STAFF COMPENSATION STUDY

Stakeholder Meetings

January 22, 2019
Today’s Agenda

1. Introductions
2. Sibson’s Understanding of the Current Situation
3. Project Timeline
4. Stakeholder Interview Guide
5. Appendix
Team Introductions

Core Team

Carol Mercer, Vice President. Carol will serve as the Client Relationship Manager and engagement leader providing subject matter expertise and will take an active role in the strategic direction and knowledge transfer of all work steps.

Katie Manning, Senior Compensation Consultant. Katie will serve as the Project Manager and will serve as the day-to-day contact and will lead the support in research, analytics, assessments and recommendations needed for the duration of the project.

Kathy Antilla, Senior Communications Consultant. Kathy will serve as the lead in developing the change management strategy and communications plan.

Paul Wise, Compensation Associate. Paul will serve as the analytical resource on the project, responsible for day-to-day execution of project tasks.

Advisory Team

Kelly Jones, Senior Vice President, Higher Education Practice Leader
Sal DiFonzo, Vice President and West Region Leader
Texas A&M University-Corpus Christi (TAMU-CC) is a member of the Texas A&M University System (TAMUS) which consists of 11 universities and seven state agencies. TAMU-CC offers more than 80 degree programs and student enrollment exceeds 12,000. In May 2018, there were approximately 2,850 total active employees.

TAMU-CC engaged Sibson Consulting to conduct a salary review of all non-faculty positions to develop and implement a compensation program that is internally equitable and competitive with the relevant external labor markets.

As stated in the RFP, the following outcomes results will:

1. Identify positions and incumbents where salary is not competitive based on the relevant labor market and internal equity,
2. Determine cost to raise salaries to a competitive level,
3. Develop a plan to increase salaries to a competitive level, and
4. Develop guidelines to maintain both internal equity and continue to compensate employees at competitive rates.
Our Understanding of the Scope of Work continued

➤ The scope of this project is limited to approximately 800 staff employed in 6 major divisions of the University. These approximately 800 staff are covered by 330 unique job classifications, of which position descriptions currently exist within Workday.

➤ It is our understanding that faculty, student employees, graduate assistants and temporary/casual employees are excluded from this project.

➤ We also understand that this project does not require the creation of new salary structures, or the modification of the structures as provided by the TAMUS pay plan.
Engagement Summary
Estimated Timing: January 2019 – August 2019

- Collect existing documentation
- Review job descriptions to determine if individuals are classified appropriately
- Make recommendations for changes to job classifications

- Conduct initial salary market pricing
- Review and finalize matches with HR
- Conduct variance analysis, including internal equity and salary compression
- Prepare and share report of findings

- Review and revise pay administration guidelines
- Develop implementation & communications plan including training requirement, communication requirements, and identification of success factors.

- Conduct stakeholder discussions
- Review data and materials
- Create communications strategy

- Conduct Discovery and Create Communications Strategy
- Job Analysis and Classification Assignments
- Conduct Competitive Assessment
- Create Implementation Strategy

January – February
February – April
April – July
July – August
Stakeholder Interview Guide

**Background**
- How long have you been at TAMU-CC, and have you had prior roles?
- What factors attracted you to TAMU-CC? Why do you continue to stay?

**Culture and Strategic Direction of TAMU-CC**
- What makes TAMU-CC a great place to work? What attracts candidates?
- What keeps employees at TAMU-CC?
- What are your division’s strategic objectives?
- Are there certain positions that are most critical to success and the University’s mission?
- Do you see the talent requirements changing in the future? Will the pay strategy need to change in order to adjust accordingly?
- In addition to pay, what other elements are important to driving desired behaviors (Affiliation, Benefits, Work Content, Career)?
Compensation Program and Practices

- From where does TAMU-CC typically recruit staff? Where do people go when they leave? Does this differ by role, level, or area?
- Describe the current compensation strategy as you perceive it. Do you agree with its intent? How well is it executed?
- Is compensation used to motivate and reward performance?
- What works and what doesn’t with the current approach to compensation?
- As you know we are moving to putting TAMU-CC jobs into the TAMU system classifications, do you feel that current job descriptions are reflective of what people do?
- To what extent should pay differ by length of service, performance, or other factors?
- What is more important to TAMU-CC, ensuring competitive market pricing (external) or the internal value of jobs within the University?
- Most institutions target the market median to be competitive. Will this meet TAMU-CC’s objectives for talent and fiscal responsibility?
Communication

➢ To what extent do you understand the compensation program and how pay decisions are made (e.g., starting salaries, promotional increases, etc.)?

