Compensation Modernization Update

Committee on Equity and Human Resources

June 13, 2023

PennState

Intended Outcomes

- New job architecture including job families, profiles and levels that clearly define the type of work being performed at the University.
- A new salary structure that is based on market data to help Penn State recruit and retain top talent.
- Visibility into possible career paths and career progression opportunities for staff.
- A compensation and classification program that can quickly respond to the changing market and needs of the University.
- Updated business processes and guidelines for how job and salary decisions are made.

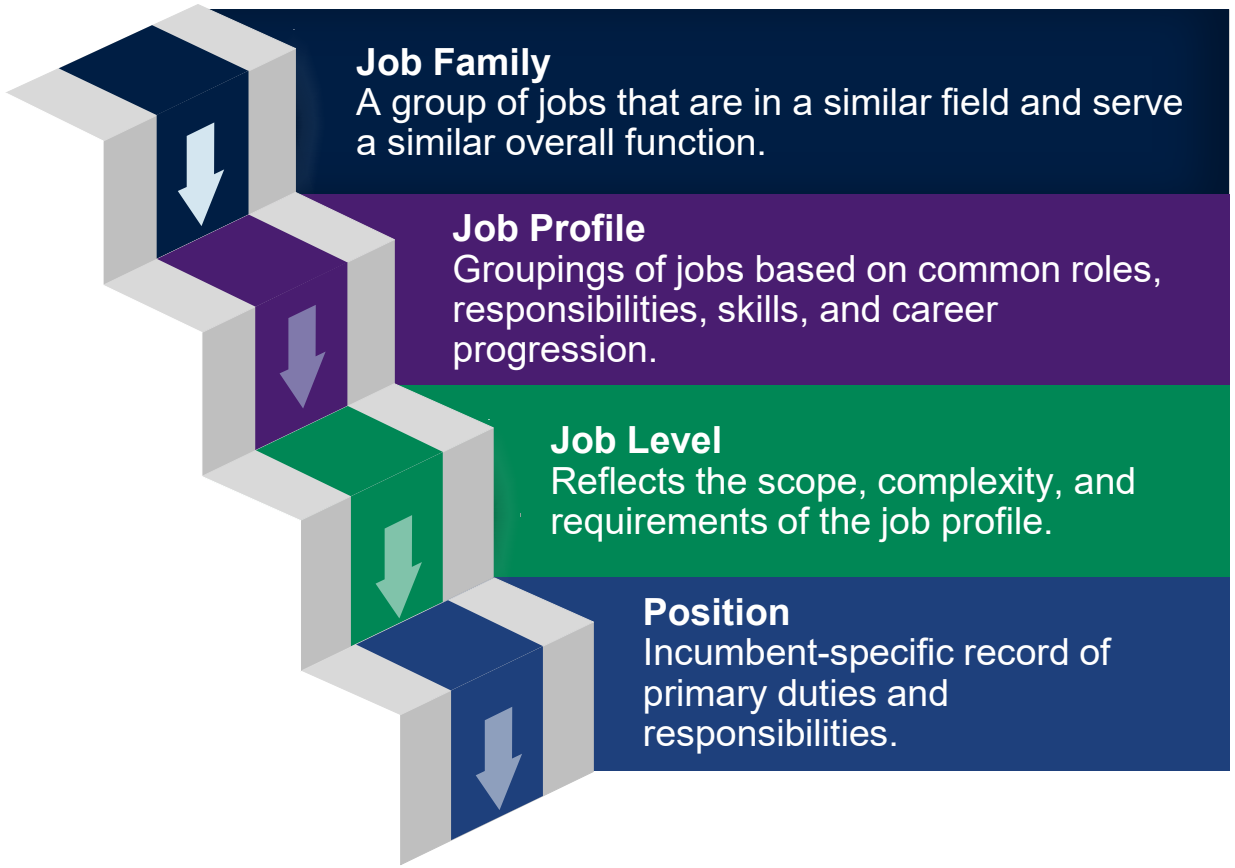
What was not included

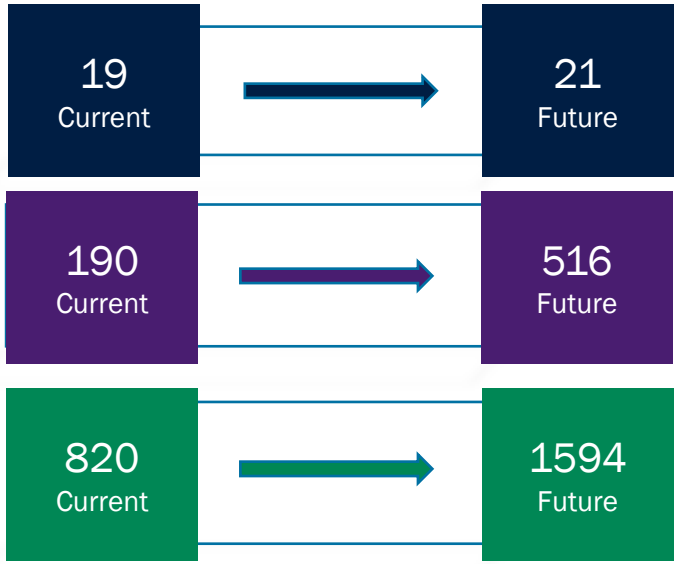
- Faculty, part-time, unionized employees.
- Equity review.
- Total compensation (benefits, tuition, paid time off, etc.)

