Non-Union Compensation Framework

Education Sector

NOVA SCOTIA
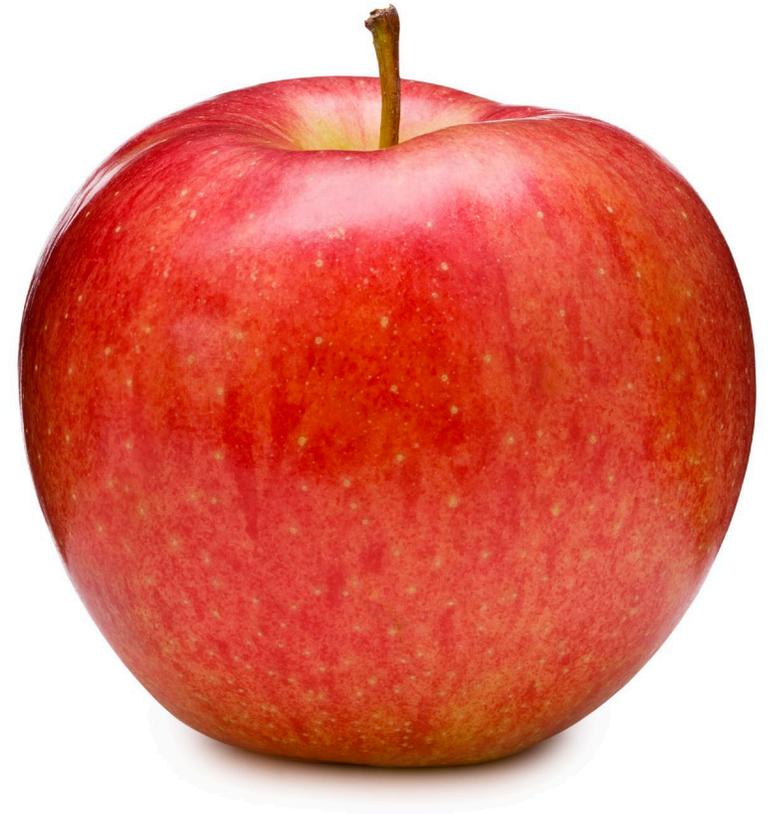
Outline

1 Context and Design Principles

2 Job Evaluation and Pay Structure Design

3 Changes Specifically for Principals and Vice-Principals

4 Key Dates and Resources

NOVA SCOTIA

1

Context and Design Principles

NOVA SCOTIA

Why the Framework is Needed

Originates from the January 2018 **Raise the Bar Report**

Goal To develop a compensation framework for all non-union education sector positions across the province that:

▶ **Aligns** with the objectives of the NS Education system

▶ Provides a **coherent and consistent** approach for all employers and employee groups

---

10
Pay Plans
7 Regions and CSAP + 2 PSAANS

850
School Administrators
Professional educators requiring a teaching license (PSAANS)

850
Management & Non-Union
Management or professionals in finance, operations, HR, etc.

$166
Million
Annual Payroll (with benefits)

Current Situation

- Difficult to manage
- Inconsistent practices
- Jobs of similar size paid differently
- Pay for education /certification level

Opportunity

- More equitable
- Easier to understand
- More efficient to manage
- Alignment with education system objectives
- Solid compensation management practices

The new compensation framework will provide consistent compensation practices for all non-union employees throughout the eight education entities.

NOVA SCOTIA

Context

✓ The Department of Education and Early Childhood Development requested the expertise of the Compensation group (Finance and Treasury Board) to lead this work

✓ Also supporting this work is a working / advisory group consisting of representatives of the following:

    ✓ Finance and Treasury Board

    ✓ Education and Early Childhood Development

    ✓ Public School Administrators Association of Nova Scotia (PSAANS)

    ✓ Regional Executive Directors; and

    ✓ Human Resources staff from the Regions

Compensation Design Principles

The new plan satisfies the following design principles:

✓ Create internal equity, fairness, consistency, and alignment across regions by creating a single banding structure using point factor job evaluation

✓ Ensures the fair and equitable treatment of employees

    ✓ Room to grow

    ✓ Jobs are placed in pay bands based on complexity. **Complexity is the foundation for compensation.**

    ✓ Differential between classroom teachers and Band 11 administrators

    ✓ Maintain some relativity with education sector bargaining unit rates

    ✓ Limit employees with red-circling to under 20% (year 1)

✓ Pay Plan is market competitive

NOVA SCOTIA

2

Job Evaluation and Pay Structure Design

NOVA SCOTIA

Fair Compensation
It's important that jobs are compensated fairly in relation to the work that is required

Determining Job Value
Job evaluation is a method of measurement used to assign value to the complexity of job duties/requirements and to determine appropriate wages for jobs

Focused on Job Requirements
The rating process is designed to objectively evaluate job requirements not individual performance, and to ensure consistency in the rating process

Equity and Fairness
Successful job evaluation helps identify and remove wage inequities and provide internal equity by creating a fair and objective wage structure.

