



Winthrop University

Classification & Pay Study

Town Hall Meeting

January 2022

What are the objectives for today's meeting?

1

Introduce the new faculty and staff pay programs

Provide background information on program development

2

3

Provide resources for more information

Why Change?

What is new?

- New market definitions to accurately determine competitive pay levels
- Market aligned approach to calculating pay opportunity, including pay increases to start to close market gaps
- Updated pay policies to reflect modern workplace and new program objectives
- Improved availability of information to all faculty and staff

What is not changing?

- No one will receive a salary cut
- Exempt/non-exempt designation will not change unless required by new regulations
- There will be no reduction to faculty or staff as a result of this project

Project Overview



Discovery and Interviews

Phase 1

- Conduct stakeholder discussions
- Review data and materials



Total Pay Philosophy

Phase 2

- Develop draft total pay philosophy
- Develop peer group(s) and comparison market(s)
- Review and approve total pay philosophy, including peer groups/ comparison markets



Market Assessment

Phase 3

- Conduct initial salary market pricing
- Review and finalize matches with HR
- Conduct variance analysis



Job Classification, Salary Structure and Program Development

Phase 4

- Develop salary structure/ranges
- Assign jobs to structure/ranges
- Validate with leaders
- Identify incumbent and cost implications
- Finalize structure/ ranges
- Revise pay administration guidelines
- Prepare and share report of findings



Implementation and Communication Plan Development*

Phase 5

- Develop implementation & communications plan
- Develop total compensation statements
- Create additional program rollout materials
- Roll out program to participants (e.g., town halls, FAQs, individual letters, etc.)

* Implementation plan covers a multi-year period.

Project Objectives



Key Points from the Pay Philosophy

The pay program:

- Values staff members and their role in supporting the institution on executing the Winthrop Plan
- Offers a competitive total rewards package¹ above and beyond base salary
- Aims to maintain competitive total compensation levels when compared to the defined comparison market(s)
- Maintains fair, equitable, and competitive compensation while also addressing relevant organizational needs, as budget and finances allow
- Communicates clearly to all employees the importance of performance management and goal achievement
- Clarifies the responsibilities of the Board of Trustees, Winthrop leadership, Human Resources, and managers

Please see the Appendix for the full Pay Philosophy.

¹ The total compensation program and offerings are subject to the University's financial resources.

Pay Basics

How is pay determined?

- Market-relevant and specific research
- Job duties and responsibilities
- Individual characteristics (e.g., experience, skills, etc.)
- Budget considerations

What does not determine pay?

- A desire by the employee to make more money
- An employee's lifestyle or cost of living
- Job titles
- Manager preferences
- Budget alone

Market Assessment

Methodology

Element	Detail
Survey Sources	CUPA-HR Administrative, Faculty, Professional and Staff Salary Surveys CompAnalyst Database Willis Towers Watson Compensation Surveys
Comparison Markets	Survey comparison markets that align with the talent pool or labor market for the faculty and staff jobs at Winthrop. The assessment incorporates several different talent markets, including higher education and general industry data
Geographic Differential	No geographic differential was used to adjust market data given analysis of cost of labor and cost of living in Rock Hill, SC and the custom peer group
Match Selection	Selected survey matches based on the content of the job, not the title. As there is little likelihood of a perfect match, a survey match is considered appropriate if approximately 70% of the job content and requirements align
Market Data	Obtained base salary market data from selected survey source at the 25th, 50th, and 75th percentiles, where available
Data Aging	Data compiled from survey sources was aged from survey effective date to November 1, 2021. The annual aging percentage is 2.8% ¹
Variance Analysis	Conducted an analysis comparing Winthrop pay against the market data

¹ Source: Segal's annual Compensation Planning Survey analyzing salary increase budgets by industry and job classification.

Market Assessment

Comparison Markets

Role	Market Characteristics	
	For Positions Unique to Higher Education	Additionally, for Positions Found Outside of Higher Education
Direct Reports to President, Deans, Faculty	Custom national higher education peer group reflecting similar institutions	N/A
Exempt Staff (Directors and above)		National general industry, non-profit, and higher education employers
Exempt Staff (Managers and Professional Individual Contributors)	Custom regional higher education peer group reflecting similar institutions	National general industry, non-profit, and higher education employers ¹
Non-Exempt Staff		
Athletics (Athletics Director, Administrators, Head and Assistant Coaches)	Custom national higher education peer group reflecting similar athletic divisions and conferences	

Markets developed using characteristics that most commonly influence the salary levels of faculty and staff (e.g., geography, Carnegie classification, size, etc.).

