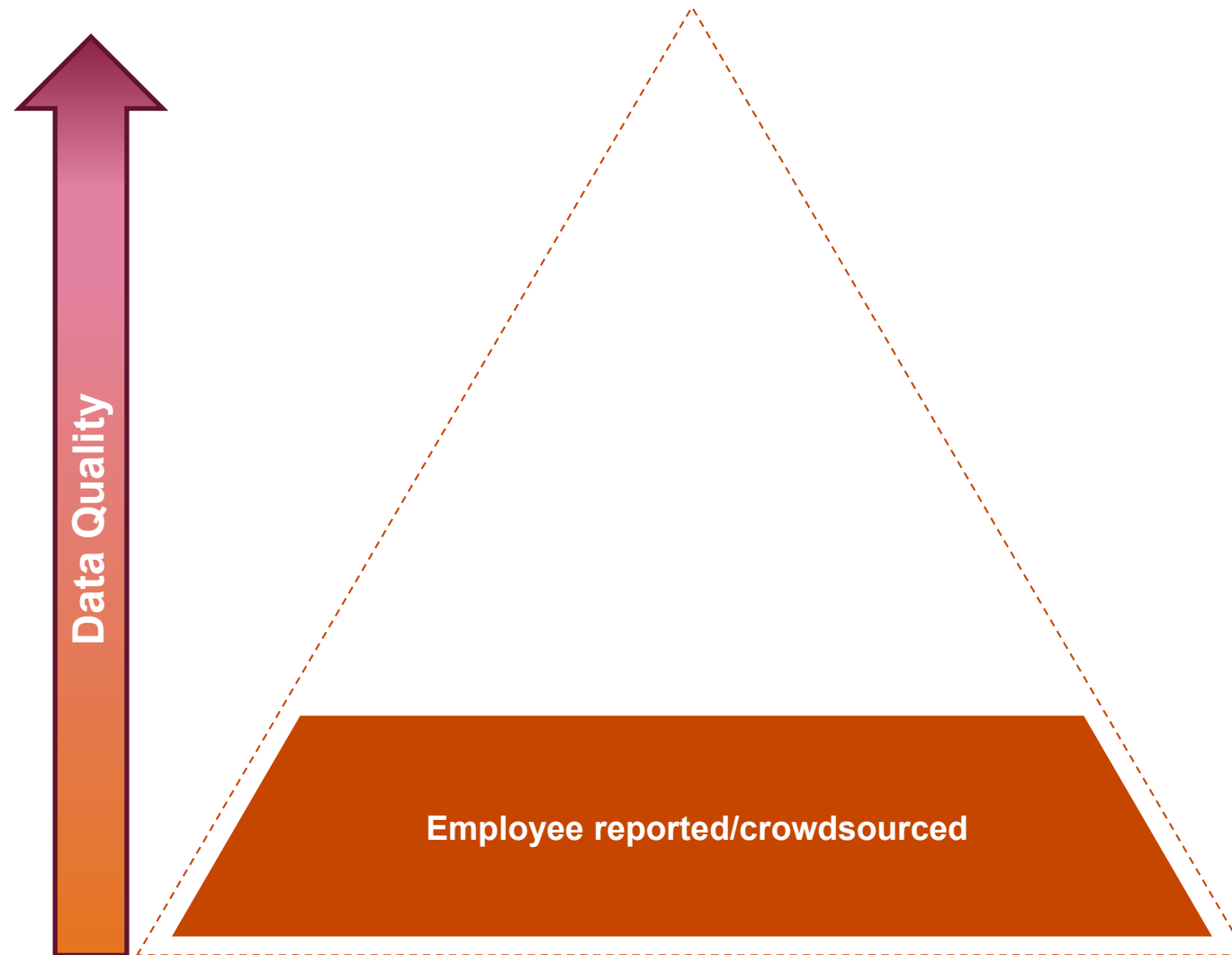
- Lowest, least reliable source
- Collected through online surveys/social media
- Employees report anonymously
- Often small sample sizes, selection bias, lack of verification
- May not disclose all compensation data.

