



WICHITA STATE
UNIVERSITY

FY25 Market Based Compensation Goals

April 2024

In FY23, WSU implemented the first pay adjustments using the new market-based compensation (MBC) model adopted by the university in 2020.

The MBC model is a cornerstone strategy of the University's DEI Plan to ensure equity in our pay practices.

The purpose of this update is to share:

- Changes to the pay variables and pay analysis process for FY25, based on stakeholder feedback
- Our FY25 compensation goals
- Next steps

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- **Benefit Eligible** – Employees who accrue sick leave.
- **Equity** – internal review comparing employees in same job code or rank & discipline using the pay analysis variables.
- **Market** – external review comparing salary data collected from annual surveys* taking into consideration strength of job match, university size, industry, geographic location, and university type, as appropriate.
- **Pay Analysis Variables** – the data used to review equity.

*Salary surveys WSU uses: College & University Professional Association
“CUPA” (faculty & staff), TowersWatson (staff only), and Payfactors (staff only)

Roles & Responsibilities

	Responsible (Decision Maker)	Accountable (Implementer)	Consulted (Provides Input)	Informed (Those Impacted)
Determines pay variables used in equity analysis	Divisional Leaders	Human Resources	Human Resources, Leaders of People	Employees in compensation plan
Conducts annual equity & market reviews	Human Resources	Human Resources	Pay Survey Data, Divisional Leaders, Leaders of People	Employees in compensation plan
Determines FY compensation priorities	Divisional Leaders	Human Resources	Human Resources, Budget Office, Leaders of People	Budget Review Officers, Leaders of People, Employees in compensation plan
Determines FY compensation budget	Divisional Leaders	Budget Office	State of Kansas, KBOR, Budget Office, Human Resources	Human Resources, Budget Review Officers, Leaders of People, Employees in compensation plan

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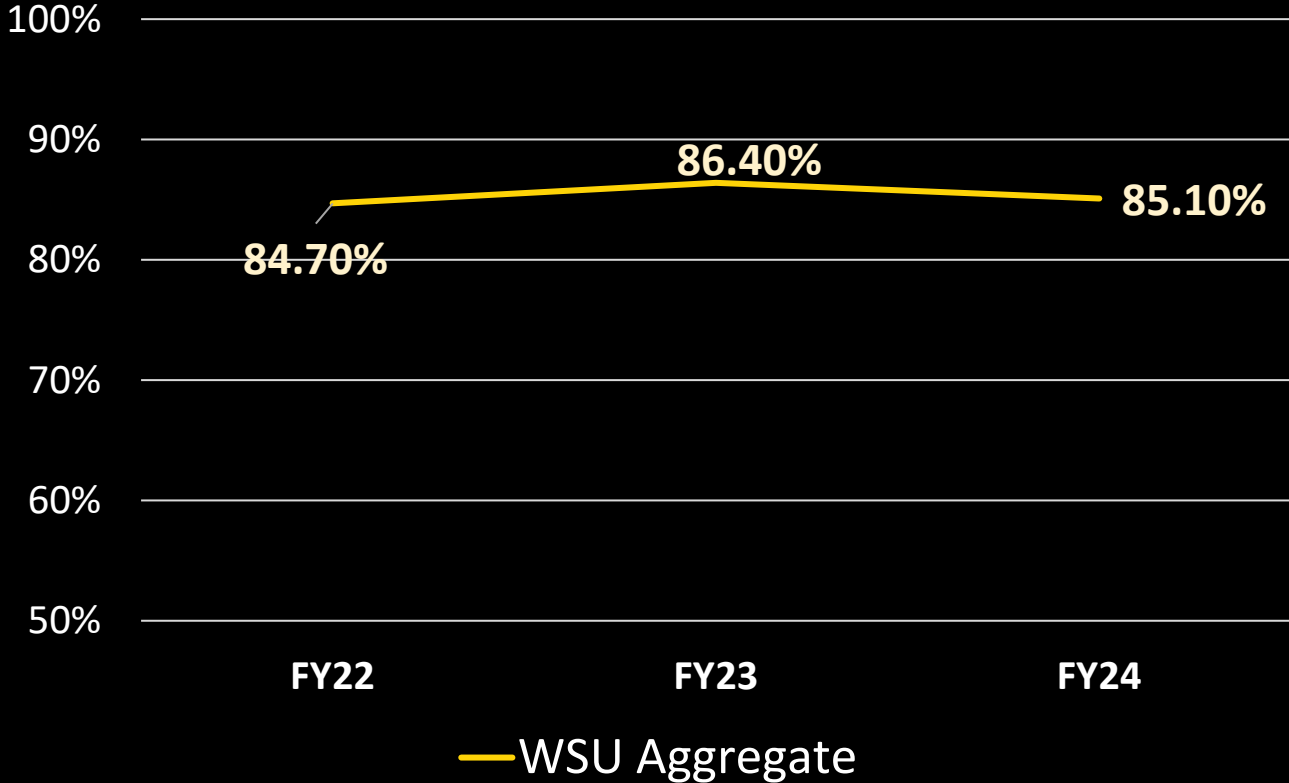
FY25 Compensation Goals

