



University of Virginia Merit Guide

For: University Staff, Classified Staff and A&P Faculty
2019 Merit Planning Cycle

Purpose

The purpose of this guide is to provide an overview of the University of Virginia Merit Program for University Staff, Classified Staff and A&P Faculty. Specific emphasis is given to the new Workday Merit Program functionality.

Revised: 5-22-2019

Table of Contents

Welcome	1
University Staff, Classified Staff and A&P Faculty Merit Program	2
Key Dates.....	2
Training.....	3
What’s New this Year: Workday Functionality	3
Workday Merit Delegate	7
Reporting Capabilities.....	8
Key Stakeholders	8

Welcome

The University of Virginia encourages the recognition of performance and achievement through the use of merit pay increases. Across grounds, the University utilizes various merit programs, tailored to the individual business needs of each school and/or department.

Important Information and Key Dates for Across Grounds Programs:

1. **New This Year! Workday** is the system used for merit planning and processing for University Staff, Classified Staff and A&P Faculty.
2. **Important Effective Dates Across Grounds:**

<u>Employee Type</u>	<u>Effective Date</u>	<u>Check Date</u>
Classified Staff	June 10, 2019	June 28, 2019
University Staff	July 8, 2019	July 26, 2019
A&P Faculty, 12-Month T&R Faculty & PRS	July 25, 2019	August 30, 2019
Non-12 Month T&R Faculty	August 25, 2019	September 30, 2019
Medical Center	September 22, 2019	October 11, 2019
University Physicians Group	August 25, 2019	September 13, 2019

University Staff, Classified Staff and A&P Faculty Merit Program:

1. New this year: the merit planning and implementation process for University Staff, Classified Staff and A&P Faculty will be in Workday.
2. University Staff, Classified Staff and A&P Faculty **Key Dates:**

<u>Dates</u>	<u>UStaff/Classified/A&P Faculty</u>
May 20	Merit Process opens in Workday Manager Self-Service for Classified Staff
May 24	Merit Process opens in Workday Manager Self-Service for UStaff and A&P Faculty
May 27– July 7	Soft freeze on non-competitive salary increases – work with your HRBP/Compensation on non-competitive increases to ensure the merit grids update
By June 7	Leaders and/or Delegates finalize Classified Staff merit plans in Workday.
June 10	Classified Staff Increases Effective Date
By June 26	Leaders and/or Delegates finalize UStaff/A&P Faculty merit plans in Workday.
July 8	University Staff Increases Effective Date
By July 12	UVA HR compensation team runs reports & reviews changes for adherence to instructions and confirms approval for increases >10%.
By July 19	UVA HR compensation initiates any pay changes for outlier pay components or pay issues that may need special attention.
By July 25th	Salary adjustments may be shared with affected employees.
July 25	A&P Faculty Increases Effective Date

-
3. **Training:** Robust training will be offered in multiple mediums to internal HR staff as well as UVA Leaders and Merit Delegates.

a. WORKDAY MERIT TRAINING FOR HR

- **Merit Training** Session 1 - April 30, 1:00 - 2:00
- **Merit Training** Session 2 - May 2, 8:30 - 9:30
- **Merit Training** Session 3 - May 8, 1:00 - 2:00

In addition to instructor-led offerings, there will also be two virtual sessions. To join a virtual session via Zoom, select one of the links below.

- **Virtual Merit Training** Session 1 - May 1, 10:00 - 11:00
- **Virtual Merit Training** Session 2 - May 7, 1:00 - 2:00

b. WORKDAY MERIT TRAINING FOR MANAGERS AND DELEGATES

Workday Merit Training sessions are designed to prepare managers to complete the 2019 merit cycle. All sessions will be held in Clemons Library. To register for a session, select one of the links below.

- **Merit Training** Session 1 - May 13, 1:00 - 2:00
- **Merit Training** Session 2 - May 15, 11:00 - 12:00
- **Merit Training** Session 3 - May 21, 1:00 - 2:00
- **Merit Training** Session 4 - May 22, 11:00 - 12:00

In addition to instructor-led offerings, there will also be two virtual sessions. To join a virtual session via Zoom, select one of the links below.

- **Virtual Merit Training** Session 1 - May 14, 11:00 - 12:00
- **Virtual Merit Training** Session 2 - May 14, 3:30 - 4:30
- **Virtual Merit Training** Session 3 - May 22, 2:00 - 3:00

4. **Merit Program in Workday:** When the merit program is launched by HR, supervisors and managers (anyone with 1+ direct reports) will receive a task in their Workday inbox. ***Note that some managers may receive more than one inbox notification – more information below.*** Planning cannot be started until the notification is received, all merit work is completed through this task, it is recommended that you “favorite” this inbox task.