Understanding Data Sources:
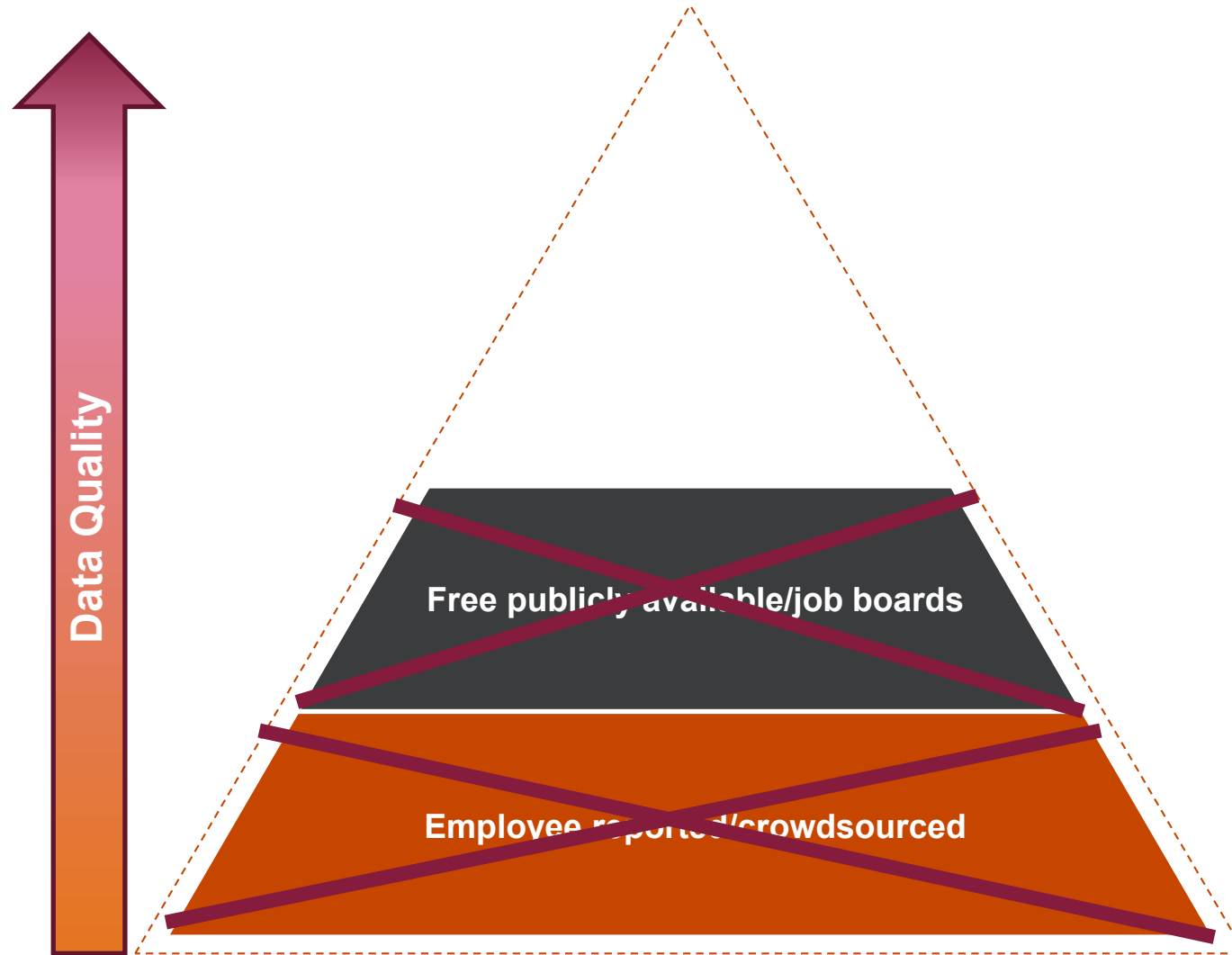# Levels of Compensation Data Quality

Data Quality

Employee reported, eb crowdsourced
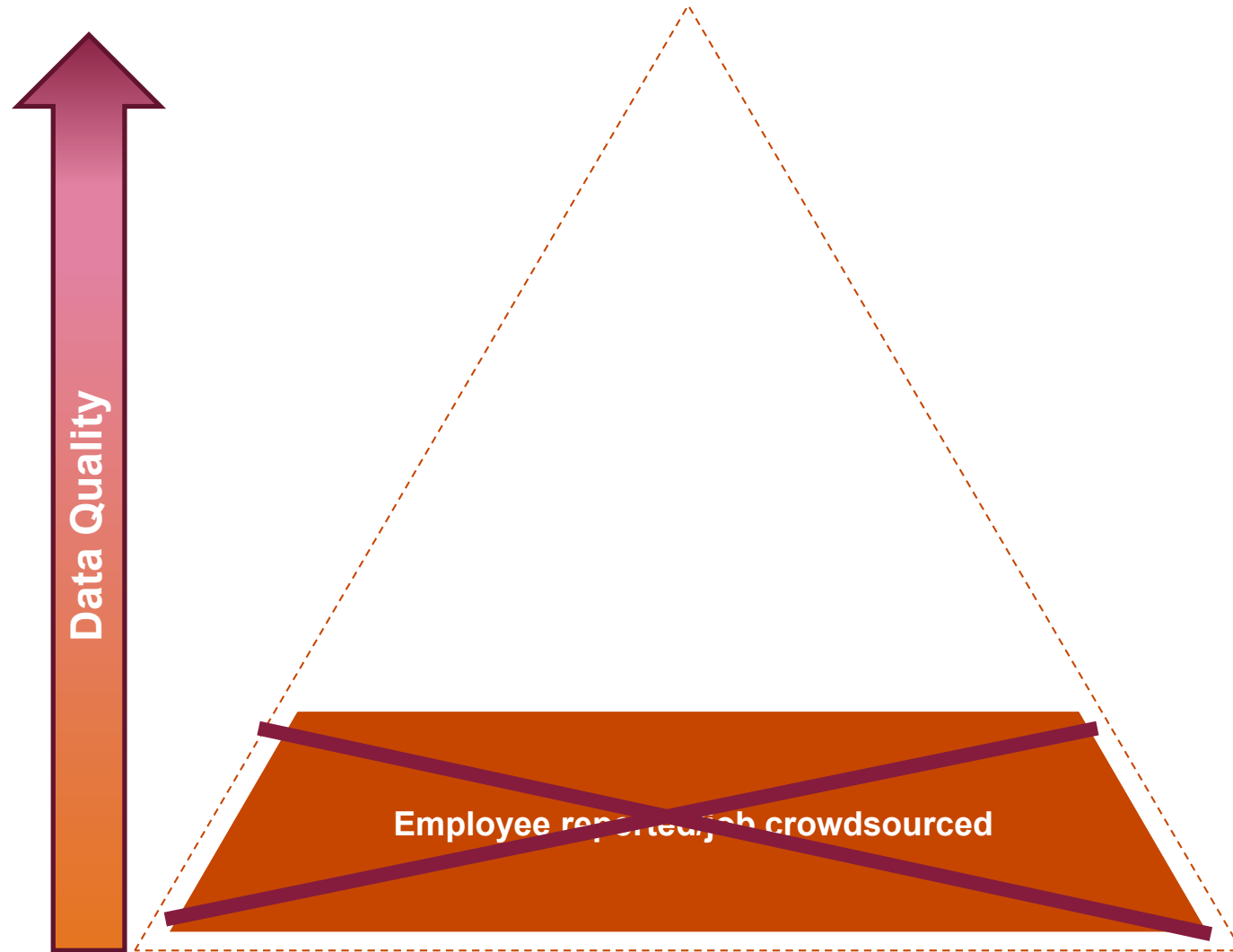
VT Compensation does not use this level of survey because it lacks validity.

