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Applies to: Staff

## **POLICY**

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Issued: 12/01/1981

Edited: 08/05/2016

The university promotes compensation strategies, combined with benefits and perquisites that maximize the recruitment, performance and retention of quality staff.

\* This policy will be administered by Health System Human Resources (in coordination with the Office of Human Resources) for Health System staff.

## **Policy Details**

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### **I. Salary Administration**

#### **A. Compensation principles**

1. The achievement of excellence within each college or vice presidential unit is the primary measure of compensation strategy success. The concept of excellence includes:
  - a. Attracting and retaining quality staff.
  - b. Investing in performance.
  - c. Achieving an appropriate environment of equity.
  - d. Encouraging the development of both expertise in a specialized area and the ability to utilize a broad set of knowledge and skills.
2. The compensation rate of a position is primarily established by relevant competitive markets, the impact of the position or team on the mission of the unit and available funding. Salary patterns within a job title may vary by the credentials and performance of staff occupying individual positions. College and vice presidential units should pay particular attention to equity patterns. Cash compensation is the most visible part of total compensation. However, non-cash compensation should also be considered in determining the appropriate level of compensation for an individual staff member.
3. Salary increases are awarded based on merit, which includes performance, internal and external equity and the impact of the position or team on the mission of the unit and the university.
4. Each position is assigned to a pay range or pay band.
5. Staff must be paid at least the published minimum of the pay range or pay band for their position classification.
6. Salary actions are implemented at the discretion of the employing unit.

#### **B. Target hiring range**

1. A target hiring range must be established prior to posting a position based upon budgeted funds for the position, identified skills and/or experience, salaries paid within the college or vice presidential unit for similar positions and an assessment of the relevant competitive market.
2. The hiring range should normally have a spread of \$3,000 to \$8,000. For certain high level or highly specialized positions, a wider spread may be appropriate.
3. The dean, vice president or appointed representative is responsible for approving target hiring ranges and may approve a hiring salary provided it is no more than 15% above or below the target hiring range. If the hiring salary is more than 15% above or below the target hiring range, the action must be approved by the Office of Human Resources, [Organization and Human Resource Consulting \(OHRC\)](#).



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C. Salary guidelines

The salary for an internal promotion or hire should be determined in the same manner as that for an external hire. A demotion generally requires a reduction in salary. Salary for hiring, promotion, lateral job changes or demotion will be established consistent with the following factors.

1. Individual credentials and experience will be compared to those in similar positions in the employing unit and, if applicable, across the university.
2. Individual credentials and experience will be compared to the relevant competitive market.
3. The individual's expected level of performance will be considered.
4. The level of available funding within the employing unit is also a factor.

D. Exceeding the pay range or pay band

1. Employees will not normally be paid above the maximum of the pay range or pay band for their assigned classification. However, the college or vice presidential unit may elect to exceed pay range or pay band maximums for employees whose demonstrated level of performance and position within the competitive market justifies such compensation.
2. Factors to be considered in making a determination to exceed the pay range or pay band include: the local value of the position within the college or vice presidential unit, the consistent outstanding level of performance by the employee and the requirement of specialized skills and/or expertise to successfully perform the job duties. College or vice presidential units are encouraged to contact the Office of Human Resources, [OHRC](#), for assistance in determining appropriate salary levels when exceeding the pay range or pay band.

E. One-time cash payments

The use of one-time cash payments is allowed for outstanding achievements on time-bound projects and/or to supplement the salary increase process in recognizing outstanding performance. One-time cash payments should not be a substitute for annual rate with few exceptions (such as compensation based upon the attainment of productivity or quality targets as part of a bona fide variable compensation program).

## II. Classification of Positions

A. Reclassification of existing positions (with incumbent)

1. The college or vice presidential unit, employing unit or incumbent staff member may initiate requests for reclassification. Requests may also be made for review for appropriate classification and pay range or pay band assignment. Reviews should be requested no more than once per 12-month period. More frequent reviews may occur for exceptional circumstances such as departmental restructuring. The Office of Human Resources, [OHRC](#), will facilitate the review of positions or may independently initiate the review of positions, when deemed necessary.
2. Staff requests are submitted through the employing unit and college or vice presidential unit prior to being forwarded to the Office of Human Resources. The employing unit may recommend a classification that is submitted to the college or vice presidential unit. After approval of the college or vice presidential unit, the recommendation is submitted to the Office of Human Resources, [Organization and Human Resource Consulting \(OHRC\)](#), for a final determination.



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**B. Classification of new positions**

An employing unit may initiate the creation of a new position by creating a position description for the job and submitting it to the college or vice presidential unit for approval. The employing unit may recommend a classification for the new position for approval by the Office of Human Resources, [OHRC](#). If approved by the college or vice presidential unit, the personnel data is submitted to the Office of Human Resources, [OHRC](#), for final determination.

**C. New classifications**

New classifications are created only when it is demonstrated that a current classification does not exist to adequately capture the scope and/or emphasis of a position. The Office of Human Resources, [OHRC](#) must approve the creation of any new classification.

**D. Implementation guidelines for incumbent positions**

When a currently filled (incumbent) position is reclassified to a higher, lower or lateral classification and/or pay range or pay band, the effective date is the date of determination by the Office of Human Resources, [OHRC](#). This date is normally within four weeks of the date of the classification decision by the Office of Human Resources. Employing units are responsible for ensuring that appropriate appointment changes are made within this timeframe. The Office of Human Resources, [OHRC](#), must approve effective dates differing from these parameters.



