An Orientation to the New APT Classification & Compensation System

University of Hawai’i
Office of Human Resources
Fall 2001

Background

- Current Position Classification System
  - 25+ years old
  - Designed for a centralized University system

- Trends in Public Sector Job Evaluation
  - Movement away from centrally controlled systems, e.g. position classification
  - Movement to decentralized systems, e.g., broadbanding

- University Human Resource wants and needs
  - Flexibility and delegated decision-making
  - Rapid response
  - Mechanism for recognizing employee’s professional growth and exceptional performance

- UH successfully implemented the IT Demonstration Project based on a variation of broadbanding concept
New Broadband System
Guiding Principles

- Simplified classification
- Understandable to employees
- Designed to attract & retain quality personnel
- Promotes employee development
- Flexible & responsive
- Delegated decision-making
- Concept based
- Separates job evaluation from compensation

Impact of the New System

- New system applies to all Administrative, Professional and Technical (APT) personnel (included/excluded)
- New system to include:
  - Highly automated & expedient processes
  - Selected delegation of position classification authority
  - New methods of compensation
  - Additional system enhancements
- Completion of system infrastructure: Dec. 31, 2001
- Conversion to new system to be budget neutral
Changes to the Classification and Compensation System

- **Consolidates 240 existing classes of work into 16 APT Career Groups**
  - New APT Career Group Concepts to replace Class Specifications
- **Correlates 17 existing Pay Ranges to 4 Bands**
- **Creates new compensation tools:**
  - In-Grade Adjustments (increase to base salary) to recognize professional growth
  - Performance Award (lump sum bonus) to reward work performance that exceeds performance expectations

**APT Career Groups**

1. Procurement
2. Human Resource Management
3. Public Information & Publication
4. Enterprise Operations
5. Financial Management
6. Institutional Support
7. Legal Counsel
8. Research Support
9. Academic Support
10. Instructional & Student Support
11. Medical Support & Health Related
12. Media Design & Production
13. Physical Plant Management
14. Facilities Planning & Design
15. Environmental Health & Safety
16. Athletics
Example of the Consolidation of Existing Classes into a New APT Career Group

**From:** Existing Classes

- UH Procurement & Property Management Specialist I-VI
- UH Associate Director of Procurement, Real Property & Risk Management
- UH Risk Management Officer
- UH Administrative and Fiscal Support Specialist

**To:** APT Career Group

**Procurement**

**Band Definitions**

- **Band A:** Professional work at the entry/intermediate/independent worker level
- **Band B:** Fully competent skilled professional, e.g., journeyworker/working supervisor/lead worker
- **Band C:** Full-time supervisor of journeyworker subordinates and/or recognition, on a system wide basis, as a subject matter expert
- **Band D:** Program administrator/manager and/or recognition, on a system wide basis, as the foremost subject matter expert
Conversion to Bands

- All established pay rates will be incorporated into the Pay Bands as follows:
  - Band A = $2,385 - $6,056
  - Band B = $2,910 - $7,383
  - Band C = $3,765 - $9,002
  - Band D = $4,412 - $9,002

Salary Impact of Conversion to Bands (Budget Neutral)

Example: Incumbent of UH Fiscal Accounting Specialist I position converted to Financial Management Group, Band A

<table>
<thead>
<tr>
<th>Pay Range</th>
<th>Band</th>
</tr>
</thead>
<tbody>
<tr>
<td>P03, Step 1 = $2,583</td>
<td>Band A, Step 5 = $2,583</td>
</tr>
</tbody>
</table>

Note: No Change in Compensation (Budget Neutral)
Example of Band Conversion

Current Under Position Classification

UH Fiscal Accounting Specialist I

Intermediate Level

New Under Broadband

Financial Management

Band A

Intermediate Level

New System Features

- Delegation of Authority
- Special Compensation Adjustment - In-grade Adjustment (Base Pay Increase)
- Special Compensation Adjustment - Performance Award (Stipend)
- Designated New Hire Rates
- Band Reassignment
- Transfer and Promotion
Delegation of Authority

- Chancellor or Designee may be authorized (per delegation criteria) to:
  - Assign positions to Bands A or B
    - Subject to post-audit by OHR which will have authority to direct corrective action, as necessary
  - Approve in-grade adjustments and lump sum performance awards
  - Approve salary rates above recommended hiring rate

- Programs to submit requests via Chancellor to OHR for assignment of positions to Bands C & D

Note: Initial implementation - subject to central review and approval

Special Compensation Adjustment - In-Grade (Base Pay Increase)

- Purpose
  - Recognition of substantial demonstration of increased competencies
    - Successful on-going performance of more complex duties in the same functional area(s) consistent with Band concept
  - Recognition of significant growth within the band
    - Successful on-going work performance of more complex duties in a different functional area(s) consistent with Band concept