➢ Are Department Heads, Managers and Employees receiving the right amount of information under the current compensation program? Are there any gaps?

Final Thoughts

➢ What is your greatest need when it comes to compensation? How would you define success for this project?

➢ What other challenges exist with regard to effectively managing staff that we should be aware of?

Additional Thoughts / Comments:
Katie Manning – Project Manager
kmanning@sibson.com
646-770-7169
Appendix
An Overview of Our Firm

Sibson is a division of the Segal Group. We are a national human capital consulting firm that has been in operation since 1959.

- We are privately held and independent and our most senior employees own the firm and lead client engagements.
- We are a full-service, strategic HR consulting firm.

### OUR FIRM’S PRACTICE AREAS

<table>
<thead>
<tr>
<th>Health</th>
<th>Retirement</th>
<th>Organization and Talent</th>
<th>Performance and Rewards</th>
<th>Communications</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Optimize the return on investment in health and welfare benefits</td>
<td>- Optimize the return on investment in retirement benefits</td>
<td>- Design and implement career frameworks</td>
<td>- Design performance management programs that work</td>
<td>- Align employee behavior with the organization strategy</td>
</tr>
<tr>
<td>- Create and implement designs that balance cost effectiveness and health promotion</td>
<td>- Manage financial risk</td>
<td>- Develop strategies to attract, retain, and engage talent</td>
<td>- Optimize the return on investment in rewards</td>
<td>- Create processes and tools to define, measure, and sustain behavior change</td>
</tr>
<tr>
<td>- Conduct actuarial analysis and pricing</td>
<td>- Comply with complex regulatory and accounting requirements</td>
<td>- Build talent capability through career paths, development, and succession</td>
<td>- Create compensation structures with market and internal equity</td>
<td>- Educate and engage managers and employees in program and process changes</td>
</tr>
<tr>
<td></td>
<td>- Improve administrative effectiveness</td>
<td>- Predict and fill future talent needs</td>
<td>- Create real pay for performance plans</td>
<td></td>
</tr>
</tbody>
</table>

Communications:
- Align employee behavior with the organization strategy.
- Create processes and tools to define, measure, and sustain behavior change.
- Educate and engage managers and employees in program and process changes.
Appendix
Our Higher Education Expertise and Partnerships

SERVICES
- Strategic Planning (institution-wide and School level)
- Organizational Assessment and Business Process Improvement
- Cultural Transformation
- Resource Management and Revenue Generation
- Total Rewards Strategy
- Compensation (faculty, executive, administration and staff)
- Benefits
- Retirement
- Performance Management
- Talent Management and Skill/Competency Models
- Human Resources Function Assessments
- HR Metrics
- Communications

PARTNERSHIPS
- College and University Professional Association for Human Resources (CUPA-HR)
- National Association of College and University Business Officers (NACUBO)
- Association of Consortium Leadership (ACL)
- American Council of Education (ACE)
- Network for Change and Continuous Innovation (NCCI)