Understanding Data Sources:
Levels of Compensation Data Quality

Data Quality

Free publicly available/job boards

Employee reported/crowdsourced
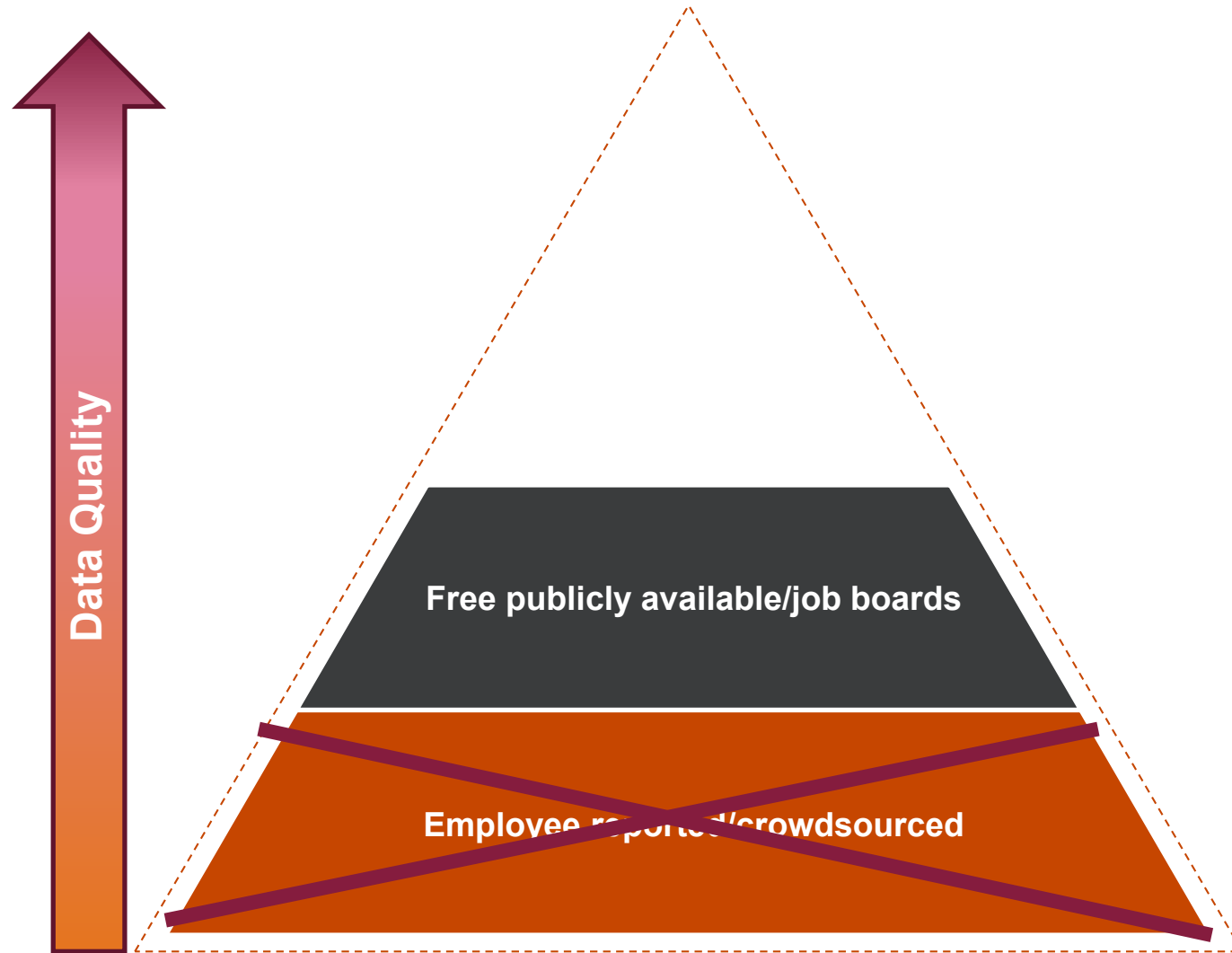
- Free available information, posted publicly

