



**UNIVERSITY OF  
CALGARY**

**SALARY MANAGEMENT GUIDELINES  
for  
Management and Professional Staff**

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## I. Introduction

This document and its appendices have been prepared to provide information to Managers on the foundational philosophy, guiding principles, and guidelines which are supported by the approved University of Calgary's Compensation Framework.

This document contains detailed information to facilitate consistent and effective salary decisions as well as provides an overview of linkages to the Performance Management Program. Section XIII provides a glossary of terms for reference purposes.

The Compensation Program is continuously monitored and periodically evaluated. Ongoing recommendations will be made to ensure it continues to align with the University's strategic direction and accordingly these Salary Management Guidelines will evolve as required.

*Please note these Salary Management Guidelines **apply only to Management and Professional Staff**. While the University of Calgary fully intends to adhere to the policies and practices contained in this document, the statements and guidelines neither provide nor intend to establish strict procedures in all instances. Rather, they define intent and provide direction — they **are not and should not be considered a contract of any kind**, express or implied. Although the guidelines reflect current policy, they may be changed or rescinded at any time, at the University's sole discretion.*

## II. Compensation Philosophy and Guiding Principles

### Compensation Philosophy Statement

Attracting and retaining a diverse group of qualified faculty and staff is fundamental to the success of the University's mission and mandate. The University of Calgary provides a comprehensive total rewards program including salary, group benefits, pension and other programs and services, designed to attract, retain, reward and motivate employees' commitment and performance. The compensation approach is built upon the foundation of partnership and shared accountability between the University and its employees and recognizes the diversity and needs of the various employee groups.

The University's total rewards program is designed to support its attraction and retention goals, subject to the legal and fiscal restraints the University works within. The program supports employees' security, protects employees against financial hardship due to illness, and supports employees in retirement. The compensation awarded to staff at the University of Calgary is determined by the role they perform, the market for their skills, knowledge and experience and their overall performance in their role. The program is designed to be competitive with other educational institutions and the various markets in which we compete for talent.

The University also commits that Compensation Programs will be administered in a way which is fair and consistent and without regard to gender, sexual orientation, age, marital status, religious beliefs or ethnic origin.

The philosophy provides the framework within which pay policies, programs, and practices are developed. Specific underlying principles for Management and Professional Staff include:

- Compensation is linked to the organization's strategic direction and human values

- Rewards are based primarily on performance (achievement of objectives and demonstrated behaviours defined through competencies)
- Model is affordable and sustainable
- System provides fair and equitable funding across the organization
- Decisions are decentralized and are based on organizational compensation guidelines
- Sufficient to attract, retain, develop and motivate key contributors

### III. Market Definition and Positioning

The University has identified various markets in which it competes for talent. Different kinds of roles dictate different competitive labour markets or “peer groups.”

The following market definition and weighting apply to the Management and Professional Staff group:

Peer Group	Weighting
Comparable Alberta Public Sector Institutions (like The Government of Alberta, Alberta Health Services, Larger Cities, other Post Secondary Institutes, and the Workers Compensation Board)	50%
Alberta Private Sector (\$500M - \$1B in revenue)	50%

Annually, a market assessment is conducted to ensure the salary structure targets the median base salary (50<sup>th</sup> percentile) of the above defined market.

### IV. Competitive Market Assessment

Human Resources (HR) conducts a market assessment of the compensation levels on a regular basis to determine the competitive market rates for Management and Professional Staff roles. Data is secured from compensation salary surveys from major third party consulting firms and customized surveys when required.

**Market Pricing** is the process of determining the “going rate” in relevant labour markets for “Benchmark Jobs” in accordance with the University’s defined market and targeted position.

**Benchmark Jobs** are jobs whose functions and scope of responsibility are comparable across a large number of organizations in the market and can be commonly found in external compensation surveys.

The market data linked to benchmark jobs is what is used to establish the salary structure. When the market data for benchmark jobs changes, the salary structure will change accordingly.

**Non-benchmark Jobs** are those jobs whose functions and scope of responsibility are not comparable to other organizations and cannot be found in external compensation surveys.

As there is no market data available for non-benchmark jobs, such jobs are reviewed and assigned through the job evaluation process.

