



UNIVERSITY OF
WATERLOO

Understanding Staff Salary Increases

Agenda

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- Staff Salary Structure
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 - Job evaluation & starting salary
 - Pay Philosophy
 - 50th Percentile
- Staff Salary Increase (SSI) Process
 - Overview
 - Inputs: Compa-ratio, Performance Rating/Target Salary
 - Outputs: Basic Increase, Supplemental Increase, Pay Advice

Governance – PACSC

- The Provost's Advisory Committee on Staff Compensation (PACSC) is a University-level committee with responsibility to make salary recommendations to the Provost, for approval by the Board of Governors
- Membership:
 - Four members appointed by the provost from names submitted by the Staff Association
 - The director, total rewards
 - The vice-president, administration & finance
 - A member of Executive Council, appointed by the provost
 - The chief human resources officer
 - A resource person with relevant expertise from Human Resources, appointed by the chair

STAFF SALARY STRUCTURE

USG Job Grades

- University Support Group (USG) –staff salary structure includes 21 distinct job grades
- Each job grade has a salary range; job value is the midpoint of the range
 - Midpoints are aligned with the target market position (median)
 - Minimum pay is 80% of midpoint or job value, maximum is 120%
 - Depending on the position, the standard workweek is either 35, 37.5 or 40 hours per week
- Policy 5 on the Secretariat’s website: <https://uwaterloo.ca/secretariat/policies-procedures-guidelines/policy-5>

University of Waterloo
2023 - 2024 Salary Scales

USG		Hourly	35 hrs/wk		37.5 hrs/wk		40 hrs/wk	
			Monthly	Annually	Monthly	Annually	Monthly	Annually
1	min	19.25	2,919.92	35,038.99			3,337.05	40,044.56
	jobval	24.07	3,648.89	43,786.73			4,171.31	50,055.70
	max	28.88	4,379.87	52,558.48			5,005.57	60,066.84
2	min	20.30	3,078.92	36,947.03	3,298.84	39,586.10	3,518.76	42,223.17
	jobval	25.38	3,848.85	46,183.78	4,123.55	49,482.62	4,398.46	52,781.47
	max	30.45	4,618.38	55,420.54	4,948.26	59,379.15	5,278.15	63,337.76
3	min	21.35	3,237.92	38,855.06	3,469.20	41,630.43	3,700.48	44,405.79
	jobval	26.69	4,047.40	48,568.83	4,336.50	52,038.03	4,625.60	55,507.23
	max	32.02	4,856.88	58,282.60	5,203.80	62,445.64	5,500.72	66,608.68
4	min	22.66	3,436.68	41,240.11	3,682.15	44,185.83	3,927.63	47,131.56
	jobval	28.32	4,295.84	51,550.14	4,602.69	55,232.29	4,909.54	58,914.44
	max	33.99	5,155.01	61,860.17	5,523.23	66,278.75	5,891.44	70,697.33
5	min	24.63	3,734.81	44,817.68	4,001.58	48,018.94	4,268.35	51,220.21
	jobval	30.78	4,668.51	56,022.10	5,001.97	60,023.68	5,335.44	64,025.26
	max	36.94	5,602.21	67,226.52	6,002.37	72,028.42	6,402.53	76,830.31
6	min	27.11	4,112.44	49,349.27	4,406.18	52,874.22	4,699.93	56,399.17
	jobval	33.89	5,140.55	61,686.59	5,307.73	66,092.77	5,874.91	70,488.96
	max	40.67	6,168.66	74,023.90	6,609.28	79,311.33	7,049.90	84,598.75
7	min	29.74	4,509.95	54,119.36	4,832.09	57,985.03	5,154.23	61,850.70
	jobval	37.17	5,637.43	67,649.21	6,040.11	72,481.29	6,442.78	77,313.38
	max	44.60	6,764.92	81,179.05	7,248.13	86,977.55	7,731.34	92,776.05
8	min	32.49	4,927.33	59,127.96	5,279.28	63,351.39	5,631.23	67,574.81
	jobval	40.61	6,159.16	73,909.95	6,599.10	79,189.23	7,039.04	84,468.52
	max	48.73	7,391.00	88,691.94	7,918.92	95,027.08	8,446.85	101,362.22
9	min	35.37	5,364.59	64,375.07	5,747.77	68,973.28		
	jobval	44.21	6,705.74	80,468.83	7,184.72	86,216.61		
	max	53.06	8,046.88	96,562.60	8,621.66	103,459.93		
10	min	38.52	5,841.60	70,099.18	6,238.86	75,106.26		
	jobval	48.15	7,302.00	87,623.97	7,823.57	93,882.83		
	max	57.77	8,762.40	105,148.77	9,388.28	112,659.39		
11	min	42.05	6,378.23	76,538.81	6,833.82	82,005.86		
	jobval	52.57	7,972.79	95,673.51	8,542.28	102,507.33		
	max	63.08	9,567.35	114,808.21	10,250.73	123,008.79		
12	min	45.85	6,954.62	83,455.44	7,451.38	89,416.54		
	jobval	57.32	8,693.28	104,319.30	9,314.22	111,770.68		
	max	68.78	10,431.93	125,183.16	11,177.07	134,124.82		
13	min	49.92	7,570.76	90,849.09	8,111.53	97,338.31		
	jobval	62.40	9,463.45	113,561.36	10,139.41	121,672.88		
	max	74.88	11,356.14	136,273.63	12,167.29	146,007.46		
14	min	54.37	8,246.52	98,958.25				
	jobval	67.97	10,308.15	123,697.81				
	max	81.56	12,369.78	148,437.37				
15	min	59.35	9,001.79	108,021.42				
	jobval	74.19	11,252.23	135,026.78				
	max	89.03	13,502.68	162,032.14				
16	min	64.86	9,936.55	118,038.62				
	jobval	81.07	12,295.69	147,548.28				
	max	97.28	14,754.83	177,057.93				
17	min	70.88	10,750.82	129,009.84				
	jobval	88.61	13,438.52	161,262.30				
	max	106.33	16,126.23	193,514.76				
18	min	77.44	11,744.59	140,933.07				
	jobval	96.80	14,680.74	176,168.94				
	max	116.16	17,616.88	211,404.61				
19	min	84.51	12,817.86	153,814.33				
	jobval	105.64	16,022.33	192,267.91				
	max	126.77	19,226.79	230,721.49				
20	min	92.25	13,990.51	167,886.10				
	jobval	115.31	17,488.14	209,857.63				
	max	138.37	20,985.76	251,829.16				
21	min	100.76	15,282.41	183,388.91				
	jobval	125.95	19,103.01	229,236.14				
	max	151.14	22,923.61	275,083.36				



