

# HR Compensation Briefing

October 22, 2009



## Agenda

Introduction

Job descriptions

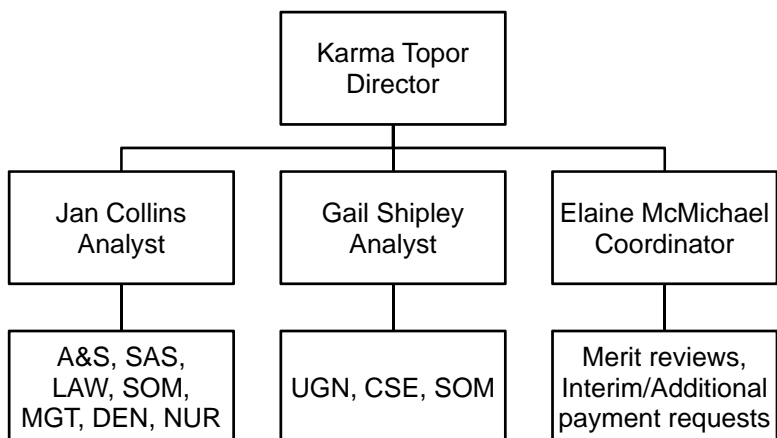
Job evaluation process

Fair Labor Standards Act (FLSA)

Internal equity considerations

Additional pay process

## Compensation Office



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## Compensation Office Role

Provide administrative guidance to supervisors in paying employees competitively for the contributions each employee makes toward the success of the individual departments and the University as a whole.

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## Compensation Philosophy

Case Western Reserve University is committed to

- treating employees fairly and equitably
- providing a total compensation package (salary, benefits, work environment) that will attract, retain, and motivate employees at all levels

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## Philosophy Characteristics

Recognize and accommodate the diversity of the workforce without compromising equity and consistency across campus (internal equity).

Strive to be competitive with the markets in which we compete and recruit (external equity).

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## Philosophy Characteristics

Provide annual performance review for each employee and possible salary increase based on merit (within University/ Department salary budget guidelines).

Provide ongoing communication to develop and/or maintain an understanding of the compensation program and how it is administered.

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## Role of Job Descriptions



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## Job Descriptions

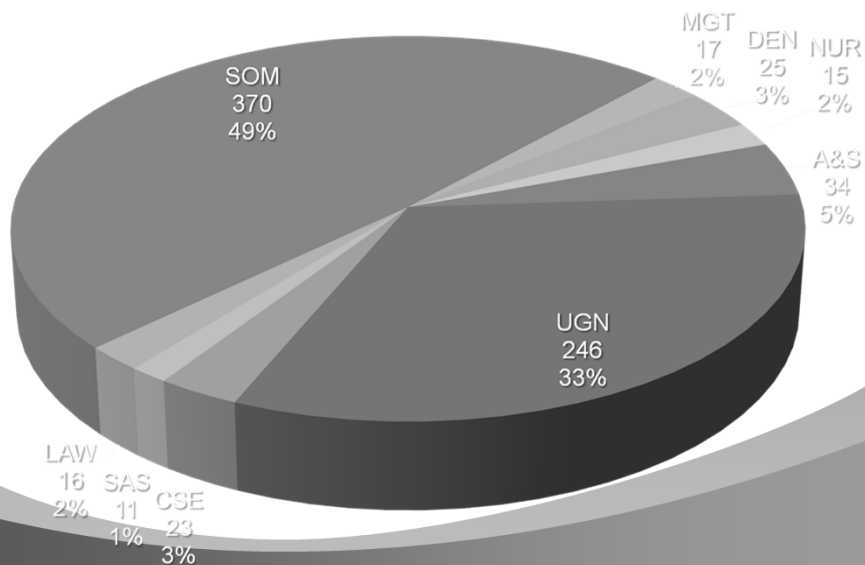
Over 2500 descriptions on file

Job description should be reviewed and updated annually during performance review process to ensure that any changes have been captured

