



SYMPOSIUM ON
SALARY POLICY, SALARY SCALES, SALARY STRUCTURE

2008-10-30

TABLE DISCUSSION SUMMARIES

Table	Discussion Outcome
1	<p>Support is for Echelon increases only, with only one table member supporting a combination salary policy of echelon and merit.</p> <p>No one favoured a total Merit system; and special mention was mad of the importance of scale adjustments.</p>
2	<p>There was support for the combination system of salary progression, noting that there is a need for across-the-board increases that cover inflation.</p> <p>Merit must be a fair, open and transparent process, plus the funds to support such a system of salary progression. Guidelines, tools and training are necessary for a merit program, and performance dialogue could play a stronger role in the process.</p> <p>A question raised was:</p> <ol style="list-style-type: none"> 1. How do you compare performance between departments? <p>There was no support for a total merit system and some support for echelon only.</p>
3	<p>Of the remaining members of the table following the discussion - many had to return to work prior to the conclusion of the symposium - a clear majority supported echelon increases only, with little support given to the merit system.</p>
4	<p>The current system is endemic with the following problems:</p> <ul style="list-style-type: none"> - Top of Scale lump sum increases; - No transparency - Recommendations are arbitrary - No system for fair evaluation - Subjective evaluation - Instructions for the distribution of merit are not clear (for this year) - Salary increases are not equivalent to CPI <p>Support was entirely for echelon increases.</p>
5	<p>Full support was provided to echelon increases; zero support for</p>

	<p>merit.</p> <p>Echelon was viewed as a fair means of compensation, equally distributed, is not subjective, managers who work hard will not be overlooked and large increases are not based on hierarchy and relationships.</p> <p>Pay for performance is fine for large companies with the capacity to pay.</p> <p>Rejection of Merit:</p> <p>The current merit system is tied in with the performance dialogue, but the tool is not being used across campus. The merit definition has been inconsistent through the years – How can the system assess employees if the assessment tools change every year?</p>
6	<p>Unanimous support provided to echelon increases:</p> <p>Cost of living always indexed to the market (CPI index);</p> <p>All staff should receive an increase to adjust salaries to the cost of living plus receive a scale adjustment;</p> <p>The concept of merit is good, but the problem is with its application – it is presently unfair, limited and not transparent. Therefore, Scale and cost of living (echelon) increases should be the method of annual salary progression unless merit can be and is fairly applied.</p>
7	<p>Support was provided for echelon increases plus the use of a bonus system.</p> <p>Across the board increases (not merit) in these times of economic uncertainty is a much fairer approach. Consideration should be given to implementing an annual bonus model (based on performance).</p> <p>Some questions were raised by this table for discussion with HR and for MUNASA Executive:</p> <ol style="list-style-type: none"> 1. How many new level 4 and E positions have been created and staffed in 2006, 2007 and 2008? 2. What are the tools available to MUNASA to refuse the offer of the Senior Administration? 3. Why is the Senior Administration using Management Forum as a vehicle for dispensing information to M Staff? 4. What is the latest information from Senior Administration – document from HR? 5. What happens when a staff member did not have a performance dialogue in the past? 6. Performance dialogue versus one-way communication??
8	<p>The current merit system is flawed and needs to be revamped;</p> <p>All employees should receive cost of living adjustments;</p> <p>Scale increases are market driven;</p>

	<p>Decouple merit from salary policy – cost of living should take priority. If there is money for merit, then consideration can be given;</p> <p>Merit awarded as a percentage based on performance and job grade;</p> <p>As long as the merit process is modified, salary policy should have two components:</p> <ol style="list-style-type: none"> 1. Cost of Living + Scale adjustments; 2. Merit <p>The distribution of the two components would be through two distinct and separate budgets and requires the training of managers.</p>
9	<p>There should be an across the board increase that matches the cost of living adjustment based on the Quebec Consumer Price Index;</p> <p>Following the cost of living adjustment, any further salary progression should be paid as:</p> <ol style="list-style-type: none"> 1. 50% performance based merit increases; 2. 50% Echelon increases (across the board) <p>Compensation should be provided of the consistent requirement for excess overtime, which is currently unpaid.</p>
10	<p>Merit:</p> <p>“To be or not to be”</p> <p>There is a general consensus that the system of salary progression should not be tossed aside without examination. There are reasons for not retaining a merit system:</p> <ul style="list-style-type: none"> - poorly and ineffectually managed - too little money to be worth the trouble - people at the top of their scale complain because merit is paid as a lump sum (not a true salary increase) - Not fair: cannot award all top performers, and the process is poorly managed. <p>There are reasons for retaining a merit system of compensation:</p> <ul style="list-style-type: none"> - Allows for progression up the scale; scale increases do not <p>Preference given to a combined merit and scale increase.</p>
11	<p>Reasons to reject merit:</p> <ul style="list-style-type: none"> - The salary budget is not sufficient to support a merit system. - There is usually only one person benefitting, while the remainder receive little due to the limited pool of money. This system does not motivate. - Merit evaluations are presently subjective. There is no quantitative measure of one’s performance; the process hinges on the evaluator’s style <p>Across the Board increases preferred, and cost of living increases</p>

	<p>are required.</p> <p>Unanimous support for echelon increases.</p>
12	<p>Support was weighted for echelon increases, however support is also provided for a combination system of salary progression, where merit is a separate policy from annual salary increases. A full merit system is rejected.</p> <p>The current merit system is unfair and subjective, lacks transparency, and the reward cannot be given without hurting another (i.e. insufficient funds to adequately support the system and all top performers).</p> <p>All employees should receive a cost of living adjustment.</p> <p>Questions raised by the table:</p> <ul style="list-style-type: none"> - What happens to people at the top of their scale? - Why are Ms the only staff group who do not receive scale and cost of living? - What does this say about how the University views Ms?