

# IOWA STATE UNIVERSITY

## Professional and Scientific Council

**Council Motion:** To send the Compensation and Benefits Report & Recommendations for FY2023 to University Administration

**Submitted by:** Compensation and Benefits Committee

**Date:** January 5, 2023

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**Whereas:** The Professional and Scientific Council and its Compensation and Benefits Committee are charged with informing the University's administration regarding the needs of P&S employees.

**Whereas:** The Committee addresses areas of concern and recommendations for improvement that align with [Iowa State University's 2022-2031 Strategic Plan](#).

**Whereas:** Two statements of aspiration from the Strategic Plan focus on salaries and staff career development.

**It is moved:** That the Compensation and Benefits Report & Recommendations for FY2023 be sent to senior University administrators to inform decision-making regarding FY2023 budget plans and revenue requests.

**Distribution:** Wendy Wintersteen, President  
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# IOWA STATE UNIVERSITY

## Professional and Scientific Council

### Compensation and Benefits Report & Recommendations for FY2023

Iowa State University's [2022-2031 Strategic Plan](#) sets out a series of ambitious, active, and ongoing "to be" statements that the campus community will use to benchmark institutional growth and success for Iowa State. Although all the "to be" statements of the 2022-2032 Strategic Plan reflect the best aspirations of Iowa State, two are particularly important to Professional and Scientific employees:

1. **"To be the university that cultivates a diverse, equitable, and inclusive environment where students, faculty, and staff flourish"** This "to be" statement is critical to the success of Iowa State's heartbeat: its employees. The success of this "to be" statement is measured on recruitment, retention, campus climate, and salaries.
2. **"To be the university that fosters lifelong learning"** This "to be" statement is another critical piece to Iowa State's success. As the university prioritizes "lifelong" learning for the mission critical jobs that support research, student success, institutional advancement, and more, it will only benefit Iowa State University. Success of this "to be" will be measured by faculty and staff career development.

This annual Compensation & Benefits Report from the Professional and Scientific Council will share where our constituents feel ISU falls short in our strategic plan and provide recommendations on how to become an employer of choice in the future. The personal stories gathered below depict the reality of our campus culture for many employees.

### **"To be the university where...students, faculty, and staff flourish"**

An organization's mission thrives when its employees flourish, which is a central premise of one of the "to be" statements from the 2022-2031 Iowa State University Strategic Plan. While this "to be" statement is measured on recruitment, retention, campus climate, and salaries, meaningful and consistent salary raises have historically been one of the most difficult items to achieve—yet, appropriate salary increases are arguably one of the most important factors in helping P&S employee "flourish."

### **SALARY: Your Paycheck Shrinks When You Become a Cyclone**

The cost to remain a P&S staff member is increasing as cost-of-living increases outpace unpredictable salary raises. In July 2022, staff saw the largest percent salary increase in recent years, however, those gains quickly disappeared when factors such as inflation and increased benefit costs are reviewed. For P&S employees who have not been reclassified into a different pay grade, they are actually paid less now than they were five years ago.

### **Not Keeping Pace with Inflation**

Figure 1 below details the last five years for performance-based salary increases compared against an ever-increasing cost-of-living. With the exception of 2019, performance-based percentage increases have fallen below cost-of-living adjustments. This impact has been especially noticeable in 2021 and 2022 as

performance-based salary increases have not even halfway met cost-of-living increases. Although we are fortunate to live and work in Iowa where cost-of-living has been significantly [less impacted than other states](#), employees still report the burden of increased stress of trying to maintain a “normal” standard of living with less money.

<b>Cost of Living vs. ISU Performance-based Salary Increase</b>					
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
COLA*	2.8%	1.6%	1.3%	5.9%	8.7%
Performance-based Salary Increase♦	<a href="#">1%</a>	<a href="#">2%</a>	<a href="#">0%</a>	<a href="#">2.1%</a>	<a href="#">3.1%</a>

Figure 1: \*COLA (Cost-of-Living Adjustments) from Social Security  
(<https://www.ssa.gov/oact/cola/colaseries.html>)

♦Inside Iowa State ([2018](#), [2019](#), [2020](#), [2021](#), [2022](#))

In preparing this report, P&S employees shared their stories about the impact that rising costs of living, coupled with minimal salary increases have had on their quality of life and decisions regarding employment at our institution. One example of this is an academic advisor hired in January 2017 as an experienced professional with a master’s degree. This employee was hired within the first third in the pay matrix with an annual salary of \$41,992 (Grade 33). Although they were and are an outstanding performer, their college has not supported discretionary increases for the last five years. At the end of 2022, this academic advisor has an ISU salary of \$45,537. However, in order to maintain their same quality of life from their hire date five years ago they should be making \$51,143.

