



COLUMBIA COLLEGE
COMPENSATION REVIEW MANUAL

REVISED MAY 13, 2003

NOTE:	Clarification of Terms
Must; Shall; Will:	These words or phrases indicate actions or activities that are <i>essential</i> or <i>mandatory</i> .
Should:	This word implies that it is highly desirable to perform certain actions or activities, but not essential or mandatory.
May or Could; Can:	These words imply freedom or liberty to follow an alternative to the action or activity being presented in a document.

INTRODUCTION

Psychologists know that people have many needs, only some of which can be satisfied directly with money. Other needs include achievement, affiliation, power, or self-actualization. Each need affects motivation and influences behavior.

Yet with all our modern motivation techniques (like job enrichment), there's no doubt that money is still the most important motivational factor.

GOAL OF COLUMBIA'S COMPENSATION REVIEW

Columbia College wishes to be positioned as an above-average provider of compensation when compared to other local and regional employers. Therefore, the goal of Columbia College's compensation review process is to ensure that the compensation package provided to each of its employees is at least 1% above mid-range when compared with that provided by other employers for similar positions in the public and private sector.

PURPOSE

The following process was developed to assist in completing a full, proper, and objective compensation review of any position at Columbia College.

Part A

A compensation review will take place for the following position and/or program:

The review will be conducted by the following personnel:

The compensation review will be completed by the following date:

Part B

List the names of the program/position being reviewed plus three to five programs or positions that are comparable to this program or position. Keep in mind that most faculty and staff at Columbia College are employed on a part-time basis and therefore, these positions should only include comparisons of similar part-time positions in other organizations. Likewise, only full-time positions at Columbia College will be compared with like or similar full-time positions in other organizations.

Name of Position/Program	Location	Contact Person	Phone Number	Source of Funding
1.				
2.				
3.				
4.				
5.				

Notes: The following criteria need to be met, whenever possible, when determining which positions from which organizations to list above.

1. A comparable position is one that requires a similar basic level of formal education, related experience, skills and other qualifications or attributes by comparable organizations (i.e. minimum qualifications).
2. A comparable position is also one that consists of a similar position description, duties and responsibilities.
3. A comparable position is one that serves a similar set of customers (e.g. adult learner) in a comparable work setting (e.g. a college).
4. A comparison should be made with other positions within the same industry (e.g. education).
5. The position being compared should be in the same city or nearby region (i.e. within the Calgary region).
6. The position should be for a comparable workload. For example, number of individuals supervised, class size, extra curricular activities, committees, clubs and memberships.
7. The position should be located in about the same level on an organizational chart for that industry.

Program/ Position	Basic Level of Formal Education	Duties & Responsibilities	Similar Customers	Same Industry	Same City or Nearby Region	Comparable Workload	Same Level on an Organizational Chart
1.							
2.							
3.							
4.							
5.							

Submit this list of positions to the President for approval prior to continuing with Part C.

Part C

Position/Program:

- a. Obtain a written copy of the collective bargaining agreement plus other relevant documents for each position or program listed in Part B. If the contract does not specify an hourly wage, the hourly wage should be determined by dividing the monthly or annual wage by the total number of regularly scheduled hours during this period of time. Using this approach, show the calculations involved in determining the hourly wages on this position.
- b. Determine a level of education that will be used for comparison of the above position/program (for example, a part-time facilitator with one degree).
- c. Determine the minimum wage (example: zero years experience = \$28.00/hour) and the maximum wage (example: ten years experience = \$38.00/hour) for this position/program.
- d. Determine the mean hourly wage for this level by taking the average of the minimum and maximum salary for this level. (example: $\frac{28 + 38}{2} = \$33.00/\text{hour}$)
- e. If necessary, determine a second level (example: two degrees) and a third level of education (example: a master's degree) to be used for comparison.
- f. Determine the mean hourly wage for each level by repeating steps (c) and (d) above for each level.
 (example: 2nd level: min. = \$34/hour; max. = \$44/hour; mean hourly wage = $\frac{34 + 44}{2} = \$39/\text{hour}$)
 (example: 3rd level: min. = \$40/hour; max. = \$50/hour; mean hourly wage = $\frac{40 + 50}{2} = \$45/\text{hour}$)

g. The mean hourly wage to be used for comparison at each level will be as follows:

Level 1	Level 2	Level 3
example: \$33.00	example: \$39.00	example: \$45.00

- h. With the help of the Accounting Department at Columbia College, translate other aspects of the compensation package into a dollar value/hour.
 - (1) Health Benefits including medical, dental, short term sick leave and long term sick leave.
 Dollar value/hour: _____ (example: \$2.60)
 - (2) Vacation Pay
 Dollar value/hour: _____ (example: \$1.98)

- (3) Professional Development Allotment
Dollar value/hour: _____ (example: \$0.34)
- (4) Compassionate leave
Dollar value/hour: _____ (example: \$0.28)
- (5) WCB Benefits
Dollar value/hour: _____ (example: \$0.15)
- (6) Mileage
Dollar value/hour: _____ (example: 0)
- (7) Other Forms of Compensation (describe and detail)
Dollar value/hour: _____ (example: 0)

i. The total hourly wages at each level for this position/program is equal to the mean hourly wage plus the dollar value from (1) to (7).

Example: dollar value for items (1) to (7) =
 $2.60 + 1.98 + 0.34 + 0.28 + 0.15 = \$5.35/\text{hour}$

Example: total hourly wage for this position/program is:

Level 1: $\$33.00 + \$5.35 = \$38.35/\text{hour}$

Level 2: $\$39.00 + \$5.35 = \$44.35/\text{hour}$

Level 3: $\$45.00 + \$5.35 = \$50.35/\text{hour}$

Total hourly wage for this position/program is:

Level 1: _____

Level 2: _____

Level 3: _____

j. Repeat Part C for the position/program at Columbia College being reviewed plus three to five positions or programs that are comparable as determined in Part B.

Part D

Determine the average hourly wages of the comparable positions/programs by adding the total hourly wages for each program/position and dividing by the number of programs/positions reviewed. Show this calculation and arrive at an average hourly rate of compensation for each level.

EXAMPLE	TOTAL HOURLY WAGE					
	Program 1	Program 2	Program 3	Program 4	Program 5	Average
Level 1	33.00	28.00	37.00	40.00	30.00	$168 \div 5 = 33.60$
Level 2	39.00	31.00	40.00	42.00	35.00	$187 \div 5 = 37.40$
Level 3	45.00	34.00	43.00	44.00	40.00	$206 \div 5 = 41.20$

a. Average hourly rate of compensation in comparable positions/programs:

	Program 1	Program 2	Program 3	Program 4	Program 5	Average
Level 1						
Level 2						
Level 3						

b. The hourly rate of compensation for the position/program at Columbia College:

Level 1: _____ (example: \$32.00)

Level 2: _____ (example: \$35.00)

Level 3: _____ (example: \$40.00)

c. Determine the hourly rate increase required to bring this program/position at Columbia College in line with the comparable programs/positions reviewed by performing the following calculation:

The average hourly wage for each level from (a) – the hourly rate at Columbia

Level 1: _____ (example: $33.60 - 32.00 = \$1.60$)

Level 2: _____ (example: $37.40 - 35.00 = \$2.40$)

Level 3: _____ (example: $41.20 - 40.00 = \$1.20$)

Part E

Using the information from Part D, outline a recommendation for setting the hourly rate of compensation for this position/program above the mid-range hourly rate of compensation for comparable positions/programs in the public and private sector.

Median hourly rate of pay recommended for each level:

Level 1: _____

Level 2: _____

Level 3: _____

Part F

Present this recommendation along with all supporting documents to the President of Columbia College for review. Supporting documents must include written copies of all collective bargaining agreements used in this process.

Part G

The President may respond to the compensation review in the following manner:

- The President may accept the compensation adjustment as recommended.
- He may request further information before making a decision on the recommendations.
- He may accept the recommendations with some changes. If changes are made, a reason for the changes will be outlined in the response to the compensation review.
- He may refuse the recommendations and outline the reasons for the refusal.