¹ The cost of labor for Rock Hill, SC is almost equal to the United States average. We recommend using national data to ensure data validity and consistency.

Market Assessment

Interpreting Market Data Results

- Many institutions target the market median *in the aggregate* in order to remain “competitive”
- However it is important to keep in mind that market data should be used as a guide when making compensation decisions
- Individual relationships to the market may also vary based on the characteristics of the individual such as skills, knowledge, experience, and performance
- In addition, requirements in the State of South Carolina may impact pay for certain positions

WHAT MARKET DATA TELL US

- ✓ Indicate a **range** for the value of a job in the identified market
- ✓ Represent the **cost to hire** an employee in the market from which the organization recruits talent
- ✓ Illustrate **trends** in compensation year-over-year
- ✗ Are not a precise number
- ✗ Do not represent changes to the **cost of living** within a market
- ✗ Do not represent the appropriate **pay rate for every individual** in a job

Summary Assessment Results

Faculty and Staff

- Study identified employee salary gaps compared to the external market
- Five-year implementation plan was developed to adjust impacted employees to a more competitive salary level
- For FY 2021-2022, Winthrop's administration and Board of Trustees allotted funds to begin to address market gaps
- In total, the study estimated that Winthrop will need to identify approximately \$2.5 million (or 6.2% of the total FY22 budgeted salaries) over the next five years to bring employees to the minimum of the structure or the minimum of the competitive market range for their positions

Additional information can be found in the FAQ document and the following slides.

Summary Assessment Results

Classified Staff

Market Assessment

99%

Benchmarked Incumbents
(% of Total Population)

85%

Aggregate Competitiveness
to Market Median

Salary Structure/Ranges

Distribution of Incumbents

Within Range
of Band

96%

Below Minimum
of New Band

4%

Above Maximum
of Band

0%

Summary Assessment Results

Unclassified Staff

Market Assessment

96%

Benchmarked Incumbents
(% of Total Population)

92%

**Aggregate Competitiveness
to Market Median**

Salary Structure/Ranges

Distribution of Incumbents

Within Range
of Band

77%

Below Minimum
of Band

12%

Above Maximum
of Band

11%

Summary Assessment Results

Faculty

Market Assessment

99%

Benchmarked Incumbents
(% of Total Population)

