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REPORT
to
the LEGISLATIVE COMMISSION ON EMPLOYEE RELATIONS

NOT FILMED

UNIVERSITY OF MINNESOTA HOSPITALS AND CLINICS

April 15, 1985

Pursuant to Mn Stat 43A.31, sd 2

COMPENSATION COMPARABILITY STUDY
UNIVERSITY OF MINNESOTA HOSPITALS AND CLINICS

In accordance with legislation enacted by the State of Minnesota on April 24, 1984

- 1) an objective job evaluation study has been conducted,
- 2) an analysis of compensation comparability for male-dominated, female-dominated, and balanced classes has been concluded,
- 3) a list has been prepared of those female-dominated classes for which a compensation inequity exists,
- 4) the steps that will be taken to achieve pay equity are described,
- 5) the cost of providing comparability adjustments has been estimated.

1. JOB EVALUATION STUDY

Shortly after the Board of Regents approved a separate personnel program for the Hospital, a new job evaluation program was initiated to take the place of the classification and market system that had existed for many years. In May, 1983, letters were sent to eight companies requesting proposals for a job evaluation program. The Arthur Young Company was chosen because

- 1) it has had experience with health care and government employers,
- 2) the method which it utilizes is as objective, if not more so, than other methods,

- 3) the consultants have a local office which promised easy access and good service,
- 4) the method lends itself to a pay equity study, and the company has had pay equity experience.

The Hospital uses 333 classifications for its 4,400 employees. Of these, 3,575 employees are in Hospital-dominated classifications (those with 50% or more Hospital employees). An agreement was made with the University Personnel Department that the Hospital would evaluate all the non-union Hospital-dominated jobs and all the jobs in the health-care non-professional bargaining unit which is represented by AFSCME, a total of 181 classifications.

Presentations were then made to employees during the weeks of April 22 - 27, 1984. There were six (6) employee meetings at various times of the day to allow as many employees as possible to be informed, to ask questions, and to express their concerns.

A job evaluation committee was appointed and began training on May 10, 1984. The committee consisted of nine employees: six women and three men, from eight different departments.

The first step in the implementation of the Arthur Young system was to review and, where necessary, revise, the existing job descriptions for the Hospital-dominated classifications. First, staff members of Arthur Young read all job descriptions, looking for words which typically are sex-biased, and looking for task statements which were ambiguous, misleading, or unnecessary.

The revised job descriptions were then reviewed by the appropriate managers and incumbents.

The second step in the implementation of the system was to take the job descriptions to the Job Evaluation Committee. Prior to starting the evaluation process, the Committee received two days of training which included information on historical sex bias in job evaluation, a discussion on pay equity, group process activities, and an introduction to the Arthur Young methodology.

The first part of the evaluation process consisted of a task-by-task assignment of bands and grades for each job description.

The second part of the evaluation process was the assignment of subgrades. During this process, the entire job, rather than individual tasks, was considered. There were three components to the subgrade decision. The first two were purely mathematical; i.e., the percentage of highest banded tasks (as a fraction of the total number of tasks. Points were assigned based on the outcome of these two criteria. The third component was an assessment of the complexity and diversity of the job based on these elements: homogeneity/heterogeneity, time pressure, need for alertness, need for care and precision, and essential skills and knowledge. Each of these three subgrading components yielded point values which were then totaled. The totals determined the subgrade of the job.

2. ANALYSIS OF COMPENSATION COMPARABILITY

The male-female composition of the classifications in the study was determined, with the result that

92 classes are female-dominated

19 classes are balanced

21 classes are male-dominated

42 classes have no incumbents at the present time

7 classes do not have ranges and could not be used

_____ in the wage analysis.

181 TOTAL

A statistical analysis was done to determine the compensation comparability of these classes. It was found that the number of male-dominated classes with more than one incumbent in the study was too small to establish a statistically valid regression (pay) line. The market survey, however, had produced data on 105 male-dominated classes commonly found in hospitals. This provided a more realistic compensation comparison by which to measure the comparability of University Hospitals' female-dominated classes. (See graph, Attachment A.)

3. INEQUITABLE CLASSES

The results of this study show that 47 classes show a compensation inequity. (See Attachment B.)

