

Merit Pay and New Appraisal Process

The following presentation will review the new performance appraisal process for staff and administrators and explain how merit pay can be achieved through performance.

Merit Pay



Let's first discuss merit pay.

Merit Pay

- Eligibility
- Process
- Timeline



Three important parts of the merit pay program you need to be familiar with are eligibility, process, and timeline.

Merit Pay

Eligibility

- All full-time staff and administrative employees
- Must have six months of continuous service

Meritorious Performance



Only full-time staff and administrative employees are eligible to receive merit pay. Part-time employees will not be eligible. Also, full-time employees must have six months of continuous service before becoming eligible for merit pay.

Merit Pay



Based on an Employee's Annual Performance Appraisal

It is important to know that merit pay is determined based on the employee's annual performance appraisal.

Merit Pay

PROCESS

Merit pay is fully aligned with the employee performance appraisal process and will be determined by the supervisor's overall assessment of the employee's performance as documented on the performance appraisal form.



Merit pay is determined by the employee's direct supervisor and will be based on the overall performance of the employee. This determination will be documented on the performance appraisal form and discussed with the employee during the performance appraisal meeting.

Merit Pay

- For administrative employees, there will be a major focus on the employee attaining the goals that were established between the employee and the supervisor.
- Hourly employees may not be asked to identify annual goals.



Goal setting is a crucial component to reaching strategic initiatives. Therefore, heavy emphasis will be placed on the quality of the goals set and employee attainment of those goals. While individual goals must be identified for administrative employees, hourly employees may or may not have identified goals. It is up to each department's supervisor to determine if goals will be identified for hourly employees.

Merit Pay

- Employees with an Overall Assessment rating of ***“Outstanding”*** or ***“Exceptional”*** will receive a merit increase in addition to any across-the-board increase.
- Employees rated ***“Outstanding”*** will all receive the same percentage merit increase. Likewise, those rated ***“Exceptional”*** will receive the same percentage merit increase. The increase for ***“Exceptional”*** will normally be higher than for ***“Outstanding”***.
- The level of merit increases for both categories will not be determined until after the annual performance appraisal/review process is completed.
- Merit increases constitute an increase in the employee’s annual base pay. Employees whose current salary or hourly rate is beyond the salary range for their current position will receive a merit award as a one-time-payment; it will not be added to their base pay.

Overall assessment ratings of ***“Outstanding”*** or ***“Exceptional”*** are the only two ratings that will result in a merit pay increase. Employees who receive a merit pay increase will also receive the annual across-the-board increase. All employees rated as ***“Outstanding”*** will receive the same percentage merit increase and all employees rated as ***“Exceptional”*** will receive the same percentage merit increase. The percentage increase for employees rated as ***“Exceptional”*** may be a different percentage than employees rated as ***“Outstanding.”*** Employees rated as ***“Exceptional”*** will receive all available percentage increases. However, the specific percentages will not be determined until after the appraisal process is completed.

Merit Pay

- As valuable employees to the College, employees who fulfill the expectations for their position will be rated ***“Valuable”*** and will receive the approved “across-the-board” increase offered by the College.
- Employees rated ***“Developing”*** receive the approved across-the-board increase for the first year rated as "Developing." If rated "Developing" for a second year, the employee will receive less than the across-the-board amount.
- Employees rated ***“Not Meeting Expectations”*** will not receive an across-the-board increase and will need to engage in a Performance Improvement Plan with their supervisor.

Employees rated as “Valuable” will receive the across-the-board percentage increase. An employee rated as “Valuable” will not qualify for a merit pay increase. Employees rated as “Developing” will receive the across-the-board increase the first year rated as “Developing,” but if rated “Developing” for a second year the employee will receive less than the across-the-board amount. Employees rated as “Not Meeting Expectations” will not receive any percentage increase and will be placed on a Performance Improvement Plan (PIP). A PIP identifies performance and/or behavioral issues that need to be corrected and creates a written plan of action to guide the improvement and/or corrective action. Once performance has improved and/or behavior has been corrected the PIP can be eliminated.

Merit Pay

Review of Meritorious Employee Appraisals

- **June 10:** Human Resources will submit to the Hiring Compensation and Review Committee (HCRC) all appraisal information for the employees who are to receive merit pay.
- **June 15:** The HCRC will complete its review of the appraisal information for merit recipients. Merit pay percentages will be established by the HCRC and then submitted to the President for approval.
- **July 1:** Senior staff members will sign the employee annual increase letters for their respective areas and send the letters to each of those employees.



