





In FY23, WSU implemented the first pay adjustments using the new market-based compensation (MBC) model adopted by the university in 2020.

The MBC model is a cornerstone strategy of the University's DEI Plan to ensure equity in our pay practices.

The purpose of this update is to share the following:

- The goals and outcomes achieved in FY23

- Our FY24 compensation goals, based on stakeholder feedback

- Next steps

Definitions & Roles

Goals & FY23 Outcomes

Senate Requests

Feedback & Recommendations

FY24 Compensation Priorities

Next Steps

- Employees who accrue sick leave.
 - internal review comparing employees in same job code or rank & discipline using the pay analysis variables.
 - external review comparing salary data collected from annual surveys* taking into consideration strength of job match, university size, industry, geographic location, and university type, as appropriate.
 - the data used to review equity.

*Salary surveys WSU uses: College & University Professional Association
"CUPA" (faculty & staff), TowersWatson (staff only), and Payfactors (staff only)

Determines pay variables used in equity analysis	Divisional Leaders	Human Resources	Human Resources, Leaders of People	Employees in compensation plan
Conducts annual equity & market reviews	Human Resources	Human Resources	Pay Survey Data, Divisional Leaders, Leaders of People	Employees in compensation plan
Determines FY compensation priorities	Divisional Leaders	Human Resources	Human Resources, Budget Office, Leaders of People	Budget Review Officers, Leaders of People, Employees in compensation plan
Determines FY compensation budget	Divisional Leaders	Budget Office	State of Kansas, KBOR, Budget Office, Human Resources	Human Resources, Budget Review Officers, Leaders of People, Employees in compensation plan

Definitions & Roles

Goals & FY23 Outcomes

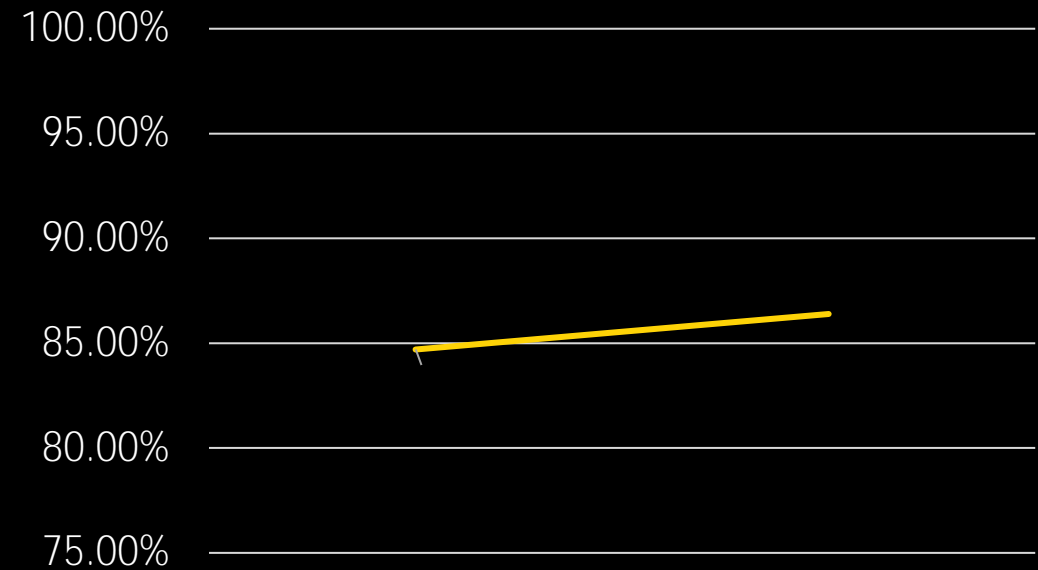
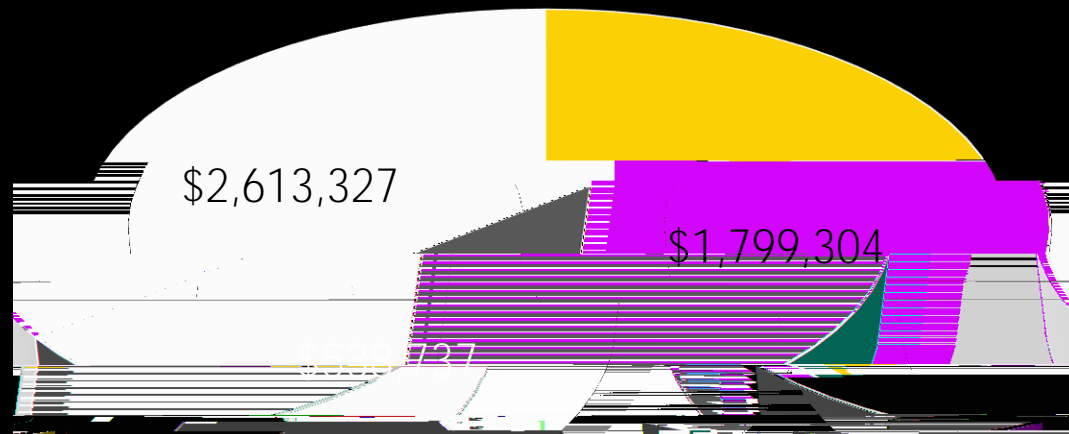
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FY24 Compensation Priorities

