

Before starting collective bargaining with its faculty, a small public institution undertook a benefits benchmarking analysis to confirm the competitiveness of its offerings — giving it the data it needed to negotiate with confidence.

## The challenge

A respected public university in the Midwest, about to enter collective bargaining with its faculty, found it didn't have a solid grasp of how its total rewards compared to its peers. Moreover, it couldn't confirm whether any of its benefits were superior to — or fell short of — those offered by competing institutions. Its HR team wanted to be prepared should the faculty press the institution to provide benefit improvements in the negotiations.

## Our solution

To approach the negotiations from a more informed position, the university engaged Segal to perform both a compensation study and a benefits benchmarking analysis using Segal's *College and University Benefits Study (CUBS)*, the most in-depth higher education employee benefit database of its kind. Our approach was three-pronged:

First, our team met with those directly involved in the faculty negotiations — the institution's HR and administration professionals — and reviewed which institutions in the CUBS database might best represent their peers. From the 400 U.S. colleges and universities in the database, 25 public institutions were selected for peer comparison.

Next, to ensure a thorough benefits benchmarking, we selected the broadest possible array of benefits data specific to faculty. These included active medical and dental, HSAs, basic and supplemental life insurance, tuition reimbursement/exchange, short- and long-term disability, paid sick leave, paid paternity/maternity (family) leave, sabbatical leave and a suite of life stage/voluntary benefits.

Retiree benefits and those related to retirement income were also evaluated.

Finally, we produced a detailed report for each faculty benefit showing side-by-side comparisons of the institution and its peers — including a qualitative analysis that explained the institution's competitive position on each front. We also revealed opportunities where the university could improve benefits at minimal additional cost.

## The results

Our benchmarking demonstrated the institution's faculty benefit programs were as competitive, if not more, in nearly every benefit category. In fact, the entire benefits package was competitive, with some offerings even shown to be the most competitive among its peers, including the institution's retirement income plan, dental plan and sick leave/salary continuance/disability plans.

Ultimately, our benchmarking analysis allowed the institution to create a balanced approach to the negotiations process, reducing certain benefits slightly while adding other voluntary benefits, as well as making minor improvements to its health and welfare benefits.

In the end, the institution fared well in the faculty benefits negotiations process by demonstrating how its benefits were already top-notch.

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