

In-range Salary Increases **(NEW POLICY)**

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1.0 POLICY

The City of Greensboro's Total Compensation Advisory Committee determines the strategy and priorities of the In-range Salary Program based upon their review of the annual Zone Analysis report prepared by Human Resources/Total Compensation, and provides a level of flexibility to Department Heads to address salary documented overlap/compression/equity issues or provide salary growth opportunities to employees for taking on documented, permanent increased responsibility within their assigned classification.

2.0 PURPOSE

The purpose of an in-range adjustment is to increase an employee's salary within the employee's current salary range in order to accomplish one or more of the following:

- respond to documented labor market conditions (i.e., external competitiveness) as prioritized by the Total Compensation Advisory Committee;
- address salary compression or salary overlap issues (i.e. internal salary alignment); and
- recognize increased job scope/complexity not so significant as to result in a reclassification/pay grade increase.

3.0 SCOPE

This policy applies to all full-time and part-time benefitted employees.

4.0 DEFINITIONS

- 4.1 Classification - A group of positions in which subject-matter of work, level of difficulty and responsibility, and qualification requirements are sufficiently similar to warrant allocation to the same job title and control point.
- 4.2 Compa-ratio - The relationship of an employee's salary to the control point of the position. A compa-ratio is the employee's salary expressed as a percentage of the control point (i.e., salary divided by Control Point). The compa-ratio is expressed as 1.0 being at market, with .95 indicating 5% below market, with 1.05 indicating 5% above market, etc.
- 4.3 Competitive Labor Market - The groupings of other employers the City uses to compare salaries, benefits and related policies/practices.
 - The City competes in the national labor market for senior leadership and key management positions.
 - It competes in a multi-state regional labor market for exempt professionals and sworn nonexempt positions. This competitive peer market includes the following states: Georgia, Kentucky, North Carolina, South Carolina, Tennessee, and Virginia.
 - In local markets, the City competes with government and business organizations in the North Carolina Piedmont and in Central Southern Virginia.

- 4.4 Control Point - The job value the City is willing and able to pay. The control point is based on the market value of jobs and internal value to the organization. The control point is the basis for most salary administration calculations.
- 4.5 Green Zone - Salaries that fall within + or – 10% of the Control Point are referred to as being within the Green Zone. The Green Zone Minimum is 10% below the Control Point. The Green Zone Maximum is 10% above the Control Point.
- 4.6 In-range Salary Adjustment – An to increase an employee’s salary within the employee’s current salary range in order to accomplish one or more of the following:
- 4.6.1.1 recognize job changes not recognized through a reclassification/pay grade increase
 - 4.6.1.2 address salary compression or salary overlap issues (i.e. internal salary alignment)
 - 4.6.1.3 respond to documented labor market conditions (i.e., external competitiveness)
- 4.7 Internal Salary Alignment - The consistent placement of salaries among employees who demonstrate similar required competencies in the same classification within a work unit or organization. Consideration is given to: minimum qualifications for the position; knowledge, skills, abilities, and related education and experience requirements; duties and responsibilities, training, certifications, and licenses required in the position; and, employee performance. In-range adjustments may be granted to establish equitable salary relationships among employees
- 4.8 Salary Compression – Salary compression occurs when the salary between a supervisor and a direct report is considered too small to be equitable. Compression usually occurs over time and may result from lack of pay structure movement, meeting changing hiring and retention needs, and/or merit or other funding constraints.
- 4.9 Salary Range - Each pay grade within each salary structure has a salary range minimum and salary range maximum, determined through market surveys.
- 4.10 Structure - A hierarchical series of control points.
- 4.11 Total Compensation Advisory Committee - A committee charged with reviewing the compensation and benefits policies, programs and strategies to ensure they support the Total Compensation Philosophy.
- 4.12 Rolling Period – A period of 12 consecutive months determined on a rolling basis with a new 12-month period beginning on a first day of each successive calendar month.