- Sources from job postings, Glassdoor/LinkedIn but not HR

- More reliable than employee data, still limited in accuracy and completeness

- May be geographically limited

- May not fully match job duties, experience, or education

Understanding Data Sources:
Levels of Compensation Data Quality

Data Quality

Free publicly available/job boards

Employee reported/crowdsourced

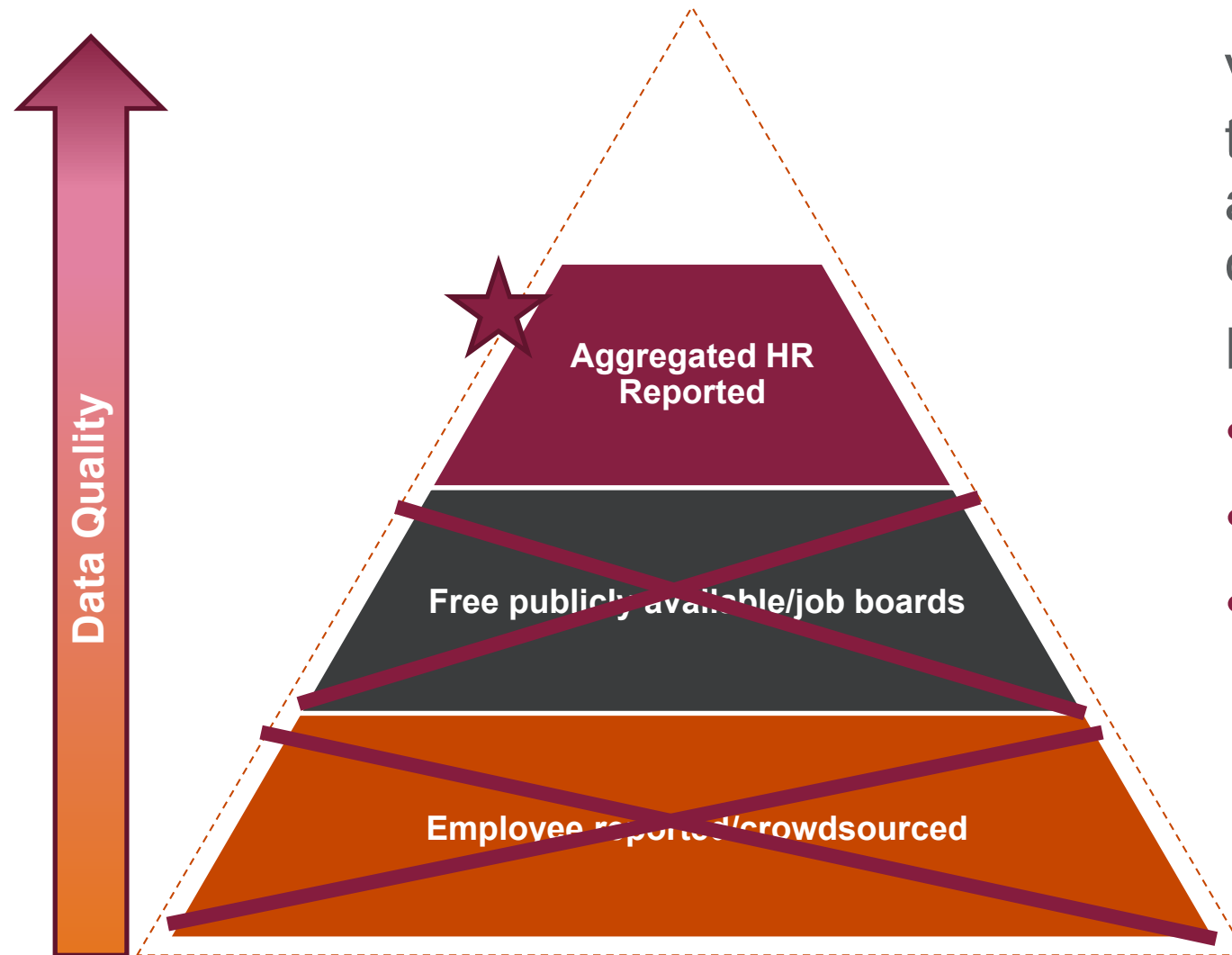VT Compensation does not use this level of survey because it lacks validity.

MAY be used to evaluate local competitiveness and validate market information.