  - Example: shift from staff support in personnel administration to provision of staff support in personnel and fiscal administration
Special Compensation Adjustment -
In-Grade (Base Pay Increase)

- Compensation Adjustment
  - Permanent increase to employee’s base salary
    - Generally 2% but in exceptional situations up to 4%
    - Program responsible for all funding
    - Supervisor initiates nomination; Chancellor or Designee may have approving authority for Bands A & B (OHR for Bands C & D)

  - Frequency of consideration - annual

Note: Initial implementation - subject to central review and approval

Special Compensation Adjustment
Performance Award (Stipend)

- Purpose
  - To recognize exceptional work performance that significantly and regularly exceeds work performance expectations

- Compensation Adjustment
  - Lump Sum (not part of employee’s base salary)
    - Up to 8%
    - Program responsible for all funding
    - Supervisors to nominate and Chancellor or Designee may have approving authority
    - Frequency of consideration - annual

Note: Initial implementation - subject to central review and approval
Designated New Hire Rate (DNHR)

- Established by policy
  - Initially: current DER (Designated Entry Rate)
  - In future DNHRs to be based on salary surveys

- Salary placement above hiring rate subject to
  - Completion of DNHR Matrix
  - Approval delegated to Chancellor or Designee up to 24% above DNHR
  - Approval by President or designee for requests beyond 24% above DNHR

Programs responsible for all funding

Transfer & Promotion

- **Transfer** - Movement from one position to another position assigned to the same Band
  - Employee Initiated
  - DNHR to apply, however, program may request hiring above the established Hiring Rate

- **Promotion** - Movement from one position to another position in a higher Band
  - Employee Initiated
  - DNHR to apply, however, program may request hiring above the established Hiring Rate

Programs responsible for funding
Band Reassignment (Reallocation)

**Upward** - Movement of a position from a lower band to a higher band (e.g., Band A to Band B)
- Management Initiated
- Change in assigned duties & responsibilities
- At least 8% increase in pay, not less than Designated New Hire Rate (DNHR).

**Downward** - Movement of a position from a higher band to a lower band (e.g., Band B to Band A)
- Management Initiated
- Change in assigned duties & responsibilities
- No change in pay, not less than DNHR.

Programs responsible for funding

On-line Position Description (PD) Generator

- Designed to facilitate the electronic creation and review of PDs
  - Encumbered position - incumbent drafts PD
  - New/Vacant position - supervisor or program manager prepares PD

- **Employer** determines duties & responsibilities and recommends Career Group and Band designation

- PD electronically transmitted for review and action
**Submission of Electronic PD**

- **PD Generated On-line by employee**
- **PD transmitted to employee’s supervisor**
- **Supervisor electronically notified of PD awaiting review**
- **AO/PO electronically reviews and forwards PD**
- **Supervisor electronically certifies & forwards PD for review & approval. Employee able to view current copy of PD**
- **Supervisor reviews PD, directs/makes changes, identifies essential functions**
- **Approving authority reviews PD, takes action & electronically notifies Supervisor, Employee & AO/PO of action**

**Summary of Major Points**

- Includes all APT Personnel (included/excluded) other than coaches and Information Technology Specialists
- Conversion to APT Career Groups/Bands
- Target date for completion of project infrastructure: December 31, 2001
- New system provides flexibility and a more responsive approach to the University’s Human Resource needs
- Conversion to be electronic and on a budget neutral basis
- New system to be highly automated
Future Training

- Today was an Overview of the New Plan
- Training in the Near Future:
  - “Brown Bag” sessions for APT Employees
  - Additional informational sessions as appropriate
  - Substantive training in new system components
    - On-line Position Description Generator
    - Hiring Above Designated New Hire Rate
    - Special Compensation Adjustments

Implementation

- Comprehensive Training Schedule
- Review of Position Descriptions
  - When there have been changes critical to the program’s essential functions
    - if update appropriate, use current rules, forms and procedures no later than October 31, 2001
- Classification Moratorium - effective November 1, 2001
Securing a UH UNIX ID

Log in to electronic applications associated with the new system (e.g., PD Generator) will require a UH UNIX ID. To obtain a UH UNIX ID, please contact the Information Technology Services Help Desk at:

http://www.hawaii.edu/infotech/yourusername.html

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Questions & Answers

- Thank you for attending
- Please note that the University is consulting with the HGEA
- If you have any additional questions, contact your departmental personnel representative who may contact the Office of Human Resources via e-mail at uh-broadband-l@hawaii.edu
- Website (link from OHR home page):
  http://www.hawaii.edu/ohr/projects/projects.html