98%

**Aggregate Competitiveness
to Market Median**

Salary Structure/Ranges

Distribution of Incumbents

Within Range
of New Band

94%

Below Minimum
of New Band

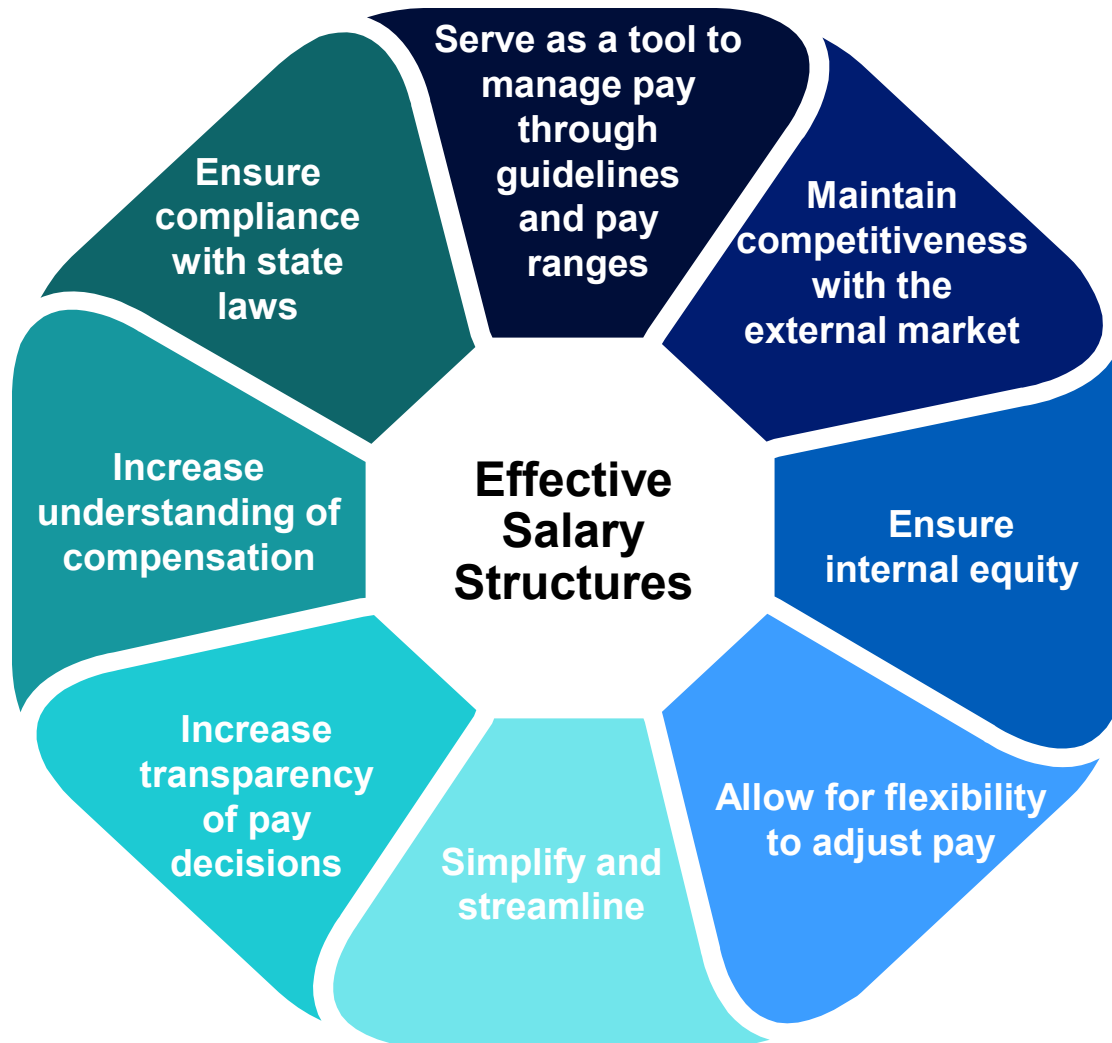
1%

Above Maximum
of New Band

5%

Salary Structure Design

Effective Salary Structures



Salary Structure Design

Final Structure Designs

Classified Staff

- State pay band classifications (required by the State of SC)
- 10 pay bands, symmetrical throughout
- Market data ranges to assist with managing the pay band

Unclassified Staff

- Similar to the structure of the state pay bands
- 10 pay bands, narrower at the lower bands and wider at the higher bands
- Market data ranges to assist with managing the pay band

Faculty

- Bands by rank and discipline, symmetrical throughout
- 3 discipline groupings with a rank, based on market data
- Market data ranges to assist with managing the pay band

Structures are designed in alignment with market data, or in the case of Classified Staff, market data is used to supplement the state pay bands.

Salary Structure Design

Classified Staff

Band Min/Mid/Max Salary*	
Band 01	
Minimum	\$15,080
Midpoint	\$22,025
Maximum	\$28,970
Band 02	
Minimum	\$19,057
Midpoint	\$27,159
Maximum	\$35,262
Band 03	
Minimum	\$23,190
Midpoint	\$33,051
Maximum	\$42,912
Band 04	
Minimum	\$28,215
Midpoint	\$40,209
Maximum	\$52,203
Band 05	
Minimum	\$34,331
Midpoint	\$48,927
Maximum	\$63,524

Band Min/Mid/Max Salary*	
Band 06	
Minimum	\$41,777
Midpoint	\$59,537
Maximum	\$77,298
Band 07	
Minimum	\$50,833
Midpoint	\$72,440
Maximum	\$94,048
Band 08	
Minimum	\$61,852
Midpoint	\$88,144
Maximum	\$114,437
Band 09	
Minimum	\$72,256
Midpoint	\$107,247
Maximum	\$139,238
Band 10	
Minimum	\$91,568
Midpoint	\$130,490
Maximum	\$169,413

* Starting salaries over band midpoint will require additional justification.