Understanding Data Sources:
Levels of Compensation Data Quality
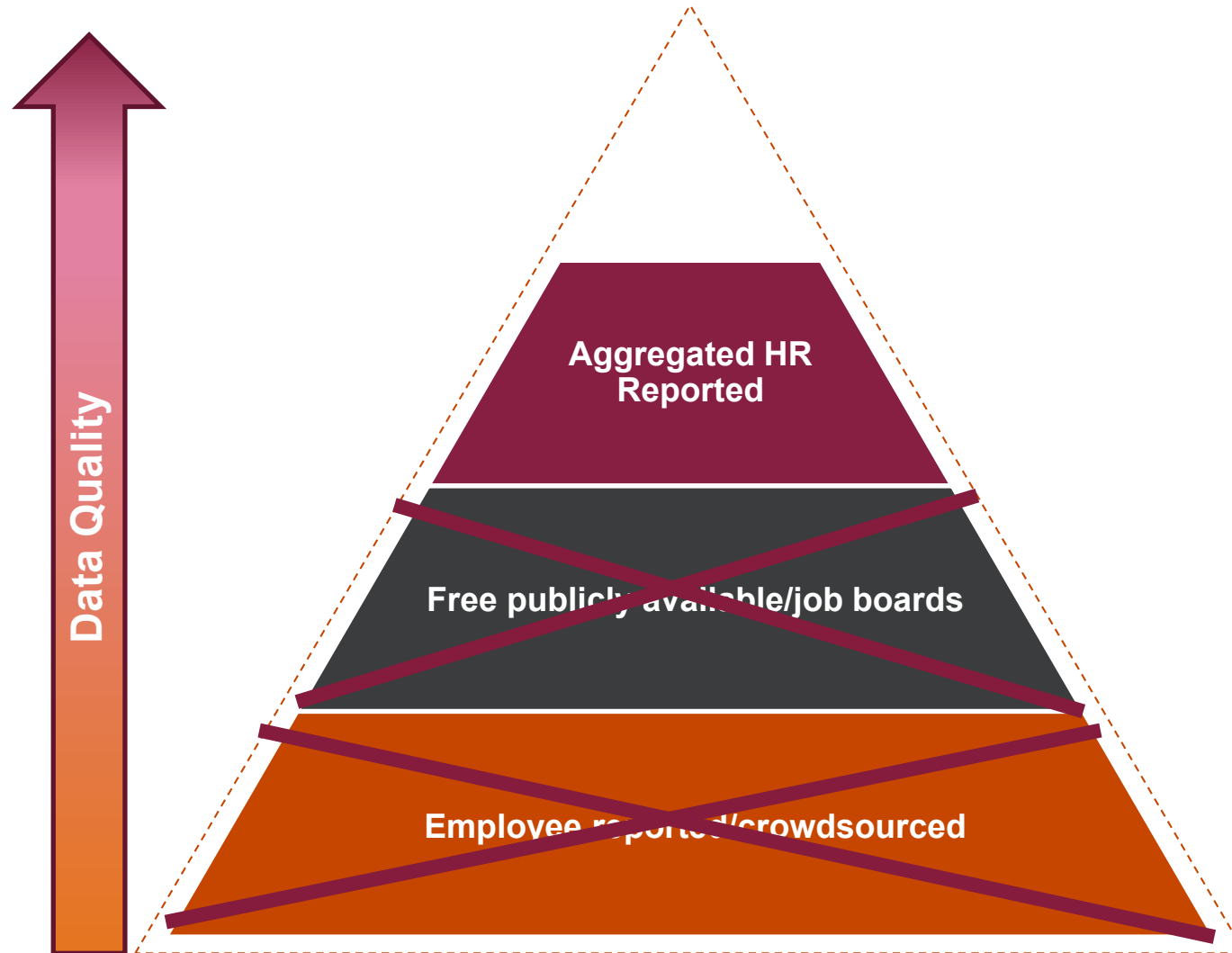
- Aggregated across multiple survey sources

- HR Sources for credibility and reliability

- Multiple companies and industries

- More comprehensive and accurate

- Still can be limited by sample size, may not have industry specific positions

Understanding Data Sources:
Levels of Compensation Data Quality

Data Quality

Aggregated HR Reported

Free publicly available/job boards
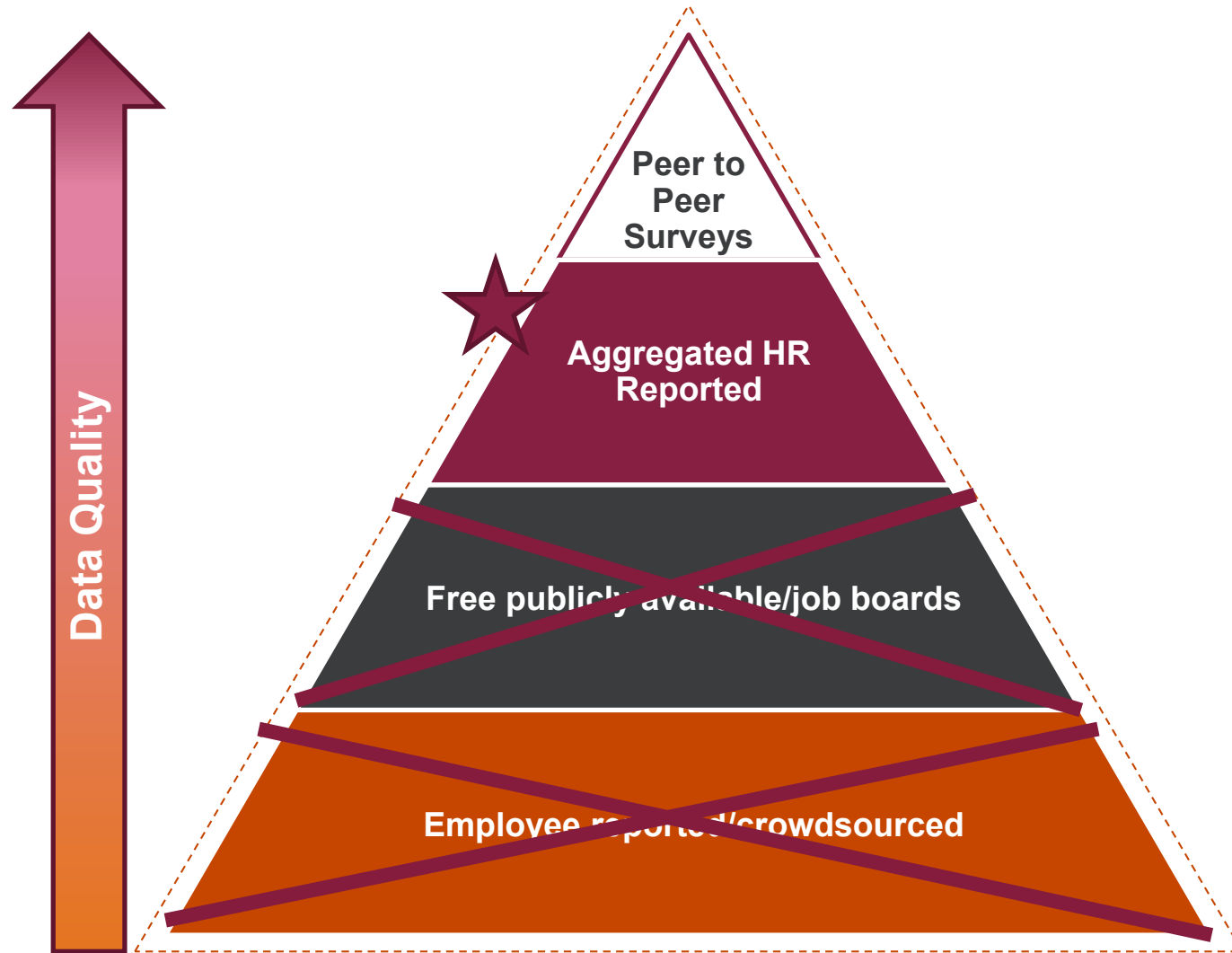
Employee reported/crowdsourced

