

**University of Pennsylvania
Job Classification**

**Developed by
The Division of Human Resources**

Introduction

In April 1998, the University of Pennsylvania completed a thorough review and redesign of the job classification system. All organizations, including universities, require ongoing monitoring and updating of their job evaluation methods, pay delivery systems and benefits programs in order to be responsive to changes in the labor market. As a result of the University's Classification Redesign Project, a new job classification system was developed as part of the salary administration program.

The University of Pennsylvania is a large, complex and decentralized workplace. The large number of staff members who work here bring to Penn a wide variety of skill sets and a broad base of knowledge and work experience. The classification system considers the uniqueness of our environment, the range and diversity of our jobs, and the changes in the labor market.

This overview provides background information on the development of the classification system and salary structure implemented in April 1, 1998.

How the System Was Developed

In the Spring of 1995, an advisory group was established to work on redesigning the job evaluation method used to classify staff positions. This working group (the Classification Redesign Team) was made up of representatives from several schools and centers across the University. They met numerous times over the course of the project and provided critical input from a school/center perspective to help bring the project to completion.

One of the first steps in redesigning the classification system was to determine the type of job evaluation method that would work best at the University. By definition, job evaluation is a systematic process by which an organization measures, compares and categorizes jobs for the purpose of salary administration.

Because of the diversity of the jobs at Penn, the Classification Redesign Team chose a *factor comparison* approach to job evaluation. In this approach, factors are selected that are common to most jobs, but present in these jobs in varying degrees. The selected factors represent the elements or aspects of jobs which distinguish jobs from one another (e.g. education, experience, managerial skills) and form the basis of a multi-level classification system.

The Classification Redesign Team carefully selected and defined a set of twelve job factors which include: Communications, Complexity, Decision Making, Formal Education, Impact of Actions, Innovation/Creativity, Managerial Skills, Planning, Problem Solving, Specialized Knowledge, Work Experience, and Working Conditions/Physical Effort. These factors are defined in detail in this booklet.

The next step in the process of redesigning the classification system was to develop an information gathering tool to gather data on all staff positions at the University. This tool, the Position Information Questionnaire (PIQ), was developed by the project team working together with external consultants. The PIQ was used in a pilot program in the Spring of 1996 to test the validity of the tool and then distributed to all University staff in November, 1996.

Over 90% of University staff completed the questionnaire. The input contributed by University staff provided a wealth of information on jobs across all job levels and families. This information was analyzed using a statistically based job evaluation model. The results were then validated by the Compensation Office through a job-by-job review.

Another key component in redesigning the classification system was to assess the value of similar jobs within the labor market in which the University competes for staff. While the job evaluation method provided a comparison of the internal relationship of one job to another, job pricing and ultimately the development of a pay structure provided a link to the pay practices in the marketplace where we compete.

The extensive analysis of the job data provided by University staff and the comparison of this information to similar jobs within the labor market resulted in the development of a twelve (12) grade salary structure.

The University of Pennsylvania's Job Factors

Formal Education

This factor identifies the minimum position requirements in terms of formal education which are required of the position in order for it to be performed satisfactorily. Knowledge may have been acquired through a formal diploma/degree program, training, or a combination of both. This is a measure of the level of education for the position and not necessarily a measure of the incumbent's own level.

Work Experience

This factor evaluates the time normally required for a person with the necessary educational background to develop the required skills and abilities to perform a specific job.

Note: The factors of education and experience should be evaluated independently. However, it is recognized that when recruiting staff, these factors may be used interchangeably (i.e., a candidate may qualify for employment by supplementing the level of formal education with significant position-related experience).

Planning

This refers to the scope, time frames, breadth and complexity of ongoing planning typically required in the position. This factor explores how far into the future a person is required to plan their highest level of work activities.