Overview

Project Initiation/ Discovery	Job Architecture	Market Assessment	Validation Process	Salary Structure and Pay Admin	Present Final Results	Implementation & Communication
Sept. 2020- Feb 2021	Mar. 2021 - Dec. 2021	Nov. 2021 – May 2022	May 2022 – Sept 2022	Sept. 2022 – Dec. 2022	Dec. 2022- Feb. 2023	Mar. 2023 – ongoing

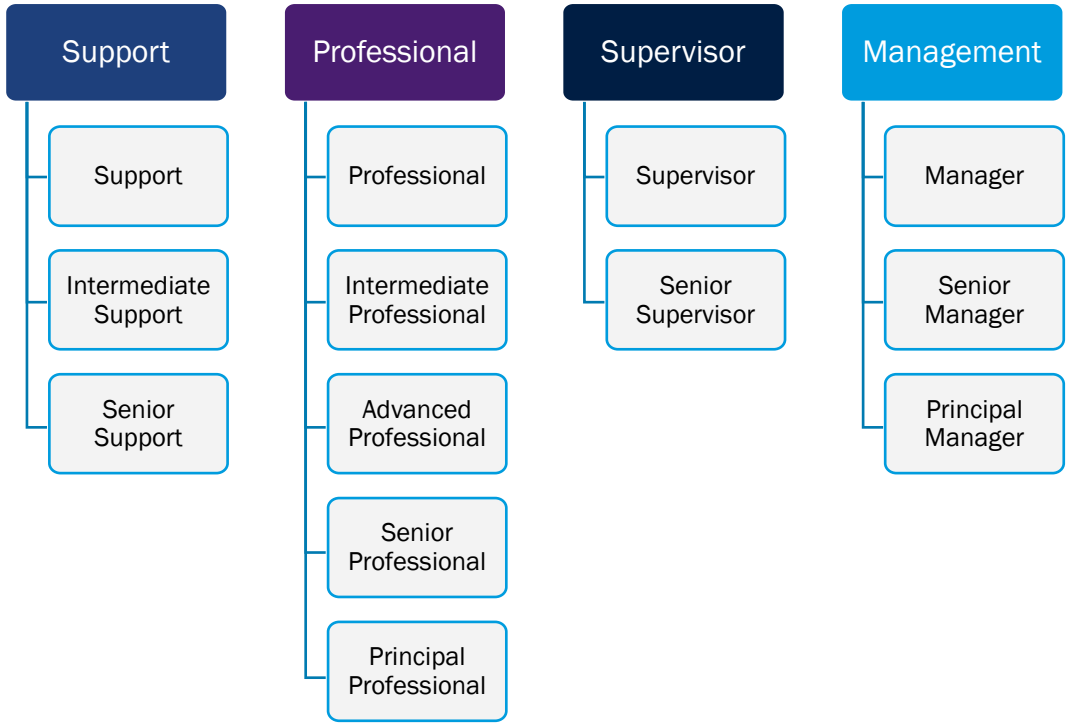
Job Architecture



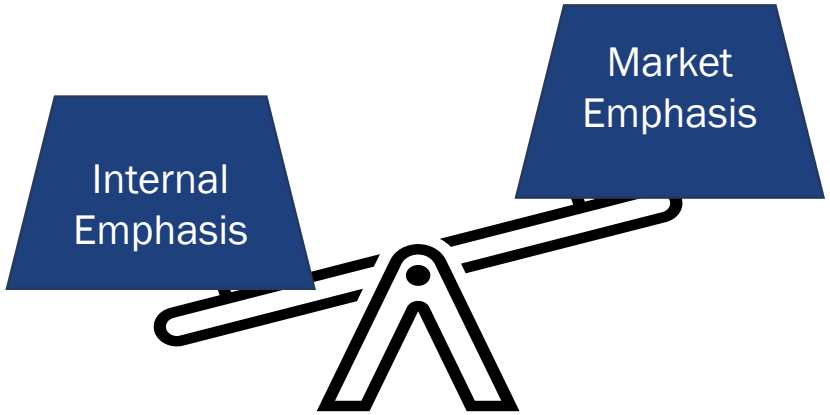


Career Tracks and Levels

- Each job profile will have defined career tracks and levels. Not every track and level will be available for a given profile.
- Each level will be defined for supervision, fiscal responsibility, problem solving, independence of action, and communication
- Intentional career track for professionals who can grow and advance their career without a required move to the supervisor or manager track.