Next Steps

1. Identify pay inequities based on gender or race/ethnicity within the same job or rank & discipline.
2. Identify pay inequities within



■ Equity Only
 ■ Market Only
 ■ Equity & Market

— Avg % of Mid

We budgeted \$6.0 million* for pay & benefit adjustments (\$4.6m of GU and \$1.4m of RU).

*\$6m amount includes the increased benefits cost (20%). \$4.9m was the actual amount of pay increases (total GU and RU).

Our long-term goal at the University is to pay at the

3. \$538,737 was used to move employee's pay closer to 80% of the midpoint for their respective pay range or rank & discipline.

1. Identify pay inequities based on gender or race/ethnicity within the same job or rank & discipline.
2. Identify pay inequities within the same job or rank

1-3 \$2,613,327 was used to address pay inequities within the same job or rank & discipline and to move employee's pay closer to 80% of the midpoint for their respective pay range or rank & discipline.

36% of employees who received a pay increase received an equity and market increase.

The average market and equity increase was 14% or \$7,063.

5% of employees remained under their pay range minimum, after adjustments were applied.

701 employees did not receive a pay increase.

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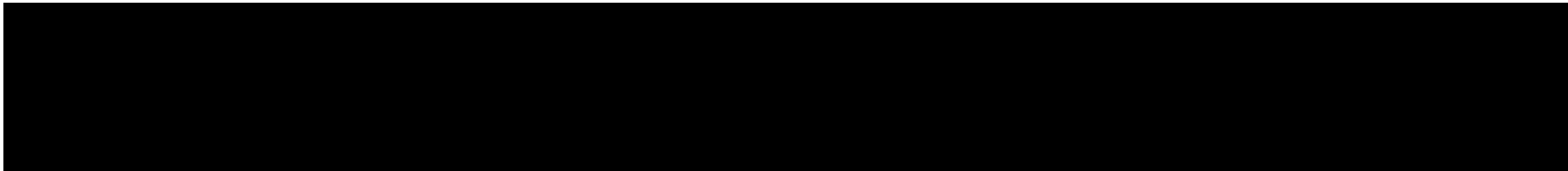
FY24 Compensation Priorities

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Equity first (slide 11) using pay variables (slide 17), then market (slide 12).

Yes, based on equity and market findings (slide 12-14).

PIR was not separated out from the equity and market analysis in FY23.