Impact of Actions on Budgets, Revenues and Grants/Impact of Decisions

This factor evaluates the impact the position has on operating budgets, revenues and grants. Budgetary responsibilities involve the amount of control over decisions regarding the allocation of Penn's available spending in the current fiscal year. Revenue impact refers to the amount and degree of effect over generating incoming funds of the University. Grant Funds are those resources of Penn that are generated through external sources typically used for research purposes. It also measures the amount of dollars impacted by the job.

This factor also identifies the impact of the position's decisions on the functions of Penn. Impact is measured by the importance of the decisions or final recommendations the position typically renders.

Complexity

Complexity is measured in terms of the nature of the tasks performed and the reliance on policies and procedures, the extent of problem solving capabilities necessary, the level of analytic and organizational abilities required.

Decision Making

Decision Making is measured in terms of the opportunity for independent action, the level of direction and supervision received, as well as the variety, type and frequency of decision making.

Problem Solving

This factor evaluates the level of problem solving required in the job ranging from problems of low impact that can typically be solved by following standard procedures to solving problems that require establishing new and non-standard approaches.

Communications

This factor identifies the responsibility for working with or through other persons to obtain results. The contacts or relationships may be inside or outside of Penn. A measure of this factor considers why the contact is necessary, the importance and frequency of the contact(s), the amount of tact and persuasion typically required and whether the position must handle confidential information.

Managerial Skills

This factor identifies the responsibility for directing others including selecting staff, structuring and assigning work, guiding and advising staff and staff evaluation. It also considers the level of the supervisory responsibility and the nature of the work supervised.

Job-Related Knowledge

This factor evaluates the depth and breadth of knowledge required by the position and measures the knowledge from the most basic skills to advanced knowledge in multiple professional disciplines.

Innovation/Creativity

This factor measures to what extent the job requires developing or improving procedures, policies, systems, products, teaching methods and/or technologies in order to create competitive advantages for the University.

Working Conditions

This provides information on the environment where the work is performed and the physical effort needed to perform the work.

Salary Structure

Penn's salary structure is a modified form of broadbanding, a pay structure characterized by a relatively small number of grades that have broader ranges between the minimum and maximum of the salary range. There are 12 grades in the structure numbered from 21 to 32. University exempt (monthly-paid) and non-exempt (weekly-paid) staff positions are classified within this single salary structure.

These broader ranges simplify salary administration. The width of each salary range enables pay growth within a single grade. Career advancement can be a lateral opportunity (movement through the current salary range) or moving into a higher grade and salary range through a reclassification or transfer.

<u>Grade</u>	<u>Minimum</u>	<u>Top of First Third</u>	<u>Top of Second Third</u>	<u>Maximum</u>
32	88,966	115,655	142,344	169,034
31	74,483	96,828	119,173	141,517
30	63,509	81,503	99,497	117,491
29	53,195	68,264	83,335	98,407
28	45,000	57,000	69,000	81,000
27	38,182	47,727	57,272	66,818
26	32,364	40,454	48,544	56,636
25	27,055	33,818	40,581	47,345
24	23,148	28,549	33,950	39,352
23	19,481	24,027	28,573	33,119
22	16,981	20,660	24,339	28,019
21	14,755	17,952	21,149	24,345

(Effective 4/1/01)

Note: Non-exempt (weekly-paid) staff members= hourly rates can be determined by dividing the annual salary in the above scale by 1820 (example: \$22,600 divided by 1820 =\$12.418 hourly). To calculate the annual salary for varying work schedules, follow the formula below:

Example

Annual Salary Calculation:	40 hour schedule	2080 x hrly rate	(2080 x 12.418 = 25,829)
	37.5 hour schedule	1950 x hrly rate	(1950 x 12.418 = 24,215)
	35 hour schedule	1820 x hrly rate	(1820 x 12.418 = 22,600)

Overtime Compensation Policy (Weekly-Paid Staff Members Only)

All non-exempt, weekly paid staff members must be compensated for all hours worked. Non-exempt employees are not permitted to work overtime without prior approval. These staff members are subject to the overtime pay provisions of the Fair Labor Standards Act and cannot donate their services to any entity under the direction of the Trustees of the University of Pennsylvania. Federal law requires that:

- ! A weekly paid staff member who works more than 40 hours in any given work week must be paid at the rate of one and one half times the regular hourly rate of pay for all time worked in excess of 40 hours per week. The regular hourly rate must be paid for hours worked between the scheduled work week (35 or 37.5 hours) and 40 hours. Time off may not be substituted for any of the hours worked in a work week which includes actual hours worked in excess of 40.

