

**West Virginia
Higher Education Policy Commission
And
Council for Community and Technical College Education**

Compensation Philosophy

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The West Virginia Higher Education Policy Commission (Commission) and the Council for Community and Technical College Education (Council) believe that competitive pay is a key element in attracting, retaining, motivating and rewarding the type of employees that are needed to fulfill the missions of West Virginia's state-assisted colleges and universities. Our goal for the Commission, Council and affiliated colleges and universities is to pay competitive salaries by using systems that are clearly communicated to employees and readily administered by managers.

Compensation Objectives

To fulfill institutional missions, visions and goals, West Virginia higher education institutions must attract and retain highly talented staff. To meet institutional staffing needs and priorities, the compensation system established in support of this goal includes the following objectives:

1. To provide the flexibility to manage base pay through a simple clear program that is consistent with the Commission, Council, College and University's individual strategic and organizational objectives and in accordance with organizational missions, visions, values and financial resources.
2. To establish and maintain a competitive pay structure based on comparisons to appropriate external labor markets while also considering relative internal worth;
3. Clearly articulate, through a relevant performance management program developed and adopted by each institution, the relationship between institutional strategy and employee performance, recognition, and rewards;
4. Ensure that the compensation program and pay are administered strategically, consistently, effectively, efficiently, fairly and equitably both within the institution and statewide in compliance with the ~~FACTS~~ of Higher Education Human Resources established by the West Virginia Legislature;
5. To provide a framework for career progression and recognition of high performance;
6. To reward employees on the basis of work performance;
7. To establish a compensation policy that is fair, accountable, consistent, transparent and designed to ensure sound stewardship of available compensation funding;
8. To ensure accountability for compliance with relevant federal and state statutes; and
9. To establish the principles and processes for regular review of market position and effectiveness of policies.

Compensation Strategies

The Commission, Council and affiliated colleges and universities intend to pursue compensation strategies, which maximize the recruitment, performance, and retention of quality ~~classified~~ staff, while adhering to the letter and spirit of applicable regulations and goals of the West Virginia Legislature.

Each college/university is considered a strategic enterprise, a decentralized organization of the state system of higher education ~~that is centrally driven~~. The achievement of fair competitive compensation within each institution is the primary measure of compensation strategy success. The concept of fair competitive compensation should include attracting and retaining competent, qualified and diverse employees, investing in performance, and achieving an appropriate environment of equity.

The compensation rate for individual positions is primarily established by relevant competitive markets, as well as the impact of individual positions or teams on the mission of the institution, as feasible within the institution's budget. Salary patterns within job titles may also vary by the credentials and performance of individuals occupying the positions. Within the market-based approach, institutions should pay particular attention to equity patterns across protected groups, especially taking leadership to transcend and prevent any historical market-based patterns of inequality.

Colleges and universities have flexibility to manage compensation within the parameters of the compensation program and salary schedule. It is not the intention of this compensation program to provide guidance to administer step, across-the-board, longevity, cost-of-living, or other increases indicative of minimum entitlements. Although not prohibited, such strategies fail to allow compensation rewards to vary commensurately within the levels of contribution and impact of individual staff. Salary increases should be supported by these guiding principles and administrative guidelines.

Given the current West Virginia economic situation and declining state appropriations, colleges and universities may initially manage compensation using across the board, market position goals, or any other method that serves to ensure fair competitive compensation for employees. Over time, all institutions are encouraged to transition compensation management to a rewards model that compensates employees in line with their skill, effort and outcome contributions.

The construct of "merit" includes all the concepts discussed above: performance, internal and external equity, and the impact of the position or team on the mission of the department, unit, college or university.