The Future of Policy-Covered Staff Compensation at UCR

August 2015
In March 2014 Chancellor Wilcox formed an advisory committee on staff compensation, chaired by VC P&B Anguiano.

Charge: Make recommendations to guide future staff merit program.

VC Coley joined shortly after his arrival at UCR. In October 2014, three work groups were formed to develop recommendations in three key areas.
Current State of Staff Compensation at UCR

- Current merit program funding based on **3% ($3M)** of eligible base payroll
- In the most recent fiscal year, the campus awarded an additional **1.2% ($1M)** in 204 individual salary increases to nonrepresented staff
- This represents an additional **1.2%** of nonrepresented base pay that is spent with no overarching strategy
- Total: **4.2% ($4.2M)**
No Distributional Standard On Overall or On A Unit Basis

Overall, 78% of staff employees on campus are rated as exceptional or more than satisfactory; more than double the private industry standard.

* The distribution labeled "Industry Average" is derived from a survey of 1,000 private companies conducted by Mercer in 2010.
Goal – Recommend merit strategies for non-represented staff that:

- **Recognize**
- **Reward**
- **Motivate**
Committee recommended work groups be created to develop integrated framework

Integrated Staff Compensation Framework

Career Tracks ➔ Meaningful Performance Evaluations ➔ Merit-Based Salary Program ➔ Strategic Equity Adjustments
Workgroups: Outcomes

UCR Staff Compensation Initiatives

1. Implementation of Career Tracks to align titles to market in September 2015

2. Performance management workgroup developed recommendations for performance evaluation process, factors and standards which will encourage meaningful differentiation based on performance

3. Equity/Reclassification workgroup developed recommendations for best practices and process enhancements to limit reliance on individual actions to address promotion and market; implement an annual equity call and effective use of salary ranges

4. Merit criteria workgroup developed recommendations for strategic, consistent and impactful use of available salary increase budget
Performance Evaluation Workgroup
Recommendations

- Redesign performance factors, standards, and rating scales
- Ensure factors, standards, and ratings categories are clear, understandable and consistently applied
- Increase accountability
- Incorporate commitment to employee development
- Change timing of performance appraisal process to support July 1 effective date of merit increases
Merit Program Workgroup Recommendations

**Merit**
- Redesign Merit Distribution Model to separate performance appraisal process from award of merit and ensure available dollars are distributed campus wide on basis of high performance
- Add mechanism to address extreme high and low performance

**STAR**
- Align STAR program with the performance management program and with campus strategic objectives
Equity and Reclassification Workgroup Recommendations

- Reduce number of equity requests by supporting consistent, appropriate use of salary ranges
- Limit use of reclassification when recruitment is more appropriate
- Develop practices and processes for a single, once-per year equity call
Next Steps

- Report will be published on HR website
- Processes will be developed to implement recommendations
- Group identified related opportunities for additional work in support of staff career advancement – phase 2