FY23 Faculty Salary Increase Program

*How to Calibrate Merit Increases*

MAY 9 AND 10, 2022
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Section 1: Program Eligibility
## Eligibility Criteria

<table>
<thead>
<tr>
<th>Eligible</th>
<th>Not Eligible</th>
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<tbody>
<tr>
<td>• Individual held an academic faculty or professional faculty appointment at any FTE at any time during FY22; and</td>
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<td>• Met or exceeded expectations in their last PROF or merit review; and</td>
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<td>• Remains in an active academic faculty or professional faculty appointment as of May 2, 2022; or</td>
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<td>• Returns to the same academic faculty or professional faculty appointment during FY23.</td>
<td>• Individual starts a new academic or professional faculty position beginning July 1, 2022 or later and has the opportunity to negotiate a new starting salary; or</td>
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<td>• Individual did not hold an active academic or professional faculty position in FY22</td>
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Faculty Salary Increase Details

Eligible employees will receive a 2% salary increase in their base annual salary rate effective July 1, 2022 for those on a 12-month appointment and September 16, 2022 for those on a 9-month appointment.

All eligible employees must receive at least a 2% salary increase irrespective of funding source.

An additional 1.5% salary pool may be allocated to eligible employees to reward meritorious performance.

The maximum increase an employee may receive is 7% (full satisfactory salary increase plus a merit increase of up to 5%).

An otherwise eligible employee who complied with the written requirements for the merit review process of their employing unit can’t be denied eligibility for a merit increase because the unit did not complete the merit review or PROF process.

Fully satisfactory and merit increase dollars that are not allocated to eligible employees may not be allocated to ineligible employees.

Separate/distinct program for Athletics employees only
Eligibility Example: Person Not Appointed in Spring 2023

- Instructor teaches Winter 2022
- Not appointed for Spring 2023
- Returns to same position to teach in Winter 2023

= Eligible for increase
Eligibility Example: Person Changes Jobs

Person resigns academic or professional faculty position on or before June 30, 2022

Person accepts a new academic or professional faculty position starting July 1, 2022 or later

Not eligible for increase on new position
Employee is participating in a performance improvement plan

Employee met expectations on most recent evaluation/appraisal

Employee is eligible for increase
Section 2: Decision-Making Guidance
At a Glance: Increase Types

Person is eligible for FY23 Faculty Salary Increase Program

- Person’s performance consistently met expectations
  - 2% satisfactory increase

- Person’s performance exceeded expectations
  - 2% satisfactory increase

- Additional increase of up to 5% for no more than 7% aggregate
An OSU Mental Model for the FY23 Faculty Salary Increase Program

The 2% increase for all eligible employees is intended to acknowledge and reward employees who consistently met expectations last year.

Consider granting increases of more than 2% when the person consistently exceeded expectations last year.

Please keep in mind

• We expect all of our employees to be successful. Meeting expectations means that the employee is successful.
• This is a challenging concept for high-performing people used to being successful most of the time. Consider the outcomes the person achieved this year specifically.

• Examples for Academic Faculty
  • More successful proposals than in other years or relative to others in a similar discipline
  • Recognition via peer review, teaching associations, etc. that the person’s work is outstanding
  • Forward-focused research in key areas of interest that add value to the university, our faculty and our students

• Examples for Professional Faculty
  • Contributions to student outcomes (e.g., recruitment, retention, internship placement) that exceed your usual standards
  • Problem-solving or process improvements that increased efficiency and reduced administrative burden on students or employees

• Often the employees you most wish to retain are also those whose performance and outcomes are the most meaningful
• Units are accountable to distribute increases across the unit; balancing an individual spreadsheet is not required
Suggested Process for Decision-Makers

**Step 1** Gather and review information to support decision-making. E.g., your team’s most recent evaluations, reports showing proposals submitted and awarded, work plans, feedback received, etc. Your HRSP can help brainstorm additional sources.

**Step 2** Consider your entire eligible population so that you distribute available funds across all employee types (e.g., including tenured/tenure-track faculty, research and instructional faculty, and professional faculty).

**Step 3** Look at the rates that will be in place after application of the 2% increase for employees who met expectations. Highlight people whose achievements last year truly exceeded your expectations.

