

# IOWA STATE UNIVERSITY

## Professional and Scientific Council

**Council Motion:** To send the Compensation and Benefits Report & Recommendations for FY2024 to University Administration

**Submitted by:** Compensation and Benefits Committee

**Date:** February 2, 2023

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**Whereas:** The Professional & Scientific Council and its Compensation and Benefits Committee are charged with informing the University's administration regarding the needs of professional and scientific 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 FY2024 be sent to senior University administrators to inform decision-making regarding FY2024 budget plans and revenue requests.

**Distribution:** Wendy Wintersteen, President  
Jonathan Wickert, Senior Vice President and Provost  
Kristi Darr, Vice President of University Human Resources  
Shawn Norman, Senior Vice President for Operations and Finance  
Toyia Younger, Senior Vice President for Student Affairs

# IOWA STATE UNIVERSITY

## Professional and Scientific Council

### Compensation and Benefits Report & Recommendations for FY2024

Iowa State University's [2022-2031 Strategic Plan](#) sets out a series of ambitious, active, and ongoing "to be" statements that the community will use to benchmark institutional growth and success for not only the Iowa State University campus, but also Extension and Outreach throughout the state of Iowa. Although all the "to be" statements of the 2022-2031 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, promotion, 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 & Scientific Council will share where our constituents feel Iowa State University 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 organizational 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, salaries, and other metrics, 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 professional and scientific employees "flourish."

Although Professional & Scientific Council recognizes there are many factors to "flourish" in an organization, we have chosen to focus on compensation.

## SALARY: YOUR PAYCHECK SHRINKS WHEN YOU BECOME A CYCLONE

The cost to remain a professional and scientific employee 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 professional and scientific 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** details the last five years for performance-based salary increases compared against an ever-increasing cost-of-living (COLA). Although performance raises, discretionary raises, and market adjustments are the primary drivers for most employee salary increases, COLA to salary comparisons remain a relevant data point as many paychecks struggle to keep up with everyday expenses: housing, transportation, groceries, childcare, utilities, etc. 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.

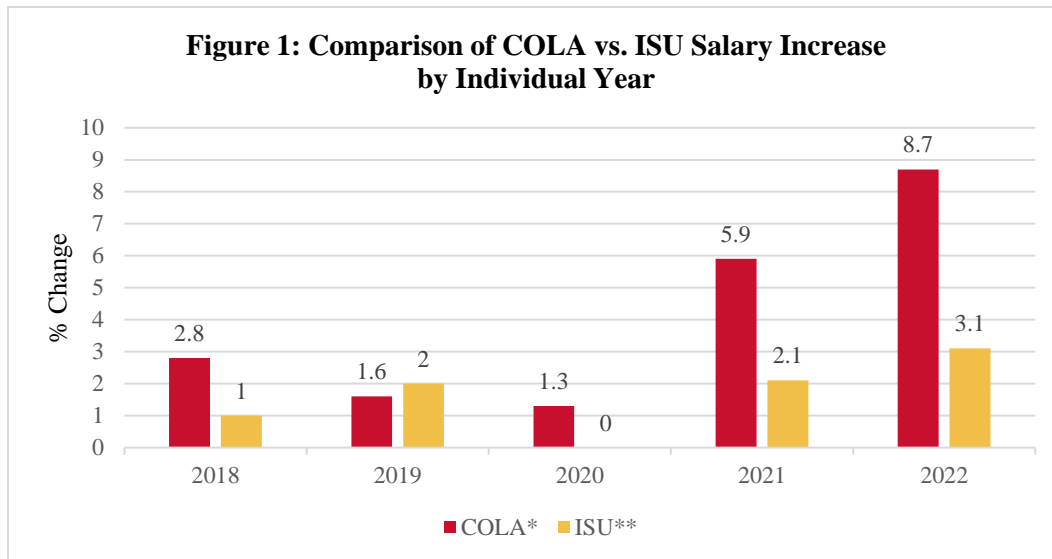
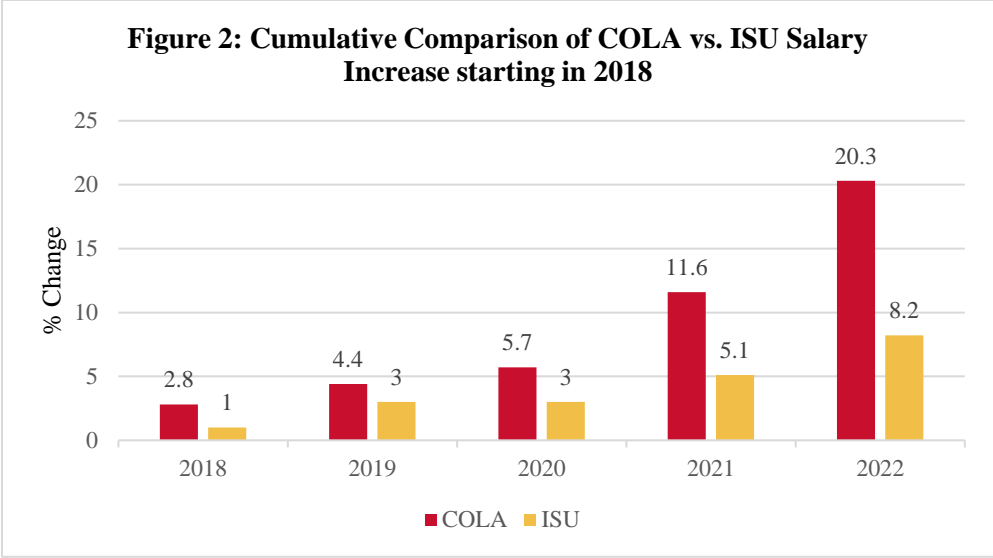


