FY 2013-2014
Pay-for-Performance Program and
Staff Compensation Program

Information Session

2013

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University Human Resources
P4P and SCP Program Highlights

Performance Appraisals

- All appraisals and increases are based on performance from May 1, 2012 through April 30, 2013
  - Performance appraisals are to be concluded and employees notified of evaluation results by **April 30, 2013.**
  - **SCP only:** Employees who do not receive an evaluation by April 30, 2013 shall receive a 2.25 percent salary increase effective July 1, 2013 for 12-month staff; September 1, 2013 for 10-month staff
  - Employees have the opportunity to comment in writing about their performance appraisals by June 1, 2013.
Program Highlights...

**P4P**
- Salary pool of 2.15% of eligible salaries of $100,000 or more; and 2.25% of eligible salaries less than $100,000 of eligible MPSC staff salaries as of March 1, 2013.
- Salary increases of 1 - 6% are based on the March 1, 2013 salary and will be effective July 1, 2013 for 12-month staff; September 1, 2013 for 10-month staff.
- February 1, 2012 salary scales will remain in effect for this program.

**SCP**
- Salary pool of 2.25% of eligible URA-AFT employee salaries as of March 1, 2013.
- Salary increases of 2 - 4% are based on the March 1, 2013 salary and will be effective July 1, 2013 for 12-month staff; September 1, 2013 for 10-month staff.
- February 1, 2012 salary scales will remain in effect for this program.
Program Implementation – P4P and SCP

• Performance evaluations due and communicated to employees by April 30, 2013.
• Salary increases/bonuses implemented effective July 1, 2013 for 12-month staff; September 1, 2013 for 10-month staff
• Permanent pool allocations will be provided to VP/Chancellors on March 22, 2013.
• The P4P and SCP Online Systems will go live on March 22.
  – Eligibility lists, recommendation worksheets, access management and reports available directly to units from the online systems.
  – System entry and approval of all awards must be completed by May 20, 2013.
  – Online instructions for systems use are available on the P4P and SCP web pages.
• Eligible employees will be able to view approved performance awards at University Human Resources website using their NetID and password on or about June 24, 2013.
Who is eligible?

P4P and SCP

- Eligible if employee is in a program-eligible title on or before 1/1/2013
  - Must remain in program eligible title through 6/30/2013
- If hired or moved to a program-eligible title after 1/1/2013
  - Not eligible for a merit increase this year
  - Performance standards should be established for next rating period
- If you are unsure as to who is eligible, you may contact your Vice President/Chancellor, his or her designee, or your HR Consultant
Eligibility – P4P and SCP

• Eligible staff who accept another program-covered position in a different unit are expected to participate. Department heads from both the former and current units should collaborate on the performance appraisal and salary recommendations.

• Eligible staff who report to a new supervisor are able to participate. The new supervisor and the former supervisor or department head should collaborate on the performance appraisal and salary recommendations.

• Staff who were on a leave of absence for more than six months as of January 1, 2013 are not eligible for the merit program.
Allocations – P4P and SCP

**P4P**
- 2.15% of eligible salaries of $100,000 or more; and 2.25% of eligible salaries less than $100,000 based on the aggregate salaries of eligible MPSC employees as of March 1, 2013.
- Vice Presidents/Chancellors will be able to access listings of eligible employees, recommendation worksheets and other reports from the P4P Online System.

**SCP**
- 2.25% permanent salary pool allocations based on the aggregate salaries of eligible AFT employees as of March 1, 2013.
- Vice Presidents/Chancellors will be able to access listings of eligible employees, recommendation worksheets and other reports from the SCP Online System.
Special Circumstances – P4P and SCP

• Eligible 10-month staff – Performance awards will be based on the 12-month equivalent salary for consistency with HCM/Payroll. Allocations and resulting awards will be prorated to the 10-month equivalent salary.

• Part-time staff: Increases will be based on their prorated salary

• Extension staff who are partially paid by a county: Increases will be based upon their full salary

• Eligible staff in an acting assignment: Increases will be based on the pre-acting salary and then the acting rate will be recomputed.

• Staff who retire, but are still on payroll on the dates the increases are to be paid, receive their awards.
Special Circumstances

- Staff who are promoted or reclassified on June 30, 2013, or earlier: The merit increase *amount* awarded will be added to the salary in effect on this date.

- Staff who are red-circled as the result of a no-fault downgrade are not eligible for salary increases, but must be appraised and *may* be considered for a bonus.

- Staff paid from grant or self-supporting accounts must be treated the same as those paid from state-funded accounts.
Compensation – *Meets Standards*

**P4P**
- A salary increase of a minimum of 1% and ranging up to 6% based on the 3/1/13 salary. Cannot exceed the grade maximums effective 2/1/12.
- When the proposed salary increase goes above the grade maximum, employee receives a one-time bonus for the amount the proposed increase exceeds the maximum.
- The sum of the salary increase and bonus cannot exceed the 6% award maximum.

