Preliminary Recommendations for Implementation of Equity Adjustments Resulting from Salary Study

With the objective of paying the median of the appropriate market, each area within the University will be provided the “Gap” between its current salaries and the target median of the market. The total for the University will be determined and a percentage of the overall “Gap” will be calculated for each area. This percentage of the whole will then be used to determine the amount each area will receive of the salary budget. It is important to note that the intent of this process is to address equity issues discovered as a result of the FY2011-2012 salary study. This process is not intended to reward employees for superior performance. Equity adjustments for employees (faculty and staff) whose compensation is significantly below market should take precedence.

The recommended institutional philosophy regarding compensation is that a well established, experienced, successfully functioning employee will be compensated at the median (P50) of the market. Employees who are in a development mode, because they are new to the field or new to the particular level position that they hold, or because they have not demonstrated sufficient experience or expertise, may be compensated between the 25th quartile (P25) and the median (P50) of the position. Employees who are high performers may be compensated at a level above the median. As a minimum, all employees should generally be compensated at the 25th quartile and employees whose pay is below the 25th quartile will be given special consideration in granting increases regardless of the consideration factors described in the following paragraphs.

With the amounts determined, appropriate input should be collected from Deans, Vice Presidents, and Department Chairs for determination on an individual employee basis.

An important factor to consider in determining the appropriate individual salary level is performance. As it has been suggested, Department Chairs should review files for the individual’s most recent performance, considering the last three years, but also consider going even farther back in time for those who have been with the University for longer, and determine if the gap between their current salary and the median is due to performance or just other circumstances. If performance is determined to be the cause of the “Gap” then the median for that individual should not necessarily be the ultimate target level of pay.

Other factors that should be considered could include how long since the last increase, years in rank at current salary, initial salary of comparable new hire (internal equity issues), recent promotional increases and individuals who were promoted at a time when there were no promotion-related raises.
All of the aforementioned factors are only a part of the consideration process. If, after considering all these factors, movement toward the median appears to be warranted, an increase may be granted to begin that movement.

This is intended to be a three to five year process. The plan should include a target of accomplishing the desired competitive position as soon as is financially feasible but should not exceed five years to accomplish. During this three to five year process, we will also monitor movement in the market to determine if adjustments to our P25 and P50 targets is necessary.

Human Resources will review overall increases to insure internal equity. This will be done with the assistance of Blount and Associates as their availability permits. Ultimate determination for salary increases, after overall funding for equity adjustments has been secured and approved, resides with the appropriate Vice President.