



# Advancing Diversity and Equity Through Compensation and Selection

December, 2020

# Our school leaders are indispensable; and so was their feedback

- Today is the culmination of a year-long analysis and feedback process, including:
  - 15-member working group composed of principals and assistant principals helped develop an initial plan for compensation changes
  - Principal Advisory Council weighed in with early feedback
  - More than 100 school leaders participated in 8 feedback sessions in October and November
- The final plan was announced this morning on a webinar with school leaders

## Key themes we heard from school leaders on *financial compensation*

- School leaders should get the same raises as unions
- Leaders at the top salary 'step' do not currently see raises but should
- Starting AP pay does not entice teachers to become APs
- Leaders at extended-year schools should receive additional pay

## Changes introduced today in response to school leader input

- Increase salary schedules gradually over 4 years, starting July 2020
  - \$4,000 in FY21
  - \$4,000 in FY22
  - \$3,000 in FY23
  - \$4,000 in FY24
- Set a minimum raise of 5% for teachers becoming APs
- Add a new annual stipend for extended-year school leaders

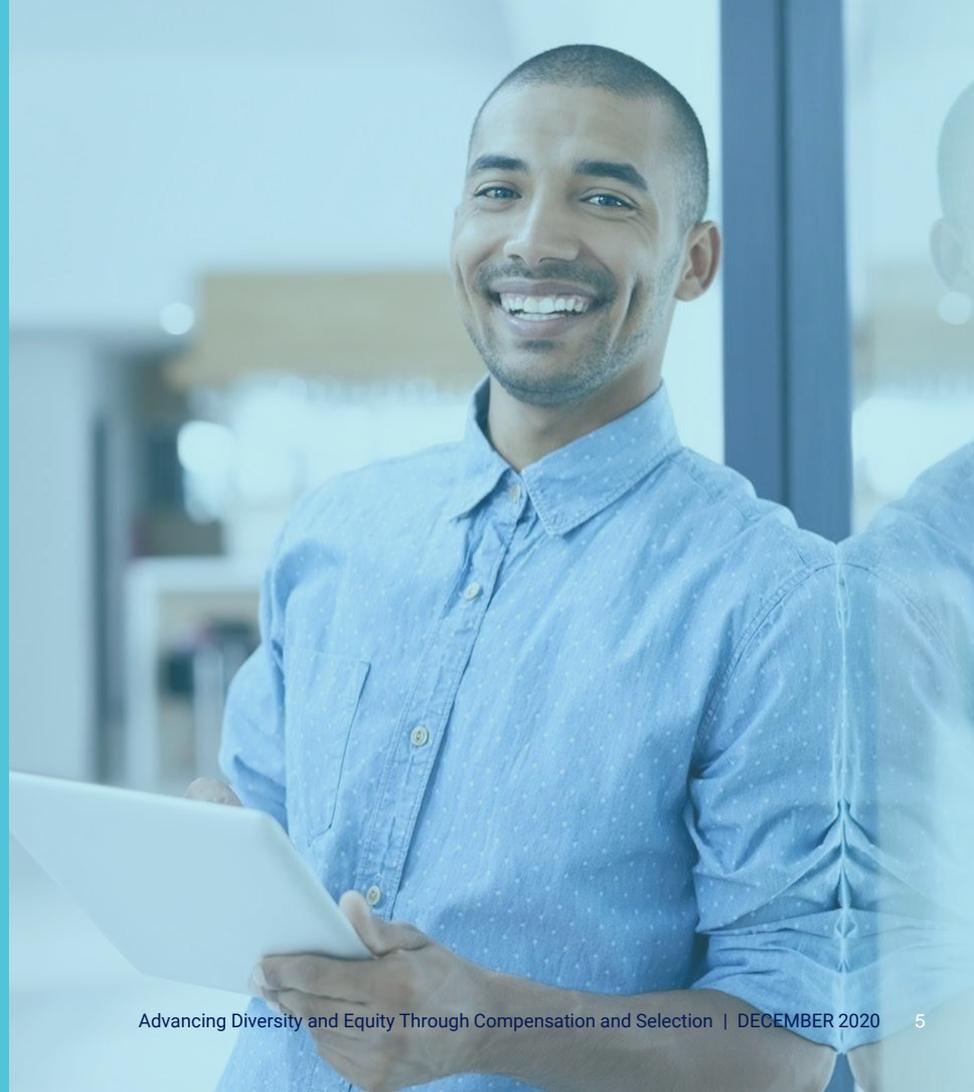
## Key themes we heard from school leaders on *non-financial benefits*