Timeline for determining merit pay increases.

Merit Pay

Questions on Merit Pay ?

Please contact HR at x1406 or hr@etown.edu if you have any questions.

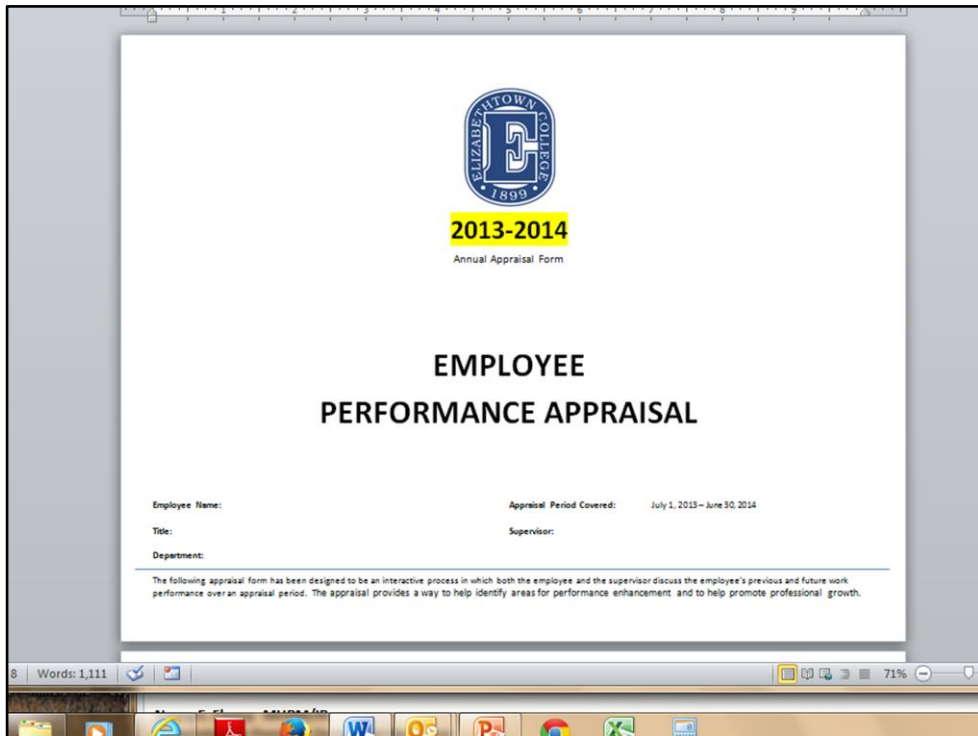
New Performance Appraisal Process

What's New?


- New Employee Appraisal Form
- One Form for both Staff and Administrative Employees
- Also a new Self-Appraisal Form
- The Employee Appraisal Process is tied to merit pay



Moving on to the New Performance Appraisal Process. First of all, the form is new! It's shorter than the old form and easier to follow. Plus there's only one form now. Everyone is evaluated using the same criteria. The self-appraisal form is also new! It consists of all open-ended questions, which gives the employee the opportunity to share valuable feedback. Lastly, as you now know, the performance appraisal process is now tied directly to merit pay.



The cover page of the performance appraisal form gathers basic information: Employee Name, Title, Department, Appraisal Period Covered, and Supervisor.


Elizabethtown College

CURRENT GOALS - PART I

2013-2014
Employee Goals Accomplished Over the Recent Appraisal Period
(July 1, 2013 – June 30, 2014)
(Not Required for Hourly Employees)

Goals/Objectives	Results Achieved	Comments
1.		
2.		
3.		
4.		
5.		

Overall Goals Achievement

Exceptional (Fully Exceeded)
 Outstanding (Frequently Exceeded)
 Valuable (Successfully Achieved)
 Developing (Progressive)
 Not Meeting Expectations (Not Attained)

Part 1 reviews goal achievement over the recent appraisal period. Next to each goal the supervisor will list the results achieved and make comments to help support their conclusions. Supervisors may also present or attach documentation as evidence of the employee’s general performance or goal completion over the recent appraisal period. At the bottom of this section the supervisor will give one overall ranking for goal achievement.