Sibson Consulting
# Appendix

## Select Private Higher Education Clients

<table>
<thead>
<tr>
<th>Amherst College</th>
<th>Fairleigh Dickinson University</th>
<th>Mount Ida College</th>
</tr>
</thead>
<tbody>
<tr>
<td>Art Center College of Design</td>
<td>Flagler College</td>
<td>Nazareth College</td>
</tr>
<tr>
<td>Baylor University</td>
<td>Florida Institute of Technology</td>
<td>New England College</td>
</tr>
<tr>
<td>Bob Jones University</td>
<td>Franklin University</td>
<td>Niagara University</td>
</tr>
<tr>
<td>Bowdoin College</td>
<td>Gettysburg College</td>
<td>North Central College</td>
</tr>
<tr>
<td>Brandman University</td>
<td>Georgetown University</td>
<td>Nova Southeastern University</td>
</tr>
<tr>
<td>Brown University</td>
<td>Gonzaga University</td>
<td>Ohio Northern University</td>
</tr>
<tr>
<td>Bucknell University</td>
<td>Hamilton College</td>
<td>Ohio Wesleyan University</td>
</tr>
<tr>
<td>Caldwell College</td>
<td>High Point University</td>
<td>Pace University</td>
</tr>
<tr>
<td>Calvin College</td>
<td>Hobart &amp; William Smith College</td>
<td>Pacific Northwest University of HS</td>
</tr>
<tr>
<td>Carroll College</td>
<td>Illinois Institute of Technology</td>
<td>Point Loma Nazarene University</td>
</tr>
<tr>
<td>Chapman University</td>
<td>Ithaca College</td>
<td>Polytechnic Institute</td>
</tr>
<tr>
<td>Colgate University</td>
<td>J. David Gladstone Institutes</td>
<td>Princeton University</td>
</tr>
<tr>
<td>Colorado College</td>
<td>Lewis University</td>
<td>Providence College</td>
</tr>
<tr>
<td>Columbia College</td>
<td>Loyola Marymount University</td>
<td>Quinnipiac University</td>
</tr>
<tr>
<td>Corban University</td>
<td>Loyola University of Maryland</td>
<td>Rensselaer Polytechnic Institute</td>
</tr>
<tr>
<td>Cornell University</td>
<td>Manhattanville College</td>
<td>Regis University</td>
</tr>
<tr>
<td>D'Alhousie University</td>
<td>Marietta College</td>
<td>Rice University</td>
</tr>
<tr>
<td>DePaul University</td>
<td>Marist College</td>
<td>Rider University</td>
</tr>
<tr>
<td>Des Moines University</td>
<td>Marymount Manhattan College</td>
<td>Rocky Vista University</td>
</tr>
<tr>
<td>Dominican University (CA)</td>
<td>Massachusetts College of Art</td>
<td>Saint Joseph's University</td>
</tr>
<tr>
<td>Dickinson College</td>
<td>Massachusetts Institute of Technology</td>
<td>Saint Mary's College of CA</td>
</tr>
<tr>
<td>Drake University</td>
<td>Mercy College</td>
<td>Saint Peter's University</td>
</tr>
<tr>
<td>Drew University</td>
<td>Methodist University</td>
<td>Salem College</td>
</tr>
<tr>
<td>Duke University</td>
<td>Molloy College</td>
<td>Sarah Lawrence College</td>
</tr>
<tr>
<td>Duquesne University</td>
<td>Monmouth University</td>
<td>Seattle University</td>
</tr>
<tr>
<td>Embry-Riddle Aeronautical University</td>
<td>Morehouse School of Medicine</td>
<td>Seton Hall University</td>
</tr>
<tr>
<td>Emerson College</td>
<td>Mount Holyoke College</td>
<td>Shenandoah University</td>
</tr>
<tr>
<td>Excelsior College</td>
<td>Mount Holyoke College</td>
<td>Siena College</td>
</tr>
<tr>
<td></td>
<td>Mount St. Mary's University</td>
<td>Skidmore College</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Springfield College</td>
</tr>
<tr>
<td></td>
<td></td>
<td>St. Edwards University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>St. Thomas University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Stetson University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Stevens Institute of Technology</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Stonehill College</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Temple University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Texas Christian University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Union College</td>
</tr>
<tr>
<td></td>
<td></td>
<td>University of Denver</td>
</tr>
<tr>
<td></td>
<td></td>
<td>University of Mount Union</td>
</tr>
<tr>
<td></td>
<td></td>
<td>University of Richmond</td>
</tr>
<tr>
<td></td>
<td></td>
<td>University of St. Thomas</td>
</tr>
<tr>
<td></td>
<td></td>
<td>University of Scranton</td>
</tr>
<tr>
<td></td>
<td></td>
<td>University of Tampa</td>
</tr>
<tr>
<td></td>
<td></td>
<td>University of the Pacific</td>
</tr>
<tr>
<td></td>
<td></td>
<td>University of Tulsa</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vanderbilt University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vanguard University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Villanova University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wake Forest University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Washington College (MD)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Westmont College (CA)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wheaton College (MA)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Widener University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wilkes University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Worcester Polytechnic Institute</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Xavier University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Yale University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Yeshiva University</td>
</tr>
</tbody>
</table>

