

Staff Fact Book

Fiscal Year 2014

**Cardinal
at Work**



Pictured on cover, from left to right:

Theo Mitchell
Stanford Recreation

Joanne Camantigue
Stanford Global Services

Bob Cable
Stanford Live

Najwa Salame
Stanford Humanities Center

Benjamin Buenrostro
HVAC Shop

Vasavi Ramachandran
School of Medicine



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A Message from David A. Jones, Vice President for Human Resources

Dear Colleagues,

Stanford employees have a profoundly positive impact towards the university's mission of teaching and research. The contributions of staff to Stanford's overarching priorities are an important part of the university's excellence and collective achievements. We hope that this Staff Fact Book, which is intended to be an annual publication, will help you gain new insights about the nearly 12,000 staff members who are part of the "fabric" of our workplace as you make decisions about the priorities and resources within your school or business unit.

You'll see an array of demographics, along with details about each phase of the employee lifecycle, from recruitment through retirement. We hope the information provides you with key statistics about the people who hold staff jobs, how they enter our workforce, what happens while they are here related to their career growth and the programs they utilize, and the rates of turnover that can impact organizations when staff leave.

The photos you'll see throughout the Staff Fact Book are current Stanford employees. They are representative of our staff workforce—proud to work at Stanford, committed to serving Stanford in our quest to stay at the forefront of innovation, discovery and excellence, and an integral part of our diverse and talented community animating the mission of this amazing institution.

Your input and feedback will be valuable to shape the future content of this fact book, so I welcome your comments to ensure your planning and decision making needs are served with vital information about an important employee group—Stanford staff.

Ever forward,



David A. Jones
Vice President for Human Resources
Stanford University





What's Inside

Stanford University is a vibrant place, full of energy and ideas created and sustained by the people who work and study here. Talented people are here to do more than just put in a day's work – like a freshman beginning a career as a student, a new hire is here to begin a journey as an employee. Thus there have to be resources in place to support that journey, to recruit these talented people, to professionally develop them, to reward them, and to engage them.

In this report, we will provide insight into Stanford University's human resources by guiding you through the employee journey, from beginning to conclusion.

Here's what you will find inside:

Powered by People: A Snapshot

This infographic shows the variety of occupations and people that make up Stanford. Stanford employees maintain the picturesque grounds, choose the books and journals that feed hungry minds in the libraries, conduct cutting-edge research, and make sure this multifaceted organization runs smoothly.

The Stanford Workforce

This section showcases the wide variety of work performed at Stanford, and the diversity of the people employed here.

The Journey: Recruitment

This section explains the ways in which people come to work for Stanford, how we attract and hire the new employees who will shape Stanford's future, and what the new workforce looks like each year.

The Journey: Career Development

This section describes how we respond to the needs and goals of employees, managers and leaders through compensation, benefits, and career development.

The Journey: Departure

This section creates an understanding about why people leave Stanford, when, and how to plan for it.

Appendix

This section includes more interesting facts about Stanford's workforce.

Powered by People: A Snapshot

In Fiscal Year 2014, Our Community...

Supported our Students

42,167

Evaluated 42,167 applications for freshman admission



Distributed over \$133m undergraduate financial aid and over \$330m in graduate financial aid



Curated nearly 9 million volumes in 19 library locations

Conducted Research



\$1.3b

Conducted \$1.3b in research



Processed 2,968 research awards and submitted 1,741 proposals for new research funding

Maintained the Campus



15.2 million square feet

Maintained 15.2 million square feet of space in 700 major buildings



2,370 networks

Supported 2,370 networks so that over 65,000 mobile devices could access them

Kept the University Running

35,628

Processed W-2s for 35,628 employees



Cooked and served 18,000 meals in 22 dining locations and housed 17,000 conference guests



Cared for nearly 950 children in Stanford's child care centers



Collected nearly \$1b in gifts

\$4.3b

Managed a \$4.3b budget

It takes a lot of people pulling together to make Stanford run. Our dedicated, committed staff make it all happen.

A woman with short brown hair, smiling, wearing a pink cardigan, a grey t-shirt, and a black and white leopard print scarf. She is standing in front of a background of pink blossoms. The image is part of a document cover with blue decorative bars at the top and bottom.

The Stanford Workforce

Melissa Burggraff-Reynen
Project Manager, Office of Development

The Stanford Workforce

Stanford University develops organically as the faculty make discoveries and its students request new areas of learning. It also develops strategically into new areas of importance in the humanities, social sciences, engineering, or natural sciences. But however growth into new areas happens, it must be supported by expert staff.

This section explores the characteristics of that staff in detail. It is important to understand the makeup of Stanford's workforce because that is what drives our policies and programs to best suit those who work here.

Over the last 10 years, Stanford has experienced headcount fluctuations that correspond to overall economic conditions. At the same time, the overall growth in regular benefits-eligible staff (non-faculty) is very steady, at a 3.4% compound annual growth rate (CAGR).¹ Figure 1 below shows the beginning-of-year headcount for regular benefits-eligible staff from FY05 through FY14. (Note: In the Administrative Guide, "benefits-eligible" refers to regular employees who are appointed at 50% FTE or more for at least six consecutive months and eligible for University sponsored health and welfare benefits.)

Year-by-Year Growth Rate and Headcount, FY05-FY14

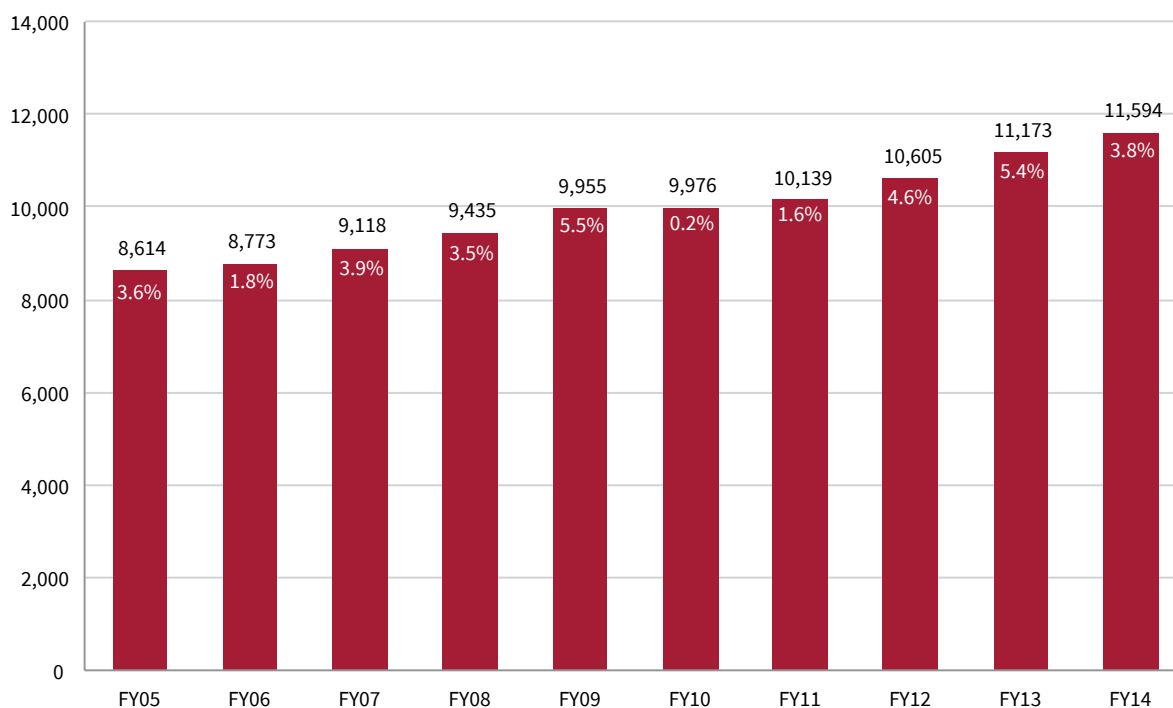


Figure 1

¹From the beginning of FY05 (9/1/2004) through the beginning of FY14 (9/1/2013). The CAGR is the same using the end of FY05 (8/31/2005) through the end of FY14 (8/31/2014).

The headcount growth shows that staff hiring slowed in FY10 and FY11 during the economic downturn. The bounce back of the endowment and the improved budget outlook caused the units around Stanford to fill positions long vacant or embark on delayed initiatives. The last three years have seen growth rates similar to those before the recession.

Figure 2 displays the headcount by school or business unit at the end of FY14. The academic units vary greatly in size, from the small schools of Earth Sciences, Law, and Education, to the large schools of Engineering, Humanities and Sciences, and Medicine. Business Affairs, the largest non-academic area, contains groups such as Financial Management Services, Information Technology Services, and other vital business units (Note: in 2015, School of Earth Sciences was renamed School of Earth, Energy & Environmental Sciences).

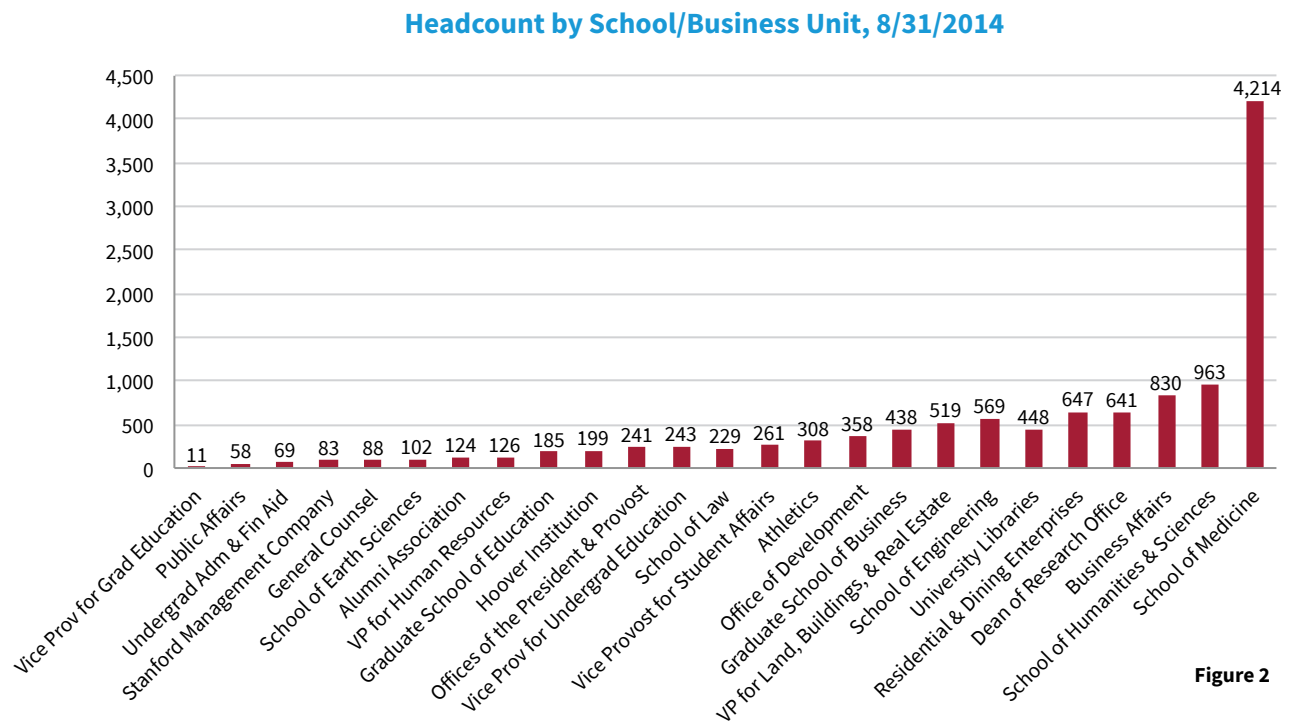


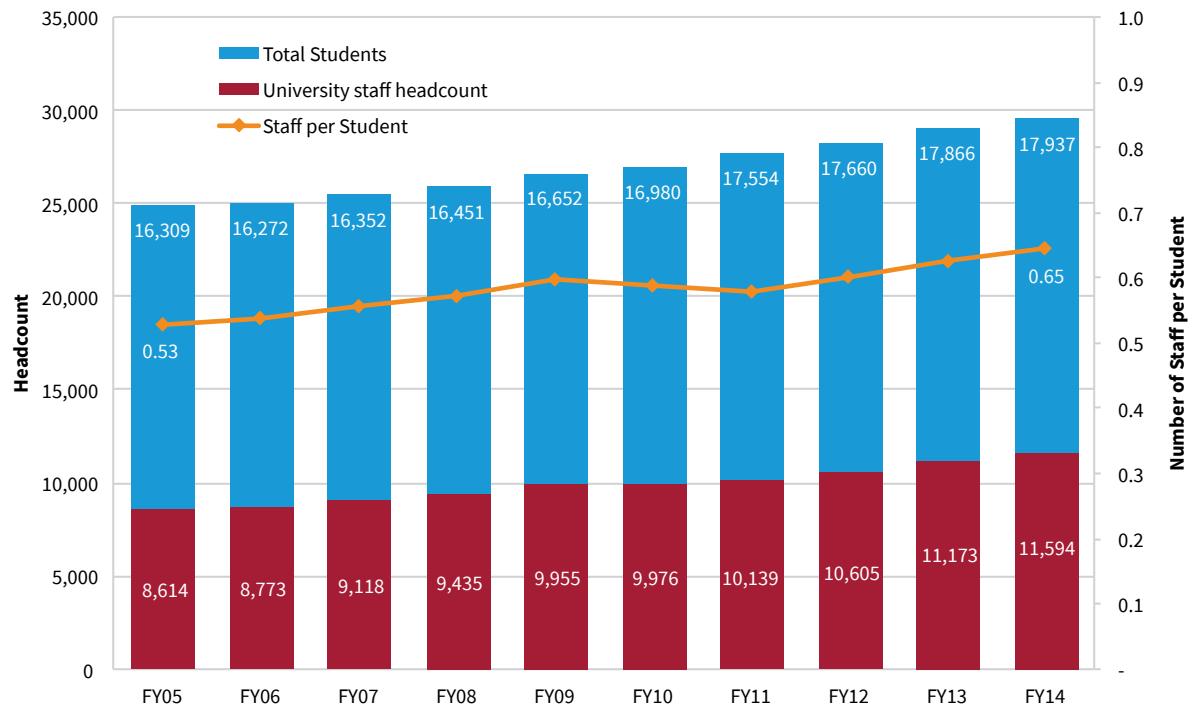
Figure 2

The variance in size of the schools and business units, plus differences in the way work gets staffed, creates policy and management challenges. One size often does not fit all, especially in a university setting in which there are both very stable, long-term work roles and short-term roles based on specific grants and contracts for research.

University Human Resources' long-term strategy is to define standardized, streamlined policies and programs in areas that work well across the university while keeping the flexibility to customize solutions in areas that warrant it. For example, a policy on telecommuting that is fine for a largely administrative unit may need to be quite different in a unit with a different type of workforce, such as a grounds crew.

Figure 4 is a similar look at Stanford staff, but in relation to students. While the undergraduate student body has grown only a small amount (200 students) over the past 10 years, the number of graduate and postdoctoral scholars has risen by 800 and 600 students, respectively. However, the ratio of staff to total students has stayed almost the same over the same 10-year period (from .53 in FY05 to .65 in FY14). Staff involved with student work, such as student services staff in the schools and colleges and the Registrar's Office, have used improvements in technology and business processes to absorb the increase in students.

Ratio of Staff to Students¹, FY05-FY14



¹ Staff headcount is regular benefits-eligible staff. Students include graduate, undergraduate and postdoctoral students. Each is as of September of each fiscal year.

Figure 4

Another staff ratio to look at is the number of employees per manager or supervisor (span of control). Despite some growth in the number of managers and supervisors, the average number of people they supervise has remained remarkably stable, at around four people, over the last five years (Figure 5). This data is just for non-faculty supervisees, though they may be supervised by faculty, who are included in the manager/supervisor number if that is the case.

Number of Managers and Supervisors plus Average Number of Direct Reports, FY10-FY14

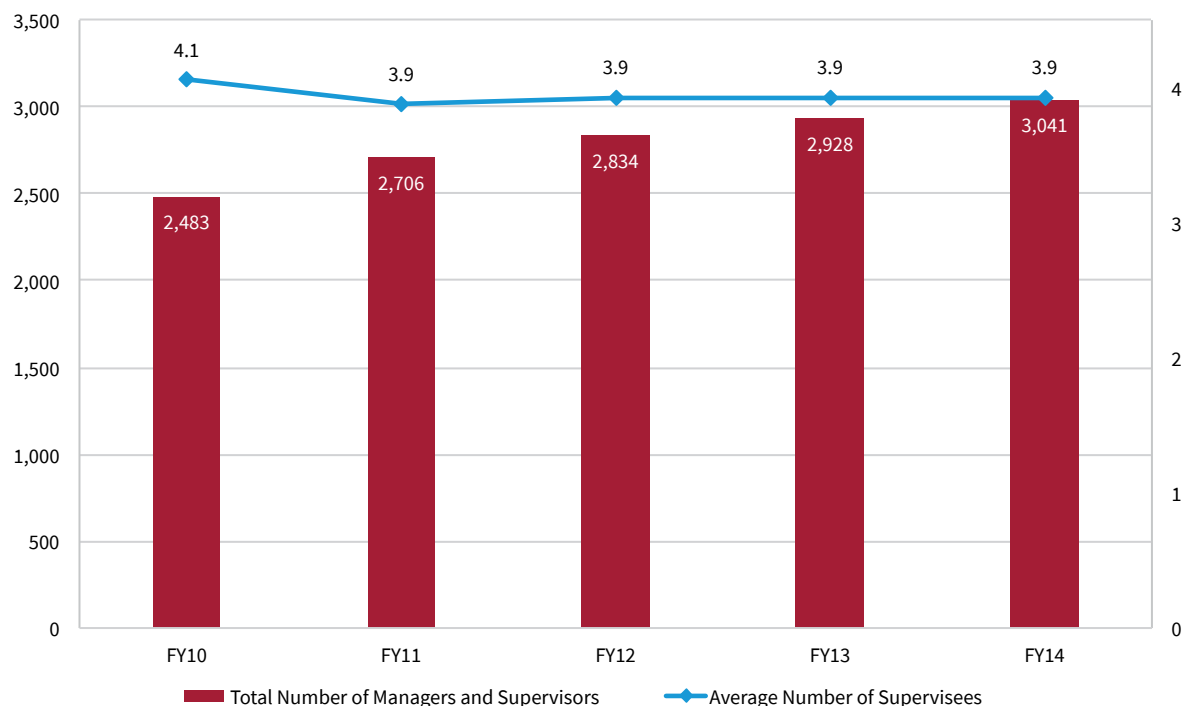


Figure 5

Because managers are essential to the quality of work life for an employee, Stanford has taken measures in the last few years to ensure that its managers are well-informed and given the tools they need to succeed.

Stanford created the Manager Academy in 2012-13 to provide managers and supervisors with an in-depth four-day classroom experience along with one-on-one coaching. Since its inception, Manager Academy has graduated 702 managers from all over the university and SLAC. (See “Training” section on page 41 for more information on Manager Academy.)

Description of the Workforce

Age and Service

This section shows how the age and length of service of the workforce have evolved over the past 10 years. In short, the Stanford staff population is slightly older, and growing more experienced. At the end of fiscal year 2005, the average age of Stanford staff was 43.9. It hit a peak of 45.2 at the end of FY11 but it has declined slightly since then to an average age of 44.8 (Figure 6).

