

Q: What was the impetus for the compensation study and what was its goal?

- Oakland University strives to retain quality employees and hopes to nurture career-long commitments to the advancement of its educational mission. One of the ways the University looks to do this is by providing employees with appropriate compensation packages.
- Salary is just one piece of a [comprehensive compensation package](#), but certainly an important one. At the time the study was initiated, the University saw a need to update information used to set salary levels for a wide array of staff positions.
- Prior to this study, it had been 12 years since OU's salary system had seen a comprehensive assessment and restructuring. During that time, the University underwent significant enrollment and program growth. This precipitated the need for a new set of marketplace data to use in salary level decision making.

Q: Who conducted the compensation study?

- University Human Resources worked with New York-based Sibson Consulting, which has 50 years of experience in human resource consulting. Among organizations submitting proposals to conduct this study, Sibson has incomparable experience working with institutions of higher education, including Oakland.
- Recommendations resulting from the work completed by UHR and Sibson were reviewed by a [University Compensation Committee](#) comprised of employees chosen to represent all staff included in the study. The Committee was charged with presenting recommendations to update compensation guidelines, prioritizing various measures included in compensation change recommendations, and effectively communicating impacts of the study to the campus community.
- Ultimate review and approval of compensation system changes fell to the President and the President's Cabinet.

Q: Why did the study take as long as it did to complete?

- It is important to note that the study involved comprehensive, time-intensive reviews of 500 OU positions rather than an aggregate review of staff positions in general. This included:
 - identification of market matches for benchmark staff positions;
 - auditing of market and individual pay levels;
 - position ranking;
 - salary banding from both an internal and external equity perspective;
 - calculation of recommended salary adjustments based on market data, and;
 - development of recommendations for repositioning of select positions within the band structure based on market data analysis.

- On a broader level, the study also required:
 - development of a staff compensation philosophy and salary guidelines to ensure that Oakland is comparable among peer institutions;
 - analysis of peer organization market data from no less than 10 distinct market surveys;
 - development of a protocol to fairly and adequately address unique and exceptional position characteristics, and;
 - creation of a process by which the salary system can be updated on a regular basis by University staff based on evolving market conditions.

Q: Which OU employee positions were included in the study?

- All of the University's full- and part-time positions, excluding faculty, were reviewed as part of this study.

- Salary adjustments presently being implemented as a result of the study focus on AP and excluded CT positions. Recommendations for bargained and other non-bargained staff position salary changes have been or will be considered as part of separate administrative initiatives related to compensation.

Q: How were individual employee positions evaluated relative to similar positions in the marketplace?

- In a general sense, the first step was to establish a thorough and accurate understanding of the job responsibilities assigned to each position reviewed as part of the study. Sibson analysts, UHR staff and OU administrators and supervisors participated in more than 100 meetings to review, evaluate and update job descriptions. Discussions included input from participants very familiar with each position being reviewed.
- The next step was to find similar positions in the marketplace that matched at least 70 percent of the job responsibilities. In this case, the marketplace included [universities similar to Oakland](#) in terms of size, academic missions and operating budgets. For jobs outside of higher education, private sector matches and data were also used in cases where correlation between job responsibilities was at least 70 percent. At times, premiums and discounts were considered based on the actual duties and responsibilities.
- Once position matches were in place, market salary data were analyzed to determine whether adjustments to the salary structure were required and the structure salary levels were updated.
- Using the market median salary for each benchmark position, a decision was made regarding whether each OU position was properly positioned within the University's salary band structure. For positions re-assigned to higher bands, a decision was made to ensure that the employees filling those positions receive at least the band minimum salary.

Q: What did the study reveal in terms of OU's salary competitiveness within the marketplace?

- The study showed that the University's current compensation structure is solid, but that some adjustments are needed to keep Oakland competitive. Specifically, the study revealed that OU employee positions in the aggregate are compensated at 89 percent of median levels in peer institutions and comparable private sector organizations. The University's goal is to move this ratio as close to 100 percent as possible.

Q: What recommendations resulted from the study?

- Market-based, comparative data analysis of University positions included in the study have prompted recommendations for salary adjustments associated with assignment of positions to the salary structure.
- A total of 305 University positions were found to be appropriately placed within the band structure, 166 AP and exempt CT positions were reassigned to higher bands, and 30 positions were recommended for reassignment to lower bands.
- A recommendation was made to include adjustments to individual employee salaries as part of salary level determinations as funding becomes available. These adjustments involve consideration of an employee's longevity within his or her current position, the knowledge and skill the employee brings to the position, and the position's overall impact on the University's mission and operations.

Q: Why aren't all of the reviewed positions being given salary adjustments to ensure that OU is a comparable employer in the identified [peer group](#)?

- Positions that have been assigned a new salary band were identified to be below market relative to similar positions in the marketplace.

Q: If my position has been assigned a new band and I am not currently being paid at the minimum salary level for that band, when will my salary be adjusted?

- Some salary change recommendations resulting from the compensation study must be reviewed and approved by the Oakland University Board of Trustees, which will meet in October. Implementation of approved recommendations for the 2015-16 fiscal year will take place as quickly as possible following Board action. Salary increases will be retroactive to July 1, 2015.

Q: If the study revealed that my salary falls below the level that market conditions suggest is appropriate, when will my salary be increased to the recommended level?

- Individual adjustment pay increases may be implemented incrementally over the next several years, depending on the availability of University resources to fund the recommended raises.

Q: What will happen if the band assignment for my position was lowered as a result of the study?

- Employees in positions that are reassigned to lower bands will not see their salaries reduced.

Q: Won't employees with outstanding or successful work performance reviews benefit as a result of this study? Doesn't it make sense to retain only the best workers?

- It is important to remember that this study focused exclusively on ensuring that University staff positions are assigned to appropriate bands within the salary band structure based on marketplace conditions. Placement of a position within the band structure is not in any way influenced by a particular employee's work performance in that position.
- In order to reward employees for successful and outstanding work performance, the University uses annual merit increases tied to performance management reviews. This year will be no different, and employees can rest assured that merit increase decisions will not in any way be influenced by compensation study findings and recommendations.

Q: What should I do if I feel that even after the study, my position is not competitively compensated within the marketplace?

- Employees with questions or concerns about the Sibson study and recommended actions based on its findings should speak to their immediate supervisors.