Virginia Tech does use this type of salary survey as long as it meets certain conditions.
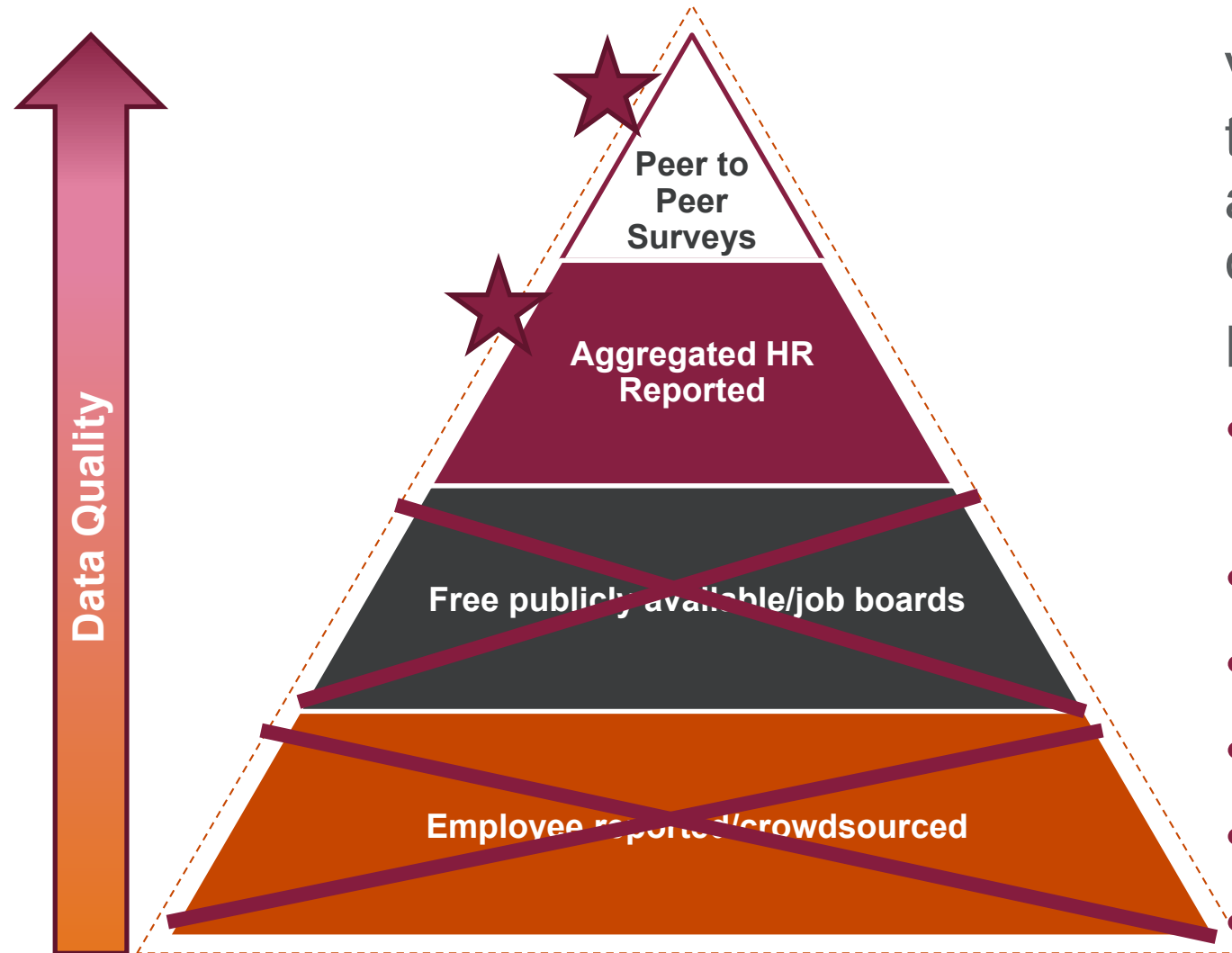
Examples:

- Mercer
- CompAnalyst
- Culpepper

Understanding Data Sources:
Levels of Compensation Data Quality

- Highest level of compensation data – also known as participant surveys
- Survey of professionals in the same industry or job function
- Highly accurate and comprehensive

Understanding Data Sources:
Levels of Compensation Data Quality

Data Quality

Peer to Peer Surveys

Aggregated HR Reported

Free publicly available/job boards

Employee reported/crowdsourced

Virginia Tech does use this type of salary survey as long as it meets certain conditions.