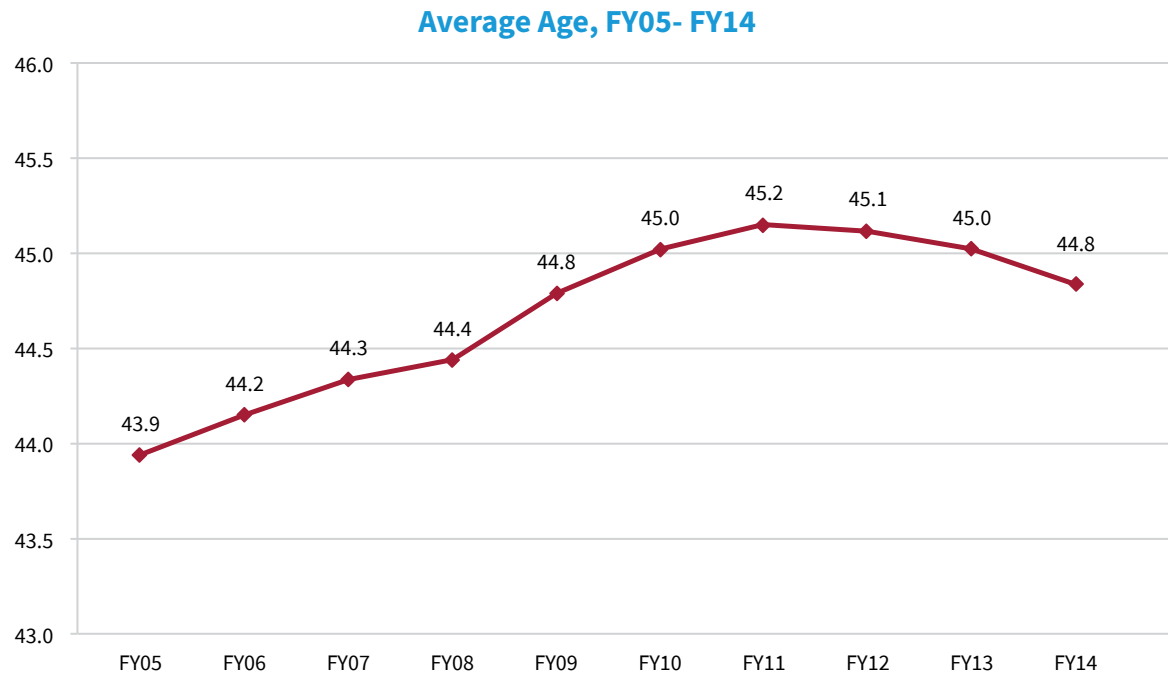


Figure 6

In comparison to the U.S. workforce overall, Stanford staff are slightly older. The median age of the U.S. workforce² is 42.1, about three years younger on average than Stanford. The average age of Stanford staff is closer to the U.S. workforce when looking at the category of education, training, and library occupations. Among this group in the U.S. the average age is 43.6 years. In the field of secondary school teachers the average age is 43.2 years.

For Stanford, lower turnover and fewer new hires during the economic downturn have created a more stable and experienced workforce. However, there is a corresponding challenge: managing and planning for impending retirements.

²Source: Bureau of Labor Statistics, Current Population Survey, 2013

When shown as an age distribution (Figure 7) it becomes clear that the over 60 age group has grown in the last 10 years, from about 8% of the population to almost 13%. Due to the economic downturn in FY09 and the decline in retirement savings, people are working longer. Also, people are healthier and have the energy and motivation to work longer.

Stanford needs to recognize and work with these trends, keeping their more experienced staff challenged and contributing, while still providing opportunities for younger employees with new ideas and energy. Human Resources managers are working with academic and business unit leaders for the organizational and personnel changes that will accompany retirements. University Human Resources is also working to develop and deliver more resources to help employees manage long-term finances and plan for retirement (see “Retirement Programs” section on page 52 for more on this topic).

Staff by Age Bands, FY05 and FY14

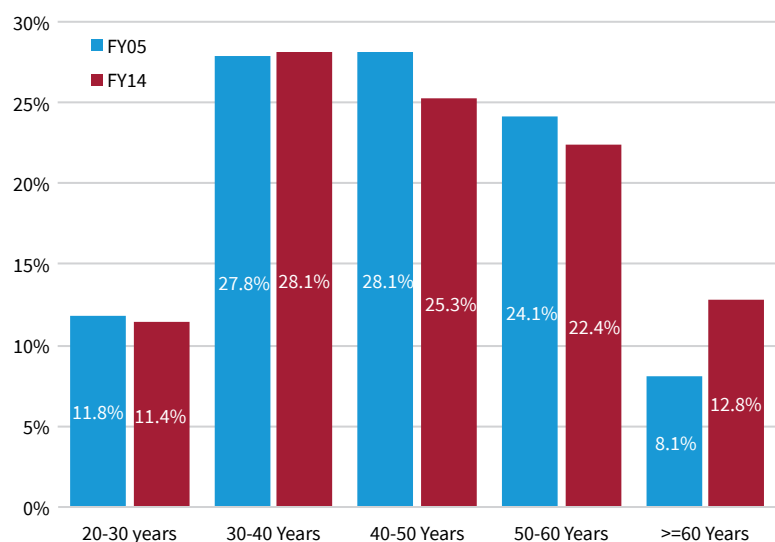


Figure 7

The average age within a school or business unit varies from the university average due to the type of workforce it employs. But as shown in Figure 8, no unit's average age differs from the university average by more than five years.

Difference from University Average Age (44.8), in years, FY14

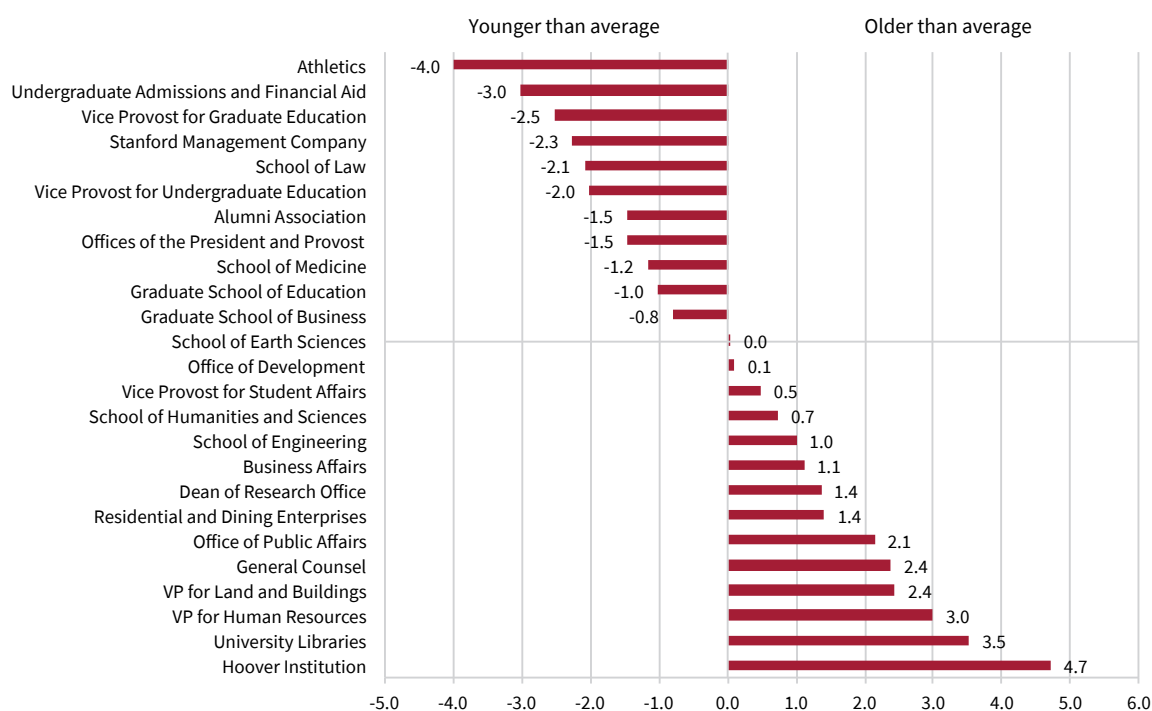


Figure 8

The story on length of service is comparable to the story on age. At the end of FY05, the average length of service was 8.1 years and is now 8.5 years (Figure 9), so it has remained relatively unchanged.

Stanford employees' average length of service of 8.5 years far exceeds the average in the United States. The median years of service with current employers in the U.S. is 4.6 years.³ In the education, training and library occupations, that figure is higher at 6.2 years while the management, business, and financial operations category is very similar at 6.3 years.

Average Length of Service, in years, FY05-FY14

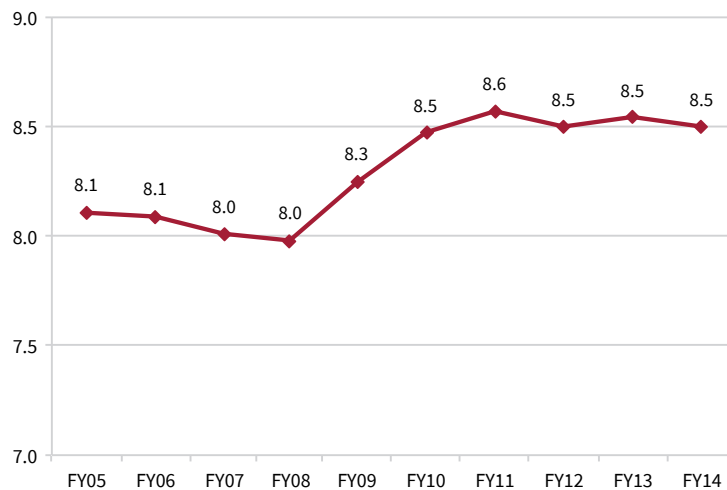
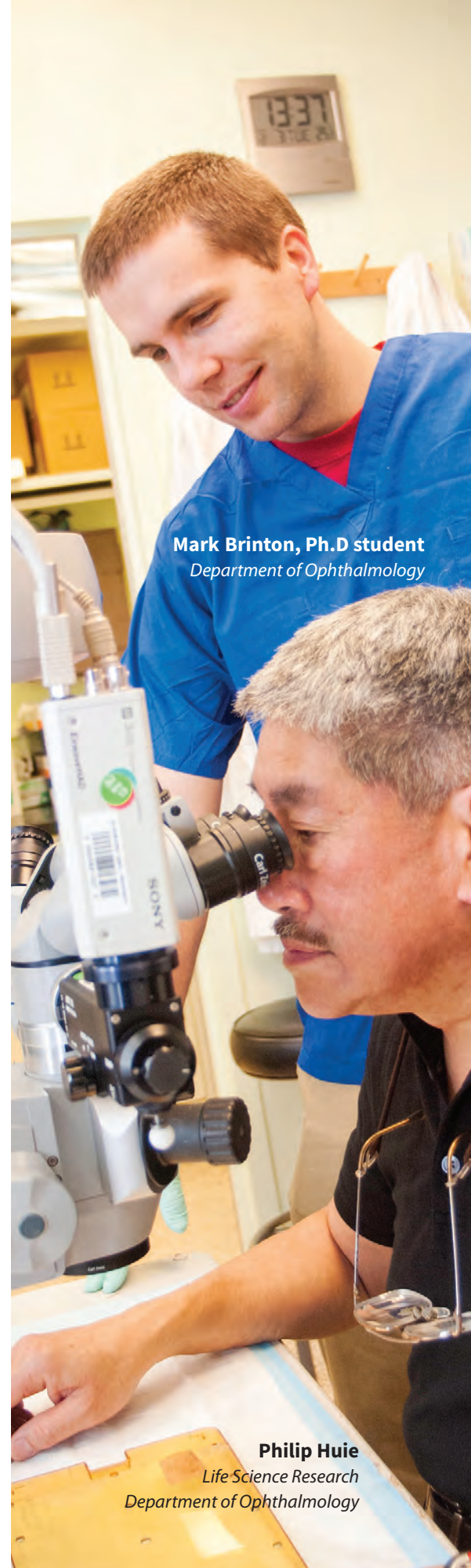


Figure 9

³U.S. Bureau of Labor Statistics, Current Population Survey, January 2014. This figure is for all workers. For workers 25 and older, the figure is 5.5 years.



Mark Brinton, Ph.D student
Department of Ophthalmology

Philip Huie
Life Science Research
Department of Ophthalmology



Figure 10 shows the Stanford workforce by length of service band at the end of FY05 and at the end of FY14. The percentage of the workforce that has been at Stanford for more than five years has gone from 47% to 55% over the same time period.

Staff by Length of Service Bands, FY05 and FY14

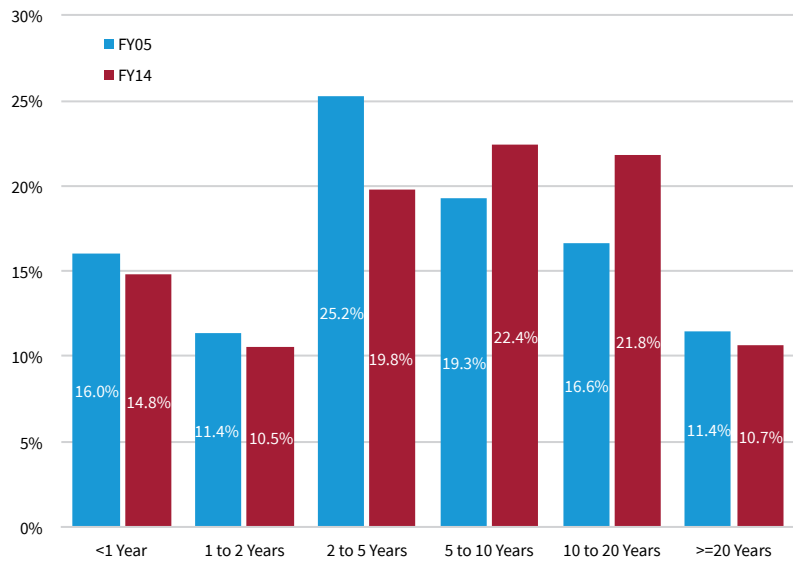


Figure 10

As shown in Figure 11, the average length of service of the staff by organization varied by as much as six years at the end of FY14. For example, the Graduate School of Education has opened several new centers and therefore hired quite a number of new staff over the past couple of years. The variance in the level of experience illustrates the need for local HR management that understands the current workforce and can tailor programs to suit its style of business and strategic needs. For example, a unit with a lower-than-average length of service might consider extended orientations, information sessions, or mentoring programs in conjunction with more experienced organizations.

Average Length of Service, by School/Business Unit

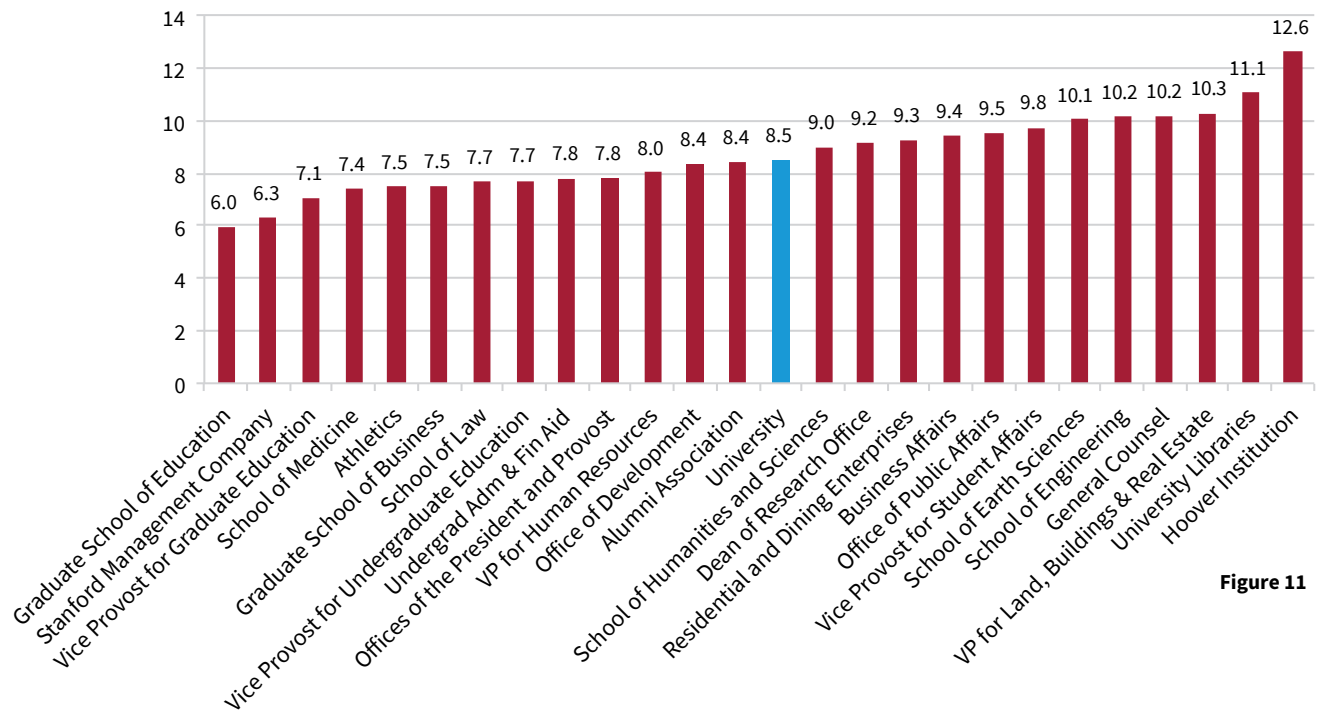


Figure 11

One way Stanford is addressing the issue of a newer workforce is through the development of the new Cardinal at Work Welcome Center, designed to get new employees oriented and up to speed more quickly and efficiently. On the other hand, organizations with a more experienced staff may be focused on new ways to take advantage of staff skills and experience, as well as opportunities to continue learning and improving.

All of these age and service dynamics underscore the importance of both monitoring movement between jobs (see “Internal Employee Movement” section on page 31) and in training and apprentice opportunities (described later in the “Career Development” section on pages 41-45).

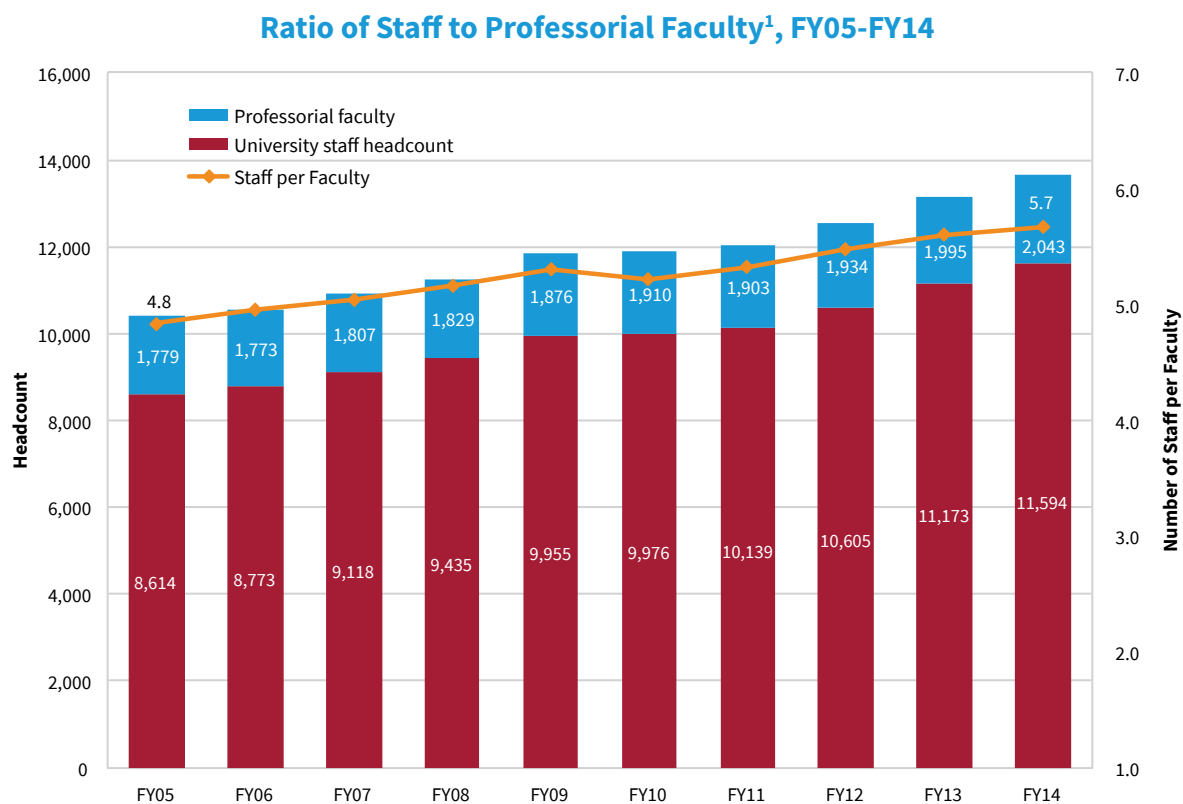
Key Staffing Ratios

Absolute staff growth is important to track. But in addition, the ratio of staff to faculty and to students is important as a measure of service and efficiency.

Figure 3 shows a beginning-of-the-fiscal-year view of Stanford's staff along with professorial faculty. As you can see, the ratio of staff to faculty has increased over the last 10 years. The ratio grew from 4.8 staff per faculty member to 5.7 staff per faculty member, an increase of almost a full staff person per faculty member. In this ratio, staff includes academic staff: researchers, librarians, and teaching staff that closely serve the academic enterprise.

