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Effects of minimum wage changes on the development and use of the student employee pay rate structure at Western Michigan University

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The purpose of this project is to present a thorough analysis of the current utilization of Western Michigan University’s student employee pay scale that has been performed to provide useful information for the decision of how to best restructure the student employee pay scale. This analysis shows the average of how many student positions were paid at each of the sixteen set hourly wages and how many were paid at Level Q (a range of wages between $9.58 and $20), or above level Q during the Fall 2014 semester. The results can be effectively used to determine how many student positions will be affected by the creation and use of a new pay structure for student employees.

The utilization of the current pay structure of student employees has been taken into consideration along with research of student employee pay structures at other universities to create two proposals of how Western Michigan University can potentially restructure their own student employee pay scale as the minimum wage in Michigan increases. These proposals have been created by staff from Career and Student Employment Services along with senior leadership. I have also developed one proposal as a recommendation of how to best redesign the pay structure based on my analysis and research of other university student employee pay structures.
EFFECTS OF MINIMUM WAGE CHANGES ON THE DEVELOPMENT AND USE OF THE
STUDENT EMPLOYEE PAY RATE STRUCTURE AT WESTERN MICHIGAN
UNIVERSITY

by

Kristin A. Kinney

Honors Thesis
Submitted to the
Lee Honors College
in partial fulfillment of the
requirements for the
Lee Honors College

Western Michigan University
Kalamazoo, MI
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Introduction

Managing a university is an enormous duty that can involve thousands of faculty and staff being employed in order to support a well-run college campus. Many university campuses employ their own students to take care of some of the responsibilities that exist at higher education institutions. Not only do students that work on their college campus receive pay for the work they performed, but having a position tied to their university increases their engagement as students. In fact, “part-time, on-campus employment is associated with the highest levels of academic achievement and degree attainment” (Pike, Kuh, & Massa-McKinley, 2008). Therefore, student employment is a relationship between the university as a whole and the student that is mutually beneficial.

Universities typically have a wide array of positions available for their students to work. Aligned with that variety of positions is a pay structure used exclusively for student employees in order to properly compensate them. Each university has the freedom to create a unique structure that aligns with their own student employment objectives and policies. However, just like any other organization, each university also needs to comply with current employment laws. One important law that is subject to change and has the potential to affect student employment is the state minimum wage.

Each educational institution has a distinctive method in how they compensate their student employees. Each approach is well thought out to have a pay structure that distinguishes between student positions that require different levels of skills and responsibilities, and the structure also indicates the degree of independence each campus department is given to determine student wages on their own. The structure should also derive from a compensation strategy that the university believes in, meaning that the differences in pay and the number of
levels should communicate an intentional message to student employees. The pay structure may have to be reevaluated every several years, especially when the university’s state minimum wage is scheduled to change.

Michigan’s state minimum wage has been set to change gradually during the next three years and will increase January 1st of 2016, 2017 and 2018. This means that the current pay scale structure for student employment at Western Michigan University must change so that the lowest wage assigned for student positions is not lower than the minimum wage. The leadership at WMU has decided that because of the planned increases in the minimum wage, now would be a good opportunity to analyze the structure of the pay scale to see if it could be better designed to support its student employment needs.

Western Michigan University currently has a pay rate system for its student employees with sixteen different set steps and levels. As the minimum wage changes, student employment pay rates will evolve at Western Michigan University because some wage rates included in its current structure are those that will eventually fall below minimum wage. However, it is not easy to determine exactly how pay structures will change along with the change in minimum wage.

One primary objective of this project is to provide Western Michigan University with the tools to make well-informed decisions regarding the pay rates of student positions in the context of the upcoming changes in the minimum wage. This will begin with a further discussion on the importance of student employment, the upcoming changes in the minimum wage for the state of Michigan and an overview of pay structures being used at other universities in the country.

The reason that Western Michigan University is the focus of the study is because although most universities are affected by changes in minimum wage, WMU views the
upcoming minimum wage changes as an opportunity to restructure its student employee pay scale. It is possible that the current pay structure is not serving everyone affected by student wages as well as it could be, which is why the university is carefully reviewing pay scale structure proposals. While adjusting the pay scale to accommodate for the future increases in the state minimum wage, Western Michigan University also has the desire to strategically alter the structure so that it best serves all of its employees, both full-time and student staff. Western Michigan University is a public university that educates 23,914 students and employs more than 7,000 people which means that the structure the university implements on this matter will have an effect on many people.

In this project, student payroll information for the Fall 2014 semester has been analyzed to provide charts and graphs that reflect the university’s current student employment situation. First, the method used throughout the study is explained, and then the results are given. The analysis shows exactly how many student positions are receiving compensation at each level and those numbers are compared to understand which levels are being utilized the most.

Next, proposals of future student employee pay rates are discussed. Two proposals have already been created by staff from the Career and Student Employment Services department, so those proposals are explained. In addition, based on data analysis and review of pay rates at similar universities, suggested changes to the pay rates are offered.

Finally, a tool to help WMU departments integrate the change in the pay rates is demonstrated. An Excel spreadsheet that uses the pay structure selected by WMU is presented so that Western Michigan University campus departments can determine how many students they can employ at each level within their budget. The spreadsheet helps departments project the
cost of student employment by using estimates of how many hours each student will work within a semester along with the number of students they would be able to employ at each level.

**Literature Review**

**Importance of Student Employment**

A college student who is employed typically enjoys benefits over students who are not employed, and those benefits are not purely financial. The jobs that students take on provide new interactions and an extended social life, not only with other peers as their coworkers but with other adults working professionally as well. Students who are employed are also known to have a heightened self-confidence and motivation. Meanwhile, working in a job exposes the student to career opportunities which helps that student to better understand their goals of what they are looking for in a career in their future. In addition, students who are also employed are able to further develop valuable work habits such as time management, punctuality and personal responsibility and are able to graduate from college with a more improved resume (Frerichs, 1995).

Working a job while obtaining a college degree is not always the best course of action when the purpose of being a college student is to receive good grades and earn a degree. Working a full-time job while taking college courses can be at times overwhelming and can lead to a decrease in academic performance, and certain part-time positions may be limited in its benefits to students besides its financial aspect. However, “working 20 hours or fewer on campus can be positively related to student success because it is related to greater levels of participation in active and collaborative learning activities and positive interactions between students and faculty members” (Pike, Kuh, & Massa-McKinley, 2008). Arguably, the most ideal
situation for a student to be in to nurture success is to work on campus while enrolled in college courses.