- Administrators should be able to earn stipends for add'l duties
- Summer school sites should be determined more collaboratively
- Designated periods without deadlines in the summer
- Leaders should have more flexibility when students are not present
- More time off is needed for school leaders to rest and recharge
- Salary and benefits information for APs is not clear, nor is use of PTO

## Changes introduced today in response to school leader input

- Administrators will earn stipends for summer school, and how sites are selected will be changed
- Two designated weeks in summer without deadlines
- Administrator rotations in summer
- Increase limit on vacation day rollover by 5 days
- Additional paid time off, starting in FY22, from Dec 24 to Dec 31
- New guidelines for school leader use of PTO and new resource for salary and benefits info

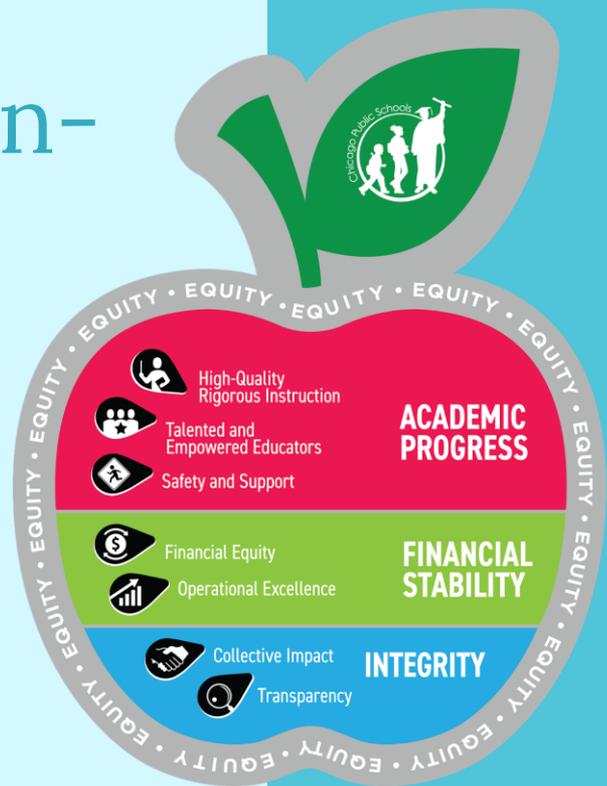
# Other Non-union Employee Compensation



# Talent's Vision for Non-union Employees

## ATTRACT | RETAIN | REWARD

Our vision is that employees are recognized as key to supporting and advancing the district's mission. CPS will attract, retain, and reward diverse high-caliber employees by leveraging a compensation program that is competitive, responsive, consistent, transparent, equitable, performance-based, and fiscally responsible.



# Compensation Study Outcomes

## Key Deliverables:

- A market-aligned salary structure
  - Benchmark data from peer districts and market surveys
- A job classification structure (e.g., job families, levels)
- Consistent and job-relevant title conventions
- Pay equity analysis
- Guidelines to support equitable compensation practices
- An ongoing maintenance plan to ensure competitiveness over time