In most schools and business units, staff ratios have grown only slightly. This is in response to the significant increase in accreditation and compliance requirements that are fulfilled by staff. In a few areas there has been more significant but strategic growth in types of staff that are closely aligned with the university's teaching and research mission, such as academic staff—research or other teaching titles.

One example of this is the clinician educator in the School of Medicine. Clinician educators are physicians that are counted in the staff category as per the official definition, but are colloquially referred to as faculty and have many of the same duties and privileges. Their numbers have increased from 261 in 2005 to 737 at the end of fiscal year 2014 (182% increase) as part of a planned effort to increase their vital role in teaching medical students and contributing to the design of the curriculum.



¹Faculty headcount is professorial faculty only; staff headcount is regular benefits-eligible staff. Each is as of September of each fiscal year.

Figure 3

Figure 12 shows the average length of service for the job families⁴ at Stanford. Employees in the job families represented by the bargaining units, both police and SEIU, tend to be retained for longer than the university average. Two of the bargaining-unit related job families, security (for non-bargaining unit police) and facilities, also have long lengths of service.

On the other end of the distribution, the research and academic job families tend to have shorter lengths of service because these assignments are often fixed term, and end with the termination of a grant or contract. (See turnover by job family discussion on page 51.)

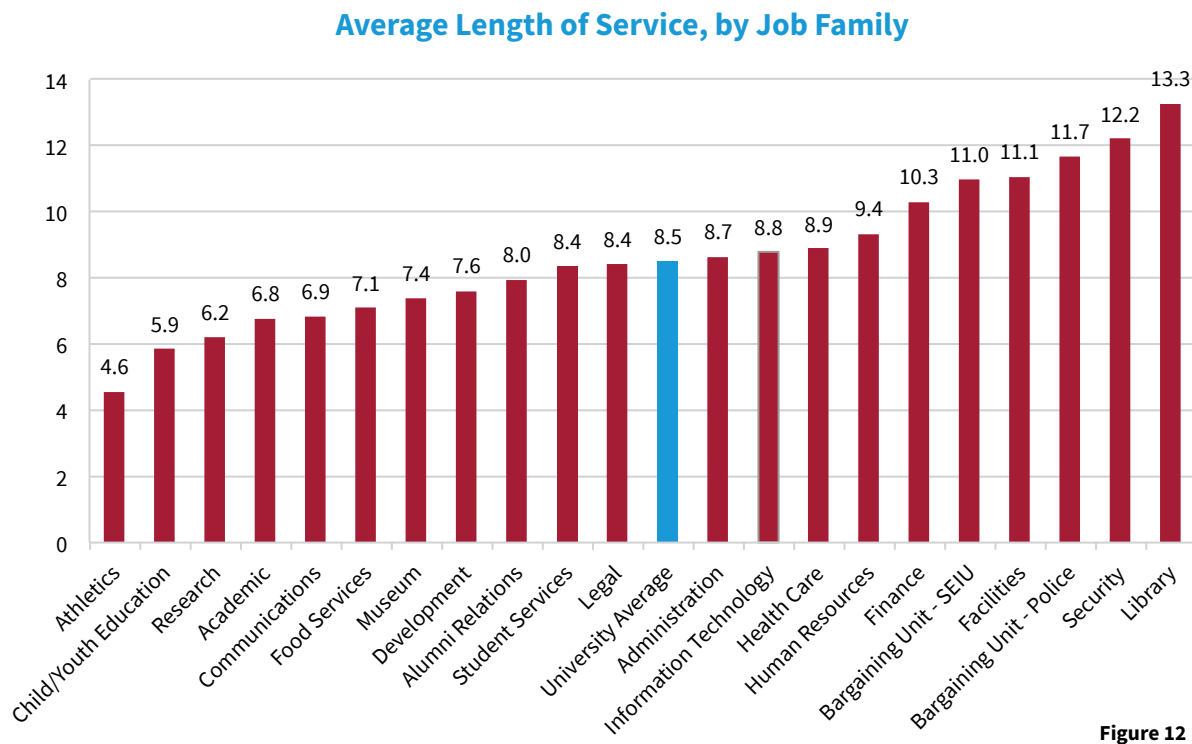


Figure 12

⁴A group of jobs that are similar in function (e.g., finance or information technology).

Workforce Diversity

Stanford's workforce is diverse — in ethnicity, skills, experience and home location (among other characteristics). In a competitive labor market like the one in the Bay Area, Stanford needs to reach broadly to attract talented people. Reaching broadly also fits in with Stanford's strong commitment to affirmative action and diversity in its recruiting and hiring practices.

The following figures give a picture of some of the key characteristics of the Stanford workforce by:

- Gender
- Ethnicity
- Home location
- Type of employment

Gender and Ethnicity

The San Francisco Bay Area is a diverse urban and suburban environment and gives Stanford access to a wide range of skills and talents. In addition, Stanford has a wide variety of jobs that need to be done – another demand for diversity in the workforce. The combination of Stanford's needs and the Bay Area's offerings means Stanford can employ a vibrant and diverse workforce reflective of its setting. One of Stanford's premier employee events, Multicultural Springfest, is a celebration of this diversity, bringing staff together to enjoy culturally diverse entertainment by talented staff members.

The gender composition of the workforce has not changed in 10 years (61% female) but the ethnic composition has been altered, largely due to an increase in the number of staff who decline to state their ethnicity, either actively by choosing "decline to state" as an option or passively by not participating in the self-identification process. In FY14, the percentage of staff who declined to state their ethnicity was 20%, up from just 8% 10 years earlier. The details of staff ethnicity in FY14 are shown below in Figure 13.

Staff Ethnicity, FY14

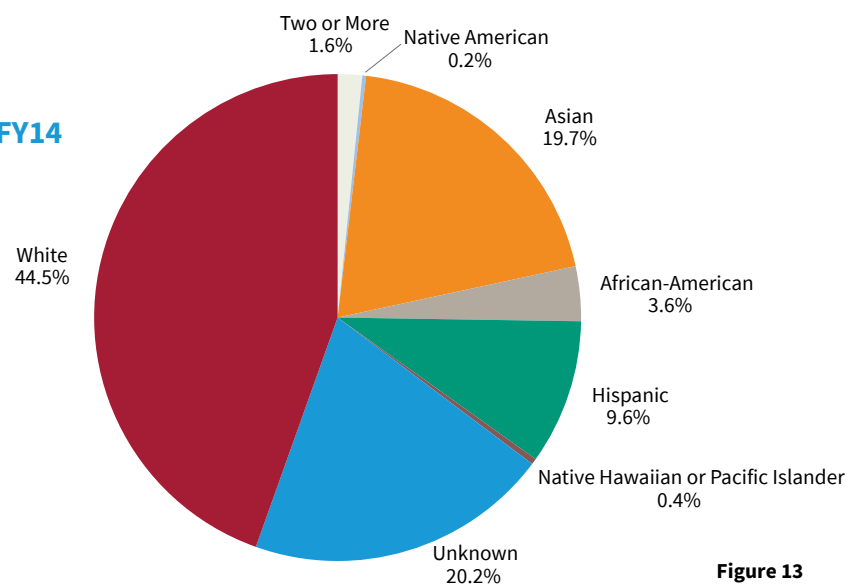


Figure 13

Stanford's percentage of women can vary quite a bit by unit. The percentage is dependent on the type of work the unit does. Land, Buildings & Real Estate is composed of 29% women because a large part of their workforce is involved in physical labor such as facilities and grounds maintenance and many women do not apply for these jobs. On the other end of the spectrum, University Human Resources and the Office of Development jobs are occupied by 78% females. These two professions tend to be female-heavy throughout higher education.

Home Locations

Figure 14 illustrates the many places Stanford staff live throughout the San Francisco Bay Area. The largest concentrations of staff are in San Jose, Palo Alto, Mountain View, Menlo Park, and San Francisco. The widespread nature of Stanford households means providing viable commute and childcare options is critical. Housing prices in the area immediately surrounding the Stanford campus have continued to rise and availability is low. It is important to continue making it feasible for qualified people to work at Stanford and maintain the best quality of life possible, wherever they live in the area.

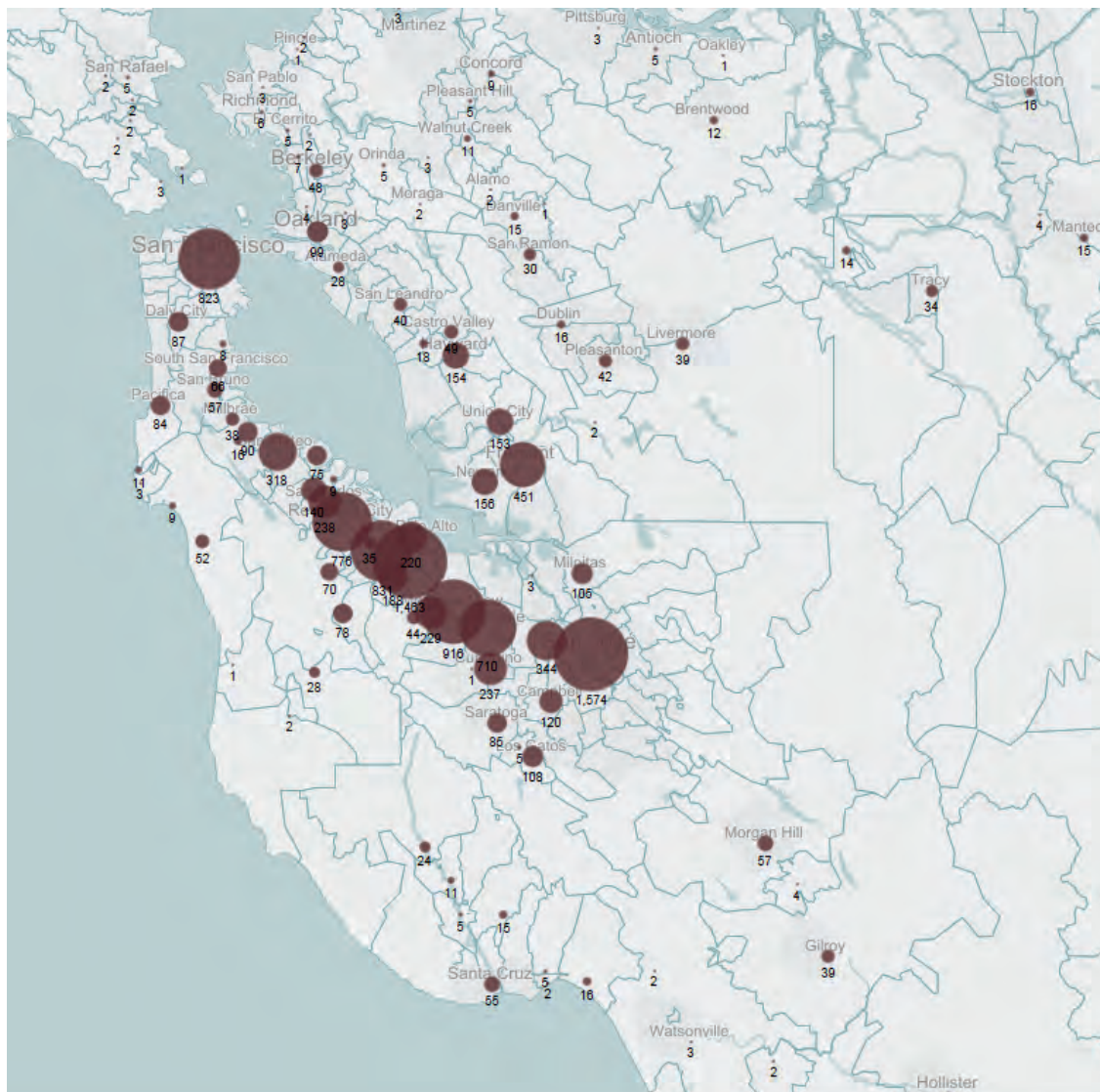


Figure 14

Worldwide Presence

Stanford is a global employer, with fixed locations in a dozen countries and a research presence in more than 100 international locations. The table below shows this global reach in terms of the number of employees working abroad.

As of August 30, 2014, Stanford had 50 global employees working in 10 countries for six different Stanford departments, including five SLAC employees (Table 1). While 36 of them are working in one of Stanford's Bing Overseas Studies Program (BOSP), they also work for the Office of Development, Freeman-Spogli, the Graduate School of Business (mostly the SEED program), SLAC (for CERN), and the School of Medicine.

Country	Number of Employees
China	9
Germany	6
Italy	6
England	5
Ghana	5
Japan	4
Spain	4
France	4
Chile	4
South Africa	3
Total Employees	50

Table 1: Countries of Global Employees

Global HR Programs provides a central resource for Stanford University schools and business units in managing the human resources aspects of their global programs. Global projects at Stanford are diverse and distributed broadly across countries with differing laws, customs, and economic conditions. The Global HR Programs office provides clear direction and a consistent methodology across all of Stanford's global operations. Since managing people in an international location presents challenges that can drain time, financial resources, and energy, Global HR Programs provides valuable resources and tools to support the needs of global managers. This allows those managers to concentrate on the teaching and research that will contribute to the university's strategic goal to enhance the university's standing as a world-class research and teaching institution.

Unionized Workforce

An important aspect of Stanford's environment is the presence of a vital and diverse unionized workforce. Stanford's bargaining units include the SEIU (Service Employees International Union) at Stanford and SLAC, and the Sheriff's bargaining unit (BU). Figure 15 shows the number of bargaining unit employees for the past four years. (Note: The SLAC Bargaining Unit is included for comparison purposes. SLAC data is not included in this report, except where specifically noted.)

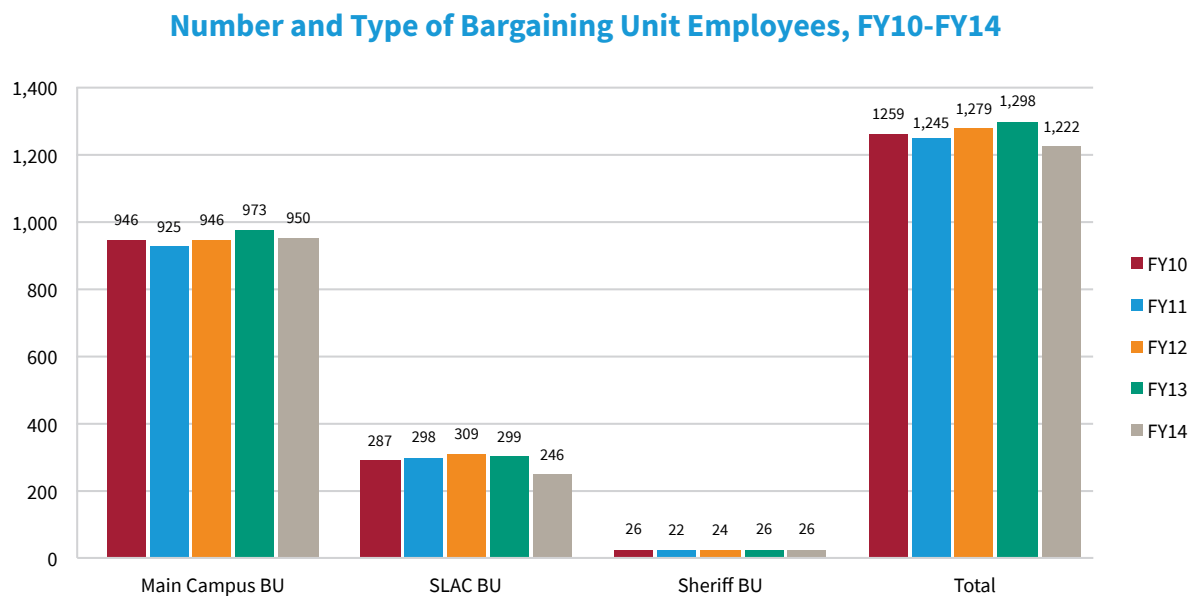


Figure 15

The size of the bargaining unit for the main campus declined by 2.3% in FY14 compared to FY13 (excluding SLAC) due to normal fluctuations. The SLAC bargaining unit declined in size also, by nearly 18%, due to layoffs. While turnover in the bargaining units is typically lower than for the university as a whole (see turnover analysis on page 51), there is some year-to-year fluctuation in bargaining unit numbers.

All of the Sheriff's bargaining unit employees are part of the General Counsel's office. However, the SEIU employees work in many different areas of the university, as shown in Table 2 below.

School / Business Unit	Headcount
Residential and Dining Enterprises	355
Land, Buildings, & Real Estate	217
School of Medicine	202
Business Affairs	46
School of Humanities and Sciences	41
Athletics	26
Dean of Research	26
Stanford University Libraries	19
School of Engineering	15
Offices of the President & Provost	2

Table 2: School/Business Unit Locations of Bargaining Unit Employees

As with other segments of the workforce, Stanford is working to provide effective, meaningful growth opportunities for bargaining unit members. The 2009 collective bargaining agreement between Stanford University and the SEIU HEW Local 2007 resulted in the creation of a structured system of apprenticeship, known as the Apprenticeship Program, with the purpose of providing current university employees with the opportunity to expand their career choices by providing pathways to journey-level positions within the university. (See additional information on the apprenticeship program on page 44.)



Jimmy Moore
Public Relations Officer,
Continuing Studies

Contingent Workforce

Stanford employs contingent (directly hired casual and temporary) employees to fill jobs that are either less than 50% time, or more than 50% time but for fewer than six months. These employees work in the dining halls, are ushers at sporting and arts events, keep the campus looking good and working properly, and step in to perform jobs needed for only a few months. The use of contingent employees has grown over time (Figure 16)⁵.

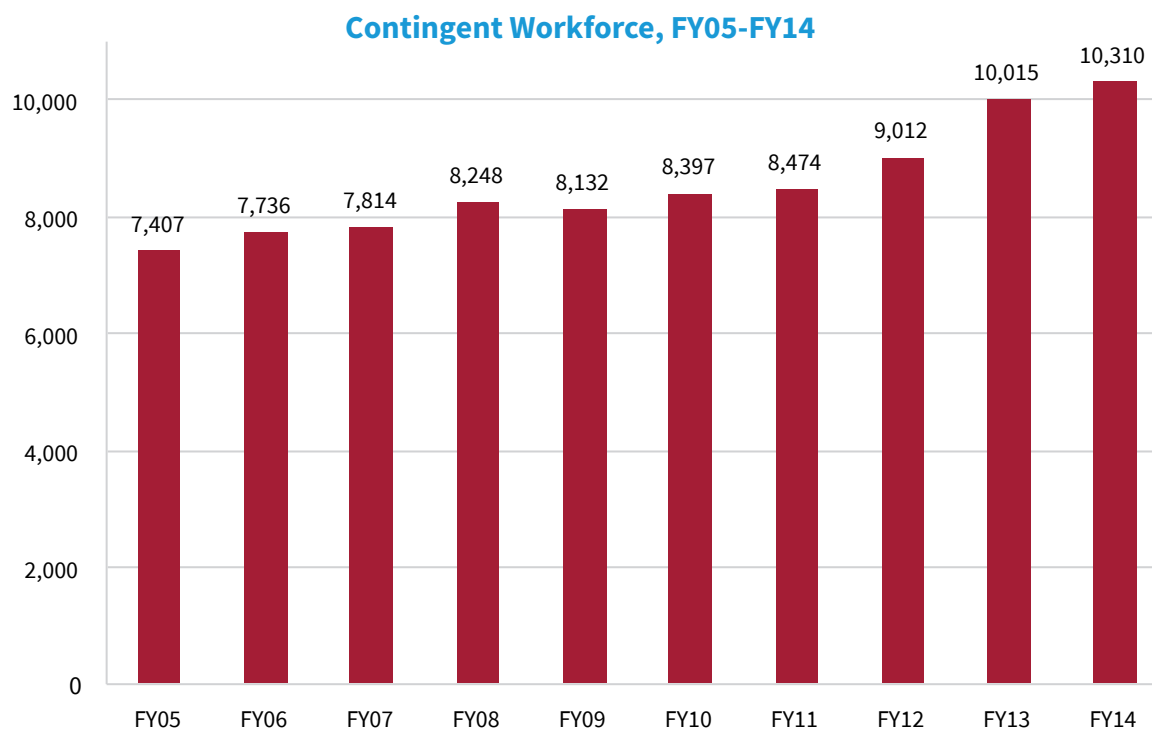


Figure 16

Contingent employees allow for greater flexibility in our staffing needs. But they present special challenges, too. Nearly all management of contingent employees happens at the department or unit level, therefore it is not managed at the university level.

The HR team does work with the schools and business units to ensure contingent workers are categorized correctly as both the IRS and state agencies scrutinize this area to be sure appropriate employment taxes are paid. But UHR and the rest of the HR team will be looking more holistically at this area to better understand overall staffing needs and how to respond effectively and efficiently using contingent workers, as well as the capacity and capabilities of regular staff.