According to Kulum and Cramer (2006), on-campus student employment has a positive correlation with student performance. However, Kulum and Cramer state that students who were employed on campus worked an average of 9.6 hours per week while students that were employed off campus worked an average of 24.4 hours per week. The difference in hours that these two types of students work is roughly 14.8 hours a week, which might have an impact on student academic performance.

While it could be argued that students who work on campus perform better academically mostly because they work a more manageable amount of hours, it is notable that most universities have clear limits on how many hours students are allowed to work. Limits on hours worked are established for multiple reasons: budget constraints, the definition of part-time work and concern for student’s academic obligations. It might be that on-campus jobs are supervised by people who care equally about students’ success in their job and in the classroom, while off-campus employers might be generally mostly concerned about how well they are performing as an employee rather than as a student.

**Student Employment at Western Michigan University**

At Western Michigan University, “[s]tudent employment is meant to be ancillary to a student’s primary activity as an enrolled student pursuing a course of study at WMU” (Western Michigan University, 2015). If a student is employed while they are an undergraduate student, the positions they hold make a noticeable impact on their overall college experience.

When changes are needed in regards to student employment at Western Michigan University, those changes are led by key staff members within the Career and Student
Employment Services department - the executive director and the student employment coordinator. Changes in Michigan’s minimum wage was a good opportunity to reevaluate the student employment pay scale structure. A few proposals were constructed and shared with the senior leadership at Western Michigan University, and they will be discussed in more detail later.

Western Michigan University employs approximately 3,300 undergraduate student employees and over 4,000 others who fulfill staff, faculty and graduate assistant positions. That being said, work contributed toward the university that is done by students does not go unnoticed or unappreciated. Western Michigan University hosts Student Employee Appreciation Week every February, in which every department on campus is encouraged to celebrate their student employees. This began about thirty years ago and the week-long event has only grown since its beginning. Now, receptions are also held, when a Student Employee of the Year and Supervisor of the Year are awarded each year.

Training materials are available for supervisors of WMU students. The website for Career and Student Employment Services at Western Michigan University includes the student employee pay rates and the WMU Student Employee Work Hour Policy, by which each university department must abide. The website also includes information regarding work study, how to post jobs, job classifications and tips on conducting interviews. If additional support is needed related to student employment, the student employment coordinator is available to handle any student employee or supervisor concerns and is able to either explain how to solve the issue or can take action on their behalf. The student employment coordinator also conducts a training session for student supervisors every year during the summer to update student supervisors on any changes that they need to be aware of and to review important policies with them. This
session is not mandatory for student supervisors to attend, but approximately 180 to 200 of them attend each year.

During the fall 2014 semester, there were over 3,300 undergraduate students employed by Western Michigan University. Each of these students fulfilled at least one position that fell into one of five categories described in Figure 1.

<table>
<thead>
<tr>
<th>Level</th>
<th>Abilities needed</th>
<th>Knowledge required</th>
<th>Level of supervision</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>• Understand and follow written and verbal instructions</td>
<td>No specialized knowledge</td>
<td>Close supervision</td>
</tr>
</tbody>
</table>
| B     | • Application of clearly prescribed standard practices and to work from detailed instructions  
       • Able to work with data, perform simple analysis and exercise judgment | Some training or work experience required | Direct supervision |
| C     | • Plan and perform operations or to make analysis of facts to determine logical answers  
       • Make decisions, use critical thinking skills and job specific knowledge  
       • Perform basic office skills or use tools to resolve general problems of technical nature | May require completion of some college coursework, a specific major or set of competencies, specialized skills or equivalent experience | Some direct supervision |
| D     | • Perform a wide variety of duties using judgment in solving problems not covered by instructions  
       • Research data and/or use specialized knowledge to determine alternative or make recommendations for aiding in solution to problems  
       • May be responsible for instructing other student employees | Likely requires completion of some specialized coursework, training or experience. | Indirect supervision |
| Q     | This classification is reserved for student positions requiring specialized or hard to find skills | | |

*Figure 1. Western Michigan University Job Classification Levels.*
Recent Effects of the New Minimum Wage on Western Michigan University’s Student Pay Scale Structure

In May of 2014, Governor Rick Snyder signed legislation to increase Michigan’s minimum wage that was at that time set at $7.40 (The Associated Press, 2014). An increase has already taken place as of September 1st 2014 when the new minimum wage of $8.15 was established, and that amount will change in the next couple of years in three more phases until it becomes $9.25 on January 1st 2018. These ‘phases’ occurring in Michigan are not entirely unique in the United States; other states such as Connecticut, Hawaii, Maryland, Massachusetts, Minnesota, New York, Vermont and West Virginia also have or will be implementing phased increases in their minimum wage in the upcoming years (National Conference of State Legislatures, 2014).

Currently, pay rates for Western Michigan University students are divided into five levels, the first of those four levels containing four steps each. If a student position falls within Levels A through D, supervisors are expected to pay an hourly wage in one of the four steps given in the level to which the student position belongs. Typically, a student will earn an hourly wage that is listed under “Step 1” of the appropriate level, and then they may later earn wages in Steps 2 through 4 if their department gives pay raises to recognize excellent work performance or loyalty to the position. The hourly wages that were assigned to each step prior to the fall 2014 semester are given in Figure 2.

<table>
<thead>
<tr>
<th>Level</th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
<th>Step 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$7.86</td>
<td>$7.89</td>
<td>$7.96</td>
<td>$8.03</td>
</tr>
<tr>
<td>B</td>
<td>$8.30</td>
<td>$8.39</td>
<td>$8.48</td>
<td>$8.55</td>
</tr>
<tr>
<td>C</td>
<td>$8.82</td>
<td>$8.92</td>
<td>$8.99</td>
<td>$9.04</td>
</tr>
<tr>
<td>D</td>
<td>$9.31</td>
<td>$9.38</td>
<td>$9.49</td>
<td>$9.57</td>
</tr>
</tbody>
</table>

\[ Q = \$9.58 - \$20.00 \] (any rate above $20/hr is rare and requires approval)

*Figure 2.* Western Michigan University Pay Rates Prior to September 1st, 2014.
When Michigan’s minimum wage increased to $8.15 on September 1st, 2014, changes were made to levels A and B in WMU’s student pay rates. Those changes were implemented at the beginning of the Fall 2014 semester and the current student employee pay scale structure used at Western Michigan University is described in Figure 3.

