

# NMHU Classification & Compensation Study

Understanding the Project and Your Role

April, 2012



Presented by

**NMHU Study Project Team**

**and**

**Hay Group Consultants**

# Hay Group: helping organizations work



Established  
in **1943** in  
Philadelphia



**84** offices in **48**  
countries



More than  
**2,600**  
professionals



**10,000**  
customers  
worldwide

- We are global, independent, private, and wholly owned by 125 partners
- We have deep and broad experience in education and in the public sector
  - All of our work is supported by proven methodologies and comprehensive knowledge databases

# Hay Group experience in the Public Sector

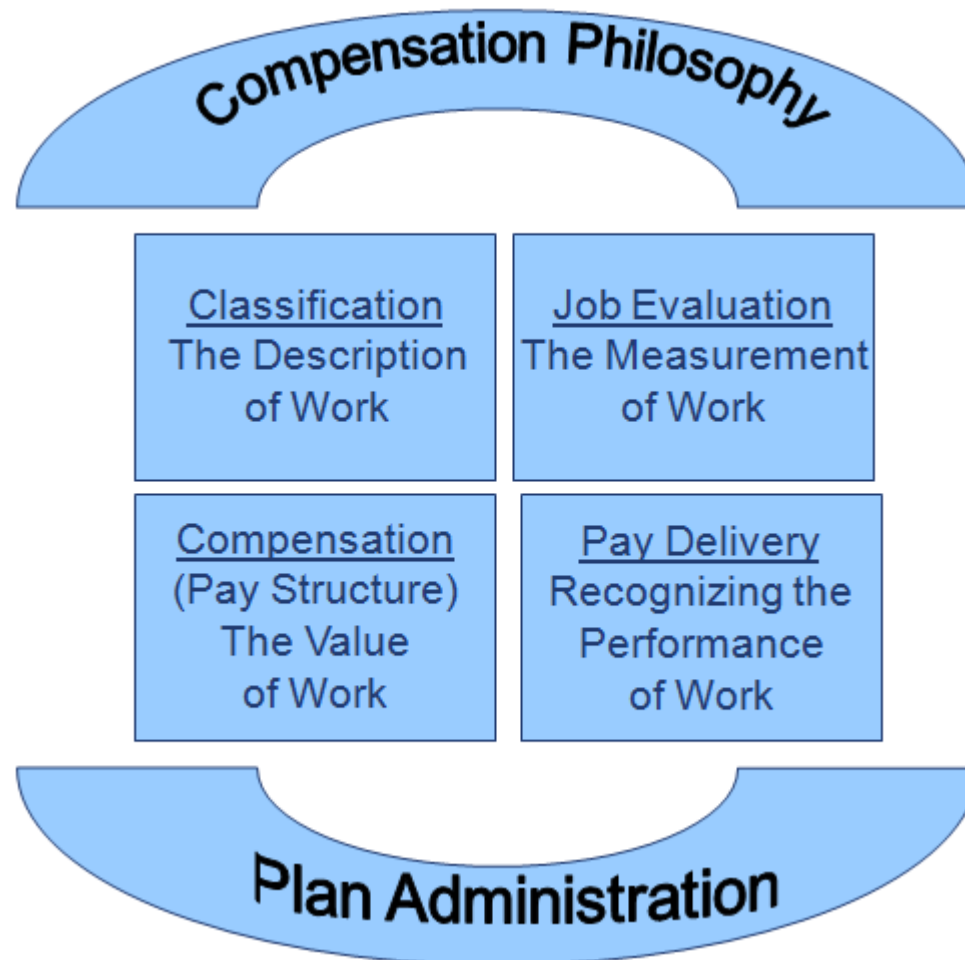
**Hay Group understands the issues associated with developing classification plans through the experience gained in working with a wide range of organizations in many sectors. Some of these organizations include:**

- Saint Mary's College
- University of Akron
- University of Utah
- Santa Fe Community College
- Contra Costa Community College District
- Foothill-DeAnza Community College District
- San Diego Community College District
- Cerritos Community College District
- Victor Valley Community College
- MiraCosta Community College District
- Salt Lake Community College
- State of New Mexico
- State of California
- State of Oregon
- State of Wyoming
- Contra Costa County
- City of Walnut Creek
- Orange County
- Washoe County
- Sutter Health
- Monterey Bay Aquarium
- SamTrans

# Project objectives

- Assess the current job documentation, classification, and job evaluation mechanisms for all classified and faculty positions at NMHU
- Allocate employees to classifications by analyzing current job content
- Align all positions (internally equitable) based on sound principles of job evaluation and through the application of the most widely used method of measuring and classifying work in the USA
- Conduct a compensation study which reflects your strategy and focuses on comparable and relevant organizations as a basis for comparison
- Review the existing salary structure and recommend for changes as necessary
  - Based upon an analysis of internal and external data
- Internal capability to manage the plan on an ongoing basis through the training and participation of NMHU staff
- A high degree of acceptance of the project process and results through participative partnership and regular communication

# Elements of effective reward plans



# Understanding terms

## Classification

- Developing a generic description of the major duties/tasks, knowledge, skills and abilities, and qualification requirements for a position or series of positions which are associated with a job family
  - The focus of classification / reclassification should be on whether the Classification Specification to which an incumbent is assigned is an accurate description of approximately 80% of the major duties/tasks and accountabilities of that employee's job, and the relevant knowledge, skills, and abilities (KSA's) and qualifications statements as required of the job in today's environment

## Job Evaluation

- The process of comparing the content of one position/classification relative to another based on a set of common factors
  - The focus of job measurement is on the relative weighting of positions. It can be undertaken in conjunction with classification or as a separate exercise.

# Understanding terms *(cont'd)*

## Compensation

- The determination of the relative worth of a position, both compared to others within an organization (internal equity) and to the external market (external competitiveness)
  - This can be undertaken in conjunction with either or both classification and job measurement, or as a separate exercise

## Pay Delivery

- Recognizing and rewarding performance in the job
  - Measuring how incumbents meet (or not) the goals and objectives of the job as it is designed



# Project work plan – 3 Phases

## Phase I: Project Planning and Introductory Communication

- Explaining the aim and scope of the project – today's meeting
- Assigning duties for both employees and management

## Phase II: Job Analysis and Evaluation

- Data Gathering
- Capturing current job content
- Analyzing and measuring job content
- Developing a Classification and Job Evaluation Plan

# Project work plan – 3 Phases *(cont'd)*

## Phase III: Compensation Analysis

- Identifying Comparator Markets and Comparator Organizations for a custom survey
- Collecting and analyzing current salaries
- Collecting and analyzing market data

## Then...

- Recommendations, reporting, and implementation

## Target completion date

- June, 2012

# Knowing your role

## NMHU Employees:

- Review your job documentation and complete the response forms (Option A or B)
  - All documents will be sent to each employee by email
- Fill out the appropriate response document and send the completed form to your immediate supervisor

## Managers/Supervisors:

- Review response forms completed by all of your direct reports
- Offer feedback (as needed) and designate that you have read and reviewed the document by signing it
- Send the approved response form to [class-comp@nmhu.edu](mailto:class-comp@nmhu.edu)
- ALL INPUT IS DUE BY MAY 15<sup>th</sup>

# Questions