-
5. **Multiple merit plans:** Due to different configuration needs, there are six unique Merit Plans in Workday. For this reason, some managers will receive more than one merit plan notification, separate plans have been created for the following groups:
- Classified Staff – Exempt (2.25% Budget)
 - Classified Staff – Non-Exempt (Overtime Eligible) (2.25% Budget)
 - University Staff – Non-exempt (Overtime Eligible) (3% Budget)
 - University Staff and A&P Faculty Exempt (3% Budget)
 - SOM Staff – Exempt (2% Budget)
 - SOM Staff – Non-Exempt (2% Budget)
6. **The Overall Budget (Pool) and Spend Indicator** (displayed below) will be dynamically updated as you enter merit and lump sum amounts. The budget amount showing is calculated by Workday when HR launches the program – it represents a percent of salaries at the supervisory organization level. **The 2019 Merit Pool for U-Staff and A&P Faculty is 3%, Classified is 2.25% and School of Medicine Staff is 2%.** Merit budgets do not change when higher level managers navigate to their subordinate organizations. This tool may be used to assist in tracking merit dollars spend.

Before Merit Adjustments are Awarded:



After Merit Adjustments are Awarded:



7. Awarding Merit Increases and/or Bonuses in Workday:

- a. On the Merit grid, based on the Annual Performance Rating, a Target Increase Percentage for Merit will automatically populate. This is meant to provide managers with guidance in distributing their merit pool. Managers can go above/below it and are encouraged to stay within their overall budget but should also focus on identifying the 'outliers' and rewarding accordingly.
- b. Increases can be awarded as a percentage (%) or dollar (\$) amount. Note that the end result rate showing has been calculated using the appropriate rounding rules have been based on their employee type.
- c. The Merit Grid includes the following:
 - i. Employee name, photo, job profile, performance rating
- d. Workday will autofill the % increases based on the merit matrixes below and the performance rating. ***If no rating is available the target merit budget % increase will be populated and a warning will alert the manager that no rating is available.*** For example: a University Staff employee with no performance rating will default in a 3% increase in pay.
- e. Performance Ratings cannot be changed as part of the merit process, suggested merit increases have been provided based on ratings as follows:

Merit Matrix for U-Staff and A&P Faculty Performance (3% Budget):

<u>Performance Rating</u>	<u>Recommended Increase</u>	<u>Recommended Range of Increase</u>
Unsatisfactory	0%	0%
Inconsistent	0%	0%-2%
Effective	2.25%	1%-3%
Highly Effective	3.25%	2.25%-4.25%
Exceptional	4.25%	3.25%-5.25%

Merit Matrix for Classified Staff Performance (2.25% Budget):

<u>Performance Rating</u>	<u>Recommended Range of Increase</u>
Unsatisfactory	0%
Inconsistent, Effective, Highly Effective and Exceptional	0.6%-2.25%*

*Note that classified staff cannot receive more than a 5% increase in pay for the combined Merit and Across the Board Adjustments.

Merit Matrix for School of Medicine Staff Performance (2% Budget):

<u>Performance Rating</u>	<u>Recommended Increase</u>	<u>Recommended Range of Increase</u>
Unsatisfactory	0%	0%
Inconsistent	0%	0%-1%
Effective	1.5%	1%-2%
Highly Effective	2.75%	2.25%-3.25%
Exceptional	3.75%	3.25%-4.25%

-
- f. Managers have the ability to award an annual merit bonus if an employee is at the top of the salary range or if an increase would put the salary over the maximum of the salary range. An Annual Merit Bonus is recommended versus a merit increase.
 - g. For employees receiving a 0% increase a comment and "yes" acknowledgement is required.
 - h. Comments are encouraged for employees receiving an adjustment greater than the recommended percentage amount from the merit matrix. Comments are required for merit increases greater than 10%.
 - i. Errors and warnings are built in to alert the manager of employees at or over the maximum of the pay range. Errors and warnings may require a merit note and "yes" acknowledgement before submitting.
 - j. As managers determine merit increases it is suggested they consider the following:
 - i. Position in current market range
 - ii. Size and nature of recent salary increases
 - iii. Internal equity within the unit
 - iv. Years of service to the University and/or Department
 - v. Any recent disciplinary actions or warnings

8. Eligibility:

- a. New hires hired after December 31, 2018 are not eligible for a merit increase
- b. Employee must have a completed Performance Evaluation for CY2018 to be eligible (note that in the SOM merits should be based on the FY2018 Evaluations).
- c. Employee must have successfully completed their probationary period – some discretion is given to leaders to provide increases during probationary period – UVAMC/UPG transfers reviewed for eligibility on a case by case basis.
- d. Employees who have a recent offer or promotion that included merit may not be eligible. Refer to the employees offer letter for additional guidance.
- e. Must be actively employed as of July 8, 2019.
- f. Employees on leave without pay are not eligible for merit increases during this processing window, however they may receive their merit increase after they have returned from leave. Those increases must be manually entered by the manager in Workday. Note that employees on a leave with pay will be included in the merit plan grid.
- g. Classified staff converting to University Staff after April 30, 2019 are not eligible.
- h. Medical Center staff transferring to University Staff after December 31, 2018 are not eligible.