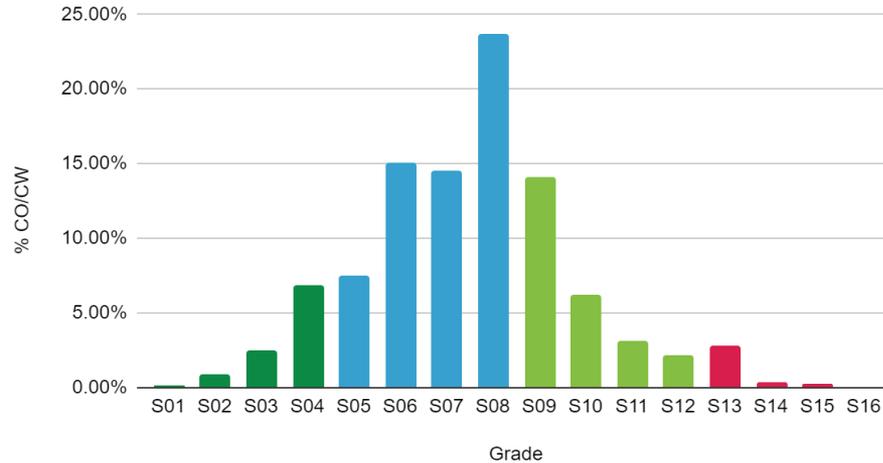
# Compensation Guidelines

## The proposed non-union compensation guidelines cover:

- Compensation Philosophy
- Job descriptions and evaluations
- Salary structure
- Establishing salaries
- Salary adjustments (e.g., promotions, lateral, merit, etc.)
- Compensation Program Maintenance

# Role Distribution Across Grades

CO/CW Salary Grades



**Administrative & Support**

**Professionals**

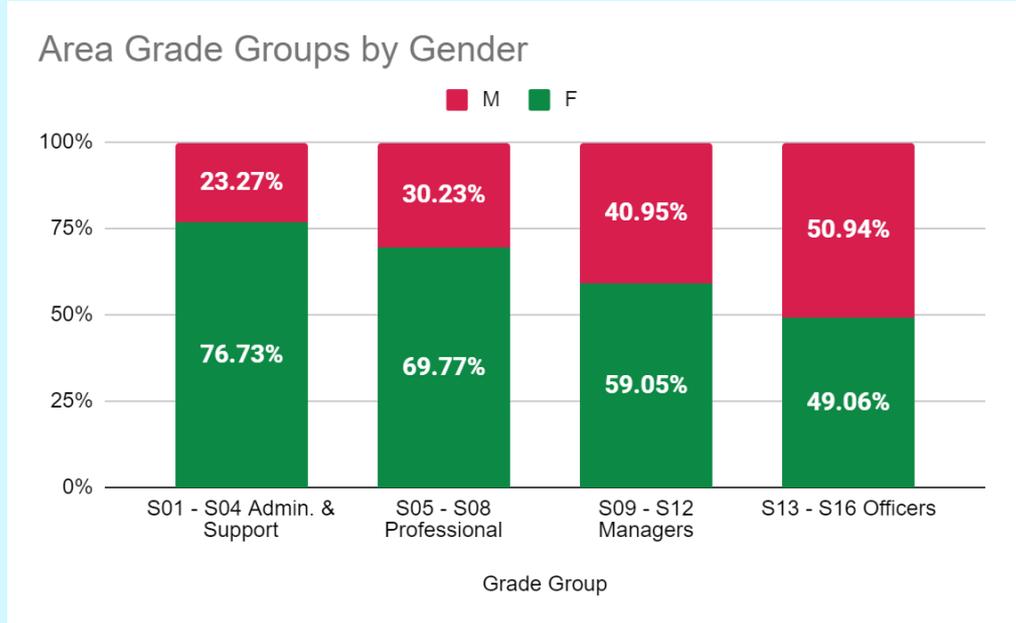
**Managers**

**Officers**

# Demographics

Women make up **67%** of CO/CW employees.

Women are **overrepresented** in administrative & support roles and **underrepresented** in management.