⁵Figure 16 shows the number of unique employees, since some employees work at Stanford several times for short periods during the course of a year. This does not include workers hired through third-party agencies.

Figure 17 shows the number of contingent workers by school and business unit. This chart shows that depending on the staffing model of the unit, contingent employees can be of great importance. For example, Athletics uses contingent employees to take tickets at sporting events, usher fans to their seats, or teach athletic skills to kids at summer camps. Other units, such as the schools, may use contingent employees extensively in the summer months to perform special projects that cannot be undertaken during the busy academic year. The total amount spent on contingent labor in FY14 was \$75 million.

Contingent Workforce by School/Business Unit, FY14

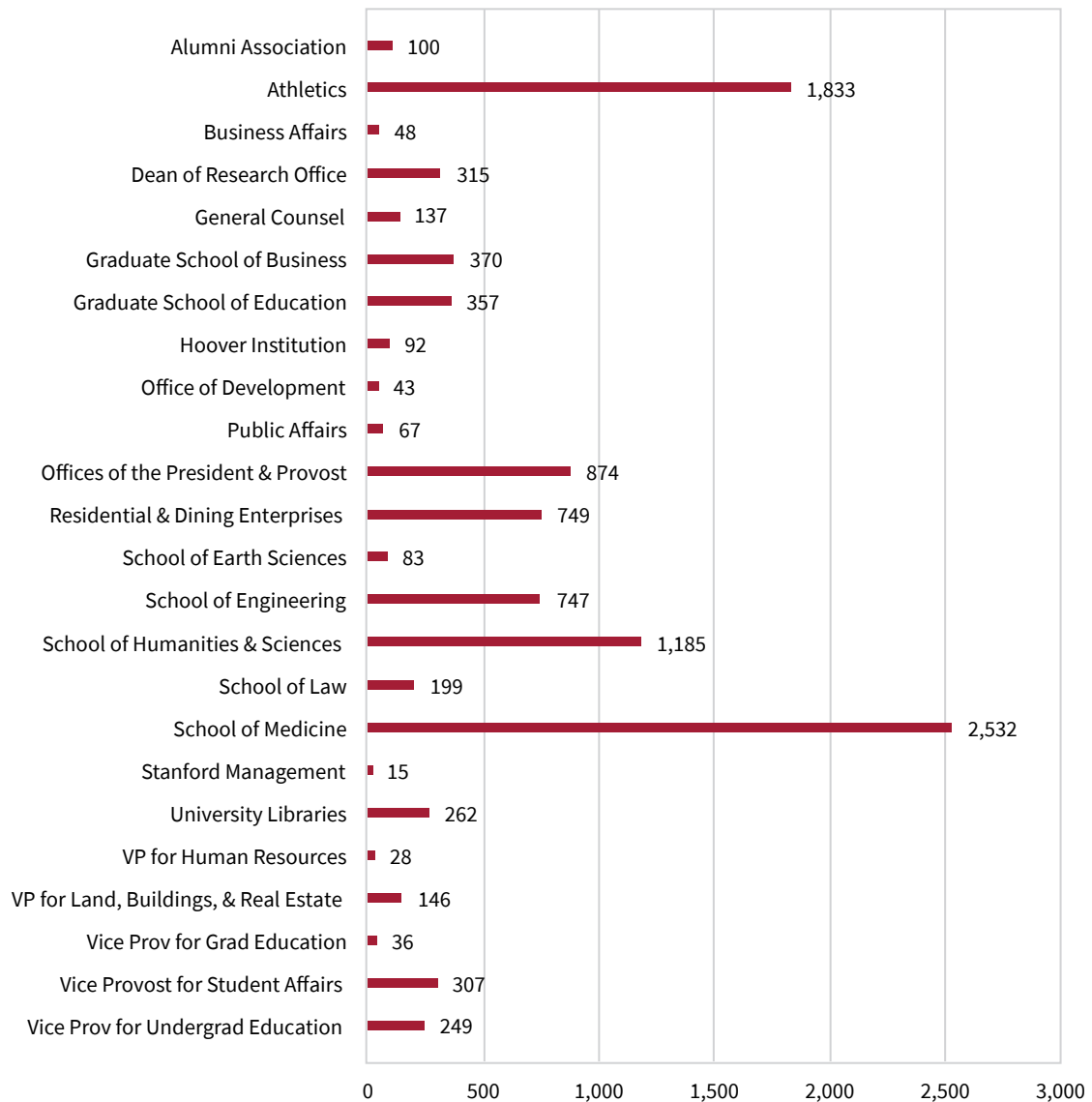


Figure 17



Lisa Trei
Associate Director of Communications,
Humanities & Sciences

The number of people working for Stanford on a casual or temporary basis varies quite a bit from month to month, with a peak in the summer. Much of the summer peak is due to summer athletic camps but also graduation, executive education, and projects undertaken outside of the busy core academic year (Figure 18).

Contingent Workforce by Month, FY14

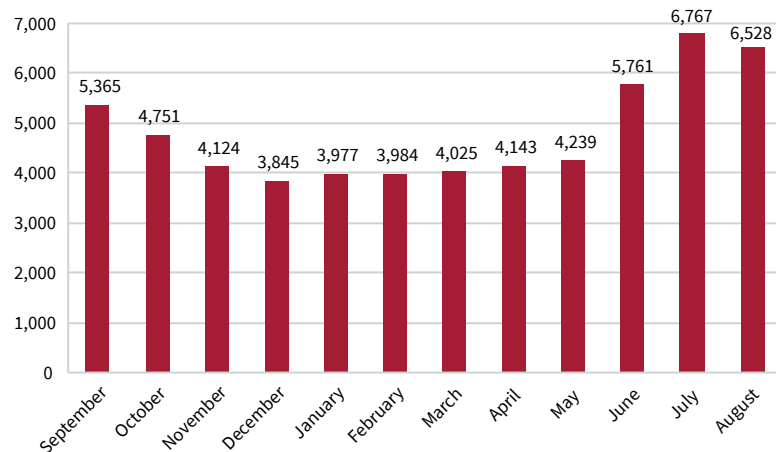


Figure 18

Stanford also employs a workforce by contract, either via large contracts such as custodians to clean office buildings in the evenings or small contracts such as one or two highly-skilled technical specialists needed for a short amount of time. Stanford spent just over \$220 million on approximately 2,500 people under this type of labor agreement in FY14.



The Journey: Recruitment

Bela Fishbeyn
Reports Editor, School of Medicine



The Journey: Recruitment

Recruiting

The success of Stanford University lies with its people. As a world-class institution attracting the best and brightest students and faculty, we must be able to recruit, onboard, and support a complementary workforce.

Continuing to attract, engage, and retain the right talent in a highly competitive local employment market is crucial in positioning Stanford as the best led, best managed university in the world.

Job Postings and Applications

Stanford continues to be a popular place to work, as shown by the large number of applications received (Figure 19). The dip in applications received per job posting in FY14 was partially due to the implementation of a new applicant tracking system, Taleo. Taleo requires applicants to create a user account with a password, which deters casual job seekers and helps narrow the field to those who are truly interested in working at Stanford. Also, as the local economy continues to improve, we expect to see fewer people apply to Stanford, as shown in Figure 20.

The local unemployment rate in the San Jose area has continued to decline substantially in the last three years, making the market for the best employees more competitive (Figure 20).

We must continue to use all available recruiting methods to attract the best talent to Stanford, such as local and national websites and professional associations.

Number of Jobs Posted, and Number of Applications Received, FY11-FY14

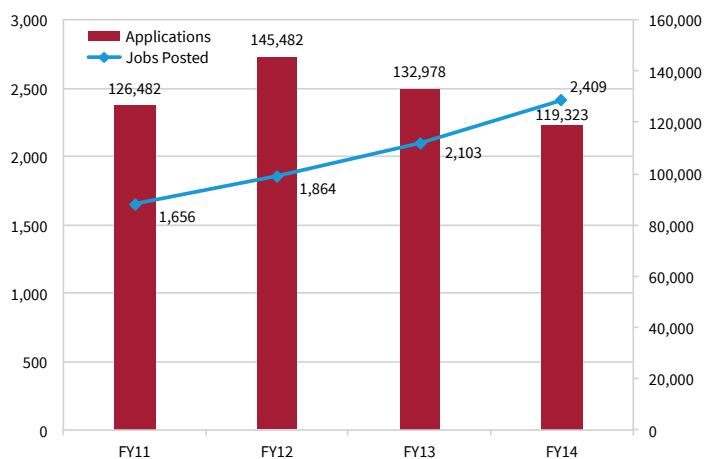


Figure 19

Number of Applications Received per Job Posting Compared to Local Unemployment Rate, FY11-FY14

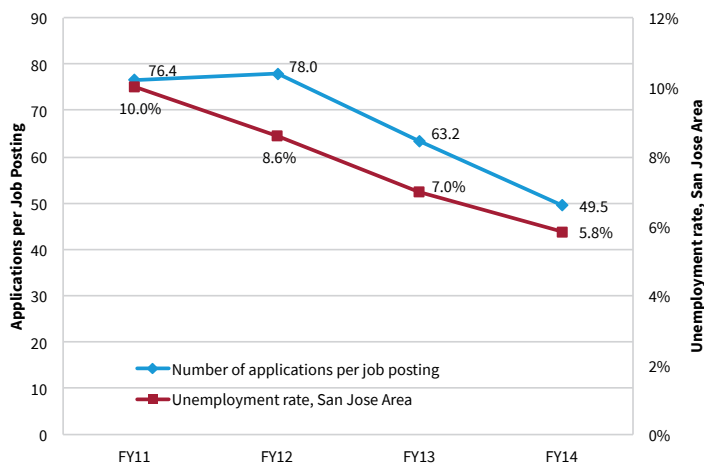


Figure 20

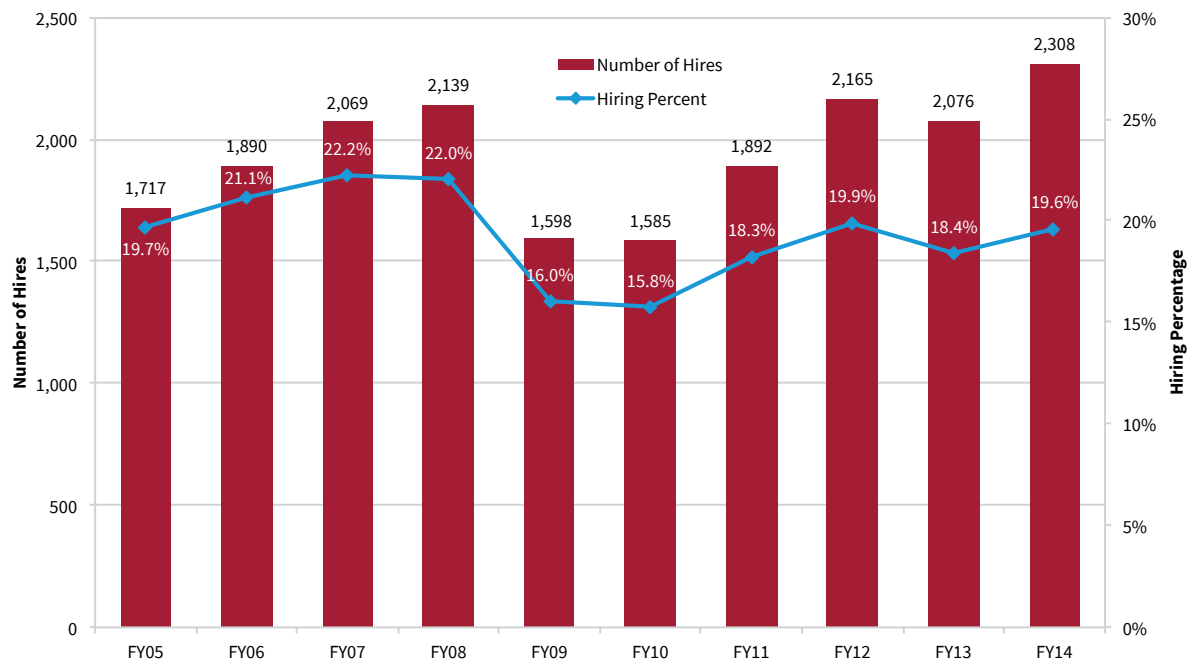
Hiring

Stanford University grows organically starting with the faculty. They are awarded grants for research, create new centers of expertise and inquiry, teach courses in innovative subjects, and build upon previous discoveries. All of this, and all of the other complex work of running a university, requires support staff to maintain programs at the highest level of excellence. In support of the programs, staff members perform the intricate work of processing financial transactions related to grants and contracts, purchasing materials needed for research, maintaining our labs and classrooms, assessing new inventions, providing computing support, assuring compliance with government regulations, and bringing in the best students.

All of these roles are important and therefore the people Stanford hires to fill them are carefully chosen. It takes time and planning to keep critical positions filled. Staffing Services within UHR plays an important role in this function. While the overall time to fill an open position at the university is 90 days, Staffing Services-assisted positions are filled in 74 days, reducing the time to fill by 18%.

Figure 21 shows the number of staff hired and the percentage of the average headcount hired during each of the last 10 fiscal years. During the most recent year, FY14, hiring was the highest ever in terms of the number of people, but in terms of the percent of the existing headcount it has not reached pre-recession levels. FY09 and FY10 stand out as the recession kept hiring levels low and many vacant positions went unposted.

Hires¹ and Hiring Percentage, FY05-FY14



¹Hires: Number of employees hired during the fiscal year

Hiring percentage: Number of employees hired during the fiscal year divided by the average headcount of employees during the fiscal year

Figure 21

Of all of the hires Stanford made during FY14, 42% were rehires, meaning that people who had previously worked for Stanford were hired again. This is often the case with fixed-term jobs or research associate positions on research grants. About one-third of rehires are for academic jobs, particularly in the large academic units.

Unlike many of the high-tech companies in Silicon Valley, Stanford is not known for hiring directly out of college. In fact, the age distribution of Stanford's regular benefits-eligible staff hires skews towards the 30-40 year-old age group (Figure 22). In FY14, 68% of Stanford's hires were over the age of 30.

This age distribution has implications for Stanford in terms of the benefits it offers, and the need to be family-friendly in its policies.

Hires by Age Group, FY14

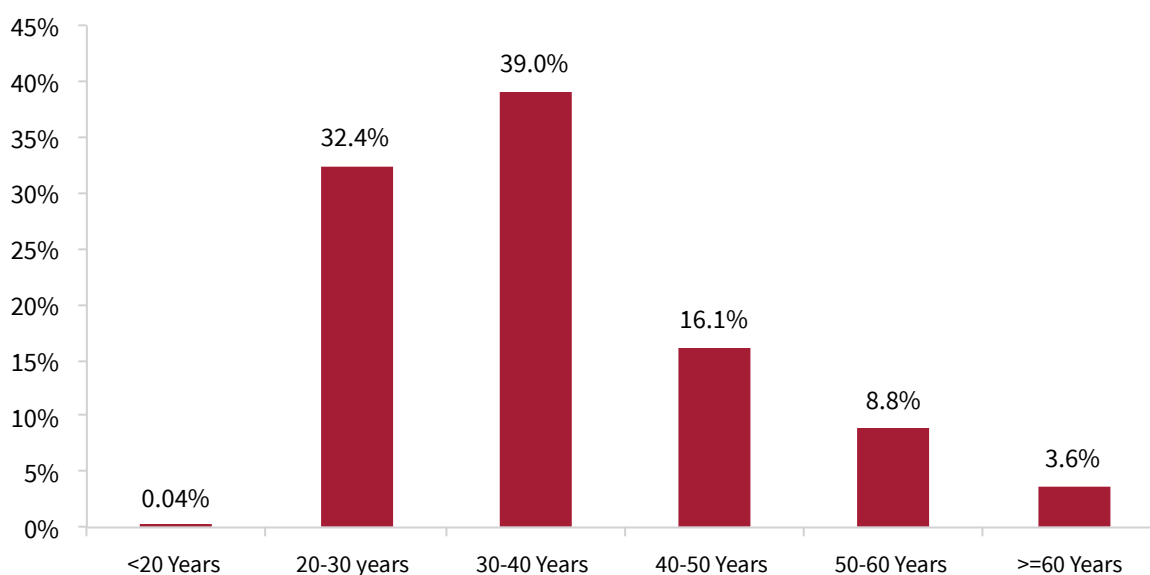


Figure 22

The hiring activity was spread across all schools and business units (Figure 23). This figure shows the total number of non-faculty hires made during FY14 by unit. Hiring is not always an indication of growth; hiring can be needed to fill open or seasonal positions. Clearly the School of Medicine did the most hiring in FY14, but that is because it is by far the largest unit.

Figure 24 puts hiring into perspective by dividing the number of hires by the average headcount of the unit. Note that the units are in the same order in both figures.

Hiring Activity by School/Business Unit, FY14

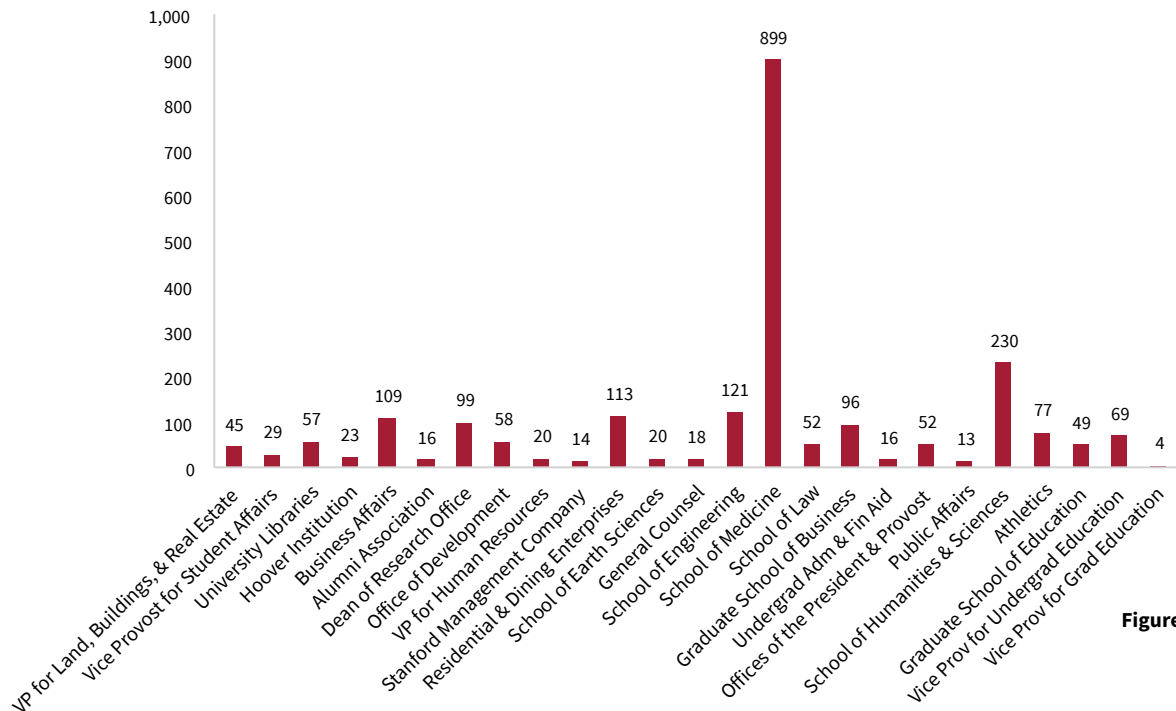


Figure 23

Hiring Activity by School/Business Unit, FY14 Sorted by Hires as a Percentage of Average Headcount

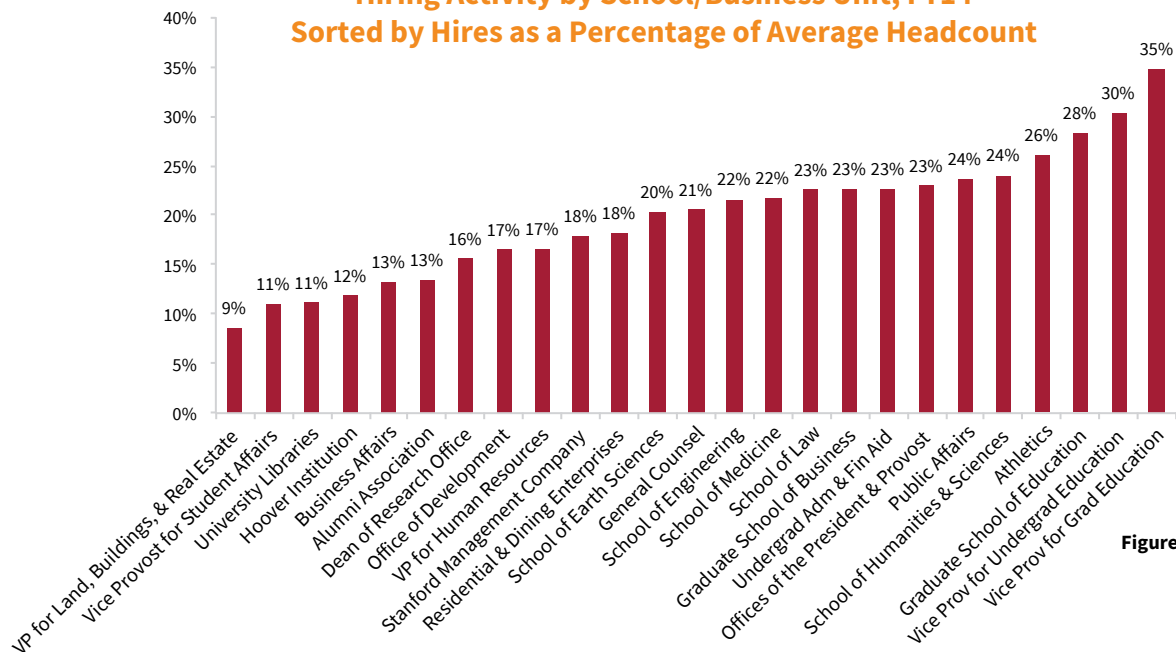


Figure 24

The School of Medicine falls somewhere in the middle of the pack, hiring a number equivalent to about 22% of its non-faculty average headcount during the year. While the Vice Provost for Graduate Education appears to have a large percentage of hires, it is a very small unit (11 people) so its four hires put it at just over one-third of its total headcount. The Vice Provost for Undergraduate Education falls on the high end of this scale because it hires many seasonal teaching employees for its freshman and sophomore programs. A unit such as Athletics also hires many fixed-term employees as assistant coaches or athletic trainers.