- 9. Pay Components Other Than Merit:** Increases should be in the spirit of merit pay for performance – no other pay components should be included in the merit program such as promotions, retention, equity or other pay actions.
- a. Additional pay components may be entered individually in Workday and will follow the appropriate workflows and approvals.
 - b. It is highly recommended that these components are effective before or after the merit process.
 - c. **Classified Staff** are eligible for an Across the Board (ATB) pay increase of 2.75% in addition to their merit increase this year. The Manager/Delegate is responsible for entering this adjustment in the appropriate column after the merit adjustment is entered. Total adjustment for all classified staff including the merit (2.25%) and the ATB (2.75%) **cannot exceed 5%**. See Merit Increase Job Aide for details. **Link:** [Merit Job Aid](#)

10. **Approvals:**

- a. Leaders cannot finalize their merit plan until all supervisory levels below are finalized.
- b. Leaders can view merit increases for subordinates' teams.
- c. Prior approval from the appropriate senior executive (EVP, Provost or President) is required for schools/units desiring to provide total increases exceeding a 3% pool. These approvals must be obtained outside of Workday.
- d. Schools/units may approve merit increases up to 10% for their employees (i.e., no central or executive approval or justification is needed). However, justification and approval of the appropriate senior executive is required for employees given no increases rated higher than effective (0%) or merit increases of more than 10% (>10%).
- e. This merit adjustment is a base salary increase, except in situations where staff have salaries above the maximum reference of the assigned market range. In these instances, a lump sum payment (non-base pay) is recommended.

11. **Merit Statements:** A merit announcement may be available for managers and employees to view in Workday by July 25th, 2019.

Workday Merit Delegates:

- 1. If a manager is not able to complete their merit grid they do have the ability to delegate this work to a Workday Merit Delegate in the University:
 - a. Managers with direct reports who are also managers (Managers/Manager) will receive additional features in the merit table. Managers/Manager or leaders in the Supervisory Organization can complete the merit grid for subordinate managers on their behalf.
 - b. Workday Merit Delegates may be selected and assigned this capability in Workday – this may be an employee in the organization who currently holds the security role of Delegate or a new Workday Merit Delegate may be added via the normal workday business process – please see job aid for details. **Link:** [Merit Job Aid](#)
 - c. Note that if a delegate is needed at a certain level of the organization to complete merit grids down the organization they must be set up as the delegate for leaders at that level in the organization or higher.
 - d. Workday Merit Delegates added specifically during the merit process access will be removed after merit process is complete.

Workday Merit Reports:

There are a number of custom merit reports available to leaders and delegates. These reports can assist in merit planning or monitor subordinate leader progress.

Reports:

- University Staff Date of Last Pay Change
- Merit Process – Employee Details – Shared Participation - UVA: Spreadsheet of all employees within the supervisory organization for managers. The file includes fields in the merit table and space for documenting merit.

Key Stakeholders/Role Definition in Merit Process:

<u>Stakeholder</u>	<u>Definition</u>
Manager	Leader with one or more direct reports; responsible for completing merit grid for their employee population.
Manager's Manager	A manager's manager will have review authority for any merit adjustment initiated by a manager or the delegate. May complete merit grid on subordinate manager's behalf.
Workday Merit Delegate	This individual may be responsible for completing the merit grid on a leader's behalf.
Compensation Team	Configures and launches UVA Merit Plan. Troubleshoots user errors. Monitors exceptions and progress of organization; participates and leads training; provides consultation to HRBPs and leaders. Audits merit increase recommendations ensuring equitability and policy adherence.
HR Business Partner	Provide consultation to leaders in the organization regarding merit planning and budget. Performance management. May provide leaders with in person workday merit assistance.
Payroll	Monitors payroll on merit pay dates.
Talent Support/HRSC	Triages merit questions appropriately – keys any manual merit increases after the merit plan is closed.
Workday Team	Workday merit testing, system configuration, troubleshooting, assist with training, highest level or escalation for issues.