Red-Circling
No one will have their pay reduced even though some jobs may decrease in value. Incumbents in these situations are salary protected. This is called red-circling which freezes wages until the maximum of the pay band catches up to the employee salary or the employee moves to another job with higher pay

Context of Job Evaluation

NOVA SCOTIA

Process Overview

1 — JOB DESCRIPTIONS
Focus on the knowledge, skills, and abilities required to do the job. Information collected from each region/CSAP.

2 — JOB EVALUATION
Details from the job description are used. Points are assigned to each factor to create an overall score

3 — POINT BANDS
Jobs with similar point values or "complexity" are logically grouped together in point bands

4 — PAY BANDS
Minimum and maximum pay levels, or "Salary Ranges", are established for each point band

---

Understanding the nature of the position includes:

- Why the job exists?
- What results must be accomplished?
- How are the results achieved?

This information is based on the details of what is **actually required** of the job.

Hay Job Evaluation Factors

KNOW HOW
All knowledge and skills needed
PROBLEM SOLVING
Amount and nature of thinking required
ACCOUNTABILITY
The extent a job is answerable for actions and their consequences
WORKING CONDITIONS
Physical Effort, Mental Stress, Physical Environment, Sensory Attention

---

	Minimum Points	Maximum Points
Band 1	50	100
Band 2	101	150
Band 3	151	200
Band 4	201	250

Illustrative Example

	Minimum Pay	Maximum Pay
Band 1	$34,000	$42,000
Band 2	$37,000	$47,000
Band 3	$41,000	$51,000
Band 4	$45,000	$56,000

Illustrative Example

NOVA SCOTIA

Process Overview

Complexity is the foundation for compensation

The rating process is designed to **objectively evaluate** the jobs, not the performance of the individuals, and to **ensure consistency** in the rating process

During the job evaluation process, **points are assigned** to each factor which are added together to create an overall **point score**.

The point scores allow similarly valued jobs to be **grouped together** into bands based on complexity.

Pay ranges are designed and aligned to bands ensuring **equal pay** for **work of equal value**.

Job Descriptions provide the information needed to complete the **job evaluation** process.

The **job evaluation** process and **points** lay the foundation for the **base pay structure**

NOVA SCOTIA

Band Structure (Based on Job Complexity)

Developing a compensation framework for all non-union unit positions across the province that **aligns** with the objectives of the NS Education system and provides a **coherent and consistent** approach for all employers and employee groups, required focus on the following:

Relativity
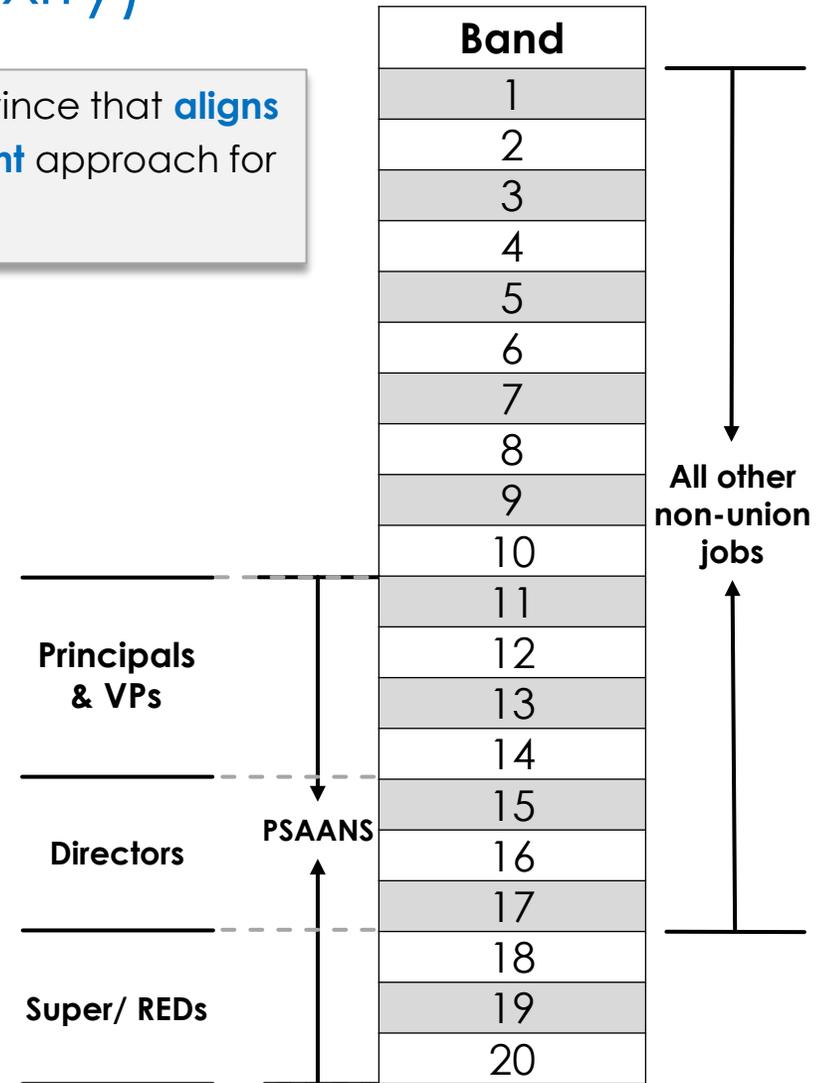Ensuring that jobs across and within regions were appropriately valued based on their complexity

Equity
Grouping similarly valued jobs into the same bands resulting in equal pay for work of equal value

Fairness
Recognizing jobs of higher complexity in higher pay bands

Competitiveness
Comparing rates of pay to government and the external market

Career Progression
Aligning pay to job complexity and incenting upward movement

Reporting Relationships
Ensuring a pay differential between people managers and direct reports

Band
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20

All other non-union jobs

Principals & VPs

PSAANS

Directors

Super/ REDs

NOVA SCOTIA

Band Structure

The band structure was built using pay ranges with a minimum and maximum rate of compensation.

The minimum of each pay band is 80% of the maximum of the pay band.

The maximum of each lower pay range falls above or "overlaps" the minimum of the next band.

Band	Min	Max
1	80%	100%
2	80%	100%
3	80%	100%
4	80%	100%
5	80%	100%
6	80%	100%
7	80%	100%
8	80%	100%
9	80%	100%
10	80%	100%
11	80%	100%
12	80%	100%
13	80%	100%
14	80%	100%
15	80%	100%
16	80%	100%
17	80%	100%
18	80%	100%
19	80%	100%
20	80%	100%

The new bands include jobs such as those listed alphabetically below:

Administrative Assistant

Executive Assistant

Receptionist

Router (Transportation)

Accountant
HR Generalist
Program Manager
Transportation Supervisor

Manager, Finance/ Accounting
Manager, Purchasing

Coordinators

Directors

REDs/ Superintendent

Complexity goes beyond job titles. Jobs with the same titles may have different responsibilities and be in different bands. This is an example and may be different in your region/CSAP.

NOVA SCOTIA

Illustrative Example – Sample Pay Band

	Minimum		Maximum
Approx. Annual	$35,360	-	$44,200
Bi-weekly	$1,360.00	-	$1,700.00
Hourly	$19.43	-	$24.29

The example on the right provides an overview of how each of the 20 bands was designed.

▶ Each band ranges from 80% - 100%

▶ The pay range allows more room to grow and opportunity for pay within a band.

▶ The ranges are aligned across Education – jobs of similar value are in the same range and eligible for the same maximum pay.