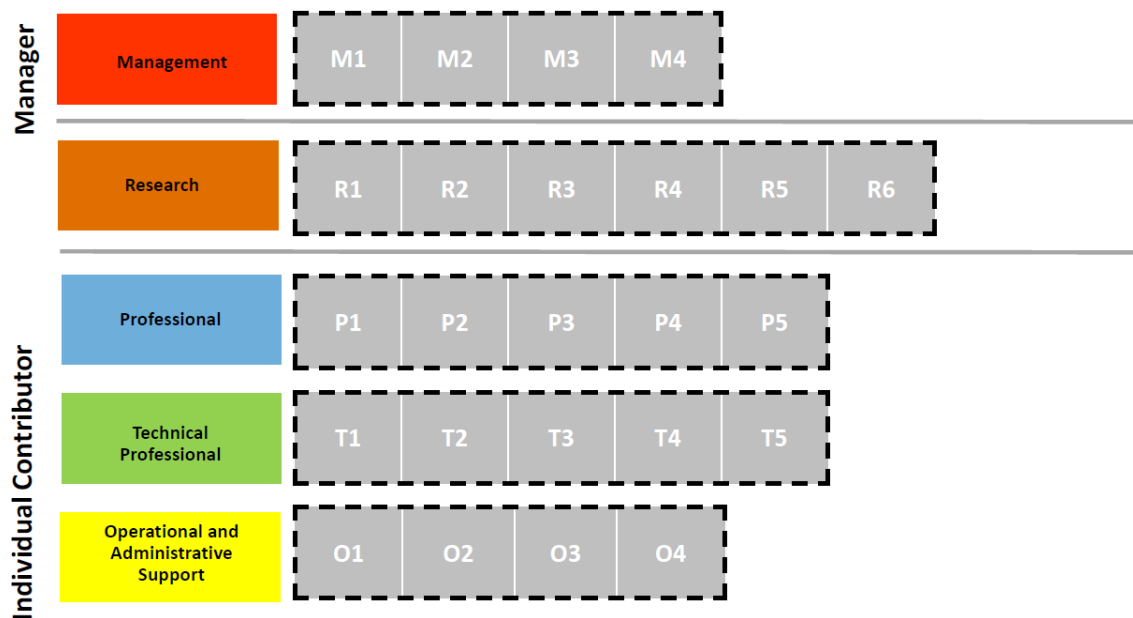
## V. Career Framework

In 2013, the University of Calgary implemented a new Career Framework for Management and Professional Staff.

The University of Calgary's Career Framework contains five (5) Career Bands that reflect the range of work and responsibilities for all Management and Professional Staff jobs across the organization. All jobs are mapped to Career Bands and Career Levels.

Each Career Band has multiple Career Levels reflecting distinct and progressive expectations and responsibilities for jobs at each level.

More information on the Career Framework can be found on the [Human Resources website](#).



## VI. Career Development

The Career Framework serves as the foundation for Total Rewards strategies and programs including career development. Beyond growth in a new job Managers may want to reward employees through special projects or increased responsibility, these career development opportunities can be non-compensable. The knowledge, skills and abilities that develop through this path enable planning and decision making for immediate and future career opportunities, please see section XI for further information.

## VII. Job Classification

### Job Evaluation

Job evaluation occurs when a new job is created. Job evaluation is a systematic method for determining the relative value of Management and Professional Staff roles and responsibilities within the University of Calgary to ensure internal equity across different job levels. It is a career-based approach that establishes a hierarchy of jobs within a series of career bands and levels. The assignment of a job to a career band and level is achieved by profiling the job against specific criteria and then checking the placement using internal comparisons with similar or equivalent jobs.

### Job Review

A job review occurs when there is a significant and sustained change to existing job functions and scope of responsibility.

- A standard University of Calgary job profile is completed by the Manager and approved by the next level Manager
- The request is then provided to their HR Partner or Advisor for submission to the HR Compensation department for review
- Compensation department will identify the career band and level along with a corresponding salary range

Review of a job does not necessarily equate to a new placement at a different career band, career level, or a salary increase.

## VIII. Salary Structure

The existing salary structure for Management and Professional Staff can be found in Appendix 1. A new salary structure will be phased in and communicated each fiscal year. The salary structure has a defined number of salary ranges to accommodate the range of market data represented by the jobs.

