

Job Family Compensation Project

Implementation Date: January 2025



East Tennessee State University (ETSU) is implementing a new classification and compensation program <u>effective January 2025</u>. This presentation is designed to answer the following questions:

- What is the job family compensation project?
- Why are we doing this?
- Who is impacted by the new compensation project?
- What is changing?
- What is <u>not</u> changing?
- What new policies do I need to know?
- Where can I go to find more information?
- What is the project timeline?
- What are key takeaways?

What is the job family compensation project?



New Market Based Pay Structure

- ETSU initiated a university-wide project to design and implement a more competitive compensation system. Human Resources (HR) professionals will collaborate with leadership in each college and department to work on the project.
- All staff position descriptions have been reviewed and assigned to a new job family and role.
- An outside compensation consultant is helping HR create new market ranges that better align with the marketplace.
- This will allow us to evaluate competitiveness of salaries against relevant geographic and labor markets in which ETSU competes for talent.





Defining "Job Families"

- Job families are a set of jobs grouped together that perform similar functions.
- New job families, roles, and levels have been created to better describe the work of employees.
- All staff/administrative roles have been placed into a new job family, role, and level.

An Example "Job Family"

Administrative Job Family

- The new classification title includes the <u>job family</u>, <u>role</u>, and <u>level</u>. This is a part of the new classification system and the
 job family project.
 - Job Family A large group of jobs that involve work in the same functional occupation
 - Role A more narrowly defined smaller group of jobs within a larger job family that are typically in the same specific occupation.
 - Level An even more narrowly defined group of jobs within the Job Family Role that have similar complexity, level of responsibility,
 and required education, experience and knowledge, skills, and abilities (KSAs)
- For example, a current position with the working title of "Executive Aide 3" would have new classification title: Administrative Associate 3.





Why are we doing this?



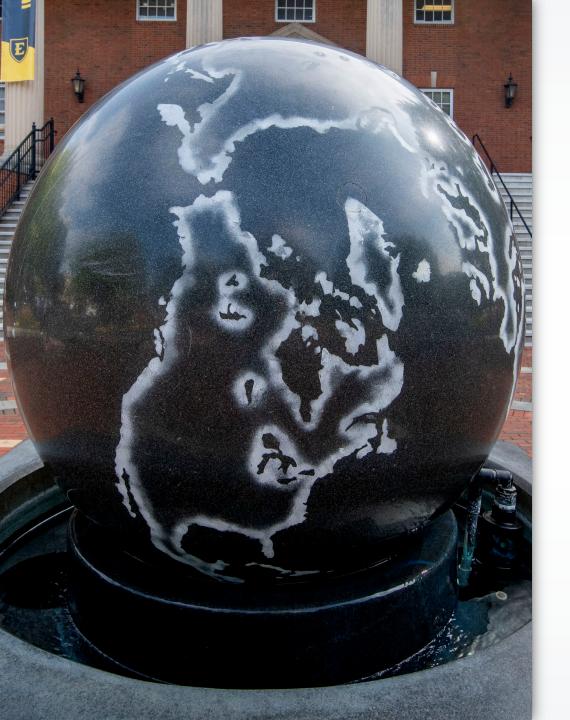
This project ensures ETSU continues to...

- Adapt to changing roles and responsibilities
- Ensure equity and fairness
- Comply with labor laws and regulations
- Attract and retain talent
- Support its organizational strategy
- Manage costs and budget allocations more effectively



Who is impacted by the new compensation project?





All employees in <u>regular staff</u> positions across the university will be moved to the new compensation structure.

Not included: Faculty, students, postdocs, and temporary employees



What is changing?



Old Pay Grades

- Currently, ETSU uses a point-factor job classification system to slot new jobs and to assign grades. This system is also used to conduct job evaluations.
- Within this structure, job titles and descriptions are vague and create inconsistencies in the way positions are classified across the university.
- Missing job families and ambiguous job classifications lead to situations
 where candidates are assigned to roles based on a general sense of
 suitability rather than clearly defined criteria.