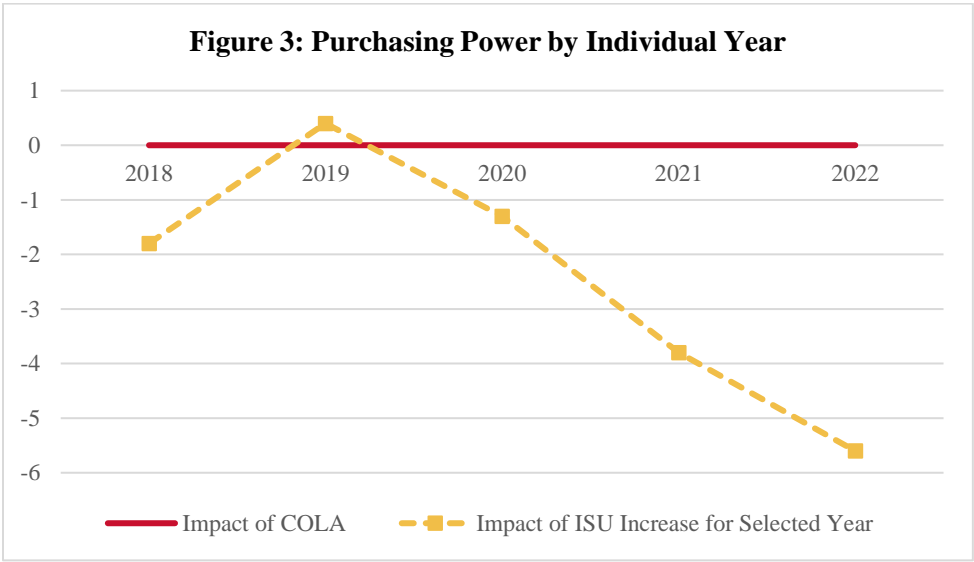
Figure 1: \*COLA (Cost-of-Living Adjustments) from Social Security (<https://www.ssa.gov/oact/cola/colaseries.html>)

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

**Figure 2** shows the **cumulative** impact of COLA and ISU salary increases starting in 2018. For anyone employed during this time, you can visualize the significant impact that salary increases not meeting COLA has year over year.

