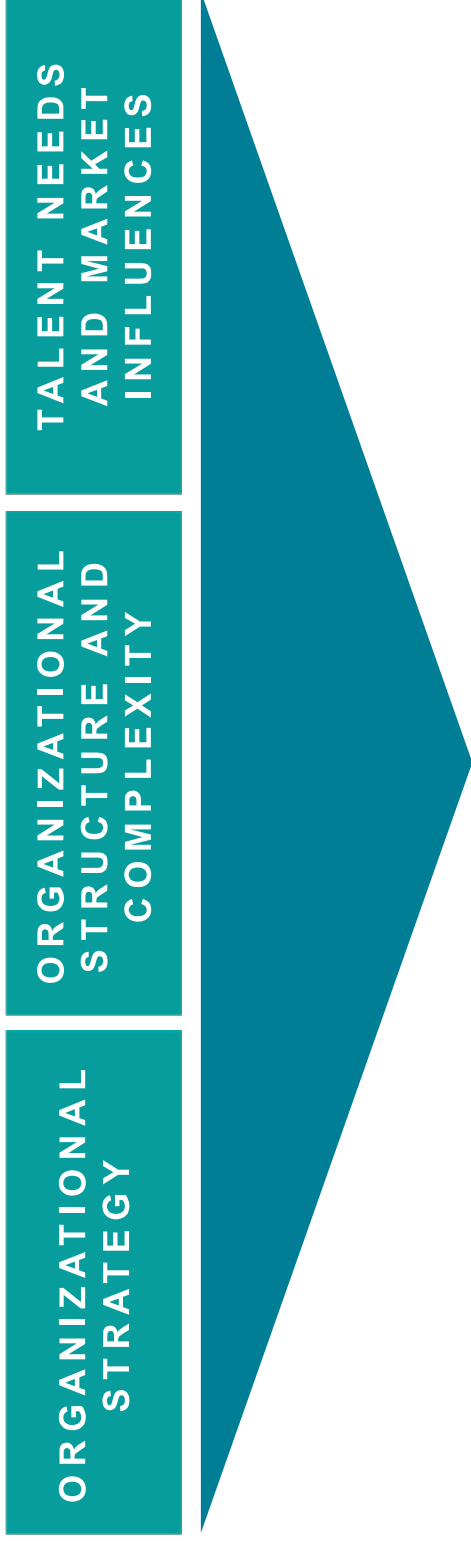


# COMPENSATION PHILOSOPHY DEVELOPMENT

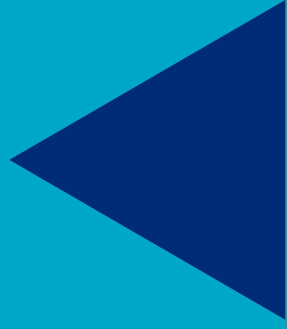
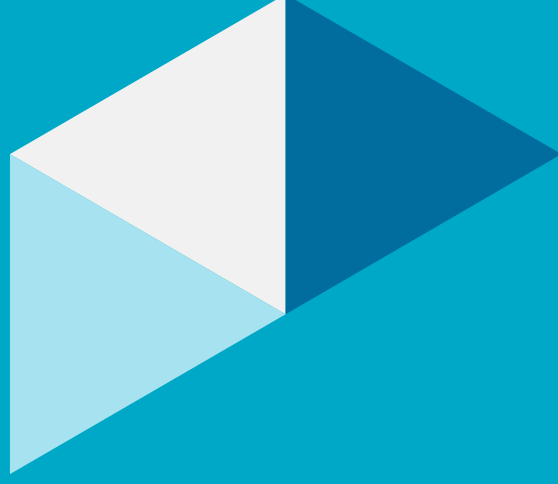
## TOTAL COMPENSATION PHILOSOPHY INFLUENCES



## TOTAL COMPENSATION PHILOSOPHY COMPONENTS



# PRELIMINARY TOTAL COMPENSATION PHILOSOPHY GUIDING PRINCIPLES



# PRELIMINARY TOTAL COMPENSATION PHILOSOPHY GUIDING PRINCIPLES

Guiding Principles	Stakeholder Feedback
<ul style="list-style-type: none"> <li>• Adopt a total compensation philosophy and program that aligns with the UW's mission and culture, supports the attraction and retention of talent and has the flexibility to accommodate the needs of each institution</li> </ul>	<ul style="list-style-type: none"> <li>• Belief that the UW is a preferred employer with a desirable mission and culture</li> <li>• Concerns about a one-size-fits-all program</li> <li>• Recognition that institutions have different talent needs</li> </ul>
<ul style="list-style-type: none"> <li>• Reference regional and/or national compensation benchmarks that reflect the specific market(s) in which each of the UW institutions compete for talent</li> </ul>	<ul style="list-style-type: none"> <li>• Recognizes that customized markets are developed based on the institutions recruitment needs and that these markets vary across the System.</li> <li>• Supports experiences that indicate some positions are typically recruited locally/regionally and the market broadens as the employee level increases</li> </ul>
<ul style="list-style-type: none"> <li>• Provide clear and transparent communication about compensation, benefits, career opportunities and performance management at the UW</li> </ul>	<ul style="list-style-type: none"> <li>• Expectations for open communication based on collaborative governance structures and prior history of transparency in similar projects</li> <li>• Need for transparency and simplification</li> <li>• Recognition that the UW can no longer rely on benefits as a primary driver of attraction and retention</li> </ul>

# PRELIMINARY TOTAL COMPENSATION PHILOSOPHY GUIDING PRINCIPLES

Guiding Principles	Stakeholder Feedback
<ul style="list-style-type: none"> <li>• Reinforce that performance is a factor in determining pay</li> </ul>	<ul style="list-style-type: none"> <li>• Recognition that performance management is perceived as inconsistent – some institutions and departments regularly conduct performance evaluations and others do not</li> <li>• Recognition that shifting employee mindset from pay linked to years of service to performance will be a major cultural shift that would require significant change management support</li> <li>• Understanding that performance is one of the acceptable factors in determining compensation adjustment by the State of Wisconsin</li> </ul>
<ul style="list-style-type: none"> <li>• Develop a contemporary and market-informed total compensation structure that considers the external and the UW’s market for jobs and is responsive to changing market conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Desire to compensate employees fairly and financially reward performance</li> <li>• Desire for relevant market data to support compensation decisions</li> <li>• Recognition of the uniqueness of certain jobs, as well as, hybrid positions</li> </ul>
<ul style="list-style-type: none"> <li>• Clarify career development opportunities with a well-defined job framework, consistent and modernized titles and up to date job documentation</li> </ul>	<ul style="list-style-type: none"> <li>• Desire to clarify opportunities for career growth</li> <li>• Recognition that job titles are abundant, frequently unclear, and do not reflect market practices in some cases</li> <li>• Concerns about title inflation</li> </ul>