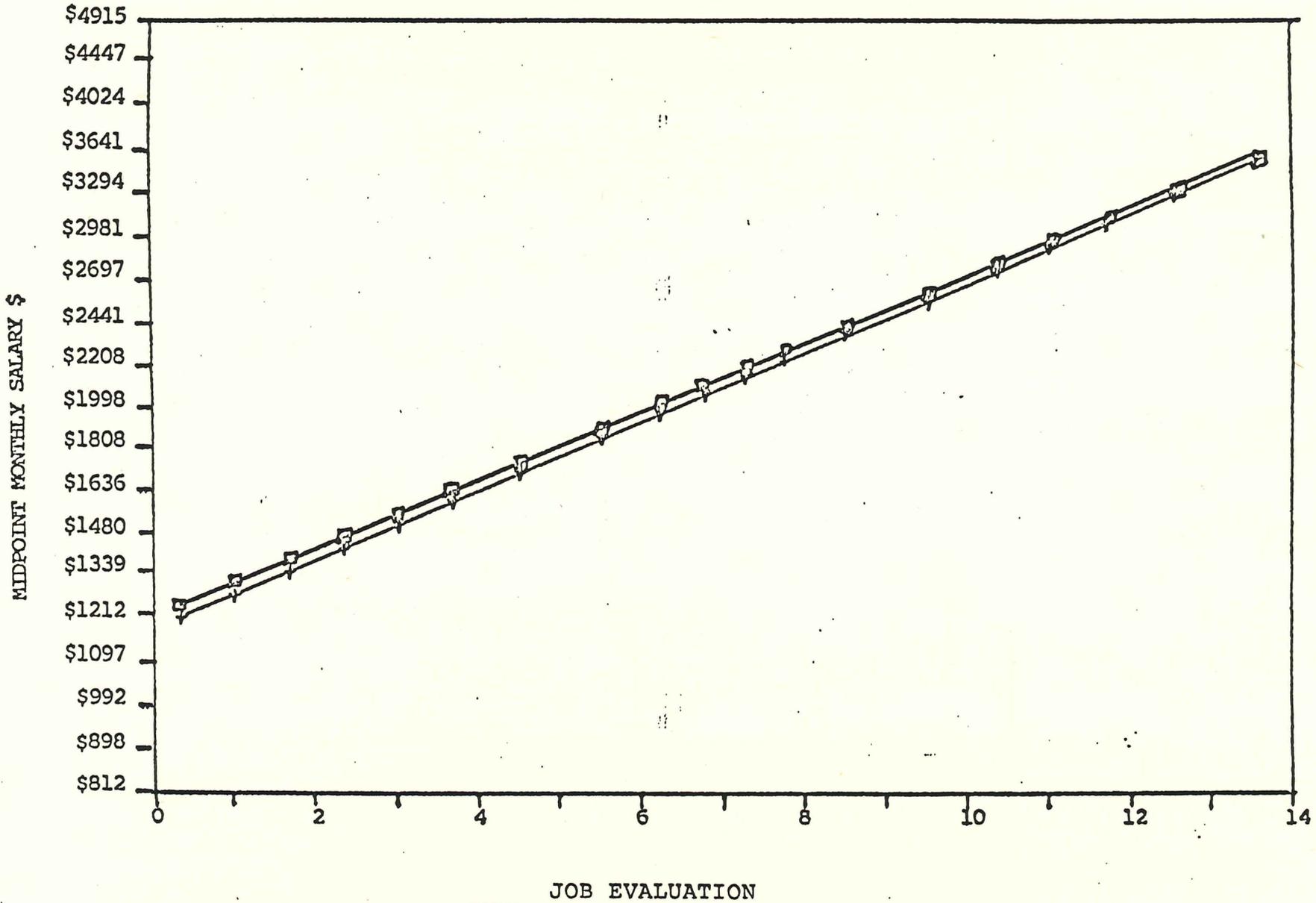
4. ADJUSTMENT PLAN

Adjustments for those classes where an inequity has been identified will be handled in two phases. In the first phase, those classifications more than 5% from the targeted pay line will be moved to within 5% of the targeted pay line. In this manner we "solve the largest problems" first. The first phase of adjustments is proposed to be spread over four years. At the end of the four-year period (as well as during the four-year period), re-evaluation will occur. If a differential continues to exist, additional action to remove remaining inequities will need to be taken.

5. COST

The cost figures on Attachments C, D, and E reflect the total cost for adjusting Hospital employees' salaries where inequities were found to exist. The total cost is \$2,671,606.

UNIVERSITY OF MINNESOTA HOSPITALS PAY EQUITY STUDY
Male External and Female Internal Lines