**SCP**
- A salary increase of a minimum of 2% and ranging up to 4% based on the 3/1/13 salary. Cannot exceed the grade maximums effective 2/1/12.
- When the proposed salary increase goes above the grade maximum, employee receives a one-time bonus for the amount the proposed increase exceeds the maximum.
- The sum of the salary increase and bonus cannot exceed the 4% award maximum.
Compensation – *Does Not Meet*

**P4P and SCP**

- Staff rated in this category are not eligible for a merit increase or bonus.

- Departments with staff rated as such must re-evaluate them by October 15, 2013 to determine if their performance has improved.

- With continued satisfactory performance, and if eligible for participation in next year’s program, the employee may be considered for a performance award at that time.
Performance Bonus Awards

*Only for the P4P Program*

- Deans and Directors may use a limited portion of their permanent pool to award bonuses under very select circumstances.

- Managers may want to contact University Human Resources to determine the appropriateness of awarding bonuses.

- A one-time bonus award between 1% and 3% of the employee’s pre-increase salary may be awarded. The sum of the salary increase and bonus cannot exceed the 6% award maximum.
Review Procedures – P4P and SCP

• Employees who claim that program procedures were not followed, that there was a demonstrable factual inconsistency, or that they were not evaluated according to the performance standards for their job may seek review.

• Complete procedures and forms are available on our website
Schedule – P4P and SCP

• **March 2013**
  - Program announcement
  - Information sessions for HR Liaisons and supervisors
  - Vice Presidents/Chancellors provided with the allocations for their areas on March 22
  - Online awards systems also go live on March 22

• **April 2013**
  - Performance evaluations must be completed and employees notified of the appraisal results by April 30.

• **May 2013**
  - VP/Chancellors notify UHR of approval of all awards, complete all data entry by May 20. Supervisors notify employees of performance awards.

• **June 2013**
  - Eligible employees will be able to view approved performance awards at University Human Resources website using their NetID and password on or about June 24
Schedule – P4P and SCP

• **July 2013**
  – July 5 paycheck will reflect salary increases and any bonuses effective July 1, 2013 awarded to eligible 12-month staff as a result of P4P or SCP. In order to receive performance awards, employees must remain in a program-eligible title through June 30 and must be active employees with the University through the date of payment.

• **September – October 2013**
  – September 13 paycheck will reflect salary increases and any bonuses effective September 1, 2013 awarded to eligible 10-month staff as a result of P4P or SCP. In order to receive performance awards, employees must remain in a program-eligible title through June 30 and must be active employees with the University through the date of payment.
  
  – Re-evaluation of employees rated “Does Not Meet Standards” must be completed by October 15.
Resources

• P4P Program Materials
  – P4P Program Announcements & Guidelines
  – [http://uhr.rutgers.edu/comp/P4PDD.htm](http://uhr.rutgers.edu/comp/P4PDD.htm)
    • Program Announcement
    • Program Guidelines
    • Performance Appraisal Form
    • Review Process if Procedure Not Followed
    • Review Request Form

• SCP Materials
  – [http://uhr.rutgers.edu/comp/SCPDD.htm](http://uhr.rutgers.edu/comp/SCPDD.htm)

• Questions and Assistance
  – Contact your HR Consultant at 848-932-3020
Performance Management

Setting and Communicating Standards
Session Goals

- Discuss importance of performance management
- Learn to develop performance standards for key duties
- Discuss ways to assess/document performance
- Learn strategies for conducting an effective appraisal meeting
• **Pay-for-Performance (P4P)**
  Performance based compensation program for Managerial, Professional, Supervisory, and Confidential (MPSC) Staff.  
  *University Policy 60.4.9*

• **Staff Compensation Program (SCP)**
  Compensation program for eligible URA-AFT employees as defined in collective negotiation agreement.  
  *AFT – Contract Article 38 (B-1&2)*

• **Eligibility – January 1, 2013**, active in program-eligible title
Schedule for evaluation process

• April 30 – all appraisals completed and evaluation results communicated to employees.

• June 1 – all employee comments collected
• What is “performance management”?
What is “performance management”?

- Activities that ensure that goals are consistently met in an effective/efficient manner
  - Setting/communicating goals/standards
  - Providing performance feedback
  - Addressing performance gaps
  - Coaching/role modeling
  - Rewarding performance
When to communicate duties/standards

- During new employee orientation
- When position responsibilities change
- When priorities change
- During individual meetings
- During staff meetings
- During annual P4P or SCP appraisal meeting
P4P/SCP form: performance management tool

- **Defining Performance Expectations**
  - Section 1: Key Duties
  - Section 3: Performance Standards

- **Reviewing Performance**
  - Section 2: Overall Assessment
  - Section 4: Appraisal & Documentation
  - Section 5: Performance Enhancement
  - Section 6: Signatures & Comments
• What is a key duty? What is an example from your job?
What is a key duty?

