

## ***PSO News***

**September, 1998**

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### **Message from the Chair**

The PSO Board has been working over the summer on each of the organization's three goals:

1. *To foster professionalism and encourage professional development.*

The scholarship committee awarded four scholarships for Autumn quarter. See the article from the chair Danya Tomlinson on page 3. Also, the professional development committee is planning a session on retirement issues.

2. *To represent the issues and concerns of professional staff to the University community and the legislature.*

Fred Nick, has been instrumental in improving the accuracy of the Johnson and Lindstrand Salary Survey by providing the company with several tutorials on sophisticated statistical methods. A hot link to the Executive Summary of that survey will be available on the PSO web page shortly. We have been consulting with the UW administration on ways to present the best case for staff salary increases in the legislative session next year. As we develop more concrete plans in this effort, we will inform you via our web site, e-mail and the winter newsletter. We have invited two legislators to be the speakers at our annual meeting on Oct. 7. In addition to getting their views on the future of higher education in Washington, we look forward to the opportunity to let them know more about the UW professional staff.

3. *To disseminate information and enhance communication and understanding among professional staff.*

Our new website developer, Katie Swanson, has revamped the PSO website. We intend to continue developing new links and posting items of interest to professional staff. We will be publicizing the public meeting that the Personnel Office and Johnson & Lindstrand intend to hold this Autumn to discuss the salary survey. In the eight years since PSO was founded, we have become a recognized voice for professional staff at the UW. Previous boards have worked hard to establish our credibility with the Director of Personnel, the Executive VP and the Faculty Senate. They have also provided direct service to many PSO members through the mentor program, workshops and open forums. I am honored to serve as chair this year and encourage your comments and your participation in PSO's activities.

*Debbie Prince*

Chair, PSO

### **UW Professional Staff Compensation Survey '98**

Every two years since 1990, the UW has conducted a survey of Professional Staff salaries. The 1998 survey and accompanying study were conducted by Johnson/Lindstrand Consulting in conjunction with an advisory committee of campus individuals. After a review of the '96 study, some problems were detected and some improvements were identified. Therefore, this year's study underwent a great deal of scrutiny to improve data accuracy and quality. In addition, a new series of data on incentive pay, stock options and hiring bonuses was collected. New statistical techniques were applied to confirm that the sample benchmarks chosen represented the total UW population. This year's study is the best so far.

Some of the findings of the survey are as follows:

- The market gap between the UW and outside markets appears to be the same as '96, around 8% within the region. This number is calculated using base salary figures and includes the July merit raises. This number would indicate we are not losing or gaining ground on the outside salaries. However, a major change is occurring in the outside jobs. Other methods of compensation in addition to base pay are being used. Hiring bonuses, stock options, incentive pay, yearly bonuses, etc., are becoming a substantial percentage of the overall compensation received in outside positions. Up to 40% of outside firms use some form of extra benefits in addition to base pay. When the value of these other forms of compensation are factored into the market gap calculations, the overall average for the UW falls to 12.6% behind the market within the region. This number includes the last merit raises.
- A series of annual raises was calculated to project what it would take to maintain or close our 8% market gap over a five-year time span. To maintain our market gap, we would need 4.5% increases per year. To close the market gap, we would need 5.5% per year. The University requested 4.5% annual increases in its 1999-2001 biennium budget submission to the Governor. Again these numbers are for base salaries and do not include the extra gap caused by the increased use of other forms of compensation.
- The UW must follow certain legal prohibitions on the use of some forms of compensations. These restrictions are not in place in private business. An example would be the use of yearly bonuses. Therefore, other "pots" of funds must be requested from the State to "correct" some titles. This correction would put the titles close to the actual compensation levels of similar outside jobs when incentives are included. Some highly skilled but low-paying jobs, which have few outside jobs to compare them against, need to be reviewed and corrections applied.
- Some form of total compensation philosophy and incentive awards system must be developed to properly compensate UW staff and reduce the number of UW staff leaving to outside employers. Conducting this salary survey proved to be a complicated and sometimes difficult task. Obtaining the outside data and making appropriate matchings is complicated by the form in which most companies keep their data. Also because of confidentiality problems and the fact that you are asking them to do work for you, getting other organizations to participate at all is an art form. Because of the nature of the data used in these studies, some problems are unavoidable. Some UW jobs have no outside job titles to compare them against. They are therefore excluded from the survey. Since the individuals at other organizations to whom the surveys are sent vary each time, year-to-year comparisons can sometimes be fairly inaccurate within certain job titles. And because it is not economically feasible to compare all UW titles to the outside markets, numbers from the benchmark (sample) of titles are compared to outside positions and then a mathematical projection is made to calculate differences which represent the whole UW population. These calculations give us a fair idea of where we are but are not "real" measurements. Because collecting the data takes several months and there is the added complexity of using weighted data, the consultants and the Committee members from the UW Office of Compensation & Professional Staff Programs extensively checked and re-checked the data and the calculations conducted. Given these facets and constraints, the Johnson & Lindstrand Consultants and the Committee did a great job in calculating the market gap numbers and comparative charts.

