

## **March 29, 2017: Division of Finance Offers Updates on Market-Based Compensation Initiative**

At an open forum on Wednesday, March 29, Executive Director of Human Resources Wes Matthews and Vice President for Finance Brian Foisy offered updates on the initiative to transition the University of Idaho to a market-based compensation system.

As part of the process, Matthews has spent the academic year analyzing compensation data and meeting with supervisors across campus to identify the correct market rate for UI employees. Matthews is using federal employment data from Idaho, Washington, Oregon, Utah, Montana, Wyoming, Nevada and Colorado, as well as data provided by the [College and University Professional Association for Human Resources](#), as a basis for the market rate. As of the end of March, Matthews had met with supervisors and set market rates for almost 900 positions at UI. He is currently working on another 650 positions, with approximately 120 positions not yet started.

The market-based compensation project is a two-step process: After setting market rates for all staff positions, the next step is identifying how to appropriately compensate employees for other variables that relate to pay, including 1) Longevity; 2) Time in current duties; 3) Education level; and 4) Relevant previous experience. These factors will also be used to establish an employee's pay rate. Matthews will continue to meet with supervisors to establish these criteria for individual employees.

As part of the project, Matthews is also working with ITS to develop a database that allows employees to view their market rate via VandalWeb, as well as the factors that contributed to it. More information will be provided about that service as it is closer to being launched.

Employees and supervisors should be aware that as UI moves to a market-rate compensation system, the outdated classification model will no longer be used. Employees should instead work with their

supervisors to make sure their job descriptions accurately reflects their duties, and their market-rates will be adjusted to match.

Any supervisors or employees who are concerned about the market-rate process are encouraged to email [Matthews](#) or [Foisy](#). They are happy to answer any questions or address concerns.

They emphasized to employees that the market-based compensation effort is a “journey with no destination” — the market rates are never final and will continually be adjusted as errors are identified and/or better data becomes available.

Matthews and Foisy urged supervisors to be open with their employees about this process, and to share information about their discussions with Matthews. At the same time, they encouraged employees to be proactive about asking their supervisors about the status of the project in their own departments or units.

Both Matthews and Foisy emphasized that the process should be transparent and open, and that there is no intention to be secretive about what an employee’s market rate might be.