A salary range represents a group of jobs that are approximately equal as determined by the competitive market assessment for benchmark jobs and internal equity for non-benchmark jobs.

All salary ranges have a minimum, mid-point (50<sup>th</sup> percentile), and a high performance maximum.

- **Minimum** — represents the lowest pay or entry level pay the University would pay for jobs in the salary range. Typically employees with beginning skill levels for a job are paid close to the minimum.
- **Mid-point (50<sup>th</sup> percentile)** — reflects the market median as defined by the University's targeted market positioning. It is appropriate for an experienced and fully-qualified employee whose performance fulfills the requirements of the job to be paid around the mid-point.
- **Control Point (66<sup>th</sup> percentile)** — represents the top of the middle third of the salary range and is usually the highest salary a Manager can offer a new hire, without securing approval of the Director or equivalent Level 3 authority as per the Signing Authority Matrix (SAM) in that area.

- **High Performance Maximum** — represents the highest pay the University would ordinarily pay for jobs in the salary range. Typically, only highly experienced, consistently high-performing employees with outstanding skills are paid close to the maximum.

The salary ranges overlap from one to the next within the salary structure, which is important, because it recognizes that a highly capable and performing employee in one career band and level may contribute as much or more than a new employee in a higher career band and level.

Salary ranges will be reviewed on an annual basis and adjusted as appropriate (with Executive Leadership Team (ELT) approval) based on a market assessment. Adjustments to salary ranges do not trigger an across the board increase for employees.

Advancement through the salary range is based on individual performance. The ranges are wide enough to provide flexibility with salary management, so the University can recognize and reward differences in individual performance and contribution through the Performance Management Program. (See Section X)

## IX. Targeted Salary Position

Determining appropriate salary placement of employees within the salary ranges can be challenging, especially when working within a limited budget and managing equity relative to other members in a team or department. Leaders will carry the accountability for making salary determinations and justifying decisions to employees in their areas as well as to other similar areas across the University of Calgary.

Employee salary decisions should be made in the context of a targeted salary position from within the salary range (e.g. new hire starting salary, processing a promotion, etc.). The following chart provides guidance for leaders to consider when making a decision about where to position an employee within the salary range.

Lower Third of Salary Range	Middle Third of Salary Range	Upper Third of Salary Range
<ul style="list-style-type: none"> <li>• Newly hired or new to role</li> <li>• Learning the role</li> <li>• Meets only the minimum requirements and qualifications for the role</li> <li>• Developing skills</li> <li>• Possesses minimum level of experience necessary for the role</li> </ul>	<ul style="list-style-type: none"> <li>• Fully proficient and qualified in essential functions of the role</li> <li>• Demonstrates required skills and knowledge</li> <li>• Acts as a resource to others</li> <li>• Fully qualified to intermediate level of experience</li> </ul>	<ul style="list-style-type: none"> <li>• Consistently exceeds expectations for all performance objectives</li> <li>• Effectively leads, coaches, and influences others</li> <li>• Advanced level of skills, fully proficient to expert level</li> <li>• Seasoned individual, next career step may involve higher career level</li> <li>• Advanced level of experience</li> </ul>

Additional support is also available from your Partner or Advisor, Human Resources.

## X. Annual Performance-Based Salary Increases

**\*Suspended until September 2019 due to Government of Alberta salary freeze\***

The University of Calgary promotes a performance-based culture. The Performance Management Program strives to encourage excellent performance by setting clear objectives, appraising the achievement of results, recognizing and rewarding performance, and developing employees in current and for potential future roles.

The Review phase of the performance management cycle takes place each year covering the prior fiscal year's performance. An overall performance rating is determined for each employee.

An employee's overall performance rating and position within the salary range will translate to a recommended salary increase. Performance-based increases awarded for the previous fiscal year will be processed effective the beginning of the new performance management year. There are no automatic or cost of living adjustments; however market movement is a component of the recommended salary increase.

Salary decisions will be made within the context of an approved annual salary increase budget and guidelines.

### **Salary Increase Budget**

An annual salary increase budget will be approved by the University of Calgary Board of Governors based on:

- The University of Calgary's current pay position in relation to its competitive labour markets
- Projected market movement
- The University of Calgary's financial situation and resources

### **Salary Increase Guidelines**

Each year, HR will work with the University's Executive Leadership Team to develop salary increase guidelines that promote pay for performance and consistent treatment of employees within the context of the salary increase budget. These guidelines will be provided in the form of a salary planning matrix.