Internal Employee Movement

Stanford encourages its employees to develop their skills and advance in their careers. Figure 25 shows the percentage of employees that changed jobs for reasons other than a promotion for the last 10 fiscal years⁶. During the recession, employees moved less frequently, due to the lack of available job opportunities in other departments. As the economy strengthens and endowment returns increase, employees are starting to move around again but growth in this area is slow. (Note that this percentage does not include job reclassifications or promotions; those are discussed later on page 45.)

**Percent of Employees Changing Jobs within Stanford
(Non-Promotion)**

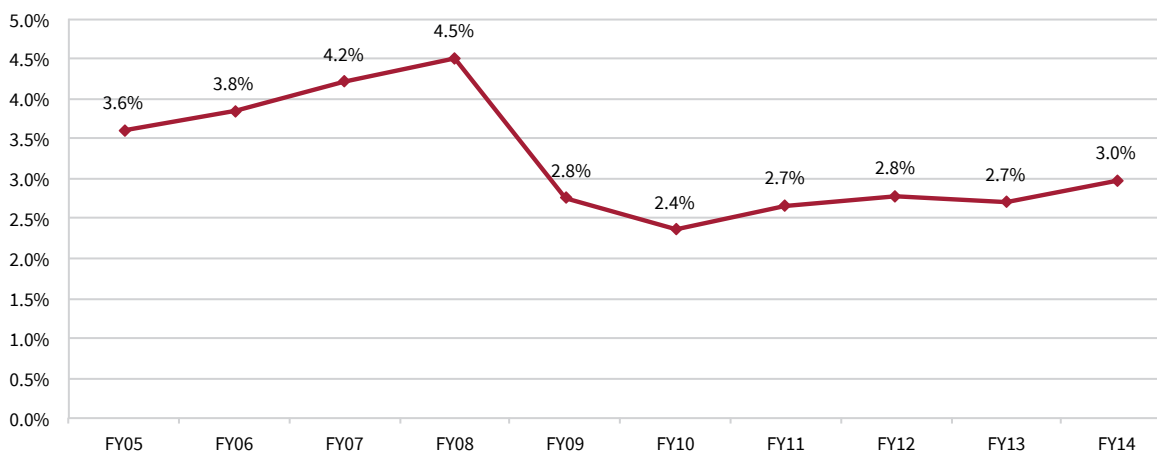


Figure 25

Stanford recognizes the value of employee movement as an indication of professional development and the desire to stay with Stanford and build a long-term career. We look for this percentage to continue increasing over the next few years after the implementation of the new Staff Career and Job Classification program, giving staff opportunities to learn and grow while capitalizing on their knowledge of Stanford.

⁶This statistic counts the number of employees moving from one position at the university to another position during the fiscal year for a reason other than promotion, and divides by the headcount at the end of the fiscal year.

In addition to looking at the amount of employee movement within Stanford, observing the ratio of promotions⁷ to hires can be an indicator of internal professional development (Figure 26). As with hiring and retention trends, there was a dip in the ratio from FY09-FY11 during the global economic downturn. This indicated that although hiring decreased during this period, the opportunities for promotion were slowed down even more. FY12 saw a bounce back to historical levels.

In FY14, Stanford's promotion rate was 7%, reflecting the number of promotions (807) divided by total staff (11,594). This rate was two percentage points lower than the 9% national average reported by a 2014 survey of 541 employers conducted by WorldatWork, an international association for human resources management professionals. As with the internal job movement shown in Figure 25, the promotion rate and ratio of promotions to hires are monitored to ensure staff members have opportunities to grow their careers at Stanford.

Ratio of Promotions to Hires, FY05-FY14

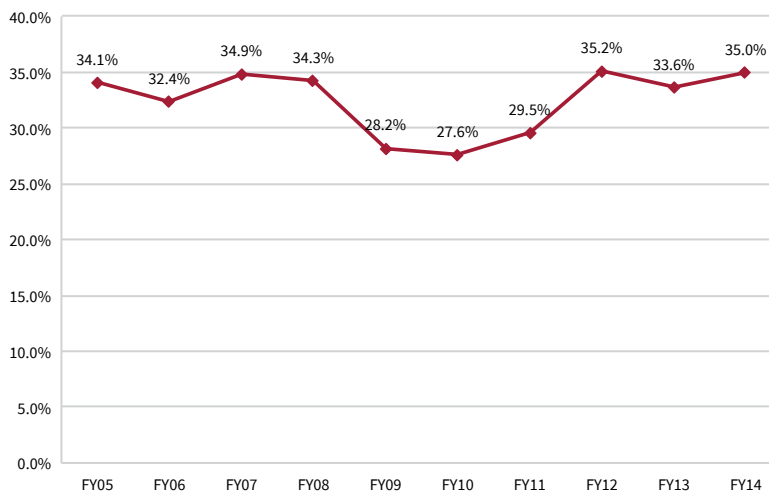


Figure 26

⁷Promotions occur when an employee's job is "reclassified" to a higher grade or an employee moves to a different job that is considered a promotion and is coded as such in the HR transaction system.



Lourdes Andrade
Director, Undergraduate
Advising & Research

The Journey: Career Development

Reggie Johnson

*Service Team Manager,
University Human Resources*



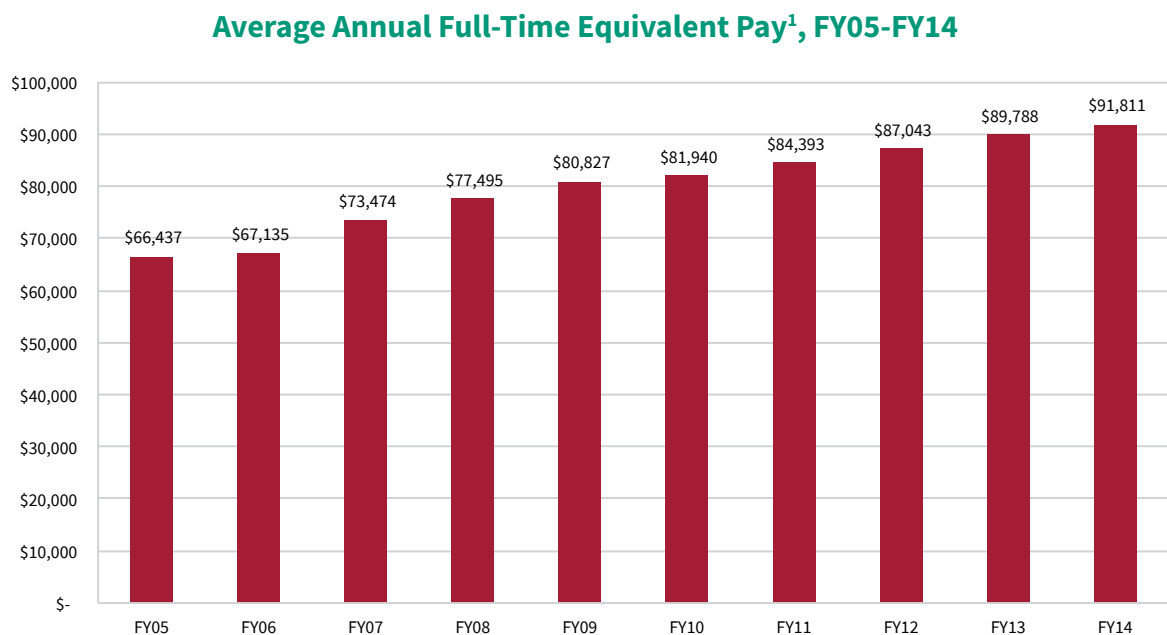
The Journey: Career Development

Career development, competitive compensation and benefits, and a great place to work keep employees focused and motivated. In the competitive marketplace of Silicon Valley, Stanford needs to use all of the tools at its disposal to maintain a workplace where people are happy, fairly compensated, and encouraged to grow and learn. This section of the report explores these aspects of the employee journey.

Compensation

Stanford University is committed to providing a fair and competitive staff compensation program. We're also committed to providing a competitive compensation package tied to the application of knowledge and skills, the attainment of individual and group results, and the achievement of organizational goals. In addition, we recognize that a sound compensation program must comply with all State and Federal laws and regulations governing pay.

Figure 27 shows the average annual pay for regular-benefits eligible employees over the 10-year period FY05-FY14. The graphic illustrates that through some periods of fiscal difficulty, Stanford has had to keep salaries relatively flat, but in more robust economic times, salaries have risen. For example, in FY10, employees did not receive an increase in an effort to forestall staff layoffs and keep a balanced budget in challenging economic times.



¹Includes only salary (no overtime, bonuses, or other supplemental pay). Overseas staff not included.

Figure 27

Overall, average salaries have increased at a compound annual growth rate (CAGR) of 3.7% over the past 10 years, which has kept Stanford competitive in the labor marketplace. In comparison, the CAGR for salaries/wages in the U.S. for educational services employees over the same period was 2.1%, and the CAGR for the U.S. Consumer Price Index (CPI) was 2.4%⁸.

Overall, salaries and benefits constituted 63% of Stanford's total expenses in FY14. This percentage has been growing slowly but steadily for the last 10 years, as shown by the trend (dotted) line (Figure 28).

Total Salaries and Benefits (in \$ millions) and Salaries and Benefits as a Percent of Total Expenses, FY05-FY14

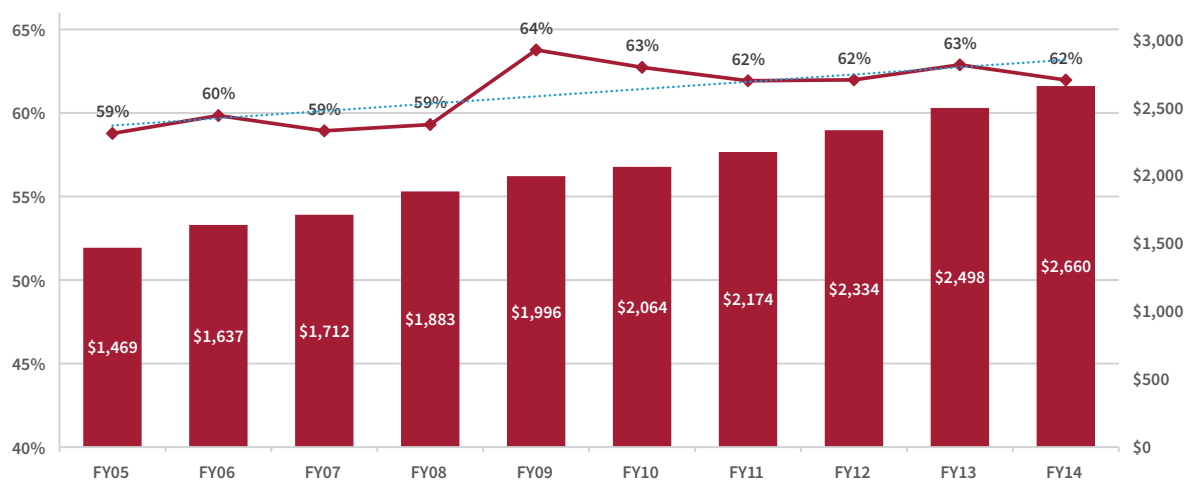


Figure 28

In addition to keeping pace with the market externally, Stanford has been working internally to establish a consistent job classification system and standardize job descriptions. The new Staff Career & Job Classification program, led by the Staff Compensation team, has reviewed 1,500 job descriptions and written over 500 using a standardized format to allow for more accurate benchmarking to market survey jobs. The new classification structure was implemented in April 2015.

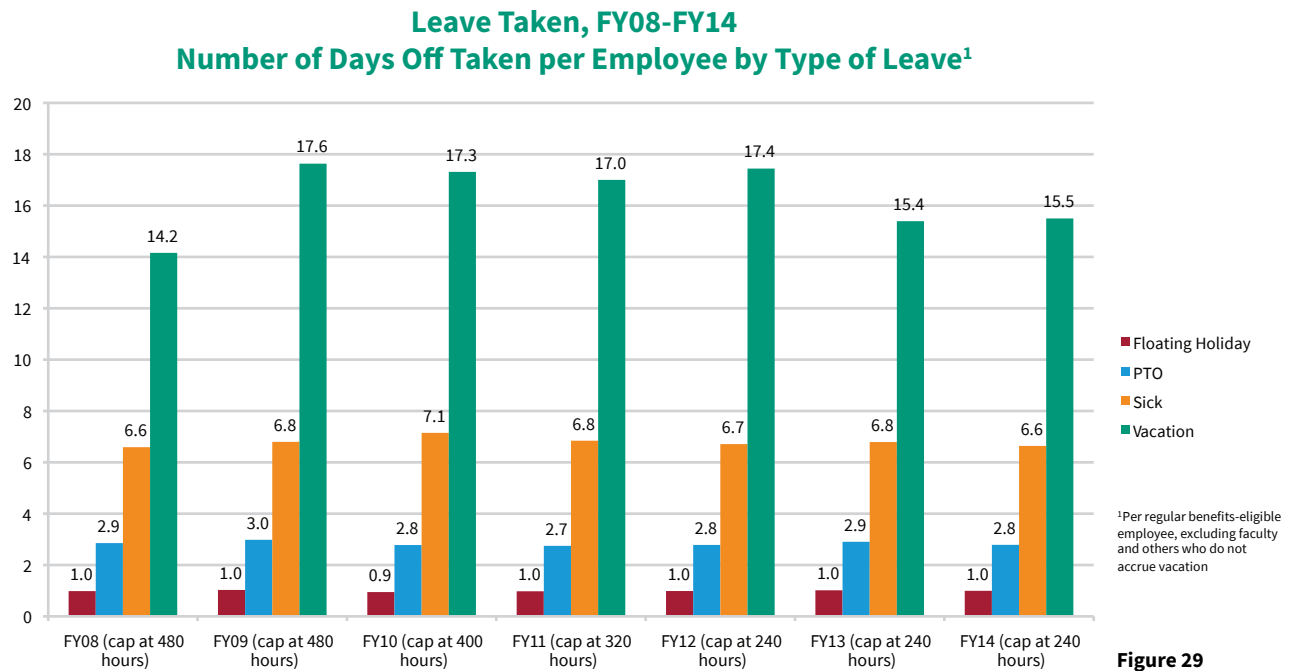
Leave

Stanford's regular benefits-eligible staff is entitled to vacation, sick time, personal time off (PTO), and a floating holiday each year, in addition to the usual 10 holidays. Vacation time is accrued by employees and tracked as an expense against the budgets of the units that employ them. It appears on Stanford's balance sheet as a liability, since it is money owed to staff should they leave the university with a vacation balance greater than zero.

⁸Source: Bureau of Labor Statistics National Compensation Survey, Employer Costs for Employee Compensation

In FY08, after recognizing the growing financial liability of accrued time off, the university announced that the vacation accrual cap would be reduced over the next four years from a maximum of 480 hours to 240 hours, the equivalent of 30 days⁹. In response, employees began taking an average of three more days off per year (Figure 29).

Now that the vacation cap has been at 240 hours for three years, vacation usage has settled into a steady state more similar to what was seen before the transition, with staff taking an average of 14 vacation days off per year, a little over half a day more than before the cap was lowered.



Another factor influencing how much vacation time employees use is the winter break. From FY07-FY11, staff needed to use six days of PTO/floating holiday/vacation to cover their time off over the break. In FY12 seven days were needed, but in FY13 and FY14 it was only four. So in addition to the vacation cap changes settling into a steady state, staff needed to take fewer vacation days to meet the requirements of the two-week winter break in each of the past two years.

In terms of vacation balances, exempt and non-exempt staff average vacation balances have declined over the past five years, as would be expected with the vacation cap policy change. Employees in the Bargaining Units saw their average balance grow slightly since they were not affected by the reduction in the vacation cap. The average vacation balance for non-exempt staff remains the lowest among these three employee types. These numbers are shown in Table 3.

Employee Group	Avg Vacation Balance in 2009 (in hours)	Avg Vacation Balance in 2014 (in hours)	% Change
Exempt	166	125	-25%
Non-exempt	101	89	-12%
Bargaining Unit	132	147	11%

Table 3: Average Vacation Balance by Staff Group

⁹For non-bargaining unit staff employees only.

During the most recent bargaining unit negotiations, the SEIU agreed to the same vacation cap as non-bargaining unit employees (240 hours), beginning September 1, 2017. The lower cap applies to all bargaining unit employees hired after September 1, 2017, and any employee who has fewer than 240 hours on September 1, 2017. Therefore vacation balances for bargaining unit employees will begin to decline slowly starting in 2017.

A month-by-month fiscal year view of employee leave patterns is shown in Figure 30. Because Stanford operates a two-week winter closure in December, vacation, floating holiday, and PTO spending are highest in that month. Vacation usage is lowest in the winter months of January and February but, not surprisingly, slowly increases to the highest amounts in the summer months. Vacation time used rapidly declines in September as the beginning of the academic and fiscal years require all hands on deck. Sick time usage is highest during the cold and flu season in October and again January and March.

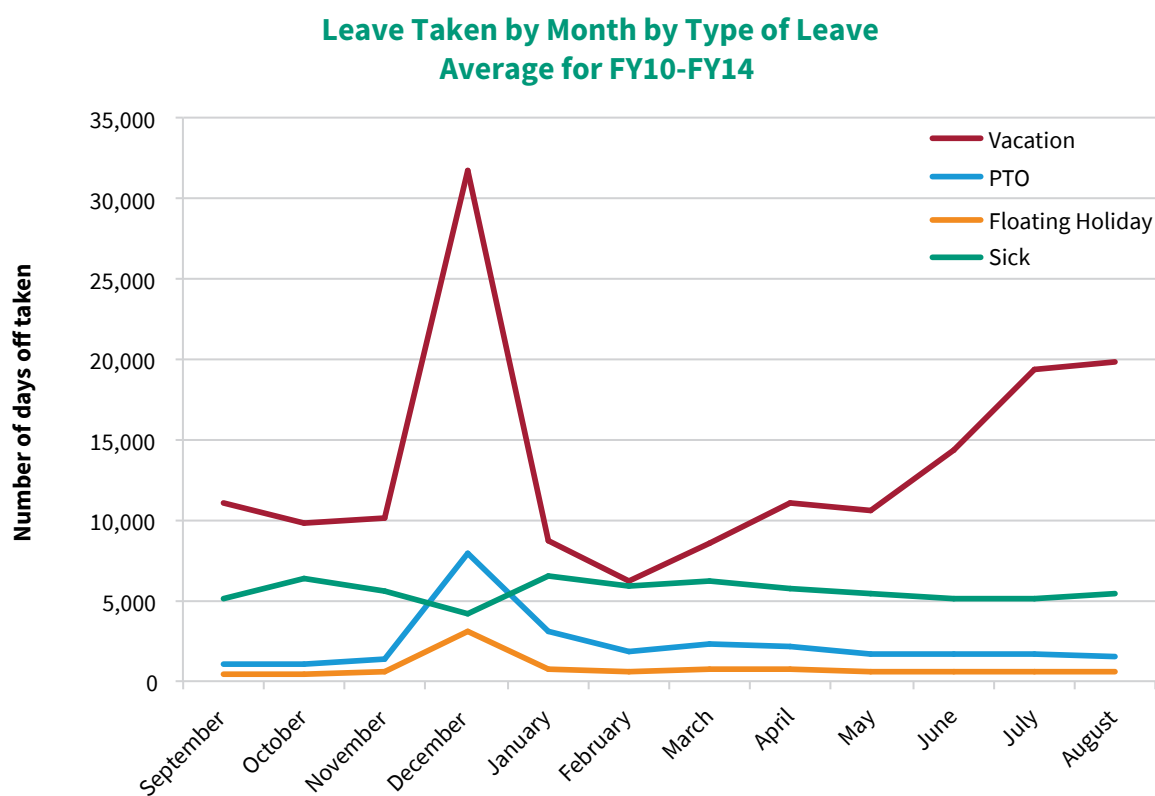


Figure 30

Leave Donation Program

In addition to taking vacation time, Stanford employees have the option to use the Stanford Community Leave Bank. This Bank allows employees to donate their vacation time to help their colleagues who are facing qualifying catastrophic events and have exhausted all of their own available leave hours. See page 47 for more on this special program.