Compa-Ratio	Annual	Bi-weekly	Hourly
80%	$35,360	$1,360	$19.43
81%	$35,802	$1,377	$19.67
82%	$36,244	$1,394	$19.91
83%	$36,686	$1,411	$20.16
84%	$37,128	$1,428	$20.40
85%	$37,570	$1,445	$20.64
86%	$38,012	$1,462	$20.89
87%	$38,454	$1,479	$21.13
88%	$38,896	$1,496	$21.37
89%	$39,338	$1,513	$21.61
90%	$39,780	$1,530	$21.86
91%	$40,222	$1,547	$22.10
92%	$40,664	$1,564	$22.34
93%	$41,106	$1,581	$22.59
94%	$41,548	$1,598	$22.83
95%	$41,990	$1,615	$23.07
96%	$42,432	$1,632	$23.31
97%	$42,874	$1,649	$23.56
98%	$43,316	$1,666	$23.80
99%	$43,758	$1,683	$24.04
100%	$44,200	$1,700	$24.29

NOVA SCOTIA

Transition to New Pay Plan

Incumbents will transition to the new plan based on the job they perform. Their salary will be set within the new pay range at the level **closest to but not less than** their current salary.

Any employees that falls **below the minimum** rate of pay for their job will be transitioned to the minimum.

Employees with a rate of pay **higher than the maximum** of the band will be **'red circled'** meaning their wages will be frozen until the maximum of the pay band catches up to the employee salary or the employee moves to another job with higher pay.
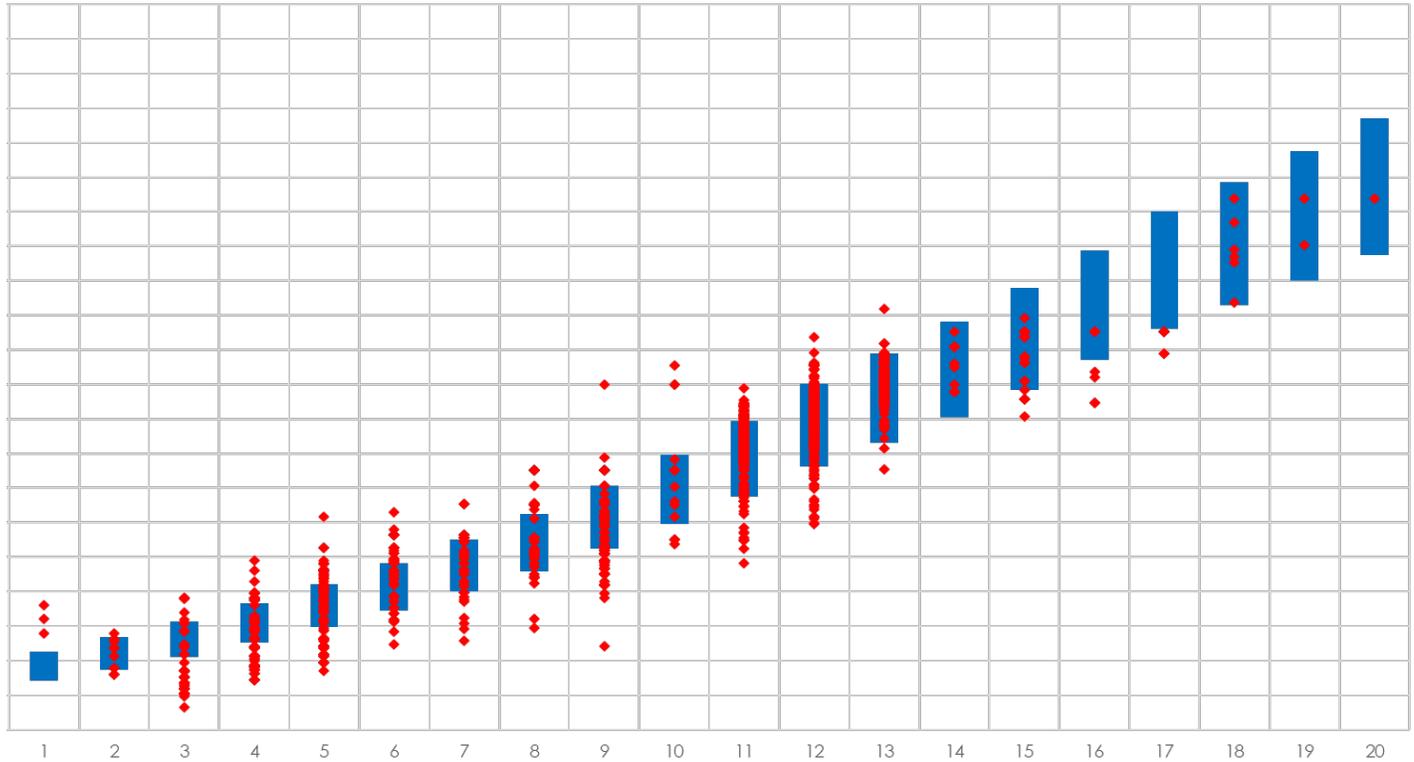
The graph above provides an overall picture of how current employee pay falls within the new pay bands. There is a very broad range due to varying practices across regions.