The immediate impact of cost-of-living outpacing performance-based salary increases is already a harsh reality for many P&S employees. However, when it coupled with the cumulative effective of low and unpredictable performance-based salary increases, it becomes increasingly hard to “flourish.”

### **Lack Salary Growth with Experience**

In April 2020, the Board of Regents approved the [ISU P&S Compensation Plan](#). After almost three years, our P&S employees are not seeing the proper deployment of the ‘managing pay by thirds’ for the career progression of employees as outlined in Figure 2 below. In this plan it was stated “The University aspires to pay fully competent staff within pay grades utilizing specific market zones illustrated below.” Unfortunately, many experienced P&S employees with years of outstanding performance are still within the first third of their salary range.

## Compensation Administration and Pay Delivery

Each pay grade range in the ISU compensation structure will be divided into thirds, as follows:

- The first third is considered the appropriate range for P&S employees who are developing and becoming proficient in their jobs.
- The middle third is considered the appropriate range for P&S employees who are fully proficient in their jobs and who consistently meet performance expectations.
- The top third is considered the appropriate range for highly skilled and consistently high performing P&S employees. Employees in this top third typically have substantial time in position and demonstrate sustained high performance.

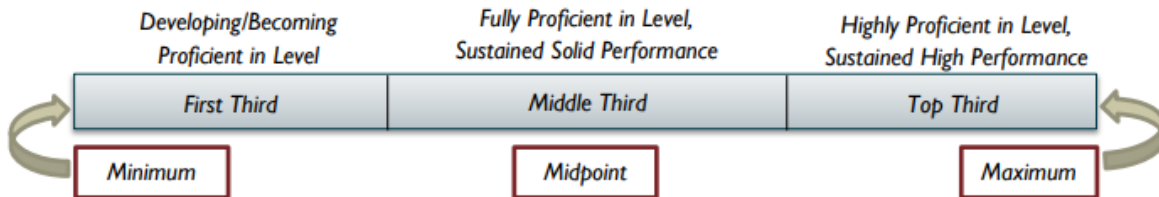


Figure 2: [P&S Compensation Guidelines](#) from the [P&S Compensation Structure Resources UHR Knowledge Base](#).

### *Choosing to Depart from Iowa State: A former P&S Employee's Story*

A former P&S staff member shared: “Lack of competitive compensation and increased deductible and co-pay costs contributed to my eventual departure from ISU. Two years prior to my departure from ISU, I learned I made significantly less than a peer, who had less position-level and ISU experience than me and whose office was much smaller terms of scope, staff, complexity, and total services delivered. In addition, during the 5.5 years in my role, the office I managed took on two additional large pilot programs with inadequate support and zero increased compensation for myself or staff who worked with the programs, either by an official market adjustment or an extra meritorious performance pay award.

I received ‘exceeds expectations’ on my annual evaluations and was often asked to co-chair or sit on University-wide committees because of my expertise, strong skill set, and ability to deliver. I advocated using ISU’s own compensation guidelines, showing that my compensation indicated that I was “progressing toward mastery” of my role, while my formal and informal feedback was indicating that I not only mastered my role, but exceeded that standard. It felt like ISU was happy to have me serving as an excellent employee and contributing above and beyond, but was not willing to value me through compensation. I was told by my leadership that they requested a market adjustment for me, but it was denied by HR. I also believe the role was classified incorrectly. Beyond a market adjustment, without significant regular salary increases (reliably 5+%), the increases in co-pays and premiums were also difficult to withstand. For myself and many of my staff, those increases cancelled out or exceeded the meager annual salary increases.

While I have moved on from ISU in a role that pays me significantly more with significantly less stress and a culture of valuing employees through compensation, I still hope that ISU can turn this ship around. It is a great institution with many great people and an amazing mission. It just doesn’t feel good to give a lot, and continually be told that there is no money available to truly value top performers, nor are there resources to provide reliable salary increases to those who meet expectations. A lot of great staff have left, and sadly, ISU is losing expertise and institutional and relational knowledge along with them.”