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**PROCEDURE**

Issued: 12/01/1981  
Edited: 04/14/2014

**I. Approval Process for Salary Actions**

The salary approval process for promotion, demotion or lateral change varies depending upon the rate of the desired increase or decrease. The following chart summarizes the approval process for internal salary actions.

Change in Position	Change in Salary	College/VP Unit Role	OHR Role
<b>Promotion</b>	+ 5-10%	authorized to approve	consultation if requested
	<+ 5->+10%	must seek approval from OHR unless the proposed salary is the minimum of the new pay range or within the advertised target range	approves or disapproves
<b>Demotion: Voluntary or Disciplinary</b>	- 5-10%	authorized to approve	consultation if requested
	-<-5% or >-10%; any increase	must seek approval from OHR	approves or disapproves
<b>Failed probation</b> If original move was promotion or lateral	must return to former rate of pay	must return to former classification and rate of pay	notifies employee of status and assists employee and unit in resolution
<b>Lateral: Position change</b> Job change requires no change in skills or knowledge	+ <5%	authorized to approve	consultation if requested
	>+5%	must seek approval from OHR	approves or disapproves
<b>Lateral: Career progression</b> a. new job requires use of significantly new set of content knowledge or skills, b. new job involves change from individual contributor or specialist to managing people, projects, etc. c. new job requires increased level of complexity or expertise	+ 5-10%	authorized to approve	consultation if requested
	+<5% or >+10%	must seek approval from OHR unless the proposed salary is within the advertised target hiring range	approves or disapproves
<b>Counter offer</b> (staff must provide evidence of offer from other employer)	up to +10%	authorized to approve	consultation if requested
	>+10%	must seek approval from OHR	approves or disapproves
<b>Mid-year salary increase</b> (equity, market, performance, etc.)	up to +10%	authorized to approve	consultation if requested
	>+10%	must seek approval from OHR	approves or disapproves

**II. Nature of Job Change**

The following tables apply only to job changes between broadbanded and non-broadbanded positions. They serve only as a guideline and should be appropriate for most situations. A determination as to the nature of the change (promotion, demotion or lateral transfer) is necessary to apply the appropriate salary guidelines and to determine whether a probationary period must be served (refer to [Policy 5.10](#), Probationary Period). A request for review may be made to the designated Human Resources Consultant. For job changes into or within the Medical Center, a request for review may be made to Medical Center, Classification and Compensation.

- A. A move across the table is a lateral move. A probationary period is required for CCS positions.
- B. A move up the table is a promotion. A probationary period is required for CCS positions.



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- C. A move down the table is a demotion. A probationary period is not required, but CCS certification must be attained for CCS positions.
- D. Broadbanded pay bands and classified, unclassified and professional and technical pay ranges.

Broadbanded Pay Bands	Classified Civil Service Pay Ranges	Unclassified Pay Ranges	Professional and Technical Pay Ranges
A5		71 70	
A4		69 68	91 90
A3		67 66 65 64	89 88 87 86 85
A2	33 32 31 30 29 28 27	63 62 61 60	84 83 82 81 80 79 78
A1	26 25 24 23 22 21 20	59 58 57 56 55 54	77

- E. Broadbanded pay bands and CWA skilled trades and service salary grades.

Broadbanded Pay Bands	CWA Skilled Trades Salary Grade	CWA Service Salary Grade
A5		
A4		
A3	12 11	
A2	10 09 08 07 06	08 07
A1	05 04	06 05 04 03 02 01



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F. Hospital facilities pay bands and CWA skilled trades and service salary grades.

Hospitals Facilities Pay Bands	CWA Skilled Trades Salary Grade	CWA Service Salary Grade
F5		
F4		
F3	10 09 08	08
F2	07 06	07
F1	05 04	06 05 04 03 02 01

### Responsibilities

Position/ Office	Responsibilities
Employing Unit	A. Ensure staff are classified appropriately by reviewing and updating position descriptions regularly. B. Submit requests for reclassifications as appropriate. C. Submit requests for salary actions as appropriate.
College/VP Unit	A. Approve requests for reclassifications as appropriate. B. Submit requests for salary actions as appropriate. C. Approve requests for salary actions as appropriate.
Office of Human Resources	A. Consult with employing units, colleges and VP units as needed. B. Approve requests for reclassifications as appropriate. C. Approve requests for salary actions as appropriate.

### Resources

Human Resources Policy 5.10 Probationary Period [hr.osu.edu/policy/policy510.pdf](http://hr.osu.edu/policy/policy510.pdf)

Office of Human Resources Compensation Website [hr.osu.edu/services/compensation/](http://hr.osu.edu/services/compensation/)

Salary Grade Tables [hr.osu.edu/services/compensation/salary-grade-tables/](http://hr.osu.edu/services/compensation/salary-grade-tables/)

Compensation Philosophy, Objectives, Strategies and Principles [hr.osu.edu/services/compensation/](http://hr.osu.edu/services/compensation/)

### Contacts

Subject	Office	Telephone	E-mail/URL
Policy questions	Organization and Human Resource Consulting (OHRC), Office of Human Resources	614-292-2800	<a href="mailto:hrcompensation@osu.edu">hrcompensation@osu.edu</a> <a href="http://hr.osu.edu/services/compensation/">hr.osu.edu/services/compensation/</a>
Policy questions for Medical Center employees	Medical Center Classification and Compensation Health Center Human Resources	614-293-4995 614-293-4988	



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## **History**

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Edited: 10/31/1997  
Revised: 10/15/1999, renamed Salary Administration & Classification  
Edited: 09/06/2002  
Revised: 07/01/2007  
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