- Job Description Outline

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## Job Description Reviews FY09



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## How to Write a Job Description

### Position objective

- Briefly describe scope and role of position
- Details why the job exists
- Employment will focus on this and the requirements section to generate the job posting

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## How to Write a Job Description

### Essential functions

- Action statements to achieve the position objective
- List in descending order, most important function first
- Describe the work performed in its current state
- *Compensation will primarily focus on this section when evaluating the job*

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## How to Write a Job Description

### Non-Essential functions

- Marginal or infrequent functions
- Standard – Other duties as assigned

### Contacts

- Indicate who the position will have contact with, the frequency and purpose of contact

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## How to Write a Job Description

### Supervisory Responsibility

- List the number and type of positions that will be directly supervised

*Direct supervisory responsibility includes the authority to hire, define and assign individual tasks, maintain schedules and standards, conduct performance reviews, administer disciplinary action and terminate employment.*

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## How to Write a Job Description

### Requirements

- Experience and education - list the minimum years and educational level needed to be successful (no substitutions)
- Essential and technical competencies - list those measurable or observable knowledge, skills, abilities and behaviors critical to success in performing the essential functions

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## How to Write a Job Description

### Working Conditions

- Describe the working environment (office, field, indoors/outdoors, exposure to risks, safety requirements, etc), and
- List anticipated variation in working hours (such as flexible schedules, some evening and weekend work, occasional travel, etc.)

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## Reasons to Request Job Evaluation

1. Create a new job description (job posting)
2. Revise a job description for a current, vacant position (job posting)
3. Revise a job description for a current incumbent (in-position promotion)
  - Use the Request for Promotion form

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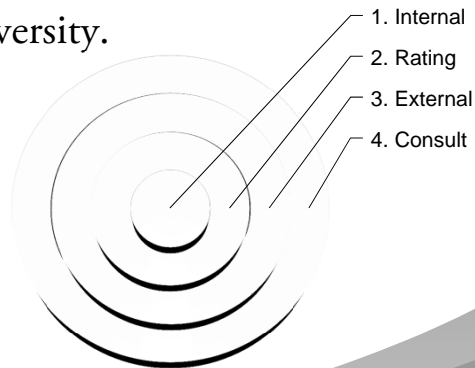
## Job Evaluation Process - Department

1. Employee/supervisor generate a new or revised job description
2. Submit the description and appropriate request form through the approval channels
3. Compensation office review - normal evaluation time is 5 business days

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## Evaluation Process - Compensation

Determine the relative value of jobs within the University. The end product is to assign each job to a salary pay grade. Four step approach to determine salary grade and exemption status



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## Job Evaluation Process

Internal evaluation

- Review organization chart for department or management center
- Compare the scope, functions, and requirements of the position with other jobs within that area
- Compare to similar jobs across the University

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## Job Evaluation Process

Rating Process: use one of two computer-assisted job evaluation programs designed specifically for the University

- Compensable factors for professional, administrative, and managerial (exempt) positions
- Compensable factors for clerical, service, technical, and administrative support (nonexempt) positions

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## Job Evaluation Process

Compensable factors for professional, administrative, and managerial (exempt) positions

- Scope: represents the level of responsibilities for the position
- Authority: takes the form of decision making and the extent of impact
- Education/experience: minimum educational level and years of experience necessary to succeed in job

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## Job Evaluation Process

Factors for exempt positions

External contacts: responsibility for personally dealing with individuals outside the University, taking into account the difficulty or amount of controversy involved and the presence/absence of guiding practices, procedures and/or goals

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## Job Evaluation Process

Factors for exempt positions

- Internal contacts: degree to which the employee deals with individuals within the University, but outside the direct line of authority such as business meetings, telephone and correspondence contacts; contacts that involve project management, technical overview or functional direction

