Merit Pay and Performance Evaluation Overview

- Administrative and administrative support employees are eligible to participate in the University’s merit pay and performance evaluation program.

- This program has two major components; the performance evaluation and, in years when funding is available, a merit based pay increase.

- Ferris core values guide clear performance standards and expectations.

- Opportunities for growth and development are identified.

- Communication and coaching are fostered throughout the year.
During this session, we will review:

- Our performance evaluation process
- Our performance evaluation forms
  - **Administrative Evaluation** (includes employee supervisory and/or fiscal/budget responsibility)
  - **Administrative Support** (does not include employee supervisory and/or fiscal/budget responsibility)
- Employee self-evaluations
- Due date for evaluations
- An overview of the merit pay program
- Ferris State University believes our employees are the key to our success. We strive to recruit, engage and retain the best employees.

- Performance feedback is an ongoing process.

- Together, supervisors and employees annually review performance for the prior year, and document goals to plan for the upcoming year.
Performance Evaluations

• Ferris Core Values guide the evaluation process.

• The evaluation process offers the opportunity to reinforce positive performance and to address any concerns in a proactive manner.

• The form should reinforce performance feedback provided to the employee throughout the year.

• Clarify performance expectations and outcomes.

• Foster communication between supervisors and employees.
Performance Evaluation Forms

- A rating of (5) indicates performance that consistently exceeds expectations. While some employees will earn a 5.0 rating on an individual factor, all of us have room to continue to grow and therefore should not receive an average score of 5.0.

- A rating of (2) or below in any one category requires a performance improvement plan (PIP) outlining appropriate training, coaching, areas for improvement, and follow-up guidance.

- An employee is ineligible for a merit increase if s/he receives a rating of *needs improvement* (2) in one or more factors, however, they are eligible for an across-the-board increase.

- An *unsatisfactory* (1) rating in any category disqualifies the employee for across-the-board and merit increases.
• Supervisors are responsible for providing comments for each rating category; lengthy narratives are discouraged. *Summary* and *Other* sections are available for additional comments.

• The supervisor is to meet with the employee to discuss the performance evaluation.

• The supervisor may initial and date the form if the employee refuses to sign it. The employee may provide comments to be submitted with the evaluation.
Employee Self-Evaluations

- Employees may choose to submit a self-evaluation of their performance and goals to their supervisor in March or early April.

- Supervisors may choose to require an employee or employees to complete and submit a self-evaluation and planning goals.

- It is helpful for the supervisor to reflect upon the employee’s self-evaluation prior to completing the performance evaluation.
Due Dates for Evaluations

• On or before May 1: Supervisor completes the evaluation form and submits it to dean/director/AVP, before the evaluation is shared with the employee.

• By May 15: The dean/director/AVP completes review, makes changes if and when appropriate to increase the consistency of evaluations across the unit or division. The dean/director/AVP either returns the evaluation to the supervisor for meeting with the employee, or if applicable based on the parameters above, forwards to the divisional VP for review.

• By May 22: The VP review is to be completed to allow for the evaluations to be returned to supervisors, and for supervisors to meet with the employee to discuss the evaluation.

• By June 1: All evaluations are due in Human Resources.
Please refer to the two page “Merit Pay Program Overview”.

Increases for merit pay occur in years when funding is available.

Two of our core values include excellence and learning. It is recognized that some employees will perform at a level where their performance “exceeds expectations” in one or more individual factors, however, the evaluation should also include suggestions for future growth and development and therefore the evaluation for any one employee should not represent an average score of 5.0.

Deans/directors/AVPs are to review all evaluations in their unit before the evaluation is shared with each employee.

The divisional VP is to review each evaluation with a composite score above a 4.0 before the evaluation is shared with the employee.
Overview of Merit Pay Continued

• To be considered for merit, an employee must have individual factor ratings that are satisfactory or above, and have a composite evaluation score of 3.5 or higher.

• To receive merit, the employee must receive a positive recommendation for merit from the supervisor and the dean/director/AVP, and have that recommendation supported by the divisional VP. The divisional VP will make the final determination on whether an employee receives merit.

• Supervisors are to inform the employee whether or not they are receiving merit, after the final determination has been made at the VP level. Depending on timing of the process, this information may be available during the evaluation meeting, or it may need to follow that meeting and before the June salary letters are sent out to employees.
• The number of employees to receive merit in each division is up to 35 percent of the administrative and administrative support employees in that division.

• In years when there are funds available for merit pay, the University will establish the amount for merit awards, with the same amount to be applied to each recipient. The general intent is for merit to be done in flat dollar amounts added to base pay; however, the University reserves the flexibility to apply merit as a percentage of salary or as one-time, additional pay.
• Select the correct form (Administrative or Administrative Support) using Adobe Acrobat Pro.

• The document should be saved before editing.

• Select a rating from the drop down menu for each factor. The average will be calculated automatically.

• While the numerous boxes for text in the revised form do not expand, they are significantly increased in size from last year and the font will automatically decrease if you fill the box.

• A rating of Needs Improvement (2) or below in any category requires a PIP. PIPs require review by HR before sharing with the employee.

• Forms: http://www.ferris.edu/HTMLS/administration/adminandfinance/human/Forms/StaffEval/evalforms.htm
• Ferris values the input of employee participation when setting performance goals and standards.

• The annual performance evaluation provides an opportunity to review, document and recognize the previous year’s accomplishments, and plan strategically for the upcoming year.

• Evaluations should be representative of the overall fiscal year’s performance.

• Merit increases are linked to employee performance, in years when funding is available.

• Across-the-board increases are separate from merit increases.
Thank you for your attendance and participation!

For additional information regarding performance evaluations, merit pay, and related issues please contact Sharon Hopper in Human Resources at x2150 or ________________, Associate Vice President for Human Resources x3879.