### *Choosing Lateral Moves to Increase Earning Potential: A P&S Employee's Story*

An additional P&S staff member shared: “You’re told to start at the minimum so you can have room to grow, but there is no growth. There are either no raises or raises so small it’s barely a \$20 difference to your monthly paycheck. In my Student Affairs role, I took on more and more responsibilities to serve students. I took on more professional staff, built a new information database, supervised hundreds of undergraduate students, and even with all that, it was jumping through hoops for compensation recognition. There is very little room to grow or to be rewarded for going way above job responsibilities of your pay grade, especially in staff roles. I now work in a different area of campus with arguably less management and direct student impact responsibilities and I make 12k more.”

### **Raising Salaries and Raising Education to Raise Morale**

Unfortunately, the stories above are not unique, although they are uniquely sad and frustrating each time. Professional and Scientific Council’s Councilors hear variations of this story from constituents. Repeatedly, Council hears of professionals who are hired, not financially rewarded for outstanding performance, which then forces them to take their talent elsewhere to obtain market-rate compensation. In recent years, constituents have increasingly shared frustrations that these actions send the message that P&S employees are “replaceable.”

While Professional and Scientific Council recognizes the hard budget challenges the university and the Board of Regents face yearly that result in lower-than-desired salary raises, we also recognize that there are immediate places for improvement that can impact P&S employee morale while potentially making a difference in salary for some P&S employees. Professional and Scientific Council believes robust, mandatory education on the Iowa State University compensation plan for P&S employees will help address some concerns. For instance, are hiring managers aware of the salary market rate for their loyal employees? Do supervisors know how to request market comparisons? What actions are being taken to retain P&S employees *before* they accept an offer from an external employer? In short, what is being done to improve employee salary satisfaction so that they don’t start looking elsewhere for employment?

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### **Salary Recommendations**

- **Earmark Cost-of-Living Adjustments for P&S employees in the budget model.** Iowa State has committed to strive “to be the university that cultivates a diverse, equitable, and inclusive environment where students, faculty, and staff flourish” which will be, in part, measured through salaries. To achieve this commitment, the University must ensure that there are funds at the University-level earmarked for Cost-of-Living Adjustments (COLA). These necessary salary adjustments must be moved from the ‘Want’ category during budget discussions to the ‘Must’ category.
  - **Create training modules and/or workshops tailored for specific audiences about the ISU Compensation Plan.** These audiences should include talent acquisition specialists, deans and/or vice presidents (individual unit budget decision makers), supervisors, and general staff. Establishing a general understanding of the ‘managing pay by thirds’ and other compensation policies will address common misconceptions of what can and cannot be done when enquiring about compensation.
  - **Continue to provide and promote the great benefits that ISU employees obtain in addition to their salary.** Highlight how our benefits increase employee well-being and are market competitive.
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## **“To be the university that fosters lifelong learning”**

An organization that supports robust professional development for its employees at all levels is an organization that thrives. [Business News Daily](#), a well-respected source for business and career development, makes a bold claim about professional development: “Professional development can help to bolster employees’ confidence in their work. Greater confidence can, in turn, translate into higher overall job satisfaction, employee performance, productivity, and overall morale.” As Iowa State University publicly commits to being a university that “fosters lifelong learning” via its 2022-2031 Strategic Plan, meaningful and budgeted professional development for P&S employees should be an employee benefit.

“Fostering lifelong learning” is more than just robust professional development. It is also about career development and management, which includes a variety of stakeholders: employees, supervisors, colleagues, the department, unit, and/or college, and finally, the university itself. What these stakeholders know—and do not know—impact so much of their professional lives: advancement opportunities, ease of everyday operations, salary increase opportunities, etc. As we think broadly about employee “benefits,” helping employees and their stakeholders navigate a clear path through a career’s trajectory is no longer an optional “want” and should be fundamentally within a benefit scope of “fostering lifelong learning.”

### **STAFF CAREER DEVELOPMENT: Opportunities are Small & Fragmented**

Often budget constraints are cited as the reason for lower salaries at ISU. However, salaries are not the only reason why employees leave an organization. A recent [SHRM study](#) identified that lack of career development and advancement and workplace flexibility are the second and third issues causing employees to look elsewhere. The P&S Council has already provided a [Workflex Satisfaction Report](#); below we will focus on career development.