<table>
<thead>
<tr>
<th>Level</th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
<th>Step 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$8.15</td>
<td>$8.22</td>
<td>$8.29</td>
<td>$8.36</td>
</tr>
<tr>
<td>B</td>
<td>$8.43</td>
<td>$8.50</td>
<td>$8.57</td>
<td>$8.64</td>
</tr>
<tr>
<td>C</td>
<td>$8.82</td>
<td>$8.92</td>
<td>$8.99</td>
<td>$9.04</td>
</tr>
<tr>
<td>D</td>
<td>$9.31</td>
<td>$9.38</td>
<td>$9.49</td>
<td>$9.57</td>
</tr>
</tbody>
</table>

Q = $9.58 – $20.00 (any rate above $20/hr is rare and requires approval)

*Figure 3.* Western Michigan University Pay Rates Effective September 1st, 2014.

The new pay scale left levels C and D unchanged, resulting in the highest possible pay for a student within the pay scale remaining at $9.57 when Level Q is excluded. Now, the current pay scale range in levels A through D is almost 17% smaller than it was before the fall 2014 semester began because the difference between the highest and lowest pay rates decreased from $1.71 to $1.42. Also, the pay increases between each level (for example, moving from A4 to B1, or from B4 to C1) are now less distinguished. In the former pay amounts in the structure, moving from Step 4 in one level to Step 1 one level higher was a wage increase of 27 cents. Now, moving along the structure from A4 to B1 is an increase of 7 cents, and going from B4 to C1 is an increase of 18 cents.

It might be a concern at an institution that raising student wages could potentially result in a smaller wage gap separating student employees from full-time staff. A change in the minimum wage does not always result in a rise in all employee wages. Figures 2 and 3 exhibit a good example of a pay structure that had only some of its pay rates change due to the rise in the state minimum wage, which also means that pay differences between steps and levels within the
structure are smaller. If all of the student pay rates were to rise, there would be a smaller wage gap between student positions and full-time positions, which could create morale issues and perceived unfairness in compensation. Those negative consequences are even more likely to occur if some of the student pay rates were to exceed those of some full-time staff.

**Student Employment Pay Structures at Peer Institutions and Other Universities in Michigan**

Ten universities across the country meet certain criteria to be considered a peer institution of Western Michigan University. This means that these educational institutions have similar characteristics of Western Michigan University in terms of basic framework, graduate instructional program, enrollment profile, undergraduate profile, size, setting and community engagement (Western Michigan University, 2015). With these universities being comparable in those aspects, it could be reasonable to agree that student employment within the universities should be comparable as well. Information was obtained from three of these universities about the pay structure used to compensate student employees. Kansas State University, the University of North Dakota and Temple University have been examined to compare their student pay structure methods to Western Michigan University’s and to consider their structure as a possible model for WMU’s student pay scale in the future.

In addition to examining student employment pay rates at three universities considered as peer institutions at Western Michigan University, student pay scales at two public universities in Michigan were explored. These institutions were also researched because they are universities located within Michigan and therefore, are affected by the same state minimum wage as WMU. Since universities within Michigan have to comply with the same minimum wage amount and future increases as Western Michigan University does, it may be insightful to analyze their pay
structures despite the fact that they are not recognized as peer institutions. The two educational institutions that were examined are Central Michigan University and Grand Valley State University.

**Kansas State University.** According to Dr. Keller (2015), the director of Career and Student Employment Services at Kansas State University, “Departments are required to pay the campus minimum wage but any additional compensation is up to the individual unit.” The only noticeable limitation on the rates of student positions is that their student minimum wage is $7.25, the same as their state minimum wage. This means that the Career and Student Employment Services at this university has less control in the regulation of student wages, and it is the responsibility of each department at Kansas State to determine how much each student position is valued within their budgets.

**University of North Dakota.** Another peer institution whose student employment pay rates were examined for this project was the University of North Dakota. According to resources available on the Student Employment page of the university’s website, student pay rates are divided into three levels for their undergraduate positions:

- **Level I:** $7.25 - $10.00  
  - Job examples: routine dining services, custodial work or basic research work
- **Level II:** $10.01 - $13.49  
  - Job examples: tutoring, computer programming, skilled labor
- **Level III:** starts at $13.50  
  - No job examples provided. Approved by request

Similarly to Western Michigan University’s current pay structure, the pay scale at the University of North Dakota begins at the state minimum wage, and each level is separated by the
functions of the job and level of knowledge needed to perform the job. However, instead of having defined steps within the levels, the University of North Dakota provides a range of wage for each level, and suggests that student supervisors raise their pay within their level by 20 or 25 cents per hour after they have worked two semesters (or full time during the summer) (University of North Dakota, 2015).

The University of North Dakota also has a pay scale range that is noticeably larger for its regular student positions. While Western Michigan University’s pay scale begins at $8.15 and ends at $9.57 for positions that fall under Levels A through D (a difference of $1.42), the University of North Dakota’s pay scale starts at $7.25 and extends to $13.49 for student positions that belong in Levels I and II (a difference of $6.24). This means that the University of North Dakota has a pay scale for student employees that is approximately 4.4 times larger than the current pay scale in place at WMU for students when comparing Western Michigan University’s Levels A through D with the University of North Dakota’s Levels I and II.

**Temple University.** Temple University also has three defined levels and a range of wages for each of these levels. SW1 is created to support general clerical support student positions, SW2 is designated for administrative technical support jobs and SW3 is reserved for jobs that involve research and professional support. Figure 4 illustrates the student pay scale structure at Temple University using three different levels.