The University of Calgary's annual salary planning matrix will be developed and distributed in conjunction with the annual salary administration process.

## XI. Other Salary Decisions

### **New Hire Starting Salaries**

Salary levels for new employees joining the University of Calgary, or existing employees new to MaPS should be established taking into consideration the:

- Minimum and mid-point (50<sup>th</sup> percentile) of the salary range for the job
- Successful applicants' directly related experience
- Salaries of existing incumbents in the same or a similar role

Managers will work with their Partner or Advisor, Human Resources to establish the most appropriate starting salary. Typically, the starting salary will be toward the lower end of the



salary range to allow room for salary increases commensurate with growth in the individual's contribution. Starting salaries should not be below the minimum of the range or above the control point (66<sup>th</sup> percentile) of the range. Please see section IX of this document.

If an exceptional circumstance arises when hiring an individual who possesses critical skills or significant experience that requires a starting salary above the control point, approval must be obtained from the SAM Level 3 authority, prior to extending the compensation offer.

## Promotions

A promotion occurs when:

- An employee is the successful applicant for a vacant job which is in a higher career band or level than his/her current job, or
- When an employee's job has significant growth as a result of new accountabilities and has been re-evaluated to a higher career band or level

Promotions, because they involve movement to a higher career band or level, may be accompanied by a salary increase. Such increases should be effective the date of transfer or date the job was submitted to Compensation for review.

- Promotional increases can range anywhere from 0% to 15%, with the following guidelines:
  - Managers may approve promotional increases 0 – 10%
  - Increases between 10% - 15% require the review and approval of the Associate Vice-President, Human Resources or their designate
- The salary upon promotion cannot exceed the maximum of the salary range

If an employee is promoted from AUPE to MaPS, a manager may provide an increase up to 15%, provided the employee remains within the salary range. If the employee is required to be increased to the minimum of the new salary range, the limit of 15% may be exceeded.

The following factors should be considered in developing an appropriate promotional increase amount:

- Minimum and mid-point of the new salary range
- Targeted salary position based on the employees' directly related experience
- Relationship of current salary to targeted salary position (e.g. lower, middle, or upper third of salary range)
- Salaries of existing incumbents in the same or a similar role

In cases where the employees' current salary position in the range is high, a small or no promotional salary increase may be warranted.

Employees that receive a promotional increase may still be eligible for an annual performance-based salary increase, as per the eligibility criteria outlined in the salary administration process distributed annually.

## Lateral Moves

**\*Suspended until September 2019 due to Government of Alberta salary freeze\***

An employee may move to a new job which is in the same career band and career level as their current job. In these situations, a change in salary at the time of transfer is not necessarily warranted. However, a salary increase up to 5% may be applied after taking into consideration the:

- Targeted salary position based on the employees' directly related experience
- Salaries of existing incumbents in the same or similar role

## **Movement to a Lower Career Band or Career Level**

Movement to a lower career band or level can be initiated by either an employee or the University of Calgary.

The employee may consider such a move when a personal situation warrants moving to a lower level job. When moving to a lower career band or level, the salary of the employee will be adjusted to fit within the salary range of the lower level job and the following should be taken into consideration:

- Targeted salary position based on the employees' directly related experience
- Salaries of existing incumbents in the same or a similar role

At no point in time will the employee's salary exceed the maximum of the salary range as a result of an employee initiated request to move to a lower level job.

The University of Calgary may consider moving an employee to a lower job level as a result of a significant change in job responsibilities or organizational structure change. In this case, the employee's salary will not change. If their current salary exceeds the salary range maximum, they will be designated as having a red circle rate.

## **Secondments**

A secondment occurs when an employee temporarily accepts a different job. This could include a move to a lower career band or level, a lateral move or a move to a higher career band or level. A secondment may be to a different department (interdepartmental) with the intent for the employee to return to the original position.

