University of Tennessee - Knoxville Area
Guidelines for Salary Actions

Updated April 12, 2022

Definitions

Classification: A review process that aligns an individual Position Description with a Job Family role and level. This drives the Market Range that the position will be assigned to.

Job Family: A large group of jobs that involve work in the same functional occupation. The University of Tennessee has 27 job families ranging from Administrative to Veterinary & Animal Care.

Job Family Role: A more narrowly defined smaller group of jobs within a larger job family that are typically in the same specific occupation. Roles that are typical of a job family usually include a technical/paraprofessional role, a professional role and a management role. Most job families have three or more roles.

Job Family Level: An even more narrowly defined group of jobs within the Job Family Role that have similar complexity, level of ultimate responsibility, and required education, experience and knowledge, skills and abilities (KSAs). Each level is matched to a market range.

Position Description (PD): A form which captures a specific set of duties and responsibilities, minimum qualifications, KSAs and working conditions for a specific position. Typically, there is one position description for every one staff position.

Market Ranges: A market-based pay structure consisting of a series of pay ranges that are developed using salary market analysis of similar positions commonly found in comparable industries.

When Should I have a Position Reviewed?

The following scenarios are examples of when it might be appropriate for a position to be reviewed.

- Department/Unit Reorganization – there has been or will be a redistribution of duties among positions in unit, a change in reporting structure that impacts duties of positions or units are being consolidated or separated
- New Work – department has gained new work and tasks have either been distributed among positions in unit or the new work supports the need to create a new position
- Progression of Duties – the current holder of the position has naturally progressed to take on different, additional, new and higher-level duties. These changes should be considered a permanent change to the position and the duties should be performed for at least six months prior to submitting a classification review.

- Vacancy – a position becomes vacant, and the department takes the opportunity to assess the work performed by a position and to make updates to the PD prior to starting a recruitment.

Position Review Outcomes:

The following are typical outcomes resulting from a position review:

- **No Change Recommendation**
    - No change in classification or salary for an occupied position. It is determined that the position is appropriately classified, and holder is appropriately compensated.
    - No change in classification with salary increase. It is determined that the position is appropriately classified but salary increase is recommended for the holder of the position. This could be for several reasons including taking on additional responsibilities that do not result in a classification change, or an equity or market adjustment.
- **Reclassification Recommendation**
    - Reclassification is recommended to reassign the position to a classification with a higher market range.
        - May include a salary increase recommendation if a position is occupied
        - May include a FLSA (Fair Labor Standards Act) exemption change
    - Reclassification is recommended to reassign the position to a classification with a lower market range.
        - May include a FLSA exemption change
        - In rare circumstances this may include an recommendation to adjust a salary if a position is occupied
    - Reclassification is recommended to change the job family classification, but the market range remains the same
        - May or may not include salary change recommendation if position is occupied

Key points and questions to think through when considering submitting a position for review:

- Have additional positions been impacted by the changes made to one PD? This may occur when duties have been reassigned or a change in supervision layers is planned.
- When a position takes on new work, the changes should be substantial, typically impacting at least 25% of the position functions and duties, to warrant a review.
- An excellent time to review a PD and make any necessary updates is during performance review conversations. It is a great time to make sure the PD is accurate and also to discuss expectations of the accountabilities in the PD with the incumbent.
- During a unit reorganization the Office of Equity and Diversity and/or Human Resources Employee Relations may need to be consulted. When reorganization is being considered, please contact HR Compensation to help think through the impact to positions
- Typically, occupied positions should be reviewed a maximum of one time per year.
- An increased volume of work does not always constitute increased complexity, and may not result in a classification change. However, this scenario may support an in-range salary adjustment (e.g., delivering more mail vs delivering, sorting, and responding to items in the mail).

- Reclassifications of occupied positions or salary changes are typically effective with the beginning of the month after the PD was submitted for review. Some effective dates should be coordinated with the payroll calendar and pay schedule for the employee.