<table>
<thead>
<tr>
<th></th>
<th>Min of range / Start</th>
<th>Max of range</th>
</tr>
</thead>
<tbody>
<tr>
<td>SW1</td>
<td>$7.25</td>
<td>$11.00</td>
</tr>
<tr>
<td>SW2</td>
<td>$8.00</td>
<td>$15.00</td>
</tr>
<tr>
<td>SW3</td>
<td>$12.00</td>
<td>$20.00</td>
</tr>
</tbody>
</table>

*Figure 4. Temple University Student Employee Pay Structure.*

Temple University (2009), explains in their student pay guidelines that the rate within the appropriate range should be chosen with consideration to the student’s experience. It can be
interpreted that a student can earn above the minimum of the range either by entering a student position with prior relevant experience or by earning raises periodically from gaining experience over time while working in their position. Another detail to point out is that it is possible for a student working in a lower level position to earn more than a student working in a higher level position due to the overlap in the ranges within each level. Such a difference could occur if the student in the lower level position has much more experience in the role than a student working in the higher level position but has very little experience in the role.

**Central Michigan University.** Central Michigan University is located in Mount Pleasant. Besides this university being in Michigan, there are a lot of similarities between Central Michigan University and Western Michigan University. Central Michigan University has 26,902 students and was established in 1892, while Western Michigan University has 23,914 students and was established in 1903. Both universities also started out as a teachers’ college and have recently added a college of medicine to their campuses.

While WMU has a department of Career and Student Employment Services, Central Michigan University has two distinct departments to serve their campus: Career Services and Student Employment Services. According to the university’s Student Employment Services website, their student wage scale is organized as presented in Figure 5 (Central Michigan University, 2015):

<table>
<thead>
<tr>
<th>Level</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>S1</td>
<td>$8.15</td>
<td>$9.20</td>
</tr>
<tr>
<td>S2</td>
<td>$8.15</td>
<td>$10.20</td>
</tr>
<tr>
<td>S3</td>
<td>$8.15</td>
<td>Open</td>
</tr>
</tbody>
</table>

*Figure 5. Central Michigan University Student Employment Pay Structure.*

Central Michigan University has levels set for their student employees, but the structure of student wages is very loosely outlined with each level beginning at minimum wage. S1 is
designated for entry level positions, S2 is the pay level reserved for jobs with expanded responsibilities and S3 is considered the pay level for specialized jobs (Central Michigan University, 2013). The difference between Central Michigan University and the three peer institutions examined is that although an overlap of ranges of each of the levels is not unheard of, the range minimum is the same for all of CMU’s student levels. At Central Michigan University, the three different levels are only unique from each other by the maximum of their range and the classification of jobs that belong at each level.

**Grand Valley State University.** The second public university in Michigan studied for this project was Grand Valley State University, which is located in Allendale, a city nearby Grand Rapids. Grand Valley State University currently has 25,094 students enrolled and has been in existence since 1960. The Student Employment Office, which is separate from the Career Center at Grand Valley State University states online that their Student Wage Rate Schedule is what is illustrated in Figure 6.

<table>
<thead>
<tr>
<th></th>
<th><strong>Step A</strong></th>
<th><strong>Step B</strong></th>
<th><strong>Step C</strong></th>
<th><strong>Step D</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$8.15</td>
<td>$8.30</td>
<td>$8.45</td>
<td>$8.60</td>
</tr>
<tr>
<td>2</td>
<td>$8.40</td>
<td>$8.55</td>
<td>$8.70</td>
<td>$8.85</td>
</tr>
<tr>
<td>3</td>
<td>$8.65</td>
<td>$8.90</td>
<td>$9.15</td>
<td>$9.40</td>
</tr>
<tr>
<td>4</td>
<td>$9.35</td>
<td>$9.60</td>
<td>$9.85</td>
<td>$10.10</td>
</tr>
<tr>
<td>5</td>
<td>$10.25</td>
<td>$10.50</td>
<td>$10.75</td>
<td>$11.00</td>
</tr>
<tr>
<td>6</td>
<td>$11.25</td>
<td>$11.50</td>
<td>$11.75</td>
<td>$12.00</td>
</tr>
<tr>
<td>7</td>
<td>$12.75</td>
<td>$13.75</td>
<td>$14.75</td>
<td>$15.75</td>
</tr>
</tbody>
</table>

*Figure 6.* Grand Valley State University Student Employee Pay Structure.

Classifications of jobs that belong at each level are divided into four different parts. The first two levels pay for jobs that involve general routine work, levels 3 and 4 contain jobs with moderately difficult tasks and moderate supervision, and levels 5 and 6 are set aside for positions that are technical, involve complexity or require independent judgment. The last level is designated for jobs that need highly skilled individuals who may need to perform self-decided
tasks and be personally accountable for their performance. Some overlap of wages occurs when moving from Step D in one level to Step A in the next level above (Grand Valley State University, 2015). With GVSU’s pay structure involving multiple pay levels and several steps for each level, it is rather similar to the structure used at WMU.

**Literature Review Summary**

In conclusion, it is apparent that student employment on college campuses creates a mutually beneficial relationship between the student working an on-campus job and the university. There is a variety of on-campus positions fulfilled by students that range from routine or entry-level jobs to jobs that can only be performed by a student that possesses advanced skills. Each of the jobs performed by students contributes to a well-functioning university as a whole, and students that work on-campus jobs are more likely to have more success academically than the other types of students present on a campus university.

Western Michigan University acknowledges the impact of its student employees and their very evident presence throughout the campus. The Career and Student Employment Services department services students and supervisors by providing helpful material on their website and by handling any student employment concerns. This department also hosts Student Appreciation Week and a student supervisor training session annually. Staff members within this department are also the first employees within the university to research proposals and solutions when changes arise in WMU’s employment situation.

On-campus student employment is an essential part of any university, but the way in which students receive compensation for their work on campus varies by each university. Each university has their own pay structure that is influenced to some extent by their state’s minimum wage. Within each student employee pay structure are numerous hourly rates. The pay that each
student earns depends on the classification their position falls under and the wage polices that their campus department has for student employment. Those policies determine the amount of independence that the student employment department extends to each department on campus. Other factors that can affect how much departments pay their student employees are the positions available for students in the department, the length of time a student has worked within a job as well as the amount of experience or skills students have.

Knowing the value of student employment and the nearly infinite policies and pay structures that can be implemented within a university, a lot of consideration goes into the creation of a new student employee pay structure. Leadership at each university needs to determine the strategic goals they would like to accomplish through the employment of their students on campus and how those goals can be supported through a method of compensation.