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MBC Outcomes - Overall

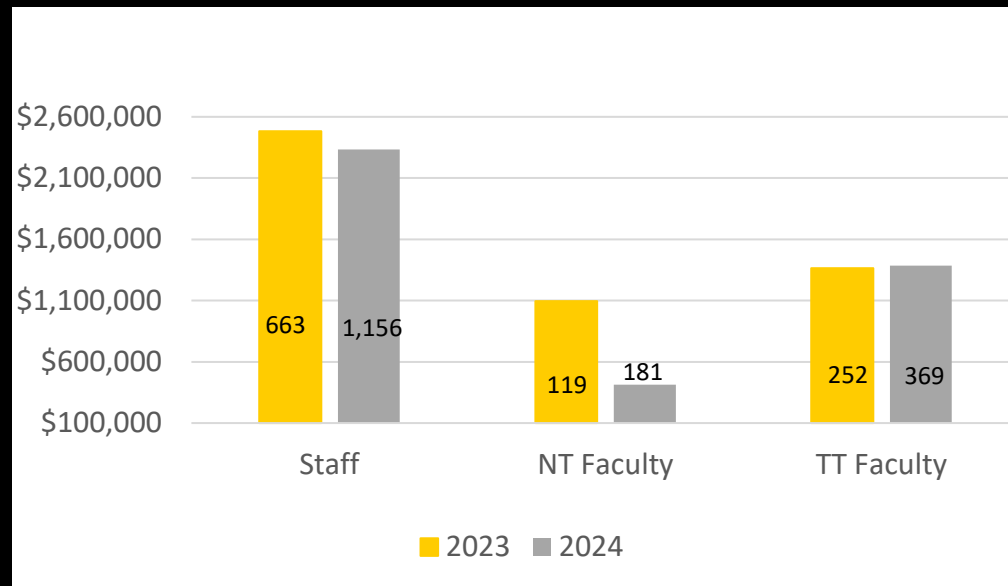
Movement towards Middle of Market (100%)



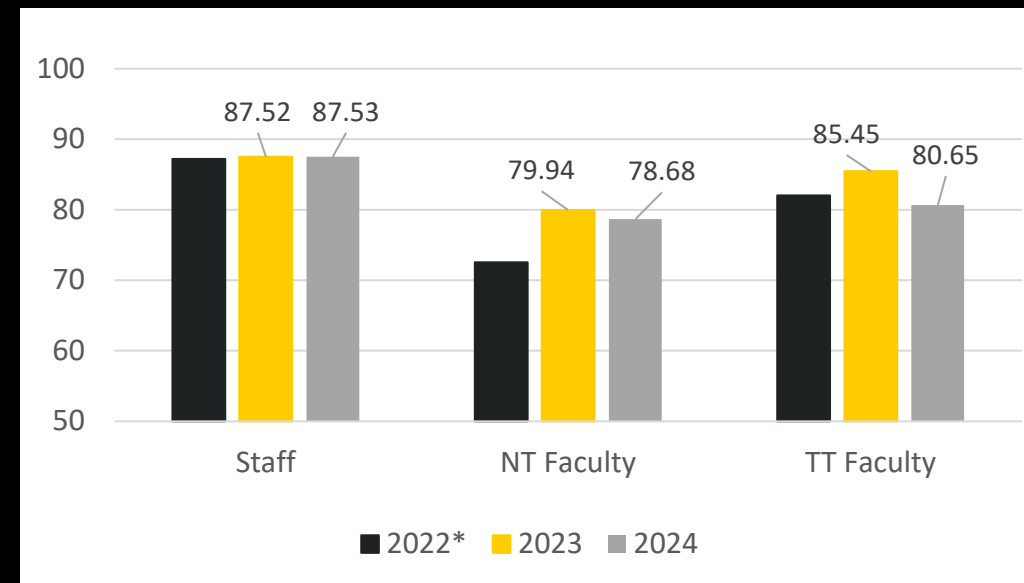
FY24 MBC Outcomes – by Employee Type

Our long-term goal at the University is to pay at the middle of the market (on average) within each respective job or rank & discipline; not leading or not lagging the market. We establish goals for each fiscal year to make progress year over year.