Examples:

- EduComp Collegiate Athletics Survey
- EduComp (higher ed)
- CUPA-HR (higher ed)
- Mercer – Utilities Survey
- IAAR (Advancement)
- Wamser (Advancement)

How to ensure data integrity and validity

- Representative sample
- Confidentiality
- Data updated regularly
- Transparent methodology
- Benchmarking methodology
- Data can be adjusted for factors such as size, industry, geographic location
- Includes salary average and percentiles for each position
- Data consistency
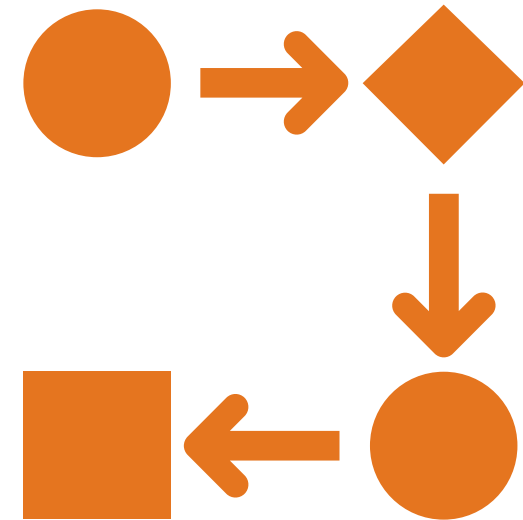
How to ensure data integrity and validity

<u>Representative Sample</u>:

- The survey must includes a diverse and representative sample of participants from relevant industries, job roles, experience levels, and geographical locations.

- The sample must be large enough to ensure information validity. If the data returns less than 5 submissions, it will not be shared.

How to ensure data integrity and validity

<u>Confidentiality</u>:

- Encourage honest and accurate responses
- Ensure information is handled responsibly

How to ensure data integrity and validity

<u>Data Updated</u>:

- Reflect current market conditions.
- Ensuring competitive compensation information.
- Compliance with legal and regulatory requirements
- Adapting to industry trends

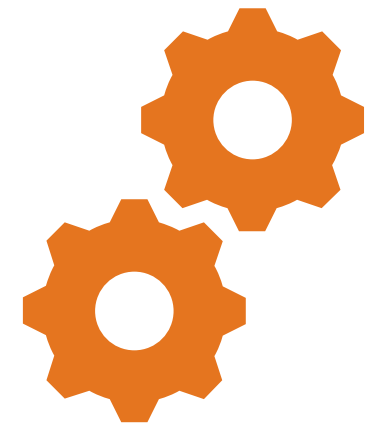# How to ensure data integrity and validity

Transparent Methodology:

- A "transparent methodology" refers to a process or approach that is openly documented and accessible, allowing users of the survey to clearly understand how decisions, analyses, or results were derived
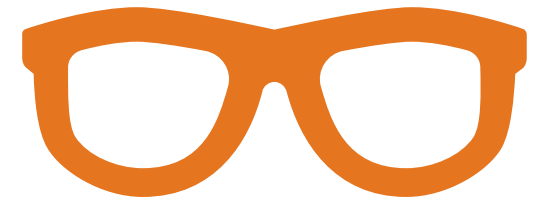
How to ensure data integrity and validity

Benchmarking Methodology:

- To ensure accurate comparisons, surveys rely on standardized job evaluation methodologies.

- Positions are assessed based on their responsibilities, skills, experience, and other relevant factors. They do not rely on job titles.

How to ensure data integrity and validity

<u>Data adjusted for factors</u>:

- Provides data that can be adjusted for certain factors such as company size, industry, and geographical location to ensure a more accurate comparison.

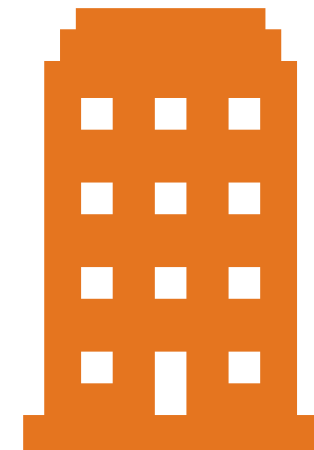# How to ensure data integrity and validity

Averages and Percentiles:

- Includes salary averages and percentiles for each job position

How to ensure data integrity and validity

<u>Data Consistency</u>:

- Accuracy
- Integrity
- Reliability

Compensation Methodology & Philosophy

How Market Data is Applied – Comparable Institutions
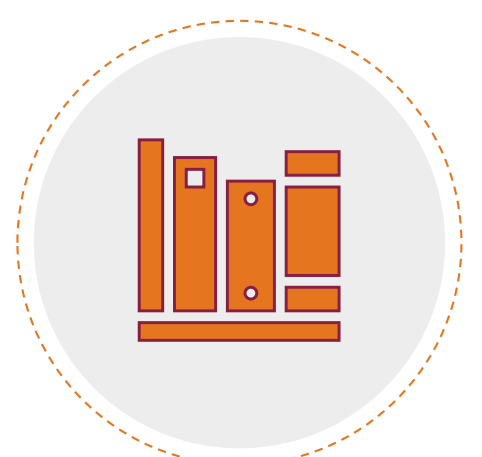
Comparable Institutions

SCHEV Approved –

<u>Source:</u> The State Council of Higher Education for Virginia (SCHEV)

<u>Geography:</u> Across the United States.