**Methodology**

In order to move forward with recommendations for the future structure of the student pay scale at Western Michigan University, a thorough analysis must be conducted of its current student employment situation and the wages students are receiving. It is important to evaluate exactly how the student pay scale is actually being utilized, rather than just how it is designed, in order to anticipate the effect that specific changes in the structure will have on student employment in the future. Although an alteration in the state laws that mandate the allowable minimum wage is a strong justification for a change in pay rates and the structure that supports these rates, the most effective structure will derive after careful consideration of how the structure is presently functioning.

The analysis of data on student employment and wages at Western Michigan University was performed in order to obtain a better understanding of how many student positions are being
paid at each step within each pay level. This piece of information is important because it cannot be safely assumed that each of the sixteen defined pay levels in WMU’s pay scale are being utilized equally. In fact, one might suspect that the majority of students are being paid at levels A1, B1, C1 and D1 since it is suggested to each WMU department to pay new hires at Step 1 of the appropriate level. The steps within each of the levels are defined for pay raises due to retention of a student employee or to reward their performance, if the department chooses or is able to do so (Western Michigan University, 2015). Therefore, it is likely for a student to begin at Step 1 within a level and not receive a raise either because they leave their position before a raise is feasible or because they work in a department with limited budgets that do not have a specific student wage raise policy or practice.

The data analysis conducted for this project involved the use of payroll information of Western Michigan University students. Data from five different payroll periods from the fall 2014 semester were analyzed. This involved pay for the work performed from September 29th through December 7th of 2014. Each payroll covered a two week period.

These five periods were used for analysis because this time frame painted a picture of Western Michigan University's most regular student employment situation. This period of ten weeks does not include the first four weeks of the semester or final examination week, which can be times in which student hours worked on campus are not regular. Hours worked on campus can sometimes be low while departments are potentially still hiring student employees. Student hours also tend to be irregular the week that final examinations take place because final examinations are scheduled differently than student class schedules, which means that students have to rearrange their work schedules to attend their final examinations.

The information available for analysis included:
1. Employee ID: Each student has a unique employee number. Rows of data that included the same employee ID indicates that all of the information in those rows belongs to the same working student.

2. Department ID and department name: two columns indicated the identifying account number and the name of the department. Departments were typically the names of the departments in which WMU students work; however, work study accounts also appeared in department ID and department name to indicate when a student was receiving pay with the use of accounts devoted to pay students under work study.

3. Pay rate: The amount a student earns on an hourly basis. This information is kept and also converted into pay rate levels and steps currently used by WMU.

4. Hours worked and amount earned: The number of hours worked and the amount a student earned. Since some students had multiple rows of data dedicated to their student employment situation, new columns were added to the data to add up total hours worked and total amount earned per student.

The first stage of the data analysis involved determining how many on-campus positions belonged to each pay rate. Then, an analysis was conducted to determine how many students were being paid at each level. It is possible that one student could be working more than one campus job. In order to proceed with the data analysis, the following assumptions were made:

1. A student was considered as “actively working” if the data showed that they worked more than zero hours in a pay period. Students who worked a total hours of zero were not counted at all, and if a student worked multiple jobs but worked zero hours for any one of more of their jobs, those particular jobs were not counted in the analysis.
2. If a student actively worked in multiple departments, they were considered to be working multiple jobs and were counted for in the data for every different department in which they were actively working.

3. If a student had multiple rows of data that showed them working in the same department and receiving the same pay rate, they were only counted as having one job.

4. If a student had multiple rows of data that showed them working in the same department and were receiving different pay rates within that department, they were counted as having multiple jobs and were counted for every different pay rate.

The analysis involved interpreting multiple rows of the same student employee to determine how many jobs they truly worked and at which pay rates those jobs were being paid. Information on jobs paid with work study funds presented some students in the data as though they worked in multiple departments, and that data had to be carefully examined to determine each student’s true employment situation at Western Michigan University.

At the end of the analysis for each payroll, charts and graphs were created to describe the number of students per pay level and to compare the number of students to other available pay levels. Once the analysis was done for each of the five payroll periods, all of the information gathered was averaged and the charts presented in the data results display tables and graphs with that overall information.

**Results**

On average, 3,300 undergraduate students at Western Michigan University actively worked an on-campus job during the fall 2014 semester. Figure 7 below displays the average
number of jobs within each of the different pay levels that are worked by undergraduate student employees.

<table>
<thead>
<tr>
<th>Level</th>
<th># per Level</th>
<th>% of Whole</th>
<th>Step</th>
<th># per Step</th>
<th>% of Whole</th>
<th>% of Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>1555</td>
<td>42.25%</td>
<td>A1</td>
<td>1426</td>
<td>38.77%</td>
<td>91.74%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>A2</td>
<td>34</td>
<td>0.92%</td>
<td>2.17%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>A3</td>
<td>19</td>
<td>0.53%</td>
<td>1.25%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>A4</td>
<td>75</td>
<td>2.04%</td>
<td>4.84%</td>
</tr>
<tr>
<td>B</td>
<td>756</td>
<td>20.55%</td>
<td>B1</td>
<td>507</td>
<td>13.77%</td>
<td>67.02%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>B2</td>
<td>110</td>
<td>2.99%</td>
<td>14.57%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>B3</td>
<td>70</td>
<td>1.91%</td>
<td>9.31%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>B4</td>
<td>69</td>
<td>1.87%</td>
<td>9.10%</td>
</tr>
<tr>
<td>C</td>
<td>510</td>
<td>13.85%</td>
<td>C1</td>
<td>335</td>
<td>9.09%</td>
<td>65.63%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>C2</td>
<td>75</td>
<td>2.03%</td>
<td>14.63%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>C3</td>
<td>44</td>
<td>1.21%</td>
<td>8.71%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>C4</td>
<td>55</td>
<td>1.50%</td>
<td>10.83%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Other (Between C and D)</td>
<td>1</td>
<td>0.03%</td>
<td>0.20%</td>
</tr>
<tr>
<td>D</td>
<td>320</td>
<td>8.71%</td>
<td>D1</td>
<td>233</td>
<td>6.33%</td>
<td>72.66%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>D2</td>
<td>33</td>
<td>0.91%</td>
<td>10.42%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>D3</td>
<td>27</td>
<td>0.74%</td>
<td>8.55%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>D4</td>
<td>27</td>
<td>0.73%</td>
<td>8.36%</td>
</tr>
<tr>
<td>Other</td>
<td>583</td>
<td>14.63%</td>
<td>Q</td>
<td>515</td>
<td>13.99%</td>
<td>95.62%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>More than Q</td>
<td>24</td>
<td>0.64%</td>
<td>4.38%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>3680</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 7. Average Number of Student Positions Being Compensated at Each Level.