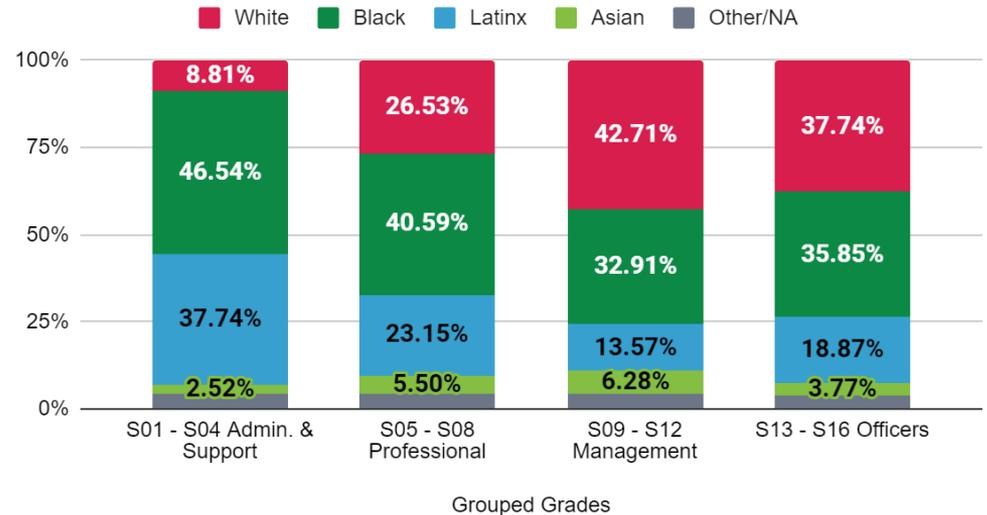
# Demographics

There are nearly as many **white** managers as there are **Black** and **Latinx** managers combined.

**13%** of managers are **Latinx**.

**Black** and **Latinx** are also **overrepresented** in administrative & support roles.

CO/CW Grade Groups by Race/Ethnicity



# Pay Equity

## Adjusted Pay Equity:

- Compares jobs in the same salary grade which have similar market value
- Pay inequities are identified by comparing a groups' *overall* pay relative to market

## Central Office Results:

- Women are more market aligned than men
  - Women are paid **98.1** cents and men are paid **96.9** cents relative to the market dollar
- White employees' pay is more closely aligned to market than Black and Latinx employees
  - **96.5** cents for both Black and Latinx employees, compared to **98.3** cents for white employees

# Pay Equity

## Unadjusted Pay Equity:

- Compares employees **overall** across all levels and roles
- Includes varied market value data given the distribution across all positions

## Central Office Results:

- Women are paid **94 cents** for every dollar a man is paid
- Black employees are paid **83 cents** for every dollar a white employee is paid, and Latinx employees are paid **78 cents** per dollar

# Upcoming Changes

## As a direct result of the compensation study:

- 3% of employees salaries will be brought to the min of the new salary grade
- 18% of employees will receive an equity adjustment

Remaining non-union employees will receive a 2% increase

All changes will be effective January 4, 2021.

In aggregate, the cost of these changes is \$2.5M in FY21.

# Demographics

## **Increasing the representation of Black and Latinx employees in management improves pay equity.**

There is room for improvement in pay equity within grades, but the the best opportunity to improve pay equity is by increasing the number of Black and Latinx employees in management.

# Selection Process Improvements

## What the research says

- Women apply when they meet 100% of the requirements (vs. 60% for men)
- Unstructured interviews are fraught with bias and are among the worst predictors of potential performance
- The chances of a person of color being hired is **194 times** greater if there are two POC finalists
- People who believe they are unbiased are more likely to be biased
  - 1 in 5 interviewers ask illegal interview questions

## How we'll incorporate it

- Standardize the format of job descriptions to reduce biases
- Create tools to aid managers in developing structured, consistent interview processes
  - Candidate exercises required step for manager level searches
- Diverse selection teams requirement & 50% of the candidates that complete interview exercises must be POC
- Recruitment & selection best practices training for hiring managers

# Next Steps

- Winter 2021 (Dec 2019 - February 2021)
  - Diversity dashboard launch
  - Quarterly demographic and pay equity reports for offices
  - Recruitment/Selection tools & resource development & launch
- Spring 2021 (March 2021 - May 2021)
  - Implicit Bias Training