The opportunity for salary increases is as follows based on each situation:

- Lower Career Band or Level – no increase
- Lateral – 0 to 5% (\*Suspended until September 2019 due to Government of Alberta salary freeze\*)
- Higher Career Band or Level
  - Managers may approve secondment increases 0 – 10%
  - Increases between 10% - 15% require the review and approval of the Associate Vice-President, Human Resources or their designate

The salary upon secondment cannot exceed the maximum of the salary range

For example, an employee's substantive job is in the Professional Career Band, Level 2 (P2). They are seconded to fulfill all responsibilities of a job in the Professional Career Band, Level 3 (P3) for one year. A manager may provide for an increase up to 10% for the one year period. At the end of one year, they would return to their previous role and salary.

## Temporary Assignments

An employee may be designated by their Manager to perform the duties of a job at a higher career band and level than that of the employee's current level due to a temporary absence of the incumbent or prolonged vacancy for which recruitment is underway. Temporary assignments may occur in the same department (intradepartmental) with the intent for the employee to return to the original position.

In order to qualify for temporary assignment (acting) pay, an employee must;

- Temporarily assume the responsibilities of a position assigned to a higher level in the career framework,
- Assume all responsibilities of the higher level position, and
- Work in the position for a period equivalent to or greater than one (1) month (exclusive of vacation coverage) to a maximum of six (6) months

Employees in temporary assignments will be eligible to receive either a temporary increase to the minimum of the higher base salary range or an increase of up to 10% of their base salary, whichever is greater.

The employees' combined annual base salary and acting pay amount cannot exceed the maximum of the salary range assigned to the position for which they will be acting.

For example, an employee's regular job is in Management Career Band, Level 1 (M1). Their Manager requires them to fulfill all responsibilities of a job which is in Management Career Band, Level 2 (M2) for a temporary period of 3 months. This employee would be eligible for up to a 10% increase for the 3 month period.

## Market Adjustments

**\*Suspended until September 2019 due to Government of Alberta salary freeze\***

Normally all salary increases are processed annually, however within a given year competitive pressures may arise within the market as a result of high demand skills. These unpredictable events may create retention issues for specific Management and Professional Staff jobs. In an attempt to mitigate the associated risk to the University, a market adjustment for an employee may be requested.

Market adjustments will be considered:

- For full-time employees employed in their current role for at least one year
- For those employees who have had consistent successful performance ratings
- Up to two (2) months before and four (4) months after the conclusion of the annual performance-based salary increase program (e.g. up to January 31 and after August 1)
- Once per year
- To a maximum increase of 10% (not to exceed the maximum of the salary range)

As these circumstances require consideration of multiple factors, rationale, and input, a business case submission is required. The Manager should discuss the situation with the Human Resources Partner or Advisor to identify all the contributing factors. The Partner or Advisor, Human Resources can assist with the proper document submission. The business case should be forwarded to the Human Resources Compensation department for further analysis and recommendation to the Associate Vice-President, Human Resources. The Associate Vice-President, Human Resources will review and approve or deny the request. The

decision will be sent to the Compensation department for processing and a letter detailing the outcome will be sent to the Manager and the Partner or Advisor, Human Resources.

Restriction Period:

During the period of two (2) months prior to the annual salary administrative process and four (4) months after the conclusion of the process, special salary requests may be considered on an exception basis only.

An example of a special request may be a full re-organization within the unit. Specific circumstances will be reviewed on a case-by-case basis and will not be considered an establishment of precedent.

## **Red Circle Rates**

An employee whose pay is above the maximum for his/her salary range is designated as having a “red circle rate.”

Associate Vice-President, HR approval is required for a salary increase for any individual whose compensation is above the maximum of the approved salary range.

Employees with red circle rates will not receive a performance-based salary increase until movement of the salary range aligns itself with the employees’ pay and the University of Calgary’s salary guidelines suggest such an increase.

## XII. Ongoing Program Maintenance

Governance of the University of Calgary’s Compensation Program is the responsibility of the Board of Governors. Management of the program is a responsibility of the Executive Leadership Team with support from HR:

### ■ **Board of Governors**

- Approves the overall compensation framework
- Approves policy changes
- Approves annual salary increase budget

### ■ **Executive Leadership Team**

- Approves changes to programs and policies
- Approves salary structures and guidelines
- Recommends annual salary increase budget
- Approves salary increase recommendations and any exceptions to guidelines