### **Performance Reviews & Building Coaching Skills for Supervisors**

P&S Council has, and will continue, to advocate for consistent and mandatory supervisor training for all P&S staff supervisors. While we recognize that training is not a “catch all” for addressing the on-going concerns we receive about inadequate supervision, we believe that additional training and communication around skill building opportunities has the potential to help supervisors grow in their role and provide an improved culture for their employees. Guidance should go beyond UHR knowledge base articles for [performance management guidelines](#). Often, documentation focuses on how supervisors should handle low performers and managing improvement. We urge the University to develop trainings, documentation, and coaching beyond this and focus on how supervisors grow their teams and top-performing team members. While individuals have opportunities to manage their own career, the mentorship and growth that can be provided by good supervisors is priceless.

Supervisor training around performance reviews and University standardization is impacting employee motivation, and in many cases, the ability to qualify for discretionary raises. Our committee recently heard from a constituent who shared that their department rates on a scale 1 (Unsatisfactory Performance) - 5 (Exceptional Performance) for performance reviews but has been told a 5 is “impossible to receive”. At the same time, this employee has been told that a 5 is necessary for discretionary increases. Therefore, they feel discretionary increases are never possible in this department. Unfortunately, in speaking with our constituents, this story is not uncommon.

### **Talent Development Slows as Professional on Campus**

We offer numerous leadership [opportunities](#) and [courses](#) to university students but those opportunities stall on campus after obtaining your degree. There is a lack of university-wide programs offered to all units on campus and for those in extension. Often, attending development events can be hindered by your unit's funding situation.

Prior to the pandemic, group learning opportunities such as 'Leadership at Any Level', '12+ Supervisory Leadership Series' and 'Addressing Conflict Using the Tools of Employee Engagement' existed and had participation and interest from many employees. These opportunities have not returned. Vendor-produced courses from LinkedIn and the Employee Assistance Program do not offer tailored content that highlight unique career opportunities and skills needed at ISU.

In UHR, there is one staff member dedicated to learning and development. ISU Wellbeing has a few staff members that help employees focus on items like mindfulness, campus walks, and financial wellbeing. These are worthwhile efforts and are appreciated by staff. However, there is a large gap for professional skill training and career coaching. The University should have more than a few employees to serve 3,000+ P&S staff, 1,700+ faculty, 1,000+ merit staff, and other employee groups.

#### **Staff Career Development Suggestions**

- Offer live webinars, workshops, and/or coaching sessions that explain and guide employees through the [P&S Classification and Career Progression Guidelines](#). The change management process for this effort is not complete.
- Develop a University performance appraisal system and training that is available for all P&S staff.
- Increase the number of learning & development staff in UHR in order to expand offerings that go beyond wellbeing topics.
- Create, align, and market learning and development opportunities to job profiles and their job levels. This will assist staff in managing their own careers because they will know what skills need to be built to succeed.

#### **ISU Wins**

While this document focuses on opportunities for growth for P&S compensation and benefits, we want to highlight areas of success and specific programs that are positively impacting P&S staff on campus. We appreciate the University's support of these programs and opportunities:

##### **Professional Development Opportunities**

- [Professional & Scientific Council](#) provides an organized manner for staff to share their thoughts and concerns with University Leadership while providing networking and leadership development to P&S staff.
- [Professional & Scientific Council Professional Development Conference](#) provides a dedicated day of skill building and networking for professional staff.
- [Emerging Leaders Academy \(ELA\)](#) which fosters and enhances leadership development of faculty and P&S staff that currently serve in leadership roles or aspire to leadership positions.
- [Cardinal Women\\*](#) program which fosters leadership development, goal orientation and purpose for both personal and professional spheres. This group is open to faculty and staff that identify as women\*. This includes women who are cisgender, trans, of trans experience, etc. Gender is



complex and individuals who identify as gender non-binary or gender queer are also welcome in this program.

#### Employee Benefits & Compensation

- Competitive vacation and sick leave benefits, which help to support a healthy work life balance.
- Affordable health insurance programs with [annual premiums](#) that are well below the national average.
- A supportive employer contribution to [retirement plans](#) that supports employees after they leave ISU.
- [Adventure2](#) wellbeing program that educates and helps employees network to live their best life.
- [Tuition Reimbursement Program](#) that all P&S staff can utilize after a year of employment.
- [Workflex](#) which provides a standard process for documenting flexible work arrangements for ISU staff.
- Regular [updates](#) to the classification and competition system to align to market-driven information, resulting in affected job profiles being reassigned to higher pay grades.

Many of the programs above occur due to the volunteer efforts of P&S employees. Just think of the larger wins the University could make if additional support and funding were to occur. People volunteer for what they are passionate for; please increase support for employee development.