\$ Allocation by Employee Type & # of Employees



Movement towards Middle of the Market



We budgeted \$6.0 million for pay & benefit adjustments in FY24 (\$4.6m of GU and \$1.4m of RU).

*2022 was our baseline year

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Faculty Pay Variables

Faculty FY23/FY24	Faculty FY25 Change
Rank	Rank – no change
Tenure Track Status	Tenure Track Status – no change
Highest Degree Earned (terminal degree below PhD not accounted for)	Highest Degree Earned Terminal degree below PhD accounted for
Years in Current Rank (capped at 20 yrs)	Years in Current Rank Cap at 9 yrs
College	College – no change
Department within College	Department within College – no change
PIR – FY23 analysis accounted for in FY24	Continue to account for PIR. Future: Establish a pay practice outside of MBC pay variables to manage PIR/Merit.
Associate Deans – analysis included stipend and reviewed against CUPA Assoc Dean data	Established two (2) analysis models: 1) Compare to faculty discipline 2) Compare to Assoc Dean data. Model applied for each college is determined by the Dean.
Multi-Unit Departments – used multiple CIPs for analysis	Continue using multiple CIPs.

Staff Pay Variables

Staff FY23/FY24	Staff FY25 Recommendation
Pay Grade	Pay Grade – no change
FLSA Status	FLSA Status – remove from analysis; no impact to outcome
Years in Current Job - weighting .5% per year	Years in Current Job - increase weighting to 2% per year (best practice)
Prior Related Work experience – not included	Prior Related Work Experience – include relative experience above the minimum required for the job; weighted at 2% per year
Highest Degree Earned	Highest Degree Earned - remove from analysis; no impact to outcome
Division	Division - remove from analysis; no impact to outcome
Job Family	Job Family - no change
Merit – not included	Merit – no change ; Future: Requires a comprehensive revision of performance management processes including establishing a pay practice outside MBC variables to manage Merit pay going forward.
Premium Skills/Experience - not included	Premium Skills/Experience – no change ; Future: Establish a pay practice outside of MBC pay variables for pay differentials related to premium skill sets (ie. Bi-lingual)

Market Data Surveys

Stakeholder Feedback: Request the ability to use additional salary survey sources, such as industry specific surveys. For FY23 through FY25, only CUPA, Towers Watson and PayFactors market data were utilized.

FY25 Determination:
Continue with the current market data sources.

During CY2024, HR will identify potential surveys through Dean feedback and other sources, analyze the surveys for statistical soundness, cost to purchase and any resources needed to manage. HR will make recommendations based on this analysis for FY26 implementation.

Autonomy for Externally Funded Depts

Stakeholder Feedback: Request the ability to move employees towards median pay on an accelerated or delayed pace from the university, if funding is available, and in adherence to university pay practices.

FY25 Determination:

Allow Externally Funded Departments to fund MBC at a different pace.

Update Compensation Administration Guideline with the following language:

Department leaders whose programs generate most of their revenue from external sources (i.e., non-tuition or General Use funds) can decide, in conjunction with divisional officer approval, to accelerate or delay progress of their department's compensation utilizing the current University methodology at a different ratio or pace while maintaining consistent application among their workforce during the annual pay analysis process, as it relates to the University goal of being at the market median (50th percentile), in aggregate. The Compensation Team, in conjunction with the divisional officers, maintains a record of departments eligible in this paragraph.

FY25 Budget/Compensation Cycle

Stakeholder Feedback: Need to minimize the number of changes that occur during the pay analysis period – creates too many errors and confusion for leaders

FY25 Determination:

Anyone promoted, hired or receiving a pay increase on or before April 13, 2024 (60 days prior to the final FY pay period of June 8, 2024) would be eligible for University compensation goals.

For anyone promoted, hired or receiving a pay increase *after* April 13, 2024 (starting 60 days prior to the final FY pay period of June 8, 2024) their new pay and/or position would be analyzed in subsequent reviews.