<u>Criteria used include:</u> enrollments, academic program offerings and degrees awarded, research funding, and the classification of institutions of higher education developed by the Carnegie Commission on Higher Education

Virginia Tech's 25 SCHEV-approved peers are listed here: https://aie.vt.edu/analytics-and-ai/peer-institutions.html

How Market Data is Applied – Comparable Institutions

Comparable
Institutions

The List of **All Land Grant Colleges and Universities** designated by state legislature from across the country**.**

A list of Land-grant institutions is available on the Associate of Public & Land-Grant Universities website: https://www.aplu.org/members/

How Market Data is Applied – Comparable Institutions

Comparable Institutions

Outside Industry matches are generated by the salary surveys by selecting:
- Similar budgets
- Similar staffing levels

Specific Industry matches:
- Athletics: Public Power 4 Universities of similar size
- Utilities: Companies of similar trades, sizes, staffing levels

How Market Data is Applied – Data Consistency

Consistent Data

	Market Median	
Survey Match 1	$73,298	**Consistent Data**
Survey Match 2	$75,938	
Survey Match 3	$72,948	
Survey Match 4	~~$40,893~~	**Inconsistent Data**

1. Review benchmarking to see if there was an inaccurate match
2. Do not use inconsistent data regardless of whether the match was accurate

How Market Data is Applied – Geographic Comparison

Geographic

VT pulls market data on a NATIONAL level – not specific to Virginia, Blacksburg, or the Southern Region.

EXCEPTION:
- DC metro Area/Northern Virginia data is pulled for positions located in Arlington, Fairfax, Loudoun, Prince William, and Stafford counties, and six independent cities, Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park.
- Northern Virginia market tends to be higher than the national market

How Market Data is Applied – Weighting

Weighting involves emphasizing proportions of the data based on our methodology.

50% Higher Education data
50% Outside Industry data

Weighting

Example:

Survey Source	Survey Midpoint	Weight	Value
Higher Ed	$73,298	50%	$73,298
Outside	$75,938	25%	$74,443
Outside	$72,948	25%	

Calculated market midpoint for this position: $73,871

How Market Data is Applied – Survey Description Matching

Survey Description Matching

Role description + SOC description compared to external salary survey description =

70% minimum match based on Compensation Best Practices

Pay Philosophy

- Virginia Tech seeks to be competitive by using a matching pay strategy.
- This means that we:
  - Match positions into groups of related work (by Role and SOC for staff, Classification Title for A/P Faculty)
  - Calculate the average pay of that group
  - Research the market range for that group
  - Aim to match the calculated average pay of that group to the median market pay

VT Pay Philosophy Site

Why the average pay for the group? Why not for each individual?

There are many reasons that a single employee/applicant's salary may deviate lower or higher than the median of the market range, including:

o Performance in the position

o Qualifications in relation to the basic requirements of the job

o The knowledge, skill, ability requirements of their position being higher/lower in general from others in their group

o Internal equity

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Staff In-Band Adjustment Program

The Staff In-Band Program

Staff In-Band Program Site

Once a year, each Senior Management Area receives a spreadsheet with:

- A list of all staff employees and their information, including classification, working titles, salaries, years of service, years in the position.

- Internal data including the university range (low, high, median of internal salaries in the same classification)

- Market data to review the individuals' position in the market

How Staff are Evaluated for In-Band Adjustments

The decision to change salaries take in mind:

- Prioritization of resources

- Individual Performance

- Pay relative to internal and external data

  - Market data

  - Similar positions

  - Higher level positions

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In-Band Adjustment Types

An in-band adjustment can be in the form of a base salary adjustment or a one-time bonus.

Generally, a bonus is given under certain conditions such as:

- When long-term funding is not available to support a permanent increase.
- To reward an employee taking on additional duties on a "temporary" basis.
- When the employee is already being paid a premium salary well above market.
- When an increase in the salary would cause compression with higher level positions or equivalent positions with longevity.

The Effect of the In-Band Program

- The In-Band Program has been in effect since 2010
- Since the in-band program resumed post-pandemic, over 850 employees have been impacted
- Average of 6% increase per in-band adjustment
- Increases for In-Band adjustments were *in addition to* State cost of living adjustments
- Total spent on bonus and base pay adjustments in FY23 and FY24 was $2,477,692

Fiscal Year	Average Increase	Average Increase %	Average Bonus	Sum of Increase	Sum of Bonus	Employee Count
FY20	$2,405	5.52%	$1,977	$767,239	$126,550	377
FY22	$2,425	5.22%	$1,500	$186,715	$4,500	81
FY23	$3,563	6.68%	$1,883	$1,475,097	$146,911	485
FY24	$2,649	5.14%	$1,325	$789,446	$66,238	381
Grand Total	**$2,905**	**5.83%**	**$1,765**	**$3,218,497**	**$344,199**	**1324**

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What should Staff do if they believe their classification and/or salary is incorrect?

1. Contact their supervisor

   - Discuss their Position Description to make sure it is up to date

   - Discuss their classifications

   - Discuss their individual pay

2. Contact their Senior Management Area Human Resources representative

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QUESTIONS?

Questions specific to individual positions are best sent to the SMA HR Representative.

General questions can be sent to
compensation-g@vt.edu

Fergus