In-Range Adjustments

In-range adjustment may be appropriate when:

- New work or additional responsibilities have been added to an employee's position, but the result of added work does not result in a change in classification (see Position Review Outcomes above).
- Employee gains additional skills or knowledge directly related to their job, such as:
    - A job-related certification such as the CAP
    - A degree related to their position/work performed
    - A license related to their position

  Note: the above scenarios may be appropriately compensated via one-time bonus instead of an in-range adjustment.

- Additional reasons as outlined below.

Notes: The supervisor/leadership of the department must be supportive of these pay actions in addition to having budget availability. Please contact HR Compensation to discuss in-range adjustments.

Internal Alignment/Equity adjustments

An equity adjustment is a salary adjustment that is made with the intention of maintaining a desirable salary relationship between employees that have similar education, work experience, length of service, etc. and are in similar positions.

Equity adjustments may be appropriate when:

- Department identifies peers with similar education/experience/job responsibilities that are not paid similarly
- HR Compensation uncovers departmental inequities during the review of a position
- An adjustment needs to be made to a current employee's salary to maintain departmental equity with the salary offered to a new hire during a recruitment.
- Department request review of positions in department/unit (individualized compensation assessment).

Counter Offers/Retention Adjustments

Counter offers are appropriate in cases where an employee has a formal offer of employment (offer letter) from an external organization and the incumbent is a high performer, their departure would cause extreme disruption, and/or the position is critical to operations or difficult to fill.

Counter offers are typically processed as an increase in pay (in-range adjustment) and are determined through an evaluation with HR Compensation. HR Compensation will review the employee's current pay, position within their market range and the external market, and the job offer when making a recommendation for an increase in pay.

In some cases, an updated position description review may be suggested to support higher level work being performed and a higher salary (See Position Review Outcomes).

Typically, when a counter offer is made and accepted it is with the understanding that no other counter offers will be made within a defined amount of time unless due to exceptional circumstances.

Counter offers are not appropriate for employees who have received an offer for another University of Tennessee position in another department or on another campus. Contact HR Compensation to discuss alternative options.

Retention or market adjustments can also be made as a pro-active approach to retain a high performing employee or an employee critical to maintaining operations. HR Compensation will review the salary in relation to placement in the market range.

Temporary Assignments

Temporary or interim assignments are typically assigned to an employee that is taking on additional and higher-level responsibilities on a temporary basis. Usually, temporary duties are assigned in the absence of an employee when the department needs someone to fill in for a vacancy or absence but may also be assigned for a critical assignment or special time-limited project. Employees should be taking on the majority of the responsibilities of the position to be considered interim assignment.

Temporary assignments are appropriate for job changes that last a minimum of 30 days and should last no longer than one year. Temp assignments are paid through a temporary duty pay ADA line on the employee's cost distribution for exempt employees, and through an hourly rate increase for non-exempt employees. Interim assignments are typically filled by placing the employee in the position on a temporary basis.

Reach out to HR Compensation to discuss temporary or interim assignments and appropriate rate for the work. Following that, an agreement is drafted and signed/approved to document the details.

Temporary assignments should be used if a special project is time limited and permanent changes to the PD are not warranted. However, if the duties last longer than one year, it may be necessary to add the work to the PD of the position performing the work.

Additional Pay

There are times when a one-time payment is the best compensation option. Additional pay for extra services is typically paid when an exempt employee performs work different than that of their primary position outside normal work hours or while on annual leave. This type of work is also typically done outside of the employee's assigned department (e.g., teaching an academic class). Only under rare circumstances should non-exempt employees receive additional pay for additional work outside of their primary position. Instead, this should be recorded as hours worked and will count towards overtime calculations.

Bonus Pay

Additional pay is sometimes awarded to employees in the form of a one-time bonus payment. These types of payments are not part of an employee's base salary/hourly compensation.

A bonus payment maybe appropriate when:

- Employees complete a large project
- Employees completes a certification or degree program (this may also be appropriate as an in-range adjustment – see above)
- Outstanding performance merits recognition with financial reward
- An in-range adjustment is not appropriate due to factors such as placement in the market range or the need to maintain equity
- Additional work was taken on for a temporary period, but does not qualify for a temporary assignment

How to use the Market Ranges

The University of Tennessee's staff market ranges are divided into four quartiles. Quartiles are further defined below with insights on where you might hire new employees within the market range assigned to a position or where you might project existing employees within that range.