5.0 ORGANIZATIONAL RULES

- 5.1 The Total Compensation Advisory Committee determines the strategy, priorities and annual funding allocation as well as how the funding allocation shall be utilized. Department Heads must operate within the framework established annually by the Total Compensation Advisory Committee for this portion of the in-range program funding.
- 5.2 Department Heads have flexibility to prioritize use of their department’s allocation of the balance of the annual funding for in-range program funding.
- A. Department Heads are expected to establish fair, defensible and consistently applied priorities to address documented salary overlap/compression/equity issues.

B. Department Heads are expected to establish fair, defensible and consistently applied priorities to provide salary growth opportunities to employees for taking on permanent increased responsibility within their assigned classification as documented via JobBlox.

- 1) Increases in responsibility shall represent a permanent increase in scope and/or complexity within the job, and not a reflection of increases in volume of similar work already performed.
- 2) Employees shall not be granted an in-range adjustment based on increased scope/complexity of duties and responsibilities which have already been recognized through a previous salary adjustment or classification action.
- 3) An employee shall not receive an in-range adjustment for the addition of duties which are recognized and for which compensation is provided in another position.

5.3 An in-range salary adjustment will be limited to a maximum 15% of the base salary at the beginning of a rolling 12 month period (including other salary increases awarded through the following programs: merit increases, probationary increases, promotional increases, position reclassifications, and/or impact of annual salary structure increases).

5.4 An in-range adjustment shall not result in an employee's salary being above the Green Zone Maximum of the assigned pay grade.

5.5 Salary increases shall not create significant salary inequities with other employees.

6.0 PROCEDURES

6.1 Following the processing of annual merit and step increases, Human Resources/Total Compensation performs an analysis of how employee salaries are distributed within the City's salary structures. This analysis includes all four salary structures: Executive, General, Sworn Fire, and Sworn Police. A Zone Analysis Report is created and presented to the Total Compensation Advisory Committee. The Total Compensation Advisory Committee conducts an informed review of the annual Zone Analysis Report and determines the City-wide strategy for how the established percentage of the annual funding shall be allocated to address issues they have prioritized.

6.2 Human Resources/Total Compensation communicates the recommendations of the Total Compensation Advisory Committee to the City Manager's Office for approval.

6.3 Upon approval of the City Manager's Office, Human Resources/Total Compensation initiates Phase I of the program and distributes to Department Heads data and reports that are aligned with the strategy set by the Total Compensation Advisory Committee for allocation of the established percentage of the funding. Communications and training are provided to division managers City-wide to ensure understanding of program parameters and goals.

6.4 Department Heads approve and submit In-Range Salary Increase (Program Phase I) Forms to Human Resources/Total Compensation for review and processing.

6.5 Human Resources/Total Compensation calculates balance of available funding to be allocated (i.e., the remainder of the original funding plus any funds not utilized by Department Heads in the first phase of the program). Human Resources/Total Compensation initiates Phase II of the program and distributes data and reports to Department Heads.

6.6 Department Heads prioritize the discretionary portion of program funding in accordance with this Policy and submit In-Range Salary Increase (Program Phase II) Forms to Human Resources/Total Compensation for review and processing.

6.7 Department Heads must receive advance approval from Human Resources/Total Compensation for any proposed in-range salary increase before communicating with an employee.

6.8 In-range salary increases will be effective on common effective dates determined annually by Human Resources/Total Compensation. In the event of late form submissions by a Department Head, there will be no retroactivity in processing of in-range salary increases.

6.9 As an at-will employee, there is no guarantee of salary increases. All increases are subject to change at any time at the sole discretion of the City Council and/or City Manager, or as City compensation policies, programs or practices are introduced, amended, or eliminated.

7.0 HUMAN RESOURCES CONTACT

HR/Total Compensation

8.0 APPENDIX, APPENDICES

In-Range Salary Increase Form

Job Classifications

Executive Salary Structure

General Salary Structure

Fire Sworn Salary Structure

Police Sworn Salary Structure