Salary Structure Design

Unclassified Staff

Pay Band	Annual Base Pay			Range Spread ¹	Midpoint Differential ²
	Minimum	Midpoint	Maximum		
1	\$32,700	\$40,000	\$47,400	45%	N/A
2	\$37,600	\$46,000	\$54,500	45%	15.0%
3	\$43,200	\$52,900	\$62,600	45%	15.0%
4	\$47,700	\$60,800	\$73,900	55%	15.0%
5	\$56,000	\$71,400	\$86,800	55%	17.5%
6	\$65,800	\$83,900	\$102,000	55%	17.5%
7	\$75,800	\$98,600	\$121,300	60%	17.5%
8	\$91,000	\$118,300	\$145,600	60%	20.0%
9	\$105,200	\$142,000	\$178,800	70%	20.0%
10	\$124,600	\$177,500	\$230,500	85%	25.0%

¹Range spread is the percent distance from band minimum to band maximum, defining the range of pay opportunity per band.

²Midpoint progression is the percent increase from one band's midpoint to the next band's midpoint.

Salary Structure Design

Faculty

Rank /Salary Tier	Minimum	1/4 Mark	Midpoint	3/4 Mark	Maximum	Range Minimum	Range Maximum
Professor 3	\$104,900	\$110,700	\$116,500	\$128,150	\$139,800	90%	120%
Professor 2	\$80,500	\$84,950	\$89,400	\$98,350	\$107,300	90%	120%
Professor 1	\$77,900	\$82,200	\$86,500	\$95,150	\$103,800	90%	120%
Associate Professor 3	\$93,700	\$98,900	\$104,100	\$114,500	\$124,900	90%	120%
Associate Professor 2	\$64,400	\$68,000	\$71,600	\$78,750	\$85,900	90%	120%
Associate Professor 1	\$62,100	\$65,550	\$69,000	\$75,900	\$82,800	90%	120%
Assistant Professor 3	\$88,000	\$92,900	\$97,800	\$107,600	\$117,400	90%	120%
Assistant Professor 2	\$57,200	\$60,400	\$63,600	\$69,950	\$76,300	90%	120%
Assistant Professor 1	\$53,700	\$56,700	\$59,700	\$65,650	\$71,600	90%	120%
Instructor 3	\$60,200	\$63,550	\$66,900	\$73,600	\$80,300	90%	120%
Instructor 2	\$46,200	\$48,750	\$51,300	\$56,450	\$61,600	90%	120%
Instructor 1	\$45,000	\$47,500	\$50,000	\$55,000	\$60,000	90%	120%

Pay Guidelines

- Winthrop’s pay philosophy is to provide competitive, fair, and equitable compensation in order to attract, retain, and reward highly qualified, diverse, and talented employees
- The pay administration guidelines supports that philosophy in the following ways:

Support Career Growth	Ensure Fair and Equitable Compensation Administration	Maintain Pay Program
<ul style="list-style-type: none">• Job reclassification• Promotion• Transfers• Temporary assignments/interim appointments• In-grade adjustments	<ul style="list-style-type: none">• Market pricing guidelines• Hiring rates• Equity and market increases• Structure and range details	<ul style="list-style-type: none">• Staff job descriptions• Salary range adjustments

Implementation Approach

- Most institutions cannot afford to make all salary adjustments at one time. It is common for new program implementation to span 3 to 5 years. Some institutions mix approaches and others are flexible on the way they approach adjustments from year to year.
- The implementation approach varies among institutions and depends on multiple factors such as:
 - Desired market pay positioning
 - Available financial resources
 - Desired timeframe for making changes
 - Expectations set for study
 - Impact on individuals
 - Institutional culture and readiness for change
 - Total compensation cost including benefits

Implementation methodology may differ from ongoing pay administration methodology.

Implementation Approach *continued*

General implementation guidelines

First priority:

- Employees currently below their band minimum

Second priority:

- Employees with largest gaps to target salary/quartile
- Target salary/quartile is determined based on salary band and factors such as time in job and time in rank

Ongoing implementation:

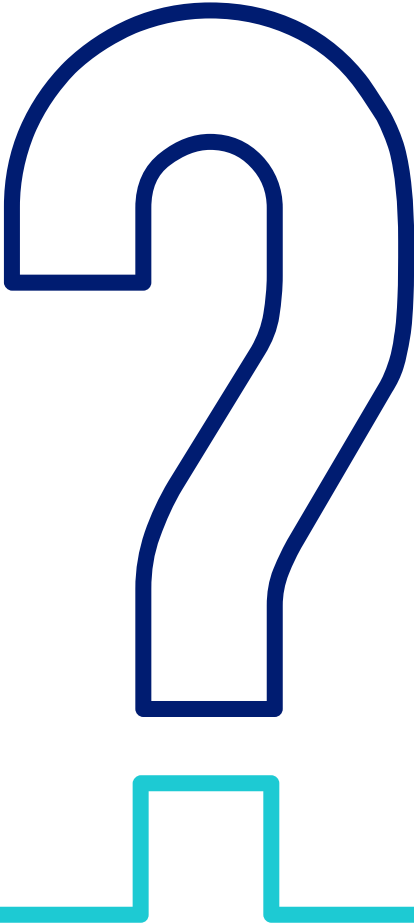
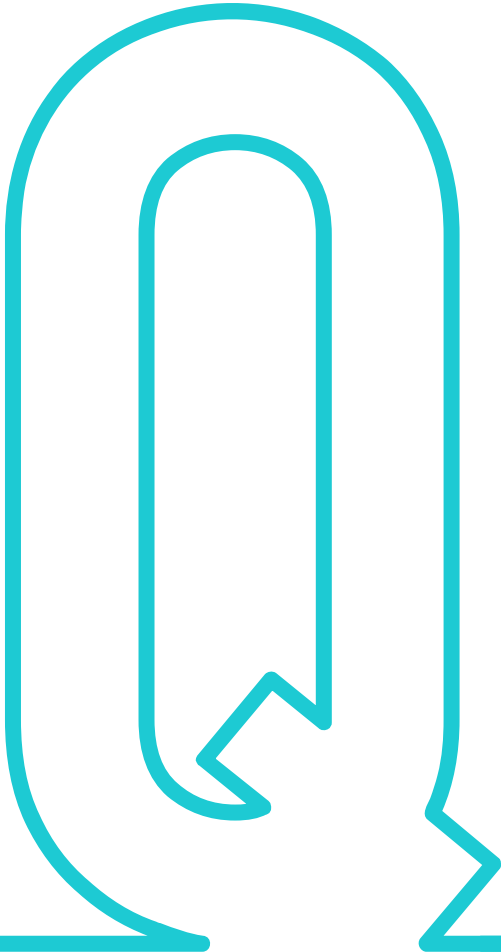
- Over time, the University will work to move individuals closer to their target salary/quartile in the band as funding allows
- Salary program implementation increases will be processed after any applicable annual campus salary program is applied (if offered in a given year)

All increases are subject to the funds available to the University each year.

Next Steps

- Develop total compensation statements (Spring 2022)
- Refresh faculty and staff census and market data annually
- Implementation adjustments in October 1 paychecks annually, depending on availability of budget and Board of Trustees approval
- Ongoing review of staff position descriptions, updating as necessary
- Ongoing review and update of faculty and staff pay administration guidelines, as appropriate
- Ongoing review of the faculty and staff salary structures to ensure market alignment
- Ongoing review of time in rank and tier interface impact on competitive pay levels for faculty promotions

Questions and Answers



| Appendix

Pay Philosophy

Role of Pay

- In support of the Winthrop Plan, Winthrop University's pay programs provide pay levels that are fair and competitive with institutions and organizations with which the University competes for talent in order to attract, retain, and engage qualified individuals
- We seek to attract, develop, and sustain a dedicated, skilled, diverse, inclusive workforce to meet our strategic objectives. This goes beyond a simple employment arrangement that emphasizes the intangible elements of the University's total rewards such as affiliation to our mission, work content, and positive work environment and provides a balanced mix of financial and nonfinancial rewards
- The University also offers a full package of health and retirement benefits that encourage health and wellness, provide time off programs and income protection for illness, and provide protection in the event of long or short-term disability or death as well as intangibles such as work environment

Internal/External Value

- The pay program balances external competitiveness with the University's needs, financial resources, and relative value within the University among similar positions. In general, Winthrop strives to achieve aggregate salaries at competitive levels of its comparison markets
- Competitive market data are used as a reference for creating salary ranges and determining appropriate salary levels for each job
- Certain jobs and/or individuals may be positioned above or below the University's target based on the value of the job to the University and the unique incumbent qualifications, experience, time in position, and performance against agreed upon role expectations

