

Appendix A

Guidelines for Making Compensation Decisions for Competitive Actions

Identification and Documentation of Appropriate Hiring Range

Identifying the appropriate hiring range is critical, and the rationale (i.e., factors considered such as salary of other employees, market data, available budget, level of position within the role, etc.) for the hiring range must be documented in the vacancy folder. This decision will impact subsequent pay recommendations. The pre-determined hiring range is identified when the Consultant works with the hiring manager to develop the recruiting strategy; it may be advertised, or it may be used as an internal reference for salary negotiations when the vacancy is advertised as “salary dependent on qualifications” hiring. In both cases, it must be documented in the vacancy folder, and the Consultant must assure that the hiring manager understands the use of the hiring range relating to their authority to make offers without prior approval by the Consultant.

Procedure and Approval Process for Pay Recommendations

Managers (with hiring authority) are strongly encouraged to work closely with their assigned HR Consultant to determine an appropriate pay offer for all competitive pay actions and to ensure pay factors are considered when recommendations are made. Consultants will be able to share external market and internal salary comparison data to assist hiring managers.

In addition to the procedures outlined below, approval channels internal to the organization unit/senior management area must be followed. *Joint-funded positions also require approval by any unit sharing in the funding of the position.*

Pay Actions and Offers	Authority	Documentation
New hires and Re-hires (includes faculty hired into classified positions): <ol style="list-style-type: none"> 1. If at minimum of the <u>pay band</u> or the minimum of the predetermined <u>hiring range</u> * 2. If above minimum of pre-determined <u>hiring range</u> but no more than 10% above current/most recent salary <ul style="list-style-type: none"> ➤ If more than 10% and up to 15% above current/most recent salary ➤ If above 15% current/most recent salary 	Managers Consultant Comp Mgr Asst. VP, Human Resources	P3A Pay Action Request, P3A Pay Action Request, P3A Pay Action Request, P3A
Competitive Transfers (same pay band; includes current salaried staff employees from other state agencies): <ol style="list-style-type: none"> 1. If at minimum of the <u>pay band</u> or minimum of pre-determined <u>hiring range</u> * 2. If above minimum of <u>pay band</u> or minimum of pre-determined <u>hiring range</u>, AND same or less than employee’s current salary <ul style="list-style-type: none"> ➤ If no more than 10% above employee’s current salary ➤ If more than 10% up to 15% of current 	Managers Managers Consultant Comp Mgr	P3A P3A Pay Action Request, P3A Pay Action Request, P3A

<p>salary</p> <ul style="list-style-type: none"> ➤ No exceptions above 15% 		
<p>Promotions (includes current salaried staff employees from other state agencies):</p> <ol style="list-style-type: none"> 1. If at minimum of higher <u>pay band</u> even if exceeds 15% above current salary 2. If at minimum of <u>hiring range</u> and does not exceed 15% above employee's current salary * 3. If above minimum of <u>hiring range</u> but no more than 10% above employee's current salary. <ul style="list-style-type: none"> ➤ If more than 10% and up to 15% above current salary ➤ If more than 15% ** 	<p>Managers</p> <p>Managers</p> <p>Dean/VP</p> <p>Consultant</p> <p>Comp Mgr; Asst VP; DHRM</p>	<p>P3A</p> <p>P3A</p> <p>Pay Action Request, P3A</p> <p>Pay Action Request, P3A</p> <p>Pay Action Request, P3A</p>
<p>Competitive Demotions (lower pay band):</p> <ul style="list-style-type: none"> ➤ If same or less than employee's current salary (not to exceed maximum of lower pay band).* 	<p>Managers</p>	<p>Pay Action Request; P3A</p>

* **Reminder:** salary below employee's current salary could be appropriate if duties are less complex, relative KSAs are not apparent, etc.

NOTES:

* Note on P3A if salary offered is minimum of predetermined hiring range.

** **Department of Human Resource Management (DHRM) approval is required for promotional offers above 15%.** These requests must go through Asst. VP, Human Resources, or Compensation Manager if Asst. VP is not available.

Guidelines for Making Compensation Decisions for Non-Competitive Actions

Procedure and Approval Process for Pay Recommendations

Supervisors and department managers are strongly encouraged to work closely with their assigned HR Consultant to determine an appropriate salary adjustment for all non-competitive pay actions and to ensure pay factors are considered when recommendations are made. Consultants will be able to share external market and internal salary comparison data to assist hiring managers.

In addition to the procedures outlined below, approval channels internal to the organization unit/senior management area must be followed. ***Joint-funded positions also require approval by any unit sharing in the funding of the position.*** The Pay Action Request will be required for most non-competitive actions involving a salary adjustment.

Pay Actions	Authority	Documentation
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<p>Role Change (employee stays in same position number)</p> <ol style="list-style-type: none"> 1. Upward role change 2. Lateral role change 3. Downward role change 	<p>Consultant & Comp Mgr</p> <p>Consultant</p> <p>Consultant</p>	<p>P112; and Pay Action Request</p> <p>P112, and Pay Action Request</p> <p>P112; P3A after 6 months if salary is above the maximum of the lower pay band</p>
<p>In-Band Adjustment (for change in duties, acquisition/application of new KSAs, retention, and internal alignment)</p> <p>Note: actions that are deemed to have impact across senior management areas will be subject to either a higher level of review by Executive Management, or consideration by an ad hoc compensation review committee designated by the Asst VP prior to approval by Asst VP.</p>	<p>Rev'd by Consultant & Comp Mgr. first; approval by Dean/VP</p>	<p>Pay Action Request; may use a spreadsheet for initial analysis</p>
<p>Transfer (non-competitive movement to a <u>different position</u> in same pay band; no salary adjustment authorized for this action under Va Tech policy)</p> <ol style="list-style-type: none"> 1. Reassignment by manager 2. Employee request (voluntary) 	<p>Consultant</p>	<p>P112 (to document request to fill vacancy via exception to recruitment); P3A</p>
<p>Temporary Pay (employee stays in <u>same position</u>)</p> <ol style="list-style-type: none"> 1. Assignment of duties in higher pay band 2. Assignment of duties in same pay band <p>Note: Pay Action Request form should document the specific changes in duties or assignments, and should also specify effective date and expected duration.</p>	<p>Consultant</p> <p>Consultant</p>	<p>Pay Action Request, P3A</p> <p>Pay Action Request, P3A</p>
<p>Voluntary demotion (non-competitive, employee requested, to a <u>different position</u>)</p>	<p>Consultant</p>	<p>P112 (to document request to fill vacancy via exception to recruitment); Pay Action Request; P3A</p>
<p>Disciplinary/Performance Demotion (may be a demotion to a <u>different position</u> OR handled as a <u>reduction in duties of current position</u>; P112 documentation needed for either demotion to different position or for change/reduction in responsibilities of current position)</p>	<p>Consultant</p>	<p>Performance Evaluation or Written Notice to document reason for action; P112, P3A</p>
<p>Competitive Offer (other state agency or non-state employer)</p> <ol style="list-style-type: none"> 1. Up to 10% above current salary 2. Above 10% 3. Above 20% <p>Note: documentation should normally include a copy of the offer letter from competing employer.</p>	<p>Dean, VP <i>(may not be delegated to department)</i></p> <p>Comp Mgr</p> <p>Asst VP, Human Resources</p>	<p>Pay Action Request</p> <p>Pay Action Request</p> <p>Pay Action Request</p>

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