**Step 4** Propose increases above 2% based on a consistent rationale for your organization in proportion to the impact of those achievements and the individual’s salary relative to other high performers who perform similar work.

**Step 5** Consider non-salary incentives and motivation for high performing and high potential faculty. Some examples include: professional development support, computing resources, flexibility in assignments or schedule.

**Step 6** Finalize with your dean or unit head if necessary.

**Step 7** Send your completed sheet(s) to your HRSP.
Key Preparation

As a leader, you make key recommendations and decisions about your team’s salaries. Expect your team to ask detailed questions. Prepare by following the tips below.

- Follow a consistent process
- Seek out reliable sources of information about performance
- Do your utmost to reduce bias and avoid logical fallacies
- Practice how you will explain your decisions if questioned
- Clearly explain how an employee’s achievements and outcomes connect to their salary increase
- Clearly explain how an employee might improve performance
- Listen attentively to employee concerns and respond with facts
- Avoid making promises you can’t fulfil
- Ask for help if you need it
Q&A

Can supervisors give all eligible employees the same percentage increase?

- Supervisors should consider the performance of each employee and apply merit increases to employees whose performance exceeded expectations. If every eligible person’s performance last year was identical, the same percentage increase may be appropriate. However, this is very rare.

How do I consider one person’s salary relative to another person?

- It’s common for people to compare their salaries with colleagues that they consider peers or comparators. Please keep in mind that work is often materially different, as are the education and experience of individuals. For the purpose of the FY23 Faculty Salary Increase Program, please focus on outcomes and achievements.

It costs more to grant the same percentage increase to someone with a higher salary than to someone with a lower salary. Can I consider this in my decision-making?

- Yes, it is reasonable to consider this factor in your decision-making, provided that you apply it consistently.

I need to retain a particular person because they’re so key to my department’s success over the next few years, but have limited funds available. What should I do?

- While encouraging your key folks to remain at OSU is partially driven by salary, we encourage thinking more broadly about the total environment and options OSU offers. Talk with your HR Strategic Partner about other retention options.
Section 3: Implementation and Timing
# FY2023 Faculty Salary Increase Program Timeline

## Phase I: Preparation and Decision-Making

### Week of April 11
- Faculty Salary Increase Program memo released to university leaders

### April 25
- Special groups due back to HRSPs

### April 18
- HRSPs reach out to confirm special groups (those not organized by timesheet org)

### May 6
- HRSPs release faculty salary increase spreadsheets due back to units

### May 2
- Data snapshot to create faculty salary increase spreadsheets

### May 20
- Faculty salary increase spreadsheets due back to HRSPs

### May 9 and 10
- “How to Calibrate Merit Increases” workshops by University Human Resources and the Office of Faculty Affairs

### May 6
- Data snapshot to create faculty salary increase spreadsheets

### June 29 and 30
- “How to Communicate Merit Increases” workshops by University Human Resources and the Office of Faculty Affairs

### New this year!
- Series of audits, validation and other necessary data steps in UHR, Payroll and Budget offices

*New this year!*
FY2023 Faculty Salary Increase Program Timeline
Phase II: Implementation

July 1
• Effective date of increases for 12-month employees

~July 7
• Announcement of increases to affected employees

September 16
• Effective date for 9-month employees

July 6
• Most increases visible in Banner

July 29
• First payday with increased pay rates for 12-month employees

September 30
• First payday with increased pay rates for 9-month employees
Multiple Increases Example: Newly Promoted Academic Faculty

Academic faculty who achieve promotion effective 7/1/22 or 9/16/22 are eligible for the Faculty Salary Increase Program and cannot be denied an increase. Changes associated with the Faculty Salary Increase Program will be applied before any promotional increase.

- **9-month Instructor teaches Spring 2023**
  - Assume initial monthly pay rate is $5,000

- **Eligible for FY23 Faculty Salary Increase Program**
  - Base rate + at least 2% but no more than 7% salary increase = revised base
  - Example: $5,000 + 4% = $5,200

- **Successfully promotes to Senior Instructor I effective September 16, 2022**
  - 10% promotional increase on top of revised base

- **New monthly rate includes both increases**
  - $5,200 + 10% = $5,720
  - new monthly rate effective September 16, 2022