- Define purpose of job

- Key duty
  - Task
  - Area of responsibility
  - Special project

- Can change each year

- Prioritize as needed
Determining importance

- Context
  - University/department vision, mission, goals

- Purpose of job
  - Impact on education, research, service

- Impact on stakeholders/clients

- Benefits, value

- Cost if done poorly
Setting priority levels

• Rank order

• Priority level
  - High
  - Medium
  - Low

• Percentage weights
  - Allocate 100 points across the job duties
  - Based on importance to job
  - Weight does not necessarily reflect % of time on task
Job priorities example - *Project Manager*

SECTION 1: APPRAISAL MATRIX

*Directions for Priority:* **Indicate the priority levels for each duty.**

<table>
<thead>
<tr>
<th>Key Duties</th>
<th>Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Consults with User Community</td>
<td>40%</td>
</tr>
<tr>
<td>2. <strong>Project Management</strong></td>
<td>25%</td>
</tr>
<tr>
<td>3. <strong>Supervision</strong></td>
<td>20%</td>
</tr>
<tr>
<td>4. <strong>System Problem Resolution</strong></td>
<td>10%</td>
</tr>
<tr>
<td>5. <strong>Administration</strong></td>
<td>5%</td>
</tr>
</tbody>
</table>
Effective standards

Specific and defined
Measurable and observable
Accepted by supervisor and employee
Relevant to unit/department goals
Trackable over time
Measuring performance

• Work outcomes (what)
  – Work products (quality)
  – Results (cost, benefit)
  – Impact, judgment of others

• Work behaviors (how)
  – Behaviors (time, speed)
  – Work process
  – Approach to work/tasks
Writing performance standards

- Use bullets or narrative form
- Specify results and/or behaviors
- Quantify
  - Take advantage of numeric standards
- State outcomes of the activity

*Think of it this way: The key duty states what is done, the standards states how it is done*

- What’s a standard you use for your employees?
• What’s makes it hard to set standards?
It’s hard to set standards/expectations

- You may not understand job, especially if technical
- You may be unclear how job affects larger unit goals
- Job may be complex with many facets
- Defining standards takes time
- Similar jobs need consistent standards
- Measurable standards may be difficult to set
- Standards have to be reasonable yet challenging, reflective of grade
- You may not be objective
- Other . . .

University Human Resources
Conducting the performance planning meeting

• Encourage the employee to ask questions and be an active participant in the planning process

• Review the key duties and behaviors for the position; make sure the employee understands the priorities

• Together, determine how to best measure performance for each duty or behavior

• Discuss performance standards for each duty; ensure employee knows what it takes to meet expectations
Conducting the performance planning meeting (cont.)

- If there is resistance to standards, explain why you feel the standards are appropriate

- Ask if there are obstacles preventing the employee from reaching performance goals

- Discuss the commitment you will make - resources, time, and direct assistance to help the employee to improve performance
Documenting performance

- Performance documentation needs to exist to effectively give an employee feedback:
  - Increases acceptance
  - Prevents recency effect
  - Allows for trend analysis
  - May help in cases of litigation
What to document

• Specific examples
  – Positive and negative
  – Context/date
  – Behavior or inaction
  – Outcome or consequence

• Feedback given

• Action plan with deadlines
Documenting performance

- Be aware of biases
- Create opportunities to observe behaviors
- Use the performance standards
- Keep accurate records
- Document specific results or examples of behavior (FACTS)
- Avoid inferences and judgments (OPINIONS)
Conduct an Effective Appraisal Meeting

Communication is key
The appraisal meeting

- Provide information/timeline to all eligible employees well in advance
- Ensure meeting is in private with minimal distractions
- Role model two-way communication
- You may request (not require) self-appraisals, but it must be done across the board
During the meeting

• Summarize employee’s overall performance level

• Discuss performance for each key duty. Cite specific examples to explain your ratings. Ask the employee about his feelings about each assessment.

• Discuss positive and/or negative consequences of the level of performance the employee achieved

• Discuss developmental opportunities; begin planning process for the next appraisal period
Difficult appraisal meetings

- Focus on gaining acceptance by the employee and developing **joint solutions** for a performance plan

- Ascertain the employee’s reasons for self ratings

- Obtain agreement on the problem areas and identify ways to improve performance

- Agree on a set of actions and schedule follow-up dates to review progress
Support performance

- Provide necessary information and resources
- Provide on-site training
- Allow for participation in professional development
- Provide observation opportunities
- Use coaching techniques
- Other ...
Coaching for performance

• Regularly observe behaviors

• Provide feedback
  – Praise and recognition
  – Constructive criticism
  – Developmental plan

• Document performance
Resources

• General questions about the program:

  - University Human Resources, New Brunswick
    HR Consultants: 848-932-3020

  - Camden HR Office: 856-225-6208

  - Newark HR Office: 973-353-5500
Thank you for attending our information session.