

IOWA STATE UNIVERSITY

Professional and Scientific Council

Council Motion: To send the Compensation and Benefits Recommendation for FY18 to University Administration

Submitted by: Compensation and Benefits Committee
May 25, 2017

Whereas: The Compensation and Benefits Committee created a Compensation and Benefits Recommendation for Fiscal Year 2018 (FY18) on behalf of Professional and Scientific Employees.

Whereas: Competitive compensation and benefits are necessary for recruiting and retaining high-quality and dedicated Professional and Scientific Employees.

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

Whereas: High-quality employees thrive when employee wellbeing is a core mission of the workplace.

It is moved: That the Compensation and Benefits Recommendation for FY18 approved on May 25, 2017 be sent to senior administration for consideration in regards to FY18 salary increases.

Distribution: Ben Allen, Interim President
Jonathan Wickert, Senior Vice President and Provost
Martino Harmon, Senior Vice President for Student Affairs
Kate Gregory, Senior Vice President for University Services
Miles Lackey, Chief Financial Officer & Chief of Staff
Kristi Darr, Interim Vice President of University Human Resources

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Professional and Scientific Council

Compensation and Benefits Recommendation for FY18

May 25, 2017

The Iowa State University (ISU) Professional and Scientific Council herein presents its Compensation and Benefits Recommendation for Fiscal Year 2018 (FY18). The intention of this recommendation is to encourage: 1) competitive compensation, 2) performance-based compensation, and 3) a workplace which emphasizes employee wellbeing. To recruit and retain exceptional Professional and Scientific Employees, these recommendations must be developed, implemented, and sustained.

1. Competitive Compensation

- Complete accurate salary comparisons to peers, peer institutions, and the private sector.
- Encourage supervisors to use the salary adjustment policy to align compensation with peer institutions and the private sector. Ensure that adjustments are made in addition to or outside of the standard annual increases.
- Alleviate compression issues by ensuring that the minimum percent increase for satisfactory performance is never lower than the percent increase associated with the Professional and Scientific Salary Matrix shift.

2. Performance-based Compensation

- Recognize employees who demonstrate superior performance with differential salary increases.
- Develop and require a new evaluation form that includes subjective and objective measurements, thereby allowing supervisors to demonstrate that these annual performance appraisals are used as a key determining factor for performance-based compensation; this form should include a rating system that is more definitive than simply “satisfactory/unsatisfactory”.
- Require supervisors to complete meaningful annual performance appraisals with their employees; monitor supervisor compliance by collecting the evaluation forms and following up with supervisors who are in non-compliance.
- Develop new mandatory training for supervisory personnel responsible for completing performance appraisals.

3. Workplace Emphasizing Employee Wellbeing.

- Evaluate and update policies and practices that promote employee wellbeing. Areas of concern include: inconsistent application of the flexible work policy, lack of a paid maternity leave, inadequate paid family leave including adoption/foster leave, and more robust, affordable, and available University childcare options.
- Compare ISU's current policies that promote employee wellbeing with peer institutions and provide results.
- Include questions in the Campus Climate survey that directly address the ISU community's satisfaction with workplace environment regarding wellbeing.

FY18 Compensation Recommendation

Iowa State University has had eight consecutive years of record enrollment and ten 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 demand has been placed on us than ever before.

Over the preceding ten years, the average annual salary increase has been 3% for Faculty, 3.44% for Merit Staff, and 2.66% for Professional and Scientific Employees. For 2017, the Society of Human Resources Management (SHRM) recommends an average annual salary increase of 3%.

Interim President Benjamin Allen stated in his letter to the university community that "High-quality faculty and staff are essential to carry out our mission and enhance the value of an Iowa State degree." It is essential to provide meaningful and appropriate salary increases for high performance to attract and retain that high-quality staff. Therefore, the Professional and Scientific Council recommends a minimum salary increase of 3% for all Professional and Scientific employees who have earned a satisfactory or better performance rating.