

## UMKC Compensation Administrative Considerations and Guidelines

| SALARY ADJUSTMENTS      | DEFINITION  | CONSIDERATIONS  | GUIDELINES  |
|-------------------------|---|---|---|
| <b>NEW HIRE</b>         | External hire   | <ul style="list-style-type: none"> <li>- Salary Range</li> <li>- Candidate KSA</li> <li>- Internal Equity</li> <li>- Salary Budget</li> <li>- External market</li> <li>- Proximity to merit increase</li> </ul> | <ul style="list-style-type: none"> <li>- Consult with Human Resources</li> <li>- Offer within salary range (generally up to mid-point)</li> <li>- Document Offer</li> </ul>   |
| <b>LATERAL TRANSFER</b> | Individual assumes a different job with a comparable level of responsibility within the same Global Grade | <ul style="list-style-type: none"> <li>- Position title</li> <li>- Global Grade</li> </ul>  | <ul style="list-style-type: none"> <li>- Determined by position title and Grade</li> </ul>  |
| <b>PROMOTION</b>        | Move to a new position with a higher salary grade   | <ul style="list-style-type: none"> <li>- Salary Range for new role</li> <li>- Candidate KSA</li> <li>- Internal Equity</li> <li>- External Market</li> <li>- Salary Budget</li> </ul>                           | <ul style="list-style-type: none"> <li>- Consult with Human Resources</li> <li>- Offer within salary range, generally up to mid-point</li> <li>- May occur throughout the year</li> <li>- Typically grant 10% increase with the range being 3% to 15%.</li> </ul> |

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| <b>MERIT</b>       | Annual salary adjustment based on performance and the organization's ability to pay                                   | <ul style="list-style-type: none"> <li>- Salary Budget</li> <li>- Merit Increase Guidelines</li> <li>- Performance Evaluation</li> <li>- Position within range</li> <li>- Internal Equity</li> <li>- Date of Hire</li> </ul> | <ul style="list-style-type: none"> <li>- Employee below the minimum of the Grade should be first be brought to the minimum of the Grade</li> <li>- Employee at the top of the Grade, should receive salary adjustments as a lump sum until such time as the Grade is adjusted and the employee falls back within the Grade</li> </ul>   |
| <b>MARKET</b>      | Off-cycle increase to adjust for pay substantially below external market  | <ul style="list-style-type: none"> <li>- External Market</li> <li>- Salary Budget</li> <li>- Position within range</li> <li>- Internal Equity</li> <li>- Incumbent performance</li> </ul>                                    | <ul style="list-style-type: none"> <li>- Consult/approve with Human Resources</li> <li>- All market increases must be approved through campus approval process prior to notifying the employee</li> </ul>   |
| <b>EQUITY</b>      | Off-cycle increase to bring incumbent salary in line with group incumbents in like positions in the unit or on campus | <ul style="list-style-type: none"> <li>- Internal equity</li> <li>- Performance</li> <li>- Salary Budget</li> </ul>  | <ul style="list-style-type: none"> <li>- Consult/approve with Human Resources</li> <li>- All equity increases must be approved through the campus approval process prior to notifying the employee</li> </ul>   |
| <b>DEMOTION</b>    | Move to a job title in a lower global grade   | <ul style="list-style-type: none"> <li>- Was change initiated by employee or organization?</li> <li>- Incumbent KSA</li> <li>- Internal Equity</li> </ul>  | <ul style="list-style-type: none"> <li>- Consult/approve with Human Resources prior to notifying employee</li> <li>- If demotion results from reorganization, salary may be red-circled (frozen)</li> <li>- Salary reduced to within new Global Grade if employee is currently paid above new grade. If employee's current salary is within the new grade, salary may remain the same.</li> </ul> |