Staff Senate Recommendations

Until such a time that we can have an actual merit-based pay system in place, Staff Senate recommends that the University offer a monetary bonus (not base salary increase) each year for staff who receive ratings above Meets Expectations: Exceeds Expectations – 1% of annual salary and Exceptional – 2% of annual salary.

FY25 Determination:

Merit based pay will be reviewed in future years and once we have an established a consistent & equitable process for evaluating performance.

72% of employees who were evaluated in FY23, received ratings of Exceeds or Exceptional. HR estimates the cost to be \$761k* based on ratings from FY2023 and our average staff salary.

**During FY23 there were 1,137 total evaluations completed : 9 Needs Improvement; 306 Meets Expectations; 524 Exceeds Expectations and 298 Exceptional. The average staff salary at WSU was \$68k in FY24.*

Staff Senate Recommendations

Staff Senate recommends providing a 1% bonus for completing a degree while working at the university, whether it is required for the job the employee currently holds or not. Estimated cost of \$680/employee* in addition to tuition assistance.

FY25 Determination:

The University is still exploring this recommendation.

**The average staff salary at WSU was \$68k in FY2024.*

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- Continue moving employee pay towards the minimum of their respective pay range, where applicable.
- Continue moving faculty pay towards pay analysis results for their respective rank and discipline.
- Begin moving staff employee pay towards their respective quartiles.

These goals are not a guarantee of funding. Rather these goals will be used to prioritize any funding that becomes available for compensation in FY25.