The following web site contains some of the survey materials: [jlconsulting.com/uwsurvey98](http://jlconsulting.com/uwsurvey98) .

In my opinion, the methods in which employers are compensating their staffs are dynamically evolving. The UW must change the way in which it pays the Professional Staff or risk increased migrations of their best people to higher paid outside jobs with lucrative compensation packages. To accomplish this the UW must:

- convince the State Legislature that incentive programs must be created and funded,
- obtain extra correction budgets to close actual salary market gaps for some positions, and
- work with the State to improve the rules concerning legal methods of compensating state employees.

Also, the method in which these surveys are conducted must continue to evolve to properly record and measure these emerging compensation strategies and to calculate the actual market gaps, including incentives,

rather than the base salary market gaps alone.

*Fred Nick*

Vice Chair, PSO

Salary Survey Advisory Committee Member

## **PSO Selects 1998–99 Slate**

This past June, the membership of the PSO elected *Debbie Prince* (Academic Counselor, Undergraduate Advising Center) to lead the PSO for the 1998–99 academic year. She succeeds Steve Graham (Director of Computing, College of Arts and Sciences), who will remain on the Board for a final year as Past Chair.

Also elected for one-year terms on the PSO Executive Board are *Vice Chair, Jim Mock* (Computer Support Services Manager, College of Engineering); *Secretary, Nancy Sherman* (Administrator, Applied Physics Lab); and *Treasurer, Arni Litt* (Research Scientist, Department of Zoology). (Unfortunately, Jim Mock was unable to continue serving as Vice-Chair; the Board elected *Fred Nick* to fill this position.)

Six new members were elected for two-year terms on the PSO Board of Directors. Now representing the University's Continuing Education Specialists is *Karen Schmitt* (Manager of Education Initiatives, College of Ocean and Fishery Sciences), representing Principal Assistants to Executive Heads is *Susan Huney* (Administrator, Polar Science Laboratory) and *Charles Packard* (Policy Development Analyst, Budget Office); representing Computing and Networking is *Fred Nick* (Director, Center for Social Science Computation and Research); and, representing Research Scientists/Engineers are *Stephen Reynolds* (Senior Oceanographer, Applied Physics Lab) and *Mary Talbot* (Senior Oceanographer, School of Oceanography).

These newly elected Board members join continuing area representatives: *Jody Burns* (Counseling representative; Director of Counseling Services, Department of Psychology), *Charles Simenstad* (Research Scientist/Engineers; Senior Fisheries Biologist, Fisheries Research Institute), *Danya Tomlinson* (At-Large representative; Assistant to the Dean, Graduate School) and *Anita Whitney* (Principal Assistants to Executive Head representative; Administrator, Department of Oceanography).

You are encouraged to contact the PSO Board at any time to discuss your interests, concerns and suggestions.

*Bruce Bennett*

Election Chair

## **Professional Development Scholarship Program**

One of the goals of the Professional Staff Organization is to foster professionalism and encourage professional development. In August of 1997, the PSO Board approved a Professional Development Scholarship Program to encourage professional staff members to take advantage of conferences, workshops and classes to enhance their career development.


The PSO Scholarship Program offers \$250 awards to assist all professional staff members. Scholarships are awarded on a quarterly basis with a maximum award of \$250 per person per year. Since its initiation in Winter Quarter 1998, the PSO has awarded over \$4,000 to 18 professional staff members.

For further information on the scholarship program or to receive an application, please contact Danya Tomlinson: email—[danyat@u.washington.edu](mailto:danyat@u.washington.edu); telephone—206-543-9054. Also, check the PSO website. The deadline for Winter Quarter applications is December 2, 1998.

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[Return to the PSO Home Page](#)

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