

Frequently Asked Questions – January 2018

Remind me, just what is this project?

Mines has been working with Sibson Consulting on assessing the total compensation, salary and benefits, for academic and administrative faculty in relation to that provided by our peer institutions. See below for a description of the project's purpose.

January 2018 Update

Despite our original intention and desire to have the study completed in fall 2017, after some unanticipated delays, the project is now nearing completion of the data gathering, analysis, and findings phases. Sibson presented draft findings to the Academic Faculty and to the Administrative Professional Steering Committees on Friday, January 19, and obtained feedback from both committees. (Lists of members of both committees can be found at <http://inside.mines.edu/Total-Compensation-Benchmark-Project>.) Sibson is using that feedback to complete its final draft report. We expect to see the final draft report by early to mid-February.

What's next?

Ultimately, we'll be holding campus forums to provide employees with the aggregate findings and to describe the process going forward to address those findings. Once we have the final draft of Sibson's findings, we'll be working with vice presidents and deans to begin analyzing the data at the individual employee level and to establish how to address any outlying variances the project identified. Integral to this process will be the need to establish budget for the next fiscal year to support any salary adjustments that are needed. This work will occur into March, and it is likely that campus forums will begin in April.

Below are answers to earlier questions about the study. If you have additional questions, please send those directly to Veronica Graves (vgraves@mines.edu).

What is the purpose of the Total Compensation Benchmark Study?

In a nutshell, the hoped for end result of the study is to provide Mines with information in aggregate about how our compensation levels, including the value of our benefits programs, compare with other employers and universities. The information from the study will help Mines assure that our overall compensation approach, including our benefits, supports with and aligns with our efforts to recruit and retain well-qualified academic and administrative faculty.

Who is conducting this study?

Sibson Consulting is conducting this study working with Mines Human Resources, an **Academic Faculty Steering Committee**, an **Administrative Faculty Steering Committee**, and an **Oversight Committee**. Sibson is a Human Resources consulting firm with a strong presence in Higher Education. Sibson has conducted similar compensation studies for over 130 other colleges and universities.

When is the study expected to conclude?

The study will be complete in fall 2017. Depending on the outcomes and recommendations, implementation likely will begin in 2018.

What is meant by total compensation?

Compensation refers to the monetary rewards earned. Many people think of compensation as just salaries, but total compensation truly encompasses the overall benefits package including health benefits, retirement benefits, various leaves and insurances, tuition programs, and much more.

What are the major steps in conducting the study?

The initial project step was to obtain input regarding an appropriate compensation philosophy for each covered employee group, academic faculty and administrative faculty. Two steering committees were constituted, one for each group. Through Sibson's interactions with the committees, two compensation philosophies were established.

The next step was to identify compensation data sources and to determine peer groups from which compensation data would be compared. Both steering committees were involved in the process with recommendations provided to the Oversight Committee. With only minor changes, the peer group recommendations were accepted by the Oversight Committee.

Next, Sibson is collecting compensation data. They then will assemble and analyze the data, and produce its report. The data will be reported in aggregate and will not be oriented to any individual faculty member's salaries. This report will be shared with the steering committees for input and for Sibson to respond to questions. Sibson will take this input and create a final report.

The final report will be presented to Mines and Mines Board of Trustees, likely in October. Until the results of the study contained in the report are known, it is not possible to know what the next steps will be. However, no employee's salary will be reduced because of the outcomes of the study.

What is a compensation philosophy?

A compensation philosophy is simply a formal statement documenting an organization's position about employee compensation. It documents pay strategy and essentially explains the "why" behind the pay and benefits array. It can also create a framework for consistency. A well-designed compensation philosophy supports the organization's strategic plan and initiatives, business goals, competitive outlook, operating objectives, and compensation and total reward strategies.

What do you mean by "peer group?"

Peer groups are collections of colleges and universities with similar characteristics to Mines. The rule of thumb is to compare ourselves, as much as is feasible, to organizations from which we draw applicants for employment and to whom we lose employees.

For academic faculty, the peer groups differ by college or for certain disciplines. While it can appear somewhat complicated to explain, essentially data will be extracted from the College and University Professional Association for Human Resources (CUPA-HR) national faculty salary survey for each of the peer groups. These data will be assessed in light of other faculty survey data that will include salary information from institutions outside of the designated peer groups. However, in no case will academic faculty survey data be used from institutions that are not doctoral degree granting research institutions and that do not have STEM programs.