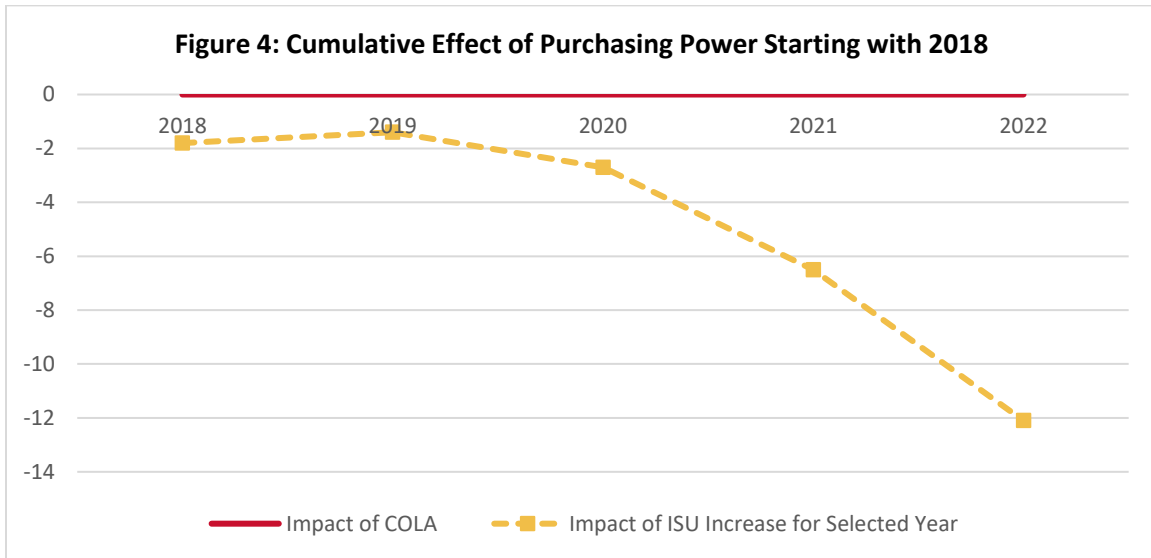


**Figure 3** demonstrates how an employee’s purchasing power (how far money will go today vs before) is impacted based on COLA vs ISU salary increases, starting in 2018. For the purposes of this chart, we normalized COLA’s impact to 0%, meaning that if salary increases were in line with COLA, an employee’s purchasing power would remain stable at 0%. The yellow line shows the percentage purchasing power of the ISU salary increase by individual year compared to COLA.



**Figure 4** shows how an employee’s **cumulative** purchasing power starting at year 2018 is impacted year over year. For the purposes of this chart, we normalized COLA’s impact to 0%, meaning that if salary increases were in line with COLA annually, an employee’s purchasing power would remain stable at 0%. The yellow line shows the cumulative percentage change in purchasing power based on annual salary

increases starting at year 2018 compared to COLA. Over time, this compounding effect of less-than-COLA increases is significant.



In preparing this report, professional and scientific 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. Figures 3 and 4 directly demonstrate how an employee’s purchasing power is impacted during individual years, and how significant that impact can be during one’s career at ISU. 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. When thinking about this as “purchasing power” from figure 4, the employee has a cumulative loss of approximately 12% in their purchasing power.

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

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

In April 2020, the Board of Regents approved the [ISU Professional and Scientific Compensation Plan](#). After almost three years, our professional and scientific employees are not seeing the expected deployment of the “managing pay by thirds” for the career progression of employees as outlined in Figure 5 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 professional and scientific 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.

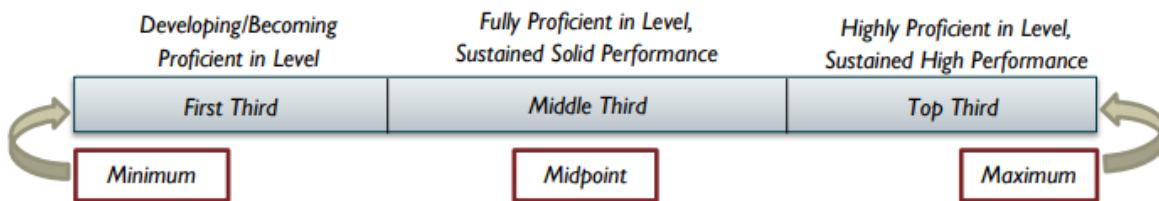


Figure 5: [Professional and Scientific Compensation Guidelines](#) from the [Professional and Scientific Compensation Structure Resources UHR Knowledge Base](#).

### *Choosing to Depart from Iowa State: A Former Professional and Scientific Employee's Story*

A former professional and scientific 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 in 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 Professional and Scientific Employee’s Story*

An additional professional and scientific 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.”

### *Losing Good Employees: A Supervisor’s Story*

A 20-year employee and current supervisor shared: “I love working at this institution. However, I wholeheartedly agree with this report. I know my skillset is ahead and my pay is way behind what I could receive in the private sector. Beyond my own frustrations with compensation, it is increasingly frustrating as a manager to hire great individuals, only to have them leave within 5 years because they are frustrated with the lack of a true COLA raise, growth opportunities and increased hoops to jump through to receive market adjustments or any type of salary increase. We are losing quality employees and I worry that ISU will become a training ground for new hires, only to lose them quickly because the institution does not value them financially and demonstrate that value.”