Job Evaluation & Starting Salary

- All Staff positions are evaluated by specialists in HR to determine the applicable job grade
- An employee's pay position in the range at the time of hire is determined based on their skills and experience relative to the position

Pay Philosophy

“To pay competitive salaries within the limits of our financial situation”

- **Current agreement: May 1, 2021 to April 30, 2024:**
 - May 1, 2021, 2022 and 2023: 1% salary range adjustment
 - 1% is the legislated maximum scale increase allowed during the term under Bill 124 (three-year moderation period)
 - May 1, 2021, 2022 and 2023: run the Staff merit program
- Target market competitive position for USG "job values" is the 50th percentile

50th Percentile

- No greater than the point in the range which half the values fall below, as illustrated in the following example:

Comparator Organization	Salary for a Specific Job
A	\$65,000
B	\$65,000
C	\$50,000 = 50th percentile (median)
D	\$49,000
E	\$45,000

- A market review of the job values to the target market position will be conducted in 2023 in order to inform the next salary agreement effective May 1, 2024

STAFF SALARY INCREASE (SSI) PROCESS

Overview

- SSI is a merit-based process – all increases are calculated using performance ratings; there are no scale or across the board cost of living increases
- Salary increases for each employee effective May 1 are calculated in 2 parts:
 - Basic increase – based on an employee’s compa-ratio as of April 30 and their performance rating from the previous calendar year
 - Supplemental increase – merit-based distribution of funds remaining after basic increases are subtracted from funds available for each pool
- Basic increases cannot be adjusted but the supplemental increases can be adjusted for each employee by the leader of the salary pool; the overall salary increase cannot exceed the employee’s target salary

