

## FY10 Compensation Principles: Social and Behavioral Sciences

### Background:

Because the university's compensation philosophy provides a market-based, performance-driven framework for compensation, all recommended increases must be based on performance, market, and/or equity considerations. Step, across-the-board, longevity, cost-of-living, or other increases indicative of entitlement to a minimum raise are inconsistent with this philosophy.

### Principles and Process:

**Departmental recommendations.** Following university guidelines, aggregate merit percentage pools for faculty, unclassified professional staff, and classified civil service remained separate and were set at 2.5%. All annual rate and cash salary adjustments were paid from unit funds. Individual increases in excess of 10% (excluding promotion and university "distinguished" awards) required university as well as college approval.

**Faculty.** In making their faculty raise recommendations from department funds, departments were guided by their POA rules in determining the appropriate time period for evaluation of faculty performance and the specific guidelines for evaluating that performance. SBS units differed in windows for evaluation and thus we had no common time period across the college. Written analyses of performance submitted to the college office needed to clearly indicate the time periods for evaluation of the various performance items (e.g. two years for journal articles, three years for books, etc.), as is called for in the department POA. As in the past, the overall college criterion for salary awards was excellence in the performance of responsibilities in faculty scholarship, teaching, and service as specified in departmental POAs. Performance indicators included: number of refereed journal articles, some indication of the quality of journals (e.g. flagship, blue ribbon, impact ratings, or whatever measures are used in the unit), book chapters, scholarly books (listing the press), edited books, grants, citations (if this number was collected), SEIs, qualitative descriptions of excellence in teaching (e.g., external teaching recognitions, successful new courses, new Ph.D.s produced, honors theses advised, etc.) and qualitative descriptions of service to the department, discipline, university, state and nation. If a unit had its own rating system, that information was included in the submitted table (e.g. a rating from a salary committee).

Chairs prepared specific percentage and dollar amount salary recommendations for their faculty, taking into account both the percentage and the absolute dollars of the raise. Consistent with past practices in the college and with the performance culture of the university, raises need to reflect the differential performances of faculty. This is particularly difficult to do when the aggregate salary increase is small. In such circumstances, there is a temptation to be less rather than more differential because of the relatively smaller dollar amounts involved. However, when we face a small aggregate increase, there is an even greater need than usual to have a very strong raise differential. To do otherwise risks under-valuing the performance of our best personnel.

With only a 2.5% aggregate pool available this year, it was anticipated that the foregoing guidance would result in a 0% merit raise for approximately a quarter of each unit's faculty. The actual median of departmental percentages of unit faculty receiving 0% merit increases was 24% with a range of 15% (in our smallest unit) to 30%. Any faculty who were promoted for FY09 received a 6% increase from OAA funds; chairs recommended a salary increase of at least 2.5% on top of OAA's 6%. Faculty who received a counter-offer for FY09, and whose salary was thereby set were not included in these recommendations.

We recognized that merit award systems can still lead to inequities when viewed from the perspective of lifetime productivity (e.g. when a faculty member is steadily productive every year

but may fall below the cut for extraordinary raises). Chairs included information about the inequity and any proposed adjustment if this affected any salary recommendations for particular faculty. We also recognized that some faculty have performance profiles that make them especially attractive to other universities. Salary raises can take this into account.

**Associate Deans, Directors, and Chairs.** College faculty with a percentage of their appointment devoted to administrative responsibilities and who reported directly to the Dean of SBS were asked to submit a productivity report for the preceding fiscal year. Associate Deans and center directors with joint college-department appointments were evaluated by the Dean based on their performance of their college administrative duties during the preceding fiscal year and by their department chairs following guidelines for faculty in their POAs. Their total salary raises were a composite of their separate college and department raises as governed by their FTEs in each, respectively. Department chairs and center directors with 1.0 FTE administrative appointments were evaluated by the Dean based on their performance of administrative duties and of faculty responsibilities in teaching, research, and service during the previous fiscal year. Their raises were set by the Dean based on this performance and the absolute dollar amount of their salary.

**Staff.** Staff performance for the 2008/2009 year was considered as a part of the salary decision-making process. The compensation rate for individual positions was established by analyzing the impact of the individual positions on the unit's mission as well as factoring in relevant competitive markets, always mindful of the unit's budget resources. Compensation increases for staff on probationary status were delayed until successful completion of the probationary period. Units determined the eligibility of recent hires to participate in the compensation process. It was expected that any recent hires made ineligible had received notification from the unit that their hiring salary remained constant for a specific period, resulting in their ineligibility to be included in the FY10 salary process.

Agency funds were permitted to utilize guidelines set by each entity's board as long as those guidelines were current and reasonably consistent with university guidelines. If the yearly salary increase timeline differed from the university, such employees were made ineligible in the annual university compensation process.

Staff earning below the pay range minimum, regardless of status, received the increase necessary to bring the employee to the new pay range minimum.

**GAs.** Returning GAs who were performing well "should receive compensation increases consistent with the average increase in the aggregate percent of increase" for faculty/staff. SBS units were expected to manage this provision as they have in the past through their comprehensive programs for rewarding movement through the various academic benchmarks.

**Cash payments.** Cash payments in lieu of salary increases for faculty or staff at the high end of the pay range (or competitive market) are not considered bonuses and may continue to be administered, as this is a process which reduces annual salary commitments into the future. As such, these cash payments in lieu of raises cannot exceed .5% of total AMCP salary budget. Such payments must be accompanied by a written rationale and approved by OHR.

**Faculty/staff notification of new salary.** All faculty and staff received written notification of their new salary for FY10. The notification for faculty or staff receiving no increase referred to supporting rationale—i.e. referenced their annual performance review.