

Introducing a New Congregational Salary Program

Improving Practicality
Advancing Equity
Leading with Integrity



Words from UUA Leaders

"Thank you, Compensation Team, for a well-considered refresh of this longstanding and valued UUA program."

Carey McDonald, Executive Vice President



Above: Japice

Above: Janice Marie Johnson Right: Rev. Sarah Lammert

"We're so excited to have a new framework that focuses on equity and also supports innovation in staffing for the future."

Janice Marie Johnson and Rev. Sarah Lammert Co-Directors, Ministries and Faith Development Staff Group

"This is a long-overdue rethinking of the 1995 groundbreaking work of the UUA – a review better reflecting our UU values.

Rev. Richard Nugent, Director, Church Staff Finances



Purpose

Why does the UUA offer a Congregational Salary Program? It's a combination of living Unitarian Universalist values and providing a practical service:

Living Our Values

- ✓ Promoting equity, transparency, and economic justice
- ✓ Creating consistent expectations across our Association
- ✓ Leveling the playing field among employees in establishing their terms of employment

The Office of Church
Staff Finances equips
congregations for
excellence as
employers, helping
them live their values
within their walls.

A Practical Service

- ✓ Equipping congregations for excellence as employers
- ✓ Assisting congregational leaders in attracting and retaining quality staff
- ✓ Aiding congregational decision-making

History

Prior to 1995, the UUA provided no compensation guidance to congregations. Compensation was often arbitrary and inconsistent across congregations and within a single congregation.

In 1990, recognizing the shortcomings and inequities, the UUA created a Compensation Committee to explore the issue and propose a way forward. In 1995, the Committee released their report, *To Sustain the Living Tradition*, outlining salary and benefit recommendations for eight congregational staff positions. The Fair Compensation Program was adopted by the 1995 General Assembly.

Awareness of Fair Compensation quickly grew. The district (now regional) Compensation Consultant program began. Congregational leaders could self-report as a "Fair Compensation" congregation for recognition in their Congregational Record during transitions. For many years, delegates received a ribbon at General Assembly. This has been a well-known and successful program for years.

However, the overall approach to the UUA Salary Recommendations has changed little in over a quarter-century. A review of the methodology has been overdue, especially given the immense changes in congregational life, the religious landscape, and our expanded understanding of how to live our values. We're pleased to introduce some new concepts and directions.

Challenges

Practicality

An increasing number of unique jobs, blended positions, and creative staffing structures have compelled us to think differently about how to provide salary recommendations.

Equity

Our longtime recommendations have been based on national wage survey data for specific jobs. Because work traditionally done by people marginalized identities, including women, has been historically under-valued in our society, this approach has perpetuated those cultural wage biases.

Two congregational positions that are similar in level of authority, accountability, and skill may be valued quite differently on the national market, resulting in different recommended salaries when using a job-based approach.

Integrity

Over time, our recommendations have become more granular – more job titles, more size categories, more geo indices, etc. To some extent, this has created an illusion of precision. All of this specificity has increased complexity; it has not necessarily resulted in better outcomes.

In addition, because the focus has been on the numbers in the salary tables, other important pieces have failed to get the attention they deserve, including local wage norms, legal compliance, and procedural justice (how pay decisions get made).

Economics

The economic sustainability of some UU congregations has become more fragile, as has the quality of livelihood of many employees of our congregations.

Although a new approach to providing salary recommendations cannot fix the sweeping underlying issues that have brought us to this point, we must name this challenge as part of the context in any conversation about compensation.

Our revised Congregational Salary Program addresses issues of practicality, equity, and integrity.

Challenges related to economic sustainability are receiving broader systemic attention.

What's New?

Process is Primary!

Going forward, we are putting more of our emphasis on procedural justice – in other words, helping congregations ensure that their pay policies and practices are grounded in UU values, including equity, transparency, and economic justice. Ultimately, being in right relationship with your staff is more about process than about the exact amount of pay someone receives.

Be sure to review our Salary Process Guidance document, which covers:

- Values-based policies and practices*
- How to use our new Job Level Rubric and Congregational Size Profiles (more below)
- How to use our Recommended Salary Ranges

* Examples of values-based policies and practices:

- ✓ Include the starting salary (or salary range) on all job postings
- ✓ Have a unified and transparent process for determining annual salary increases for all employees
- ✓ Monitor the ratio of the highest to the lowest paid worker to ensure that those with lower pay and less power in the system do not get shortchanged

New Structure for Recommended Salary Ranges

While shifting much of the focus to process, we are continuing to provide recommended salary ranges. We've made changes to our salary structure as follows.

Job Levels

In the past, UUA Salary Recommendations have been based on market data for specific job titles, e.g., Congregational Administrator, Director of Membership, Senior Minister. In recent years, we've provided recommendations for 26 different job titles – and we regularly get requests to add more.

Going forward, instead of individual job titles, we'll provide recommended salary ranges based on six job levels. Advantages of this approach include:

- Minimizing bias in wage survey data that results from the historical under-valuing of jobs traditionally held by women and/or marginalized populations
- Improving internal alignment the relative pay among jobs functioning at the same level within the congregation

 Better applicability within congregations, given the expanding breadth of unique and blended positions found within congregations

See Job Level Rubric.