Compa-ratio

- To calculate an employee's compa-ratio, divide the actual salary by the midpoint or job value of the assigned salary range

$$\text{Compa-ratio} = \frac{\text{Actual Salary}}{\text{Job Value}} \times 100$$

- Assuming the job value of a pay range equates to the 50th percentile position, an employee with a compa-ratio of 100% is paid at the median of what the market pays for that same position
- Employees' compa-ratio as of April 30 is used to calculate salary increases

Performance Rating

- Performance appraisals are conducted on an annual basis based on an employee's performance in the previous calendar year
 - i.e., performance for January 2022 to December 2022 is evaluated for the May 1, 2023 merit process

Rating	Interpretation
5	Exceptional performance in all areas of the job requirements which is recognized throughout their unit or broadly throughout the University. Normally, an employee would not receive a rating of 5 in consecutive years.
4, 4.25, 4.5, 4.75	Performance significantly exceeded the requirements of the job in one or more key areas.
3, 3.25, 3.5, 3.75	Performance was fully satisfactory in all key areas.
2, 2.5	Need for recognizable improvement in one or more key areas.
1, 1.5	Performance was significantly below job requirements in several important areas and improvements will be required or reassignment or termination will be considered. Ratings at this level are subject to disciplinary action.

Target Salary

- Performance ratings determine an employee's target salary in terms of pay position in the salary range – intended to be reached over a staff member's career (not within one merit cycle)
- Target salaries for performance ratings of 3 or higher:

Performance Rating	Target Salary
5.0	120% or 20% above the job value
4.75	118% or 18% above the job value
4.5	115% or 15% above the job value
4.25	112% or 12% above the job value
4.0	110% or 10% above the job value
3.75	108% or 8% above the job value
3.5	105% or 5% above the job value
3.25	103% or 3% above the job value
3.0	100% (equal to the job value)

Basic Increases

- An employee's pay position as of April 30 and performance rating from the previous calendar year against the grid developed based on the scale adjustment result in the Basic Increase calculation
- An accelerator exists for employees who are paid below job value; its purpose is to move their salaries towards to the job value quicker than the movement above the job value towards the maximum
- Examples of Basic Increases based on a 1% scale adjustment are as follows:

Compa-ratio (as of April 30)	Basic Increases <i>based on performance rating</i>		
	3	4	5
90%	2.50%	3.00%	3.50%
95%	1.75%	2.25%	2.75%
100%	1.00%	1.50%	2.00%
105%	0.50%	1.25%	1.75%

Supplemental Increases


- Depending on the funds generated in each salary pool, a supplemental increase may also be extended to employees
- Salary pools to recognize performance are calculated through:
 - a) Total salaries and the job values in the pool
 - b) Total salaries and the job values for those below the job value for their positions
 - c) Adjustment to the job values

Note: the amount of money in a salary pool does not depend on the performance ratings assigned but performance ratings do determine the way the money is distributed

- Salary pools are first used to pay for basic increases and any remaining funds are equitably distributed to employees based on merit
- Leaders of the salary pools may apply further adjustments, taking into account factors such as equity within the pool; however, no supplemental increases may be awarded to individuals who are already at or above their target salaries

Salary Increase Advice

- Once signed salary listings are sent back to HR, new salaries are loaded into Workday
- Verification, review and correction of salaries occurs in early May
- All eligible staff are emailed once salary advices are available in Workday

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Sally Advice
Human Resources

University of Waterloo Support Staff Annual Increase Statement

Effective May 1, 2019

Employee ID No.	999999
Old monthly salary:	\$4,130.26
New monthly salary:	\$4,269.20
Monthly increase:	\$ 138.94
Old annual salary	\$49,563.14
New annual salary:	\$51,230.45
Annual increase:	\$1,667.31
Performance rating:	4.25
Percentage increase:	3.36%*

*Rounded to two decimal places for display purposes

Job Value:	\$48,902.75
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Your salary is 4.76% above job value

Salary advices do not reflect any promotions or reclassifications effective May 1, 2019 or later.

For information regarding the Support Staff Compensation Program visit the following website:
<https://uwaterloo.ca/secretariat-general-counsel/documents-potential-interest/university-waterloo-university-support-staff-compensation>

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