Benefits

University Human Resources offers a wide range of benefits to eligible staff, including medical, retirement, training, and educational funding. This section describes how some of these programs are being delivered and utilized.

Medical Benefits

Stanford staff are offered a choice between several different medical plans. Figures 31 and 32 show the distribution of employee enrollment in the plans in 2013 and 2014.

In 2013, the least expensive plan, Kaiser, was the most popular choice. Over 45 percent of employees who enrolled in a medical plan had coverage with Kaiser. The next most popular choice was the Blue Shield EPO, introduced in 2012. This plan replaced the previous HealthNet and PacifiCare plans. The EPO is self-funded by Stanford and administered by Blue Shield of California. Most people in the previous HealthNet and PacifiCare plans moved to the new Blue Shield EPO, since almost all of the medical providers from the two plans are also available through the EPO. This plan is attractive to many employees because it has no deductible, so out-of-pocket expenses are a more defined amount.

Medical Plan Distribution, 2013

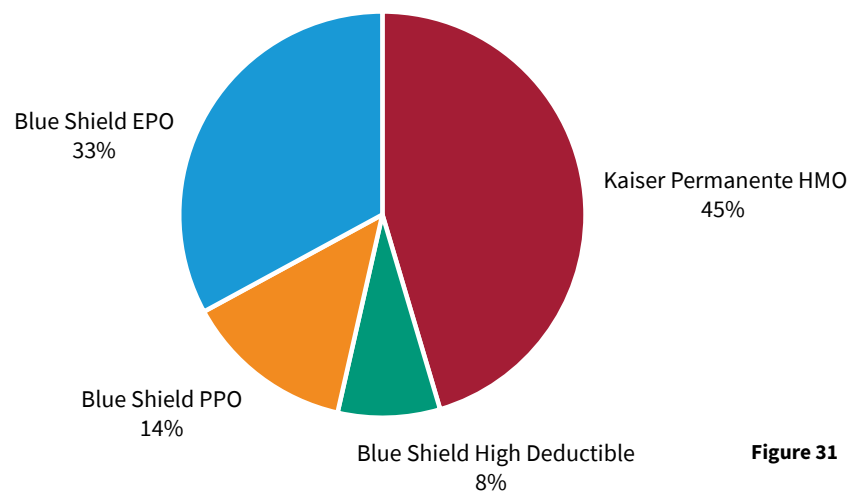


Figure 31

In 2014, Stanford introduced another new health plan, the Stanford Health Care Alliance (SHCA). This plan, offered at the same monthly cost for employee-only coverage (\$0) as the Kaiser plan, was popular with Stanford employees who had been using the more expensive Blue Shield plans.

Medical Plan Distribution, 2014

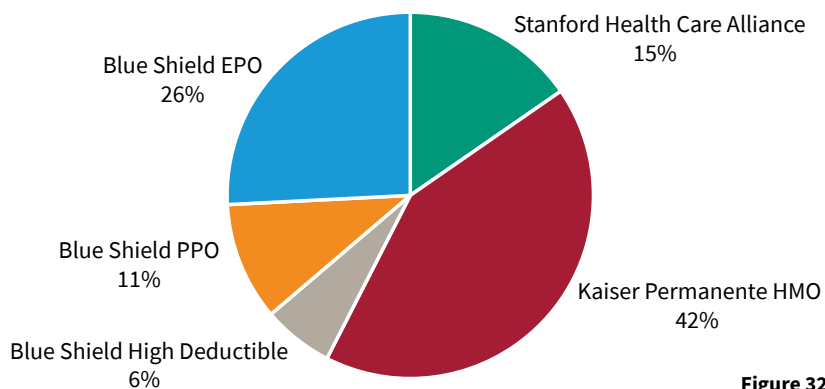


Figure 32

The cost of medical benefits have been a cause for concern for employers throughout the country for many years and Stanford is no exception. Stanford has worked to keep health care costs low and provide the best deals for its employees through negotiation and competition.

Figure 33 shows the medical benefits cost per person for the past nine years. These numbers translate into a compound annual growth rate of 5.3% over the period shown.

Benefits Expense per Person, FY06-FY14



Figure 33

Averaged across all of the possible medical plans, the breakdown between Stanford's share of the costs and the employee's share of the costs is shown in Figure 34. On average, employees bear about a quarter of the cost of their health care plan, with Stanford paying for the remaining three-quarters.

Stanford Subsidy for Health Plans, 2007-2015

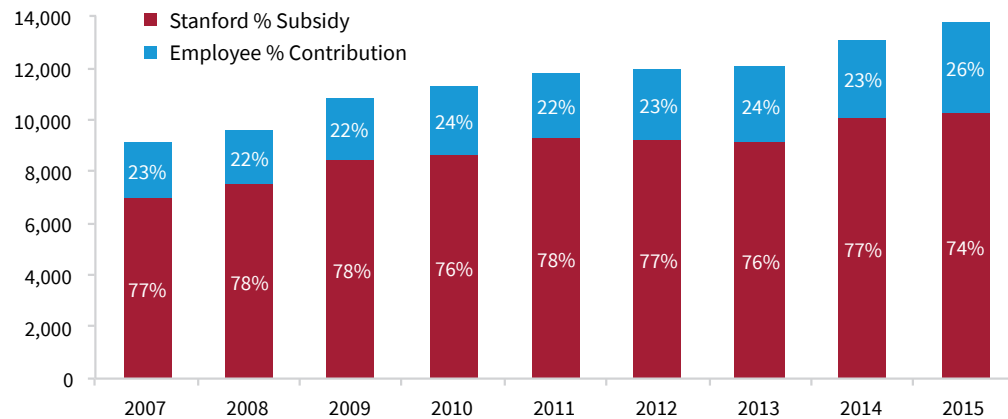


Figure 34

Shown another way, the compound annual growth rate (CAGR) for employee contribution to enroll in the lowest employee cost plan, Kaiser, was 0% over the past 10 years. For the other plans, the employee contribution CAGR was between 9% and 30%. The more expensive plans, such as PacifiCare, showed the most growth in cost, to both Stanford and Stanford employees. Table 4 below shows this information in more detail.

Employee-Only Tier Compound Annual Growth Rate (2005 – 2014)		
	Kaiser	Other Plans
Total Health Care Premium	6%	6% - 8%
Employee Contribution	0%	9% - 30%
Stanford University Subsidy	6%	6%

Table 4: Growth Rates of Medical Plan Premiums, Costs, and Subsidies

The Health Care Consumer Education Initiative was launched with the purpose of providing information and resources that empower Stanford employees to make educated and informed health care choices so they may achieve their optimal health while, at the same time, helping the university manage rising health care costs. *Educated Choices* is an employee publication that provides information on benefits available to all Stanford employees.

Tuition Grant Program

Stanford values education and strives to support its employees and their families in their pursuit of college degrees. Stanford's *Tuition Grant Program (TGP)* helps eligible faculty and staff pay for the cost of undergraduate college education for their eligible dependent children. The program pays all or a portion of college tuition at accredited institutions.

In FY14, the university distributed over \$22 million in tuition grants, including \$2.6 million to Stanford students. This benefit assisted over 1,200 employees to help further the education of 1,400 of their dependents. The tuition grant money went to 300 different institutions, with the largest amount going to Stanford, followed by UC Davis, UC Berkeley, and University of Southern California.

Compensation and Benefits Summary

Providing an attractive, competitive total compensation package while managing the cost and providing administration that is efficient is a huge task for any organization, and Stanford is no exception. The diversity of jobs, the range of departments, and the collaborative style of decision-making add extra dimensions of challenge. But the focus and commitment of the leadership from all parts of Stanford, coupled with the recognition of the strategic importance of people to our mission, have made this work more dynamic and interesting. Stanford is finding new and exciting ways to strike the balance between developing great programs and delivering them efficiently and effectively for current and future Stanford people.

Career Development

Stanford is a vibrant, dynamic place to work. Employees come to work every day knowing that their efforts help to educate the next generation of leaders, produce discoveries with far-reaching effects, and improve health care globally. That faith in our mission needs to be supported by a quality work environment—one in which people feel not only that their contributions matter, but that they also have a chance to learn and grow, and that the organization demonstrates care for people.

This section describes some of the programs Stanford offers that make it a great place to work.

Training

Just like the students and faculty that they serve, Stanford staff are very active in improving their knowledge and proficiencies. Stanford values continuous learning and growth, so UHR and its learning partners around the university work to provide opportunities for learning.

Employees use Stanford Training and Registration System (STARS), the online facility to search and find Stanford courses they want or are required to take. STARS offers employees a tremendous variety of courses to choose from, as shown in the table below. Almost every measure of learning activity is up from FY13 to FY14, except for classroom sessions offered. This is an indication of the increasing use of web-based training.

STARS	FY13	FY14
Number of active courses (items)	1,337	1,510
Number of classroom sessions offered	3,410	3,250
Number of enrollments	73,120	79,490
Number of unique enrollees	18,510	20,270

Table 5: Stanford Training and Registration System (STARS) Statistics

In addition to making so many courses available to Stanford staff, UHR's Learning & Organizational Effectiveness (L&OE) group also conducts a series of leadership programs each year. In 2014, the group conducted the following programs:

- Stanford Fellows, 18 participants
- Leadership@Stanford, 23 participants
- Leadership Academy, 20 participants
- Manager Academy, 350 participants

Designed to enhance the effectiveness of managers at all levels of experience, Manager Academy is a comprehensive program that helps managers develop foundational managerial skills.

All of these programs are intensive, professional courses for Stanford's managers and leaders, including faculty. About 70 faculty have participated in the Stanford Fellows and Leadership Academy programs since their inception.

The programs in the Leadership development suite are very well received, earning high marks on program evaluations from participants as measured by in-depth surveys after the courses are completed. In addition, 95% of participants in these programs since their inception have remained at Stanford, so these programs contribute to the retention of the university's top performers.

Stanford Tuition Reimbursement Program

The Stanford Tuition Reimbursement Program (STRP) is another resource that supports employee development by providing reimbursement of tuition costs for courses that are part of an undergraduate or graduate degree program, up to a maximum of \$5,250 per fiscal year.

In FY14, Stanford provided nearly \$1.4 million in tuition reimbursement to 387 employees through the STRP program, an average of approximately \$3,600 per participant.

Stanford Training Assistance Program

To help Stanford employees achieve their development goals, the Stanford Training Assistance Program (STAP) provides up to \$800 in reimbursement per year¹⁰ of tuition costs, registration fees, and required textbooks for any training activity related directly to a regular benefits-eligible employee's education, professional development, or career development effort undertaken with the knowledge and approval of his or her supervisor.

¹⁰Bargaining unit employees receive \$700 in STAP funds with the extra \$100 applied to the Apprenticeship program, discussed later in this section.

In FY14, STAP supported over \$3,029,000 of training costs for both internally and externally taught courses, conferences, webinars, and other educational opportunities. Figure 35 shows the distribution of courses taken and paid for by STAP funds, by the type of course. The most popular courses taught by Stanford are offered by IT Services and include topics such as Microsoft Office training, productivity skills, and courses on new collaboration products available to Stanford staff. In addition, Stanford staff often take advantage of the wonderful courses offered by the Stanford Continuing Studies program, but by far the most money is spent on external courses, books, webinars, and conferences.

STAP Funds Used by Type of Course, FY14

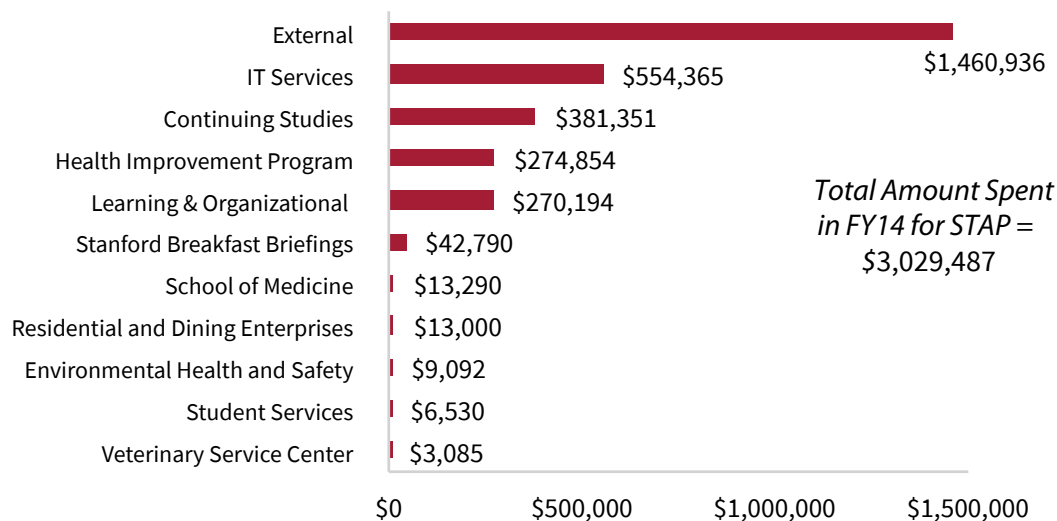


Figure 35

Bargaining unit staff are not as likely to use STAP funds. They represent approximately 11 percent of Stanford's non-teaching staff, but use only 2% of the total STAP funds spent (Figure 36). To remedy this situation, in FY13 the apprenticeship program for bargaining unit staff was started, funded by \$100 of STAP money per bargaining unit employee. In this way, STAP funds for bargaining unit employees are utilized to create a program that benefits these staff more directly than STAP funds do.

STAP Funds Used by Employee Type

The focus of professional education at Stanford varies by the type of staff. For example, Stanford's exempt staff use their STAP funds more frequently for external learning than for courses within Stanford; 79 percent of STAP funds spent on learning outside Stanford goes to exempt staff while the proportion is 65 percent for internal learning. Overall, 75 percent of STAP funds are spent by exempt staff (Figure 36).

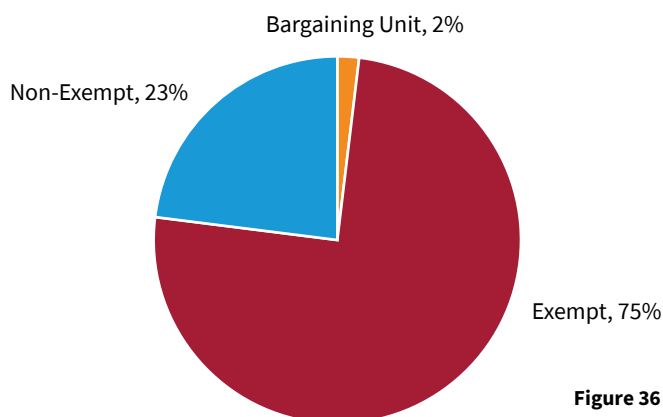


Figure 36

The amount spent per person varies by unit within Stanford from a low of \$152 to a high of \$417 (Figure 37). Business units with large bargaining unit populations will show lower STAP program utilization than those with mostly professional populations.

STAP Funds Used per Person by School/Business Unit, FY14

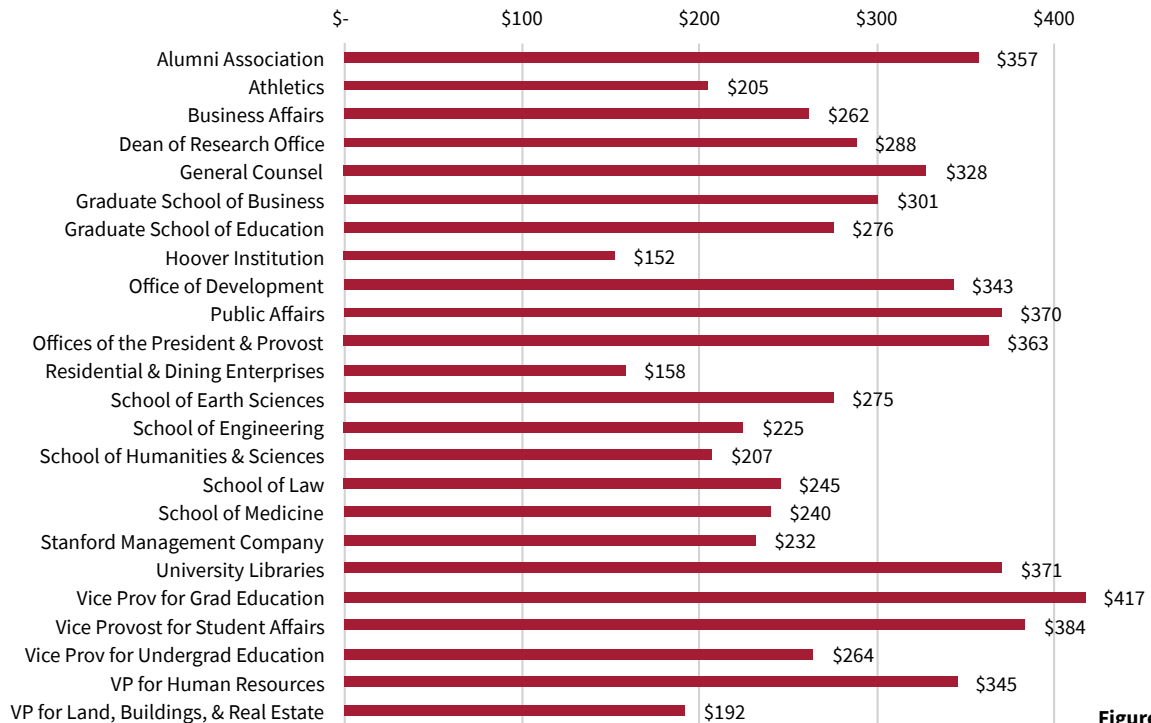


Figure 37

As previously mentioned, the STAP program paid for over \$3 million of training and professional development costs. This is just under one-third of the total amount Stanford would spend if every employee eligible for STAP used all of their funds.

Apprenticeship Program

Stanford began its Apprenticeship Program in FY12, which quickly became highly-sought after by those who work at Stanford in the positions represented by the SEIU Bargaining Unit¹¹. The popularity of the program was shown by the 257 applications for the four positions.

The purposes of the Apprenticeship Program are to:

- Provide on-the-job training for workers as apprentices at the university in mutually agreed upon trades
- Provide current university workers with the opportunity to expand their career choices and pathways to journey-level positions within the university
- Provide the university with superior workers while, at the same time, protecting the rights of union members

¹¹As per California law, the Apprenticeship Program is also open to those not currently working at Stanford. Of the 257 applications, 14 were from current employees and the rest were external.

Over a four-year period, an apprentice will satisfactorily complete a requisite number of on-the-job training hours, thereby providing the required work experience to qualify for journey worker status in his or her trade. Each apprentice will also fulfill specific credit hours of related instruction to gain knowledge of applied academics in subject areas critical to job performance.

There are four apprenticeships currently in progress:

- Maintenance mechanic
- High voltage electrician (2)
- Residential maintenance mechanic

The apprenticeship program leaders in cooperation with the SEIU bargaining unit will explore the addition of new opportunities.