### **Scope Creep and the Shrinking Paycheck**

It is difficult for professional and scientific employees to “flourish” when doing more with less. A prime example of this is “scope creep.” Institutionally, Iowa State prides itself on running leanly, but as we face challenges of employee recruitment and retention, “scope creep” becomes an incredibly real factor—some permanent, some temporary, and all stressful. When staff resigns and the existing team is required to assume the workload for the vacated position, the added workload is often not addressed with extra compensation.

### **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 & 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 professional and scientific employees are “replaceable.”

While Professional & 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 professional and scientific employee morale while potentially making a difference in salary for some professional and scientific employees. Professional &

Scientific Council believes robust, mandatory education on the Iowa State University compensation plan for professional and scientific 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 professional and scientific 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 professional and scientific 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 competitive benefits that ISU employees obtain in addition to their salary.** Professional & Scientific Council recognizes the rising cost of benefits of Iowa State University. Despite this, benefits, especially health insurance, have remained more affordable at Iowa State University than many other employers.
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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” (Paragraph 11). 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 professional and scientific employees should be an employee benefit.

### STAFF CAREER DEVELOPMENT: OPPORTUNITIES ARE SMALL AND FRAGMENTED

Often budget constraints are cited as the reason for lower salaries at Iowa State University. However, salaries are not the only reason why employees leave an organization. A recent [SHRM study](#) identified that lack of career development and advancement are the second-leading issue causing employees to look elsewhere. The report below focuses on career development.



### **Reinstating Tuition Reimbursement to Foster Lifelong Learning**

Increasingly, professional development opportunities at Iowa State University have been dependent on unit or department funding; therefore, university-supported opportunities such as tuition reimbursement are critical as we consider “fostering lifelong learning” for employees. “Fostering lifelong learning” through [reinstating the previous and more generous tuition reimbursement policy](#) is a two-fold benefit for the university: 1) employees who have better opportunities for professional development, up to and including tuition assistance and reimbursement, add value to an organization by growing their professional skill sets and 2) employees who receive “secondary” benefits such as tuition assistance or reimbursement are typically better retained.

Professional & Scientific Council received overwhelming support from constituents about tuition reimbursement. One employee states: “Has the university ever considered raising the amount of tuition reimbursement? I love working in education, and I feel that one can never be too educated, especially when the world changes as fast as it does. I would love to continue my own education and grow professionally, but trying to get a Master’s or PhD with only 4 credits a term could take a long time, let alone a Bachelor’s. It is really one class a term. What if it were increased to 6 (credits)? That could be two, three-credit courses a term.”

Other constituents call for more: “I know P&S staff who were negatively impacted by the decision to no longer support tuition assistance for entities outside of ISU. Sometimes ISU programs don’t fit programmatic or flexibility needs for P&S employees who wish to pursue further education, and there is no longer a tuition assistance program to support those people. In my view, we should be going in the other direction: increasing the level of support for employee learning. Many universities allow support for dependents and spouses of employees to further their education, whether as a straight discount, or as a transfer of the employee benefit. I think this would go a long way to retaining staff at ISU, being the “university that fosters lifelong learning” and a place where staff flourish.”

“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.”

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

Professional & Scientific Council has, and will continue to, advocate for consistent and mandatory supervisor training for all professional and scientific 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 employee 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.

“Lifelong learning” as a university employee should also be viewed through a lens of standardized performance reviews—a chance to grow and learn. As one constituent shares: “While I’m happy that each year my supervisor has awarded me with “exceeds expectations,” I struggle to know what those expectations are or what growth is required to meet the next level. The forms we receive are “suggestions” and not necessarily required. My supervisor is extremely busy, which I understand, but it often leaves me completing most of the review myself. Without any standardized format or requirements, how am I to know where I am within my own career or how it compares to others so I can be fairly evaluated and compensated?”

Professional & Scientific Council hears frustration from supervisors about their training as well. For instance, one supervisor writes: “The new class and comp structure paired with a lack of training and information is not just a problem for retention, but also for recruitment. [My unit] is being forced into this format late (delayed due to pandemic), and the support from HR hasn’t been very helpful; there is far too much jargon in the knowledge base and articles are often focused on “how to” not “what” or “why.” As a new supervisor I feel both overwhelmed and exhausted trying to understand the system, much less how I’m being compensated.”

Supervisor training around performance reviews and university standardization is impacting employee motivation, and in many cases, the ability to qualify for discretionary raises. The Compensation and Benefits 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.