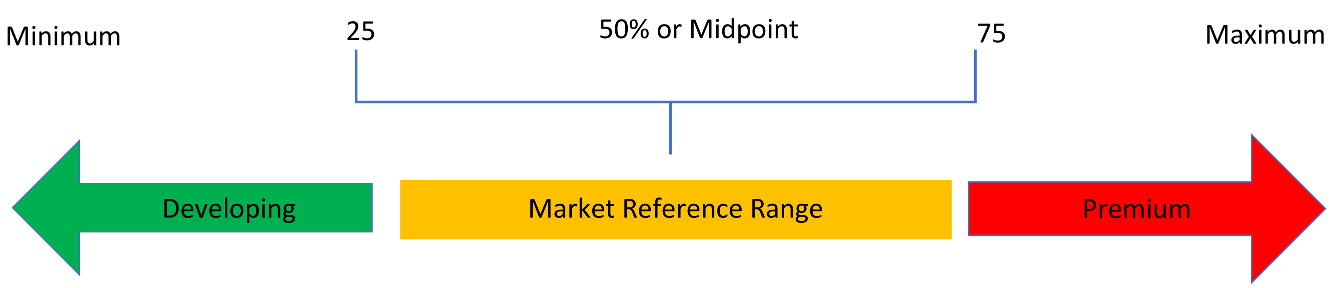
Quartile 1 (0-24%): Entry level salary for a minimally qualified candidate who is comparatively less experienced and is developing their knowledge, skills and abilities in a field that is new to them. Typical zone for an individual with little to no experience at the level of the position.

Quartile 2 (25-49%): Hiring range for candidate who is fully qualified for position. It is anticipated that they perform the duties and responsibilities for the position at the full scope of the intended role. Candidate has demonstrated aptitude and record of accomplishment in the field. Candidates demonstrate promise for success and current employees have a track record of positive performance.

Quartile 3 (50-74%): Candidate demonstrates mastery of field and has significant and extensive proven record of experience and accomplishments at a similar or same level of position. Candidates demonstrate a promise for high level of performance and are expected to have little to no learning curve. Typical zone for candidates with extensive direct experience. Current employees in this quartile have a history of excellent performance (exceeding expectations).

Quartile 4 (75-100%) 4: Rarely appropriate for a zone for starting salary. Typically, employees in this quartile are towards the end of their career. If hiring into this quartile, candidates should bring substantive experience and possess mastery of skills, competencies, and capabilities well beyond the minimum requirements of the position.

1st Quartile	2nd Quartile	3rd Quartile	4th Quartile
Entry level salary for a minimally qualified candidate who is comparatively less experienced and is developing their skills, abilities and knowledge in the field.	Effectively performs all duties and responsibilities of the position and has a proven record of accomplishment in their field. Demonstrates aptitude for advanced level and long-term promise.		Highly experienced professional with substantive experience. Possesses skills, competencies, and capabilities well beyond the minimum requirements of the position.
Typical zone for individual with little/or no experience at present level in similar organization/institution	Typical zone for individual experienced in most job responsibilities and progresses for individual with extensive direct job experience		Rarely appropriate as a zone for starting salary.



The Market Reference Range is a salary range that is a result of a culmination of salary data gathered from like positions in the external market. The term "pay at market" typically means the 25th to 75th percentile, or the 2nd and 3rd quartile, of the market range. Not all employees should be paid "at market". For example, hires with very little to no experience may warrant a hiring salary in the 1st quartile, and candidates with extraordinary experience may justify pay above the 75th percentile.

Questions

Questions related to pay increases should be directed to HRCompensation@utk.edu or by reaching out to one of our HR Comp team members:

Tarah Keeler	Executive Director of Recruitment and Compensation/ Deputy CHRO	865-974-0424
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