Comparison Markets

- The University benchmarks faculty and staff salaries against the markets within which it competes for talent, which may vary across the institution
- See the following pages for more detail on the comparison markets

Pay Philosophy *continued*

Pay Systems

- Base salary is the primary method of rewarding faculty and staff at Winthrop University. An individual's base salary reflects the value of the job in the market, the value of the job to the institution, and the capabilities of the individual
- Appropriate base salaries will be maintained through regular updating of job descriptions, monitoring of the market to ensure continued competitiveness, and periodic updates of the salary programs to ensure they provide competitive salary opportunities. In addition, periodic reviews of incumbent salaries will be conducted to ensure internal equity
- The pay program and offerings are aligned with the policies and guidelines set by the Department of Administration's Division of State Human Resources and are subject to the University's financial resources

Faculty

- Base salary reflects competitive market rates for each faculty member's rank and discipline (as mapped to the appropriate Classification of Instructional Programs); in addition, the base salary reflects an individual's time in rank, capabilities, contributions, tenure, and performance
- In addition to base salary, faculty may receive stipends and/or course release for responsibilities above and beyond their core responsibilities

Staff

- Competitive market data are used as a reference for creating the salary structure and salary ranges. Jobs are evaluated based on job content (including responsibilities, scope and experience/education requirements), not title, and are assigned to salary ranges based on the assessment of competitiveness and role within the University
- Base salaries for individuals within the salary range will be determined by considering the skills, knowledge, experience, and performance of the individual

Pay Philosophy *continued*

Performance Management

- The annual performance review process provides a process for performance evaluation, ongoing communication, and development
- The University encourages regular feedback and development conversations between supervisors and their direct report(s) to discuss progress against job expectations, development opportunities, job challenges, and/or performance issues
- The process is expected to serve as a means to enhance the working relationship between the employee and the supervisor, to provide a report of performance for the employee and supervisor, and to provide supervisors with information concerning performance when considering employees for promotions or transfer

Pay Communication

- The University is committed to openness and transparency and will communicate the pay philosophy to all stakeholders to ensure that the principles that guide salary decisions are clearly understood
- While regular program updates will be communicated to faculty and staff (e.g., relationship to the market), all results will be shared in the aggregate and individual information will be protected
- The University is also committed to ensuring understanding of the salary programs and how pay decisions are made and will conduct training on a regular basis (through multiple vehicles)

Pay Philosophy *continued*

Pay Governance

- Winthrop University's pay philosophy and salary programs are developed through input from the University's leadership and select stakeholders
- Legislated salary increases are determined by the South Carolina General Assembly (Legislature). The South Carolina Department of Administration's Executive Budget Office determines the state's funding of those increases, with the Division of State Human Resources determining how agencies administer the increases. The Division of State Human Resources also provides additional guidelines and policies on pay and classification for covered positions
- The Board of Trustees approves the University's annual budget
- The Board of Trustees approves pay philosophy and the resulting salary programs
- Human Resources administers and maintains the salary programs, which includes initial program development and regular, ongoing review, and maintenance
- Human Resources, in consultation with the Senior Leadership Group, communicates with Deans and staff managers on appropriate pay-related matters. Deans and staff managers communicate these messages to their direct reports and answer questions as appropriate

Salary Structure

Faculty Market Tiers

CIP Discipline	Tier	CIP Discipline	Tier
Anthropology	1	Student Counseling And Personnel Services	1
Chemistry	1	Biology, General	2
Communication And Media Studies	1	Clinical, Counseling, And Applied Psychology	2
Dance	1	Design And Applied Arts	2
Drama/Theatre Arts And Stagecraft	1	Education, General	2
English Language And Literature, General	1	Educational Administration And Supervision	2
Fine And Studio Art	1	Geological And Earth Sciences/Geosciences	2
Foods, Nutrition, And Related Services	1	Multi-/Interdisciplinary Studies	2
History	1	Psychology, General	2
Linguistic, Comparative, And Related Language Studies And Services	1	Social Sciences, Other	2
Mathematics	1	Social Work	2
Music	1	Sports, Kinesiology, and Physical Education/Fitness	2
Philosophy	1	Accounting And Related Services	3
Physics	1	Business Administration, Management And Operations	3
Political Science And Government	1	Business/Managerial Economics	3
Religion/Religious Studies	1	Computer And Information Sciences, General	3
Sociology	1	Marketing	3