	Provincial	
% Below Range	15%	
% In Range	73%	
% Above Range	12%	

NOVA SCOTIA

Example Transition Scenarios

Pre-Transition				August 2, 2022 - Transition					August 1, 2023 - 3% and Step Increase				
Name	Job Title	Annual Salary	Current Compa Ratio	New Compa Ratio	New Annual	Annual Increase	% Increase	2022 Maximum	New Compa Ratio Post Step	New Annual	Annual Increase	% Increase	2023 Maximum
Employee A		40,000	66.7%	80.0%	48,000	8,000	20.00%	60,000	83.00%	51,294	3,294	6.86%	61,800
				Current salary is below the new minimum - transitions to 80% of the new pay range.					3 % Economic increase + 3 Compa Ratio/Steps				
Employee B		66,240	92.0%	93.0%	66,960	720	1.09%	72,000	96.00%	71,194	4,234	6.32%	74,160
				Current salary is within range - transitions to the step closest to but not less than current salary					3 % Economic increase + 3 Compa Ratio/Steps				
Employee C		120,000	105.0%	105.0%	120,000	0	0.00%	114,285	101.94%	120,000	0	0.00%	117,714
				Current salary is above the maximum of the new range - Red-Circled - Maintains current salary until maximum of the band catches up					Remains red-circled				

NOVA SCOTIA

3

Changes Specifically for Principals and Vice-Principals

NOVA SCOTIA

Principals and Vice-Principals

- Principal and VP jobs at each individual school were evaluated using the Hay Method like all other non-union jobs

- Additional consideration was required to capture the complexity of jobs

The new approach:

- moves away from a framework aligned to teaching license and years of experience;

- recognizes each Principal and VP position's:

  ✓ responsibility and complexity in relative comparison

  ✓ responsibility and leadership to non-teaching staff

  ✓ scope of professional responsibility in updated Leadership and Management role in public education

NOVA SCOTIA

Staff that Determine Band Placement

The number of Teaching and Non-Teaching FTEs help to determine the band that a Principal or Vice-Principal position is placed in.

▶ FTE's Include:

Early Childhood Educators	Library Staff
Teaching Assistants (TA) / Education Assistants (EA) / Education Program Assistants (EPA)	Concièrge(CSAP only)
Administrative Assistants	Teachers

NOVA SCOTIA

Changes for Vice-Principals

Band 11 is the default band for VPs

To be placed in Band 12, schools must reach the following criteria:

Teaching and Non-Teaching FTEs

>= 36.1

Plus, one of the following:

TA/EA/EPA to Student Ratio

>= 2.99 per 100 students

Span of Grades

PP to 12

Total Teaching and Non-Teaching FTEs

>= 50

NOVA SCOTIA

Changes for Principals

Principal positions are in
Bands 11 – 14

To be placed in each band, there are minimum and maximum staffing levels that must be met as follows:

Band	FTE Min	FTE Max
11	0	16
12	16.1	36
13	36.1	88
14	88.1	229

NOVA SCOTIA

Assessment Zone for Principals

Schools near the top of one band can move to the next band if they reach the following criteria:

FTEs within 15% of the next highest band

Plus, one of the following:

TA/EA/EPA to Student Ratio

>= 2.99 per 100 students

Span of Grades

PP to 12

Assessments are completed every 3 years

NOVA SCOTIA

Principal & VP Overview

Principal's Band

Band 11	Band 12	Band 13	Band 14
44 Schools	**166** Schools	**153** Schools	**4** Schools

VP's Band

n/a	Band 11	Band 11/12	Band 12
	119 Schools	**67** Band 11 / **79** Band 12	**4** Schools