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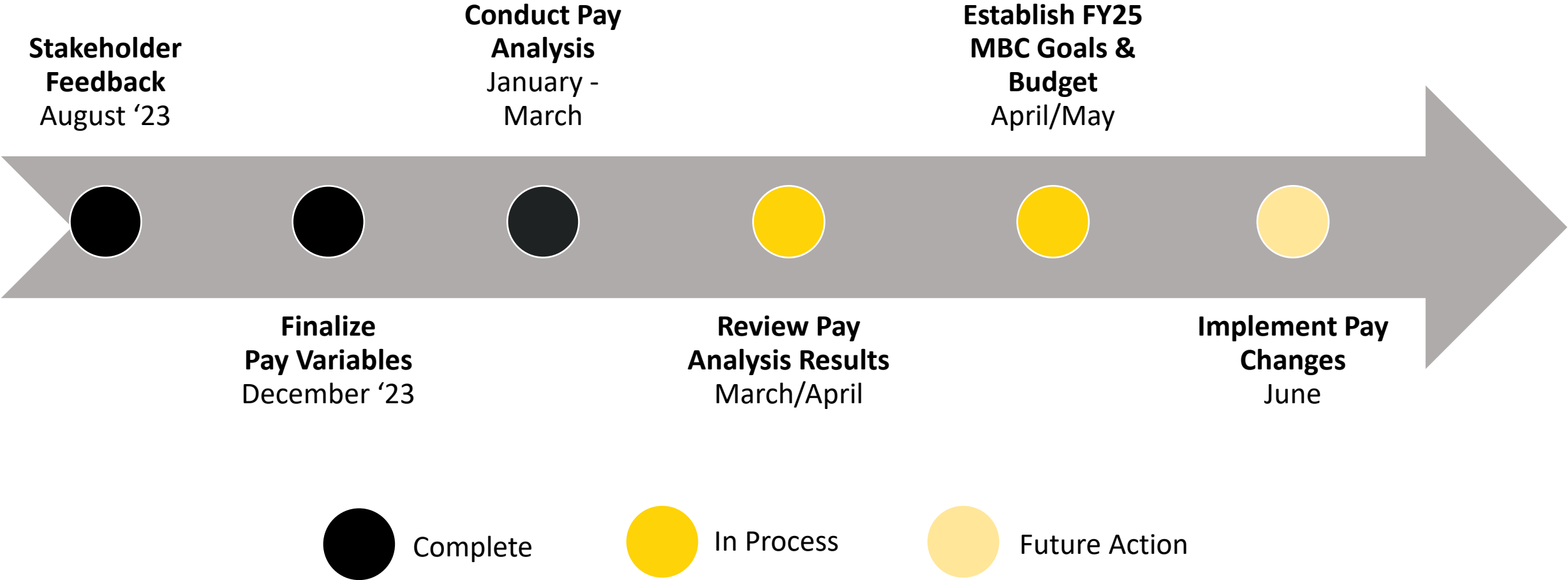
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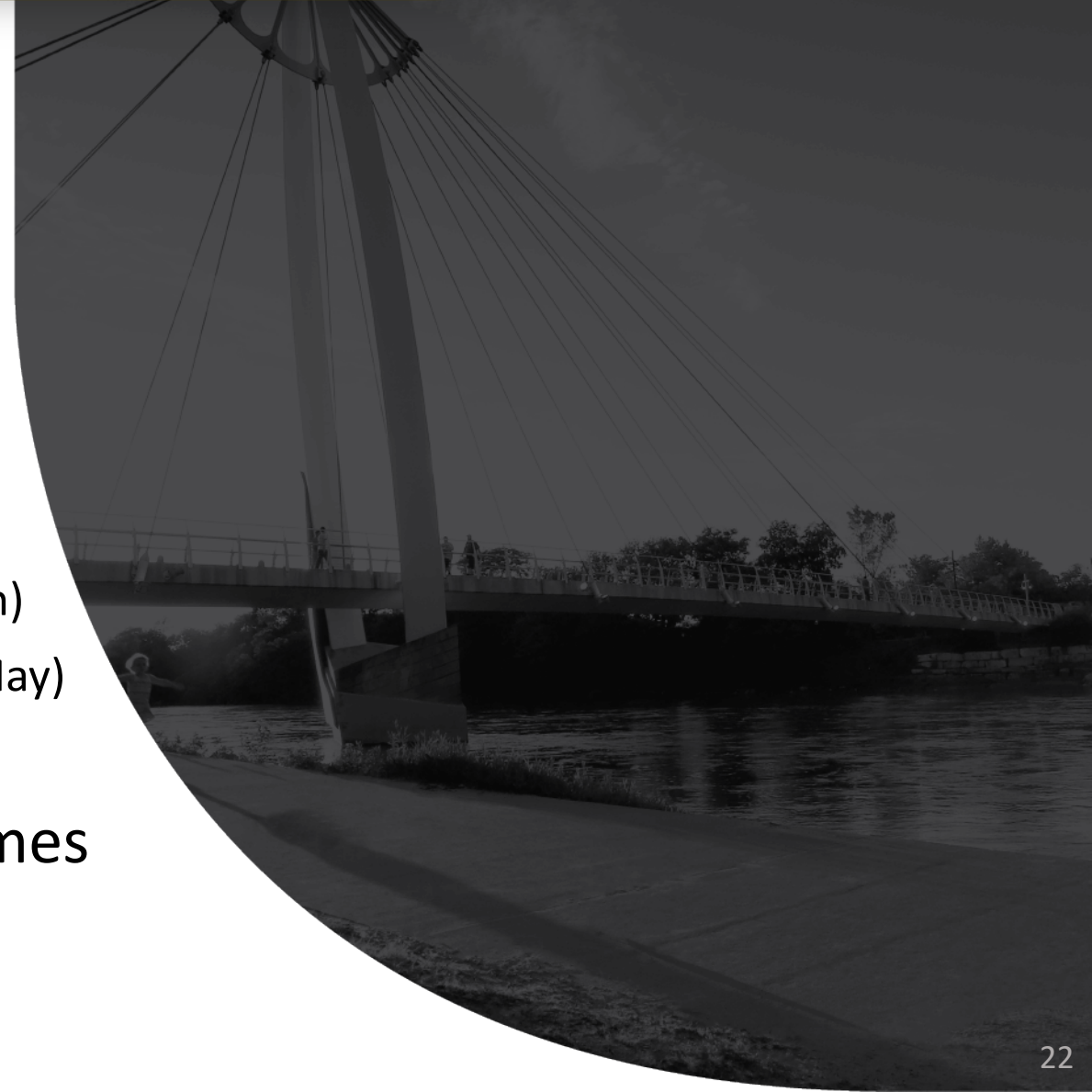


FY25 Annual Pay Analysis Cycle



Next Steps

- Stakeholder Updates
 - PET – March 26
 - Budget Advisory Committee – April 11
 - Staff – April 16
 - Faculty – April 22
- Communication to Leaders / Employees
 - Changes to Pay Ranges (for planning only – March)
 - Pay Analysis Results (quartile placement – April/May)
 - Pay Changes (if applicable – June)
- Fall 2024 – MBC Annual Update of Outcomes



Questions / Comments?