Definitions & Roles

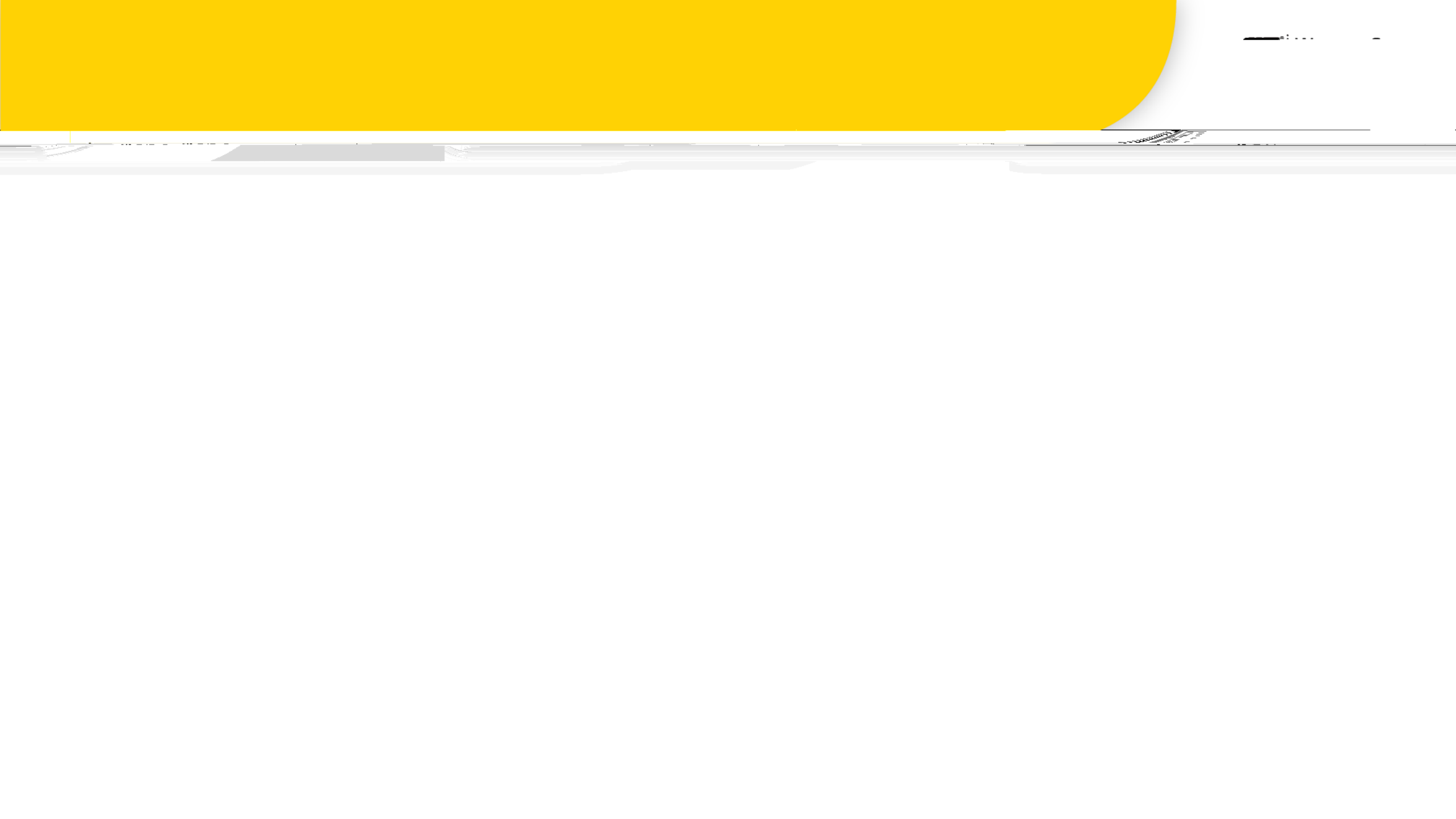
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Need more time to review various pay adjustment scenarios – all of which are manually configured in Excel.

No time for leader input on adjustments.

Not enough time for leaders to communicate changes to employees.

Based on our budgeting process and system,
we are unable to adjust the timing.

However, we are looking at alternative ways
to allow more time for budget owners to plan and for all leaders
to communicate changes to employees.

5% of employees still not at minimum of pay range.

For Faculty, PIR was not accounted for causing compression between those who have earned PIR and those that haven't.

Employees with more years of service received little to no pay adjustments; provide across-the-board increase in FY24.

100% RU funded areas request different rules of engagement regarding funding.

Recommendations for FY24 goals were made to Divisional Leaders based on this feedback.

Decisions on how to address 100% RU funded areas, specifically those that are fully contract/grant based, have been deferred at this time to allow for further input.

Consider refining predictive pay variables to better align with methodology used for determining new employee pay and account for PIR and merit in pay analysis.

Made recommendations to Divisional Leaders to better align equity pay analysis variables to new hire pay analysis variables, thus reducing further equity issues over time.

Made recommendations to account for merit in future pay analysis.

Based on our goals for FY24, changes to the pay analysis variables will be deferred at this time to allow for further input and understanding.

Overall process and expectations were not always clear, especially regarding the leaders' role in communicating to employees
Terminology was very technical and hard to understand
Need more education on how the process works to include quartile placement
How do we know we made progress? What metrics can we publish?

Actions being taken by HR:

- Develop easy to understand communications, education and tools.
- Identify metrics to demonstrate progress over time.
- Identify an easier, less manual way to conduct pay analysis.

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Move all employees to at least the minimum of their respective pay range at the beginning of FY24.

Re-run FY23 pay analysis for faculty who have earned one or more Professor Incentive Review (PIR) to account for the prior PIR in their analysis. Apply results of that analysis and provide increases, as needed, based on results at the beginning of FY24.

Apply an across-the-board pay increase at the beginning of FY24.

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Faculty Senate Update – Feb 27

Leadership Communication – April/May

Preliminary impact by GU/RU funds

Expected market movement by employee

Leader Communication to Employees –
once FY24 budget is finalized

Final impact by GU/RU funds & movement to
market by individual

Talking points 57 Tm 57 Tm 57 Tm 57 Tm 57 Tm 57 Tm 57 Tm 57014305 0 960 540 8e30 540 reW