Almost half of Western Michigan University’s student positions are in Level A with an average of 1555 student jobs being paid within Level A during the Fall 2014 semester. The number of jobs in each of the remaining levels decreases as one moves down the respective levels. “More than Q” is included in Figure 7 because a small number of student positions were approved to be paid at an hourly rate above $20. To better visualize the distribution of jobs within the current pay structure, Figures 8 through 12 display the data from Figure 7 in pie
charts. Figure 8 shows each of the steps in relation to the total number of jobs worked by WMU students.

![Number of Jobs per Level](image)

**Figure 8.** Percentages of Student Positions Being Compensated at Each Level.

At the outset of the study it was expected that the majority of students are being paid at Steps A1, B1, C1 and D1. This expectation derived from the premise that student positions are supposed to be initially compensated at the first step of whichever level best classified the job. Then, students would move to higher steps by working in their position for an extended period of time or because their work performance was being acknowledged through the use of a pay raise. That idea appears to hold true because approximately 68% of student positions belong to one of either steps A1, B1 C1 or D1. It is also very evident that A1 (or step 1 in Level 1) is by far the most commonly used step to compensate student jobs with nearly 39% of student positions being paid at this pay wage, which is the new state minimum of $8.15.
Figures 9 through 12 are presented to show the distribution of student jobs that get paid at each step within a level (Levels A, B, C and D). The first step is consistently the most utilized step of each of the four levels.

Figure 9. Average Number of Student Positions Being Compensated within Level A.

Figure 10. Average Number of Student Positions Being Compensated within Level B.
Figure 11. Average Number of Student Positions Being Compensated within Level C.

Figure 12. Average Number of Student Positions Being Compensated within Level D.

The purpose of the data analysis that was performed is to understand how the current pay scale structure for student employment at Western Michigan University is being utilized. Having an understanding of this can allow decision makers in this matter to better realize how a particular change in the current structure can affect student employment in the future. A change in the number of levels or steps per level will mean that the distribution of jobs within each step will also change, and knowing how jobs are distributed now may reveal which changes in the structure may be the easiest (and also hardest) alterations to implement.
Discussion and Recommendations

After closely examining the student wages implemented at five different universities in the United States, it is clear that there are numerous methods in compensating student employees for the jobs they perform at their institutions. The only component each university analyzed in this project had in common regarding their student wages, including Western Michigan University, is that their lowest wage paid matched their respective state minimum wage. Most of the six campuses studied divided their classification of jobs into three or four levels based on the skills or experience needed for the position. The first level has student positions described as low skill, requiring little or no experience and involving close supervision. The top level usually is reserved for jobs that require high skill, adequate experience and that entail little to no supervision.

In this concluding section, the two proposals that have been created by Western Michigan University’s Career and Student Employment Services will be discussed, my recommendation will presented and then the final proposal for the future student employment pay scale will be used to demonstrate a student employment budget calculator for WMU departments to use.

Two Proposals Created by Career and Student Employment Services at WMU

With the next change in Michigan’s minimum wage happening on January 1st, 2016, and the university’s attention and concern toward its student employee situation, a few proposals have been constructed thus far. Career and Student Employment Services designed two proposals and consulted colleagues from departments committed to student employment including the Office of Diversity and Inclusion, Division of Multicultural Affairs, First Year Experience, Provost & Academic Affairs, University Dining Services, University Recreation Programs and Facilities.
The first proposal is illustrated in Figure 13 and has five levels. Levels A through D are made up of one hourly wage, and Level Q is a range that does not exceed $20. The proposal is presented for the next three years to include the phased increases the governor prepared for Michigan’s minimum wage. Three years are shown in Figure 13 because the minimum wage will be different at the beginning of each of the next three years, and the pay scale within the proposed structure adjusts accordingly.

![Figure 13. Proposal 1 for WMU’s Future Pay Structure.](image)

The structure in Figure 13 is similar to the one that exists today, but does not include any steps within the levels. The first level begins at Michigan’s future minimum wage, and each level is differentiated by 50 cents. Level Q is a range of wages that begins at $10.76 and ends at $20. As before, student positions can, on a rare occasion, be above $20, but the proposal description explains that in order for that to occur, departments would use the temporary staff system in HR.

This option appears to be a simplified version of the current student employee pay scale structure by keeping the five levels, but it has removed the steps. Since the five levels exist in this proposal, the five different classifications used to separate student positions into each of the five levels do not have to be altered. Another advantage of Proposal 1 is that each level increases in wage by 50 cents, rather than having varied amounts of wage increases within steps and levels that the current structure has. However, Levels A, B, C and D do not have ranges. Since the levels represent the different types of job classifications for student positions, the
structure is not designed to allow for students to receive raises unless their position were to change in its classification. The lack of steps and the inability to offer students a raise was met with criticism from campus colleagues when the proposal was shared.

Proposal 2 is displayed in Figure 14. This option involves a pay structure that has four different levels, with Levels A through C having three different steps. Once again, Level Q is a range of hourly wages that does not exceed $20 per hour.