To help set clear expectations with fair standards, Professional & Scientific Council recommends standardized, mandatory support for supervisors to aid in managing their teams, creating smooth business functions, and fostering an environment for employees to grow and thrive by demonstrating a commitment to “lifelong learning.”

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

Iowa State University offer numerous leadership [opportunities](#) and [courses](#) to university students but those opportunities stall on campus after obtaining a degree. There is a lack of university-wide programs offered to all units on campus and for those in Extension and Outreach. Often, attending development events can be hindered by an employee’s 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+ professional and scientific employees, 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 [Professional and Scientific Classification and Career Progression Guidelines](#). The change management process for this effort is not complete.
- Develop a standardized university performance appraisal system and training that is available for all professional and scientific employees.
- 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.

#### **ENCOURAGING STEPS FORWARD—WITH WORK STILL TO DO**

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

#### **Professional Development Opportunities**

With the exception of Emerging Leaders Academy, all of the opportunities listed below are exclusively supported by the volunteer efforts of Professional & Scientific Council and professional and scientific employees. People give freely of their time and talent, usually with no compensation and often with little recognition, to address gaps in professional development. Although Professional & Scientific Council remains grateful to have the opportunities and view them as encouragements, the need still stands for more robustly funded and intentionally delivered professional development.

- [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 professional and scientific staff. Included below are a sample of the professional development opportunities supported by Professional & Scientific Council:
  - [Professional & Scientific Council Professional Development Conference](#) provides a dedicated day of skill building and networking for professional and scientific employees. Quality conferences are time and resource intensive; this conference receives just 10% of the overall conference budget from the Provost's Office and relies on the conference registration fees to support the rest of the conference.

- [Professional & Scientific Council Seminar Series](#) provides monthly professional development opportunities through presentations, seminars, and workshops on a variety of relevant topics to professional and scientific employees. This is free to employees and relies on people donating their knowledge and time.
- [Cardinal Women\\*](#) program fosters leadership development, goal orientation, and purpose in personal and professional spheres for women-identifying faculty and staff.
- [Emerging Leaders Academy \(ELA\)](#) fosters and enhances leadership development of faculty and professional and scientific staff that currently serve in leadership roles or aspire to leadership positions.

### **Employee Benefits & Compensation**

The past several years have produced many changes for professional and scientific employees at Iowa State University. The classification and compensation project in conjunction with the launch of Workday, and later the ripple effects of the COVID-19 pandemic, has redefined critical parts of employee professional lives. Again, while Professional & Scientific Council is appreciative of many of the employee benefits and compensation highlights listed below, we believe there is still work to do:

- Competitive vacation and sick leave benefits, which helps to support a healthy work life balance.
- Competitive 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.
- Wellbeing programs such as [Adventure2](#) that educate and help employees network to flourish.
- [Tuition Reimbursement Program](#) that all professional and scientific employees can utilize after a year of employment.
- [WorkFlex](#) which provides a standard process for documenting flexible work arrangements for ISU staff.
  - While Professional & Scientific Council continues to be excited for the steps forward with flexible working arrangements, we recognize the program is still undergoing refinements and advocate for the recommendations presented in the Professional & Scientific Council [WorkFlex Satisfaction Report](#)
- Regular [updates](#) to the classification and compensation system to align to market-driven information, resulting in affected job profiles being reassigned to higher pay grades.
  - The classification and compensations system can be counted as an overall “win” for professional and scientific employees, although constituents continue to have concerns about the program, including:
    - Constituents have challenged the program’s transparency. An employee remarked: “What makes the updates regular? When an employee complains and asks for a (market) comparison? What levels, what titles, etc. are being compared regularly? All of them? Only those on certain class levels? I don’t know and I’m asking because my experience in these market-driven changes has been at the lower-class levels.”
    - Constituents have brought forth concerns that motivation to promote or reclass was done early with the professional and scientific system change in 2020. Constituents have noted that they have not seen many promotions or reclassifications since that time.

## **CALL TO ACTION**

This report has highlighted areas of opportunity and growth as they pertain to recruiting, retaining, promoting, educating, and developing professional and scientific employees on campus. We have heard from our constituents: they love working at Iowa State; however, many are struggling to continue with the same level of dedication given the challenges outlined in this report. Professional & Scientific Council looks forward to hearing from and partnering with university leadership **to be the university that cultivates a diverse, equitable, and inclusive environment where students, faculty, and staff flourish and to be the university that fosters lifelong learning.**