Institutions shown in **blue font** are current or recent compensation clients.
Appendix
Select Public Higher Education Clients

Arizona State University
Augusta University
Ball State University
Butler Community College
Cal State University – Northridge
Cal State University – San Marcos
Cal State University – System Office
Chemeketa Community College
Clackamas Community College
Cleveland State University
Coastal Carolina University
College of the Mainland (TX)
College of William & Mary
Collin County Community College
Colorado School of Mines
Columbus State Community College
Community Colleges of Philadelphia
Cuyahoga Community College
Delaware County Community College
East Carolina University
Eastern Kentucky University
Florida Gulf Coast University
Florida Polytechnic University
Florida State University
George Mason University
Georgia Institute of Technology
Georgia Gwinnett College
Indiana University
Iowa State University
Kean University
Keene State University
Longwood University
Maricopa County Community Colleges
Medical University of South Carolina
Miami University (OH)
Milwaukee Area Technical College
Montclair State University
Morehead State University
Mott Community College
New Jersey City University
Northern Arizona University
North Carolina State University
Northern Virginia Community College
Northern Wyoming Community College
Northwood University
Oakland University
Oregon State University
Pennsylvania State University
Pima County Community College
Portland State University
Prairie View A&M University
Purdue University
Radford University

Stephen F. Austin State University
Texas A&M–Corpus Christi
Texas Southern University
Texas State—San Marcos
The Citadel
The City College of New York
University of Baltimore
University at Brockport (SUNY)
University at Shady Grove
University of Alaska
University of Arkansas
UC–Hastings School of Law
University of California Retirement System
University of Central Florida
University of Connecticut
University of the District of Columbia
University of Florida
University of Idaho
University of Kentucky
University of Louisville
University of Maine
University of Maryland
University of Massachusetts
University of Michigan
University of Minnesota

University of Missouri
University of New Mexico
University of North Carolina – Charlotte
University of North Florida
University of Oklahoma
University of Pacific
University of Pittsburgh
University System of New Hampshire
University of South Florida
University of Tennessee System
University of Texas Health Sciences Center San Antonio
University of Utah
University of Virginia
Utah State University
Virginia Commonwealth University
Virginia Tech
Weber State University
West Georgia College
West Virginia University
Western Kentucky University
Western Michigan University
Wright State University

Institutions shown in blue font are current or recent compensation clients.
Appendix

The Employment Value Proposition
Appendix
Compensation Philosophy Elements

The role of pay in supporting and aligning with the institution’s Mission and Strategic Plan

How work and positions/jobs will be evaluated; the balance between the emphasis on internal versus external factors in the job evaluation process

How pay will be governed, including roles, responsibilities, and decision rights for the design, approval, and management of the pay system

The degree to which the total compensation philosophy, systems, and processes will be openly communicated

The factors that should impact pay (e.g., performance, service, discipline for faculty, etc.)

The comparison markets against which the institution will benchmark pay. The degree to which multiple markets are needed, and the pay position relative to those markets

The types of pay systems/delivery vehicles that are best aligned with the compensation philosophy and any customization that may be needed

Pay Governance
Pay Communication
Pay Systems
Comparison Markets
Beyond Market Factors
Internal/External Value
Role of Pay

Sibson Consulting