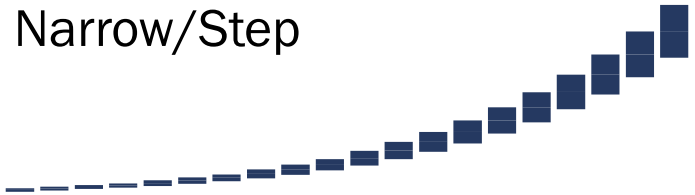


Salary Structure Design

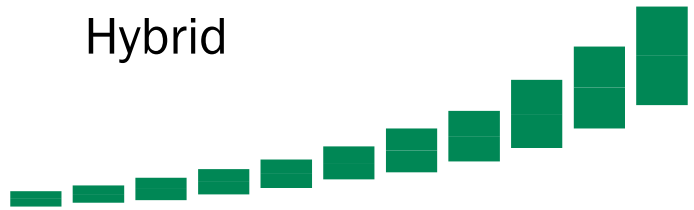


Broad Band

Narrow/Step



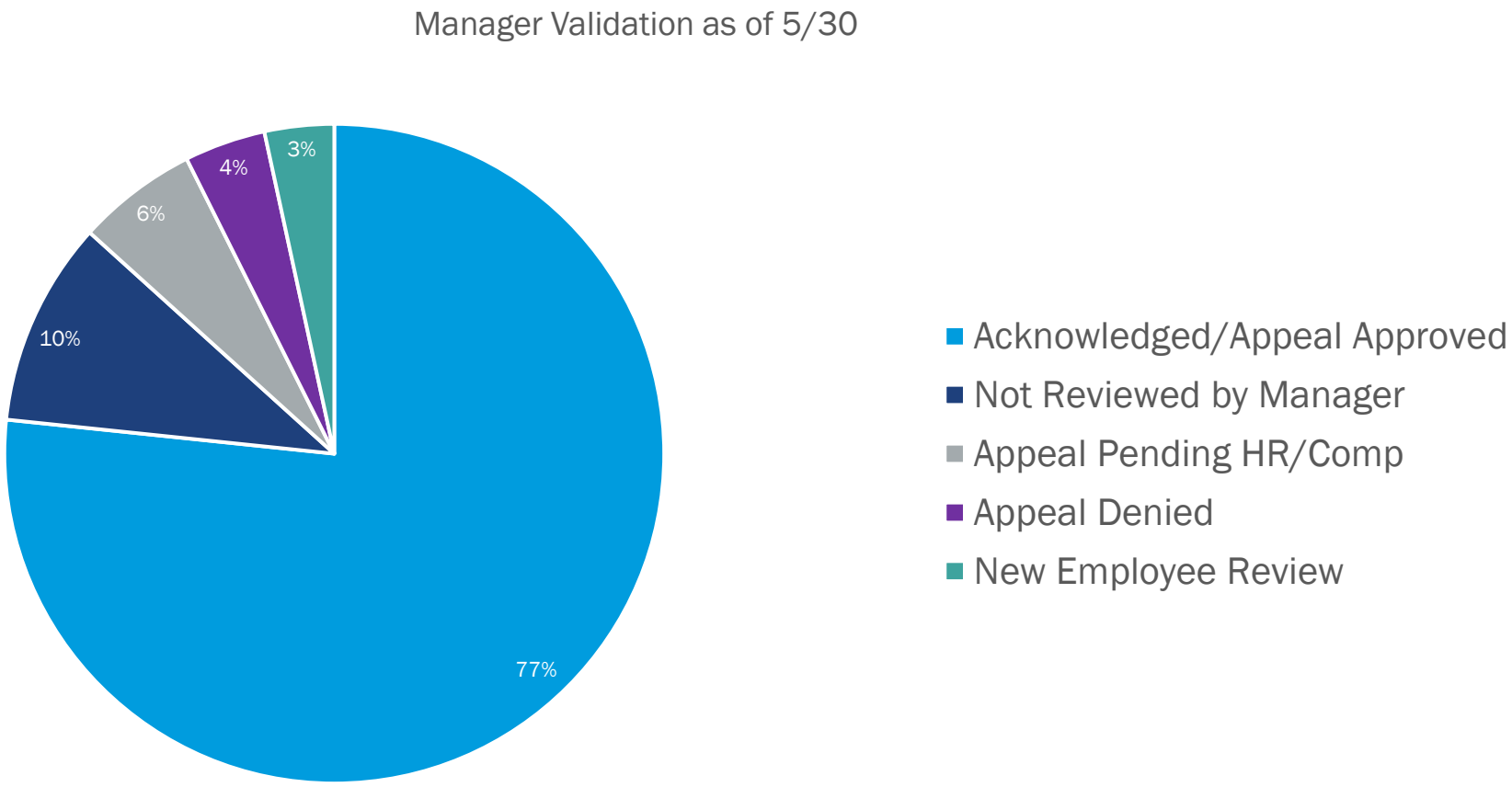
Hybrid



Pay Administration

- The new compensation program aims to provide both structure and flexibility.
- Streamlined and transparent business processes, including
    - Narrow salary grades to provide more autonomy to determine and manage pay
    - Guidance on an individual's recommended pay positioning within a salary grade
    - Updated business processes including a new promotional process

Implementation Timeline

Milestone	Estimated Timing
Manager Validation	April and May
Staff Notification of Job Profile and Level	Late June
Salary Structure and New Salary Bands Shared	Early August
New Career Development Resources Shared	Fall 2023

Manager Validation Update