For administrative faculty, the peer group was derived from institutions that had financial and size characteristics that were within a predefined percentile range (50-200%) when compared to Mines. The five criteria were Total Expenses, Endowment Size, Faculty Full-Time Equivalent (FTE), Staff FTE, and Total Student FTE (undergraduate and graduate). Data from the Integrated Postsecondary Education Data System (IPEDS) was used to determine the appropriate institutions.

In addition, because many administrative faculty jobs are not specific to higher education, we are also making sure that we obtain data about compensation within the Denver / Boulder area. Examples of these could include accounting positions, counseling jobs, professional human resources jobs, positions in information technology, and more.

How will the results be shared and communicated to campus?

The report of the results will be at an aggregate level and will be shared with the campus. It is anticipated that multiple forums will be held to present the findings and recommendations and to respond to questions. Because we don't know what the findings and recommendations are until the report is completed, we can't yet know what the next steps will be.

Is compensation data obtained for every job in the covered employment categories?

While we try to obtain data for each job, it is not likely that we will be able to do so. For academic faculty, Sibson will look at salary survey information that is typically assembled by rank and discipline. For the designated peer institutions, depending on their survey participation, it is possible that there will not be data for every rank / discipline combination. Sibson will not rely on a single survey source, however, and we hope by doing so we will add information that is helpful in developing findings and recommendations.

Similarly, it is not likely that we will be able to discover data for every administrative faculty job. Most universities have many similarities in how they organize and structure jobs, but every university will have some jobs that are unique in their responsibilities. Jobs that are common throughout higher education are known as benchmark jobs and salary data is available for them. It is not likely that we can obtain salary survey data specific to any job that is uniquely structured. Sibson is being provided every job description that Mines Human Resources has to assist them with matching our jobs to reported survey information.

What is a "benchmark" job?

Benchmark jobs are those that have a substantial portion of their work that is comparable to positions found at other higher education institutions or other organizations. This allows us to compare the pay for a given job.

What survey sources will be used to obtain compensation data?

For academic faculty, we intend to obtain survey data from the College and University Professional Association for Human Resources (CUPA-HR) National Faculty Salary Survey, the Oklahoma State University Faculty Salary Survey, and the ASEE Faculty Salary Survey.

For administrative faculty, we'll use the CUPA-HR surveys for administrative and professional jobs, the Mountain States Employers Council Colorado (MSEC) surveys, the CompAnalyst compensation database, the Willis Towers Watson survey suite, and the Higher Education Information for Technology Services (HEITS) survey.

Benefits information will also be obtained from the CUPA-HR survey suite as well as from within Sibson's College and University Benefits Survey.

An important point to remember is that we will work very hard to find multiple data points rather than relying on a single survey source. The findings and recommendations will be based wherever possible on these multiple source indicators.

Does the Total Compensation Benchmark Study include all of Mines employee groups?

No. Not included in the study's review are Classified staff, Research faculty, or Athletics faculty. Classified jobs are not included because compensation and benefits are determined by the state of Colorado. Research faculty jobs were excluded because the pay levels for any particular Research faculty job is closely tied to the unique research work performed, the highly specialized qualifications needed by each employee, and any restrictions or conditions associated with a grant. Athletics faculty compensation data is aligned with our NCAA Division II affiliation and the RMAC rather than universities in general throughout the nation.

As a result of the study, could my pay be reduced?

No. The study is to help Mines better understand how to allocate compensation resources most effectively in support of our mission and priorities. Individual pay decreases will not occur due to the study's outcome.

Will the study be used to assess and identify potential compensation inequities based on gender?

No. The study will be focused on assessing compensation levels associated with rank and discipline for academic faculty or by job type for administrative faculty and will be assembled and reported in aggregate. It will not be oriented toward identifying individual salary level differences based on gender but will focus on relative positioning to market irrespective of gender.

Will I get a chance to comment or provide additional feedback any compensation program is being developed or any study recommendations are implemented?

It is Mines intent to engage both academic faculty and administrative faculty in reporting the study's findings and recommendations as well as in future directions that are informed by the study. While it is likely that there will be multiple forums to engage these discussions, the exact timing and content can't be known until the results and recommendations are completed.

What else should I know?

Transparency through this entire process is important to Mines' leadership. We will make every effort to communicate thoroughly and always honestly as the project continues. If we don't know an answer, that is what we will say. The focus of the project simply is to analyze our compensation practices in a systematic, consistent manner with the goal of assuring to the extent practical that our approach to total compensation supports the recruitment and retention of highly qualified employees, supports Mines' mission, and utilizes the compensation budget effectively.