Promotions and Reclassifications

An employee's career development can culminate in a promotion, or in some cases a job reclassification¹². This recognition of an employee's progress in their career while staying at Stanford is a key step in the development of a person's long-term professional growth. Figure 38 illustrates that promotions and reclassifications went down during the recession as new jobs at the university were limited, and turnover was low. Since the recession, however, promotions and reclassifications have rebounded and continue to rise. Promotions appear to have been a leading indicator – they declined before job reclassifications, and bounced back earlier.

Several new initiatives are designed to improve on the number of promotions, particularly the launch of the new Staff Career & Job Classification program in FY15.

Promotions and Reclassifications, FY05-FY14

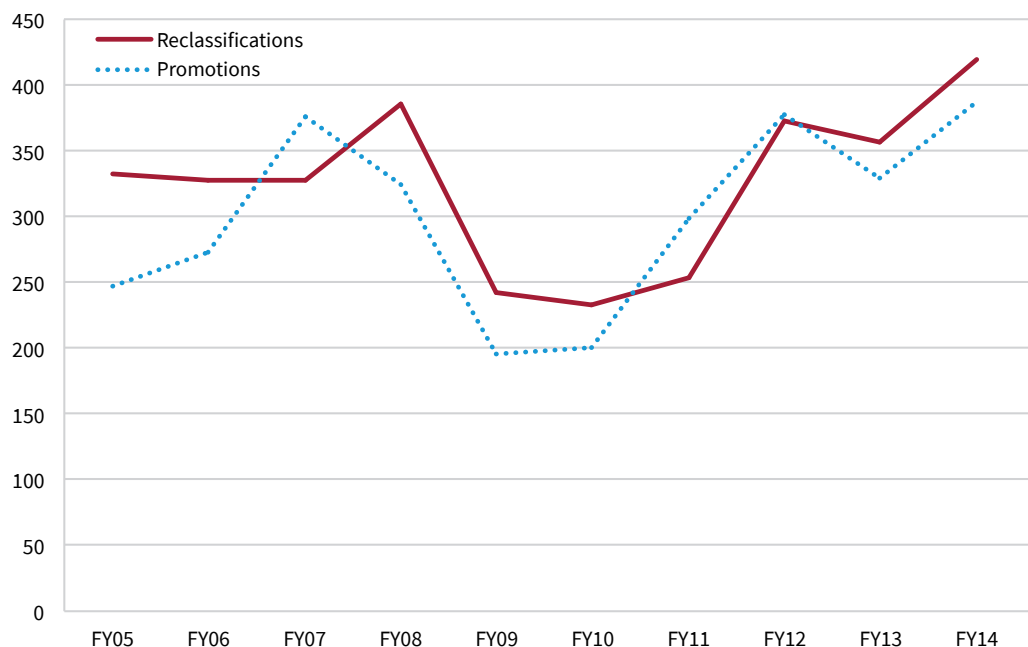


Figure 38

Please see the Appendix for a unit by unit table of promotions and reclassifications in FY14.

¹² Job reclassification is the changing of the job classification of a particular position to reflect a change in the position's responsibilities and duties. Typically it reflects an increase in responsibility and/or complexity.

Creating a Great Work Environment

WorkLife Office

During 2014, the WorkLife Office continued its tradition of serving Stanford's academic mission by providing a variety of resources, programs, and services that help reduce the challenges many faculty, staff, students, and postdocs experience when trying to integrate their personal lives and their professional and academic aspirations.

Some key data points listed below demonstrate the reach and positive impact of the WorkLife Office, as well as specific ways in which the contribution of the WorkLife Office directly reduces time burdens, increases productivity, and enables employees to focus on Stanford's missions of education, research, and patient care:

- Nearly **950** children were served by Stanford's comprehensive child care system with full- and part-time care for children from infancy to school-age, providing a high-quality, reliable early child care experience.
- Over **1,400** members of the Stanford community received resource and referral services covering a wide range of topics such as finding child care, addressing parenting concerns, and beginning the adoption process, saving them between three and 10 hours of their own time searching for answers.
- **542** faculty and staff took advantage of the various Dependent Care Financial Assistance programs managed by the WorkLife Office, thereby reducing the stress related to affordability.
- A full **367** days were "saved" because faculty could access backup child or elder care through the Faculty Backup Program, meaning they were at work knowing a loved one was cared for.
- Over **1,600** members of the Stanford community took advantage of educational events, resource fairs, and family support events to gain valuable time-saving resources and conveniently talk directly to skilled experts, eliminating time-consuming travel and scheduling.
- A total of **492** pregnant Stanford affiliates or their partners received advice and resources to navigate maternity and a smooth return to work following the birth of a child.

The depth and breadth of the Stanford WorkLife programs and services were recognized in 2012 as Stanford was selected one of the 100 Best Companies for Working Mothers by *Working Mother* magazine and in 2015 with the World at Work Alliance for Work-Life Progress Seal of Distinction.



Leave Donation Program

Unfortunately, staff sometimes face extreme hardships that cause them to be incapacitated from work or require them to care for family members who are facing catastrophic health situations. This program provides assistance to such staff through the generosity and kindness of fellow employees.

The Stanford Community Leave Bank was created at the request of Stanford employees who asked for a way to help their colleagues in need by donating their vacation time. Managed by UHR's Employee and Labor Relations department, the program rolled out in the spring of 2012.

A university-wide program and policy, the Stanford Community Leave Bank allows benefits-eligible staff to donate accrued vacation leave hours to a central leave "bank." The central leave bank allocates leave hours to benefits-eligible staff in need of paid leave due to a catastrophic qualifying event when they have exhausted all of their own available leave hours.

In FY14, **745 hours** were donated to the Leave Bank from 29 employees, with an average donation of 25.7 hours. Eight employees were assisted from the Leave Bank in FY14. With ongoing communication and education, we expect that this program will continue to showcase the generosity of Stanford employees.

“The employee demand for a program like this demonstrates the kindness, generosity, and compassion of Stanford's workforce. Through this program, staff can now provide assistance to each other when it matters the most.”

- Linda Lee *Associate Vice President for HR Communications and Executive Compensation*

Stanford Sweeteners

As described on Stanford's website, it's pretty "sweet" to be connected with Stanford! The Stanford Sweeteners are the "sweetest" perks and rewards of being affiliated with this institution—over 100 Sweeteners that range from discounts and incentives to facilities access and professional development. It's a collection as unique and special as Stanford itself. Stanford Sweeteners are now part of the Cardinal at Work Welcome Center curriculum so that new employees know how to get the most out of their Stanford experience.

Service Recognition: Cardinal at Work Celebrating Staff Careers

In May 2014 at Stanford's annual Multicultural Springfest, the first-ever Cardinal at Work Celebrating Staff Careers event took place where more than 100 staff employees celebrating significant service anniversaries (30, 35, 40, 45, and 50 years) were honored during a special ceremony led by Provost John Etchemendy. Each honoree received special commemorative gifts including a certificate signed by President Hennessy and Provost Etchemendy in a folio embossed with the event name and date. Honorees were featured on a special service recognition website in advance of the event with a short profile of each. The event was highly successful and will be repeated again in FY15.

Career Development Summary

Stanford has been innovative and resourceful in creating programs like the ones described in this section. Stanford will need to continue tapping this resourcefulness to maintain an edge in attracting and keeping great people, as well as giving them opportunities to grow in their work and contributions to this enterprise.

The Journey: Departure

Miguel Torres
*Food Service Worker,
Tresidder Union*



The Journey: Departure

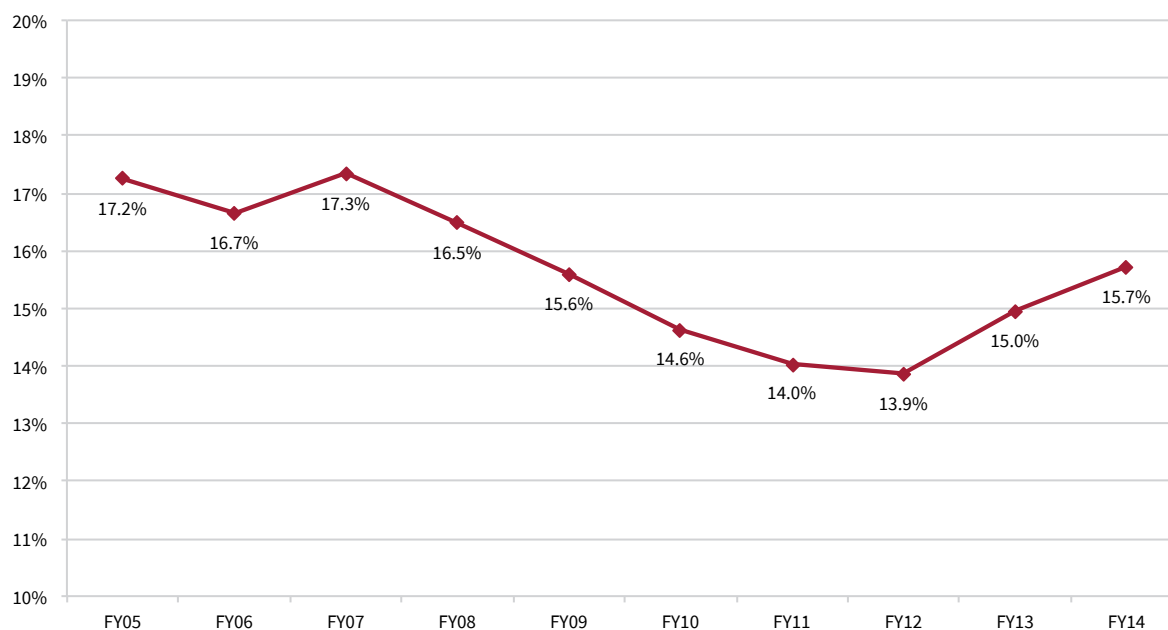
At some point, employees leave Stanford. The hope is that this point comes at retirement, after a satisfying and productive career. However, employees leave Stanford for many reasons, both personal and professional. This section explores when and how people leave Stanford, and how Stanford helps its employees prepare for retirement.

Turnover

Figure 39 is a 10-year view of turnover at Stanford (these numbers are for non-faculty benefits-eligible employees, not contingent workers). Turnover declined from 17.3% to a low of 13.9% during and immediately after the recession, but is again rising as the economy improves and the job market begins to recover and intensify. In FY14, turnover was 15.7%.

In comparison, median turnover in the United States was 20.1% percent in 2014, according to Corporate Leadership Council benchmarks¹³. So while Stanford is feeling the effects of the improving local and national economy as the unemployment rate drops, the university is fortunate to have a rate that is favorable in comparison to the nation as a whole.

Turnover¹, FY05-FY14



¹Turnover is calculated as the number of staff who left during the fiscal year divided by the average number of staff

Figure 39

It is also worth monitoring turnover at a more granular level – by school/business unit and by job family – to look for trouble spots or anticipate where new staff may be needed.

¹³Corporate Leadership Council Unified Benchmarking Platform.

Figures 40 and 41 show turnover by unit, but separated by academic units and business units. This separation is important because turnover is generally higher in the academic units. This is because academic units, with their intense emphasis on teaching, research, and patient care, have many non-professorial staff whose jobs are cyclical in nature (with the academic calendar), or, for example, terminate with the end of a research grant or contract, such as research associates. These fixed-term positions drive a higher turnover rate in the schools or research divisions. An example is The Office of the Vice Provost for Undergraduate Education. Their seminars for freshmen and sophomores require hiring academic staff for shortened time frames, such as for only part of the academic year. Many of the employees they terminate are hired again for another course within the same year. In the School of Medicine, people come and go as research (and associated grants) begin and end. In these cases, turnover is in the nature (and expectation) for this kind of work.

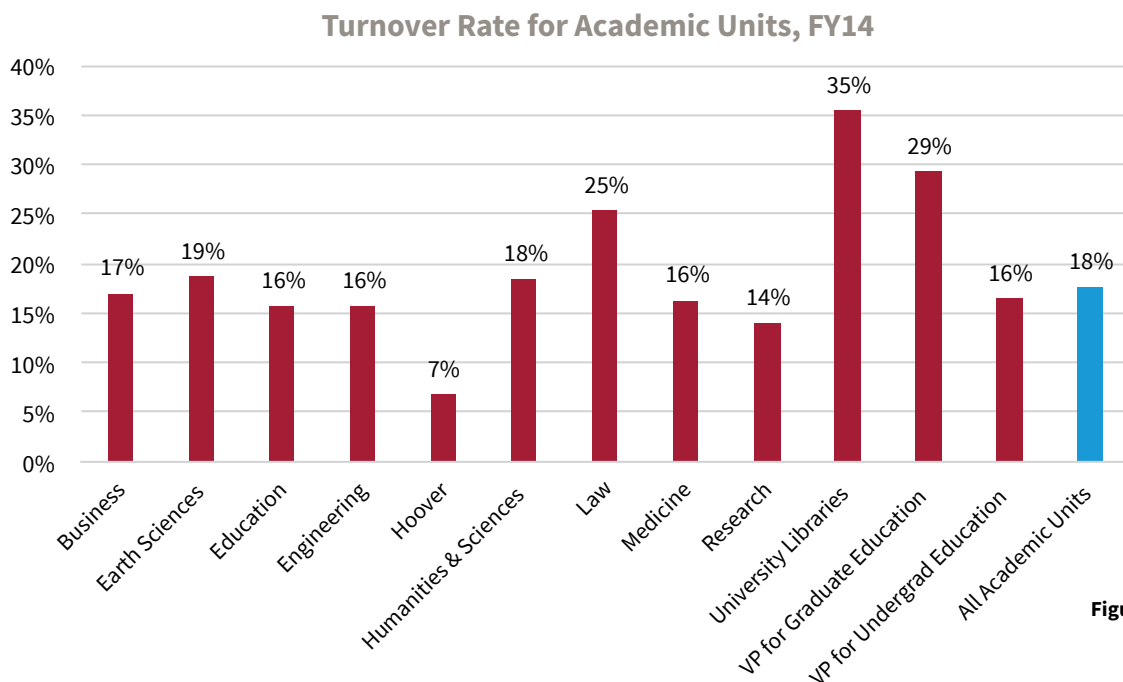


Figure 40

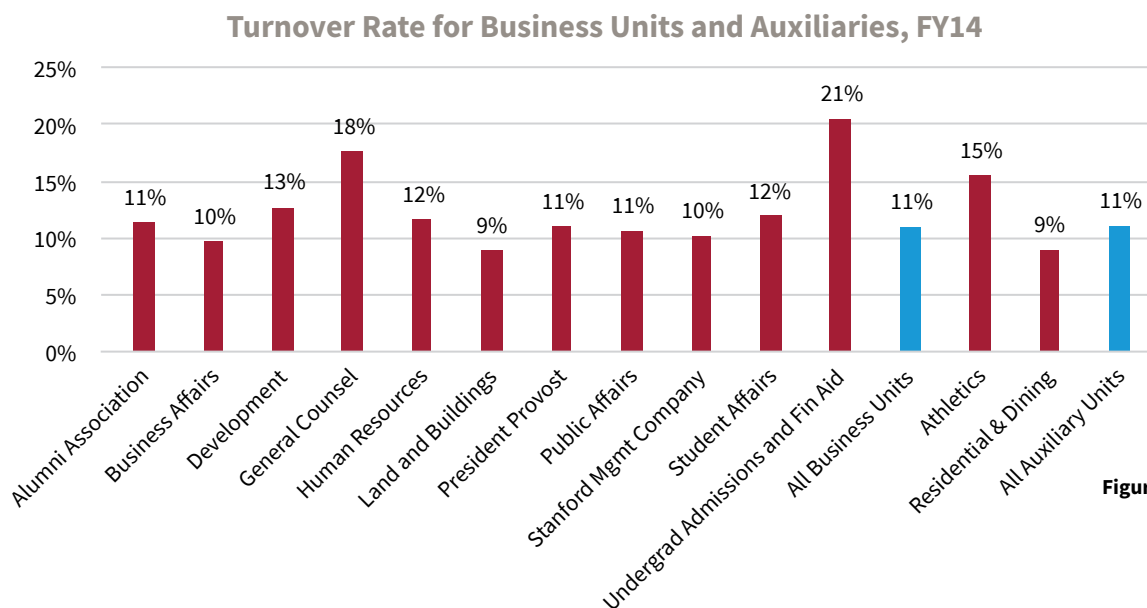
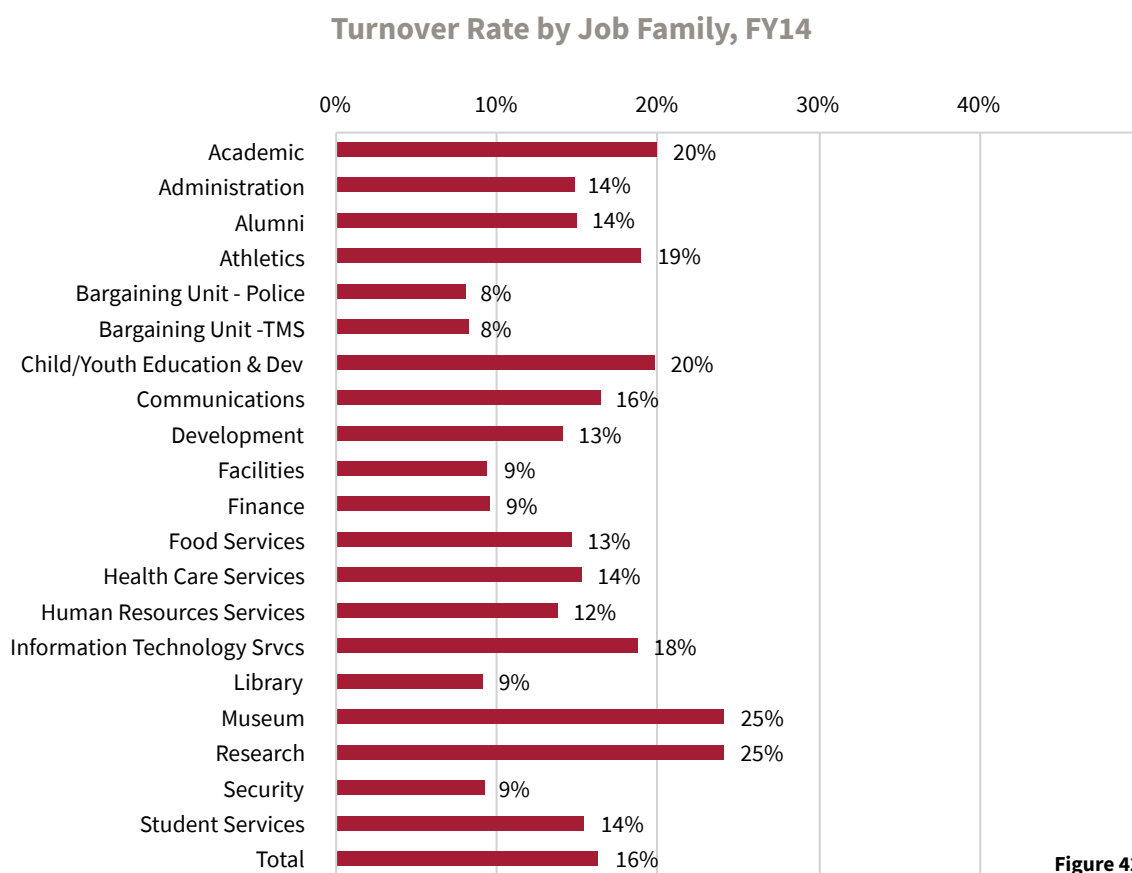


Figure 41

The Stanford University Libraries had unusually high turnover in FY14 due to the spinoff of Highwire Press in May 2014. This caused over 130 layoffs, though these people retained their job with the new entity.

To address unique needs, it is important to identify key roles and talent, subsequently assessing if there is “optimal” turnover. For example, are there some roles in some areas that are losing key talent too quickly, so that Stanford is not getting the full value that comes from experience in the role plus incurring the cost of hiring and training a new person? On the other hand, are some people staying too long despite poor performance that is not being addressed through the performance management process?

Figure 42 shows how turnover was distributed by job family in FY14. This data may point to areas where recruiting can be more proactive in finding talent, and human resources professionals can try to address the causes of high turnover.



As expected, the academic and research job families have high turnover due to their cyclical and contractual nature. The high turnover (18%) in the Information Technology job family is largely due to the spinoff of Highwire Press mentioned earlier in this section. Many of the Highwire Press employees fell into this job family. (Typical turnover in this job family is closer to 12%.)

Retirement

A small percentage of the total staff workforce retires from Stanford each year. In FY14, it was 174 people, or 1.5% of the staff population.