CORE PERFORMANCE - PART II

Core Performance Assessment
(Required for Hourly and Salaried Employees)

Core Performance Factor Assessment: Using the following definitions of performance levels indicate your perceptions and evaluations of the employee's work performance for the Core Performance Factors listed in Part II.

Exceptional - Considerably and consistently surpasses core performance factor.
Outstanding - Consistently exceeds and often surpasses core performance factor.
Valuable - Consistently meets and sometimes surpasses core performance factor.
Developing - Meets some or most of the core performance factor.
Not Meeting Expectations - Does not meet some or the entire core performance factor.

Core Performance Factors

Knowledge and Job Skills –
 Thoroughly understands the duties and responsibilities of the job; demonstrates technical, administrative, managerial, supervisory, or other specialized knowledge required to perform the job; is very knowledgeable about what is necessary to perform the job effectively; seeks new skills and demonstrates knowledge of processes, systems, and resources as necessary to perform job; actively keeps up-to-date with new developments, regulations, and standards.

Exceptional	<input type="checkbox"/>	Comments:
Outstanding	<input type="checkbox"/>	
Valuable	<input type="checkbox"/>	
Developing	<input type="checkbox"/>	
Not Meeting Expectations	<input type="checkbox"/>	

Time Management and Dependability –
 Adheres to responsibilities in a timely manner; meets deadlines; manages multiple tasks with accuracy and efficiency; effectively accomplishes assignments with minimal supervision; dependable work attendance and completes work as required

Exceptional	<input type="checkbox"/>	Comments:
Outstanding	<input type="checkbox"/>	
Valuable	<input type="checkbox"/>	
Developing	<input type="checkbox"/>	
Not Meeting Expectations	<input type="checkbox"/>	

Part II is an assessment of core performance factors. Employees are rated using the following definitions of performance levels for each core performance factor:

Exceptional – Considerably and consistently surpasses core performance factor,
Outstanding – Consistently exceeds and often surpasses core performance factor,
Valuable – Consistently meets and sometimes surpasses core performance factor,
Developing – Meets some or most of the core performance factor, and **Not Meeting Expectations** – Does not meet some or the entire core performance factor. It is important to keep in mind that there is no “one size fits all” definition for evaluating employees. It is up to the supervisor to use his or her best judgment to use the definition that most closely matches the performance of the employee. Supervisors who need further guidance when making assessments should contact their direct supervisor or HR. Core Performance Factors on this page include: **Knowledge and Job Skills** – “Thoroughly understands the duties and responsibilities of the job; demonstrates technical, administrative, managerial, supervisory, or other specialized knowledge required to perform the job; is very knowledgeable about what is necessary to perform the job effectively; seeks new skills and demonstrates knowledge of processes, systems, and resources as necessary to perform job; actively keeps up-to-date with new developments, regulations, and standards.” **Time Management and Dependability** – “Adheres to responsibilities in a timely manner; meets deadlines; manages multiple tasks with accuracy and efficiency; effectively accomplishes assignments with minimal supervision; dependable work attendance and completes work as required.”

Initiative and Adaptability –	
Independently contributes ideas and projects; takes on new responsibilities; willing to assist co-workers; adapts to change; demonstrates ability to modify behavioral style and approach to goals.	
Exceptional	<input type="checkbox"/> Comments:
Outstanding	
Valuable	
Developing	
Not Meeting Expectations	
Organization and Planning –	
Actively engages in planning and assessment processes based on reaching established goals and objectives; plans work for efficiency; develops a systematic approach in carrying out assignments and coordinating multiple activities; appropriately develops schedules and action plans to coordinate and use resources effectively.	
Exceptional	<input type="checkbox"/> Comments:
Outstanding	
Valuable	
Developing	
Not Meeting Expectations	
Judgment and Decision Making –	
Ability to clearly isolate, define and seek solutions to problem areas; effectively identifies and evaluates alternative solutions; makes decisions consistent with skills and experience; recognizes when decisions that have to be deferred until all pertinent facts are gathered and analyzed.	
Exceptional	<input type="checkbox"/> Comments:
Outstanding	
Valuable	
Developing	
Not Meeting Expectations	

Core Performance Factors (continued): **Initiative and Adaptability** – “Independently contributes ideas and projects; takes on new responsibilities; willing to assist co-workers; adapts to change; demonstrates ability to modify behavioral style and approach to goals.” **Organization and Planning** – “Actively engages in planning and assessment processes based on reaching established goals and objectives; plans work for efficiency; develops a systematic approach in carrying out assignments and coordinating multiple activities; appropriately develops schedules and action plans to coordinate and use resources effectively.” **Judgment and Decision Making** – “Ability to clearly isolate, define and seek solutions to problem areas; effectively identifies and evaluates alternative solutions; makes decisions consistent with skills and experience; recognizes when decisions that have to be deferred until all pertinent facts are gathered and analyzed.”