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## Job Evaluation Process

### Factors for exempt positions

- Supervision (defined as direct responsibility to hire, fire, write performance evaluations and initiate corrective action plans): number of staff employees directly supervised and level of those positions

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## Job Evaluation Process

### Factors for exempt positions

- Investigation/ fact finding: responsibility for initiating, determining the need for and/or conducting investigations, studies, surveys or tests for the purpose of finding factors or developing ideas, designs or processes

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## Job Evaluation Process

Factors for exempt positions

- Planning/ scheduling/ forecasting: deals with the complexities or relative difficulties of schedules, plans, and/or forecasts and the variety and relative importance of these plans
- Student impact: does the position provide activities or services that support the University at large or are they directly related to the purpose of education and research

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## Job Evaluation Process

Compensable factors for clerical, service, technical and administrative support (nonexempt) positions

- Knowledge: minimum level of formal education normally required for an employee to perform the job
- Skill: manual and physical skills required to perform the job
- Work complexity: necessity to exercise judgment, initiative and ingenuity

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## Job Evaluation Process

### Factors for nonexempt positions

- Contact with others: extent to which the successful performance of the work requires the cooperative dealing with other
- Property protection and use: responsibilities job has for storing, issuing, safeguarding and assuring proper handling of University funds or property

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## Job Evaluation Process

### Factors for nonexempt positions

- Work leadership: responsibility for directing, instructing and training others, may also assign work
- Working environment: considers the physical conditions associated with the work performed
- Student relations: amount and type of student interaction

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## Job Evaluation Process

External evaluation (depends on job being evaluated)

- Third party market surveys
- Peer institutions
- Local companies

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## Job Evaluation Process

Consult with supervisor/manager to finalize evaluation, title, and if appropriate, the pay.

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## FLSA Considerations

Fair Labor Standards Act – Federal law

- Enacted 1938, updated Aug 2004 and governs:
  - Minimum wage
  - Overtime
  - Record keeping
  - Child labor standards
- Exemption status is based on job duties (not based on job titles), job responsibilities, and annual salary threshold of \$23,660

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## FLSA Considerations

Employees classified as exempt are exempt from the law

- Employees are compensated with a set salary rather than hourly
- No requirement to pay overtime premiums
- Classified as executive, administrative, professional, outside sales or computer professionals

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## FLSA Considerations

Examples of exempt duties and responsibilities

- Hiring, firing, disciplining and evaluating employees
- Planning work
- Determining policies and procedures
- Authority to negotiate and sign contracts

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## FLSA Considerations

Employees classified as nonexempt are governed by the law

- Employees are compensated on an hourly basis
- Must be paid time and a half (1½) for hours in excess of 40 hours worked in a standard work week

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## FLSA Considerations

Examples of nonexempt duties and responsibilities

- Animal care
- Typing or word processing (includes updating web content)
- Preparing payroll
- Bookkeeping
- Answering phones

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## FLSA Considerations

Determine FLSA status for position during job evaluation process

In addition to job description supervisor/department might be required to complete

- FLSA questionnaire

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## Additional Payment Request

The requesting Department must submit an additional project (or interim assignment) request to HR for approval prior to the scheduled work (assignment).

This will include the proposed project and specific duties and compensation amount for work performed

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## Additional Payment Request

The Compensation office will review the project and appropriate pay methods within the federal wage and hour law.

- Performing (interim) duties at a higher level
- Performing work for a different department
- If it is nonexempt employee we have to consider overtime payment.

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## Additional Payment Request

The Compensation office will work with the department to establish an approved payment plan.

The employee may begin work once the approvals and consent are confirmed in HR.

The documentation will be placed in the employee's personnel file in HR.

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## Additional Payment Request

The department enters a payment request in HCM per the approved payment plan.

From the HCM payment requests, HR Compensation will verify and approve the payment.

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## Online Resources

How to write a job description

Benchmarks for selected job families

Job description templates

HR Forms

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## Questions

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