As the retirement graph in Figure 43 shows, both the number and percentage of retirements of Stanford staff rose during FY09 and FY10 due to a large number of “layoff to retirement” actions in response to budget cuts. In the aftermath of the economic crisis, people were reluctant to retire due to economic insecurity. However, as the economy (and, importantly, the stock market) have recovered, people are starting to retire again.

Number and Percentage of Retirements, FY05-FY14

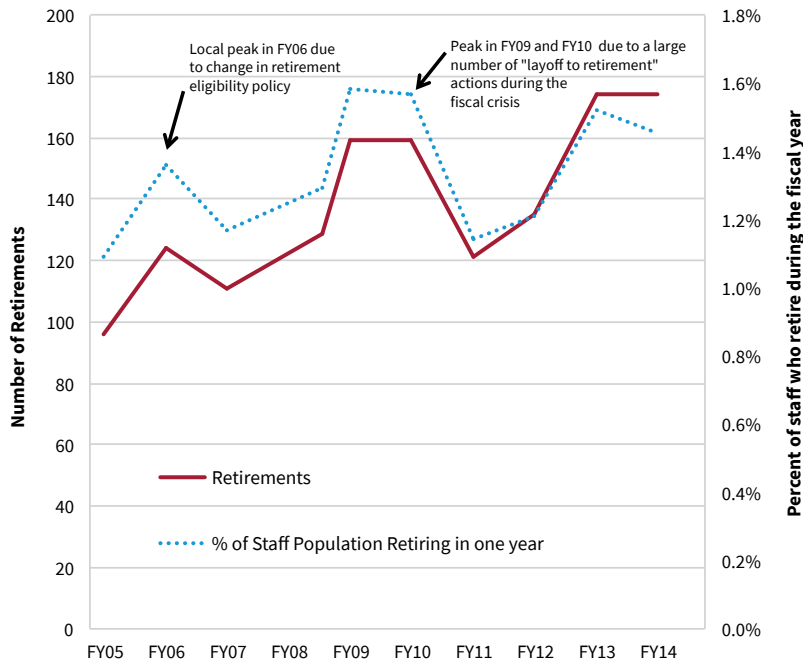


Figure 43



In FY14, the average age of retirees was 64, and the average number of years of service was 23. In the last 10 years, the average age of retirees has increased by 1.4 years, and the average number of years of service, after a period of change, has remained essentially the same (Figure 44).

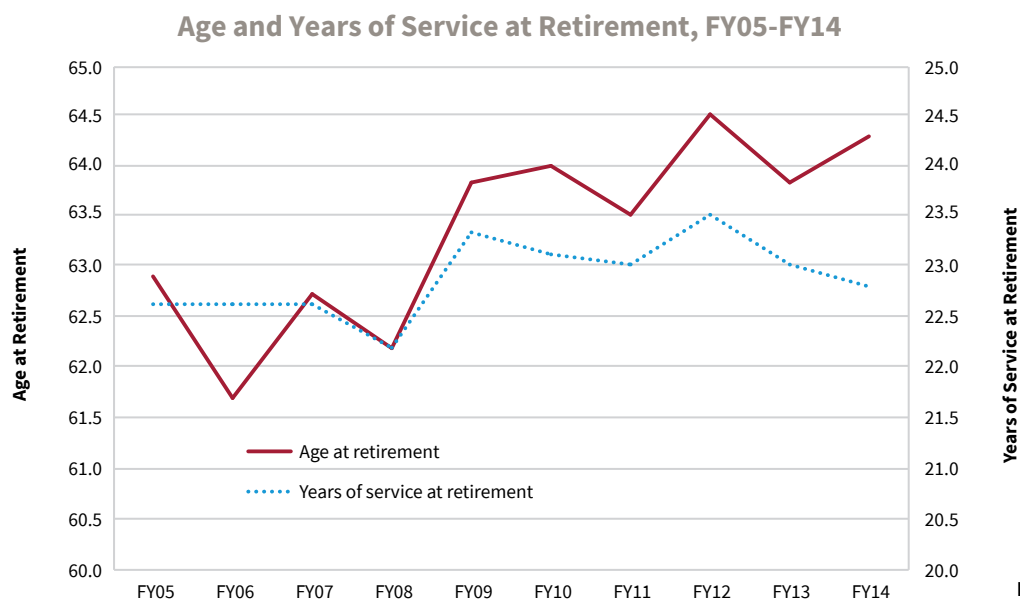


Figure 44

Stanford staff are eligible to retire once their age plus years of service at Stanford are equal to or greater than 75 and they have at least 10 years of benefits-eligible service¹⁴. However, many people elect to continue to work long past their retirement eligibility, particularly if they started working at Stanford at a young age.

On average, Stanford staff retirees reach eligibility six years before retiring. This metric is also on the rise, up from five years in FY05 and four years in FY04. This trend is shown in Figure 45.

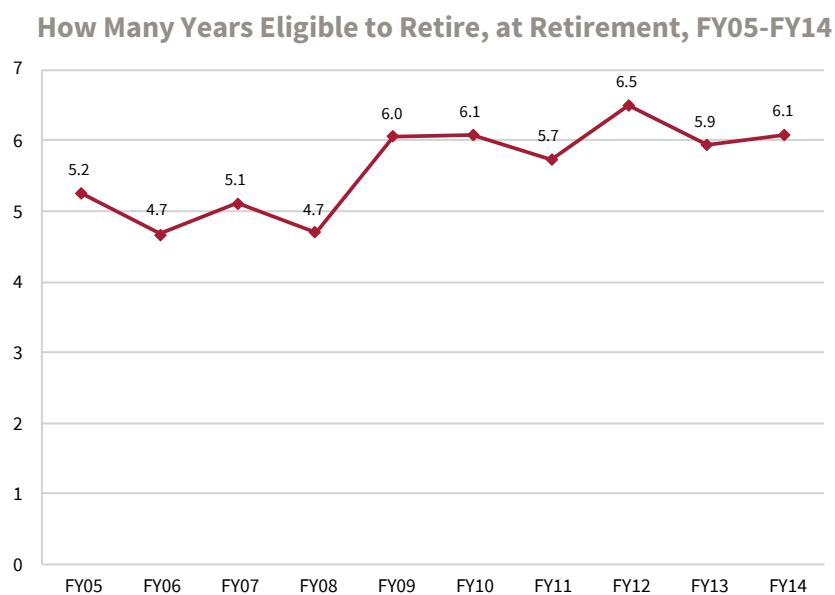


Figure 45

¹⁴This rule applies to employees hired after 1/1/1992. Employees hired before that date may use a different criterion (55 years of age and 10 years of benefits-eligible service).

As seen in the section on Workforce Demographics, the academic and business units that make up Stanford have their own workforce characteristics. These characteristics translate into a wide variety of cultures and concerns when it comes to retirement. Some units have a history of their employees working long past their retirement eligibility, and some do not. Figure 46 below shows the variability among the schools and business units in the percentage of staff employed at the end of fiscal year 2014 who were eligible for retirement benefits according to the rule of 75 but were still working.

Comparison to University Percentage of Potential Retirees, FY14

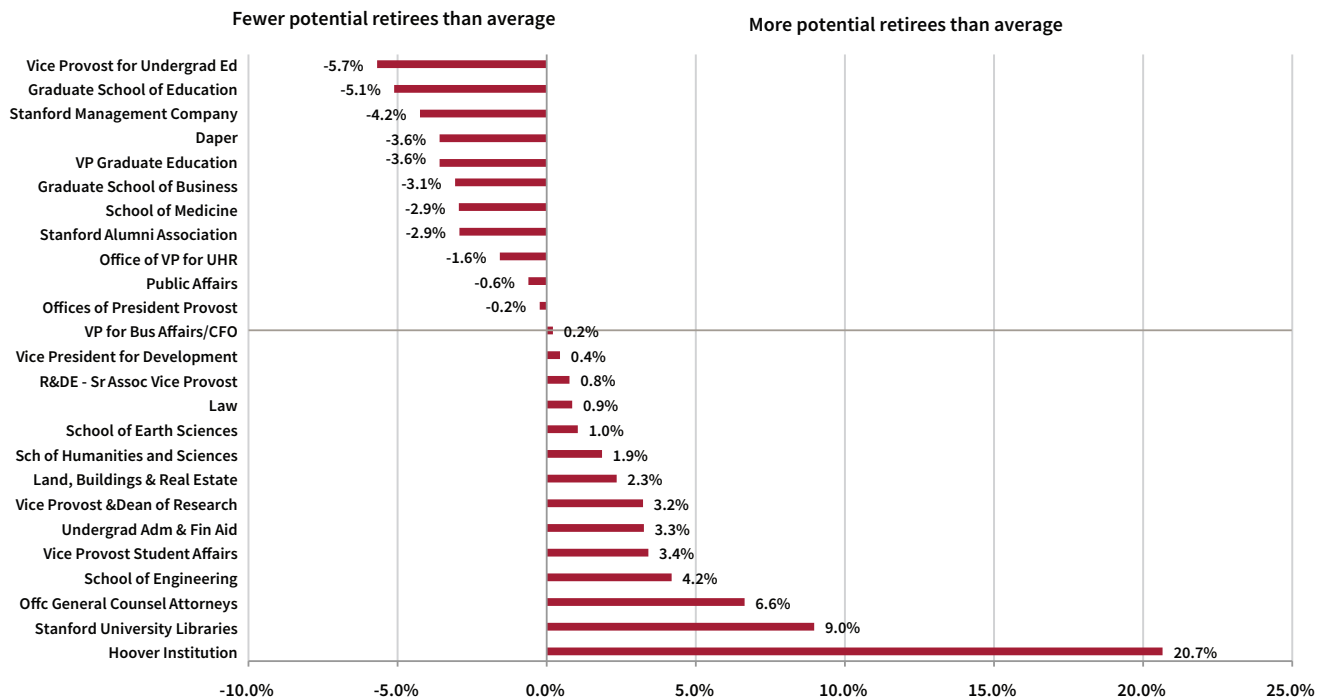


Figure 46

All of these dynamics underscore the importance of developing more comprehensive workforce metrics and planning. External research indicates that senior leaders in higher education place workforce planning in their top 10 list of HR needs. Stanford has already begun gathering metrics to respond to this need. In building a dashboard of this data, Stanford will be able to better anticipate and respond to the strategic talent needs that are so essential to the future of the workforce.

Retirement Programs

Stanford employees have several options available to them for retirement savings. As shown in Table 6, most use the Stanford Contributory Retirement Plan (SCRIP). This plan allows employees to start saving after their first paycheck (in the Tax Deferred Account) and then receive Stanford contributions after the first year of service. The Staff Retirement Annuity Plan (SRAP), while closed to new participants, continues to accrue benefits for existing participants.

Total employee participation in each retirement plan as of the end of calendar year 2013, for the main campus and SLAC, is shown in Table 6.

Plan Name	Employee Participation, as of 12/31/2013
Stanford Contributory Retirement Plan (SCRP) (403b) and Tax-Deferred Account (TDA)	12,373
Stanford Retirement Annuity Plan (SRAP)	1,603

Table 6: Participation in Stanford Retirement Plans

In 2014, a new automatic enrollment process for the Contributory Retirement Account, part of the Stanford Contributory Retirement Plan 403(b) began to help employees save for retirement. To receive the university's maximum matching contribution of 5%, employees must contribute 4%. Employees who were contributing less than 4% were automatically enrolled to receive the university's matching contribution of 5%, though they could opt out (or decrease their contribution, which in turn decreases Stanford's contribution). Before this program, approximately 20% of employees were eligible but were either not enrolled or enrolled at less than 4%. Contributions are deducted pre-tax.

Part of the retirement program is having plans in place to help employees build long-term financial resources. But we also have initiated programs to help employees use these programs effectively, starting early in their careers and continuing up to retirement, including:

- A monthly workshop conducted by Stanford Retirement Benefits for employees approaching their first service anniversary, so they are informed and ready to make retirement savings decisions as soon as they are eligible, after their first year.
- A program for online training, called the Financial Fitness Challenge from educatedinvestor.com, was offered in early 2014. The program offers event-based learning, and includes five courses, with pre- and post-assessments. Topics are: saving and investing; investing basics; investment strategies; retirement planning, and mutual funds.
- A series of Retirement Planning workshops provided by Stanford's retirement plan providers were offered in fall quarter 2013 on topics such as "Building a Portfolio for any Weather," "Paying Yourself: Income Options in Retirement," and "Tomorrow in Focus: Saving for Your Ideal Retirement."



Looking Ahead



Snehal Naik
*Student Affairs Officer,
Office of Student Activities and Leadership*

Looking Ahead

Stanford is extraordinary because of the talented people who work here. But talented people don't stay, and they don't flourish, unless the environment is one that supports their work, and in fact, makes it easier for them to work—to teach, to lead, to manage.

The HR community at Stanford strives to create a great work environment. A lot of what human resources does is, appropriately, behind the scenes. Ideally, the policies, practices, and tools created should be like other utilities in life—they're there when people need them and they work without anyone thinking twice about them. This work helps people move through the staff journey at Stanford as seamlessly as possible.

Of course, there are places where a strategic perspective, judgment, and a human touch are needed. So as we in UHR work to make the transactional tasks quick and simple, we endeavor to free up bandwidth to focus on the more strategic people needs of Stanford, as well as support leaders and managers in those critical conversations with individuals that shape the arc of work and a career. And of course, UHR plays an essential role every day in supporting the university's mission, vision and values.

Stanford is in an enviable position with wonderful talent, resources, and infrastructure. But past accomplishments do not guarantee future success, especially in the always-changing world of higher education. So UHR must continue to meet emerging people challenges with insightful and innovative solutions, and measurable results.

We look forward to the challenge,
and to sharing our progress with the Stanford community
as we move ahead.

Appendix

Benefits Rates

Fiscal Year	Regular	Post Docs	Graduate RA/TA	Contingent	TGP
FY14	29.20%	27.90%	4.80%	8.40%	1.85%
FY13	29.50%	28.40%	5.00%	8.20%	1.75%
FY12	30.40%	22.50%	4.70%	7.90%	1.60%
FY11	31.10%	19.80%	4.40%	8.30%	1.40%
FY10	30.60%	21.60%	5.00%	8.50%	1.40%
FY09	28.10%	20.70%	4.60%	7.70%	1.75%
FY08	27.90%	20.80%	4.00%	7.60%	1.75%
FY07	29.70%	20.10%	3.80%	8.40%	1.75%
FY06	30.50%	18.40%	3.70%	8.50%	1.45%
FY05	30.50%	19.10%	3.40%	8.90%	1.20%
FY04	29.00%	18.70%	3.50%	9.10%	1.20%
FY03	24.80%	14.80%	3.30%	8.10%	1.20%

Table 7: Benefits Rates, FY03-FY14

Promotions and Reclassifications, by School/Business Unit FY14

School/Business Unit	Total of Promotions and Reclassifications	Reclassifications	Promotions
Alumni Association	17	7	10
Athletics	11	6	5
Business Affairs	59	36	23
Dean of Research Office	54	38	16
General Counsel	3		3
Graduate School of Business	44	28	16
Graduate School of Education	33	27	6
Hoover Institution	15	9	6
Office of Development	33	13	20
Offices of the President and Provost	32	20	12
Residential and Dining Enterprises	42	10	32
School of Earth Sciences	12	9	3
School of Engineering	22	10	12
School of Humanities and Sciences	66	36	30
School of Law	6		6
School of Medicine	228	97	131
Stanford Management Company	10	1	9
University Libraries	43	35	8
VP for Human Resources	12	7	5
VP for Land, Buildings & Real Estate	33	17	16
Vice Provost for Student Affairs	16	4	12
Vice Provost for Undergraduate Education	16	9	7
Total	807	419	388

Table 8: Promotions and Reclassifications by School/Business Unit, FY14

Turnover Rates by Job Family, FY08-FY14

Highlighted cells indicate job families with turnover higher than or equal to the university-wide average in FY14, 16%

Job Family	FY14	FY13	FY12	FY11	FY10	FY09	FY08
Academic	20%	20%	19%	19%	21%	18%	23%
Administration	14%	12%	10%	11%	12%	15%	14%
Alumni	14%	10%	6%	7%	17%	16%	12%
Athletics	19%	16%	24%	12%	26%	22%	24%
Bargaining Unit - Police	8%	8%		8%	14%	12%	8%
Bargaining Unit -TMS	8%	10%	7%	7%	10%	8%	6%
Child/Youth Education & Dev	20%	34%	21%	11%	14%	23%	18%
Communications	16%	18%	9%	10%	11%	18%	16%
Development	13%	11%	13%	19%	12%	17%	16%
Facilities	9%	8%	9%	4%	7%	8%	7%
Finance	9%	8%	9%	10%	12%	10%	12%
Food Services	13%	10%	14%	18%	14%	18%	21%
Health Care Services	14%	15%	15%	13%	12%	12%	14%
Human Resources Services	12%	8%	11%	13%	10%	8%	14%
Information Technology Services	18%	12%	12%	12%	9%	11%	12%
Library	9%	9%	9%	7%	12%	8%	11%
Museum	25%	19%		20%	10%	13%	
Research	25%	24%	23%	25%	20%	24%	25%
Security	9%	9%		18%	17%		18%
Student Services	14%	11%	13%	11%	12%	16%	16%
Total	16%	14%	13%	13%	14%	15%	16%

Table 9: Turnover Rates by Job Family, FY08-FY14

Average Number of Vacation Days Taken by School/Business Unit, FY14

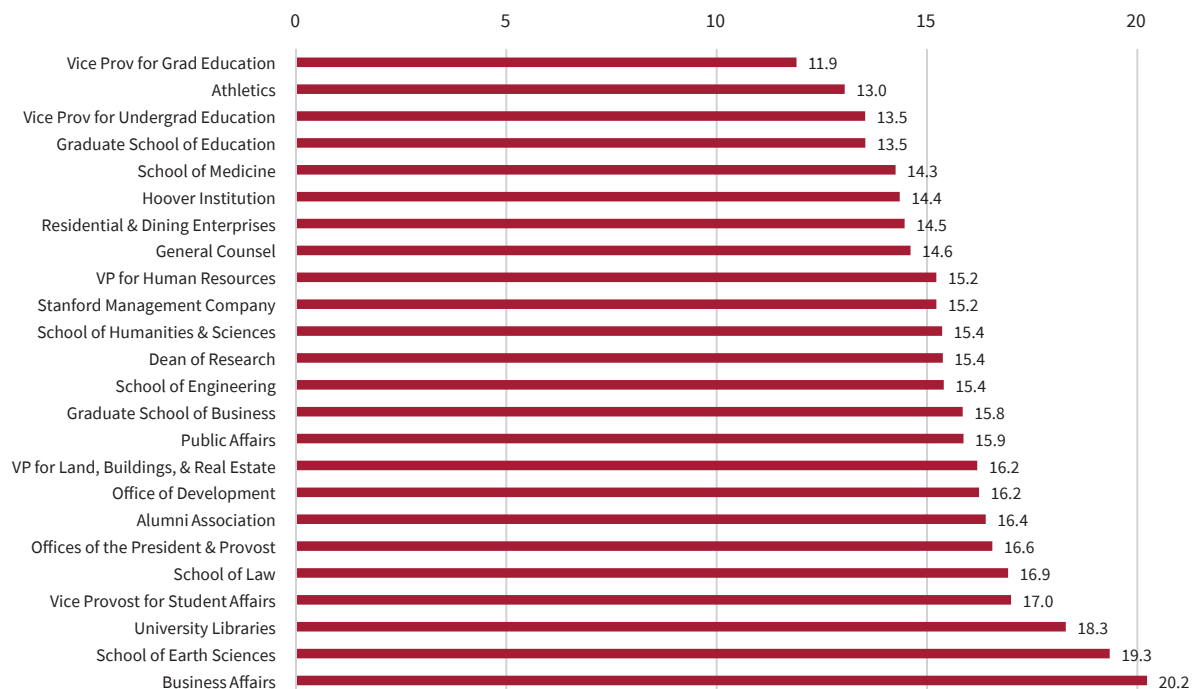


Figure 47

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Who We Are: University Human Resources

University Human Resources (UHR) is committed to advancing Stanford's position and reputation as the best led, best managed university in the world by supporting a culture of innovation and opportunity.

We support the university's mission of excellence in teaching, research, and patient care through strategic, innovative, and flexible services that:

- Attract, develop, reward and retain a diverse and talented workforce
- Foster a productive work environment where people feel valued
- Support the changing nature of work and the workplace environment
- Add value and reflect good stewardship of resources
- Are fair, ethical and legally compliant

We work in partnership with human resources professionals in seven schools and 20+ business units to support a talented workforce that propels Stanford confidently into the future.

Our competitive employment package, with outstanding benefits, career development, and work/life integration resources is in place for our valued employees.

Cardinal at Work





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