### ■ **HR**

- Provides strategic support and direction to the University concerning Compensation Program principles and best practices
- Monitors and evaluates the effectiveness of the Compensation Program
- Regularly surveys practices in the competitive labour market and recommends changes to strategies, policies, programs and guidelines that ensure continued alignment of the University’s compensation practices with business and market requirements
- Maintains a competitive compensation database
- Recommends salary ranges for all jobs

- Supports the Executive Leadership Team in establishing the annual salary increase budget and salary increase guidelines
- Provides support and advice to Managers on salary decisions
- Provides education to Managers on the basic principles and management of the compensation program and provides communication support

■ **Management**

- Through the Performance Management Program, responsible for evaluating the performance of each employee as a basis for differentiating rewards
- Responsibility for maintaining internal salary equity for their area
- Ensures salary decisions adhere to the University’s Compensation Philosophy as well as other policies, practices and procedures

### XIII. Glossary

Salary Range	A salary range represents a group of jobs that are approximately equal as determined by the job evaluation and competitive market assessment processes. The jobs in a salary range are treated alike for compensation administration purposes, even though the individual job incumbents may earn different pay rates. Each range represents a potential base pay opportunity (from the minimum to the maximum for the range).
Benchmark Job	A job that can be readily found and matched to those in other organizations in the University’s competitive labour markets.
Competitive Labour Market	The relevant market for talent, which will vary for different jobs and locations. Some jobs may only be found within one sector of the industry, while others are found within general industry. Depending on the degree of talent mobility, the relevant geographic market may be provincial or national.
Salary Increase Budget	The total pool of dollars available for performance-based salary increases.
Salary Planning Matrix	A tool that an organization can use (to apply employee salary increases) that provides a range of recommended increases based on the employee’s performance and current pay in relation to the salary range.
Targeted Salary Position	Target salary within the salary range for an individual at a point in time, based on his/her current or expected (for new hires) contribution level.

### XIV. Contact Information

For any questions, please contact your Partner or Advisor, Human Resources.



Appendix 1

**Management and Professional Staff Salary Structure**

**Effective April 1, 2017**

Career Band	Career Level	Annual Base Salary Range				
		Minimum	Top of the Lower Third (33rd percentile)	Mid-point (Market Median)	Top of the Middle Third (66th percentile)	High Performance Maximum
Management	M4	\$132,000	\$158,400	\$171,600	\$184,800	\$211,200
	M3	\$105,600	\$126,700	\$137,300	\$147,800	\$169,000
	M2	\$84,500	\$101,400	\$109,800	\$118,300	\$135,200
	M1	\$67,600	\$81,100	\$87,900	\$94,600	\$108,100
Professional	P5	\$112,900	\$131,700	\$141,100	\$150,600	\$169,400
	P4	\$90,300	\$105,400	\$112,900	\$120,400	\$135,500
	P3	\$72,300	\$84,300	\$90,300	\$96,400	\$108,400
	P2	\$57,800	\$67,400	\$72,300	\$77,100	\$86,700
	P1	\$48,200	\$56,200	\$60,200	\$64,200	\$72,300
Technical Professional	T5	\$119,500	\$139,400	\$149,300	\$159,300	\$179,200
	T4	\$95,600	\$111,500	\$119,500	\$127,400	\$143,400
	T3	\$76,500	\$89,200	\$95,600	\$101,900	\$114,700
	T2	\$61,200	\$71,400	\$76,500	\$81,600	\$91,700
	T1	\$51,000	\$59,500	\$63,700	\$68,000	\$76,500
Research	R6	\$110,400	\$132,500	\$143,600	\$154,600	\$176,700
	R5	\$92,800	\$111,300	\$120,600	\$129,900	\$148,400
	R4	\$77,300	\$92,800	\$100,500	\$108,200	\$123,700
	R3	\$67,000	\$78,200	\$83,800	\$89,300	\$100,500
	R2	\$55,800	\$65,100	\$69,800	\$74,400	\$83,800
	R1	\$46,500	\$54,300	\$58,200	\$62,000	\$69,800
Operational and Administrative Support	O4	\$58,800	\$68,600	\$73,500	\$78,400	\$88,100
	O3	\$51,100	\$59,600	\$63,900	\$68,100	\$76,700
	O2	\$44,400	\$51,800	\$55,500	\$59,200	\$66,700
	O1	\$38,600	\$45,100	\$48,300	\$51,500	\$58,000