

Frequently Asked Questions

CSU Compensation Review for Non-Faculty Represented Staff

Q: Why was there a review of the CSU compensation program for non-faculty staff represented by a union?

A: CSU, CSUEU (SEIU Local 2579), and Teamsters Local 2010 worked together to review CSU's existing compensation program to:

- Identify and address issues of salary compression and internal wage stagnation. (Salary compression is when the starting salaries for newer employees in an organization match that of comparably skilled existing employees with more years of service. Wage stagnation is when wage rates of current employees don't increase at rates comparable to the marketplace.)
- Identify and address areas where CSU's pay for jobs is misaligned with the market
- Consider strategies for recruitment and retention through job progression and greater clarity of job classifications
- Provide alternative salary structures and pay practices to address the issues identified in the study

CSU and its non-faculty bargaining units partnered with the consulting firm Mercer to evaluate CSU's existing compensation programs for non-faculty represented employees. A project team was formed to work with Mercer. That team consisted of leaders from CSU, CSUEU (SEIU Local 2579), and Teamsters Local 2010. Mercer is an international consulting firm with deep expertise in employment services, including compensation. Mercer frequently works with organizations of all sizes to align their business and people strategies, including assessing compensation programs.

Q: What proposed changes will CSU bring before the California State Legislature as a result of this review?

A: Based on the comprehensive review, the main components of the recommendations which are being presented to the state legislature and the CSU Board of Trustees are:

- Align CSU pay structures and employee pay with the external market (i.e., higher education and general industry)
- Implement a step salary structure that regularly advances the pay of current employees as they grow in experience, including:
 - Salary structures localized for each campus based on cost of salaries in the area (e.g., step rates for the San Francisco campus will be higher than those for the Chico campus for the same job)
 - Larger increase percentages in initial salary steps to get salaries aligned to the market within five years

Frequently Asked Questions

CSU Compensation Review for Non-Faculty Represented Staff

- Nine salary steps to move employees to the maximum rate within 15 years
- Ensure future changes to job classifications and titles reflect the work performed and the external market

Q: What needs to happen for the proposed changes from the compensation review to take place?

A: Approval and funding from the state legislature are required to implement any and all recommendations to CSU's compensation program for non-faculty staff represented by a union. Final determinations of salaries, job families, titles, and pay structures will occur after state funding levels are determined. Additionally, the implementation process will be determined through the collective bargaining process.

Q: Who has been involved in the review of the CSU compensation program for non-faculty staff represented by a union?

A: The compensation program review was a collaboration among the CSU and all its non-faculty bargaining units. CSUEU (SEIU Local 2579) and Teamsters Local 2010 served on the project team, and they met regularly with the leaders from the other bargaining units to provide updates as well as solicited their input. In addition, stakeholder feedback was gathered from a broad group of non-faculty staff employees and management through a series of digital focus groups.

Q: Was the employee voice considered in the review?

A: Yes. A series of digital focus groups were conducted in December 2021 to gather stakeholder feedback. More than 4,500 non-faculty staff employees and their managers participated in the focus groups. Results from the focus group provided key insights.

Q: What was the methodology used to review the CSU compensation program?

A: Mercer and the working group followed a rigorous process to review the CSU compensation program for non-faculty staff represented by a union. Project steps included:

- Listening to key stakeholders to understand the current state
- Reviewing CSU's existing job framework (job classifications and job families) to identify opportunities to align with the external market and the work performed at CSU
- Pricing CSU job classifications to the external market
- Comparing CSU average pay to the external market
- Conducting a pay analysis to identify issues of internal equity among CSU employees

Frequently Asked Questions

CSU Compensation Review for Non-Faculty Represented Staff

- Developing alternative salary structure models for review
- Determining the most effective salary structure after considering the pros and cons of each structure

Q: Will employees' pay decrease as a result of the compensation program review? Will employees' benefits change?

A: Employees' pay will not decrease as a result of the review. Additionally, employees' benefits will not change.

However, employees may see the following changes as a result of the compensation program review:

- Salary grades will change as a result of implementing a new salary system.
- Employees may see an increase in their pay. If an employee's pay is increased, there will also be a subsequent impact on the value of their benefits (e.g., any salary-based benefit programs such as retirement).
- Employees may see a change in their job classification.

Keep in mind that approval and funding from the state legislature are required to implement any and all recommendations to CSU's compensation program for non-faculty staff represented by a union. Final determinations of salaries, job families, classifications, and pay structures will occur after state funding levels have been determined. Additionally, the implementation process will be determined through the collective bargaining process.

Q: What is the timing to implement the recommended changes?

A: The specific timing depends on approval and funding from the state legislature. Additionally, the implementation process details will be determined after funding has been approved and will be refined through the collective bargaining process.

Q: What happens if the California State Legislature does not support the recommendations?

A: If the state legislature does not support the recommendations, changes to CSU's compensation program will need to be revised to align with the budget received.

However, the CSU and its non-faculty staff bargaining units will continue to advocate for funding and changes to the compensation program for non-faculty staff represented by a union.

Frequently Asked Questions

CSU Compensation Review for Non-Faculty Represented Staff

Q: Do the recommendations have to be negotiated before implementation?

A: Yes. Implementation of the recommendations — assuming there is approval and funding from the state legislature — would need to be negotiated through the collective bargaining process.

Q: How is the cost of salary determined?

A: In the proposed structure, the cost of an individual employee's salary is determined by a combination of job classification and level, campus location, and experience within their current role at CSU. Satisfactory job performance will also be a requirement for future pay increases.

Once all the details of the new compensation program are approved and negotiated, CSU will provide education sessions for employees and managers to ensure understanding of the new program.

Q: Whom can I talk to if I have questions?

A: If you have questions, please reach out to members of the working group:

- CSUEU (SEIU Local 2579): Jim Philliou (CSUEU Executive Director) or Catherine Hutchinson (CSUEU President) (*CSUEU will set up an email to receive input – to be announced*)
- Teamsters Local 2010: Drew Scott (Trustee and Skilled Trades Director)
- CSU: Tammy Kenber (Associate Vice Chancellor, Human Resources), Lety Hernandez-Landeros (Senior Manager, Compensation & Classification Programs), Karin Jenkins (Compensation and Classification Programs Administrator), Joseph Jelincic (Assistant Vice Chancellor, Collective Bargaining), or Gene Howard (Senior Manager, Data Operations and Payroll Systems).

General feedback about the study may be submitted to hadmin@calstate.edu.