<table>
<thead>
<tr>
<th>Level</th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$8.50</td>
<td>$8.71</td>
<td>$8.92</td>
</tr>
<tr>
<td>B</td>
<td>$9.13</td>
<td>$9.34</td>
<td>$9.55</td>
</tr>
<tr>
<td>C</td>
<td>$9.76</td>
<td>$9.97</td>
<td>$10.18</td>
</tr>
<tr>
<td>Q</td>
<td>No steps</td>
<td>Up to $20.00</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Level</th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$8.90</td>
<td>$9.11</td>
<td>$9.32</td>
</tr>
<tr>
<td>B</td>
<td>$9.53</td>
<td>$9.74</td>
<td>$9.95</td>
</tr>
<tr>
<td>C</td>
<td>$10.16</td>
<td>$10.37</td>
<td>$10.58</td>
</tr>
<tr>
<td>Q</td>
<td>No steps</td>
<td>Up to $20.00</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Level</th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$9.25</td>
<td>$9.46</td>
<td>$9.67</td>
</tr>
<tr>
<td>B</td>
<td>$9.88</td>
<td>$10.09</td>
<td>$10.30</td>
</tr>
<tr>
<td>C</td>
<td>$10.51</td>
<td>$10.72</td>
<td>$10.93</td>
</tr>
<tr>
<td>Q</td>
<td>No steps</td>
<td>Up to $20.00</td>
<td></td>
</tr>
</tbody>
</table>

*Figure 14. Proposal 2 for WMU’s Future Pay Structure.*

This is another simplified version of Western Michigan University’s current structure that begins the lowest wage at the state minimum wage, but a different way that Proposal 1 was simplified. This alternative involves removing Level D as well as Step 4 from all levels. The changes between levels involves a 63 cent change in the wage, and then each step is separated by a difference of 21 cents. Once again, Level Q is a range, and a very small percentage of student positions are typically compensated above $20 an hour outside of Level Q.
Proposal 2 gives supervisors the ability to pay three different pay rates within the same level, unlike Proposal 1. However, Proposal 2 would involve a significant change, especially for the students currently working in the student positions. As explained previously, each level exists to compensate jobs of different classifications. Using a pay structure that is comprised of four levels rather than five means modifying the definition of each job classification. Then, students that were originally being paid within Level D would most likely ‘move down’ to Level C, and other jobs may be redefined to move down the levels as well. In addition to that, moving to a structure that originally had four steps to a new one that only contains three levels means reassigning most student positions compensated by Steps 2, 3 or 4 to a different step. This proposal is suitable if senior leadership at Western Michigan University have determined that one fewer level (and job classification) in the student employment pay scale structure will best serve the university in the future.

Recommendations

I have carefully reviewed the two proposals formed by Career and Student Employment Services along with the current pay structure in use at Western Michigan University for student employment as well as the structures used by the five other universities researched. Considering this information, I would like to propose yet another option for the student employment pay structure that accommodates for the increases in Michigan's minimum wage that also adjusts to better suit the university. Namely, I would propose to keep the five levels currently being used, but would have one pay range per level in lieu of the four steps. Ranges in pay have been selected for my proposal to ease the transition into a new structure, give WMU departments more power in the wages they give to student employees and to empower departments to choose hourly wages and implement raises in a way that is strategic.
If WMU were to decide to simplify their student employee pay rates by removing the steps within in each level, I believe that decision would be firmly justifiable, especially if the levels transformed into ranges of wages rather than four specified steps. That way, students who happen to be employed within the same position on campus during the change of the state minimum wage could keep their wage the same if that amount still exists in the same level. If the student’s hourly rate now belonged to a lower level due to the minimum wage increases, the employer could raise their wage to match the minimum amount in the level of which their position belongs. By having each level as a range of acceptable wages, changes in the amount a student employee receives hourly could be minimal.

According to the Temple University Student Pay Guidelines, Temple University (2009), “These guidelines are intended to provide schools and departments with a framework to maintain consistency in student pay.” Although it is important for student employment departments within a campus to provide guidance to other departments on how to compensate student employees, these departments should be empowered to have some say in how their students are paid. The pay structure should be utilized by each department within the university in order to be aligned internally, but the structure should be loose enough to allow each department to pay students in a way that aligns with their own student employment needs.

Good compensation strategies are a direct reflection of the strategy of the organization as a whole (Milkovich, Newman, & Gerhart, 2014). Campuses are made up of different types of departments in which students work. Positions can involve checking students and guests into the residence halls, conducting research for a professor, providing technical support, planning large campus events and nearly everything else in between. Therefore, the departments responsible for supervising these jobs may want to use compensation as a way to motivate student employees
to behave and perform tasks in a particular way. That’s why wage ranges should be present in a student pay structure so that departments are able and encouraged to give raises to students or to pay above the minimum as a motivator for good work performance.

The recommendation described above is presented in Figure 15.

<table>
<thead>
<tr>
<th>1-Jan-16</th>
<th>1-Jan-17</th>
<th>1-Jan-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$8.50 – $9.25</td>
<td>A</td>
</tr>
<tr>
<td>B</td>
<td>$9.00 - $9.75</td>
<td>B</td>
</tr>
<tr>
<td>C</td>
<td>$9.50 - $10.25</td>
<td>C</td>
</tr>
<tr>
<td>D</td>
<td>$10.00 - $10.75</td>
<td>D</td>
</tr>
<tr>
<td>Q</td>
<td>$10.76 - $20.00</td>
<td>Q</td>
</tr>
</tbody>
</table>

Figure 15. Proposal for WMU’s Future Pay Structure.

Besides the fact that my proposal has ranges, which was a common theme within the student employment pay structures at the other universities researched, there are multiple other influences that affected my proposal as well. The most evident is Proposal 1 that was presented in Figure 13. The amounts that were presented in the Proposal 1 were kept, but instead were transformed into minimum level wages. The uniformity of the wage increases that exist in Proposal 1 and Proposal 2 also inspired my personal recommendation to make every range within a level to have the minimum and maximum pay be 75 cents, and for each maximum of one level be 25 cents higher than the minimum hourly wage at the next-higher level. The overlap in ranges was specifically influenced by the structure used at Temple University, which also had overlap in their ranges between their levels. The overlap was added to my proposal to give the departments at Western Michigan University more options in student employment compensation. For example, a department might have a student working a position that is characterized by Level A, and that student has been working in that position for three years and is considered a good performer in their job. They also have just hired a student in a Level B position who does not have a lot of prior work experience. With the pay structure I have
recommended, the department would be able to pay the student in the Level A position more than the student in the Level B position if they desired to do so.

