MEMO

February 2, 2021

TO: All Faculty and Staff

FR: Felecia M. Nave
President

RE: Compensation Structure Redesign Project Update

As we enter 2021, we are providing you an update on the Compensation Structure Redesign Project as part of our commitment to transparency. As a refresher, Alcorn State University has partnered with Segal, a consulting partner, to develop a competitive and fair compensation program that reflects our current culture and work environment.

Recapping our progress to date from the Spring and Summer of 2020...

- **Stakeholder Feedback** – a survey was launched in the Spring of 2020 to stakeholders to obtain their thoughts and views on critical elements of the University’s compensation programs. The results of the survey provided us with critical feedback to serve as a set of guiding principles throughout the project.

- **Compensation Philosophy** – a draft compensation philosophy was developed based on stakeholder feedback and market practices. The draft was reviewed with the President’s Cabinet and will serve as a working draft until all elements of the project have been completed.

Recently completed work steps in the Fall and Winter of 2020 include...

- **Higher Education Peer Comparators** – we have finalized the list of peer institutions (our “Peer Group”) that was used in our compensation evaluation process and will share the list of institutions once the project concludes.

- **Job Documentation Review** – Segal has reviewed our staff job structure and related documentation and provided recommendations for updates.

- **Market Assessment** – Segal has reviewed market data from the higher education peer comparators for faculty and a combination of higher education data and general industry for staff positions, as appropriate. The results have been reviewed with Human Resources and University leadership.
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- Draft Salary Structure for Staff – Segal has prepared a draft market based salary structure for all positions that can be used for managing pay decisions going forward.
  - The final structure will include an administrative approach to ensure consistency and equity based on such factors as relevant education, skills/knowledge and time in position.
  - This draft structure has also been reviewed with Human Resources and University leadership.

What is Happening Next?

- Draft Salary Structure for Faculty – A similar draft market based salary structure is in process for faculty that can be used for managing pay decisions going forward based on rank and other factors such as discipline, rank, and tenure in rank.

- Finalize Salary Structure for Staff – University leadership are currently reviewing the market results and draft salary structure in detail to ensure that positions are classified appropriately in the new salary structure.

- Pay Guidelines – Segal will develop pay guidelines that complement the compensation philosophy to align the University’s pay policies with the updated compensation program. The guidelines will address various aspects of pay including items such as starting pay, promotional increases, reclassification of jobs, lateral moves or transfer to a different department, expansion of responsibilities within current job and a process for maintaining the salary structures. The guidelines will be presented to Human Resources and University leadership for approval.

- Implementation Strategy – Segal will collaborate with the University to develop a communications and implementation plan. The plans will include items such as the rollout sequence of the compensation program elements including work steps, timing and communication materials to provide education on the new compensation program.

We are very pleased at the progress since the launch of the project, and as always, appreciate your continued support throughout this important initiative. We will continue to keep you informed of our progress through the estimated completion date in Spring 2021.