+ = Female Internal Line
□ = Male External Line

UNIVERSITY OF MINNESOTA HOSPITALS PAY EQUITY STUDY

Class Adjustments
5% or More Below Male
External Pay Line

Female Dominated Classes

Hospital Central Services Technician
HU Hospital Central Services Technician
Pharmacy Technician
HU Senior Hospital Central Services Technician
HU Certified Physical Therapist Assistant
Nursing Station Assistant
HU Dental Assistant
HU Senior Electroencephalography Technician
HU Surgical Pathology Technician
HU Certified Surgical Technician
HU Senior Nursing Assistant
HU Outpatient Clinic Assistant
Licensed Practical Nurse
HU Licensed Practical Nurse I
Senior Licensed Practical Nurse
HU Licensed Practical Nurse II
Therapeutic Activity Leader, Hospital
Dietician, Senior
Medical/Clinical Laboratory Technologist
Senior Therapeutic Activity Leader, Hospital
Medical/Clinical Laboratory Technologist Specialist
Physical Therapist
Occupational Therapist
Medical Records Administrator, Senior
Medical Records Services Supervisor
Operating Room General Staff Nurse
Patient Financial Representative
General Staff Nurse
Volunteer Services Director
Credit Manager, Hospital
Patient Accounts Supervisor
Hospital Communication & Radio Paging Director
Senior Medical/Clinical Laboratory Technologist
Laboratory Manager
Laboratories Manager, Hospital
Associate Director, Nursing Services

Male Dominated Classes

HU Therapy Assistant
HU Psychiatric Assistant

Balanced classes

Nursing Assistant
HU Pharmacy Technician II

Balanced classes con't

HU Nursing Assistant
HU Senior Hospital Laboratory Technician
HU Admissions Interviewer
HU Nursing Station Assistant
Respiratory Therapy Practitioner
Senior Hospital Supply Processing Supervisor
Clinical Coordinator-Cardiorespiratory Service

TOTAL: 47 classes

UMHC Estimated Annual Costs by PELRA Unit
Female Dominated Classes

PELRA UNIT		STATE APPROPRIATIONS	NON-STATE FUNDS	TOTAL
3X	Service, Maintenance, Labor (Excluded)	\$ 0	\$ 0	\$ 0
3	Service, Maintenance, Labor	\$ 0	\$ 37,255	\$ 37,255
4X	Health Care Non-Professional (Excluded)	\$ 0	\$ 5,938	\$ 5,938
4	Health Care Non-Professional	\$ 79,462	\$175,305	\$254,767
5	Nursing Professional	\$ 55,024	\$588,233	\$643,257
6	Clerical and Office	\$ 46,348	\$284,920	\$331,268
7	Technical	\$ 5,005	\$ 89,057	\$ 94,062
11	Non-Instructional Professional	\$ 24,488	\$416,195	\$440,683
12	Supervisory	\$ 48,557	\$256,116	\$304,673
98	Managerial	\$ 0	\$ 10,308	\$ 10,308
99	Confidential	\$ 0	\$ 0	\$ 0
TOTAL		\$258,884	\$1,863,327	\$2,122,211

UMHC Estimated Annual Costs by PELRA Unit
Male Dominated Classes

PELRA UNIT	STATE APPROPRIATIONS	NON-STATE FUNDS	TOTAL
3X Service, Maintenance, Labor (Excluded)	\$ 0	\$ 0	\$ 0
3 Service, Maintenance, Labor	\$ 0	\$ 22,071	\$ 22,071
4X Health Care Non-Professional (Excluded)	\$ 0	\$ 0	\$ 0
4 Health Care Non-Professional	\$ 33,345	\$ 3,103	\$ 36,448
5 Nursing Professional	\$ 0	\$ 0	\$ 0
6 Clerical and Office	\$ 0	\$ 0	\$ 0
7 Technical	\$ 0	\$ 6,462	\$ 6,462
11 Non-Instructional Professional	\$ 0	\$ 0	\$ 0
12 Supervisory	\$ 0	\$ 680	\$ 680
98 Managerial	\$ 0	\$ 0	\$ 0
99 Confidential	\$ 0	\$ 0	\$ 0
TOTAL	\$ 33,345	\$ 32,316	\$ 65,661

UMHC Estimated Annual Costs by PELRA Unit
Balanced Classes

PELRA UNIT		STATE APPROPRIATIONS	NON-STATE FUNDS	TOTAL
3X	Service, Maintenance, Labor (Excluded)	\$ 0	\$ 0	\$ 0
3	Service, Maintenance, Labor	\$ 0	\$ 0	\$ 0
4X	Health Care Non-Professional (Excluded)	\$ 0	\$ 5,238	\$ 5,238
4	Health Care Non-Professional	\$ 13,964	\$283,666	\$297,630
5	Nursing Professional	\$ 0	\$ 0	\$ 0
6	Clerical and Office	\$ 0	\$ 0	\$ 0
7	Technical	\$ 2,609	\$ 89,181	\$ 91,790
11	Non-Instructional Professional	\$ 3,981	\$ 82,017	\$ 85,998
12	Supervisory	\$ 0	\$ 3,078	\$ 3,078
98	Managerial	\$ 0	\$ 0	\$ 0
99	Confidential	\$ 0	\$ 0	\$ 0
	TOTAL	\$ 20,554	\$463,180	\$483,734