New Pay Structure

- ETSU's new compensation structure will allow us to categorize and organize various roles in a systematic way and allows positions to be more consistently classified across ETSU.
- The new market-based structure empowers leadership to assess compensation competitiveness, prioritize addressing market gaps, and make informed decisions about job design.





The classification system

- In the new compensation program, every staff member will be assigned a new classification (job family) and market range. The classification (job family) corresponds to the position classification and is recorded in the Human Resources system.
- Once the new compensation plan is implemented, only your <u>classification</u> will change.

What is <u>not</u> changing?



What is not changing?

- Your working (position) title will not change. The working title is more descriptive of the function or responsibilities of an individual position and should be easily recognized and understood by internal and external constituencies. Working titles are typically used in emails, business cards, and directories.
- Your pay (salary) will not be reduced. This project will have NO negative impact on your current pay. Regardless of where your position falls within the new classification system and associated market range, you will NOT have a reduction in pay.

What new policies do I need to know?



- A proposed new compensation policy to support the new market-based compensation structure is being developed.
- It will be posted for review and comment in early 2025



Where can I go to find more information?



The ETSU Office of Human Resources has a dedicated section on compensation and position classification where you can find guides, tools, and more.

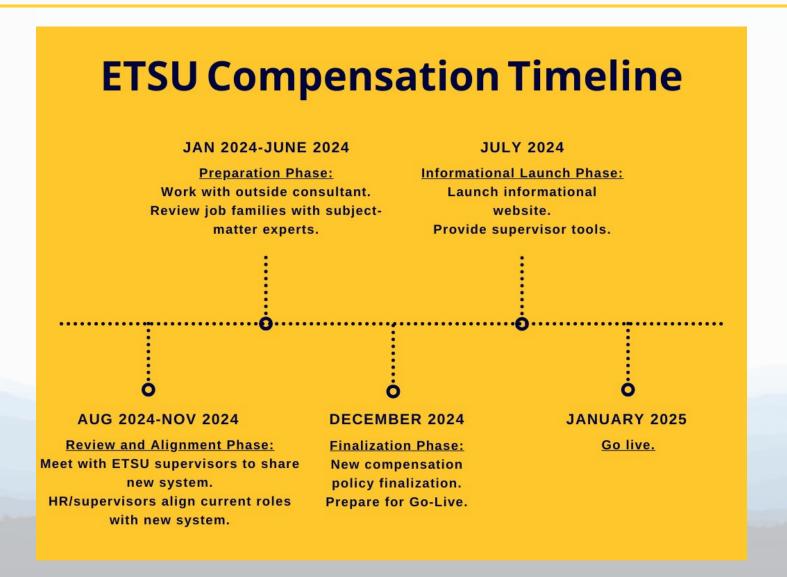
Click here to visit our website and check for updates on our compensation project.



What is the project timeline?



Project Timeline





What are key takeaways?



Key Takeaways

- 1. Budget-neutral: This simply means that no raises will be given when the project is implemented. The new structure provides the foundation to make pay decisions moving forward.
- **2. Working titles are not changing:** The classification title that is used by HR is the only title changing. There is <u>no need to change</u> business cards, email signatures, directories, etc.
- 3. No pay changes, promotions, or demotions: No promotions or demotions will happen as a result of where your new classification ends up. Your salary will not change as a result of your new classification.
- 4. No crosswalk from the old compensation structure to the new: The new structure has many new job families that we did not have previously. Classifications in the new system are based on employees' specific work, not on where they were previously classified. *Employees with the same classification in the old system may have different classifications in the new*.

Continued...

- 1. Two-Step Rollout Approach:
 - Step 1: Complete and communicate the job family classifications.
 - Step 2: Communicate the new market ranges.
- 2. Audit Freeze Notice: Effective immediately, all audits will be frozen to facilitate a smooth transition into the new compensation plan. (Pending audits will be completed as scheduled.)
- 3. Next Steps: HR Business Partners will be scheduling meetings to review positions in job families in each area.