- ! When calculating overtime at one and one half times the regular rate of pay for hours worked in excess of 40 in a given work week, only use Actual hours worked \cong . Hours charged to sick, vacation, personal time and other paid leave balances should not be included in this calculation.

- ! A weekly-paid staff member who works in excess of his/her scheduled work week of 35 or 37.5 hours, but less than 40 hours in a work week, must be compensated in either of the following ways:
 - X Pay at the regular hourly rate for hours worked over 35 or 37.5 up to 40 hours in the work week, **or**
 - X Time off equal to the number of hours worked over 35 or 37.5 up to 40 hours in the work week (providing that the actual hours worked did not exceed 40 hours).

Pay rates and policies for hours worked by staff members who are represented by unions are governed by the appropriate collective bargaining agreement.

Reevaluation Process

In a dynamic organization such as the University of Pennsylvania, there are instances where positions do change over time, particularly when University departments need to respond to new business demands. The broad ranges of the new salary structure can accommodate many different types of jobs and different levels of responsibilities within the same pay grade. However, when a staff member and his/her supervisor believe that a job has changed significantly, a request may be sent to the Human Resources Compensation Office to reevaluate the position to determine if a reclassification is warranted.

Requests for the reevaluation of a position must be submitted to the Compensation Office with the following information:

- ! an updated position information questionnaire signed by both the staff member and his/her supervisor,
- ! a letter of request from the appropriate Administrative Unit Head, or designee, and
- ! the staff member's current resume.

A staff member must have at least six months of continuous University service in his/her current position to be eligible for a reevaluation review. Schools and centers have specific guidelines for submission of reevaluation requests and can provide guidance on this process through their local human resources representative.

The Compensation Office will evaluate the position and make a recommendation on the appropriate title and grade. One or more of the following may be recommended: a title and/or grade change; a salary adjustment; or no change. Managers and supervisors must consult with Human Resources on an appropriate salary level.

Salary Increases

Annual Merit Increase Program

Annual increases will continue to be determined and administered locally as part of the Annual Merit Increase Program. Increases should be performance-based with the amounts varying according to the levels of performance. A decision not to award an increase is appropriate in the absence of satisfactory performance. Annual merit increases for eligible employees are effective in the first pay of the new fiscal year.

In-Grade Salary Adjustments

Individual salary adjustments will be considered on a case-by-case basis. These may occur for several reasons including changes in job responsibility (not significant enough to warrant reclassification to a higher grade), increased scope or complexity in the job, internal equity, labor market changes, or successful completion of additional job related training.

Requests for a salary review must be submitted to the Human Resources Compensation Office with the following information:

- ! a current position information questionnaire signed by both the staff member and his/her supervisor,
- ! a letter of request from the appropriate Administrative Unit Head, or designee, and
- ! the staff member's current resume.

Conclusion

The University of Pennsylvania's classification system was developed to meet the following objectives:

- ! establish a method that evaluates jobs consistently and fairly,
- ! place University staff positions into grades with salary ranges that are competitive with the marketplace for comparable jobs,
- ! regularly measure the external market value for comparable jobs and adjust the salary structure accordingly, and
- ! establish a system which will provide flexibility to managers in pay administration and to staff in career development.

As the University moves forward with this program, we will continue to monitor, evaluate and, when necessary, make changes in order to improve the effectiveness of the program.