Communication and Human Relations	
Degree to which the employee effectively listens, conveys and receives ideas, information, and direction; consider verbal and written skills required for the job; interacts positively with a variety of employees or external contacts in different situations; creates and maintains a work environment that is respectful and accepting of diversity; works effectively with others to achieve necessary goals; as appropriate, leads, guides and inspires team members.	
Exceptional	<input type="checkbox"/>
Outstanding	<input type="checkbox"/>
Valuable	<input type="checkbox"/>
Developing	<input type="checkbox"/>
Not Meeting Expectations	<input type="checkbox"/>
Comments:	
General Performance – (Example Safety, Customer Service, etc.)	
+ Practices safe work habits; encourages safety of others on a regular basis; recognizes unsafe working conditions; suggests new safety standards as appropriate.	
Exceptional	<input type="checkbox"/>
Outstanding	<input type="checkbox"/>
Valuable	<input type="checkbox"/>
Developing	<input type="checkbox"/>
Not Meeting Expectations	<input type="checkbox"/>
Comments:	
Other Expectations – Job Specific Attributes	
(Supervisor may identify other performance factors not covered above.)	
Exceptional	<input type="checkbox"/>
Outstanding	<input type="checkbox"/>
Valuable	<input type="checkbox"/>
Developing	<input type="checkbox"/>
Not Meeting Expectations	<input type="checkbox"/>
Comments:	

Core Performance Factors (continued): **Human Relations, General Performance** and **Other Expectations**. General Performance can be based on any performance factor not included in the core performance factors. Other Expectations can be any expectations not covered in the core performance factors. These additional categories are optional and will be determined by the supervisor.

Font Paragraph Styles

1 2 3 4 5 6 7 8 9

OVERALL APPRAISAL - PART III

EMPLOYEE PERFORMANCE ASSESSMENT
(Required for Hourly and Salaried Employees)

Employee Growth and Development Assessment

Performance Strengths

- >
- >

(Continue)

Performance Areas for Development

- >
- >

(Continue)

Part III is the Overall Appraisal section. This is where the supervisor will comment on employee's overall performance strengths and areas of development. Areas of development can be integrated into goals for the next appraisal period and/or the employee's development plan. The feedback given in this section is meant to help the employee improve future performance and aid in their professional development.

OVERALL PERFORMANCE	
<p>Overall Performance Assessment: Using the following definitions of performance levels indicate your perceptions and evaluations of the employee's work performance for the Performance Factors listed in the next section.</p>	
<p>Exceptional - to meeting Department Goals and/or Strategic Initiatives – Employee considerably and consistently surpasses job expectations and achieves beyond the regular assignments in all performance areas of the job throughout the appraisal period. The employee has made significant contributions to the department's goals and the strategic goals of the College.</p>	
<p>Outstanding – to meeting Department Goals and/or Strategic Initiatives – Employee consistently exceeds and often surpasses job expectations and achieves beyond the regular assignments in the major performance areas of the job throughout the appraisal period. The employee has made significant contributions to the department's goals and the strategic goals of the College.</p>	
<p>Valuable - to meeting Department Goals and/or Strategic Initiatives – Employee consistently meets and sometimes surpasses job expectations and demonstrates good understanding of the work and job requirements throughout the appraisal period. The employee makes valuable contribution to the department's goals and the strategic goals of the College.</p>	
<p>Developing - to Department Goals and/or Strategic Initiatives – Employee meets some or most of the job expectations and displays competency in the essential areas of the job. The employee's level of contribution to department goals and the strategic goals of the College will grow with supervisor coaching.</p>	
<p>Not Meeting Expectations - to Department Goals and/or Strategic Initiatives – Employee does not meet some or all of the job expectations. The employee is not meeting annual goals or often requires additional supervision. A <u>Performance Improvement Plan</u> must be outlined for the employee to achieve job expectations and improve contribution to the department goals and the strategic goals of the College.</p>	
<input type="checkbox"/> Exceptional <input type="checkbox"/> Outstanding <input type="checkbox"/> Valuable <input type="checkbox"/> Developing <input type="checkbox"/> Not Meeting Expectations	
Supervisor Comments:	Employee Comments:

The Overall Performance Assessment is the rating that determines what level increase, if any, the employee will receive. Remember, employees rated as **“Exceptional”** or **“Outstanding”** will receive a merit increase in addition to the across-the-board increase. Employees rated as **“Valuable”** will receive the across-the-board increase only. Employees rated as **“Developing”** will receive the across-the-board increase the first year rated as “Developing,” but if rated “Developing” for a second year the employee will receive less than the across-the-board amount. Employees rated as **“Not Meeting Expectations”** will not receive an increase of any amount.

FUTURE GOALS - PART IV

2014-2015
Employee Goals for the Next Appraisal Period
 (July 1, 2014 – June 30, 2015)
 (Not Required for Hourly Employees)


Goals/Objectives/Expectations	Target Date	Action Plan Development (Agreed upon by Employee & Supervisor)
1.		
2.		
3.		
4.		

Supervisor Signature _____ Date _____

Employee Signature _____ Date _____

(Employee's signature indicates only that he/she has read this review, but does not necessarily indicate agreement or disagreement with the contents. Employees reserve the right to write a rebuttal to the appraisal, which will be attached to the form and kept in the employee's personnel file.)

Part IV is where goals for the next appraisal period are set. The supervisor and the employee should work together in developing **SMART** goals (specific, measurable, attainable, realistic, and timely). Setting goals in a collaborative manner and working together to develop an action plan for achieving the goals that have been set will greatly increase the likelihood for success. Goals that are unclear, unattainable or can't be measured are not beneficial and unacceptable.



2013-2014
EMPLOYEE SELF-APPRAISAL FORM

Employee Name: _____ Appraisal Period: July 1, 2013-June 30, 2014

Title: _____ Supervisor: _____

Department: _____

The following appraisal form has been designed to allow an employee to give their supervisor better insight into his/her performance. This form makes it possible for the supervisor to understand all the factors that affect an employee's performance, as well as understand the employee's strengths and weaknesses from the employee's perspective. This tool is a good opportunity for an open conversation about how an employee can be successful in the job. The form can address training needs/desires, be an interactive process for both the employee and the supervisor to discuss employee accomplishments, goals, performance growth, professional growth, and the need for additional support.

Words: 388 80%

The cover page of the self-appraisal form gathers basic information: Employee Name, Title, Department, Appraisal Period Covered, and Supervisor.

Goals and Development

2013-2014 Employee Goals Accomplished Over the Recent Appraisal Period

Goals/Objectives/Expectations	Target Date	Comments
1. █	█	█
2. █	█	█
3. █	█	█
4. █	█	█
5. █	█	█
6. █	█	█

* If additional boxes are needed for setting goals: (1) Right-click anywhere inside of the box above where you want to add a new box (2) Click Insert (3) Select Insert Rows Below

Page: 388 | 80%

The employee will review their own goal achievement over the recent appraisal period. Next to each goal the employee will make comments to help support their conclusions. The employee may also present or attach documentation as evidence of general performance or goal completion over the recent appraisal period. Not all supervisors may require employees to complete a self-appraisal, but all employees may complete one if they choose.

Of your goal accomplishments what are you most proud of over the last year.

