

IOWA STATE UNIVERSITY

Professional and Scientific Council

Council Motion: To send the Compensation Recommendation for FY17 to University Administration

Submitted by: Compensation and Benefits Committee
May 5, 2016

Whereas: The Compensation and Benefits Committee created a Compensation Recommendation for Fiscal Year 2017 (FY17) on behalf of Professional and Scientific employees.

Whereas: Competitive compensation is necessary for recruiting and retaining Professional and Scientific employees.

Whereas: Compensation tied to performance is a recurring request from our constituents.

Whereas: An improved classification system will enable better direct comparisons to peers, peer institutions, and the private sector.

It is moved: That the Compensation Recommendation for FY17 created on April 28, 2016 be sent to senior administration for consideration while drafting the FY17 salary increases.

Distribution: Steven Leath, President
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IOWA STATE UNIVERSITY

Professional and Scientific Council

Compensation Recommendation for FY 2017

April 28, 2016

The Iowa State University (ISU) Professional and Scientific Council herein presents its Compensation Recommendation for Fiscal Year 2017 (FY17). The intention of this recommendation is to encourage: 1) competitive compensation, 2) performance-based compensation, and 3) an improved classification system. To recruit and retain exceptional Professional and Scientific employees, these recommendations must be developed and sustained.

1. Competitive Compensation

- To encourage supervisors to use the salary adjustment policy to align compensation with peer institutions and the private sector. Where misaligned, adjustments should be in addition to or outside of the standard annual performance increases.
- Minimum percent increase for satisfactory performance should never be lower than the percent increase associated with the Professional and Scientific Salary Matrix shift.
- The starting rate of pay policy should be accessible on the UHR website and a standard process should be developed in order for supervisors to be empowered to make salary requests outside of the first third when appropriate.

2. Performance-based Compensation

- Recognize employees with superior performance with differential salary increases.
- Require supervisors to complete annual performance appraisals with their employees; these annual appraisals are intended to be used as a key determining factor for performance increases.
- Develop a new performance form that includes subjective and objective measurements; this form should include a rating system that is more definitive than simply "satisfactory/unsatisfactory." UHR should collect the forms and follow up with supervisors who do not complete them.
- Require performance management training for supervisory personnel responsible for completing performance appraisals; annual refresher courses should be considered.

3. Improved Classification System

It is necessary to have a classification system that accurately defines university positions based on actual position responsibilities. This improved system should include additional classifications which more accurately reflect the responsibilities of university positions. This will enable:

- clearer understanding of position responsibilities,
- creation of career paths, and
- accurate salary comparisons to peers, peer institutions, and the private sector.

FY17 Compensation Recommendation

Iowa State University has had seven consecutive years of record enrollment and nine consecutive years of growth. Professional and Scientific employees have a strong impact on the overall mission of Iowa State University. With over 36,000 students on campus and Professional and Scientific employees providing services in every county of the state, more is being expected of our employees than ever before.

Over the preceding five years, Professional and Scientific employee salaries have increased an average of 1.4% per year. Compensating employees with meaningful and appropriate salary increases for high performance is part of the formula for making ISU a leader in higher education. In light of the modest increases in recent years, the Professional and Scientific Council recommends the greatest salary increase feasible within the FY17 budget for all employees with a satisfactory or better performance evaluation.