Each proposal to the student pay scale structure is accompanied with a set of limitations. My recommendation outlined in Figure 15 could potentially be a change that would be difficult to adjust to for student supervisors and staff within the human resources department. If my proposal were to be implemented, departments would have to take on an additional task of determining how to compensate their student employees within the new student pay scale structure. It is a possibility that some WMU departments rely on the rigid structure that is currently in place and are not prepared to make some decisions on how to pay student employees and how to properly give students wage raises. The implementation of a pay structure for students that involve ranges could also be difficult for human resources at Western Michigan University to initially manage since they are currently accustomed to handling sixteen different pay rates. The data that human resources staff would have to handle on a regular basis would be noticeably different if all levels were to transform into a range of wages.

**Student Employment Budget Calculator Demonstration**

Since the two proposals have been discussed thoroughly between the decision makers at Western Michigan University, the university have proceeded with one of the proposals: Proposal 2 depicted in Figure 14. The only change made to the final proposal that differs from Proposal 2 is that Level Q’s maximum wage is set to $25 per hour rather than $20 per hour. This proposal is very likely to become the new pay structure for student employment at Western Michigan University beginning January 1st, 2016.

Due to the scheduled change in Western Michigan University’s student employment pay structure, an Excel worksheet has been created for departments to use as a tool for student
employment budgeting. Figure 16 shows the first portion of the student employee budget calculator that creates an estimate of how many hours each student employee will work during the spring 2016 semester.

In Figure 16, an estimate of total hours a student works during the Spring 2016 is created by asking the department a few questions. Cells A4 and A10 are drop-down lists that allow departments to indicate whether students work normal hours, a different (or limited) amount of hours or do not work at all during Spring Break and final examination week. If “Limited Hours” is selected for either of those two cells, an additional question is asked to determine the amount of hours each student will work on average during Spring Break or final examination week (cell A12 and A13 in Figure 16). If “Yes” or “No” is selected, the additional question does not
appear. The answers to those questions, along with the number the department enters in cell A20 creates an estimated total number of hours each individual student will work during the spring 2016 semester within that department. That number is used to create estimates shown in Figure 17.

<table>
<thead>
<tr>
<th>Level and Step</th>
<th>Pay Amount</th>
<th>Number of students at each level</th>
<th>Total semester amount for students per level</th>
<th>Hourly Rate</th>
<th>Number of Students at Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>$8.50</td>
<td>17</td>
<td>$41,905.00</td>
<td>$15.00</td>
<td>3</td>
</tr>
<tr>
<td>A2</td>
<td>$8.71</td>
<td>5</td>
<td>$12,625.50</td>
<td>$17.50</td>
<td>1</td>
</tr>
<tr>
<td>A3</td>
<td>$8.92</td>
<td>3</td>
<td>$7,760.40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B1</td>
<td>$9.13</td>
<td>13</td>
<td>$34,420.10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B2</td>
<td>$9.34</td>
<td>4</td>
<td>$10,834.40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B3</td>
<td>$9.55</td>
<td>1</td>
<td>$2,769.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C1</td>
<td>$9.76</td>
<td>8</td>
<td>$22,643.20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C2</td>
<td>$9.97</td>
<td>2</td>
<td>$5,782.60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C3</td>
<td>$10.18</td>
<td>0</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q Employees</td>
<td></td>
<td>Total amount for Q employees</td>
<td>$18,125.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total cost for student employment</td>
<td>$156,869.70</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Figure 17. Screenshot 2 of Excel Student Employee Budget Calculator.*

In Figure 17, the department is required to enter numbers under “Number of students at each level” (cells C28 through C36) to indicate how many students they would like to have employed in their department at each step. If any of their students should be compensated under Level Q, hourly rates and number of students per rate need to be manually entered under “Q Employees”. The dollar amount in D38 is formulated to provide the department with the total estimated cost of their student employees for the spring 2016 semester.

This example shown in Figure 16 shows that each student will not work during Spring Break, but will work approximately ten hours during final examination week and then twenty hours every other week during the Spring 2016 semester. In that case, it is estimated that every
student in the department will work approximately 290 hours during the spring 2016 semester. With every department having different student employment situations, each person who uses this calculator for their department will have to have some knowledge of how to properly use Excel. If a department were to know that students working at different levels and steps work different amounts of hours on a weekly basis, they could make their budget calculator create a more accurate total cost for their student employees per semester by altering the formulas under the “Total semester amount for students per level” column in Figure 17. The section for Level Q has eight rows, six of which that are empty in Figure 17, so that it is flexible enough for WMU departments that pay as many as eight different wage amounts within Level Q for some of their student positions. If there are more than eight different wage amounts, that table will have to be adjusted accordingly. In general, the student employment budget calculator can be used to provide broad estimated figures or it can be altered to account for differences that exist between different university departments to come up with a more accurate student employment budget estimate.

Conclusion

Creating an effective student employee pay scale structure to use at educational institutions is not a simple task. Each university needs to decide how flexible or rigid to create their structure in consideration to the departments on campus and how much freedom they should have in determining student pay rates. It is also important to consider the methods in which other universities are paying their student employee positions to either defend proposals of changes in the pay structure or to realize new possibilities in how to restructure the student pay scale. It is always imperative to comply with the state minimum wage to be prepared to adjust wages as the minimum wage changes, but student employment budgets within campus
departments must be considered at the same time to determine the effect a raise in wages could have on their student employment situation.

As the student pay scale structure at Western Michigan University is scheduled to change in the next three years, it is important to contrast the current pay scale structure with the proposals for the future pay scale structure to anticipate how the differences in structures will affect students and student supervisors. There is not one perfect student employee pay scale structure for Western Michigan University to implement, but whichever proposal is chosen as the structure to move forward with beginning the spring 2016 semester, the university needs to prepare everyone involved to adjust, for example, by distributing the student employee budget calculator presented in this project. With a carefully considered student employee pay scale structure created with concern to the three upcoming minimum wage changes, and the proper tools to help students and their supervisors become familiar with the new structure, Western Michigan University will be able to accommodate to changes in a student employment pay structure with ease.

https://www.cmich.edu/fas/hr/SES/Documents/SES%20HANDBOOK%20May%202013.pdf

Central Michigan University. (2015, February 17). *Student Wage Scale*. Retrieved from cmich.edu: https://www.cmich.edu/fas/hr/SES/Pages/Student-Wage-Scale.aspx