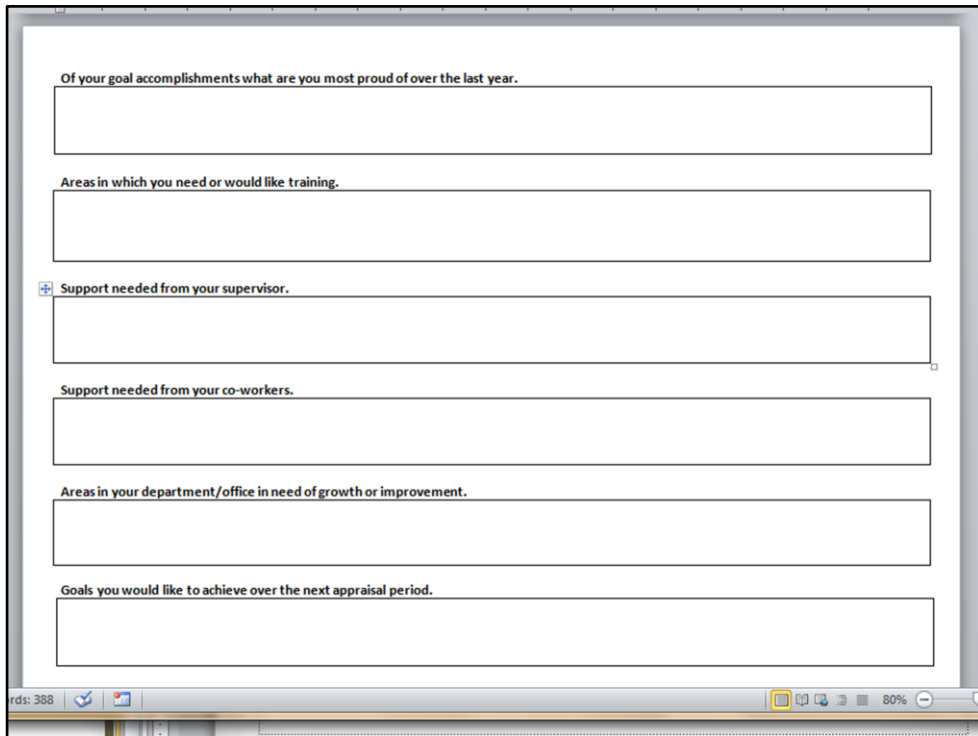
Areas in which you need or would like training.

+ Support needed from your supervisor.

Support needed from your co-workers.

Areas in your department/office in need of growth or improvement.

Goals you would like to achieve over the next appraisal period.

The image shows a screenshot of a performance appraisal form. It contains six open-ended questions, each followed by a large rectangular text box for the answer. The questions are: 'Of your goal accomplishments what are you most proud of over the last year.', 'Areas in which you need or would like training.', '+ Support needed from your supervisor.', 'Support needed from your co-workers.', 'Areas in your department/office in need of growth or improvement.', and 'Goals you would like to achieve over the next appraisal period.' The form is displayed in a window with a taskbar at the bottom showing 'rds: 388' and a zoom level of '80%'.

Open-ended questions give the employee an opportunity to provide candid feedback.

Employee Comments:	Supervisor Comments:

Confidentiality of Private Information
The nature of services provided by Elizabethtown College requires that all private information be handled in a confidential manner. By signing below, I understand that all private information such as medical, financial, educational, and personal information is collected, maintained, and disseminated appropriately to safeguard the privacy of the protected information of its students, employees, and customers. Personal or identifying information about students, employees, and customers will not be released to internal or external individuals not authorized by the nature of their duties to receive such information, without the consent of the student, employee, or customer.

Employee Signature	Date	Supervisor Signature	Date

*Employee's signature indicates only that he/she has read this review, but does not necessarily indicate agreement or disagreement with the contents.

Reviewing Supervisor Signature	Date

388
80%

The last section of the self-appraisal allows for the employee and the supervisor to make general comments.

New Performance Appraisal Process

1.



Supervisors and employees establish goals and set performance expectations for all employees at the start of the performance evaluation period (the performance evaluation period is July 1 through June 30 of each year).

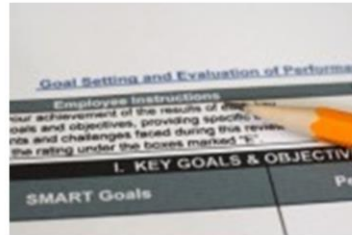
The performance evaluation period is July 1 through June 30 of each year. Goals must be set at the start of the evaluation period, but can be added, deleted or modified anytime throughout.

New Performance Appraisal Process

2.

Supervisors review progress on goals and/or expectations for core performance factors with employees throughout the year; goals may be modified during the year as needed to adjust to changing circumstances.

Any changes to performance goals must be documented at the time the changes are agreed to between the supervisor and employee.



It is extremely important for supervisors and employees to communicate often about goals and expectations throughout the evaluation period. Supervisors should be providing employees with feedback about their performance and employees should be asking for feedback as they work towards goal achievement. A supervisor-employee relationship that is open, honest, and focused on the same goals will likely be successful.

Questions



Please contact HR at x1406 or hr@etown.edu if you have any questions.