Congregational Size Profiles

In recent years, our salary recommendations have been provided for six different size categories based on membership. But we've always known that congregational size is about more than simply the number of people who have "signed the book." So we're taking a more nuanced approach to size by creating size profiles that still begin with membership, but also take into account operating expenses and typical staffing.

We are also reducing from six size categories to four size profiles (A through D). These profiles are overlapping, meaning that in certain membership ranges, a congregation might fit into either of two adjacent sizes; operating expenses and typical staffing information can help a congregation appropriately place themselves within a size profile.

For our very largest congregations (800 or more members), we are providing customized guidance rather than creating a separate size category.

See Congregational Size Profiles.

Consistent Ranges and the Ruler Method

Historically, some of our salary ranges have been wider than others. This means that two jobs with the same midpoint could have had different minimums and maximums. For instance, in the case of two jobs with a midpoint of \$50,000, one range might be \$45,000 to \$55,000 (10% below/above midpoint) while another range could be set at \$42,500 to \$57,500 (15% below/above midpoint).

The discrepancy in range widths stemmed from the national survey data, with wider ranges indicating a larger spread in the wages for that job. The unfortunate result was that two employees each hired at the minimum of their respective ranges for jobs considered equivalent from a pay perspective would have different initial pay rates. As you can imagine, it was often very hard for the person starting at the lower rate to catch up.

As one way of furthering equity, we'll now provide consistent ranges across job levels and sizes. We're also introducing what we call the Ruler Method. Imagine the range for any position being superimposed on a ruler. Ranges will be expressed as follows:

- **Expected Minimum:** 0 inches (90% of expected midpoint)
- Midpoint: 5 inches
- **Expected Maximum:** 10 inches (110% of expected midpoint)
- **Special Situations:** 12 inches (114% of midpoint, allowing for extra salary growth at the top of the range)



Our <u>Salary Process Guidance</u> suggests how to place an employee on the ruler based on their training and experience. This method is consistent with our focus on process and can be used to established pay for new hires as well as to review and reset pay annually for continuing staff. It is also an approach that you can customize.

Our Goals

Improving Practicality

- ✓ Process guidance can be applied across positions.
- √ The shift to job levels better meets the needs of congregations as staff roles become more
 customized and leadership structures more innovative.

Advancing Equity

- ✓ Process guidance, at its core, is about equity and transparency.
- ✓ Job levels emphasize internal equity (relative pay within a staff team) and mitigate the cultural bias inherent in national wage surveys.

Leading with Integrity

- ✓ Lifting up process as primary upholds the UUA mission of equipping congregations and supporting their leaders through the lens of our shared values.
- ✓ We're being clear about our role. In the end, congregations are responsible for setting salaries for their staff, and we are here to support your leaders. We aren't the only source of information and wisdom that congregations can or should turn to in making decisions about staff pay. In particular, we urge you to pay attention to the <u>living wage</u> in your community as well as local wage norms for community-based positions. (See process guidance for more on this.)
- ✓ Living your values happens when you implement equitable policies, make thoughtful decisions, and communicate clearly with your staff about their pay.

Living Into the New Approach

Focus On Process

Given the shift from job titles to job levels, along with the changes to the size categories, it may take you some time to adjust to the new recommended ranges. Give yourselves some grace – and, we can't say it enough, remember that process is primary. How can you demonstrate the values of equity, transparency, and economic justice in your approach to staff pay during this transitional period?

This is a transitional period. Give yourselves some time and grace to adjust to the new recommended ranges.

Set Priorities

Especially in the short-term, you might not be able to bring all staff up to our recommendations or up to what you wish you could pay. We suggest setting priorities. For instance, you might choose to give precedence to one of the following:

- Ensuring that all workers earn at least the <u>living wage for your community</u>
- Providing a cost-of-living adjustment for all staff that helps them maintain their purchasing power to the greatest extent possible in this inflationary time
- Remedying a specific pay discrepancy between employees in similar-level positions with similar experience

If Pay is Higher than Recommendations

There might be good reasons for you to pay at a higher rate than our ranges suggest for some employees.

No one's pay should go down. Let process and values guide you in adjusting over time.

It is possible that you are already paying all or some of your staff more than is suggested by our new recommendations. This might be appropriate due to local job market factors, an especially high cost-of-living area, a budget that enables liberal compensation, and/or other unique situations. That's great and we thank you for taking good care of your staff!

But perhaps you've been following UUA salary recommendations pretty well, and the changes we've made in our salary structure lead you to conclude that certain staff are now paid "too much," relative to our recommendations. *Please do not lower anyone's pay!* Let process and values guide you in adjusting over time from the previous recommendations to the new ones.

Final Thoughts

Inspiration

We've been motivated by <u>Widening the Circle of Concern</u>, the report from the UUA's Commission on Institutional Change. In particular, we've paid attention to the concept of Quality of Livelihood, and we hope that our work helps congregational leaders liberate themselves from bias and live into Unitarian Universalist values. Be sure to view our short video on Unconscious Bias in Compensation.

We've also been following the journey of our UUA leadership as they have revisited hiring and pay practices for our own staff, showing an ever-greater commitment to equity and transparency.

Gratitude

We want to thank the hundreds of lay leaders, congregational staff, and UUA colleagues who have read our monthly newsletters, participated in our webinars, and offered suggestions and feedback. The evolution of the Congregational Salary Program has been a collaborative effort. We are excited to introduce it to you!



UUA Compensation Team: Sean Griffin and Jan Gartner Boston, October 2022