NOVA SCOTIA
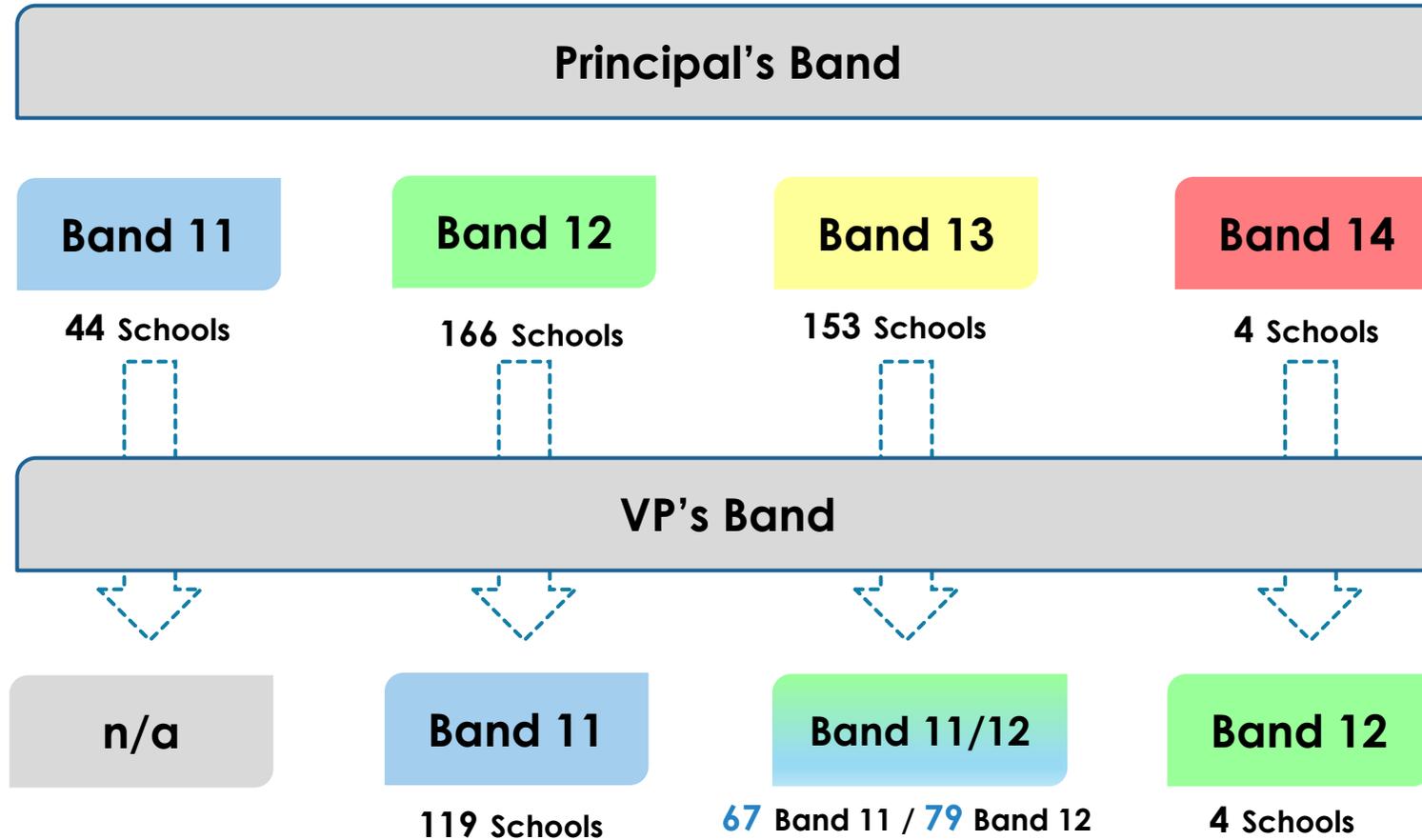
4 Key Dates and Resources

Key Dates

August 2, 2022
Transition
Employees placed in the new salary range at the step that is closest to but not less than their current rate on August 1

March to May, 2023
Final Compensation Framework Design
Data Preparation and Validation

June, 2023
Employee Information Sessions
Ongoing communication
Webpage launched with support resources

July, 2023
Communication
Notification to employees about individual salary changes

August 1, 2023
Increases
Apply 3% adjustment to the new pay structure
Apply step increases to eligible staff

August 10, 2023
Pay Date
First pay with changes reflected, including retroactivity

NOVA SCOTIA

Website Resources

The website will include specific, helpful information to understand the compensation framework.

As more information and resources become available, they will be posted online to keep you up-to-date.

Resources will continue to be added over the coming weeks.

?