

INTEROFFICE MEMO

To: All RIT Employees
From: Judy Bender
Date: April 30, 2013
Subject: **Results of the Staff Compensation Project**

I'm pleased to announce that the Staff Compensation Project is complete. Below is an overview of the results. Additional information includes:

1. A list of Frequently Asked Questions (FAQs), including definitions of compensation terms. This note and the FAQs will also be posted on the HR website.
2. Managers/supervisors will be sent a listing of the new wage grade bands for their respective employees the week of May 20th. The new wage grade bands will go into effect July 1, 2013.
3. Individual letters will be sent to each staff employee at their home address at the end of May. The letter will include the employee's new wage grade as well as the wage grade band (minimum, midpoint and maximum).
4. Several informational meetings to review the results of this project will be held in June. Dates, times and locations for these meetings will be communicated in early May and will also be posted on the HR website.

Overview of Results

Following are the results of the project based on the objectives:

Objective #1: Develop a more robust internal job assessment process to evaluate staff positions.

- **Result:** Complete
- **Process steps to completion:**
 1. Towers Watson, a leading national consulting firm with expertise in compensation for higher education, provided us with the tools for this analysis.
 2. RIT's HR team applied Towers Watson information to RIT's compensation structure and philosophy.
 3. HR conducted an initial review of all staff positions. Each position was evaluated based on the duties, responsibilities, and knowledge requirements of the position.
 4. The results of the initial review were shared with college and division leadership for their feedback, alignment and agreement.
 5. HR made modifications to the results based on the leader's feedback and clarification of job responsibilities.

Objective #2: Assess RIT's wage grade structures (market bands) for staff positions to ensure we continue to align competitively with local and national labor markets. This objective supports RIT's compensation philosophy and our goal to attract, retain and reward employees.

- **Result:** Complete
- **Process steps to completion:**
 1. Working with Towers Watson, we reviewed local, national and peer school's (also referred to as benchmark schools) salary and wage levels for positions that are similar to those at RIT.
 2. We then worked with Towers Watson to create the wage grade band for each position.

What does all this mean?

Effective July 1, 2013, RIT's wage grade structure will be current with the external labor market.

Impact of the new wage grade structure

- 87% of staff employees will see an increase to the wage grade band midpoint for their position. This significant movement is because RIT has not reviewed the staff wage grade bands for a number of years.
 - As previously communicated, RIT will not automatically increase or decrease any staff member's base pay as a result of the movement to the new wage grade structure.
 - Beginning this year, RIT will review employee base pay compared to market on an annual basis following the merit review process. Recommendations for market-related increases will be made based on gaps to the market, employee performance and available budget dollars and will be reviewed by senior leaders within the colleges and divisions. If market adjustments are approved, employees will receive individual notification in the September timeframe. (This review will include both faculty and staff positions.)
- Currently, 75% of employees' base pay is at or above the midpoint of their wage grade band; with the new structure, 44% will be at or above the midpoint. This means that, based on job performance, more staff employees will have an opportunity for base pay growth during the merit review process.
- 10.3% of staff employees' current base pay is over the maximum of their current wage grade bands; with the new structure, only 3.1% will be over the maximum in the new wage grade bands.
- RIT will have one wage grade structure for staff positions, rather than the current 5 structures. Our current structures include
 - a "paid semimonthly structure" with 19 wage grade bands;
 - a "paid bi-weekly – administrative support" structure with 10 wage grade bands;
 - a "paid bi-weekly – interpreters" structure with 8 wage grade bands;
 - a "paid bi-weekly – all others" structure with 17 wage grade bands;
 - an "executive" structure (which was previously not published) with 10 wage grade bands.
- Our current structure has substantial overlap; for example, 15 of the 17 wage grade bands in the "paid bi-weekly - all others" structure overlaps with the wage grade bands in the "paid semimonthly" structure. In addition, all of the "paid bi-weekly - administrative support" wage grade bands and all the "paid bi-weekly – interpreters" wage grade bands overlap with the "paid semimonthly" structure. The move to a single structure reduces all of this redundancy without adversely impacting employees.

We are excited about the work that has been accomplished in this project and feel it provides a solid foundation for all of us to continue to support RIT's compensation philosophy of providing market competitive wages that allows RIT to attract, retain and reward employees.

I would like to recognize and thank the members of the HR team who worked on this project: Kathy Carcaci, Erica Cymerman, Cliff Edington, Tammy Gouger, Brett Lagoe, Nancy McDonald-Stoler, Judy Rolwing, Debbie Spencer, Newt Watson, and Linda Woodruff.

The Human Resources Department would also like to thank the RIT community for your support during this massive undertaking.

Please review the FAQs document for additional detail. If you have additional questions or would like more information, please plan to attend an upcoming information meeting about the project or contact your Human Resources Services Manager (HRSM). You will find the [HRSM listing](#) on the HR website.